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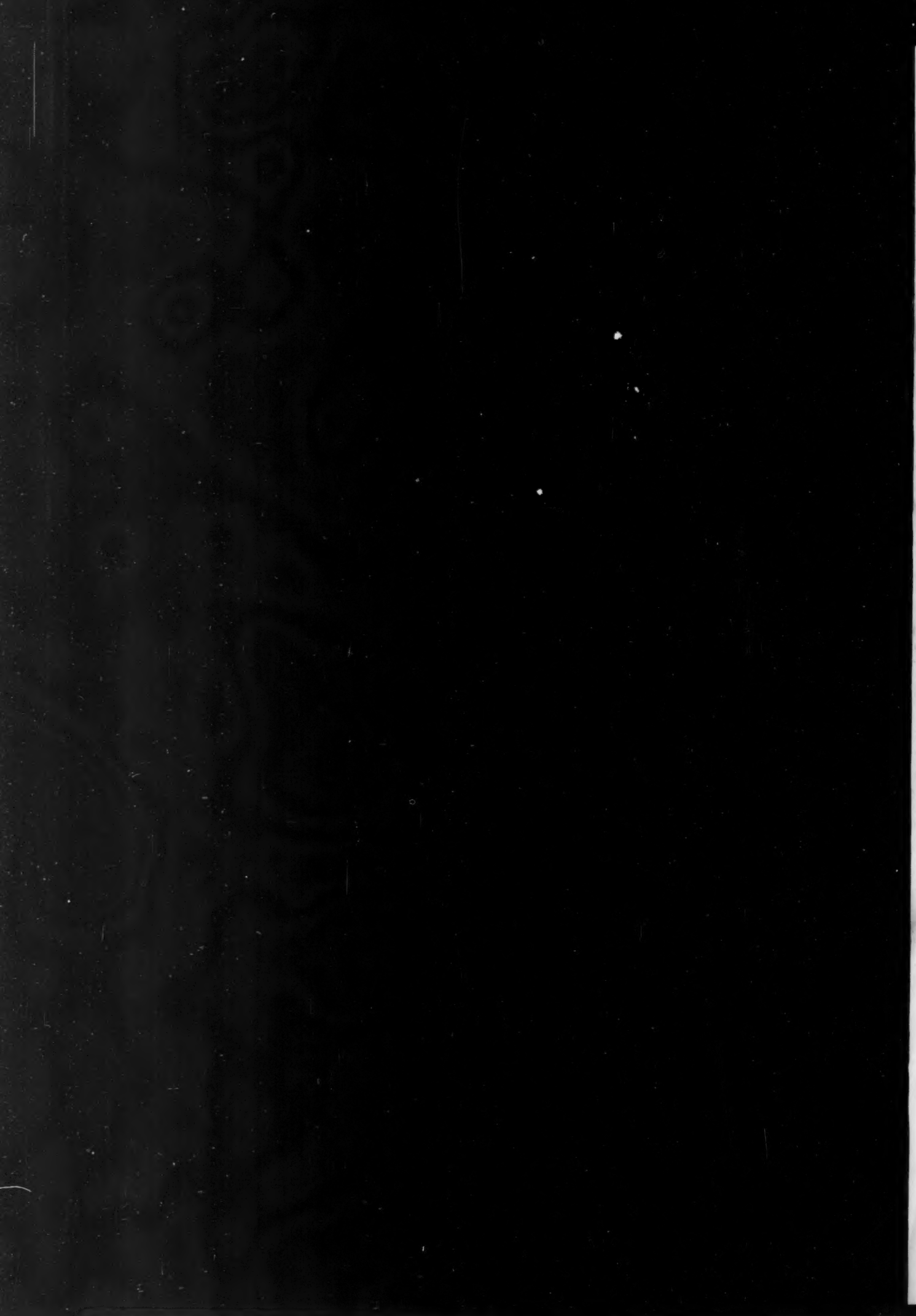
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Congressional Record

PROCEEDINGS AND DEBATES OF THE 84th CONGRESS, FIRST SESSION

SENATE

THURSDAY, JUNE 16, 1955

(Legislative day of Tuesday, June 14, 1955)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God our Father, in a world filled with sights that sadden and problems that perplex, may our hearts be strengthened by the realization that ours is also a time of splendor, bright with promise as we stand at the portals of a more glorious tomorrow. May the crashing of outworn things that are falling to earth not hide from our eyes the coming glory of a new era struggling to birth.

We give thanks with humble yet kindling hearts that we are summoned to live and give in such a time. If this weary flesh of ours, faced by determined foes, should fear or falter, keep us firm and steadfast as we put on the whole armor of faith and hope and love. May we play our part as Thy faithful servants in history's crowning hour. We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 16, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOHN STENNIS, a Senator from the State of Mississippi, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. STENNIS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 15, 1955, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Armed Services was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Interstate and Foreign Commerce was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Antitrust and Monopoly Legislation of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Joint Resolution 15

"Joint resolution directing attention to sound public policy with respect to division of taxing powers as between the Federal Government and the States and their subdivisions; and calling upon the Congress of the United States to institute appropriate action to reduce excessive Federal tax rates and limit the unrestricted taxing power of Congress in favor of the States and their subdivisions to the end that our form of government shall survive

"Whereas Federal taxes collected from the State of Oklahoma during the fiscal year ended June 30, 1954, totaled $629,701,000, the magnitude of which sum constitutes such a drain upon the economy of this State and the taxpaying ability of its citizens as to preclude their ability to meet vitally needed public improvements from State and local sources of revenue; and

"Whereas a mere 10 percent reduction in Federal taxes collected in Oklahoma last year would produce an economic benefit equivalent to the immediate addition of 62 new industries having an average production of $1 million each, and would automatically increase State and local tax revenues by more than $5 million annually in Oklahoma; and

"Whereas the accumulated needs of State and local governments in the United States is conservatively estimated at $50 billion for highways, $27 billion for public schools and colleges, $11 billion for hospitals, and an additional $11 billion or $12 billion for municipal water and sewer systems, aggregating approximately $100 billion for needed capital outlays, a proportionate part of which is attributable to the State of Oklahoma; and

"Whereas the people of Oklahoma have voted to substantially increase outlays and taxes in Oklahoma for our public schools; and

"Whereas it is obvious that the people of the United States are confronted with a financial crisis, unparalleled in history, with our future form of Government turning on the decision whether to finance these vital State and local functions from State and local revenues, or shift the burden to the Federal Government through Federal grants-in-aid, which will necessarily mean centralized control of local functions from Washington with proportionately higher costs; and

"Whereas Federal control through grants-in-aid can be avoided, and Federal aid still be obtained by each individual taxpayer, in that each taxpayer automatically shifts part of any tax increase for State and local functions to the Federal Treasury by the process of deducting such State and local tax increases in computing his Federal income tax, which form of Federal aid is vastly preferable to outright grants by Congress to particular projects and purposes that carry with them unacceptable conditions and controls plus the additional Washington brokerage cost: Now, therefore, be it

"Resolved by the Senate and the House of Representatives of the 25th Legislature of the State of Oklahoma:

"SECTION 1. That sound public tax policy requires greater reliance upon State and local sources of revenue for necessary State and local improvements, with less dependence upon Federal appropriations, and the lower Federal taxes which such a policy will make possible.

"SEC. 2. That Federal participation in the cost of State and local improvements (in which the Federal Government may have a legitimate interest) would be continued automatically, as long as State and local taxes paid by each taxpayer are deductible in computing the Federal income tax, and that this form of Federal assistance is preferable to outright grants-in-aid, with their accompanying Federal controls and additional costs.

"SEC. 3. That such a shift in tax policy can only be instituted and accomplished by action of the Congress, followed by corresponding State and local action, rather than the other way around.

"SEC. 4. That the Congress of the United States is therefore respectfully petitioned to institute such a fiscal policy, restudying the financial relationship of the three levels of Government so as to bring about less reliance upon Federal grants-in-aid for traditionally State and local functions of

government, and to take appropriate action either to submit a constitutional amendment limiting the taxing powers of Congress (except in time of war or grave national emergency) or to call a constitutional convention for such purpose.

"SEC. 5. That a duly attested copy of this resolution be immediately transmitted to the Secretary of the Senate and the Clerk of the House of Representatives of the United States, and to each Member of Congress from this State.

"Passed the senate the 11th day of May 1955.

"PINK WILLIAMS,
"President of the Senate.

"Passed the house of representatives the 23d day of May 1955.

"B. E. HARKEY,
"Speaker of the House of Representatives."

A resolution adopted by we, the women of Hawaii, Honolulu, T. H., favoring an amendment of the Hawaiian Organic Act so as to provide reapportionment of the Legislature of Hawaii; to the Committee on Interior and Insular Affairs.

THE PRESIDENT'S PROGRAM FOR SALK VACCINE—RESOLUTION

Mr. BUSH. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Lyme Women's Republican Club, of Old Lyme, Conn., relating to President Eisenhower's program for Salk vaccine.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Resolved, that the Old Lyme-Lyme Women's Republican Club wholeheartedly urge support for President Eisenhower's program for Salk vaccine.

Passed June 6, 1955

BLANCHE L. ROSS,
President.

OLD LYME, CONN.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

H. Con. Res. 157. Concurrent resolution reaffirming the desire of the American people for peace; without amendment (Rept. No. 565).

By Mr. PAYNE, from the Committee on Interstate and Foreign Commerce:

S. 847. A bill to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes; without amendment (Rept. No. 566).

By Mr. RUSSELL, from the Committee on Armed Services:

S. 2135. A bill to provide for the suspension of certain benefits in the case of members of the Reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, and for other purposes; without amendment (Rept. No. 569).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

S. 1571. A bill to authorize voluntary extensions of enlistments in the Army, Navy, and Air Force for periods of less than 1 year (Rept. No. 567); and

S. 1725. A bill to repeal two provisions of law requiring that certain military personnel shall be paid monthly (Rept. No. 568).

By Mr. SYMINGTON, from the Committee on Armed Services:

H. R. 4650. A bill to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone; without amendment (Rept. No. 571).

CONTINUATION OF EFFECTIVENESS OF THE MISSING PERSONS ACT—REPORT OF A COMMITTEE

Mr. RUSSELL. Mr. President, from the Committee on Armed Services, I report favorably, without amendment, an original bill to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956, and I submit a report (Rept. No. 570) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2266) to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956, reported by Mr. RUSSELL, from the Committee on Armed Services, was received, read twice by its title, and ordered to be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARTHY:

S. 2254. A bill to provide for the conveyance to the city of Milwaukee, Wis., of two parcels of land which were previously conveyed by the State of Wisconsin to the United States, without consideration, for use by the United States for its marine activities in the Milwaukee area and which are no longer used for such purpose; to the Committee on Government Operations.

By Mr. CHAVEZ:

S. 2255. A bill to authorize and direct the Architect of the Capitol to transfer to the District of Columbia jurisdiction over certain portions of the United States Capitol Grounds and other grounds belonging to the United States for use in connection with the widening of Independence and Constitution Avenues and the rechannelization of Union Station Plaza; to the Committee on Public Works.

By Mr. FULBRIGHT:

S. 2256. A bill to authorize the guaranty of exports against certain risks of a political nature; to the Committee on Banking and Currency.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 2257. A bill to amend the Officer Personnel Act of 1947 to provide for the retention on active duty of certain officers of the Regular Army;

S. 2258. A bill to provide a lump sum readjustment payment for Reserve officers who are involuntarily released from active duty; and

S. 2259. A bill to amend section 301, Servicemen's Readjustment Act of 1944 to further limit the jurisdiction of boards of review established under that section; to the Committee on Armed Services.

(See the remarks of Mr. RUSSELL when he introduced the above bills, which appear under a separate heading.)

By Mr. KERR (for himself, Mr. MONRONEY, Mr. ELLENDER, Mr. LONG, Mr. MCCLELLAN, Mr. FULBRIGHT, and Mr. DANIEL):

S. 2260. A bill granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries; to the Committee on Public Works.

By Mr. BUSH:

S. 2261. A bill to permit charging of tolls on any section of highway constructed under the provisions of the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, upon repayment of the Federal-aid funds expended thereon; to the Committee on Public Works.

By Mr. WILEY:

S. 2262. A bill to provide for the conveyance to the city of Milwaukee, Wis., of two parcels of land which were previously conveyed by the State of Wisconsin to the United States, without consideration, for use by the United States for its marine activities in the Milwaukee area and which are no longer used for such purpose; to the Committee on Government Operations.

By Mr. KILGORE:

S. 2263. A bill to amend the Rubber Producing Facilities Disposal Act of 1953, to provide for the disposal of the Government-owned facility at Institute, W. Va.; to the Committee on Banking and Currency.

By Mr. MARTIN of Iowa:

S. 2264. A bill for the relief of Yu Heng Gee; to the Committee on the Judiciary.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 2265. A bill for the relief of Thomas J. Morris; to the Committee on the Judiciary.

By Mr. RUSSELL:

S. 2266. A bill to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956; placed on the calendar.

(See the remarks of Mr. RUSSELL when he reported the above bill, which appear under a separate heading.)

PROPOSED EXPORT GUARANTY ACT OF 1955

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to authorize the guaranty of exports against certain risks of a political nature. I ask unanimous consent that a statement, prepared by me, in explanation of the bill, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2256) to authorize the guaranty of exports against certain risks of a political nature, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statement presented by Mr. FULBRIGHT is as follows:

STATEMENT BY SENATOR FULBRIGHT

I have today introduced a bill to authorize the guaranty of exports against certain risks of a political nature. Briefly, it is the purpose of this bill to provide a program supplying one of the elements now missing in the effort to improve the economic climate for trade in exports from the United States. I am satisfied as a result of studies made on both business and governmental levels that no private underwriting organization in the United States will assume the political risks involved in the export trade in this country.

By political risks I mean, in general, government action which interferes with the carrying out of export transactions, yet which is wholly beyond the control of parties to the transactions. These risks include such items as confiscation, expropriation, and requisition; hostile action ranging from civil strife to full scale war; and governmental actions that restrict convertibility of foreign currencies into United States dollars, or which impose licensing requirements, quotas or embargoes.

I have been advised that if losses from these risks can be guarded against by the Federal Government, private organizations will be inclined to provide whatever complementary insurance may be required against loss due to usual commercial risks.

This bill attempts to make the program as self-liquidating as possible. The corporation created by the bill has a comparatively small Government capitalization of $10 million. It also has authority to borrow up to $50 million from the United States Treasury, if needed, for corporate activities, paying interest to the Treasury on such loans. It is anticipated that the corporation will pay for its own activities out of guaranty fees it collects from exporters, income on investments, and recoveries on assets taken over when guaranty claims are paid.

The bill allows the administering agency great flexibility in working out details of the program in such matters as the specific type of guaranty contracts to be offered, the destination nations to be covered, the types of goods and services to be included, the percentage of risk assumed by the Government, and the varying guaranty fees to be charged.

As in the case of the Federal Deposit Insurance Corporation, this Corporation is permitted to borrow additional funds from the United States Treasury should the other sources of corporate income ever prove insufficient to pay approved claims under guaranty contracts. This authority is one of last resort, to be used only if and after all reserve funds of the Corporation have been exhausted. It is a contingent liability of the Government which the Corporation may never have occasion to use.

The bill also encourages the maximum use of the services of private companies for issuing guaranty contracts and adjusting claims arising under such contracts. In this respect it follows the pattern successfully used by the War Damage Corporation in arranging for issuance of, and adjustment of claims under, war-damage policies during World War II. A similar method of operation was encouraged under Public Law 30, 83d Congress, approved May 21, 1953, authorizing the Export-Import Bank to insure certain personal property of United States origin but located abroad, against risk of loss or damage due to war or expropriation.

The program authorized by the bill will supplement, not supplant, other Federal programs designed to encourage exports from the United States.

The insurance program of the Export-Import Bank under Public Law 30, 83d Congress, is much more limited in scope than the one envisioned in this bill. The Export-Import Bank insurance program originated as a measure of protection for property of United States origin warehoused abroad when all or part of the title to the property remains in the United States owner. In general it was desired to provide insurance protection against loss or physical damage to such property due to the types of war or expropriation risks covered. The concept of credit insurance as such was not involved in that program. Neither does it cover the risks of nonconvertibility of foreign currency into United States dollars.

Other Export-Import Bank programs are administered in accordance with the general theory that (1) capital goods should be the subject of the export and (2) aid should be given only where it can be shown to the satisfaction of the Export-Import Bank that the result will be an increase in United States dollar earnings in the country benefitted or a decrease in United States dollar spending in such country. These principles obviously rule out Export-Import Bank aid for a large number of legitimate export transactions—particularly those involving agricultural products and consumer goods, as distinguished from capital goods.

The Foreign Operations Administration handles an investment guaranty program, but this concept of investment requires the beneficiary to agree to maintain his investment in projects abroad for minimum periods ranging from 3 to 5 years. Moreover, the FOA guaranty program applies only to limited areas where the foreign nation and the United States have entered into specific agreements on a governmental level. Finally, it guarantees only against risks of expropriation or nonconvertibility. In addition, the whole program is temporary, as authority to issue guaranties will expire on June 30, 1957. For these reasons it is obvious the FOA guaranty program offers no assistance to the greater portion of the commercial export trade.

Apart from Federal programs for maritime and aviation insurance under limited conditions, the foregoing are the only United States agency programs directly influencing the export trade.

In addition, the International Bank for Reconstruction and Development has some impact in related fields of foreign development. It can extend long-term loans for development projects in countries that are members of the bank. However, under its charter, such loans must be guaranteed by the government or central bank of the country in which the project is located. This has tended to lead to international bank loans on a government level rather than a private business level. Moreover, there is no assurance the proceeds of an international bank loan will be spent for United States goods or services. Therefore, any effect the International Bank program may have on the United States export trade is at best indirect and remote.

The proposed International Finance Corporation, to be an affiliate of the International Bank, would differ in operating procedure from that bank mainly by not requiring any government or central bank guaranty for loans by the Corporation. I understand it is anticipated that much of the Corporation's program would consist of investment in debentures in order to aid the development of specific industrial projects, without exercising managerial control over the organization issuing the debentures. It is clear that such a program is not competitive with the one proposed in this bill.

Therefore, we note that the United States Government has access to several programs that influence somewhat the field of United States exports, but none of these directly meets the purposes of this proposed legislation.

In brief, the provisions of this bill would directly assist the commercial export of goods or services out of the United States by guaranteeing against loss of nonpayment due to political risks beyond the control of parties to the export transaction.

Similar Government programs are in effect in several nations competing with United States exporters for foreign markets. The United Kingdom, Canada, France, Western Germany, Switzerland, Belgium, the Netherlands, Sweden, and Japan all offer export guaranties or insurance against political risks. Practically all these nations also offer guaranties or insurance against commercial riks. Naturally, these aids constitute stiff Government-aided competition for United States exporters competing against exporters of these nations in foreign markets.

Numerous instances have been noted in which foreign buyers prefer to buy goods made in the United States, but are persuaded to import goods made elsewhere because of the more favorable selling terms offered by exporters of such goods.

This bill is intended to supply a means of meeting this competition by providing guaranties against nonpayment due to political risks on as nearly a businesslike basis as possible in the expectation that private institutions will enter the field of insuring exports against loss due to commercial risks.

Great Britain's export guaranty program has been in existence since 1919. Germany and the Netherlands have been active in this field since the 1920's. Comprehensive programs have been operating in Canada since 1945 and in France since 1948. Most comparable to the pattern proposed by this bill are the plans in operation in Canada and Great Britain. Both nations' official reports show their export credit guaranty or insurance programs to be operating at an overall profit.

Pursuant to Senate Resolution 25 and Senate Resolution 183 of the 83d Congress, the Committee on Banking and Currency undertook a study of the financial aspects of international trade. As part of that study, the Senator from Indiana [Mr. CAPEHART], then chairman of the committee, appointed a Citizens' Advisory Committee of more than 100 members. The report of the Advisory Committee noted the existence of export credit insurance programs in other nations covering exchange risks and other international risks on foreign sales, including inconvertibility. In contemplating a similar United States program, the report states:

"Such insurance would, of course, cover only the risks peculiar to export trade and would not include credit insurance per se, which is recognized to be a matter for the individual exporter and for private credit insurance companies.

"This committee therefore recommends that the Senate Banking and Currency Committee undertake a study for the institution of a plan of export credit insurance for United State exporters."

The bill I am introducing today is a vehicle for carrying out this study and perfecting the required legislation. I expect there may be many changes suggested in this bill before it is ready for committee markup. I invite comments and suggestions. However, I believe it advisable to have before the committee for hearing a specific proposed piece of legislation in this field toward which remarks of witnesses may be directed. It is for that purpose that I am introducing this bill. If hearings show a consensus of opinion that a program of export credit guaranty similar to that contemplated in the bill should be adopted, the committee can quickly proceed to report the perfected bill to the Senate for its consideration.

One of my principal reasons for concerning myself with this problem is the plight of our agricultural economy.

FARM EXPORTS

Markets for sales are necessary to sustain or enlarge the output of farm produce. Markets abroad meet this need equally as well as domestic markets. The United States Department of Agriculture estimates that 9.2 cents of every $1 earned as cash farm income comes from exports. In particular commodities, the share coming from exports was much larger. In 1953, of each $1 cash income from rice, 60 cents came from exports; of each $1 cash income from tobacco, 31 cents came from exports; of each $1 income from

wheat, 27 cents came from exports; and of each $1 income from cotton, 18 cents came from exports.

Stated somewhat differently, in the 1953–54 marketing year, exports accounted for 45 percent of the United States rice crop, 25.8 percent of the tobacco crop, 24 percent of the cotton crop, and 18.6 percent of the wheat crop. In that same year, exports took care of 45 percent of the inedible tallow and greases, 29 percent of the dried prunes, 21 percent of the soybean crop, 18 percent of the lard production, 14 percent of the grain sorghums, and 7.2 percent of the orange crop in the United States.

Assuming a total of 350 million acres of farmland in the United States, 16 percent (55 million acres) were required to produce the farm products exported in 1951. But succeeding years have shown a decline in the number of United States acres kept in production by the export trade. In 1952, it decreased to 12 percent (43 million acres) and in 1953 to only 9½ percent (33 million acres).

The President has recognized that increased productivity of American farms during and since World War II has presented the problem of developing more commercial markets. He has also noted that this problem is part of the larger one of organizing a freer system of trade and payments throughout the world.

Without detracting from its value as an aid in disposing of United States agricultural surpluses, Public Law 480, 83d Congress, approved July 10, 1954, presently offers only the temporary relief of a program due to end June 30, 1957. It attempts to move United States agricultural surpluses into world markets to the extent of $700 million for sales in terms of local currencies and $300 million to meet famine and relief needs. In 1954 the Congress also earmarked $350 million of Foreign Operations Administration funds for the purchase of United States agricultural commodities; but this is also only a temporary solution to the problem at best.

Development of normal trade channels is a desirable alternative to these temporary programs of United States aid. Provision of export credit guaranties against nonpayment for exports due to political risks would constitute one step toward the development of normal trade channels for the export of United States farm products.

PROPOSED LEGISLATION RELATING TO THE ARMED FORCES

Mr. RUSSELL. Mr. President, on behalf of myself, and the Senator from Massachusetts [Mr. SATONSTALL], by request, I introduce, for appropriate reference, three bills relating to the Armed Forces. Each bill is requested by the Department of Defense, and is accompanied by a letter of transmittal, explaining the purpose of the bill. I ask unanimous consent that the letters of transmittal, accompanying the bills be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bills will be received and appropriately referred; and, without objection, the letters of transmittal will be printed in the RECORD.

The bills, introduced by Mr. RUSSELL (for himself and Mr. SALTONSTALL), by request, were received, read twice by their titles, and referred to the Committee on Armed Services, as follows:

S. 2257. A bill to amend the Officer Personnel Act of 1947 to provide for the retention on active duty of certain officers of the Regular Army.

The letter accompanying Senate bill 2257 is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., May 27, 1955.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To amend the Officer Personnel Act of 1947 to provide for the retention on active duty of certain officers of the Regular Army."

This proposal is a part of the Department of Defense legislative program for 1955, and the Bureau of the Budget has advised that there would be no objection to its submission to the Congress for consideration. The Department of the Army has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF LEGISLATION

The purpose of this legislation is to permit the retention on active duty of permanent major generals in the Regular Army who are either holding temporary appointments in any grade above major general or are serving in positions which carry rank above that of major general, until they reach the age of 62.

Section 514 of the Officer Personnel Act of 1947 (61 Stat. 902; 10 U. S. C. 941a) now provides that permanent major generals of the Regular Army must be retired upon attaining 5 years' service in the permanent grade of major general and 35 years' service, except that the retirement of major generals who prior to reaching age 60 have completed 5 years of service in the permanent grade of major general and 35 years of total service in the Regular Army may be deferred until the age of 60 years.

With the exception of 10 selected officers (5 for the Army and 5 for the Air Force) permanent major generals must be retired upon attaining age 62 even though 5 years in grade and 35 years' service has not been completed by that time.

The present law, in effect, compels the retirement, at age 60 of officers who are promoted to the permanent rank of major general before reaching age 55, while those officers who are not promoted to major general until after age 55 must be retained past age 60. This results in a potential loss of services to the Government of many highly qualified officers who by reason of ability and experience have attained the permanent grade of major general at an earlier age and who may now be serving in a higher temporary appointment (lieutenant general or general), or are serving in positions which carry rank above that of major general.

Subparagraph (B) of the proposed legislation is necessary to preserve the existing authority of section 514 (d) (1), Officer Personnel Act, for the Department of the Air Force to retain certain permanent major generals until age of 60, and to defer until age 64 five such officers serving in a temporary grade above major general or in positions which carry a higher rank.

COST AND BUDGET DATA

No increase in cost is anticipated as a result of enactment of this proposed legislation.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

S. 2258. A bill to provide a lump-sum readjustment payment for Reserve officers who are involuntarily released from active duty.

The letter accompanying Senate bill 2258 is as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., June 4, 1955.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: Forwarded herewith is a draft of legislation to provide a lump-sum readjustment payment for Reserve officers who are involuntarily released from active duty, and a sectional analysis thereof. It is recommended that this proposal be enacted by the Congress.

This proposal is a part of the Department of Defense legislative program for 1955. The Bureau of the Budget has advised that there would be no objection to its transmittal to the Congress for consideration. The Department of the Army has been designated as the representative of the Department of Defense for this legislation.

PURPOSE OF THE LEGISLATION

This proposal would amend the Armed Forces Reserve Act of 1952 to provide a lump sum readjustment payment for Reserve officers involuntarily released from active duty after its enactment, and who shall have completed at least 5 years of continuous active duty as an officer or warrant officer. This payment would be computed by adding (1) one-half of 1 month's basic pay of the grade in which he is serving at time of release from active duty for each year of active warrant or commissioned officer service up to and including the 10th year, and (2) 1 month's basic pay of that grade for each year of active warrant or commissioned service beginning with the 11th year and ending at the close of the 20th year. A part of a year that is 6 months or more would be counted as a whole year, and a part of a year that is less than 6 months would be disregarded.

The proposal is designed primarily to provide a readjustment payment for Reserve officers involuntarily released from active duty; the following classes of persons would not be entitled to such payments: (1) those relased from active duty at their own request; (2) those released from active duty for training; (3) those released from active duty because of moral or professional dereliction; and (4) those who upon release would be immediately eligible for retired or retirement pay based upon military service or who elect to receive severance or separation pay, based upon military service under any other provision of law. Additionally, Reserve officers involuntarily released may elect to receive readjustment pay or Veterans' Administration disability compensation to which they may be entitled, but duplicate payments would not be permitted.

By special provision, a Reserve officer on active duty and within 2 years of qualifying for retired or retirement pay could not be involuntarily separated from active duty before he so qualifies except with the approval of the Secretary of the military department concerned.

Acceptance of readjustment pay would not deprive a person of any retired or retirement pay or other retirement benefits from the United States to which he would otherwise become entitled. However, an amount fixed by regulation and based upon the person's life expectancy would be deducted each month from any retired or retirement pay which is based entirely on military service for which he has received readjustment pay until the total amount of the deductions equals the amount of the readjustment pay received.

Additionally, those who receive readjustment pay under this legislation would not be entitled to musteringout pay under the Servicemen's Readjustment Act of 1944 or under the Veterans' Readjustment Assistance Act of 1952.

As a result of the Korean hostilities and related international tension of the last few years, a large number of Reserve officers with wartime experience have been retained on active duty. These officers have served faithfully and efficiently, in many cases, for 10 or more years. Many are approaching the age at which their usefulness to the military force is less than that of younger officers who are needed for current and future military service. These older Reserve officers have been away from civilian life for an extended period and in some cases have been called away from their civilian occupations on two separate occasions during World War II and the Korean incident. The Department of Defense believes that they should be given an equitable payment upon involuntary release from active military duty to help them readjust to civilian life again.

The principle of readjustment pay embodied in this legislative proposal is not new. Under the provisions of title IV of the Career Compensation Act of 1949, severance pay is provided for Regular officers involuntarily separated for physical disability. Likewise, section 235 of the Armed Forces Reserve Act of 1952 authorizes separation pay for Reserve officers involuntarily released from active duty prior to the expiration of the person's agreed period of service entered into under the provisions of that section. This proposal would provide readjustment pay supplementary to that outlined above and for a class of officers for which such benefits are not now provided under existing law. It would not duplicate or provide double benefits since an individual could not receive readjustment pay and severance or separation pay.

In drafting and recommending this proposal, the Department has tried to provide: (1) Equitable, but not excessive, compensation for those involuntarily released; (2) a readjustment pay that is not so attractive as to deter Reserve officers from striving for regular appointments; (3) that an officer who receives such benefits in relation to acquiring retirement eligibility under other laws applicable to him not be penalized; and (4) to guarantee the Reserve officer that if he remains on active duty for a number of years and is then involuntarily released, he will be assured of some degree of economic security during his readjustment to civilian life.

It is estimated that to maintain the active military forces at a level approximating 2.8 million currently and for the foreseeable, it will be necessary to keep approximately 150,000 Reserve officers on active duty to supplement the Regular officer corps. Excessive turnover of these Reserve personnel is costly and detrimental to the effectiveness of the military forces and the national security. The economic security which would be given by this legislation provides an inducement for qualified Reserve officers to remain on active duty for prolonged periods thereby reducing costly personnel turnover and increasing the effectiveness of our fighting forces through retention of experienced officers needed to direct our military units.

COST AND BUDGET DATA

The estimated cost of this legislation in fiscal year 1956 is $5,462,000. There will probably be costs resulting from this legislation in fiscal years subsequent to fiscal year 1956 which cannot be accurately estimated since approved military personel programs for these years have not been established at this time.

Sincerely yours,

ROBERT T. STEVENS,
Secretary of the Army.

SECTIONAL ANALYSIS

Section 1 amends the Armed Forces Reserve Act of 1952 by adding a new section after section 259, which will be designated "section 260."

Subsection (a) provides that a Reserve officer who is involuntarily released from active duty after the enactment of this section and after having completed immediately prior to such release at least 5 years of continuous active duty as an officer or warrant officer is entitled to a lump-sum readjustment payment computed on a formula.

Subsection (a) (1) and (a) (2) sets forth the formula for computation of readjustment pay.

Subsection (b) lists the persons not entitled to any payments under this section.

Subsection (c) provides that the acceptance of readjustment pay under this section shall not deprive a person of any retired or retirement pay or other retirement benefits to which he would otherwise become entitled. It also provides, under regulations to be prescribed by the appropriate secretary, if a person who received readjustment pay later receives retirement pay, the amount of the readjustment pay shall be deducted from such retirement pay at a fixed amount monthly based upon his life expectancy at that time.

Subsection (d) provides under regulations prescribed by the appropriate secretary that a Reserve officer who is on active duty and is within 2 years of qualifying for retired or retirement pay under any purely military retirement system shall not be involuntarily separated before he qualifies for that pay.

Subsection (e) provides that a Reserve officer who on the effective date of the enactment of this section is serving on active duty under an active-duty agreement under section 235 of this act, and who is involuntarily released from active duty before completing his agreed term of service, may elect, in lieu of separation payment under his active-duty agreement, to receive readjustment pay under this section.

Subsection (f) provides that payments accruing to an officer under this section shall be reduced by the amount of any payment previously received by that officer under this section.

Subsection (g) provides that a Reserve officer who receives readjustment pay under this section is not entitled to mustering-out pay under the Servicemen's Readjustment Act of 1944 or under the Veterans' Readjustment Assistance Act of 1952.

Subsection (h) provides for a definition of (1) "Reserve officer" and (2) "involuntary release."

S. 2259. A bill to amend section 301, Servicemen's Readjustment Act of 1944, to further limit the jurisdiction of boards of review established under that section.

The letter accompanying Senate bill 2259 is as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, June 7, 1955.

HON. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation, to amend section 301, Servicemen's Readjustment Act of 1944, to further limit the jurisdiction of boards of review established under that section.

This proposal is a part of the Department of Defense legislative program for 1955 and the Bureau of the Budget has advised that there is no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Air Force has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of the proposed legislation is to remove the review of punitive discharges from the armed services, resulting from the sentences of special courts-martial under the Uniform Code of Military Justice, from the jurisdiction of the so-called discharge review boards established under the provisions of section 301 of the Servicemen's Readjustment Act of 1944. The effect thereof would be to limit the jurisdiction of such boards to a review of (1) administrative separations from the services, and (2) punitive discharges resulting from the sentences of courts-martial (other than general courts-martial) adjudged prior to the effective date of the Uniform Code of Military Justice. The review of punitive discharges or dismissals resulting from the sentences of special courts-martial under the Uniform Code of Military Justice and general courts-martial would be limited, except as noted below, to the procedures prescribed in the Uniform Code of Military Justice (Public Law 506, 81st Cong.).

At the time of enactment of the Servicemen's Readjustment Act of 1944, the only discharges and dismissals from the Army, including the Air Corps, resulting from court-martial sentences were those based on sentences of general courts-martial, the review of which was expressly excluded from the jurisdiction of the discharge review boards established under section 301 of that act. Title II of the Selective Service Act of 1948, the effective date of which was February 1, 1949, introduced the bad-conduct discharge to the Army and the Air Force as an additional punitive discharge. This bad-conduct discharge has been continued under the Uniform Code of Military Justice for all three services, and it may be imposed by sentence of either a special or a general court-martial, whereas the dishonorable discharge may only be imposed by sentence of a general court-martial. Thus, a bad-conduct discharge, if imposed by a special court-martial, is, in addition to the reviews provided by the Uniform Code of Military Justice, subject to an additional review by a discharge review board under section 301 of the Servicemen's Readjustment Act of 1944. As the Uniform Code of Military Justice clearly provides for the finality of court-martial judgments with appropriate appellate review, it is considered neither appropriate nor desirable that this additional review afforded by the Servicemen's Readjustment Act be continued in effect in the case of bad-conduct discharges imposed by reason of the sentences of special courts-martial under the code.

It should be noted that under section 12 of the Act of May 5, 1950, the first section of which is the Uniform Code of Military Justice, the Judge Advocate General of any of the Armed Forces is authorized, inter alia, to substitute for a dismissal, dishonorable discharge, or bad-conduct discharge, a form of discharge authorized for administrative issuance, in any court-martial case involving an offense committed during the period of World War II and until May 31, 1951, provided the accused submits a petition before May 31, 1952, or within 1 year after completion of appellate review of his case, whichever is the later. In addition, the enactment of this proposal would not affect the review authority conferred by section 207 of the Legislative Reorganization Act of 1946, under which the Secretaries of the military departments, acting through boards of civilian officers or employees, may correct military or naval records where necessary to correct an error or remove an injustice. This authority has been considered to extend to the review and correction of entries in records resulting from the action of courts-martial and to the issuance of a new discharge. Thus, there are other means by which possible injustices resulting from punitive discharges may be corrected, in addition to the

review authority presently afforded by section 301 of the Servicemen's Readjustment Act of 1944, in the case of bad-conduct discharges imposed by sentences of special courts-martial.

LEGISLATIVE REFERENCES

Proposed legislation designed to remove the review, under section 301 of the Servicemen's Readjustment Act, of discharges or dismissals by reason of the sentence of any court-martial was presented for the consideration of the 82d Congress, as part of the Department of Defense legislative program for 1952. It was introduced in the House as H. R. 6769, and in the Senate as S. 2730, and passed the House on May 5, 1952. That proposal was resubmitted to the 83d Congress on January 5, 1953, and was introduced as H. R. 2273 and S. 1646.

COST AND BUDGET DATA

Enactment of this proposal would result in no increase in the budgetary requirements of the Department of Defense.

Sincerely yours,

HAROLD E. TALBOTT.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. CHAVEZ:

Address delivered by him on June 11, 1955, at the national convention of the League of United Latin American Citizens.

By Mr. BYRD:

Address entitled "America and the Far East," delivered by Senator FLANDERS to the Royal Institute of International Affairs, London, England, June 16, 1955.

By Mr. MARTIN of Pennsylvania:

Address delivered by him at the Waynesburg College (Pa.) alumni dinner on June 11, 1955, and editorial entitled "Graduation Time Here for Colleges," published in a recent edition of the Washington (Pa.) Observer.

By Mr. GORE:

Address delivered by Senator KEFAUVER to the graduating class of Baxter Seminary, Baxter, Tenn., on Friday, May 27, 1955.

NOTICE OF HEARINGS ON PROPOSED BANK HOLDING COMPANY LEGISLATION

Mr. FREAR. Mr. President, on behalf of the Subcommittee on Banking of the Senate Committee on Banking and Currency, I desire to give notice that a public hearing will be held on S. 880 and H. R. 6227, relating to the control and regulation of bank holding companies, and any other such bills as may be pending before the subcommittee. This hearing will begin at 10 a. m. on Tuesday, July 5, 1955, in room 301, Senate Office Building.

All persons who desire to appear and testify at the hearing are requested to notify Mr. J. H. Yingling, chief clerk, Committee on Banking and Currency, room 303, Senate Office Building, telephone National 8-3120, extension 865, before the close of business on Wednesday, June 29, 1955.

Mr. President, hearings were held on similar proposed legislation by the Senate Committee on Banking and Currency in the 83d Congress, and when printed, comprised 830 pages of testimony and exhibits. At the present there are only two members of the committee who were not members at the time of those hearings.

In addition, the House Committee on Banking and Currency this year held hearings which when printed comprised 645 pages of testimony and exhibits. In previous years the Senate committee has held lengthy hearings on this matter. The proposed legislation has been before the committee for many years.

For these reasons the committee feels justified in asking witnesses who desire to be heard to conform to the provisions of the Reorganization Act which permit witnesses to file extended statements, but also provide that such statements be summarized in oral testimony. The committee reserves the right to limit oral testimony to such periods of time as it may determine, in addition to such time as may be required for questioning of witnesses by committee members, unless the chairman, for good cause, grants additional time.

DEEPENING THE DELAWARE CHANNEL

Mr. MARTIN of Pennsylvania. Mr. President, the matter of an appropriation for deepening the Delaware Channel is now being considered. It has been suggested that a part of the cost of deepening this channel be paid for by those who will use it.

I call to the attention of my colleagues that that would be an innovation in the United States. The care of rivers and harbors has always been an obligation of the Federal Government.

The Federal Government has now put into the development of the Delaware River the sum of $105 million. On that investment the Government has received, from customs collected, a return of $14.25 for each dollar spent.

The Philadelphia Inquirer of this morning, Thursday, June 16, contains a challenging editorial on this subject. I ask unanimous consent that the editorial be printed at this point in the body of the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR CHANNEL IS PAYING ITS WAY NOW

The American Revolution was fought in part to free this country from unreasonable restrictions upon its commerce and stupid obstacles to its trade.

The phenomenal economic growth of the United States has been due in large degree to the policy laid down by the Founding Fathers—a policy of keeping our arteries of commerce wide open and free.

That is why there are no trade barriers between States; no interstate customs stations as in Europe; no taxation on interstate commerce. That is why development and control of America's navigable rivers have been a traditional responsibility of the Federal Government which could keep them free, and not of the States which might find it profitable to hamper waterborne commerce. That is why, save for special facilities, there have been no tolls—up to now—on the great water arteries of our Nation.

Freedom of our rivers has been as universally accepted a doctrine as freedom of the seas.

Now, at this late date, some strange influences at Washington seek to reverse that policy. They would turn their backs on our national experience, and decree that the Founding Fathers of the United States of America were not as wise as history has shown them to be.

It is seriously proposed to levy tolls from the ships which use the Delaware River.

This proposition was put to Walter P. Miller, president of the Chamber of Commerce of Greater Philadelphia, at a conference with Presidential Assistant Sherman Adams and Assistant Budget Director Donald Belcher. It was argued that the Delaware River should be put on a pay-as-you-go basis.

We are amazed that Messrs. Adams and Belcher do not know that the Delaware River is paying its way right now.

Commerce in the upper Delaware (where the Budget Bureau has opposed channel deepening unless United States Steel pays half the cost) has increased rapidly. So much so that a new customs station was established in the Trenton-Morrisville area 3 months ago.

Officials predicted that this station would further boost customs collections in this area. They already had been rising. For February last they had jumped to $3,628,037—or more than 25 percent over February 1954.

All that is income for the Federal Government. It is income which has been made possible by that freedom of the river policy which was established when the Nation's foundations were laid.

And there's still more to the story, if Messrs. Adams and Belcher are interested. Over the past 50 years, Delaware River development has cost the Federal Government $105 million. On that sum it has received a return of $14.25 for each dollar invested. In 1951 alone the port of Philadelphia customs receipts were $52,300,000.

Yet these gentlemen have the effrontery to suggest that the Delaware River be made to pay its own way.

Do they propose to levy tolls on all the other main rivers of the United States? Do they urge tolls to recoup the huge sums which Uncle Sam has invested in New York Harbor? The Federal Government paid the entire bill to deepen the Hudson River to accommodate just two ships, foreign ships: the *Queen Mary* and the *Normandie*, and no quibbling then. Is it planned to establish toll stations along the Mississippi, where vast sums are spent for channel maintenance?

We could go on, and on. We could even ask some embarrassing questions about the St. Lawrence Seaway, and the interests which seem determined to promote that, and hold Delaware Valley down.

The fight for Delaware Valley's channel has just begun. It is incredible to us that anyone in the Nation's Capital should seriously propose turning the clock back before the revolution. It is particularly outrageous that anyone should tell Delaware Valley to pay its own way on its mighty river—when it is paying its way, many times over.

THE BIG FOUR MEETING "AT THE SUMMIT"

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may be allowed to proceed for an additional minute and a half to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Montana may proceed for 4 minutes.

Mr. MANSFIELD. Mr. President, I wish to make a short statement. It is a somewhat personal matter, but I wish to share with the Senate some of the thoughts which have been occupying my attention these last few days.

In a few weeks, the big four conference will take place in Switzerland. This will be the so-called meeting at the summit, toward which the Western World has been groping during the past few years. We should not overestimate the importance of the meeting. It is not the last hope of mankind. Nor is it likely, in several days, to produce final solutions to the complex problems which divide the nations.

If we should not overestimate it, neither should we underestimate the significance of the conference. The entire world has a great stake in the outcome, no people a greater stake than ourselves. If we are to live in a world with other nations then we must talk with other nations. From this conference can come further illumination of the paths we seek, the paths which lead to a fear-free peace.

We shall help the President and the Secretary of State and, in so doing, ourselves, if we repose in them at this time our full faith and confidence. They may make errors; human beings are not immune to errors. But we shall minimize the possibilities of mistakes if we permit them to negotiate with strength and conviction as the spokesmen for the entire Nation.

The results which are produced by this conference need to be examined closely by all of us. That does not mean, however, that in the style of the Yalta recriminations we need to snoop into every cough or casual comment of the negotiators in a search for malicious significance. All of us in this Chamber know, and the American people know, that agreement is reached by give and take, and sometimes it is best reached in seclusion.

Agreement is an accommodation to reality. It leads not always to the world of perfection, which is a fantasy of childhood. It can lead, however, if it is successful, to a situation in which men and women and their families may live out their lives in decency, reasonable security, and hope for the future.

If the conference that is about to take place can move us in that direction, however slightly, it will have made a worthwhile contribution. It will not move us in that direction if we equate negotiation with surrender; if we assume that every act which is not accompanied by a blustering threat or a display of armed might is an act of appeasement.

Let us, in the precess of debate, by all means criticize our national leaders for errors if they make them. That is a fundamental part of the democratic process, and it applies in foreign relations no less than in domestic affairs. But at the same time let us pledge ourselves now to spare them the indignity which their predecessors were not spared—the indignity that would question their motives or their patriotism. Let the President and the Secretary of State, in short, go into the conference with the full support of a united people. For myself, I pledge that they shall have that support.

TRIBUTE TO THE LATE ROBERT MARION LA FOLLETTE, SR.

Mr. WILEY. Mr. President, this coming Saturday, June the 18th, will mark an important anniversary albeit a sad one, in the history of Wisconsin. Saturday will be the 30th anniversary of the passing of one of the great political titans of this country—Wisconsin's immortal Robert Marion La Follette, Sr.

Earlier this week, June 14, was the 100th anniversary of his birth. But for the fact that on that day I was in Baraboo in my State to deliver a Flag Day address, I would have been pleased to refer on the Senate floor to this fine centennial observance.

I am pleased, however, that my colleague, the distinguished junior Senator from Oregon [Mr. MORSE] who grew up in Verona, Wis., near the La Follette farm, did not allow the occasion to pass without paying eloquent and well-deserved tribute to Wisconsin's "Fighting Bob." I am pleased also that Congressmen HENRY REUSS and LESTER JOHNSON of Wisconsin did honor to this great son of the Badger State, as did our neighbor, Congressman ROY W. WIER, of Minnesota.

Mr. President, the name La Follette is one which has, on a great many occasions, aroused fiery controversy here in Washington, throughout the Nation, and particularly in my own State. But with the passing of the years, with the calming of political tempers, the name La Follette has rightly emerged in the eyes of even its onetime bitterest foes, as a name worthy of inscription in the finest pages of American political history.

To us of Wisconsin who fought alongside Bob Sr., or even to those who fought against him, alongside the late Bob, Jr., or against him, alongside Phil or against him, the name La Follette is a particularly unforgettable name. It is one which, whatever our individual views, we regard as a name of utmost integrity, indomitable courage, and deepest dedication.

The statute books of Wisconsin and the Nation are filled with so many splendid laws written by the La Follettes or spurred by them as not to need elaboration on my part. Suffice it to say, that a great segment of the movement for Federal and State legislation in the interest of the underprivileged, the economic underdog, whether it be the small farmer, or working man or woman, or any other group, owes its inspiration in tremendous part to the dynamic abilities and tireless energies of the La Follettes.

I am most pleased that the Chief Justice of the United States, the Honorable Earl Warren will, in Madison this coming Sunday, June 19, to be the principal participant in appropriate ceremonies honoring Bob La Follette, Sr. Fighting Bob would have prized the tribute of Earl Warren, because they are both men of deepest interest in human values.

In my own State, it is true that there are some wounds remaining from the bitter battles from which the La Follettes never wavered, wounds in my own Republican Party particularly. But I feel that every one of us—Republican, Democrat, ex-Progressive—should pause in grateful tribute for the worthy things this family meant to our State and to the Nation as a whole.

I personally had the privilege of campaigning in times gone by for Bob, Sr. Later, I had the pleasure of serving with Bob, Jr., here in the Senate in my early years of service, and I have rarely known a more courteous gentleman, a harder working Member of this body, or one for whom, however wide our differences, I could feel a deeper sense of respect.

Back home, the Republican Party of Wisconsin was for years and years a battleground between progressive and antiprogressive influence. Many outstanding Wisconsinites fought hard against the La Follette influence, just as many fine Wisconsinites fought for that influence inside and outside the Republican Party. But whatever their feelings regarding Bob Sr.; Bob, Jr., or Phil, I know that they share a tremendous respect for this remarkable family who wrote themselves so large in the history of my State and of our Nation.

So I want to pay my personal tribute to this giant figure, Bob, Sr.—Congressman, Senator, Governor, presidential candidate, man of audacious convictions and unyielding strength.

As the milestone marking the end of the first century since the birth of Bob, Sr., slips behind us, and as the milestone of the 30th anniversary of his untimely passing recedes from us, I hope that we will all go forward—inspired by his liberal, forward-looking spirit, refreshed and encouraged by the battling spirit which he bequeathed to his sons, and to us all. It was a warrior spirit, a spirit which took on special interests, however mighty, which braved the wrath of despotic power from any quarter, which fought as hard as it could, but which never stooped to a low blow. It was a spirit which fought with honesty, gallantry, and with great effectiveness.

I salute this great servant of my State—who graced this Chamber with such distinction—and convey my warmest word of greeting to his surviving family and relatives.

KANSAS CITY CRIME COMMISSION OPPOSES STAY OF DEPORTATION OF NICOLO IMPASTATO

Mr. WILEY. Mr. President, the right of Members of the Senate and House of Representatives to introduce private bills, affecting the immigration or naturalization of various individuals is an important right.

On a great many occasions, we have seen that injustices have been corrected; that important service to the Nation has been rendered, by the passage of private bills, for example, bills to keep in our country various worthwhile individuals

who might otherwise be deported, particularly behind the Iron Curtain.

We all realize, however, that occasionally included among those who seek the benefit of private bills, are highly unworthy individuals, and each of us knows that we must be on our guard against such unworthy individuals.

I was interested to read, therefore, the May 31, 1955, issue of a bulletin published by the Kansas City, Missouri Crime Commission, a large portion of which was devoted to well-deserved criticism of any effort to keep in the United States a certain individual who would be the beneficiary of S. 212, one Nicolo Impastato.

In describing a private bill on behalf of this individual, Mr. Wayne Murphy, managing director of the crime commission, stated, as reported in the Kansas City Times of May 10, 1955:

> Mr. Impastato's chief public contribution to his adopted land has been to distribute heroin through eight States in the Middle West.

Of all the low, filthy crimes in the United States, there is nothing lower or filthier than peddling dope.

Mr. Impastato was a member of an eight-State heroin ring which did a volume of more than a million dollars a year. No one can count up the lives wrecked by this individual.

It would be unthinkable, therefore, if any bill in his behalf received the slightest attention except to be quickly killed in the Immigration Subcommittee of the Senate Judiciary Committee.

As ranking Republican member of the full committee and as former member of the Kefauver Crime Committee, I shall do everything I can toward that end.

Let me say that in my judgment far too often in recent years stay-of-deportation bills have been offered on behalf of proven criminals.

The right to reside in the United States—the privilege of becoming a citizen of the United States—are precious ones, and they should certainly not be squandered on the likes of a dope peddler.

As matter of fact, it is extremely unfortunate that far too often deportation actions against convicted hoodlums have been snarled in redtape in the courts for years and years. I believe that all individuals, particularly American citizens, are entitled to due process of law, but I do not believe that we should fail in our obligations to crack down mercilessly on those who have betrayed their host country.

I send to the desk excerpts from the Kansas City Crime Commission memorandum, and ask unanimous consent that they be printed at this point in the body of the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

POINTS OF INTEREST

KANSAS CITY CRIME COMMISSION,
Kansas City, Mo., May 31, 1955.

This proposed legislation, if passed by Congress and signed by the President, would nullify present deportation proceedings against Impastato who is now a resident of Kansas City, Mo. These proceedings are now pending in our Federal court. The proposed bill declares this alien "to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee." Passage of the legislation would mean that Impastato could remain permanently in the United States.

The following illuminating facts in this case are of interest.

On July 22, 1953, the final order of deportation was entered against Impastato by the United States Immigration Bureau on the grounds that he entered the United States illegally in 1924 and was convicted in Federal court at Kansas City, Mo., in 1942 for violation of the narcotic laws. The records of the clerk of the United States District Court of Kansas City, Mo., Criminal Docket No. 15377, reflect Impastato was indicted by the Federal grand jury here on April 1, 1942, for violation of the Federal narcotic laws; that on November 4, 1942, he entered a plea of guilty, and on April 14, 1943, Federal Judge Albert L. Reeves sentenced him to 2 years imprisonment. The clerk's docket further shows Impastato was delivered on April 16, 1943, by the United States Marshall of Kansas City, Mo., to the Federal Correctional Institution at Texarkana, Tex., to serve this sentence. The clerk's file in this case shows that the indictment to which Impastato plead guilty, and upon which he received his 2-year sentence, charges Impastato and 11 others specifically with concealing and facilitating the concealment of approximately 66 ounces of a narcotic drug, heroin hydrochloride, the place of concealment of said drug being at 425 South Montgall Street, in Kansas City, Mo., knowing at the time of the concealment and at the time of the facilitation of concealment of these narcotics that they had been imported into the United States contrary to the laws thereof. The indictment charges that this offense took place during 1941. Police records show that Impastato served 18 months and 60 days on this sentence and he was released from the above institution on conditional release November 19, 1944.

On July 23, 1953, the day following the deportation order, this alien filed a petition for a writ of habeas corpus in the United States District Court of Kansas City, Mo. The dismissal of this writ by the Federal district court was unsuccessfully appealed by the alien to the United States Circuit Court of Appeals at St. Louis, Mo. That body on April 21, 1954, upheld the ruling of the district court. The court of appeals, in effect, said that Impastato could be deported to his native Italy.

On November 15, 1954, Impastato filed another petition for a writ of habeas corpus in the United States District Court at Kansas City for the purpose of staying the deportation order. The hearing on this writ was continued on January 14, 1955, pending the outcome of the Langer-Johnston bill in the present Congress. In the meantime Impastato is free on bond approved by the Federal court at Kansas City.

It will be remembered that Impastato was prominently mentioned in hearings before the Special Committee To Investigate Organized Crime in Interstate Commerce, United States Senate, 81st Congress, known as the Kefauver committee, in the testimony of Claude A. Follmer, United States narcotic agent, Treasury Department, Kansas City, Mo., as set out in pages 81 to 100 inclusive of part 4 of the hearings that took place in Kansas City on September 28, 1950. For reasons of brevity it will not be possible to set out in this publication all of Mr. Follmer's testimony. The salient features of his testimony are summarized as follows:

He testified that for many years (prior to 1950) Kansas City was the scene of violence, bloodshed, and terror in connection with the traffic in illicit narcotic drugs; that one of the most vivid examples of this organized interstate criminal enterprise is shown in the events and circumstances of the case known in the files of the Federal Narcotic Bureau as "SE-202; Carl Carramusa, et al." This investigation progressed at Kansas City during 1941 and 1942 while undercover agents of the Federal Narcotic Bureau made purchases of narcotic drugs, and on February 17, 1942, Carl Carramusa and Charles Taibi alias Ryan were apprehended. Surveillance of Carramusa prior to his arrest indicated he had access to a large quantity of drugs and by elimination the agents eventually located his cache, an ingeniously devised secret panel in the wall of an apartment. The wholesale value of heroin then seized was in excess of $40,000. When cut and delivered to the addict consumers these drugs would yield approximately one-quarter of a million dollars. On April 1, 1942, indictments were returned charging Nicolo Impastato and 10 other persons, including Carl Carramusa, with violation of the Federal narcotic laws.

Mr. Follmer further testified that the story behind these indictments began in 1929 when narcotic agents learned a man known only as Nicoline (later identified as Impastato) arrived in Kansas City from Chicago and became the strong-arm man for John Lazia, then underworld czar. Lazia was later assassinated (1934).

He further testified that in New York City in 1937 narcotic agents arrested Nicola Gentile in connection with a nation-wide narcotic syndicate involving 88 persons throughout the United States and Europe. Gentile had an address book in his possession at the time of his arrest which was a veritable "Who's Who" in narcotic traffickers. The names of Impastato and other members of the Kansas City syndicate were duly listed. Gentile later jumped a heavy bond and fled to his native Sicily, where he became an intimate of the notorious Lucky Luciano.

Follmer further testified that shortly after his arrival in Kansas City, according to reliable information, Impastato became second in command here in the narcotic syndicate; this outfit soon developed contacts with major sources of narcotic drugs at various points in the United States, and in a short time were supplying not only the Kansas City area but addicts in Texas, Oklahoma, Iowa, Nebraska, Arkansas, Kansas and Illinois. In 1942 it was determined one of the sources of supply for the Kansas City group was an organization in Tampa, Fla., which received smuggled drugs from Marseilles, France via Havana, Cuba. The traveling representative who brought the drugs to Kansas City was James De Simone. New indictments were returned by the Federal Grand Jury at Kansas City on December 18, 1942 charging 155 counts of narcotic law violations against Impastato and 13 persons, including Carl Carramusa, James De Simone and Thomas Buffa. The indictment as to Buffa was dismissed due to lack of evidence. Buffa testified for the Government in a collateral matter involving perjury on the part of a paramour of another defendant. She was convicted. Upon Buffa's return to St. Louis, Mo., where he lived, an attempt was made to assassinate him, and he fled to California. In 1946 at Lodi, Calif., Buffa was slain by shotgun blasts.

Mr. Follmer testified that the successful culmination of the aforementioned investigation resulted through the active cooperation of Carl Carramusa who openly testified for the Government at the trial. Carramusa went into hiding, changed his name, and began a new life with his wife and family in Chicago. Three years later, in June, 1945, at Chicago, Carramusa's head was blown off by a shotgun just as his family was about to

join him in his automobile en route to a wedding anniversary party.

It should be noted that James De Simone, who was one of the defendants indicted with Impastato in December, 1942 was on September 19, 1953 deported by the United States Government by plane form New York to his native Italy. This deportation was based on his conviction in 1943 for violation of Federal narcotic laws growing out of the aforementioned December 18, 1942 indictment, as a result of which he received a 6-year sentence in Federal prison.

Is the Congress of the United States by Senate Bill No. 212 going to grant Impastato this special favor in 1955 just in order to keep him from being deported? What service has he rendered to the United States since his illegal arrival in this country that would warrant this special treatment?• We hope the Congress will not pass this extraordinary piece of legislation. At least, we are opposing it. Letters have been sent by the Kansas City Crime Commission to Senators THOMAS C. HENNINGS and STUART SYMINGTON, of Missouri; Congressman RICHARD BOLLING, of Kansas City; Senator HARLEY M. KILGORE, of West Virginia, who is Chairman of the Judiciary Committee of the United States Senate; and to all other Senators on that committee, protesting the passage of Senate Bill No. 212. Likewise, Attorney General Herbert Brownell has been apprised by letter of our position in this matter.

"We shall see what we shall see" with respect to its fate.

GREAT STONE FACE MEMORIAL STAMP

Mr. BRIDGES. Mr. President, on Tuesday next at Franconia a postage stamp will be placed in service to publicize the Great Stone Face, a magnificent natural phenomenon of native rock 80 feet high, otherwise known as the Old Man of the Mountains.

Perhaps this monumental example of nature's artistry was recognized and appreciated by the Indians. In any case, just 150 years ago it was discovered by men of European ancestry, and this event of 1805 is being celebrated appropriately in New Hampshire next Friday, with the President of the United States attending.

Having these thoughts in mind, I invite attention briefly to the fact that it is to a talented New England literary genius that the world owes the acquaintance it previously has had with the Great Stone Effigy. A short story by Nathaniel Hawthorne, published in 1842, has carried its name wherever the English language is used. The author was a native of Salem, Mass., born July 4, 1804. Educated at Bowdoin College in Maine, he became a voice for all the Northeast portion of the United States while yet a young man. From his home in the old manse at Concord and later from his home in his native town and from various cities in Europe to which he went in the service of his country there came such classics as Twice-Told Tales, A Wonder Book, Tanglewood Tales, Mosses From an Old Manse, The Scarlet Letter, The House of Seven Gables, The Blithedale Romance, and The Marble Faun—each a great book, each still worth reading.

Hawthorne himself was a fascinating subject. He personified the culture and especially the humane qualities of the land which had brought him forth. We remember him in company with Longfellow, Alcott, Thoreau, Holmes, Lowell, Emerson, Melville and many other literary and philosophic leaders of distinction. He founded a dynasty of writers whose works have joined his own in lasting utility to successive generations of readers. Many of his contemporaries have been admitted to the postal gallery of the United States. Hawthorne has been on the list for such honor for 20 years. I suggest to the Postmaster General that he take advantage of the ceremony at Franconia on Tuesday to announce authorization of a stamp in memory of the writer of The Great Stone Face, to be issued on Hawthorne's 152d birthday anniversary, July 4, 1956. I expect to introduce a joint resolution to carry out this purpose.

THOMAS J. KEEFE

Mr. CHAVEZ. Mr. President, I ask unanimous consent that there be printed in the RECORD a resolution adopted by the Senate Committee on Public Works paying tribute to Thomas J. Keefe.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Senate Committee on Public Works has learned with regret of the illness of our friend, Thomas J. Keefe; and

Whereas the committee realizes the long period of services rendered by Mr. Keefe in forwarding the highway program of the Nation; and

Whereas the committee is aware of the faithful performance of his duties and the pleasant manner with which he has always discharged said duties, and his valuable services to the legislative branch of our Government: Now, therefore, be it

Resolved, That the Committee on Public Works extends to him the knowledge that our prayers and best wishes for a speedy and successful recovery are with him every day.

DENNIS CHAVEZ, Chairman; ROBERT S. KERR; ALBERT GORE; STUART SYMINGTON; STROM THURMOND; PAT MCNAMARA; RICHARD L. NEUBERGER; EDWARD MARTIN; FRANCIS CASE; PRESCOTT BUSH; THOMAS H. KUCHEL; NORRIS COTTON; ROMAN L. HRUSKA

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce:

Richard A. Mack, of Florida, to be a member of the Federal Communications Commission, vice Frieda B. Hennock.

By Mr. ERVIN, from the Committee on Armed Services:

Gordon Gray, of North Carolina, to be an Assistant Secretary of Defense, vice H. Struve Hensel, resigned.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). If there be no further reports of committees, the Secretary will state the nomination on the Executive Calendar.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. STENNIS. Mr. President, from the Committee on Armed Services, I report favorably the nomination of Rear Adm. Charles Wellborn, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a designation in accordance with section 413 of the Officer Personnel Act of 1947. Rear Admiral Wellborn will serve as commander, 2d Fleet, and I ask that his nomination be placed on the Executive Calendar.

I also report favorably the nominations of 10 brigadier generals to be promoted to major generals and 13 colonels to be promoted to brigadier generals as Reserve commissioned officers in the Air Force and ask that these nominations be placed on the Executive Calendar.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

The nominations were placed on the Executive Calendar, as follows:

Rear Adm. Charles Wellborn, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral;

Brig. Gen. John Mirza Bennett, Jr., and sundry other officers for appointment as Reserve commissioned officers in the United States Air Force; and

Brig. Gen. John Munnerlyn Donaldson, and sundry other officers, for appointment as Reserve commissioned officers in the United States Air Force for service as members of the Air National Guard of the United States.

Mr. STENNIS. Mr. President, from the Committee on Armed Services, I also report a small group of routine nominations for appointment in the Regular Army in grades from major to second lieutenant and a large group of approximately 2,300 names in the Marine Corps. This group includes temporary and permanent appointments in grades from colonel to first lieutenant and the permanent appointment of 2 major generals and 5 brigadier generals. All of these names have already appeared in the CONGRESSIONAL RECORD, so to save the expense of printing on the Executive Calendar of these lists, I ask unanimous consent that these nominations be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDING OFFICER. The nominations will lie on the desk, as requested by the Senator from Mississippi.

CALIFORNIA DEBRIS COMMISSION

The Chief Clerk read the nomination of Col. William F. Cassidy, Corps of Engineers, to be president and member of the California Debris Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified

forthwith of the nomination today confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, I regret that I cannot agree to the proposal of the Senator from Texas. I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. JOHNSON of Texas. Of course, we can get the absent Senators from their offices.

The PRESIDING OFFICER. Debate is not in order.

The clerk will continue with the call of the roll.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Barrett	Holland	Saltonstall
Bennett	Johnson, Tex.	Scott
Butler	Johnston, S. C.	Smith, N. J.
Carlson	Kilgore	Sparkman
Cotton	Knowland	Stennis
Douglas	Langer	Symington
Ellender	Malone	Thurmond
Gore	Mansfield	Wiley
Green	Martin, Pa.	Williams
Hayden	Neely	
Hill	Payne	

Mr. JOHNSON of Texas. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oregon [Mr. MORSE] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign aid program.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Iowa [Mr. HICKENLOOPER] are absent on official business.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to attend the funerals of close personal friends.

The Senator from Nebraska [Mr. CURTIS] is necessarily absent on public business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators; and Mr. ERVIN, Mr. KERR, Mr. MAGNUSON, Mr. MONRONEY, and Mr. SCHOEPPEL entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. NEELY in the chair). A quorum is not present.

Mr. JOHNSON of Texas. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. AIKEN, Mr. ANDERSON, Mr. BARKLEY, Mr. BEALL, Mr. BENDER, Mr. BIBLE, Mr. BRICKER, Mr. BRIDGES, Mr. BUSH, Mr. BYRD, Mr. CASE of New Jersey, Mr. CASE of South Dakota, Mr. CHAVEZ, Mr. DANIEL, Mr. DUFF, Mr. DWORSHAK, Mr. FREAR, Mr. FULBRIGHT, Mr. HENNINGS, Mr. HRUSKA Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. KUCHEL, Mr. LEHMAN, Mr. LONG, Mr. MARTIN of Iowa, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MCNAMARA, Mr. MILLIKIN, Mr. MUNDT, Mr. NEUBERGER, Mr. O'MAHONEY, Mr. PASTORE, Mr. PURTELL, Mr. ROBERTSON, Mr. RUSSELL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. THYE, Mr. WATKINS, Mr. WELKER, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. YATES, Mr. EVINS, Mr. BOLAND, Mr. CANNON, Mr. PHILLIPS, Mr. VURSELL, Mr. OSTERTAG, and Mr. TABER were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 1) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and it was signed by the Acting President pro tempore.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

TORNADOES AND WARNINGS

Mr. GREEN. Mr. President, I desire to read to my colleagues an editorial appearing in the New York Times this morning, entitled "Tornadoes and Warnings." The editorial is very appropriate at this time, when we are considering the Department of Commerce Appropriation bill and an amendment which I have presented for myself and other Senators which would increase the appropriation for the Weather Bureau.

The editorial reads as follows:

TORNADOES AND WARNINGS

While those of us who live on the Eastern seaboard have been forced to become acutely hurricane-conscious during the past few years, we tend to forget the weather scourge of the inland areas—tornadoes. Figures compiled by the Weather Bureau and released this week should go far to restore our perspective. From 1916 to 1955 about 7,000 tornadoes killed about 9,000 people and caused property damage of close to $800 million—a yearly average of 225 deaths and $20 million of damage. Nor is the East entirely immune, as residents of Worcester, Mass., well know. On June 9, 1953, a twister tore across that city, leaving 90 dead and $60 million of damage to property.

As with hurricanes, the Weather Bureau issues warnings of tornadoes in advance which, even with the present far too limited facilities, have saved untold lives and damage. Most useful in tracking them is long-range radar. A group of 9 Senators, led by Mr. GREEN, of Rhode Island, is working to increase by $5 million the Weather Bureau appropriation now before the Senate. This would cover a 5-year program to provide for 55 new storm detection radar stations—25 less than expert testimony showed are needed. The tornado record, as well as that of hurricanes, dramatically underlines the urgency of this increase.

Mr. CASE. Mr. President, I have been much interested in the amendment offered by the distinguished Senator from Rhode Island [Mr. GREEN] to provide funds to establish 55 additional stations for radar detection and recording of tornadoes and severe storms. I am supporting the amendment, but it occurs to me that, in addition to the tornadic disturbances which usually occur during warmer weather, there should be an improvement in the weather forecasting service in the northern Great Plains area during the wintertime, particularly, when some of the blizzards come down from the Canadian prairies. There should also be an increase in the weather reporting service for the great area which might be described as that lying between Billings, Mont., Bismarck, N. Dak., Pierre and Rapid City, S. Dak., a distance of several hundred miles where there is

no reporting service at all. Fliers of small planes have reported to me many times that there is an entirely inadequate weather reporting service in that area.

I sincerely trust that when the Department of Commerce considers the allocation of funds for the additional weather reporting stations it will give consideration to the importance of additional weather forecasting service in the northern Great Plains area generally, and specifically in the area which I have described, bounded by Billings, Mont., Bismarck, N. Dak., and Pierre and Rapid City, S. Dak., as being an area in which there is an inadequate service both for ranchers and farmers and those who fly small aircraft.

I hope the amendment will be agreed to, and that the Weather Bureau will take into consideration this additional area of need in this field.

The PRESIDING OFFICER. The Secretary will state the first committee amendment which was passed over.

The amendment was, on page 7, line 16, after "1953", to strike out "$40,000,000" and insert "$55,000,000."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. DOUGLAS. Mr. President, this is a very important matter. While there are so many Senators in the Chamber, I request that the yeas and nays be ordered on the amendment, and then we may proceed with the debate. I hope that the leadership on both sides of the aisle will cooperate in having the yeas and nays ordered.

The PRESIDING OFFICER. The yeas and nays are demanded. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. DOUGLAS. I hope that later in the day we may be able to have the yeas and nays ordered on such an important matter as this amendment.

In view of the fact that I made a statement at some length on Tuesday covering this question, and in view of the further fact that what we have before us is a committee amendment proposing to increase an appropriation authorized by the House from $40 million to $55 million, I think, in the interest of orderly procedure and the saving of time, it would be better if representatives of the committee would take the floor and give the reason or justification for their supporting this increase in the appropriation.

Mr. HOLLAND. Mr. President, I shall be very happy to take the course suggested by the Senator from Illinois. Senators will find the exhibits and the estimates filed by the Civil Aeronautics Board with the committee printed at page 283, and following pages, in the committee hearings. I hope the Senator from Illinois will take note of them. Under the revision to April 20, 1955, the total amounts of accrued subsidy payments due to air carriers—amounts owed by the Federal Government to the air carriers under the law, as shown on the books, and under the rates as duly fixed for the air carriers—taking into consideration all offsets were in April 1955, $67,163,706 on the 1955 accruals.

Senators will discover, if they will add the amount of the original appropriation in the bill for fiscal 1955 to the amount of the supplemental appropriation—and I hope the Senator from Illinois is following me in this recital——

Mr. DOUGLAS. I am following the Senator from Florida.

Mr. HOLLAND. They will find that instead of allowing the full amount as requested in the report and recommendation of the CAB, $6,300,000 less than that full amount was allowed. So the total amount paid was $60,863,706.

Senators will also find that the estimate for 1956 was a flat $63 million, as appears in the revision down to April 20, 1955. In other words, the Board went before the committees of Congress with an estimate of $63 million for fiscal year 1956. However, the Board discovered, when the supplemental bill was approved and became law 2 days later, April 22, that to the amount of $63 million based on the full allowance of the supplemental, there should be added approximately $6,300,000, which was the amount not allowed as against the 1955 supplemental estimate. So the total amount shown before the committee as due and payable in 1956—that is, including the carryover of $6,300,000 and the original estimate of $63 million—was $69,300,000. As to that, there can be no doubt. Those were the figures submitted to the committee.

When the House passed on this matter, it had before it the original estimate of $63 million. As against that original estimate, they allowed $40 million in the bill they passed, which came to the Senate and was referred to the Committee on Appropriations.

The Senate committee, as I have just said, had not only the original estimate, but had also the knowledge that there was a carryover from the year before in the amount of $6,300,000, which was pending in the supplemental bill at the time the estimates were considered by the House. So as against the total of $69,300,000 shown, including the accrued carryover and the estimate for 1956, the Senate committee decided that a substantial increase was required above the $40 million which had been allowed by the House.

If Senators will refer to the hearings, pages 294 and 295, they will find that the committee was impressed with the idea that certainly a very large supplemental appropriation would be required next spring under the conditions which would obtain at that time—that is, with an appropriation of only $40 million in the House bill, if that amount were left unamended.

If Senators will refer to the testimony of Mr. Mulligan, who is the chief auditor and secretary of the Board—and who, by the way, makes a very fine impression as being thoroughly familiar with the business of the Board—they will note that his statement begins as follows:

Mr. MULLIGAN. I would say, Mr. Chairman, on the assumption, and I think it clearly is the correct assumption, that a supplemental appropriation would be involved——

Senator HOLLAND. You mean if the $40 million allowed by the House was left undisturbed?

Mr. MULLIGAN. Yes, sir; but let me put it in a different way. A figure which would be, in my judgment, one still requiring a supplemental in some amount, but a figure that would approximate the total bill much more closely than does the $40 million would be $55 million.

The committee was trying to adjust the matter so as to leave the Board enough to proceed, with the hope of going through the year, but still lead them to believe that there would be a supplemental appropriation, but not as large as was indicated by the House action. I continue to quote:

Senator HOLLAND. In other words, you think that if the final figure in the appropriation bill would be $55 million, that would closely approximate what would be actually required in 1956, but would probably still require a supplemental item?

Mr. MULLIGAN. I think it would still require a supplemental, sir, but I think it would be much closer to the ultimate bill than the $40 million.

Senator HOLLAND. You do recognize the fact that the $63 million submitted in the budget has become probably unnecessary and over the needed amount in view of developments which have occurred since the budget was being formulated.

Mr. MULLIGAN. That is correct, sir, but the $55 million figure was suggested as a possible substitute for the $40 million, not the $63 million, with some supplemental still required.

While no reference was made to the $6,300,000 in these particular questions, it is a fact that there is that item of carryover; and it is also a fact, that the CAB is trying to reduce, below the budget figures, its total payments to be made in the coming year. We have a report on that from the General Accounting Office. An officer from the General Accounting Office sat with the committee throughout the hearings. We have received statements and recommendations, from time to time, from the General Accounting Office.

The committee has endeavored to bring to the floor of the Senate a bill containing an appropriation for payments to air carriers which we think will be inadequate, but which we believe will at least provide the minimum which anyone could hope with which the board could operate its important business—which it handles, not on its own account, but for the whole Federal Government. We believe the amount provided represents a great deal in the way of recognition of the obligation on the United States.

The carriers do not make the law; Congress makes the law, and has made it. There is no question about what the law is and what it provides. It has been interpreted by the Supreme Court, and the law is binding. Furthermore, the report of the General Accounting Office on some matters which have not been considered by the Supreme Court is quite clear. It will be found embodied not only in the letter of October 6, 1954, to the honorable Chan Gurney, then

chairman of the CAB—and if the Senator from Illinois has not seen that letter, I will gladly make it available to him—but it is also included in a more recent letter from the General Accounting Office to the senior Senator from West Virginia [Mr. KILGORE], which is dated October 22, 1954. If the Senator from Illinois has not seen that letter, it is, of course, available; however, I believe the Senator has seen it.

The committee feels that it has made a careful estimate of the situation; that the obligations of the Federal Government will certainly be more than the $55 million; that it is in the interest of the Nation to see that the obligations are promptly met; that if there is to be fair treatment of the carriers, we must leave the CAB possessed with the power at least to make payments which everyone who has gone into the question carefully, with no exception, so far as I know—and I include now the General Accounting Office, which is the handmaiden of Congress in passing on matters of this kind—believes to be reasonable.

It seems to me that the committee is within its rights in requesting the Senate to approve this figure, which does not go the entire distance, even, of the amount requested in the original budget, and which does not recognize the carryover of the unpaid item of $6,300,000 in addition to the budget, which is an approximation of the minimum amount which we feel, under any reasonable circumstances, could be expected to accrue and be payable to the carriers in order to discharge the Nation's obligations to them in the coming year.

That is a brief statement of our position. I hope the Senator from Illinois will feel it is a fair statement, and that, based on what is shown, he will be in a position to make his case for a reduction of the $55 million, if he cares to do so.

Mr. DOUGLAS. Mr. President, may I ask the Senator from Florida if I correctly understand his argument? Does he argue that Congress is obligated to appropriate as much airline subsidies as CAB asks for, and which it has by administrative ruling approved?

Mr. HOLLAND. It is as much obligated as in the case of any legal debt of the United States. The two letters from the Comptroller General of the United States, one addressed to former Chairman Gurney, dated October 6, 1954, and the other addressed to Hon. HARLEY M. KILGORE, dated October 22, 1954, make it very clear that it is not the demand of the carriers at all that fixes the amount, but it is, instead, the audited account, based, of course, on their original demand, and as it may be reduced or affected by the audits, first of the CAB and then of the General Accounting Office, and by any offsetting liquidated claims which the United States has in its own behalf against the carriers. There is no obligation at all to recognize as fiat the request of the carriers. That is not the point at all.

Mr. DOUGLAS. I am trying to understand the position of the Senator from Florida. Am I correct in assuming that the Senator is saying that, since the CAB has approved these subsidies, and since the mail rates have been approved, they constitute obligations of the United States, which Congress is bound not to alter and which it cannot diminish? That seemed to be the purport of the argument of the Senator from Florida.

Mr. HOLLAND. I think that would be a fair statement. After the rates are fixed, and after a contract is given for the carriage of the mails, and after the accounts have been audited by CAB and approved by GAO, there is no denying the fact that it becomes an obligation of the United States.

Mr. DOUGLAS. To the degrce it is approved by CAB?

Mr. HOLLAND. No; to the degree, so far as Congress is concerned, that it is approved by the General Accounting Office. The rate is fixed by CAB. That is its duty under the law.

As we checked CAB's rate activities, we thought the Board was very diligent. For instance, we found that in several cases where there had been earnings in recent years by various carriers in excess of what had been contemplated as a result of the permanent rate, the CAB immediately changed the permanent rate by putting in force a smaller temporary rate, which, of course, was subject to hearings and determination later as to what the reduced permanent rate should then become, or whether there should be a reduced rate.

Mr. President, I hope the Senator from Illinois is following what I am saying.

Mr. DOUGLAS. I have only two ears, and I have been trying to listen to the Senator from Florida with my left ear and to the Senator from South Dakota [Mr. MUNDT] with my right ear, and to consolidate what I hear with both ears.

Mr. HOLLAND. That is a rather difficult job, especially since the subject before the Senate is complex. The Senator from Florida would rather desist until the Senator from Illinois has completed the matter which he is hearing through his right ear. If he has determined that matter now, I shall proceed.

Mr. President, I had just said, before the collateral colloquy between the Senator from South Dakota [Mr. MUNDT] and the Senator from Illinois began, that the committee was impressed with the fact that the CAB had proceeded, as we thought, very diligently in following up anything that looked like a better development in connection with the earnings of carriers than had been contemplated by the Board when it fixed the rates. As the Senator knows, permanent rates are fixed only after long hearings and after receiving every possible presentation bearing on the subject.

Even then there have been some instances of actual earnings at the end of the year, or at the end of a quarter, because the CAB checks on the matter quarterly, having been greater than could possibly have been anticipated. Our attention has been called to the fact that in such instances CAB has been diligent to suspend the permanent rates, and to impose temporary rates which are less favorable to the carriers, and then, of course, to proceed to hold hearings in an effort to set new reduced permanent rates.

From our inspection of the operation of CAB, we have not felt it to be a careless one or one which was unfavorable to the United States; but, to the contrary, we think it has been a careful one.

We have felt that if there are those who object to the payment of the subsidies, the really fair and proper way for them to proceed is in either 1 of 2 directions. One would be by amendment of the basic law, which would, of course, be the most appropriate way. Or, if Senators feel that there are members of the CAB who have not been duly diligent in connection with the discharge of their duties, they always have the right to oppose confirmation. We find no record that the Senator from Illinois has followed either of those two courses, at least successfully, and I know of no effort on his part to follow either one of them.

When the Appropriations Committee, which has sat for weeks considering a matter of this kind, reports a bill which confessedly will not cover the whole field, but which will more nearly do so than the bill in the form it was passed by the House, we feel it is a little captious to make objections to recommendations which very clearly represent the best estimate now available as to what will be the obligations of the United States in 1956 growing out of payments for subsidies to air carriers under laws which Congress enacted, and which exist only because Congress enacted them.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Florida yield to the Senator from Illinois?

Mr. HOLLAND. I yield.

Mr. DOUGLAS. I wonder if my friend from Florida is aware of the fact that no audit has even been made of the subsidiaries of the Pan American Airways, and that one of those subsidiaries in 1953 lost $2½ million; that since this hotel subsidiary, Intercontinental Hotels, Inc., is 100 percent owned by Pan American, the only group which could meet the deficit would be Pan American; and that this would weaken its financial position and make a subsidy more necessary? I have asked that such an audit be made, but no audit has been made, and this is an important point.

Secondly, I think the evidence is pretty clear that in the case of the Supreme Court decision, which has held that the financial condition of the carrier should be considered as a whole, and that we should not consider separate lines of the carriers, to determine whether or not a subsidy or mail rate is needed for a particular line, but that we should consider whether or not the company as a whole is prosperous.

The Postmaster General sent a memorandum to the Senator from West Virginia [Mr. KILGORE], which I had reproduced on page 8136 of the CONGRESSIONAL RECORD for Tuesday, June 14——

Mr. HOLLAND. Very well; I am following the Senator from Illinois.

Mr. DOUGLAS. In the statement of the Postmaster General there are assertions which seem to be uncontroverted that under that decision $50,798,000 of excess earnings is available for offset against subsidy loans or for recovery by the Post Office Department, and could be used in part as an offset against subsidies which otherwise would be paid. In connection with this fact, why is it that during the 16 months, since that decision was handed down, the Civil Aeronautics Board has finalized any proceeding to recover any part of the $50 million? It could be used in part as an offset against the subsidies. These are assets of the Government; and it is a well-established principle that such claims can be used as an offset against other obligations of the Government. That is done in the case of veterans. For instance, if a veteran falls behind in his payments of Government insurance, then that obligation is deducted from other sums of money which the Government may owe him for disability payments.

Why is it that we have a very rigorous standard in the case of veterans, but in the case of the large airlines, the Civil Aeronautics Board does not proceed—although the decision was handed down 16 months ago—to recover the sums of money which the Supreme Court in two unanimous decisions has said the airlines owe, and although the Postmaster General has clearly stated the amounts which are owed? That is my next question.

Mr. HOLLAND. I think it is a very good question, and calls for a very frank answer. We had before us the chairman of the Civil Aeronautics Board, Mr. Ross Rizley. He happens to be the one who, as solicitor for the Post Office Department, successfully pushed the suit the Senator from Illinois has mentioned. Mr. Rizley probably knows more about the law involved in that suit than does any other person, certainly any other person in this field of the Federal Government. He impressed the committee as being exceedingly anxious to do exactly what the Senator from Illinois is suggesting.

One of the things Mr. Rizley made crystal clear to us was that his auditors are working on a pressing basis to try to develop all the facts which are necessary in order to do exactly what the Senator from Illinois has suggested.

So far as I am concerned, I was greatly impressed with Mr. Rizley and with his determination in regard to this matter. I know Mr. Rizley has a complete grasp of the facts and the law which have been referred to by the Senator from Illinois; and I have complete confidence that the Civil Aeronautics Board will do its level best to see to it that the rights of the United States in all fields affected are properly taken care of, and, in particular, that any offsets are properly made.

We were assured by Mr. Rizley that the principle of offsets is now reflected, and has been since the date of the decision, in the auditing of the Civil Aeronautics Board. We were also assured by him that the reason why he was asking for more auditors—and the Senator from Illinois will note that in the preceding paragraph in this appropriation bill Mr. Rizley is provided with more auditors—was in order that he would be able to complete at an early date the very compendious audit which was required.

I wish to call the attention of the Senator from Illinois, however, to the table he has submitted. He will find that according to the accounting a large amount which is alleged by the Post Office Department to be due is due by carriers which are not now receiving subsidies. If the Senator from Illinois will examine page 299 of the hearings, he will find the list of carriers which are not now receiving subsidies. The Senator from Illinois will note that quite a number of the carriers—for instance, United—are shown by his table to have been affected. We find—from the second column of the compilation the Senator from Illinois placed in the RECORD, at page 8136—that United is affected to the extent of $15,857,000; and the Senator from Illinois will note that United is one of the carriers which is not now receiving subsidies.

Furthermore, from the list the Senator from Illinois also will find that TWA, which is shown to be the carrier affected by the next largest item—that of $12,158,000—likewise is not now receiving subsidies. Furthermore, from the list the Senator from Illinois will find that Delta and Western are also included.

So the total amount involved in the question asked by the Senator from Illinois largely comes back to $5 million, which is alleged to be the amount affecting the Pan American Airways.

Mr. DOUGLAS. Plus $1,800,000, as shown in the third column, or a total of $6,800,000.

Mr. HOLLAND. Very well, $6,800,000, maximum.

Mr. DOUGLAS. That is precisely what I am talking about.

Mr. HOLLAND. We were assured by the Chairman of the Civil Aeronautics Board and by the other witnesses that in each case, under the computation they are now following, they are recognizing the offset principle and are holding back amounts which are affected by that principle; that the interests of the United States are not being jeopardized in any degree; and that that point is not of any consequence at all, when applied to the appropriation the committee has recommended, because the amount recommended by the committee does not cover any item involved in the point the Senator from Illinois is making.

Mr. DOUGLAS. Is it not true that the Government has claims of $6,800,000 against Pan American Airways?

Mr. HOLLAND. The Post Office Department has claims in that amount; the Senator from Illinois is correct.

Mr. DOUGLAS. Is it not also true that the subsidy of Pan American Airways, as contemplated for this year, is approximately $17,700,000?

Mr. HOLLAND. After withholding a great deal more than that in the computation.

Mr. DOUGLAS. Not withholding for this item.

Mr. HOLLAND. Withholding much more than the $6,800,000—withholding everything required to be withheld to give full force and effect to the principle of offsets.

Mr. DOUGLAS. The Senator does not answer my question. In connection with the $17,800,000 subsidy no provision is made for withholding the $6,800,000 which under the Supreme Court decision of February 1, 1954, is due the Government. Is not that true?

Mr. HOLLAND. The Senator from Florida thinks he has completely met the point of the Senator from Illinois. The accounting between the Government and that company is so much greater than the item mentioned, the $6,800,000 to which the Senator refers. So the Government is protected by the very large amounts, much greater than that, which are unsettled in the accounting, and which the CAB has declined to settle.

Let me say to the distinguished Senator from Illinois that, first, he is evidencing no confidence in the CAB; second, no confidence in its chairman, who was the solicitor who handled the very law case the Senator mentioned, when he was serving as solicitor for the Post Office Department; third, no confidence in the General Accounting Office, which the Congress created to help it in auditing matters of this kind, and which does audit such matters, or else the accounts are not paid; fourth, no confidence in the committee, which has gone into this question in great detail and which reports an amount confessedly some $14,300,000, or thereabouts, under what seems to be the amount required fully to pay this item in the coming year, but with the hope that by so doing the Government will encourage the manifest efforts of the CAB to minimize subsidy payments, insofar as the law allows, and insofar as the General Accounting Office will permit, because we hope the General Accounting Office will always stand for fair dealing between the Federal Government and those with whom it does business, rather than merely for shaving off here and there some claims which cannot be justified by law or equity.

So the Senator from Florida feels that the attitude of the distinguished Senator from Illinois, while no doubt based upon the utmost of good faith and good will—and the Senator from Florida appreciates it—is not such as to justify the points which the Senator from Illinois has raised. Although the distinguished Senator is acting in perfect good faith, nevertheless, the Senator from Florida recognizes none of the points which the Senator has made.

Apparently the Senator from Illinois has no confidence in the CAB. He has no confidence in the lawyer who effectively represented the Post Office Department, and has now been promoted

to be Chairman of this Board so that he can make effective the very ruling which he helped to obtain from the Supreme Court.

The Senator from Illinois has no confidence in the General Accounting Office, which is an arm of the Congress, and not of the executive department. He has no confidence in the Appropriations Committee. A subcommittee of that committee spent weeks on this subject, and reported to the full committee of 23 Members of the Senate.

So far as the Senator from Florida remembers, the Senator from Illinois did not appear before the subcommittee. He did not make any showing before the subcommittee. He did send a letter, which the Senator from Florida was glad to insert in the record, though it did not come to the Senator from Florida directly from the Senator from Illinois.

Mr. DOUGLAS. I sent it to the chairman of the committee, but the table enclosed was never printed in the proceedings.

Mr. HOLLAND. It was sent to the distinguished chairman of the Committee on Appropriations, the Senator from Arizona [Mr. HAYDEN], and by him passed on to me. I was very glad to insert it in the printed hearings.

So the Senator from Florida thinks payday has come, and that the Congress of the United States, which lays down the rules and enacts the laws, and which insists upon having an auditing agency to represent it, and not the executive, should recognize that fact. When the Congress reaches the stage when it thinks an account is due and recommends it, it should realize that payday has come.

The Senator from Florida does not understand the attitude of Senators who are not willing to recognize the fact that we do reach a payday, and that the good faith of the United States is certainly involved in this matter, as well as the confidence of the Congress in the various persons and agencies which the Senator from Florida has mentioned.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. THYE. Is it not true that the record of the airlines is excellent? They are reducing the amount of subsidies. Some of the airlines have completely reached the point where they are operating without a deficit with respect to some of their lines. They do not need a subsidy with respect to some of their lines.

Mr. HOLLAND. The Senator, of course, is correct. The full list of airlines which have reached that state—some of them within the last year or two—appears in the RECORD. It has already been referred to in the debate.

I am glad the Senator makes the point, because it affords the opportunity to read into the RECORD a list showing their recent progress.

For example, American has gone up from 10.9 percent earning on its investment to 11.5. It is off subsidy.

Braniff has gone up from 8.9 to 13.3. It is off subsidy in its domestic lines and the rate of subsidy is being redetermined, on the basis of the overseas traffic.

Eastern remains at 7.8. Pan American, adverted to by the distinguished Senator from Illinois, improved its position from 5.5 to 6.6. That is for the year ended December 31, 1954, which is the last year for which the figures are available in each case.

United has gone up from 7.5 to 7.8. Northwest has gone up from 8.6 to 8.8. The point the Senator from Minnesota has made is completely borne out by the record. The airlines are operating to advantage, and they are getting off the subsidy roll as fast as they can.

The following is a list of the lines which have gone off the subsidy: American, Eastern, National, Northwest, Trans-World, United, Capital Delta, and Western. The dearest hope of the lines which are not off the subsidy is to get off that list.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. THYE. Is it not true that some of these figures represent back accounts—delinquent accounts, so to speak—which the Federal Government owes, and on which interest is being paid? Are we not endeavoring to provide sufficient funds to bring the accounts to a current status, thereby avoiding heavy interest payments which would be due on delinquent accounts of airlines?

Mr. HOLLAND. The Senator is exactly correct, with one exception. I wish I could say that we fully take into account the point the Senator has mentioned. We do not quite fully take it into account, but in increasing the item in the House bill from $40 million to $55 million, we increase it to the minimum amount to which, it seemed to us, it would be possible to reduce the amount payable in the next year.

I am glad, too, that the Senator from Minnesota, with his customary ability to pierce through to the main point, has indicated another fact, and that is that when the airlines must pay interest, it affects the rates, and therefore indirectly affects the subsidy. When the United States does not pay the accounts when they are due—and unfortunately we have not been paying them—we make it more difficult, instead of easier, for the airlines to leave the position in which they are subsidized, and go over into the group of nonsubsidized lines. I think it is correct to say that it is the ambition of every one of these lines drawing a subsidy to get into the other classification as quickly as possible.

Mr. THYE. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. THYE. As a member of the subcommittee, I wish to say for the record that I know of no chairman who has been more diligent and searching in his efforts to get the facts into the RECORD than the Senator from Florida has been. We sat through the hearings, determined to make certain that the record would be clear, that there would be no misinformation in the record, and that there would be no lack of information relative to the fine record of the airlines in their efforts to get on a paying basis and to get out from under the Federal subsidy, the need for which has extended over most of the lifetimes of these airlines.

Mr. HOLLAND. I greatly appreciate the gracious words of the distinguished Senator from Minnesota. I appreciate his attention to duty. He was a constant attendant at the meetings of both the subcommittee and the full committee. I greatly appreciate his comment on this occasion.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. FULBRIGHT. I notice that nearly all, if not all, the major lines—at least in the domestic field—have gotten away from the subsidy. I believe that is a true statement, with perhaps 1 or 2 exceptions. Apparently the largest subsidy is in the Latin American business. Why is it that that traffic generates the greatest subsidy? I think it amounts to considerably more than half, perhaps two-thirds, of all the subsidies paid.

Mr. HOLLAND. Mr. President, before I answer the Senator's question, perhaps it would be well to insert in the RECORD and to call to the Senator's attention the figures in the table on page 284 of the hearings, of which I shall give a résumé, as follows. The figures covering the 1956 CAB estimates on subsidy payments for next year, for which the bill will make appropriations, are divided into various classifications. For domestic trunklines—and they are the ones to which the Senator from Arkansas first adverted——

Mr. FULBRIGHT. That is correct.

Mr. HOLLAND. For domestic trunklines the figure is $4,648,000. In other words, very few of the domestic trunklines are left on the subsidy list.

For local service carriers, $25,135,000. That is the largest amount for any single group. The Senator will recognize the fact also that it represents the desire to serve communities which are in a borderline situation where they cannot quite adequately support the continued service, but which it is in the national interest to continue to support.

Then, for helicopter service, $2,928,000. That makes a total of $32,711,000 for next year's estimates for lines in the United States.

Those figures do not include Alaska—although, I believe, for all intents and purposes we should include the next figure, the one for the Territories in the domestic estimates, because we are all trying eagerly to make Alaska and Hawaii component parts of our Nation. Whether we favor statehood or not, I believe we all recognize the fact that it is in our national interest that Alaska should move ahead. Taking the totals for Alaska and adding the Hawaiian operations, we have a grand total of $8,790,000.

That makes a total of $41,580,000 for domestic and Territorial area operations.

The international operations are divided into transatlantic operations, transpacific operations, and Latin

American operations. The trans-Atlantic operations amount to $2,669,000, the trans-Pacific operations amount to $2,262,000, and the Latin American operations amount to $16,176,000.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HOLLAND. The total for the international lines is $21,107,000.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall be glad to yield in a moment.

The question of the Senator from Arkansas correctly indicates that Latin American operations call for a total, in the estimates furnished by the CAB, of $16,176,000 in the payment of next year's subsidies, and represent by far the largest group in the international field of carriers.

While I am thoroughly familiar with the hearings, of course I have had no chance to become thoroughly familiar with all the facts, but I would assume that there is no such volume of passenger and mail carriage to the various component parts of Latin America as there is to Europe, as there is to the United Kingdom and other nations across the Atlantic, or as there is across the Pacific. Incidentally, we learned in the hearings that one of the important factors in the transpacific business was the carriage of Armed Forces mail, because we do have very sizable bodies of troops in the Pacific, and, as the Senator well knows, they are served in large part by airmail.

So that the only real answer which the Senator from Florida could advance would be that, looking at the fanned out scale of operations to Mexico, to the countries in Central America, to northern South America, and down both the Pacific coast and the Atlantic coast of South America, considering the long distances involved, and the very fine equipment and facilities which must be provided and maintained, there is not a sufficiently heavy volume of traffic, to make that operation profitable, as compared with transpacific and transatlantic operations.

Mr. FULBRIGHT. Mr. President, I should like to ask one further question, if the Senator will yield.

Mr. HOLLAND. I yield.

Mr. FULBRIGHT. In establishing a route to Ecuador, let us say, by Pan American or by any other company—and of course Pan American is the largest in that service—is the route requested by CAB? In other words, does CAB request that a certain service be instituted to a particular point in Latin America, or does the company initiate its own service?

Mr. HOLLAND. I am told by the clerk of the committee, who has approached CAB on this point, that the initiation has sometimes come from the State Department for the consideration of establishment of routes to our friendly neighbors, but that the initiative does not come from CAB itself.

Mr. FULBRIGHT. I think that is a point that should be developed in the future. We know how the feeder lines, as we call them, get started, and of course I am in sympathy with the purpose of and the justification for airline expansion to South America. So, I was wondering whether the State Department or the Commerce Department or some other agency of our Government initiates a request that Pan American, for example, should start service to a Latin American country. I think it would be informative and interesting if we had that kind of information.

Mr. HOLLAND. The information which I am able to offer is that the State Department has on occasion requested that CAB investigate the possibilities of establishing such service, and has requested one of the carriers to apply for the institution of a line to one of the friendly Latin American countries.

Mr. FULBRIGHT. I should like to ask one further question. I read in the newspapers today and yesterday that there has been reached a tentative agreement giving the new German airline the right to serve South America from some local points in the United States, and that that has raised a terrific howl on the part of some of our companies, who are opposed to it. I was wondering how that development fits into the picture of substantial subsidy payments to airlines serving the same areas, and whether such service is in furtherance of a policy by our Government aside from the interest of a given airline in making money by establishing that kind of service. I believe that is a rather interesting point.

Mr. HOLLAND. Of course, the Senator from Arkansas is correct in his suggestion, and I will follow it through by saying that unquestionably it is a part of our international policy to have America represented in international air travel.

I am sure the distinguished Senator from Arkansas has had much more such travel experience than has the Senator from Florida. However, the Senator from Florida has ridden on a KLM plane, which is the Dutch airline, from Miami to Caracas, Venezuela. The Senator from Florida has also seen planes of the British lines, of which I believe there are two, which serve Nassau and the other Bahama Islands, and the Senator from Florida has observed planes of our own carriers serving that area.

I believe it is wholesome and sound competition in the international field when our Government sees to it that the American flag is carried on the routes of trade internationally. I am sure every Senator on the floor has voted for legislation which supports that view. Certainly we should not be surprised if on analysis of the figures we find that the extension of American airline service to Latin America is more expensive in subsidy, due to the more limited travel possibilities and the tremendous distances involved in some cases, than is the service across the Pacific and across the Atlantic which carries heavy traffic, both passengers and mail.

Mr. FULBRIGHT. I should like to compliment the Senator on his statement. I was trying to make the point that there are involved in this question matters other than merely the financial and economic conditions, and that they should be given due consideration. I agree with the Senator that our country should have adequate representation in international airline service. There is only one reservation I would make—and I believe the Senator has covered that very well—that the bookkeeping ought to be very carefully done. I hope the General Accounting Office is checking the figures very carefully. The companies do their bookkeeping pretty well, and I think the General Accounting Office should do its bookkeeping equally well.

Mr. HOLLAND. I certainly appreciate the comment of the distinguished Senator from Arkansas, and I agree with it completely. Perhaps it would be well to add the basic comment that a subsidy is approved when a company cannot, on the average, carry a large proportion of its capacity, and of necessity has to travel with only part of its capacity filled, whether it be by passengers, whether it be by mail, or whether it be both. That is the reason why the feeder lines of the United States show a need for greater subsidies than do the great trunk lines. It seems to me, without claiming to have particular familiarity with the subject, that as a matter of common knowledge we can say that is the reason why carriers operating to Latin America show the necessity for a greater subsidy than do those operating across the Atlantic or across the Pacific.

Mr. NEUBERGER. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. NEUBERGER. I should like to ask a question of both the Senator from Florida and the Senator from Illinois. The question of airline subsidies is a matter, among many others, about which I know very little. I represent in part a State which has some very small isolated communities which are served by very small feeder airlines. Without such feeder airlines there would be no service whatsoever. The landing fields are not adequate to accommodate the planes of the larger airlines.

This is what I should like to know: What effect would the amendment of the distinguished Senator from Illinois have on such a situation?

Mr. DOUGLAS. Technically, I have no amendment.

Mr. NEUBERGER. I refer to the Senator's proposal, or the issue he is raising. What would be the effect on the ability of some of the small feeder airlines to continue to operate? They are marginal operations. They have not made great profits, but if they should fail and go under, the small communities to which I have referred would have absolutely no airline service whatsoever.

Mr. HOLLAND. Mr. President, I should like to answer the distinguished Senator from Oregon, and then I should like to yield to the Senator from Illinois in order that he may answer.

Directly, there would be no immediate effect, because the amount of the obligation of the United States to the airlines

is created not by the appropriation, but by the rate fixed by the CAB under laws which we have passed and under directions given by the Congress. But if airlines are forced to operate and are not able to receive their subsidy payments promptly, in the first place, it will make it more difficult for them to operate, because they will have to operate on an interest-paying basis.

In the second place, it will make it more difficult because even if they are able to hold on and see it through, they will never get on a nonsubsidy basis because the interest they pay is an expense which is allowed as a part of the operating expenses which contribute to the rate.

In the third place, if this kind of policy should prevail generally and if Congress should refuse to recognize the obligation of the United States, which is what the House committee report recommends, ultimately there would be chaos, and there would either have to be a restatement of the law, which, of course, would directly affect the small carriers mentioned by the Senator from Oregon, or Congress would have to face up to the problem in a much more definite way than by simply delaying payments. That is what the unwillingness of the distinguished Senator from Illinois to go along with the committee amendment indicates—an unwillingness to come to grips with the fact that we have got to pay our accounts and that we should leave our agency, the CAB, in a position to pay those accounts promptly when they are due.

Mr. DOUGLAS. Mr. President, there is no intention on my part to reduce subsidies to the feeder lines, which usually run north and south. The amount provided by the House, $40 million, would be ample to meet their subsidy claims, which amount next year to $25 million, and which may be less as the volume of traffic of the feeder lines grows. It would permit some payments to other lines.

Last year Congress cut the subsidies, but it did not affect the feeder lines. What it did affect was one company, Pan American Airways, and the real issue here is whether the subsidies to that company are or are not excessive.

Mr. NEUBERGER. I thank the Senator from Florida and the Senator from Illinois. A reduction might have a crippling effect, and could well be disastrous to an airline such as the Pioneer in the Rocky Mountains and on the west coast in Oregon.

Mr. DOUGLAS. Last year Congress acted to reduce the total subsidies and, so far as I know, those lines did not lose anything.

Mr. HOLLAND. Mr. President, to make my answer more complete, I should like to invite attention again to the figures which I placed in the RECORD before the Senator from Oregon was able to reach the floor. They show that of the $63 million in the budget, $25,135,000 is for local service carriers, domestic lines; $2,928,000 is for helicopter service, which is also in the same category; and $8,790,000 is for Territorial air operations, mostly for the Alaskan line. So the Senator can see that all but $21 million of the $63 million directly affects the class of operation of which he speaks. The domestic lines occupy the largest part of this field.

When I said they would not be immediately affected, I should have called attention to the fact that the Congress does not determine the obligation; the obligation continues to exist. If payments are not made promptly, and the companies cannot pay their bills, we are making it more difficult for the small airlines mentioned by the Senator from Oregon to operate.

Mr. President, I yield the floor.

Mr. DOUGLAS. Mr. President, the Senator from Florida has raised a number of issues. In the first place, he appealed to all friends of the chairman of the subcommittee, all friends of the committee, all friends of the administration, all friends of the General Accounting Office, all friends of the CAB, and stated that my motion was, in effect, a vote of no confidence in them.

I have the greatest respect for the energy and public spirit of the Senator from Florida and the other members of the committee, and I think he should not take this matter in any personal sense whatsoever. But there is a question of public policy involved. There is no question of personal dereliction on the part of any Member of the Senate. I think the General Accounting Office and, particularly, the CAB, have been negligent in the performance of their duty, to put it mildly, and I stand on that point. But I wish we could get away from the tendency of the committee chairman to view any opposition to the proposals which the committee advocates as a personal reflection upon the members of the committee, because certainly that was not my intent and is no part of my purpose.

The Senator from Florida made the plea that the Civil Aeronautics Board, after 15 months of nonaction, is now going to get on the ball and act. This has a very familiar ring, because when the hearings were being conducted last year the then Chairman of the Board made a similar promise, but nothing has been done in the meantime.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. HOLLAND. I think the Senator has not correctly understood my statement, which was that the auditing and book work had moved ahead just as rapidly as possible; that the Chairman of the Board had requested Congress to provide funds for some additional book workers, so that the matter could be brought to a head at the earliest possible date.

I simply called attention to the fact that when in the case of an operation of many years duration it becomes necessary to restate it in terms of a new rule announced by the Supreme Court, and now followed by the CAB, it is not an overnight operation.

I called attention to the fact that the same lawyer who had successfully handled the case in the Supreme Court of the United States had now been moved up to the position of Chairman of the Board, in order that he could, as quickly as possible, follow through, and he has asked from Congress funds for additional help, so that he can follow through with greater speed. We have provided those funds. I appreciate the fact that the Senator from Illinois was agreeable to the granting of the additional aid by not opposing that particular amendment.

Mr. DOUGLAS. Of course. I merely wish to point out that the CAB has for many years failed in its job of auditing the accounts of airlines, and perhaps, in particular, in not auditing the accounts of Pan American Airways. It has had 16 months in which to get ready to settle up claims under the Supreme Court decision.

While the Senator from Florida is completely correct that there would be no offset against some of the companies listed, such as Western, TWA, and United, there would be claims of $6,800,000 against Pan American. To date, those claims have not been pushed. That is the item as to which I am speaking on the question of auditing.

The accounts of subsidiaries of Pan American have never been audited. Yet in 1953 they had a deficit of $2,500,000, which could only have been made good by Pan American, which in turn asked for the subsidies.

The subsidiaries are very interesting organizations. They include, but are not limited to, the "Ten Superb Hotels," which are advertised as attractions in the Pan American pamphlet I hold in my hand, and which have some very interesting descriptions, which I placed in the RECORD a day or 2 ago. They are obviously luxury hotels.

The description of the Hotel Grande, a picture of which I hold before me, says:

> Spacious guest rooms reflect the magnificence of the days of the Amazon throne.

I believe that every man in the United States should be a king; but I do not believe he should live like a king at the expense of the United States taxpayer. I do not believe the standards of the Amazonian throne should be saddled upon the taxpayers of the United States.

Other hotels are described. I observe in the photographs some very beautiful swimming pools, which are of a fashionable, kidney shape. I see scattered around them cabanas. I think that is the correct pronunciation; may I ask the Senator from Florida if it is correct?

Mr. HOLLAND. It is.

Mr. DOUGLAS. The cabanas enable those who go swimming to partake of the joys of life on the Latin American Riviera.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HOLLAND. I think the Senator from Illinois shows a very creditable acquaintance with cabanas; I am glad he has enjoyed them.

Mr. DOUGLAS. I am perfectly willing to enjoy them; but when I have enjoyed them, I have paid for them; I have never

used the Pan American air intercontinental hotel cabanas. I have not asked that the cost be saddled upon the taxpayers of the United States. And they have been rather inexpensive cabanas, too, I may say.

Here is a picture of another beautiful hotel, this one in Mexico City, the Hotel Reforma. The pamphlet states:

> The Cafe de Paris of the Reforma is served by spotless kitchens, an international staff * * * and the wine cellar offers a fine assortment of carefully selected vintages. The international society that congregates at the Reforma adds a further dash of color and excitement to a thrilling visit in Mexico City.

Mr. President, I have never mixed with international society. When I have traveled abroad, I have stayed at modest boarding houses. I have not wished to associate with the so-called international set. From what I have heard about them, I do not think they are particularly attractive.

But this attraction is held out as an inducement, yet the hotel is operated at a deficit which is added to the deficit of the Intercontinental Hotels Corp., which is owned 100 percent by Pan American, and therefore is paid for by the taxpayers of the United States.

I shall hold up the pamphlet, so that Senators may see the pictures of these beautiful hotels.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LONG. Can the Senator from Illinois tell us the amount of money which is lost by Pan American each year on its hotel system?

Mr. DOUGLAS. In 1953 the hotels lost over $2,500,000.

Mr. LONG. Does the Senator have any later figure than that?

Mr. DOUGLAS. No, I do not; but I find on the outside of the folder a list of "10 superb hotels—with more to be added worldwide."

This is only a taste of things to come, provided the subsidies are kept up.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. No; I wish to conclude my reply to the Senator from Louisiana.

The only reason, and it is a good and sufficient reason, why I do not have the information for 1954 requested by the Senator from Louisiana is that an audit has not been made. I managed to get the figures for 1953, which I placed in the RECORD. I may say that I have been carrying on an extensive correspondence with the General Accounting Office on this question, and have been able to extract some information from them and from other sources.

Mr. LONG. Mr. President, will the Senator further yield for a question?

Mr. DOUGLAS. I yield.

Mr. LONG. What concerns some Senators is that there are airlines which would like to compete for some of the business—not the hotel business, but the flying business.

Mr. DOUGLAS. That is correct.

Mr. LONG. For example, there are charter carriers and cargo carriers which would be delighted to compete, on a nonsubsidized basis, and to carry freight, mail, and other cargo in the international service. The CAB denies them the right to compete. It seems rather unfair for the Government to subsidize certain lines and to guarantee them traffic, while other lines are willing to operate without a subsidy.

Perhaps an amendment to the organic act would be necessary to make it possible for nonsubsidized lines to compete. However, it would certainly appeal to me if it could be made certain that the companies which desire a subsidy to haul the mail should not have a preference over companies which are willing to haul mail cargo and various other types of Government freight at no expense to the Government, and often at a saving.

Mr. DOUGLAS. I quite agree with the Senator from Louisiana. I think the CAB has progressed much further than the old theory of the chosen instrument. While it has not granted absolute monopolies, it has granted strong preferential treatment to Pan American.

A very important point has not been covered in the debate, but it should be made known. For example, Northwest Airlines recently was in a very shaky financial condition. That line competes with Pan American to Alaska. Pan American's Alaskan Division would receive a subsidy of $1,356,000, as shown on page 287 of the hearings, for the States-Alaska operation. Northwest Airlines receives no subsidy.

Northwest Airlines also flies the Pacific over the northern route to Japan. Northwest Airlines does not receive any subsidy for this.

Mr. LONG. Is Northwest Airlines permitted to fly to Hawaii?

Mr. DOUGLAS. The answer, I believe, is that they were allowed to fly into Hawaii only after the White House reversed itself.

Mr. LONG. Then, if Northwest Airlines flies on a nonsubsidized basis to Japan, what right has the Government to deny it the right to fly to Hawaii?

Mr. DOUGLAS. I think that is an extremely good question. I may point out that Northwest gets no subsidy on its transpacific operations, but Pan American, Pacific, gets a subsidy of $2,262,000. It was only because a group of Senators protested that the White House reversed itself.

Mr. LONG. Is Pan American still receiving a subsidy on its Pacific flights?

Mr. DOUGLAS. I believe no permanent order stands entered denying them the subsidy. There are some temporary orders, about which I should like to speak later.

Mr. LONG. It seems unreasonable that a nonsubsidized airline is denied the opportunity to share in the more lucrative business while a subsidized airline is guaranteed a monopoly of it.

Mr. DOUGLAS. The Senator from Louisiana could not be more right. That is the situation in the Pacific.

Now let us take the situation in the Atlantic. As we all know, there are two lines flying the Atlantic, TWA and Pan American. I hold in my hand the evidence, and I would appreciate it if the Senator from Florida would check me if I am not correct. On page 287 the subsidies for the trans-Atlantic subsidies are set forth. Trans-World gets no subsidies. Pan American gets $2,669,000 in subsidies.

Here are two lines and also competing against foreign lines. TWA gets no subsidy. Pan American gets $2⅔ million in subsidies.

In all, the subsidies which go to Pan American, or which are contemplated for Pan American, amount to $17,749,000.

Very frankly, we might as well face the issue. That is the item in question, which I believe should not be granted in its entirety. That is the item.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. Certainly.

Mr. HOLLAND. The Senator from Florida also inquired about the same question, and found this was the answer. Trans-World Airlines, trans-Atlantic, flies mostly to points of great density of traffic. Pan American transatlantic serves Scandinavia; serves also some points of great density, but also points in Africa and Asia, which are not at all points of dense traffic. The difference between the two operations is that one is concentrated on the line of density, and the other is fanned out to give service wherever the CAB has felt it should be provided.

If the Senator will allow me, I should like to refer to the question of the hotels, since we were about to get away from that. After the speech of the Senator from Illinois some days ago the Senator from Florida inquired of the staff of the CAB on this subject, Mr. Mulligan, whose name has already been mentioned, and Mr. Roth, and received from them the assurance which the Senator from Florida now desires to give to the Senate. Insofar as the hotels are concerned, there is not anything in this matter which is allowed as an item in the Pan American claim for a rate. Insofar as the subsidiary lines are concerned, the Board is not allowing a part of the Pan American expense.

To make the point a little clearer and more final, I wish to call to the Senator's attention the fact that the very document from which he quoted and inserted in the RECORD, at page 8129, does not show the amount of $2,530,000 as an item of loss to Pan American. It would not have been figured in the operating claims if it had been so shown. Instead, it is an item of investment. Mr. Mulligan and Mr. Roth both assured us of that. There is no foundation for any sound statement that the operation of the hotels is financed by the taxpayers of the United States.

Mr. DOUGLAS. I may say to my good friend from Florida there is only one source from which the deficit of the hotels can be met, and that is Pan American, which owns 100 percent of the stock. There may be some bookkeeping legerdemain indulged in, in which an advance

of cash is shown as a loan or an investment, but it pulls down the cash position of the parent company.

What was done in this case, as I think I indicated, was that an advance of $2 million was made in a single day in July 1953 by Pan American to the hotels, and it was interest free. The loss of that interest will be an item of cost to the Government. So, in effect, we pay not only the principal, but we pay the interest plus the principal.

Mr. Woodbridge, comptroller of Pan American, who is also comptroller of Intercontinental Hotels, wrote himself a letter showing that the advance would be made as a loan. It may be carried as an investment, but it really pulls down the financial position of Pan American.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Kentucky.

Mr. BARKLEY. With reference to flights over the Atlantic, we all recall that for a good many years there persisted here an effort to create a monopoly in that field.

Mr. DOUGLAS. I believe that took place in the celebrated 80th Congress, by a Member of this body.

Mr. BARKLEY. A resolution was referred to the Committee on Foreign Relations, of which I happened to be a member at the time, but the resolution was not adopted. I wonder, however, if the situation to which the Senator from Illinois has called attention, the fact that one company has a subsidy and the other has not, has any reference to that effort of a few years ago.

Mr. DOUGLAS. The Senator from Illinois tries not to be a suspicious person.

Mr. BARKLEY. The Senator from Illinois shows some success in that field.

Mr. DOUGLAS. In not being suspicious?

Mr. BARKLEY. Yes.

Mr. DOUGLAS. The situation was presented of an American airline company which tried to get a monopoly of all of the foreign aviation business, and it had powerful backing in the Senate. We all know that to be a fact. It failed to become the chosen instrument. It failed in seeking to become the exclusive monopoly. But its position has been favored and privileged since then. That airline tends to get the choice routes, as the Senator from Arkansas [Mr. FULBRIGHT] brought out. It tends to get the subsidies when the "kissing" takes place. So far as subsidies are concerned, Pan American is always under the mistletoe.

Mr. BARKLEY. Does the Senator know—and I am asking this question purely to obtain information, because I have no information and no suspicion about what I ask—to what extent the CAB and the aviation authorities sympathize with the monopolistic effort to which we have alluded?

Mr. DOUGLAS. I cannot read their minds. It would be very improper for me to impute any motives to them, but I would say that a large number of decisions seem to have gone in favor of Pan American, or at least the final actions taken have been in favor of Pan American. Since I am now attacking the present administration of CAB, I must in all candor say that the preceding administration was not wholly spotless.

Mr. BARKLEY. I thank the Senator from Illinois.

Mr. DOUGLAS. I thank the Senator from Kentucky.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. Certainly.

Mr. HOLLAND. I should like to have the RECORD show at this time that the Senate showed its customary good sense by refusing to respond to the monopoly effort to which the Senator from Kentucky has adverted; that the Senate at the same time has continued and has enlarged and has built upon the structure of CAB, in an effort to make it such an agency as could best represent our Government in doing the things which Congress has approved as being proper, and that it is payday when that agency comes forward and tells us how much it needs to pay for the obligations which it has created under the law.

The question of the effort to get a monopoly brings forth only one comment from me, and that is that the Senate showed its customary good sense in refusing that request. The Senator from Florida was here at the time, and he joined in refusing the request. I do not believe that my friend, the Senator from Illinois, was here at that time. Perhaps he did not know about it. But the fact of the matter is that now we have a payday, with a General Accounting Office check on it, to tell us how much we should pay; and the Appropriations Committee is endeavoring to recognize, not the entire bill, but a sufficient amount of the total bill, so as to allow this agency we created, the CAB, under the control of our other agency, the General Accounting Office, to keep fairly current the obligations which are created under our direction and under the law we passed.

Mr. BARKLEY. Mr. President, will the Senator from Illinois yield at this point, to permit a further interruption?

Mr. DOUGLAS. Yes, indeed, Mr. President.

Mr. BARKLEY. Going back to my interrogatory, I merely wish to emphasize that, being opposed to monopolies in any form, I also opposed that effort on the floor of the Senate. At that time I happened to occupy a responsible position.

Mr. DOUGLAS. Yes; the Senator from Kentucky was then the leader in the Senate of the Democratic Party.

Mr. BARKLEY. I am opposed to monopoly in any field—whether in aviation, railways, merchandising, or elsewhere. I have always been opposed to monopoly.

My question of the Senator was prompted by an interest in knowing whether, despite the refusal of the Congress to grant that monopoly, it has been brought about to some extent or has been encouraged by those who have administered the laws.

As I said, I was interested in obtaining the information, because I myself have no knowledge of it. But the circumstances pointed out by the Senator from Illinois are certainly worth considering. However, that may raise another question from the one now before us, if we have a legal and moral obligation to appropriate this money under existing legislation. That may raise the question of whether we should change the fundamental law or whether we should vote for the recommended appropriation. To me, that raises a question of good faith on the part of the Government.

Mr. DOUGLAS. Mr. President, I appreciate the position of the Senator from Kentucky, who, as he has said, always has been opposed to monopoly.

I repeat that an absolute monopoly was not allowed or granted. Some degree of competition was permitted. The good routes seemed largely to go, somehow, not to the chosen instrument, but to the favored instrument.

So far as the Atlantic is concerned, Pan American is the only line which receives a subsidy. TWA does not receive a subsidy for its Atlantic flying service.

Mr. BARKLEY. I suppose in that case the biblical statement of "Many are called, but few are chosen" would apply.

Mr. DOUGLAS. That is correct.

In the Pacific, Pan American is the only line, I believe, which receives a subsidy. Northwest Airlines does not receive a subsidy for its Pacific service. Northwest Airlines, which certainly has had a much more shaky financial record than has Pan American, flies to Alaska, but does not receive a subsidy for it. However, Pan American receives a subsidy for flying there.

In this case we find that favors are granted to a corporation which, on the whole, does not particularly deserve or need them.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. Mr. President, first I wish to place some additional material into the RECORD. The Senator from Florida has said that the earnings of Pan American are below the average rate of earnings of domestic lines.

Mr. HOLLAND. No, Mr. President; I did not say that.

Mr. DOUGLAS. I thought the Senator from Florida said the earnings of Pan American amounted to a little more than 6 percent, and that in the case of domestic lines the earnings amount to somewhat more than 8 percent.

Mr. HOLLAND. No. I read into the RECORD, from material furnished by the CAB, the record of earnings as of December 31, 1954, in the case of several lines. Pan American was one of them, and its earnings amounted to 6.6 percent. But I made no reference at all to the average earnings of domestic lines.

Mr. DOUGLAS. Let me say that I have before me a brief in a case before the Civil Aeronautics Board, with an exhibit by the Bureau counsel; and I

ask consent to have excerpts from the exhibit printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXHIBIT BC 401

Pan American-Atlantic division—Reopened transatlantic final mail rates—Excess earnings of Pan American divisions proposed for offset against Atlantic division mail pay

[In thousands]

	1951		1952		1953			Total years 1951–53
	Pacific	Alaska last 6 months	Pacific	Alaska	Pacific	Alaska	LAD	
Habana Airport rental income not accrued by PAA							$247	
Total adjustments	$389	−$11	$236	$6	$152	$8	1,946	$2,726
Adjusted net income before taxes	7,068	633	7,498	527	7,268	376	9,610	32,980
Actual taxes as revised from amounts in PAA stipulation I and per PAA information request (revised) for 1953	3,309	275	3,204	293	3,449	183	3,553	14,266
Tax effect of Habana Airport revenue adjustment							128	128
Adjusted profits after taxes	3,759	358	4,294	234	3,819	193	5,929	18,586
10 percent return on investment (see exhibit BC 405)	2,481	108	2,725	253	2,934	297	4,119	12,917
Excess earnings available for offset	1,278	250	1,569	−19	885	−104	1,810	5,669
Excess earnings plus tax effect, at 52 percent								11,810

EXHIBIT BC 405

Pan American Atlantic Division—Reopened transatlantic final mail rates—Pacific, Alaska, and Latin American Division investment 1951–53

[In thousands]

	1951		1952		1953		
	Pacific	Alaska[1]	Pacific	Alaska	Pacific	Alaska	LAD
Investment:							
Working capital	$6,421	$1,392	$7,900	$1,539	$8,259	$1,435	$14,704
Fixed investment:							
Before AOA offset	19,206	767	20,248	990	21,727	1,534	26,556
AOA offset	−813		−896		−650		−66
As adjusted	18,383	767	19,352	990	21,077	1,534	26,490
Total investment	24,814	2,159	27,252	2,529	29,336	2,969	41,194

[1] Average investment for last half of 1951.

Mr. DOUGLAS. The brief shows that the earnings of 3 of the 4 Pan American divisions, for the year 1953, was $9,940,000 and that the total investment of these 3 Pan American divisions including the Pacific, Alaskan, and Latin Americans divisions was fixed at $73,499,000. So, assuming that the figures on earnings and valuation are comparable, the net earnings would be somewhere over 13 percent on investment for these 3 divisions.

I may say that in all these matters it is very difficult to get consolidated figures, because Pan American and the Civil Aeronautics Board submit separate figures for separate divisions, for differing time periods; and it is very difficult to dovetail them. Unless the CAB holds a consolidated subsidy proceeding covering all divisions of Pan American together for the same time period, it is very hard to carry into practice the principle the Supreme Court laid down in 1954, namely, that the earnings of the company should be taken in their entirety, rather than for each division by itself.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield to me at this point?

Mr. DOUGLAS. I am glad to yield.

Mr. HOLLAND. The Senator from Illinois has said exactly what I have said twice already, namely, that it is very hard, particularly when we go back to a period many years prior, and that the only reason for the delay on the part of the Civil Aeronautics Board—so the Board tells us—in making the offset an accomplished fact, is that it has been trying very hard to complete its audits, and has requested additional auditors. We provide for them in this bill.

Furthermore, in order to make sure that the principle of the Supreme Court's decision would be carried out promptly and successfully by the Civil Aeronautics Board, the very lawyer who successfully represented the United States in securing the decision was made Chairman of the Board.

Mr. DOUGLAS. Let me say that the Civil Aeronautics Board has made its own task more difficult by refusing to order Pan American to submit to a consolidated subsidy proceeding for all divisions for the same periods of time and to consolidate for the various divisions. It would have been a perfectly simple matter for the Board to have said, years ago, "We will audit on the basis of a calendar year or on the basis of a fiscal year, and you will submit the returns for each unit, but will consolidate them into a whole." That would have been perfectly simple, and would have been the natural thing to do. But the Board did not do that.

Sixteen months ago, the Supreme Court handed down this decision, as a principle. But to the best of my knowledge and belief, the Civil Aeronautics Board still has not required Pan American to submit to be a consolidated proceeding. So if there have been difficulties, they have been largely self-created or self-acquiesced in.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. I yield.

Mr. HOLLAND. Does not the Senator from Illinois think that each of the carriers making accounts and reports from year to year was justified in reporting, and probably should have reported, in the form then required by the Civil Aeronautics Board?

Mr. DOUGLAS. I am trying to say that what we are really dealing with in this case is one company, Pan American; and that it should present a consolidated picture, and the Civil Aeronautics Board should order Pan American to do so; and that the Board should have ordered Pan American to do that a long time ago.

Mr. HOLLAND. Then the Senator from Illinois is saying that during all the time when the Civil Aeronautics Board was enforcing the law then existing, as the Board understood it, by allowing the form of accounting which then was followed by all airline companies, Pan American should have been following some other form, and should have been making its returns in a shape or way now required under the Supreme Court's decision and now, through the Civil Aeronautics Board, required both of Pan American and of every other line.

It seems to the Senator from Florida that nothing could be further from sound business than to take any such position. Of course, the regulated carrier was filing, from year to year, the reports required by the regulatory agency. The regulated carrier was filing exactly the reports it was required to file. To say that it should have begun to comply with the Supreme Court decision years before it was rendered is, on the face of it, rather ridiculous.

Mr. DOUGLAS. The Senator from Florida mistakes the position of the Senator from Illinois. There is a real question involved in this connection, as to who is being regulated, and who is the regulator. The CAB is supposed to be the regulator. Pan American is supposed to be the regulated carrier. At times it seems to me that it is Pan American which is the regulator. It seems to be regulating itself. That is the tendency all too frequently in the case of utilities.

What I am saying is that CAB should have provided uniform consolidated accounting for the same time periods, instead of a hodge-podge in which there are differing time periods for various divisions, making it very difficult to obtain a general picture. But I think I have discussed that subject long enough.

I wish to make another point. The hotels are not all the subsidiary activities of Pan American. It has other subsidiaries. So far as I have been able to discover, it has an interest in the Bermuda Development Co., Ltd. The share of Pan American is $189,880. To the best of my belief it also has an interest in the Caracas Country Club, the Golf Club of Lima, the Middle East Real Estate Co., and so forth. I submit that these are not activities which, either directly or indirectly, should be subsidized by the United States taxpayers.

Mr. President, I have tried thus far to cover two points: First, that the decision of the Supreme Court sets up claims of $6,800,000 against Pan American, which have not been prosecuted to date, and which can be used as an offset against any subsidy which may be owing.

Second, the subsidiaries involve Pan American in large losses, which necessarily weaken its financial position, and therefore tend to require a larger subsidy from the American public.

Let me turn, now, to the question of taxes, with which I began my speech of Tuesday. We have an extraordinary situation, in that the corporation taxes paid by Pan American are not really paid by Pan American, but are paid by the Government and by the taxpayers, to the apparent amount of $9,300,000 for the year 1953. To my mind this is truly an extraordinary situation. The same privilege is not granted to other lines to anywhere near that degree. For example, consider American Airlines. I believe that only $330,000 of its taxes is paid by the Government; and it is paid on the basis of the fraction of airmail traffic carried by American Airlines. I think that is an honest measure. In the case of American, it amounts to about 3 percent, as I understand, of the taxes which it pays. That practice is followed in the case of the other companies.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HOLLAND. How would the CAB go about allowing taxes for American Airlines when American Airlines does not receive a subsidy, and is not one of the companies entitled to receive it?

Mr. DOUGLAS. The Post Office Department makes the payment.

Mr. HOLLAND. I think the Senator from Illinois inadvertently made a statement a moment ago which I do not believe he would wish to have stand in the RECORD. I understood him to say that Pan American was accorded different treatment in this regard from that accorded other companies. The statement which we received from CAB, upon inquiring into that subject, is that exactly the same rule is applied to all companies in this regard, and furthermore, that the allowance for taxes is supported by a ruling of the General Accounting Office. I hold in my hand a letter from the General Accounting Office, signed by the Comptroller General, and dated October 22, 1954. There is a great deal more to the letter, but I quote this portion of it:

> Hence I am of the view that legal authority exists for the inclusion of Federal income taxes as allowable costs in computing mail pay rates, whether for "service" or for "need" purposes.

I wish the RECORD clearly to show that the General Accounting Office, which is the arm of the legislative branch to check on this procedure, has directed CAB as to what it can do in this regard. I think it is doing it, and that it is doing it equitably with respect to all carriers. However, it cannot do it in connection with carriers which are not entitled to receive subsidies.

Mr. DOUGLAS. I point out to my good friend from Florida that the tax credits granted to other companies are in connection with postal rates, according to the percentage of the space capacity actually required for carrying the mail.

However, here we have a case in which not only 100 percent, but, as I shall show, in some cases more than 100 percent, of the taxes are met, on the most heavily subsidized lines. If the Senator from Florida is correct in his statement that the same rule is applied to all subsidized lines, then I suggest that the rule needs modification, because there is a very great difference between meeting the tax costs for an electric utility and meeting the tax costs for air carriers. In the first place, an electric utility has a monopoly which the air carrier does not have.

In the second place, most of the traffic of the air carriers comes from other sources than the mail. The mail constitutes not more than 10 percent of the traffic carried by such lines, yet 100 percent of their taxes is assumed by the Government. I think the situation raises very real questions. If this is the general practice with respect to all subsidized lines, a question is raised as to whether the subsidy should be continued. I think the Senator from Florida has given support to the position of the House that not more than $40 million should be granted.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. HOLLAND. It seems to the Senator from Florida that if the Senator from Illinois will only think through his position, he will realize how completely foolish would be the situation in which the CAB would be left if it were required to make payments of subsidies to a carrier at the same time the carrier owed income tax to the Government. If CAB did not offset, it would indeed be in an unsupportable position.

It appears to the Senator from Florida that the opinion of the General Accounting Office, which he has just read into the RECORD, states not only what is good law and sound auditing practice on the part of the Comptroller General, but it also states commonsense. I say that because I do not know how it would possibly be supportable as a commonsense operation for a Government agency to pay a subsidy to a corporation which owed another arm of the Government—owed the people of the United States, in other words—income taxes. Therefore, the ruling of the Comptroller General is that the law permits, and the Comptroller General so directs, that where there is a mutuality of accounting of that sort, instead of being put into the impossible situation of paying out money to the corporation and then leaving it to the corporation's pleasure to determine later whether the tax shall be paid; the short and more direct route will be followed, namely, the subsidy is paid to the income-tax collector.

Mr. DOUGLAS. If we may turn from the technicalities of the law to the substantive matters of fact involved here, the fact remains that Eastern Airlines gets only 1.4 percent of its taxes returned through its mail pay. American and United, each of which carries more mail than Pan American, get only 3 or 4 percent of their corporate income tax paid by CAB through mail pay. Of course, they receive no subsidies.

There is one interesting point connected with this matter, namely, that tax allowances are paid by the Government to certain airlines in anticipation of what their taxes may be, and in that connection the evidence shows that we have paid certain airlines more as tax allowance than the taxes have actually amounted to, and that they have had a windfall of 2 or 3 percent. The material I have prepared indicates that in the case of Pan American we have paid 102.6 percent of its taxes. This fact was admitted by CAB, because on page 2120 of last year's hearings I find the following quotation inserted from page 2 of CAB Order E 4561, of August 25, 1950, in which the Civil Aeronautics Board admitted:

> In computing such tax allowance in previous cases, however, the basis used has in many cases resulted in making provision for a greater amount of the tax than would ever be paid by the carrier.

In questioning the CAB representative at last year's hearings, as we may see on page 2166, his answer was that that statement was unquestionably correct, and he further admitted that this policy undoubtedly resulted in a windfall to some carriers in some years.

The hearings of last year also indicate that one airline received a windfall of $1¾ million, and CAB was requested to answer the affidavit that had been made in that case and to produce any other cases of windfalls.

Later, according to last year's hearings, CAB was requested to state, first, who got the tax windfall, second, how much the tax windfall amounted to, and in what year, and, third, what if anything had been done to recover the money. Last year CAB failed to answer these questions.

It is my further understanding that during the open hearings held by the appropriations subcommitee, in the presence of witnesses—although the exchange is not printed in the hearings—Messrs. Roth and Mulligan, of the CAB staff, stated that a precise answer was not possible.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HOLLAND. I note the Senator has quoted from page 2166 of last year's hearings, and I believe the Senator omitted the real meat of the statement by CAB. Therefore, I should like at this time to call the Senator's attention to this statement. Immediately following the quotation which he read into the record appears the question of the Senator from West Virginia [Mr. KILGORE] and the answer of Mr. Roth, under the heading "Steps to Recapture Overpayment."

The Senator from West Virginia [Mr. KILGORE] asked this question of Mr. Roth, of CAB:

Senator KILGORE. What steps have been taken or what steps can and will the CAB take to recoup the extra money which is given to airlines for the purpose of enabling them to pay tax, part of which apparently they kept since they paid it into the Federal Treasury on orders given them by the Civil Aeronautics Board?

Mr. ROTH. The decision to which you refer was in 1950. That was only a tentative decision and is not yet final. That is all part of the Transatlantic Mail Rate case. However, in all decisions since that time—

That is 1950—

the Board has gone on the actual tax policy. Actually, the Board's decision was in a different docket number, involving Western Airlines.

And so forth. I shall not read the rest of the answer. The Senator from Illinois may read it if he wishes to do so. However, the answer makes it clear that that policy was in effect in 1950, but that the payments since that time had been made on the basis of actual taxes.

Mr. DOUGLAS. Mr. President, have the windfalls been recaptured?

Mr. HOLLAND. I am unable to say. However, we asked the CAB whether there was any recapture provision in the law similar to the one that is in effect with reference to the Maritime Board, and they replied there was not.

Mr. DOUGLAS. In other words, they have not recaptured these amounts. Is that correct?

Mr. HOLLAND. In other words, the agency of the Government to bring about recapture is the Internal Revenue Service or the Department of Justice, not CAB. That situation results from the law which Congress passed, and not from any attitude on the part of CAB.

Mr. DOUGLAS. I believe the answer to the question is that the recapture has not been effected.

I should now like to deal with the question of audits. It is stated that very careful audits have been made. I should like to point out that no audits whatsoever are made of the subsidiaries. No efforts have been made to date to recover on the offsets of past overcharges caused by not considering the operations of these lines as a whole. Furthermore, they are indulging in very questionable practices in meeting income taxes.

What is the auditing practice? The practice, as I am informed—and I believe this to be correct—is to pay the claims as submitted, but not to make an audit of them until 2 years later. What kind of business is that, Mr. President, to accept statements of claimants, but to withhold for 2 years making any check in order to determine whether claims are justified?

Therefore I cannot understand the Senator from Florida when he says that an accurate auditing system has been put into effect by governmental agencies.

Our sister body, the House of Representatives, is as careful about the rights of private enterprise as we are. Its committee went into this subject very thoroughly this year. I should like to call attention to the report of the House committee, at page 4. Does the Senator from Florida have that report?

Mr. HOLLAND. I have that report. We had it throughout the hearings. We based our every activity upon a careful consideration of the report of the committee of the House of Representatives in connection with that particular agency, and in this particular case of the CAB, we certainly had a check and a recheck made of the items to which the Senator is adverting.

Mr. DOUGLAS. I should like to read what the House committee said on page 4 of its report:

The sum of $40 million is recommended for the coming fiscal year for this purpose, a reduction of $8,900,000 below funds appropriated for 1955 and a reduction of $23 million in the budget estimate.

Therefore the Commerce Department, in my judgment, is taking a very bad attitude in trying to boost subsidies as much as possible.

Now I come to the salient sentence:

The committee believes that substantial reductions can be made in payments to air carriers during the next fiscal year if a careful and thorough audit of each claim is made and if realistic practices in the handling of these claims are followed.

I submit, Mr. President, that the House committee is correct. A greater stimulus to careful auditing would be to reduce the appropriation, not let it remain at $55 million. Then the CAB would have to conserve its funds and recoup some of the money. It would go into the question of subsidiaries and audit current accounts much more carefully than it now does. But if we give the Board all the money it wants, that agency, which has made such a bad record in the past, will be encouraged to sleep in the future. There is nothing like tightening the pursestrings to stimulate a desire for economy.

Mr. President, I should like to invite attention to the fact that after the House cut the appropriation from the $63 million requested by the administration to $40 million, CAB entered some orders that looked pretty good. That was 9 days after the House acted, and when it seemed that the money was not going to be available. But the Board made those rulings only tentatively. While I do not wish to pose as a prophet or as the son of a prophet, I would hazard a guess that if we increase the appropriation, the tentative ruling made after the House acted may be revoked, if and when the total figure is known.

Mr. President, in conclusion, I wish to deal with the legal point raised by the Senator from Florida in the beginning, namely, whether we are obligated by the actions of the CAB.

In a democracy the appropriating body is the legislature. We can never allow an administrative agency to tie up the representatives of the people and commit appropriations in advance of the congressional action providing them. I should like to point out that until last year what we had was a combination of subsidy and mail rates. We could not distinguish between the two. We knew there was a lot of subsidy bound up in the mail rate, but it was very difficult to find out how much.

In the past I have tried to effect a separation, and have endeavored to decrease the amount appropriated for the mail rate in order to reduce the hidden subsidies, but I was unsuccessful. The Senator from Massachusetts [Mr. KENNEDY] made such an effort and was unsuccessful.

While I have sometimes been harsh with the administration, I wish to give it credit for issuing Order No. 10, which did provide for a separation of subsidy and mail rates. To my mind it was a very progressive, forward-looking, businesslike method. We are now voting on airline subsidies as separate appropriation items, no longer a part of the postal appropriation, but a part of the Civil Aeronautics Board appropriation. Congress appropriated less than the amount asked for. I wish to pay tribute to the House in this connection, and to say that there are a number of Members on the other side of the Capitol who have been very active in this matter, particularly Representative JOHN J. ROONEY, of Brooklyn, N. Y., who has made a magnificent fight.

Last year Representative HINSHAW, of California, made the identical point with which the Senator from Florida started out this morning. He argued that the prior recommendations of the Civil Aeronautics Board were legal obligations of the Congress, but it did not deter Congress from making the cut. As I remember, last year we did not raise the House figure. It was predicted by CAB that a great catastrophe would occur in January, February, or March of 1955, that it would run out of money and that American aviation would be driven from the sky. Yet such a catastrophe never occurred. Instead of restoring the $33 million cut which had been made, Congress, in a supplemental bill passed at the end of 1954, restored only $8,900,000.

Thus for the fiscal year 1954 $24,100,000 was saved to the American taxpayers; and as for the airlines, the predicted catastrophe never occurred. Instead, the airlines have reported for the first quarter of 1955 the highest profit in their history.

I submit, therefore, that this information deals with the question very thoroughly, but I should like to refer the Members of this body to a letter addressed to me by Mr. James P. Radigan, Jr., senior specialist in American law in the Library of Congress. I asked him

the question whether Congress is obligated to appropriate subsidies to enable the Civil Aeronautics Board to provide allowances to carriers to pay their Federal income taxes. My question and his reply are printed on page 8135 of the RECORD. His answer was that Congress was not so obligated.

I have obtained supplemental opinions from Mr. Radigan dealing not only with the tax matter, but with the entire question of subsidies, in which he declares that the Civil Aeronautics Board does not have the authority to obligate funds for subsidies without action directly by the Congress.

Mr. President, I ask unanimous consent that these opinions of Mr. Radigan, addressed to my colleague and good friend the Senator from Massachusetts [Mr. KENNEDY], under date of May 13, 1953, May 19, 1953, and May 24, 1954, may be printed in the RECORD at this point in my remarks.

There being no objection, the opinions were ordered to be printed in the RECORD, as follows:

EXTRACT FROM OPINION, MAY 13, 1953, BY JAMES P. RADIGAN, JR., CHIEF, AMERICAN LAW DIVISION, LIBRARY OF CONGRESS

Under the proposed reorganization plan, would the Civil Aeronautics Board have authority to obligate the funds for subsidies without action directly by Congress?

If by "without action directly by Congress" you mean without previous authorization and appropriation, the answer is "No." Article I, section 9, clause 7 of the United States Constitution provides: "No money shall be drawn from the Treasury, but in consequence of appropriations made by law. * * *" This clause is a restriction upon the disbursing authority of the executive department, and means simply that no money can be paid out of the Treasury unless it has been appropriated by an act of Congress. *Cincinnati Soap Co.* v. *United States* ((1937) 301 U. S. 308). No officer, however high, not even the President, is empowered to pay debts of the United States generally, when presented to them. *Reeside* v. *Walker* ((1950) 11 How. 272). There is, however, under the present law (which would be true under the proposed reorganization plan) no method of controlling the amount allocated for individual subsidies except to the extent that the totals must not exceed appropriations. Under the present law, the cost of air mail transportation service and the amount of subsidies are consolidated and the rate of compensation is fixed by the Civil Aeronautics Board which the Postmaster General is obligated to pay from the appropriations for air mail transportation services. Under the proposed reorganization plan it would appear necessary to limit payments from the appropriation for air mail transportation services payable by the Postmaster General to the amount fixed by the Civil Aeronautics Board as the rate of compensation for these services. The payment of subsidies under the proposed reorganization plan would be made by the Civil Aeronautics Board from appropriations made therefor. It is not possible under the Constitution for any public officer or department to obligate the United States to pay any moneys whatsoever except pursuant to statutory authorization.

It is for Congress, proceeding under the Constitution, to say what amount may be drawn from the Treasury in pursuance of an appropriation, and if an officer, upon his own responsibility, and without the authority of Congress, assumes to bind the Government, by express or implied, contract, to pay a sum in excess of that limited by Congress for the purposes of such a contract, the contract is nullity, so far as the Government is concerned, and no legal obligation arises upon its part to meet its provision. *Hooe* v. *United States* ((1910) 218 U. S. 322).

From a practical point of view no airmail carrier or other air carrier would have a claim, other than moral, against the United States for any promised subsidies which had not been specifically authorized by statute and which had not been specifically allocated from funds previously appropriated. Congress has power to recognize moral obligations. *Marion & Rye Valley Railroad Co.* v. *United States* ((1926) 270 U. S. 280).

THE LIBRARY OF CONGRESS,
Washington, D. C., May 19, 1953.

To: Hon. JOHN F. KENNEDY.

Subject: Power of the Civil Aeronautics Board to obligate the United States for subsidy payments under the proposed reorganization plan and under S. 1360 of the 83d Congress.

Assuming, arguendo, that the proposed reorganization plan is valid, then the power of the Board to obligate the United States for subsidy payments would emanate from section 406 (b) of the Civil Aeronautics Act of 1938 (52 Stat. 998; U. S. C. 49:486). The pertinent part of this section, with respect to subsidies as distinguished from compensation for airmail transportation service after the effectuation of the division of the function under the proposed reorganization plan, would be: "and (the need), together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the postal service, and the national defense." The authority thus granted by section 406 (b) to consider the foregoing factor in the fixing of airmail transportation compensation is a rather nebulous basis upon which to predicate a reorganization plan under which an obligatory contract for the payment of subsidies may be made.

But even if it were sufficient authority to support obligatory contracts for the payment of subsidies, such contracts would be subject to the limitations of R. S. 3678 (U. S. C. 31:665), the first subsection of which reads: "No officer or employee of the United States shall make or authorize an expenditure from or create or authorize an obligation under any appropriation or fund in excess of the amount available therein; nor shall any such officer or employee involve the Government in any contract or other obligation, for the payment of money for any purpose, in advance of appropriations made for such purpose, unless such contract or obligation is authorized by law." If sections 483, 486, and 493 of title 39 of the United States Code, which generally authorize the Postmaster General to contract for carrying the mails, yield to this provision, as originally enacted, limiting expenditures so that appropriation is necessary for the employment of extra carriers, etc. (39 Op. Atty. Gen. 157), may it be logically contended that the general and indefinite terms of section 486 (b), pertaining to the consideration of the need for subsidies, would be outside the purview of such section? It is the settled and recognized policy of Congress to keep all of the departments of the Government, in the matter of incurring obligations for expenditures, within the appropriations annually made for conducting its affairs. *Sutton* v. *U. S.* ((1921) 256 U. S. 575).

The contracts likewise would be subject to the provisions of the act of June 30, 1906 (34 Stat. 764; U. S. C. 31: 627) which provides: "No act of Congress hereafter passed shall be construed to make an appropriation out of the Treasury of the United States, or to authorize the execution of a contract involving the payment of money in excess of appropriations made by law, unless such act shall in specific terms declare an appropriation to be made or that a contract may be executed." As those dealing with the Government must be held to have notice of these limitations upon authority (see *Sutton* v. *U. S., supra*), any contention that the grants or subsidies are not within the ambit of the limitations of this section is very tenuous.

If the power of the Postmaster General "to establish post offices" does not authorize him to bind the United States by a lease for a post office building, there being no appropriation therefor (*Chase* v. *U. S.* (1894) 155 U. S. 489), a fortiori the Civil Aeronautics Board may not bind the United States by a contract for the grant of subsidies in excess of appropriations. If, as stated in 6 Opinions of the Attorney General 28, one appropriation does not necessarily involve the undertaking of the Congress to make further appropriations, and does not of itself empower the President to engage the Government beyond the specified sum, it is impossible to support the allegation that the Civil Aeronautics Board may bind the Government to pay grants of subsidies made by it in excess of appropriations. The general public system for the appropriation and disbursement of public moneys is permanent and unless charges are within the objects for which an appropriation is made they cannot be applied to that appropriation. (28 Op. Atty. Gen. 634.)

The foregoing observations, with reference to limitations on the authority of the Civil Aeronautics Board to obligate the United States for subsidy payments beyond the amount appropriated and available, would likewise be applicable to the Board if S. 1360 were passed. There would be, however, the additional specific restriction of the bill found on page 5, lines 2–6, which reads: "Payments under this subsection (subsidies for essential aircraft operation) shall be made by the Board out of sums appropriated to the Board for such purpose, and there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection." This wording of S. 1360 also has the additional advantage over the proposed reorganization plan in that it grants a clear authorization for appropriations for subsidies as such, which is not found in the Civil Aeronautics Act of 1938, supra, the foundation for the payment of subsidies under the proposed reorganization plan.

JAMES P. RADIGAN, JR.,
American Law Division.

MAY 19, 1953.

THE LIBRARY OF CONGRESS,
Washington, D. C., May 24, 1954.

To: Senator JOHN F. KENNEDY.

Subject: Reply to the criticism of Messrs. Stuart G. Tipton and Russell S. Bernard of the Air Transport Association of America of my memorandums of May 13 and 19, 1953.

"1. The Civil Aeronautics Board, when it fixes and determines fair and reasonable rates of compensation for the transportation of mail by aircraft pursuant to section 406 of the Civil Aeronautics Act does not create an obligation of the Government for the payment of money."

No contrary opinion on this point was given in my memorandums to you nor is the point now denied. There was no assumption on my part, nor was any statement made in the memorandums to you upon which an implication could be fairly drawn, that the establishment of a rate for mail transportation in and of itself created an obligation on the part of the United States. Further, it is a *non sequitur*, as are points 2 and 3 of the memorandum of Stuart G. Tipton and Russell S. Bernhard of the Air Transport Association of America. To establish the point that a fixed rate for service does not create an

obligation until the service is rendered, does not prove that the United States is legally obligated to pay the amount of subsidies found to be desirable by the Civil Aeronautics Board.

"2. When mail service is performed by an air carrier pursuant to the requirements of section 405 (g) of the Civil Aeronautics Act, an implied contract arises which is sufficient in law to support a judgment in the United States Court of Claims against the Government for compensation due."

Granted, but what has this to do with the Civil Aeronautics Board creating an implied legal obligation upon the Congress to appropriate the amount of subsidies which the Board feels the air carriers may need? Because there is a legal obligation to pay fair and reasonable rates of compensation for the actual transportation of mail by air carriers, it does not follow that there is a legal obligation on the part of Congress to appropriate the amount of subsidies found to be desirable by the Civil Aeronautics Board. Further, the case, *Capital Lines, Inc.* v. *Civil Aeronautics Board* (171 F. 2d 339), cited, hardly supports the rationale, or rather the supposition, that the right to subsidies is as obligatory as the right to just compensation. To the contrary, the court disposed of the contention that the Civil Aeronautics Act entitled air carriers to the readjustment of rates to insure profitable operation. The words of the court are as follows:

"The act, with its regulatory provision, is not intended to underwrite profitable operation of a carrier's business, any more than statutes imposing regulation of public utilities are intended to insure them a net revenue. *Federal Power Commission* v. *National Gas Pipeline Co.* ((1942) 315 U. S. 575, 590, 62 S. Ct. 736, 86 L. Ed. 1037), and cases cited.

"3. The obligation of the Government to pay for air mail services performed arises from the mandatory duties imposed upon the Postmaster General and the air carriers under section 405 (g) of the Civil Aeronautics Act, and the limitations of title 31, United States Code section 665, are therefore inapplicable."

The obligation of the Government to pay for air mail services is granted. The rules of the cases cited, however, are that the Interstate Commerce Commission (in a railroad case) and the Civil Aeronautics Board (in an air carrier case) do not have authority to fix rates retroactive to a period prior to the initiation of the mail-rate proceedings. The thesis that these cases provide a hypothesis for the proposition that United States Code, title 31, section 665 is not applicable to subsidies allocated to air carriers by the Civil Aeronautics Board, is a patent sophistry. To transport the exception in United States Code, title 31, section 665, "unless such contract or obligation is authorized by law", so as to convert the authority to determine the need for subsidies by air carriers granted the Civil Aeronautics Board into a binding contract, is a tour de force of legal verbiage which is bound to amaze, though not convince, the perceptive reader. That the Congress is not permitted to abdicate or to delegate its essential legislative functions to others (*Panama Refining Company* v. *Ryan* ((1935) 293 U. S. 338, 341); *United States* v. *Shreveport Grain & El Company* ((1932) 287 U. S. 77, 85), makes point 3 absolutely untenable.

"4. Reorganization Plan No. 10 of 1953 effects no substantive change in the provisions of sections 405 or 406 of the Civil Aeronautics Act."

The sentence quoted from the message of President Eisenhower in his letter transmitting Reorganization Plan No. 10 of 1953 is correct but, there is also to be found in such message the following sentences:

"1. The plan will transfer to the Board the responsibility for paying any amounts in excess of such compensation, this excess being the subsidy element of the aggregate Federal payment. * * * It will assure the Congress and the public of continuing information on the cost of this program. It will give the Congress an opportunity to review and take any appropriate action with respect to the level of subsidy aid in the course of the regular appropriation process."

This last sentence, in particular, certainly seems to be contrary to the underlying philosophy of the memorandum submitted by Messrs. Tipton and Bernhard, which can be nothing less than that the Congress has neither the right nor the power to review, or take any action in, the course of the regular appropriation process. Further contradiction of such a philosophy is found in the following statement in the decision of the Supreme Court of the United States in the case of *Transcontinental & Western Air, Inc.* v. *Civil Aeronautics Board* ((1949) 336 U. S. 601), 606: "Petitioners' reading of the Act (Civil Aeronautics Act) would in practical effect have the tendency to transform it into a cost-plus system of regulations, a construction which would not harmonize with the apparent design of the act."

Mr. Tipton himself, in testifying on Reorganization Plan No. 10 of 1953 (page 10 of the hearings of July 17, 1953), stated with respect to the proposed plan: "It requires the Civil Aeronautics Board to separate subsidy from mail pay. * * *" But now he contends that, although there is a separation, they are one and the same and the air carriers, in addition to compensation paid by the Post Office Department, are entitled on the basis of an implied contract to the subsidies fixed by the Civil Aeronautics Board free of powers of Congress with respect to appropriations.

JAMES P. RADIGAN, Jr.,
American Law Division.

MAY 24, 1954.

Mr. DOUGLAS. Mr. President, to confirm my statement that there are no proper audits of Pan American Airways, I should like to quote from a report of the investigative staff of the House committee, Report No. 207 of the House in connection with the second supplemental appropriation bill of 1955. I read from page 6 of that report, as follows:

The survey indicates that the Civil Aeronautics Board does not have accurate facts or figures regarding Pan American operations. Most of the subsidiaries have never been properly audited and some not at all, and there has not been insistence that the operations of the entire system be treated as an entity, as required by a recent Supreme Court decision. If corrective action were taken, substantial cuts in subsidy should result.

Mr. President, I am about to yield the floor. I may say that it is a matter of continual wonder to me that when appropriations are suggested to benefit the health of children, to aid education, or to provide assistance for those who are at the bottom of the economic ladder, they are commonly attacked. But subsidies for those who do not need them, subsidies for those who already have enough—these are regarded as proper. In other words, if one has a large amount of this world's goods, it is all right to feed at the trough of the American public. It is only the poor and the weak who are to be denied aid from the Government.

When the Government begins to pay subsidies to private groups, it sets up vested interests which are never satisfied, which demand more and more, and which, because of the subsidies, are able to set up powerful political lobbies.

It seems to me that in order to protect the public purse, a stop should be put to this. That is why I think the House was correct, and why I believe the Senate committee, with the best intentions in the world, erred.

I yield the floor, and ask unanimous consent that certain letters be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 7, 1955.

Hon. CARL HAYDEN,
Chairman, Appropriations Committee,
United States Senate, Washington, D. C.

DEAR SENATOR: I am enclosing herewith a letter I have received from Mr. Norman MacDonald, executive director of the Massachusetts Federation of Taxpayers Associations, Inc., in behalf of a $50 million reduction in the 1956 CAB airline-subsidy appropriation.

Mr. MacDonald has made a long study in this field, and inasmuch as it reflects a view which I have long held, I respectfully request that his letter be printed in the hearings of your committee.

With every good wish,
Sincerely yours,

JOHN F. KENNEDY.

MASSACHUSETTS FEDERATION OF TAXPAYERS ASSOCIATIONS, INC.,
Boston, Mass., June 6, 1955.

Senator JOHN F. KENNEDY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I am attaching herewith a complete statement by Postmaster General Summerfield of the assertions which have been made by his Department under the Supreme Court decisions of February 1, 1954, in the case of *Summerfield* v. *Civil Aeronautics Board*, which itemized assertions, you will note, total $50,798,000.

It is, of course, possible that the Postmaster General exaggerated, but if he did so, he succeeded in deluding the Supreme Court, which ruled for him, 9 to 0.

This point ought to be better understood than it seems to be by the new Chairman of the Civil Aeronautics Board, Mr. Rizley, since I note from page 2200 of the hearings of the Appropriations Committee a year ago on the Civil Aeronautics Board that Mr. Rizley's name appeared on the brief as one of the solicitors for the Post Office Department. It is, therefore, particularly surprising, since he has this background on the case, that in his new capacity as Chairman of the Civil Aeronautics Board he is now reiterating the self-protective argument made last year by the staff of the Civil Aeronautics Board.

At the time when the cut made by the House last year in the CAB subsidy appropriations was sustained by the Senate, June 4, 1954, one of your colleagues stated on the floor of the Senate: "The simplest way for us to recoup the money is to hold up on further appropriations until the debt is paid back. We do that in the case of Government servants, so why not do it in regard to the subsidized airlines?"

This argument has a plain, commonsense appeal to me and I hope it may have to you also.

I have noted in recent news items that on April 20, 1955, Trans World Airlines refunded $719,882 to the Government and did it by means of a check made out to the Civil Aeronautics Board. Subsequent news items indicate the Civil Aeronautics Board is using this money to pay the subsidy claims of local service or feeder airlines.

If that procedure can be followed in the case of the $700,000 from TWA, it seems to

me perfectly feasible that it can and should be done with regard to whatever part of $50,798,000 is finally adjudicated as due the Federal Government.

The fact that in the 15 months following the Supreme Court decision practically none of the $50,798,000 has been recovered for the Government prompts me to suggest that greater zeal will be shown by the Civil Aeronautics Board in recovering amounts due to the Government if they have to use the amounts recovered to pay future subsidies.

In the case of airlines which will continue to be receiving subsidies during 1956, and I believe that that is true of all except 1 of the 6 companies listed in the Postmaster General's letter, it should be possible for the Congress to force the Civil Aeronautics Board to deduct from the future subsidy payments the amounts which those same carriers owe to the Government. For example, if the Government proposed to pay Airline XYZ a subsidy of $17 million and discovered that under the Supreme Court decision that airline owed the Government $7 million, obviously the Government should not pay the 17 but should only pay the 10, in order that the 7 might in that way be recovered.

The Post Office Department officials themselves state that their assertions cover "amounts available as offset against the subsidy claims of the air carriers."

What needs doing is to force that offset to be made, and I can think of no better way to do it than to hold back on future appropriations.

I note with pleasure that my philosophy on this matter is shared by the House Appropriations Committee in the statement on page 7 of House Report 207 regarding the subsidies:

"The committee is of the opinion that the Supreme Court decision, if properly adhered to, will result in a substantial reduction in the amount of subsidy, and that the amount allowed by the committee will be sufficient to make payments during the remainder of the fiscal year to domestic lines and international carriers who are not affected by the Supreme Court offset decision."

The slowness of the CAB to implement the Supreme Court decision makes the average taxpayer suspicious that the Civil Aeronautics Board and the recipient airlines may be stalling off the settlement of claims by the Government while they proceed in their attempts to secure legislation (such as S. 3426 by the late Senator McCarran, or S. 1462 of the present Congress) to repeal the law upon which the Supreme Court decision was based.

The $50 million estimate by the Postmaster General mentioned in my telegram of April 15 to you, is only one of a number of very specific reasons why I urge a drastic reduction of the airline subsidy appropriations.

I would specifically like to see the Congress provide that none of the subsidies to airlines voted at the public expense be given for the purpose of paying the Federal income taxes of the recipient airlines. At the hearings last year on the CAB, page 2165, the Civil Aeronautics Board estimated that approximately $13 million out of the appropriations which they were requesting from your committee represented allowances which they planned to give to certain companies so that those companies might then pay their Federal income taxes. It appears to me that the granting of additional subsidies at the public expense to cover the Federal income taxes of certain airlines is a practice of very doubtful legality. Several court decisions supporting my point of view are to be found on pages 2261 and 2262 of the hearings of last year on the CAB appropriation for fiscal 1955. In one of those decisions the court held: * * * "The act, with its regulatory provision, is not intended to underwrite profitable operation of a carrier's business. * * *" If the Government is not obligated to provide a profit to a private airline at the public expense, the Government is certainly not obligated to pay, at the public expense, the Federal income taxes of certain private airlines.

A review of your hearings of last year reveals further abuse of this practice which might be entitled "Tax Windfalls." It appears that the Civil Aeronautics Board itself admitted (your hearings, p. 2120) that: "In computing such tax allowances in previous cases, however, the basis used has in many cases resulted in making provision for a greater amount of tax than would ever be paid by the carrier."

I hope you will ask the Civil Aeronautics Board and such other Federal agencies that may be involved what has been done to recoup these past overpayments or tax windfalls.

I hope you will also find out from the Civil Aeronautics Board how much these tax windfalls have amounted to in the many cases which they admit to have occurred and that you will further subtract that sum from future appropriations.

Still another abuse of subsidies which has been revealed in the hearings before the committee and before the House Appropriations Committee is the failure of the Civil Aeronautics Board to have subtracted from the expenses of subsidized airlines which are allowed by the CAB in computing their mail rate the expenditures by the recipient companies on extracurricular subsidiaries such as hotel chains. A list of the subsidiaries of subsidized airlines may be found on pages 2159–2164 of the committee hearings of last year on the Civil Aeronautics Board. Comparison of that list with the list on pages 387–388 of this year's House hearings on the 1956 CAB budget indicates that the expenditures and/or investment of subsidized airlines in extracurricular activities such as hotels and real-estate development companies have increased considerably. To take a specific example, you yourself can ask the Civil Aeronautics Board if it is not true that during the calendar year 1953 the airline for which they are proposing to give the largest amount of subsidy at the public expense, Pan American, spent some $2,500,000 more on its wholly owned subsidiary, Intercontinental Hotels Corp., than it received back. If the Congress were to force the CAB to subtract that $2.5 million from the airlines' expenditures in computing the mail rate to be paid to that airline, then the gap between the airline's total expenditures and its total revenues would be narrowed by $2.5 million and their claims for subsidies would accordingly be reduced by $2.5 million in a single year. Diligent interrogation of the Civil Aeronautics Board concerning the relationship of subsidized airlines to other subsidiaries noted on the list already in the possession of your committee would unearth other concrete economies to be achieved in the airmail-subsidy program.

In addition, I believe the taxpayers could be protected for the future if your committee were to state its intention that none of the airline subsidies appropriated by your committee were directly or indirectly to be used as expenditures or investments in nonaviation subsidiaries.

In conclusion, I feel that your committee must compare total "mail pay" expenditures (both so-called service airmail pay and subsidy) as proposed by the CAB for the fiscal year 1956 with the total expenditures for previous years. If you do so, you will find that the 1956 program outlined by the Civil Aeronautics Board is some $21 million higher than the 1955 program, which is certainly progress in the wrong direction.

The figures submitted by the Post Office Department to the Treasury-Post Office Subcommittee of the House Appropriations Committee on page 155 of their hearings on the 1956 Post Office budget (which has already passed the Congress) indicate that provision has already been made by the Congress for "service mail pay" for fiscal 1956 in the recordbreaking sum of $77,410,000. Now comes the Civil Aeronautics Board asking you for an additional appropriation, over and above the $77,410,000 of service mail pay which you have already voted, of $63 million in outright subsidies, or gifts at the public expense, for a total "mail pay" program for 1956 of $140,410,000. This proposal by the Civil Aeronautics Board for $140 million of mail pay and subsidies for fiscal 1956 would, if enacted by the Congress, be the highest appropriation for "mail pay" in American history. And all this is proposed at a time when the airlines are enjoying the largest profits in their history.

It should further be noted that fewer companies are scheduled to receive subsidies in 1956 than were scheduled to receive them in previous years, all of which makes the proposed increase still more unreasonable. Pan-American remains the only really large line receiving big subsidies. Recoupment of sums owing to the Government under the Supreme Court decision or under the heading of "tax windfalls" and so forth, should help bring in the money for such genuine subsidies as the small feeder lines may require for defense or experimental purposes without the necessity of voting the full appropriation. This whole airline subsidy program, which Congress started to reduce in fiscal 1955, has to be firmly and consistently scaled downward so we will very soon be able to eliminate this item of Federal expenditure entirely, and not just talk about eliminating it.

We have seen small justification for these huge subsidies. We find (Senate Appropriations Committee hearings on CAB of last year, p. 1717) that despite frequent intimations that these subsidies are serving a defense purpose, the specific defense activities of installing into commercial airplanes special military communications and navigation apparatus for the purpose of adding to the ability of those planes to perform military airlift in event of war has not, is not, and under the proposal of the Civil Aeronautics Board, will not be paid for by these Civil Aeronautics Board subsidies. Instead, this installation of defense features in commercial planes is being paid for by a separate appropriation within the appropriations for the Department of Defense.

While the action of the House Appropriations Committee on May 19 of reducing CAB subsidies by $23 million is a step in the right direction, I feel that it is not enough, and that a reduction of $50 million is called for.

A $50 million cut was proposed in House Report 1242 of the 83d Congress, but was not fully carried out.

You will note that even after a $50 million reduction in the subsidies, the total mail-pay-and-subsidy appropriations for fiscal 1956 would total $90 million, or more than was spent on this same item at the time when the Hoover Commission, alarmed at the rapid increase of "mail pay" expenditures, first called for reform.

You will also note that the specific items calling for a reduction in subsidies which I have fully described above, and which are a matter of record in your committee, total more than the $50 million cut which I am recommending:

Assertions by Postmaster General under Supreme Court decisions	$50, 798, 000
Income tax allowances (per year)	13, 000, 000
Minimum saving on nonaviation subsidiaries	2, 500, 000
Total	66, 298, 000

These items of reduction do not even include estimates of savings in subsidy spending which could be accomplished by complete and prompt audits, recovering tax

windfalls, disallowing large parts of expense accounts, eliminating overscheduling, lowering service mail rates.

You can, if you want, permit airline corporations who are appealing for a public dole at the expense of the American taxpayers to own and spend money on a string of luxury hotels in foreign countries; you can, if you want, permit the Federal income taxes of certain large airline corporations to be paid at the expense of all the other taxpayers; you can turn your back on the need for proper audits before the expenditure of airline subsidies is forgotten 2 or 3 or 4 or 5 years later; you can forget about the tax windfalls enjoyed by certain airlines which should be recovered for the Government; you can go on appropriating subsidies, at the public expense, to be spent in contradiction of the decisions of the Supreme Court, upon airline companies that owe—instead—enormous amounts of money to the public treasury—yes, you of the Congress have a free hand to appropriate as much or as little of the taxpayers' money as you wish to subsidize certain private airlines—but, if you have a reasonable regard for the welfare of the taxpayers of your State and of the Nation, and for the principle of thrift, you will vote whenever the opportunity offers to reduce the airline subsidies requested by the Civil Aeronautics Board by at least the $50 million documented in this report.

Sincerely yours,

NORMAN MACDONALD,
Executive Director.

Mr. HOLLAND. Mr. President, I wish to make a brief reply, while a reply is particularly appropriate, and I hope the Senator from Illinois will follow me.

The Senator has quoted, in support of his position that the Senate does not have to appropriate funds to meet lawful obligations of the United States, a letter, or a series of letters, from Mr. Radigan, of the legislative reference staff of the Library of Congress.

In the first place, it is no secret to the Senate that we do not have to meet lawful obligations of the United States if we do not want to do so. But it has been the uniform practice, since I became a Member of the Senate, when lawful obligations have been created and have come due, for the Senate to attempt to learn what they are and to do its part to meet them. I believe that is the present attitude of the Senate, as I know it was the attitude of the subcommittee and of the full Committee on Appropriations. It was for that reason that we made the recommendations which we did.

As to whether or not the items were legal obligations, I think the Senate is more concerned with what might be the attitude of the Comptroller General on this point than what might be the attitude of an attorney, no matter how able he may be, on the staff of the Library of Congress, because the General Accounting Office has been established to protect Congress in these matters, and to advise us as to how we can properly meet the obligations of the United States.

On this very point I read a paragraph from the letter of October 6, 1954, from the Comptroller General of the United States to the then Chairman of the Civil Aeronautics Board, former Senator Chan Gurney. This paragraph ought pretty thoroughly to dispose of the issue as to how an obligation of the United States is created in this field.

The statutory direction that the Board fix and determine fair and reasonable rates is independent of the direction that the Postmaster General pay such rates for the transportation of mail by aircraft. The rates are not earned, and neither the Postmaster General nor the Board incurs an obligation to pay them, until mail has been transported. In other words, determination of rates is disassociated not only from the function of payment but even from the incurrence of obligation. Hence, I am of the view that the existence or nonexistence of appropriations does not in any way restrict or interefere with the ratemaking duties of the Board.

The Comptroller General could not have made it more clear that it was the duty of the Board to fix rates after proper hearings; and that when the Board has fixed rates, the cold issue then is whether service was performed and the mail transported under them; and once the mail was transported under those rates, the operation was complete.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HOLLAND. If the Senator from Illinois will permit me to pursue my point a moment longer, I shall yield when I have finished. I have already pointed out that the present able Chairman of the Board was formerly Solicitor for the Post Office Department, and in that capacity succeeded in obtaining from the Supreme Court of the United States a decision which required the whole organization of any air operator to be considered for rate making as one entity. Now, as Chairman of the Board, he is trying to enforce that ruling as quickly as possible.

I read from his statement before our subcommittee as it appears on page 266 of the hearings. His statement, I think, was clearly in accord with that of the Comptroller General, and was clearly in accord with sound dealing, whether it be in the Government or in private business, as to when and how an obligation is incurred. Mr. Rizley testified as follows:

At this juncture I want to make an extremely important and fundamental point clear. It is the mail rate case that determines the level of a particular carrier's subsidy, not its so-called monthly claim. A mail rate case involves notice and hearing; in short, a formal proceeding. It is the Board's order issued in the proceeding which fixes the carrier's subsidy as part of its total compensation pursuant to section 406 of the act for a service rendered, i. e., carrying mail. The order constitutes, in effect, a contract between the carrier and the Government.

The Senate committee could not more fully approve the statement of the Chairman of the Board that when, after proper hearing, after proper notice, and after all parties have been heard, the CAB issues its rate order and the order becomes final—we all know that a right of appeal to the circuit court of appeals exists if injustice has been done—the carrier must comply therewith, and carry the mail, and when the mail has been carried, he is entitled to be paid, and his contract, based upon the order, is complied with when it becomes effective.

It seems so clear to me that that is fair course of dealing that I do not care to debate the question further.

I yield to the Senator from Illinois.

Mr. DOUGLAS. The opinion or opinions which the Senator from Florida has read are like the line in Gilbert and Sullivan:

The flowers that bloom in the spring, tra la, have nothing to do with the case.

The opinion from which the Senator has been reading deals with mail rates. Formerly the mail pay and the subsidy were joined together; but by Executive Order No. 10, which was not disapproved by Congress, and is now in effect, the mail rate and the subsidy are separated.

What we are considering today is not the mail rate, but the subsidy, which is subject to the determination of Congress. If we permit the CAB to determine the subsidy, we shall be permitting an administrative board to take over the functions of a legislative body. As a matter of fact, we are getting back to exactly the condition which existed prior to the separation of the subsidy and the mail rate.

Mr. HOLLAND. I think the Senator from Illinois could not be more completely wrong than he is, because, as we understand the matter, it is the mail rate which is basic to the whole question of determining what the subsidy shall be. When the mail rate is fixed, and after the Post Office has paid a part of it, in the event the company is in a position to claim a subsidy, it is then the remainder which becomes the claim.

It is a comparison between the mail rate and the service pay, and the application of one upon the other, which creates the right to a subsidy. If the service pay is greater than the mail rate, there is no subsidy; if it is less, then there is a subsidy. It is the remaining unpaid amount which constitutes the subsidy.

Certainly I do not seek to be unfriendly in this matter in the slightest, but it seems to me that the Senator from Illinois has his remedy; and he should pursue it, if he does not like the payment of subsidies, as many of us do not, by submitting a proposal to change section 406 of the appropriate legislation.

It seems to me that any Senator who believes that Congress should take legislative action, will find himself satisfied, because Congress has taken it in the adoption of section 406. It seems to me that if the Senator from Illinois does not like the CAB, he has a remedy. If he does not like the General Accounting Office and the way in which it enforces the law, he has a remedy. If he does not like the way this matter has been handled administratively, he has a remedy.

But to say, when he comes to the floor of the Senate on pay day, that he will not recognize the claim of the carriers—which have performed under orders which were established after due process, and which have, in certain instances, resulted in earned subsidies—is not to me at all in accord with the principles which the Senator really seeks to serve.

What the Senator wants to do is to change the law, and I submit he is not

taking the appropriate procedure at all to accomplish that result.

Mr. President, I yield the floor.

BIG FOUR MEETING AT GENEVA

Mr. McCARTHY. Mr. President, recent foreign policy developments have convinced me that the administration is fashioning the free world's worst defeat since the end of the Second World War. I have some words to say about these developments which I hope may be useful.

I shall be speaking mostly about the forthcoming Big Four meeting at Geneva. But what I want to emphasize is attitudes, not events, not the administration's acts and statements, but the complacent and visionary thinking the administration is encouraging—a mental atmosphere every bit as lethal to the free world's cause as an atomic fallout is to the tissues of the human body.

I have done my very best over the past weeks to understand the reasons for the dramatic turnabout in American policies. I might say, without pleading superior wisdom, that recent Soviet moves are frighteningly easy to understand. Researching American foreign policy is infinitely more taxing: Those chaotic sentences that are uttered at Presidential news conferences—which even Mr. Haggerty's editors are hard pressed to pound into a semblance of order—and the attempts of the Secretary of State to translate strategic concepts into chummy commonplaces, are formidable barriers to finding out what American policy is, let alone the reasons for it. But, if pressed, the struggle can be rewarding, and I think the answers come out pretty much like this:

The administration's present foreign policy is to cooperate in the current Communist peace offensive by having this country play the role of straight man for the Soviet Union. And the marginal reason for adopting such a policy is that the administration has a hunch that international communism no longer insists on conquering the free world.

I think it a fair statement that when the Eisenhower administration took office, it accepted, as a matter of course, the assumption that communism was irrevocably committed to rule the world. I think it is also a fair statement that 90 percent of the American people still entertain that assumption. It was and is an assumption that fully accommodates—in fact, anticipates—periodic switches in Soviet tactics within the framework of unswerving Soviet aims. I submit, Mr. President, that the present administration position is absolutely incompatible with the assumption of Communist implacability.

The administration is advising the American people that we may be witnessing a turning in the tide of history; it is telling us that the policies of strength and firmness are beginning to pay off; that the Soviet Union may—now—be feeling that it may be more convenient for them to conform to some of the rules and practices of a civilized community. In a word, the administration is saying that communism may have changed its mind about ruling the world.

Of all the administration's reversals and contradictions—which it has managed to bring off at the rate of about two a month since it took office—this altered estimate of Soviet intentions and strategy is, far and away, the most significant. Past reversals have had to do with tactics; this one involves a change of outlook and implies changes in our fundamental strategy. This one is indeed historic, and it may be fatal as well.

Mr. President, you may feel I am wrong in calling this a new policy; and you may cite the administration's past truck with the concept of coexistence. But I believe that the phrase "peaceful coexistence" was originally, in administration usage, a mere propaganda slogan—designed to placate our alleged allies. It is now clear, however, that the administration has, in Mr. Dulles' phrase, "got religion," and is a firm believer in the concept. The Big Four conference is no mere expedient for the Eisenhower administration. While the British elections may have influenced the timing of the invitation to the conference, it is now clear that the administration actively desires a meeting at the summit and earnestly expects it to be rewarding. This signal fact—that the administration believes we can profit from negotiations with Communists—is the true measure of the new and terrible trouble we are in.

I repeat, Mr. President: This signal fact—that the administration really believes we can profit from negotiations with Communists—is the true measure of the new and terrible trouble we are in.

Now it ought to go without saying that our previous assumptions about Communist implacability are still valid—that neither verbal arguments nor "positions of strength" will permanently distract the Communists from their ultimate goals. But in the light of recent statements about the "coming of new dawns," I suppose this had better be spelled out.

Let me cite a speech delivered by Dmitry Manuilsky in 1930 to the Lenin school of political warfare. I do not use the speech to prove a point that any informed student of communism regards as quite beyond dispute; I use it because it states the point briefly and sharply.

This is what he said to the Lenin school of political warfare, and this is still a part of the Communist bible, if you please. He said:

> War to the hilt between communism and capitalism is inevitable. Today, of course, we are not strong enough to attack. Our time will come in 20 or 30 years.

He said that in 1930, Mr. President.

> To win we shall need the element of surprise. The bourgeoisie will have to be put to sleep. So we shall begin by launching the most spectacular peace movement on record. There will be electrifying overtures and unheard-of concessions. The capitalist countries, stupid and decadent, will rejoice to cooperate in their own destruction. They will leap at another chance to be friends. As soon as their guard is down, we will smash them with our clenched fist.

Now I ask you, Mr. President, to weigh this statement carefully—and to note the contemporary parallels that leap out of it. Is it not clear that our generation, in the 1950's, is simply supplying the justification for traditional Communist theory? What is striking here, of course, is not that Communist tactics are unfolding as predicted, but that our reaction to them is precisely as anticipated. And can there be any quarrel with Manuilsky's description of our reaction as just plain "stupid"? I submit that there is not a single event of the past 6 or 8 weeks—which have supposedly been marked by "dawns coming," "suns rising," and "horizons opening up"—that is not fully accounted for by Manuilsky's thesis.

President Eisenhower originally stated—it seems like a very long time ago—that this country was not interested in negotiations at the summit until, among other things, the Communists had proved by deeds that their intentions were "sincere." By "sincere," I take it the President meant "genuinely prepared to abandon their ambitions of world conquest." That was a sound position—and, incidentally, an encouraging one, because it was another way of saying there would be no meetings at the summit until the Communists had decided their job was not to conquer the world. But we are going to have a meeting, and the question that naturally intrudes amid the rejoicing is: Where is the evidence that the Communists may have changed their minds about conquering the world?

The administration, and the President, in particular, cite one event—the signing of the Austrian Treaty. But if the administration really believes this is evidence of Communist sincerity, we need go no further for proof that the creeping madness, that for some time has been gnawing at our foreign policymakers, has finally taken hold. There is not a competent observer in the Western World who does not see in the signing of the Austrian treaty an attempt to woo the German people out of the anti-Communist camp. And if there is in the State Department any alleged expert on the subject who has not advised his superiors that this purpose is there, he ought to be fired from his job. Beyond this, the Austrian treaty fits into the pattern of Soviet overtures to Yugoslav, Japanese, and German leaders—a program destined to soften the West's will to resist at precisely the points in the world where the Soviets hope to make their next gains.

To cull from the signing of the Austrian treaty evidence of Communist "sincerity" is a feat of perversity unequaled since Owen Lattimore asked whether the Stalin blood purges might not, after all, be a "triumph for democracy."

If the President really accepts this patent stratagem as evidence of Communist sincerity, then we must haul out into the open a question that heretofore has been only in the back of our minds—namely, whether the President ever did understand the real nature of the free world's fight against communism.

The President himself raised the issue at a recent press conference. A reporter had asked him why he had changed his mind about a conference at the summit,

and the President's answer, finally, boiled down to this: That he hoped that, as the result of the meeting, "my own mind would be clarified a little bit."

Mr. President, just what is it—and this is a question to which I think the President ought to give a clear answer before he asks the American people to elect him for a second term—just what is it relative to Soviet intentions that he is unclear about? Or, more concretely, what is it he is unclear about that he feels Nikolai Bulganin or, if he is there, Nikita Khrushchev, might clear up?

What is unclear, at the moment, is what shape our impending diplomatic disaster will finally take. There are many persons, some of them in this body, who believe that the precedents for Geneva are Teheran, Yalta, and Potsdam.

This view is shared by millions of other persons in the world who are in the front lines of the battle, and whose very closeness to the danger bids them to keep a wary eye on the lessons of history. They cannot forget that Teheran, Yalta, and Potsdam led to the enslavement of 120 million people in Eastern Europe and 498 million people in Asia. They cannot forget that in the past, world tensions were relaxed by giving control of Poland to the Lublin Communist Government, by delivering Yugoslavia to Tito's partisans, and by serving up Chinese territory to the Soviet Union. Many of the 9 million on Formosa and of the 50 million in West Germany quite naturally wonder whether they will be the free world's next contribution to the cause of world peace.

Are these fears of a repetition of Teheran, Yalta, and Potsdam justified? Or are we entitled to think that this time things will be different? Obviously, nobody can say for sure what agreements will be reached at the conference. Only time will tell whether we shall make actual territorial concessions to the Communists. But I can tell the Senate this much: Regardless of whether we give away physical territory, the cause of freedom will suffer a serious setback at this Big Four conference. Whether it is tangible things, such as territory and people, or intangible things, such as propaganda gains, the Soviets will pull in all the chips—not because the administration will deliberately throw the game, but because it has agreed to play with a deck that has been stacked against us.

Apparently the President agreed to the conference with the best intentions, but we know that such intentions pave many roads, some of which do not lead to heaven. This road is headed straight the other way, and there are three arguments—as I see the situation—that make this verdict difficult to question.

First, let us consider the probable agenda of this conference. According to the President, we are going to try to "relax world tensions."

But where are the areas of tension in the world? Are they in places controlled by the Communists? Is the world at the moment holding its breath over who will rule the mainland of China? Is the world anxious about the disposition of Poland or Czechoslovakia or Hungary? Are these the places where the cold war is being fought? Obviously not, Mr. President. The Secretary of State has recently ventured a few stop-loss remarks about our concern for the satellite countries, but the administration is careful not to press the point. Dutifully observing our commitment to peaceful coexistence, we have, for all practical purposes, conceded those countries to the Communists.

Then where are the tensions we are going to relieve? Is it not perfectly clear that they are in the Formosa Straits and in West Germany? The tinder boxes of the world are now, as always, places the free world controls. This is the first lesson to learn about negotiating with the Communists while we are committed to a policy of coexistence. Let me put this thought a little differently: Because communism is inherently acquisitive and because the free world is committed to living peacefully with the Communists, it follows that the negotiable areas of the world are those which the free world dominates and to which the Communists lay claim. A corollary implication of coexistence is that areas under Communist domination can be longed for by the free world, but they cannot be negotiated about. If we want to make deals, it is in the frontier areas of the free world that we have to make them. This is what the men who share my views on foreign policy mean when they say, "We are fighting the cold war on Communist terms." This is why they ask, often wearily, "Will we ever learn?"

History, I think, bears us out. Ten years ago, at the time of Yalta and Potsdam, the tensions between the Communists and ourselves were in Poland—where the free Polish Government-in-exile was trying to reestablish control; in Yugoslavia—where the Chetniks were fighting Tito's Communists; and in China—where Chiang Kai-shek was defending his country against Mao's Communists. In each one of these places, Mr. President, we "relaxed the tensions" by giving the Communists all or most of what they wanted.

Two years ago, the area of tension was Korea. Our Army was in a strong position, poised to strike out for the Yalu. The Communists requested negotiations. So we obliged, and granted them a truce—thus surrendering our military advantage.

One year ago, the area of tension was in Indochina. We negotiated at Geneva, and ended up handing over all of northern Viet Nam to the Communists.

Today, there is every sign that history will repeat itself—as it always will while we fight on Communist terms. The headlines in the press afford a reliable indication of the subjects that will come up for discussion at the Big Four conference. The news stories are about Formosa and about West Germany. And the columnists speculate, quite naturally, about how the Big Four will settle those problems. But what the press does not make sufficiently clear is that this means we are to talk about, not Communist territory, but the Free World's territory; not about what we may get, but about what we may give away.

If we continue this way much longer—dealing on Communist terms—the day will soon come when our leaders will sit down with the Communists only to discover they have nothing left to give up.

Let us now turn to the second argument. Let us assume that in exchange for a concession or two by the Free World, the Communists give us something in return. This is what some who favor negotiations with the Communists expect to happen. And they ask, "What is wrong with that?" They argue that mutual concessions—a little "give and take"—will let off the pressure in the hot areas of the cold war. This is presumably what President Eisenhower meant when he said he would be willing to meet the Communists "half way."

What sort of "give and take" should we expect? In return for our surrendering Quemoy and the Matsus and our promise to prevent Free China from attempting to recapture the mainland, the Communists may agree to a cease-fire in the Formosa Straits, and they may even promise not to try to take Formosa by force. In Europe, in return for our agreement to slow down on German rearmament and thus "neutralize" West Germany, the Communists may agree to cut down the East German "police force," so-called, and to neutralize East Germany. There may even be some deal for the unification of Germany—a "neutral" Germany.

To be sure, the Secretary of State has disavowed any intention of agreeing to a "neutral belt" in central Europe. But Senators will recall that a little over a year ago, Mr. Dulles was resolutely assuring the country that Indochina would be defended, only to have the ground cleanly cut from under him by the British, the French, and finally by the President. Moreover, at a recent press conference, the President brought up, on his very own, the subject of a neutral belt in central Europe. Even more important; whether we will it or not, our talk about "new dawns" may well create pressures on behalf of German neutrality that will prove irresistible, even by the sturdy leadership of Chancellor Adenauer.

Let us face it—the principal reason West Germany is now in the Western camp is its thoroughly warranted fear of a Soviet attack. Remove that fear by creating illusions about Soviet intentions, and we may lose an ally.

And I do not doubt for a moment that the administration will find suitable words for justifying a deal for German neutrality. They will cite reciprocal Soviet "concessions," from which it will follow that Geneva was a great success.

We can see the picture now—a televised meeting at the White House where the returning diplomats, smiling and very pleased with themselves, will report to the Nation that "a hard bargain has been hammered out," and perhaps even the old saw, "We will have peace in our time." They will say that instead of surrendering á la Teheran, Yalta, and Potsdam, we have shrewdly "horse traded" with the Communists.

Some horse trade. Some horse trade, Mr. President. Yalta was a horse trade, too. At Yalta, in return for our agreeing

that Poland should be organized by the Lublin Communist government, the Communists agreed to hold—and I quote from the Yalta Protocol—

> free and unfettered elections as soon as possible on the basis of universal suffrage and the secret ballot.

"As soon as possible," they said. That was 10 years ago, and still there have been no elections.

At Yalta, in return for our agreement to give Tito a free hand in organizing Yugoslavia, the Communists agreed to form a coalition government with non-Communists "who have not compromised themselves by collaboration with the enemy." The Communists immediately fulfilled that pledge by executing or imprisoning the followers of General Mikhailovitch, who had made the mistake of fighting Communists as well as Nazis.

At Yalta, in return for our handing over portions of North China to the Soviet Union, the Russians agreed to conclude with Chiang Kai-shek a treaty of "friendship and alliance." That treaty was duly signed the following August. It provided in part:

> The U. S. S. R. agrees to render to China moral support and aid in military supplies, and other material resources, such support and aid to be entirely given to the national government as the central government of China.

Senators may remember the strong military support the Soviet Union gave Chiang's government during his war with the Chinese Communists.

Russia has nearly always met us, as President Eisenhower says, "halfway"—"halfway" on paper. But Communists, as most people know, don't keep their word. In their textbooks Communists teach that promises should be broken when it furthers the cause of world revolution. Lenin said, "We must, if necessary, resort to lies, deceit and trickery in order to achieve our aim."

I simply do not understand how our leaders can go into a Big Four conference, seeking an agreement with the Russians, knowing that the Soviet Government in its 38-year career has an unblemished record of not keeping a single agreement that it was to its advantage to break.

Let me cite a few examples of how the Soviet Union lives up to its treaty obligations. When we get negotiation fever, we are apt to forget that we are dealing with an international bandit.

In 1932 Russia signed a nonaggression pact with Poland. In September 1939, while Poland's gallant army was engaging the Nazis in the west, Soviet troops smashed across the Polish border.

In 1932 Russia signed a nonaggression pact with Finland. In November 1939, the Soviets invaded Finland, and annexed a huge slice of Finnish territory.

In 1926 Russia signed a nonaggression pact with Lithuania, and in 1932 similar pacts were signed with Estonia and Latvia. In October 1939, the Soviets forced these three countries to sign so-called mutual assistance pacts which compelled them to accept Russian military missions in the teeth of Soviet promises to respect their territorial integrity. Then a few months later the Soviets broke the mutual assistance pacts. In the spring of 1940 the three Baltic nations were incorporated into the Soviet Union.

In 1929 Russia joined in the Kellogg-Briand Pact along with Rumania and, of course, most of the other nations of the world. That treaty outlawed war as an instrument of national policy. In the summer of 1940, however, the Soviets threatened to go to war against Rumania unless she surrendered the provinces of Bessarabia and northern Bukovina. Rumania yielded, and the Red Army marched into the two provinces.

Let us move closer to home. In 1933—when we made the profound mistake of recognizing Communist Russia the Soviets signed with us the Litvinov Agreements which provided, among other things, that Russia would not permit her agents to interfere in American affairs. In July 1935, 2 years later, at the Seventh Congress of the Third International which convened in Moscow, American Communist leaders gave progress reports on the revolutionary movement in the United States.

These pre-World War II treaty violations were only a hint of what was to come after the war, when the Communists were strong enough to press in earnest their imperialist ambitions. In 1950 the House Committee on Foreign Affairs made a study of the subject. The committee found that between 1945 and 1950 the Soviet Union violated 52 treaty obligations. This figure does not include the broken promises of the Chinese Communists and the satellite countries in Europe. It covers only the 5-year period, 1945–1950. Even so, 52 broken pledges constitute quite a record.

It is an unfathomable mystery to me why our Government should want to make an agreement with the Communists when we know—from their teaching and from our experience—that they will break that agreement the moment it stops paying them dividends. So much for the possibility of mutual concessions at the summit.

Let us turn now to the third agreement. Let us assume that we stand firm at the conference, that we make no concessions whatever. This will mean that the conference itself will be a stalemate. That is what still other commentators expect to happen.

Now it is most important to understand that in this situation, too, the free world loses. The Communists are perfectly willing to settle for a stalemate, because they know they can turn it into a propaganda victory for themselves. The Communists have carefully prepared the ground for this conference by having launched in advance a spectacular peace offensive. Their "electrifying overtures"—let us keep Manuilsky's prediction in mind—have persuaded large numbers of benighted souls in Europe and Asia that communism has changed its mind about conquering the world; and the Communists have built up the Big Four conferences as the place where they will prove their peaceful intentions.

The stage is thus set for the Communists to propose a "neutral belt" in central Europe and a "cease-fire" in the Formosa straits. If the West is sucked in, well and good for the Communists. But if not, the West can be made to look unreasonable. We will appear to be the obstructionists. Either way, the Communists win. It will not matter that we in America know the truth—that we appreciate what the Communists are up to. The point is that the neutralists have already been half-way hooked by Communist peace propaganda, and they will conclude that our refusal to cooperate means we are blocking world peace.

Let us not be put off by the argument that we would also appear uncooperative by not agreeing to a meeting at the summit. It is one thing to quietly refuse to be seduced by Communist blandishments—as we were doing up until 6 weeks ago—and quite another thing to get ourselves up upon a floodlighted stage and proclaim to the world that although we believe Communist intentions may have changed, we refuse to let them prove it.

Far better that our diplomats stay at home and make the Communists prove by deeds that their intentions have changed. By meeting them at the summit, we simply present the Communists with a sounding board off which their false peace propaganda can reverberate throughout the world.

Let me now briefly summarize the reasons the Big Four meeting is bound to benefit the Communists. No. 1, we are going to negotiate about areas the free world now controls, we are going to talk about what we may give away, instead of what we may get. No. 2, even should we get reciprocal concessions from the Soviets—a quid pro quo—we know they will not keep their half of the bargain. No. 3, even if there are no concessions, we will suffer a crushing propaganda defeat by appearing to be uncooperative—by refusing to act upon our own advice to the world that Communist objectives may have changed.

This is why I say the President has agreed to play with a stacked deck. This is why the decision to meet the Communist leaders at the summit is a tragic blunder. Like Teheran, like Yalta, like Potsdam, it will be a thumping Communist victory.

Now what to do? I hesitate to criticize the administration without offering a constructive alternative—which, to meet the immediate needs of the moment, is this: Announce to the Kremlin leaders that we have decided to be more specific about the Geneva agenda. Advise them that we are prepared to talk about the liberation of the countries now held captive by Communists—and nothing else. Advise them that there will be no discussion of neutrality for Germany, no discussion about a cease-fire in the Formosa Straits, no discussion about paring down the nuclear arms superiority the free world now enjoys. Such an announcement will call the Communists' bluff—and would, of course, torpedo the Big Four conference. But the free world's chances of ultimate victory would be inestimably advanced. The neutralists will be grossly offended, but this would be more than offset by the new heart we would give the captive peoples, and to those hard anti-Communists who are still unchained, but who are wearying of further resistance.

Most important of all, we would demonstrate that at last we have learned how not to fight communism, and this is the first step forward.

We cannot coexist with communism. Coexistence with communism is as plausible as the theory that cancer and healthy tissue can subsist side by side in the human body.

We cannot meet Communists halfway. They do business only on their side of the street.

We cannot satisfy Communists by serving up just one more morsel. Their appetite grows with eating.

These truths about communism are as valid when the Russian Bear is simulating slumber as when he is baring his fangs. Today the world has been lulled into a false sense of security by Communist peace overtures. It follows—not that the world situation has improved, but that it is more dangerous than ever before. When we turn a receptive ear to these illusory offers, it is a sure sign that the peril has deepened.

In 1898 Rudyard Kipling wrote a stanza that might well be framed over the desk of every State Department officer—and, indeed, in the White House itself—

> When he shows as seeking quarter,
> With paws like hands in prayer,
> That is the time of peril—
> The time of the truce of the Bear.

Mr. President, I suggest the absence of a quorum.

Mr. KNOWLAND. Will the Senator withhold his suggestion?

Mr. McCARTHY. I am glad to do so.

Mr. KNOWLAND. Mr. President, I am sorry I was not in the Chamber to hear all the remarks of the Senator from Wisconsin. However, I would not want this opportunity to pass and, by acquiescense at least, appear to give the impression that I subscribe to his point of view that the only negotiations which are to be conducted at the Geneva conference will concern not what we get but what we give away. I will say to the distinguished Senator from Wisconsin that I have seen no indication on the part of either the President or the Secretary of State that that is their position. I have seen no indication on the part of the Government of the United States that we would agree to or would support the neutralization of Germany. To the contrary——

Mr. McCARTHY. May I interrupt the Senator at that point?

Mr. KNOWLAND. I should like to finish my statement first. To the contrary, the recent visit of Chancellor Adenauer—and I have the same high regard for the Chancellor the Senator from Wisconsin and other Senators have—was to make very clear to the entire world, both the free world and the Communist world, that the neutralization of Germany was not to be bargained for at the Geneva meeting.

I do not believe we are bankrupt in our negotiating power. On the contrary I believe we have an opportunity to cause some grave concern to the Soviet world.

The Senator from Wisconsin has quite properly set forth that in the past three decades the Soviet Union has violated every agreement it has entered into, with the exception, perhaps, of 1 or 2 agreements which were to their interest to uphold. However, I submit to the Senator from Wisconsin that the Secretary of State, with his broad background and experience, and the President of the United States are fully alive to the fact that the Soviet Union has violated those agreements. It could well be that the Soviet Government might find itself in a most difficult position if the free world took the position that the Communists should first live up to agreements which called for completely free elections in Poland, and perhaps that initiative could be taken by the free world at the Geneva meeting.

It might also be pointed out to the representatives of the Soviet Union that if there is to be a real relieving of the tensions of the world the abolition of the Cominform is essential, not in the way they abolished the Comintern and then used the Cominform to accomplish the same purposes, but by renouncing the doctrine of world revolution, because, so long as they treat that doctrine as the gospel and so long as the representatives of their Government maintain it, there are likely to be tensions throughout the world.

Perhaps the good faith of the Soviet Union should be fully explored by ascertaining whether the leaders of the Soviet Government are prepared for such a renunciation.

I think there are many things the representatives of the United States and the other free world representatives might do at the Geneva meeting. I do not say to the Senator that I would not be just as much concerned as he is if the outcome of the Geneva meeting should be another Yalta, another Teheran, or another Potsdam, but I am not willing to take the defeatist position that that would necessarily be the case. I think the representatives of our Government are fully alive to the grave consequences which accrued from those other meetings.

I am sure the President of the United States, the Secretary of State, and their advisers are going to do everything possible to protect the vital interests of this country and of the free world, and I hope the precautionary note which the Senator has sounded does not indicate that he feels it to be inevitable that the same kind of result will follow the Geneva Conference as the other conferences produced.

Mr. McCARTHY. I think the Senator and I are not too far apart in our thinking when he points out that past agreements with Russia have served the purposes of the Russians. This much we can agree on. But I think the Senator is indulging vain hopes when he suggests that now there might be some way of persuading the Communists to renounce their objective of world conquest. We entertained such hopes before, to our sorrow. The Communists said, in 1933, that there would be no more activities in the United States in connection with international communism. The concessions we made in the Litvinov agreements indicate we believed them. In 1935 Communist leaders in the United States gave a report on the progress they were making toward bringing about revolution in this country.

I had thought the Senator agreed with me that, as of today, the lesson of the Communist bible is, "We will conquer the world by whatever means may be possible."

Keep in mind that the Communists said in 1930, "We will make overtures; we will persuade the captalist countries we want to be friends, and they will go along with us and cooperate in their own destruction." That picture is accurate. The Communists are acting as anticipated. There is nothing to indicate that the Communists have changed their minds regarding world conquest. And we are acting as anticipated. I ask the Senator to keep in mind that the Geneva meeting will not deal with freeing Poland or any of the other nations that are now under Communist control. The negotiations will deal with areas under the control of the free world.

Mr. KNOWLAND. I think the Senator is assuming something that is not in evidence. To the contrary, the Secretary of State made it clear some time ago that he expected to raise the issue of the so-called satellite captive states of Eastern Europe. I have no reason to believe that that issue will not be raised, and very directly raised.

I will say to the Senator that throughout Europe and, to a considerable extent, in this country, and perhaps throughout the world, both among the free nations and neutral nations and some of the Communist nations as well, there has been a hope that some honorable basis for peace might be found. Certainly, I think none of us is so naive as not to recognize the fact that there are certainly obstacles in the way of finding a solution. But the President of the United States, with a great desire for, not peace at any price, but peace with honor, felt it was desirable finally to sit down for a preliminary exploration, but not in the expectation that the problems would be solved at one sitting—which was the great fault of the Yalta, Teheran, and Potsdam Conferences, where it was attempted in 4 or 5 days to settle all the problems then and there.

Since those conferences, as the distinguished Senator so well knows, there has come into being a vast new force in the world in the form of atomic energy. While offering tremendous possibilities for the peaceful development and improvement of mankind, atomic and hydrogen weapons also have great potentialities for destruction. This is known to the people of the United States and to the people of the free world, and I have no doubt it is also known to the people of the Communist world.

The one factor to which I think perhaps the Senator has not given sufficient attention—and I say it most respectfully—is that so far as the rulers of the Kremlin are concerned—and I think the Senator is quite correct when he says they have not changed their basic concept—after all, there are 200 million people within the Soviet Union itself. I have believed for a long time that in the event of aggression on the part of the Soviet Union we might find some of our

stoutest allies behind the Iron Curtain as well as in front of it, not only in satellite states, but even in the Soviet Union itself, because the Russian people were, in fact, the first victims of the most Godless tyranny the world has ever known.

There have certainly been indications of a certain degree of restlessness in the Soviet Union. We know they are having some problems in agriculture. We know they are having some very serious problems in the production of consumer goods. Under the Malenkov temporary ascendancy in the Kremlin, they have shifted to consumer-goods production; but when Khruschev rose to power, they went back, so to speak.

A dictatorship so tight as is the Russian dictatorship must pay some attention to the great mass of Russian people and other peoples who are incorporated into the Soviet Union. For this reason, we may be in a position, not as the Senator fears, of always giving and yielding, but we may be in a much stronger position to insist upon their living up to their past agreements and placing the responsibility directly on the clique in the Kremlin. If the conference breaks down, it will be because they have not been willing to give up their doctrine of world revolution, but insist on a world-revolution doctrine which by its very nature is bound to keep tensions alive in this atomic age.

I speak not in any manner as an official representing the Government of the United States, but merely as one Senator who has been concerned about what has happened in some of the past conferences, but who has great confidence in President Eisenhower and Secretary Dulles. I do not believe we should take the pessimistic viewpoint that nothing but defeat can come from the Geneva Conference. I think it will afford great opportunities. I would be critical if another Yalta should develop, and I would not hesitate to express my viewpoint, but I believe that when this opportunity is presented we should not in advance concede defeat.

Mr. McCARTHY. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. McCARTHY. The Senator from California has never before been accused of being naive. He is a good, hard thinker, and I have great admiration for him. But when he suggests that by negotiation we might get the Communists to abandon their bible, which calls for world revolution, which is the heart and soul of communism, or that President Eisenhower can persuade them to abandon their bible, he would certainly appear to be naive in the extreme. As a matter of fact, the Kremlin leaders have just announced——

Mr. KNOWLAND. I did not say they would abandon it. I said that issue could be presented very directly to them.

That is one of the great factors which are causing tensions in the world today. As long as that approach exists within the Soviet Union, the tensions will be most difficult to relieve. I think if that issue can be clearly drawn—I did not suggest that the Soviet would abandon it; I suggested that if they refused to abandon it, there would be an effect on the 200 million people in Russia, who are governed by a handful of Communists who alone possess that doctrine, rather than the Russian people—we might have an opportunity to gain a great moral victory; and there is no telling what the ultimate repercussions might be behind the Iron Curtain itself.

Mr. McCARTHY. The Communists will not tell the world or, specifically, the captive peoples to whom the Senate refers, "We refuse to abandon our goal of world revolution." They will go on saying, even after Geneva, that peace is their aim. They will not admit that their traditional ambitions are unchanged, an admission the Senator apparently feels we can force them to make at Geneva.

I had thought the Senator from California would agree with me that there is not 1 chance in 10,000 that Dulles, Eisenhower, or anyone else can persuade the Kremlin to change the course Marxists have been following since 1848. It is a course that has been pursued right down the center for 107 years. It is the path to world revolution. The goal has been reaffirmed many times: By Lenin in 1917, by Stalin in 1947, and by Malenkov less than a year ago.

I am glad to note that the Senator is now hopeful about the situation. It is encouraging to know that someone is hopeful.

Now, as I was about to say: The Senator stated that Mr. Dulles said the question of the satellite countries would be brought up at Geneva. But does not the Senator know that immediately after the Secretary made that statement the Kremlin announced that the subject of satellite countries would not be on the agenda; that the Soviet Union would not discuss the satellite countries? That must be kept in mind. The Kremlin has said the subject of the satellite countries will not be on the agenda.

I wonder if the Senator from California will not now agree with me, by process of elimination, that the only areas that will be discussed will be those controlled by the free world. We shall be discussing only the areas we control—in other words, what we can give away to satiate the hunger of the Bear, and with these rules, we are bound to lose.

The Kremlin leaders will stay in the Conference only so long as they can discuss something the free world controls. That is exactly what they have said. That being their position, why does it not, as far as we are concerned, knock off the Conference instanter?

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. THYE. I wish to associate myself with the remarks of the minority leader. I think they were timely, because were we ever to deny ourselves the opportunity of sitting in a conference with the Russians, Great Britain, and other nations, we would at the outset be closing the door against any possibility of negotiating toward world peace.

Only one other course is open and that is for this Nation to bring up its military strength to a position sufficiently large and sufficiently potent so that we would have the upper hand if and when a conflict came.

Within the next 2 or 3 days the Senate will be debating the Defense appropriation bill. When we get into that subject, Senators will understand the potency of what is sought to be done along the lines of national defense. Let us pray to God that we will never use it in conflict.

If we were to foreclose the opportunity of ever sitting down in a conference with other nations, no other avenue would be open except to prepare for an all-out shooting war.

Therefore, I associate myself with the remarks of the minority leader. I do not think this Nation is so naive, with respect to political conferences, that we need to say at the outset that we expect to be defeated in such a conference or that we shall be negotiated out of any advantage either in political propaganda or in the Nation's prestige, with respect to what we set forth as being necessary to protect the peace of the world.

I think we have observed in recent months a fear on the part of the Soviet Union that they are losing position in the world. They have lost it at least in Western Europe. They went to Tito and begged Tito's assistance. They made themselves most receptive in their conference with Tito. Before that time they had threatened all manner of repercussions, economically and militarily, if they had not succeeded with Tito.

We have seen Austria given its independence. We have observed a sort of peaceful situation developing in the Formosa area.

I believe that a conference attended by Secretary of State Dulles in the so-called diplomatic field, and by the President with the leaders of other nations, including those of the Kremlin, may have a very salutary effect not only upon the Russian people, but also upon the rest of the people of the earth, who are hoping and praying for peace.

For that reason, I commend the minority leader for having spoken in the Senate in defense of the possibility of gaining something from such a conference, rather than to say that such a conference would be useless, and that we must not take part in it for fear that we would then permit the Russians to take advantage of us, propagandawise, as well as by negotiating us out of what we may already possess in Western Europe or in Asia.

Therefore, I must disagree with my colleague, from my sister State of Wisconsin. I believe we must look toward taking part in the conference. I believe we possess the ability to achieve the advantage. President Eisenhower and Secretary Dulles have not yet failed us in any international conferences; I do not believe they are likely to fail us in the coming conference.

Mr. McCARTHY. While the Senator from Minnesota is an expert on some subjects, such as agriculture, he has demonstrated complete ignorance of communism, complete ignorance of the Communist world movement.

Mr. THYE. Mr. President——

Mr. McCARTHY. Just a moment. Let me finish.

The Senator talks about the possibility that the Communists may be giving up their idea of world revolution. They have a record of having pursued that goal for 107 years.

In 1848 Karl Marx declared war against the world. At that time he said it was necessary to have a bloody revolution in all countries except the United States and Great Britain. In 1914 Lenin restated the Marx position. He said that while Marx was right in 1848 about there being no need for bloody revolutions in the United States and Great Britain, nevertheless, in 1914 changed conditions had made it necessary to have bloody revolutions in all areas of the world. In 1947 Stalin reaffirmed that position. Malenkov reaffirmed it less than a year ago.

Dmitry Manuilsky, in 1930, speaking to the Lenin School of Political Warfare, also had something to say about this—and it is still a part of the Communist bible. I ask the Senator from Minnesota not to let his wishful thinking blind him, and not to let his statement blind the American people. Manuilsky said:

> War to the hilt between communism and capitalism is inevitable. Today, of course, we are not strong enough to attack. Our time will come in 20 or 30 years. To win we shall need the element of surprise. The bourgeoisie will have to be put to sleep. So we shall begin by launching the most spectacular peace movement on record.

I repeat that last sentence:

> So we shall begin by launching the most spectacular peace movement on record. There will be electrifying overtures and unheard-of concessions.

I hope the Senator from Minnesota is listening carefully.

> The capitalist countries, stupid and decadent, will rejoice to cooperate in their own destruction. They will leap at another chance to be friends. As soon as their guard is down we will smash them with our clenched fist.

Manuilsky might have been on the Senate floor today saying that. If he were, perhaps the Senator from Minnesota would realize that Manuilsky is talking about him—is predicting his reaction. When you come down to it, is not the Senator counseling us to "leap at another chance to be friends"?

Mr. THYE. Mr. President, the Senator from Wisconsin is absolutely correct when he says I have had no association with communism. He was never more right in any statement made by him than he was in that one.

But I still have confidence in the ability of Secretary of State Dulles and of President Eisenhower to sit down across a conference table with any group.

I care not whether it be the present-day Kremlin or tomorrow's Kremlin—because they have never shown weakness, and they do not show weakness, in my humble opinion.

For that reason, I say I care not what was written in ancient history. The prophets of ancient history told us the world was going to come to an end. In my own span of time I have known those who prepared for the world's end. They were proved to be in error. The Kremlin may be in error, but if we are going to give credence to their prophecy and be fearful of participating in a conference because we might show the softness which they predicted the capitalistic world would show in good time, the only course remaining to us would be to fortify this Nation and dig burrows all over the countryside, into which we may dive if and when they attack us.

I do not take that attitude. I believe the people of this earth will find a way to bring about permanent and lasting peace in this atomic age, because I think the Soviets are smart enough to know what the atomic bomb will do to them, and I think we are smart enough to know what it will do to us. I say I have confidence in Secretary of State Dulles and in President Eisenhower when they sit at any conference table. I believe we will not be placed in such a disadvantageous position that strategic benefits will not accrue to us from such a conference. I think the conference will be timely.

Mr. McCARTHY. The difference between the Senator and me is that he believes the decision to confer at the summit, under the terms that have been announced by the Kremlin, is evidence we are not acting in a way Manuilsky predicted we would act, and I believe the decision is a clear vindication of Manuilsky. What does the Senator think we are going to negotiate about? The Kremlin has said, "We will not negotiate about any of the areas we hold." They have therefore said, in effect, "We will negotiate only about your areas." Now what does the Senator think we will negotiate about?

Mr. THYE. Mr. President——

Mr. McCARTHY. Will the Senator try to answer that question specifically? What does he think we will negotiate about?

Mr. THYE. We will negotiate about the things about which we want to negotiate. If the Kremlin says that is out of order, the world will know they do not want to be fair and meet with us on equal terms.

Mr. McCARTHY. We do not need to wait to learn what they will say. They have already said it. They have already said, "We will not negotiate about any of the areas we hold." Therefore, it means they will negotiate only about our areas. Does the Senator favor that type of negotiation? I am curious to know whether the Senator does or not.

Mr. THYE. I am confident that a meeting with them around a conference table would be much like a conference between the Senator and myself. As of this moment I say one thing; and the Senator from Wisconsin says another. It is up to the public to judge whether they want to listen and believe the Senator from Wisconsin, or whether they want to listen to the philosophy I have advocated and believe me. It would be difficult for the Senator and me to determine which one of us would be most believed. So far as the listening public of the world is concerned, it will have to listen to what the Soviet says, both over the radio and as appears in the press. I trust Secretary of State Dulles and the President, and believe they will leave just as good an impression upon the world at such a conference table as will the Soviets. They will be judged just as the Senator and I will be judged by those listening to us or reading what we have said.

Mr. McCARTHY. The Senator has not answered my question.

Mr. THYE. The Senator from Wisconsin has one opinion and I have another.

Mr. McCARTHY. But I am asking the Senator's opinion. I am asking him what he thinks we will negotiate about, what we can negotiate about, when the Kremlin has said, "The Soviet Union will not negotiate in regard to any areas which it holds." And since I am having some difficulty getting the Senator's opinion on that question, I will phrase it a little differently: Does the Senator favor negotiating away the positions of the free world; or does he think, if negotiations are to be acceptable, we should negotiate about some of the satellite countries, too?

Mr. THYE. The Senator is bringing up minor facts.

Mr. McCARTHY. Minor facts? My God, man.

Mr. THYE. The Senator is bringing up only one phase of what might be discussed in such a conference. There are numerous matters which could be discussed at such a conference. At that conference the South Pacific area could be discussed. The conferees could discuss the question of East Germany being joined with West Germany. They might have the opportunity to discuss Poland's independence and its reestablishment as a sovereign nation.

Mr. McCARTHY. But the Senator is living in a dream world, in which, I admit, he has some company. The Communists have plainly said——

Mr. THYE. There are numerous questions which could be discussed other than the question the Senator has raised.

Mr. McCARTHY. But the Senator must get out from under this false impression. The Soviets have said, "There will be no discussion of areas we hold." And yet the President is still going to Geneva.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. McCARTHY. I yield.

Mr. KNOWLAND. Merely because the Soviet Union has said that in the statement, which I think all of us saw recently, I do not think they are going to be able to write their own ticket. I do not believe the Government of the United States or the representatives of the other free nations have put themselves in the position or will put themselves in the position of allowing the Soviet Union to write the agenda as to what is going to be discussed.

As the President himself pointed out in his press conference, he does not visualize that the meeting at the summit will necessarily be a meeting which will solve all world problems. But it is believed that the conference will be of some value to the Government and the people of the United States, and to the government and the people of other countries in the world. There may be an honest difference of opinion about it, but at least there will be some value in discussing the situation with those who are

presently in positions of responsibility in the Soviet Union.

When the Senator from Wisconsin says, as he indicated in his speech, that all the conference will discuss will be those issues in which we will give something, and will get nothing, I do not agree that necessarily follows. I certainly hope it will not follow, for it would be tragic if it should. I am not willing to write off either the capabilities, or the patriotism, or the devotion to duty of the President and the Secretary of State, and to assume that they are willy-nilly going to let the Soviet Union write its own ticket. Knowing both men, I am sure they are just as firm in their belief of the importance of maintaining a free world of freemen, and of having peace with honor, as distinguished from peace at any price, which would lead to appeasement, as is the Senator from Wisconsin, or the senior Senator from California, or Senators on the other side of the aisle, or Senators on this side of the aisle. I think we Americans are alert to the danger. Senators are all knowledgeable persons. We all know what tragic consequences grew out of previous conferences. None of us wants a repetition of that type of situation.

I am not willing here and now, before the conference has even met, to say that nothing can come out of it but a Soviet victory. I say there is an opportunity, if the opportunity is followed, and if our allies will stand firm and not go into the conference in an appeasement frame of mind, to put the Communist world on the defensive, and to raise such issues that the 200 million persons in the Soviet Union may hold strictly accountable the men who temporarily rule in the Kremlin.

I do not disagree with what the Senator from Wisconsin has said about Soviet doctrine and policy in the past. We must keep that in mind. I do not disagree with the Senator from Wisconsin when he points out that the statements of Marx were repeated by Lenin, Stalin, Malenkov, Khrushchev, and by other persons who are temporarily in power in the Kremlin; but I do say the people of Russia itself have been the first victims of the most godless tyranny the world has ever known.

For the first time in history, today we know that there is available a destructive power which can wipe every nation off the face of the earth. The choice can be put up to the negotiators of the Soviet Union that there will continue to be this tension in the world so long as their rulers follow the policy of world revolution, and of destroying countries outside the confines of Mother Russia; and if they were not prepared to give indications, which can be checked, to show they intend to abandon that policy, there can be no relief of that tension.

If such a conference should then fail, it may well be that there is a force, a section, or a group within the Soviet Union who could take additional action. I admit that is only a hope. I do not contend that the present rulers of the Kremlin may not be willing to agree, even in the face of the consequences, but I do say to the Senator there are many ways of inviting them to live up to an agreement to permit free and open elections, and to say to them, "What good is your agreement unless you live up to the past agreements which you have violated?" They can be put on the spot, and we do not necessarily have to concede a defeat, even before we begin.

Mr. McCARTHY. Mr. President, when the Senator from California says the Russians cannot determine what the agenda will be, I believe he is in error. I believe that if he will consider the matter a little further, he will realize that his error is self-evident. If the Russians say they will not discuss any area they hold, they will simply refuse to discuss it, and then it will not be included in the agenda—just as if we were to refuse to discuss Formosa, it will then not be discussed, and will not be on the agenda.

So let us face this harsh fact: that no territory the Communists hold will be discussed at the meetings because they will not be willing to discuss it, and will not discuss it. Instead, by process of elimination, the discussion will be about territory we hold. And if there is a fallacy in my argument, which the recent Kremlin announcement does not let me believe is there—even, I say, if the Communists make some concessions, we must realize that their entire history shows that they keep no agreements they do not wish to keep. They will not keep an agreement if it serves their purpose to break it.

Therefore, why attend the conference? The Senator from California speaks about putting the Communists on the spot at the conference. Well why not put them on the spot now? Why not, as I suggested in my prepared remarks, announce that we insist on talking about the satellite countries? That would really put them on the spot. Let me press this a little further: you might say we made a gesture at putting the Soviets on the spot when Mr. Dulles said we would bring up the satellite countries. But the Communists promptly rejected the suggestion, and that put the free world on the spot. We backed down by agreeing to go to Geneva anyway.

Let me say I had thought all of this was very clear to the Senator from California, and that I am dumbfounded by the reversal of his stand, which was until today, as I understood it, in complete opposition to the Big Four meeting.

Although I confess I get very little satisfaction from it, I nevertheless point out to the Senator that after the conference is over, I believe he will not be happy about the speech he has made today.

Mr. BENDER. Mr. President, will the Senator from Wisconsin yield to me?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. McCARTHY. I yield.

Mr. BENDER. I wish to say that I think the American people will never cease to be grateful to the Senator from Wisconsin for his dramatization of this whole question and for his emphasis on the need for us to be constantly alert regarding communism.

The time for stopping, looking, and listening to the "siren calls" of the Communists is the moment when they emit sounds like those of the cooing dove. Shakespeare taught us long ago that a man "may smile and smile and be a villain still." Our Communist tacticians are most dangerous when they don the robe of the conciliator and extend the silken glove.

With the release of a token quartet of captured American fliers after 2 years of imprisonment, Communist China has done what should have been done months ago. When the Korean truce was negotiated, every American held by the Reds should have been released immediately. We owe Red China no standing vote of thanks for doing what they should have done in 1953.

Some folks have become so accustomed to the Communist approach that they seem willing to fall over in gratitude for every slight gesture of humanity displayed by the Reds. If an international marauder returns part of what he has wrongfully seized, he is no less a marauder, and we can withhold the applause. The Trojan horse is being trotted out of Peiping. Let us not fall for it.

I think the American people are aware that communism is a force in the presence of which we can never go to sleep. I believe I am correct when I say that at the last session the Congress of the United States voted, by an almost unanimous vote, not to favor the admission of Communist China to the United Nations. At the present session of Congress, one of the noblest things I have seen done—and it is one of the noblest things ever done by any Congress, so far as I know—is its action by an overwhelming majority, in fact, by an almost unanimous vote, in backing the President's position with regard to Formosa.

Certainly we appreciate the fact that there are 2 political parties in our country, and that 1 party now is in control of the administration, and the other party is in control of both Houses of Congress. However, there has been no disagreement among us as regards communism. There is no question that all of us agree that we cannot "get soft" as regards the Communists. All of us agree that the Communists are a menace; and all of us agree—and that is shown by our votes for various appropriations—that our country must remain strong. From a military standpoint, the United States has never been in a stronger position that the one it is in today.

Certainly, insofar as the leadership on both sides of the aisle is concerned, there is support of the distinguished senior Senator from Georgia [Mr. GEORGE], the chairman of the Foreign Relations Committee, who on a number of occasions has declared and proclaimed that any conference is worth holding. I believe in that philosophy. So long as we maintain our strength, militarily speaking, and so long as our people feel as strongly as they do regarding the menace of communism, I believe that we can ill afford, as a Christian nation, to refuse to meet

at the conference table and discuss the affairs of the world.

Mr. President, you can probably list on the fingers of your two hands—without counting thumbs—all the topics the big fellows are going to talk about in the Geneva Conference. Here is a list of ideas they probably will omit, but which would make plenty of good conversation.

First. The people who are held against their will inside the Soviet Union, including folks who claim American citizenship rights.

Second. Ways and means of promoting free travel to all parts of the world, including the Iron Curtain countries.

Third. Free elections in Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, and China.

Fourth. Worldwide inspection of arms production including our own and the Soviet Union's by United Nations experts given freedom to check production of atomic weapons.

Fifth. Invitations by all countries to moving-picture companies to shoot documentary films of life as it is without restriction of subject matter.

Oh, well, we can dream, can we not?

With respect to the agenda at Geneva, or elsewhere, I have no great knowledge. But I have the utmost confidence in the President of the United States. I know of no one who is better informed than he. Likewise, Mr. President, I have great faith in our Secretary of State. He knows what he is doing, and he knows what he is talking about.

Those two men represent our strength; and the Members of both Houses of the United States Congress, on both sides of the aisle, by their votes have given them tremendous support—which has been recognized throughout the world and is felt throughout the world—for both the Democratic and the Republican Members of Congress have united and voted almost unanimously in backing the administration's fight on communism.

I believe that situation is the most wholesome, and I believe that our President can take care of himself at any conference. I have never seen him fail. I have never known him to participate in a conference in which the United States has wound up second best.

Under the circumstances, although I think it is all right for the Senator from Wisconsin to be apprehensive—after all, all of us are likely to be apprehensive about almost any situation—and although I have no criticism of the Senator from Wisconsin for making the statement he has made, yet I wish to say to him, even though I did not hear all of his statement, that I believe sincerely in the integrity of the President of the United States and the integrity of the Secretary of State and the integrity of the United States Congress in their support, which has been evidenced, not only at this session of Congress, but certainly also at the last session, in the case of every vote taken.

Mr. McCARTHY. Mr. President, let me say to the Senator from Ohio that I certainly appreciate his confidence in the President's knowledge of communism. But I remind the Senator that the President does not share that confidence about his grasp of the situation. At a recent press conference, when asked why he had changed his mind about having a conference at the summit—in the light of his previous statement that he did not favor the holding of a summit conference unless the Communists showed they were sincere—the President replied, "I hope that my own mind will be clarified a little." In other words, the President is really not sure what Communist strategy is, and hopes the conference will teach him something about this. I think the President should know that before he goes to the conference.

This is the point I made earlier, in the portion of my remarks I assume the Senator missed. And it is, in part, my answer to the Senator from California and the Senator from Minnesota when they say they have confidence in the judgment of the President. When the President talks about "new dawns" and when he suggests the signing of the Austrian Treaty is evidence of Communist "sincerity," he is simply piling up reasons why we cannot have confidence in him when he meets the Soviets face to face. When the President talks about the coming of new dawn, and the opening up of new horizons, his statements sound like those of Dean Acheson, who used to talk about the dawning of a new day. President Eisenhower refers to "the coming of a new dawn." Dean Acheson made a similar statement at the time we gave away China—not at a conference table, but by sending Marshall there, and instructing him what to do.

Mr. BENDER. Mr. President, will the Senator from Wisconsin yield further to me?

Mr. McCARTHY. I yield.

Mr. BENDER. All of us recognize that the President of the United States is a leader who occupies the highest position in the world. It is proper for him on every occasion to emphasize our concept of the correct relations for us to have with other countries and our concept of our proper place in world affairs. Certainly it is proper for the President of the United States to use the kind of language he uses on every occasion in being optimistic about the result.

For instance, we never stop singing Onward, Christian Soldiers. The second verse of that hymn includes the words:

> We are not divided; all one body, we.

Those words express a hope and an aspiration, not a reality. But we are not going to stop singing those words. We love to sing that hymn because we hope that sometime what it expresses will be a reality.

Similarly, we never stop reciting the Lord's Prayer, although there may be some persons—sometimes even Christians—who are not aware of what they are saying when they recite it.

In the same way, we never stop loving the Ten Commandments.

So far as the President of the United States is concerned, it is his job to emphasize the wholesome things in our American life, the wholesome things in furthering which all of us can join, and of which we can feel we are a part.

Certainly the Senator from Wisconsin would not criticize the President of the United States for having made an optimistic utterance. We are optimistic. However, we are realists. We are in a stronger military position today than we have been at any time in our history. I say that so long as we are strong we can afford to meet even with our enemies on occasion, and hold discussions, and make the results of such discussions available to all the American people. I am sure the Senator from Wisconsin, who is a fair man, will agree that he is attributing motives to the President that are wholly out of his mind. I am sure the Senator will agree——

Mr. McCARTHY. Just a moment. I am not attributing motives to the President. I say that he is making a grave mistake. When he says in effect, "I want to go to the conference to learn about communism," that indicated bad judgment. He should know about communism before he goes there. It is not a question of motives. I do not think there is anything wrong with his motives, and I have not in the slightest impugned his motives. However, it is a grave mistake to go to the conference and let the Communists say ahead of time what the agenda shall be. The Soviets have said, "We will talk only about the areas you hold." We should say, "We will not go to any conference if the agenda is to be so restricted—unless we also discuss the satellite nations. We will not go to a conference unless we may discuss what we can get, and not merely what we can give." It is a mistake to go to the conference under such conditions.

Is the Senator aware of the fact that the Kremlin has said, "We will not discuss anything in regard to any of the satellite nations, any of the nations we control"? Is the Senator aware, therefore, that the Kremlin has said, "We will discuss only the areas you control"? If we go to the conference with such an understanding, we are making a grave mistake. We should say, "No, gentlemen; we are going to discuss the satellite nations. We are going to discuss freedom for Poland. We are going to discuss elections in Poland. We are going to discuss elections in East Germany, or we will not go to the conference. We are not going to negotiate on your terms."

The President is going to the conference with the deck stacked against him. It does not matter what one's motives are; if he is playing poker with a deck stacked against him, he will lose, even though his motives are the finest in the world.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. BENDER. I do not know much about poker; but, as I understand the discussion by the Senator from Wisconsin, what he has in mind is to say, "Beware of the Communist Trojan Horse." We are aware of all the motives of the Communists. We know that they come to conferences with unclean hands. Of course the President is aware of that.

Under the circumstances, I am sure the President will be prepared to handle the interests of the United States in world affairs in a manner which will bring great credit to the United States,

and to the whole world, and result in a solution of our problems without the necessity of entering into a bloody war.

No doubt some folks are growing impatient with mere talk. They want more positive assurance than words that the prospects for a "modus vivendi" with the Soviet world are improving. Many of us would like to see a stabilization of the situation in Berlin, an end to the threatening gestures in the Formosa Straits, and some positive evidence of reduced tensions in the Indochina area.

Nevertheless, the visit of V. K. Krishna Menon, who is the major adviser on foreign policy to India's Prime Minister Nehru, and the trip of Chancellor Konrad Adenauer of West Germany to Washington are both signs of a changed world atmosphere. There will be more rather than less conversation from now until the international meeting at Geneva in July. Some common understandings may be possible, but we shall certainly want to know what the Russians are demanding as their "quid" for our "quo."

Years ago, a great diplomat said that there has never been a bad peace or a good war. Every day that we move toward a good peace is a day worth remembering. President Eisenhower is trying to run up a whole calendar of good days.

President Eisenhower has consistently demanded evidence of the sincerity of the Soviet Union before considering any meeting of heads of state. The signing of the Austrian Treaty may well be regarded as providing, at least in part, some evidence that the Russians are prepared to act as well as talk about a lasting peace. It would be foolhardy, however, to believe that the Russian bear is prepared to sheath his claws. No indications of any real change of policy are apparent in North Korea, Indonesia, Red China, and Vietnam.

One of the other major premises underlying an international meeting is the importance of dealing from American strength. We are not going into any conference to betray the Western World alliance, to give up on NATO or the European Army, or the rearming of Western Germany. These are bedrock policies, and they are unalterable. Behind the policies stands the American military machine. Our Air Force must be unchallengeable. Our sea power must be decisive. Our atomic weapons must control the land. Once the Russians understand these facts, we can confer without conceding; we can sit without surrendering. Let us do a lot of listening and little talking this time.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 7, line 16.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Millikin
Anderson	Hayden	Monroney
Barkley	Hennings	Mundt
Barrett	Hill	Neely
Beall	Holland	Neuberger
Bender	Hruska	O'Mahoney
Bennett	Humphrey	Pastore
Bible	Ives	Payne
Bricker	Jackson	Purtell
Bridges	Jenner	Robertson
Bush	Johnson, Tex.	Russell
Butler	Johnston, S. C.	Saltonstall
Byrd	Kerr	Schoeppel
Carlson	Kilgore	Scott
Case, N. J.	Knowland	Smathers
Case, S. Dak.	Kuchel	Smith, Maine
Chavez	Langer	Smith, N. J.
Cotton	Lehman	Sparkman
Daniel	Long	Stennis
Douglas	Magnuson	Symington
Duff	Malone	Thurmond
Dworshak	Mansfield	Thye
Ellender	Martin, Iowa	Watkins
Ervin	Martin, Pa.	Welker
Frear	McCarthy	Wiley
Fulbright	McClellan	Williams
Gore	McNamara	Young

The PRESIDING OFFICER. A quorum is present.

Mr. O'MAHONEY. Mr. President, it is my understanding that the question before the Senate is on agreeing to the committee amendment which appears on page 7, line 16, and which increases the appropriation for payments to air carriers from $40 million, as proposed by the House, to $55 million, as proposed by the Senate committee, which sum will remain available until expended.

The PRESIDING OFFICER. The Senator is correct.

Mr. O'MAHONEY. I understand the Senator from Illinois [Mr. DOUGLAS] has made some remarks in criticism of the committee amendment. Having been a Member of the Senate when the laws establishing civil aviation were passed, and having been a member of the Committee on Post Office and Post Roads, which took the first steps toward encouraging the establishment of passenger transportation by private enterprise, I have a few historical facts, as I deem them to be, which I believe the Members of the Senate ought to have before them when they consider this amendment.

I believe I am in complete agreement with what the Senator from Illinois has stated. It may be that the committee may have some explanations which would change my mind, but I rather doubt it. I am sure that the Members of the Senate are familiar with the recent report of the Federal Trade Commission on the rapidly increasing trend toward merger in the industrial field. I am sure the Members of the Senate, with few exceptions, know that the concentration of economic power in the United States has progressed to such a degree that the economic government of this country is in private hands, not in the hands of the Congress of the United States, to whom the regulation of interstate and foreign commerce was committed by the United States Constitution.

Air traffic in the United States was initiated by the Post Office Department after World War I. The Government established it as a Government enterprise. We built many planes during World War I and instructed many fliers. These fliers, with their experience and with their war planes, under the management of the Post Office Department, carried the mail across the country. They demonstrated that the transportation of mail by air was feasible. The transportation of passengers by air was not developed because venture capital was not available. The owners of private capital were afraid to invest their money in the building of passenger lines. So the Congress of the United States enacted the law which has finally resulted in the creation of the Civil Aeronautics Board. It has gone through various changes, but the fundamental principle of the law was that the Government would dip its hand into the Treasury of the United States and use the people's money to subsidize the establishment of civil aviation for the transportation of passengers and the transportation of freight.

The original law provided for the granting of certificates of necessity by the authority which was created by the law. It was designed to take the Government out of the business of flying and to put the business into private hands. That was the purpose of the legislation. It was not the purpose of the law, and, in my opinion, no word, no phrase, no sentence, no paragraph of the law can be read to indicate any intent upon the part of the Congress of the United States to give the Civil Aeronautics Board the authority to prevent the expansion of air traffic. Yet, that is precisely what the Board has been doing. Not that air traffic has not grown; it has grown; but the policy of the Board for 15 years or more has been designed to preserve the air over the United States as an element in which only those lines which were existing at the time the law was passed would be permitted to fly. There were 16 trunk lines which were granted certificates of necessity. By the process of merger these lines have now been reduced to 13. They were taking subsidies consistently from the Federal Government, although they were earning profits sufficient to enable them to carry on the industry without the support of the Federal Government.

It is always very difficult, Mr. President, to persuade any private interest to give up a subsidy once it has been granted. If the Congress of the United States is not willing to look at the facts and to end subsidies when they ought to be ended, then the people of the United States will be compelled for years to bear the burden of paying unnecessary subsidies to interests which are operating at a profit. I have no hesitation, Mr. President, in saying that that is the fact which we confront today.

I have hesitated to enter the discussion of this question because during the brief period when I was under leave of absence, so to speak, from the Senate of the United States, I engaged in the practice of law. I accepted a retainer from North American Airlines to represent them before the Civil Aeronautics Board. I have testified with respect to that company and with respect to subsidies before committees of the Congress. I must say, however, Mr. President, that when, last

June, through the development of circumstances, it was clear to me that I was again to be a candidate for the Senate, I severed my connections with North American Airlines. Although I was their attorney last year, I have not been their attorney in any respect since just before I became a candidate for reelection to the Senate in 1954. I rise, therefore, feeling that I am perfectly free to lay before the Senate of the United States the facts as I know them.

North American Airlines was established by some veterans of World War II, some of whom had flown over the Himalaya Mountains; others had flown in battle. After the war was over, they came back to the United States, and the Government of the United States had so much war material, including airplanes, of which it wished to make disposition that some of the pilots sought to purchase Government planes in order to go into the business of air transportation. The idea was so in harmony with the fundamental principles of our Government and of the law under which the CAB exists that the RFC made loans to those veterans to enable them to buy the planes in which they initiated competition with the grandfather lines which have been so diligently protected by the Civil Aeronautics Board. It seems to make no difference whether the Democrats or Republicans are in power, the Civil Aeronautics Association, which is an association of certificated carriers, has carried on warfare against competition in this subsidized field.

North American Airlines pioneered the low-price coach traffic. The subsidized lines never thought of initiating coach travel to invite people with small resources to take advantage of the opportunity to fly. The North American system operating only coach fares and not receiving one penny in subsidy opened a new field in transportation.

Let me repeat, that veterans supported by the RFC, in the first place, flying former Army planes in the second place, which had to be purchased through a loan from the Government of the United States, opened an entirely new field in the transportation of passengers. They were so successful, without a penny of subsidy from the Government of the United States, that they have been engaged in a profitable business. Yet at this minute the Civil Aeronautics Board has before it a punitive proceeding intended to cut the throat of this newly established business which has developed, I think, within the past year, into a $15 million business.

Mr. President, we talk about encouraging small business. We talk about the danger of the concentration of economic power. But when there is a system by which a Federal board, such as the Civil Aeronautics Board, operates in harmony with the subsidized carriers to execute a nonsubsidized carrier, we have one of the most extraordinary examples of what monopoly can do in partnership with government.

I do not challenge the good faith or the patriotism of the members of the Board. I merely say that they have become overawed by the arguments which are made by the huge transport association, an association which, a year or two ago, actually went to the length of providing dinners for the administrative assistants to Members of the Senate, in order to propagandize them upon the issues of the conflict in their traffic. The chief officers in the office of every Senator were invited to those dinners, at which representatives of the transport association told their side of the story.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. Does the Senator from Wyoming believe that the expenses of those dinners went to increase the amount of mail pay which the Government paid to the airlines?

Mr. O'MAHONEY. No; I do not. I do not believe the administrative assistants to the Members of the Senate were swayed one iota.

Mr. DOUGLAS. No, no. My question was whether the cost of the dinners was charged to the Government.

Mr. O'MAHONEY. I do not know exactly how the transport association is supported. I assume it receives contributions from the subsidized carriers. I think that would be a very natural assumption to make.

The fact is that it became so clear, eventually, that those great lines no longer needed the subsidy, that at the beginning of this administration President Eisenhower issued an Executive order in which he directed that the subsidy pay be separated from the mail pay. The order was issued. To what extent it has been successfully carried out, I leave to the imagination of Senators.

There is nothing which I find in the report or in the bill which indicates how much of the $55 million appropriation recommended by the committee would be applied to mail pay. But in the report of the House committee, which reduced this item from a budget estimate of, I think, $65 million to $40 million, I find this paragraph on page 4:

> Payments to air carriers. The sum of $40 million is recommended for the coming fiscal year for this purpose, a reduction of $8,900,000 below the funds appropriated for 1955, and a reduction of $23 million in the budget estimate. The committee believes that a substantial reduction can be made in payments to air carriers during the next fiscal year if a careful and thorough audit of each claim is made, and if realistic practices in the handling of these claims are followed.

That seems to me to be a pretty sensible statement. There is no declaration in it that if the audit proves that the subsidies are needed, the appropriation will be denied. All of us know that there are numerous appropriation bills—the regular appropriation bills, the deficiency appropriation bills, the supplemental appropriation bills, and bills of that nature—into which it is the common practice to insert items designed to serve the purposes which are set forth here.

I know of no reason why the Senate should not be satisfied to go along with the House, and to hold the appropriation to $40 million until after the audit has been made. I think the effect of doing so will be to make certain that the audit is made; that the facts will be laid before the Senate and House of Representatives; and that we shall know why it is that the Civil Aeronautics Board is pursuing a policy of seeking to revoke the charter of a line which successfully pioneered coach air service, a line which has transported hundreds of thousands of passengers without an accident, against whom there is no charge of violating the safety regulations, but which is charged merely with flying too frequently.

Mr. LONG. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LONG. I agree with the argument which the Senator has been making. The Civil Aeronautics Board has actually served as an instrument whereby thousands of ex-servicemen who were fliers in World War II have been denied the opportunity to enter the air transport field. I am certain the Senator's section of the country has experienced the same situation that has been found in the area from which I come. Large numbers of ex-pilots who have also worked in the administrative branches of aviation have attempted to go into the air transport business, only to learn that the policy of the CAB has been such as to make it possible for only a small number of them, perhaps only 1 percent, to be successful.

I suspect that the reason for the failure of a substantial number of small concerns, comprised mainly of veterans, to break into the air transport business is due to a policy established by the CAB shortly after World War II.

Mr. O'MAHONEY. I think I can explain that policy without reflection upon the members of the Board. I believe they were motivated largely by the fact that they knew subsidies were being paid to the lines; therefore, in order to keep down the subsidy payments, the Board seemed to think it was necessary to keep to a minimum the number of companies flying. So there was reluctance to grant new certificates.

But this is a new era, in which the people of the United States, from coast to coast, from southern to northern border, have become airminded and are ready and willing to fly.

The line to which I refer is a line which has flown with safety, but the question of the revocation of its right to fly is now being tried before the Civil Aeronautics Board and if the decision should be adverse to the company it would be put out of business. I tell this story to the Senate because it seems to me to be conclusive proof that what is needed is keeping the appropriation down until an independent audit has disclosed exactly where the subsidy funds of the Treasury of the United States are going.

If the aviation industry has grown to such proportions that it may now transport freight and passengers across the Nation and over the seas without subsidy from the United States, why in the name of commonsense does not Congress take the steps to make certain that subsidies will be discontinued?

Mr. LONG. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. LONG. The Senator has had much experience with the operations of the Post Office Department. Many years ago he was an Assistant Postmaster General. Is it not correct that the airlines receive about 45 cents a ton-mile for carrying airmail as a nonsubsidized rate?

Mr. O'MAHONEY. I think the Senator is correct. I do not have the figures. I have been in the Committee on the Judiciary and the Committee on Interior and Insular Affairs today, and I have not had an opportunity to examine the figures.

Mr. LONG. Another Senator tells me that the figure is 60 cents. My recollection was that it was 45 cents.

My point is that the so-called Flying Tiger Airline, which was prohibited by law and by regulation of the Board from carrying passengers, mail, and parcel post, made a bid to the Postmaster General to carry first-class mail at 23 cents a ton-mile over its entire system. It says it can do so at a profit.

After the Civil Aeronautics Board had held up the Flying Tigers for several years, they finally agreed to let them go ahead and make a contract with the Postmaster General; and the major subsidized airlines are now in court with lawsuits to keep the mail from being carried at half the rates as it is now being carried.

Mr. O'MAHONEY. That is another illustration of the point I am making in support of the argument which was made this morning by the able Senator from Illinois, who feels that the committee amendment should be rejected. I concur in that feeling, upon the basis of all the evidence that is before me now.

I observe that the Senator from Alabama [Mr. SPARKMAN], formerly candidate for Vice President of the United States on the Democratic ticket, has now entered the Chamber. I know that he presided over a hearing of the Small Business Committee, as a result of which he came to a conclusion similar to that which I have just stated upon the floor, with respect to the false philosophy which has guided the Civil Aeronautics Board in the administration of subsidies for airlines, and in the admission of new carriers into the field.

The field is growing. The demand is growing. It is an ideal place in which there should be new competition. But I have no hesitation in predicting that if the North American Airlines is driven from the field, and subsidies are continued as they are provided for, there will be more mergers among the so-called grandfather lines. Sixteen there were. Thirteen there are now. If the policy which the CAB is following is continued, there will be 10 in another year or so, and control will constantly be narrowed.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. LONG. It seems to me we have heard of some smaller airlines serving so-called feeder lines, or serving small communities, without having the opportunity of flying between the large cities, where the real, lucrative revenue is derived, which need subsidies in order to extend service into areas where it does not now exist. I would oppose any effort to reduce subsidies for airlines which are trying to extend service to small communities where service would not otherwise be provided. However, the so-called grandfather lines, the ones which have the best business, the ones which operate between the larger cities on routes where the largest profits are possible, certainly should be able to operate without subsidies.

Mr. O'MAHONEY. I have no doubt about that at all. Unless we change the system, the small States and the less populated communities will receive less and less service.

The North American Airlines, of which I have been speaking, has pending before the Civil Aeronautics Board application for certificates to fly air coaches among some 21 cities, at a rate lower than the rate in effect on the major lines now flying those routes; but the CAB will not render any decision on that application, because it has given priority to a punitive proceeding, which is based not upon charges of violations of safety regulations but solely upon charges of violating minor regulations and of flying too frequently, and of giving too much service to the people of the United States. That is a very poor policy or principle, it seems to me, upon which a Government agency should act.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. Certainly.

Mr. LONG. As a matter of fact, the people of the State which I have the honor in part to represent have service available from Eastern Air Lines, which flies to certain points, and we also have service by Delta Air Lines. By referring to page 286 of the hearings, the Senator will notice that Delta Air Lines is not a subsidized airline. Although I recognize Eastern Air Lines as one of the nonsubsidized airlines, and one of the more efficient lines, I am one of those who believe there would be more efficient service if there were competition between the two airlines. I cannot understand why the Delta Air Lines was not given the opportunity of competing with Eastern Air Lines in rendering flying services from points in the East, such as Washington and New York.

Mr. O'MAHONEY. As long as a new enterprise will comply with regulations for the safety of the flying public and for the safety of the property which it transports, then the policy of the CAB should be the policy of the law under which it operates, which is the policy of promoting, not restraining, competition.

Mr. LONG. It is also true that Eastern Air Lines, which is a nonsubsidized line, is anxious to provide service from New Orleans, and perhaps Birmingham and other cities, into Mexico City, without any subsidy. Yet Pan American is subsidized for those flights, and we are asked to appropriate more subsidies and pay more to Pan American, while other airlines are perfectly willing to supply that service without any subsidy.

Mr. O'MAHONEY. I am very glad to have heard the remarks of the Senator from Louisiana.

Mr. President, I have no desire to prolong the discussion——

Mr. SPARKMAN. Mr. President, will the Senator yield to me for a few brief comments?

Mr. O'MAHONEY. I yield.

Mr. SPARKMAN. A few minutes ago the Senator referred to a report which was made by the Small Business Committee about 3 years ago, with reference to the so-called nonscheduled airlines. In that report we made very definite recommendations regarding the payment to air mail subsidized airlines. I have never been interested in any one particular case. The Senator from Wyoming has several times mentioned the North American Airlines. It happens that company's case is acute at the present time, because, as I understand the situation, the Board has in effect stopped it from doing business while there is pending an application for certification. Is that not true?

Mr. O'MAHONEY. The revocation order has not been made. A hearing has been held upon the punitive proceedings of the Board against the company.

Mr. SPARKMAN. The recommendation which the Small Business Committee made, and which we ought to keep before us at all times, was based upon its feeling that the Civil Aeronautics Board had not fully utilized existing facilities for meeting the ever-increasing demand of the public for air transportation. It seems to me that has been its greatest weakness, as has been pointed out, from the time of the adoption of the Civil Aeronautics Act until this day. There exist the same main lines, but no increased competition between the major points of air transportation.

As I understand, there are noncertificated carriers which have begged for an opportunity to carry the mail without being subsidized, and have begged for an opportunity to work out some kind of a feasible plan to take care of the increasing demand for air transportation. Yet the Board has never worked out a program which would utilize the existing facilities, but, instead one by one has forced them out of existence. I take it that it is prepared now to force out of business the North American Airlines which is one of the few remaining rather large irregular carriers just as it has done with regard to many other airlines most of which were much smaller than the North American Airlines.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The question is on agreeing to the committee amendment on page 7, in line 16.

Mr. DOUGLAS. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Barkley	Holland	Mundt
Barrett	Hruska	Neely
Bible	Humphrey	Neuberger
Bush	Ives	O'Mahoney
Butler	Jenner	Pastore
Carlson	Johnson, Tex.	Robertson
Case, S. Dak.	Johnston, S. C.	Russell
Chavez	Kerr	Saltonstall
Douglas	Knowland	Smith, Maine
Dworshak	Kuchel	Smith, N. J.
Ellender	Lehman	Sparkman
Frear	Long	Symington
Gore	Martin, Iowa	Thurmond
Hayden	Martin, Pa.	Wiley
Hennings	McNamara	Williams
Hill	Millikin	

The PRESIDING OFFICER. A quorum is not present.

Mr. JOHNSON of Texas. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. AIKEN, Mr. BENDER, Mr. BENNETT, Mr. BRICKER, Mr. BRIDGES, Mr. BYRD, Mr. CASE of New Jersey, Mr. DANIEL, Mr. DUFF, Mr. ERVIN, Mr. FULBRIGHT, Mr. GREEN, Mr. JACKSON, Mr. KILGORE, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MONRONEY, Mr. PAYNE, Mr. PURTELL, Mr. SCHOEPPEL, Mr. SMATHERS, Mr. STENNIS, Mr. THYE, Mr. WATKINS, Mr. WELKER, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the committee amendment on page 7, line 16.

Mr. KNOWLAND. Mr. President, I rise in support of the committee amendment and the position taken by the distinguished chairman of the subcommittee, the able Senator from Florida [Mr. HOLLAND] who is in charge of the bill on the floor of the Senate. I believe that the committee has gone fully into the subject. For the very cogent reasons which have been expressed by the chairman of the subcommittee, I hope the Senate will support the position of the Senator from Florida.

Mr. HOLLAND. Mr. President, there are a few things which I wish to say while a goodly number of Senators are present. I hope Senators who are present will remain to hear me out.

One of the things which we have heard said in the argument recently concluded by the distinguished Senator from Wyoming [Mr. O'MAHONEY] was that if we reduce the appropriation, in some way we shall be helping the small airlines. There could not be a more unsound conclusion reached if the Senator tried all day long to reach it.

I ask Senators to refer to page 286 of the printed record of the hearings. That will show why my statement is true. Senators will find listed there the trunk lines in the first listing, and the local service carriers in the second listing. If Senators will look in the second column from the end they will find that all the trunk lines combined are estimated to receive, in 1956, only $4,648,000 in subsidies, whereas the small lines are estimated to receive $25,135,000 of subsidy; helicopter lines, $2,928,000 of subsidy; States-Alaska operations, $3,549,000; and intra-Alaskan operations, $4,523,000 of subsidy. More will be received by lines which operate in Alaska than by all the trunk lines operating in the United States; and so on down the list.

If Senators will look at the two columns immediately before the ones which I have mentioned, they will see the reasons for the situation which I have described. The large trunk carriers are carrying nearly all the mail, because they are operating between towns and cities where the mail movements are heavy. Senators will find that the trunk cariers are carrying 82 million ton-miles plus of mail, whereas the local service carriers are carrying only a little more than 1 million plus ton-miles.

Furthermore, if Senators will look at the list carefully they will find that all but four of the trunk carriers are drawing no subsidies whatever.

How are we possibly going to hurt them by reducing the amount of the subsidy? The fact is inescapable that those who will be hurt are the small lines, the very ones which are being praised with such enthusiasm by those who are opposing the committee amendment.

If Senators will take the trouble to add up the totals, they will find that of the 82 million ton-miles of mail carried by the big domestic carriers, only 2,700,000 ton-miles are carried by the four trunk lines which receive a subsidy. With respect to all the rest, nearly 80 million ton-miles are carried by the nine large carriers which do not receive any subsidy. The ones which do receive a subsidy, the ones which would be hurt if we reduced the amount so that they would be forced to live on a day-to-day or month-to-month basis of existence, would be the small lines, which must borrow money and pay interest, and which are neither carrying heavy amounts of mail nor earning anything of consequence except by way of subsidy. This conclusion is completely inescapable; no Senator can deny it for a moment, because the facts are before us. The ones which would be hurt are the ones operating on a subsidy. The largest amount is for the list shown of local service carriers.

Before I leave this point, let me repeat that by reducing the appropriation from $55 million to $40 million we would not take one penny away from the nine large carriers who do not have subsidies, because they would not draw anything, whether the appropriation were $55 million, $40 million, or nothing. The conclusion is inescapable that when we reduce appreciably the amount of subsidy which must be paid if the operation is to be kept current in the approaching year, we are striking at the small airlines.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. O'MAHONEY. Will the Senator from Florida tell us what facts were developed with respect to the audit, of which the House report speaks? Have these accounts been audited?

Mr. HOLLAND. The Senator from Florida would say that the House report, in the opinion of the Senate committee, is not wise on this point. In the unanimous opinion of the Senate committee, its recommendation is not in accordance with the judgment of those in the subcommittee, who studied the subject very carefully; not in accordance with the judgment of GAO; not in accordance with the judgment of CAB, and not in accordance with the judgment of anyone we could find who has made a study of it.

The reason is apparent. If the Senator wishes to go back to the actual figures of last year's payments, all he need do is to move a few columns over in the table from which I have read, and he will find substantially the same facts there.

It is a fact that 9 of the great domestic trunk carriers do not draw subsidies and do not care one whit whether we appropriate $55 million or $10 million. The carriers which are looking for prompt payment of their subsidies are those which are serving small communities and which have been created for that purpose. They will be the ones who will be hurt if they must continue to borrow money when Uncle Sam declines to pay them what he owes them.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. O'MAHONEY. I have heard the statement of the Senator from Florida and his argument, and I am always impressed with what he has to say. But he has still failed to answer my question. My question was asked for the purpose of eliciting information with respect to the manner in which the audits are taking place, the time in which they have been taking place, to what extent they are current, and what recommendation the House committee makes with respect to these items.

Mr. HOLLAND. I may say to the Senator from Wyoming that the Senate committee has taken care of that situation better than has the House committee. We recognize the fact that the audits are delayed. The Chairman of the CAB came before us and he told us they were behind. He asked us to restore the amount—for the employment of the auditors and others who check the accounts—which the House had cut from the appropriation. We did restore those amounts, because we felt CAB was within its rights in asking for an adequate staff inasmuch as we have asked it for adequate performance. It seemed to the Senate committee that both the House and the House committee, although, of course, they made a careful review, were guilty of poor judgment, first in cutting the funds for the auditors and, second, in cutting the budgeted amount which is necessary to carry on the payments.

Mr. O'MAHONEY. May I ask the Senator another question?

Mr. HOLLAND. In a moment. We believe the result which will be accomplished by increasing this appropriation will be further to strengthen some of the smaller airlines, which will be more affected by a cut than others. Certainly the large domestic lines will not be affected, because they do not draw any

subsidy. The Senator knows that to be correct, does he not?

Mr. O'MAHONEY. I know it is the small lines that need the subsidy. However, I have yet failed to see an audit which has established whether or not the large lines are actually free of subsidy. The point which the House made, as I understand, was that the appropriation should be held down while the audits were being made current. Is there any reason why that policy should not be followed? The Senator has acknowledged that the audits are not up to date.

Mr. HOLLAND. The Senator from Florida has also pointed out that the House by its action would have put the audits further behind by cutting the number of auditors provided for in the budget estimate.

Mr. O'MAHONEY. Will the Senator from Florida advise the Senate to what extent the General Accounting Office has ever undertaken an audit of these payments?

Mr. HOLLAND. The General Accounting Office is in the course of a general audit now, and has made a very extensive interim report to our committee. It is a confidential report, unfortunately. That does not mean that Senators may not see it. I hold the report in my hand. I would not want the Senator from Wyoming to think that our committee had not gone to the accounting agency of Congress and asked for every bit of help it could give us and that it did not give us all the help it could. Unfortunately, it is a confidential audit, because it is not yet complete. However, I am glad to pass it to the Senator from Wyoming.

Mr. O'MAHONEY. I have no desire to examine a confidential audit. I am merely suggesting to the Senate that it might well be in the public interest to withhold the increased appropriation until an audit by the General Accounting Office has been completed. That is my whole argument. The subsidy payments have not been audited. They have not been audited by the GAO. The Senator testified to that fact himself. Therefore I say let us await the audit before continuing to appropriate these huge sums.

Mr. HOLLAND. The Senator should not put words in my mouth.

Mr. O'MAHONEY. I would not consciously do that.

Mr. HOLLAND. The GAO is auditing——

Mr. O'MAHONEY. The Senator stated it was a confidential and incomplete report.

Mr. HOLLAND. It is not a complete report. However, we do know that a good job is being done and that there is no disparity between the GAO approach and that of the CAB auditors. So far as the Senate committee is concerned, we believe that the mode of approach which is suggested by the Senator from Illinois, and which has been concurred in by the Senator from Wyoming, will accomplish exactly the wrong kind of result, because it will strike, not at the large carriers, which Senators feel have been treated too kindly, but at the small carriers, who need kind treatment, and for whose benefit the act was passed.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. I note in the hearings that the statement submitted by the CAB sets forth that if sufficent funds are not appropriated, the agency will have no alternative other than to request a supplemental appropriation, and that their original budget estimate was $63 million. The committee is proposing $55 million, which is $8 million less than the original estimate. Is that correct?

Mr. HOLLAND. The Senator is correct. The situation is a little worse than that, I may say, because at the time the budget was prepared, the agency felt reasonably sure it would have to request that a supplemental appropriation be granted.

That is because, in addition to the $63 million budgeted amount, there is a carryover from last year, unpaid and owing for a good while, of $6,300,000.

The committee, quite mindful of the fact that there were apt to be changes as the year went forward, addressed the question very earnestly to those it thought could best answer it. The witnesses for the Civil Aeronautics Board conferred together and finally came up with the figure of $55 million, which would still leave the agency, even under favorable circumstances, in the position of having to come back to Congress for a supplemental appropriation. They did feel this amount would be nearer to the irreducible minimum than any other figure the agency could suggest.

It was that irreducible minimum which the subcommittee unanimously reported to the full committee and which the full committee has unanimously reported to the Senate.

Mr. CASE of South Dakota. Having in mind that a supplemental request would be made in connection with this item, is the converse true, namely, that if the $55 million should prove to be more than is needed, after the General Accounting Office has made its audit, the money would not be spent, but would remain in the Treasury of the United States?

Mr. HOLLAND. Of course, that is true. I am glad the Senator has asked that question. If there should be an overappropriation, there would be a carryover of funds in the Treasury. However, the intention and conviction of the committee is that it has reported an irreducible minimum in the $55 million. In the committee report the Senator will find a statement to the effect that there will be a request for a supplemental appropriation.

Mr. CASE of South Dakota. Since the Senator has given assurances that the money will not be spent if it is not needed on the basis of the GAO audit, and since the committee has put in this protective measure approximately $15 million less than he assumes might be needed, it seems to me there is no reason for any Senator not to support the recommendation of the committee.

Mr. HOLLAND. I thank the Senator. What we are trying to do is to meet this payday obligation—to pay off a Federal obligation entered into under Federal law.

One more point, Mr. President, and I shall be through.

It seems to me that the distinguished Senator from Wyoming has fallen into the same error as that into which the Senator from Illinois has fallen. The Senator from Wyoming makes his principal point on the alleged treatment of the North American Airlines, and inveighs at great length because he does not think it has had a fair deal from the Civil Aeronautics Board. That may be true, but the answer to it, if that be the case, is in a change in the law or in a change of the personnel in CAB or a change in the administration of the law, and not in a withholding of money from airlines which have earned it under solemn arrangements with the United States Government—withholding payments which should be made as near the time when they are due as it is possible to make them.

If there be a feeling that there should not be subsidies; if there be a feeling that the law is inadequate or improper and should be amended; if there be a feeling that the CAB personnel is not sound—and I do not share that feeling—if there be a feeling that the General Accounting Office is not properly staffed; if there be a feeling that the Internal Revenue Bureau is not properly staffed—and I recall that the Senator from Illinois spoke of the fact that suits had not been brought to recapture certain money, although authority to institute such suits does not lie in the CAB itself, but is solely in the hands of the tax-enforcing officials, if any or all of those things are true, the remedy is not in strangling contractors with the United States who have established their businesses and are operating them on the faith of the present law and in the belief that Uncle Sam will be honest and fair and will pay the obligations due them.

Mr. President, we think the committee amendment should by all means be adopted, and we hope the Senate will agree to the amendment.

Mr. DOUGLAS. Mr. President, I had not intended to speak again on this subject, because it has been quite thoroughly debated this morning and on Tuesday, but the statements of the Senator from Florida need to be brought into line with the actual facts as they exist.

The Senator from Florida says that if we cut these appropriations, the first group to suffer will be the feeder lines which run north and south in general connecting with the transcontinental lines east and west. The record shows that the $40 million, if appropriated, would be sufficient to pay the entire $25 million to those feeder lines, sufficient to pay the requested $4.6 million to the domestic trunklines, sufficient to pay $3 million to the helicopter services, $2.2 million to the States-Alaska carriers, excluding Pan American, and sufficient to pay $4½ million to the intra-Alaska lines, and the requested $0.7 million for the Hawaiian lines. The requested claims for all the above groups total $40 million.

What we are trying to do is to reduce the subsidies to the international airlines, particulary the Pan American Airlines.

On May 18, 1955, the Comptroller General laid down the order of priority of subsidy payments. He addressed a letter to the Chairman of the Civil Aeronautics Board and I ask unanimous consent that the entire letter be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES.
Washington, May 18, 1955.

Hon. ROSS RIZLEY,
Chairman, Civil Aeronautics Board.

DEAR MR. RIZLEY: Reference is made to letter dated May 3, 1955, with enclosures, from the Acting Chairman, Civil Aeronautics Board, requesting a decision respecting possible limitations upon the use of the sum of $8.9 million, provided in the Second Supplemental Appropriation Act, 1955, for payments to air carriers by the Civil Aeronautics Board.

The letter of the Acting Chairman states that the Board is confronted with two problems: first, the supplemental appropriation of $8.9 million, together with cash on hand April 21, 1955, of $1,657,192, is not expected to be sufficient to cover claims from all carriers that would normally be processed for payment between April 22 and July 1, 1955; and, second, what use the Board may make of the supplemental appropriation in view of an apparent intent to limit such use.

The appropriation in question, appearing in Public Law 24, 84th Congress, 1st session, approved April 22, 1955, reads as follows:

"For an additional amount for 'Payments to air carriers,' $8.9 million, to remain available until expended."

Standing alone, the above provision contains no patent ambiguity and, hence, ordinarily would present no problem of construction. In the absence of any express language limiting its use, it would be reasonable to hold that, from a strictly legal standpoint, the amount appropriated would be available for the payment of claims from all carriers that would normally be processed for payment. However, in the light of the legislative history of the bill, which reflects numerous expressions of intent seemingly at variance with one another, it becomes necessary to further analyze the matter for the purpose of ascertaining as nearly as possible the exact intent of the Congress during consideration and passage of the bill. As a basis for such action, attention is invited to the case of the *Boston Sand Co.* v. *United States*, (278 U. S. 41), wherein the Supreme Court of the United States stated, in pertinent part, as follows: "* * * It is said that when the meaning of language is plain we are not to resort to evidence in order to raise doubts. This is rather an axiom of experience than a rule of law, and does not preclude consideration of persuasive evidence if it exists."

Also, in *Helvering* v. *New York Trust Company* (292 U. S. 455), the Court again pointed out:

"The rule that where the statute contains no ambiguity, it must be taken literally and given effect according to its language is a sound one not to be put aside to avoid hardships that may sometimes result from giving effect to the legislative purpose. * * * But the expounding of a statutory provision strictly according to the letter without regard to other parts of the act and legislative history would often defeat the object intended to be accomplished. * * *"

The record indicates that the House Committee on Appropriations approved the sum of $5 million, which was a decrease of $10,200,000 in the budget estimate submitted by the Board for subsidy payments to air carriers during the fiscal year 1955. This action was taken apparently for the reason that the committee was of the opinion that certain reductions in subsidy could be effected following application of the principles enunciated by the Supreme Court in the case of *Civil Aeronautics Board* v. *Arthur E. Summerfield, Postmaster General, et al.* (347 U. S. 47), which held that the Civil Aeronautics Board in fixing subsidy must measure the need of a particular carrier by the entirety of its operations and not by the losses of one division or department. Respecting the matter, the committee, in its report No. 207, explained as follows:

"The committee is of the opinion that the Supreme Court decision, if properly adhered to, will result in a substantial reduction in the amount of subsidy, and that the amount allowed by the committee will be sufficient to make payments during the remainder of the fiscal year to domestic lines and international carriers who are not affected by the Supreme Court offset decision."

Subsequently, the Senate Committee on Appropriations recommended restoration of the sum of $15,200,000 as originally requested by the Board, and explained that such amount would make available in the fiscal year 1955 the estimated funds required to pay the obligations of the Government in settlement of sums due to subsidized aircraft operators carrying airmail. The recommendation was accepted by the Senate, and thereafter the bill was referred to a committee of conference which again reduced the amount to $8,900,000. However, contained in the conference report, House Report No. 426, was the following statement of the managers on the part of the House:

"Amendment No. 5: Appropriates $8,900,000 for payments to air carriers, Civil Aeronautics Board, instead of $5 million as proposed by the House and $15,200,000 as proposed by the Senate. The funds appropriated under this head are to be used to pay subsidy claims due for local service carriers."

Because of the uncertainty created by the varying views expressed above, you addressed a communication to the chairmen of both the House and Senate Committees on Appropriations in an attempt to clarify precisely what limitation, if any, was intended to be placed upon the supplemental appropriation. In response thereto, you were informed by both chairmen in effect, that they were agreeable to your proceeding to make payments to local service carriers, domestic trunk lines, helicopters, States-Alaska operations, intra-Alaskan operations, and Hawaiian operations, with the further comment that should sufficient funds remain after claims of the above groups have been met, there would be no objection to such balances being used to pay other carriers.

A review of the legislative history leaves little doubt that, notwithstanding the general terms of the appropriation statute as enacted, it was clearly intended by the Congress that the sum appropriated was not to be used in payments of subsidy to those carriers affected by the Supreme Court offset decision. Aside from that, however, with respect to the limitation of payments to local service carriers, set forth in the House managers' report, it would appear that such phrase, in fact, was intended to include not only the so-called feeder lines, but also the trunk lines within the United States not so affected by the decision. This view is clearly substantiated not only by the letters from the respective committee chairmen, but also by the following discussions on the floors of both Houses of Congress. For example, on March 18, 1955, in the House of Representatives (CONGRESSIONAL RECORD, p. 3196), Mr. HARRIS asked the following question:

"It is my understanding that the subsidy payment that is required would be affected but little by the decision referred to of the Supreme Court of the United States, because that affects the international carriers. It is my understanding that the greater portion of this subsidy is for the local carriers, and I believe three trunkline carriers. Is that true?"

To which Mr. Preston, chairman of the subcommittee, replied:

"The gentleman is correct. We stated in the report that the money appropriated, we thought, would be adequate to take care of the domestic carriers and the feeder lines. It was not the committee's purpose, as stated in the report, to spend any of this money for the international carriers, but preferably for the domestic and feeder lines."

Also, on April 20, 1955 (CONGRESSIONAL RECORD, p. 4819), in discussing the matter on the floor of the Senate, the following question was asked by Senator MONRONEY:

"In granting money to be paid for earned subsidies, may I ask if all the money is to be paid to domestic air carriers now operating within the United States?"

Mr. HAYDEN. "That is correct. I should explain that the Senate estimated that it would cost $15,200,000 to pay all the carriers, both the carriers operating within the United States and those operating internationally. The House appropriated only $5 million. The best figure we could arrive at, which would take care of the carriers in the United States only, was $11,200,000. We were able to raise the House figure to $8,900,000. In other words, we increased the House figure by $3,900,000. The House committee in its report states:

" 'The funds appropriated under this head are to be used to pay subsidy claims due for local-service carriers.' "

Mr. MONRONEY. "These are the carriers within the United States, not strictly the feeder lines we have been talking about in connection with the bill the Senate passed a few minutes ago. In other words, these are trunklines as well as feeder lines within the United States. Is that correct?"

Mr. HAYDEN. "That is correct. The reason for that is stated in the House committee report on the bill."

The information thus disclosed appears clearly to define the congressional intent with respect to the statute and, as such, requires no further comment. Accordingly it is our view that should the Board adhere to the guidelines established above, especially by giving priority to those carriers mentioned by the respective committee chairmen, such action would be in accord with the intent of the Congress and, therefore, would not be objected to by this Office.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General
of the United States.

Mr. DOUGLAS. Mr. President, I am going to read a salient paragraph from that letter:

You were informed by both chairmen, in effect, that they were agreeable to your proceeding to make payment to local service carriers, domestic trunklines, helicopters, States-Alaska Operations, Intra-Alaskan Operations, and Hawaiian Operations, with the further comment that should sufficient funds remain after claims of the above groups have been met, there would be no objection to such balances being used to pay other carriers.

That lays down the order of priority. The lower groups on the totem pole are the transoceanic carriers. Under the House figure of $40 million, without any necessity to raise it to $55 million, the local service carriers will be paid in full; the domestic trunklines will be paid; helicopters will be paid; States-Alaska Operations will be paid; Intra-Alaskan

Operations will be paid; and Hawaiian Operations will be paid. All these groups can be paid their full requested amounts under the $40 million figure set by the House. There is, therefore, no need to increase the appropriation from $40 million to $55 million in order to take care of the local service feeder lines or any of the other groups mentioned. Under the House figure of $40 million the one group which would have its subsidy reduced would be the transoceanic group.

When we deal with transoceanic lines we must realize that the northwest line to Alaska and the Orient has no subsidy at all, and TWA has no subsidy. So it boils down to whether Pan American Air Lines should get the money or whether it should be withheld pending audit.

Mr. President, in preceding days I tried to deal with some of the items of expenditure of Pan American Air Lines which I questioned. In the first place, I pointed out that Pan American owes the Government $6.8 million. They have lost $2½ million on their hotel investments in Latin America, which pulled down their financial position. One hundred percent of their taxes are paid by the Government, although in the case of other great carriers only about 4 percent of their taxes are paid.

Mr. President, I think the Senator from Florida earlier said that this was pay-up day and pay-off day. I do not want to pay off Pan American with money which is not due. I think we should not compel the taxpayers to pay up for something which they do not really owe.

Mr. NEUBERGER. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. NEUBERGER. I should like to have the date of the letter of the Comptroller General to which the Senator referred.

Mr. DOUGLAS. May 18, 1955. It is a letter addressed to Ross Rizley, Chair- of the Civil Aeronautics Board.

Mr. NEUBERGER. I did not quite follow everything the Senator read. It makes clear that such small lines as Frontier and West Coast and Pacific Northern would be ahead in priority in the payment of subsidies over transoceanic lines. Is that correct?

Mr. HOLLAND. Mr. President, is it not true that the letter to which the Senator has referred is based solely upon payments of a limited amount covered by the second supplemental bill last spring and on the wording of the conference report on that bill?

Mr. DOUGLAS. It depends on what limitation, if any, was intended to be placed on the supplemental appropriations. The principle of priority can be made to hold for all appropriations, if it does not do so already.

Mr. HOLLAND. I am sure the Senator cannot desire that statement to stand. He will find the letter relates wholly to a very small appropriation under the second supplemental bill, and solely to the opinion of the General Accounting Office as to what should be done because of the directions given in the conference report upon that measure. Is that not correct?

Mr. DOUGLAS. No; I do not think it is correct. However, if there is any doubt about the intent, it could be extended now.

Mr. HOLLAND. I do not wish any question to arise of the correctness of that statement. I now hand to the distinguished Senator from Illinois the conference report of the managers on the part of the House. I invite his attention to the provision relative to the payment, and I ask him to revert to the letter to see if that is not the basis for the letter.

Mr. DOUGLAS. It is somewhat difficult to determine that point.

Mr. HOLLAND. Does the Senator from Illinois see any objection to placing the letter in the RECORD?

Mr. DOUGLAS. Certainly not. In fact, I have already placed it in the RECORD at an earlier point.

Mr. HOLLAND. Mr. President, I know the letter relates solely to the supplemental appropriation and the interpretation of the direction by Congress in the conference report.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hennings	Monroney
Barkley	Hill	Mundt
Barrett	Holland	Neely
Bender	Hruska	Neuberger
Bennett	Humphrey	O'Mahoney
Bible	Ives	Pastore
Bricker	Jackson	Payne
Bridges	Jenner	Purtell
Bush	Johnson, Tex.	Robertson
Butler	Johnston, S. C.	Russell
Byrd	Kerr	Saltonstall
Carlson	Kilgore	Schoeppel
Case, N. J.	Knowland	Smathers
Case, S. Dak.	Kuchel	Smith, Maine
Chavez	Langer	Smith, N. J.
Daniel	Lehman	Sparkman
Douglas	Long	Stennis
Duff	Magnuson	Symington
Dworshak	Malone	Thurmond
Ellender	Mansfield	Thye
Ervin	Martin, Iowa	Watkins
Frear	Martin, Pa.	Welker
Fulbright	McCarthy	Wiley
Gore	McClellan	Williams
Green	McNamara	Young
Hayden	Millikin	

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. As I understand, the issue before the Senate on which the yeas and nays have been ordered is the committee amendment on page 7, line 16. Is my understanding correct that a vote of "yea" is a vote to support the committee amendment; a vote of "nay" is a vote to reject the committee amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Do I understand correctly that a vote of "yea" is a vote for the $55 million provided in the committee amendment and a vote of "nay" is a vote for the $40 million provided by the House?

The PRESIDING OFFICER. In terms of figures, the Senator from Illinois is correct.

The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD (when his name was called). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee, to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote the senior Senator from from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

The Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from Maryland [Mr. BEALL]. If present and voting, the Senator from Massachusetts would vote "nay," and the Senator from Maryland would vote "yea."

I also announce that, if present and voting, the Senator from Montana [Mr. MURRAY] and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from New Hampshire [Mr. COTTON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Iowa [Mr. HICKENLOOPER] are absent on official business.

The Senator from Maryland [Mr. BEALL] is necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to attend the funeral of close personal friends.

The Senator from Nebraska [Mr. CURTIS] is necessarily absent on public business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

On this vote, the Senator from Maryland [Mr. BEALL] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Massachusetts would vote "nay."

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Vermont would vote "nay."

The result was announced—yeas 51, nays 24, as follows:

YEAS—51

Barkley	Green	Mundt
Barrett	Hayden	Neely
Bender	Holland	Pastore
Bennett	Hruska	Payne
Bible	Johnson, Tex.	Purtell
Bricker	Johnston, S. C.	Robertson
Bridges	Kerr	Russell
Bush	Knowland	Saltonstall
Butler	Kuchel	Schoeppel
Carlson	Langer	Smathers
Case, N. J.	Malone	Smith, Maine
Case, S. Dak.	Martin, Iowa	Smith, N. J.
Chavez	Martin, Pa.	Stennis
Daniel	McCarthy	Thye
Duff	McClellan	Watkins
Dworshak	Millikin	Wiley
Ellender	Monroney	Young

NAYS—24

Aiken	Humphrey	McNamara
Byrd	Ives	Neuberger
Douglas	Jackson	O'Mahoney
Ervin	Jenner	Sparkman
Frear	Kilgore	Symington
Gore	Lehman	Thurmond
Hennings	Long	Welker
Hill	Magnuson	Williams

NOT VOTING—21

Allott	Dirksen	Kefauver
Anderson	Eastland	Kennedy
Beall	Flanders	Mansfield
Capehart	Fulbright	Morse
Clements	George	Murray
Cotton	Goldwater	Potter
Curtis	Hickenlooper	Scott

So the committee amendment on page 7, line 16, was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment which was passed over.

The next amendment passed over was, under the subhead "Business and Defense Services Administration," on page 8, line 24, to strike out "$6,198,000" and insert "$6,900,000."

Mr. MUNDT. Mr. President, I have an amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

Mr. HOLLAND. Mr. President, may we have the page and line, please?

The PRESIDING OFFICER. The amendment is on page 8, line 24.

The LEGISLATIVE CLERK. In the committee amendment on page 8, line 24, it is proposed to strike out "$6,900,000" and in lieu thereof to insert "$7,000,000 including not less than $370,000 to be available only to the Area Development Division."

Mr. MUNDT. Mr. President, if I may have the attention of my colleagues, I believe I can reduce what might have been a speech lasting one hour or one hour and a half, to perhaps 10 or 15 minutes, or even less, because I believe that the amendment I am submitting to the committee amendment will appeal to every Member of the Senate. I may state that I had hoped to discuss at considerable length my amendment to this committee amendment, but the hour has grown late and I shall be brief.

My proposal is that we bring up to the level of the request of the Bureau of the Budget, and up to the level of the request of the President, and up to the level of the amount proposed by the Joint Economic Committee, headed by the Senator from Illinois [Mr. DOUGLAS], the amount of the appropriation for the Area Development Division of the Business and Defense Services Administration, Department of Commerce. Only that, and no more.

Let me say that the Area Development Division is proof of the fact that something new can happen in America, for it is a new agency of the Department of Commerce, and has the responsibility of doing something which every Member of the Senate has been advocating at least since World War II and, in the case of some Members, since World War I, namely, that in connection with the fabrication of the vast numbers of defense products and the activities in which the Federal Government is interested, there should be reasonable dispersal from the great metropolitan areas of the country to the smaller communities of States which house the large cities, and also to include the States which do not happen to have within their borders great metropolitan areas.

I can think of no valid objection to my amendment to the committee amendment, except on the part of those who might be interested only in large industries or large communities, as opposed to small industries or small cities or rural States, because my amendment to the committee amendment provides for increasing the appropriation for this new office to a total of only $250,000 a year, which will enable small-business men or the representatives of rural States to come to Washington and obtain one-stop service, in receiving answers to their questions. The area development division is a clearinghouse on all data for all people interested in getting facts to use in developing new industrial opportunities in their areas or communities.

Mr. BRIDGES. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I am glad to yield to the distinguished Senator from New Hampshire.

Mr. BRIDGES. As the Senator from South Dakota well knows, there is opposition to his amendment to the committee amendment.

The Appropriations Committee tries to appraise and evaluate the services of the various agencies and divisions for which appropriations are requested. I admit that the Senator from South Dakota, in his very eloquent and able manner, presented a very logical explanation for this item.

Mr. MUNDT. I thank the Senator from New Hampshire.

Mr. BRIDGES. However——

Mr. MUNDT. Mr. President, I was hoping the Senator from New Hampshire would stop there. However, let him proceed. [Laughter.]

Mr. BRIDGES. However, the Senator from South Dakota well knows that when the Federal Government participates in the matter of relocating businesses, unless new businesses are created, they are bound to be taken from older areas and put into new ones.

So far as we in New England are concerned, we are sick and tired of having other areas raid our industries and relocate them in other sections of the country.

But, Mr. President, bearing in mind the strong testimony submitted by the very able Senator from South Dakota, the committee voted in favor of an appropriation of $150,000, instead of $250,000, in this case. The committee felt that would curtail somewhat the activities of this agency, so that it would not be able to solicit the transfer of such industries, as it has in the past.

Mr. MUNDT. Mr. President, I appreciate the validity of the statement of the Senator from New Hampshire, as against any effort by a Government agency or bureau in the direction of moving an industry from New England to any other area of the country.

However, I should like to point out that not far from his region of New England—at least, from a geographical point of view, to those of us who live in South Dakota, Connecticut would certainly seem to be included in New England—is the State of Connecticut; and I should like to refer to the testimony of a member of a Connecticut commission, who has urged the inclusion in this bill of the full amount for this item and even more than under the amendment proposed by me to the committee amendment. I refer to the testimony submitted on behalf of that commission, for it was stated that some of the Connecticut industries—especially in the case of the textile industry—have been drifting to the South. The testimony was that this new agency or division is providing very definite help in regard to the establishment in New England of new industries, to replace some which have been drifting into other areas.

Mr. PURTELL. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I yield.

Mr. PURTELL. I wish to ask the Senator from South Dakota to change the word "drift" to the word "yank," for such industries have not actually been drifting into other areas. In at least some instances the change has been effected directly with Federal funds.

If the Senator from South Dakota desires to have the appropriation for this item increased to the amount of the budget estimate, it must be that his amendment is offered in sheer desperation, because of a desire to retain a few industries in his section of the country.

Mr. MUNDT. Mr. President, let me say that in using the word "drift," I had in mind that it would be better to use that word, rather than to use the word "yank," because in referring to the South, I like to refrain from using the word "Yank." [Laughter.]

Mr. HOLLAND. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I yield.

Mr. HOLLAND. I am delighted to know that a Senator from the South—in this case, a Senator from South Dakota—and a Senator from New England are in such complete accord, because they were not in complete accord at the committee meeting the other day.

The subcommittee recommended the full amount of $250,000, as included in the budget; but the full committee, after hearing some very strong arguments from Senators on the other side of the aisle, all of whom were most persuasive and most impressive, decided to abandon the subcommittee temporarily, and to vote in favor of the reduced amount.

So I am glad to see this vindication of the sound judgment of the subcommittee; and I gladly accept the amendment to the committee amendment.

Mr. MUNDT. I thank the Senator very much.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from South Dakota to the committee amendment on page 8, in line 24, will be agreed to.

Mr. BRIDGES. Just a moment, Mr. President; let us find out what this amendment to the committee amendment will do.

Mr. MUNDT. My amendment to the committee amendment will simply restore the amount of the budget allotment, namely, $250,000, so that amount will be available for this new agency of the Government, which devotes all its time to helping smaller communities and smaller States, and so that in the Government there will be one place where such communities and States can obtain the information required in order to help establish new industries. In no sense does my amendment to the committee amendment move in the direction of moving industries from one section of the country to another.

Mr. BRIDGES. I wish I could be sure of that, but I am not. When the Federal Government begins to move in the direction of the relocation of industries, I am suspicious, because we in New England have already suffered too much from movements of that kind.

Mr. MUNDT. Mr. President, I have checked into that matter, since the Senator from New Hampshire has raised the objection; and I have the definite word of the Area Development Commission that they have neither the desire nor the authority to relocate industries. They simply provide an advisory service for all communities.

Mr. BRIDGES. Naturally, they may not require the relocation of industries; but they can do a good deal in an informal way.

Mr. MUNDT. Let me say that we have the benefit of the testimony of representatives of Easthampton, Mass., where the West Boylston Manufacturing Co. closed its plant in 1931. This matter is set forth on page 522 of the hearings. In order to locate other industries in Easthampton, the representatives of that community worked with the Area Development Division, and helped establish some small manufacturing plants—12 in number—in order to provide employment once more for the people who live in Easthampton.

So this agency helps the areas which the Senator from New Hampshire in part so ably represents, and which on occasion find an industry moving to another section of the country.

Mrs. SMITH of Maine. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I am glad to yield to the distinguished Senator from Maine.

Mrs. SMITH of Maine. Will the Senator from South Dakota inform the Senate the names of the members of the Area Development Commission, and the States from which they come?

Mr. MUNDT. I shall be glad to ascertain that information and to place it in the RECORD if the Senator desires.

But I may say that the chairman of the Commission is a very distinguished manufacturer from New England, who has come to Washington, and serves on the Commission at considerable expense to himself. I believe he lives in Massachusetts. Certainly he would not be in sympathy with attempts to move industries to other areas of the country if that would be detrimental to the beautiful New England area.

Mr. BRIDGES. Does not the Senator from South Dakota think that South Dakota will gain something from this amendment to the committee amendment, if it is adopted?

Mr. MUNDT. I hope South Dakota will be included among the various areas which will be helped. In fact, this Division has already been very cooperative with our people.

Mr. BRIDGES. Does the Senator from South Dakota think the same can be said of New Hampshire?

Mr. MUNDT. I think so. South Dakota and New Hampshire have so much in common that it would grieve me deeply to find that New Hampshire would not benefit. I believe New Hampshire will benefit. As a matter of fact, I think the results are likely to be as they usually are, and that New Hampshire will be closer to the top of the totem pole than will South Dakota.

Seriously, this is something which will benefit every State. Take a State like Illinois or New York, where there are metropolitan areas, and where there is a plethora of wonderful communities, small in size, and rural areas desirous of making available their services in the great dispersal program which is a part of our national-defense scheme. They cannot afford expert guidance. They cannot afford to send representatives to Washington to look around for information. The Area Development Division provides, in one office, a full set of facts. It provides counsel and guidance. It provides booklets and pamphlets. It provides the communities to which I have referred with the aids they need to defend themselves against the encroachments of gigantic business and the further embellishment of the great metropolitan fleshpots of America.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. BUSH. How long has this establishment been in operation?

Mr. MUNDT. This is its third year, but actually the second year of genuine service.

Mr. BUSH. What is the appropriation for the current fiscal year?

Mr. MUNDT. The current appropriation is $120,000, I believe.

Mr. BUSH. And the Senator proposes to double it?

Mr. MUNDT. I propose to follow the recommendation of the President. I propose to follow the recommendation of the Bureau of the Budget. This will be its first year of full operation on a nationwide scale. The amount proposed is the amount the agency thinks it will need. It would provide for only a very small number of employees—less than 50—and would provide a minimum of expenditure to achieve a maximum of good, especially to States like Connecticut, which, as the Senator knows better than I do, have been suffering because technological changes and shifts in population have caused the removal from certain areas of a great many manufacturing plants which formerly provided employment for the people of Connecticut. The testimony is replete with illustrations of Connecticut areas where new developments, new industries, have worked with the Area Development Division in order to find a place where their services can be profitably employed.

Mr. BUSH. Does the Senator have in mind the page in the record of the hearings where reference is made to the Connecticut Development Corp.?

Mr. MUNDT. I do.

Mr. BUSH. To what page does the Senator refer?

Mr. MUNDT. I refer to page 520 of the printed hearings, where there will be found a letter from Sidney A. Edwards, the managing director of the Development Commission for the State of Connecticut, dated May 23, 1955, in which he urges emphatically that there be devoted to this project not the $250,000 modestly recommended by the conservative Senator from South Dakota, but, with typical Connectitcut enthusiasm, $370,000.

Mr. BRIDGES. Mr. President, will the Senator further yield?

Mr. MUNDT. I yield.

Mr. BRIDGES. As the Senator knows, I did not favor, in committee, the entire elimination of this item. I might have had that in the back of my mind, but I was perfectly willing to allow the area development division to continue with a reasonable appropriation. The question is, What is a reasonable amount? Some persons ask for $370,000. Others ask for $250,000.

Mr. MUNDT. The taxpayers of Connecticut want $370,000, but I thought probably the area development division could get along with $250,000 and still keep the office serviceable for another year.

Mr. BRIDGES. I heard what the distinguished chairman of the subcommittee, the Senator from Florida [Mr. HOLLAND] had to say. I think he was very fair in his statement. However, I do not feel as does the Senator from Florida. Having heard all the testimony and evidence, it seems to me that if we were to allow the entire budget request, we would be approving everything the area development division might do.

Mr. MUNDT. No; because the legislative history will clearly indicate that the powerful Senator from New Hampshire, with his great influence in our committee, will certainly crack the whip on the Area Development Division if it makes a single move toward taking an essential worker out of New Hampshire or New England and transferring him to some other area.

Mr. BRIDGES. Where are they to get the industries if they do not get them from New England?

Mr. MUNDT. I am happy to answer that question. In the field of chemistry, the field of plastics, and in the development of technocracy, a great number of new industries are developing all the time. The question is, Where can they best be located, especially if they have some impact upon the national defense, so that they may not be in an area at present listed as a target area for potential bombing? As new industries are created, they will operate in that field.

In my own State the Area Development Division is at present working with some persons in rural South Dakota to determine some manufacturing and commercial uses for corncobs and corn kernels, in the development of synthetics and the manufacture of alcohol.

That is a development which impinges on no other area, but it provides commercial utilization for farm products. That is certainly a movement in the right direction. I hope, with the typical generosity which is characteristic of the great Senator from New Hampshire, he will allow the Area Development Division to operate for 1 year at full speed ahead. Then I shall be happy to join him in making certain that they have not moved in, in an effort to disrupt existing industries.

Mr. BRIDGES. The distinguished chairman of the subcommittee, the Senator from Florida [Mr. HOLLAND] stated that he would accept the amendment. I do not wish to see the amendment adopted. I favored the amount of $150,000. I think we must put the brakes on a little.

Mr. MUNDT. Does not the Senator believe that the stern admonition he has issued this afternoon will put the brakes on a timid group of new bureaucrats in the Department of Commerce?

Mr. BRIDGES. I am always willing to give and take. We must find some common ground. However, I do not wish to allow the full amount.

Mr. MUNDT. Does not the Senator from New Hampshire feel, as does the Senator from South Dakota, that if we give them $100,000 more, we shall arrive in conference prepared to give and take, as the Senator has suggested. But if we give and take here, and give and take in conference, and give more than we take, we do not wind up with very much for the Area Development Division. I hope the Senator will go along, and let the give and take occur when we reach the conference.

Mr. BRIDGES. I should like to see the Division operate on a reasonable budget for the coming year. Next year I should like to see a summary of exactly what has been done, what States have been involved, what new industries they got, and where they were settled.

Mr. MUNDT. I am sure we can obtain such information.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. HOLLAND. My statement that I would be willing to accept the amendment of the Senator from South Dakota [Mr. MUNDT] to the committee amendment was predicated upon the very clear understanding with the Senator from South Dakota, and, less formally, but equally clear in my mind, with the Senator from New Hampshire [Mr. BRIDGES], that there was a meeting of minds with respect to the amendment. If those two Senators are not together, of course, I will stand by the decision of the committee. I regret to be placed in what seems to be a dual position. I understood that the Senator from South Dakota and the Senator from New Hampshire had resolved their differences and had agreed upon the amount originally reported by the subcommittee. If they are still quarreling over the amount, I shall have to withdraw my statement, because, of course, I must stand with the committee.

Mr. BUSH. Mr. President, will the Senator from South Dakota yield to me briefly?

Mr. MUNDT. In a moment. I should like to say to my friend from Florida, in order that he will be under no misapprehension, that the Senator from New Hampshire and the Senator from South Dakota are not approaching each other very closely in this matter. We have arrived actually at an agreement on everything except the amount. We are now proceeding to arrive at an agreement as to the amount. We are making progress.

Mr. HOLLAND. I had understood that the Senator from South Dakota and the Senator from New Hampshire had already reached a rapprochement. Inasmuch as the Senator from South Dakota and the Senator from Florida are both from the South, and inasmuch as I thought I had assurances from both the Senator from South Dakota and the Senator from New Hampshire, I made the statement which I made a few minutes ago; otherwise I certainly would not have made such a statement.

Mr. BRIDGES. Mr. President——

Mr. MUNDT. Mr. President, I yield temporarily to the Senator from New Hampshire [Mr. BRIDGES]. I think we may be able to approach each other a little more closely during this colloquy.

The PRESIDING OFFICER. A few moments ago the Chair announced that, without objection, the amendment to the committee amendment would be agreed to. The Chair did not know that there was objection. Therefore, he withdraws that announcement.

Mr. HOLLAND. Mr. President, I ask that the amendment to the committee amendment be passed over temporarily, if Senators are still trying to get together. This involves a very minor matter, although it seems to be of great importance to Senators from New England as well as Senators from the Middle West. The other members of the committee felt that if there was real good to be accomplished for those two areas, if there was a need for the services of this agency on the part of people now out of employment, and that need could be served by this agency, they were willing to go along.

Mr. MUNDT. Mr. President, I have just had a conference with the Senator from New Hampshire [Mr. BRIDGES] in the process of reapprochement which we were discussing a little earlier. We realize, of course, that whatever action the Senate takes is over and beyond what the House allowed, and that in the give-and-take of conference it is necessary to have a meeting of minds. I should like to inquire of the Senator from New Hampshire, who seems to feel that perhaps another $50,000 for this division for the coming year might be appropriate, whether he could go along with a proposal for $75,000 and allow the question to be settled in conference, after we see what the attitude of the House is. We may not be able to hold even the $50,000, but if we adopt a figure of $75,000 additional, we shall have some basis on which to negotiate. Perhaps we can hold the full amount. Perhaps not.

Mr. BRIDGES. Mr. President, I do not wish to delay the vote on this amendment. The House heard the evidence, and did not allow anything.

Mr. MUNDT. The Senator is correct.

Mr. BRIDGES. The Senate Committee on Appropriations allowed $150,000. Of course, I realize that when one branch of Congress allows $150,000 and the other branch allows nothing, there is not much to consider in conference. However, I wish to stress the point that I do not want the Federal Government through this agency or any other agency to pry into States in an attempt to move an industry from one area to another area.

Mr. MUNDT. I think it would be highly appropriate—and it might well be done in a conference—to ask, first, that the Area Development Division does make the report that the Senator has in mind; second, that it limit its activities, as we know it intends to do and should do, to helping communities bring in industries, but not take them from another area.

Mr. BRIDGES. I do not want to hold up consideration of this matter any further. If the Senator from South Dakota and the Senator from Florida can agree on a $75,000 increase, I will accept it, so far as I am concerned.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to, and, without objection, the committee amendment, as amended, is agreed to. The secretary will state the next amendment of the committee which was passed over.

The next amendment passed over was, under the subhead "Maritime Activities," on page 9, line 20, after the word "For", to insert "construction as authorized by sections 701 and 702 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1191, 1192), of one prototype tanker and two prototype cargo ships; for."

Mr. WILLIAMS. Mr. President, it is my understanding that it is agreeable to the Senator from Florida that we pass over this amendment for the moment and consider the next amendment, which is related to this amendment.

The PRESIDING OFFICER. Without objection, the amendment will be passed over temporarily, and the Secretary will state the next amendment.

The next amendment was, on page 10, line 15, after the word "equipment", to strike out "$64,700,000" and insert "$102,800,000."

Mr. WILLIAMS. Mr. President, I am opposed to the increase recommended by the committee, but first I will yield to the Senator from Florida, who perhaps will be willing either to have the amendment rejected or to explain why he believes it should be adopted.

Mr. HOLLAND. Mr. President, I did not understand the Senator's statement.

The PRESIDING OFFICER. The Senator from Delaware wants an explanation of the amendment or its elimination.

Mr. WILLIAMS. Perhaps the Senator from Florida is willing to have the amendment rejected and thus save the time of the Senate.

Mr. HOLLAND. Mr. President, this item is for maritime activities, and applies to the subject of ship construction and that general field. The House provided for this item an amount of $64,700,000. The Senate committee proposes to increase the amount to $102,800,000. The committee added $38,100,000 for ship construction under maritime activities of the Department of Commerce. The amount which the committee added is primarily for three things which would be eliminated by the bill as passed by the House, all of which are estimated for in the budget.

First, there are three prototype vessels, all of which are essential to defense mobilization requirements. One of them is a high-speed tanker, and the other two are cargo ships to be constructed along lines which are thought to be improvements.

Incidentally, the Navy is strongly supporting the construction of these three prototype ships. The Navy proposes to put them into active operation and test their effectiveness just as soon as it can get the ships. They would be a part of the Navy's Military Sea Transport Service.

Second, it is necessary to keep up the level of the tanker trade-in program which was recommended last year. The House has cut the amount in half, allowing $11,500,000. The Senate committee restored the other half of the cut, or $11,500,000.

Third, there is the restoration of half the budgeted amount of $5 million for research, which will permit the Maritime Administration to go ahead with the experimental conversion of one more Liberty ship in fiscal year 1956. The restoration of the $38,100,000 will permit the accelerated ship-building program, which the Senate initiated last year, to continue.

I may say that we were thoroughly impressed with the fact that this activity was just as much a part of the defense program and of the defense preparations of our Government as were those portions of the program which will come under the armed services appropriation bill and under the military public-works bill.

As to these three prototype vessels, although the members of the committee are not maritime experts, we were greatly impressed with the fact that there was an obligation placed by Congress upon this agency to develop new and adequate ships to meet the trying conditions of modern times. We felt that the recommendation of the Budget Bureau, which has been very conservative in the approval of many items, even in the field of defense, should be given very great weight, and of course the recommendation of the agency itself, particularly when it was strongly backed by the Navy, which explains that its merchant transport support is now much too slow to meet modern conditions.

The item for the tanker trade-in program rather explains itself. The House cut the figure for the tanker trade-in program started last year in half, by striking out $11,500,000. It seemed to the committee that the full program should go ahead. If there is anything wrong with the program, let us stop it.

That program, of course, has to do with the return to reserve of slow ships which were built during the war, which are to be stored with the other hundreds of war-cargo vessels in the various reserve merchant fleets, and the building of new tankers having greater speed and designed to meet modern conditions.

The budgeted amount for research, we thought, was an important item. It seems to us that in this day, when we are spending so much in research in connection with the atomic bomb, munitions of war, and all the other things which have to do with the armed services, such as guided missiles and the like, we would be very shortsighted indeed if we did not recognize the fact that research is certainly necessary in the case of these vessels—tankers and cargo ships and passenger ships—which must likewise be made adequate in order to meet the conditions of modern atomic-age requirements.

Therefore, Mr. President, we restored these items, believing that was the right thing to do in the national interest. That is the position of the committee.

Mr. WILLIAMS. To point out in answer to the Senator from Florida that some of his own arguments will defeat what he is proposing. He points out that the committee has restored the tanker trade-in allowance in order to modernize the tanker fleet. In the closing days of the session last year we passed a bill—and I supported it—the purpose of which was to provide for a fast speed tanker program. Early this year, in a supplemental bill, the Appropriations Committee authorized certain funds to implement that bill. I supported that appropriation, with the understanding that we would build a modern tanker fleet with speeds of not less than 18 knots. The truth of the matter is that we have not built a modern fleet, but are merely subsidizing the same old-type tankers that were built before we passed the bill.

I should like to read from the committee report and the testimony that was given on this question last year. I read from House Report No. 1929, which accompanied H. R. 9252. This was the bill that authorized the trade-in tanker program, the purpose of which was to give us a fleet of high speed tankers of at least 18 knots each.

I shall not read the whole report, but I would like to quote from a letter sent by Admiral Duncan, Vice Chief of Naval Operations. I shall quote from his letter, but first I ask unanimous consent that the letter may be printed in its entirety at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE CHIEF OF
NAVAL OPERATIONS,
Washington, D. C., June 10, 1954.

Hon. THOR C. TOLLEFSON,
Acting Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: The Judge Advocate General of the Navy has advised me that your committee desires the views of the Navy Department concerning H. R. 9252, a bill to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes, with particular reference to the value for defense purposes of the T–2 tankers which might be traded in under the provisions of the bill.

I welcome the opportunity to express the views of the Navy Department on this matter, since the qualitative deficiencies in the active United States tanker fleet, the approaching block obsolescence of a large part of the fleet and the complete lack of a reserve of tankers against mobilization requirements are of considerable concern to the Department of Defense.

The United States is lagging behind other countries in the construction of modern, fast tankers. A large portion of our tanker fleet is still comprised of World War II T–2 tankers of 14.5 knots speed, which have had hard service and which will all become obsolete in a block in 1963 to 1965. These ships should be replaced in an orderly program by modern, fast, economical tankers if we are to properly supply our needs for petroleum products in the event of a future war.

Our first-line tankers should be ships of a speed of 18 knots or more in order to minimize the hazards of enemy attack and to permit fast turnaround times. However, there is no doubt that we will still have a need for all of the slower ships which are in good condition and which may be available. At present, for all practical purposes, we have no reserve of tankers to meet the greatly increased needs for petroleum products upon mobilization. The T–2 tankers which might be replaced under this bill would form a valuable reserve of usable tankers which, upon mobilization, would supplement the new tankers in the support of military operations until the mobilization shipbuilding program is brought into operation. The T–2 tankers could be used in many areas where the enemy threat is not great, while the new

higher speed tankers serve the more hazardous areas. In this manner the T-2 tankers could continue to serve a useful purpose for many years.

From the national defense point of view, what is needed is an orderly program of construction of improved higher speed tankers which will eventually result in a tanker fleet of active and reserve tankers of adequate characteristics and numbers to meet early mobilization needs in the event of a war. H. R. 9252 is a step in this direction and accordingly has the strong support of the Navy Department. I recommend your favorable consideration of the bill as now written.

Sincerely yours,

D. B. DUNCAN,
Admiral, USN,
Vice Chief of Naval Operations.

Mr. WILLIAMS. I quote from Admiral Duncan's letter, as follows:

From the national defense point of view, what is needed is an orderly program of construction of improved high-speed tankers which will eventually result in a tanker fleet of active and reserve tankers of adequate characteristics and numbers to meet early mobilization needs in the event of a war.

I continue to read from the letter:

Our first-line tankers should be ships of a speed of 18 knots or more, in order to minimize the hazards of enemy attack and to permit fast turnaround times.

I next quote from a letter sent to the committee by Sinclair Weeks, Secretary of Commerce, which was printed in the same report in support of this same proposal. I will quote only a part of the letter that—

If the legislation is enacted the Department, at this time, believes that the 18-knot sustained-sea-speed requirement is the only feature that might require the payment of a national-defense allowance. While the determination of the national-defense allowance for speed will be difficult, no such allowance will be approved unless it is for an item or feature which would not be built into the tanker except to meet national-defense requirements, or one which has a cost disproportionate to its commercial utility.

The bill passed by Congress was also supported by Mr. Rothschild, the Chairman of the Maritime Commission, for the same reason. I am quoting Mr. Rothschild's statement:

Under the projected program, the national-defense-required speed will be a sustained sea speed of 18 knots under normal operating conditions. We plan to determine the normal speed on a company-by-company basis after consideration of the companies' operating practices, policies, and other pertinent factors, including the companies' fleet average speed and the speed of any postwar construction undertaken by the companies.

The testimony of all three officials representing the top agencies was that we needed a tanker fleet with a minimum speed of 18 knots. I do not think there is a Member of the Senate or a member of the committee which reported the bill who will dispute the fact that the bill was passed with the clear understanding that we were authorizing a high-speed tanker fleet with a minimum speed of 18 knots. Now there have been 4 tankers contracted for, but only 1 of them carries a speed of 18 knots. The others are the old slower speed type tankers, yet they received the same subsidy formerly approved for the high-speed ships. The company was given the same subsidy provided for in the bill, but they built the same old type of slow-speed tankers.

Yet the high-speed feature was the major excuse used to justify the payment of any subsidy at all.

We are now asked to appropriate another $23 million to carry out the program on the promise that they will now and in the future be good boys and see that we get high-speed tankers. I do not think we have any right to appropriate the money until they explain why they did not carry out their instructions in the first place. Let them come to Congress and explain why they paid out these subsidies without getting value received.

They merely say now, "Give us another $23 million and we will do better next time." No effort is made to justify their past actions.

I do not think there can be any contradiction of the fact that they are tentatively discussing a contract now with the Gulf Oil Co. involving a trade of 5 tankers for 2, and again they are contemplating a speed of only 17 knots for those tankers. We are told this will be held up now but it is being held up only because the House filed a complaint and of the objections being raised here.

I repeat that notwithstanding the fact that they justified this program of high-speed tankers before the Congress as being in the interest of the national defense. They have been using the money to build tankers which only last year they described as obsolete.

Mr. BUTLER. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER. I should like to make a statement in my own right, if the Senator will yield for that purpose.

Mr. WILLIAMS. I would rather the Senator would wait until after I have concluded my statement.

Mr. BUTLER. May I inquire whether the Senator intends to discuss the matter item by item?

Mr. WILLIAMS. I shall be glad to yield to the Senator if he wishes to reply to this particular project. Then I shall take up another item later.

Mr. BUTLER. I thank the Senator. The Senator's main point, as I understand, is that the Maritime Administration came to Congress and asked that the bill be enacted on the basis of constructing high-speed tankers.

Mr. WILLIAMS. Is not that correct?

Mr. BUTLER. As the bill was passed by the Senate, irrespective of the testimony, the heart of the bill was that the speed of the vessels should be set at a figure, as stated by the Department of Defense, which was best for the national interest.

Mr. WILLIAMS. From reading the letters from the Secretary of Commerce and from an admiral of the Navy, and from the chairman of the Maritime Commission I have been unable to find out whether any flexible figure was stated. The figure of 18 knots was used throughout the testimony as being the minimum requirement.

Mr. BUTLER. I was about to address myself to that point. At that time it was the fixed policy of the Department of Defense to have tankers with a speed of approximately 18½ knots. After the enactment of the tanker law the Department of Defense reconsidered the whole subject and, as I understand, certified to the Maritime Administration that any tanker which had a speed between 16 and 20 knots would be satisfactory and would meet all the requirements of the Department of Defense. This year the Department of Commerce asked $22,400,000 for the acquisition of traded-in tankers under the trade-in plan. The Senate committee allowed the full amount. The House cut the amount requested in half, which is conclusive proof, to me, that the House, after hearing all the facts, was apparently completely satisfied that the purposes of the law are being carried out and that there are being constructed, under the law, tankers which are satisfactory to the Department of Defense.

Under the program for fiscal 1955, eight tankers are authorized to be constructed, most of them with a sustained speed of 16½ knots, which is within the prescribed limit set by the Department of Defense as being usable for defense purposes. This speed is within the 18 knots testified to Mr. Rothchild and by the Department of Defense.

I think I have produced ample proof that after the enactment of the bill the Department changed its mind and revised downward somewhat its estimate of the requirements for national security.

Mr. WILLIAMS. Mr. President, while there are several Members on the floor, I ask for the yeas and nays on the amendment at this time.

The yeas and nays were ordered.

Mr. BUTLER. Mr. President, I think the main point which has been made by the Senator from Delaware is that, inasmuch as the Department of Defense and the Department of Commerce did not do what they said in their testimony they would do, we should bring them back again and go over all that has been done in the House of Representatives. All the witnesses from the Department of Defense have been heard. I respectfully say to the Senator that that has been done in the House of Representatives. All the representatives from the Department of Defense and the Department of Commerce have been heard. The House was perfectly satisfied with the explanation they gave and did not cut out the appropriation, but, as a matter of fact, appropriated half of what was asked, apparently in the interest of economy, which, in my opinion, is an approval by the House of what has been done under the program to date, and is a go-ahead sign from them that, so far as they are concerned, they would like to see the tankers built.

Mr. WILLIAMS. I wish to make it clear that I am not setting myself up as an authority on what the speed of tankers should be. When the Department of Defense came before the committee last year, in the closing days of the session, and said they needed 18-knot tankers, I supported the bill. I felt they knew more about the subject than I did.

If the Department of Defense says today that it has changed its mind, as the

Senator from Maryland points out, and will now say that it will be satisfied with 16½-knot tankers, I will not dispute their views.

However, if they have changed their minds, and have decided they do not need 18-knot tankers then there is no need for this $23 million appropriation. I go back to what Sinclair Weeks, the Secretary of Commerce, said to the committee, namely, that the only feature of the tankers which would require a subsidy was that which calls for increased speed. So if the Department of Defense has now changed its mind and says it does not need 18-knot tankers, as they have apparently done, my point is that this part of the appropriation should be stricken out, because we then have no justification for subsidies for the construction of the tankers. Let us not pay a subsidy for 18-knot tankers, which we are doing today, and then have slow speed tankers constructed.

It is time that the Department made up its mind and starts spending the taxpayers' money for the purpose for which it was authorized.

I am perfectly willing to support a program requested by the Defense Department for a 16-, 18-, or 20-knot tanker but I am not willing to pay for something we do not get.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER. Will the Senator give the Secretary of Commerce the same break as he gives himself? The Secretary of Commerce is not an expert on speed. He was merely telling the committee what the Department of Defense had told him. When the Department of Defense has revised its thinking and now says that a 16½-knot tanker will do the job that an 18-knot tanker will do, why hold that against Sinclair Weeks?

Mr. WILLIAMS. I have great respect for Mr. Sinclair Weeks; that is why I am quoting him here today. He said the 18-knot feature was the only excuse for a subsidy.

Mr. BUTLER. All he is doing is reflecting the thinking of the Department of Defense.

Mr. WILLIAMS. I recognize that that is what he is doing but they change their mind so fast he is having trouble keeping up with them.

But what we are being asked for here today is to continue a subsidy for the building of high-speed tankers when, in reality, we shall be building only low-speed tankers. If the Department of Defense has changed its mind, certainly we should not continue to pay a million or a million and a half dollars a tanker for high-speed tankers which will not be constructed.

All that I am asking is that we not pay for something we will not get. That is exactly what we are doing in this appropriation.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BRIDGES. I should like to have the Senator's position made clear. I stepped off the floor momentarily, and when I returned the distinguished Senator from Delaware was speaking. I heard him say that the Committee on Appropriations had either made a mistake or else had not been given the facts. Will the Senator state how he arrives at that conclusion?

Mr. WILLIAMS. The Committee on Interstate and Foreign Commerce last year reported a bill on the recommendation of Mr. Rothchild, Mr. Weeks, and the Secretary of the Navy providing for the construction of 18-knot tankers. I supported the bill. I think the Senator from New Hampshire did likewise.

Earlier this year the Committee on Appropriations recommended an appropriation to put that plan into effect. I supported the appropriation. The testimony before the committee again was for funds to put into effect a high-speed tanker-building program. My charge is that those funds have not been spent for the purpose for which they were appropriated; they have been spent for the same type of low-speed tankers—at least, for 3 out of 4 thus far contracted for. The committee acted in good faith but they were misled.

Mr. Weeks, the Secretary of Commerce, told the committee at the time the legislation was passed that if low-speed tankers were built, a subsidy was not needed. Yet the same subsidy has been paid for the building of low-speed tankers that was authorized for the construction of the high-speed tankers.

I say again that I am not trying to determine the speed that is needed, whether it be 16 knots or 20 knots; I am willing to leave that decision to someone who knows about the situation. If 18- or 20-knot tankers are needed, and if 18- or 20-knot tankers are to be built, I will vote for an appropriation to construct them. But I do not want to give money to an agency which has been building low-speed tankers, which is still pledged to build low-speed tankers, when they get that money from the Congress on the basis it will be used for high-speed tankers. As evidence that they know this was wrong they are now frantically trying to change their policy. But if they again get the money, they may do exactly what they did before, namely, spend the money for the building of low-speed tankers.

We have a responsibility to stop the funds until we can correct the legislation whereby we will know this will not happen again. There are millions involved in this deal and certainly no one contends that the major oil companies cannot afford to build their own tankers except as special defense features are required by the Government.

What we are doing is paying for these special features without getting them.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr SALTONSTALL. Since the Senator from Delaware started to speak, I have received information that of the 5 tankers which are under consideration, a contract for 1 of them is firm; contracts for the other 4 are under contemplation as to design, and so forth.

The tanker to be built for Esso will have a speed estimated at 18.3 knots. The one which is firm for Texas Co. will have a speed estimated at 18.5 knots. The 2 tankers contemplated to be built for Gulf will have an estimated speed of 17 knots. Three are under contemplation at the present time; one of them is firm.

Mr. WILLIAMS. That is correct; that is the same information I have. But I point out again the latter part of the Senator's own statement, in which he said that the two contemplated to be built for Gulf will have a speed of 17 knots.

I fail to find—if I am in error, I hope the Senator from Massachusetts will point out where—anywhere in the legislation in which Congress has authorized this program any reference to tankers having a speed below 18 knots. They were all to be 18- to 20-knot tankers. The bill was passed and the subsidy authorized on the basis of the construction of 18-knot tankers.

There is a difference in the cost of 18-knot and 17-knot tankers. Yet at the same time the subsidy which was given for the building of 16½-knot or 17-knot tankers was in the same ratio as that proposed for the 18- to 20-knot tankers in the bill.

Mr. SALTONSTALL. It is my memory of a year ago—I did not hear the testimony discussed in detail this year—that the program was being contemplated last year because the T–2 tankers were slower and would hold less. The idea was to turn the T–2 tankers back to the reserve fleet and to help build new ones. The purpose of constructing new ones was to build up, by commercial companies, a tanker fleet. The figures showed that Norway, Great Britain, and other countries were away ahead of the United States in tanker construction, and we would have to rely on those countries for tankers unless we built some ourselves.

As I remember, the defense feature included not only the matter of speed, but also the problem of the division of tanks and all that went with it.

Mr. WILLIAMS. That is true; but the extra defense features cost only about $180,000 or $200,000 a tanker, whereas the speed item was to cost about $1 million payable by special trade-in allowance.

Mr. SALTONSTALL. On page 164 of the hearings before the Senate Committee on Appropriations this year, the following statement appears:

> It is anticipated that most of the new tankers will be constructed without allowances for national-defense features. However, the program does provide for granting such allowances as a means of insuring construction of vessels with speeds suitable to meet military requirements. Accordingly, it is estimated that at least three of the new tankers will require defense features.

What we are trying to do, without having the United States Government own all the tankers operated in this country, is to have new tankers built by commercial companies, and to have the tankers available, if necessary, for defense purposes.

Mr. WILLIAMS. I am in complete accord with the Senator's objective. I supported the legislation at the time it was passed; and I still support it. But I think the Senator from Massachusetts will agree with me that the Government is not getting for the money it is putting up that which Congress authorized and

thought the Government would get, namely, a high-speed tanker program. Three out of the four, or 75 percent, of the fixed contracts which have been let have been for the same old slow-speed tankers, and they are being subsidized at the high-speed tanker rate.

Mr. SALTONSTALL. It is my memory that the T–2 tankers had a speed a good deal less than 16 knots. I do not remember whether it was 12 or 14 knots.

Mr. WILLIAMS. Some of them had around that speed. But the point is that we were speaking of 18 knots, and the bill which was passed, providing for subsidies for the construction of 18-knot tankers, was justified on the basis that with the modern-day speed of our fleet, we would need, in the event of war, high-speed tankers. I still agree with that view. We are paying for that type of tanker fleet but we are not getting it. Only one tanker with a speed of 18 knots or better has been provided for. All the others thus far contracted for have been the slow-speed type, yet they were paid the same subsidy or special trade-in allowance approved for 18-knot tankers.

Mr. SALTONSTALL. I will not disagree with the view expressed as to high-speed tankers, because I do not remember that point. But I do remember that the 18-knot feature was to apply to the 20 ships which were to be constructed especially for Navy purposes, and to be leased to the Navy for a period of 10 years. The speed of 18 knots did enter into the picture so far as certain of the tankers were concerned.

I am wondering whether the distinguished Senator from Delaware, who has an excellent memory and who is very factual in his statements, did not become confused as between the two types of tankers, which are completely different.

Mr. WILLIAMS. I may very readily have become confused, but if I did, the officials in the departments downtown became confused, too, because Mr. Nichols, the budget officer of the Maritime Board, prepared a memorandum of the record of contracts and I am quoting from his memorandum. There is a lot of confusion in the maritime department as to what they have done or what they plan to do, so it would be very easy for any of us to get mixed up here.

But I am not mixed up when I say we have been paying for something we did not get. Nor is there any confusion but that the authorization and appropriation for these tankers was obtained on the basis of the need for 18-knot tankers.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield first to the Senator from New Hampshire. Then I shall yield to the Senator from Maryland.

Mr. BRIDGES. I wish to say to the distinguished Senator from Delaware that so far as the Senator from New Hampshire is concerned, I think when Congress appropriates money, the Department should spend the money exactly for the purposes for which it was appropriated. Regardless of the result of the proposal of the Senator from Delaware, I think this colloquy will do some good. If Congress appropriates money to obtain 18-knot tankers, that is what should be obtained. I do not like the idea of departments going behind the back of Congress, after Congress has taken action, and doing something else. On the other hand, I will say that the distinguished chairman of the Committee on Interstate and Foreign Commerce [Mr. MAGNUSON] has called my attention to the fact that a subsidy is paid based on the ratio of the cost, so that the subsidy will automatically be less if the cost of the tanker is less, which would be the case with regard to the lower-knot-speed tankers. I agree with the Senator that when Congress appropriates money for a certain purpose, the intent of Congress should be carried out.

Mr. WILLIAMS. The whole program was justified on the basis that we needed high-speed tankers for national defense, and we are not getting them. What is worse, the Department did not tell the Committee on Appropriations it had made any change in the rules.

Furthermore the subsidy in this instance is based, not on the cost of the tanker, but speed. The extra trade-in allowance or subsidy was to be for the extra 2 or 3 knots speed.

Mr. MUNDT. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield to the Senator from South Dakota.

Mr. MUNDT. I wish the Senator would enlighten me on one point which has disturbed me as a member of the Permanent Subcommittee on Investigations, which about 2 years ago held a long series of hearings involving the disposal of surplus tankers, which not only were sold to former Government employees, who organized tanking companies at a tremendous loss to the Government, but we apparently had so many tankers at that time that we sold them to the Greeks and Venezuelans and people all over the world at very low prices. There have been some scandals in that connection and some indictments in court have been returned. I wish the Senator would give us some assurance that we are not building the same type of tankers which we were selling in return for Greek drachmas and other currency of low value.

Mr. WILLIAMS. There has been some improvement in the tankers being built, but at the same time what are being built today under this subsidized program are tankers which last year witnesses from every agency of the Government dealing with the subject said were obsolete, including the Secretary of Commerce, the Chairman of the Maritime Commission, and the Secretary of the Navy, who testified before the committee last year in justification of the program.

Mr. MUNDT. At least we can be assured, then, that we are not reproducing the type of tanker which we gave away or sold, at a low cost, to anyone who desired to buy a tanker.

Mr. WILLIAMS. Perhaps not, but we are building tankers which were said a year ago to be obsolete. We are subsidizing their construction on the same basis as if they were the modern design. No one here attempts to dispute that fact.

Mr. MAGNUSON. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. MAGNUSON. I hope there will be no misunderstanding as a result of the colloquy which has taken place. What the Senator from South Dakota is talking about is that after the recent war we found we had on hand more than 2,000 ships, and Congress passed the Ship Sales Act. At that time we set a fair price on the ships, considering the market at the time Congress passed the bill. The Government recovered almost 42 percent of the cost of the ships which were sold, which was a great deal more than the percentage of recovery in the sale of any other surplus property which we had on our hands at the end of the war. Some persons bought tankers. We were in the market to sell them. World tension in the meantime increased. The supply of tankers became tight. Persons who had purchased them made some money by selling them. They could have lost money just as easily as they made it. At the time the ship sales bill was passed unanimously by Congress, we thought we were getting even more than we could have reasonably expected to get.

Mr. MUNDT. What the Senator has said illustrates the point I made, which was that the ships were built for 100 cents on the dollar, and sold for 42 cents on the dollar.

Mr. MAGNUSON. But after the war we found ourselves with 2,000 surplus ships on our hands. We still have 1,000 ships in mothballs.

Mr. MUNDT. I am trying to get away from the idea of obtaining or purchasing a great amount of material, whether it is hamburgers or anything else.

Mr. MAGNUSON. I remind the Senator that this occurred during the war.

Mr. MUNDT. I understand what the Senator has said. I am trying to find out whether we are building the same type of ships which we sold, or whether they are a different type. I should like to have that information from the tanker expert, the chairman of the committee.

Mr. MAGNUSON. What the Senator from Delaware has said is correct. Witnesses appeared before the committee and said 18-knot tankers would be built. For some reason the Department of the Navy or the Department of Defense decided 16½-knot or 17-knot tankers would be satisfactory. But I remind the Senator that the size of the subsidy is in ratio to the cost of construction of the ships. As it costs less to build 16½- or 17-knot tankers, as against building 18-knot tankers, the subsidy is reduced in ratio to the cost.

Like the Senator from Delaware, I am no expert on the matter, although I have had a liberal education on it. If the Defense Department says that 16½-knot tankers are satisfactory, that is all right with me. The question is whether we want tankers or do not want them.

Mr. WILLIAMS. I point out to the Senator from Washington that the subsidy or special trade-in allowance which was allowed on the 16½-knot tankers was exactly the same as would have been allowed on 18-knot tankers. The computation is made on a depreciated value

basis for the old tanker, and not on the basis of the difference between the cost of the 16½-knot tankers and 18-knot tankers. The subsidy was for the extra speed, which we did not get. When the decision was made by the Defense Department not to insist on the high speed of 18 knots in the new tankers then the subsidy should likewise have been stopped.

I have in my hand a chart which shows the amounts being allowed for vessels traded in for new ones, which I ask unanimous consent to have printed at this point in the RECORD, Mr. President.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Tanker trade-in-and-build program

(A) ACCOMPLISHED CONTRACTS

Ship	Type	Date of delivery from shipbuilder	Construction cost (exclusive of national-defense features)	Cost of national-defense features	Date of title transfer to purchaser	Net sales price, adjusted statutory sales price less allowances	Proposed allowance
Cities Service Co. (7 old vessels as part payment for 7 new 16½-knot tankers):							
Bull Run	T2-SE-A1	July 12, 1943	$2,771,565	$121,000	May 29, 1947	$1,572,619.68	$850,015
Petrolite	(1)	(1)	(1)	(1)	(1)	(1)	943,449
Abiqua	T2-SE-A1	Oct. 31, 1943	3,737,711	50,000	Sept. 21, 1946	1,713,364.23	939,329
Lone Jack	T2-SE-A1	Oct. 31, 1944	2,496,081	180,000	Sept. 26, 1946	1,825,048.25	1,047,208
Paoli	T2-SE-A1	Nov. 11, 1944	2,472,954	180,000	Jan. 14, 1947	1,797,871.70	1,037,823
French Creek	T2	Dec. 20, 1944	2,679,291	180,000	Dec. 20, 1944	1,896,398.00	987,843
Logans Fort	T2-SE-A1	Apr. 11, 1945	2,384,481	180,000	Aug. 22, 1947	1,738,466.44	1,069,458
Total							6,875,125
Texas Co. (2 old vessels as part payment for 1 new 18½-knot tanker):							
Florida	T2	Oct. 13, 1937	1,969,016	(1)	(1)	(1)	420,961
Rhode Island	T2	Dec 23, 1937	1,969,016	(1)	(1)	(1)	429,596
Total							850,557

[1] Not available.

(B) AGREEMENT IN ADVANCED STAGES OF NEGOTIATION

Esso Shipping Co. (5 vessels for 2):							
Esso Cumberland	T2-SE-A1	May 27, 1944	$2,431,750	$180,000	Nov. 20, 1946	$1,754,449.44	$1,078,777
Esso Lynchburg (Chalmette)	T2-SE-A1	June 19, 1944	2,832,885	80,000	Jan. 14, 1948	1,595,011.04	1,015,714
Esso Roanoke	T2	July 14, 1944	2,621,214	180,000	July 14, 1944	1,839,119.00	991,488
Esso Memphis	T2	June 28, 1944	2,656,967	180,000	June 28, 1944	1,834,677.00	973,371
Esso Parkersburg (Fort Cornwallis)	T2-SE-A1	Apr. 27, 1944	2,420,257	180,000	Oct. 16, 1946	1,755,837.48	1,066,825
Applicants estimated value as at Dec. 31, 1954							5,126,175
Less estimated depreciation to date of acceptance							−126,175
Estimated trade in							5,000,000
National defense features							2,000,000
Total							7,000,000

Mr. WILLIAMS. Mr. President, the chart shows the names of the vessels involved, the dates they were constructed, the total cost to the United States Government, the price at which they were sold to the companies, and the prices they brought as trade-ins, and again I point out the allowance for the trade-ins on the slow-speed tankers was just as high as for the faster speed.

Mr. MAGNUSON. The Senator from Delaware is correct. I suspect the trade-in allowance was pretty much a uniform trade-in allowance for certain types of tankers. The only reason for the program was that we would get some new, modern tankers. I am sure the Senator from Delaware, the Senator from Massachusetts, and the Senator from Maryland do not dispute that, for some reason, the Defense Department decided that 16½-knot tankers were just as satisfactory as 18-knot tankers; but the recapture transaction is subject to the total cost, less the trade-in.

Mr. WILLIAMS. But the chairman of the committee will agree with me on this point, will he not? The Secretary of Commerce, Mr. Weeks, testified before the committee that the only justification for subsidy in this instance was the fact that the tankers were going to be high-speed ones.

Mr. MAGNUSON. That is correct.

Mr. WILLIAMS. The tankers we received were not made high speed, and the Department still paid the subsidy.

Mr. MAGNUSON. They paid in ratio to the total cost.

Mr. WILLIAMS. They still paid the subsidy; did they not?

Mr. MAGNUSON. Yes.

Mr. WILLIAMS. That is the point I am trying to bring out.

Mr. MAGNUSON. Let me ask the Senator to bring out another fact, however.

Mr. WILLIAMS. Mr. President, I should like to have this $23 million stricken from the bill. I should like to see Secretary Weeks and the Chairman of the Maritime Commission asked to go before the Appropriations Committee and, if they need only 16½-knot tankers, tell the committee so; and unless they have changed their provision then no subsidy is needed. I am not in favor of having the Federal Government spend $23 million as a subsidy for the construction of tankers on the understanding that they will have a speed of 18 knots, and then have these subsidies paid to companies building the same slow speed tankers. It is a waste of the taxpayers' money and should be stopped.

Mr. MAGNUSON. I think the Senator from Delaware is absolutely correct in his remarks about the chronological details. But in this case we are dealing with appropriations for the fiscal year 1956; and what will happen in 1956, I do not know. If the Defense Department says that, for this purpose, 17-knot tankers are just as good as 18-knot or 18½-knot or 18.3-knot tankers—as specified under one of the commitments—I suppose we shall have to accept that opinion. However, the tanker program is but one part of the overall program.

Mr. WILLIAMS. I wish to say to the Senator from Washington that if the Defense Department says it needs 17-knot tankers, I will support such a program. I do not profess to be an expert as to the required speed of tankers; I know nothing about the matter. But if the Department of Defense says 17 knots is sufficient, certainly we should not pay for tankers having a speed of 18 knots.

I cannot predict what will be done in the future; but I can point out that in the past the money was used—and it was done without objection, so far as I recall—to pay for tankers which were supposed to have a speed of 18 knots, but which did not have that speed. The money has been spent and we still have an obsolete tanker fleet. I think representatives of the Department should come before the Appropriations Committee and the Committee on Interstate and Foreign Commerce and should state what they wish to do in connection with this program. I venture to say that the Senator from Washington was never told that the speed requirement would be lowered; and the representatives of the Department never said that, "We do not need as much money because we are not going to provide for the national-defense features which have been authorized."

Instead, the history of this matter shows that in the case of 4 of the tankers for which contracts were awarded—3 for Cities Service and 1 for Texaco—the same subsidy was paid, yet only 1 of the tankers had the required speed of 18 knots.

Furthermore, the tentative plans for the Gulf Oil Corp. embrace the construction of a 17-knot tanker, which, again, will have a speed of 1 knot lower than the speed we were told would be needed. On the other hand, there has been no corresponding reduction in the formula for the subsidy.

Mr. MAGNUSON. I think the bill would have been passed in any case, regardless of whether it provided for 17-knot tankers or for 18-knot tankers.

Mr. WILLIAMS. Yes, the bill would have been passed but the subsidy would have been less.

Mr. Weeks testified that the subsidy is not needed if the tankers to be constructed are to have speeds of 16½ knots. He said the only justification—and he used the word "only" in that connection—for a program of this kind is the high-speed tankers we are going to ask to have constructed.

This amendment of the committee should be defeated until we know what we are paying for. Not one member of the committee knows today.

Mr. SALTONSTALL. Mr. President, will the Senator from Delaware yield to me?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Delaware yield to the Senator from Massachusetts?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. The Senator from Delaware used the word "only." It is not my understanding that speed is the only thing necessary for defense purposes, in connection with the construction of these vessels. I may be in error as to some details; but I know I am correct when I say that in the case of some of the tankers a different layout is called for, so that different types of oil, and so forth, can be carried.

Mr. MAGNUSON. Yes. Furthermore, at the present time, in view of the speed of the new type submarines, including submarines driven by atomic energy, the speed of tankers is not so important as it formerly was.

Mr. WILLIAMS. Mr. President, let me say that the Senator from Massachusetts is correct in what he has said; there are certain other national-defense features in the case of tankers, and that is true both in regards to the slow speed tanker as well as the high speed, but the cost of that part of the national defense feature is relatively low as compared to the extra cost arising from the speed factor.

In 1944, such subsidy averaged $180,000 per tanker. I understand that the subsidy now amounts to a little more, due to the increased cost of construction. But I am referring here today to the extra subsidy, under the provisions of this bill, for the construction of tankers of high speed. As Mr. Weeks pointed out, the only justification—and he definitely used the word "only" in that connection—for paying an additional subsidy in connection with the construction of these tankers is to obtain a high-speed tanker fleet. I would still back a program for a tanker fleet with a speed of 18 knots or 20 knots; but I am not willing to have the Congress provide funds for the construction of an 18-knot tanker fleet, when the tankers which have been constructed have a speed of only 16 knots.

Mr. BUTLER. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. BUTLER. Does not the Senator from Delaware admit that all the ships built under the appropriation carried in this bill will have a speed of 18 knots or more?

Mr. WILLIAMS. That could be the case or it could not, we do not know.

Mr. BUTLER. But the ships are contracted for, are they not?

Mr. WILLIAMS. No, the Senator from Maryland is mistaken. The Senator from Massachusetts just pointed out the situation in that respect.

Mr. BUTLER. Did not the Senator from Massachusetts say that one of the tankers had a speed of 18.3 knots?

Mr. WILLIAMS. Yes; but the Gulf Oil Corp. is also in the process of negotiating for the construction of a tanker to have a speed of only 17 knots.

Mr. BUTLER. I understand that the negotiations have been closed, and that the Department of Commerce has refused to accept any tanker or to agree to the construction of any tanker with a speed of only 17 knots.

Mr. WILLIAMS. My understanding is the same as to the last 48 hours, the Department of Commerce——

Mr. BUTLER. But does the Senator wish to have the appropriation decreased on account of the agency's past sins?

Mr. WILLIAMS. It has been only in the last 48 hours, so far as I know, that the Department of Commerce has decided that it would reject proposals to build tankers of 17 knot speed; and I understand that the Department reached that decision after it was known that this item of the bill would be opposed. Previously the Maritime Administration was seriously considering the proposal to accept 17-knot tankers. But the House committee objected, first; and now the Department of Commerce says it will not accept 17-knot tankers. How do we know that tomorrow they will not change their minds again unless the law is changed? In my opinion representatives of the Department should be called before the committee and should explain what they are doing in connection with this program.

I will agree to vote for the necessary appropriation, if it is properly justified, for the construction of tankers having a speed of 18 knots, 20 knots, or whatever other speed may be needed, but I want the money spent accordingly. However, after Congress provides the necessary funds for the construction of high-speed tankers, I do not want the money to be spent at the same ratio, but for the construction of low-speed tankers.

Three out of four tankers which have been constructed are now obsolete, according to modern standards. That was testified to last year by every witness who appeared before the committee. It is a complete waste of the taxpayers' money.

Mr. HOLLAND. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS. I yield.

Mr. HOLLAND. I call attention to the compilation appearing at the top of page 165. It covers the item to which the Senator from Delaware has been referring, namely, $23 million, of which the House voted to strike out half.

Only a small portion of the $23 million involves national-defense features—$1,500,000 in the case of three ships. All the rest is for the purchase of 20 old ships in exchange for 10 new ships. One million five hundred thousand dollars is to be used for the cost of laying up the old ships, as the Senator from Delaware knows.

So a very small item is involved in this case. I confess that I do not like any better than the Senator from Delaware does some departures which have been made in times past, in the beginning of the program. But because of that I am not willing to tie up what I believe to be a very important program.

The Senator from Delaware is really talking about half of an item of $1,500,000, or $750,000, out of a total of $38,100,000 for construction.

It seems to me that if we turn down the requests of both the Maritime Board and the National Security Council, for the National Security Council has backed the request of the Maritime Board, and also the request of the Navy, for three prototype ships, we shall be committing a very great error.

If the Senator from Delaware is willing, I should like to have this item agreed to, subject to the understanding I shall now state. First, let me say that of course I will be one of the conferees on the part of the Senate. In the conference I will do my utmost to have provision made for a watch-dog committee, to consist of members of the Senate Appropriations Committee and members of the House Appropriations Committee, to see to it that the program is carried out in accordance with the understanding of the Senate, because I thoroughly agree that, as usual in the case of the matters the Senator from Delaware discusses, there is much merit in the position he takes. I do not wish to have the point he has raised ignored. I am perfectly willing to take the position I have just stated.

I see the Senator from New Hampshire [Mr. BRIDGES]—who certainly will be a member of the conference committee—nodding his head; and of course the Senator from Massachusetts [Mr. SALTONSTALL] also is a member of the Appropriations Committee. So I am sure there will be no difficulty in obtaining, in the conference, agreement on a provision which will mean that the program will be followed much more closely than has heretofore been the case.

So I hope that the Senator from Delaware, in making this effort on his part, will not actually prevent the making of an appropriation of $38,100,000 for the construction of vessels which the

Security Council has told us are important as a part of our Nation's preparations for defense.

Mr. WILLIAMS. Mr. President, the Senator from Florida is not correct in this respect. The $23 million item we are talking about now has nothing to do with the prototype ship, the special 20-knot high-speed tanker. We are not discussing that item at all. We are discussing the program calling for 10 new 18-knot tankers. Likewise the $1½ million for special defense features for five tankers is not what we are discussing. As the Senator from Massachusetts [Mr. SALTONSTALL] has pointed out, those are national defense features, which are included in both slow-speed and high-speed tankers, and will remain in the program regardless.

We are talking about the $20 million trade-in feature in connection with these tankers. The actual subsidy on the tankers is paid in connection with the trade-in allowance. Special allowances are made if the tankers are traded in and high-speed tankers are built. The operators have been getting the allowances, but they have been building slow-speed tankers. The amount involved is $20 million and not $1,500,000.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SALTONSTALL. Following up what the Senator from Florida has said, I will not be a member of the conference committee, but it seems to me that between now and the time of the conference, the conferees could get a letter from the Department of Defense and a letter from the Department of Commerce, so as to justify the position of the Senate. The House has stricken out a great deal of this program, and the Senate must justify its action.

There is much merit in what the Senator from Delaware has said. If we can get the letters to which I have referred, we can go forward. As the Senator knows, this is a very important program.

Mr. WILLIAMS. The Senate will be in session for another 30 days. I am willing to finance the program, but I want the letters in advance. I do not want to put up $23 million for an agency which has not carried out its promises in the past. Personally I am not willing to go along with such a proposal.

In resisting this amendment, I emphasize that it has nothing to do with the prototype 20-knot tanker, which can still be built with the funds left.

There is another item, in addition to the $23-million item, which will be embraced in the elimination if we can defeat the committee amendment. I refer to the item of $11,300,000 for the conversion of what are apparently represented as two obsolete cargo ships into passenger ships. I should like to show the Senate how obsolete the cargo ships are, with respect to which it is proposed to put up $11,300,000 for reconversion.

These two ships were completed and came from the shipyards new, about 2 years ago. The first one was completed new on March 26, 1953. The name of the ship is the *Free State Mariner*. It was built at the Bethlehem Steel Co. plant at Sparrows Point, Baltimore. She cost the United States Government $8,632,263. This ship was sold on May 31, 1955, to the Oceanic Steamship Co. for $4,820,446, representing a loss of about half the cost. That is behind us. That is all gone. We financed that ship and took a mortgage for about 75 percent of the sales price. Now after having sold the ship for $4,820,446, an appropriation of $5,650,000 is being asked to give to the Oceanic Steamship Co. to reconvert this same ship which it bought only 3 weeks ago. The proposal now is that it take this cargo ship and convert it into a passenger ship. A 2-year-old, $9-million ship was sold for $4,820,446. Now it is proposed to give the buyer, the Oceanic Steamship Co., over $5½ million to cover reconversion costs.

The second ship is the *Pine Tree Mariner*, which was built by the Bethlehem Steel Co. in its Quincy, Mass., yard. The cost was $9,165,864. The ship was completed new on April 3, 1953. Tentative arrangements have been made to sell this ship, if this bill goes through, to the Oceanic Steamship Co. for $4,900,200. She cost us $9,165,864. We are selling her for $4,900,200. If this bill goes through, we are going to give the company which buys her $5,650,000 supposedly to reconvert the ship into a passenger ship.

Yes, it is fantastic; 2 ships about 2 years old which cost over $17½ million being sold for between nine and one-half and ten million dollars and now 30 days later we are being asked to give the buyers $11,300,000 cash from the Treasury to spend toward improving these same ships and making them suitable for passenger service. As if that is not enough after they are put into service the proposal is that the taxpayers subsidize their operations for the next 10 years. If anyone can make any sense out of such a program, I say, vote for the committee amendment. I think it should be defeated.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MAGNUSON. I hope the facts are not as stated by the Senator.

Mr. WILLIAMS. I hope they are not, either; but I am afraid they are right. I obtained these figures from the Department. I am perfectly willing to have the Senator from Washington suggest any corrections.

Mr. MAGNUSON. I know a little about the so-called Mariner program.

Mr. WILLIAMS. I am not talking about the overall Mariner program. We are not dealing with that. We are talking about 2 specific ships and $11,300,000. $11,300,000.

Mr. MAGNUSON. These are ships which were built under the Mariner program.

Mr. WILLIAMS. We are dealing with an item in an appropriation bill which calls for $11,300,000 for the conversion of two ships by the Oceanic Steamship Co. One is the *Free State Mariner*, and the other is the *Pine Tree Mariner*. Let us stay on the subject of those two ships. The amount involved in the conversion of those two ships is $11,300,000 and the same ships were sold for less than $10 million about 30 days ago.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER. Does the Senator realize that if we do not convert the 2 ships on the basis he has described, but, instead, build 2 new ships of equal kind and character, the Government will have to spend approximately $17 million in subsidies, and that these ships would rust away at anchor?

Mr. WILLIAMS. If these ships are to rust away at anchor, that illustrates a further confusion in the maritime problem. About 2 years ago the Department came to Congress asking for a multi-million-shipbuilding program, on the basis that we needed a modern cargo ship program. These are some of those modern ships. It was in 1952 that we enacted the provision for that program.

Mr. MAGNUSON. Did the Senator say that the shipbuilding program involved an appropriation of $350 million?

Mr. WILLIAMS. I am not sure of the exact amount carried in the bill which passed the Senate. I think it was near that figure. At any rate, the program was passed early in 1952. These are new ships. If Senators can make any sense out of taking cargo ships to make passenger ships and then turning passenger ships into cargo ships all at the expense of the American taxpayers, then vote for the committee amendment. Personally, I do not understand it and will not support such actions.

Mr. BUTLER. Mr. President, will the Senator further yield?

Mr. WILLIAMS. I yield.

Mr. BUTLER. Does the Senator realize that these ships were built for a special purpose, in an imminent emergency? They were built practically as naval auxiliaries. Everyone knew that fact. They were not ordinary cargo ships. They were practically naval auxiliaries. We had to take a calculated risk that they might be needed in the event of an emergency.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 10, lines 15 and 16.

Mr. MUNDT. Mr. President, I shall not detain the Senate more than a minute or two. I shall not discuss controversial matters. Perhaps I can finish in less time. The majority leader is smiling.

I cannot resist the temptation to call the attention of the Senate, which, along with the rest of America, confronts a serious, critical situation in agriculture, to the fact that we have before us an analogous situation which should give cause to ponder to those who have been resisting the effort to provide adequate support prices for farmers.

The distinguished Senator from Washington [Mr. MAGNUSON] has said that we accumulated too many tankers during the war. We sold them for 42 percent of what they cost us. We accumulated too much wheat during the war. If we could have got rid of that wheat on a 42-percent basis our agricultural problem would have been easily solved.

We are about to vote for a subsidy to provide new tankers because we need them. But when it comes to the consideration of the farm problem, we say

that we must not have any price supports. At least, we have some hesitancy about providing them.

It seems to me that the two cases are parallel. They are Siamese twins, in effect. The unhappy thing about Siamese twins is that when they are operated upon to separate them, one of them usually dies. In this case it always seems that it is the agriculture Siamese twin which dies.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. There seems to be some misunderstanding. If a Member of the Senate is opposed to including the items which I have discussed, his vote would be "nay," as I understand, and if he wanted to include the items in the amendment, his vote would be "yea." Is that correct?

The PRESIDING OFFICER. The Senate is now voting on the committee amendment at page 10, lines 15 and 16, to strike out "$64,700,000" and insert in lieu thereof "$102,800,000."

The legislative clerk resumed and concluded the call of the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT], are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote, the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I also announce that if present and voting, the Senator from Massachusetts [Mr. KENNEDY] would vote "Yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from New Hampshire [Mr. COTTON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Iowa [Mr. HICKENLOOPER] are absent on official business.

The Senator from Maryland [Mr. BEALL] and the Senator from New York [Mr. IVES] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to attend the funeral of close personal friends.

The Senator from Nebraska [Mr. CURTIS] is necessarily absent on public business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend International Labor Organization meeting in Geneva, Switzerland.

The Senator from Iowa [Mr. MARTIN] is detained on official business.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senator from Maryland [Mr. BEALL] and the Senator from Nebraska [Mr. CURTIS] would each vote "yea."

On this vote, the Senator from New York [Mr. IVES] is paired with the Senator from Iowa [Mr. MARTIN]. If present and voting, the Senator from New York would vote "yea" and the Senator from Iowa would vote "nay."

The result was announced—yeas 53, nays 20, as follows:

YEAS—53

Barkley	Hruska	Monroney
Bennett	Humphrey	Neely
Bible	Jackson	Neuberger
Bridges	Johnson, Tex.	O'Mahoney
Bush	Johnston, S. C.	Pastore
Butler	Kilgore	Payne
Case, N. J.	Knowland	Purtell
Chavez	Kuchel	Robertson
Daniel	Langer	Saltonstall
Duff	Lehman	Smathers
Ellender	Long	Smith, Maine
Ervin	Magnuson	Smith, N. J.
Gore	Malone	Stennis
Green	Mansfield	Symington
Hayden	Martin, Pa.	Thye
Hennings	McClellan	Watkins
Hill	McNamara	Wiley
Holland	Millikin	

NAYS—20

Aiken	Dworshak	Schoeppel
Barrett	Frear	Sparkman
Bender	Jenner	Thurmond
Bricker	Kerr	Welker
Carlson	McCarthy	Williams
Case, S. Dak.	Mundt	Young
Douglas	Russell	

NOT VOTING—23

Allott	Dirksen	Kefauver
Anderson	Eastland	Kennedy
Beall	Flanders	Martin, Iowa
Byrd	Fulbright	Morse
Capehart	George	Murray
Clements	Goldwater	Potter
Cotton	Hickenlooper	Scott
Curtis	Ives	

So the committee amendment on page 10, lines 15 and 16, was agreed to.

Mr. BRIDGES. Mr. President, I wish to say for the benefit of the Senator from Delaware [Mr. WILLIAMS], who, I think, performed a good service in bringing out this matter, that in supporting the committee amendment many Senators, certainly, with respect to one phase of it, supported it because of contracts having been made. But I think, certainly, when the Maritime Commission is given money, as it was, for a definite objective, the Commission, or Mr. Rothschild as Chairman, or anyone else, has no right to go around the intent of Congress as to the purpose for which the money was appropriated.

Mr. WILLIAMS. I thank the Senator from New Hampshire. I hope the discussion which we have had will help, and I am sure the committee will try to correct these conditions. But, on the other hand, I wish to point out that the contracts for which this money is authorized have not all been made and I hope that they will give this problem their immediate attention. I received a letter from the Acting Chairman of the Maritime Administration in which he said further contracts would be made if we authorized the money.

I point out again that we are subsidizing the construction of 18-knot tankers when, in reality, we are getting nothing but the same slow-speed tankers. We have not been getting what we have been paying for.

I think there should be no misunderstanding, and I certainly hope something can be done in regard to the correction. I appreciate the assurances of the Senator from New Hampshire.

The other phase of the operation, which I hope the committee will examine is that where 2 years ago two ships were completed at an average cost of $9 million apiece, and which, in the past few weeks, have been sold for an average of $4¾ million apiece, then in this appropriation bill just approved by the Senate vote the buyer will get $11,300,000 as a subsidy toward the reconversion costs of these same two ships.

This $11,300,000 subsidy which the Senate has just voted to give to this company toward their reconversion costs represents about $1½ million more than they paid us for the ships only 30 days ago.

It is even more complicated than that. The Government holds a mortgage for about 75 percent of the original purchase agreement.

The PRESIDING OFFICER. The clerk will state the committee amendment on page 9, line 20.

The amendment was, under the subhead "Maritime Activities," on page 9, line 20, after the word "For", to insert "construction as authorized by sections 701 and 702 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1191, 1192), of one prototype tanker and two prototype cargo ships; for."

Mr. HOLLAND. Mr. President, I think I correctly understood the Senator from Delaware to say that necessarily the amendment which we have

voted upon would carry with it the adoption of the amendment which is now before us.

Mr. WILLIAMS. I think that is correct. The previous action of the Senate makes the adoption of this automatic.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was on page 11, line 7, after the word "States", to strike out "Provided further, That no funds contained in this act may be used to commence construction, reconstruction, conversion, reconditioning or betterment of any vessel until the total Federal funds required to complete such work have been appropriated."

The amendment was agreed to.

The next amendment was, on page 11, line 17, to strike out "$90,000,000" and insert "$115,000,000."

Mr. WILLIAMS. Mr. President, I will take only a few minutes on this particular amendment. This is a proposal to increase the amount of operational subsidies from $90 million to $115 million. Last year, in the regular appropriation bill, we appropriated $65 million. It is a question of how far we wish to go in paying a subsidy for the operation of ships of which we have already subsidized their construction. I shall ask only for a voice vote, to save the time of the Senate, but, at the same time, I think the amendment should be rejected. I again point out that a part of this subsidy will go to subsidize the operation of the same two ships the sale of which I mentioned a short while ago. Unquestionably this whole question of operational subsidies has been carried too far and here is a chance to cut them back. These are not firm contracts and we can properly make the cut.

Mr. HOLLAND. First, the committee restored the budget amount; second, we believe that amount will have to be paid this coming year; third, if it is not paid, the United States will suffer, and no one else.

There is a recapture clause, under which we have already reclaimed approximately $95,816,000 and we are reclaiming every month amounts from the successful carriers. If we make it necessary for them to borrow in order to pay interest, we will simply defeat the recovery provision.

Mr. WILLIAMS. The recapture clause is not quite that handy. The recapture clause only works wherein the Government can reclaim 50 percent of the profits after the company has earned 10 percent on its investment. Therefore, this recapture clause does not take care of the situation any more than the 52 percent corporation tax rate would eliminate the need for a renegotiation authority. Many different lines are now coming in to be subsidized. A few years ago they were not because world shipping rates were high and they made a lot of money. When, at the expense of the American taxpayers, we so generously gave wheat to India a few years ago the freight rates from the United States to India had been averaging from $10 to $12 50 a ton. After Congress authorized the multimillion dollar gift to India, the freight rates on grain to India were raised to $22 or $25 a ton. Now they are down again to $12 a ton.

Those are the operators who are asking to be subsidized, because now there is not quite as much shortage in shipping space, thereby tending to drive freight rates down.

The same rapid increase in freight rates for oceanic shipping took place after the Marshall plan was approved and after the Korean war broke out. The companies jumped their rates from 200 to 300 percent, and some of them even leased their ships to Russian satellites in a greedy effort to get all the traffic could bear.

Now with world conditions improving and rates becoming more competitive they want the American taxpayer to take over and guarantee them a profit. It is time to call a halt and the committee amendment providing an extra $25 million over the House bill should be defeated.

My own opinion is that those shipping lines which excessively raised their rates on the United States Government when we needed ships should be refused any subsidy now.

I think we are making a mistake to put this extra burden on the taxpayers' back. The same operators will raise their rates again, when it is profitable to do so.

I hope this amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. [Putting the question.]

The ayes appear to have it.

Mr. WILLIAMS. Mr. President, I ask for a division.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment which was passed over.

The next amendment was, on page 12, line 10, to strike out "eighteen hundred and forty-seven" and insert in lieu thereof "two thousand."

The amendment was agreed to.

The next amendment was, on page 12, beginning in line 13, after the word "year", to strike out "of which not less than one hundred and twelve shall be for operators who have not held contracts prior to July 1, 1955."

The amendment was agreed to.

The next amendment was, on page 12, line 19, after the word "Administration," to strike out "$14,000,000" and insert "$14,700,000."

The amendment was agreed to.

The next amendment was, on page 13, line 2, after the word "warehouse", to strike out "$1,085,000" and insert "$1,345,000."

The amendment was agreed to.

The next amendment was, on page 13, line 3, after the word "expenses", to strike out "$6,960,000" and insert "$7,400,000."

The amendment was agreed to.

The next amendment was, at the top of page 17, to insert:

Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage-foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets; and for payment of expenses of emergency repairs of ships in reserve fleets: *Provided*, That said fund shall be credited with all receipts from charter of Government-owned ships under the jurisdiction of the Secretary of Commerce.

Mr. RUSSELL. Mr. President, it seems to me that this amendment is legislation. I should like to have a reason given for the amendment.

Mr. HOLLAND. Notice has been filed with respect to this particular amendment. If the Senator from Georgia would not mind passing over this amendment, so that we may dispose of other amendments, I shall be glad to come back to the amendment and give an explanation.

Mr. RUSSELL. That is agreeable to me.

Mr. HOLLAND. Mr. President, may the Senate proceed to other amendments?

The PRESIDING OFFICER. Without objection, the amendment at the top of page 17 will be temporarily passed over.

The next committee amendment will be stated.

The next amendment was, on page 26, after line 2, to insert a new section, as follows:

SEC. 105. Hereafter the position of Budget Officer of the Department shall be in GS–17 of the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent.

The amendment was agreed to.

The next amendment was, on page 31, after line 15, to insert:

SEC. 206. Notwithstanding the provisions of any other law the officer of the Army now serving as Governor of the Canal Zone shall, effective July 1, 1955, be considered to hold the grade of major general for all purposes, without regard to any limitations on the number of officers in that grade, and while so serving shall receive the pay and allowances of an officer of that grade and his length of service, and when retired under any provision of law shall be advanced on the retired list to such grade and shall receive the retired or retirement pay at the rate prescribed by law computed on the basis of the basic pay which he would receive if serving on active duty in such grade.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments, except the one on page 17, which was passed over.

Mr. HOLLAND. Mr. President, if the Senate will take up at this time an amendment requested by the Department of Commerce, which I had printed in the RECORD yesterday for the information of Senators I have a letter from the Secretary of Commerce, making clear that an item of $375,000 had been omitted. This item is required for administrative and warehouse expenses

during the fiscal year 1956, in the event the ship construction projects shall be allowed. The amendment has been checked, and it is very clear that it was included in the justification but was omitted from the bill by mistake. The committee thinks it should be added.

The place requested for the inclusion of the amendment is on page 10, line 19, and the amendment is to strike out "$900,000" and insert in lieu thereof "$1,275,000."

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. As I understand, we are not dealing at this time with the amendment on page 17, which was passed over.

The PRESIDING OFFICER. No, that amendment is not now being considered. The Senate is considering a new amendment which has been suggested by the Senator from Florida.

Mr. HOLLAND. It is an amendment to provide for the expenses of administration necessarily required if the ship construction amendments are adopted.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The CHIEF CLERK. On page 10, line 19, it is proposed to strike out "$900,000" and insert in lieu thereof "$1,275,000."

The amendment was agreed to.

Mr. GREEN. Mr. President, I offer an amendment, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Rhode Island.

The CHIEF CLERK. On page 25, line 2, it is proposed to strike out "$5,000,000" and insert in lieu thereof "$7,500,000."

Mr. HOLLAND. Is my understanding correct that the Senator from Rhode Island has reduced the amount provided in his original amendment by $2,500,000?

Mr. GREEN. Earlier I offered an amendment, but I do not intend to call it up. Instead, I have offered a new amendment providing for one-half the amount included in the first amendment I offered. The new amendment has the same sponsors.

Mr. HOLLAND. The committee felt, and still feels, that it has dealt rather generously with the subject of hurricane relief, and the like. At the same time, we do not wish to withhold anything which can be done within reason. We are willing to take the amendment to conference, in the hope that an agreement may be reached, and that the funds can be used effectively in the fiscal year 1956.

Mr. THURMOND. Mr. President, as a cosponsor of the Green amendment and a representative of a State that has lost many lives and millions of dollars in damages due to hurricanes and tornadoes, I want to urge the Senate to approve this increase in funds to provide our country with the most adequate protection possible against these weather hazards.

On October 15, 1954, thousands of residents of South Carolina sustained millions of dollars in damages as a result of Hurricane Hazel. This hurricane unexpectedly turned inland in the vicinity of Myrtle Beach, S. C.—one of the finest beach resorts in the world—and virtually ripped up that beach, many others in the area, and then turned further inland to cause still more damage to our farm crops and other property.

One function of the Weather Bureau stations along our coasts is to issue warnings of tornadoes and hurricanes in advance so our people can at least prepare for the worst. Even with the present limited facilities, our Weather Bureau has saved untold lives and damage. According to expert testimony, long-range radar equipment is most useful in tracking down these hazards.

The Green amendment would provide an additional appropriation of $2,500,000 to equip 55 of our stations with this modern equipment. This is considerably less than the number experts say we need. I believe we can well afford this additional outlay in expenditures which could save many lives and property losses.

Mr. President, I yield to no one in my earnestness to reduce unnecessary government expenditures, but anytime we can spend a few million dollars to save many million dollars—not to mention the safety of our population—then I believe that is sound Government economy.

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Tornadoes and Warnings," published in the New York Times of Thursday, June 16, 1955.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TORNADOES AND WARNINGS

While those of us who live on the eastern seaboard have been forced to become acutely hurricane-conscious during the past few years, we tend to forget the weather scourge of the inland areas—tornadoes. Figures compiled by the Weather Bureau and released this week should go far to restore our perspective. From 1916 to 1955 about 7,000 tornadoes killed about 9,000 people and caused property damage of close to $800 millions—a yearly average of 225 deaths and $20 millions of damage. Nor is the East entirely immune, as residents of Worcester, Mass., well know. On June 9, 1953, a twister tore across that city, leaving 90 dead and $60 millions of damage to property.

As with hurricanes, the Weather Bureau issues warnings of tornadoes in advance which, even with the present far too limited facilities, have saved untold lives and damage. Most useful in tracking them is long-range radar. A group of nine Senators, led by Mr. GREEN, of Rhode Island, is working to increase by $5 millions the Weather Bureau appropriation now before the Senate. This would cover a 5-year program to provide for 55 new storm-detection radar stations—25 less than expert testimony showed are needed. The tornado record, as well as that of hurricanes, dramatically underlines the urgency of this increase.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. GREEN], for himself and other Senators.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, if the Senate will return to the one committee amendment remaining, I think I will be able to explain it briefly.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the top of page 17, the committee proposes to insert the following:

Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage-foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets; and for payment of expenses of emergency repairs of ships in reserve fleets: *Provided*, That said fund shall be credited with all receipts from charter of Government-owned ships under the jurisdiction of the Secretary of Commerce.

Mr. WILLIAMS. Mr. President, I think the amendment on page 17, line 1, is legislation on an appropriation bill. I make a point of order against it.

Mr. KNOWLAND. Mr. President, will the Senator from Delaware withhold his point of order at least to allow the Senator from Florida to make an explanation as to why the Senate Committee on Approporiations thought it was advisable to submit the amendment to the Senate?

Of course, notice was given under the rule that a motion would be made to suspend the rule. But I think it would be for the benefit of the Senate, while a large number of Senators are present, to permit the Senator from Florida to make a brief explanation of the amendment. After that, the Senator's point of order could be raised, and a motion could be made to suspend the rule.

The PRESIDING OFFICER. The point of order is well taken.

Mr. HOLLAND. The Senator from Florida has given the requisite notice on this amendment. I move that the rule be suspended, and that the amendment be considered notwithstanding the rule.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

Mr. WILLIAMS. Mr. President, an explanation of the amendment would be proper, would it not?

The PRESIDING OFFICER. Yes.

Mr. HOLLAND. I shall be glad to make an explanation. I thought I would be given the courtesy of doing so before the point of order was raised.

Mr. WILLIAMS. I was willing to withdraw it, but the Chair had ruled. I think we should have an explanation of the item.

The PRESIDING OFFICER. The Senator from Florida may make his explanation.

Mr. HOLLAND. The full explanation will appear on pages 185 and 186 of the committee hearings, if anyone wants to read it in detail. In brief, the explanation is that the Bureau of the Budget

requested new words in the law to make the revolving fund now set up and operated by law applicable to ships of the United States which are recovered under foreclosure—that is ships which have been sold subject to mortgage, and the mortgage later foreclosed—so that the ships may come back to the Federal Government.

The revolving-fund provision as now written does not allow the funds to be used as to recaptured ships. The new wording was requested by the Bureau of the Budget, so far as I know, without opposition. It is designed to let the recaptured ships take their place in the reserve fleet, where advantage of the revolving fund may be taken.

Mr. WILLIAMS. What concerns me is the language:

Provided, That said fund shall be credited with all receipts from charter of Government-owned ships under the jurisdiction of the Secretary of Commerce.

It seems to me that is directing the funds of the Government from the charters into what can be a perpetual revolving fund, and was not explained by the Senator from Florida.

Mr. HOLLAND. All I can say with respect to that is that some of these ships are chartered from time to time, just as reserve-fleet ships are chartered. The Senator has referred to lines 15, 16, and 17, on page 17 of the bill. It was to make it clear that the money received by the Government from the charter of these recaptured ships was applicable to the revolving fund, just as if the ships were out of the original reserve fleet.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida to suspend the rule.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment on page 17, beginning at line 1.

The amendment was agreed to.

The next amendment was on page 17, after line 17, to insert:

Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $14,000 shall be available for administrative expenses to be determined in the manner set forth under the title "General expenses" in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947).

The amendment was agreed to.

REPLY TO CRITICISM OF SENATOR JOHNSTON OF SOUTH CAROLINA

Mr. LANGER. Mr. President, most Senators are familiar with attempts of private individuals to scare or intimidate Senators. Sometimes that is done by individuals, and other times by organizations clothed under high-sounding names.

Today I wish to bring to the attention of the Senate such an instance by a commission which, by innuendo, insinuation, and almost by direct accusation, is an attack on the distinguished senior Senator from South Carolina, Senator OLIN D. JOHNSTON, and myself.

As far as I am personally concerned I have, during my years of holding public office, gotten so used to being called ugly names and charged with perhaps uglier crimes, that it is like pouring water on a duck's back; but I am very much concerned with the attack on one of the most distinguished Members of this body, Senator JOHNSTON of South Carolina, whose outstanding record in behalf of the poor, the oppressed, the underprivileged, the humble, and the moneyless, has won for him the high esteem and warmest admiration, I believe, of practically every Senator in this body.

The record of Senator JOHNSTON as a friend of the underdog needs no elaboration from me. It is his hundreds of acts as a public official of South Carolina, including his years as governor of that State, and his record for the blind, the crippled, the aged, and the shell-shocked veterans, which will stand as a monument to him long after he shall have passed into the Great Beyond.

This latest attack on Senator JOHNSTON, by the so-called Kansas City Crime Commission—a copy of which attack was mailed to every one of the Senators and to the 435 Members of the House of Representatives, in my opinion, was inspired by those who would seek to destroy the usefulness of this distinguished man in this body.

It is an attack cloaked in deceit, and more insidious than if a thug had sneaked up on him in the dead of the night and stabbed him in the back. The attack is more reprehensible because it is an obvious effort to deter every Senator upon this floor from doing his duty as a Senator—an attack to deter a fearless Senator from living up to his oath of office.

This attack on the Senator from South Carolina [Mr. JOHNSTON] is one of the most horrible examples of attempted political assassination that I have seen during the 15 years that I have been a Member of this body, and it is to lay bare this despicable attempt to wreck a good man that prompts me to speak to my colleagues, and particularly to the people of South Carolina, and indirectly to the people of North Dakota. The terrible cunningness of the conspiracy to wreck a career of which any one of us might well be proud.

Senator JOHNSTON and I are members of the Judiciary Committee of the United States Senate. It is a committee that passes on roughly 54 percent of all the bills introduced in the Congress. It is a committee to which any citizen, no matter how humble, or regardless of race, color, or creed, is entitled to petition, under the Constitution of this country.

We have in this committee various subcommittees. One of these is the standing subcommittee on immigration. During the course of the year, some thousands of private immigration bills are introduced. The whole Judiciary Committee, acting through the Subcommittee on Immigration, which, during the years in which I was chairman thereof, passed upon thousands of private bills dealing with immigration and deportation.

In the course of his duty, there was presented to Senator JOHNSTON, the case of Nicolo Impestato. Due to the fact that I had been chairman of this committee, Senator JOHNSTON brought this case to my attention, with the result that a private bill was introduced to stop the deportation of this man.

I have never met Mr. Nicolo Impestato, nor his lawyer, nor any friend of his, and no one else has ever talked to me about this case except Senator JOHNSTON. Senator JOHNSTON stated to me at that time that he had not met him, but that the case had been brought to his attention by the assistant United States attorney who prosecuted Mr. Impestato.

Now, as every Senator upon this floor knows, the Judiciary Committees of the House and Senate have made provision whereby any attempt to stop deportation of any individual is thoroughly and effectively screened.

When a bill is introduced to stop deportation, the bill is introduced in either the House of Representatives or in the Senate, and there it is referred by the Presiding Officer, generally upon the advice of the Parliamentarian, to the Judiciary Committee. The chairman of the Judiciary Committee, through his staff, then refers it to the appropriate subcommittee; and all private immigration bills are referred to the Subcommittee on Immigration of the Judiciary Committee.

This subcommittee, upon the application of any person, gives due notice to the Immigration Department, and to all others interested in a public hearing. Thereafter, the action of the subcommittee is referred to the full Committee of the Judiciary, where any one of the 15 Senators composing that committee is given every opportunity for debate and for bringing to the attention of the full committee any protests registered by anyone, including the Attorney General, any of his assistants, the Department of State, the Commissioner of Immigration and Naturalization, or any of his deputies, or anyone else, and the entire file of the person about to be deported is made available to the full committee of 15 Senators.

At this hearing of the full committee, any Senator can ask for a yea-and-nay vote. If a majority of the full committee vote against deportation, the bill will go to the floor of the Senate, where again there is opportunity for unlimited debate.

Any one of the 96 Senators can present any arguments for or against the bill. Any Senator can produce any evidence, written or oral, against the passage of this bill that may have been brought to his attention. He can read any letter, any telegram, or other matter. If the bill is passed, it then will go to the House of Representatives.

In the House of Representatives, the entire procedure I have just outlined as having taken place in the Senate Judiciary Committee will be repeated before the Judiciary Committee of the House, including proceedings before the subcommittee, the full committee, and again before the 435 Members of the House, any one of whom can object to

the bill and can state publicly his reasons therefor.

In all the hearings, the Commissioner of Immigration has an opportunity to be heard. The Commissioner of Immigration, with the millions of dollars available to him, and a large staff of investigators always consulted, always makes a written report to the subcommittee, which report in turn is sent to the full committee, and which in turn goes to the President of the United States.

The President of the United States has expert advice from the Bureau of Immigration, and as all of us know, either signs the bill or vetoes it. For instance, last week the President vetoed the Kurt Glaser bill on the ground that Glaser was an exchange student; and, as the President so clearly stated, he did not wish the exchange of students to be interfered with by having the foreign students stay in this country, when the entire theory of exchanging students was to have the students from foreign countries return to their native lands.

All this procedure is being followed in the Nicolo Impestato case. The Senator from South Carolina [Mr. JOHNSTON] introduced a bill dealing with that case, and I was a cosponsor of the bill. Then, without writing to or in any way contacting either Senator JOHNSTON or myself, the so-called Kansas City crime commission rushed a statement into the newspapers, in an obvious attempt to discredit Senator JOHNSTON and myself; and the cry was heard that Impestato was a well-known dealer in dope and other narcotics, who had been convicted in the courts; and that when the United States attempted to deport him, a bill was introduced to stop the deportation of this arch criminal.

What are the facts in the Impestato case? Mr. Impestato, with thousands of others, entered the United States illegally in the year 1924, 31 years ago. Apparently he had a good record in this country until he was indicted by the Federal grand jury in Kansas City, Mo., on April 1, 1942, for violation of the Federal narcotics laws. On November 4, 1942, he entered a plea of guilty; and on April 14, 1943, Federal Judge Albert L. Reeves sentenced him to 2 years' imprisonment. In the indictment he was specifically charged with concealment and facilitating the concealment of approximately 66 ounces of a narcotic drug, knowing at the time of concealment that they had been imported into the United States contrary to the law.

The records show that Mr. Impestato served 18 months and 60 days of the sentence, and that he was released from the institution, on a conditional release, on November 19, 1944.

In other words, he apparently made a good record in the penitentiary, and received the usual "time off" for good behavior there.

Mr. President, I know nothing about the facts in connection with the commission of this crime. Mr. Impestato may have been directly or indirectly involved. He may have been the moving spirit of he may merely have been associated with the higher-ups. But there is one person who knows all the facts, and that is the United States attorney who prosecuted him.

Mr. Impestato was released from the penitentiary on November 19, 1944, nearly 11 years ago. Apparently his record since that time has been good; or it may not have been good. In any event, the Immigration Department waited nearly 11 years before taking any steps to deport him; and it was at that point that Senator JOHNSTON interceded in the case. He did so at the request of people who believed that Mr. Impestato was not treated fairly.

Apparently during the 31 years of his residence in this country, aside from this one matter in which he became involved, Mr. Impestato's record has been good; and apparently in Missouri there are folks who believe that in matters of this kind, justice should be done.

It may be that Mr. Impestato has married an American girl, it may be that he has a large family, and that these innocent people would be vitally affected by the deportation of the husband and the father to a foreign country which he left 31 years ago. The innocent wife and children would then be without a husband and a father, and the family would be broken up; or they would accompany him to a foreign country, where they would not know a soul.

When the deportation proceedings were instituted the assistant United States attorney who prosecuted him before Judge Reeves was—and still is—the prosecuting attorney for Kansas City, Mo., and when he saw that Senator JOHNSTON and I had introduced his bill that attorney, in order to get all the facts, on May 6, 1955, wrote a letter to Senator JOHNSTON.

Mr. President, I hope all Senators will listen carefully, for I am about to read a letter from the assistant United States attorney who prosecuted this man. The letter reads as follows:

PROSECUTING ATTORNEY'S OFFICE,
Kansas City, Mo., May 6, 1955.

Hon. OLIN JOHNSTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR JOHNSTON: I am writing you this letter because I have heard that you have been criticized for having introduced Senate bill 212 to stay deportation of certain individuals who have been in this country for many years and who now it is proposed to deport and return to the country of their origin.

I have never believed in the promiscuous deportation of people who have entered this country. Partly because originally this country opened its doors to the oppressed of all the countries of the Old World to provide them new homes and new opportunities. We all know that the percentage of good and bad people of whatever nationality or racial origin runs about the same. I have felt for a good many years that persons who perhaps are unjustly prejudiced against people of certain European derivation are trying to get control of the machinery of immigration and unfairly to discriminate against the admission of certain people to this country and to bring about the deportation of others.

I enclose the carbon of a letter which I wrote to the Honorable Attorney General of the United States on September 24, 1954, protesting the movement to deport a man named Nicolo Impestato.

I handled the prosecution against him while I was in the office of the United States attorney for the Western Judicial District of Missouri. As agent and attorney for the United States with the full knowledge and concurrence of that Bureau of the Treasury Department which was concerned with his prosecution and with the full knowledge of the then United States attorney and of the senior United States judge for the Western Judicial District of Missouri, we gave him definitely to understand that if he entered a plea of guilty of the charge pending against him that there would be a recommendation of no deportation made to the judge before whom his plea of guilty was received. We did make that recommendation to the judge and the judge in turn made such order and forwarded the same to the office of the United States Attorney General.

At the time I wrote the letter, a carbon of which I am sending you with this letter I strongly felt and still feel that as a matter of honor the Government is bound by the representations made to Mr. Impestato and if he is included in your Senate bill 212 you certainly have the liberty, as far as I am concerned, to use this letter and the carbon enclosed in any manner you deem proper.

Very respectfully yours,
RICHARD K. PHELPS,
Prosecuting Attorney.

Mind you, Mr. President, that letter comes from the man who prosecuted the person who now, if the present attempt is successful, will be deported.

With that letter, written on May 6, 1955, he enclosed a letter dated September 24, 1954, to the United States Attorney General, which is as follows:

SEPTEMBER 24, 1954.

UNITED STATES ATTORNEY GENERAL,
Department of Justice Building,
Washington, D. C.

SIR: As an assistant United States attorney from 1934 to 1943 I was in charge of the prosecution of Nicolo Impestato in a suit involving illicit traffic in narcotics.

Mr. Impestato was one of a group of defendants, many of whom were tried and convicted, and Mr. Impestato entered a plea of guilty. We were morally certain that the defendant was guilty of the crime charged but as I recall our evidence was not very convincing.

While we did not bargain for the plea of guilty, yet our office did recommend to Judge Reeves, and we agreed with counsel for the defense for such recommendation, that the defendant not be deported for such violation, mainly for the reason that we did not believe in deportation as a punishment for the crime.

I have not checked the record for the purpose of ascertaining if the judge did actually make such recommendation to your office, but I do recall distinctly requesting such recommendation to be made.

I have no personal interest in this defendant and have not seen him since the trial. I have been advised, however, of the pending matter by his lawyer, Mr. James Daleo, for whom I have a high respect, but I am not writing this letter for him or for his attorney, but simply as a matter of keeping faith with the defendant, something which I always endeavored to do while I was in the Attorney General's Office. The Treasury Department knew, and the judge knew, that we were recommending no deportation order for this man, and I have always felt the Government of the United States is great enough to be able to afford to keep faith completely with any defendant, however lowly or humble shall be his station.

I have read that the question of his deportation is pending and, as I understand it, for this conviction, and I felt in honor bound to advise you of the facts of this case.

Very respectfully yours,
RICHARD K. PHELPS.

I repeat, Mr. Phelps is now the prosecuting attorney in Kansas City.

Thereafter, on confirmation of the letter received from Richard K. Phelps, prosecuting attorney, Senator JOHNSTON secured a photostatic copy of the order of the Federal Court Judge Albert L. Reeves, when he sentenced Mr. Impestato. That order is as follows:

IN THE DISTRICT COURT OF THE UNITED STATES OF AMERICA FOR THE WESTERN DISTRICT OF MISSOURI, WESTERN DIVISION

UNITED STATES OF AMERICA, PLAINTIFF, VERSUS NICOLO IMPESTATO, DEFENDANT—NO. 15377

Order

Whereas Nicolo Impestato, in the above-entitled cause, has heretofore been convicted of the violation of section 174, title 21, United States Code Annotated, and sentenced to imprisonment for a term of 2 years; and

Whereas the court at the time of passing said sentence, due notice having been given to representatives of the State, indicated that he would make a recommendation to the Attorney General pursuant to section 155, title 8, United States Code Annotated, that the said Nicolo Impestato be not deported; and

Whereas the court has on this day, due notice having been given to the representatives of the State, forwarded a recommendation of no deportation as to Nicolo Impestato pursuant to section 155, title 8, United States Code Annotated.

Now, therefore, it is ordered by the court that the clerk enter upon the records of this cause a note to the effect that such a recommendation of no deportation has been made.

ALBERT L. REEVES,
Judge.

Here we have a case in which this man, in all probability, was only directly involved in this narcotics matter. He pled guilty with a specific understanding on the part of the prosecuting attorney and on the part of the judge that there was no deportation order; and every one of us knows that a promise made to a defendant in a criminal case should be sacredly kept.

This man may have been technically guilty. He may have been without funds to fight his case all the way through to the Supreme Court of the United States, there may have been a variety of reasons why he chose to plead guilty rather than stand trial. Why should any Commission oppose an unbiased investigation?

In any event, here was a promise made by the Government of the United States, and if the Government will not keep its word, how can that Government expect any citizen of the country to do so? In any event, all that Senator JOHNSTON and I requested was that the proper committees of the Senate investigate, that witnesses be called under oath, and that the question, after going through the subcommittees and full committees of both the House of Representatives and the Senate, be finally determined by the Congress of the United States and by the President.

I ask, is not this the reason we have Judiciary Committees? Is not this constitutional right given to any man to petition as provided under the Constitution of the United States?

This man was deportable; and there is nothing that any court can do but deport him unless the Congress intervenes.

The functions of the Congress, the judiciary, and the executive, are entirely distinct under our system of Government. The courts have their duty to perform, and so has the Congress. That duty should be performed impartially, as Senator JOHNSTON endeavored to perform it without fear or favor, by submitting the case to the proper committees for any action they might consider proper.

However, without anyone writing to either Senator JOHNSTON or myself as to why the bill was introduced, big blazing headlines appeared in the press of South Carolina which are antagonistic to him.

For anyone in politics in South Carolina to have certain newspapers against him is an honor.

As I have said on other occasions upon the floor, as long as I am in the Senate, I shall continue to do my duty as I see it, as I know Senator JOHNSTON will do his duty.

The newspapers of South Carolina will not be able to scare him, or bulldoze him, or deter him from doing his duty.

To show what a lying article can do, I wish to quote a letter which I have received from Mr. V. Haney, St. Louis, Mo., in which he asks me to resign as a United States Senator because I was one of the cosponsors of this bill.

That is what the newspapers can do with their lying headlines. I suppose that every Senator on one occasion or another has had to face that kind of unscrupulous attack. The letter reads as follows:

St. Louis, Mo., June 5, 1955.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SIR: How anyone could possibly be instrumental in introducing a bill to stay the deportation of a dope peddler is beyond the imagination.

Our laws insofar as they pertain to punishment of narcotic violations are laws passed by sissies. The death penalty should be passed on all narcotic peddlers that are convicted.

There is not one shred of excuse for such a person even existing and causing all the misery and corruption they accomplish with their filthy traffic.

I would suggest you read up on the narcotic laws of Turkey. Put more teeth in the law.

If you continue to sponsor this bill I don't see how you can look your family, your constituents or any citizen in the face. If you can't in good conscience uphold the laws of the United States then you should resign from the United States Senate.

Yours truly,

V. HANEY.

The letter is typical of many similar letters I have received because of adverse publicity in this case that has been broadcast all over the United States. The distinguished Senator from South Carolina [Mr. JOHNSTON] tells me he has received similar letters, indeed, many, many letter of criticism—and all for doing his duty. All Senators who have known Senator JOHNSTON, as many of us have from our many years of association with him, know his fearlessness, his integrity, and his almost inarticulate desire to do what is right, and we know that this highly religious man, able and competent as he is, will continue to do his duty and that the people of South Carolina will not let the champion of the underdog in that State down.

When they realize the true facts in this case, when they become acquainted with the facts, they will rally behind him as a fearless friend of the underdog.

Every one of us has his faults, every one of us makes mistakes in life, but it can be said of Senator JOHNSTON that any mistakes he has made have been those of the head and not of the heart, and that when he does make a mistake he is the first to admit it.

The people of South Carolina know that, but I want publicly to pay tribute to this outstanding man, with whom I have been associated these many years on the floor of the Senate. He comes from the integral part of the South, while I come from the great Northwest. He is a Democrat, while I am a Republican, but I think we will all agree that when a dirty, underhanded, sneaky attempt is made to discredit a splendid public servant, we in this body are neither Democrats nor Republicans, but Americans doing our duty under the sacred oath and obligation we take when we enter this chamber.

I brand as contemptible the article published by the Kansas City Crime Commission, a copy of which was mailed to every Senator and every Representative, attacking a distinguished colleague of ours. They did it without writing or sending a telegram to any one of us who have introduced such bills. I have introduced private bills affecting thousands of people. I have introduced private bills for people of every nationality, and I certainly propose to keep on doing it. I do not know of a Senator who at one time or another has not introduced private bills. Certainly it is the duty of a Senator, when he feels that under circumstances such as I have named, where a man is married to an innocent woman and has a large family, and has been away from his country of origin for 30 or 40 or 50 years, to introduce that kind of bill.

Such a bill must go to the subcommittee, then to the full committee, and then must come to the floor of the Senate. Then it goes to the subcommittee of the House committee, and then to the full committee of the House. Then 435 Members of the House of Representatives must pass on it. Finally the bill goes to the President. The President calls for a report from the Commissioner on Immigration.

Therefore when I read some of these screaming headlines wrongfully accusing the Senator from South Carolina, I do not intend to sit idly by. In North Dakota the people do not pay any attention to such charges against me. I have been smeared so often they do not bother reading about them. However, in the South, some people may not have the same knowledge about Senator JOHNSTON. Therefore, as a former chairman of the Committee on the Judiciary I feel it my duty to rise on the floor today and publicly denounce a disgraceful and shameful attempt on the part of the Kansas City Crime Commission to wreck the career of this distinguished man.

Mr. JOHNSTON of South Carolina. I thank the Senator from North Dakota for bringing to the attention of the Senate some of the facts in this case. I have not become excited over it. I do not intend to become excited over it. I introduced the bill at the request of several people, and I have no apologies to make to any man or group of men. I thank the Senator from North Dakota.

DEPARTMENT OF COMMERCE APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6367) was read the third time and passed.

Mr. HOLLAND. Mr. President, after the termination of the hearings by the subcommittee, but too late to include in the printed record of the hearings, the subcommittee received several communications from Senators and others. We have explained to the Senators the reason why their communications could not appear in the hearings. In order that they may appear in the CONGRESSIONAL RECORD, I ask unanimous consent that the communications may be printed in the RECORD immediately following the vote on the bill.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
June 8, 1955.

Hon. SPESSARD L. HOLLAND,
Chairman, Commerce Subcommittee, Committee on Appropriations, United States Senate, Washington, D. C.

DEAR SPESSARD: I understand that your subcommittee is scheduled to mark up H. R. 6367, dealing with Commerce Department appropriations, this afternoon. I regret that time does not permit me to make a fuller statement of my concern regarding portions of that bill before your subcommittee; however, I do want you to know the disadvantageous and possibly dangerous results that would ensue from the proposed closing of airways communications stations at Drummond, Livingston, and Whitehall, Mont.

As you know the CAA, operating under budget ceilings, did not request funds for continued operation of about 30 stations, including those mentioned in Montana. That is not to say that these stations are not necessary for safe instrument flying. I was told this morning by CAA officials that closing of these admittedly useful Montana stations could well impair flying service in Montana. My State, being remote, relies heavily on air transportation, and the rugged terrain and frequently inclement weather in the State necessitates frequent recourse to instrument flight rules. Veteran Montana airmen have soberly informed me that continued operation of the airways communications stations at Drummond, Livingston, and Whitehall are vital to the safety of aircraft using Federal airways in my State.

It is my understanding that the House cut the CAA's modest request by $3 million, and that restoration of that $5 million, plus appropriation of an additional $1 million to provide for continued operation of the 30 stations not provided for in the CAA request, will probably be necessary in order to provide for continued operation of the Montana stations. I would like to state emphatically my opinion that appropriation of this additional $4 million is warranted.

Senator JAMES E. MURRAY, who is presently absent on official business, wishes to associate himself completely with my views.

I shall deeply appreciate such consideration as your subcommittee gives our views.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

JUNE 7, 1955.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Appropriations for the Department of Commerce, United States Senate, Washington, D. C.

DEAR SENATOR HOLLAND: I was astonished to learn that the Weather Bureau has never received an appropriation to purchase radar weather observing equipment. I did not know that the meager equipment it now has was salvaged from excess stocks of airborne radar equipment not even designed to detect, track, and analyze severe weather phenomena.

It was therefore very disappointing to me when the Weather Bureau's modest request for $10 million for the establishment of facilities, including the installation of storm detection radar equipment at 55 stations, was reduced to half that amount by the Bureau of the Budget.

My interest in this appropriation request stems from the fact that Oklahoma lies in the center of the tornado belt, and the fact that radar equipment has proven especially effective in detecting and tracking tornadoes, which advance at speeds of from 20 to more than 50 miles an hour.

Oklahoma is one of the States especially subject to tornadoes. During the period from 1915 to 1949, Oklahoma suffered 664 fatalities as the result of tornadoes, while during the same period nationwide there were 7,961 deaths, about 10 times that number of injuries, and property damage that cannot even be estimated. These figures, of course, do not include the tornadoes that have occurred since 1949 or those of last month which took more than 100 lives in Oklahoma and Kansas alone.

The Weather Bureau estimates that 85 modern radar stations are needed to detect, track, and analyze severe weather phenomena such as tornadoes and hurricanes. Approval of the original $10 million request would have enabled the Bureau to equip 55 of the 85 needed stations with radar. As reduced to $5 million by the Budget Bureau, and approved by the House, only 12 stations can be equipped. By increasing the figure to $10 million, 43 more stations could be equipped, and I strongly urge that the amount be so increased.

It is an established fact that in cases where the Weather Bureau has been able to give timely warnings of approaching storms, deaths have been reduced. As an example, in 1947 a tornado was detected at least half an hour before it struck the town of Leedey, Okla., and a warning was flashed to the community. Although two-thirds of the town was demolished, there were only six fatalities.

The Weather Bureau's severe weather warning system must be expanded and improved. We know that we will experience destructive tornadoes and hurricanes again, and we know that as yet we have no means of controlling or directing them. But we also know that with instantaneous distribution of warnings, the loss of life can be virtually eliminated and damage to property materially reduced.

The House has approved an additional $2,250,000 for the Weather Bureau, and a request is pending in the Senate to increase that amount to $5 million which as I understand it, would be used exclusively for an emergency hurricane warning system.

I certainly do not wish in any way to minimize the urgent need for improvement of the hurricane warning system, but I do wish to emphasize that the same urgency exists with respect to the tornado warning system. The fact that different sections of the country are subject to different types of severe weather does not, in my opinion, make any section more or less entitled to protection than the others.

I firmly believe that the Weather Bureau could use considerably more than the $5 million being requested in the Senate to improve the hurricane warning system, but I do not feel that the other parts of the country subject to severe weather should be penalized by earmarking for that exclusive purpose any funds which may be appropriated.

I also wish to strongly endorse the request for an initial appropriation of $1 million for severe weather research. The Weather Bureau has long been handicapped by inadequate instrumentation and facilities for the collection, reduction, and analysis of data on severe weather disturbances. Approval of the request for $1 million will permit the Bureau to begin a research program in cooperation with colleges and universities, which would carry on the fringe aspects of data reduction and analysis, thus freeing the experts from time-consuming detail and permitting them to devote their efforts to only the most important aspects of the problem.

The sooner we undertake the research necessary for improving forecasts of severe weather, the sooner we can begin to reduce the terrible toll of life and property inflicted upon us by these violent disturbances.

Very truly yours,

MIKE MONRONEY.

UNITED STATES SENATE,
Washington, D. C., June 8, 1955.

Hon. SPESSARD L. HOLLAND,
Chairman, Subcommittee on Commerce and Related Agencies, Senate Appropriations Committee, Washington, D. C.

DEAR SPESSARD: In your consideration of H. R. 6367, the appropriation bill for the Department of Commerce, this afternoon, I should like to bring to your attention and respectfully ask for consideration the following:

While this bill was on the floor of the House, Representative FOGARTY, of Rhode Island, offered an amendment, which was passed, to add $2,250,000 above the budget figure for the purpose of reactivating certain Weather Bureau stations.

Sometime ago the Weather Bureau station at Erie, Pa., which is in a particularly vital weather area, Erie being a major port of the Great Lakes, was deactivated, as I understand it, in a reorganization for budgetary reasons. Since that time the citizens of Erie and the meteorologists and climatologists concerned have repeatedly expressed their apprehension to me on the absence of this station.

It is my understanding that it is contemplated that if the Senate Appropriations Committee approves the House bill and it is passed finally in the present increased sum that the Weather Bureau station at Erie, Pa., will be reactivated.

I sincerely hope that your committee will approve the bill, and that some appropriate action may be taken by your committee to

assure reactivation of the Weather Bureau station at Erie.

With kind regards, I am,

Very sincerely,

EDWARD MARTIN.

AMERICAN METEOROLOGICAL SOCIETY,
Boston, Mass., June 6, 1955.

The Honorable CARL HAYDEN,
United States Senate,
Washington, D. C.

DEAR SENATOR HAYDEN: It has come to our attention that the Appropriations Committee is now considering the appropriations for the coming fiscal year for the Weather Bureau of the Department of Commerce. The American Meteorological Society has a membership of over 5,000, and is the professional meteorological society of this country. At its meeting in New York City in January of this year the council of the society considered at length the question of severe storms, such as tornadoes and hurricanes, that cause such tragic losses of life and property. We felt that you would be interested in reading about the following actions taken by the council at that time.

Voted, that the council recognizes deficiencies in the state of our knowledge of severe storms, particularly tornadoes and hurricanes, and strongly endorses an increased research effort in this area.

Voted, that a new committee be appointed to promote research on severe storms through the holding of symposia, the sponsoring of monographs or other publications, and by any other suitable means.

Voted, that in view of the great losses of life and property suffered by our citizens from the destructive action of tornadoes and hurricanes, the American Meteorological Society recommends that special funds be appropriated to enable the United States Weather Bureau, in cooperation with other public and private agencies, to conduct research projects on tornadoes and on hurricanes, along the lines of the successful thunderstorm project of several years ago.

You will note that we have stressed the need for research into the causes and behavior of hurricanes and tornadoes. Although we agree that an expanded observational and warning system is required, we wish to emphasize our opinion that more basic knowledge is required for the proper utilization of an expanded observational and warning network. Even the best warning system is only as effective as the forecast of the severe storm.

The society is extremely appreciative of the careful study you are giving to the protection of our citizens from these destructive acts of nature. With your support the meteorological profession will strive to develop improved methods of forecasting, and even of modifying destructive storms.

Sincerely,

HENRY G. HOUGHTON,
Secretary.

DENVER, COLO., *June 3, 1955.*

The Honorable EUGENE D. MILLIKIN,
Senate Office Building,
Washington, D. C.:

Urge your support of amendment to House appropriation bill for grants-in-aid to airports. Imperative that original request of $100 million be granted in line with assurances given cities in years past. Lesser sum insufficient when spread over 48 States.

Program has been virtually at standstill for several years. Airports so closely tied to both national and civil defense that passage of appropriation as amended is vital.

QUIGG NEWTON, *Mayor.*

PUEBLO, COLO., *May 19, 1955.*

Hon. EUGENE D. MILLIKIN,
Senate Office Building,
Washington, D. C.

DEAR SIR: We in Pueblo have been working diligently and expensively, as you know, on our part of the bargain with the Federal Government to do our part in the development of adequate airport facilities. I am sure you are more fully aware than I of the need for good transportation facilities of all types in this region of great distances between population centers. It seems apparent that the city residents should not bear the entire load for our Nation's air facilities. Because this matter is so important nationally, and because it is only fair that all groups of our country should assist in financing it, we hope that you will assist in securing the requested appropriation of $100 million as authorized by the Federal Airport Act of 1946.

Locally, we hope in the near future to develop our airport facilities further by the addition of a high intensity lighting system which will make for a much safer operation. This we could probably finance locally, if necessary. But as air transportation develops in this region, extensive expansion will be necessary and we cannot go it alone.

I hope you will agree that the air transport facilities of this Nation have a definite national scope and not conclude that we are more beggars at the Federal doorstep. As a member of Airport Sponsors Committee, and having followed this problem rather closely, I believe the $100 million figure is realistic and one which the municipalities are willing to match in the interest of a progressively greater country.

Yours very truly,

FRED VOSS,
President, City Council of Pueblo.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HOLLAND, Mr. ELLENDER, Mr. KILGORE, Mr. MAGNUSON, Mr. STENNIS, Mr. CLEMENTS, Mrs. SMITH of Maine, Mr. BRIDGES, Mr. KNOWLAND, Mr. THYE, and Mr. POTTER conferees on the part of the Senate.

ADDRESS BY NATIONAL COMDR. SEABORN P. COLLINS, OF THE AMERICAN LEGION, BEFORE THE BRITISH EMPIRE SERVICE LEAGUE, LONDON

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks an address delivered by National Comdr. Seaborn P. Collins, of the American Legion, before the biennial conference of the British Empire Service League, in London, England, on June 6, 1955, together with an article from the Washington Post and Times Herald of June 7, 1955, reporting the alleged rebuke which certain officials in Great Britain were said to have delivered against Commander Collins, and a newspaper statement which I issued in response thereto.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

ADDRESS BY NATIONAL COMMANDER SEABORN P. COLLINS OF THE AMERICAN LEGION BEFORE THE BIENNIAL CONFERENCE OF THE BRITISH EMPIRE SERVICE LEAGUE, LONDON, ENGLAND, JUNE 6, 1955

I am very happy to be here and to bring you the warmest personal greetings of 4 million American Legionnaires and Auxiliary members. They join me in wishing you a most successful and memorable conference.

This date, June 6, is one of the most significant in all history. On June 6, 1944, the Allied forces invaded the Continent. On that day began the final chapter in the bloodiest, costliest war of all time. The first chapter had begun on September 3, 1939. For more than 2 years you had stood virtually alone against the enemy, demonstrating courage and defiance such as the world had not before seen. In the words of one of the world's truly great statesmen, Sir Winston Churchill, it was your finest hour.

We know now that the fight for final victory was conceived in that hour. It reached its most decisive stage on D-day.

For you and me, for the British Empire Service League and the American Legion, for your country and mine, D-day has more than military and historical significance. It represents the perfection of cooperation between our nations in our mutual dedication to a common cause.

I realize, and so do you, that wartime conditions create a comradeship between men and nations that is difficult to achieve in peacetime. Yet the effectiveness of cooperation between our nations symbolized by D-day can be attained now and in the future because it has been attained—because it must be attained.

We have greater cause to be united in purpose and action today than we ever had in World War II. The godless tyranny of communism is an infinitely greater threat to our continued existence as free nations than existed even in the darkest hours of World War II.

It would be easier, of course, and perhaps more diplomatic to avoid any discussion of this issue today. Yet, I feel compelled to meet the issue head on at this time for two reasons.

First, it is the most critical problem now facing our respective nations and the entire free world. Secondly, I believe sincerely that men of different nations who fought together on the field of battle are courageous and mature enough to face up to reality.

The American Legion has some very positive, thoroughly considered views on this matter. Our views have no official status, of course. The American Legion does not speak for our Government, even though our thinking often suggest and reflects the Government's position. However, the American Legion's views are shared by substantial numbers of our fellow citizens. Our hopes and desires, and our convictions and resolutions are,in fact, the hopes and desires, the convictions and resolutions of many millions of Americans.

I think you can appreciate this. I hope that you will also appreciate this fact. As veterans who have known the death and destruction, and the suffering and sacrifice of war we share your fervent desire for peace. We want America and the other free nations of the world to be strong militarily so that they can preserve peace • • • lasting and honorable peace.

I reemphasize that the American Legion and the American people want peace, but not peace at any price. We believe that there are things worse than war. Certainly the loss of freedom and the right to live as dignified creatures of God would be worse than war.

The American Legion recognizes that our freedoms and our very lives are threatened by communism. We recognize, too, that the Communist threat is fourfold—military, economic, political, and ideological—the fight for men's minds. It must be met by military, economic, political, and ideological means.

Each area is important. As veterans, however, we are most naturally concerned about the Communist military threat. The Communists' military capabilities depend to a

great extent, of course, upon their economic strength. Therefore, the American Legion, in formulating a program which we believe will insure adequate defense against communism, has considered the economic factors influencing the Reds' military capabilities.

If I may I would like to tell you very briefly what the American Legion believes our countries and the other free nations of the world must do to forestall or defeat Communist aggression.

The American Legion believes that the only safe, sane policy which we can follow in any dealings with the Communists is to judge them solely on the basis of their performance rather than on their promises. The second premise on which our program is based is this: Appeasement will never stop aggression.

By their admission, the Kremlin-controlled forces of communism in Russia, China, and elsewhere throughout the world have but one, unchanging purpose; to bring every free nation and all free people under their domination and control.

We must not be deceived by Communist peace offensives. The Communists' tactics may change to meet changing conditions, but their basic purpose never changes.

You know this and you know, too, that you can't do business with a blackmailer. Once you start paying blackmail, you have to keep on paying. The demands for more and more money never end. Finally, when you can pay no more, the purpose for which you have paid is exposed and exploited.

The same holds true of appeasement. Call it by whatever name you will, trying to "buy off" an aggressor is just as futile and just as suicidal as trying to pay off a blackmailer.

You know this is true. You saw what happened at Munich in 1938. Hitler couldn't be appeased. He couldn't be stopped except by armed might. You had the courage and the intelligence to make the first stand against him * * * to tell him that there would be no more appeasement.

The American Legion feels that the free world today is faced with the same challenge which you met so boldly less than 16 years ago. The free world must exhibit the courage and intelligence to tell the Communist that there shall be no appeasement.

Russia had been stopped from overrunning Western Europe by the North Atlantic Treaty Organization. The rich industrial and agricultural resources of this area have not fallen into the hands of the Communists only because the free nations which make up NATO were united in giving the Kremlin the only kind of answer it understands: Force will be met with force. Aggression will be resisted. The free people of Western Europe, of the Empire and of America will not appease the Communists as the price for peace.

What we have done in Europe, we can and must do in Asia. This the American Legion firmly believes. In our opinion, Communist aggression must be resisted on every front or the money, material, and manpower spent in building up our defenses in Western Europe or in any other single area of the world will be completely wasted.

We must strengthen our defenses to repel what must be considered a very real possibility of Communist aggression against Formosa, South Viet Nam, Malaya, Hong Kong, and all of southeast Asia. What steps must be taken to strengthen the free world's defenses against the Red tide of communism in Asia?

In light of the Communists' record of performance, knowing that appeasement will not insure peace or preserve freedom, and addressing itself only to our own Government whose policies and actions are determined by us and by our fellow citizens, the American Legion believes that the United States must:

1. Resist any attack against Formosa and the strategic area surrounding it.

2. Refuse to recognize Communist China and refuse to permit the seating of Communist China as a member of the United Nations, for any purpose whatsoever.

3. Continue to demand the release of American airmen still imprisoned in Communist China. The release of four airmen last week is encouraging, of course. But this action does not necessarily mean that the other airmen will be released. We must continue to work for their release, through the United Nations, if possible, but through the use of every means available to the United States, if necessary.

Let me assure you that while the American Legion has limited its program to our own country simply because we would not presume to suggest what other governments should do, we believe sincerely that the program we recommend to prevent or defeat further Communist aggression in Asia would, if adopted by the other free nations of the world, serve their best interests.

We think that the methods which we have proposed are necessary and practical * * * not only for America but for all free nations which share our determination to fight for the preservation of freedom and human dignity.

These recommendations are not made lightly. They are made instead with full knowledge of America's continuing responsibility to do everything possible to preserve peace. We believe that these steps are much less likely to provoke war than a policy which would cause the Communists to miscalculate the free world's determination to resist aggression.

One final word on this problem of preserving freedom from Communist tyranny.

A moment ago I mentioned that economic considerations often directly influence the military picture. With reference to the Communist military threat, the American Legion strongly opposes the sending of any strategic materials to Red China or to any country behind the Iron or Bamboo Curtains. It seems to us unthinkable that any free nation would devote a large part of its manpower, monetary, and material resources to the building of adequate military forces for the defense against communism, and at the same time help the Communists increase their own military strength by selling or trading them strategic materials.

I'm sure you agree.

I wish that time permitted me to tell you even briefly of the American Legion's many programs on behalf of our veterans and all of our citizens. You may be certain that the Legion, in carrying out its pledge of service for God and country, is as dedicated as the British Empire Service League to the welfare and security of our Nation, our comrades in arms, and all of our citizens.

We feel that the American Legion and the British Empire Service League can work together closely for the benefit of veterans and ex-servicemen and for the military security of our respective nations. We can use our resources and experience to insure that our nations and our people will remain united in purpose and action so that we will be the strong, sure leaders which mankind needs if freedom and civilization itself are to be preserved.

Certainly this objective is worthy of the high ideals of the British Empire Service League and the American Legion. This objective is in keeping with your pledge of service for the Empire and its ex-servicemen, and with the American Legion's pledge of service for our country and for our comrades in arms who have sacrificed the most in its defense.

May the British Empire Service League and the American Legion continue to serve together in peace as our members served together in war.

Thank you.

[From the Washington Post and Times Herald of June 7, 1955]

LEGION HEAD GETS REBUKE FOR RED BLAST IN BRITAIN

LONDON, June 6.—Adm. Earl Mountbatten today rebuked National Commander Seaborn P. Collins, of the American Legion, for a speech blasting communism in general instead of concentrating on the welfare of ex-servicemen.

The reprimand came in Mountbatten's remarks to a conference of the British Empire ex-servicemen's league shortly after Collins warned the conference against Communist peace offensives.

Mountbatten, Britain's first sea lord and wartime commander in southeast Asia, told the gathering:

"I would point out to Mr. Collins that we confine ourselves to the ex-servicemen, which is the main objective of the league. It is outside politics."

Earlier, Collins launched into one of the bitterest condemnations of communism ever heard at a public meeting in Britain.

"The godless tyranny of communism is a more eternal and continuing threat to our existence as free nations than any which existed during the darkest hours of World War II," he told the delegates of 39 countries.

Admitting it would be more diplomatic to avoid discussion of communism, the American Legion commander said he, nevertheless, felt "compelled to meet the issue head-on."

"Appeasement will never stop aggression," he said. "We must not be deceived by continuous peace offensives.

"The Communist tactics may change from time to time to meet changing conditions, but their basic purpose never changes. We know this and we know you cannot do business with a blackmailer."

WASHINGTON, June 6.—Senator KARL MUNDT, Republican, of South Dakota, said here today he was "personally distressed" to read a published report indicating that American Legion National Commander Seaborn L. Collins was "rebuked" by Adm. Earl Mountbatten following a speech Collins made today before the British Empire Service League in London.

Admiral Mountbatten is head of the league, a veterans' organization comparable to the American Legion, and the news report from England said he tartly reminded Collins that the league "is concerned only with ex-veterans" after Collins had asked the British to remember Munich as the result of appeasement, and also spoke out against trading with Red China.

"I am glad that Collins had the candor to present the American viewpoint straight from the shoulder to fellow veterans in the United Kingdom," Senator MUNDT said in his comments today.

"As a member of the Senate investigations subcommittee, I want to say that our committee records show trading between non-Communist nations and Red China hit a new peak in January of this year—160 vessels participated which is the largest amount since the Korean war began.

"National Commander Collins did a great service in London by bringing this subject to the attention of the British, because 52 percent of those vessels trading with Red China in January were under British registry and flying the British flag.

"Despite the coolness of First Sea Lord, Adm. Earl Mountbatten, I am sure that careful consideration of all the facts by the

British will lead them to realize their ships are only strengthening the economy of Red China.

"There is no question that this trade jeopardizes the future of the British possession of Hong Kong, and weakens the position of the free world in the entire Asiatic area today.

"The American people should congratulate Commander Collins for bringing to the British our firm opposition to this trade while American boys are still held in Red Chinese jails.

"Our British allies would do well to keep in mind that the great majority of American people are solidly behind the American Legion opinion as expressed by Commander Collins in London today."

AMERICAN LABOR IN THE BATTLE AGAINST COMMUNISM

Mr. NEUBERGER. Mr. President, American labor is in the forefront of the battle against communism. The trade unions of our country realize that not only must an ideological war be won but that we must try to end the conditions of poverty, hunger and disease which are the swamps where communism has its main chance to breed.

The successful and intelligent participation by American labor, both of the American Federation of Labor and the Congress of Industrial Organizations, in the recent International Confederation of Free Trade Unions is an inspiring story. The meeting was held in Vienna, Austria.

I ask that the Members of the Senate have the opportunity to read a splendid account of American labor's role in that meeting, as it appeared by Arnold Beichman in the June 13, 1955, issue of the New Leader under the appropriate title "United States Labor Assumes World Leadership."

This article helps to emphasize how determinedly and persistently our great labor organizations are fighting against the spread of communism. The leaders of labor know, however, that communism never will be stopped with speeches and oratory, but that an increase in the world's standard of living will serve to diminish the area in which communism might spread.

I also ask that an article from the same issue of the New Leader, by William E. Bohn, its executive editor, be reprinted. Its title is "Debs, Gompers and the Unions." Mr. Bohn underscores the conservative nature of many American unions, but he points to the great and steady list of achievements which these same unions have attained for American working men and women. This is another article which helps to show how unfair and distorted are current attacks upon American labor for socialism, radicalism, and similar charges.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

UNITED STATES LABOR ASSUMES WORLD LEADERSHIP—INTERNATIONAL PARLEY OF FREE UNIONS A TRIUMPH FOR AFL, CIO

(By Arnold Beichman)

VIENNA.—On the afternoon of May 18, AFL President George Meany landed in Zurich, Switzerland, en route to the Fourth World Congress of the International Confederation of Free Trade Unions in Vienna. Due to the still unsolved horse-and-buggy complications of jet-age travel, he found himself without a reservation on the connecting flight to the Austrian capital.

Labor Columnist Victor Riesel, also en route to the ICFTU Congress but with a reservation in hand, offered it to Meany so that he could get to Vienna without delay. The AFL leader thanked him and said that he and his party had been traveling together from New York and that they'd all stick together. His party consisted of his wife, his secretary, Virginia Tehas, the Morris Noviks, and A. H. Raskin, the New York Times labor correspondent.

Meany then began checking on ways of getting to Vienna fast because the ICFTU sessions were about to begin and he wanted to be there. A plane charter was too much—$900. The fastest and least expensive way was to rent a chauffeur-driven limousine, he discovered. A big Chrysler with jump seats was found and the six travelers plus driver jammed themselves into the car and left Zurich at 4 p. m. They drove all night with two stops—once for dinner and once at midnight for a beer and snack—with Meany in front, roadmaps out, discussing with the English-speaking chauffeur the best nonmountainous route to Vienna.

They arrived at 6:15 the next morning. After checking in at the United States-occupied Bristol Hotel, Meany ran into Irving Brown, AFL representative in Europe who had been substituting for him on the ICFTU Executive Board. A quick breakfast conference fill-in ensued, then Meany went off to church, returned at 8 o'clock, grabbed 4 hours sleep and by early afternoon had convened a meeting of the North American delegation to the biennial ICFTU conclave.

It is quite likely that if a member of Meany's old Bronx plumbers' local were to hear this narrative, he'd probably wonder what all the scramble was to get to a labor conference several thousands of miles away from the Yankee Stadium. It's quite likely that members of other AFL and CIO unions reading in their labor papers that Dave Dubinsky, Jack Potofsky, Dave MacDonald, Jack Knight, Charley MacGowan, Victor Reuther, James B. Carey, Dave Beck and others were assembling in Vienna, would muse about the joys of being a traveling union official and sardonically ask: Is this trip necessary?

They should have seen their union chiefs at work here these past 10 days. While conventions are conventions, the ICFTU conference is incredibly different from the usual American union convention. Everything at the ICFTU sessions is in four official languages—English, French, Spanish and German. At plenary sessions, delegates are equipped with portable radio receivers and earphones and there is simultaneous interpretations of speeches. But in committee rooms, where major give-and-take discussions take place, translation is consecutive for technical reasons, and, since not every interpreter can handle four languages, it means long delays when a Spanish-speaking delegate takes the floor. First comes the translation into English while the German and French interpreters listen (they know no Spanish), and then they translate for committee members who know neither Spanish nor English.

All this narrative is intended to demonstrate the growing and determined and patient absorption in international free trade unionism which today possesses American trade union leaders. The ICFTU executive board is a place where Meany's vote is the equal of the vote of the colorfully-garbed member from the Gold Coast or the schoolmaster turned unionist from India and everybody gets his say in four languages. It is this dedication to free trade unionism by American labor leaders which is transforming the ICFTU into a militant and increasingly influential force in world affairs.

The close rapport between the AFL and CIO throughout the conference, a harbinger of their certain merger December 5, was striking. It meant a vast spurt in influence of American labor in a field where traditionally it had been apathetic.

The 6-year-old ICFTU is today in business to stay after a rather rocky infancy. It has teeth now, as the Communist World Federation of Trade Unions, whose headquarters in this anti-Communist city resemble a mausoleum, has discovered. What is more important is that American labor at this congress demonstrated a maturity and political sagacity which made it the No. 1 delegation. The hard-core anticommunism of American labor was demonstrated in resolution after resolution, and in the kind of actions that were taken.

It was the United States delegation which insisted that a worldwide organizing campaign be undertaken by the ICFTU in underdeveloped areas of the world where a belated industrial revolution is creating a landless proletariat without any trade union protection against low wages, long hours, and job insecurity. The congress voted unanimously to create the post of director of organization. Meany and representatives of the British Trade Union Congress and of Pakistan labor were named as a subcommittee to hunt and are now hunting for the man to fill the job.

When the question of money to finance this organizing campaign arose, the North American delegation and the British obtained congressional action for per capita increases so that about $500,000 will be available by next year. Money, muscle, and know-how is what United States labor pledged to provide in return for action.

Politically, the United States delegation successfully pressed for an uncompromising line against totalitarianism—the Tito and Franco variety as well as the more durable Moscow version. It helped bring about support for rearmament among some West European labor leaders, commemoration of the June 17, 1953, uprising of East German workers, and a warning to ICFTU affiliated groups which had accepted Tito unions as members.

Let me be clear. It was not an American labor steamroller. It was not a pax—or bellum—Americana. It was the dynamic influence plus intelligent diplomacy of United States and Canadian labor leaders, representing 16 million workers, which put the delegation in the top slot. That plus the fact that men like Meany, Potofsky, Dubinsky, Brown, Michael Ross, Jay Lovestone, and others had done their homework and knew what they were about.

It is easy to get overenthusiastic about American labor abroad. After all, interest in this aspect of trade unionism as far as American workers are concerned is something new in the United States and old in countries like Great Britain, Germany, or France, where Socialist International traditions are more than a memory. The real test of any enthusiasm for what has been accomplished at the ICFTU Congress will be whether the American delegates return to forget their pledges because of more pressing domestic problems (this is what some veteran observers sardonically prophesy), or whether Meany's assurance, "We're here to stay," is fully implemented. My prediction is that during the next 2 years, the century-old international labor movement will find American unionism far more active than ever before.

The practical problem is trained manpower in a field where American labor participation in the past has been slight. For example, there are few linguists in United States labor, an area of knowledge which is important in international work. British labor,

with its far-flung dominion interests and moral dilemmas over colonialism, has such manpower resources. That is why several United States delegates here have already begun thinking about setting up some kind of academy to train youthful American labor officials, on the business agent level, to go out into Asia or Africa to do the important grass-roots organizing work under the ICFTU banner.

And to conclude this travel report of United States labor leaders—Meany, by the time this is published, will have had a Papal audience, conferred with Italy's President Gronchi and Premier Scelba, Chancellor Adenauer, Erich Ollenhauer and German labor leaders, Foreign Minister Pinay and General Gruenther in Paris; Dubinsky is in Israel as the honored guest of Histadrut; Potofsky is in Geneva at the ILO meeting along with Mike Ross of the CIO; Mike Quill is in Eire, not only to taste the ould sod but to talk ICFTU to Irish labor; and the only reason some other top leaders aren't in Europe is because there are sticky negotiations underway in steel, auto and electrical manufacturing.

And, if any United States union member asks what good all this is doing him, the answer he'll get is, "Brother, if we don't do this job with the ICFTU, the Commies will do it for us."

THE HOME FRONT

(By William E. Bohn)

DEBS, GOMPERS, AND THE UNIONS

On May 23, I undertook a rapid-fire commentary on the history of American trade unionism. I sketched the AFL and CIO in terms of their most conspicuous leaders. The men who led these organizations were, of course, Samuel Gompers, William Green, George Meany, John L. Lewis, Philip Murray, and Walter Reuther. The main struggle of these men was, of course, against the employers, who, for most of the time, did their best to prevent the organization of the working class. But I mentioned, too, another struggle which they carried on against other enemies who attacked from the rear. In this list I included Daniel De Leon, William D. Haywood, Eugene V. Debs, and William Z. Foster.

I knew that when I included the beloved Debs in this unpleasant lineup I was asking for trouble. And very promptly it came. Pierre DeNio writes me from Rock Rift, N. Y.:

"How can you mention Debs in the same day with those other men? Debs was a kind, gentle man who gave his life to the working men and women of America. He never asked them to do anything that was not for the best interests of everyone. More than that, he never asked them to do what he would not himself do first. * * *

"Of course, Gompers did a great job as far as he was able to understand the needs. He did it at a time when it had to be done if the workers were to escape literal slavery. * * * The harm that Gompers did, along with the good, came from his very early planting in the minds of labor men the notion * * * that they should under no circumstances have anything to do with politics. That became an obsession which still holds too strongly to this day. * * *

"Whenever labor was strong enough on the industrial field to force some concession from the employers, these latter had only to go to Washington to the very men labor had elected to office and get a law passed that would wipe out * * * the dearly bought benefits. Under his leadership, we rewarded our enemies and punished our friends. * * *

"The only thing that ever swung the labor movement away from Gomper's position was the depression beginning in 1929. Then came Roosevelt and Wagner. We soon had the Wagner Act giving us the right to organize, and various sorts of social legislation. Then and only then * * * union members saw that politics was a must if they wished to survive.

"Really, what did the AFL amount to at that time? A couple of million members of whom the great unwashed had never heard. Today, because of political action—and that alone—we have our powerful and somewhat enlightened membership. Most of the leaders who today guide the labor movement got their education and perspective in the old Socialist movement. Roosevelt told Frances Perkins in the first days of the New Deal that they would have to do something quick to relieve the distress or the Socialists would take over.

"Think what labor has gone through during the years you mention. They have spent millions of hard-earned dollars and shed much blood during strikes and lockouts. Invariably they have been beaten, reviled, and jailed by the very officers whom they have put into office. Mr. Gompers told them that they would get into trouble if they had anything to do with politics. Of this you may rest assured. Until the working people of this country elect men of their own, they will get stringent antilabor laws."

Let us take Mr. DeNio's second point first. He asserts with heat that Samuel Gompers told his members to stay out of politics. Gompers, of course, did nothing of the sort. He fought like a tiger against allowing any political clique to take charge of his federation. But he urged his people to get into political campaigns. It was largely through his efforts that Woodrow Wilson was elected—and that victory gave us our first new deal. When the trade-union men of a later day voted for Roosevelt and stood by him they were following the precepts of their old leader. What Gompers was against was third partyism. His instinct for politics was deep and true.

But I feel sure the honor of receiving this letter came to me because of my mention of Eugene V. Debs. I wish I had space for a discussion of Debs' impact on the labor movement. This man, whom I knew well, had all of the good qualities with which my correspondent has endowed him—and many more. He had romantic courage. He was willing to die for the working class. He did go to jail for it. He had every great quality but good judgment. In organizing the American Railway Union and going into the Pullman strike, he led his followers up a blind alley. In the end he was adored by men whom he left out in the wilderness without jobs or organization. During all of this time he was denouncing the Railway Brotherhoods and the AFL, and in the end it was these comparatively conservative organizations which have really served the needs of the American workingman and have brought him along on the road to a better day.

EXTENSION OF DRAFT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 554, H. R. 3005.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act of July 1, 1959.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment.

Mr. RUSSELL. Mr. President, the pending business comes before the Senate by way of a majority report of the Committee on Armed Services, and it proposes to extend the regular draft and the so-called doctor draft. This is the fourth time since V–J Day the Senate has been compelled to direct its attention to such legislation and to certain provisions of law which are an integral part of the entire defense structure. I am sure it is unnecessary for me to say to the Members of the Senate that unless the measure is enacted, the authority to induct regular registrants as well as the authority to induct special registrants will expire on the 30th day of this month.

The administration has strongly urged that the regular draft be extended for a period of 4 years and the doctor draft for a period of 2 years.

It would serve no useful purpose for me to reiterate at this time on the floor of the Senate statements which have been made here repeatedly as we have considered extending the draft act. I doubt that I could say anything which has not been said on previous occasions. We have all come to recognize that the regular draft is the keystone of the arch of our national defense. Without it our entire defense structure would fall. Senators should not delude themselves with reference to the number of men who might be drafted each month. The fact that the draft is on the books has caused young men who desired to select their own branch of the service, voluntarily, in unprecedented numbers, to fill up the ranks without its being necessary to draft large numbers.

I invite the attention of the Senate to the fact that the bill as amended by the Armed Services Committee provides for a 4-year extension of the regular draft. We likewise extend for 4 years the Dependents Assistance Act and the $100 monthly incentive pay for doctors. The bill likewise provides for a 2-year extension of the doctor draft.

Mr. President, if world conditions should remain as they are today the Senate will unfortunately be called upon in future days again to consider the extension of this measure. If we are to maintain a force of nearly 3 million men for from 10 to 20 years, or for whatever period the cold war makes it necessary to maintain our forces to protect our institutions, I would not have the people of the United States understand that because we are exending the draft for 4 years they should consider that there is not likely to be another extension in 1959.

Similarly, Mr. President, I cannot definitely assure the Senate that the doctor draft will not require further extension in 1957. I do not believe a single Member of this body is willing to take a chance on denying adequate medical and dental care to the boys we are drafting into our armed services.

In the committee hearings we demanded on the part of those who opposed the extension of the doctor draft the most unequivocal guaranty that adequate and skilled medical and dental

care would be available. Witnesses who appeared before the committee in opposition to the extension of the draft were told by members of the committee that we could not go before the Senate and recommend that the doctor draft be ended unless we had the most unequivocal assurance and the most clearcut evidence that sufficient doctors would be available without a draft.

A reading of the record of the hearings before the committee will show that the doctors themselves were divided in their opinion on that score. Representatives of groups of doctors, all of whom were members of the American Medical Association, testified strongly in favor of the extension of the doctor draft and advised the Senate and the Congress not to take any chances by permitting it to expire.

So, Mr. President, I, for one, feel that before it will be willing to see the so-called doctor draft expire, Congress will insist upon having not only assurances but definite evidence that the men we take from their homes into the military service will not suffer for lack of medical care.

Mr. President, there are several collateral subjects dealt with in the bill which are of perhaps lesser importance than the basic proposition, but concerning which I feel it is appropriate to comment briefly so that the Members of the Senate may be fully informed.

In the first place, Mr. President, the bill amends existing law with respect to the manner of determining agricultural deferments. Under current presidential regulations, local boards consider all facts concerning a registrant's essentiality to agriculture, including the total supply of a particular crop.

The bill as it came to us and as we bring it to the Senate provides that the status of an agricultural commodity may not be taken into consideration, either for denying or granting deferments.

Next, Mr. President, the bill reduces from 35 to 30 the cut-off age for induction liability of the National Guard men. A number of Senators have discussed this provision of the bill with me, and I know it has been the subject of a number of communications with Members of this body. Under the law as it stands today, with the 1951 amendments to the Selective Service Act, a young man who enlisted in the National Guard prior to attaining age 18½, and who has served satisfactorily, would be deferred from induction into the regular Armed Forces.

The bill as it came to us from the House reduced the age from 35 to 26. The committee, after considering all phases of the matter, fixed the age at 30, primarily, I may say, for the reason that we did not think a National Guard man, essential as he is to the defense of our country, patriotic as he is in his desire to serve, should be allowed the same period as a man who goes into the Air Force or the Navy for 4 years or into the Marine Corps for 3 years, or into the Army for 2 years. We felt that National Guard men should not have a shorter period of service than men who are compelled to leave their homes and go away for 4 years of military service. The age of 30 is a compromise between the existing law providing for 35 and the House bill providing for 26.

Another provision of the bill deals with physicians and dentists who apply for commissions, but who are rejected solely because they are physically disqualified. The bill proposes that beginning July 1, 1955, a person who applies for a commission as physician, dentist, or allied specialist, but who is rejected on the sole ground of physical disqualification, shall not be liable for induction after he attains the age of 35.

I should like to point out that, as written, the language is quite restrictive, inasmuch as it covers only persons who apply hereafter for commissions; and they must apply as physicians, dentists, or allied specialists.

Another provision of the bill deals with a problem which I feel certain all Members of the Senate have found to be most perplexing. Oftentimes individuals have been inducted into the service or have voluntarily enlisted at some time during the past 8 or 10 years, and have served for less than the 2-year minimum draft period. Such individuals served in good faith, and in most cases they assumed, when they were discharged before the 24 months had expired, that they had done what their country had asked them to do.

However, since the present law provides no specific minimum under 2 years, these young men have in numerous cases been inducted for a second time into the Armed Forces.

The committee felt that this situation should be clarified. The bill which has been reported provides that a man who has been discharged after having served honorably for a period of not less than 12 months, or one who has served for a period of 6 months or more, but who has been discharged purely for the convenience of the Government, shall thereafter be exempt from induction or reinduction, except in time of war or national emergency.

The bill deals, likewise, with several collateral problems which relate to credit for prior military service or previous nonmilitary activity in programs essential to the national welfare.

Under the existing law, nationals of those nations which were allied to the United States during World War II receive credit for their military service in computing eligibility or exemption from our own draft on the ground of prior military service if such service occurred before June 24, 1948. This covers our hot-war allies.

The committee felt that it was reasonable to permit young men who served for a specific time with a nation associated with the United States in mutual defense activities to be exempt from induction, so far as it does not discriminate against persons who served with our own Armed Forces.

For that reason, at the instance of the Department of State, the bill provides, but only on a reciprocal basis, that any alien national in this country who had served at least 18 months since June 24, 1948, on active duty in the armed forces of a nation associated with the United States in mutual defense activities shall be exempt from induction into our Armed Forces. In computing this 18-month period, service prior to June 24, 1948, may be counted where performed in the armed services of a country allied with the United States during World War II, and currently associated with us in mutual defense activities.

Finally, the committee has taken cognizance of the fact that although the bill amends the present law to provide that a young man who served 12 months in our Armed Forces shall not be liable for induction or reinduction. the House version of the bill did not provide any form of credit for service in the Public Health Service and the Coast and Geodetic Survey. Nor did it take into account those Reserve officers who serve with the Department of Agriculture in the vitally important programs currently being carried out by that Department. To correct that situation, the bill now under consideration provides that a commissioned officer who served for 24 months or more in these programs, all of which are so intimately related to our welfare and security, shall not then or subsequently be liable for induction.

It should be noted, however, that these persons all occupy commissioned status, and may be ordered to active military service in time of war or national emergency.

I deem it unnecessary, Mr. President, to labor the Senate with the cold facts of international relations today, which make it absolutely essential that we give our approval to the extension of this all-important measure. Those conditions are evident to all of us.

There may be times of hardship. It is impossible to deal with as many human beings as are caught in the draft without there being some injustices, yea, even discriminations; but, after all, we have a common stake and a common purpose to make certain that our Nation remains free. Without remaining strong, we cannot remain free. Experience has taught us that without extending the Selective Service Act, we cannot remain strong.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from Utah.

Mr. BENNETT. During the hearings on the draft law, the junior Senator from Utah indicated that, if necessary, he would propose an amendment to section 16 (g) of the Universal Military Training and Service Act, as amended, for the purpose of clarifying the exempt status of those persons called to serve as ministers of the Church of Jesus Christ of Latter-day Saints—Mormon—assigned to serve in the missions of the church. The reason for my concern was that although selective service has always considered that the young men of this church, who are ordained as ministers and assigned to serve in the missions of the church, were within the definition of "ministers of religion" as defined in section 16 (g) of the act, some local boards and State administrators have failed to recognize the IV–D status of these ministers, and in those cases the Director has had to rely on appeal procedure in order to get the proper classification.

I was happy to note the committee's recognition of this problem on page 12 of the report on this bill, which I should like to read into the RECORD at this time:

The junior Senator from Utah, the Honorable WALLACE F. BENNETT, appeared before the committee in connection with a possible amendment to section 16 (g) (1) of the Universal Military Training and Service Act to specifically insure the exemption of those persons called as ordained ministers of the Church of Jesus Christ of Latter-day Saints (Mormon) and assigned to serve in the missions of the church. Assurances are given in writing by the Director of Selective Service to the Senator from Utah reflected that such amendment was unnecessary inasmuch as Selective Service considers that these individuals are already entitled to IV–D classification under existing law. The letter referred to and a letter from the Assistant Secretary of Defense for Manpower and Personnel appear in the printed hearings.

From this report I would judge that the committee has taken cognizance of the fact that General Hershey considers any clarifying amendment unnecessary inasmuch as these ministers are in fact already entitled to IV–D status under existing law, and that the committee shares this belief.

I should like to ask the Senator if he can confirm my interpretation of the committee report.

Mr. RUSSELL. I am glad to do so; but I think the clear statement in the committee report confirms it on behalf of the entire committee. The matter was discussed and was subject to hearing. General Hershey strongly supported the position taken by the junior Senator from Utah. The committee undertook to do so in the language of the report which the Senator from Utah has just read.

Mr. BENNETT. I appreciate the opportunity to transfer that interpretation to the RECORD on the floor of the Senate, with the assistance of my colleague, the distinguished Senator from Georgia. I am grateful for the privilege.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I am glad to yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, is it appropriate at this time to offer an amendment?

The PRESIDING OFFICER. The clerk will first state the committee amendment.

The LEGISLATIVE CLERK. It is proposed by the committee to strike out all after the enacting clause and insert:

That this act may be cited as the "1955 Amendments to the Universal Military Training and Service Act."

TITLE I

SEC. 101. (a) Subsection (a) of section 6 of the Universal Military Training and Service Act, as amended, is amended (1) by inserting immediately after "Secretary of Defense;" the following: "members of the reserve components of the Armed Forces, while employed as veterinarians of the United States Department of Agriculture;" and (2) by inserting at the end thereof the following new sentence: "Any person who subsequent to June 24, 1948, serves on active duty for a period of not less than 18 months in the armed forces of a nation with which the United States is associated in mutual defense activities as defined by the President, may be exempted from training and service, but not from registration, in accordance with regulations prescribed by the President, except that no such exemption shall be granted to any person who is a national of a country which does not grant reciprocal privileges to citizens of the United States: *Provided*, That any active duty performed prior to June 24, 1948, by a person in the armed forces of a country allied with the United States during World War II and with which the United States is associated in such mutual defense activities, shall be credited in the computation of such 18-month period."

(b) Subsection (b) of such section is amended (1) by amending paragraph (3) to read as follows:

"(3) Except as provided in section 4 (i) of this act, and notwithstanding any other provision of this act, no person who (A) has served honorably on active duty after September 16, 1940, for a period of not less than 1 year in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (B) subsequent to September 16, 1940, was discharged for the convenience of the Government after having served honorably on active duty for a period of not less than 6 months in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (C) has served for a period of not less than 24 months (i) in the Public Health Service or (ii) as a commissioned officer in the Coast and Geodetic Survey, shall be liable for induction for training and service under this act, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title.",

and (2) by adding at the end of such subsection the following new paragraph:

"(6) Notwithstanding any other provision of this act, no member of any of the Reserve components who has been employed as a veterinarian by the United States Department of Agriculture for a period of 24 months from and after the date of enactment of this paragraph shall be liable for induction for training and service under this title, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title."

(c) Subsection (c) (2) (A) of such section is amended by inserting at the end thereof the following new sentence: "No person who has or may be deferred under the provisions of this clause shall by reason of such deferment be liable for training and service in the Armed Forces by reason of the provisions of subsection (h) hereof after he has attained the 30th anniversary of the date of his birth."

(d) Subsection (h) of such section is amended by inserting immediately after "*Provided further,*" the following: "That the existence of a shortage or a surplus of any agricultural commodity shall not be considered in determining the deferment of any individual on the grounds that his employment in agriculture is necessary to the maintenance of the national health, safety, or interest: *And provided further,*".

SEC. 102. Section 17 (c) of the Universal Military Training and Service Act, as amended, is amended by striking out "July 1, 1955" wherever such date appears therein and inserting in lieu thereof "July 1, 1959."

SEC. 103. Section 16 of the Dependents Assistance Act of 1950, as amended, is amended by striking out "July 1, 1955" wherever such date appears therein and inserting in lieu thereof "July 1, 1959."

TITLE II

SEC. 201. Sections 4 and 7 of the act entitled "An act to amend the Selective Service Act of 1948, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes", approved September 9, 1950 (64 Stat. 826), as amended, are amended by striking out "July 1, 1955" wherever such date appears therein and inserting in lieu thereof "July 1, 1957."

SEC. 202. The last sentence of paragraph (1) of section 4 (i) of the Universal Military Training and Service Act, as amended, is amended by inserting immediately after the word "subsection" the following: "(A) after he has attained the 35th anniversary of the date of his birth, if subsequent to July 1, 1955, he applies for a commission in one of the Armed Forces in any of such categories and is rejected for such commission on the sole ground of a physical disqualification, or (B)."

SEC. 203. Section 203 of the Career Compensation Act of 1949 (63 Stat. 809), as amended, is amended by striking out "July 1, 1955" wherever it appears therein and inserting in lieu thereof "July 1, 1959."

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. MARTIN of Pennsylvania. Mr. President, I offer an amendment on page 6, line 3, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Pennsylvania.

The LEGISLATIVE CLERK. In the committee amendment on page 6, line 3, it is proposed to strike out "thirtieth" and insert in lieu thereof "twenty-eighth."

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The question is on agreeing to the amendment of the Senator from Pennsylvania to the committee amendment.

Mr. MARTIN of Pennsylvania. Mr. President, if the Senator from Georgia will yield for a moment, I should like to make a comment.

Mr. RUSSELL. I am glad to yield.

Mr. MARTIN of Pennsylvania. The amendment is offered for the purpose of aiding the National Guard. I think one of the most important factors in America's plan of national defense is a strong National Guard and a strong Reserve. With the 35-year age limit, it was most difficult to get recruits for the National Guard, and I think the Reserve has also had its difficulties.

I would like to have seen the age made 26, but the committee has given this question very careful consideration, and the members feel that would be too low an age.

National defense in America is going to cost enormous amounts of money for many years in the future. Personally, I should like to see us in the United States have the courage to provide for universal military training, under a plan whereby after spending a certain amount of time in the Regular Army, a man would have no further obligation, and after spending a certain amount of time in the National Guard or Reserve, he would have completed his obligation. In my judgment, that would be the fair thing to do. I think the idea of universal military training is American. Everyone would thus have an equal obligation to the United States of America. But it seems as if we are not ready as yet to adopt universal military training.

I appreciate very much the distinguished Senator from Georgia's accepting the amendment. I sincerely hope

we will be able to get a provision along this line when the bill goes to conference.

Mr. McCARTHY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Wisconsin?

Mr. RUSSELL. I wish to advert briefly to the remarks of the Senator from Pennsylvania and to the amendment he has proposed.

This is a difficult problem, and I am well aware of the practical aspects of it. I have always earnestly supported the National Guard. I think it is a vital element in our national defense picture. Personally, I think the age of 30 is about fair in connection with the Regular service which a man is called upon to render with a liability of 8 years, and the possibility of being required to leave his home for 4 years and go off to a foreign land.

Certain members of the committee were concerned about the question, and thought the age of 30 was too high. I think this amendment will be agreeable to the committee. I know it will be agreeable to the members of the committee with whom I have discussed the question to accept the amendment offered by the Senator from Pennsylvania, who made for himself a very fine record in the National Guard, up to the rank of general.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Oregon.

Mr. NEUBERGER. I thank the distinguished chairman of the committee for his openmindedness on this question, because I have had many communications from the commanding general of the Oregon National Guard, Maj. Gen. Thomas E. Rilea, who said, in a telegram, that if the limit of liability age were left at 30, it would make it difficult, if not impossible, to obtain enlistments, in view of currently reduced draft quotas.

I know I speak for him and the other members of the National Guard, and I thank the chairman of the Committee on Armed Services for agreeing to the amendment offered by the distinguished Senator from Pennsylvania.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I simply wish to endorse what the chairman of the committee has said. I, too, shall agree to accept the amendment changing the age to 28. Perhaps that age is fairer when we take into consideration the problems the National Guard may face in getting volunteers to serve, if the liability or responsibility is for 10 years.

Mr. CARLSON. Mr. President, will the Senator from Georgia yield to me?

Mr. RUSSELL. I yield to the Senator from Kansas.

Mr. CARLSON. I also wish to express my appreciation to the distinguished Senator from Georgia, the chairman of the committee. I have discussed with him previously the question of the effect on the National Guard of the extension of the Draft Act, with particular reference to the age of enrollees. The adjutant general of Kansas has expressed concern over the problem. As one interested in the National Guard, I wish to assure the Senator from Georgia that I am glad he has accepted the amendment of the Senator from Pennsylvania.

Mr. CASE of South Dakota. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield to the Senator from South Dakota, who is an able and active members of the Committee on Armed Services.

Mr. CASE of South Dakota. I, too, am glad to see the amendment of the Senator from Pennsylvania accepted, because it goes in the direction which I took in the committee when we were working on the matter. However, I think it points up the fact that we need to look at the age limit in the whole field of draft liability.

I may first say that I have never served under any chairman of any committees in the Senate for whom I have greater respect than I have for the distinguished Senator from Georgia [Mr. RUSSELL], and the distinguished Senator Senator from Massachusetts [Mr. SALTONSTALL], who was his predecessor as chairman of the Committee on Armed Services.

Mr. RUSSELL. I thank the Senator from South Dakota.

Mr. CASE of South Dakota. I certainly have been glad to have had the benefit of their wisdom and their judicious observations when it comes to dealing with matters which arise in the Armed Services Committee. We are correcting what I feel has been a defect which has developed in the operation of selective service with respect to the National Guard. I regret we are not attempting similar action with regard to the age of liability for selective service generally. I say that because I have the feeling that we are injuring the national service in respect to men who have engineering degrees and men who are associated with industry in important positions today by continuing the age of liability to 35 for those who have had deferment.

One might say we are taking the relatively easy course in simply making an extension of the draft. That is my conviction. The people of the country hardly realize that the manpower pool for the draft has grown at the rate which it has because of the increased birth rate in this country.

I have figures before me which indicate the number of boys who have become or who will become of draft age in each year from 1950 to 1960.

In 1950 the number of boys who became of draft age was 1,070,000.
In 1951 it was 1,040,000.
In 1952 it was 1,060,000.
In 1953, it was 1,090,000.
In 1954, it was 1,120,000.
In 1955, it will be 1,130,000.
In 1956, it will be 1,150,000.
In 1957, it will be 1,190,000.
In 1958, it will be 1,200,000.
In 1959, it will be 1,220,000.
In 1960, it will be 1,290,000.

One result of the increased birth rate is that we are having a manpower pool for the draft which is far in excess of the requirements of the service.

Today we were told by Dr. Howard A. Meyerhoff, who is Executive Director of the Scientific Manpower Commission, that 1,500,000 boys are in the military manpower pool awaiting physical examination or induction. That might be cause for congratulation from one standpoint, but it should be realized that with draft pools running only 10,000 a month, we are deferring a great many men, and by extending service liability to age 35 we are creating a prolonged period of uncertainty for men in the ages from 26 to 35, including a great many men who are engaged in the engineering and the scientific fields.

If there is one thing which must impress itself on anyone who has studied manpower problems, it is that today the great shortage of manpower and the great need for manpower are in the engineering and scientific fields. One has only to read the Sunday newspapers and look at the classified section to see the lengths to which engineering companies are going to attract young men.

I said to the committee that a few days ago there was in my office a young man who had just finished college. He told me that the lowest salary offered to him, now that he has a bachelor's degree in engineering, was $5,400, and that he had been canvassed by the representatives of several engineering firms who, in addition to offering him a salary of $5,400 a year, were offering him membership in a country club, a month's vacation, promises of travel, and many other things, if he would sign up with their companies.

The other day I also saw figures indicating that the engineers are at the top of the list, in terms of the offers being made to college graduates this year.

Dr. Meyerhoff, who appeared before the committee as a representative of the Manpower Commission, told us that in 1954, 54,000 engineers were graduated in Soviet Russia, whereas in the same year a little more than 19,000 engineers were graduated from accredited institutions in the United States. Furthermore, Dr. Meyerhoff pointed out that about 4,300 engineers were graduated in the United States in all fields of science, whereas the Soviet equivalent was from 7,400 to 7,500.

Even those figures do not tell the whole story, because in scientific fields we are using engineers for the construction of highways. Approximately 32,000 additional engineers will be required for the highway program the Senate already has endorsed. In addition, trained engineers are required for the construction of television sets, automobiles, and many other articles.

So the graduate pool of engineers in the United States has many other demands made upon it, in addition to the demands for engineers for the production of airplanes and electronic devices of one kind or another.

I feel very definitely that in failing to establish a new cutoff date for men who have liability for military service, we are adding to the uncertainty of those who are in the engineering field, and are handicapping ourselves.

At one point in the testimony given to the committee, I noticed figures showing that approximately 32 percent of the men between the ages of 26 and 35, who are employed for their engineering talents by various production firms in the United States, still have draft liability. I recognize that the easy argument is, "Well, they were deferred because they were in college or because they were necessary to some particular activity or industry." But the continued extension of draft liability up to age 35 is, I feel, a mistake, when we do not make some directive to guide the Selective Service Boards and the Director of the Selective Service System, so as to insure the availability of these young men for scientific pursuits or for the engineering vocations to which they have committed themselves.

The Director of the Scientific Manpower Commission suggested an amendment which would establish a cutoff date of, I think, 26 years of age, if I correctly remember the amendment. I was sorry the committee did not see fit to adopt the amendment I offered for that purpose.

I recognize that on the floor of the Senate, when the committee to which a measure of this kind has been referred, fails to report an amendment dealing with a subject which has so many ramifications as this one does, it is practically impossible to have such an amendment adopted, particularly at 7:15 in the evening, when many Members are not available to consider it.

Therefore, Mr. President, I have decided not to offer an amendment at this time. But I wish to make the very definite assertion that it is the responsibility of the Congress to examine the age limits—both the lower limit and the upper limit—and to consider the matter in the light of the need for greater assurance that these men can be exempted, so they will abe to take engineering courses and, after having taken them, will be available for industry and for engineering pursuits.

I wish to express the hope that if the Armed Services Committee takes up the proposals for a Reserve program, it will broaden its inquiry and make a real examination of the entire manpower problem. The legislative situation being what it is, Mr. President, I doubt that we shall be able, before adjourning in the latter part of July, to give this subject the consideration it should receive. But certainly it should be explored fully and completely; and before the 84th Congress completes its work, I hope we can present to the Congress a comprehensive manpower bill, not merely dealing with a simple extension of selective service, but also giving consideration to the needs of the country for scientifically trained men, for engineers, and having due regard for the civil economy, along with the military manpower needs.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, the statement made by Dr. Howard A. Meyerhoff, executive director of the Scientific Manpower Commission, on behalf of the Engineering Manpower Commission of the Engineers Joint Council and the Scientific Manpower Commission, when he appeared before the Senate Committee on Armed Services on June 9, 1955.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

My name is Howard A. Meyerhoff. I am a geologist by profession, but at present I am serving as Executive Director of the Scientific Manpower Commission. This statement is being made on behalf of the Commission and also on behalf of our companion organization, the Engineering Manpower Commission of Engineers Joint Council. These two groups have a combined membership of approximately 340,000 persons, which are the backbone, and represent a substantial fraction of, the engineering and scientific community of the United States. Attached to our testimony are folders that list the constituent societies and describe the work of the two Commissions.

We are firmly convinced that the military strength of the United States must be maintained, and that its maintenance depends upon an adequately manned, active Military Establishment, and upon a Ready Reserve of sufficient size to meet any emergency that may confront us. These two requirements are, in our judgment, inseparable, and we regret that the legislation under consideration in these hearings deals with only one—the assurance of an adequate regular Military Establishment through the extension of the regular draft.

Although we heartily agree that the present law (cited as the Universal Military Training and Service Act) must be extended, we believe it should be extended with modifications that take full cognizance of the changes that have occurred since its original passage in 1948 and its extension, with amendments, in 1950 and 1951. In the latter years the Nation was involved in armed conflict, and it was also confronted with a shortage of military manpower. During the 4 years that have since elapsed both these conditions have changed, and the statistical data that have been incorporated in Committee Print No. 1, which was prepared for the use of this committee in considering H. R. 3005 and H. R. 6057, reveal a current situation which, in our judgment, will preclude the simple extension of a draft law that was adapted to conditions existing 4 years ago. Now, for example, there are more than 1,500,000 men in the military manpower pool awaiting physical examination or induction. Within a single year the numbers of available personnel have increased by 450,000. The age of induction has risen from the statutory 18.5 to 21.5; and if the law is merely extended, without taking this growing surplus into consideration, the age of induction would be well in excess of 24 years before the expiration of the act on July 1, 1959.

The present law also imposes a special liability upon certain groups of men. It provides (in sec. 6 (h)) "that persons who are or may be deferred under the provisions of this section shall remain liable for training and service in the Armed Forces or for training in the National Security Training Corps under the provisions of section 4 (a) of this act until the 35th anniversary of the date of their birth." Let us see upon whom this special liability falls: First of all, it falls upon those persons who are engaged in agricultural pursuits and who, to meet the exacting demands of farming even for a single season, have sought deferment; second, it hits those teachers, skilled laborers, scientists, engineers, and administrators whose services were found to be so indispensable that their employers sought and obtained deferment for them; third, it falls upon those young men who, while waiting for a long-delayed induction call, made good use of their time by continuing their studies and who sought to complete their university work through deferment rather than have it interrupted at an inopportune time by military service.

If he is questioned on the subject, General Hershey will, I am sure, tell you that it is absolutely impossible, under the present law, for all physically and mentally fit young men to serve because there are so many more than our Armed Forces can utilize. Each month 46,000 young men reach military age and the number is going up. Even with the abnormally high physical and mental standards that are being applied by the Armed Forces, only 12,000 of these 46,000 will be classified as IV–F. Of the remaining 34,000, only 10,000 per month are being called to service under the law, and even if generous allowance is made for the numbers of volunteers to the several branches of the service a substantial surplus is being added to the unutilized pool of military manpower each month. Under this law, then, more than a quarter of our men are being exempted for physical and mental reasons and an equal number will escape service because they are in excess of military requirements. The surplus will, moreover, increase rapidly with each successive year.

Yet, in the face of this paradoxical situation, the farmers, the skilled laborers, the engineers, the scientists, the teachers, and the students—the very people we may need more urgently elsewhere—are marked for service and are held liable for 9 years longer than those young men who are deemed to have no special qualifications for deferment. Gentlemen, in this respect, the law inadvertently has become highly discriminatory and exceedingly dangerous if we are to preserve our economic and industrial supremacy.

This committee is no less concerned with the adequacy of our technological defenses than are the engineering and scientific manpower commissions. In fact, in 1951 this committee had the foresight to point to the urgent and continuing need to preserve and to build up our technological strength. It stressed this need in title 1, section 1, of the Universal Military Training and Service Act. Unfortunately, our technological manpower is now in far more precarious position than is our military manpower. There is an acute shortage of the former and an embarrassing surplus of the latter.

At the moment we are not engaged in any military struggle, though we must remain prepared for one. On the other hand, we are engaged in a technological struggle in which our slight lead is seriously threatened. The severe manpower limitations under which we are working can readily be demonstrated: Our universities report that for each engineer and scientist graduated this month there are five jobs available. Beginning salaries have again increased and are at an all-time high for technologically trained men. Just Tuesday of this week I heard Mr. Kaufman, of the Atomic Energy Commission, report that, if the applications of atomic energy are to proceed at an optimum rate, 40,000 additional scientists and engineers will be required by the AEC and by industry within the next 2 years. Yet, the total 2-year output of our colleges and universities in all fields of science and engineering will be a scant 60,000, to be distributed among industry, education, and government. In studying President Eisenhower's roadbuilding program, highway engineers discovered that it will require 32,000 more civil engineers than exist.

Information in the Commission's files provides some interesting facts about many companies that are engaged in military research, development, and production. One

of these companies has 14,000 employees, of which 1,286 are engineers or scientists. The average age of these 1,286 specialists is 32, and 380, or 29 percent of them, have a military obligation. Another company, with 13,317 employees, has 1,098 scientists and engineers of average age 30. Of these, 350, or 32 percent, have military obligations. Still a third, with 18,000 on its payroll, has 2,143 scientists and engineers of average age 30.2. Of the latter, 503, or 23 percent, have military obligations—and this company is 98 percent occupied on defense electronic work. The current annual report of the Republic Aviation Corp. reveals graphically the extent to which research requirements in defense industries have increased. In 1940 it required 17,000 engineering man-hours to develop a military airplane. In 1955 a modern jet fighter required 1,380,000 engineering man-hours for its development; and the company predicts, from designs already on its drawing boards, that this figure will increase to 2,150,000 man-hours by the year 1960.

In view of these facts, we believe it imperative to amend the Universal Military Training and Service Act drastically in several particulars, so as to assure the maintenance of our technological strength as well as our military strength. To this end we recommend:

1. That all men who have already reached age 26 and who have been deferred for occupational or educational reasons be relieved of further military liability.

2. That the proviso in section 6 (h), which makes men who have been deferred liable for military service until age 35, be deleted from the act.

3. That the Selective Service System be specifically given the discretion and the responsibility of selecting men for service or for deferment in accordance with the agricultural, educational, and industrial needs of the Nation, as defined in the present revised lists, and in subsequent revisions of the lists, of critical occupations and essential activities. This objective will be accomplished by writing into the bill the amendments contained in S. 969, proposed by Senator FLANDERS.

4. That this committee make provision in section 4 (d) (3) for a 6-month training period, on a voluntary basis for men under 19, and on an assignment basis under regulations established by the President for those over 19 who are filling critical occupations in essential activities. Only by some such provision will every American male have the privilege of serving his country in uniform.

5. That section 4 (d) (3) be further amended to provide that the Reserve shall be screened into ready and standby components; that individuals in the Ready Reserve who possess critical skills shall be transferred to the Standby Reserve in accordance with regulations promulgated by the President; and that the availability of members of the Standby Reserve for additional military service be determined by the Director of Selective Service in accordance with regulations promulgated by the President.

These changes are dictated by the exigencies of the present situation, which involves a rapidly increasing military manpower pool, a steadily rising age of induction, an inadequate supply of scientific and technological manpower, and a broadening avenue of escape especially for young men who lack skills that are urgently needed for the national welfare and security. It is our misfortune that we cannot create new scientists and engineers by a simple process of induction. We must persuade individual men to enter those careers and then must wait 4 to 7 years while they acquire the training that will enable them to undertake productive work. Under these circumstances, we cannot afford to waste a single bit of our technological manpower. Nor in the national interest can we—nor do we want to—relieve any of them from the duty and privilege of every citizen to bear arms for his country.

Mr. RUSSELL. Mr. President, I appreciate the remarks of the Senator from South Dakota. In the hearings before the committee, the distinguished Senator from South Dakota and especially the distinguished junior Senator from Missouri [Mr. SYMINGTON] went very fully into the question of skilled technicians and the shortage which impends in the United States. I think there is a real shortage. Just how to relieve it and just how the draft has caused the shortage of engineers are debatable questions.

As the Senator from South Dakota has said, there are many ramifications of this question. We have constantly to examine into these matters. Within a very few years there have been great changes in the manpower pool in the United States.

In 1951, when we were dealing with the so-called depression crop of young persons subject to the draft, we had to reduce the minimum age from 19 to 18½, in order to get enough young men to meet the requirements of Selective Service, and then we were scraping the very bottom of the barrel.

Today, it looks as if there might be an excess number, and that more young men than will be required for the military service will be reaching the age of service.

Certainly it is our responsibility to keep in touch with this entire subject—not only with the aspect of it affecting scientific technicians, which the Senator from South Dakota has discussed in some detail, but also with all other aspects of the Selective Service System. That comes within the purview of the jurisdiction of the Armed Services Committee. Speaking as the one who at this time occupies the position of chairman of the committee, I wish to state that I will welcome the advice, assistance, and legislative suggestions of the distinguished Senator from South Dakota [Mr. CASE] in the effort to find concrete means of approaching relief in connection with this subject. Knowing as I do the ability of the distinguished Senator from South Dakota, I am sure he will bring to us his legislative suggestions.

Mr. CASE of South Dakota. Mr. President, I appreciate the kind remarks of the distinguished chairman of the Armed Services Committee.

In order to nail down for the RECORD the specific suggestion which was made, I should like to read, from page 55 of the hearings, a statement and a question. The question was asked by the Senator from North Carolina [Mr. ERVIN] at the time when Dr. Meyerhoff appeared before the committee. I now read from page 55 of the hearings:

Senator ERVIN. Your main suggestion about amendment of the Selective Service Extension Act is about cutting off the period of time in which those are deferred in order that they might pursue an engineering or scientific education and also for other purposes, that they ought to cut them off at the 26-year age limit and not keep them in a state of uncertainty until 35.

Dr. MEYERHOFF. Yes, sir; for several reasons. As the figures we have and were presented to you in very brief summary show, a very large percentage of our engineers is below age 32.

I have a chart here which I would like to show you, that will indicate to you, you will see the number of men of military obligation and I think it will make it clear that if we take the engineers under age 35, they constitute what percentage?

Mr. CAVANAUGH. Almost 50 percent. One of the astounding things in this picture is we graduated 245,000 since 1937, which is almost half of the size of the entire profession in the United States.

I recognize that these men can continue in their deferment, but the uncertainty harasses them and harasses the companies which engage them. Since the manpower pool is now running about 1½ million who have not yet been physically examined, and since each month 46,000 young men are reaching military age, and the number constantly increases, whereas the calls are for only 10,000, it seems to me that we really ought to clarify the liability of men past 26 years of age, and offer whatever encouragement can be offered to those in the engineering field to proceed with their careers, without the threat of the draft hanging over them, or without having to be rescreened every 6 months or so.

Mr. President, I express my appreciation to the chairman of the committee for his indulgence in yielding to me and allowing me to speak, as it were, on his time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. MARTIN] to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

Mr. RUSSELL. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. On page 5, line 24, in the committee amendment, after the word "has", it is proposed to insert the word "been."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3005) was read the third time and passed.

The title was amended so as to read: "An act to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals and by extending the authority to require the special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes."

Mr. RUSSELL. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES conferees on the part of the Senate.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 549, House bill 6042, the Defense Department appropriation bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

CAPT. MOSES M. RUDY—CHANGE OF CONFEREES

Mr. JOHNSON of Texas. Mr. President, on behalf of the chairman of the Committee on the Judiciary [Mr. KILGORE], I ask unanimous consent that the Senator from Mississippi [Mr. EASTLAND] be excused from further service as a conferee on the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy, and that the Senator from Arkansas [Mr. MCCLELLAN] be designated to serve in his place.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

RESEARCH IN DEVELOPMENT AND UTILIZATION OF SALINE WATERS—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from New Mexico [Mr. ANDERSON], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment insert the following:

"That the Act of July 3, 1952 (66 Stat. 328; 42 U. S. C., secs. 1951 ff.), is hereby amended as follows:

"(1) By modifying subsection (a) of section 2 of said Act so as to read: 'by means of research grants and contracts as set forth in subsection (d) of this section and by use of the facilities of existing Federal scientific laboratories within the monetary limits set forth in section 8 of this Act, to conduct research and technical development work, to make careful engineering studies to ascertain the lowest investment and operating costs, and to determine the best plant designs and conditions of operation.'

"(2) By modifying section 3 of said Act to add the following: 'Similarly, the fullest cooperation by and with the Atomic Energy Commission and the Civil Defense Administration in research shall be carried out in the interest of achieving the objectives of the program.'

"(3) By modifying section 8 of said act so as to read: 'There are authorized to be appropriated such sums, but not more than $10,000,000 in all, as may be required (a) to carry out the provisions of this act during the fiscal years 1953 to 1963, inclusive, (b) to finance for not more than two years beyond the end of said period such grants, contracts, cooperative agreements, and studies as may theretofore have been undertaken pursuant to this act, and (c) during the same additional period plus one more year, to correlate, coordinate, and round out the results of studies and research undertaken pursuant to this act. Departmental expenses for direction of the program authorized by this act and for the correlation and coordination of information as provided in subsection (d) of its section 2 shall not exceed $2,000,000 and not more than $2,500,000 shall be expended for research and development in Federal laboratories. Both of said sums shall be scheduled for expenditure in equal annual amounts insofar as is practicable: *Provided,* That not to exceed 10 per centum of the funds available in any one year for research and development may be expended in cooperation with public or private agencies in foreign countries in the development of processes useful to the program in the United States: *And provided further,* That contracts or agreements made in pursuance of this proviso shall provide that the results or information developed in connection therewith shall be available without cost to the program in the United States herein authorized.'"

And the Senate agree to the same.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOSEPH C. O'MAHONEY,
EUGENE D. MILLIKIN,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, I understand that this report is signed by all the conferees on both sides.

Mr. JOHNSON of Texas. That is my understanding. It was handled by the distinguished Senator from New Mexico [Mr. ANDERSON], and there is no controversy involved. All the conferees signed the report.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by the Senator from New Mexico [Mr. ANDERSON].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ANDERSON IN CONNECTION WITH CONFERENCE REPORT ON H. R. 2126

Although it is not customary for the managers on the part of the Senate to make a statement in connection with a conference report on the disagreeing votes of the two Houses on Senate amendments to a House bill, because of its importance I desire to call the attention of the Senate to the conference report on H. R. 2126, to amend the act of July 3, 1952, relating to research in the development and utilization of saline water. The conferees of the two Houses, at the session yesterday, were unanimous in accepting the Senate amendments which place emphasis on the importance and urgency of the saline water program, which was inaugurated by the act of July 3, 1952.

The language recommended in the conference report is designed to assure close cooperation and coordination of the saline water program with and by the Atomic Energy Commission and the Civil Defense Administration for the purpose of achieving the objectives of the program. Emphasis is placed on national and world conditions which require tying the saline water program in with activities of the Atomic Energy Commission and the Civil Defense Administration.

It was the view of the conferees that the Secretary of the Interior would be expected to energize the program with the increased authorization of funds to be appropriated so as to bring about early solution of the problem of converting saline water to potable uses at economical costs. The situations with respect to water supplies in this country are becoming exceedingly critical in many areas. This condition is brought about by the rapidly increasing population and expanding industry with heavy drains on the existing water supplies. The demineralization of brackish water in the irrigated agricultural areas of the West is also a vital consideration.

Of even more importance in advancing this program is national and international conditions in this atomic age which emphasize the urgency of bringing the objectives of this program to a satisfactory conclusion. Concrete results are vital to the safety, security, and health of large segments of the 160 million people in this country.

All concerned with this program should be on notice that the expanded implementation provided by this legislation is expected to bring results that will be available to meet emergencies and have long-time continuing values to the country.

Approval of the conference report will be tantamount to concurrence of the Senate in these views for the information of the Department and the Bureau of the Budget in recommending appropriations.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON AUTHORIZED FEDERAL RECLAMATION PROJECTS—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from New Mexico [Mr. ANDERSON], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment insert the following:

"That irrigation distribution systems authorized to be constructed under the Federal reclamation laws may, in lieu of construction by the Secretary of the Interior (referred to in this Act as the 'Secretary'), be constructed by irrigation districts or other public agencies according to plans and specifications approved by the Secretary as provided in this Act.

"SEC. 2. To assist financially in the construction of the aforesaid local irrigation distribution systems by irrigation districts and other public agencies the Secretary is authorized, on application therefor by such irrigation districts or other public agencies, to make funds available on a loan basis from moneys appropriated for the construction of such distribution systems to any irrigation district or other public agency in an amount equal to the estimated construction cost of such system, contingent upon a finding by the Secretary that the loan can be returned to the United States in accordance with the general repayment provisions of sections 2 (d) and 9 (d) of the Reclamation Project Act of August 4, 1939, and upon a showing that such district or agency already holds or can acquire all lands and interests in land (except public and other lands or interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) necessary for the construction, operation, and maintenance of the project. The Secretary shall, upon approval of the loan, enter into a repayment contract which includes such provisions as the Secretary shall deem necessary and proper to provide assurance of prompt repayment of the loan. The term 'irrigation district or other public agency' shall for the purposes of this Act mean any conservancy district, irrigation district, water users' organization, or other organization, which is organized under State law and which has capacity to enter into contracts with the United States pursuant to the Federal reclamation laws.

"SEC. 3. The Secretary shall require as a condition to any such loan, that the water users' organization contribute in money or materials, labor, lands, or interests in land, computed at their reasonable value, a portion, not in excess of ten per centum, of the construction cost of such project (including all costs of acquiring lands, and interests in land), and that the plans for the distribution system are in accord with sound engineering practices and will achieve the purposes for which the system was authorized. Organizations contracting for repayment of the loans shall operate and maintain such works in conformity with reasonable contractual requirements determined to be appropriate for the protection of the United States, and when full repayment has been made to the United States, the Secretary shall relinquish all claims under said contracts. Title to distribution works constructed pursuant to this Act shall at all times be in the contracting water users' organizations. In addition to any other authority the Secretary may have to grant rights-of-way, easements, flowage rights, or other interests in lands for project purposes, the Secretary or the head of any other executive department may sell and convey to any irrigation district or other public agency at fair value lands and rights-of-way owned by the United States (other than lands being administered for national park, national monument, or wildlife purposes) which are reasonably necessary to the construction, operation, and maintenance of an irrigation distribution system under the provisions of this Act. No benefits or privileges under reclamation laws including repayment provisions shall be denied an irrigation distribution system because such system has been constructed pursuant to this Act. The provisions of this Act shall apply only to irrigation purposes, including incidental domestic and stock water, and loans hereunder shall be interest free. Nothing in this Act shall be construed to repeal or limit the procedural and substantive requirements of section 8 of the Act of June 17, 1902.

"SEC. 4. Except as herein otherwise provided, the provisions of the Federal reclamation laws, and Acts amendatory thereto, are continued in full force and effect."

And the Senate agree to the same.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOSEPH C. O'MAHONEY,
EUGENE D. MILLIKIN,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, I wish to make a similar inquiry to the one propounded by me with respect to the previous conference report. Is my information correct, that this report was also signed by all the conferees on both sides, on the part of the Senate?

Mr. JOHNSON of Texas. That is my information.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

LEGISLATIVE PROGRAM — UNANIMOUS-CONSENT AGREEMENT TO LIMIT DEBATE ON DEFENSE DEPARTMENT APPROPRIATION BILL

Mr. JOHNSON of Texas. Mr. President, the Defense Department appropriation bill is the unfinished business. However, it is planned, when the Senate convenes tomorrow, to take up the Austrian treaty. At the conclusion of the consideration of the Austrian treaty, it may be that there will be some general bills on the calendar to which no objection has been offered, and which have been cleared by the minority leader and by the policy group on this side of the aisle.

I shall now list the order numbers, so that Senators who may be interested in any of the bills will be on notice that it is possible that they will be taken up either before the Austrian treaty is considered tomorrow, or following consideration of the Austrian treaty.

The list is as follows:

Calendar No. 518, House bill 4573, authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.

Calendar No. 519, House bill 2984, authorizing E. B. Reyna, his heirs, legal representatives and assigns to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Los Ebanos, Tex.

Calendar No. 543, House bill 208, granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States.

Calendar No. 544, House bill 3878, to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood control work.

Calendar No. 545, House bill 4426, to amend section 7 of the act approved September 22, 1922, as amended.

Order No. 546, House bill 5293, to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway.

Order No. 547, Senate bill 890, to extend and strengthen the Water Pollution Control Act.

Order No. 548, Senate bill 1550, authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Dominion of Canada.

Order No. 549, House bill 6042.

Mr. KNOWLAND. Mr. President, Order No. 549 is the unfinished business.

Mr. JOHNSON of Texas. That is correct. I am sorry. I may say to the Senator, however, that it may be taken up tomorrow, but I am sure there will not be any votes on Friday or on Saturday, and if we are able to obtain a unanimous consent agreement, we will not have any votes before 3 o'clock on Monday.

Order No. 550, Senate bill 2237, to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes.

Order No. 551, Senate Resolution 93, to appoint a subcommittee to work toward the goal of world disarmament.

Order No. 552, Senate Resolution 112, to appoint Members of the Senate to attend the North Atlantic Treaty Organization Conference in Paris in July 1955.

Order No. 553, Senate Concurrent Resolution 29, authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference.

Order No. 555, House bill 5841, to repeal the fee-stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended.

Order No. 556, House bill 5842, to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State.

Order No. 557, House bill 5860, to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms.

Order No. 558, Senate bill 1966, to amend the Interstate Commerce Act to provide for filing of documents evidencing the lease, mortgage, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act.

Order No. 560, Senate Joint Resolution 77, to modify the authorized project for Ferrells Bridge Reservoir, Tex., and to provide for the local cash contribution for the water supply feature of the reservoir.

Order No. 561, House bill 6410, to authorize the construction of a building for Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

Order No. 562, Senate bill 2097, to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, V. I.

Order No. 563, Senate bill 2098, to amend Public Law 83, 83d Congress.

Order No. 564, House bill 2973, to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

Order No. 565, House bill 5188, to prohibit publication by the Government of the United States of any prediction with respect to apple prices.

Order No. 566, Senate bill 1472, to enable the Secretary of Agriculture to extend financial assistance to desert land entrymen to the same extent as such assistance is available to homestead entrymen.

Order No. 567, Senate bill 1757, to amend the act known as the "Agricultural Marketing Act of 1946," approved August 14, 1946.

Order No. 568, Senate bill 1759, to consolidate the Hatch Act (1887) and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico.

Order No. 569, Senate bill 1400, to protect the integrity of grade certificates under the United States Grain Standards Act.

I have previously announced the possibility of bringing up additional bills. It may be too optimistic to expect that we can consider all of these bills, but I should like to have the Senate on notice that if we have the time we will feel at liberty to proceed to their consideration.

Mr. President, on behalf of myself and the distinguished minority leader, I now submit a unanimous-consent request, and I ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the unanimous-consent request.

The legislative clerk read the proposed unanimous-consent agreement, as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Monday, June 20, 1955, at the conclusion of routine morning business, during the further consideration of the bill H. R. 6042, the Department of Defense Appropriation Act, 1956, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 2 hours, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders.

Mr. KNOWLAND. Mr. President, will the distinguished majority leader yield to me for a question?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. It is my understanding that, so far as Monday is concerned, the Senate will meet at 12 noon. Is that correct?

Mr. JOHNSON of Texas. That is correct. Under a further understanding with the distinguished minority leader on the Defense Department appropriation bill, it is not expected that there will be any votes before 3 o'clock.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and the agreement is entered into.

RECESS

Mr. JOHNSON of Texas. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 33 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 17, 1955, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate, June 16 (legislative day, June 14), 1955:

CALIFORNIA DEBRIS COMMISSION

Col. William F. Cassidy, Corps of Engineers, to be president and member of the California Debris Commission, under the provisions of section 1 of the act of Congress approved March 1, 1893 (27 Stat. 507) (33 U. S. C. 661).

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 16, 1955

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, as we again assemble to engage in the business of statecraft, may our minds become the chambers of pure motives and high resolves and, at the close of the day, the dwelling place of peace and happy memories.

Grant that daily we may be sustained by a great faith which knows how to conquer all paralyzing doubts and petty fears.

Inspire us with a radiant hope as we strive to be partners with Thee and with one another in the glorious enterprise of building the kingdom of peace and righteousness upon the earth.

Direct us now in our deliberations and decisions and may the words of our mouth and the meditations of our heart always be acceptable in Thy sight, O Lord, our strength and our Redeemer.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1) entitled "An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes."

COMMITTEE ON WAYS AND MEANS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Saturday night to file reports on the bills H. R. 6040, H. R. 5936, and H. R. 5560, and that the same length of time be allowed for the filing of any minority report or separate views upon any or all of those bills.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

FATHER'S DAY IS SUNDAY

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, Father's Day is Sunday.

And from "way down yonder in New Orleans" you and each Member of the House and Senate, and President Eisenhower as well, is being remembered today. To each Member's office today is being delivered a handsome Father's Day tie created by the world's largest manufacturer of neckwear, Wembley of New Orleans.

I have been asked by Mr. S. C. Pulitzer, president of Wembley's, to deliver this tie to you with his compliments and good wishes. This thought for Father's Day was arranged with Mr. Pulitzer and Wembley through the cooperation of my close personal friend, Charles Labiche, president of Labiche's, one of the finest clothing stores in New Orleans. Of course they are from my district. I sure have nice constituents, do I not?

New Orleans during recent years has become one of the great industrial centers in the Deep South. Its industrial growth has been phenomenal and the growth of Wembley is typical of the progress being made. From a small business enterprise 20 years ago Wembley has grown to the position of the world's largest neckwear manufacturer. It is a tribute to what we like to call the American method of free enterprise.

New Orleans, America's most interesting city, has long been known as the city that care forgot. Today it is more than that. New Orleans is today the city that care forgot and industry remembered.

I hope you enjoy wearing this tie on Father's Day as a symbol of the new industrial South, particularly New Orleans. I invite you to come to New Orleans soon and if you do I promise you a trip on Bourbon Street—of course that is my district. We have got everything.

Elaborating on Wembley and the new industrial South as reflected in the New Orleans area, I believe you would be interested in knowing the story of Wembley and how it happened. The story of Wembley is the story of an American company.

Wembley is a young company—even as youth and age are measured in American business. Yet, in little more than a quarter century, it has risen to become the leader in the entire neckwear industry. Its success is a shining chapter from the story of American free enterprise—whether north, south, east, or west.

Founded in New Orleans on July 28, 1926, by Samuel C. Pulitzer and Emanuel S. Pulitzer, Wembley operated a small neckwear manufacturing business in a limited territory covering the States of Louisiana, east Texas, southern Mississippi, and southern Alabama, manufacturing popular priced neckwear.

You are in New Orleans on a summer afternoon in 1935. You are looking in on a small neckwear factory on the third floor of an ancient side street building. Two brothers are fighting to widen their slim foothold in a market already crowded with big and well-established competitors.

And then it happens. One brother has removed the jacket of his handsome new summer suit and left it proudly draped on a coatrack. The other brother sees the jacket and removes it from its hanger. He examines the fabric with sharp eyes and knowing fingers. Glancing over his shoulder to make sure his partner is out of sight, he reaches for his shears.

In that one magic moment comes an idea that shapes the whole future of the little tie business—for these two men knew what to do with that idea, and from it they built their almost unknown company into the world's largest manufacturer of neckwear—Wembley, Inc.

Today, Wembley has nationwide distribution in almost every town and city of the United States, and Wembley neckwear is shipped to about 30 foreign countries in the Free World where Wembley has export sales representatives.

The general offices and plant of Wembley, Inc., occupy nearly 100,000 square feet of space in the Pendleton Terminal Building in New Orleans.

The cutting tables at Wembley are the longest in the entire clothing industry, each of the 4 tables being approximately 332 feet long.

Wembley, Inc., also has the following offices throughout the United States: Eastern sales office, 3005–6 Empire State Building, New York, N. Y.; eastern warehouse, Newark, N. J.; midwestern sales office, 866 Merchandise Mart, Chicago, Ill.; western sales office and warehouse, 2701 South Broadway, Los Angeles, Calif.

The Los Angeles warehouse ships to 11 Western States, Hawaii, and Alaska, and has resulted in Wembley being able to give much faster service at much lower transportation costs to customers in those States and United States Territories.

In order to service better the thousands of customers in the important northeastern section of the United States, Wembley is now planning to open a large, new, modern warehouse and shipping office in northern New Jersey and close to New York City.

The present officers of Wembley, Inc., are Samuel C. Pulitzer, president; Emanuel S. Pulitzer, executive vice president-treasurer; Alfred F. Hanson, vice president-secretary; Hyman "Bud" Lewine, vice president; Aubrey L. Gouner, vice president; and Joseph Lionel Caillouet, vice president.

America, the neckwear industry, and Wembley have all made amazing changes since 1926.

The Wembley story is an account of bold, imaginative, and progressive management decisions. Its consistent growth to the undisputed leader in its field demonstrates the truth and the strength of the American idea that success in industry comes from making better products available to the customer, backed by the first, greatest, and only consistent national advertising program in the neckwear industry, which has presold Wembley in the minds of millions of consumers the world over.

And above all, it shows what can result, yesterday, today, or tomorrow—from the cooperative effort and skills of people working freely together with a common purpose.

Wembley's past has been strong, versatile, and progressive.

Its future is dedicated to upholding the same high standards of quality, style, and new-product development which have played so significant a part in its history to date.

This is the story of Wembley. This is the story of free enterprise in America. This is the story so typical of a new South, a new industrial South. This is the story of a new New Orleans which still retains the charm of old New Orleans.

This is the typical story of New Orleans, the city that care forgot and industry remembered.

NATIONAL SCIENCE FOUNDATION

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, every day it becomes more evident to me that the advantage the United States enjoys in the contest it is waging with the Iron Curtain countries is based on its advantage in the basic sciences and technology. We can only hope to surpass these countries through our superior technology and not through our numbers. Russia and China will always be able to sacrifice the lives of more people than the countries of the free world who value the life of every individual so highly. Our hope lies in making the people of the free world more effective than their potential enemies.

The National Science Foundation is one branch of our Government which was specifically directed by both the Congress and the President to make us stronger than our potential enemies. On March 17, 1954, the President issued an Executive order to strengthen the conduct and administration of the scientific research and development programs of the Federal Government. The White House, in announcing this new Executive order, said:

> The order directs the National Science Foundation to make studies of the scientific activities of the Nation and to recommend to the President policies to strengthen the research effort and define the Federal Government's role in it. The Foundation, over a period of time, is expected to become increasingly responsible for providing Federal support for basic research carried on in universities and other nonprofit institutions.

Other Federal agencies, however, will continue to carry on basic research which is closely related to their statutory missions.

The Foundation will also study the effects of Federal research support on the Nation's educational institutions and recommend policies and procedures to promote the attainment of the Federal research objectives while safeguarding the strength and independence of the educational institutions.

Mr. Speaker, I wholeheartedly endorse the President's statement.

With this background in mind, I was surprised to learn of the nature of some of the projects reported in the eighth quarterly report of the National Science Foundation as "Government sponsored and Government supported research." I fear there is a tendency to use the word "science" as a magic word to justify all kinds of projects which could never stand on their own feet otherwise.

Prof. A. H. Hobbs, of the University of Pennsylvania, in his book Social Problems and Scientism, deplores our tendency to justify all manner of research as scientific areas where, in fact, there is nothing scientific about it.

Mr. Speaker, let me list a few of the projects from the eighth quarterly report which I do not think contribute by any stretch of the imagination toward the objectives outlined by the President when he issued his Executive order in March of a year ago. The following are taken directly from the eighth quarterly report of the National Science Foundation on the Social Sciences and Interdisciplinary Areas:

Institution	Investigator	Termination date	Identifying number	Agency	Title
PHYSICAL ANTHROPOLOGY					
AES,[1] University of Arkansas	C. A. Ridder		BJ9, 377	ARS,[1] OES	Space requirements for typical activities requiring sitting, using unupholstered straight chairs selected in relation to body measurements of adults (p. 10).
AES, University of Tennessee	L. Gassett		BJ9, 43	ARS,[1] OES	Relationships between specified body measurements and space used for sitting, rising, reaching, and bending (p. 11).
SOCIOLOGY					
Family: University of California	H. E. Jones	June 1955	M-732	PHS,[2] NIH	The reactions of young children to the birth of a sibling (p. 25).

[1] Department of Agriculture, Agricultural Research Service, Office of Experiment Stations.

[2] Department of Health, Education, and Welfare, Public Health Service, National Institutes of Health.

Mr. Speaker, I want to inform my colleagues that a sibling means a brother or sister.

Institution	Investigator	Termination date	Identifying number	Agency	Title
SOCIOLOGY					
Family: Family and Child Services, Inc.	L. J. Yarrow	October 1955	3M, 9077	PHS,[1] NIH	Effects of change in mother figure during infancy on personality development (p. 26).
AES, University of Nebraska	K. L. Cannon, R. Gingles		BJ9, 486	ARS,[2] OES	High school girls who marry before reaching the age of 19 (p. 27).
Housing: AES, Alabama Polytechnic Institute	K. Philson, W. Grub		BJ9, 532	ARS,[2] OES	Evaluation of movable free standing storage units designed to meet family needs (p. 36).
AES, University of Arkansas	H. Wells, T. O. Hodges		BJ9, 326	ARS,[2] OES	Space, storage and arrangement requirements for a combination living and sleeping area and for bedding and household linens.
Johns Hopkins University	M. Taback, W. A. Cochran	February 1956	RG, 4083	PHS,[1] NIH	The effects of public housing on the health and social adjustment of rehoused families (p. 37).
AES, University of Maine	M. M. Monroe		RRF, 7	ARS,[2] OES	Activities related to family leisure and recreation and play of children: storage of children's toys and play materials.
AES, Montana State College	E. W. McCormick, V. Williams.		RRF, 31	ARS,[2] OES	The arrangement of and the space required for efficient storage of home sewing equipment (p. 38).

[1] Department of Health, Education, and Welfare, Public Health Service, National Institutes of Health.

[2] Department of Agriculture, Agricultural Research Service, Office of Experiment Stations.

Mr. Speaker, I want to emphasize that many of the projects listed in this report can be of great value and can supply useful information in connection with our psychological and cultural activities necessary to combat communism. I am not finding fault with research in the social sciences. Again I wish to emphasize that we should support projects in pure science even though we cannot see any immediate application. That is quite different, however, from supporting projects such as I have listed which, I believe, Professor Hobbs would call scientism instead of science. My concern lies in the fact that we cannot afford to waste manpower or money in the pursuit of useless projects.

This tendency to collect statistics in the name of science on everything and anything is carried over into the United Nations. The Secretariat of the Economic and Social Council published an elaborate report on the Traffic in Women and Children. Mr. Speaker, certainly I believe we should do everything in our power to suppress traffic in women and children. However, collection of statistics on the nationality of prostitutes in various countries does not aid that enterprise.

The United Nations report issued March 31, 1953, No. E/TWC/Summary 1948–1950/Addendum, contains this valuable information:

QUESTION II. LICENSED OR RECOGNIZED BROTHELS

If any system of regulation exists in your country, please give—

(a) The number of brothels which are licensed or recognized;

(b) The number and nationality of the prostitutes who are inmates of these brothels; and

(c) The number and nationality of the other prostitutes who are inscribed or registered.

The following Governments answered "nil" or stated that there were no licensed brothels in their countries: Belgium, Iran, Israel, Monaco, Rumania—(p. 4).

REPLIES

China

Licensed brothels, as an institution, have never existed in the Republic of China, while unlicensed brothels are prohibited by law.

Because of the prevailing circumstances in Taiwan Province, however, permission has been given for the operation of 60 "special wine houses" in the various districts and municipalities of the province. Licenses have been issued to a total of 811 "hostesses" serving in these houses. Both the houses and hostesses are controlled by the regulations governing "special wine houses" in the districts and municipalities of Taiwan Province, and by the regulations governing the medical examination of the hostesses, all of whom are citizens of China.

Lebanon

(a) Number of licensed brothels: 98;

(b) Number and nationality of prostitutes: Lebanese, 301; Syrian, 211; Palestinian, 39; and Brazilian, 1.

(c) Number of licensed prostitutes: 467.

(d) Number of clandestine prostitutes, 72; including 54 of Lebanese, 10 of Syrian, and 8 of Palestinian nationality (p. 5).

Mr. Speaker, I wonder how the United Nations counted and tabulated the clandestine prostitutes?

The United Nations Educational, Scientific, and Cultural Organization has also produced a very elaborate book entitled "Culture and Human Fertility"

which reviews the sex mores of various primitive tribes located all over the world. I am certain my colleagues will be gratified to learn that our contributions to UNESCO helped to pay for studies which produce such important findings as the following, which refers to the Nkundo tribes in Africa:

> Sex has always been treated naturally and under normal conditions carries no suggestion of shame. Mothers assist little girls in modeling their sexual organs to facilitate later sexual acts. Sexual motifs are present in many dances. The tattooing of girls emphasizes sexual characteristics. There was also an ancient custom of douching after coitus, using gourds; but there is no indication that this was regarded as a contraceptive practice. Coitus interruptus, except in the ritualistic relations of spouses mentioned above, was never practiced. Infanticide was unknown (p. 124).

We should reexamine our contributions to UNESCO in the light of these activities.

Mr. Speaker, my only purpose in bringing these matters to the attention of the House is to make sure that the very limited funds which are available for work in the social sciences are used to further those projects which will enable man to adjust better to his environment and to improve his relations with his fellowmen. Real science in this area is of incomparable value. Expensive nonsense is not a proper burden on the American taxpayer.

RELIGIOUS PERSECUTION IN ARGENTINA

Mr. ANFUSO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANFUSO. Mr. Speaker, I think that President Peron of Argentina is either losing the grip of his people or else he is on the verge of losing his own mind. He is going the way of all dictators when he seeks to destroy religion in his country. Hitler, Mussolini, and Stalin could not do it. A million Perons in Argentina could never destroy the Catholic Church in that country. Religion cannot be cut out of the hearts and the minds and the souls of millions of people by the edict of a dictator.

I am sure that many people, reading the reports in the press in recent days concerning the attacks on the Catholic Church by the Peron government in Argentina, are wondering just what is going on there. Unfortunately, as we all know, there is a severe restriction on the press in that country and of late since the flareup of the church-state conflict there is an almost total blackout of news from Argentina. I say "almost total" because, while information is disseminated concerning the Peron government's position, little or nothing reaches us from there on the church's position.

The antichurch campaign was initiated by Peron last November, following the enactment of laws abolishing religious education from the schools, and legalizing divorce and prostitution. Since then a regular cold war against the Catholic Church in Argentina was pursued by the Peron government, but of late it is getting hotter by the day.

During these past few months a full-fledged reign of terror and religious persecution is the order of the day in Argentina against leading clergymen, Catholic teachers, nuns, and laymen. At last reports, more than 60 priests have been thrown into jails, nuns have been removed from orphanages and homes, and every attempt on the part of the people to demonstrate their support of the church has been broken up.

I am not going to dwell at length on the many restrictions which Peron has imposed on the Argentine people since his coming to power. These facts are well known in this country and elsewhere. Suffice it to say, that his restrictions affect every group in that country and every phase of life and activity of its people—the political parties, the press, the labor unions, education, and so forth.

Until about a year ago he did not interfere with the church. Evidently, now that Peron has succeeded in suppressing and emasculating all other phases of Argentine life, he wants to subdue the church as well and make it a puppet of his regime. This is truly the way of the dictator. This was the road taken by Hitler and Mussolini. This was the road taken by Stalin in Soviet Russia. In this respect, Peron is following in their footsteps. As such, I have no hesitation in branding him the worst dictator since Hitler, Mussolini, and Stalin.

Mr. Speaker, history has proven on numerous occasions that when a dictator resorts to religious persecution and to attacks on religious faiths, that point generally marks the beginning of his downfall. Those who place loyalty to the state above all else cannot tolerate any rivalry for loyalty in any other sphere. Under these circumstances, Peronism and Catholicism will not mix. When a dictator claims, as Peron did at a May Day rally, that it was proper for his government to shape the souls of its citizens—then he is treading on dangerous ground.

All of this has a familiar ring. We have heard it before in the Communist satellite countries of Eastern Europe where men like Cardinal Mindszenty were thrown into jail and liquidation of the church was undertaken by anti-religious and ruthless regimes. Peron is now imitating those regimes in seeking to wipe out freedom of religion and establish a police state similar to those prevailing in Eastern Europe.

Persons intimately familiar with the situation in Argentina are convinced that it is more than merely a religious problem, that its roots can be traced also to factors in Argentina's political and economic problems. Among the political factors one should not overlook the existence of strong anticlerical and even Communist influences in the country.

Peron is now launching his second 5-year plan. The first nearly ruined the economy of the country by bringing on an inflation which is still persisting. The Peron regime was forced to increase strong police controls in order to stifle popular discontent. When that was not sufficient to distract the attention of the people from the sagging economy, he turned his propaganda machine on the church.

Meanwhile, the Communists in Argentina, who are led by capable and experienced leaders and who form a strong element in the country, are carrying on a patient and determined work of infiltration. They have well-organized cells and are well entrenched within the Peronist labor movement.

Several years ago, a distinguished Argentine writer expressed a most interesting opinion on Peronism which is worth pondering in the light of the present controversy. He wrote:

> Peronismo has no ideology of its own, and thus three roads open up before it: nationalism, communism, or Christianity * * * Lacking sufficient ideological bulwarks, Peronismo is like a social motorcycle: when the fuel of workers' privileges runs out, it must fall over. On the side of which anti-Christian ideology will it fall?

It may be that the current church-state controversy will hasten that fall, but if it does Peron can blame no one but himself for bringing on this feud. As such, this struggle and its possible consequences is of extreme concern to the American people and should not be ignored by us. I am not advocating intervention, but neither should we remain silent. We cannot close our eyes to what is going on in a country of the Western Hemisphere where democratic institutions are being destroyed and where religion is being persecuted.

Mr. Speaker, I understand that the Export-Import Bank in Washington, an agency of the United States Government, is extending to Peron a credit of $60,-million to build a steel mill in Argentina. A short while ago, our Government also initialed an "atoms-for-peace" agreement with Peron whereby the United States would help set up an atomic reactor in Argentina and pay half of the costs.

I believe the Eisenhower administration should be more cautious in extending aid in any shape or form to a country which is carrying on open warfare against one of our great churches and which is seeking to destroy religion and religious freedom. I believe it is time for our Government to speak up and warn the Peron Government that it is going too far and that we will not tolerate these persecutions for moral reasons, as well as for its political consequences. And, finally, I believe that Congress should express its opinion in the form of a resolution condemning the Peron regime for its policy of religious persecution, just as we have done in the past when other governments resorted to religious persecution.

CALL OF THE HOUSE

Mr. MARTIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 87]

Ashley	Davidson	McConnell
Baumhart	Dawson, Ill.	McDowell
Bentley	Dingell	McVey
Bolton, Oliver P.	Eberharter	Moulder
Brownson	Green, Pa.	Mumma
Buckley	Griffiths	Polk
Burnside	Gubser	Powell
Canfield	Heselton	Prouty
Celler	Holifield	Reed, N. Y.
Chatham	Hope	Rutherford
Cole	James	Teague, Tex.
Cooley	King, Pa.	Thomson, Wyo.
Corbett	Klein	Zelenko
	Knutson	

The SPEAKER. On this rollcall 383 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INDEPENDENT OFFICES APPROPRIATION BILL, 1956

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. THOMAS, YATES, EVINS, BOLAND, CANNON, PHILLIPS, VURSELL, OSTERTAG, and TABER.

PUBLIC WORKS APPROPRIATION BILL, 1956

Mr. RABAUT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army for the fiscal year ending June 30, 1956, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6766, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read the first paragraph of the bill.

If there are no amendments to this paragraph, the Clerk will read.

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to say to the membership—and there is a splendid membership present at this hour—that this bill contains many controversial items. It will be necessary to have the membership present on the floor today, and it will be necessary that the membership remain on the floor in order that the will of the House may be carried out at the time when we finally turn it back to the Speaker for presentation to our body.

With that in mind, Mr. Chairman, I also wish to announce that it is the intention of the committee to finish this bill today. I desired to make that announcement while the membership is present.

Preparation of the bill was a long and complicated task, since it includes appropriations for critical programs of numerous agencies, including the Corps of Engineers, the Bureau of Reclamation, all of the power agencies of the Department of the Interior, the Atomic Energy Commission, and the Tennessee Valley Authority. To handle this job the 15-man Public Works Subcommittee was divided into 4 panels and hearings by these panels were in process without interruption for approximately 6 weeks, during which time many departmental witnesses and over 1,000 others were heard.

As may be seen from the report, total budget estimates considered were $1,789,165,000. The bill before you appropriates $1,285,746,242—a reduction of $503,418,758 below the budget estimates.

The reductions in the water-resources programs of the corps and the Bureau of Reclamation have been made to a large extent for the purpose of compensating for savings which can be expected on the basis of recent contract award experience. The reductions total $65,332,000, of which only $10,042,000 is the result of denying funds for proposed new starts. The total reduction in the corps' construction program alone is only $33,112,200 out of a total of $355,375,000. Of this reduction, approximately $23 million is to compensate for expected savings.

The committee has approved the entire program presented by the Atomic Energy Commission in recognition of the vital role which this agency plays in national defense and peacetime developments. The reduction which has been made is compensated in part by transfer of unused funds from the plant account to the operating-expenses item, and by anticipated unused balances which experience indicates can be expected.

With respect to the TVA the committee has diverted $6,500,000 from construction of a transmission line to tie in the Dixon-Yates plant to the construction of another TVA steam plant at Fulton, Tenn. This action has been taken for three reasons primarily: First, additional power production capacity must be available by 1958 to supply the atomic-energy plants or else power to critical industries in the TVA area will have to be curtailed; second, because the Dixon-Yates proposal is in litigation, and there is no assurance that this matter will be settled or that power from this plant will be available in time; and, third, it appears well established that it will be less costly in the long run to obtain the power through the proposed TVA plant than through the Dixon-Yates proposal.

With respect to the Southwestern Power Administration, the committee has restored the continuing fund in order to reactivate contracts with certain generating and transmission cooperatives which were set aside by the previous Congress. These contracts were the security for REA loans to the cooperatives, and without them it appears that these cooperatives will be forced to default on their loan repayments to the Government.

Mr. Chairman, in considering the appropriations for the Atomic Energy Commission, we are considering here the appropriations for possibly the most important agency of the Government as it concerns the security of our present and future generations. We must be ever mindful that our work here is not solely the allocation of moneys for a defense project; we are literally appropriating the future of America, if not the future of the whole world. We have uncorked a tremendous power of nature's physical potential—we must be prepared to supply the component spiritual resources that this great material advance requires. Too often, as our history discloses, our economic and social problems have at their source the lag between man's material and spiritual advances. It is my humble opinion that we no longer can allow ourselves the indulgence of recommitting this error. Therefore, I would also ask my colleagues to reflect in their deliberations upon the need for temperate reasoning in the utilization of this new force that has been unfolded to us.

It might be wise to ask ourselves: Wherein lies the inherent evil of the atom? The answer would reduce itself to the fundamental proposition that material devices, in themselves, are potentially either good or evil and that their ultimate utilization will be the determinant factor that tips the scales one way or the other. Gentlemen, it brings us right back where we started from: Man, the instigator and unraveler of Nature's powers, and man, the utilizer of the powers that he has harnessed. It is too bad that in the same act of drawing back the curtain of Nature's mysteries that we do not draw back the curtains that are occluding man's reasoning. As far as I am concerned it is a matter of perspective which is determined by our ability to choose, which, in turn, is dependent upon our ability to understand the workings of the Supreme Architect of this universe. The bafflement that we experience when we attempt to cope with these powers is indirectly proportionate to the degree in which we have attempted to understand Him. Such problems as to whether public or private power will develop the monster are academic when considered alongside the more fundamental proposition of human survival or human extinction. Consider, I beseech you, the parallel need for His divine guidance in the most important work that is before us. Let us not be confounded by our technical ingenuity to the extent that we plunge headlong into the oblivion of spiritual barrenness.

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment.

I concur in what the gentleman from Michigan [Mr. RABAUT] has just said with reference to the necessity of the membership being on the floor and available at all times during the day.

Whether we can finish tonight depends upon whether we get through in reasonable season. But I feel I must say to the Clerk that as they read the bill today they must read it all in detail so that the membership may know just where we are.

The pro forma amendment was withdrawn.

The Clerk read as follows:

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C., ch. 12A), including hire, maintenance, and operation of aircraft, and purchase (not to exceed 211, for replacement only) and hire of passenger motor vehicles, $26,214,000, to remain available until expended, and to be available for the payment of obligations chargeable against prior appropriations, and of which $6,500,000 shall be for commencement of construction of a powerplant to be located near Fulton, Tenn.: *Provided*, That no funds appropriated for the Tennessee Valley Authority by this paragraph shall be used for the maintenance or operation of any aircraft for passenger service that is not specifically confined to the active operation of the official business of the Tennessee Valley Authority, and not to exceed $673,000 (exclusive of travel for work in connection with the construction of transmission lines, dams, and steam plants) of funds available to the Tennessee Valley Authority shall be used for expenses of travel: *Provided further*, That no part of funds available for expenditure by this agency shall be used, directly or indirectly, to acquire a building for use as an administrative office of the Tennessee Valley Authority unless and until the Director of the Bureau of the Budget, following a study of the advisability of the proposed acquisition, shall advise the Committees on Appropriations of the Senate and the House of Representatives and the Tennessee Valley Authority that the acquisition has his approval: *Provided further*, That there shall be available for resource development activities pursuant to the Tennessee Valley Authority Act of 1933, as amended, not to exceed $600,000 from proceeds of operations of the Tennessee Valley Authority.

Mr. PHILLIPS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PHILLIPS: Page 5, line 17, after the word "appropriation", strike out the remainder of the proviso.

Mr. PHILLIPS. Mr. Chairman, if the Members will turn to page 5 of the bill that is being read, at line 17 they will see the line presently reading as follows, beginning at the start of the line: "against prior appropriations." At that point my amendment begins to strike and continues to the end of the proviso. Thus, I strike the following words from my amendment: "and of which $6,500,000 shall be for commencement of construction of a powerplant to be located near Fulton, Tenn." That much and that much only is stricken by this amendment.

Mr. Chairman, my amendment does not reach to the amount of money in the bill. The amount of money in the bill was not changed in the committee before bringing it to the floor and is not changed by this amendment. It strikes only the obligation, the instruction to build a steam plant for the Tennessee Valley Authority located at or near Fulton, Tenn.

Mr. Chairman, I agree completely with my distinguished friend on the majority side who said the bill before us today is an important bill and the action we take is an important action. It will be an action of far-reaching consequences to the Government of the United States.

The construction of a steam plant at Fulton would, for the first time, carry the Tennessee Valley Authority by the construction of steam-power generating facilities outside the area designated in the act which created the Tennessee Valley Authority. It would create a duplicating plant, a duplication of the power which already is contracted for in the plant that is presently being built at or near Memphis.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan.

Mr. RABAUT. How about the location of the Shawnee and the Gallatin plants; are they in the area or outside the area?

Mr. PHILLIPS. Did the gentleman refer to the Shawnee plant?

Mr. RABAUT. To the Shawnee and Gallatin plants. They are outside the area.

Mr. PHILLIPS. It is questionable as to whether they are in or outside of the area. There is no question regarding the location of the Fulton plant. It is 100 miles outside of the area of the Tennessee Valley Authority. I think the simple answer to the gentleman is that if the gentleman were right, that would not in itself justify making a third and a much more serious mistake.

We have paid into the budget of the Tennessee Valley Authority year after year an amount of money which presently aggregates more than $1,800,000,000. Of this amount, approximately $1,400,000,000 has been spent for the construction of power facilities. Of this, a small amount has been paid back.

Much has been made of the fact that this power is needed to firm up the hydroelectric power, the use of which was understood and conceived in the original act. There might have been an argument had we limited the firming up facilities to a small percentage of the power needed in that area. When the presently authorized and financed units are constructed 70 percent of the power will be created by steam plants. We are away beyond any reasonable consideration of the firming up of power. Of the power that is created in the Tennessee Valley Authority area, 700,000 kilowatts are used annually for a use which is perfectly legitimate but which is not procurable in any other State of the United States under similar costs and circumstances; 700,000 kilowatts for heating houses; 130,000 private homes in the area are benefited.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PHILLIPS. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PHILLIPS. One million kilowatts are used annually for industrial use, not for the small-home owner, not for the little individual or community of whom we are constantly talking, but for industrial use.

This, then, with little further need of argument, is the issue before us today: Will the TVA, well run, well built, but relieved of the same obligations of other utilities, be financed by a subsidy from the Federal Government? As demonstrated to you today, a payment will be made this year, this coming fiscal year, of approximately $40 million upon the money advanced in the past, and with the other hand there will be taken out or requested at the beginning an expenditure of $100 million, of which this $6.5 million is only the first payment. This happens each year. Therefore, the question before us is just as simple as that. Will we confine the Tennessee Valley Authority, a subsidized agency, to the area which it was created to serve, or will we for the first time grant permission to go this far outside the area for the purpose of furnishing power to communities and industries which have neither Federal nor local connections. The city of Memphis would be the principal beneficiary.

I think, Mr. Chairman, a great deal of argument upon this subject is unnecessary. This has been thoroughly discussed. I think practically everyone in this room today knows how he or she will vote. This, I repeat, is an issue of the utmost importance, as to where the Federal Government is going on the issue of subsidized power. I think this is the issue upon which we today stand up and are counted.

Mr. COOPER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, permit me to say in reply to the main point made by the gentleman from California that the Fulton site is definitely in the TVA area. It is in the area which I have the honor to represent. I have lived there all my life. I believe I know as much about that area as the gentleman from California. And it is in the very area that is served by TVA now. The TVA now has a contract with the city of Memphis, and all of the area embraced in the Congressional District which I have the honor to represent, which is adjacent to the Memphis district, is served by TVA. We simply need additional capacity in that area to provide for the added requirements of the people of that area.

By approving the action of the Appropriations Committee we can eliminate the unwise and indefensible Dixon-Yates deal, and continue a wise and sound program for the Tennessee Valley Authority. The fortress from which the invasion of TVA was expected to be launched will never serve that purpose. We can adopt the slogan "Let Dixon-Yates capacity be built to serve Dixon-Yates consumers." Let the companies construct this plant in Arkansas and many others so that their consumers can

enjoy the benefits of an abundant supply of power. We wish them well. But let them understand that this Congress has determined that Dixon-Yates and all their kind will not be aided by our action to dismember and destroy the great public power system of which TVA is the vital core. Let us tell the Atomic Energy Commission that their intervention in the management of TVA will not be required in the future. Let us return to sanity in considering the affairs of TVA.

As we direct the TVA to ignore the structure planned to rise across the river from Memphis, to waste no money on transmission lines, and to begin instead construction of a plant in TVA's own power service area, we are returning to the honored practice of relying upon sound engineering judgments to select locations for the addition of generating capacity to serve the customers of TVA. We are through with political adventuring in technical fields. We can proceed with confidence that the efficiency and economy of the TVA power system will be preserved. Once more we can take pride that we have made it possible for the President of the United States to make good on a campaign promise.

Construction of a plant at Fulton, Tenn., can proceed the moment this appropriation bill is signed. Trained forces are ready to begin, the same forces that have completed the construction of 20 dams and 8 steam plants with a total cost under the total of the estimates presented to the Congress when appropriations were requested. A trained operating force will be ready to take over when the structure is completed. People who care about meeting estimates and schedules will be in charge. The management of TVA, which has a record for efficiency unrivaled, will start this public job with public funds. Performance is guaranteed. We need not worry about another Ebasco fiasco. Sound planning and good management will combine to give the taxpayers of the United States and the rate payers of the region an honest deal. There will be no more subterfuge, no more waste, no chance of fraud or corruption.

We are directing TVA to start this plant with appropriated funds. It is up to the Congress to decide whether next year, and the year after, private financing should be relied upon to complete the project started by our action today. The management of TVA is willing to turn to revenue bonds for the balance of the capital required. Legislation is pending before another committee of this House. The choice is up to Congress. The TVA power system is owned by the Federal Government. It is operated for the purposes and under the policies laid down by law. Congress can continue to provide the capital required to meet expanding power needs by the direct appropriation of funds knowing that the earnings of the system will provide a net return above its costs of operation, knowing that returns in cash come to the Treasury every year, and that the indirect returns are beyond our calculations. We can do that or we can authorize the TVA to turn to private financing for capital for its new plants. Those are the alternatives before us.

The responsibility for decision must be accepted. It cannot be evaded. Never again must we permit a shameful subterfuge like Dixon-Yates to be undertaken.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is a very important vote. TVA today is not what you would call a pilot plant or a plant which sets a standard for other electric producing outfits as to what they would have to charge, because their rate today is not sufficient to produce, out of power revenues, sufficient money to meet the depreciation which they figure amounts to $22,939,503 and the interest at 3 percent on the $1,415,000,000 that has been invested in their powerplants by the TVA. This does not take into account any flood control or navigation allotments, although those are subject to question. They lose $14,309,000 after deducting from their earnings the depreciation and the interest at 3 percent. How any public power setup can dare to operate that way is beyond me.

On top of that, this House last year voted to authorize and put into the law the authority for the Atomic Energy Commission to enter into a contract with a private power company to supply power for the Atomic Energy Commission. Their contract called for 3.55 mills. The cost in the Ohio Valley power outfit was 3.79 but now has been reduced to 3.64. The Electric Energy outfit over on the west side of the Mississippi was contracted for at 3.86 mills. The TVA charges at Oak Ridge 3.78 and at Paducah 3.83, indicating that there is a lower price charged by the private power outfit than the TVA charges for the same thing.

Why should we continue to provide steam plants for the TVA when we do not get enough out of the power revenue to support the interest and the depreciation, which everybody believes should be taken care of? Frankly, I think it is time that we stop. It is time also that when a contract is entered into pursuant to law we respect it. I hope that when the House comes to exercise its will here today it will vote in favor of the Phillips amendment to strike out the language you have heard read. That is absolutely necessary if we are going to have an honest treatment of the United States taxpayer in connection with this public power business. I think it is time we begin to realize what we have been doing and to analyze the situation and keep it in hand. I hope that will result.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the provision in this bill which the gentleman from California would cut out does not add a single dollar to this bill. The committee has taken $6.5 million which was recommended by the Budget Bureau for expenditure to bring current back across the Mississippi River from where the Dixon-Yates combine of electric companies would generate it to the side of the river where they would attempt to make TVA use it. The committee has taken that same $6.5 million and under the terms of the bill would provide that it be used to start a plant at Fulton, Tenn., where the TVA will need the power.

The Tennessee Valley Authority does not plan for the Congress to appropriated another dollar to complete that plant but has recommended and requested that it be permitted to issue bonds to complete the plant. Let me say again, the money here is money that the budget would spend to bring the power back from the wrong side of the river where the Bureau of the Budget would have it produced to the right side so far as any use is concerned. Let the TVA start the plant itself where the power is needed. It would be completed by issuing TVA revenue bonds according to the request now pending before the Congress at a place where the TVA needs the power to meet the requirements of its present customers. Now let us keep this straight. When the TVA act was passed, and whether you would have supported it or not—it was passed, and it is the law, such act provided that for that region the TVA was the supplier, a virtual monopoly as virtually all electric power companies are.

It is the power source for all the people of that area who must look to it to meet their needs. Like every other section of the country, there is a growing need for power in that area. The question involved here is whether the TVA will be permitted to serve the geographical area that it has been serving for many years. The point made that in authorizing the Fulton plant you are going outside the Tennessee Valley area is not true. The act itself provides that power may be distributed within transmission distance of any TVA hydroplant. The Fulton site is definitely within the range of the hydroplant. It is in the area now served by the TVA and which the TVA has served for many years. The difference between requiring the TVA to get the power somewhere else and move it there is that you can lose up to 25 percent of your electricity by moving it from the place where the TVA might have to generate it to the western part of its present territory where it is used. The Fulton site is in the geographical area of the TVA where the people must look to the TVA to meet their needs. Let me say again the pending bill will let TVA start ahead now to meet growing power needs, which all can see. Remember it takes about 2 years from the time you start construction until the electricity is available. The TVA is the source of power in that area. Personally, I live in a private utility area in Mississippi, however, about half my district is serviced by the TVA. My home county is in the private utility area of Mississippi. But, may I say the TVA has done a marvelous job not only by setting an example which the people in my area, in the private utility area, mind you, has benefited from—not only that, but about 50 percent of the total production of the TVA goes to the National Government for national defense.

Let me remind you, and I do not complain, the people in the TVA area with about a $500,000 investment have to look to the TVA for their power. But the act itself provides that the needs of the Federal Government must be met first.

Today that means almost 50 percent of TVA's total production goes to national defense. I do not complain of that fact. When we had this dangerous situation in World War II, it was this source of power of the TVA which saved us at that time. Not only that, but if the Nation had had to buy this huge amount of power to meet our national defense needs, I tell you, if you had not had a TVA, the power cost to the American people across the board throughout the entire United States would have far exceeded our total investment in the TVA. I think we need the TVA to be run on a sound basis, and that is what the language in the bill provides for it would authorize economical production of power where the power is needed. I believe such provision is sound for the United States. Did you know that contrary to what the private utilities say, the TVA has been of great benefit to the private utilities which surround it? Did you know the closer the private utility is to the TVA, the greater has been the increase in its power sales, the greater the reduction in rates charged, and the greater have been the profits of these companies? Did you know that the Mississippi Power & Light Co., right under the gun of the TVA, so to speak, has increased its earnings about twice as much as most other utilities removed from the TVA geographical area?

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. But the value of this TVA yardstick, and that is what is complained about, the value of this yardstick depends upon letting the TVA run an economical operation. If the TVA is forced to buy power in Arkansas and spend money bringing it back across the river at high rates, and the Bureau of the Budget said it would cost you much, much more money each year if you do that, and then force such higher cost power into the TVA distribution system, you raise the rates to the customers of the TVA in that area. But what you really do is weaken the yardstick so that in all too short a time all the people all over the United States will have to pay a higher cost for their electric current.

Now, they talk about taxes. The TVA does pay local taxes, possibly $10 million, but in addition to that the law requires a return in cash dividends, dollars, to the Treasury over a 40-year period, of every dollar that you put into the TVA power operations. Yet, the TVA belongs to the Government now and will belong to the Federal Government when we have all the original investment returned.

The TVA has paid you, the people of the United States, many times the cost of its whole operation, because it was there to provide this 50 percent of power for the atomic-energy operation and to carry on the manufacture of aluminum to meet the national-defense needs. The Nation regains in dollars its investment, but the TVA saved you in the time of real crisis during World War II.

I say again, involved here is the question of whether the Government, the owner of the TVA, will let such agency manufacture power at the point where it needs it to meet the demands of its present customers, in the geographical area that it has served all along. In this bill there is no expansion of the territory that the TVA would serve. You let the utility of this section, TVA, meet its growing needs as other utilities meet such need in the area they serve. Not only that, but if you follow the committee you do not add a dime to the budget in this bill. You take $6½ million which the budget would spend crossing the Mississippi River from the wrong side to the side where the Government directs the use of the power, and you use such sums to let the TVA start a plant in its own geographical area; in the territory it serves today. You do not add anything to the indebtedness of the country, because the TVA has asked that it be permitted to issue bonds to complete this plant.

I say we have an obligation to the American people, the outside area, to carry on this yardstick. As long as the Government owns the TVA, we owe it to ourselves, in view of the power needs in time of defense, to permit the TVA to enlarge its capacity to meet foreseeable needs. Here in the bill we would spend this money in a wise way, keeping the TVA a sound operation for its yardstick value all across the country. In the average State, when they set power utility rates, involved is the question of what it really costs to generate the power, what it costs to transport the power, and what it costs for management. With the TVA properly operated, all sections can use the facts developed there to show what utilities ought to be able to do. It helps to hold down rates in every section of the United States. If you remove that yardstick, or weaken its value by forcing into it extra costs such as the Dixon-Yates deal, the taxpayers, who are consumers, in every area in the country, will pay many times the cost, because the yardstick will not be as valuable as it is today.

If you do not approve the committee action but approve Dixon-Yates as a means of meeting power needs in that area, what do you do? You deal with a firm which this administration directed to have a contract to provide power on the wrong side of the Mississippi, for the Atomic Energy Commission, which does not need such power, for delivery to the TVA, which does not want such power, for use by the present customers of TVA at much higher charges.

This group was granted such contract without competitive bid and certainly are ultrafavorites of the administration to say the least. Dixon-Yates and the private utilities they represent would receive a contract which virtually provides for them a huge generating plant, with practically no risk, when even other private utility companies had no chance to bid for—and according to the President's own Bureau of the Budget, you, the American people, pay out additional costs of $3,700,000 each year above what the Government through the TVA could provide the same power for. The answer is simple. The amendment of the gentleman from California should be defeated.

Mr. DONDERO. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, 3 years ago I paid a visit to the TVA. I stated them publicly, and it was published in the press, that I thought a good job had been done in developing hydroelectric power in that area. I repeat that statement here today. I am not opposed to the development of hydroelectric power by the Federal Government, provided private enterprise cannot do the job.

The controversy now appears to be this: Here we start out to pay for hydroelectric power development. As the demand for power increases in the valley, more and more steam plants were demanded to be paid for by the Federal Government. When the steam plants, which have already been authorized, are completed, the amount of electric current in the Tennessee Valley will be about 70 percent steam production and 30 percent hydroelectric power.

The controversy today is that another steam plant is demanded to be paid for by the Federal Government. No one has any quarrel with the fact that the power in the Tennessee Valley is cheaper than the rest of the people of the United States have to pay, but where our quarrel begins is this constant demand annually for $100 million or more of the taxpayers' money to furnish further electric power in the Tennessee Valley Authority just because the power demand has increased. The TVA pays no taxes nor interest.

Two years ago at the same time I made that statement—and later I put it in the RECORD—I offered two suggestions or amendments to the TVA act, how TVA could solve its own power problems without coming to the Federal Treasury for the money and asking your constituents and mine to pay the bill. The two suggestions were these: Everybody knows, it is no secret, that the people who buy power from the TVA are captive under the contract which they are compelled to sign. One suggestion was that TVA permit the cities in the TVA area to build their own steam plants if they were short of power and thereby relieve the pressure on TVA for the development of more power. This would be steam power.

Mr. EVINS. Mr. Chairman, will the gentleman yield at that point?

Mr. DONDERO. Not at this time.

The other suggestion was that if they did not desire to build steam plants to meet the demand of the cities or communities, they permit the cities and the communities to buy extra power from private enterprise.

TVA has never seen fit to do either. Those who buy power from TVA know that the TVA is the sole supplier to them and there is no relief for them in sight from any other source whatever. True, they get a lower rate; everybody admits that, because they are not required to pay the charges levied against private enterprise.

Now, that solution is open to TVA, but no, they are not willing to do it, and just

as long as they can come to the Federal Treasury and make the people of the United States pay for additional power they will not do it. Let me ask this in all good faith: Why does not TVA raise their rate sufficiently to provide their own expansion of its power and not come here for the money every year to build them?

Mr. RABAUT. Mr. Chairman, will the gentleman yield for an answer to his question?

Mr. DONDERO. I do not yield at this time.

Mr. RABAUT. The gentleman asked a question.

Mr. DONDERO. I do not yield.

Mr. Chairman, the claim has been made that the TVA pays in lieu of taxes and that they pay interest to the Federal Government. May I say to you that in the report, I think, of 1953, TVA paid about $4,250,000 in lieu of taxes on an investment of something like $1½ billion. The Southern Bell Telephone Co. with almost the same investment in the same area paid a little over $70 million, or 17 times as much.

How can anybody say that anything is paid in lieu of taxes by TVA when such a ridiculous small amount as that is paid.

What do they pay to the Federal Government? I put in the RECORD back on the 23d of March this year, some figures showing how much TVA has paid to the Federal Government in lieu of interest, and it is rather interesting to notice what those figures are.

In 1949 they paid 1 percent on the amount of money provided by the American taxpayers.

In 1950 they paid eight-tenths of 1 percent.

In 1951 they paid nine-tenths of 1 percent.

In 1954 they paid $15 million or 1.4 percent on the money.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent Mr. DONDERO was allowed to proceed for 2 additional minutes.)

Mr. DONDERO. A great hullabaloo has been raised all over this country about the Dixon-Yates contract. I have been waiting to hear somebody tell me just what is wrong about it outside of the fact that it is private enterprise.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. No.

Mr. ABERNETHY. If the gentleman will yield to me he will not have to wait longer for an answer.

Mr. DONDERO. Mr. Chairman, I refuse to yield.

The only thing I have ever heard against it was that it was private enterprise, and, therefore, it was bad. That is the philosophy of too many people in this country who believe in public power. Norman Thomas, the top Socialist in the United States, stated: "Public power is socialistic and it is silly to deny it."

The Knoxville Journal had something to say on this subject, and it might be of some interest to the House to know just what they did say. I quote it from page 3588 of the CONGRESSIONAL RECORD of March 23, 1955.

Mr. EVINS. Mr. Chairman, will the gentleman yield about the Knoxville Journal?

Mr. DONDERO. Mr. Chairman, I decline to yield. Here is a statement by no less an authority than the Knoxville Journal. By the way, that is the headquarters of the TVA, that is where it is located. That newspaper commented recently that the politicians and the political organization known as Citizens for TVA, Inc., may, in fact, be hastening the end of the power project which they are ostensibly trying to preserve.

Here is what the paper said:

This may well come about through familiarizing the people all over the Nation with the financial details of TVA's operations and the favored spot occupied by all its power users.

Then it goes on to say:

The bad part of it is that other United States citizens now know, as a result of all the speeches and newspaper interviews, that these rates do not stem from any mystic TVA formula but straight from the Federal Treasury.

That comes from a paper that is trying to tell the truth about the situation.

It appears that the patience of the American taxpayers has become exhausted in supplying tax-free, interest-free funds for the special benefit of a select area of the country.

It follows then that TVA's wholesale customers, if denied access to additional power supplies from the Federal Government through its agent, the TVA, must seek additional sources elsewhere.

This dilemma could be physically resolved in one of several ways: (1) TVA could purchase its additional requirements under long-term contracts from the large private utility corporations located on its periphery, as proposed by spokesmen for these companies in hearings before the House and Senate; (2) the TVA could cancel or reduce to the minimum its contracts with nonpreferred wholesale customers, i. e. industrial corporations such as Monsanto Chemicals, Reynolds Metals, Aluminum Co. of America; (3) the municipalities and rural electrification cooperatives could, jointly or severally, purchase large blocks of power from adjacent private corporations, such power to be transmitted on wheeling contracts over the lines of the Tennessee Valley Authority or by direct delivery; (4) these municipal and cooperative TVA customers could supplement from TVA power by the construction jointly or severally, of their own steam electric generating plants.

These alternatives require separate and careful examination. Such an inquiry should be predicated upon the legislative and administrative history which has led to the present impasse.

It is important to recognize that any of these four choices has at all times been available to TVA or its customers at the sole decision and direction of the board of the authority but not of the wholesale consumer:

1. So long as the authority was able to obtain from Congress ample funds to meet its power generating capacity by direct appropriations from the Federal Treasury, it has never proposed purchase from outside sources. The reasons for this policy were obvious. The board preferred the absolute control and ownership of its sources of production rather than the purchase of power from any outside source. Moreover, inasmuch as the heavy charges for cost of capital and the cost of Government through interest and taxes must be reflected in the cost of power purchased by TVA from a capitalistic taxpaying private source, TVA could show an ostensible lower cost of production than that of the purchased product.

2. Cancellation or reduction of contracts to nonpreferred industrial wholesale customers would, of course, place an industrial blight upon the area far from the intention of the TVA or the Congress. While this alternative is unthinkable, TVA can and must obtain its future power commitments for industrial load within the limits of its prior commitments and predictable power capacities.

3. By action of the board, the remedies suggested in (3) and (4) above, are not presently available in the authority's municipal and cooperative wholesale customers because of the so-called sole supplier clause in its wholesale contracts to municipalities and cooperatives. This clause prohibits this class of purchaser from obtaining additional power from any other source either by purchase or construction of its own plants. The TVA is further authorized to dictate resale rate schedules at which its wholesale power is retailed by such customers.

Authority for these clauses is contained in an amendment to section 10 of the TVA act adopted in the summer of 1935 in the following language: *"Provided further*, That the Board is authorized to include in any contract for the sale of power such terms and conditions, including resale rate schedules, and to provide for such rules and regulations as in its judgment may be necessary or desirable for carrying out the purposes of this act, and in case the purchaser shall fail to comply with any such terms and conditions, or violate any such rules and regulations, said contract may provide that it shall be voidable at the election of the Board."

As a result of these contracts, the TVA municipal customers have come to be known as TVA's captive cities, subservient to the policies of its Board, and with a vested interest in the promotion of appropriations for TVA electrical facilities.

These people maintain a continuous refrain in repetitious insistence that the Federal Government has morally obligated itself in perpetuity to supply the electric power needs of this region at the expense of the Federal Treasury without return of interest or payment of Federal taxes.

A short-sighted view of local interest would indicate the obvious motive to obtain a free ride from the Federal taxpayer as the never-failing source of cheap electric power.

However, the history of the Tennessee Valley's legislative struggle to obtain power supplies adequate to meet growing needs reveals the inherent danger of such dependence. During the war years the Tennessee Valley was repeatedly a brown-out area due to inadequate power resources, on the one hand, and, on the other, too optimistic assumptions as to power capacity to meet heavily increased commitments for industrial loads.

The above remarks are an exact quotation from a speech made by myself in this House July 30, 1953, in which I predicted the present dilemma that would eventually afflict the area served by TVA. I repeat them now as even more applicable and more pertinent than they were on the day they were originally made.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. PHILLIPS]. Adoption of this amendment is another step along the road to destruction for the Tennessee Valley Authority.

The appropriation for TVA in the bill before you is 77 percent below the appropriation for fiscal year 1955, which, in turn, was 25 percent below the appropriation for fiscal year 1954. This bill

contains the smallest amount apropriated for TVA in 20 years.

The basic TVA Act of 1933 was designed to promote the national defense and to further the proper use, conservation, and development of the national resources of the Tennessee Valley area, and related adjoining territory; to further the agricultural and industrial development and to promote the economic and social well-being of the people of this region. The Tennessee Valley Authority has accomplished this purpose.

TVA is ahead of schedule with its payments to the Federal Government and it has yielded an average return to the Federal Treasury of 4 percent on its investment. As provided for under the TVA act, payments are made in lieu of taxes to the States and counties in which TVA operates.

Power requirements of the Tennessee Valley region now served by TVA have been growing at the rate of about 12 percent per year, which is exclusive of power furnished for the atomic-energy program of the Federal Government. It is admitted that TVA faces a shortage of power, and to meet this situation it is imperative that the Fulton steam plant on the Mississippi River be constructed.

Direct sales by the Tennessee Valley Authority to national defense agencies of the Federal Government will require half of the total output of TVA power by 1957. This situation is critical, and we must face the facts. Acceptance of the proposed amendment simply means that we ratify the philosophy of the Dixon-Yates matter. The Dixon-Yates contract is a matter of national concern, and success of this plan ultimately means not only the destruction of TVA, but the same situation will apply to Hells Canyon, Trinity River, and the Niagara Falls redevelopment.

The Atomic Energy Commission is playing a major role in our present day life. This Commission was established to build nuclear weapons, to promote peacetime utilization of atomic energy, and to conduct research in the field of atomic energy. The AEC has three great plants located at Oak Ridge, Tenn., Paducah, Ky., and Portsmouth, Ohio. The total amount of power to be consumed by these plants will amount to some 50 billion kilowatt-hours annually. It is simply outrageous for anyone to force the Atomic Energy Commission into such a nefarious affair as the Dixon-Yates deal. The people of the United States are aroused over the secretive manner in which the Dixon-Yates contract was negotiated and strongly object to the procedure used in ordering execution of this contract over the objection of the TVA and the Atomic Energy Commission.

Should we destroy property owned by the Federal Government in which we have invested the total sum of $1,629,688,540 furnishing electricity in an area of 80,000 square miles to some 5 million people? Today the TVA sells over 7 billion kilowatt-hours to municipal distributors, and the TVA hydro and steam plants are producing some 30 billion kilowatt-hours a year.

The rural-electrification program is a success in our section of the United States, and this is due partly to the Tennessee Valley Authority. Every county of my district is served by REA. It is admitted that REA is one of the great achievements of our present day Government, and it is further admitted that the Tennessee Valley Authority is the Nation's most efficient power producer.

The United States is strong in time of peace and in time of war. The Tennessee Valley Authority has played its part in World War II and occupies an important position in our peacetime economy. It is a recognized fact that TVA has brought about the sale of well over $1 billion worth of equipment and materials manufactured throughout the United States. When the basic TVA Act of 1933 was passed less than 9 percent of our farms were electrified, and today 91 percent of our farms are using electricity for a multitude of chores, as well as for light and entertainment. The benefits made possible by the Tennessee Valley Authority are now received by 7 States. It is true that this section of the United States has benefited as the direct result of the establishment of the Tennessee Valley Authority, but should we as American citizens destroy our own property due to the fact that one section of our country is receiving benefits therefrom. Should we sectionalize the United States to such an extent that one section opposes and fights another? The United States of America is strong due to the fact that the sections of our country are so welded together as to work in close harmony with each other. Should we, as American citizens, destroy our national parks which are owned by the Federal Government due to the fact that the immediate sections receive great benefits therefrom? Should we destroy the Mississippi River due to the fact that we have expended billions of dollars on this navigable stream and its many tributaries which ultimately has resulted in great benefits for a number of our States? Our ports and harbors have been of great benefit to certain sections of our country, and we have expended a great amount of money on these projects. Would it be wise to destroy our investment and say to those sections of the United States that the benefits received therefrom should be equally expended throughout the 48 States, and that no amount of Federal money should be expended in any section of the United States where the benefits are not equally received by the balance of the States?

Mr. Chairman, 51 REA cooperatives are dependent upon TVA, and failure to construct the new steam plant at Fulton, Tenn., which will provide for future needs of TVA will be disastrous insofar as our REA cooperatives are concerned. As a member of the Committee on Appropriations I sincerely believe that the action of this great committee is correct and I desire at this time to commend the Public Works Subcommittee for its action in this instance. I urgently request that the amendment be defeated, thereby expressing to the world our distrust of the philosophy behind the Dixon-Yates deal.

Mr. MASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to notify this committee that in view of the statements made by the leaders on both sides that this bill is to be completed today, I shall object to all extensions of time regardless of which side of the aisle they come from or whether they come from pros or cons on this measure.

Mr. DAVIS of Tennessee. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had hoped that I would not be the beneficiary of my distinguished friend's suggestion, because insofar as the city of Memphis has been mentioned so often and in view of the fact that I seek to impose myself so seldom on this House, I did so much want an additional 5 minutes, because I think, may I say to the gentleman from Illinois [Mr. MASON], that I have something fresh and something new in this whole situation. I, too, have listened over the years to a lot of conversation and a lot of speeches on this floor, but I should like to tell you where the bug is to be found in the rug. Now listen to me just a moment.

Some years ago I heard a definition of a Government economist. That definition said that a Government economist is a man who knows all of the answers to all of the financial questions, who has a Phi Beta Kappa key on one end of his watch chain and no watch on the other.

Now, then, what is the situation? The city of Memphis is a great consumer of power. We are now using 335,000 kilowatt-hours of electricity daily. The Dixon-Yates crowd would reestablish the geographical area of TVA, taking it away from Fulton, north of my city and crossing the Mississippi River over into another State. Then they would require the Government by proper procedure to spend $6½ million to build a transmission line to the middle of the river. Then, of course, TVA would have to spend an additional amount of money to connect with it.

Mr. Chairman, I say to you that in their zeal and in their eagerness to get this market of power in the city of Memphis they are coming here in devious ways; but I tell you now that if the will of this Congress is worked to the point where the Dixon-Yates proposal, as bad as it is, is supported, they will have a line to the middle of the river, but they will not have a customer on the other side, because the city of Memphis is not going to buy the power. It will be like the economist's watch chain with a Phi Beta Kappa key on one end and no watch on the other.

If the gentleman from Illinois [Mr. MASON] would only permit, I should like to read a few excerpts from a letter addressed to Chairman Vogel by the mayor of the city of Memphis. Would the gentleman withhold his objection to an extension of time for that purpose?

Mr. MASON. Mr. Chairman, I am sorry; I must be consistent and stand by my notice.

Mr. DAVIS of Tennessee. That is all right. From now on I shall impose myself more often on my colleagues and try less to be so fair in the consumption of time on the floor of this House.

I can say now in conclusion only this, that the city of Memphis is puzzled about

this partnership argument. The city of Memphis has not been consulted in the slightest degree about this proposal to build this private plant over in Arkansas to supplement the amount of electricity generated. The city of Memphis, by a vote of 16 to 1, in an election, decided to buy out the private power distribution and generating system in that city and we decided to enter into a contract with TVA. That contract was a sacred one. We expect that TVA under the substantive law and under the law as originally passed to provide that power to us. Only to TVA can we come. But we are not going to be a party to any private power interests going across the Mississippi River outside of the geographical area and then, in years to come, charging us the high rate to which all users of Arkansas power are subjected.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. DAVIS] has expired.

Mr. RABAUT. Mr. Chairman, I rise to ask if we cannot agree on a limitation of time with respect to this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 1 hour. I note there are 20 Members on their feet.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. HALLECK. Mr. Chairman, I object.

Mr. CANNON. Mr. Chairman, I want to propose an additional suggestion that the motion to strike out the enacting clause be not entertained.

Mr. HOFFMAN of Michigan. I object to that, Mr. Chairman. It is not a proper request.

The CHAIRMAN. The Chair cannot be bound by that.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close at 1 o'clock, and that the committee may close the debate.

Mr. HOFFMAN of Michigan. Reserving the right to object, Mr. Chairman, why cannot the gentleman let the debate run along a little while?

Mr. RABAUT. That is an hour and a half that we want to let it run.

Mr. HOFFMAN of Michigan. Some of us have not had any chance to say anything on this matter. You may make haste slowly. Nobody over here, so far as I know, wants to delay the debate unduly. We just want to be heard on the matter.

Mr. RABAUT. It is an hour and a half I am asking for.

Mr. HOFFMAN of Michigan. What of it? That does not give all of us 5 minutes. The committee used I do not know how many hours.

Mr. RABAUT. Does the gentleman want the time extended to 1:30?

Mr. HOFFMAN of Michigan. I withdraw my reservation of objection, Mr. Chairman.

Mr. HALLECK. Reserving the right to object, Mr. Chairman, I have not spoken on this measure yet, and it is a matter of great importance to me and the people of my State. We have already had notice served on us that our time would be limited to 5 minutes each. I am not averse to getting along with the consideration of the bill, in fact, I want to expedite it as much as anyone does, but it seems to me just a little premature to develop a situation at this moment that would shut us all off, including members of the committee who have not spoken on this amendment. I trust the gentleman from Michigan will withdraw his request at the moment and renew it later.

Mr. RABAUT. Mr. Chairman, I will modify my request, and ask unanimous consent that all debate on the pending amendment and all amendments thereto close not later than 1:30 o'clock.

Mr. HALLECK. Reserving the right to object, Mr. Chairman, can the gentleman give us any idea as to how much time that would mean for each Member standing?

The CHAIRMAN. The Chair is advised that there are 42 Members of the House standing.

Mr. HOFFMAN of Michigan. I object, Mr. Chairman.

Mr. RABAUT. Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto close not later than 1:30.

The CHAIRMAN. The question is on the motion.

The question was taken; and on a division (demanded by Mr. MARTIN) there were—ayes 136, noes 83.

So the motion was agreed to.

The CHAIRMAN. Is there any Member whose name was called who is not seeking recognition?

Mr. BASS of Tennessee. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BASS of Tennessee. Are those Members who have already spoken on the amendment eligible for recognition?

The CHAIRMAN. In opposition to a pro forma amendment, that would be permitted.

Mr. RABAUT. Mr. Chairman, I take this time to make a statement relative to the debate on this amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, I object. I demand the regular order.

The CHAIRMAN. The name of the gentleman from Michigan [Mr. RABAUT] is on the list, and the Chair has recognized the gentleman.

Mr. RABAUT. I want to announce that I shall object to anybody transferring their time.

Mr. LONG. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion.

The motion was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The Clerk will report the motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the committee do now rise and report the bill back to the House, with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his motion.

Mr. HOFFMAN of Michigan. Mr. Chairman, inasmuch as my good friend from Michigan [Mr. RABAUT] has limited the time by his motion to end debate, I might suggest that perhaps he will not get this bill through as quickly as if he had let us go along in the usual manner. I am fully aware of the desire of some to, on Thursday, adjourn over until Monday—put in an appearance on Tuesday. At one time that procedure was attributed to the "Thursday to Tuesday Club." I have no particular objection to an adjournment over, for usually we all have work either on committee or in our offices which fully occupies our time—the time of most of us not only during Friday and Monday, but during all of Saturday.

My objection is to cutting off debate when 42 Members of the House were on their feet, when, under the gentleman's motion, each of the 42 will have but 2 minutes each—if the gentleman insists upon his objection to any unanimous request made by one Member to yield his 2 minutes to another. That seems to be gag procedure. Perhaps it is time to protest in the only effective way that is left to me.

Back of all the talk and all the debate on this amendment as to whether the TVA is to expand outside of its area or whether there is need for the power, all of those incidental questions which have been discussed there is a basic principle and there is a matter of policy. The question of policy was brought up by my colleague from Michigan [Mr. DONDERO], when he quoted from the Knoxville paper, an excerpt which was to the effect that if continual demands were made upon the Federal Treasury by individuals and groups receiving special substantial benefits and continued appropriations were made the whole project might ultimately go out.

Taxpayers throughout the Nation may finally reach the conclusion that there should be an end to their contributions to a comparatively few.

The editorial from the Knoxville paper—from what my colleague quoted—seemed to indicate that the editor thought a willing horse might be ridden to death. The statement also called to mind one of Aesop's Fables—the one about the goose that laid the golden egg. It ran something like this:

One day a countryman going to the nest of his goose found there a golden egg—all yellow and glittery. When he took it up it was as heavy as lead and he was going to throw it away, because he thought a trick had been played upon him. But he took it home on second thought, and soon found to his delight that it was an egg of pure gold. Every morning the same thing occurred, and he soon became rich by selling his eggs. As he grew rich he grew greedy; and thinking to get at once all the gold the goose could give, he killed it and opened it only to find—nothing.

Moral: Greed oft o'er-reaches itself.

Long have the advocates of TVA profited by tax dollars which have been extracted from fellow taxpayers by the Federal Government. TVA began, as I recall, back in 1916, as Muscle Shoals project. In the beginning, the purpose—and again I am relying upon recollection—was flood control, and perhaps irrigation.

Later, war demanded the need of nitrate and the project was enlarged so that tons of nitrate were produced. Still later, others—and some of them were Republicans—advocated, attained, the production of fertilizer.

Then, to utilize the excess water which went over the dams, it was deemed advisable to use that unproductive waterpower in the creation of electrical energy.

The act of May 18, 1933, instructed TVA to take over Wilson Dam and a 60,000-kilowatt steam plant at Muscle Shoals, Ala., in the interest of national defense, and to develop fertilizer for agricultural improvement, install flood control, aid navigation, produce hydroelectric power for sale, support research in chemistry, chemical engineering and metallurgy, conserve natural resources, including forestry, fish, and game; aid industrial and community development, supervise employee housing, and cooperate with State and local governments for the general welfare.

Up to 1953, it received, from other sources, the sum of $1,707,000,000.

And so the snowball has grown—always at the expense of the taxpayers of the Nation.

Congresses have come and gone. We have had one President and then another, but the bureaucrats have been an ever-continuing group, always demanding and usually getting increased powers, an extension of their jurisdiction, more and more billions.

While TVA and its predecessors, like Topsy, may just have grown, there is no question but that it has grown vigorously, extensively, ever greater, ever more powerful.

The advocates of TVA may continue their ever-increasing demands, an ever-extension of its facilities, an ever-increasing number of officers and employees, ever-increasing benefits to a comparatively small area of the country, until finally the taxpayers, who have furnished the money for the special privileges and benefits which a few have individually and collectively been receiving, may revolt. Then, when that day comes—as assuredly it should if our guide is to be the welfare of our whole country—the advocates of TVA will find that, like the farmer, they have killed the goose—in this case the will of taxpayers—who have laid so many golden eggs for this favored area.

There is no question of what this debate is all about. We all know what it is. The people of that particular area, the Tennessee Valley, want the rest of the people of the United States to contribute to the cost of cheap power, not only for their own domestic use but so that industries now in the North, especially in New England and other northern and midwestern areas, will go South. That is what the advocates of this appropriation want.

Am I mistaken about it? Am I attributing to the people of that area something that is unfair, that they do not want? Let me read from the RECORD. As far back as 1933 we had $150 million invested in this project. Ever since it continued to grow and expand. And what was it? Here is the statement of a gentleman who was then a Member of the House. In 1933, Mr. HILL, now a Member of the other body, speaking from where I now stand, said:

> The dream is that the operation of this bill will not only bring industrial development, through cheap power, but that first and foremost it will carry cheap power to the domestic consumer and more particularly to the farmer out on his farm, and provisions to insure this are in the bill.

It was then, it today is a business proposition. A measure to tax all of us to give cheap power to the people of Tennessee. Are they paupers? Such a charge they would resent. Are they lazy? Are they indigent? No. Certainly not. Then why do they insist that we pay for their electrical power? Why should we furnish power for their industries? Let me tell you why. Because they have become accustomed to handouts. It is difficult to wean them. There you have it. Special privileges at the expense of the taxpayer was what they were after and got then as well as cheap power to bring industrial development down to their country, to give the local people current for light and other domestic uses, cheaper current than could be given the rest of the people throughout the United States.

It was only last year that this House almost without objection put through a bill to get the Government out of business, yet here today is a request for Federal funds to extend the activities of this Government-operated plant.

Is it fair, is it right, is it equitable, is it just that all of the people of the United States should be required, whether they wish or not, to contribute to the development of a particular area and to give to those people facilities for which the rest of us have to pay at cost plus an equitable profit? That is the issue. About that there is no dispute.

The proponents of this appropriation admit that locally they are receiving special consideration in the way of a reduction in the cost of living and of living conveniences which is denied to the rest of us.

They admit that the special benefits which they receive grow out of the taxes which the rest of us pay into the Federal Government. They admit that the Federal Government has no primary source of revenue except as it taxes all of us.

Over the years they have received many a golden appropriation. If their present demands and others which will undoubtedly follow are imposed upon the taxpayers, who, like geese, have been doing a lot of cackling but taking no effective action, it just may be as suggested by the Knoxville editor that the geese, that is, the taxpayers, may quit laying golden eggs—appropriations—then the golden eggs if there be such, will come out of the profits of, and the effective operation of, the gigantic industrial plant which they now have and which was given them by the rest of us.

Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

Mr. HALLECK. Mr. Chairman, I object.

Mr. Chairman, I wish to be recognized in opposition to the motion.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the motion.

The CHAIRMAN. The gentleman from Michigan [Mr. RABAUT] is recognized.

Mr. RABAUT. Mr. Chairman, I wish to address myself to the preferential motion.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Tennessee.

Mr. DAVIS of Tennessee. Mr. Chairman, I should like to read as much of this argument here as I possibly can in answer.

As for Dixon-Yates, the position of the city of Memphis has, from the outset, been clear and unequivocable.

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. That the gentleman from Michigan [Mr. RABAUT] has already asked that no one under the rule be permitted to yield his time to another. Under the rules he cannot do it.

The CHAIRMAN. The gentleman is out of order. The point of order is overruled.

Mr. DAVIS of Tennessee. I desire to quote from a letter written General Vogel by the mayor of Memphis:

> It is inconceivable that Memphis should be dependent upon a source of power which is clearly inconsistent with the continued growth and development of our community. Anyone who is familiar with the relationship of public-utility service to the welfare and health of a community knows perfectly well that no community should be made to rely upon a source of power which is produced by a system foreign to that community and which for obvious reasons has no responsibility for its economic development.
>
> Moreover, the Dixon-Yates arrangement violates every recognized principle which is basic to the development of electric utility systems so as to maximize economic and efficient operations. Surely, it should not be necessary for us to state these principles for you—the TVA power system is the world's outstanding example of a completely integrated and coordinated utility system. Thus the considerable economies which have been achieved in the operations of the TVA system are due in major part to the efforts of TVA management in developing a system which is fully integrated.
>
> For the above reasons, the city of Memphis and others in the Tennessee Valley, including the State of Tennessee, are seeking the full protection which is due them under the Public Utility Holding Company Act of 1935. As you know, one of the chief reasons for the enactment of this legislation was a recognition by the Congress that it was essential to consumers and the public interest generally that the growth of utility systems be regulated under standards which would contribute to economy and efficiency of operations. Thus one of the basic features of the Holding Company Act is the principle of integrated and coordinated operations. Another important feature is the confinement of utility systems to a limited service area, as an additional measure to assure economy and efficiency and to further local responsibility, local management, and local regulation. The Dixon-Yates arrangement violates all of these important requirements of the act.
>
> Your letter seems to make clear that the Bureau of the Budget would place the city

of Memphis in a position where, under the threat of the Dixon-Yates deal, Memphis would have no alternative but to take power from the Dixon-Yates plant or make arrangements to provide its own. We do not believe that the choice need lie between these two alternatives. Certainly the plan for future financing of TVA power facilities which you have recommended to the Bureau of the Budget provides an alternative which is sound and prudent from the standpoint of the Federal Government and at the same time is consistent with the welfare of the people of this community and other communities of the Tennessee Valley region. The Dixon-Yates plan is not, and for this reason we are taking the legal and practical steps necessary to prevent this improvident power arrangement from being foisted upon us.

We have heard a great deal concerning the desirability of a partnership relationship between the Federal Government and local agencies in developing power and other resources. We believe that the whole history of the TVA and the great advances which have been made in the Tennessee Valley are living examples of such a relationship. We believe that for almost 20 years the city of Memphis and the TVA have had such a partnership and that this relationship has not only been a good one for our region but has also benefited the country as a whole.

When you communicate our views to the Bureau of the Budget I hope you will say to the Bureau that the people of this region are puzzled by the utterances of partnership which have emanated from various official sources.

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. The gentleman in the well is reading his speech, which is contrary to the rules.

The CHAIRMAN. The gentleman is entitled to read his speech if he so desires.

The point of order is overruled.

Mr. DAVIS of Tennessee. I am quoting from a letter addressed to the Chairman of the Tennessee Valley Authority by the mayor of Memphis wherein he finally says that if this Congress works its will against the further development of the efficiency of the Tennessee Valley Authority so that the TVA cannot supply the city of Memphis its needs under the contract with the city of Memphis that the city of Memphis will build its own plant.

Quoting further the mayor wrote:

We are puzzled because despite these claims of interest and concern with the welfare of local communities the Bureau of the Budget, without even first exploring alternative solutions with those who would be vitally affected, has attempted in the Dixon-Yates deal to saddle our area with a source of power supply which would be a drain on and a detriment to our future development and economic well-being. What kind of a partnership is it where the Federal Government makes a vital decision affecting a city's power supply without first consulting the people who have a direct pecuniary interest? And what kind of partnership is it where the vital decisions on the part of the Federal Government affecting a city's power supply and indeed its whole future seem to be made, not by TVA, the Federal agency with which distributors of power in this area have contracts, but by the Bureau of the Budget and the Atomic Energy Commission, neither of them with any apparent interest in the city's problems or its viewpoint.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. I yield to the gentleman from Michigan.

Mr. RABAUT. I want to thank the gentleman from Michigan for making it possible for the gentleman to make this fine speech he is making.

Mr. DAVIS of Tennessee. I thank the gentleman. This means much, of course, to the economy of our section of the country. So much has been said about my city that I felt that I should say these few words.

Memphis of course wishes to continue as a part of the TVA system because the arrangement is sound and has produced great benefits for all concerned. We have made important public use of the benefits of economically produced TVA power, but at the same time the rate payers of Memphis, together with all other consumers in the Tennessee Valley area, have made it possible for the TVA system to be self-supporting and to earn a reasonable return on the Federal investment. On this basis, the people of Memphis have invested approximately $50 million in their own distribution system, which is fully integrated with TVA's own system. It seems clear that if Memphis and the rest of the Tennessee Valley are to continue to have the benefits and economies of an integrated power system, new generating capacity should be constructed by TVA at locations selected by TVA, and the power consumers should continue to pay rates which cover the cost of that capacity and provide an adequate return on the investment.

This can be done under the financing plan you and your colleagues on the TVA board have recommended. We trust that your efforts to secure approval of the plan by the Bureau of the Budget will be successful. But if your efforts should not prove successful, then the city of Memphis will take such further steps as the situation may require for the safeguarding of its vital interests in this matter.

For the reasons we have indicated, including those relating to pending litigation, it is our position that under no circumstances would the city of Memphis ever become a market for Dixon-Yates power.

The CHAIRMAN. The question is on the motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. HALLECK].

Mr. BEAMER. Mr. Chairman, I ask unanimous consent that the time allotted me be transferred to the gentleman from Indiana [Mr. HALLECK].

Mr. RABAUT. Mr. Chairman, I made the statement before anyone started to speak that no matter what the time allotment would be I should have to object to the transfer of time. Therefore I object.

Mr. HALLECK. Mr. Chairman, I think it is important for us to understand at the outset the original purposes of TVA. It was to develop navigation and flood control with the incidental production of power, that power to be sold as surplus power.

TVA continued in that fashion until about 1947, when a request was made of the Congress to provide money to build steam generating plants. We were told at that time that the only purpose was to firm up the power. At that time the request was turned down. Subsequently, under exigencies of defense requirements, steam plants were built with the taxpayers' money.

Now, with the whole operation, the TVA has changed to the point where instead of generating primarily hydroelectric power, it will generate only 30 percent hydroelectric power and 70 percent steam-generated power when these steam plants are completed.

To accomplish the power development in the Tennessee Valley—not navigation and flood control but power development—the taxpayers of the United States have footed the bill for more than $1,400,000,000. At an average annual rate of 3 percent, that is $42 million a year in taxes that the American taxpayers generally, those of my State of Indiana, of Illinois, of all States, must pay to subsidize, in that degree, the production of power in the Tennessee Valley.

In addition, as far as taxes are concerned, TVA applies about 6 percent of its gross revenues in lieu of taxes. However, the Federal Power Commission has reported that the average private utility pays 22 percent of its revenues in taxes.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. Because the pattern was set, Mr. Chairman, in respect to yielding, would it not be proper at this time for anyone who wanted to yield to me, after he was recognized, to be so recognized in order that I might complete my statement?

The CHAIRMAN. The present occupant of the Chair has always alternated between the sides and thinks in fairness that that precedent should be followed.

The Chair recognizes the gentleman from Tennessee [Mr. BASS].

Mr. BASS of Tennessee. Mr. Chairman, in the slight 2 minutes that I have to appear before the Committee to defend one of the greatest economic developments that has ever been known to man in this country, I feel just like a minister would in going before a Christian audience and defending the Bible. I feel just like the father of a child would in having to defend that child from its own mother.

Yes, Mr. Chairman, I am a child of the TVA. I have seen it change the whole face of the central South from a land of poverty and devastation into one of powerlines and industrial development that has meant more to the overall economy of this Nation than any engineering unit conceived by man. When we begin to talk about Dixon-Yates, Mr. Chairman, I wonder how such a deal could be conceived to try to destroy a great development that has meant so much to my people. I see powerlines spread all over my area, which has brought modern facilities into the farm homes for the benefit of the rural people who have to work by the sweat of their brow and the bend of their backs. I am surprised, Mr. Chairman, to see some Americans get up on this floor today and make statements against one of the great developments of this Nation

as they do. I think it is nothing more than an objection to seeing the economic industrial development of a great part of a great Nation.

Mr. Chairman, I would like to make this statement. The gentleman from New York [Mr. TABER] yesterday came on the floor and talked about how much money of the taxpayers of the city of New York was spent on the TVA. I would like to advise the gentleman that in the State of New York alone the Federal Government has spent $308,945,000 on rivers and harbors. I wonder if he thinks this is mistreatment of the taxpayers from the State of Tennessee. I know of no one in the State of Tennessee who use the rivers and harbors of New York. Yet I certainly support the development of these great resources.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

The Chair recognizes the gentleman from Indiana [Mr. BEAMER].

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BEAMER. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, I would like to say first of all to my friend from Tennessee that you people have done very well down there compared to the taxpayers of the rest of the country, and I would like to suggest that it might not be too wise to ride a good horse to death. I almost hesitate to say this, but possibly you are a little afraid that the gravy train is running out. I do not know. I know this: As far as Dixon-Yates is concerned, the fact is that the contract that has been made will not destroy the TVA. On the contrary, it will benefit the TVA, because the TVA will be relieved of the necessity of furnishing 600,000 kilowatt hours of electricity to the AEC. Hence it will be available to be used by the TVA to provide this subsidized, below-cost power to siphon off more industries from States like Massachusetts, Rhode Island, and a lot more. I think the time has come to consider this issue on a fair, square basis. The question as I see it is: Are we to continue to spend hundreds of millions of dollars of the taxpayers' money generally, taxpayers from all over the country, to enable the people of the TVA area—and heaven knows I do not object to their being aided within proper limits—to expand steamplant power production ad infinitum when we know or ought to know its disadvantages to the rest of the country? Let me ask my friends from Pennsylvania, New York, Michigan—do you think you can go back home and explain that situation, when your people are buying their power either from a municipality that has to borrow the money to build the plant or from a private utility that has to borrow the money and pay taxes on their operation?

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. Mr. Chairman, let me hasten to emphasize one important fact that this question will resolve. This immediate proposal does not confine itself just to TVA. There is a larger question, the question of whether or not the people, through their Government, will continue to control the management of the Tennessee Valley Authority, the Bonneville Administration, the Central Valley project, the Southwest Power Administration, the Southeast Power Administration, the rural electrification program, and all the flood control projects that presently contain a multiple function including the supplying of electric energy.

That is the issue in every instance that is brought up here today, whether or not the people of this country under the guise of an issue of public versus private enterprise, are to be deprived of the benefits given them thus far.

Here is a function of Government which belongs to the people, whose affairs come under the administration of this Corporation established by an act of Congress.

We have heard a great cry about a subsidy to the people who are served by TVA. Under the Defense Production Act, we have now given tax subsidies to the private utilities in excess of $4 billion. Why did we give them those tax amortizations? We gave it to the private utilities for the specific purpose of accelerating the increase of capacity of production of energy for the national defense.

Consumption of electricity everywhere has increased beyond anything anticipated by economists or technicians. The demand for power is immeasurably more than could have been foreseen a few years ago. It is a simple fact that we do not have enough power and we are not likely to have enough in the future if present trends continue.

In the Tennessee Valley, the development and use of power over the past 22 years has been phenomenal. Perhaps the most dramatic increase in use of power has been in the rural areas and on the farm. In 1933—at the start of TVA—less than 3 percent of the farms in the TVA area had electricity. That amounted to about 15,000 farms. Today, in the same area, there are 440,000 farm homes served with electricity through this system,

The use of electricity on farms in the year 1933 was only 9 million kilowatt-hours. Today, the farm use is about 1.5 billion kilowatt-hours a year or a growth of 170 times. Electric energy has reduced human toil on the farm and has brought conveniences and higher standards of material well-being directly into farm homes. It has brought to an end the back-breaking toil that for generations has been the lot of the farm women and men of our area.

The residential use of electricity in total has grown about 46 times during this period. In 1933 the average home use of electricity was 600 kilowatts a year in the TVA area. Today the average is 5,000 kilowatt-hours.

In business and industry, approximately 1¼ billion kilowatt-hours were used in 1933. Today that use has grown to 13.5 billion, or 11 times. The fact that the worker and the home user and others have more electric energy at their command means that they can do things more quickly and easily. They have more time to engage in other things. In general, this has reflected itself in increased prosperity in the region. May I say also, at this point, that a lot of people contributed in working this out. It took not only the availability of power but it took the work of the local agencies to build the distribution lines to carry the energy out to the farms and the homes.

I have thus far spoken of the use of power by the people in the TVA region. I want to comment now on the Federal Government's use of TVA power. It may come as a surprise to many of you to learn that the biggest user of electric power in the Tennessee Valley is the Federal Government—the Atomic Energy Commission. I particularly would like those who constantly harass TVA to take note of this fact.

Back in 1933, the amount of power used by the Federal establishments in the TVA region was insignificant. Today the requirements of Federal agencies in the TVA area are over 3.5 million kilowatt hours. Last year they used 16.7 billion kilowatt hours primarily at the large AEC installations at Oak Ridge and Paducah. The Atomic Energy Commission has begun using power much more rapidly than their demands can be supplied. Other Federal users of power were at such Government installations as Redstone Arsenal, Fort Campbell, at the wind tunnel project at Tullahoma, Tenn., at the Muscle Shoals development works and so on.

Another very large consumer of TVA power is the aluminum industry. Of the total production of the TVA system for the last calendar year, the aluminum industry used 10 percent.

What of the future for the TVA region? What are the estimates of power requirements for the residents, the industries, and the Federal establishments in the Tennessee Valley?

Large and constantly growing amounts of power are used by the 148 municipal and cooperative electric systems which distribute TVA power to the 5 million people in the area they serve. The power needed to supply all users—residential, industrial, and Federal agencies alike—was 5,411,000 kilowatts in January 1954. The estimated load for December 1957 is 9,800,000 kilowatts, a substantial increase you will note. Based on present estimates the demands for the end of 1958 are 10,600,000 kilowatts. This includes requirements for AEC projects which will take 3,110,000 kilowatts alone and leaves for other users 7,490,000 kilowatts. Let me point out that these estimates assume a continued expansion of the economy of the Nation and of the region with a relatively high level of industrial production.

With these increased demands and with this prospect of a serious power shortage in the Tennessee Valley the Eisenhower administration set out to relieve TVA of a part of its contractual obligation to the Atomic Energy Commission and we wound up with the Dixon-Yates deal.

The Dixon-Yates power contract was privately negotiated without competitive bidding. It is totally and entirely unacceptable to the people of the Tennessee Valley. We know that it would

be the opening wedge that would ultimately mean the end of TVA. We are suspicious of this deal and we know that it smacks of rank favoritism. There are, as all of you know, serious obstacles to the completion of the Dixon-Yates arrangement. The contract itself is in litigation. I suppose almost everyone in the country is now acquainted with the financial aspects of the much-publicized contract. If we allow the Dixon-Yates combine to build their plant, it will cost the taxpayers of the United States approximately $3.5 million to $5.5 million more per year than if the Government proceeded to add capacity to the TVA system.

The President's budget message plainly shows that in 1958 TVA will have a deficiency of 457,000 kilowatts. Without Dixon-Yates power which the budget is counting on, the shortage will run around 1 million kilowatts. By the budget's own statement, unless additional generating capacity is authorized by this present Congress, TVA's assured capacity will be 6 percent short in 1958.

The amazing thing is that the budget says this at a time when the Office of Defense Mobilization is announcing an upward revision of its electric power expansion goal for the Nation. This new revised goal of electrical capacity for our Nation by the end of 1958 is to 150 million kilowatts of capacity. But none of this upward revision is to be for the Tennessee Valley area. Instead we are going to be 6 percent short.

The Bureau of the Budget has not made a recommendation for a single kilowatt of additional generating capacity for TVA. This is the second successive budget carrying absolutely no funds for the construction of new power-generating capacity. The recommended sum is 77 percent below the appropriation for fiscal 1955, which in turn was 25 percent below the appropriation for fiscal 1954. It is the lowest TVA budget in 20 years and yet there is a steady increase in the need and demand for electric energy.

The implications for the people of the Tennessee Valley of a possible shortage of this magnitude can readily be seen. It is a situation which is looked upon with alarm by every household, by every commercial and industrial user of power in the area. As dangerous as this situation is for the Tennessee Valley, I believe it presents an even greater danger for the Nation as a whole. This would particularly seem to be the case in the light of TVA's magnificent contribution to national defense during World War II and the postwar period.

In the light of these circumstances it is most imperative and important that the construction by TVA of facilities required to meet its system's load be started and that adequate funds be made available. Construction of a plant near Fulton, Tenn., is the most efficient and economical way to add the capacity required to meet the power demands in TVA's immediate future. This can be accomplished by approving the committee's action of transferring to the Fulton construction program the $6.5 million requested for Dixon-Yates transmission lines. This would be a prudent and wise action on the part of the House. It would be a sound and practical investment of Federal funds. I urge that this appropriation item be approved. In this way, TVA will be back on the road of efficient and orderly development from which it was sidetracked a year ago by TVA's utility enemies.

There is every reason in the world to maintain TVA at maximum efficiency by Federal investment. TVA is a creature of Congress itself—a national institution producing national benefits. TVA is looked upon through the world as one of the proudest achievements of the United States. Every year thousands of visitors from every part of the world come to TVA to study the manner in which it was created and is being operated. To permit TVA to operate at standards not only less than those of maximum efficiency but at standards which would greatly impair the efficiency of this agency would be damaging, in my opinion, to our national interests.

TVA stands as one of the bulwarks for freedom. It furnishes the electric lifeline to atomic progress, aluminum for aircraft, research to further conquer space, and the myriad of other related manufacturing and developing industries so that in the overall program looking to the welfare and public good of the entire Nation, TVA must be considered as a national and vital concern to all our people.

TVA has an excellent record. It has the confidence of the 5 million people in its 80,000 square mile service area. I believe it has the confidence of the Nation as well. On behalf of the people of the valley and the people of the entire United States, I respectfully urge that this Congress give favorable consideration to TVA's request for funds with which to continue its development so that it can continue to carry out its obligation to America.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, this debate has been channeled by some of the people into a straw-man attack upon the TVA. It is not that, but rather it involves a much more real and limited problem than that kind of a broad issue. In attempting to knock down the straw man which they have developed, they have taken credit for a great many things for TVA that are not involved here and, in fact, do not exist.

For instance, they have pointed to the growth in the public utilities outside of the TVA area. I wonder if the question might very fairly be raised as to whether or not the dynamic economic development of the South outside the TVA area might not be the real reason for that. It may very well cast a reflection upon the economic development that has taken place within the TVA area. It think at least that question might well be raised.

Then, too, they said, "Look at all the business that has come to other parts of the country as a result of TVA."

Well, look at all of the business that has come all over the country as a result of the billions of dollars that have been poured out of the Federal Treasury. Does that mean that is a sound, just, economic enterprise and that we ought to have that continue?

They have said how lucky we were to have TVA for our defense, but those of us who have sat on appropriations subcommittee know they have come in and got the money for the development of these TVA projects largely on the basis of their being for defense; yet they now say, "How lucky we are to have the TVA."

This amendment is not an attack upon the Tennessee Valley Authority. The gentleman from California made that perfectly clear. It is not entirely an issue of private power against public power, either. More correctly, the amendment represents a defense against the bold attempt to destroy a Government contract fairly entered into, and to put in its place a Government-financed project, a project similar to projects repeatedly denied by Congress in recent years.

I feel confident that the keen minds of this House will cut through the oratory to reach the real, more limited, issues involved.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I cannot believe the gentleman from Tennessee who resides across the river from me would want to make a statement that the city of Memphis would not want to take this Arkansas power. Arkansas power is going to be like any other kilowatt, it is going to be like any other power that is pumped into their system. I do trust that attitude is not general throughout the city of Memphis. As a matter of fact, when we had that groundbreaking ceremony at West Memphis a few days ago, the president of the Chamber of Commerce of the City of Memphis, Col. Roane Waring, made a fine speech in behalf of the Dixon-Yates plant at West Memphis, Ark. The ground has already been broken and the work has started on actual construction. We do feel we have quite a lot of friends on that side of the river.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I would like to yield to the gentleman and would if someone would accord me more time, but I must proceed with my remarks. I wanted to talk for 5 minutes longer. So I hope the gentleman will pardon me.

The CHAIRMAN. All the gentleman has to do is say he declines to yield.

Mr. GATHINGS. I decline to yield, Mr. Chairman.

The CHAIRMAN. The gentleman declines to yield.

Mr. GATHINGS. Mr. Chairman, I want to pay tribute to 19 great Americans on the House Committee on Appropriations who stood up in the face of tremendous pressure and voted against vitiating an honest, solemn agreement entered into by the United States Government through the Atomic Energy Commission, with the Dixon-Yates organization. These 19 came from both sides of the aisle, Yes; there were four Members on the Democratic side who voted to stand by that contract, and I praise them for it. It is not a question

of politics or partisanship. It is a matter of principle. They voted in this close vote for the best interest of their country.

I agree with the Washington Daily News editorial of June 11, 1955, and quote it verbatim:

WRONG WAY TO DO A JOB

It is unfortunate the House Appropriations Committee has used the oblique, rather than the direct, approach to try to kill off the Dixon-Yates contract. We say that as a newspaper opposed to the contract.

The way the administration handled the Dixon-Yates contract was wrong from the outset. That, however, does not justify opponents of Dixon-Yates in using wrong methods.

The committee has decided by a 4-vote margin to refuse $6,500,000 to the Tennessee Valley Authority to build a transmission line to the middle of the Mississippi to accept Dixon-Yates power.

The forthright and clean way for Congress to meet the Dixon-Yates issue is to vote the contract up or down, as we believe it has authority to do. With the objective of killing Dixon-Yates we agree; with the means employed by the committee, we do not.

There is another part of the committee's action that deserves careful attention. It decided, also by a four-vote margin, to order TVA to start construction of an entirely new steamplant at Fulton, near Memphis. It is ordered to use for this purpose the $6,500,000 disallowed for the Dixon-Yates transmission line.

If this action is approved by the House and subsequently by the Senate, it will mean that by this $6,500,000 nibble, this Congress will commit future Congresses to spend at least $83,500,000 to complete a 2-unit plant at Fulton at a total cost of $90 million. A 4-unit plant would cost upward of $150 million.

The House committee has engaged in figure juggling. If it really wants the Fulton plant built, and if it has any real sense of responsibility, it will provide at this session for financing the remainder of the cost of that project out of private investment funds.

It can, and we think must, do this by enacting a TVA self-financing plan. Two such plans are pending. One was drafted by TVA, and supported unanimously by its three directors; the other is the Budget Bureau revision of the original TVA plan, and it is supported by only one of the agency's directors.

There are weak places in both versions. But between them there obviously is room for drafting a compromise plan which will create a fair means for TVA to finance itself with revenue bonds.

A truly responsible Congress, with proper regard for the taxpayers as well as the private and governmental power users of the Tennessee Valley, must not let the House committee's action stand alone. It must create the means for financing what it wants done in a prudent and economical way so power needs of the valley can be met in time.

On June 2, 1955, the city of West Memphis, Ark., celebrated ground-breaking ceremonies for the building of the Mississippi Valley Generating Co. plant—the so-called Dixon-Yates plant.

The executive branch of the Government is carrying out the mandate from Congress under Public Law 703 of the 83d Congress, and has a contract with the Dixon-Yates group to buy power through the Atomic Energy Commission from this plant when completed. This authority was given by the Congress after exhaustive studies of proposals to build this plant under private free enterprise or under the authority of the Tennessee Valley Authority. The debates in the Congress showed clearly that the purchase of power from the private West Memphis plant would result in a saving of some $183,400 each year to the Government over costs in purchasing the same power from the TVA, using the same rate TVA charged AEC at Paducah.—CONGRESSIONAL RECORD, volume 100, part 9, page 11678.

But, some would refuse the means of individual free enterprise and would seek to overcome this power shortage by the further expansion of TVA in the field of steam-generated power.

As originally conceived, the Tennessee Valley Authority was created to provide for navigation and flood control. A by-product of this work was for the production of hydroelectric power. Starting from this authorization, TVA now produces more than 70 percent of its power, not by hydroelectric methods, but by steam generating. TVA has become the largest single consumer of coal in the United States. For their power is produced by this method, a far cry from the intent of the Congress that TVA should produce hydroelectric power to overcome a part of the cost of its flood control and navigation programs. Today, TVA operates powerplants producing 6,075,685 kilowatts, almost 10 percent of the total capacity of the entire Nation. And, since 1946, essentially all of the development for hydroelectric power had been accomplished, and the expansion of TVA has been in the field of steam-generating plants.

In 1953 the Truman budget carried a request for money to start a steam generating plant for the TVA at Fulton, Tenn., about 25 miles north of Memphis. However, the Eisenhower budget deleted this request, and when the bill came before the House of Representatives in June of 1953, an amendment was offered from the floor by Representative JERE COOPER of Tennessee, to provide $30 million to start construction on the Fulton plant Mr. COOPER's amendment was rejected by a vote of 154 votes against to 83 votes for the amendment. The Congress clearly rejected the idea of permitting the TVA to build the Fulton plant—CONGRESSIONAL RECORD, volume 99, part 5, page 6714. The Congress indicated at the time that it was their intent to stop the further expansion of TVA into the field of steam generating power.

However, in March of 1954, the TVA advocates came back to the Congress. TVA asked the Bureau of the Budget to give them funds to start 8 new steam generating plants, 1 of which was the Fulton, Tenn., plant. The Bureau of the Budget denied the TVA request, so back to the Congress they came.

An amendment to provide $85 million to start these 8 plants was presented. It was rejected by the House by a vote of 87 votes to 139 votes against the amendment.

Following the defeat of this amendment, an amendment was introduced to provide funds to start only the Fulton steam plant. The House proceeded to reject this amendment. Thus, in the same day, March 31, 1954, the House of Representatives gave two clear indications that they did not intend to permit the TVA to build the Fulton, Tenn., steam generating plant.

In the face of these three refusals, the advocates of TVA power, on July 23, 1954, proceeded to question the authority of the Atomic Energy Commission to make a contract with the Mississippi Valley Generating Co. An amendment was introduced to the bill to amend the Atomic Energy Act of 1946 to kill the Dixon-Yates program. The amendment was voted down by a vote of 54 ayes to 85 noes—CONGRESIONAL RECORD, volume 100, part 9, page 11739.

What is the clear implication of this picture?

First. Additional power is needed in the Midsouth for its citizens and to safeguard actions on behalf of our national security.

Second. The Congress by the votes taken on the issue does not want the TVA to provide this additional power from steam generating units to be built with tax money.

Third. The Congress has authorized the President and the executive branch to secure this additional power through contracts with private enterprise.

Fourth. The executive branch has followed the mandate of the Congress and has made such a contract with the Dixon-Yates firms.

Fifth. The contract is a good deal for the Government.

Sixth. It will put a stop to further expansion of TVA into a field that was never contemplated by the Congress that originally voted to create a governmental agency "to promote the maximum development of the Tennessee River for navigation purposes, flood control, and generation of electric power, incidental to and consistent with flood control and navigation."

Yet, here for the fourth time a move appears in the Congress to change the trend of government away from free private enterprise. The public works appropriations bill has been amended in committee to provide funds to start the Fulton, Tenn., steam generating plant. Not enough funds, however, to build the smaller plant, is provided for this plant has been estimated to cost $80 million. At money borrowed from the taxpayers through sale of Government bonds, the cost would be increased by the interest on the Government bonds.

But, at any rate, there is a request for money to start construction of this Fulton plant. They do not ask for all the money now.

Congress has rejected this TVA proposal on three occasions, and on another occasion by its adoption of the principle of dealing with private capital, has rejected it again.

On the other hand, the Congress has issued a mandate to the Federal Government to encourage private enterprise and to make contracts with private companies. This the Government has done. The principle of private enterprise is still strong in the hearts of the American people.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield for a moment, I do not want to ask him a question but I am going to ask my friend from Michigan [Mr. RABAUT] if he will state to the Members that he has no objection to Members' transferring their time to other Members if they desire to do so. I hope my friend from Michigan will do that.

Mr. RABAUT. I will do it.

Mr. JONAS. Mr. Chairman, one of the questions that provokes violent disagreement in these debates is whether TVA pays a fair share of taxes for the support of local and State government.

Of course we all know that TVA pays no income taxes to any State and no income taxes to the Federal Government, even though its revenues from the sale of power in the fiscal year 1954 exceeded $130 million.

But TVA is required by the basic act to pay 5 percent of its gross proceeds derived from the sale of power, excluding power sold or delivered by TVA to any other agency of the Government, to the States and counties in which it operates. These payments are in lieu of taxes, and are provided to replace taxes formerly paid on property acquired by TVA and previously thereto subject to State and local taxation.

A pertinent question to ask then is whether the amount TVA pays in lieu of taxes is a fair amount. The proponents of TVA expansion contend that the amounts paid exceed what the State and local units would receive if the properties were operated by private utilities.

I do not know what the situation is in Tennessee or other States where TVA operates, but I do have some facts about the situation in my State of North Carolina. You can use your own judgment, after listening to these facts, in deciding whether TVA is paying a fair amount of money in lieu of taxes in North Carolina.

The facts in question were contained in a statement made last year by the Honorable Ben E. Douglas, director of the Conservation and Development Commission of North Carolina, in testimony at Chattanooga, Tenn., before the Hoover Commission Task Force on Water Resources.

The following paragraphs are quoted from Mr. Douglas' statement:

> The TVA has three hydroelectric dams in North Carolina—Fontana, Hiwassee, and Appalachia. While the powerplant for the last-named dam is in Tennessee, the energy produced by all three of these is from North Carolina natural resources. The total kilowatt capacity produced by the 3 dams is over 250,000 kilowatts and, according to the TVA annual report for the year ending June 30, 1953, the 3 installations produced 1,345,000,000 kilowatt-hours during that 12-month period.
>
> According to the tax records in the State of North Carolina, the total value of all this property of TVA in North Carolina is slightly over $97 million. Using the standard method of tax valuation (50 percent of the value for tax purposes) and an average tax rate of $1.50, the ad valorem taxes alone would amount to slightly over three-quarters of a million dollars per year to the counties in which these properties are located. Actually, according to tax records, TVA paid in 1954 payments in lieu of taxes in the amount of $85,666.61.
>
> If the 3 plants had been operated by privately owned utilities, and if the total taxes—Federal, State, and local—were computed on the average basis of the 2 largest privately owned utilities in the State, the tax revenues would have been from $3 to $4 million instead of the mere pittance of $85,000 actually realized by the State and county governments.

Mr. JENSEN. Mr. Chairman, when it comes my time to be recognized, I ask unanimous consent that my time be allocated to the gentleman from Indiana [Mr. HALLECK].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Chairman, in these 2 minutes, I wish to say just a few things that may help us to get at the very heart of what we are discussing. It seems to me that a great deal of the discussion today, and this is not said critically at all, concerns a question which, I think, was decided by the Congress of the United States in 1939.

Repeatedly, I have listened to statements as to the original purpose of the Tennessee Valley Authority Act. I shall not discuss that further. I think everybody is familiar with that. But in 1939, after Mr. Wendell Willkie and Mr. David Lillienthal negotiating together, came before the old Committee on Military Affairs and asked the Congress of the United States to approve the purchase by the TVA of the assets, the power generating and distribution facilities of Commonwealth & Southern in that area, and the Congress approved it—that settled once and for all as a question of national policy what utility was to serve that area.

I reread recently the testimony of Mr. Willkie, who was president of Commonwealth & Southern. Mr. Willkie said to the Committee on Military Affairs at that time that there is no room in the Tennessee Valley area for two competing utility systems, and that evidently, the TVA had a broader job to do than Commonwealth & Southern:

> We are willing to sell and I believe we ought to sell.

That was the statement in substance of Mr. Willkie. Thereafter, by direction of the Congress of the United States, the Tennessee Valley Authority became the public utility electric system for an area of 80,000 square miles, and was told to serve that area. In its efforts to serve that area, notwithstanding the fact that 50 percent of its power production goes to the Federal Government, they need additional generating power. The question before us is the simple question of whether we shall, by our action today, grant to TVA funds to start additional steam-generation facilities in an area now served by the TVA, and where there is a shortage of power.

This shortage is due largely to the fact that TVA is under contract with AEC for a large quantity.

I do not have time to review the most unusual circumstances incident to the signing of the Dixon-Yates contract.

I hope the Phillips amendment will be voted down, and that TVA may proceed with the installation of generating facilities in order that the Authority may properly do the job Congress has told it to do.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. Bow].

Mr. LAIRD. Mr. Chairman, I ask unanimous consent that my time may be allocated to the gentleman from Ohio [Mr. Bow].

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. LAIRD]?

There was no objection.

The CHAIRMAN. The gentleman from Ohio [Mr. Bow] is recognized.

Mr. BOW. Mr. Chairman, the gentleman from Tennessee [Mr. PRIEST], who just preceded me, made a statement about decisions which were made in 1939, which calls to my attention another decision which was made in 1939, which I think is important. On April 13, 1939, during the debate on the TVA Act in the other body, the late Senator Norris was speaking and he raised the question about taxes. We have heard so much about that today. Let me read to you what Senator Norris, and you all know he was a great friend of TVA, had to say with regard to the proposal from the great association of Tennessee which was, in effect, that the TVA property be subject to taxation the same as everybody else's property.

Senator Norris went on to say, on page 5866 of the CONGRESSIONAL RECORD of April 13, 1939:

> On my desk now there is a printed amendment intended to be offered, which provides that all property of TVA shall be subject to taxation everywhere under the local laws of taxation. If we go to that extreme, Senators can see that the TVA would be out of business in 3 months.

And he goes on to make other statements of the same kind. So you see back in 1939, others things too were decided—that they would pay no taxes, but that TVA would be built by the tax dollars from the other States of the Union. I should like to say to one of the other gentlemen from Tennessee, who spoke earlier today, and I am not referring to our colleague [Mr. PRIEST], who just preceded me, but to one of the other Members from Tennessee who said when he came to the well of the House that he felt as though he were defending his child that had been born in that area, and he was defending a child. Let me say this to the gentleman—that he may have been defending a child which he saw born, but that child has become of age. The child has come of age, which you are defending, sir. Perhaps it had to be bottle fed from the sweat and toil, yes, and the tax dollars of the rest of the Nation at the time he said he first saw—with the poverty he has referred to—he saw it grow to a great industrial empire. Yes, Mr. Chairman, the child is a giant today, and in the eyes of many looks a little ridiculous still nursing on the bottle.

Perhaps it is time to wean it. It is no longer a child. It is now in a position to go on its own. The child can walk and run. It has its own great industrial empire. It is time that it learn some of the facts of life.

So, what Senator Norris had to say in 1939, that it would fall in 3 months unless the rest of the taxpayers of America sustained it, no longer applies.

I do not believe this is a question of a fight on TVA. It is a question of whether or not we are going to permit private enterprise to furnish power where they are willing to furnish it at a cost less than TVA actually furnishes power to the Atomic Energy Commission now, and whether we will take another hundred million dollars of the American taxpayers' money to build a steam plant, or whether we will permit private investors, on the basis of which America has become great, to make their investments without a drain upon the taxpayers of the country to build this facility to furnish this 650,000 kilowatts that is needed now by the Atomic Energy Commission. It is just that simple and just that plain.

As the gentleman from Arkansas has said, you cannot tell whether it is a TVA kilowatt or whether it is a kilowatt generated in Arkansas. They are all the same. Either we are for the free American enterprise system or we are against it. Where we stand will soon be seen. Now is the time to stand up and be counted.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Bow] has expired.

(Mr. MARTIN, Mr. GAVIN, Mr. MILLER of Nebraska, Mr. YOUNGER, and Mr. SCHWENGEL asked and were given permission to transfer the time allotted to them to the gentleman from Indiana [Mr. HALLECK].)

(Mr. MILLER of California asked and was given permission to transfer the time allotted to him to the gentleman from Michigan [Mr. RABAUT].)

The CHAIRMAN. The gentleman from Alabama [Mr. ELLIOTT] is recognized.

Mr. ELLIOTT. Mr. Chairman, the advocates of the Phillips amendment try to make much of the fact that the Tennessee Valley Authority has come of age. It is true that it first saw the light of day 22 years ago in the administration of that matchless leader, Franklin D. Roosevelt.

I want to say to my friends of the House, Mr. Chairman, that if many of those who make so much of the fact that TVA has come of age could have their way very long, the TVA would certainly be short-lived.

The Phillips amendment seeks to strike the provision of the bill on page 5 providing an appropriation of $6½ million "for commencement of construction of a powerplant to be located near Fulton, Tenn."

In other words, the bill before us provides that $6½ million, which the Bureau of the Budget recommended be appropriated to build a transmission line from the Dixon-Yates plant on the west side of the Mississippi River to Memphis, be used instead to commence construction of the steam plant at Fulton, Tenn., north of Memphis.

I am opposed to the Phillips amendment.

I am opposed to the Dixon-Yates contract.

In answer to those who say the Dixon-Yates arrangement is legally binding upon the United States, I point out that it is still in litigation. It is my understanding that the pending lawsuit goes to the question of whether or not the Dixon-Yates contract is legally binding.

The people of the Tennessee Valley do not want the Dixon-Yates contract. It should not be forced upon them.

I want to point out that an agreement was had between the TVA and the Commonwealth and Southern Co. about 1939 which provided that within the area now served by the TVA, the Commonwealth and Southern Co. would withdraw. At the same time, the TVA did not ask to extend its lines into the surrounding area served by the private power distributing companies.

Many of the people in the Tennessee Valley regard the proposed invasion by Dixon-Yates as being in violation of the spirit of the 1939 agreement.

Also, it must be borne in mind that Dixon-Yates in the long run will cost the taxpayers a hundred million dollars, which we can ill-afford to waste at this time.

The Tennessee Valley Authority should be allowed to serve the power needs of the people living within its service area. The Congress of the United States possesses the power to make this possible. We can do it by defeating the Phillips amendment and by allowing TVA to get started with building the Fulton, Tenn., steam plant. We should be going much further. Many additional steam units need to be built in the Tennessee Valley in order to meet the demand for power within the TVA service area. If we neglect to allow the construction of these steam plants, it is only a matter of a short while until the lights in the Tennessee Valley area will be dimmed.

The principal value of the TVA is as a yardstick for power rates. Dixon-Yates might well be the entering wedge to break the yardstick. When TVA can no longer serve as a yardstick of power rates, then it has lost the function for which it was created.

As I have stated to the House in previous years, the congressional district which I have the honor to represent draws its power from both private and public sources. About one-third of my people get their power from TVA. About two-thirds get their power from the Alabama Power Co. The two systems operate side by side. They exchange power when necessity calls for such an exchange. Electricity is cheap in the Seventh Congressional District of Alabama. It is cheap in the Alabama Power Co.'s service area. It is cheaper in the TVA area. To the best of my knowledge, there is no desire on the part of either the Alabama Power Co. or the TVA to invade the service area of the other.

The Dixon-Yates contract should be killed if it is legally possible to do so. Funds for Dixon-Yates should be denied wherever it is legally possible to deny them.

The people of Memphis have spoken and say they do not desire Dixon-Yates power. They go further and say they will locally raise the money to build their own steam plant to generate their own power before they will buy from Dixon-Yates.

To me, this issue ultimately resolves itself into one of economics. Our Government has a huge investment in power facilities in the Tennessee Valley. That investment runs more than $1½ billion. That investment should be preserved and protected for the benefit of the people of the United States of America. If the Congress of the United States will allow TVA to adequately serve the people in its area, the investment will be protected. The money spent by the Government should be repaid. It is being repaid at a satisfactory rate now. Eventually, the TVA power generating and distributing system will have paid for itself, and the people of the United States will own the system, and it can continue to serve as a yardstick for electric power rates.

Also, it should be borne in mind that TVA has trained personnel. Their training and experience came from building 20 dams and 8 steam plants.

TVA personnel are not only trained in building power facilities; they are trained in operating the system and in distributing the power which the system generates. The power needs of the area served by TVA are growing at the rate of 12 percent per year.

The steam plant at Pride, Ala., now consists of 4 large generating units. Very soon this plant should be expanded to 10 generating units in order to furnish the area the power it needs. About 60 to 100 miles south of the Pride generators lies the great Warrior coalfield, which has of recent years been smitten with unemployment and the misery and want that goes with unemployment.

Right now the TVA is engaged in building rail coal-unloading facilities at the Pride steam plant so that Alabama coal may move to that plant over the railroads that reach into the Warrior coalfield. The prospective purchases of coal by TVA from the Warrior coalfield in the Seventh Congressional District will mean much in the rebuilding of the coal industry into a strong component of the economy of the entire area.

When the time comes to build the additional generating units at the Pride plant, I hope the Congress will not take the position that it has heretofore taken about the building of the other steam plants, including the Fulton plant, that must be built if TVA is to adequately serve the people of the Tennessee Valley with electric power.

The President of the United States, while a candidate for that office in 1952, told the people of the Tennessee Valley when he sought their votes, in effect, that he would be for the maintenance and operation of the TVA at "maximum efficiency." It is my judgment that maximum efficiency cannot be attained or accomplished by the Dixon-Yates approach.

Let us kill the Phillips amendment. Let us kill the Dixon-Yates proposal. Let us keep faith with the people of the Tennessee Valley and allow TVA to generate the power necessary to meet their needs.

The CHAIRMAN. The gentleman from Maryland [Mr. HYDE] is recognized for 2 minutes.

Mr. HYDE. Mr. Chairman, the issue before the House here by this motion is the fundamental issue of our times. I would hope this issue would transcend all party lines; whether or not it does, will be indicated by the vote here today. We would not have the issue about which I am speaking, if this were merely a matter of the development of hydroelectric power on navigable streams. But that is not the question here today; the question here today, of course, is the extension of and the reliance upon the powers and purse of the Federal Government for doing those things which we as individuals can do better for ourselves. The issue, I have said, is the fundamental issue of our times.

The issue is the question of what message America is going to carry to the rest of the world in its battle against the socialistic state. Is the message of America going to be that we place our trust and faith in the social individual and not in the socialistic state? That is the issue before this House, and it will be decided by our vote here today.

I was delighted to hear the gentleman from Tennessee say that Memphis as the result of the controversy here today was going to construct its own powerplant. If nothing else comes out of this debate and discussion that would be primarily an important and salutary benefit, an indication of what the people can do for themselves in these matters.

This is an attempt, Mr. Chairman, of the Federal Government trying to do for the people that which the people can do better for themselves.

The CHAIRMAN. The gentleman from California [Mr. SISK] is recognized for 2 minutes.

(By unanimous consent, Mr. SISK yielded his time to Mr. ABERNETHY).

The CHAIRMAN. The gentleman from Mississippi [Mr. ABERNETHY] is recognized for 4 minutes.

Mr. ABERNETHY. Mr. Chairman, I doubt very seriously that there will be a single vote changed by the debate that will take place between now and 1:30. The temper of the House indicates that the Members have made up their minds. Even so, and in the very short time allotted me, I would like to make a few observations which may be of help now as well as in the future.

Since early in 1953 this has been a heated issue, with temperatures rising higher and higher with each session of the Congress. It is dividing the Members of the House, it is dividing the States, it is dividing the people, and it is dividing the country. It is creating a sectionalism which is not helping anyone. It is creating jealousies and, I might say, some ill feelings which I know is not helping anyone.

I believe that if the people of the valley, and of the city of Memphis in particular, had ever anticipated that this would be the policy of the party which is in control in the White House they would never have given to Candidate Eisenhower the vote which they did in 1952. Both he and the leadership of his party, without exception, never once left the impression that they would make war on TVA, the people of the valley, or their rising economy. Neither he nor his leaders dared make the false charge that the people of the valley were receiving power from a socialized agency. On the contrary, they complimented TVA at every hand.

Neither he nor his leaders ever referred to TVA as a subsidized agency nor did they charge or infer that the patrons of the TVA were the benefactors of socialized subsidized power as they now do.

Neither did he nor did his leaders once complain, as they do now, that a little industry was going up in the valley which in turn has raised the standard of living down there from one of utter poverty to that of reasonable prosperity. We thought that they were happy in our progress. We did not know, and certainly never once dreamed that they objected to it. We know better now, but many of the voters down there had to find out the hard way. This also applies to some of the Tennessee Valley press, which, as supporters of the Republican ticket, confidently predicted that TVA would be safe and secure under a Republican administration. Sometimes we have to learn the hard way, and there are those in the valley who have learned in just such a manner.

This amendment ought to be defeated and I hope it will. If the Republicans, including Eisenhower, meant what they said in 1952, it will fail. If it does not, then I hope you will at least support another proposal for the TVA which will be before the Congress in the not too distant future.

Not so long ago the President requested the Tennessee Valley Authority to submit a plan and program to the administration which would permit the Tennessee Valley Authority to operate within its own revenues, under its own "steam," so to speak.

After many months of study a plan was developed and submitted to the Bureau of the Budget. It had the support of the Chairman of the Tennessee Valley Board, who is an appointee of the President. It also had the support of the two other members of the Board, who are holdovers from previous administrations.

Mr. Chairman, I think that the administration and this Congress should, if this amendment is adopted, accept that plan in every detail. I hope the administration and this Congress will not pick at it, duck, dodge, and flinch over it as they have everything else that has been brought here in behalf of TVA since January of 1953. Least of all, the President and Congress should accept it. If they will, and they ought to, it will probably eliminate the ill feelings which I referred to a moment ago, it will eliminate the sectionalism, it will eliminate the jealousies, and it will eliminate the politics being played in connection with this issue year after year. I think that it is the least this administration can do, more especially since its candidate appeared on the platform in a speech in Memphis, Tenn., on October 15, 1952, and, with a straight face, assured the people of the Tennessee Valley that he was not only their friend but that he actually approved of the TVA and promised not to do anything that would impair its efficiency or its operation.

But whether this plan is accepted or not, this amendment ought to be defeated. I hope it will be.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, the President of the United States is not doing anything to impair the efficiency of the TVA. All he is trying to do is to make the revenues that it produces, just as he said, carry the costs involved.

Mr. Chairman, I have here a yardstick. This part represents the amount of taxes that they do not pay that other folks in the business have to pay. That part represents the amount of interest that other folks in the business have to pay and that they do not pay. What is left comes down to just about a quarter of an inch over 20 inches. In other words they pay two-thirds of the cost of what they should pay and that other folks have to pay. That is the kind of yardstick the Tennessee Valley is on rates.

If I lived in that territory I would want the picture put on a basis where it was fair to the rest of the country and the rest of the business of the country, so that you could get somewhere and have the respect of people outside of the particular territory.

Now, Mr. Chairman, the only way that we can start that ball rolling is to stop building more steam plants and to adopt the Phillips amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, I will not take the full time allotted to me, but I would like to make this statement. There may be many who will support this amendment under the misapprehension that on the one side the Federal Government will receive taxes from the Dixon-Yates project and on the other side there will be no taxes coming to the Federal Government. I would like to bring out the fact that Dixon-Yates will not pay one dime of taxes to the Federal Government. As a matter of fact, the contract with the Atomic Energy Commission calls for the Atomic Energy Commission to pay the taxes for the Dixon-Yates project. There is no question of subsidy in this matter. If there is a subsidy, it is a subsidy to Dixon-Yates and not to the TVA.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ARENDS].

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Mr. Chairman, if it is proper, I ask unanimous consent to yield the time allotted

me to the gentleman from Illinois [Mr. ARENDS].

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ARENDS. Mr. Chairman, this pending public works appropriation bill as reported by the committee brings into sharp focus, and into direct issue, a fundamental principle of government.

It is not simply TVA, nor TVA's future as an established agency of Government, that is involved here. The continued existence of TVA is not in question. That is more or less assured, whether we like it or not.

The issue we are called upon to resolve is much more basic. The basic issue is whether, as a matter of national policy, we shall promote Federal public power rather than private enterprise. It is essentially a question whether we believe in socialism or whether we believe in our American system of free, private enterprise. To this fundamental issue all this talk about costs, rates, interest, and taxes is it seems to me superfluous.

I think one of our colleagues in the other body accurately described this whole TVA matter during the debate on this subject last year when he said:

> In my opinion TVA was conceived in the minds of socialistic planners, born in a period of economic distress, and nurtured and expanded in deceit.

In 1944, over 10 years ago, Norman Thomas, the former Socialist candidate for President of the United States, and who should be, if anyone is, an expert on socialism, said this about TVA:

> The TVA exemplifies what socialism might be and the technique it would use in the process.

That's the basic issue: do we or do we not want socialism? Is it a proper function of the Federal Government to subsidize, to own and to operate, public power projects? Or is this something which private enterprise should undertake when private enterprise is both willing and able to do so? Are the people of my home State of Illinois to be required to finance cheap power for certain other sections of the country when private enterprise can do the same job?

And let me say this for the people of Illinois: We are willing to help with tax dollars earned from the sweat of our brows to develop any project which will serve the national interest and where it can only be developed by Federal funds. But we are not willing to have our tax dollars used for projects that can be developed without Federal aid and control—where private enterprise can do the job, both better and cheaper, and with returns to the country as a whole, not only with the improvements but also in taxes.

The Socialist candidate for President, Norman Thomas, referred not only to TVA as an example of socialism but also to the technique used in getting it into effect. Just as TVA is an outstanding example of socialism, it is also an outstanding example of the technique to be used in the process.

TVA was initiated by the New Deal for the ostensible purpose of controlling floods and improving navigation. That was a worthy purpose, but it was not its real purpose. With the authorization and appropriation of funds for navigation and flood control, it was then argued that the hydroelectric power potential from these dams should be harnessed and made available to the people of the area. And so, still more funds were appropriated for this purpose.

Then came the next, or third step, in this admittedly clever technique. It was next argued that the TVA should be given funds to erect steam plants. Great emphasis was placed on the necessity of having utility steam plants to firm up, as they called it, the power supplied by the hydroelectric dams and plants.

And so, year after year, for over a period of approximately 20 years, the Congress has been asked to appropriate funds for more and more steam plants, always to firm up and always to meet a larger demand in the ever expanding area for more and more electric power. The result is that the American people have around $2 billion invested in what is now a vast Government power monopoly.

TVA is not a flood-control project. It is not a hydroelectric power project as incidental to flood control. It is now, nothing more or less, than a vast Federal power project, with approximately 70 percent of the power produced by steam plants and only 30 percent produced by the dams.

It is time we called a halt to this expansion of TVA once and for all time. The Congress decided this on three previous occasions when we refused to appropriate funds for another proposed steam plant. Notwithstanding, the Federal public power advocates, the socialistic power planners, again ask funds for still another steam plant for TVA. The President, on the other hand, has taken steps to allow private enterprise, rather than the Federal Government and all taxpayers in the country, to defray the costs of such additional power as is necessary. He does not ask that TVA be destroyed. He simply asks that we call a definite halt to this Federal encroachment, year after year, into fields rightfully belonging to private enterprise. He simply asks that instead of spending money out of the Federal Treasury that we pursue that course which will bring money into the Federal Treasury. And that's the Dixon-Yates contract.

Why all this furor about the Dixon-Yates contract? It is a mere smoke screen. It is merely a part of the technique, of which Norman Thomas frankly spoke, as to how the public power advocates operate and how to advance socialism. We have witnessed a bold and deliberate campaign of misrepresentation with respect to the Dixon-Yates contract.

Now, let us look at the facts. Let us have the truth. Let us look behind this smokescreen.

To try to discredit the Dixon-Yates contract in the public mind, the public power advocates have tried to make it appear that there was favoritism and possible corruption in the contract award. Among other things, they point to the fact that the contract was entered into without competitive bids. What nonsense.

When you seek electric power at a particular place, you go to the companies furnishing power in the general area. And that was done in this case. Dixon-Yates represented the only companies which could best supply the power the Government needs, backed up with integrated power systems in the vicinity, and able thereby to firm up the supply to the Government and find new markets for any power the Atomic Energy Commission may not need.

The fact is that it is standard practice for the Government to negotiate contracts for electric power rather than through competitive bidding. In 1950 and 1952, under President Truman, the Atomic Energy Commission signed contracts with two groups of private electric power companies for electricity to be supplied to the atomic plants at Paducah, Ky., and Portsmouth, Ohio. These contracts involved much larger capital investments than the Dixon-Yates. They called for a power supply of 2,535,000 kilowatts as compared to 600,000 in the Dixon-Yates contract.

Those contracts were negotiated. There was no competitive bidding. There was nothing wrong with that, and there is nothing wrong with the Dixon-Yates contract.

Now, take another misrepresentation that has been deliberately and unfairly made by the public power advocates with respect to the Dixon-Yates contract. An attempt has been made to convince the people that somehow Dixon-Yates persuaded the AEC to allow itself to be overcharged for the electricity.

What are the facts? The fact is that the rate to be charged under the Dixon-Yates contract is less than that charged under the two contracts negotiated by the Truman administration. The rate under the Dixon-Yates contract is 3.55 mills per kilowatt hour. That for the power at Portsmouth, Ohio is 3.79 mills per kilowatt hour and 3.83 mills at Paducah, Ky.

Those are the cold facts. All this talk about excessive costs and overcharges in the Dixon-Yates proposal is nothing more or less than a deliberate misrepresentation to advance Federal public power in lieu of private power.

And there is a third deliberate misrepresentation that has been made with respect to the Dixon-Yates contract. It has been charged that under the contract the companies are guaranteed a 9-percent profit on their investment. The plain fact is that there is no guaranty at all. The plain fact is that the companies take the major risks. There is no guaranty of earnings, but there is a limitation on how much can be earned. If the undertaking should prove successful, the maximum return the companies can have is less than 4 percent on the total investment. If any savings are realized through efficient management and lower costs, those savings are to be shared with the Government.

Mr. Chairman, the real issue here is not the Dixon-Yates contract. The issue is between Federal public power and private power. I urge that we vote to strike from this bill the appropriation of $6,500,000 for the TVA to begin construction of another steam plant. It is time we stop subsidizing this vast Government power monopoly. It is time that TVA be put on a realistic basis, that it be obliged to pay taxes like every other power company, that it pay interest on the approximately $2 billion invested there, and that it realistically discharge its capital indebtedness.

A vote for this amendment to delete this provision is a vote for private enterprise. A vote against it is a vote for public power and socialism. That is the fundamental principle involved here.

The CHAIRMAN. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I am very sorry that I am not able to go along with my southern friends on this particular project. My people would have to be so severely taxed for the Federal expense involved in this project. They are now losing a great deal of industry to the South for various reasons with resultant unemployment and it would be adding insult to injury if I voted for this which would more heavily burden them and mean more industry going to the South and put more people out of work.

Mr. Chairman, I yield the balance of my time to the gentleman from Indiana [Mr. HALLECK].

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, we have heard a lot of discussion here today about power. I thought it might be advisable to clarify what we are talking about from a technical point of view.

Seven hundred and fifty watts equal one horsepower. A horsepower is the amount of energy required to raise 1 pound 1 foot. Then we have B. t. u.'s—a B. t. u. is the amount of heat required to raise 1 pound of water 1 degree Fahrenheit.

The amount of energy that can be bought in the Tennessee Valley area is what is ruining industry in many of our northern areas. In fact, you can fire a 20-gallon still in the hills of Tennessee with a 30,000-British-thermal-units hotplate easier and cheaper than you can hire someone back in the woods to do it.

If you are going to continue to permit this cheap power, you are not going to have very many of your major industries left in the northern cities.

There are two things that are most costly in manufacturing. They are labor and raw materials for one and the other is the cost of power.

With cheap labor in many places in the southern areas, coupled with cheap power, you are going to find the Congress of the United States in voting appropriations to increase cheap power in that area, putting us in the position of making an inducement to northern businessmen to take jobs away from those who are now employed in northern factories.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield.

Mr. JOHNSON of California. Has that migration been so effective already? Are they now migrating to the South?

Mr. AYRES. Most of your unemployment in northern areas is attributed by the businessmen themselves to that fact. They say that they can get cheaper labor and cheaper power by going out of the North.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, I think it is time that we recognized that the issue here is not a new one. Perhaps it comes in different clothing, but stripped of its garments, it is basically as it has always been. The question is not whether in this specific instance a preference is going to be given to the TVA area. Whether this specific project is justified or not, the important question is the policy of attempting to destroy the TVA yardstick which has benefited not only the TVA communities but has benefited this entire Nation.

I come from California. I am confident that we have benefited because of the pattern which has been established on rates in the TVA area. We do not fear that we are going to lose our industry to that area. I think fear is a very poor excuse for directing the thinking of men. We can expand our economy in this Nation, North, South, East, and West, if we meet the problems of expansion.

No; this policy must be taken in context with other policies emerging in this administration which would destroy not only TVA, not only the REA's, but public power wherever it might exist. That is the issue that faces the House at this moment. There will always be new approaches, new methods, new lines of attack, but the objective never, never changes. I doubt that it ever will. Recognizing that that is the real issue, I think we should stop trying to kid ourselves or anyone else.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. NELSON].

Mr. NELSON. Mr. Chairman, the gentleman from Tennessee [Mr. DAVIS] has stated that this is an issue which vitally affects the economy of his district. This is an issue which not only vitally affects my district and the whole of New England right now but has vitally affected it for some years past by draining off much of our industry and many of our workingmen's jobs.

For some time now I have been a member of a congressional committee from New England which is completely nonpartisan, consisting as it does of both Democrats and Republicans. This committee has been deeply interested in getting the national minimum wage increased to over one dollar, and in procuring the outright repeal of the Fulbright amendment to the Walsh-Healey act. This committee is deeply interested in accomplishing these purposes so that New England labor, which has an extremely high pay scale both in take-home pay and in fringe benefits, especially in the cotton textile industry, can fairly compete with the low wage rates paid in the South. They believe this is fair and equitable on the premise that whereas competition is good, competition at the expense of the workingman, competition at the expense of paying low wages, is not justified in the United States.

We are deeply interested in accomplishing these two purposes because we feel that only by the establishment of an adequate minimum wage in excess of $1 can the right of collective bargaining, now fully recognized by law, be realized to the fullest extent by the workingman.

In Southern States now, a policy which prevents the organization of workingmen and a policy which pays low-wage scales is completely negativing the right to collective bargaining and gradually forcing those employers in the North who wish to and do pay adequate wages out of business.

Now we come to the issue presented by the pending amendment. The issue is simply this: Shall we take from the pockets of the workingmen in my district and the pockets of workingmen all over New England and in other sections of this country $100 million in taxes in order to pay for a steam plant in the Tennessee Valley Authority area to produce at their expense power sold below cost of production which will result in the moving of industry to that area and the loss of the jobs of the workingmen in my State who have to pay to build it?

I say to my friends from New England that it is futile to increase the minimum wage if at the same time you vote for such a bill as this which allows the Federal Government to provide cheap power at the expense of your taxpayers, cheap power that robs your workingmen of their jobs.

We in Maine have no objections to the development of a natural resource. This section which has a geographical formation which can be converted into waterpower is indeed fortunate. Where private utilities cannot develop it, certainly the Federal Government should. But we do most strenuously object to asking our workingmen to pay in taxes for building an artificial steam plant to produce low-cost power which ultimately results in taking away their jobs.

I appeal as strongly as I know how to the New England members not to pat their workingmen on the back by increasing the minimum wage with one hand and pick their pockets by using their dollars to produce cheap power in the South with the other.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. JENNINGS].

(By unanimous consent, Mr. JENNINGS was given permission to yield the time allotted to him to Mr. RABAUT.)

Mr. JENNINGS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. JENNINGS. Mr. Chairman, the people of the Ninth Congressional District of Virginia, particularly the farmers, have considerable interest in the Tennessee Valley Authority. I appear here today to speak for our farmers who have benefited greatly from one of the TVA operations—the test-demonstration farm program and the research and development of fertilizer for farms of the Tennessee Valley and the Nation.

I wish to discuss only one or two phases of the TVA operation. My people are very much aware of the benefits that have come to their Tennessee Valley neighbors from TVA; they are also aware of the need for the TVA's fertilizer program to continue and not be crippled by a reduction in operating funds.

We are all aware of the accomplishments of the TVA over the years since it was started in the 1930's. I might point out that by stabilizing the flow of the Tennessee River system, controlling its floods, creating a channel for navigation, and providing a pool of electricity, and by vigorously promoting a soil and forest-rehabilitation program, the TVA furnishes the Tennessee Valley region with the fundamental tools needed to create a balanced economy so that jobs may become more abundant, income to the individual increased and made more secure, and destructive forces nullified.

Because of TVA's accomplishments, the climate for private initiative in the valley region is healthier and more vigorous, and benefits accrue to farm and factory, to individual and industrial management. The effect of this unique resource development program is felt far beyond the borders of the region in which most of its activities are located.

One far-reaching and important contribution that TVA has made to the economy of the region, and to the country, centers about its fertilizer-munitions development work. TVA's research and development of new fertilizer materials is bringing down the cost of essential mineral fertilizers to the farmer and is supplying valuable data to the fertilizer industry. Its high analysis products are being tested at experiment stations, and on practical farms.

Since 1935 TVA fertilizers have been the core of a revitalized farm program in the Tennessee Valley, and over the Nation. In that year the first of the now famous test-demonstration farms was set up. These farms are privately owned and operated. The tests undertaken are designed to assess the economic value of mineral fertilizers in a carefully worked out farm program. Administration of the program is in the hands of the State extension services. To become a test demonstrator the farmer must agree to use specified amounts of fertilizers, to carry out the recommendations of the extension service, and to open his farm and his books to his neighbors for their observation.

The peak year of this program in Virginia was 1946. In that year the number of farms participating was 3,888, of which slightly more than 3,000 were in the valley portion of Virginia, and the remaining in other sections of the State. The effectiveness of the program in the State is high, even though the number of active farms has decreased, because of budget reductions. Farmers in the program obtain their TVA fertilizer at reduced prices, because they must expend a considerable amount of money over and above the fertilizer cost when carrying out the extension service's recommendations. One of the strong features of this demonstration is the effect the results have on nonparticipating farmers. The demonstrations have proved the economy of increased amounts of fertilizers, wisely used. This has been an important factor in the greatly increased use of commercial fertilizers, purchased through regular dealer channels. For instance, in 1934 a total of 336,000 tons of fertilizers were bought from private producers and used in Virginia. By 1953, the farmers of the State were purchasing 853,433 tons. The TVA program had not only helped the private enterprise of farming, but the fertilizer industry too.

Now, only a small portion of TVA's fertilizer output is used by these test-demonstration farmers; most of it is sold through regular dealers and cooperatives in an educational sales program. These dealers cannot sell the fertilizer on a "first come, first served" basis. They must agree to sell the materials only for certain recommended uses. The goal of this educational sales program is more efficient use of fertilizer materials at less cost to the farmer.

An outstanding job along these lines is being done by the Southwest Virginia Cooperative. The cooperative works closely with the land-grant colleges, the TVA, and agencies of the United States Department of Agriculture, and is in constant communication with local managers and farmers. The Southwest Virginia Cooperative has pioneered in the use of TVA high-analysis materials for hay and pasture crops—practices recommended by the colleges but not generally adopted by the farmers up to this time. It has a full-time educational specialist working with groups of farmers, as well as individual farmers and dealers.

In addition to fertilizer research and production, the chemical plants operated by TVA at Muscle Shoals are engaged in defense work—in fact half the efforts of the TVA chemical program are currently expended for that purpose.

With more than half of the valley's land area in timber, the proper handling of this resource is essential to a sound and stable economy. The valley's forest resources were once the greatest of their kind in the Nation. Slowly they are coming back as the result of a vigorous forestry program carried on by TVA in cooperation with other agencies, Federal and State, with industry, and with individuals. Thousands of acres are being voluntarily placed by their private owners under a sustained yield management plan designed to create, and maintain, a continuing supply of timber. The present estimated value of the valley's forest resource is $350 million a year; the goal of a billion dollars a year is possible. About 225,000 acres of land in the valley have been reforested with TVA seedlings, including 11,000 in Virginia. TVA's first reforestation agreement with any valley State was with Virginia. TVA's forest-fire control demonstrations had their inception in the valley in Virginia, and two of the largest forest management demonstrations in which TVA has participated, covering more than 135,000 acres, are located in southwest Virginia.

Another example of the way in which TVA's operations are stimulating private business is provided by the purchases of coal for the new steam plants TVA is constructing to meet the ever-mounting demand for electricity. The John Sevier steam plant, in east Tennessee, is close to Virginia and has provided a new market for Virginia coal. As soon as TVA started stockpiling for this plant it began to purchase Virginia coal. Thus far this year it has ordered more than 320,000 tons, valued at more than $1,100,000. These purchases and others to follow will be of great value to Virginia's coal operators and miners.

In the valley region the per capita income was only 44 percent of that of the Nation when TVA began operations. Now it is 61 percent of that of the country as a whole. These figures mean that the region has a long way to go to be on equal terms with other regions, but it is making progress. It has new and better tools to use.

I have digressed briefly, to discuss the benefits derived from TVA in connection with our Virginia forests and coal production. Let me get back to the fertilizer and test-demonstration program with this final statement.

As I pointed out above, one of the most significant achievements of the test-demonstration program to date has been the spread of the demonstrators' practices to other farms. For example, during the past year the test-demonstrators in the State reported that over 2,000 other farmers had adopted certain improved practices as direct results of seeing what was being accomplished on their farms. Also, one of the outstanding results of the joint program has been the change in attitude of most of the farmers—a definite sense of stewardship to the land, and an increased interest in the welfare of their neighbors and fellow men.

The test-demonstration program has been of real educational and economic value to the people of Virginia from the standpoint of soil and water conservation, improved fertility, increased production, income, and standard of living. Hills formerly bare and scarred by erosion are green with luxuriant sods and streams that became muddy after hard rains now run clear.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BOYLE].

Mr. BOYLE. Mr. Chairman, I have heard much calculated to incite the imagination of the Congress trying to make this a tournament and trying to throw into the open lists that much litigated and much controverted question of public against private ownership. But clear thinking depends on the ability to recognize distinction in things that might be confused and confounded. The attempt to recognize distinctions that admit of no formal distinction can be assailed on the ground that it is be-

fuddled thinking or dishonest thinking. The question here, today resolves itself on—what did the United States of America acquire on behalf of the public weal, the common weal, the people, when in 1939 the United States acquired the physical properties of Commonwealth & Southern, the electrical company, in the Tennessee Valley. I think they bought the physical properties and the right to sell electricity in the name of all the people, and coupled with that acquisition was the perfect right to exploit those properties which they acquired. I think to tie their hands now by saying they do not have a right to feed electrically the demands of that territory is not right. I think, as a matter of fact, it is about time that people started to lobby for the people. Although I do not have so much of a real stake in this bill geographically, it represents to me compounding last years giveaway and I am against the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Chairman, I would like to assure the Members of the House that there are many people in Texas, lest my silence be misconstrued, who do not believe it is within the province of the Federal Government to develop power. But, not just to be critical, I have a practical solution which I shall put in the RECORD, and which I submit to you at this time: That we sell the TVA to the people in that area. I can think of no finer solution to the dilemma we are talking of now. I see no need for further appropriations of money for additional Federal power development.

It is conceivable that a Federal Government representing 48 States might legitimately concern itself in specific instances of flood control, navigation, and land reclamation.

The development of power, however, is not the prerogative of Federal Government. It is unconstitutional. Our forefathers believed in freedom; this includes economic freedom. Public power, by definition, is a form of socialism and no oratory can conceal or change it. This is further demonstrated by other functions of TVA, as, for example, the manufacture of fertilizer in competition with private business. This and more form a tax- and interest-free Government operation, originally intended as a flood-control measure.

Why should each family in Dallas and elsewhere in the United States support thousands of families in the Tennessee Valley in heating their homes luxuriously with electricity? We should not. But we do because our tax money is being poured into the TVA to subsidize and make possible their low power rate.

There is no such thing as a TVA "yardstick" of power rate. The hundreds of millions in interest and taxes not paid by the TVA as compared with private industry distorts any such measurement feature as would a "26-inch" yardstick. There is no TVA "policeman" for private power industry, only a parasite living off the tax money of the Nation's citizens.

Those who point out that private power business can flourish fail to realize that private enterprise absolutely cannot compete with Government nor was it ever so intended by our forefathers who wrote the Constitution.

Private enterprise to survive must be self-supporting and self-liquidating. Public power is not. TVA paid $29,500,000, which is 4.3 percent of gross income in lieu of taxes, whereas private enterprise paid $148 million, which is a 21 percent average. The loss, therefore, to the Government was $118 million in this instance alone, a loss which we taxpayers must pay. Further, a large sum is lost to the Government on the interest on the Federal money investment and the loss will increase as the TVA expands.

There is no praise which has been or can be given the TVA for a job well done that could not be accorded to private enterprise if this area were privately developed. The inequities created by the TVA only shows in sharper contrast that the basic American belief in free enterprise is right and good.

So what is the solution to the problem posed by the TVA—the best answer for the country as a whole and for the residents in the TVA area—the solution is one advocated by a resident of Memphis, Tenn., which I endorse and is simply this: Sell the power generating facilities to the people in the area it serves. By this one stroke we would accomplish these great objectives:

First. Reverse one of the biggest socialistic steps the United States has ever taken.

Second. Lift TVA off the backs of the Nation's taxpayers—as it has been with respect to (a) its demands for capital funds and (b) its nontaxpaying status, though a producing enterprise.

Third. Get the ownership of TVA truly in the hands of the people—and they would be the people most concerned—with control of the vast project at home.

Fourth. Give to TVA the dynamism and flexibility of private enterprise, with an ownership truly alert and responsive to power needs.

Fifth. Eliminate the tyranny, abuse, and graft of politics to which an institution like TVA is so subject.

Sixth. Stop the threat of a power shortage that constantly hangs over the TVA region because of dependence upon Congress for growth funds.

The legislative processes to bring into being this new TVA need not be labyrinthine. They might well lead to the following steps:

First. Empowering TVA to issue bonds, debentures, preferred and common stock for private sale—in the order noted below—specifying that the United States Treasury shall be the ultimate recipient of all securities sales proceeds.

Second. Sale of the senior securities first, in proportions that are for a public utility of that type.

Third. Sale of the common stock, to be offered first to individuals residing in the TVA region. The equity would probably not be too large, after step 2 is taken, for the TVA region residents to take all of the stock. They would be allowed to purchase for cash, exchange for United States bonds, or pay by installments.

Fourth. Election of board members by the new owners and complete divorce of TVA from the United States Government. The cognizant State regulatory bodies would take over regulation, and from them must be obtained prior agreements to allow rates to go to proper economic levels.

Could any American dedicated to basic principles ask for a better TVA?

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. MILLER].

Mr. MILLER of Maryland. Mr. Chairman, I am very much in favor of the Phillips amendment. It seems to me that we should take no other action at this time regardless of one's position on public power. We have often heard criticism of legislation in an appropriation measure. Those of us who are on the Committee on Appropriations are somewhat sensitive on that point. Certainly, this is no place to change a major feature of national policy. Certainly, if the trends of recent years indicate anything, the countries of the free world have been moving toward getting Government out of business rather than increasing Federal participation and Government ownership of utilities. Here in one section of an appropriation bill we are attempting to cover ground which recently occupied the attention of the entire British Isles in a major national election. This is no place to decide whether we are going to turn the clock back to where the Government will increasingly compete with private enterprise or whether we are going to try to get out of that mess as the British have been trying of late to do. It is also improper, in my opinion, to decide matters of this importance on the basis of local self-interest but surely, as a Representative of this part of the country, I would be false in my duty to my constituents to vote without hesitation for a measure that would prevent an annual tax saving, as I am told, to the taxpayers of my State and the District of Columbia in the amount of $2,880,000. It appears that the taxpayers of that area have already contributed through Federal taxes $44 million for this TVA power project. I think that is going far enough. Certainly, we do not want to perpetuate it here as an annex to an appropriation bill on the rosy statements of those who say we have made a good investment, because persons in the Tennessee Valley are now in a position to buy more of our goods and services.

I am not alarmed at the threat that the great city of Memphis may be constrained to build its own powerplant. My fine little hometown did just that years ago and its citizens can look the whole world in the face and say that even if the electric rate is not as low as some—the system is their own and pays its own way.

(By unanimous consent, Mr. PHILBIN of Massachusetts was given permission to yield the time allotted him to Mr. RABAUT.)

The CHAIRMAN. The gentleman from North Dakota [Mr. BURDICK] is recognized.

Mr. BURDICK. Mr. Chairman, a few years ago this country could think of nothing but hydroelectric power. I am saying to you this afternoon that 20

years from now that will be as extinct as the old livery barn is today. If you want to kill TVA today, one of the best ways to do it is to refuse this appropriation for steam. I know that it cannot exist without steam. I know that no electric power dam in the United States can exist without steam. In my section of the country, where we are living on 600 billion tons of coal, we are building a hydroelectric dam, when everybody knows that within 6 months after they begin operation they will be in here asking for money to build steam plants.

I am not in favor of dissolving the TVA. It has done a lot of good. It was the beginning of cheaper power rates in the United States. I am not going to kill it by refusing appropriations for steam plants, because they will be back here next year and the year after asking for money for steam. Seventy percent of the power produced today is created by steam. Twenty years from now 90 percent of it will be created by steam. It is a good thing, because there were 600 million tons of bituminous coal produced 10 years ago, but last year only 400 million tons were produced. They say coal is on the way out. It is not. Coal is on the way in, and in creating electric power the time will come when this power will be created by something entirely different. Hydroelectric will disappear. Coal will disappear but atomic energy will take the place of both.

The CHAIRMAN. The gentleman from Wisconsin [Mr. JOHNSON] is recognized.

Mr. JOHNSON of Wisconsin. Mr. Chairman, ever since the TVA and rural electrification program was established there has been a constant and consistent effort to undermine, hamstring, and torpedo the programs. The power trust, which was never interested in the past in bringing electricity of rural America, has exploited every propaganda device to confuse the public.

In some instances the power trust propagandists have tried to divide the citizens on sectional issues. Projects in one part of the Nation are smeared in another section of the country with the innuendo that the people in the area not affected are paying for someone else's benefits. This is the old strategy of divide and conquer.

I know that this propaganda technique has been used because I have studied it in my district and in my State. Fortunately, the majority of citizens in my district have not been completely taken in by this propaganda line. It so happens that we have thousands of rural customers—primarily farmers—in the Ninth Wisconsin District who know something about the benefits of REA. This explains, in part, why the REA customers in my district look with distrust on power trust tactics.

My district is very well served by 10 REA cooperatives. However, we know that other areas need funds to enjoy the same benefits and progress that we have enjoyed. The REA people in my district also know that when the program is being torpedoed in another part of the country that this is part of the "whittle-away" and "give-away" program. The Dixon-Yates "give-away" bill of goods engineered in the last session of Congress did not meet with approval in my district. Our REA people were well enough informed to see through the propaganda veil surrounding the Dixon-Yates deal.

For this reason, then, I support the committee's recommendations with respect to the TVA steam plant. I also favor appropriations for the Southwest Power Administration.

The CHAIRMAN. The gentleman from Illinois [Mr. VURSELL] is recognized.

Mr. VURSELL. Mr. Chairman, in my long years of service in the Congress I have come up against few issues which have been so misrepresented and even distorted as this so-called Dixon-Yates contract, the contract which we here today are about to violate if we refuse to grant $6,500,000 for this project.

Opponents of this contract imply—and sometimes even deliberately say—that there is something wrong with it, that it was hatched up in the scheming minds of money-mad businessmen who want something for nothing from the Government. Opponents, in fact, have made some serious charges in connection with this contract and I think they should be answered by chapter and verse, and not with bombast and oratory.

To begin with, this contract has been carefully scrutinized by these agencies of the Government—carefully studied, mind you, for more than a year and approved—the Atomic Energy Commission, the Bureau of the Budget, the Federal Power Commission, the Department of Justice, the Comptroller General, and the Securities and Exchange Commission.

The issue is really simple. This is nothing more than a showdown fight between public and private power advocates and in the fight the justice of the Dixon-Yates contract has been smothered.

Before going into the details of the contract, I want to compliment opponents of the Dixon-Yates contract on the masterful propaganda job they have done in deceiving the public—which is more than I can say about the backers of the contract who seem to me to have been asleep at the switch. This may mark another day of triumph for the radicals, left-wingers, Socialists, and other groups who seek the further expansion of the Federal Government—those who seek the further growth of the Federal octopus which some day, if the growth continues, will economically choke us to death.

The Dixon-Yates contract has been signed and properly executed, and the wild charges and the loud noise in connection with it are nothing more than the backwash of public power advocates who are now trying to becloud the issue. What the public power gang has lost through the legal execution of this contract, they hope to win through wild and baseless charges. The ultimate goal of this group, of course, is the complete destruction of all private utilities. This bill does not impair the services of the TVA for which the Congress has already appropriated over $1 billion. Is it not a fact that 95 percent of the farms of America now have electric power and light and that there is nothing in this bill that will reduce or limit these services to the farmer? All Members of Congress will always see that the farmers have abundant light and power at reasonable rates.

Now, the truth is that the TVA cannot supply the power needed for AEC installations. The TVA admitted that 2 years ago. Of course, the TVA and its left-wing supporters would like to expand and supply this power but the Congress turned thumbs down on this proposal, first in 1953 and again last year.

In his budget message of January 20, 1954, President Eisenhower suggested that this power-shortage problem be handled by private utility companies. He was acting in line with precedent. And who set the precedent? The Democrats, of course.

In 1951, the AEC signed a contract with a private utility group to supply the AEC's installation at Paducah with power from a plant at Joppa, Ill. This plant, which is almost finished, will cost $195 million.

In 1952, the AEC needed additional power for its installation at Portsmouth, Ohio, and entered into a contract with 15 private utility companies to build a plant which will supply this power. The estimated cost of this project, when finished, is $388,420,000.

These two Democrat-sponsored projects will supply a total of 2,735,000 kilowatts, more than 4 times that of the Dixon-Yates contract—and at a cost of $583,420,000, or more than 5 times the cost of the Dixon-Yates project.

How is it that we did not hear the lamentations of the political bleeding hearts in 1951 and 1952. Not a voice was raised in protest against these contracts which, in fact, are exceedingly generous when compared with the Dixon-Yates contract. For instance, the Government will pay for its power from the Joppa plant at a rate based on the total construction costs on which there is no ceiling, while, for rate purposes, there is a ceiling on the construction costs of the Dixon-Yates plant at West Memphis, Ark.

Under terms of the Dixon-Yates contract, the Government's liability is frozen at one-half of any costs above the estimated cost of $107 million with a top ceiling of $117 million. In other words, the most the Government would contribute to construction costs would be about $5 million, but the Government also will buy its power from the West Memphis plant at a rate based on the fixed construction cost of $107 million.

On the other hand, if through unforeseen circumstances, such as bad weather or labor strikes, Dixon-Yates costs should jump to $130 million, the added costs, above the contract, would be borne by the participating companies, which will receive a yield on their investment based only on a construction cost of $107 million. It is clearly seen, therefore, that the Government is well protected against any runaway costs which would boost their power bill.

All major risks in the Dixon-Yates contract are assumed by the private utility companies and not by the Government. For instance, the Government can cancel this contract while the utilities have no cancellation rights. Another clause in the contract—which runs into almost 60 pages and is too long to read here—permits the Government to take over the Dixon-Yates plant at any time during the first 3 years of the contract period, upon payment of costs and obligations incurred by the company.

The Dixon-Yates group will put up $5,500,000 of equity risk capital, while the balance of over $100 million will be borrowed from banks and insurance companies—a further step in President Eisenhower's program to get the Federal Government out of services that can be performed more efficiently and at less cost by private enterprise.

One of the criticisms of this contract l. the fact that it was negotiated—that is, that it was not open to competitive bidding—and here again we run into another mess of nonsense and deliberate falsifications of the issue. I am sure that Members of the House know—I am sure that the leftwingers and others making a furious assault on this contract know—that contracts for electric power are almost always negotiated. This is a normal common business practice and always has been. The TVA itself, when it needs additional power to meet its daily requirements, negotiates contracts with private power companies. Power can be bought only from companies serving areas where the purchased power is needed. Certainly it would not make sense to invite private utility companies in New York City to bid on the sale of power in Arkansas. You go to companies that operate in the area where you want the power. Dixon-Yates interests have operating companies in the areas where the AEC now is looking for power and they were the only logical company to supply this power, although one individual attempted to get the contract, but he was turned down when the AEC discovered that he had no experience in the power business and that his proposal lacked a ceiling on construction costs which would protect the Government against a bloated rate base.

We hear a lot about the money Dixon and Yates are going to make out of this contract. What are the facts here? The contract terms are very clear. There is no guaranteed return on investment. The maximum return on the overall investment is less than 4 percent, compared to 6 percent usually earned these days by utility companies. If construction costs run far above estimates, Mr. Dixon and Mr. Yates conceivably could suffer a great loss.

The phony fears of those who say the Government will be gouged by excessive charges for the power to be supplied by the Dixon-Yates plant at West Memphis are quickly exploded by this statement made by Lewis L. Strauss, AEC Chairman:

> The cost to the AEC for power would be at rates lower, on a comparable basis, than rates under existing contracts with TVA or other private utilities.

Maj. Gen. K. D. Nichols, as AEC General Manager, testified as follows before the Joint Congressional Committee on Atomic Energy in November last year:

> I consider it, and I have expressed it, that I believe this is the best contract that we have made, either with the TVA or private utility companies.

There we have the testimony and judgment of two highly responsible Government officials whose integrity is beyond question and who most assuredly place the public interest above the selfish gain of any private interest.

I repeat: This is a showdown fight between opposing forces over the comparative merits of public and private power. The Dixon-Yates contract is not the real issue here. The real issue is whether we are at long last going to come to grips with the vexing problem of the Federal Government performing services that could be better done by private business.

I wish I knew of some quick way of blasting out the political termites who are gnawing away at the free-enterprise system—the very keystone of our Government and our way of life. I wish, too, that those who favor socialism would come out in the open with their positions defended with honest argument and that they would not resort to trickery and deception such as they are doing in this issue. Mr. Dixon and Mr. Yates are the scapegoats of this political brawl, but they are not the real issue. The American people will not be fooled into believing that.

I would like to remind you, Mr. Chairman, that in 1951 under a different administration we set up Electric Energy, Inc., just across from Paducah, in Joppa, Ill., in my State. The plant is nearing completion and will cost about $195 million compared to $107 million necessary to build the Dixon-Yates powerplant.

Furthermore, the Democratic administration set another precedent when they agreed to spend $388,420,000 to build another atomic energy plant in the Ohio Valley.

The CHAIRMAN. The gentleman from California [Mr. HOLIFIELD] is recognized.

Mr. HOLIFIELD. Mr. Chairman, on Tuesday, July 6, 1954, I commented on some of the facets of the proposed contract which the AEC has been directed by the President to negotiate with the Dixon-Yates private-utility group for electrical energy to be transferred by the AEC to the Tennessee Valley Authority grid in the Memphis area.

I gave some of the legislative background and I believe that I established clearly that the legislation which was passed in August 1953 by the Congress, H. R. 4905, which is now section 12 (d) of the Atomic Energy Act of 1946, as amended, was passed for the following purposes:

(a) It gave the AEC the power to contract for electrical utility services for a period of 25 years.

(b) It limited the exercise of this power tc the Oak Ridge, Portsmouth, and Paducah installations of the AEC and also provided that new contracts could be entered into by the AEC for expansion facilities at the three specifically named locations.

Comment: These two principles are clearly defined in the legislative language and sustained by the testimony of the then AEC General Manager, Mr. Boyer, before the Joint Atomic Energy Committee and by statements and questions of members of the committee during Mr. Boyer's presentation.

I described a few of the major provisions of this proposed contract yesterday in my remarks which appear in the CONGRESSIONAL RECORD, volume 100, part 7, pages 9866–67.

It is my purpose today to go into somewhat more detail regarding this proposed contract.

The President's budget message of January 21, 1954, gave as a reason for denying the TVA's budgetary request for an additional steam plant at the Fulton, Tenn., site, the following:

> In order to provide, with appropriate operating reserves, for reasonable growth in industrial, municipal, and cooperative powerloads in the area through the calendar year 1957, arrangements are being made to reduce, by the fall of 1957, existing commitments of the Tennessee Valley Authority to the Atomic Energy Commission by 500,000 to 600,000 kilowatts. This would release the equivalent amount of Tennessee Valley Authority generating capacity to meet increased load requirements of other consumers in the power system and at the same time eliminate the need for appropriating funds from the Treasury to finance additional generating units. In the event, however, that negotiations for furnishing these load requirements for the Atomic Energy Commission from other sources has not consummated as contemplated or new defense loads develop, the question of starting additional generating units by the Tennessee Valley Authority will be reconsidered.

I want you to note that the President made a clear statement that "arrangements are being made to reduce by the fall of 1957 existing commitments of the TVA to the Atomic Energy Commission by 500,000 to 600,000 kilowatts.

Sometime between the President's stated purpose and the testimony given by Mr. Nichols, the present General Manager of the AEC, before our committee on June 17, 1954, this purpose was lost by the wayside. Mr. Nichols testified, in part, as follows:

> We have proceeded on the basis that there would be no contract cancellation for a like portion of the AEC–TVA Paducah contract.

Likewise, in a letter dated April 15, 1954, from Chairman Lewis L. Strauss to Mr. Dodge, the then Director of the Bureau of the Budget, Mr. Strauss said:

> We have proceeded on the basis that there would be no contract cancellation for a like portion of the AEC-TVA Paducah contract.

This disposes of any argument that the Dixon-Yates electrical energy is to be used as a substitute or exchange or replacement for a reduction in the TVA's firm commitments to the AEC. If the President's originally stated purpose has been abandoned, it is pertinent to inquire as to what purpose the proposed contract is now supposed to fulfill.

That answer will be found by considering the terms of the contract.

In a letter dated June 16, 1954, the present Director of the Bureau of the Budget, Mr. Rowland Hughes, told Senator SALTONSTALL that the AEC was instructed "to proceed with the negotiation of a definitive contract" with the Dixon-Yates group.

The AEC and the TVA were also "instructed to work out the necessary interagency arrangements to assure the most favorable operation under the contract."

Under this clear directive of the President, the AEC Commissioners found themselves in a very embarrassing position. In testimony before the joint committee, Commissioner Henry D. Smyth, on behalf of himself and Commissioner Eugene Zuckert, objected to the proposed contract and read into the record a copy of their joint letter to Mr. Hughes stating that it was an "awkward and unbusinesslike" procedure. The text of the letter follows:

DEAR MR. HUGHES: On April 15, 1954, the Chairman of the Atomic Energy Commission, Mr. Strauss, sent you a letter outlining an analysis of the negotiations for certain power to be furnished by Middle South Utilities, Inc., and the Southern Co.

Under this proposal the Atomic Energy Commission contracting power would be used as a vehicle for the supply of 600,000 kilowatts of power in the Memphis area.

With the knowledge of the other members of the Commission, we are taking this opportunity to bring to your attention our personal view that the proposed action involves the AEC in a matter remote from its responsibilities. In an awkward and unbusinesslike way an additional Federal agency would be concerned in the power business.

The proposal under discussion is an outgrowth of the responsibility to the President's budget message under your letter of December 24, 1953, requesting the AEC to explore the possibility of reducing existing commitments of the TVA to the Commission. In the course of that exploration it was determined to be unwise to disturb the AEC arrangements with TVA upon which our production schedules depend. Since that determination, the explorations have taken a different course.

The present proposal would create a situation whereby the AEC would be contracting for power not 1 kilowatt of which would be used in connection with the Commission production activities. The creation of such a contractural relationship would place upon the Commission a continuing responsibility during the 25-year life of the contract for stewardship in respect to matters irrelevant to the mission of the Commission.

It has been our observation in Government administration that arrangements which are obviously incongruous at the outset tend to become even less clearcut because no one can foresee what contingencies may arise over a long term of years. In addition the proposed action certainly seems a reversal of the sound philosophy embodied in the community disposal legislation recently sent forward to Congress. One motivation for that legislation was the desire to eliminate responsibilities not essentially involved in the Commission's sober and exacting principal mission.

Of course, if the President or the Congress directs the Commission to accept such a responsibility we will endeavor to discharge it fully.

This letter was signed, "Henry D. Smyth, Member, Atomic Energy Commission; and Eugene M. Zuckert, Member of the Atomic Energy Commission."

At the same hearing Commissioner Thomas Murray objected with equal vigor and emphasis to the proposed contract.

It is noteworthy that Commissioner Murray was the member of the Commission responsible for originating long-term contract arrangements with Electric Energy, Inc., a private utility group now supplying power to the Atomic Energy Commission along with the TVA. However, Mr. Murray was frank to state that Electric Energy, Inc., was found sadly wanting in performance in comparison with the TVA.

Commissioners Lewis L. Strauss and Joseph Campbell indicated their willingness to proceed under the President's directive in negotiating the Dixon-Yates proposed contract.

Thus we see that 3 out of the 5 Commissioners vigorously opposed the scheme of using the AEC as an administrative device to achieve purposes and objective foreign to the purposes of the Atomic Energy Act. Notwithstanding this objection of the majority of the Commission, it is my understanding that the Commission, through its general manager, General Nichols, is proceeding to negotiate a definitive contract with the Dixon-Yates group.

Now we turn to the contract itself, and I will make a series of statements concerning the provisions of the contract. These statements are based on the testimony of the AEC Commissioners and their general manager, Gen. K. D. Nichols; a copy of the proposed contract addressed to the AEC, dated April 10, 1954, and signed by Mr. E. H. Dixon, president of Middle South Utilities, Inc., and Mr. M. J. Berry, chairman of the executive committee of the Southern Co.; an appendix, consisting of five pages which was attached to the letter; a comparison of annual costs for power supplied from alternate sources, No. 10109, under date of April 14, 1954, from the AEC; and a letter dated April 15, 1954, to Mr. Dodge, then Director of the Bureau of the Budget, signed by Chairman Strauss of the Atomic Energy Commission.

First. General Nichols testified before the Joint Committee on Atomic Energy on June 17, 1954, that the Dixon-Yates proposal would cost the Government a minimum of $3,685,000 more per annum than if the same amount of power were purchased from the TVA at the present rates charged by the TVA to AEC at the Paducah plant.

Second. Mr. Wessenauer, manager of power for TVA, estimated that it would cost the Government $5,567,000 more per annum under the Dixon-Yates contract than if the TVA supplied the power.

Third. General Nichols testified that it would cost the Government more than $90 million more over the life of the contract than if the power were purchased from TVA.

Fourth. Mr. Wessenauer testified that it would cost the Government approximately $140 million in excess of TVA charges over the life of the contract.

Fifth. The Government assumes a maximum cancellation liability of $40,012,500 plus fair and reasonable expenses payable to third parties.

Sixth. Although the contract is ostensibly for a 25-year period, in the event of termination the Dixon-Yates group has the right and is obligated to recapture not less than 100,000 kilowatts of its capacity per year beginning with the 4th year of the contract and continuing to the 9th year. This provision would permit the Dixon-Yates group to recapture their complete capacity at the end of the 4th year, or any intervening year between the 4th and 9th years.

In any event, it must recapture its 600,000-kilowatt capacity by the end of the ninth year.

Seventh. The Government is also obligated to assume approximately $5 million in construction costs, if the estimated construction cost of $107,250,000 is exceeded by as much as 9 percent.

Eighth. If the 9-percent overcost in construction occurs, this will add $285,000 per annum to the original estimated base charge of $8,775,000.

Ninth. The Government is obligated to build and charge to the TVA a $9 million transmission line from the Dixon-Yates terminal in the middle of the Mississippi River to the TVA grid, and to operate and maintain same for the period of the contract.

Tenth. The Government is obligated to pay all Federal, State, and local taxes of the Dixon-Yates private utility corporation. The estimated total of these taxes by Dixon-Yates is $2,319,000 of which $1,499,000 represents Arkansas State and local taxes, including $83,000 State income taxes, and $820,000 Federal taxes on corporation income.

Eleventh. The Government is obligated to insure a 9-percent net return to the Dixon-Yates group on their equity investment, which amounts to 5 percent of the estimated capital investment of $107,250,000.

Twelfth. The balance of the capital investment of the Dixon-Yates group, amounting to 95 percent of the total, will be funded by selling to private investors bonds with a guaranteed return of 3½ percent.

Dixon-Yates state in their letter that the 25-year contract with the United States Government is the basis for obtaining the 95 percent funding at this low interest rate.

Thirteenth. The Government is obligated to take 93 percent of their power capacity at point of delivery at all times. If it does not absorb the 93 percent power load, it is subject to penalty.

Fourteenth. The Dixon-Yates group state that they will request the Treasury Department for a favorable ruling on capacity charge for replacements. They maintain further that if this favorable ruling is granted, it will be possible to make a $313,000 reduction in the estimated taxes.

Fifteenth. The Dixon-Yates group also state that the proposal is "subject to our securing appropriate Treasury Department rulings or agreements with respect to the sinking fund depreciation, upon which the computations underlying our proposal are predicated."

Sixteenth. The annual charges quoted are minimum charges and are subject to the following escalation clauses: In-

creased cost of construction over estimate; any increase in fuel costs; any increase in labor costs; less than 93 percent load factor absorption of capacity.

Seventeenth. Other conditions are set forth in the Dixon-Yates proposal as follows:

Other conditions: (1) This offer is subject to approval of regulatory bodies having jurisdiction and to force majeure. In the event of new laws, orders or regulations or changes in existing applicable laws, orders, or regulations adversely affecting wage rates, hours of work or other conditions, or active hostilities, any of which shall result in increased costs hereunder, the effect of such changes shall be incorporated in any contract resulting from this offer to the end that the rights of the seller shall not be impaired by such changes, and the parties will enter into appropriate amendments of such contract to that end.

Comment: Note that this section makes the Dixon-Yates contract subject to new laws, orders, or regulations, or changes in existing applicable laws, orders, or regulations.

If decisions of regulatory bodies or other conditions increase the costs, the effect of such increased costs would become additional Government liabilities. The term "other conditions" is all-inclusive and would cover any contingent increase in costs without known limit.

Eighteenth. If the AEC assigns any of the power to another Government agency which it is obligated to purchase from Dixon-Yates, beginning with the fourth year of its operation, it cannot assign the power at contract rates. But the receiving Government agency must pay an increased price which is to be approved by the Federal Power Commission.

The CHAIRMAN. The gentleman from New York [Mr. MILLER] is recognized.

Mr. MILLER of New York. Mr. Chairman, it seems to me that this is one of the most important issues, probably, to be decided by this House this year. We are here asked to appropriate the money of the taxpayers of the United States for a steam-generating plant to serve domestic and industrial consumers in one section of the United States. If we elect to do that, then we must in equity and fairness be prepared to face the issue of subsidizing all of the power in the United States of America.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MILLER of New York. Mr. Chairman, I decline to yield.

Mr. Chairman, 94 percent of all the people of this country get their electricity from taxpaying, investor-owned utilities. I do not think those Members of this House who serve and represent the 6 percent who get this subsidy quite realize the burden placed on the other 94 percent of the people of the country when voting the taxpayers' money for the benefit of the few.

In my State of New York, the private utility companies serving the people of New York are spending this year $50 million for extension and expansion of their facilities in that State. They are not down here asking for a dime, although last year they sent to the United States of America and to State and local agencies the sum of $185 million in taxes. Yet they are building their own program in New York.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. FRAZIER].

(By unanimous consent the time allotted Mr. FRAZIER was given to Mr. RABAUT.)

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, where private enterprise is willing, able, and ready to construct a power development, it should be preferred in that respect to the Government. I recognize the merit of President Eisenhower's often-expressed view that there is a proper sphere in this great country for both public and private development. There are some projects so vast that they do not lend themselves to private development, but we are here concerned with no such problem. We are dealing not with the original construction of TVA, but with the question whether we will permit further expansion by the building of steam plants to be paid for from the pockets of all the taxpayers, or whether we are going to make it possible for a private company to do the job.

Industry has been wooed away from New York, Pennsylvania, New England, and many other areas, by the promise of cheap power in the Tennessee Valley area. In city after city and town after town we have seen families uprooted and separated, economic conditions dislocated, the corner grocery store closed, men and women thrown out of work, virtual ghost cities and towns created when industries have moved down into this Government-subsidized power area. The taxpayers of this Nation have shelled out nearly a billion and a half dollars to facilitate this process. Every single year they are now putting up something like $14 million to help pay the electric-light bills of the families who receive this special benefit and to pay the power bills of several large industries.

I can see why Representatives from that area want to see the never-ending expansion of the Tennessee Valley project. I can understand, too, why the large industrial power users down there want to continue their ride on the gravy train. But it is impossible for me to comprehend any basis on which those of us who represent all the rest of the people in the country who must foot the bill, can possibly justify support for a proposal that we pour more and more millions of hard-earned tax dollars into a project to expand power facilities by building steam plants when it has no relation whatever to navigation and flood control and, on top of that, we have a situation where private industry is ready to supply the power, if given the opportunity.

This is a fundamental issue. It goes to the heart of our economic and social structure. We should canvass our consciences to determine whether we are going to stand foursquare for the furtherance of private enterprise and initiative, or are going to lean ever more heavily on the Government to do those things which we should do as individuals. I feel strongly and deeply on this subject. I support without qualification the position our great President has taken on this issue. This amendment should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I should like to allay some of the fears of my friends from New England regarding the possible location of industries in the South. A report by the Department of Commerce shows that the textile industries that have located in the South have been located in North and South Carolina, in other words, in the Carolinas, and not in the area served by the Tennessee Valley Authority. The textile industries are outside the TVA area. The gentlemen from New England should read the report of the Department of Commerce in this connection and I am sure they would sleep better at night.

Secondly, we hear a great deal in the way of charges about TVA and some would gain the impression that in only the TVA area do we have public power. Mr. Chairman, I hold in my hand a list of authorized hydroelectric public-power projects throughout the United States compiled by the Corps of Engineers. I have not the time to read them all. It is a very voluminous and extensive list of hydroelectric power projects throughout the United States—all public power—and in all sections of our country. I shall only mention a few from the extensive list.

There is the Bull Shoals project in Arkansas, $88,330,000.

In California there is the Table Mountain Reservoir, with public power, in the State from which Mr. PHILLIPS comes. Estimated Federal cost, $77,200,000.

In Florida, under construction, is the Jim Woodruff Dam for hydroelectric power, $46,379,000.

In Georgia, there is the Clark Hill Reservoir, $78,576,000.

In Idaho there is the Albeni Falls Reservoir, with $31,100,000 Federal cost involved.

In Michigan there is the St. Marys River hydroelectric dam—cost, $12,719,000.

In Montana there is the Fort Peck project, $158,300,000. That has been authorized, constructed and is in operation.

In Nebraska, under construction, the Gavins Point Dam, Nebraska and South Dakota, $53 million.

In North Carolina there is the John H. Kerr Dam, $87,150,000.

And there are many other hydroelectric public power projects throughout the country, built and being built by the taxpayers of the Nation.

Mr. Chairman, the gentleman from Michigan [Mr. DONDERO] made a statement, and he would not yield to me for reply. He stated there had been no power purchased from outside sources. There has been much power purchased by the TVA from outside sources. The cost to the Government has been great

for this private power, but there exists wonderful cooperation there with the private utilites, neighbors to the TVA.

Mr. BRAY. Mr. Chairman, I ask unanimous consent that the gentleman from Indiana [Mr. BROWNSON] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BROWNSON. Mr. Chairman, I deeply regret that I have been unavoidably called away from Washington because of the critical illness in my family. I feel, however, that it is only fair that my constituents know how I would have voted on the matter that comes before the House today.

I would have voted to remove from this appropriation bill the $6,500,000 for the construction of a powerplant to be located near Fulton, Tenn.

Mr. JONES of Alabama. Mr. Chairman, the resource development program that has gone on as a part of TVA has been a highly successful and important part of the work of the agency. This is demonstrated by the very splendid results of such activities as the forestry program, the tributary watershed development work, and the agricultural resource development. TVA has worked closely with the State and local groups in order to achieve an integrated program, the results of which have been of tremendous value to the primary program of flood control, power and navigation.

Equally important is the fertilizer research program of TVA which has become one of the most valuable activities of the agency. TVA has done an excellent job in developing commercial fertilizer which was so sorely needed a number of years ago and is still needed to produce the crops necessary to keep America well fed and well clothed.

In keeping with the provisions of the TVA act, TVA has carried on at the Muscle Shoals plant an experimental program to develop new and better fertilizer and to manufacture these fertilizers on a relatively small scale. Most of TVA's research has been in the phosphate and nitrogen fields. This research work has been supplemented by an educational program among the farmers so that they would use the new and better fertilizer products. In order to get the educational program launched, the agricultural people of TVA devised what is called the test demonstration farm. I believe it is one of the best educational programs ever developed.

The pattern of developing these fertilizers, educating the farmers to use them and developing the demand, then getting out of the way and letting industry carry on has been followed ever since TVA was set up. Many producers in the fertilizer fields have benefited from the TVA work. Evidence of such benefits are seen in the new plants, modernized equipment, and advanced practices that are outgrowths of research by TVA.

When a new fertilizer is developed in the TVA laboratory at Muscle Shoals, it is first tried out in greenhouse tests and on small field plots in research projects conducted by State agricultural experiment stations. If it appears promising, it is introduced to farmers and is used by them in various farming systems to demonstrate its use under closely supervised conditions. This phase—the test demonstration program—is conducted by the agricultural extension services and cooperating farmers. Finally it is introduced and demonstrated on a wider scale through educational sales programs. The nature of the educational sales program in each State is determined jointly by the land-grant college, the distributors of TVA fertilizer, and TVA, in cooperation with other agencies of the United States Department of Agriculture.

TVA cooperates with State experiment stations in the conduct of laboratory, greenhouse, and field plot tests to determine under controlled conditions the relative efficiency of TVA fertilizers on major crops and soil types. This research is a necessary step in evaluating the relative merits of new fertilizers prior to their introduction to farmers through test-demonstrations or educational sales programs. This is the way to find out if the fertilizers really work, how well they work, and whether changes need to be made in the process.

The output of the TVA fertilizer plant is but a small part of the national production—1½ percent of the tonnage and 3 percent of the plant nutrients in fiscal year 1954. However, the effect of this limited production of TVA fertilizer has been widely beneficial to both industry and agriculture.

TVA actively encourages industry to make use of promising research results. Its laboratories and plants are visited frequently by representatives of the fertilizer industry and people with technical interest in the fertilizer processes. Firms wanting to adopt patented TVA processes may obtain royalty-free licenses. About 70 licenses have already been issued to use TVA processes or to manufacture TVA-developed equipment.

What has the fertilizer program meant as far as farmers are concerned? As a result of the test demonstration farms, farmers are adopting better fertilizer practices and are demanding more economical sources of plant nutrients in increasing quantities.

Two examples illustrate this very clearly. Twenty years ago, concentrated superphosphate was not widely used. The fertilizer industry was skeptical of the product and doubted that farmers would ever use it. The commercial production at that time only amounted to about 70,000 tons annually. But what happened after TVA's experiments with it? When TVA began its research on superphosphate, the process and product were improved, its uses was demonstrated to farmers, and farmers began to use it. The annual output of this material by the fertilizer industry is now about a million tons, exclusive of TVA production.

The same thing is true in the case of ammonium nitrate. In 1943, the use of ammonium nitrate as a fertilizer was almost unknown. TVA, its distributors, and the colleges introduced ammonium nitrate to farmers in a widespread educational and demonstration program. It is now used as a major source of nitrogen for direct application. In 1953, farmers used about 650,000 tons of ammonium nitrate, exclusive of the amount supplied by TVA.

As I mentioned earlier, the test-demonstration farms have been a major means of introducing experimental fertilizers to farmers. Since 1935 TVA, the land-grant colleges, and farm families have worked together in a cooperative test-demonstration program. In 1947 the number of test-demonstration farms in the program amounted to 26,000. There has been a steady decline in available funds, however, and this year there were only 2,390 farms in the program. If the budget cuts for the next fiscal year are carried out, there will be even further reductions and only about 1,800 test-demonstration farms can be provided for.

It is most important that the TVA fertilizer-research work be given ample funds to continue its valuable contribution in this field. The great importance of the work can be seen when one considers that TVA operates the only complete fertilizer-research program in our country. TVA has the facilities all the way from the laboratories to the test-demonstration farms, and it seems extremely unwise to interrupt and curtail this already established and successful operation. Further reductions in funds will mean the termination of some of the essential research now underway and the deferral of some new research projects that have been planned. It will mean that fewer farmers can participate in the test demonstrations in spite of the increasing interest in this phase of the educational program.

The TVA fertilizer-development program is of national importance. It has brought results that have been valuable to the farm people all over the country. It has brought results that have been extremely valuable to the fertilizer industry. It certainly should be maintained at a fully effective level.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, this is a rather unique experience in my 22 years of service here in trying to offer these remarks that I have been thinking about for quite a while.

At the risk of some repetition, I will review quickly some of the things I said earlier when we were operating under the handicap, first, of the limitation of time and, secondly, of the prohibition against the transfer of time.

Mr. Chairman, I think we must keep constantly before us that the original purpose of the TVA was the development of hydroelectric power incidental to flood control and navigation, and when the gentleman from Tennessee [Mr. EVINS] read the list of hydroelectric projects a moment ago, why, that is exactly what TVA started out to be, and as far as I know it is not proposed in this legislation to build steam plants at any of those projects. Now, as we have gone along we have moved away from the concept of hydroelectric power into

the matter of generation of power by steam plants until now we are approaching a time when 70 percent of the power will be generated in steam plants. No one complains about the development in the Tennessee Valley insofar as it relates to hydroelectric power. But there has been complaint through the years—and I am one of those who has complained—when the taxpayers' money collected all over the country has been used to build steam plants to do exactly the same sort of generating that is done by private utilities and municipalities, to develop cheaper power than other places can have by reason of the advantages in not paying interest on the money, not paying taxes, as well as other features that I do not go into at this time. We have complained as that thing has developed.

Now, the proposition before us here is to start with $6.5 million more, but the cost that is estimated for the Fulton plant is $100 million. Now, if that plant is built, the taxpayers of the country will put up another $100 million. If we figure the going rate of interest that the Government pays as 3 percent, then that is $3 million a year that my taxpayers in Indiana and the taxpayers all over the country have to put into the pot to provide this additional power. I say that we have been pretty good to the people in the Tennessee Valley. I think many of our folks back home would have very solid grounds on which to criticize us for going as far as we have gone. But, the question today is, Are we going to call a halt?

Now, reference has been made to the destruction of TVA. It is charged that bringing some power in from another source will destroy TVA. Why, already into the TVA area, from Portsmouth and Paducah come 2.5 million kilowatts. The plant at West Memphis will produce only 600,000 kilowatts. As I said before, it will not destroy the TVA; it will benefit the TVA, because it permits them to divert to the domestic users in their area power which otherwise would have to go to the Atomic Energy Commission, power for which TVA has been charging less to domestic industrial users than they have to the AEC. That, of course, makes an attractive situation for industrial development or for greater domestic use. So long as it is paid for by the people who are benefiting there, no one could object. But the proposition here sought to be forced upon us is to make us go along with the idea that taxpayers in our areas must put up the money.

I think the best exposition of this whole problem that I have seen is from President Eisenhower. There are folks here who say, "Well, we support the President." We are going to find out today just how well you are supporting him, because his position in respect to this matter is very well known. Here is what he said in a letter to Congressman COLE, of New York, the chairman heretofore of the Joint Committee on Atomic Energy. I want you to listen to the logic of this argument of President Eisenhower, because no argument can stand against it:

> On several occasions you and I have discussed the administration plan to relieve TVA of part of its obligation to furnish electric power to AEC in order that TVA, without additional steam plants built at taxpayers' expense, may have an adequate supply of electric power for its customers through 1957.
>
> My general thinking on the subject is this: It seems to me that all arguments for the construction by the Federal Government of the additional steam plants ignore this one and very important truth: If the Federal Government assumes responsibility in perpetuity for providing the TVA area with all the power it can accept, generated by any means whatsoever, it has a similar responsibility with respect to every other area and region and corner of the United States of America.
>
> Logically, every section of the United States should have the same opportunities, and the Federal Government should not discriminate between the several regions in helping to provide this type of facility. My own conviction is that we have not been alert enough in making certain of this equality of treatment. If this is the case, then it is high time that other regions were getting the same opportunities.
>
> I cannot believe that Americans in general disapprove of attempting to place all regions on a basis of equality in this regard. Consequently, there must either be some reexamination of any plans which would call for the Federal Government to supply all the additional power capacity that might be needed in the future in the Tennessee Valley, or, logically, we would have to begin plans for a gigantic power development to cover the entire Nation equitably.

And then he has this additional paragraph:

> It seems to me that there has been a very great deal of talk and argument—much of it partisan—about issues that are really clear and simple. No one in this administration has any intention of destroying or damaging TVA or of diminishing its effectiveness in any way. But this is not the same thing as fastening on the Federal Government a continuing and never-ending responsibility which I frankly do not believe is logical nor, in the long run, in the best interests of the country.

As I said before, where is there anyone among us who can dispute the logic of that assertion? Let me put it this way: The Wabash River is celebrated throughout the country. It flows through my district in Indiana. I do not know how much power we could develop on the Wabash with a few Federal dams, but I suppose we could develop a little. So we set up a Wabash Valley Authority and we come to you to vote $100 million, or whatever it would take to get it going. And then we say we cannot get enough power out of the Wabash, so we are going to have to build steam plants and you are going to have to put up the money.

The minute you do that, Mr. Chairman, you are going to have to do it on the Susquehanna, the Penobscot, the Missouri, and every other river in the country. If there is not enough waterpower, as the gentleman from North Dakota says there would not be—as I listened to his argument I was surprised to find he would not be with us—if you are going to add steam plants to augment production, then you have brought about Federal socialization of the whole power industry. Dispute it if you may and if you can, but I do not believe you can.

There has been a lot of talk about the yardstick. My hometown is Rensselaer, Ind. We have had a municipal light and water plant there ever since I can remember. It used to be powered by steam. Now it is powered by diesels. We do not need any yardstick. All I know is that we are paying 4 or 5 times as much for our power as the people in the Tennessee Valley are paying, and we are running it as a municipal operation. It is no hated private utility. I sometimes think maybe we would be a little better off if we got into a contract with the Northern Indiana Public Service Co. But in any event we do not need the yardstick. And let me just say again that the yardstick that you talk about in the TVA is short a lot of inches of what a yardstick really ought to be. But that is neither here nor there.

The issue here is simply: Shall we start to build more steam-generating plants up to a cost of $100 million? There really is no issue with respect to the Mississippi Valley Generating Co. because, as the gentleman from Arkansas [Mr. GATHINGS] pointed out, that is a legally binding contract upon the Government of the United States entered into by the administrative branch after specific authority voted in 1954 by the Congress of the United States.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Tennessee.

Mr. EVINS. The gentleman has quoted a statement by the President. Another statement which the President made was that these things should be worked out in the way the people want it done. When we see and hear Representatives from Tennessee, Kentucky, Alabama, Virginia, and Mississippi, speaking for TVA we can understand that their voice represents the way the people want it done. Why should we not help the President to keep this promise?

Mr. HALLECK. I am glad I yielded, because we can see how ridiculous these arguments are. All the rest of us shall abdicate our responsibility about what we think is fair and right just to let you people down there who want this cheap power, paid for in large measure by taxpayers all over the country, have your way about it.

Mr. EVINS. That is what the President has said.

Mr. HALLECK. I do not yield further.

It just so happens that some of us have a responsibility to the people we represent. Likewise, some of us now and then support some things because we think they are right in principle. I happen to have an interest for my people back home, but I also happen to believe that the development of hydroelectric power in the TVA basin has proceeded to its completion. All of the steam power that could possibly be needed to firm up power has been given to you people. Now you say that you cannot get power anywhere else in the area. TVA itself, through the years, has bought power from private utilities adjacent to the area. There is nothing new in that. Already coming into the area is the

power from Paducah and Portsmouth, so there is nothing new in this.

Some have characterized the contract made with the Mississippi Valley Generating Co. as a steal. I think they ought to mark well their words before they engage in such loose charges, because that contract has been made by responsible officials of the Government of the United States, including President Eisenhower himself. If you want to accuse him of trying to steal something or of participating in a steal, you go ahead and do it. I want no part of it.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT] to close debate on the pending amendment.

Mr. RABAUT. Mr. Chairman, I wish I could be as brilliant as the distinguished gentleman from Indiana, and I wish I had his familiarity in the House with his long experience during the Republican years of control in which he exerted himself so eloquently in this body. But you will notice when he referred to the rates as being different as between industry and the Atomic Energy Commission, as charged by the TVA, he backed that statement up with not one word of evidence. The charges made by the gentleman, quoting the President, that if this is to be the policy in the Tennessee Valley area, there should be a similar policy in every other area of the country. Well, I would like to remind both the gentleman from Indiana and the gentleman in the White House that God Almighty created the Tennessee Valley. It was the ingenuity of the Congress of the United States—the ingenuity of the Congress of the United States that harnessed the Tennessee Valley, and while there is an indirect benefit to the people of the valley, the power that was generated in the Tennessee Valley protected the smokestacks of every type of industry in the United States of America.

The impression is often given that the Tennessee region is the only area that benefits from the TVA. Such a statement is far from the truth. To use one specific illustration which everyone can easily understand, take the purchases made by TVA from each of the States. The map on page 27 of the hearings will be of interest to every Member. I will insert at this point in the RECORD a table which shows the amount of purchases by TVA in each State. This does not include the appliances and products such as refrigerators, ranges, freezers, washing machines, pumps for running water, and all the other modern appliances purchased by the people as a result of the economic advancements from TVA, but this list is only the direct purchases by TVA itself in the States.

TVA procurement sources, 1934–54

	1954	Total (1934–54)
Valley States:		
Alabama	$9,913,413	$109,393,458
Georgia	2,012,599	25,982,613
Kentucky	15,401,255	121,538,153
Mississippi	951,062	7,993,689
North Carolina	507,111	13,250,231
Tennessee	50,289,053	335,593,202
Virginia	214,893	7,783,988
Total valley States	79,289,386	621,535,334

TVA procurement sources, 1953–54—Con.

	1954	Total (1934–54)
Other States:		
Arizona	$44,035	$115,353
Arkansas	128,425	1,154,504
California	646,381	9,294,073
Colorado	137,585	1,068,353
Connecticut	652,306	6,699,773
Delaware	3,032,628	17,924,456
District of Columbia	49,661	2,388,155
Florida	827,274	6,616,527
Idaho	407	2,302,060
Illinois	4,846,403	92,233,522
Indiana	719,257	18,885,996
Iowa	154,212	1,454,127
Kansas	94,085	554,499
Louisiana	958,868	8,831,276
Maine	264,067	479,021
Maryland	352,394	5,980,969
Massachusetts	1,731,321	38,060,756
Michigan	1,307,734	18,009,066
Minnesota	489,235	7,675,479
Missouri	1,904,724	25,303,027
Montana	1,431	165,813
Nebraska	20,752	480,430
Nevada	823	136,461
New Hampshire	142,024	1,586,722
New Jersey	1,905,522	37,953,165
New Mexico	4,151	46,091
New York	10,792,256	140,027,452
North Dakota	24	54,009
Ohio	9,959,076	119,071,865
Oklahoma	534,273	2,782,616
Oregon	130,861	1,514,263
Pennsylvania	19,647,931	288,156,583
Rhode Island	165,972	1,973,808
South Carolina	207,448	1,840,364
South Dakota	10,641	707,091
Texas	1,039,090	5,239,519
Utah	17,399	2,804,728
Vermont	37,483	174,124
Washington	7,563	1,209,331
West Virginia	165,099	3,414,226
Wisconsin	3,953,344	58,552,668
Wyoming	56	28,937
Total other States	67,084,221	932,951,258
Foreign	10,887	523,233
Total	146,384,494	1,555,009,825

Some object that TVA does not pay taxes. TVA and the distributors paid $9,258,000 in taxes and in lieu of tax payments in 1954.

The State and local taxes paid by TVA power consumers through their electric bills are comparable, as a percentage of revenues, to those paid by private utility customers. In the fiscal year 1954 the total tax payments in the TVA area amounted to about 6 percent of all the revenues received from consumers, excluding only sales to Federal agencies. In the Nation the average of State and local taxes was 8.6 percent in 1953. Among a dozen large companies operating adjacent to the TVA area, the average in 1953 was 8 percent and the proportions ranged from 4.6 to 11.4 percent.

The TVA has protected our very American way of life, and it set a pattern because before its existence there were only 29 out of every 100 homes in America that had electrical energy. That means that they woke from their lethargy the private power companies. No matter where they were located, they had an example of service set for them, and that is why the private power on the perimeter of the Tennessee Valley has a greater earning power for its people by far than the average common-stock earnings in the Nation. I have the figure here. While the average common-stock earnings in the entire country have increased 2½ times since 1937–39—and they increased, mind you, in spite of all of this talk about the harmful effects of TVA—they increased for the private power companies on the perimeter of the Tennessee Valley by 5.6 times. That is better than anywhere else in the country. Why? Because the private power companies saw what they could do by watching TVA, and they were set a good example in the Tennessee Valley.

Now for a few facts about this. In the first place, the Dixon-Yates deal was a handpicked deal. That is what they are defending here today—a handpicked deal.

The Dixon-Yates contract is in litigation. We have it on the authority of the man appointed by the President that we are going to have a shortage of power in that area by 1957 and 1958. Are we to be caught, with world conditions as they are, as a nation dangling between arguments on Dixon-Yates and the Tennessee Valley Authority? No. This is the time for us to assure the TVA of power it urgently needs and not make guesses on Dixon-Yates.

The cost of the Fulton plant will be $3,700,000 less—get that figure—$3,700,000 less per year than the cost of the Dixon-Yates plant, according to the estimates of the administration's own Bureau of the Budget and the Atomic Energy Commission. It is in black and white for you to read on page 56 of the hearings.

After the Dixon-Yates plant is paid for by the Government, not by anybody else, but by the Government, and it will cost $107 million to build, there is a guaranteed profit not to exceed 11 percent on the private capital Dixon-Yates have invested. The Government will pay the profit out of the payments from the AEC, and all taxes are taken into consideration in setting up the capital fund, and in the end it will belong to Dixon-Yates. The Fulton plant would pay dividends each year of approximately 4 percent to the Government and would belong to the people of the United States.

The annual added cost of Dixon-Yates will be $3,700,000 per year.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I could not refuse to yield to the gentleman from New York.

Mr. TABER. The Government does not pay for the Dixon-Yates building and plant. It is paid for by a bond issue of their own, and their own capital stock.

Mr. RABAUT. Oh, the gentleman is right about that. They had to call off the hearings because it is in such shaky condition that they could not even go ahead and see if they could get anybody to put any money into it. That is how badly we are dangling, the strength of the United States of America is dangling.

The authority of the TVA Act to build steam plants outside the basin has been upheld by the courts in two separate occasions involving both the Shawnee and Galatin plants, which have already been built outside the area. With whose approval? With the approval of the Congress of the United States of America.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RABAUT. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, on that I ask for tellers, in order to save time.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. PHILLIPS.

The Committee again divided and the tellers reported that there were—ayes 198, noes 169.

So the amendment was agreed to.

Mr. JONES of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Alabama: On page 6, strike out lines 7, 8, 9, 10, and 11 and insert in lieu thereof the following: "until the acquisition is approved by the Committees on Appropriations of the Senate and the House of Representatives."

Mr. JONES of Alabama. My amendment, Mr. Chairman, simply seeks to strike out this restrictive language—this language which prohibits the Appropriations Committee from exercising its judgment and authority to decide how the funds appropriated to TVA shall be spent. As the matter now stands, the bill gives to the Director of the Bureau of the Budget that authority. It actually usurps authority from the Appropriations Committee.

My amendment is not offered in a sense of trying to develop a fight between Tennessee and Alabama on where the headquarters of TVA should be. The TVA Act has already specified that very clearly. It states that they shall be located in Muscle Shoals. But my amendment does return to the Appropriations Committee the authority to decide just when and how the funds for headquarters can and should be made available. I think it is a just and fair amendment.

The principal offices of TVA, according to the provisions of the TVA Act, shall be located in the immediate vicinity of Muscle Shoals, Ala. Because of construction work which began in the region near Knoxville, Tenn., back in 1933, the first TVA officers were set up in that city. In the intervening years, because of wars and shortages of materials, the offices have been allowed to remain in Knoxville although the TVA Board has indicated its desire and intent to transfer the offices to Muscle Shoals at the earliest practicable date.

There are several reasons why Muscle Shoals was designated to be the location for the principal TVA offices. It is a central location on the navigation highway of the Tennessee River. It is 125 miles nearer the center of the TVA power service area than is Knoxville, Tenn. At Muscle Shoals the Board will be nearer to the capitals of 3 of the 4 States where TVA's principal activities are concentrated. This is very important inasmuch as TVA must work closely with the State governments in the furtherance of its program.

Plans to move to Muscle Shoals have never been a secret. The actual moving, as I have said, had to be postponed repeatedly because of national emergencies which prevented the use of materials necessary to carry out the plan.

The TVA Board made a very determined effort in 1953 to move to Muscle Shoals. They based their decision on the fact that Knoxville is no longer a good or suitable location for the Board and central management of TVA. The Muscle Shoals location would bring together under 1 roof staffs now scattered about in 6 different buildings in Knoxville and Chattanooga. The move would place the Board and its managerial staff closer to the places of its work and its future developmental problems.

The TVA Board has a job to do for TVA and the Nation. They are under heavy obligation to do this job in the most effective way possible. Their decision to transfer—as the act specifies—the headquarters to Muscle Shoals was based on what they consider is best for this great agency. When their decision was presented in 1953 a great storm of protest arose from the people in Knoxville. Local interest and pressure and political considerations were brought to bear in such a way that the Board was prevented from carrying out this plan.

I am not arguing here today that the headquarters should be moved, although it is my firm conviction that they should be in Muscle Shoals and should be moved immediately. That is not my argument today.

I am simply trying to get this restrictive language out of the bill so the Appropriations Committee can decide on whether funds for this purpose can be provided or not. I do not believe that the committee should have to wait for permission from the Budget Director.

I ask you to give back to the committee the right to make that decision.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. JONES] has expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes, those 5 minutes to be consumed by the gentleman from Tennessee [Mr. BAKER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. BURDICK. I object.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Chairman, ladies, and gentlemen, if you listen to me for 5 minutes, I believe I can convince you that by defeating this amendment you will save $10 million to the United States of America. That is $2 million a minute.

Now, let me tell you why—and I have to talk fast. TVA was formed in 1933. It is a creature of Congress, yes, but it is an arm of the Executive. That is the reason for this language directing that the Director of the Bureau of the Budget must approve before headquarters can be moved from Knoxville.

Two years ago the Tennessee Valley Authority directors, headed then by Gordon Clapp, appeared before the Committee on Appropriations. They never said a word about moving headquarters. A few days later they announced in a public statement that they had voted to move headquarters out of Knoxville to Muscle Shoals, Ala., 275 or 280 miles away down in the extreme southern tip of the territory and away from Knoxville, which is in the very heart of it.

I opposed that on the floor. Many of you heard me. I obtained a positive prohibition against moving in the appropriation bill. It went over to the Senate and the Senate added the words that they could not move without the approval of the Director of the Bureau of the Budget. That was in the bill last year. There was no contest made to amount to anything last year, not seriously. It is in the bill this year. You know the composition of the Appropriations Committee. They left it in the bill. I am asking you to leave the language in the bill that our own Appropriations Committee wrote in there.

All in the world there is to it is, 2 of the 3 members of the Board of Directors apparently want to move. The Chairman says Knoxville is the place for it. Then in addition to the Appropriations Committee the Director of the Budget shall also approve it. I want a disinterested decision. Let the executive department have a little something to say about a thing as important as this. This should not be partisan.

This will save you $10 million. The lease-purchase agreement which this rider has defeated for 2 years would provide that they would pay out at Muscle Shoals over $8 million. The Director of the Bureau of the Budget, the Honorable Joseph M. Dodge, sent a telegram to the Chairman of TVA, Gordon Clapp, using these words, on June 17, 1953:

If headquarters remain in Knoxville, rent will amount to $4,800,000 in 20 years, and the Government will save $4 million in 20 years.

That is $4 million of the $10 million. Mr. Dodge is a man of ability.

Here is how the other six or seven million dollars will be accounted for: Five hundred families would be moved by this action. They have been in Knoxville 20 years. Their children are there. They are in the schools there. We spent money in Knoxville to build additional buildings, spending millions of dollars. They have bought homes there. If they were uprooted and moved to Muscle Shoals they would be moving to a community, I may say with all due respect to my friend, Mr. JONES, of 1,500 people. I know something about it. That is what the population shows. It is the same as my hometown. So I know what it would mean to move 500 families into a town of 1,500.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield.

Mr. JONES of Alabama. The Muscle Shoals area has a population of 55,000.

Mr. BAKER. If you add a lot of other towns, yes, but Muscle Shoals itself has a population of 1,500.

Mr. JONES of Alabama. There is a town down there called Muscle Shoals City, but the Muscle Shoals area embraces a large population.

Mr. BAKER. Whatever the population may be, it is listed as 1,500. Think of moving 500 federally impacted families down there under existing law. You

would have to have additional schools, airports, highways, streets, sewers, houses, and hospitals, and disposal systems. That would account for the other $6 million of that $10 million.

While that saving of $10 million is not to be laughed at, remember that Knoxville is in the middle of the Tennessee Valley area and the activities of TVA and Muscle Shoals is down at the very tip. I urge the defeat of this amendment.

Mr. PHILLIPS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me just say, as the chairman of the subcommittee which had this before it for 2 years, that the committee has tried to keep this from becoming a political issue. The adoption of this amendment would make it a political issue. We have tried to keep it in the hands of a disinterested group, the Bureau of the Budget, which would decide it, if it must ever be decided, upon the basis of its proper position. Knoxville is the center of the area.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS. I yield.

Mr. JONES of Alabama. If it is a nonpolitical issue, why is it that the Bureau of the Budget has been considering this matter for 2 years without a report?

Mr. PHILLIPS. Because there was no necessity to make a report or to consider it. It is obvious that Knoxville is the center of the area. The proposition was not to move everything to the Muscle Shoals area but, having already Chattanooga, Knoxville, and Nashville, to create a fourth location at high expense to the taxpayers.

Mr. JONES of Alabama. If the gentleman is afraid of the will of this House on the question, why should he insist on the language being in the bill that the Bureau of the Budget continue to study the proposition?

Mr. PHILLIPS. I did not put the language in this year. Your side of the House put it in this year. I ask for a "no" vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. JONES].

The amendment was rejected.

The Clerk read as follows:

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans; engineering and economic investigations, as a basis for legislation, and for reports thereon to Congress, relating to projects for the development and utilization of the water resources of Alaska; formulating plans and preparing designs and specifications for authorized Federal reclamation projects or parts thereof prior to initial allocation of appropriations for construction of such projects or parts; and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects; to remain available until expended, $3,669,442, of which $2,987,254 shall be derived from the reclamation fund and $532,188 shall be derived from the Colorado River development fund: *Provided*, That none of this apropriation shall be used for more than one-half of the cost of an investigation requested by a State, municipality, or other interest: *Provided further*, That, except as herein expressly provided with respect to investigations in Alaska, no part of this appropriation shall be expended in the conduct of activities which are not authorized by law.

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 9, line 4, before the semicolon, insert the following: "in each of the 17 reclamation States in their entirety."

Mr. BUDGE. Mr. Chairman, I have discussed the language which I am submitting, with the Members of the western panel who wrote the language in the report which my language is intended to correct. The language here is simply intended to clarify the language which is contained in the report; and, so far as I know, there is no objection to it. I had hoped the gentleman from Tennessee [Mr. EVINS], who is chairman of the western panel, would accept the amendment.

The language contained in the report deletes the entire State of Idaho from participating in the general investigation program of the Bureau of Reclamation. My amendment does not seek to add any funds to the bill. It simply includes the State of Idaho, along with the rest of the 17 Western States in the general investigation program of the Bureau of Reclamation.

If there are any questions, I should be happy to answer them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The amendment was agreed to.

Mr. BUDGE. Mr. Chairman, I offer another amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 9, line 14, strike out "$3,669,442" and insert "$5,104,000, provided that no part of this amount shall be used on investigation of the Blue South Platte project."

Mr. BUDGE. Mr. Chairman, the purpose of this amendment is to restore to within $70,000 the budget figure for the general investigations conducted in the 17 Western States by the Bureau of Reclamation.

The funds as recommended by the committee this year are the lowest of any year since before World War II. As compared with the funds of 1950, the funds herein recommended are less than one half. As of 1951 they are only slightly more than one-third of the appropriations for that year.

The President, in commenting upon requested funds for the Bureau of Reclamation, said that the investigation funds were the very heart of the continuation of that Bureau; that if we were to continue to develop the West, the investigations must be conducted in these arid States, and he asked that this amount be included in the budget so that the investigations could go forward, and the Bureau have a backlog of projects ready to come, if and when the Congress sees fit to build them.

Mr. ASPINALL. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to my colleague from Colorado.

Mr. ASPINALL. I wish to join with my colleague from Idaho in support of this amendment. I am sure the most effective way to throttle the program of building the West is to reduce the funds necessary in the investigating processes. Unless the Representatives from the West can bring to this body reports which have sufficient engineering data, and be able to gain the confidence of this body, it is impossible to continue with our reclamation. I think these funds are necessary. I believe that the Bureau of Reclamation can use them effectively.

Mr. BUDGE. I thank the gentleman for his contribution.

I know from my own experience, being a native of the West, that the future development of the Western States in this great United States depends upon the development of the water resources. The only way that we can secure the information, as the gentleman from Colorado [Mr. ASPINALL] has said, to bring before the Congress facts concerning these programs, is by use of this general investigation fund.

I sincerely hope the committee will see fit to restore the figure to the figure recommended by the Bureau of the Budget and the President of the United States, except for the specific investigation named in my amendment.

Mr. EVINS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I would say to the gentleman from Idaho when he asked about the expenditures yesterday he was told that there was no discrimination against his State. We also agreed to the previous amendment which the gentleman has just offered and which the Committee has accepted. But the gentleman's present amendment represents an annual increase of $1,500,000 for additional reclamation studies that appears unnecessary. I may say to the gentleman from Idaho that I hold in my hand information from the Bureau of Reclamation showing that there has been no discrimination against his State.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I do not yield now for I want to go over the projects in his State.

Big Wood River project, Idaho; Johnny Counts project, Oregon-Idaho; Little Wood River project, Idaho; Medicine Lodge project, Idaho; Montana project, Idaho; Columbia River Basin, Utah-Mont.-Oreg.-Wash.-Wyo.; Clarks Fork Basin, Idaho-Mont.; Bear River project, Idaho and Utah.

Upper Snake River Basin, Idaho-Oreg.-Wyo.; Cache project, Idaho-Utah; Mann's Creek project, Idaho; North Bench project, Idaho; Sandspoint project, Idaho; Jordan Valley project, Oregon-Idaho.

Snake River project; Mountain Home division, Idaho, among others.

Thus the gentleman must see that his State certainly is not discriminated against. We have put in the RECORD statements on yesterday that his State is not discriminated against and I have personally written him a letter to the effect that there has been no intention by the committee to in any way discriminate against his State. He can use

this with the Bureau of Reclamation that his State is not discriminated against in this bill in any way.

With all these projects included for the gentleman's State indicated the committee feels that a further increase of $1,500,000 is not at this time justified. Personally, I do not like to oppose requested increase by my colleagues, but there must be some limitation on the amount of funds and I ask that the Committee vote down the pending amendment.

Mr. MILLER of Nebraska. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to reply to the subcommittee chairman relative to the funds for investigation and then to permit the gentleman from Idaho to make a reply.

I think the Committee should understand that these investigative funds are not just for the State of Idaho; they are for the 17 Western States.

The gentleman from Tennessee read a number of projects in the State of Idaho, but the investigative funds, as I understand, cover the 17 Western States. If I am not correct on the gentleman's amendment I would like to know.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. BUDGE. I am happy that the gentleman has clarified the remarks of the gentleman from Tennessee. I greatly appreciate the cooperation of the gentleman from Tennessee and his statement that my particular State was not to be discriminated against.

But, as the gentleman from Nebraska says, this amendment has nothing to do with my individual State as such; it applies to the entire reclamation program which has been going on in the United States for 53 years, and it applies to all of the 17 Western States. It is to be used by the Bureau of Reclamation for further study of a program affecting all the 17 Western States.

Mr. MILLER of Nebraska. I may say to the gentleman from Tennessee that if the funds were to be allocated just to Idaho alone and not to the 17 Western States I would oppose the amendment.

The amendment, however, seeks to reinsert into the appropriation bill the amount requested by the Budget Bureau, less $70,000.

Mr. BROOKS of Louisiana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wanted to take this time to impress upon everyone here the very great importance of not drying up this reclamation program.

I am heartily in support of this amendment. It requires a very little amount of money. It will do a great deal of good in a vast amount of territory throughout the United States. We ought to have it.

I just want to take this little time to call the attention of the Congress to the fact that we are drying up the reclamation program in the United States. In the year 1951 we appropriated $271,679,000 for reclamation. In 1952 we cut that down to $234,408,522. In 1953 it went down to $206 million. In 1954 it went down to $143 million and in 1955 it is down to $161 million. If the cuts this year in reclamation are carried through it will be cut down further.

We are reaching the point where we practically have no reclamation program. I am one who believes that we ought to spend some money in building up our own country and not spend all of our money in building up areas overseas. Therefore, Mr. Chairman, I am strongly in favor of the pending amendment because it will cost a very little amount of money and will permit us to proceed with investigations in reclamation areas throughout the United States.

I hope the amendment is adopted.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. I agree with the gentleman from Louisiana that the amendment offered by the gentleman from Idaho should be adopted.

Mr. BROOKS of Louisiana. I thank the gentleman.

Mr. RILEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes, that 5 minutes to be reserved to the committee.

Mr. YOUNG. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. YOUNG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Idaho. The sums recommended by the Bureau of the Budget this year have been very moderate and constitute a reasonable program. If the gentleman's amendment is not adopted, first of all, it will disrupt the reclamation program. Reclamation consists of three main activities—investigation, construction, and operation. If we were to reduce or cripple the investigations of reclamation it would be like taking 1 leg off a 3-legged stool.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Washington.

Mr. HOLMES. It should be made very plain right here that this amendment involves general investigation money for the entire reclamation West and not for any one particular section of the reclamation West.

Mr. YOUNG. I thank the gentleman. I want to emphasize that if these sums were reduced it will mean a certain number of personnel in the Bureau of Reclamation who are now engaged in general investigations throughout the 17 Western States will either be dismissed or forced to serve in other capacities or to change their jobs. It will result perhaps in the bumping or discharge of loyal employees. You will bring the reclamation program into a series of peaks and valleys, somewhat like we had in our defense program. It will delay reclamation development. Some 116 reservoirs have been built in the past and they have required anywhere from 10 to 20 years to develop. Some of the larger projects were under consideration for 20 years, 30 years, or perhaps a longer period of time.

Certainly this cut is inadvisable because if at a later date we intend to go back and complete certain reclamation activities it will mean reclamation personnel will be assigned back to the same jobs they now have. This will result in a waste of the efforts which have been expended to a considerable extent. For example, there is a project in my State now under consideration for general investigation. If the personnel now investigating these projects are called upon to perform other services, it will mean the work they have already done to a large extent, investigating hydrology of the rivers, land classification, will be wasted, and the orientation which they have undergone in preparing the investigations will not benefit the reclamation program as it would if the general investigation were allowed to continue.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I want to congratulate the gentleman on the fine statement he has made and to say that I agree with the gentleman that this is a worthwhile amendment. Is it not true that the money spent for investigation is really money well spent? Because of this we have better projects coming before our committees of the Congress?

Mr. YOUNG. That is very true. In the past, Congress has been critical—and I think justifiably so—of the Bureau of Reclamation bringing projects before Congress which were not thoroughly planned and investigated.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Is it not true that the projects which have brought some criticism have been those in which very little investigation has been done in the way of land classification and preparatory work?

Mr. YOUNG. I think the gentleman's point is very well taken. If we discontinue the general investigation and later come back and make investigations, I think there will be very little saved and in the end would be a waste of the taxpayers' money.

Consequently we have before us three situations: First, unless these funds are restored, it will disrupt the program; secondly, unless these funds are restored, it will delay the reclamation development; and, thirdly, failure to do so would not develop our economy, and in the final analysis cost us more than $1.5 million we are seeking to restore herein.

Therefore, I urge support of the amendment offered by the gentleman from Utah.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have no amendment to offer.

Mr. RILEY. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from South Carolina.

Mr. RILEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BURDICK. Mr. Chairman, I just want to ask the chairman of the subcommittee and the ranking minority member what effect the language in the bill has in regard to the situation in my country. You know I am very much interested in that, and so are the people in that district.

Mr. EVINS. Mr. Chairman, if the gentleman will yield, I will endeavor to answer the gentleman's question.

Mr. BURDICK. Well, you have not heard the question yet. But, if you can answer it, I would just as soon have it.

You understand, of course, and this Congress understands that when this dam was created at Williston, it was limited to 17 million acre-feet, and for some reason the Army engineers want it bigger than that. Our theory is that until Congress authorizes it, it cannot be done. Now, I want to make sure that under the language of this bill these Army engineers cannot race in there and do what they are prohibited from doing by law. Now, you do not want us to legislate up there in the courts of that country, do you? Does it mean, Mr. Chairman of the subcommittee, that this Congress has given them any authority to go ahead and buy land for dikes and build dikes that we do not know anything about?

Mr. RILEY. Mr. Chairman, if the gentleman will yield, we have not yet reached that point in the bill, but I can assure the gentleman that there is no money in here to buy land for dikes and build dikes around the town of Williston; no money was requested, and no money was appropriated.

Mr. BURDICK. That settles my case.

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I take this time to ask the subcommittee chairman, my friend, the gentleman from Tennessee [Mr. EVINS], concerning several items that were approved and an appropriation recommended by his committee, which conducted the hearings. I was given to understand by comments of members and by articles in the newspapers that requests for appropriations of items that were not recommended by the Bureau of the Budget, and in the printed list sent out by the Bureau of the Budget to Members, would not be considered with favor by the Appropriations Committee. But I find that the Sacramento deepwater channel, for instance, which was not in the budget's approved list, was allowed the sum of $500,000 by the Appropriations Committee.

I do not intend to oppose that. I wish to be perfectly frank with the committee so I must tell you that I was the Congressman when that project was authorized.

During the first 10 years of my service in the House, Sacramento, as well as Stockton, my home town, were in my district—Third District of California. When the people of Sacramento approached me concerning a deepwater channel, I told them that if the Chief of Engineers recommended the project I would support it. This occurred in 1945 and I kept my promise and appeared before the Public Works Committee and recommended the approval of the project. The committee followed my recommendation, which was supported by evidence submitted by the Chief of Engineer's Office.

Two very excellent statements against any appropriation for the Sacramento port district at this time were made by Warren H. Atherton, of Stockton, counsel for the port, and by R. B. Dewey, representative of the Pacific American Steamship Association, San Francisco, Calif.

I do not intend to oppose this appropriation. Briefly, here are my reasons: The appropriation having been made by the Appropriation Committee, it would be very difficult, if not impossible, to get the committee to reverse itself. I have learned that from experience. Over 10 years ago I obtained an appropriation for about $4 million for some badly needed levee work to give more flood protection to lands in my district. A colleague of our delegation, without giving me any notice, offered an amendment to cut this appropriation in half and transfer half of it to a project in his area. To my great surprise his proposal was rejected by a vote of 5 to 1 by the Committee of the Whole and most of the support I received was from Democrat colleagues, including the then, and now majority leader, the gentleman from Massachusetts, JOHN W. MCCORMACK, who felt this was an unfair procedure.

We have an unwritten law in our delegation which has been strictly adhered to during my service in the House, that no Member will oppose an appropriation obtained by another Member, unless there are some exceptional reasons why he should do so. We have so many delegation problems, in our group of 30 Members, that if we start these civil wars we will not protect the solidarity which we should and have had when we seek cooperation and help from the Federal Government on some important problem concerning the whole State. It is not a question of timidity but one of commonsense to work and get along harmoniously with our colleagues in the delegation for the common good.

But I do think that if that project was favored with an appropriation, and it was not one of those included in the Bureau of the Budget list, then a project that I sponsored, which also was not in the Budget list, should be given the same treatment.

The project in which I had a deep interest is one which was authorized in the 1944 Flood Control Act. It concerns the levees on the lower San Joaquin River. The reason for my vital interest, and that of my constituents, is that in the last 5 years we have been subjected to floods on the lower San Joaquin River that have ruined public and private property to the extent of almost $10 million. Furthermore, in that same area, we have Federal property that is worth almost $100 million that could be subject to that kind of flood if it repeats itself, as it did in 1950 and 1952. Should that occur the Federal Government could suffer loss of many millions of dollars at Sharpe General Depot, its Annex, and Stockton Navy Annex. These losses would also be suffered by city and county public properties.

I should like to ask the chairman of the subcommittee why my project was not considered more seriously.

Mr. EVINS. I will say that the gentleman appeared before the panel and made a very excellent statement. He was a very strong advocate of the project. But as the gentleman knows, that matter was not in the budget. It was not budgeted. The Bureau of the Budget did not recommend an expenditure of funds on that project at this time. The gentleman made a fine statement and the committee was impressed with the merits of what he had to say. Perhaps he can obtain the approval of the Budget for that project and if so, we hope it may be considered next year.

Mr. JOHNSON of California. The question I asked was why I was not given the same treatment as was accorded the Sacramento project.

Mr. EVINS. With respect to the Sacramento River project, the gentleman is familiar with the fact that there are some differences between the two projects. That is a project for which there has been appropriated a total of some $2,309,000. It is a project concerning which the Legislature of the State of California has passed a resolution and concerning which the Governor of California sent a telegram. It is a project that has already been undertaken and is under way. That is how it differs from the gentleman's project. There has already been a substantial expenditure of Federal money. There is no budget request for the gentleman's project. Perhaps we can change that situation next year if we get a budget recommendation.

Mr. JOHNSON of California. I hope that will be the case.

But I could not quite understand why I got less favorable treatment than the Sacramento Port project.

It happens that I am one of the minority party now and the Sacramento Congressman is in the majority party. I could not help but wonder if partisanship did play any part in this recommended appropriation.

Mr. EVINS. I am sure it did not.

Mr. JOHNSON of California. I thank the gentleman very much for his frank answers.

Mr. RILEY. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Idaho [Mr. BUDGE].

This is a rather nebulous amendment, seeking simply to restore the amount recommended by the budget.

Your committee spent long hours going into each one of these projects and trying to evaluate them on the testimony which was presented to it and to the several panels. The reductions made by the committee were made as a result of these studies. The committee spent long hours interviewing dozens and dozens of witnesses, both from Government agencies and from the outside, listening to people who were thoroughly familiar with the program.

What will be the effect of the gentleman's amendment if it is adopted? It would restore money, for instance, for the Trinity River in California which not only would duplicate funds contained in another item of this bill but concerning which there has been testimony that it would not be needed if construction is started in the manner contemplated by the bill.

For the past several years funds have been appropriated for a comprehensive study in the Arkansas-White-Red River Basin. A great deal of money has been appropriated for this purpose. The purpose of this study was to provide a basis for future water-resources development in this Arkansas-White-Read River Valley. Yet by the amendment you put in around $200,000 for the same purpose. These are but two of the duplications showing what amendments such as this will do; it amounts to trying to spend the taxpayers' money twice, and it is bad enough to spend it once in some instances. The report has not been made available on these scattered projects in the Arkansas-Red-White River Basin. Even the Department has not gotten the report. How could they make recommendations unless they had the results of that survey? How can this committee appropriate intelligently unless it has the facts in the case? Why should you be spending money for something that is going to be available in 2 or 3 months anyway?

What are you going to do with the funds that were added for advance planning on the important Talent Division of the Rogue River project in which the gentleman from Oregon [Mr. ELLSWORTH] and others are interested? That is not in the budget. The effect of this amendment would be to knock that project out of the budget. The testimony shows that this is one of the most important projects in this area.

We get criticized from time to time because we try to follow the budget. This year we have attempted to put in some very meritorious projects outside of the budget, and now you want to go back to the budget. It is high time for this Congress to say what it means and to stick by what it means, in my opinion.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. RILEY. I yield to the gentleman from Idaho.

Mr. BUDGE. May I say to the gentleman that the Committee on Appropriations and the Congress cannot intelligently pass upon any of these projects unless sufficient money is granted to the agency to investigate the projects and bring their findings before the Committee on Appropriations and the Congress. That is all this amendment seeks to do.

Mr. RILEY. There is a certain amount of preliminary work, I am sure the gentleman will agree, which is necessary before you even put in appropriations for investigating these projects.

Mr. WICKERSHAM. Mr. Chairman, will the gentleman yield?

Mr. RILEY. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. May I ask the gentleman from South Carolina a question in connection with the Arkansas-White-Red River report. I understand it will be out July 1. Is that right?

Mr. RILEY. I understand it will be out within the next 60 or 90 days. That is my latest information.

Mr. WICKERSHAM. If it should come out the 1st of July and it recommended, say, the Foss and Cobb Creek projects, and then suppose it recommended the Cow Creek, Beaver Creek, and Hell Creek projects as part of the Arkansas-White-Red River project, would there be a chance for us to get a supplemental appropriation for those projects so recommended?

Mr. RILEY. I do not believe they would be this year, but I can assure the gentleman that when this report is out the committee will certainly give every consideration to the recommendations which are made by the people who have made the investigations.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. RILEY. I yield to the gentleman from Florida.

Mr. CRAMER. It is my understanding from the gentleman who offered this amendment that it does not affect any existing project. Even though it was added to those recommended by the Appropriations Committee, it adds to the amount recommended by the Appropriations Committee an amount equal to $700,000 less than the amount recommended by the Bureau of the Budget, that is, an amount equal to that difference; and it does not affect any existing project recommended by the Appropriations Committee.

Mr. RILEY. I hope this amendment will be defeated and this duplication will be eliminated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The question was taken; and on a division (demanded by Mr. RILEY), there were—ayes 124, noes 23.

So the amendment was agreed to.

Mr. FORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask a question of the chairman of the subcommittee, the distinguished gentleman from Michigan [Mr. RABAUT]. The questions in my mind have arisen as a result of a letter which the gentleman from Mississippi [Mr. SMITH] circulated, I believe, among all Members of the House in reference to the action of the committee in reducing the funds for Army Corps of Engineers surveys. In the accompanying list that the gentleman from Mississippi submitted with his letter, he itemized a group of projects which, according to him, may not be covered in the funds that the committee has recommended. There are several such surveys in the State of Michigan that have been mentioned in the circular letter and in the enclosure of the gentleman from Mississippi. One is of particular importance not only to Michigan but to the whole Great Lakes Basin. It is the item under "Special studies, Great Lakes water level." The inference from Mr. SMITH's letter is that the action taken by the committee, in effect, deletes the funds for the continuation of that survey. Could the gentleman from Michigan inform me whether or not the action of the committee has deleted funds for that purpose?

Mr. RABAUT. The committee has taken no specific action on any project that is in here except those noted in the report. There is not much foundation for some of the things in this letter.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. KEATING. My interest is the same as that of the gentleman from Michigan because this Great Lakes water-level problem has been a very serious problem to all those who own property along the Great Lakes. Do I understand from the reply made by the gentleman from Michigan [Mr. RABAUT] that the overall appropriation, which is in this bill for studies, does not in any way seek to earmark any specific studies and that there is no basis for saying that these projects in this letter are stricken out? In other words, that there might be a reduction in the overall amount for all of the projects for this study, but they are not limited or earmarked to any specific project?

Mr. RABAUT. The gentleman is correct.

Mr. FORD. Could the gentleman from Wisconsin add anything to what has been stated?

Mr. DAVIS of Wisconsin. I might add to what the gentleman from Michigan [Mr. RABAUT] already stated that the gentleman from Michigan [Mr. FORD] will recall it has been the policy of the committee for a number of years to grant sums for investigation on a lump-sum basis. I think probably the inference may be intended, in the letter that was submitted, that because of the reduction of any amount in this overall lump sum, that any particular project or any group of projects are going to be in or out, as far as investigations are concerned.

The allocations submitted to the Committee on Appropriations are purely tentative allocations. They are not binding. The Corps has a great deal of leeway in deciding what the actual allocation will be during the course of the year. Therefore, to say that because this sum has been cut every one of the projects listed by the Corps of Engineers as being projects that they intend tentatively to allocate some money for is in grave danger because of the reduction, is not being quite fair to the people to whom the letter was addressed.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. SMITH of Mississippi. I think in fairness the Members should realize that the committee by its action on the funds here and the number of projects it had already earmarked, which you will find on page 12 of the report, brought about a shortage of some $700,000 in the funds available for these surveys tentatively allocated. With these earmarked surveys, it is obvious that somebody will suffer, and every one of them stands in danger of suffering.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. FORD] has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

CONSTRUCTION AND REHABILITATION

For construction and rehabilitation of authorized reclamation projects or parts thereof (including power transmission facilities) and for other related activities, as authorized by law, to remain available until expended, $113,821,000, of which $69,287,000 shall be derived from the reclamation fund: *Provided*, That sums made available for increasing spillway capacity at Alamogordo Dam, Carlsbad project, New Mexico, for the purpose of removing the existing flood hazard, be nonreimbursable and nonreturnable: *Provided further*, That no part of this appropriation shall be available for other than the completion of field engineering, survey work, and preliminary designs of the Southwest Contra Costa County Water District System and no repayment contract shall be executed or construction begun until plans have been submitted to and approved by the Congress through its legislative and appropriation procedures, after submission of a report to the Congress by the Secretary of the Interior (1) on the cost and feasibility of said project, including the necessary distribution system and (2) on the rates required to be charged to the ultimate consumers: *Provided further*, That no part of this appropriation shall be used to initiate the construction of transmission facilities within those areas covered by power wheeling service contracts which include provision for service to Federal establishments and preferred customers, except those transmission facilities for which construction funds have been heretofore appropriated, those facilities which are necessary to carry out the terms of such contracts or those facilities for which the Secretary of the Interior finds the wheeling agency is unable or unwilling to provide for the integration of Federal projects or for service to a Federal establishment or preferred customer: *Provided further*, That no part of this or prior appropriations shall be used for construction, nor for further commitments to construction of Moorhead Dam and Reservoir, Mont., or any feature thereof until a definite plan report thereon has been completed, reviewed, by the States of Wyoming and Montana, and approved by the Congress.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: On page 10, line 5, strike out "$113,821,000" and insert in lieu thereof "$146,041,000."

Mr. MILLER of Nebraska. Mr. Chairman, the amendment I have offered merely attempts to restore the requests made by the Budget Bureau and the Department of the Interior for funds for construction of irrigation projects already authorized and in process.

I want to say that the gentleman from South Carolina [Mr. RILEY], the subcommittee chairman, was very gracious to our committee, and to me when they listened to our reasons for the construction funds in this amendment. I want to point out in all seriousness that the funds in the bill for construction is some $32 million short of the budget request.

I know that the subcommittee handled this item and went over it carefully with the Department of the Interior officials. I am sure that the Interior Department and the Budget Bureau recommended the $146,041,000.

Here is what will happen if you leave the $113 million in: It takes out three of the projects we authorized last year. The 83d Congress authorized five new projects. They are started; money has been spent upon them. The bill and the report specifically takes out three of those projects, and it cuts out all new projects.

I submit, Mr. Chairman, that we who talked about and supported new projects for reclamation really want them. Some politicians insisted there would be no new projects under the Republican administration. Let us not start under the Democratic legislative cutting out all irrigation projects. I know you do not intend to do that.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. BROOKS of Louisiana. This is 1 of 4 amendments on which we agreed in a meeting we had yesterday in the caucus room. A great many Members were present at that time. This would simply bring the figures back to the Bureau of the Budget figures; is not that true?

Mr. MILLER of Nebraska. That is true.

Mr. BROOKS of Louisiana. It would cover the whole country.

Mr. MILLER of Nebraska. It would cover the 17 Western States and these Western States make up 60 percent of the area of the United States.

We are a great, growing dynamic country; we must not neglect the building up of reclamation projects.

Last year the Appropriations Committee for foreign aid allowed $80 million for reclamation projects in countries like Iran, Iraq, Lebanon, Costa Rica, Ethiopia, Pakistan, and others. We send more money abroad for reclamation projects than we spend in our own country. That to me is a ridiculous situation.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. BROOKS of Louisiana. I wish to congratulate the gentleman on his amendment. It will bring back to the President's budget request the amount of money allowed for construction and rehabilitation of these irrigation projects. The gentleman's amendment needs and should have widespread support on the floor of the House.

Mr. MILLER of Nebraska. I thank the gentleman. I am sure neither the House nor the subcommittee so ably chairmaned by the gentleman from South Carolina [Mr. RILEY] does not intend to cripple and destroy reclamations projects. Many have already been authorized by the Congress. They have been authorized; they are in process of being built. It is impossible to believe that the committee would intentionally take action which would seriously threaten the development of the entire West; so I ask you to give serious consideration to the question and support this amendment.

I presume it will be said you have already given it serious consideration, but my records show that the Budget Bureau was before the committee, the Interior Department was before the committee; and these funds I am requesting in this amendment were requested by the administration. I know the administration has given careful study to the need in the 17 Western States to continue reclamation projects. There should be new starts. I am sorry there are no new starts in this bill. Some were authorized by the Bureau of the Budget. The committee has eliminated the new starts. They have denied money for projects already under construction. Is that good business? My understanding tells me it is not good business to stop construction on feasible projects. I hope the committee will support my amendment so irrigation may go forward.

Mr. BROOKS of Louisiana. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I am president of the National Rivers and Harbors Congress. As such we are concerned with water utilization, particularly water resources throughout the entire United States.

Yesterday I think it was—perhaps the day before—we had a meeting of all Members of Congress who wished to be present in the caucus room of the Old House Office Building, and went over the matter of restoring funds to the extent of the budget estimates for reclamation and for flood control, and for river and harbor improvements.

This is a great internal program that we have in the United States. We agreed at that time that we would support this amendment and ask for support from everybody in the Congress for an amendment that would simply put back the funds taken from those recommended by the Bureau of the Budget.

We are not against the committee. The subcommittee did a grand job and they are all my friends; but we are for this program of improving our own country on the same basis that we with our money have been attempting to improve foreign countries.

Mr. Chairman, the pending amendment is a good one and I hope it will be adopted.

Mr. DAVIS of Wisconsin. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I have been here long enough to know that when the Appropriations Committee is the beneficiary of compliments and sugary phrases, look out for what is coming next. The committee has been complimented here about the fine job it did. Then we heard talk about a rump gathering that met in the caucus room of the House Office Building and decided to arrogate to themselves the authority to undo everything the committee did.

I am surprised that Members of this body have had quite the affrontery to stand up and tell their colleagues: "We got together yesterday morning and we agreed that we fellows from the Mississippi Valley would support putting back in all the cuts from the Northwest and from the Middle West, from Nebraska, and other areas of the country in return for rolling the log at the other end to support some of our projects."

I would not have the affrontery to brazenly stand up here and tell my colleagues that I was a party to that kind

of an agreement. I hope the committee will give that kind of a meeting exactly the kind of consideration that it deserves.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Michigan.

Mr. RABAUT. This is a perfect example of "you rub my back and I will scratch yours."

Mr. DAVIS of Wisconsin. Exactly.

Mr. EVINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the members of the committee should be entitled to know some of the things that the committee has deleted from the bill and which the gentleman from Nebraska [Mr. MILLER] possibly seeks to restore.

The committee deleted $2 million for the Boulder Canyon project, of which $1 million is unobligated, already available. All of these funds are for new power units which can be built when it is requested by the State of Nevada and the city of Los Angeles. This is an item of $2 million for a power unit.

Another item which would be included would be $631,000 for the Foster Creek reclamation unit, for which there has been no repayment contract executed up to this time.

Another item that might be put in the bill by the amendment offered by the gentleman from Nebraska [Mr. MILLER] would restore a fish facility on the Central Valley project, involving $4 million, which has been called the biggest Rube Goldberg in the bill.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The money asked to be placed back in the bill in increased amount would restore the Hart Butte and Hanover projects which were approved by the last Congress. It would include money for the Riverton and Shoshone projects which are not under construction. As I said, it would include the Hanover project and in North Dakota the Hart Butte project, and in Montana the Helena Valley project, which has been cut out, which was authorized by the Congress but taken out by the committee.

Mr. EVINS. It could also include the items which I have enumerated, although since the funds are not earmarked I do not think anyone can say just what projects will be included.

Mr. MILLER of Nebraska. I am saying it includes items that have already been authorized by the last Congress.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want the House to know a little something about this amendment before they vote on it. If you will look at page 9 of the report, you will see that the amounts allowed by the committee were $121,821,000, and there was deducted therefrom $8 million, because when the report was gotten up, that is the figure that the Bureau of Reclamation said was going to be left over on the 30th of June. In other words, we did not want to give them the money twice to do the same job. Now we find on checking up with them today that their estimate of what they are going to have left over is $12,197,572, or $4,197,000 more than they thought they were going to have when the report was written up. Now, are we going to give them the money twice for the same project in the same year and go at it blindly as is proposed by this amendment, or are we going to be halfway honest with the people of the United States who have to pay the taxes?

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes. And I wish the gentleman would tell us why they want the money twice. That is what the gentleman's amendment provides for.

Mr. MILLER of Nebraska. Oh, no.

Mr. TABER. Oh, yes. I am telling you just what it provides They told us in the hearings what they said they could use and, of course, we allowed them only what they said they could use.

Mr. MILLER of Nebraska. This amendment simply provides for the construction of projects already authorized by this Congress, which the gentleman had a part in a year ago, and we do not like to see them cut out entirely.

Mr. TABER. Well, they are not cut out entirely, only a few of them, and those are the ones that they thought should be cut out.

Mr. MILLER of Nebraska. Only a few?

Mr. TABER. You want every single project given double the money that they said they could use. If that is the way to proceed, all right; but if the Congress is going to have any judgment or if they are going to pay any attention to the folks who went over the thing carefully and did the best they could to give you an honest figure, you are going to vote against this amendment. If we are going to appropriate money on the basis of a promotion gathering, the country is gone.

Mr. MILLER of Nebraska. I was not at the meeting at all, I will say to the gentleman. I heard there was one, but I was not there. Now, will the gentleman admit that the Budget Bureau and the Department of the Interior who appeared before the committee asked for the amount I suggest in this amendment?

Mr. TABER. No; because they gave us a figure at that time that should be deducted on account of unused, unobligated balances.

Mr. MILLER of Nebraska. May I point out on page 8 of your own report that they did estimate that, and their own request is on page 8.

Mr. TABER. On page 9 you will see where they put down the amount of their estimate of unobligated balances, and I have got it by projects all the way through. I have it right here. If you want to give them $12 million extra, beyond what they ever asked for, all right, vote for this amendment, but if you want to be honest with the taxpayers, vote against it.

Mr. RILEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, there have been some rather harsh words spoken about people getting together talking over their problems. I have an idea that the New York delegation caucuses, and I think that is fine. I think the Wisconsin delegation caucuses, and I think that is fine. But if I want to talk over my problems, unless I want to talk to myself, I have got to get together with some of my friends that have similar problems, and I cannot see anything wrong with that.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Michigan.

Mr. RABAUT. I just want to congratulate the gentleman on the number of friends he has.

Mr. THOMSON of Wyoming. Mr. Chairman, I rise in support of the amendment to restore the appropriation for reclamation construction and rehabilitation to the amount requested by the Bureau of Budget.

In view of the committee action, this effort is certainly justified, and appears to me to be the only course of action that we can take under the circumstances. The reason that I am supporting the amendment to restore all funds to the Bureau of Budget requests is that in talking with my colleagues other projects recommended have received the same ill-considered treatment as have those in Wyoming.

I would like to use the short time available to me to point out the effect of the committee recommendations on the Wyoming projects.

In the first place, these projects were given very close scrutiny and were pared to the bone by the Bureau of Budget. No requests for new projects in Wyoming were approved or recommended by the Bureau of Budget. The money recommended by the Bureau of Budget was either for completion of projects already in progress or for rehabilitation purposes.

Let us look first at the Hanover-Bluff project in Wyoming. Construction on this project was commenced last year by reason of an appropriation made in the last session of Congress. This is a relatively small project. The total cost is $3,383,000. The project is 20 percent completed. The Government already has invested over $675,000 in the project. The committee report states that construction on this project is to be discontinued. The committee cites as a reason "that there is a total of only 7,395 acres in this project, and the ownership is limited to 4 or 5 individuals." This shows the total confusion instant to this bill. The fact is that the 7,395 acres will be divided into some 50 to 60 farm units, with each farm unit separately owned. The 160-acre limitation applies to this project. Even on the lands which are presently in private ownership, the

owners have agreed to the 160-acre limitation, and to disposal of excess lands. This is a good project in a proven area, and has been twice approved by this House. Once when it was authorized, and a second time when construction was started. It simply does not make sense, nor would it now be good business, for us to throw the project overboard after investing over a half-million dollars in the project. If it is finally completed, this money, together with the balance to be expended, will be returned to the Treasury.

The Bureau of Budget recommended $300,000 for the Riverton project. None of these funds recommended were to be used for the purpose of bringing new lands into the project. On this project we have a serious problem of drainage. The Government has a large investment in the project. The settlers on the project, mostly veterans, have made large individual investments. An alkali problem has developed in some areas of the project. Unless this problem is solved, the investment of the Government is jeopardized, and perhaps even more important, the homes and future of these settlers and veterans are placed in jeopardy. The committee states that "no action other than that necessary for the maintenance of adequate drainage for those lands already under irrigation shall be undertaken." The committee recognizes the need for the drainage, yet at the same time the committee has failed to provide the funds necessary to do this work. Any deferral of the activity will endanger lands now being irrigated by veteran settlers. The remainder of the funds requested by the Bureau of Budget are for compliance with Public Law 258 of the 83d Congress, providing for the exchange and amendment of farm units. Certainly the House does not approve the failure to provide these funds.

The Bureau of Budget recommended $300,000 for the Shoshone project. Again the committee, although recognizing the need for drainage in this area, completely eliminated the appropriation. A very small amount of the requested funds are for a continuing program of canal and lateral lining to prevent the loss of water. A small amount of the funds are to be applied under Public Law 258 just mentioned. The bulk of the funds are for the drainage investigations and extension to the drainage system which the committee recognizes as necessary, and yet fails to provide the funds. These funds, as in the case of the Riverton project, must be restored or the investment of the Government, and the investment of the veteran settlers, will be placed in jeopardy.

The Bureau of Budget recommended $750,000 for the Kendrick project. This was cut to $350,000 according to the committee report. The language of the report would result in a deferral of the power system construction scheduled for fiscal year 1956. This would curtail electricity for both the REA's and private users. Recently, Members on both sides of the aisle were praising the REA program in connection with the anniversary of the REA. This is an instance, as the old saying goes, in which " we should put our money where our mouth is." In addition, the going work program of canal rehabilitation and drainage construction will have to be reduced unless these funds are restored. Any reduction in this program will endanger the productivity of lands now under irrigation, both to the detriment of the Government and the individual on the project.

I would particularly like to call the attention of the House to the situation on the Glendo unit in my State. This unit will store water and generate power for use both in the State of Wyoming and in the State of Nebraska. Some of the power will also be available to other States in the area. A critical situation has existed in the North Platte irrigation area of Wyoming and Nebraska. A power shortage has developed. These will not be satisfied until the Glendo Dam is completed. It has been proposed to complete this dam by March of 1957 instead of March of 1958. A study of this proposal has been made. The study showed that this would result in administrative savings of $300,000, and additional net revenue of $467,100, or a total of $767,100 in cash savings. The direct benefits otherwise would be $530,300, or a total of $1,297,400. This would be in addition to many indirect benefits. The committee recognized this as a good business proposition. A transfer of $800,000 for the current fiscal year has been approved to initiate the accelerated construction. To continue this through the next fiscal year, the Department, with the approval of the Bureau of Budget, recommended a reprograming of $2,120,000 from the Marias Unit in Montana, which will not be required in that unit, to the Glendo unit. The committee has failed to include this in the bill before us, and have appropriated only $6 million. If this amendment is approved, the Department recommendation as approved by the Bureau of Budget, for the reprograming will be effective, making possible the earlier completion of this project and the consequent savings I have just mentioned.

On the Boysen unit, the Government is committed to the C. B. & Q. Railroad Co., under contract, to perform all maintenance for a period of 5 years after Boysen Reservoir is filled. The committee has failed to provide the funds for this obligation, and unless the reduction is restored, it will be necessary to transfer funds from some other project to fulfill the contractual obligation. In light of the situation I have already shown on other projects, there is certainly no money available for transfer.

The Eden project was cut $170,000. The Bureau of the Budget had already cut $220,000 off the amount recommended by the Department. This is an excellent project. Unless these funds are restored to the budget estimate by this amendment, an orderly construction program which contemplates completion of the project in fiscal year 1958, will be disrupted. The result would be a delay in completion of the project for 1 year, assuming further appropriations were made on schedule. This slowdown would only delay placing the project on a paying basis.

In connection with this, Members of the House should not overlook the fact that the oil royalties from the State of Wyoming, and the other 11 Western States are being put into the reclamation fund. Based on current figures, the royalties from Wyoming accruing to the fund amount to more than $11,300,000 per year. The committee bill does not even appropriate back to us enough money to offset the Wyoming oil royalties going into the fund. The amount asked from the Federal Treasury even with this amendment is $77 million instead of $146 million because of this contribution from oil royalties of the Western States.

I have described briefly and generally the poorly advised action taken by the committee as concerns projects in Wyoming. My colleagues from other States advise me that a similar situation prevails with regard to projects in other States. I see no solution to the problem other than to adopt the proposed amendment. The Bureau of the Budget has given very close scrutiny to these projects and has recommended the very minimum. To follow the committee actions would be to place the entire reclamation program in jeopardy. Judging from the statements made during the campaign by candidates from both sides of the aisle, I am satisfied that the Members of this House do not want to be put on record as being antireclamation.

I urge the adoption of the proposed amendment to prevent perpetration of a great wrong.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BALDWIN. Mr. Chairman, I rise in support of this amendment to restore the funds for construction of authorized reclamation projects to the sum recommended in the President's budget. To obtain the best utilization of funds in the construction of these projects, it is most essential that they be constructed upon an efficient time schedule.

Most of the recommendations made by the Bureau of Reclamation as to the amount of funds which should be appropriated for projects now under construction were already reduced by the Bureau of the Budget before the President submitted the budget to the Congress. To make another severe cut here in the Congress would be to jeopardize the orderly and efficient construction of many of these projects.

In my district in California the Solano project, more commonly known as Monticello Dam, is now under construction. The budget submitted by the President included $13 million for this purpose. The House Appropriations Committee has reduced this sum to $12 million. This is a dangerous reduction, inasmuch as it may cause a year's additional delay in making the water from this dam available to potential users throughout Solano County. In order to have this water

available at the earliest possible date, it is most essential that during the coming fiscal year construction be begun on a diversion dam a short distance below the main dam, and on the main canal which will carry this water through the county for use by the cities and farmers who are waiting anxiously for this water to become available.

The reduction of $1 million made by the Appropriations Committee would jeopardize this orderly construction and would make it impossible to move as rapidly as necessary to construct the diversion dam and the main canal. This reduction could actually increase the overall total costs of the construction of this project, as it could well mean that it would be an additional year before the main canal could be completed, which would cause many supervisory personnel of the Reclamation Bureau to remain in that area for an additional year, at a resultant increased cost to the Government and eventually to the water users.

Under these circumstances, I strongly believe it is in the best interests of the Government and of the water users of Solano County, Calif., that the full sum of $13 million be appropriated for the Solano project at this time. I, therefore, support this amendment and urge its adoption by the House of Representatives.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RILEY].

Mr. RILEY. Mr. Chairman, I ask that this Committee look at these questions objectively. Unless we give some consideration to the rest of the Nation, the Treasury is not going to be big enough or strong enough to pay the bills that are being thrown at us today. Let us get down to the core of hard facts as developed by the testimony in the hearings and base our decision on the facts as they were developed by your committee over days and days and sometimes nights.

Let us see what the effect of this amendment will be. The gentleman did not say in detail what the effect of his amendment would be. For instance, you would have a total of $2,825,000 which would he restored to the lower Marias project. The reduction of this amount was suggested by the Bureau in a letter. The Bureau itself suggested it. That letter appears in the RECORD, and it was because the water users said that they did not want to contract for the repayment of the project, they did not want irrigation. Are you going to force it on them? Are you going to try to drown them?

Another item will restore $631,000 for the Foster Creek unit of the Chief Joseph Dam project on which not only has there been no repayment contract executed, but not even an irrigation district has been formed. Are you going to give them money whether they sign a contract or not? That would be against the policy of the Bureau of Reclamation and against the policy of this Congress. Not only that, but the program and the estimates for 1956 presented to the committee were described by the Bureau of Reclamation as tentative and subject to revision.

The gentleman from Tennessee has told you about $200,000 for the Boulder Canyon project when they have $1 million that is unspent and unobligated. These funds are for a new power unit which can be built only when it is requested by the State of Nevada and the city of Los Angeles, neither of whom have requested the Department or the Congress to build the unit. Are you going to build it anyhow?

You will restore $1,400,000 for the middle Rio Grande project, which local interests have testified that they are ready, willing, and have no objection to supplying, and which they will have to put into the reclamation fund anyway.

The Heart Butte and Hanover Bluff units would proceed on the assumption that the Missouri River Basin power revenues will carry the bulk of the repayment costs assigned to the irrigation investment. There is now being made a study of this Missouri River Valley situation. We are in doubt as to whether there will be enough revenue to carry all these projects that are being proposed unless you price the electricity out of the market. Do you want a reasonable price for electricity or do you want to load down these irrigation and reclamation projects with the income from the Missouri Valley project?

I could go on with other projects. There is $12 million of unobligated funds.

I hope you vote this amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. MILLER].

The question was taken; and on a division (demanded by Mr. RABAUT) there were—ayes 108, noes 56.

Mr. RABAUT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. MILLER of Nebraska and Mr. RILEY.

The Committee again divided; and the tellers reported that there were—ayes 103, noes 79.

So the amendment was agreed to.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska: On page 11, line 8, after the colon, insert: "*Provided further*, That $9,300,000 be appropriated to complete a 230-kilovolt transmission line from the Fort Randall Dam in South Dakota to Grand Island, Nebr."

Mr. MILLER of Nebraska. Mr. Chairman, the amendment that I have offered calls for $9,300,000 to be used for the construction of a 230 kilovolt transmission line from Fort Randall Dam in South Dakota to Grand Island, Nebr.

The Budget Bureau had requested funds to build a line from Fort Randall to Neligh, Nebr. This line was a 115 kilovolt line. This request has been taken out of the appropriations bill.

The members of the Nebraska delegation plus a number of individuals from Nebraska appeared before the Subcommittee on Appropriations asking that the line, if constructed, be a 230 kilovolt transmission line. We asked that the line be constructed to Grand Island.

Since the presentation of the evidence to the committee, it has developed that all of the public power agencies in Nebraska have asked that this line be constructed and that they are willing to accept Grand Island, Nebr., as a point of delivery of some 100,000 kilowatts that will come from the Oahe Dam in South Dakota. There are 27 REA groups in this part of Nebraska.

Grand Island, Nebr., is the center for pump irrigation. There are now about 12,000 irrigating pumps in Nebraska. Nebraska will need this additional power in order to develop and promote pump irrigation.

Information presented to the committee indicates the line is feasible, that it will pay back with interest all the money that it borrows for this line. In fact, figures by the Bureau of Reclamation indicate that by 1961 there will be a profit of more than $1 million from this 230 kilovolt line.

The report of the committee on page 11 had this to say:

> The committee has specifically deleted $940,000 programed for the proposed 115 kilovolt transmission line from Fort Randall Dam to Neligh, Nebr. The testimony received indicates that there is a question as to the need for an additional line at a future date to meet all of the power requirements of the Nebraska public service system. In view of this fact the committee believes that consideration should be given to the construction of a heavier line at this time instead of entering into the more expensive proposition of one 115 kilovolt line now and another later.

This indicates that the committee feels that a 230 kilovolt line will be necessary to meet the needs of Nebraska.

Nebraska is completely a public-power State. The 15 rural public power districts in this area are willing to contract for pump irrigation requirements a minimum of 83,000 kilowatts by the year 1962.

The Bureau of Reclamation has invested approximately $50 million in high voltage transmission lines and substations in North and South Dakota. The Bureau is currently constructing a 230 kilovolt transmission line from the Oahe site in South Dakota to Granite Falls, Minn., at a cost of $17 million. A 230 kilovolt line is being constructed from the Fort Randall Dam to a point near Sioux City, Iowa, at a cost of about $13 million. Nebraska has received about $1 million for the construction of a line from Fort Randall to Belden, Nebr. This is a 115 kilovolt line.

The heavier transmission line should be constructed to Grand Island, Nebr., in order to meet our basic power loads. The power can be distributed to help conserve and develop our great natural resource, abundant ground water.

It occurs to me that this amendment is reasonable. The money will be paid back to the United States. I urge its adoption.

Mr. WEAVER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. WEAVER. I want to add my endorsement for the approval of this project as offered in the amendment by my distinguished colleague from Nebraska [Mr. MILLER]. This project has been enthusiastically endorsed by Nebraska civic groups, REA associations, and power districts as well as our State legislature. Approval of this project

and the building of this transmission line will provide more electricity and better rates for our expanding pump irrigation program and for rural electrification in Nebraska. It will help our industrial as well as our agricultural pursuits, and, of course, agricuture is our basic industry as it is in many States. A vote for this proposal is a vote for the farmer who needs this electricity at reasonable rates to pump water for irrigation purposes, and it is a vote for the present and potential needs of industrial and defense plants and agriculture in Nebraska.

Therefore, I urge the members of this body to approve this appropriation of these funds for the construction and completion of the 230 kilovolt line from Fort Randall to Grand Island, Nebr.

Mr. MILLER of Nebraska. I remind the Committee that the committee considering it said this:

> We realize that a heavier line at this time should be considered before entering into a more expensive proposition of one 115 kilovolt line and another later on.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I suppose all my colleagues across the aisle are going to vote for this amendment because they want to sustain this public power state.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I will yield in just a minute.

I am very much surprised at the attitude of the gentleman from Nebraska. While everybody on this floor realizes he is a fine legislator and wonderful doctor, I did not know he was an engineer. Now he comes along and gives us engineering views as against the views of the engineers of the Bureau of Reclamation.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. In just a moment. The Bureau of Reclamation was asked about it. But the gentleman comes in here and advocates a 230-kilovolt line. I remember years ago when we had under consideration the repair of the roof of the House Chamber and so many Members came to tell us what should be done. I never realized how many engineers we had in the Congress of the United States.

I now yield to the gentleman from New York [Mr. TABER].

Mr. TABER. The gentleman wanted to know if we on this side of the aisle were going to vote for this. I hope we will not; I shall not.

Mr. RABAUT. I am glad to hear the gentleman say that.

Mr. TABER. I shall not vote for it because I do not believe it is generally a good thing to go into a project without having all its factors properly balanced and supported by testimony from the Corps of Engineers that it is feasible.

Mr. RABAUT. Now I yield to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. I appreciate the compliments of the gentleman. I am not an engineer and probably, I know more about medicine than I do legislative work, but I am merely pointing out that they have already spent some $17 million to build a line over to Granite Falls, Mont., and $13 million to build a line down to Sioux City.

Nebraska has had only about a million dollars to construct lines. I am merely taking the committee's report which said that in view of these facts the committee believes consideration should be given the construction of a heavier line at this time instead of entering into a more expensive proposition.

Mr. RABAUT. I know a good deal about that. Nebraska already has her lines. Let us get this power distributed around a bit.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. JENSEN. Can the gentleman tell us how much Federal tax the State of Nebraska pays on power revenues?

Mr. RABAUT. I thought all those studies were made on the other side.

Mr. JENSEN. I can tell the gentleman; they pay not one dime, not one dime in taxes.

Mr. MILLER of Nebraska. If the gentleman will yield, I must contest that, because they do pay money in lieu of taxes.

Mr. RABAUT. That is what they do in the Tennessee Valley, they pay in lieu of taxes.

Mr. JENSEN. Not into the Federal Treasury. They are a public power State, and they are saving millions of dollars by not paying taxes on power revenues.

Mr. RABAUT. I want to thank the gentleman for his contribution.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The amendment was rejected.

The Clerk read as follows:

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and of other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, $23,500,000, of which $19,912,000 shall be derived from the reclamation fund and $1,697,000 shall be derived from the Colorado River Dam fund, including (notwithstanding the provisions of the First Deficiency Appropriation Act, 1944, relating thereto) operation and maintenance of Palo Verde Weir: *Provided,* That funds advanced for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same objects and in the same manner as sums appropriated herein may be expended, and the unexpended balances of such advances shall be credited to the appropriation for the next succeeding fiscal year.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise only to make clear a position on an amendment that I had intended to offer, which would prohibit the $6,500,000 left in the appropriation bill from being used for the construction of a powerline across the Mississippi River in order to serve the Dixon-Yates combine.

I am informed by Members of long experience here in the House and with more experience than I have on this subject that the committee report specifically takes care of that; therefore, I did not offer my amendment. On page 3 where it says that this bill specifically deletes the amount of money which was recommended for the purpose of building this powerline across the Mississippi River. Therefore, I want the position of this body made absolutely clear that no funds in this bill are to be used to build a powerline for any private power company in America, specifically, Dixon-Yates. Certainly this Congress would not have the lack of wisdom to establish a precedent by appropriating this $6,500,000 for the construction of a powerline for the personal pleasure of a private power company.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BASS of Tennessee. I yield to the gentleman from New York.

Mr. TABER. Legislative intent is governed by debate on the floor and the decisions made upon the floor.

Mr. BASS of Tennessee. If the distinguished gentleman would answer a question for me? I always thought that a committee report was the advice as to intent.

Mr. TABER. That is unless——

Mr. BASS of Tennessee. There is no "unless" in this; the position of the committee was made crystal clear that it intended to delete money to be used for the Dixon-Yates line.

Mr. TABER. Oh, yes, there is.

Mr. MASON. The action taken on the floor repudiated the committee.

Mr. BASS of Tennessee. The amendment struck out only the provision for the steam plant. It did not strike out the amount. It only struck out the proviso clause in this bill, but the report makes the position of the committee clear.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BASS of Tennessee. I yield to the gentleman from Indiana.

Mr. HALLECK. In order to make such meager contributions as I can to legislative history, the fact of the matter is that the original figure as fixed in the bill contemplates the use of the $6½ million.

Mr. BASS of Tennessee. Not in the bill under debate, except for building a steam plant at Fulton, Tenn.

Mr. HALLECK. In the bill as submitted by the Bureau of the Budget. The committee action took away the $6½ million from the transmission line and put it in for the beginning of the steam-plant construction. When the steam-plant construction was taken out of the bill, then it is clearly evident as a matter of legislative intent that the money left in the bill is to be devoted to the purpose originally contemplated when the bill was presented—the construction of the transmission line.

Mr. BASS of Tennessee. The bill had absolutely no authority in it mentioning

the building of a transmission line. This bill brought on the floor today is the only bill that action has been taken on. No action has been taken on the floor on the recommendation of the Bureau of the Budget. Certainly the action on this floor would determine the intent of the bill.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment which the gentleman did not offer.

Mr. Chairman, I yield back the balance of my time.

The Clerk read as follows:

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, and when authorized by law, preliminary examinations, surveys and studies (including cooperative beach erosion studies as authorized in Public Law No. 520, 71st Congress, approved July 3, 1930, as amended and supplemented), of projects prior to authorization for construction, to remain available until expended, $4,310,000, of which $1,000,000 shall be available for the study authorized by Public Law —, 84th Congress.

Mr. FOGARTY. Mr. Chairman, many of my colleagues have asked me for an explanation of just what the Fogarty amendment for hurricane protection does. Actually, it allocates $1 million to the Army engineers for a survey of our eastern coastal area to determine exactly what can be done to prevent future hurricane damage.

As you know, authorization for such a survey was secured on June 2 when the House graciously permitted me to introduce a bill under unanimous consent. This House then passed the bill, which had previously been approved by the Senate, and I am advised that it was signed by the President yesterday.

During the debate on the authorization bill, I pointed out to the Members the severe damage in both life and property which had resulted from the recurrent hurricanes in last year alone. Many of you were surprised to learn that the 1954 hurricanes together caused about $1 billion of property damage—yes, $1 billion of property damage—and in addition, the loss of about 850 lives. As a Nation we cannot afford to permit the loss, every few years, of a billion dollars in wealth—not to mention human life—when for a fraction of that amount the greater part of the loss could be prevented. For this is a national problem. All areas of our country will benefit from the knowledge gained through the Army engineers survey provided for in my amendment. The broad-scale planning needed for meeting this problem is definitely a Federal one and one which is in the interest of all the country. Delay cannot be countenanced.

The $1 million appropriation now before us, referred to as the Fogarty amendment, would permit the engineers to start their work immediately after July 1 of this year. The sooner such action is taken the sooner will we have some hope of counteracting and remedying the catastrophic situation with which our coastal States have regularly been faced in recent years.

From discussion with officials of the Army engineers I am advised that the survey which they would undertake—should my amendment be accepted—would closely approach the following pattern.

PROCEDURE FOR CONDUCT OF THE NEW ENGLAND HURRICANE SURVEY

The following paragraphs give in detail the proposed procedures for the actual work on the hurricane survey.

Two basic methods of proceeding with the survey are proposed:

(a) Complete the entire survey as one operation. This would meet local desires for fast action. However, it is believed desirable not to rush the study because of the many difficult problems involved.

(b) Complete the study by coastal area units set up in order of priority, and submit reports for these areas as work is completed. This would permit giving first attention to the most urgent cases.

COASTAL AREAS

(a) The New England coast would be divided generally according to the following areas:

Zone:	*Priority*
Narragansett Bay vicinity, Providence, R. I.	1, 2
Narragansett Bay below Providence, R. I.	1, 2
Connecticut River to Pawcatuck River, Conn.	3
Pawcatuck River to Narragansett Pier, R. I.	4
South Dartmouth to West Island, Mass.	5
New York line to Housatonic River, Conn.	6
Shores Buzzards Bay, West Island, to Woods Hole, Mass.	7
Cape Cod area, Woods Hole to Sagamore, Mass.	8
Housatonic River to Connecticut River, Conn.	9
Coastal area, Newport, R. I., to South Dartmouth, Mass.	10
Cape Cod Canal to Massachusetts-New Hampshire State line	11
Massachusetts-New Hampshire State line to Portland, Maine	12
East of Portland, Maine, to St. Croix River	13

(b) Zone priorities 1 and 2, Narragansett Bay area, vicinity of and below Providence, R. I.: The entire Narragansett Bay area should be studied as a unit as the problem of protecting one section of the area affects other areas within the bay. This section, with an estimated report cost of $800,000, includes the area which suffered major damages from tidal flooding in 1938 and 1954. Several plans will be investigated for protecting all or portions of this area. Foundation investigations are expected to be costly as protective barriers will be considered in areas of deep water where drilling is expensive. A model study of Narragansett Bay will be necessary.

The entire study of the bay area will be complex and difficult due to the intense navigational and recreational use of shores and waters. The study will require 30 months for completion.

(c) Zones priorities 3–13: All of these sections of the New England coast will entail similar investigative procedure. Damage surveys, and topographical and hydrographic surveys will be necessary to provide basic data for consideration of protective structures. The task of collecting basic information will be lengthy and costly due to the length of coastline involved. Some worthwhile projects may probably be found to be justified in each section considered. Model studies will probably be limited to the New Bedford area. In addition, meteorologic studies will be made for the entire area and separate allotments will not be required for each section of the coastal area.

INITIAL STEPS

The following initial steps would be taken:

(a) Conference will be held with the Weather Bureau and other Federal agencies to explain the requirements and to coordinate the work to be accomplished by them.

(b) Additional engineers would be required and obtained for field survey work and office studies and investigations.

(c) Assembly of all pertinent data, including newspaper accounts and reports by others.

(d) Meetings will be held with State and local officials to arrange a basis for their assistance on the study.

(e) Hold public hearings in each of the States. Possibly 15 or more hearings would be required. Locations of hearings would be selected in manner to afford each of the 250 or more waterfront communities in New England an equal and convenient opportunity to present their problems.

TIDAL DAMAGE SURVEYS

The work accomplished for the NENYIAC forms the background for the more detailed investigations which will be necessary. The NENYIAC survey determined the damage areas where future work will be concentrated. In view of the magnitude of the work it will be necessary to organize and train a group of engineers. Eight or more damage survey teams will be employed in the field to determine the magnitude of experienced damages during past hurricanes and to estimate the damage that would be inflicted by future storms of varying intensities. Office engineers will summarize the information, tabulate tidal damages by zone and type and prepare State-damage curves for each zone. It is anticipated that about 70 man-months will be required for the collection and compilation of basic damage data for all areas.

FIELD SURVEYS

Survey parties will be utilized to make topographic and hydrographic surveys, augmenting aerial surveys. A considerable mileage of aerial surveys will be flown in order to minimize the more costly ground surveys. These parties will work in cooperation with the damage parties to establish the normal shore line, delineate the extent of flooding, and fix the location of structures. Detailed site surveys will also be made at locations where further investigations appear warranted. It would be desirable to contract some of this survey work. It is anticipated that the project would

necessitate the preparation of approximately 600 drawings in order to show the extent of flooding in all the coastal communities in the area. This work would require at least 1 year tc complete.

MODEL STUDIES

Model studies will be required of Narragansett Bay and New Bedford Harbor. These studies may be accomplished at the Vicksburg Waterways Experiment Station or at local hydraulic laboratories. Tide and wind conditions will be simulated to determine the effect of structures in various locations under all types of conditions. Particular emphasis will be given to the effects of structures on navigation, pollution, and other uses, under normal and storm conditions. It is anticipated that preparation of the models, the conduct of tests, and interpretation of results will consume 12 to 18 months. It is not proposed to require models which exactly reproduce all the topographical and hydrographical features of the study area. It is believed that conditions can be simulated with less exact models from which valuable information can be derived.

FOUNDATION INVESTIGATIONS

Drilling and sampling to determine foundation characteristics and the most feasible locations for structures will be concentrated in those areas indicated to be economically practicable of protection. It is anticipated that the major part of this work will be undertaken in the Narragansett Bay and New Bedford areas. Deep water drilling will be required in Narragansett Bay. Drilling will be required to a lesser extent in all zones, necessitating frequent moving of men and equipment. Actual field work will be accomplished insofar as possible by contract. Interpretation of results and testing of soil and rock samples will be accomplished in the New England Division Soils Laboratory.

DESIGN OF STRUCTURES

In view of the magnitude of the investigation, design will be handled by several project engineers. Each engineer will be responsible for varying sections of the coast dependent on the anticipated workload. He will coordinate all work in a particular area and will supervise the actual design work to be accomplished by a design unit composed of experienced engineers. All design work will be done in accordance with standard design criteria, consistent with requirements for report purposes. The location of structures will be based on the most economical sites consistent with suitability and protective possibilities. Various types of structures will be investigated to determine the type best suited for site conditions as determined by topographic surveys and subsurface investigations. Tidal barriers, dikes, walls, bulkheads, breakwaters, replacements of sand to raise beaches, are included in the types of work which will be considered. Pumping stations for the removal of interior drainage will be considered at some locations. Various sizes of navigation locks will be investigated, depending on the class and volume of navigation using a waterway under consideration.

EFFECTS OF PROPOSED STRUCTURES ON OTHER USES

Where major structures are proposed on navigable waters such as in Narragansett Bay and New Bedford Harbor, studies will be required to determine the effects of these structures on navigation, pollution, recreation, and existing fisheries. Some of this work will be accomplished by other Federal agencies with allotted funds. Where adverse effects on other uses will result from the construction of protective work, studies will be made to determine what project modifications could be made to lessen these adverse effects. Navigation studies are expected to be of major importance in the Narragansett Bay area with its concentration of heavy shipping and important recreational usage.

SPECIAL STUDIES

This item includes studies for protection of shipping, investigation of prospective locations for the supply of construction materials, zoning studies, and provisions for payment for the services of consulting engineers.

(a) Shipping, including recreational boating is an important activity along the New England coast. Great damage to vessels occurred in the hurricanes of 1938 and 1954. Investigations would be undertaken to determine the feasibility of providing measures to protect this type of property.

(b) Conventional types of protective work require large quantities of stone, sand, and gravel. Considerable investigation will be required to locate suitable sources of material within economical hauling distance of proposed projects.

(c) The possibility of zoning certain portions of the coastal area to prevent future damage will be fully investigated in cooperation with State and local officials.

(d) The services of consulting engineers will be needed to assist in the solution of specialized engineering problems and to advise project engineers in the design of projects.

SHORE EROSION

Past hurricanes have caused extensive erosion to the foreshore above high water line. The erosion has endangered houses, highways, and protective structures. Studies will be made of methods of alleviating the damage. Considerable field work will be accomplished to determine beach profiles, the characteristics of the beaches, and other items. Comparisons will be made of the effects of the 1936 and 1954 hurricanes on problem areas. The entire study will be coordinated with the Beach Erosion Board.

Mr. LANHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANHAM: On page 19, line 19, strike out the figure "$4,310,000" and insert in lieu thereof "$4,490,000" and change the period to a comma at the end of the paragraph and insert the following: *"Provided,* That of said total sum appropriated $180,000 shall be used for a comprehensive investigation of the entire Alabama-Coosa River and a report of said survey."

Mr. LANHAM. Mr. Chairman, I hope I have as many friends as the gentleman from Wyoming [Mr. THOMSON] as indicated by the last vote. My mother's family name was Thomson, and if the gentleman will permit me, I am going to claim I am kin to him, not merely his friend.

Seriously, I am presenting this amendment on behalf of myself and my constituents and the whole Alabama delegation who are if possible more deeply interested in it than even I myself. I am asking for $180,000 to be used to complete a survey that has already been authorized and upon which many thousands of dollars have already been spent. It is an investigation of the feasibility of the construction of power dams and of navigation and flood control on the Coosa-Alabama system.

In 1945 this entire project was authorized and some money was appropriated for this investigation, which has never been completed.

Last year the members of the Alabama delegation and I did an unusual thing. The Alabama Power Co. proposed to build on this river five power dams. We decided that this was one of those projects where it was best for private enterprise to build the dams because of the fact that already the Alabama Power Co. had constructed three power dams on this river system. The gentleman from Michigan [Mr. DONDERO] can tell you what he thought of this project. He expressed his complete approval of it when it was favorably reported by his committee, Public Works. I am sure that it falls right in line with the President's whole program; that is, of a partnership between Government and private enterprise and the localities affected. I think there are large river systems where it is wiser for the Government to make the development; those that are so huge that there are not enough private funds available or where the Government can do a better job. But in this case, the Alabama Power Co. had the capital ready to invest and to start construction of these dams. We approved, and secured the passage of a bill making it possible for the power company to proceed.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. JONES of Alabama. The purpose of the gentleman's amendment is to see that the navigation studies are carried out concurrently with the studies made by the Alabama Power Co. for the development of the flood-control features and the generation of hydroelectric power.

Mr. LANHAM. The gentleman has stated it better than I could.

Mr. JONES of Alabama. And if they proceed concurrently, it will mean ultimately a lower cost of construction by the Federal Government.

Mr. LANHAM. The gentleman is entirely correct. It will cost much less to build these locks as the construction of the power dams proceeds.

Mr. Chairman, we are not asking you to authorize money to construct these locks and to take care of the flood control. As a matter of fact, the Army en-

gineers have insisted that the Alabama Power Co. take care of much of the flood control as well as the construction of the power dams.

Mr. Chairman, we are not asking you to give us money to do any construction, but we do want to have this survey completed so that we can convince this great Committee on Appropriations and the Members of the House that this construction on the locks and certain necessary dredging should proceed along with the construction of the power dams.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. JONES of Alabama. The original survey was approved, and the authorized project was approved for navigational features in 1945?

Mr. LANHAM. That is correct.

Mr. Chairman, the President has referred in his state of the Union message to this project and has said it meets his ideas of how river developments should be made. I hope you are going to grant us this money. Time is important and if we are to have the construction of the navigation locks proceed as the power dams are built, we must have the survey completed as quickly as possible. The Alabama Power Co. expects to begin construction before the end of the year.

Mr. BOGGS. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. Boggs as a substitute for the amendment offered by Mr. LANHAM: On page 19, line 19, strike out "$4,310,000" and insert in lieu thereof "$5,190,000"; change the period to a comma at the end of the paragraph and insert the following: "*Provided*, That of said total sum $180,000 shall be used for a comprehensive investigation of the entire Alabama-Coosa River and a report of said survey."

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from Georgia.

Mr. LANHAM. Does the gentleman's substitute include the amendment I offered?

Mr. BOGGS. It does, in the exact sum of $180,000.

Mr. LANHAM. I will be glad to accept the substitute.

Mr. BOGGS. This amendment covers the general subject of surveys, investigation, and planning by the Corps of Engineers. It actually affects every potential project in the entire United States. The necessity for it is quite obvious, and I hope I shall not have to take 5 minutes to convince you of it.

Under the figure adopted by the committee, the amount was increased by $405,000 for planning and investigation, but at the same time the committee specified and designated certain projects. Possibly I should read those to you. It will take only a minute. For instance, there is $1 million, which is the biggest part of it, on the hurricane project authorized by the 84th Congress. In addition, there is the Columbia River, $220,000; Pigeon Creek, Ind., $10,000; Lorain, Ohio, $20,000; Kentucky River, $20,000; Maumee River, Ind. and Ohio, $30,000; and so forth. The total is $1,355,000, which means that the committee failed by the sum of $700,000 to include sufficient funds to cover the items which it specifically designated for survey and investigation purposes.

We have checked with the proper authorities and it is estimated that this can be done with an additional $700,000. The $180,000 in the Lanham amendment bring the total increase to $880,000. That is still less than the total increase of $1,355,000 in obligations as authorized in the committee bill. I believe all of you understand the processes which must be complied with before a project can actually become a reality. Planning is step No. 1. Planning affects every area of the United States. I believe that these funds are completely necessary and that the expenditure is completely justified. If this amendment is not voted, then it means that many of these small survey projects of $10,000, $20,000, $30,000, and $40,000 must inevitably be eliminated. I trust the committee will accept the amendment.

Mr. SELDEN. Mr. Chairman, the substitute amendment offered by the gentleman from Louisiana [Mr. Boggs] will include in the 1956 public-works appropriation bill, among other items, the sum of $180,000 for a shipping survey on the Alabama-Coosa River system.

The Coosa River, which forms the greater part of the eastern boundary of the district I have the privilege to represent, is one of the greatest undeveloped rivers in this country. For more than a century efforts have been made to develop this waterway. As early as 1872 the Federal Government instituted the first improvement program on the Coosa. The plans called for development of navigation on this river from Rome, Ga., to Gadsden, Ala., by the building of 31 low-lift locks and dams. However, only locks 1, 2, 3, and 4 were built on the upper end of the rapids below Rome. In 1890 the Government abandoned its program due to lack of funds.

Later the Alabama Power Co. obtained permission from the Federal Government to build three dams on the Coosa River. The first of these, Lay Dam, was authorized in 1907 and completed in 1914. Mitchell Dam was completed in 1923 and Jordan Dam was ready for use in 1926. These dams, the only ones on the Coosa River at the present time, have been operated as a source of electric power by the Alabama Power Co. since their construction.

In the Rivers and Harbors Act of 1945, Congress vested authority for the further development of the Coosa exclusively in the United States Corps of Engineers. As a result, the Federal Power Commission was deprived of the authority to issue the necessary permit and license for the construction of additional dams on the Coosa Waterway.

Although the members of the Alabama delegation, as well as our distinguished colleague, the gentleman from Georgia [Mr. LANHAM], made every effort to secure an appropriation so that the Corps of Engineers might begin construction on locks and dams for the Coosa, it was impossible to do so. This was due primarily, I believe, to the tremendous cost involved.

In 1953 the Alabama Power Co. announced publicly that they were willing to construct 5 additional dams on the Coosa River to be financed by private capital at a cost of approximately $100 million. Realizing the improbability of obtaining Federal funds for the overall development of the Coosa, the majority of our delegation from Alabama and the gentleman from Georgia [Mr. LANHAM] introduced identical legislation that has cleared the way for this tremendous construction program on the Coosa River. This legislation granted to the Federal Power Commission the authority to issue the Alabama Power Co. the necessary permit and license to construct these five additional hydroelectric dams.

Since the passage of this legislation the Alabama Power Co. has moved rapidly forward with its surveys and plans, and I have reason to believe that construction of one or more of the Coosa River dams will begin within the next 12 months.

Now that private capital is to be used to pay for the construction of the remaining dams needed on the Coosa River, we hope it will be economically feasible for the Federal Government to add the necessary navigational facilities. The legislation giving the Alabama Power Co. permission to build dams stipulates that the company shall also take the necessary steps to make provision for the addition of navigation facilities at each of the dams. Under the terms of the measure, it is obviously anticipated that the Federal Government and the Alabama Power Co. will share in the full development of the Coosa.

As you know, President Eisenhower has stated publicly his belief in treating resource development as a partnership undertaking, and he has used the Coosa River project as an example of such a partnership project. In his state of the Union message on January 6 of this year he described a partnership undertaking as, and I quote:

A partnership in which the participation of private citizens and State and local governments is as necessary as is Federal participation.

The President further stated:

This policy has encouraged local public bodies and private citizens to plan their own power sources. Increasing numbers of applications to the Federal Power Commission to conduct surveys and prepare plans for power development are evidence of local response. The Federal Government and local and private organizations have been encouraged to coordinate their developments. This is important because Federal hydroelectric developments supply but a very small fraction of the Nation's power needs. Such partnership projects as Priest Rapids in Washington, the Coosa River development in Alabama, and the Markham Ferry in Oklahoma already have the approval of this Congress.

I realize, of course, that there can be no Federal appropriation this year for constructing the locks at the 3 existing dams and at the 5 dams which are to be built by the Alabama Power Co. on the Coosa. However, believing it will

be much more economical to build the locks at the same time the new dams are under construction, I urge the House to approve the necessary funds for a shipping survey of the Coosa River. If the survey shows that the addition of navigational facilities is economically feasible, then the Corps of Engineers will be in a position to make their recommendations in time for 1957 budget consideration.

Mr. ROBERTS. Mr. Chairman, I would like to urge the Members of the House to approve the substitute amendment now before this body, to provide $180,000 so that the Corps of Engineers may make a navigation traffic survey of the Alabama-Coosa Rivers.

In my opinion it is only good business sense for the House to appropriate this sum of $180,000 to make such a survey, and I would like to explain why.

In the Flood Control Act of 1945 Congress authorized the construction of 3 dams, 2 for power and 1 for flood control, to be built between Montgomery and Mobile. The funds authorized for these three dams totals nearly one-half billion dollars. There has been no survey made in recent years to determine whether or not locks should be built in the dams in order to make the river navigable.

Certainly before the Government goes ahead with any of its proposed dams costing the taxpayers half-a-billion dollars, it is only sensible to make an adequate survey of the navigation needs of the river so that all the future work may be coordinated. Through such advanced planning we can, in the long run, save money and accomplish more work in behalf of all the people. I submit to you that the sum provided for in this amendment, $180,000, for making an intelligent and planned survey is less than .04 percent of the total moneys already authorized by Congress to be spent on the three dams. Indeed this sum seems like a small proportion of the total to spend in order to prevent future headaches and expensive errors.

Now, in addition to the proposed 3 Government dams, there are also 5 dams to be built in the northern portion of the river by private utilities. The estimated cost for these additional 5 dams is approximately $100 million. These dams are to be completed within 10 years after the start of the first dam. It is expected the first dam will be begun sometime soon within this next year.

Certainly with the tremendous construction work expected to be done in the Alabama-Coosa River Basin in the near future, it only seems like good business sense to me to make an appropriation of the money needed, to make an up-to-date survey of the river system so that we can accomplish the maximum amount of good with the greatest efficiency and at the least expense.

I should also like to state to the House that there is every good reason why this river system and its surrounding valley should be developed and developed properly. This river and its basin perform a vital role in both peace and war. The entire river valley has been expanding within the last 10 years. There are now almost 1½ million people in the river basin. Industry has been expanding at an extremely rapid rate. For example, one can cite the number of big companies which have established plants in this area because the basin contains the resources of manpower, hydroelectric power, and raw materials, all vital for the rapid, easy advancement of industry. The companies I refer to are ones such as Goodyear, Republic Steel, General Electric, Monsanto Chemical Co., Avondale Mills, Alabama Mills, Allis-Chalmers, and the Coosa River Newsprint Co. There is also the Childersburg Powder plant which played such an instrumental role during the war, and now reactivated, which sprawls along the banks of the Coosa River which plays an important part in the movement of the materials to and from this powder plant.

Every dollar spent in this project and development of the navigation potential of the river, will bring more than its own value in return. It is estimated that all the river and harbor and flood-control programs accomplished to date by the Corps of Engineers have returned to the Nation more than $2 in value for every $1 expended.

I urge the House to approve the amendment—Boggs substitute—to provide the funds for the survey of this river.

Mr. DEANE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Chairman, I wish to say a few words about the Corps of Engineers of the Department of the Army, the Federal agency which Congress has charged with administration of the Federal program for navigation and flood control.

I have followed closely the progress of the hearings before the Appropriations Committee on the public works appropriation bill for fiscal year 1956. It is my opinion, and I believe it is concurred in by other members of the Appropriations Committee of the House, that the Corps of Engineers has made a superior presentation and support of the civil works part of the President's budget. Their testimony has been clear and straightforward, and they have been most helpful to the committee in every way.

As most of you know this organization has been charged with carrying out the navigation improvements authorized by Congress since 1824. For a much shorter time, essentially since the adoption by Congress of the flood-control program for the alluvial valley of the Mississippi River in 1927, the corps has been responsible also for flood control and related water resource developments. Under congressional authorizations this work has grown to be a major segment of the Federal public works activity.

It is a most essential and worthwhile program. I believe that development of our water resources is one of the important activities in which the Federal Government can participate. And from my experience I feel that the Corps of Engineers is doing an excellent job in carrying out the mandates of Congress in its conduct of this work.

The corps is an organization which continues through various national administrations. It is not subject to political changes. It does not espouse causes or promote projects and policies; but it provides the administration and the Congress with recommendations and advice based upon sound engineering and economic principles. In its studies of water resources projects the corps gives full consideration to State and local views. It does not follow the bureaucratic approach and seek to impose its will on local agencies.

I feel that the corps should be recognized for what it is—a valuable asset to the Congress and to the Federal Government, which is badly needed if we are to legislate soundly for water resources development in this country.

Mr. Chairman, I commend the action of the committee in restoring funds for several investigations by the Corps of Engineers as described on page 19 of the bill. We can depend on the engineers to do a commendable job and in the best interest of all the country.

I rise to support the amendment offered by the gentleman from Louisiana [Mr. BOGGS].

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Louisiana [Mr. BOGGS].

The substitute amendment was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Georgia [Mr. LANHAM], as amended by the substitute.

The amendment, as amended, was agreed to.

Mr. MARSHALL. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. MARSHALL: On page 19, line 21, after "P. L.", insert "71."

The CHAIRMAN. Without objection, the amendment is agreed to.

There was no objection.

Mr. CRUMPACKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRUMPACKER: On page 19, line 21, after the word "Congress", strike the period, add a colon and the following language: *"Provided, however,* That none of the funds appropriated herein shall be used for a continuation of a general investigation of the Burns Waterway in Indiana."

Mr. CRUMPACKER. Mr. Chairman, the item which this amendment refers to is found on page 49 of part 1 of the eastern section of the hearings. It is listed as "Indiana, Burns Waterway, $15,000," tentative allocation for the fiscal year, 1956. That is the sole and only reference to this item. There is no further explanation or justification. I can readily understand the silence of the record in this matter, for there is no justification for this item. What it involves is a proposal that has been kicked around for some 30-odd years to carve a new harbor out of the southern shores of Lake Michigan. For some 20 years the Army engineers turned this down with a flat "No," saying that there was no economic justification for it. In recent years, they

have done an about-face and have said that possibly there could be an economic justification for it. The reason for their turnabout is that the question of Indiana coal has been thrown into the picture. A group of Indiana coal-mine owners and coal dealers have gotten together in an association and have persuaded a succession of Indiana governors and the Indiana Harbors Commission, which is comprised primarily of themselves, that there is a great market for Indiana coal for shipment up the Great Lakes if they just had a harbor through which to ship it. It just so happens that any Indiana coal to be shipped from Lake Michigan must reach the lake by rail and all of the rail lines from the coal mines of Indiana touch the shores of Lake Michigan at two points—the South Chicago area and at Michigan City. At the present time in the South Chicago harbor area, there is a coal-loading facility which has never operated at more than 50 percent of capacity.

It also just happens that three times the amount of coal passes into Lake Michigan from the north as goes up the lake from south end ports in any given year. The plain and hard fact is that there is no market for such Indiana coal. If there was, it could already have been developed more economically through South Chicago Harbor than it could through Burns Ditch, which would require an additional shipment of 30 miles by rail before the coal could be placed on a boat.

Burns Waterway is not an existing waterway in the ordinary sense of the word. Burns Ditch is an old drainage ditch built to drain an inland swamp. Its depth is 2 feet at the lakefront. The latest revised scheme for the construction of this harbor does not even propose to use the ditch. It proposes to go a quarter of a mile farther east and carve a complete new harbor out of the lakefront, where there is no indentation of any sort, no facilities, and no reason in the world to build a harbor except that a lot of people own real estate there and would like to develop it and make money at the expense of the taxpayers.

The Indiana Legislature was asked to appropriate some three and a half million dollars to purchase some of this land, and the legislature turned it down. Indiana has had a public harbor on Lake Michigan since it was admitted as a State. In fact, the northern boundary of the State was moved north some 10 miles so that it would have a public harbor on Lake Michigan. That harbor is located at Michigan City. This harbor could be improved to accommodate seagoing vessels at a very low cost compared to this project.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield.

Mr. MARSHALL. The committee on this side has been reviewing this project as it was presented to us. We realize there is considerable controversy over it. It was a small item, and as far as we are concerned on this side, we are willing to accept the gentleman's amendment.

Mr. CRUMPACKER. I thank the gentleman for his statement.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield.

Mr. TABER. As far as I am concerned on this side, I was on the panel that considered the matter, we would accept the gentleman's amendment.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield.

Mr. WILSON of Indiana. I want to say that I am not willing to accept it, and I am going to put up a fiight on this side of the argument. I want to correct some half-truths.

Mr. CRUMPACKER. I appreciate the fact that the gentleman from Indiana [Mr. WILSON], being from southern Indiana, several hundred miles from Lake Michigan, is a great authority on the subject.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I must say that I am disappointed at this turn of events, to put it mildly. The matter of a public harbor for Indiana has been an active issue in my State for a long, long time.

The State of Indiana, when Paul McNutt was Governor, was undertaking to get this harbor built. Ex-Governor Schricker was for it. The present Supreme Court Justice Minton, when he was in the United States Senate, was for it. I appeared and testified for it. To undertake to shut it off now would be grossly unfair, as far as a great State is concerned. We have no real public harbor on our shore of Lake Michigan. The seaway is to be built. Every Member of the Congressional Delegation, except the gentleman from the Third District [Mr. CRUMPACKER] is for this project. Our two Senators are for it. Our Governor is for it. The State of Indiana created a board of public harbors and terminals to carry forward if and when the project is approved and the money allocated to build it.

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. No, I do not yield.

I am astounded at this juncture, when the survey is nearing completion, when so much interest exists in the State of Indiana, that this sort of action would be undertaken. For years I have been exhorted to work for a specific allocation of funds to complete this survey.

I have taken the position with the committee that you should not have specific allocations. That is what you say in the report this time, so I have refrained from undertaking to bring about a specific allocation even though people in my area insist that I do it.

This is not just a matter involving CHARLIE HALLECK and the second district; this, in fact, is a project for the whole State of Indiana, for my State has a vital interest in it and has expended thousands and thousands of dollars to further the proposal. It stands ready to spend a lot more money to develop a port and harbor by which my State like other States on the Great Lakes may have access to the great inland waterway, the Great Lakes.

So I say that it certainly would be most unfair. I think this is the first time I have ever appeared on the floor of the House in my 20 years to speak specifically of a matter involving my own congressional district. This time, however, while it involves my district, it involves beyond that, the whole State. Let me emphasize: It is a project that has been supported by appearances before the Army engineers, by petitions that the survey be completed and reported upon favorably, signed by Democrats and Republicans alike, every member of the delegation except the gentleman from the Third District who has the Michigan City harbor.

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. CRUMPACKER. If the gentleman states that the whole State of Indiana is in favor of it except the representative from the Third District, will the gentleman explain why the legislature turned down the request for funds this year?

Mr. HALLECK. I will explain that very briefly: The funds were not appropriated by the Indiana Legislature because the survey has not been completed. The legislature, at the request of the Governor, was ready to appropriate several millions of dollars to do the work necessary to complete this work. Since the survey had not been completed however, the legislature said they would not at this time appropriate the money. That makes sense, and it is certainly no reason to indict the project. Again I say, I am sorry the gentleman from Indiana has seen fit to precipitate this issue, because it runs counter to the general interests of our State.

I do not know about the attitude of the gentleman from Minnesota [Mr. MARSHALL]. He said that as far as he was concerned the committee would take it. I do not know whether the gentleman from Missouri understood what this amendment would do, but I submit that to adopt the amendment would not only be a slap in the face to the people in my State and to the people, Democrats and Republicans, who have for 20 years or more insisted in public hearings and on other occasions, that we should have this harbor. I cannot understand the argument that the survey which is nearing completion should not be completed. This amendment is an irregular sort of operation which should not be resorted to under these circumstances.

Mr. MARSHALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not believe that on a matter where there is so much controversy within a State, as there seems to be within the State of Indiana over this particular item, that the Congress ought to inject itself into it.

The facts presented to us by the Bureau of the Budget were that the total estimated cost to complete this project is $37,000. The allocation for this year will not complete the project. It would require an additional $11,000 after 1956 to complete it, almost one-third of the

total survey cost. Therefore it seems to me, since there is this controversy, that the State of Indiana ought to resolve its differences before Congress acts on this appropriation.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. Gladly.

Mr. HALLECK. There are no real differences in the State of Indiana, may I say in all humility to the gentleman, except as indicated by the opposition of the gentleman from the third district by reason of his interest in the Michigan City harbor.

May I say to the gentleman that there were no differences, and have not been except this one. We have created this commission which has been operating for years; we have put up our money. The State of Indiana is for this project except for this one objection, the reason for which I think is very obvious.

Mr. MARSHALL. I am very pleased to have the opinion of the distinguished gentleman from Indiana; however, I understood that your State legislature did not make an appropriation for the project this year.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. This is a very small item in the bill.

Mr. HALLECK. Of course it is.

Mr. MARSHALL. We do not want to inject ourselves into the affairs of the State of Indiana.

Mr. HALLECK. It was not within my power to say to the gentleman from the Third District that he should not offer the amendment. All I can say to the gentleman is that the State of Indiana is back of this project. The fact they did not appropriate $3½ million at this session of the legislature is a result of the fact that the survey has not been completed. The fact that it was under consideration, however, and that so much money has already been spent ought to be clear evidence of the fact that the State of Indiana is back of this project. For the Congress at this juncture with a stop provision knocking out the $11,000 for a project which there is so much interest would be an insult to the people of Indiana.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I did not sit on the particular panel which held hearings on this project, but I do want to say that, speaking from my experience in the years in which I have been familiar with this work, it would be quite unusual for us in an item where we do not have earmarking of specific projects for investigation and survey, to come forward now in the midst of the investigation and survey and say: "Stop it, do not do any more, do not find out whether this is a meritorious project or not." They might find it is a good project but might interfere with some other project. I think it would be unusual and unfair to take that action at this time; therefore, I would say that the amendment ought not be adopted. I do not think that any inference should be created by reason of the failure of the legislature to appropriate money now because if I had been a member of that legislature I would say: Do not appropriate money for something we do not have the examination and survey completed on.

I think their action was completely proper and was completely consistent with going forward with this survey. I believe the amendment should not be adopted.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. WILSON].

Mr. WILSON of Indiana. Mr. Chairman, in speaking on the pending amendment, may I say that there are a lot of little towns and hamlets on Lake Michigan that have places for yachts. You might call them harbors or something else. No doubt they would be happy to have a port of Indiana located in their particular area. But, I do not think they are entitled to oppose the State of Indiana having a port in view of the development of the St. Lawrence Seaway simply because they cannot have it in their hometown. Now, I helped the Corps of Engineers make the first survey that was made of Burns ditch 30 years ago. I worked on that project, and there never has been any other place in Indiana on Lake Michigan considered for the port of Indiana. It was not considered a bad place; it was considered the best place and the most ideal place in the State of Indiana at that time for a port, and it is still so considered. Burns ditch is considered by the State of Indiana, as well as the Corps of Engineers as the ideal or the most logical location, and we are only asking for money in this bill to continue that survey to substantiate previous data and previous developments. To say that the State of Indiana is not back of it is just about as wrong as a man can possibly be. The State legislature did oppose the Governor on several items in his program but not because they were not worthwhile items. It was for other reasons: Who was to build the harbor, who was to be responsible for the construction of it, who was to build the toll roads in Indiana. Indiana is presently projecting plans for toll roads leading up to Burns ditch which is to be the Port of Indiana and perhaps the port on Lake Michigan for the St. Lawrence Seaway. Indiana is united, and I hope that we will stick by the committee and support this program as it is projected in this bill.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, this matter is rather simple, and I think we are making it altogether too complicated. Indiana does want a harbor on Lake Michigan, and this money for this survey was placed in the budget and approved by the committee to determine the feasibility of a harbor at this location. It would have been unsound for the State of Indiana to have appropriated $3 million before this survey was made. If this survey shows that this harbor project should not be built there, it would be foolish for the State of Indiana to spend the money. There is no way to know if this harbor is feasible until this survey is made. The item only involves, as I say, $11,000, a very small amount. If this survey shows that the port should be built at this location it should be done; if not, I would be the first one to oppose it. But, you cannot know that until the survey is made. All we are asking is that this small amount of money be left in the bill to determine whether the project is sound. I respectfully request that this amount of $11,000 be left in the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I must admit as a member of this panel that I am as confused as are the other Members of this House. I do know this: I do know that there is no testimony in the hearings except the table on page 48 pertaining to the eastern section. I do know that the gentleman from Indiana who sponsored the amendment did not appear before the committee. This is the first time I had any knowledge of the purpose of the item in the budget, and I think that the amendment ought to be voted down. I think the arguments advanced by the Members from Indiana, outside of the sponsor of the amendment, indicate that the people of Indiana want it.

Mr. CRUMPACKER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Indiana.

Mr. CRUMPACKER. The gentleman has stated that there was no testimony indicating what the item was or any justification for it. I thought that it was necessary to prove the need for an item rather than the lack of need for an item.

Mr. BOLAND. It is my understanding that when items appear in a budget, those who are interested make an effort to appear, as well as those who are opposed make an effort to appear before the panel. The gentleman did not appear and I assumed he was in favor of it.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, a while ago I thought there was no objection to this being stricken out. I agreed with the gentleman from Minnesota [Mr. MARSHALL] that it should go. But the facts have come out and as far as I am concerned I shall feel obliged to vote against the amendment and to keep the small item in the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. CRUMPACKER].

The amendment was rejected.

The Clerk read as follows:

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by law; detailed studies, and plans and specifications, of projects (in-

cluding those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction); and not to exceed $900,000 for transfer to the Secretary of the Interior for conservation of fish and wildlife as authorized by law; to remain available until expended, $322,262,800: *Provided*, That funds appropriated herein may at the discretion and under the direction of the Chief of Engineers be used in payment to the accounts of the Confederated Tribes of the Yakima Reservation; the Confederated Tribes of the Warm Springs Reservation; the Confederated Tribes of the Umatilla Reservation; or other recognized Indian tribes, and those individual Indians not enrolled in any recognized tribe, but who through domicile at or in the immediate vicinity of the reservoir and through custom and usage are found to have an equitable interest in the fishery, all of whose fishing rights and interests will be impaired by the Government incident to the construction, operation, or maintenance of the Dalles Dam, Columbia River, Wash. and Oreg., and must be subordinated thereto by agreement or litigation: *Provided further*, That not to exceed $2 million of the funds provided herein shall be available for the construction of small authorized projects selected by the Secretary of the Army, the cost of which is not in excess of $150,000 and any such project shall be completed within the funds herein appropriated: *Provided further*, That the Corps of Engineers may accept not to exceed $3 million from local interests for prosecution of construction of the authorized project at Brays Bayou, Harris County, Tex., and not to exceed $190,000 for construction of the authorized project at Green Bay Harbor, Wis.

Mr. NATCHER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NATCHER: On page 20, line 8, strike out "$322,262,800" and insert in lieu thereof "$368,969,800."

Mr. NATCHER. Mr. Chairman, this amendment would restore to the bill those items for the Corps of Engineers' planning and construction funds approved by the Bureau of the Budget, but eliminated by the committee. This includes a number of items of vital importance to every section of the country. There are two items of major importance to my State of Kentucky.

This amendment adds $46,707,000, as follows:

Construction, general, items reduced by the committee

	Amount of reduction
Navigation:	
Mobile Harbor, Ala	$500,000
Arkansas River and tributaries, Arkansas	200,000
Tampa Harbor, Fla	477,000
Greenup lock and dam, Kentucky and Ohio	100,000
Gulf Intracoastal Waterway, Algiers Cutoff, La	513,000
Cleveland Harbor, Ohio	300,000
Flood control:	
San Antonio Reservoir, Calif	200,000
Anacostia River, D. C. and Md	250,000
Central and Southern Florida	3,300,000
Lucky Peak Reservoir, Idaho	250,000
East St. Louis and vicinity, Illinois	285,000
Vincennes, Ind	84,000
Coralville Reservoir, Iowa	500,000
Missouri River Agricultural Levees	200,000
Wichita and Valley Center, Kans	200,000

Construction, general, items reduced by the committee—Continued

	Amount of reduction
Flood control—Con.	
Barbourville, Ky	$50,000
Adams, Mass	200,000
Red River of the North, Minn. and N. Dak	250,000
Havre, Mont	100,000
Oklahoma City Floodway, Okla	260,000
Texarkana Reservoir, Tex	500,000
Multiple-purpose:	
Jim Woodruff lock and dam, Florida	120,000
Buford Dam, Ga	1,830,000
Gavins Point Reservoir, Nebr. and S. Dak	1,950,000
Garrison Reservoir, N. Dak	2,000,000
The Dalles Dam, Oreg. and Wash	5,500,000
Oahe Reservoir, S. Dak	2,000,000
Cheatham lock and dam, Tennessee	360,000
Old Hickory lock and dam, Tennessee	75,000
Chief Joseph Dam, Wash	2,000,000
Lower Columbia Fish Sanctuary	500,000
Overall reduction, not specified as to project	15,000,000

Construction, general, items eliminated entirely by the committee

	Budget estimate
Construction:	
Plaquemine-Morgan City Route, La	$1,260,000
San Antonio and Chino Creeks, Calif	700,000
Portneuf River and Marsh Creek, Idaho	500,000
Jackson, Ky	246,000
North Adams, Mass	750,000
Ferrell's Bridge, Tex	2,450,000
Lookout Point, Oreg	200,000
Advance engineering and design (planning):	
Port Heuneme, Calif	70,000
Calion, Ark	40,000
Columbia River, Local Protection	68,000
Pine Canyon Reservoir, Nev	65,000
Two Rivers Reservoir, N. Mex	50,000
Johnson Creek, Oreg	35,000
Kettle Creek Reservoir, Pa	40,000
Reynoldsville, Pa	37,000
Navarro Mills Reservoir, Tex	50,000
San Antonio, Tex	100,000
Lower Cumberland lock and dam, Kentucky and Tennessee	200,000
John Day Dam, Oreg. and Wash	500,000
Hills Creek Reservoir, Oreg	10,000
Restudy:	
Levees East of Chandlerville, Ill	12,000
Degray Reservoir, Ark	70,000

Since I have been a Member of Congress, and especially since the time that I was named a member of the Committee on Appropriations, I have witnessed fierce battles on the floor of this House over relatively small amounts appropriated for vocational education, and for our school lunch program. These programs were for our people in this country.

Amounts appropriated for such projects are of great benefit to the people in this country, and I think that it behooves every Member of this House to remember that our obligation is first to the United States of America, our States and Territories and our people generally. I, for one, am more interested in the welfare of California, Florida, Maine, and Michigan than I am in certain foreign countries which will receive millions upon millions of our money each year under our mutual-security program. It is with reluctance that I, as a member of the Committee on Appropriations, stand opposed today to certain sections of the bill brought to the floor of the House by the Public Works Subcommittee of the Committee on Appropriations, but I feel that it is my duty to offer this amendment, because I sincerely believe that a grave injustice has been done to many sections of the United States in curtailing our public-works program. Thousands upon thousands of dollars have been expended upon these projects in surveying and planning, and the Corps of Engineers, in its careful and diligent manner, has screened these projects, recommending same as economically sound and projects which would be of great benefit to the United States generally. The Bureau of the Budget has carefully screened these projects and has recommended same to the President of the United States, who, in turn, approved and recommended all of the projects contained under title III, known as the Department of the Army civil functions section of the bill. I say to you quite frankly that this is no time to attempt to balance the budget at the expense of the American people. I realize full well that certain pledges have been made along this line, and I, too, believe that our budget should be balanced, but attempting such action in this bill is a mistake.

The committee report makes the statement that this bill contains appropriations amounting to $1,285,746,242, a reduction of $503,418,758 in the budget estimates, and $578,183,358 below similar appropriations for fiscal year 1955. In my opinion, the Committee on Appropriations certainly should receive no joy from making such a statement when every dollar of this money affects the American people and would bring great benefits to our people.

The committee further points out in its statement that a reduction of $39,204,200 is made in the Department of the Army civil functions section of the bill. Every dollar of this amount should have been appropriated, and every dollar of same would have been beneficial to our people. This amount represents projects approved by the Corps of Engineers, the Bureau of the Budget, and the President of the United States.

Two of the projects deleted were approved for the State of Kentucky. The first project is located in the district of my colleague and friend, NOBLE J. GREGORY, who for a period of over 20 years has consistently cast his vote for beneficial public-works projects scattered throughout the United States and its Territories. This particular project is designated as the lower Cumberland River project, and same was authorized under the rivers and harbors omnibus bill of 1954. The lower Cumberland Dam would be located at mile 30.5 in the general vicinity of Grand Rivers, Ky., and would provide for flood control, improvements for navigation and power production. The Cumberland River is a stream of great importance to the States of Kentucky and Tennessee, and it has been

in the process of development for quite a number of years. The lower Cumberland Reservoir would be connected by an open canal with the Kentucky reservoirs on the Tennessee River. This canal would permit the two reservoirs to be operated at the same levels and to function as one.

The lower Cumberland Reservoir and connecting canal will afford great flood protection on the lower Ohio and Mississippi Rivers. The canal would provide shorter navigation routes. This project has a benefit-cost ratio of 1.38 to 1.

The maximum controlled reservoir level would be of elevation 375 feet, and the normal operation range would be between 359 feet and 354 feet. This project has the approval of the States of Kentucky and Tennessee, the Corps of Engineers, the Bureau of the Budget, and the President of the United States. Navigation will be improved through the use of a 9-foot channel, and the project is so planned as to connect the Tennessee and Cumberland Rivers by the proposed canal.

The budget submitted to this Congress called for an expenditure of $200,000 for planning and survey, and same should not have been deleted by the Public Works Subcommittee of the Committee on Appropriations.

Mr. MARSHALL. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. NATCHER. Mr. Chairman, I thank my friend, the gentleman from Minnesota for assisting me in obtaining this time.

The second project deleted, and which is of great importance to the State of Kentucky is the project designated as the Jackson cutoff project which would be located at Jackson, Ky. This project is located in the district of my colleague and friend, CARL PERKINS, who represents a mountain district with thousands of people unemployed today. In the 13 counties in this district approximately one-fourth of the people are drawing surplus commodities. This situation is in existence in our country. My friend, CARL PERKINS, has for a period of some 7 years consistently cast his vote for all worth-while public works projects in the other States of our country.

This project was authorized by Congress in the year 1944, and would reduce flood height at Jackson, Ky., some 4 to 6 feet, eliminating 75 percent of the estimated damage received from floods. Jackson, Ky., has been flooded some 12 times in the past 20 years, and the Jackson cutoff eliminates the elbow bend in the Kentucky River which, according to the Corps of Engineers, contains some 6 miles. A cut will be made through the narrow neck of an oxbow loop which circles approximately 6 miles and returns to within 150 feet of the beginning of the loop. On several occasions since the year 1937 the Kentucky River at this point has flooded the streets of Jackson, Ky., with the water being 4 to 6 feet in depth. This project has a cost ratio of 1.5 to 1, and is approved by the State of Kentucky, the Corps of Engineers, the Bureau of the Budget, and the President of the United States.

The two above projects should be restored to this bill. These projects will be of great benefit to the State of Kentucky, and the United States generally. I sincerely hope that my amendment is adopted.

Mr. RABAUT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. RABAUT to the amendment offered by Mr. NATCHER: Strike out "$368,969,800" and insert "$338,969,800."

Mr. RABAUT. Mr. Chairman, the amendment offered by the gentleman from Kentucky adds $46,707,000. Only $16,707,000 more is needed to effect the object which he has in mind. The reason for that is this. This amendment completely ignores the unobligated balances available to the corps. Chiefly from favorable contract awards, a minimum of $30 million from unobligated funds will be available for work on this program next year.

I am not trying to damage the gentleman's amendment, but there is a balance here of $30 million that can be added, which will make available the very amount he is asking. Contract awards by the corps in the past few months will add even more to this amount. Sizable contracts, totaling millions of dollars, have been awarded, with bids being in some instances over 50 percent under the Engineers' estimates.

No one really considers these funds except the committee, partly because the information was not available until the committee hearings. So if my amendment to the amendment prevails, the amount that the gentleman added, namely, $46,707,000, will be available when we add the unobligated funds to the amount of the amendment I have just suggested, which gives an additional appropriation of $16,707,000.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. CRAMER. On page 15 of the Public Works appropriation report, it shows that $15 million was deducted from the amount that the committee would otherwise have appropriated, as a result of unobligated balances. Does the amount that you have suggested take that into consideration?

Mr. RABAUT. I have just read to you "sizable contracts, totaling millions of dollars have been awarded with bids being, in some instances, over 50 percent under the Engineers' estimates." This constitutes a savings.

I have no ambition to do any damage to the gentleman's amendment.

Mr. CRAMER. Will the gentleman yield further?

Mr. RABAUT. I yield.

Mr. CRAMER. If in fact the $30 million unobligated balance was there, why was that not taken into consideration at the time this report was drawn up?

Mr. RABAUT. It is a more recent estimate and on projects not in the budget.

Mr. CRAMER. Could the gentleman tell me when this information was received?

Mr. RABAUT. The $15 million was on budgeted projects.

Mr. CRAMER. The $15 million I referred to appears on page 15 of the report, which is entitled, "Reduction Based on Unobligated Balances and Recent Contract Awards." Is that not the same subject matter you are presently discussing?

Mr. RABAUT. The $30 million is from unbudgeted projects. The $15 million referred to was on the basis of budgeted items only.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. HARRIS. I am in sympathy with what the gentleman is trying to do, but I am apprehensive about what his amendment will do.

On a former appropriation bill I asked the specific question about a certain project and I was told that the unobligated balance would permit the engineers to take care of it. Then, after the Congress had acted, I took it up with the Corps of Engineers, and they said it was not included in the budget projects. Consequently, they could not do anything about it. The gentleman has offered an amendment and has outlined to this Committee the number of projects and the amount which each project will receive. I just wondered what the gentleman's amendment would do to the amendment offered by the gentleman from Kentucky.

The CHAIRMAN. The time of the gentleman has expired.

Mr. EDMONDSON. Mr. Chairman, I offer a substitute amendment, which I send to the desk.

The Clerk read as follows:

Substitute amendment offered by Mr. EDMONDSON to the amendment offered by Mr. NATCHER: On page 20, line 8, after the comma, strike out "$322,262,800" and insert "$369,869,800."

Mr. EDMONDSON. Mr. Chairman, the effect of the substitute amendment, if adopted, will be to continue the language of the Natcher amendment which insures adequate funds for all of these approved projects throughout the country, and adds to it the sum of $900,000 for 2 projects; 1 located in western Arkansas, which was approved back in 1946, the Dardanelle project, and the other in eastern Oklahoma, the Eufaula project, which was also approved in 1946.

Both of these two added items were items which have been authorized, which have been thoroughly studied by the engineers and which in previous years have had approval of the Bureau of the Budget. There appears to be something in the Washington climate at the present time which makes it a little bit difficult to get the Bureau of the Budget authorization for them, but they are at the same time very necessary and very urgent projects.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I gladly yield to my colleague from Oklahoma.

Mr. ALBERT. Several links in the Arkansas system have been built, but is it not a fact that all the engineers agree that the Eufaula Dam is the key to the entire Arkansas flood control program?

Mr. EDMONDSON. The gentleman could not be more right than he is; it is a very important link in the Arkansas River development.

We are asking for $450,000 for the purpose of continuing and completing the engineering and plans, and to make a modest start on the construction of this much needed Eufaula Dam and Reservoir.

The gentleman from Arkansas [Mr. HAYS], I understand, will discuss the merits of the Dardanelle project.

The Eufaula project is vitally needed for flood control in an area where we have at times seen thousands of fertile acres under the waters of devastating floods. It is vitally needed. It has been estimated that the overall project of which Eufaula is the key part will return $60 million in benefits annually when it is carried through. We hope adequate appropriations will be made.

Mr. Chairman, I have a normal degree of respect for the Bureau of the Budget, but I do not regard it as an idol before which Members of Congress have to prostrate themselves. I see no reason why there should be an iron ceiling over us, particularly Bureau of the Budget figures beyond which we as Members of Congress cannot go. This is only a small and modest step beyond the Bureau of the Budget, but it is a step which is vitally and urgently needed in an area of the country which has been devastated by drought and floods in past years, where hundreds of thousands of people have been on direct food relief. It is also a step which asserts the independence of Congress from Bureau of the Budget domination and declares that when we see merit in a project, when we see necessity for it, then we are willing to provide the funds to see that it is built.

I ask you to pass the substitute amendment insuring that we will have adequate funds for all these other approved projects, and to taking care of the vitally needed projects that have received favorable consideration of the committee in its report on this matter.

Mr. ROOSEVELT. Mr. Chairman, I offer an amendment to the substitute.

The Clerk read as follows:

Amendment offered by Mr. ROOSEVELT to the substitute amendment offered by Mr. EDMONDSON: On page 20, line 8, strike out "$368,969,800" and insert "$368,994,800, of which $25,000 shall be available for the project at Playa del Rey Inlet and Harbor, Venice, Calif., authorized by the River and Harbor Act of 1954."

Mr. TABER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I make the point of order that this is an amendment in the third degree.

The CHAIRMAN. This is offered as an amendment to the substitute. It is therefore in order at this point.

The point of order is overruled.

The gentleman from California is recognized.

Mr. ROOSEVELT. Mr. Chairman, may I first say that my amendment is concurred in by my colleague, from the 15th District of California [Mr. MCDONOUGH], and we would join together in this presentation.

If perhaps the members of the committee feel that what we have been considering is pork, then a mere matter of $25,000 is surely nothing but a little piece of bacon, but I would like to present it to you because I think it is important to realize that this was, perhaps, left out by the committee through inadvertence.

This $25,000 is needed in order to provide good faith to the State of California which has appropriated $2 million for this project. It was authorized by the Rivers and Harbors Act of 1954 in the 83d Congress. It is supported by the Republican Governor of my State who wrote a letter to the committee to that effect. It is, of course, supported by the legislature of my State.

It is particularly important that this $2 million appropriated by the State be not lost merely because the small sum of $25,000 has not been appropriated to show good faith on the part of the Federal Government. I would emphasize this project is not a frivolous one.

In particular it will provide an air-sea rescue unit at the end of the International Airport runway in Los Angeles where 95 percent of all the takeoffs take off over the Pacific Ocean. Since 1947 11 people have been drowned because it was not possible to have them rescued due to the fact that the only air-sea rescue unit is about 60 miles away. It has other fine features which I would like to go into but, unfortunately, we do not have time to go into them today.

I would respectfully urge and ask the committee to consider this small sum of $25,000, which is not a new start. It is merely to enable the Corps of Engineers to watch the expenditure of $2 million which the State of California will go ahead and use to purchase land for this very worthy project.

Mr. HARRIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARRIS. Mr. Chairman, as I understand it, we have now before the committee an amendment, an amendment to the amendment, a substitute for the amendment, and then an amendment to the substitute.

The CHAIRMAN. The gentleman is correct.

Mr. HARRIS. The parliamentary inquiry is this: Do we conclude debate on all of the amendments and the substitute before we vote on any of them?

The CHAIRMAN. That is subject to the will of the committee. They are all before the House now for debate.

Mr. HARRIS. As an example, would the amendment to the substitute offered by the gentleman from California be voted on, then would debate be in order before other votes are taken on the other amendments?

The CHAIRMAN. The debate can continue on the pending amendments, whatever it may be.

Mr. MCDONOUGH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment to the substitute offered by the gentleman from California [Mr. ROOSEVELT]. I would like to inform the committee that this is a project that has full authorization of the Army engineers. I introduced the original bill in the last Congress, which was approved. It has been under investigation and survey both for the last 10 or 12 years. It is a project of vital importance to the air traveling public out of the International Airport in Los Angeles County. It will provide a harbor for the Coast Guard for air-sea rescue, which is badly needed.

I have a wire here from the manager of the Los Angeles airport that reads as follows:

The need of anchorage and refuge for Coast Guard surface vessels has always been a problem in discussing air-sea rescue facilities for the Santa Monica Bay area. The majority of takeoffs from Los Angeles International Airport are over Santa Monica Bay area. First 4 months of 1955, 982,337 passengers were enplaned and deplaned this terminal. A 27-percent increase over similar period 1954. Douglas, North American Aviation, Lockheed, and Northrop production flights are in the Santa Monica Bay area. It is imperative that the marina small-boat harbor be developed at an early date.

ROBERT A. MCMILLAN,
General Manager, Department of Airports, City of Los Angeles.

In addition to that, it will be a great commercial asset to Los Angeles County and the State of California. The gentleman from California, [Mr. ROOSEVELT] did not inform you that the county of Los Angeles has provided and appropriated $1,340,000 for this project, and, as he has told you, the State of California has also put up $2 million, and both of these sums are contingent upon the Federal Government taking part in the construction of the navigation channel, because neither the county nor the State can break through the shoreline to provide a navigable channel to the basin. This is a large, low area of some 1,000 acres of land which is to be dredged to a depth sufficient to provide a commercial fishing harbor as well as a small-boat harbor. The $3.4 million that the local interests are putting up as compared to the amount the Federal Government will put up is about 5 to 1, and you do not have many such projects in this bill, because we are willing to spend about $25 million of local funds to complete the whole project.

I am appealing to you to allow the $25,000 asked for, because it will be an indication that the Federal Government is interested and willing to participate in this project. The total amount the Federal Government will be asked to provide eventually will amount to less than $4 million of a project that will cost about $25 million.

I am supporting the amendment offered by my colleague, the gentleman

from California [Mr. ROOSEVELT], for the $25,000.

Mr. JACKSON. Mr. Chairman, the Marina Del Rey project will serve to revitalize a large area on the ocean near Venice, Calif., and will in the natural course of events, become a great recreational area available to the millions of people who are residents of Los Angeles and the surrounding area, as well as additional millions of visitors.

Twenty-five thousand dollars is a modest sum when related to the economic benefits which may be expected to flow from the ultimate completion of the Marina. The State of California and the city and county of Los Angeles are prepared to move forward on land acquisition and construction upon the receipt of word of favorable action by the Congress. Considerable sums have already been earmarked by the State of California for this purpose, and the construction of the Marina has the support of the legislature, the county supervisors and the Los Angeles city council, as well as that of thousands of southern Californians.

The construction of Marina Del Rey will constitute more than the acquisition by Los Angeles of another sorely-needed small-boat harbor. The Marina will offer one of the few refuges for small boats from Los Angeles harbor to the south to Santa Barbara on the north. The air-rescue feature proposed to be incorporated as an activity will insure that many lives heretofore endangered in takeoffs over the open sea, will be safeguarded by modern rescue and search techniques.

Marina Del Rey is a good investment, and it is to be hoped that the Committee will take favorable action on the amendment now pending.

Mr. HAYS of Arkansas. Mr. Chairman, I move to strike out the last word.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to correct the figures as they were read in my amendment to the substitute amendment. They should read $369,869,800 in the first instance and $369,894,800 in the second instance.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RABAUT. Mr. Chairman, if the gentleman will yield, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 5 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HAYS of Arkansas. Mr. Chairman, I realize the parliamentary situation is somewhat complicated. I merely want to present as briefly as I can the merits of the Edmondson substitute insofar as it relates to the Dardanelle Dam to which he alluded. There is logic in tying the two together and if it were appropriate I could give you in detail the history of the Dardenelle project and its relationship to the Eufaula Dam. The Eufaula Dam is above the Dardenelle Dam and without the siltation control which Eufaula would provide the Dardenelle reservoir would have a siltation problem.

We will, by approving the substitute of the gentleman from Oklahoma [Mr. EDMONDSON], put Dardenelle in exactly the same position in which it stood in 1950 when an appropriation was approved by the Congress with an appropriation of $1 million. This is only for $450,000 and the project would have been begun long before this except for the Korean war. The project was suspended by action of the President under the powers given him in a special paragraph of the appropriation bill that year.

The question, of course, immediately arises why was it not in the budget. It is not a budgeted item. But at the time the budget was submitted the engineers were resurveying the project. Since that time a letter from the Corps of Engineers reactivates it. The Dardanelle Dam, the electric power features of it, are approved and it is in that status today. It is an integral and important part of the comprehensive plan which was approved by the Congress in 1946, and again by important amendments in 1949.

So we ask the House merely to put us in a position where we would have been except for the Korean war.

Mr. TRIMBLE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I am glad to yield to my colleague.

Mr. TRIMBLE. I concur in what my colleague has said and I should like to ask him this question. Is it not a fact that these two projects in the substitue offered by the gentleman from Oklahoma [Mr. EDMONDSON] are the key to the development of this whole project as a navigation project?

Mr. HAYS of Arkansas. That is correct. They are the key to the plan which the Congress has on two occasions approved. I feel that the people of the Arkansas Basin have been victims of a long delay in developing this great river, although the Congress has undertaken in emergencies to be generous with us and has been sympathetic.

This is a noncontroversial item. One of the most eloquent pleas for the Dardanelle project was presented by the president of the Arkansas Power & Light Co. who pictured a deficit in electric power.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman.

Mr. EDMONDSON. I would like to point out that it has also had bipartisan support in Oklahoma; that the gentleman from Oklahoma [Mr. BELCHER] made a very strong plea for the Eufaula project in his appearance before the House committee.

Mr. HAYS of Arkansas. Yes, and the Republican leadership of our State has urged approval of these projects.

For these reasons, I hope the House will approve the substitute amendment offered by the gentleman from Oklahome [Mr. EDMONDSON].

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, I rise in support of the amendment offered by my colleague from Kentucky [Mr. NATCHER], and against the substitute offered by the gentleman from Michigan [Mr. RABAUT].

The Jackson cutoff on the north fork of the Kentucky River at Jackson, Ky., is an example of the projects covered by this amendment. The city of Jackson, a distribution center of an agricultural and mining area, is located adjacent to an ox-bow loop in the Kentucky River where the river flows around a circular course approximately 7 miles long and returns to within a hundred feet of the beginning point in the ox-bow loop.

The cutoff through this narrow neck will lower the flood stage at Jackson 6 feet, and, according to the Army engineers, will eliminate 75 percent of the flood damage to this community. This area which has suffered from so many floods over a period of years, again suffered serious damage this past March. In fact, some estimates of the damage are almost equal to the total cost of this project, which the Army engineers have estimated at $246,000.

There is probably no single item in the budget which is more practical or has a higher benefit-cost ratio. Yet it was deleted by the committee.

The loyal population in this area is noted for its Americanism and patriotism. In fact, it was the only county in the country which filled its quota for World War I entirely by volunteers and not a single draftee was called when World War I draft was initiated.

The planning work which was provided for in the budget for the current year has been completed and construction work can be begun as soon as funds are made available. This is the only project on the Kentucky River where planning has been completed and construction work can be begun within a period of days. This rolling hill country has been deforested to a point where floods have become a serious problem and this is the most practical flood-relief project in the entire valley It is sound from both an engineering point of view and from the standpoint of benefits as related to the cost. Any project in the country which can be shown as sound as this will receive my support, but this project is the one with which I am personally acquainted and fully convinced that construction work should be initiated at the earliest possible date as the benefits for the coming year could easily be equal to the total cost.

This project deserves the most careful consideration of every Member of this body and I am sure that all those who are acquainted with the facts will support this amendment.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I think we should not lose sight of just where we are. We should keep in mind the parlimentary situation on these amend-

ments and not lose sight of the major question.

In the first place, I think we should remember that the first vote will come on the amendment offered by the gentleman from Michigan [Mr. RABAUT] to the amendment offered by the gentleman from Kentucky [Mr. NATCHER]. Those are the two major issues to be decided, as I understand, which means everything on the problem before us.

I would not hestitate to take the word of the gentleman from Michigan [Mr. RABAUT], of course, but from experience, after the appropriation is made and we are told by the engineers that these prior funds are unobligated but they were appropriated for a certain purpose and they have to use them for that purpose.

Here you would reduce this amount and consequently the projects that were outlined as has the gentleman from Kentucky outlined them would not have sufficient money available for them.

I hope the amendment offered by the distinguished gentleman from Michigan [Mr. RABAUT] will be rejected. If his amendment reducing this amount is approved, there will be no way of determining the congressional mandate for the utilization of the funds. The Corps of Engineers can use it on any authorized project that it desires.

This is so because there would not be sufficient funds then appropriated to provide for all of these projects where budget recommendation, which the gentleman from Kentucky [Mr. NATCHER] has included in his amendment.

I am supporting the amendment of the gentleman from Kentucky [Mr. NATCHER]. It restores the projects that were included in the budget which the committee eliminated when it considered and reported this bill to the House.

In order that these funds may be earmarked and that there can be no misunderstanding as to the purposes of this appropriation, the gentleman from Kentucky [Mr. NATCHER] has included each of them in his statement and the amounts budgeted and thus earmarked for each project.

There were two projects in my own district, which had budget approval and recommendation. They were small projects, but nevertheless, important to the local area affected.

I do not know why the committee in reporting the bill failed to approve and include these two small projects along with many others. There must have been some reason for it other than the usual procedure, because the committee did include in the bill as reported certain projects which did not have budget approval and recommendation. Maybe there were some motivating circumstances which the record does not show but it is causing many Members here today to have some question.

If the amendment by the gentleman from Kentucky [Mr. NATCHER] prevails, as I hope it will, $70,000 would be appropriated for a restudy of DeGray Dam, a project in my district on the Caddo River, which is a tributary to the Ouachita River.

This is one of the important projects of the overall flood control plan for the Ouachita River. We have been trying to get it started for several years. It has the recommendation of the Army engineers, who are doing a good job with these flood-control projects with the funds that we are making available to them. It has the recommendation and the approval of the Bureau of the Budget. Naturally, I was disappointed the Appropriations Committee failed to go along and I hope this amount will be restored and these funds appropriated as requested.

Also included in the amendment would be $40,000 for planning funds for the Calion flood-control project at Calion, Ark., on the Ouachita River. This also has the recommendation of the Army engineers and the Bureau of the Budget.

It is vitally important that this amount be included in this appropriation this year. The project was authorized several years ago. Nearly $50,000 has already been expended by the engineers for emergency purposes.

The local people have total contributions of some $6,000 in the bank to meet their part as required for easements, rights-of-way, and so forth. These funds have been in the bank for some time. If the planning funds are not provided in this year's appropriation, the contributions that are now in the bank will revert to the contributors on January 1.

The engineers advise me that if the planning funds are provided for in this year's appropriation bill, these funds can be utilized for the purpose they were contributed and thus be in a position to proceed with the construction of this very important project for the protection of the people in the little town of Calion.

It would not only afford protection to the town itself, but it would protect the levee of Calion Lake, which is constantly being threatened by bank encavement. This lake cost the people in that area thousands of dollars and this protection must be provided for now. To postpone it further would endanger this entire project and provide a constant threat of the tragedies that have been suffered in this area in the years gone by.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, I am not here to argue for any one project. I am here to argue for a principle. We arrived at the figure of $368,969,800, which was the figure in the amendment offered by the gentleman from Kentucky, in this way: The purpose was to adopt the projects already approved in the committee bill—not to eliminate a single one out of the committee recommendations and to take them completely—and then to add a large enough sum to take care of those projects which had been recommended by the Bureau of the Budget and had not been cared for in whole or in part. That was the sole purpose.

We made a deduction for unobligated balances. Today, less than 3 hours ago, I called the engineers' office to be assured about this figure of $368 million. I was assured at that time that that was the figure that was needed to complete the committee recommendations. This is what was placed in the committee bill plus the budget-recommended projects which were cut or were entirely eliminated.

Mr. Chairman, the internal development program for our country has been gradually drying on the vine. Year by year I have seen the total figures for the planning and construction of projects reduced. I have been studying these figures for several years, and I believe that these programs are, in effect, withering and are badly in need of additional funds.

For instance, the total appropriation in the Civil Works Program under the Corps of Engineers amounted to $639,742,190 for the fiscal year 1950. From then on this program has been dropping yearly. In the fiscal year 1951 the amount available for this purpose dropped to $617,863,675. The next succeeding fiscal years' appropriations dropped as follows: For the fiscal year 1952, $616,417,688; for the fiscal year 1953, $560,906,600, and for the fiscal year 1954, $424,231,600. In the present fiscal year, 1955, the total amount appropriated for flood control and rivers and harbors, including operations and maintenance, general investigation and general expense, is $443,364,100. It will be evident, therefore, that in the last six fiscal years the total amount appropriated for these projects has declined nearly $200 million.

The tendency regarding appropriations for irrigation and reclamation projects in the arid States of the West, has been the same. For example, in fiscal year 1951 there was appropriated for this work the sum of $271,679,000; in 1952, $234,408,522; in 1953, $206,447,991; and in 1954, $143,069,660. In the present fiscal year, 1955, there has been appropriated a total of $161,507,000. It will be seen, therefore, that the appropriations for irrigation and reclamation projects have declined in the past 5 fiscal years by more than $110 million.

The combined programs have steadily declined over the years. In the last 5 years we had a decline of $200 million per year in sums available for civil functions work of the Army engineers, and a decline of over $100 million for irrigation and reclamation projects. We find that our people are taking a cut of over $300 million per year in our most useful water resources development program. This cut has been in the face of the fact that the purchasing power of the dollar has likewise declined. The dollar is now worth less than 50 percent of the dollar value in 1940. Therefore, these cuts must be considered in the light of the loss in the value of the money provided for this purpose.

All of our people are affected either directly or indirectly by waterway improvements for flood control and navigation. The large section of our people that are directly and vitally concerned with these improvements have been most patient during World War II, the cold war, and the Korean emergency. It became necessary during these national emergencies to restrict Federal public works to projects that were essential to

prosecution of the war and to our national defense. However, experiences gained during these emergencies, the exactions made in heavy drains on our national resources, and the conditions that prevail in the aftermath of these emergencies, emphasize, as never before, the wisdom and necessity of employing all prudent measures for the conservation of our natural resources and the extensive development of them for their fullest utilization and benefit to the rapidly growing population of our Nation.

I am sure that members of this committee, like myself, have heard from these patient people located in our respective districts who, in urging greater progress on worthy projects, cannot resist drawing comparisons between the limited expenditures in their areas and the large expenditures we are making overseas. I think that these people have tried sympathetically to understand the necessity for helping to rehabilitate and develop the free world, but it is becoming increasingly difficult for them to understand how as a Nation we can afford to expend more money overseas than we do at home for such improvements. It is most difficult to give them a satisfactory explanation in the face of figures which indicate that in the last 5 years we have cut our water-resources development programs at home by one-third and at the same time greatly increased our participation in such programs overseas.

Expenditures of Government may be classified in several different categories. Expenditures for many functions, although essential to Government operations or administration policies, do not yield dividends in tangible material values. Other expenses of Government properly come within the category of capital investments just as private enterprise makes investments in equipment, plants, and expansions for greater efficiency and increased production. While recent foreign expenditures are definitely in the first category, expenditures for flood control, reclamation, and navigation improvements are just as definitely in the second category. Many such projects yield substantial returns to the Government on the investments made and, in fact, are self-liquidating in the course of a very few years. Many others enhance our national wealth and increase the annual income and thus broaden our tax base. They contribute to a higher national income and standard of living for the individual citizen and to increased tax revenues to the Nation, State, county, and municipalities. It would therefore appear to be highly reactionary and injurious to the Nation for the Congress to deny reasonable authorizations and appropriations to keep this program active and progressing.

Of equal importance to expanding our waterway improvements is the matter of replacement or maintenance of the improvements already constructed. In the recent years of lean appropriations, maintenance of our deepwater harbors, of our canalized rivers, and of our intracoastal waterways has been seriously curtailed. As a matter of fact, we are operating important navigation arteries on which the traffic is steadily increasing, where in some instances the navigation works are 30 to 50 years old and have had only minimum maintenance. This committee has had brought before it replacement for substitute projects that would eliminate some of these antiquated works and it is sincerely hoped that the committee will not be hesitant in authorizing such replacements. In the light of commercial statistics that indicate that these waterways are steadily increasing in usefulness to this Nation, it would be the height of folly to not maintain them or make the necessary replacements when maintenance is no longer economical.

In this connection the large number of our people so vitally concerned in the waterway improvements cannot help but observe that in this year when economy and conservatism are "catch words" there has recently been found a highway bill which practically doubles the Federal contribution to annual highway programs. With deference, I must point out that our deepwater harbors, our intracoastal waterways, our Great Lakes, and our navigable rivers are also means of transportation. In the past 25 years the tonnages of waterborne commerce have increased sixfold and better. This is a fact that we can ill afford to ignore since the benefits derived from low-cost transportation affect the pocketbooks of each and every one of us.

There is a corollary phase to the construction, operation, and maintenance of waterway improvements that bears mentioning at this time. This phase is the survey and study program which should be carried on continuously if we are to move ahead with sound programs. Unfortunately over the last 10 years we have advanced this program in spurts, alternately pushing and then curtailing such activities. In the same manner that it was not practical to develop cross country railroad and highway systems to their present status in one undertaking, so it was not possible to develop the ultimate plan for water resources in one undertaking. Single track railroads and dirt highways have gradually been replaced by double tracking and by multiple-lane highways as such improvements were warranted. Similarly deeper channels have been dug and navigation facilities have been and should be extended as warranted.

The recent 42d annual convention of the National Rivers and Harbors Congress indicated clearly that our people have felt that their patience has been taxed to the very limit. They want a more realistic program of internal development. Resolution after resolution and speech after speech in the National Rivers and Harbors Congress brought forth the sentiment that we must provide for our own people in a realistic internal-development program.

During the course of this convention it was my privilege to be elected president of National Rivers and Harbors Congress again. I immediately began to work toward a larger and a broader program of internal development of our water resources.

Since the report by the Committee on Appropriations on the civil functions and reclamation bill to the Congress this year, I have been working steadily on a program of increasing the amounts available for this program to the limit set by the budget. We have had several organization meetings and recently, as president of the National Rivers and Harbors Congress, together with my able vice president, Congressman SID SIMPSON, of Illinois, I called an open meeting in the caucus room of the old House Office Building to discuss the procedure to be used in handling this measure on the floor of the House. Certain amendments were suggested and unanimously agreed to at this meeting. The amendments were framed and placed in the hands of representative Congressmen from different parts and sections of the country who agreed to present them to the House of Representatives for action. Every amendment which was agreed to in this meeting has been adopted by the House and we have now raised the bill to include every item recommended by the Bureau of the Budget. In addition, some 11 items approved by the committee, but not approved by the Bureau of the Budget, remain in the bill.

This has been a real fight, and as president of an organization that has been in existence since the year 1901—I refer to the National Rivers and Harbors Congress—I am very pleased, of course, with the results. I hope that the Senate can be equally successful and retain in the bill the items which the House has agreed to.

Under the amendment adopted by the House is included, of course, $2,450,000 for the Ferrels Bridge project, located in east Texas. This is a vital project. Work has already begun on the project, and adoption of this amendment will mean continuation without interruption of the work on Ferrells Bridge.

The increase in the money for general planning also is very important. It may mean that we can obtain out of the funds now available for general planning enough money to take care of planning funds for the Overton Waterway. The amount needed for this purpose is not great, and the additional money could easily provide this needed help.

I want to thank all of those who worked so well together in making this great day possible. Members from all parts of the United States have been working in unison for a common objective, namely, internal development. The results will be widespread throughout the country and will be seen for a long time to come.

In conclusion, Mr. Chairman, I present a list of engineering projects compiled by the National Rivers and Harbors Congress after much care, to indicate by States, items now included in the civil-functions program of the Army engineers. This list will show those items approved by the budget and the amount of the approval. The list will also show the action of the committee in cutting funds from certain needed projects.

Public Works Appropriations Act, 1956—Corps of Engineers construction program

State and project	Budget estimate	Committee recommendation
Alabama:		
Mobile Harbor	$1,000,000	$500,000
Warrior lock and dam	4,100,000	4,100,000
Arkansas:		
Arkansas River and tributaries, Arkansas and Oklahoma (bank stabilization and channel rectification)	3,000,000	2,800,000
Red River levees below Denison Dam, Ark., Tex., and La	450,000	450,000
Table Rock Reservoir, Ark. and Mo	11,000,000	11,000,000
California:		
Crescent City Harbor	1,000,000	1,000,000
Cherry Valley Reservoir	785,000	785,000
Los Angeles County drainage area	14,000,000	14,000,000
Sacramento River	4,000,000	4,000,000
San Antonio and Chino Creeks	700,000	
San Antonio Reservoir	530,000	330,000
Whittier Narrows Reservoir	933,000	933,000
Folsom Reservoir	4,150,000	2,650,000
Redondo Beach		450,000
Sacramento deep-water ship channel		500,000
Devil, East Twin, Warm, and Lytle Creeks and Riverside		1,250,000
Connecticut:		
Housatonic River	750,000	375,000
Hammonasset Beach	167,000	167,000
Hartford (Folly Brook)	263,000	263,000
Delaware: Delaware River, Del., N. J., and Pa., Philadelphia, Pa., to the sea: Mantua Creek anchorage	1,000,000	1,000,000
District of Columbia: Anacostia River, D. C., and Md	2,750,000	2,500,000
Florida:		
Tampa Harbor	977,000	500,000
Central and southern Florida	6,300,000	3,000,000
Apalachicola River channel improvement		418,000
Jim Woodruff lock and dam, Florida and Georgia	920,000	800,000
Georgia:		
Buford Dam	11,830,000	10,000,000
Fort Gaines lock and dam and Apalachicola Bay, channel across St. George's Island		2,000,000
Idaho: Columbia River, local protection:		
Portneuf River and Marsh Creek	500,000	
Lucky Peak Reservoir	500,000	250,000
Illinois:		
Illinois Waterway: Calument-Sag Channel	4,000,000	4,000,000
Mississippi River between Missouri River and Minneapolis, Minn.:		
Rectification of damages	70,000	70,000
Beardstown	800,000	800,000
Clear Creek Drainage and Levee District	600,000	600,000
Degognia and Fountain Bluff Drainage and Levee District	420,000	420,000
East St. Louis and vicinity	1,285,000	1,000,000
Grand Tower Drainage and Levee District	250,000	250,000
Preston Drainage and Levee District	260,000	260,000
Wilson, Wenkel, and Prairie du Pont Drainage and Levee District	485,000	485,000
Wood River Drainage and Levee District	700,000	700,000
Indiana:		
Indiana Harbor (widening at Youngstown Sheet & Tube Co.)	45,000	45,000
Vincennes	584,000	500,000
Iowa:		
Lock 19 at Keokuk	3,200,000	3,200,000
Missouri River:		
Kansas City to Omaha	3,300,000	3,300,000
Omaha to Sioux City	5,800,000	5,800,000
Coralville Reservoir	4,500,000	4,000,000
Missouri River agricultural levees, Iowa, Kansas, Nebraska, and Missouri	700,000	500,000
Missouri River, Kensiers Bend, Nebr., to Sioux City, Iowa	600,000	600,000
Kansas:		
Toronto Reservoir	2,800,000	2,800,000
Wichita and Valley Center	2,200,000	2,000,000
Tuttle Creek Reservoir		7,500,000
Kentucky:		
Green River:		
Locks and dams 1 and 2	4,400,000	4,400,000
Channel	2,275,000	2,275,000
Greenup lock and dam, Kentucky and Ohio	4,000,000	3,900,000
Barbourville	600,000	550,000
Jackson	246,000	
Louisville	1,275,000	475,000
Maysville	1,540,000	1,540,000
Pineville	816,000	816,000
Louisiana:		
Gulf Intracoastal Waterway:		
Algiers cut-off	1,263,000	750,000
Plaquemine-Morgan City route	1,260,000	
Maine: Portland Harbor	820,000	575,000
Maryland: Cumberland, Md., and Ridgeley, W. Va	1,400,000	1,400,000
Massachusetts:		
Mystic River	$500,000	$500,000
Adams	1,900,000	1,700,000
North Adams	750,000	
Winthrop Beach	210,000	210,000
Michigan: St. Marys River bridge relocation	338,000	338,000
Minnesota:		
Duluth-Superior Harbor, Minn. and Wis	215,000	215,000
St. Anthony Falls extension	1,285,000	1,285,000
Red River of the North, Minn. and N. Dak	650,000	400,000
Missouri:		
Missouri River, Kansas City to mouth	2,000,000	2,000,000
Cape Girardeau	750,000	750,000
Carthage	367,000	367,000
East Poplar Bluff and Poplar Bluff	314,000	314,000
Perry County dam and lock district Nos. 1, 2, and 3	500,000	500,000
Montana: Havre	600,000	500,000
Nebraska: Gavins Point Reservoir, Nebr. and S. Dak	13,950,000	12,000,000
New Hampshire:		
Portsmouth Harbor, N. H., and Piscataqua River, Maine and N. H	400,000	400,000
Hampton Beach	140,000	140,000
New Jersey:		
New York and New Jersey Channels	3,000,000	3,000,000
Atlantic City	906,000	906,000
Cold Spring Inlet	60,000	60,000
Ocean City	67,000	67,000
New Mexico: Rio Grande Floodway	1,600,000	1,600,000
New York:		
Buffalo Harbor	1,200,000	2,000,000
Staten Island Rapid Transit bridge, New York and New Jersey	1,000,000	1,000,000
Wellsville	350,000	350,000
North Carolina: Rollinson Channel breakwater		175,000
North Dakota: Garrison Reservoir	20,000,000	18,000,000
Ohio:		
Cleveland Harbor	5,300,000	5,000,000
Ashtabula Harbor		250,000
New Cumberland lock and dam, Ohio and West Virginia	7,000,000	7,000,000
Oklahoma: Oklahoma City Floodway	2,260,000	2,000,000
Oregon:		
Lookout Point Reservoir	200,000	
McNary lock and dam, Oregon and Washington	11,000,000	11,000,000
The Dalles Dam, Oregon and Washington	63,500,000	58,000,000
Willamette River bank protection	300,000	300,000
Pennsylvania:		
Bradford	500,000	500,000
Johnsonburg	396,000	396,000
Swoyersville-Forty Fort	400,000	400,000
Williamsport	278,000	278,000
Presque Isle Peninsula	600,000	600,000
South Carolina:		
Charleston Harbor	200,000	200,000
Port Royal Sound		250,000
South Dakota:		
Fort Randall Reservoir	7,860,000	5,860,000
Oahe Reservoir	25,000,000	23,000,000
Tennessee:		
Cheatham lock and dam	6,360,000	6,000,000
Old Hickory lock and dam	5,475,000	5,400,000
Memphis, Woli River and Nonconnah Creek	700,000	700,000
Texas:		
Corpus-Christi Bridge	1,500,000	1,500,000
Dallas Floodway	2,690,000	2,690,000
Ferrells Bridge Reservoir	2,450,000	
Texarkana Reservoir	5,000,000	4,500,000
Houston ship channel	500,000	500,000
Port Aransas-Corpus Christi Waterway	600,000	600,000
McGee Bend Dam		1,500,000
Virginia:		
Norfolk Harbor: Craney Island	700,000	700,000
Norfolk & Portsmouth Belt Line Railroad bridge	800,000	800,000
Virginia Beach	235,600	235,000
Washington:		
Chief Joseph Dam	18,000,000	16,000,000
Eagle Gorge Reservoir	1,000,000	1,000,000
Grays Harbor and Chehalis River:		
Point Chehalis	120,000	120,000
Grays Harbor deepening channel		421,800
West Virginia: Sutton Reservoir		1,300,000
Wyoming: Greybull	300,000	300,000
Various:		
Local protection projects not requiring specific legislation	600,000	700,000
Snagging and clearing	300,000	400,000
Small authorized projects	2,000,000	2,000,000
Lower Columbia River Fish Sanctuary program (Fish and Wildlife)	1,400,000	900,000
Advance engineering and design	5,000,000	3,653,000
Reduction based on unobligated balances and recent contract awards		−15,000,000
Grand total, construction, general	357,675,000	321,362,800

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, I rise in support of this amendment which, as I understand, has the purpose of bringing the figure up to the amount recommended by the President and the Bureau of the Budget without interfering with or affecting any projects that have already been approved by the Appropriations Committee.

I was very much interested in the suggestion made by the gentleman from Michigan with regard to his amendment, which would have reduced the amount of the initial amendment by $30 million, to $338 million. It is my understanding that the $30 million which he suggested as the basis for that reduction is an amount that is an unexpended balance, but that does not mean anything to these projects that have been approved by the Bureau of the Budget.

In other words, the unexpended balance has already been allocated to these other specific projects, which would leave nothing to these other projects, recommended by the President but deleted or reduced by the committee, we are presently considering.

Mr. Chairman, I would speak in support of the proposed amendment and particularly in favor of one project with which I am most familiar and which was reduced in committee from the budget recommendation.

There is no balance of thinking in the appropriation of billions for other lands and mere baubles for the American people. If this bill, as presented, is an example of self-preservation within the United States as compared with our military efforts at home and abroad, we would here today demonstrate greatest disregard for those entrusted with judgment on matters of internal economic import and demonstrate flagrant misuse of funds entrusted to us by the people of this country. I am not yet ready to yield everything to the gods of war and foreign affairs and grossly neglect the welfare of my community. I support this amendment wholeheartedly knowing that my constituents and all the millions of Americans who look to this Congress for guidance and representation expect of us sound judgment and considered opinion. I shall and am fighting for the life of many communities.

In the committee report we find that the overall reduction from the budget recommendations on river and harbor projects amounts to $39,177,200. In the reclamation projects a reduction from the recommended figures is made in the amount of $34,525,558. It is my contention that these reductions apply to projects that are warranted and badly needed throughout the country. They are proposed as a vital part of our economy. Providing improvements for the people of the Nation and pertaining to their welfare and safety, this in nowise may be considered a pork barrel type of legislation. These are meritorious projects of extreme need to the many affected areas of our country and have been recommended by the Bureau of the Budget and the President to Congress after these projects have run the full gamut of, first, recommendation by the Corps of Engineers; second, survey recommendation by the Public Works Committee and Congress; third, survey appropriation; fourth, survey; fifth, report to Public Works Committee; sixth, approval of project by Public Works Committee; seventh, approval by Congress of project; eighth, recommendation by Corps of Engineers for start of work; ninth, approval of the Bureau of the Budget; tenth, recommendation by the President, which are 10 good and thorough studies of the worth and merit of its being before this committee.

This Congress has at many times exhibited courage and foresight and at times seeming boldness in expenditure of funds. We have approved bills recommended to us by the President and in the Nation's best interest that would provide $3.5 billion for foreign aid, $1.3 billion for the development of foreign countries, $36.7 billion for defense, have provided millions for the Pan American Highway, will appropriate still more for the commerce and highways of the United States. These matters of great consequence have been thoroughly debated and well founded as matters of great import to the United States and beneficial to its citizens.

Today, in the bill offered by the Appropriations Committee of the House, we find an utter disregard for the worthiness of the individual project—a lack of appreciation for the hard and sincere efforts of experts and Members of Congress alike, as demonstrated by these projects being in the recommended budget—and complete disregard of the public interest as it may benefit from the proposed budget recommendations of the President and upon qualified and authoritative testimony.

In my support of this amendment to the bill, I have centered my thinking upon the Tampa Harbor project. This greatest of all Florida ports, which grossed in excess of 9 million tons in 1953, has not had a single major improvement since 1936. Of all the ports on the seaboard from Norfolk, Va., to New Orleans, La., it is the only port with a harbor depth of under 32 feet.

The beginning of the improvement of this port has the complete support of the administration, the Bureau of the Budget, the entire Florida delegation, and the Public Works Committee. The proposed program of development and improvement is vital and thoroughly planned within the recommended budget figure of $977,000 for the fiscal year 1956–57. Any reduction from this amount is not conducive to economy or to the benefit of the community, the State, or the Federal Government.

I would include in my statement a report requested by me to show the effect of the cut recommended by the committee from the office of Maj. Gen. Emerson C. Itschner, Assistant Chief of Engineers for Public Works, who has recommended an immediate start on the project:

> The House committee allowance of $500,000 will necessitate a 2 to 3-month delay in initiating the work of improving the Tampa Bay Channel, which is the main avenue of approach to the interior channels and the port facilities located on those channels. The total cost of improving the Tampa Bay Channel is about $2,600,000 and, because of the exposed location of the channel and the nature of the material to be excavated, a large powerful dredge will be required to perform the work. Mobilization costs of dredges of the required size approximate $90,000 and, unless a substantial amount of funds can be allocated to the contract, competition among the dredging companies who have such large equipment is likely to be less vigorous and may result in higher cost to the Government.

Here we have been shown the additional cost to Government and lessening of benefit to State and community.

I would point out further economies and return dollar value to the American people by the Tampa Harbor project. Several great airfields are served from this port and the improvements have the endorsement of the United States Air Force as an integral part of the defense preparedness of the Nation. The ratio of dollar benefits has increased since 1949, when they were placed at 1 to 1.45, to a 1954 figure of 1 to 3.45, based upon the methods used by the Army engineers in determining these ratios and prepared by the Hillsborough County Port Authority. Total estimated savings through completion of the program are authoritatively estimated at over $1.5 million annually. This is dollar justification and money returned to the taxpayer.

Many groundings and collisions have occurred with attendant exposure to extreme dangers due to the conditions of this channel. We owe a great debt to those mariners whose safety depends upon this project—and, mind you, we have neglected this factor for nearly 20 years—as other ports of lesser importance have been improved.

I, therefore, urge that the Members of this great deliberative body review and support the proposed amendment to the appropriations bill now under discussion as a matter of utmost importance that such projects as Tampa Harbor and the many others that were eliminated or reduced in committee may be carried out in the best interests of the Nation. Let us for once look beyond our political noses and act—as we have done in foreign affairs and the Nation's defense—for the good of all the people.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I simply want to urge favorable consideration of the amendment offered by the gentleman from Kentucky [Mr. NATCHER].

On behalf of the Florida delegation I urge that the House restore the amount of $6,300,000 for the central and southern Florida flood-control project. A recommendation of $10 million was made to the Budget Bureau by the Corps of Engineers as the amount necessary to carry on this project effectively; however, the Budget Bureau recommended $6,300,000 to the Congress. The House Appropriations Committee cut the Budget Bureau's request to $3 million, which sum is entirely inadequate to carry on the vital work of this project.

Funds for this project are necessary to save lives and so save property. Great progress has been made since this project was authorized, and I feel that the cut recommended by the Appropriations Committee would be disastrous.

I would like to bring to the attention of the Members of the Congress that during the rainy season of 1953 every county in the central and southern Florida flood-control project was declared a critical emergency area by Presidential order, and suffered to such an extent that they were designated by the Secretary of Agriculture as areas where the Farmers' Home Administration could make disaster loans.

The State of Florida to date has more than met its proportionate share of the cost of the central and southern Florida control project. I feel that the Federal Government should do its part and appropriate necessary funds for the essential work this project performs, and in which the Federal Government al-

mended by the President and the Bureau

ment, which would have reduced the

approved by the Bureau of the Budget.

ready has a heavy investment. I would also like to point out that the Corps of Engineers had advised that the benefit-to-cost ratio for the first phase of this project is 6.55 to 1, which I understand is the highest ratio for any project of comparable size in the country.

I strongly urge that the Budget Bureau's recommendation in the amount of $6,300,000 be restored for the vital work of the central and southern Florida control project.

Mr. FASCELL. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kentucky [Mr. NATCHER].

I will speak on the project involved with which I am personally familiar. I refer to the central and southern Florida flood-control district.

This project is one of the largest of its kind ever undertaken. The project encompasses 17 Florida counties, is concerned principally with the regulation of water to protect human life and to eliminate property damage. It involves two navigation projects, including the regulation of water from one of the largest inland fresh-water lakes in the United States. The total project area is twice the size of the State of New Jersey. It is especially significant because it includes Florida's largest city, several other large and many small cities, including 60 percent of the total population of the State of Florida. It also encompasses most of the fertile crop and pasture land in the State. The region is far from being a marsh nor is it always underwater. It produces 60 percent of the State's agricultural output, including sugar cane, citrus, cattle, and in some places, 3 and 4 vegetable crops per year. The State produces 13 percent of the total vegetable crop consumed in the United States.

The regulation of water in this developing region is of first importance to the safety of its citizens, the security of its farms and commercial enterprises, and to the economic well-being of the State of Florida and the United States.

The Corps of Engineers had recommended an appropriation for the fiscal year 1956 of $10 million. The Bureau of the Budget recommended $6,300,000. The bill as before this Committee, has reduced the estimate to $3 million.

The amount of money recommended by the Committee is wholly inadequate to continue the work necessary on this project. The very minimum which should be allocated to the project in order to keep the work sufficiently current so as to amortize the total cost within the foreseeable future is $6,300,000 for this coming fiscal year.

Actually, unless the appropriations are stepped up to a minimum of $20 million a year, the completion date of the project will be so extended that it will add a tremendous cost burden both to the local interests and to the Federal Government.

It has been stated by the committee that their objection to this project is that it is basically a land-reclamation project. This is not well-founded on the facts. A detailed study of the technical data will show that while there is considerable land benefit, this is incidental to the original purpose of the project itself. In 1947, there were 3 million acres of land flooded for many months. Crops were ruined. Homes were destroyed. Lives were lost. There was approximately $60 million in property damage. Almost each year since then, there has been flood damage to this area running into the hundreds of millions of dollars. This damage, I respectfully submit, does not come from water which is already there. This damage comes from floods.

Another question raised by the committee was the question of the local contribution. I point out to the committee that the people of the State of Florida have met every obligation imposed upon them for their contribution to this vital project. Under the Flood Control Act of 1948, for the first phase of the project, a formula was established for local contributions which would require them to contribute approximately 39 percent of the total cost of the project. This included 15 in direct cash appropriation. All of this has been met as required, and in addition, the State has appropriated in advance $2,900,000 beyond that required to match Federal contributions to this date. The local contribution under the act further required that the local interests bear the complete cost of the acquisition of lands and of rights-of-way, and pay for all relocation work, as well as all maintenance and operation costs of the completed work.

All of this has been borne by the local interests, even though the costs of rights-of-way, have risen 400 percent, and the amounts for private and public relocations have advanced 350 percent.

The committee raised the question that the local interests should pay a greater rate of contribution because of the tremendous benefit ratio which is estimated to be 5 or 6 to 1, and because the land values of the land which is reclaimed as part of this project, has increased considerably. I respectfully point out to the members of this committee that the testimony of the engineers before the Appropriations Committee shows that at the present time, the engineers are resurveying the entire project with respect to the determination of a new formula for contributions, and that this work is being done pursuant to the Flood Control Act of 1954 which authorized and approved this entire project, and required that the project be re-evaluated and appraised. The engineers report that they expect to have this completed by December 1956.

Therefore, there is no justification, either from the standpoint of the nature of the project or from the standpoint of the local contributions for in any way retarding the project by not appropriating the amount of money necessary—and which I emphasize again is the bare minimum required to do the essential work toward completing this project within a reasonable time.

I earnestly urge the members of this committee to support the amendment to the bill which would restore the appropriation to the level recommended by the Bureau of the Budget and would increase the appropriation for this project from the $3 million recommended by the committee to $6,300,000 recommended by the Bureau of the Budget.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, I rise in support of the Rabaut amendment. Mr. Chairman, I am sure that in this particular instance there is no difference in what we are trying to do as between the amendment offered by my good friend and colleague the gentleman from Kentucky [Mr. NATCHER] and the amendment offered by the gentleman from Michigan [Mr. RABAUT].

There are two items in our particular panel which are going to be completed with the amount of money we allocated. Both of those items were cut by the committee. One was the Housatonic River and the other the Portland Harbor and improvements. The Corps of Engineers advised us in writing that only $375,000 will be needed for the Housatonic River project and $575,000 for the Portland Harbor project. Those are the identical amounts which the committee allowed and represent cuts from the budget figures of $375,000 and $245,000, respectively. Both of these particular projects are going to be completed. We are appropriating, under the proposal made by the gentleman from Kentucky [Mr. NATCHER], money for these particular projects that they cannot use. All the Rabaut amendment is attempting to do is to put this appropriation on a realistic basis.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT] to close debate on the pending amendment.

Mr. RABAUT. Mr. Chairman, I yield to the gentleman from Massachuetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I think we ought to have this in mind when we vote on these particular amendments. The Rabaut amendment calls for an expenditure of some $30 million less than the amendment offered by the gentleman from Kentucky [Mr. NATCHER]. The amendment offered by the gentleman from Michigan [Mr. RABAUT] is the result of the fact that there is $30 million on projects for which money has been appropriated in the past, but which are not in the budget and which we can save. That amounts to $30 million. The amendment offered by the gentleman from Kentucky puts into the bill all the projects which were budgeted by the Bureau of the Budget plus all of the projects the committee itself put into the budget. The amendments offered by the gentleman from California and the gentleman from Oklahoma were not budgeted for. They do not have a proper benefit-cost ratio. Both of those amendments ought to be voted down.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield for a question on the matter of the benefit-cost ratio?

Mr. BOLAND. The benefit-cost ratio on the Eufala River is 1 to 1. Insofar as the Rabaut amendment is concerned, I think that the membership of the House ought to stick with this committee. These panels have been operating for the last 6 or 8 weeks, and they sat mornings, afternoons, and some evenings trying to bring to this floor a bill which would be agreeable to all the Members of the

House. This bill is the pork barrel log-rolling bill of this Congress. As I sat in committee listening to all the arguments about flood control, navigation, dredging, channeling, and all the projects that go to make up this particular public works bill that I thought we should keep in mind that a lot of them are not justified.

Mr. Chairman, I hope the amendment offered by the gentleman from Michigan will prevail.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. RABAUT] to the amendment offered by the gentleman from Kentucky [Mr. NATCHER].

The question was taken; and on a division (demanded by Mr. RABAUT) there were—ayes 66, noes 103.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from California [Mr. ROOSEVELT] to the substitute offered by the gentleman from Oklahoma [Mr. EDMONDSON].

The question was taken, and the Chair being in doubt, on a division, there were—ayes 107, noes 86.

So the amendment to the substitute amendment was agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Oklahoma [Mr. EDMONDSON].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 112, noes 87.

So the substitute amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Kentucky [Mr. NATCHER].

The amendment was agreed to.

Mr. FLOOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLOOD: On page 20, line 8, after the amount named insert: "and in addition $18,500,000 for the project, Delaware River, Philadelphia to Trenton."

Mr. FLOOD. Mr. Chairman, I would like my friends from all of the States to know that Pennsylvania and New Jersey have kept the faith today. So stick around. Consistency is a jewel, I believe you have heard.

Mr. Chairman, first of all I want to yield to my distinguished friend from Philadelphia, Pa. [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, I would like to say to the gentleman that the amendment which he has offered is identical in its wording to an amendment which I also have at the desk and which I will not press as a separate amendment because I associate myself with the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD] and wholeheartedly support it.

Mr. FLOOD. I thank the gentleman from Pennsylvania. We wanted to have it done that way so you on both sides of the aisle could see that there is certainly no politics involved and I hope nobody stands up here and suggests that I am going to make a speech for the United States Steel Co. How silly can you get?

Mr. Chairman, there is a matter of principle involved in my amendment. I am going to leave a discussion of the facts as they see fit to my colleagues from New Jersey and to my colleagues from Pennsylvania as they see fit to discuss the merits, these men who live and work and represent the great Delaware Valley and its channel area.

I want to point out that this request was authorized by the Congress last year. The Budget Bureau despite that fact insists that a 50-percent contribution be made. I raise this flag of warning to every Member in this House: The Budget Bureau for the first time in 175 years or however long it has been down there is going to make an attempt through this action here to demand local contributions. In a project of this magnitude, Mr. Chairman, that has never been done in the history of the United States before.

I hope there will be no attempt to laugh this case out of court by saying that we who speak for this cause are stooges or mouthpieces or a cat's-paw for the United States Steel Co. that happens to have their plant this year on this great river. I am 200 miles away from it and there is no one cares less about the United States Steel Co. than I do. But I do care for an employer of workers and for a great industrial area.

Let me read this language, Mr. Chairman, from the Senate report which accompanied this authorization bill:

The adoption of this recommendation would be inconsistent with the national policy followed for many years on navigation projects over the entire country.

This is a rank, outrageous discrimination against the States of Pennsylvania, New Jersey, and Delaware, and these men on both sides of the aisle here who come from this great Delaware Channel, the great Delaware Valley that is being made into one of the great industrial and commercial complexes of the entire world.

Mr. Chairman, I am going to yield back my time because there are my colleagues here from New Jersey and Pennsylvania who wish to tell you the facts as they know them.

THE DELAWARE RIVER PORT IS NUMBER ONE IN THE NATION IN IMPORT TONNAGE

Mr. Chairman, the Delaware River port handled 15.6 percent of the Nation's foreign commerce during the first three quarters of 1954, as compared with 12.5 percent during the comparable 1953 period. This increase was registered during a time when national waterborne commerce was 4.3 percent less than the figure for the same period a year ago.

In import tonnage, the Delaware River port has become the Nation's No. 1 port. Handled were 22,373,344 short tons during the first 9 months of 1954, an increase of 18.6 percent over the corresponding period of 1953. The Delaware River's import tonnage exceeded that of any other part in the Nation during this period.

With the improvement of this port and the facilites offered, it is reasonable to expect that additional commerce will be attracted, much of which will be of foreign nature.

Many millions of dollars have already been invested by local interests in the port area in an effort to maintain its position as one of the Nation's ranking ports. For a breakdown of some of these expenditures, see page 17 of the Case for a Deeper Delaware.

NATIONAL DEFENSE DEMANDS A DEEPER CHANNEL

In terms of our national defense in this age of nuclear warfare when every day brings forth a new international crisis, the Delaware River port area, because of its diversified industrial power and geographical location, is the keystone in the Nation's arsenal for defense.

Few, if any, of the major ports in the United States can match the natural baffles—Delaware Bay breakwater, the reaches of the bay, and the tidal estuary—which present an impregnable barrier against enemy seaborne craft. The Delaware River port is a natural fortress for the embarkation of personnel and supplies. During World War II, 15 to 20 percent of all goods shipped in and out of the United States were handled expeditiously by this port.

The port has always experienced a fine, no-strike waterfront relationship. Generations of skilled longshoremen have mastered the know-how for quick turn-around so vital in a mobilization effort. The Philadelphia longshoremen surpassed by 3 days the national average for a complete cargo loading, which achievement will be invaluable in times of national emergency.

A definite indication of the recognition given by the Defense Department to the industrial might of the port area is shown by its maintenance of more than 15 procurement agencies in Philadelphia. The Philadelphia Naval Base, which houses one of the largest shipbuilding yards in the world, the Frankford Arsenal, a naval air matériel center, and the Philadelphia Quartermaster Depot, which expended approximately $4.3 billion to maintain a constant flow of supplies to the Armed Forces aboard during World War II, are a few of the Armed Forces installations located in the Delaware River port area. Many other important facilities are planned which will further increase the value of the area to the Armed Forces.

Only recently the Secretary of the Navy has publicly acclaimed that the deeper channel in the Delaware River is of paramount importance in the defense planning of the Nation.

THE PRESENT CHANNEL IS OUTMODED

Without a channel of the proper depth the port facilities are limited. This will have a much more serious effect and consequence in times of emergency and restrict our potential contribution to the security and defense of the Nation.

A survey by the National Federation of American Shipping shows that 96 percent of privately owned American oceangoing vessels would be unable to use a 25-foot waterway. The upper river channel in its present state, therefore, excludes 9 out of 10 oceangoing vessels.

It is significant that of 77 oceangoing vessels currently building or on order in

United States shipyards only 1, a coastal tanker, has a designed draft of less than 29 feet.

Just as roads have been widened and improved for land transportation, so channels must be deepened for essential water transportation. The 25-foot draft vessel is as obsolete as a 1920 jalopy.

DEVELOPMENTAL ASPECTS OF THE CHANNEL

Historically, all projects similar to the deepening of the Delaware have, without exception, brought a tremendous economic growth to the area involved. It is difficult to evaluate the increase in jobs, community development, and amount of taxes to be paid to the States and Federal Government which will result from the completion of the deeper channel project.

Further development along the shores of the Delaware will mean new capital investments, new job opportunities, new employment, new payrolls. It will produce new housing and new service industries to accommodate the new population. New job opportunities in the building trades have already begun to create an influx of people, tremendous payrolls, and lasting benefits for the area. Within 5 miles of Morrisville, Pa., two large communities are now under construction—one of 4,500 homes, and one which is projected for 17,000 homes. Announcement has been made of a proposed Levittown, N. J., in Willingboro Township, Burlington County.

As a byproduct the deeper channel will extend the benefits of low-cost ocean transportation to thousands of industries, large and small, regardless of their location. This is a historical fact, based on years of waterways improvement experience. These industries can become substantial customers and suppliers throughout the country; their savings resulting from efficient transportation and advantageous location will be reflected in the price of goods and distributed on a nationwide basis.

[From the Philadelphia Inquirer of June 16, 1955]

OUR CHANNEL IS PAYING ITS WAY NOW

The American Revolution was fought in part to free this country from unreasonable restrictions upon its commerce and stupid obstacles to its trade.

The phenomenal economic growth in the United States has been due in large degree to the policy laid down by the Founding Fathers—a policy of keeping our arteries of commerce wide open and free.

That is why there are no trade barriers between States; no interstate customs stations as in Europe; no taxation on interstate commerce. That is why development and control of America's navigable rivers have been a traditional responsibility of the Federal Government which could keep them free, and not of the States which might find it profitable to hamper waterborne commerce. That is why, save for special facilities, there have been no tolls—up to now—on the great water arteries of our Nation.

Freedom of our rivers has been as universally accepted a doctrine as freedom of the seas.

Now, at this late date, some strange influences at Washington seek to reverse that policy. They would turn their backs on our national experience, and decree that the Founding Fathers of the United States were not as wise as history has shown them to be.

It is seriously proposed to levy tolls from the ships which use the Delaware River.

This proposition was put to Walter P. Miller, president of the Chamber of Commerce of Greater Philadelphia, at a conference with Presidential Assistant Sherman Adams and Assistant Budget Director Donald Belcher. It was argued that the Delaware River should be put on a pay-as-you-go basis.

We are amazed that Messrs. Adams and Belcher do not know that the Delaware River is paying its way right now.

Commerce in the upper Delaware (where the Budget Bureau has opposed channel deepening unless United States Steel pays half the cost) has increased rapidly. So much so that a new customs station was established in the Trenton-Morrisville area 3 months ago.

Officials predicted that this station would further boost customs collections in this area. They already had been rising. For February last they had jumped to $3,628,037—or more than 25 percent over February 1954.

All that is income for the Federal Government. It is income which has been made possible by the freedom of the river policy which was established when the Nation's foundations were laid.

And there's still more to the story, if Messrs. Adams and Belcher are interested. Over the past 50 years, Delaware River development has cost the Federal Government $105 million. On that sum it has received a return of $14.25 for each dollar invested. In 1951 alone the port of Philadelphia customs receipts were $52,300,000.

Yet these gentlemen have the effrontery to suggest that the Delaware River be made to pay its own way.

Do they propose to levy tolls on all the other main rivers of the United States? Do they urge tolls to recoup the huge sums which Uncle Sam has invested in New York Harbor? The Federal Government paid the entire bill to deepen the Hudson River to accommodate just two ships, foreign ships: the *Queen Mary* and the *Normandie*, and no quibbling then. Is it planned to establish toll stations along the Mississippi, where vast sums are spent for channel maintenance?

We could go on and on. We could even ask some embarrassing questions about the St. Lawrence Seaway, and the interests which seem determined to promote that, and hold Delaware Valley down.

The fight for Delaware Valley's channel has just begun. It is incredible to us that anyone in the Nation's Capital should seriously propose turning the clock back before the Revolution. It is particularly outrageous that anyone should tell Delaware Valley to pay its own way on its mighty river—when it is paying its way, many times over.

IMPORT DUTIES AND CUSTOMS RECEIPTS

Researchers in the University of Pennsylvania recently completed a documented study, a summary of which follows, of the potential commerce on the Delaware River predicated upon the extension of a 40-foot channel. This study indicates that the total prospective tonnage of the port for the year 1975 is estimated at 143,366,600 tons. This tonnage means $849,107,000 total value added by the port and 53,065 estimated new job equivalents.

Applying standard statistical methods to the value of the commodities anticipated, it is indicated that import duties and total port collections in 1975 will be slightly in excess of $61 million.

1975 projected new job equivalents (See University of Pennsylvania study.)	53,065
Less employment of 3 cases cited in "I"	2,900
Net increase	50,165

These projected new job equivalents represent an annual payroll of $250 million.

(a) Translated into purchasing power, this represents $1,500,000,000.

(b) Translated into annual employee income taxes (estimated), $20 million.

CHANNEL DEPTHS UNCHANGED

Forty feet from the sea to the Navy Yard; 37½ feet to Allegheny Avenue; 28 feet to Delair Bridge; 25 feet to Trenton Marine Terminal.

1953 port collections	$43,982,000
1975 projected port collections	48,367,000

THE 40-FOOT CHANNEL EXTENDED

The 1975 projected annual port collections, $61 million (based on "value added by port" from University of Pennsylvania study, computed by the Philadelphia office of collector of the port).

The 1975 increased return to the Government due to extension of 40-foot channel, $12,633,000.

Mr. KIRWAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not think they picked the best man to come down here to tell the truth, but what I want to tell the committee is this. It is a long time since the Delaware River, especially the upper part between Trenton and Philadelphia, has been before this House. I think the first mention of it was some 180 years ago when George Washington asked for some money to keep the Continental Army going, and to prove to the American people that they had faith, to try to bolster the morale of the Army, he went across the same river between Trenton and Philadelphia and did battle with the Hessians, and in that way proved that they were able to carry on provided the Congress gave them the funds.

Now, let us march on from there. This project that we are talking about now never had a hearing before the committee. This project was tacked on as a rider last year 2 days before the House adjourned, and it shot through the House without any hearing. We gave that steel plant $450 million in tax amortization in order to build that plant in New Jersey.

Now let us take a look at the record. One of their subsidiaries is building four steel boats, ore boats, in Japan with cheap labor. Each one of those boats will carry 2 trainloads of ore, eliminating a great many laboring men. It will be flying under a foreign flag with cheap labor.

Now, that is what we have got here today. Those very boats built overseas will be going down the Delaware River. For 20 or 30 years the Delaware River had a depth of 25 feet and nobody used it. The river filled up to where they only had a depth of 8 feet, and nobody used the river. There was no big business or small business located between Trenton and Philadelphia. There are 43 businesses located on that river today, and only one-half of them using the river use small boats. The Army engineers testified that the only one who will get 100-percent benefit out of this is the United States Steel Corp. If it was dredged to a 35-foot channel, they would get 85-percent benefit. Up on the St. Lawrence River we are only paying $100 million to complete a seaway 105 miles long. They have 66 seaports on

the Great Lakes, and they have 59 million tons right there today awaiting shipment. But, on this waterway they will only ship 30 million tons, and it is costing as much money to construct that 30 or 40 miles of channel as it is costing to build the St. Lawrence seaway. The only one that has made any commitment that they will ship on this 40-foot channel is the United States Steel Corp.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. KIRWAN. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. Does the gentleman agree that this project was recommended enthusiastically by the engineers as a desirable project?

Mr. KIRWAN. Let me say something about the engineers. President Eisenhower said that the United States Steel Corp. should pay $18 million as their portion. So did the Bureau of the Budget. Further, President Eisenhower said 2 weeks ago that he is not in favor of any bill coming into the House that was tacked on as a rider. Did he not tell you that 2 weeks ago?

Mr. SCOTT. Does the gentleman agree that the Corps of Engineers has approved this measure as a highly desirable project?

Mr. KIRWAN. If you were as good an engineer as they are, you would want to build projects all over the world as long as somebody gave you the money. They recommended it, sure. They would not be good engineers if they did not recommend it.

I did not take any time here today cluttering up the RECORD or anything at all, but I am only asking you to be true to our laboring men and to the men that crossed that river 180 years ago when they would not give any quarter. They proved to the Congress that they were worthy. So, let the Congress prove to the country today that they are not going to give them that $100 million to do something that is not worth it.

I am thankful that you have given me this time. I hope that this amendment is voted down.

Mr. WOLVERTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment now under consideration to make $18,500,000 available for deepening the Delaware River channel to Trenton, N. J., is one of extreme importance to the whole Delaware River Valley.

It is unfortunate that a matter of such great importance to the States of New Jersey, Pennsylvania and Delaware, and, in fact, to the surrounding States, as well, should be precluded by limitation of time from making as full a presentation as the importance of the matter justifies.

Week after week this House has adjourned from Thursday to Monday, and sometimes it is Tuesday or Wednesday before any importance business is accomplished, and, yet, when a matter of this importance comes before the House, and one that means so much to the life of not only a single locality, but to a whole area, the time is limited in which an individual Member can present his views together with the facts that should have a determinative effect. This is not true in the other body of Congress. In the Senate a Member can utilize such time in debate as will enable him to fully present the facts, and make the arguments necessary to sustain the justice of the position taken. I am certain that if such opportunity was afforded in this matter now before us for consideration it would be possible to show beyond any reasonable doubt the importance and the advisability of adopting this amendment to make available sufficient funds to commence and carry on for the next fiscal year the deepening of the Delaware River channel.

The limited time at my disposal necessitates my summarizing as much as possible the considerations and reasons that justify the adoption of the amendment. They are as follows:

First. The combined industrial, commercial, maritime, and shipping interests utilizing the facilities of the Delaware River urge the deepening of the channel as economically feasible and necessary if the river is to have the full use for domestic and foreign commerce of which it is capable.

Second. Governor Meyner, of New Jersey; Governor Leader, of Pennsylvania; and Governor Boggs, of Delaware, have all urged approval of the project. The United States Senators and Members of Congress from the affected States have likewise done so, and are actively engaged in seeking favorable action. The mayors of Philadelphia, Camden, and Trenton, the three largest cities in the immediate area, and municipalities large and small on both sides of the river have appeared in person or by resolutions, requesting favorable consideration. And not only have the industrial, commercial, and shipping organizations of the area, but also the chambers of commerce, the political organizations of both parties, and the labor organizations throughout the area have joined in the demand for this necessary improvement in this fastest growing area in the United States. It is without a doubt the most unanimous appeal in a local matter, affecting several States and numerous municipalities, that I have ever experienced in my nearly 30 years of service in the Congress.

Third. Furthermore, we must not overlook the fact that the Congress last year authorized the project to be carried out, nor should we fail to remember that the Army engineers have admitted that the deepening of the channel as proposed would unquestionably contribute to the general welfare of the region. All of these considerations it seems to me not only justify but impel favorable consideration of the amendment now before us and thus enable the work to proceed.

Fourth. I am aware that in the consideration of all projects such as this it is appropriate to inquire as to its economic feasibility. In answer to such, I have no hesitancy in saying that the resultant financial gain to the United States Treasury will justify this expenditure. It will be just ordinary good business for the Federal Government to invest in the Delaware River. The experience of the past proves the truth of this statement. For instance, customs receipts alone from the commerce that enters the Delaware River bring $52 million a year into the United States Treasury. Since 1836, the Federal Government has spent a little over $100 million on the Delaware River channel—but since 1900, it has collected almost $1.5 billion in customs revenue—or a return of $14 for every $1 invested. And, with the deepening of the channel, it would enable larger ore carriers to bring ore to the docks of the area that would provide a substantial saving over the use of smaller ships, and, thereby, by conservative estimate, benefit the United States Treasury by almost $4 million in additional taxes each year.

If time permitted there is much more I would like to present in support of this project, but limitation of time prevents. Suffice it to say that without a doubt there is no area of the Nation that is today experiencing a faster or more substantial growth than that taking place in the Delaware River Valley. In addition to the large industries already located on the shores of the Delaware, such as DuPont industries, Socony Vacuum, Texaco and Cities Service Oil Companies, Atlantic City Electric Co., New York Shipbuilding Corp., Radio Corporation of America, and Campbell Soup Co., there are the Philadelphia Navy Yard and all the other numerous varied industries located on the Pennsylvania side of the river, but as to these, I would leave to the Members from Philadelphia and adjacent areas in Pennsylvania and Delaware the opportunity to speak of the growth in their own respective areas and a recital of the industries located there.

However, I desire before closing to further emphasize the importance of adopting this amendment. I want every Member of the Congress to realize that a failure to adopt this amendment will mean the acceptance of a principle or policy that can and, in all probability, would rise to haunt every Member in the future if and when they would have any project of river or harbor development in their district. It may seem strange to hear me make a statement such as this, but, it is true. Let me explain the situation. I will do so by bringing to your attention again the same explanation I made yesterday in the general debate. It bears repetition over and over again because the adoption of the policy suggested by the Army engineers and the budget would, if adopted, mean the curtailment of all future harbor and river development, reclamation and flood-control projects.

The matter to which I refer is the strange suggestion that comes to us from the Chief of Army engineers, namely, that local interests pay half the cost of increasing the depth of the Delaware River. This contribution has been estimated at $18 million.

The Chief of Army engineers admits that the deepening of the channel would unquestionably contribute to the general welfare of the region. But he makes the qualifying observation that the use of channel depths greater than 35 feet will be confined to a single company.

In answer to this suggestion, I reply: Why should an industry be compelled to contribute directly to the cost of a public improvement which benefits not only

that industry but a whole region, as the 40-foot channel undeniably would? Even if a private enterprise is willing to shoulder such a charge, should the Government want it to? Would there not be corollary questions of the industry's rights in the improvement it is helping to finance, and of tax deductions? Should an industrial firm whose tax payments help produce public improvements be required also to pay directly for such projects?

If a 40-foot Delaware channel is in the public interest, as it appears to be, it should be treated as a public improvement, built with public funds—not as part of a corporate investment.

Furthermore, to adopt a policy of required local participation in cost of river and harbor improvements creates a situation that would not only be novel and unique in the Government policy that has heretofore prevailed, but the results could conceivably prove most disastrous by curtailing future expansion of our principal ports and rivers.

Questions immediately arise as to not only the lack of justification for such a policy but also as how such a policy could ever be practically applied in its application. For instance:

First. What is meant by "local interests"? Is this to mean local industrial interests, local commercial interests, local maritime or shipping interests, or local, State, or municipal interests?

Second. If industrial, commercial, or shipping interests are intended, then would it be applicable only to the presently existing interests or would it contemplate also contributions from future interests of a similar character? If so, then how would it be applied as between present and future interests?

It can be readily seen that it would be unfair and unjust to apply it only to existing interests as against future interests that would equally benefit, and most objectionable of all considerations that would naturally grow out of such a policy would be the tendency of new interests to avoid placing their industries or other interests along the Delaware River. Thus, it would have a tendency to stifle future development of the whole Delaware River Valley.

Third. Furthermore, if such a policy should be adopted as to the Delaware River, then it would be the application of a policy that runs counter to our river development policy since our beginning as a Nation, and in all fairness would require the application of the same policy to all our rivers and harbors and thus create a situation that would prove most detrimental to port developments throughout our Nation.

Furthermore, and equally strange, has also been the suggestion that a system of toll charges might be a good thing to establish with reference to future river improvements. I assume this to mean that a charge could or should be made to ships using the increased depth or width of a river channel.

It is my opinion that there is not a single Member of Congress that would ever knowingly accept or adopt either suggestion as a national policy relating to future river and harbor development.

And, yet, underlying the refusal to put an appropriation in this bill for the deepening of the Delaware River channel this very suggestion is paramount. The statements made at the hearing we had before the subcommittee leaves no doubt that there was in the mind of the member who made the statements an intention to hold up local interests to compel the payment of a substantial part of the cost of the improvement. Why an existing industry should pay this tribute because it is large, and all other industries that come hereafter to the river, whether large or small, should go free of a similar charge is beyond me to either explain or justify. And, likewise, why should local interests, industrial or municipal, be required to pay when all other like interests situated on other rivers be permitted to go free. Ladies and gentlemen, make no mistake, this Delaware River project is the "guinea pig." If the Appropriations Committee of the House can defeat this amendment, then a new policy will have been established. It is our duty, no matter whence we come, to rise up and cast aside this unreasonable and unjustifiable policy that the Budget Bureau, through the Appropriations Committee and by the votes of this House, seeks to establish. I appeal to you to support the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD] and thereby assure a continuance of a policy that has existed throughout the entire history of our Nation.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from New Jersey.

Mr. HAND. As the gentleman knows, I have a very great interest in this project and I know that, sooner or later, this year or next year, the Congress will build it. The only question I have at the moment is, Have the proponents of the amendment studied the real amount necessary this year—the amount that can be sensibly spent this year? The original amendment was $25 million, and I know that was too much.

Mr. WOLVERTON. That has been taken into consideration by the sponsor of the amendment and those who are supporting it. The gentleman will note that the amendment called for $18,500,000. One engineer estimated that $18,500,000 could be spent in this fiscal year; another, $18,600,000; and another, $18,700,000. We have adopted the figure of $18,500,000.

Mr. HAND. That figure comes from the corps as the amount that can be spent in an orderly fashion?

Mr. WOLVERTON. That is right.

LEGISLATIVE PROGRAM FOR NEXT WEEK

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, may I inquire of the majority leader the program for next week?

Mr. McCORMACK. On Monday the first order of business will be the Consent Calendar. Then there will be four suspensions. One will be on the bill S. 67, to adjust the compensation of Federal employees. That is the classified employees pay-raise bill. There will be a rollcall on that.

The second will be on H. R. 5891, to amend the Materials Act of 1947.

The third will be on House Concurrent Resolution 109, to send a committee of some kind to the NATO parliamentary conference.

The fourth will be on H. R. 6295, to increase the per diem travel expense allowance.

On Tuesday the Private Calendar will be called and then H. R. 4663, relating to the Trinity River Division, Central Valley project, will be considered.

On Wednesday, Thursday, and Friday the following bills will be considered:

H. R. 6040, the customs simplification bill of 1955, if a rule is reported on it.

H. R. 735, increasing the compensation of Medal of Honor men. A rule has been reported on that bill.

H. R. 6382, relating to the Foreign Claims Settlement Commission. A rule has been reported on that bill.

I make the usual reservation that any further program will be announced later and that conference reports may be brought up at any time.

Mr. MARTIN. As I understand, if the bill now under consideration is passed today, we will not have a session tomorrow.

Mr. McCORMACK. That is correct.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Chairman, at the conclusion of his remarks my distinguished friend from Pennsylvania [Mr. FLOOD] said that he would yield for somebody to tell the truth. Now I am going to give you the plain, unvarnished truth about this whole matter.

The United States Steel Corp. has contracted for the construction of three large ore-carrying vessels, not in the Cramp Shipyard at Philadelphia, not in the New York Shipyard in New Jersey, not in the Sun Yard at Chester, but in Japan. In order to accommodate these three vessels, it is necessary to dredge the Delaware River from a point in Philadelphia up to the United States Steel Co.'s plant at Morrisville.

Now this whole matter ought to be on the Private Calendar in a bill entitled "A bill for the relief of the United States Steel Corp." Let me call your attention to something else. This is unnecessary. Why, the port of Philadelphia, according to the statements made by the very active chamber of commerce of that great city, in which I have business interests I might add, is the greatest port in the United States today. There is a 40-foot channel all the way to the Philadelphia Navy Yard and between the Philadelphia Navy Yard and the sea there are thousands and thousands of acres of land. The National Steel Co. just recently completed construction of a large mill on the 40-foot channel. The Tidewater Oil Co. has abandoned its refinery in the State of New Jersey and has constructed a large refinery on the 40-foot channel. Let me tell you what is in back of all this. The United States Steel Corp. is getting its ore from Venezuela. The gentleman from Pennsylvania [Mr. FLOOD] said this is a terrible

thing to call upon a citizen to bear some expense for a thing of this sort. Well, they paid every nickel for the dredging of the Orinoco River in Venezuela for a 17-foot channel. They bring those ships down to the sea and over and up into the Delaware. But if they can lighter the ore down in Venezuela and put it on these three large vessels being constructed at the moment in Japan, then, of course, they can save the expense of transportation.

In this steel business, it is a very tough competitive field. It is dog eat dog. If the United States Steel Corp. at the expense of all of the taxpayers of the United States is provided with a free canal, and that is what it would be, a private canal for the benefit of United States Steel from Philadelphia to Trenton, then they are going to have a decided advantage over competitors. I just do not see why it is inconsistent for the President of the United States to say that they should pay a part of this. Look at what the engineers' report says:

> The reason for requesting enlargement of the channel to Trenton at this time is the recent construction of a large modern steel mill by the United States Steel Corp., on the Pennsylvania side of the river below Morrisville.

And that is the reason given by the President of the United States, when he has refused to endorse this project for a contribution coming from the sole beneficiary. This project will cost $104 million. Do you think we should subsidize a project of that size for one corporation, great as it is? I do not, and I trust you will agree with me.

Mr. RABAUT. Mr. Chairman, I move that all debate on the pending amendment, and all amendments thereto, close not later than 6 o'clock.

The CHAIRMAN. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

Mr. KING of Pennsylvania. Mr. Chairman, when my colleague from Pennsylvania [Mr. WALTER] proposed to tell you the whole truth, he should have added an explanation of his position by telling you that the principal industry of his district is the Bethlehem Steel Corp.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. The Bethlehem Steel Corp. already has a deepwater channel.

Mr. WALTER. Will the gentleman yield? I do not make any bones about it. I am pleading for the jobs of 30,000 people, both your constituents and mine.

Mr. KING of Pennsylvania. On the same basis, I happen to live on the Delaware bank close to this new steel plant, and therefore perhaps I have a right to be interested in their welfare when it is incidental to the welfare of this whole Delaware Valley territory.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield.

Mr. SCOTT. I would like to point out that the only other person who speaks in opposition also comes from a district which has a competing steel company.

Mr. KING of Pennsylvania. This project of deepening the Delaware channel is one of vital importance and significance. I am quite familiar with the location, having lived there on the river bank for some 33 years. I have particularly watched in the last 10 years the rapid industrial development in this territory, particularly on my side of the river.

What is needed to enhance the industrial development of this territory is a deeper channel, because it is, in a sense, landlocked with a channel of only 25 feet. When you say that the steel company is the only one that can now use a 40-foot channel, certainly it is consistent that nobody would attempt to open an industry there unless they had a deeper channel.

The Office of Army Engineers has said that there have been contacts made by many large industries proposing to locate in this territory, if and when a deeper channel is provided. Of course, the slur that the steel company has had its large barges built with foreign labor I do not think has any place in the economic need for this channel.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield.

Mr. McCONNELL. I would like to say at this time although I am not a resident of the area, on the banks of the Delaware River, I am suburban to Philadelphia, and I am vitally interested in the progress of the Delaware River Valley. Therefore, I wish to join with you and others in supporting this amendment.

Mr. KING of Pennsylvania. I thank the gentleman.

The Delaware River flows past 8,600 different manufacturing plants.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. KING] has expired.

(By unanimous consent Mr. FULTON yielded his time to Mr. KING of Pennsylvania.)

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield to the gentleman.

Mr. FULTON. I am from Pittsburgh, but I think this is a matter of the development of the whole Delaware River area, not just one company. I am strongly for it.

Mr. KING of Pennsylvania. Certainly the country in a very good and general way is interested in the improvement of this great harbor facility, a facility which will add nearly 58 miles of deepwater shoreline. Certainly this is a valuable addition to the great harbors that we already have on the Delaware.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. KING of Pennsylvania. I yield.

Mr. WOLVERTON. I can assure the gentleman that already great interest is being displayed by large corporations to come along the New Jersey shore and take advantage of this deeper channel if it is provided.

Mr. KING of Pennsylvania. That is right. Without adequate shipping facilities and the deeper channel, the projects forecast by the Army engineers themselves for the Delaware River could not become a reality. Industrial concerns are awaiting the development of the channel before committing themselves to build new plants and expanding facilities.

I sincerely hope you will see the importance of this and appropriate this $8,500,000 to start this project.

Mr. Chairman, the project of deepening the Delaware River channel is one of vital importance and significance, and I can speak with familiarity on the subject, since I have lived and operated a farm near that river for 33 years.

My district runs along the west bank of the Delaware from Philadelphia to Trenton, and I have been well acquainted with the great expansion of population and the growth of industrial activity in this section during the last 10 years. This channel project will undoubtedly be a great stimulant to further development of this very strategic territory.

The extension of the Delaware River port northward by deepening the channel to Trenton was authorized by this body last year, and it seems to me only proper that we here today appropriate the necessary funds for its start.

There are, in addition, many other compelling reasons for directing the funds to undertake this particular project.

It has been highly recommended by the Corps of Engineers, and endorsed at every level of the Federal Government concerned.

It is of paramount importance to the National Defense. This area's high potential for greater industrial and maritime activity constitutes an important bulwark of the Nation's security, and much of this industrial capacity is equipped for military production.

This port offers a higher guarantee of security than any other port in the Nation for protected loading of supplies and embarkation of military personnel in the event of a national emergency.

In addition, this area offers as fine an opportunity as can be found for creating more commerce, more industry, more jobs, and more production of goods and services to promote healthy economic expansion for the Nation, and a higher standard of living for the American people.

The Delaware has constituted an important seaport for more than 300 years, and along its shores already have grown dozens of important cities and hundreds of thriving enterprises.

As a harbor, the Delaware reaches a distance of 132 protected miles. But as a first-class international seaport, the harbor's vast potential has been only partly realized. Its 40-foot channel ends abruptly at the southern edge of Philadelphia, leaving 37 miles at the upper end of the harbor in urgent need of modernization and improvement.

It is strategically located with respect to sources of materials, and labor markets to meet today's accelerated demands of defense and civilian needs.

The benefits which will accrue to the people, sometimes thought of only in terms of industry and employment, can

here also be considered in terms of gains to those involved in personal services and farming—including those many miles back from the river.

And the project is most certainly justifiable economically. The ratio of the benefit to the cost of the project has been figured at almost 2 to 1. In terms of dollars, the benefits are estimated at $8,450,000 as against estimated annual charges of $4,370,000.

It is traditional that waterways should be provided by the Federal Government where they are on tidewater, and I ask that we appropriate the sum of $18,200,000 for this project today.

FURTHER INDUSTRIAL DEVELOPMENT AWAITS THE DEEPER CHANNEL

The tidal Delaware flows past more than 8,600 different manufacturing plants, most of which are located in the highly industrialized cities of Wilmington, Del., Camden and Trenton, N. J., and Philadelphia and Chester, Pa.

Deep water all the way to Trenton will make accessible for industry an additional 58 miles of shoreline, now available for industrialization along the upper Delaware, where a lack of deep-water access has prevented the maximum industrialization of this area.

Two-fifths of the over-three-billion-dollar industrial development planned for both sides of the river is north of Philadelphia. All of this enormous expansion will be landlocked by a 25-foot channel, which has already proved too narrow and too shallow even for present navigational needs.

Benefits from the deeper channel will accrue not only to the presently established industrial plants along the river, but also to inland plants, as well as to those which may move into the territory and are sure to be attracted there due to the accessibility of waterborne raw materials and export-trade opportunities.

Without adequate shipping facilities and a deeper channel, the projections forecast by the Army engineers for the Delaware River port will never become a reality. Industrial concerns are awaiting the development of the channel before committing themselves to building new plants or expanding existing facilities in the area.

The CHAIRMAN. The gentleman from New Jersey [Mr. THOMPSON] is recognized.

Mr. THOMPSON of New Jersey. Mr. Chairman, the allegation that the sole beneficiary of this project would be the United States Steel Co. is a fallacious one. Within recent months the United States Gypsum Co. has acquired 500 acres and undertaken the construction of a huge plant on land in my district.

The American Can Co. has acquired and has started operations on a 10,000-acre tract in the district, and there are almost innumerable others.

I would like to point out that there have been many new industries brought into the Delaware Valley area along the river in recent times, within the last 2 years, and that you have the unique proposition advanced for the first time in the history of this Nation that on all of your projects for deeper channels and for harbor improvements in the future, if you allow this to become a precedent, local interests will have to contribute. This is the most notable departure in policy that this Nation has ever undertaken in such a matter.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(By unanimous consent Mr. McDOWELL yielded his time to Mr. THOMPSON of New Jersey.)

Mr. THOMPSON of New Jersey. For the first time in history on a navigable stream is the possibility that local interests will have to contribute. There is some question about public opinion.

I would like also to say that not only are all of those mentioned by my distinguished colleague from New Jersey [Mr. WOLVERTON] in favor of this, but every major newspaper in the area is in favor of it. Recently I made a poll; I sent out over 6,000 questionnaires to constitutents in this district. We received a 15-percent return, or a total of nearly 700 returns. Of the 700 and some, 680 of the persons questioned were in favor of a deeper Delaware, and only 69 opposed; in other words, 92 percent favored it. Of the same number, 74 percent were opposed to any local participation.

Mr. McDOWELL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. McDOWELL. I want it to be known that as the only Member of Congress from the State of Delaware I fully join with my colleagues from the States of New Jersey and Pennsylvania to urge the adoption of this resolution.

Mr. THOMPSON of New Jersey. I thank the gentleman.

This partnership policy is advanced by the Bureau of the Budget which has arrogated to itself obligations which you and I are sent here to handle.

(By unanimous consent, the time allotted Mr. TUMULTY was given to Mr. THOMPSON of New Jersey.)

Mr. THOMPSON of New Jersey. Mr. Chairman, I think the most important thing involved here is not only the matter of the expansion of the economy of three great States but a principle which endangers each and every congressional district in this land—this new departure called a partnership.

I would like to point out in conclusion that the three huge tankers or ore boats that have been mentioned must be phantom ships because I have not seen evidence of their existence.

The Delaware Valley has advanced a great deal since George Washington was there and will advance a great deal in the future because it is the fastest growing industrial area in the world today.

Mr. TUMULTY. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New Jersey.

Mr. TUMULTY. May I say to the gentleman that I come from northern New Jersey. I am not in any way selfishly connected with this request. But I support the gentleman wholeheartedly in the request because I feel this is a contribution not just to the Delaware Valley but to the entire Nation.

Mr. THOMPSON of New Jersey. I thank the gentleman.

Mr. McDOWELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. McDOWELL. Mr. Chairman, American history provides the answer to the question of a local contribution toward improvement of the Delaware estuarial harbor. There can be no such contribution unless we are to revert to the conditions of the early 1800's. Congress recognized this fact in the act of September 3, 1954, which authorized the expansion of the Delaware estuarial harbor. Congress then prescribed that the expansion is to be a full Federal responsibility.

Our country has grown and prospered until it is now the leader of the world. This was not always the case. We grew from small beginnings.

The Constitution was adopted in Philadelphia by men of tremendous acumen and foresight. That document stands out in the history of governments as the most perfect political instrument ever devised by the minds of men. The strongest factor that impelled the forging of the Central Government was the vital need for free and uninterrupted commerce in our ports and harbors and on our rivers. The attention of our Founding Fathers to the pressing needs of waterborne commerce was paramount, because it was then, and it is today, the economic lifeblood of the United States.

The Constitution vested in the Central Government the responsibility for commerce and navigation. This responsibility must be exercised today by the Federal Government in the manner shown by our historical development. That is, the Federal Government must, in order to discharge its historic duty, expand the Delaware estuarial harbor as a full Federal responsibility.

Any suggestion that the Federal Government require any money contribution by local interests to the expansion of the Delaware esturial harbor is wholly inconsistent with the Federal Government's own historic assumption of responsibility for waterborne commerce. It was through the influence of Washington, Hamilton, Jefferson, Gallatin, Madison, Monroe, Clay, Calhoun, and John Quincy Adams that the United States began the improvement of its ports, harbors, and waterways.

Local cooperation then and today means the same thing. Congress in 1925 authorized a deepening of the Delaware estuarial harbor from Philadelphia to Trenton—and required in the form of local cooperation that local interests provide public terminals at Trenton, satisfactory rail and highway connections therewith, and suitable areas for the disposal of dredged materials. This is precisely the type of local cooperation that Congress prescribed in 1954 for further

deepening of the Delaware estuarial harbor.

The Delaware estuarial harbor since early Colonial times has been a natural asset of this country. It belongs not just to the people of Delaware Valley but to the whole United States, as a natural outlet to the ocean highways. In thinking of this great harbor and the other natural ports of the country, recognition should be given to the facts that every third bushel of wheat raised by American farmers goes to sea, that 102,000 farm-machinery workers in Illinois, Missouri, and Wisconsin owe their jobs to exported machinery, and that more than 75,000 men and women in auto-assembly plants of those 3 States earn $80 million a year through the shipment overseas of 1 out of every 20 cars they produce.

The Federal Government already has borne the whole cost of navigation on the Ohio River and its tributaries at a cost approaching $400 million. Navigation on the Mississippi always has been recognized as a full Federal responsibility. How, then, can the Federal Government fail to shoulder its full responsibility for the Delaware seaport?

The harbors and rivers of this country are national and not local. If we are to retrogress to the 1800's, it would be appropriate to revive the tonnage duties levied by the Commonwealth of Pennsylvania under its law of 1805. Thus, every ship which enters or clear the Nation's second to the largest seaport would help pay for the expansion of the Delaware Harbor. History has overtaken such lack of perspective—and our historic national policy has long since established the full Federal responsibility for the Delaware estuary.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, objection to this project is supported by those who think it should not be begun at this time on the ground that local contribution should be required from a single interest, whereas, as a matter of fact, there are at least three substantial enterprises involved on the upper Delaware already and a great many additional projects available and prepared to come in if this dredging takes place.

The argument of local contribution as a precedent in other parts of the country was furnished by representatives of the Corps of Engineers who cited 10 such occasions. I will include as a part of my remarks those 10 occasions. But not a single one of them is analogous to a large port or estuary, none of them was analogous to the Delaware River Valley. I state the reasons why because I do not have time to go into them here. Most of them were original projects, such as the cutting of a new channel that had not been there at all or the deepening of a river which was not navigable in the beginning or because of certain land enhancement benefits. So the parallels do not apply. On the question of local contribution, as a matter of fact not $1 million as suggested but $31 million of local contribution has already been committed for this purpose.

IDEA OF LOCAL CONTRIBUTION IS FUNDAMENTALLY FALLACIOUS

Mr. Chairman, deepening the Delaware's upper reach to its authorized depth of 40 feet to Newbold Island, and 35 feet to Trenton, is sound, needful, and in the public interest. The Delaware River port area exerts a tremendous influence on the economy of the Nation, and the port is an extremely profitable enterprise for the Federal Government. There will be no harmful effects from the channel deepening from the local point of view. It is therefore only good business on our Government's part to proceed immediately in appropriating funds for the first year's work.

Recommendations made concerning a local cash contribution of $18 million should be rejected as being fallacious upon a fundamental ground. The improvement of navigable streams to promote commerce is a governmental function, just as construction and maintenance of highways and bridges, and the operation of judicial systems are equally important governmental functions.

The maintenance and operation of governmental functions have always been paid by taxation pursuant to general laws and uniform rules. This is a fundamental principle of democratic government.

Partial list of examples of navigation projects on which there have been cash contributions by local interests

Name of project	Authorization	Total construction cost of work subject to local contribution	Local cash contribution [1]	Percent local cash contribution	Comments
Stockton Channel, San Joaquin River, Calif.	Jan. 21, 1927; H. Doc. 554, 68th Cong., 2d sess.	$4,721,000	$1,307,500	28	The local cash contribution was estimated at 50 percent of the cost of dredging the channel at the time of authorization, and was based on land enhancement benefits. The requirement for local contribution was for a fixed dollar amount, so that as costs increased over the original estimate, the United States paid all of the increase.
Modification of Stockton Channel, San Joaquin, Calif.	May 16, 1950; H. Doc. 752, 80th Cong., 2d sess.	4,744,000	530,000	11	Local contribution based on land enhancement benefits.
Houston ship channel, 25-foot depth, Texas.	June 25, 1910	2,412,500	1,206,300	50	Harris County navigation district was required to contribute half the cost of the channel dredging. Reason not specified in authorizing act.
Houston ship channel, 30-foot depth, Texas.	Mar. 2, 1919; H. Doc. 1632, 65th Cong., 3d sess.	2,730,000	1,365,000	50	Cash contribution required from local interests was paid by local navigation district.
South channel, Raritan River, N. J.	Aug. 26, 1937; River and Harbor Committee Doc. 74, 74th Cong., 1st sess.	132,000	66,000	50	Cash contribution required because primary use of south channel was by traffic to Titanium Pigment Co.
LaQuinta plant channel, Port Aransas-Corpus Christi Waterway, Tex.	Sept. 3, 1954; H. Doc. 89, 83d Cong., 1st sess.	1,658,200	829,100	50	Cash contribution of 50 percent of the cost of the work was required because the channel is primarily for 1 beneficiary, the aluminum reduction plant of the Reynolds Metals Co. The company has already performed some of the work and under the authorizing act, this work will be accepted toward the cash contribution.
Town River, Quincy, Mass.	Sept. 3, 1954; H. Doc. 108, 83d Cong., 1st sess.	700,000	175,000	25	Cash contribution of 25 percent of the first cost of the work required because the channel would serve only the terminal owned by Quincy Oil Co. However, as the terminal is leased by several oil distributors, the usual requirement for 50 percent local contribution was reduced to 25 percent in this case.
Rice Creek, Putnam County, Fla.	Sept. 3, 1954; H. Doc. 446, 82d Cong., 2d sess.	164,400	82,200	50	Cash contribution of 50 percent of the cost of the work required because all of the evaluated benefits were for traffic bound for the plant of the Hudson Pulp & Paper Corp.
Shoal Harbor and Compton Creek, Sandy Hook Bay, N. J.	Sept. 3, 1954; H. Doc. 89, 82d Cong., 1st sess.	276,000	138,000	50	Cash contribution of 50 percent of the cost of the work required because the primary use of the waterway would be by vessels serving J. Howard Smith, Inc., menhaden processors.
Columbia and lower Willamette Rivers, below Portland, Oreg., and Vancouver, Wash.	July 3, 1930 River and Harbor Committee Doc. No. 8, 71st Cong., 1st sess.	4,366,000	[2] 3,000,000	69	Project adopted by this act was to dredge a 35-foot channel between Portland and the mouth of the Columbia. The Federal Government was to provide the channel in the Columbia from the mouth of the Willamette River to the mouth of the Columbia while the channel in the Willamette up to Portland was required to be dredged by the port of Portland, Oreg. Later, the port of Portland was relieved of this obligation to maintain its section of this channel.

[1] In addition, in most cases, local interests have been required to furnish all lands, easements, and rights-of-ways, to hold and save the United States free from damages arising from the work, and to make any utility relocations necessitated by the work.

[2] Expenditure by port of Portland on 35-foot channel. On previously authorized projects for Columbia and lower Willamette Rivers, the Federal Government had spent about $17 million and the port of Portland about $6 million for channel dredging and $4 million for harbor dredging. In addition, the port spent over $10 million for terminal facilities.

An analysis—"Precedent channels" and Delaware River Port at time of authorizations

Project	Date	Channel	Depth	Commerce	Tonnage (short tons)	Population
Rice Creek, Fla. 10 miles long, through low swampy lands.	1946	Main section..	— feet controlling across mouth.	Fuel oil.....	23,000.....	Putnam County, 23,600.
Shoal Harbor—Compton Creek, N. J. Small stream rising near Middletown.	1946	.....do.....	— feet extending 1.3 miles up Compton Creek.	Fish products.....	65,000.....	Port Monmouth, 1,800.
Town River, Quincy, Mass. Tributary waterway to Boston Harbor.	1946	Access.....	— feet for 1.3 miles; thence 15 feet for ¼ mile upstream.	Petroleum products.	222,768.....	Quincy, 83,000.
Stockton, Calif. (channel and San Joaquin River). Inland port, connected with Pacific Ocean.	1945	30-mile ship canal.	— feet for 40 miles; thence 26 feet to Stockton Channel; thence 9 feet.	Vegetable and food products; nonmetallic minerals.	San Joaquin River, 996,000; Stockton Port District, 741,500.	Stockton, 70,853.
Raritan River, N. J. Flows southeasterly 70 miles into Raritan Bay.	1935	Tributary stream.	25 feet for 2.1 miles; natural deep water for 2.2 miles; 15 feet for 4.2 miles; 10 feet for 5.3 miles; south channel 10 feet for 3.2 miles.	Coal, gypsum, oil, lumber.	5,000 000.....	Tributary area, 75,000.
Port Aransas-Corpus Christi Waterway, Tex...	1952	Access.....	12 feet to town of Port Aransas.	Seafood.....	Not available.....	Corpus Christi, 108,300; Nueces County metropolitan area, 165,500.
Houston Ship Channel, Tex.[1].....	1943	Manmade ship canal.	14 feet.....	Minerals; animal products.	25,600,000.....	Houston, 384,514; Harris County metropolitan area, 528,961.
The Delaware River Port—Trenton to the Sea (largest fresh-water port in the world).	1954	Main section..	— feet; thence 37 feet; 25 feet to Trenton.	41 diversified products.	73,432,038.....	14-county area, 4,728,900; 300-mile circle, ¼ United States population.

[1] Historically not analogous to the Delaware River. Houston not on a navigable body of water in same sense Philadelphia has been since Swedes landed on the Delaware, as "the Delaware River below Philadelphia in its natural condition had a channel 175 to 600 feet wide and a controlling depth of 17 feet" (Corps of Engineers' History of the Delaware).

ANALYSIS OF THE SO-CALLED PRECEDENTS FOR A CASH CONTRIBUTION

Presented herewith is a brief, factual analysis of each of the seven projects cited as "precedents" for requiring a cash contribution by Delaware port area interests toward the cost of a 40-foot channel in the Delaware harbor. None of these cases, the joint executive committee is convinced, is comparable to the authorized improvement of an established seaport where international commerce has been carried on for more than 200 years.

Raritan River, N. J.: The Raritan River flows 70 miles down to the sea as a westerly extension of the bay of New York Harbor. At a time when the main channel in the Raritan ranged from 10 to 25 feet deep, the Corps of Engineers recommended that the Titanium Pigment Co. contribute 40 percent of the cost of deepening to 25 feet a tributary channel to the pigment company plant, situated in an area where, the district engineer said at the time he studied the project, there appeared to be little present prospect of any new development of any kind. Incorporated communities adjacent to the project for which a $66,000 contribution was required, now have a combined population of less than 75,000. At the time of the engineers' studies, only 5 million tons of cargo moved through the Raritan Channel, main and tributary, in a year, compared with 80 million tons through the Delaware River port area, which has a population of 4.7 million.

Rice Creek, Fla.: Rice Creek is a stream 10 miles long flowing "through generally low, swampy, densely forested lands." The banks of the creek are thickly covered with brush and with large trees that overhang the stream. Putman County, Fla., through which the creek flows, had an estimated population of 26,600 last year. At a time when the controlling depth of the creek was 6.6 feet, the Corps of Engineers recommended a deepening of the stream to 12 feet up to the plant of the Hudson Pulp and Paper Corp., the only current or foreseeable user of the creek, provided the paper company contributed half the cost of the improvement. That amount proved to be $82,200. There were no records of commerce on the creek, because it had never before been a Corps of Engineers' project. The lands bordering Rice Creek are generally uninhabited; no public piers or wharves had been erected along the stream.

Town River, Mass.: Town River is a tidal river 2 miles long, with 1.6 miles containing a navigable channel. The river is connected with Boston Harbor through the intervening Weymouth Fore River; it is, then, a tributary to a tributary to a main shipping channel. Shipping on Town River is something in excess of one-half of 1 million tons a year, or less than one-fourteenth of the shipping that moves up the Delaware channel between Allegheny Avenue and Trenton. The river is wholly within the corporate limits of Quincy, Mass., which has a population of around 90,000. The Corps of Engineers recommended that the Town River channel be deepened from 24 to 27 feet, provided the Quincy Oil Co., to which practically all the shipments up the river are consigned, pay 50 percent of the cost of the project. That contribution proved to be $111,400. Town River, it might be added, was originally dredged to a depth of 4 feet in 1907.

Shoal Harbor-Compton Creek, N. J.: Shoal Harbor is a shallow indentation on the south shore of Sandy Hook Bay, 19 miles south of the Battery, which is at the tip of Manhattan Island. Compton Creek is a small, meandering stream flowing for six miles into Shoal Harbor at Port Monmouth, N. J., population about 2,000. At at time when the navigation channel 1.3 miles long was 8 feet deep, the Corps of Engineers recommended that it be deepened to 12 feet, to the first bend in the creek, provided J. Howard Smith, Inc., fish-processing concern, paid 50 percent of the cost. That contribution is listed by the corps at $138,000. Annual average commerce up Compton Creek was found to be 65,000 tons, compared with 80 million in the Delaware estuarial harbor. About three-fifths of the commerce on Compton is in menhaden fish. When the Corps of Engineers recommended the deepening of Compton Creek to 12 feet, it forecast that the commerce in menhaden fish would reach 100,000 tons in a decade.

Port Aransas-Corpus Christi Waterway: Corpus Christi is situated west of the Gulf of Mexico on a bay which, in its natural state, is "a large, shallow body of open water," having general depths of 11 to 13 feet. In order to hasten the day when Corpus Christi would be established as a deep-water port, and thus clearly a responsibility of the Federal Government for future improvement of navigation, the people of that area did contribute some $411½ thousand in public funds for some of the deepening of the waterway that extends 30¼ miles from the Gulf of Mexico. Their contribution was exactly like those by the taxpayers of Philadelphia and of Pennsylvania in the earlier stages of the Delaware channel development, in order to bring it to a position of clear and unquestionable national and international importance. Corpus Christi became a deep-water port in 1926, through the creation in that natural shallow bay, of a channel 36 feet deep. The project cited as one "precedent" for requiring a contribution by local interests to deepening the Delaware channel, does not involve the Port Aransas-Corpus Christi Waterway itself. On March 15, 1951, the Reynolds Metals Co. proposed that a branch channel 36 feet deep and almost 6 miles long be dug from the waterway to the company's aluminum plant on the north shore of the bay. Natural depths in that part of the bay where the company proposed a branch channel be dredged, range from 0 to 12 feet; and the only commerce traversing that section before the aluminum plant was built consisted of seafood in amounts probably not exceeding several hundred tons annually. The Corps of Engineers recommended construction of the branch channel, but to a depth of only 32 feet, provided Reynolds Metals contributed 50

percent of the estimated cost. That contribution is presently estimated by the corps at $829,000.

Stockton Channel, Calif: By the work of man, rather than nature, Stockton has become the only inland deep-water seaport in California. That city lies about two miles off the natural course of the San Joaquin River, with which it is connected by an artificial cut extending into the heart of Stockton. Stockton itself is near the eastern edge of a huge area which once was marshland and tidal flats cut by sloughs and overflow channels, but which has been reclaimed by the construction of levees. The San Joaquin River provides a navigable waterway 30 feet deep to Suisin Bay, through which a deep-water channel stretches to San Francisco, about 80 miles from Stockton. In order to have a shipping channel into the city, the people of Stockton contributed $1.3 million in public funds toward a 26-foot channel into that municipality. In 1950, the Corps of Engineers recommended, and Congress authorized, the deepening of the Stockton channel to 30 feet; construction of a new turning basin; improvement of an existing basin, and the building of a leveed channel around a nearby island that is a United States Navy reservation, provided local interests contributed $530,000 in cash, progressively as the project was carried out. The authorization stipulated that the cash contribution was required because of local "land enhancement benefits" which is entirely different from the case of a project like the authorized improvement of the Delaware estuarial harbor as a full Federal responsibility, because it has been adjudged to be in the interests of the Nation's economy and defense.

Houston ship channel, Texas: Now one of the busiest ports in the United States, Houston was originally situated on a bayou, or shallow meandering tidewater flat, around 50 miles away from naturally deep water. Lying inland from Galveston Bay and across that bay from the Gulf of Mexico, Houston determined to reach the point where its ship channel could qualify for full Federal responsibility. To that end, the citizens of Houston and surrounding Harris County contributed some 2.77 million to the channel in which the first Federal project—authorized in 1877—was "a cut 7.5 feet deep, 1,500 feet long." That contribution was made toward bringing the channel to a depth of 30 feet, just as the citizens of Philadelphia and the Commonwealth of Pennsylvania contributed generously to accelerating the development of the Delaware shipping channel to 30 feet and to the establishment of the Delaware port area as one of national importance, fully qualifying as a full Federal responsibility.

LOCAL CONTRIBUTIONS TO THE DEEPENING OF THE DELAWARE RIVER PROJECT

Many millions of dollars have already been invested by local interests in the Delaware River port in an effort to maintain its position as one of the Nation's ranking ports. This investment serves as an outstanding example and forceful reminder of the interest and confidence of the area in its great seaport.

Expenditures by the city of Philadelphia, the Pennsylvania Railroad, the Reading Co., and the Baltimore & Ohio Railroad, for wharves and docks, grain elevators, terminal storage warehouses, coal dumpers and other handling facilities have been placed by the district engineer at $120 million. The investment in marine terminals alone on the Delaware amount to $14,400,000. Nine and eight-tenths miles of the city's waterfront is not served by a deep channel—Allegheny Avenue, North. On this stretch the city of Philadelphia and the railroads have had no inducement to invest millions of dollars on improvements with no foreseeable return on their investment, which can only come about through increased water-borne commerce.

Also to be included in the total investment of the port are the many millions spent by private interests in company-owned marine-handling facilities, and huge sums invested in private channels and turning basins. In this latter regard the United States Steel Corp. has complied with the recommendations contained in the report of the Board of Engineers for Rivers and Harbors by providing a turning basin and dock facilities at the Fairless plant, costing $5,300,000. The steel corporation is further committed to an expenditure of an additional $600,000 to $800,000 in bringing down the depth of the turning basin to 40 feet in the advent of a 40-foot main channel.

The Delaware River Port Authority has recently initiated action to make a substantial contribution to the improvement of the port by offering to underwrite the cost of a high-level bridge to replace an existing low-level structure over the Delaware River between heavily industrialized northeast Philadelphia and rapidly expanding Burlington County, N. J. A high-level span replacing this bridge, the Tacony-Palmyra Bridge, alone would by a conservative estimate cost $25,000,000. With adequate approaches and connecting roads the final cost will double the figure. It is understood that the Port Authority will make no request for Federal cost participation in this project, although the replacement is essential to the full and unimpeded utilization of the authorized 40-foot channel. It should likewise be noted that the $25 million-plus cost of this improvement exceeds the $18 million contribution local interests are being called upon to pay as their share of the channel deepening.

Mr. GRANAHAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GRANAHAN. Mr. Chairman, as the author of a bill to appropriate $25 million for a start on the Delaware River deep-water channel from Philadelphia to Trenton, I am of course in favor of this amendment to appropriate $18,500,000 in the public works appropriation bill now before us. I would like to see a higher figure adopted; knowing, however, that getting any funds at all over the opposition of both the President and the Appropriations Subcommittee will be a difficult thing, I am willing to settle for this amendment.

Granting that this looks like a lot of money—and, of course, it is a lot of money—nevertheless it is only fair to point out that in this bill we are appropriating nearly 100 times that amount of money, and much of that for flood control and harbor improvements.

Among others, we are appropriating $58 million for the Dalles Dam in Oregon, $23 million for the Oahe Reservoir in South Dakota, $16 million for the Chief Joseph Dam in the State of Washington, $18 million for the Garrison Reservoir in North Dakota, $12 million for the Gavins Point Reservoir in Nebraska, $11 million for the Table Rock Reservoir in Missouri, and so on. So this amendment would not, by any means, be the only large-scale item in this bill, nor the biggest one.

But even if it were the biggest item—or the only item of such magnitude—I do not think we from the Philadelphia-New Jersey-Delaware area would have to stand up here and apologize for asking for so much Federal money. Let me point out that this area of the Delaware River Valley—the Pennsylvania-New Jersey-Delaware area directly affected by this channel improvement—pays into the Federal Treasury each year in individual and corporation income taxes a total of about $3½ billions. The 3 States pay nearly $8 billion a year.

I do not want to draw any embarrassing or unfavorable comparisons, Mr. Chairman, but I would remind some of our friends here, who delight in calling for Government economy under any and all circumstances, that the $3½ billion in Federal income and corporation taxes paid by the people of the Delaware River valley, who would be aided by this amendment, is more—much, much more—than the amounts paid by all the residents and all the businesses of any State except New York, Ohio, Illinois, Michigan, and California.

And what we in the Philadelphia area pay in Federal taxes each year makes up a large portion of the more than $5 billion paid by the State of Pennsylvania.

So we are not here hat-in-hand asking for a handout of money paid into the Treasury by the taxpayers of other States; we are asking for a fair and decent return of some of the vast sums of money we pay into the Treasury each year to build dams in virtually every State of the Union, and to improve harbors in New England, the South Atlantic States, the gulf area, and the west coast.

THE LOCAL COOPERATION CONCEPT

Mr. Chairman, the reason there was no money in the Eisenhower budget for the Delaware River project is that somewhere along the line some theorist sold the President on a bill of goods that this project would benefit only one firm, United States Steel, a firm which could well afford to pay some portion of the

$90 million cost of the project. But even though the Congress considered this argument last year in acting on the authorization bill for this project—and considered it thoroughly—and even though Congress turned it down as not being in keeping with our traditional policies of waterways improvements, and even though the President makes a great claim of wanting to act at all times in conformance with the laws passed by Congress for the administration of the executive agencies—even then, Mr. Chairman, he has held stubbornly to this mistaken idea that United States Steel alone will benefit and thus should pay this large contribution of $18 million.

Thousands of words of testimony—hours upon hours of testimony—were presented to the eastern panel of the Public Works Appropriations Subcommittee on the fallacies of the President's argument and position. It was proved that this is not an improvement to benefit one firm, but a much-needed project to open up a whole vast new industrial area for ocean commerce.

The President was wrong in his position—completely wrong. The Appropriations Committee, and particularly the Public Works Subcommittee, well knows how wrong is the President's position on this matter of private contributions. Through the years, no such local contribution has been required for a project so general in its benefits. Yet, in this instance, the subcommittee appeared so anxious to acquire a reputation for economy that it took advantage of the opportunity handed it by the President's position on this project and so left the Delaware project out of the bill. Thus we see the proud boast in the committee report of cutting more than half a billion dollars from the President's budget requests. Had $25 million, or even $18 million been included in the bill as we had asked, the committee's net cuts below the President's budget would have been less than half a billion. Was this project therefore sacrificed to mere mathematical boastfulness?

I say, Mr. Chairman, that the $45 million a year which the port of Philadelphia now collects in customs easily covers the amendment which we are offering to add $18 million to the bill to start this project. In 2 years time, customs receipts from Philadelphia will pay for the cost of the entire project—the entire $90 million. Spending the money to improve the channel to the necessary 40-foot depth will assure a continuation of those tremendous customs receipts, by keeping the port abreast of shipping needs so that ships can continue to use the Delaware to good advantage.

In view of the support which we in the Delaware River Valley area have given over the years to flood control, to reclamation, and to other resources programs which have benefited every part of the country, we are certainly entitled to this modest consideration today in getting our own big and vital project underway.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, on May 5, 1955, a hearing was held before the Subcommittee of the Committee on Appropriations of the House on the public-works appropriations for 1956. At that time, 27 witnesses appeared in support of the $25 million appropriation for the deepening of the Delaware River Channel to a depth of 40 feet. I was one of those witnesses who appeared in support of the established policy that the Federal Government was responsible solely for the development and upkeep of our ports and waterways.

As you know, the moneys were appropriated for this project by the Congress last year and approved by the President of the United States. This course of action was taken on the recommendation of the Chief of Engineers, who strongly endorsed this project by saying, and I quote:

> A 40-foot channel is the most suitable development of the waterway in view of the industrial growth now taking place and planned in the Delaware Valley, and such a channel would unquestionably contribute to the general welfare of the region which represents an important segment of the national economy.

However, it appears the action of the Congress is not to the liking of the Bureau of the Budget, which attached a string, so to speak, to the appropriation. The Bureau favors granting the money, but stipulates a local contribution of $18 million will be required before the authorization can be made. Although no mention was made why such a contribution is necessary, I believe it has to do with the location of one particular plant now operating along the river.

Why, I do not know, because the tidal Delaware flows past more than 8,600 manufacturing plants, all of which would derive the same benefits.

All throughout the hearings many of the witnesses detailed the benefits the Nation as a whole would derive from this completed project.

In my testimony I attempted to point out another phase, which I consider most important. After considerable research I found that between the years 1950 and 1954, 120 accidents occurred on the Delaware. The number of vessels involved was 169 and the total damage amounted to $13,445,845. The cost in human lives was 28.

Of the 120 accidents reported during this period, 57 were listed as grounding with damage amounting to $202,717. Thirty-nine collisions between vessels were recorded with an established damage of $12,597,830. There were 11 instances where vessels collided with bridges and piers. The damage was $186,100. A $459,198 damage was reported as the result of collisions with other objects in and along the channel.

It is ironic that we stand here today appealing to our colleagues for money to improve the economy of our Nation, when with the other hand we freely give away billions for foreign aid and appropriate $32 billion for national defense. I am heartily in favor of the defense appropriation, but why must we fight for this channel appropriation when it, too, would be a valuable asset to our national defense.

Philadelphia is the greatest fresh water port on the eastern coastline and the Delaware River is one of the best-known waterways in the country. In fact, every schoolchild knows the story of the historic crossing of the Delaware by Gen. George Washington.

The present administration is constantly reminding the membership that the budget must be balanced. However, when a no-risk, high-return investment proposal is offered, the yellow light of caution is flashed. Do you know that for every dollar so far invested in the Delaware River project our Government of the United States has received a return of $16.22. This figure is based on the Government expenditure of $124 million in port development—as compared to the total Federal revenues from the port of $2,100,000,000 over an 80-year period.

The improvement of the port is a continuing matter and the private and public expenditures are tangible indications of the faith the people in the area have in the future of the Delaware River port.

If a 40-foot Delaware Channel is in the public interest it should be treated as a public improvement and built with public funds.

During my years in Congress I have always tried to do the greatest good for the greatest number. The deepening of the Delaware River Channel would accomplish this aim and, therefore, I strongly urge the appropriation be approved.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, I regret exceedingly that the Bureau of the Budget saw fit to refuse money for the start of this great project on the Delaware River. Now, I know there has been a lot of confusion about this project, but it is an authorized project, and this House passed on its authenticity.

Mr. Chairman, I am rather confused with some of the opposition here. It has been pointed out that one of the opponents has a steel mill in his district, and another opponent has several steel mills in his district. I have no steel mill in my district at all, and I have no brief for any particular corporation of that type, but I am particularly interested in the State of Pennsylvania growing and thriving.

Mr. Chairman, the district that I have the honor to represent is about 80 miles from the Delaware River Valley, and even at that distance it is a source of aid to some of my constituents.

Coming from the anthracite area of Pennsylvania and having a serious unemployment problem, I feel that any area that can offer jobs to my unemployed is worthy of my support.

Some of my constituents travel 60 to 80 miles and return daily in order to make a living for their families. Some of them return home for weekends.

Therefore, if this project is completed as authorized, I am confident that the Delaware Valley will grow industrially and be a source for more employment to distressed areas contiguous to that valley.

I am, therefore, in favor of the amendment offered by my colleague the gentleman from Pennsllvania [Mr. FLOOD], and hope for its adoption.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania, [Mr. CHUDOFF].

Mr. CHUDOFF. Mr. Speaker, I come from a part of Philadelphia that does not border on the Delaware River at all. I have the Schuylkill in my district, and I could very well sit by and say, "I made my money last year and the year before and the year before that" and leave it at that. But, the United States Steel Corp. did not come up the Delaware River in a wilderness and establish a plant and say to the United States Government, "You do the job now. Give us a deep river." The Delaware River Valley covers a great area, and we have contributed and cooperated in every fashion with all industry along the river. I tried to check into the amount of money that was actually spent in developing the valley to date, and I can safely say to you that it is approximately a billion dollars. We have done our share. The cities of Philadelphia, Camden, Trenton, and Wilmington, and the States of Pennsylvania and New Jersey have contributed approximately $500 million to develop the river and the harbor facilities. The city of Philadelphia alone last year set up a capital budget of $50 million for improvements along its part of the riverfront and $1 million for maintenance costs.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, I rise in support of this amendment for a number of reasons. No. 1, even though I come from Pittsburgh the steel center of the world in western Pennsylvania, I have been impressed over the years with the need of dispersing some of our war potential industries such as the steel company is in the Delaware Valley, and all the other industries that may go there. Certainly a channel such as is proposed by this amendment is a rather bombproof facility. We folks in Pennsylvania are having to pay our share for the St. Lawrence Seaway to bypass all of our industries and transportation facilities. We have contributed to projects all over this Nation to the tune of about one-tenth of all the Federal expenditures for the same.

Mr. Chairman, I submit, therefore, that this project not only is in the interest of national defense by dispersing our steel facilities, but it is a very fair and proper request, and I believe that finally we should recognize that in building up this great new Delaware River Valley we are doing something for national defense just as important as though we were building a munitions plant, because we do not fight a war without steel.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, the committee brought out a very fine bill, with a lot of thought to it and a lot of consideration. The Committee of the Whole has pretty well destroyed the bill the committee brought out. But we put into it some very fine projects over the country. We put into it some needed projects, some flood-control projects that were needed all over this country.

Now you are proposing to jeopardize every flood-control project in the United States. If you give the people of the United States the opportunity to prove, as you will if you approve this amendment, that this is nothing but a pork barrel and nothing for the people but for one great corporation, then you will have jeopardized every small flood-control project in here.

Do not think that you can sell the American people on the idea of giving a subsidy, a new subsidy, an additional subsidy of $104 million to the United States Steel Corp., this afternoon.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. BYRNE].

Mr. BYRNE of Pennsylvania. Mr. Chairman, the deepening of the channel in the Delaware River is a matter of great concern to me and to my people in Philadelphia. Indeed its effect is much farther reaching. And this new-fangled proposal to further tax the patience and the pocketbooks of local interests by way of participating in the cost of a project of this size is something which I don't want to see happen at this time. This is a serious matter and proposes that we become guinea pigs in a new experiment.

This channel deepening is much needed, not only for the welfare of the area which I represent but for the sake of our economy which will be represented by increased revenues from this expenditure.

It has been shown that during the past 50 years the development of the Delaware River has cost the Government $105 million, yet for each of these dollars the Government has received $14.25 in return. And there is every reason to believe that this return will be greatly increased in the coming years because of the value of this project to the Nation.

Access to cities on the upper end of the Delaware River by large ships will bring new industry into the area.

The employment problem, which is of such grave concern today, particularly to the residents of Philadelphia, will certainly be alleviated by the creation of new jobs. Business will be so greatly buttressed by this channel project that people from other parts of the United States will be drawn to the Delaware River Valley to make their livelihoods. Furthermore, the impetus to the shipping industry and to allied industries—trucking, railroads, and so forth—will be increased by attractions of a port accessible to the sea.

The Delaware River Valley is of strategic importance to the future security and national defense. The diversified industrial power of the river basin is a keystone in the Nation's arsenal. Much of this industrial capacity is equipped for military production. The area includes such vital facilities as the Philadelphia Naval Base, shipyards, steel companies, and the Frankford Arsenal. Other important installations are definitely planned, which will further increase the value of the area to the Armed Forces.

The natural advantages and enhanced security which the Delaware River Valley enjoys, however, is totally wasted unless joined to it is a major program of channel deepening undertaken as an urgent project in the national defense.

Mr. Chairman and members of this Committee, I urge you to give prompt approval of this project.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. BYRNE] has expired.

The Chair recognizes the gentleman from New Jersey [Mr. SIEMINSKI].

Mr. SIEMINSKI. Mr. Chairman, I am for this amendment for two reasons; it will contribute to the wealth of the United States and strengthen the staying power of the Atlantic coast should transportation facilities in the Port of New York area or the sensitive locks at Sault Ste. Marie on the Great Lakes be crippled or knocked out.

Now that it appears that the mood of the Congress is to cut down on offshore and overseas spending, we have, it appears to me, a great chance in this amendment to put the drumfire motto of my distinguished subcommittee chairman, the gentleman from Ohio [Mr. KIRWAN] to work. Every time his bill on the interior is up, the gentleman from Ohio [Mr. KIRWAN] insists that "we spend money to increase the wealth of America." This amendment seeks to do just that.

I do not think we should suddenly take a slug at United States Steel or any other corporation for the sake of a slug or a scattered cheer. Rather let the giants and the Mr. Big's slug it out with each other, be it Bethlehem Steel—getting fine help from Uncle Sam in its shipbuilding subsidy program—or Youngstown Sheet and Tube or United States Steel. Let the fur fly and the big giants slug it out so long as their furnaces billow smoke and their chips fill the pockets of the working men and women and investors of America.

Oh, of course, I could belt Tidewater Oil. Co. They pulled stakes from my district in Bayonne last year and moved to the Delaware River basin enjoying a great tax break. They left a lot of my people flat, without jobs, being rather cold-hearted about the situation. It would be easy to point the finger at Tidewater and say "wise guys, I'm going to pay you back in kind and vote against helping you with this amendment because you hurt my people." Sure. But we do not work that way up my way. It resolves nothing. This amendment does. That is why I am for it, Mr. Chairman.

This amendment when passed will put Mr. KIRWAN's motto to work. It will create wealth and build America.

This amendment when passed will put Mr. WALTER's immigration bill to work. It will create jobs and enable more people to seek sanctuary here.

This amendment when passed will disclose the men of vision as against those with "benefit-to-cost ratio" halters on their eyes, especially when they, like the men of the Cortes in Spain in 1492, seem

to hesitate to venture funds on projects deemed visionary. The wealth of America was not listed on any budget or balance sheet in Europe in 1492. There are some in America, who, even now, with the wealth of America rolled before their eyes, appear as limited in vision as were the men of the Cortes in Spain in 1492, Christopher Columbus notwithstanding.

When smokestacks belch smoke, when shovels spade the soil, when propellers churn the waters and jets streak the skies, and the hand of man is at the throttle, the switch, or the wheel, we build wealth, Mr. Chairman, we make jobs and create families and grow strong. Money for this amendment is fuel for the future families of America. It should pass. I hope it does. It will add to the payrolls of the United States and put money in flow, and money in flow, like blood, energizes man. What's wrong with that? Otherwise money is paper, fit for the fire. On the shelf or in a vault, money will not dig a ditch or build a tank. Let's put money to work. This amendment does. It should pass.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. QUIGLEY].

Mr. QUIGLEY. Mr. Chairman, I rise in support of this amendment. In doing so, I am reluctant to take issue with the dean of my delegation and the distinguished gentleman from Texas and the distinguished gentleman from Ohio. I appreciate and admire their motives in fighting for and trying to protect the interests of their own districts.

I am not part of the Delaware Valley. I am located in central Pennsylvania at least 100 miles away. Whether this amendment is adopted or not, I do not know whether it will be of any economic value to my constituents this year or in the next 50 years. However, I recognize the Delaware Valley as one of the greatest potential industrial areas in the world. This measure is going to pass in this session or the next or the next, and I think now is the time it should pass.

In taking a forthright stand in supporting this amendment, I resent any implication that I am in any way beholden to or am a stooge for United States Steel. I would suggest that in my efforts to get to this distinguished body I received even less help from United States Steel than I did from the committee headed by the distinguished gentleman from Ohio.

I sincerely urge you as a public benefit to support this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

(By unanimous consent, Mr. RABAUT was given permission to transfer the time allotted to him to Mr. MARSHALL.)

Mr. MARSHALL. Mr. Chairman, I am not an engineer, but on this matter we had the experts of Army engineers before us. On page 116 of the hearings, Eastern section, part I, you will find these words:

> Mr. TABER. You mean 100 percent of the traffic which would come as the result of deepening the channel to 40 feet would go to the Fairless plant?

Mr. Brennan, of the Army engineers, said:

> One-hundred percent of the traffic that would need from 35 feet to 40 feet would go to Fairless, but the traffic which needed up to 35 feet, about 85 percent of that would still go to Fairless.

As I understand it, the first proposal was to deepen the channel to a depth of 35 feet. The depth of 35 feet did not satisfy the United States Steel Corporation. They asked for it to be deepened to 40 feet. The cost of deepening the channel the extra 5 feet runs to a sum of about $36 million.

Many have argued that because of the great benefits to this one corporation, that if this project is to be accomplished, that corporation ought to be giving some contribution to the cost of dredging the channel. This has been in controversy. The committee did not want to enter into that controversy until some recommendation is made to it by the executive branch.

This whole project is estimated to cost in the neighborhood of $104 million, and that is not a firm figure. In addition, there is considerable question as to whether or not deepening that channel may result in considerable damage along the channel, for which the Federal Government may be responsible.

This is an unbudgeted item. It is an item which is in controversy. It is an item which will cost as much as what some people have referred to as the fabulous amount to be spent on the St. Lawrence Seaway. There are many, many reasons why this item ought not to be accepted at this time. I urge that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD].

Mr. RABAUT. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. RABAUT and Mr. FLOOD.

The Committee divided; and the tellers reported that there were—ayes 77, noes 107.

So the amendment was rejected.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent to extend my remarks at that point in the RECORD immediately preceding the last two speakers prior to the vote taken on the Phillips amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. TALLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. TALLE: On page 20, line 8, strike out the amount "$322,262,800" and in lieu thereof insert the amount "$322,330,800."

Mr. MARSHALL. Mr. Chairman, I reserve a point of order against the amendment.

Mr. TALLE. Mr. Chairman, I ask unanimous consent that the figures be modified in the light of amendments that have been adopted. The item I propose to add involves $68,000.

Mr. RABAUT. This is a late hour. Does not the gentleman think we should make a point of order against it?

Mr. TALLE. I do not know wherein a point of order would lie.

Mr. RABAUT. The figure has been amended.

Mr. Chairman, I make a point of order against the amendment on that ground. Does the gentleman want to be heard on it? Does the gentleman want me to withhold the point of order?

Mr. TALLE. Mr. Chairman, I ask unanimous consent that the total be altered in the light of amendments that have been adopted. It has been impossible for me to follow all of the changes in figures.

Mr. RABAUT. Mr. Chairman, I make the point of order that the figure has been amended and therefore cannot be amended again.

The CHAIRMAN. Does the gentleman from Iowa want to be heard on the point of order?

Mr. TALLE. Mr. Chairman, let me proceed on the basis of my amendment as it stands. My amendment is to add $68,000 for advance planning.

The CHAIRMAN. The gentleman from Michigan will have to reserve his point of order if the gentleman from Iowa is to be allowed to proceed.

Mr. RABAUT. Mr. Chairman, I reserve the point of order.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. TALLE. Mr. Chairman, I realize that my request is a small one, but it is a life-and-death matter to a number of my farmers. Let me tell you the simple story.

Mr. Chairman, last month five farmers from a little town, New Albin, Iowa, together with the cashier of a little bank there and the mayor of that little town paid a visit to Washington and appeared before the subcommittee on appropriations for public works. Their testimony is found on page 352 and following in part 3 of the hearings.

This request is a very modest one, as I have said, but it is an earnest attempt to protect their life savings.

For 10 years they have been losing and losing their crops because the channel of the upper Iowa River, over which they have no control but the Government does, has been silted up and floodwaters inundate their fields. The upper Iowa River, a stream 125 miles long, starts in southern Minnesota, crosses into Iowa, flows eastward in Iowa along the Iowa-Minnesota border, and empties into the Mississippi below New Albin, Iowa. From the point where it empties into the Mississippi inland for a distance of 7 miles the river channel is silted up. When water strikes the point where it is blocked by siltation it can only fan out all over the countryside. The result is that the water does fan out over 6,000 acres of good land. All of us know that Iowa has a lot of good land; it has very little land that is not good. But this situation is destroying the good land in that valley, and each successive year this siltation backs up and up until finally the entire valley will be destroyed.

The Army engineers have looked into it very carefully and have recommended

that the channel be reopened. The total construction cost to the Federal Government will be about $900,000. I am not asking for that amount of money at this time; I am merely making the modest request—that $68,000 be appropriated now for advance planning.

Why the $68,000? Because yesterday I talked with the Army engineers and I asked them what their lowest estimate on the cost of advance planning would be. They calculated it and said $68,000. That is all I am asking for, just $68,000, so that these farmers, who have the support of the people in Allamakee County and who chipped in the expense money so that these farmers could come to Washington to testify last month, will get the benefit of the proposed advance planning. They have been losing their crops for 10 years because of these floods. I am living in fear that at the close of this month or early in July there will be another flood because these disasters are periodic, either early in April or in June or July. So I am appealing to my colleagues, Mr. Chairman, to allow $68,000 for advance planning on this project which the engineers have looked into very carefully. They have found that the project can be justified and they have recommended it for construction.

The CHAIRMAN. Does the gentleman from Michigan [Mr. RABAUT] desire to press his point of order?

Mr. RABAUT. I press the point of order, Mr. Chairman.

The CHAIRMAN. Does the gentleman from Iowa [Mr. TALLE] desire to be heard on the point of order?

Mr. TALLE. No, Mr. Chairman.

The CHAIRMAN. The point of order is sustained.

Mr. TALLE. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. TALLE: On page 20, line 8, insert at the end of the line: "of which $68,000 shall be available for the upper Iowa River project."

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Michigan.

Mr. RABAUT. How much is involved in this?

Mr. TALLE. I am asking for only $68,000 for advance planning on the project, that is all.

Mr. RABAUT. Has it been budgeted?

Mr. TALLE. The budget did not include this in its recommendation to the committee.

Mr. RABAUT. Where did the gentleman get the figure of $68,000?

Mr. TALLE. From the office of the Chief of Engineers. I called them up yesterday. I am sure that is correct.

Mr. RABAUT. I do not have any objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TALLE].

The amendment was agreed to.

Mr. AVERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AVERY: On page 21, line 10, after the word "Wisconsin", strike out the period, insert a comma and add the following: "*Provided*, That none of the funds provided in this paragraph shall be used on the Tuttle Creek project in the State of Kansas."

Mr. AVERY. Mr. Chairman, I spoke to the committee yesterday briefly on my objections to the construction of Tuttle Creek Dam in my district in Kansas. It has been proposed by those representing other districts, most of them not in my State. It was stated later on the floor of the House yesterday that the floods in the pictures shown occurred with some frequency. They occur with a frequency of about 100 years apart.

Now, the situation in Kansas is analogous just a little bit to the situation in Indiana. It was suggested on both sides of the aisle that the problems of Indiana should be resolved within that State and to come to Congress with a united program. I certainly will endorse that philosophy and that idea, and I am proposing to you today that you delete this suggested appropriation from the bill, and on this basis: In the 1955 session of the Kansas Legislature, a water resources planning board was established by law. This board was charged with the responsibility of surveying and studying the water resources of my State of Kansas and presenting to the legislature a water resources program that would be in the best interests of the people of Kansas. Certainly a project of this proportion would come within the purview of that board.

I want to make one point further. This reservoir project for my district has never had the official sanction of the State of Kansas. Every examination, every survey that the State has made of any semblance of an official survey has received an adverse report. That is why I plead with you today, in view of this new water resources board, that this appropriation be deleted, at least for this session of the Congress. I want to go on record further and say that if this board recommends that this project be built in the best interests of the water development of the State of Kansas, I will abide by their recommendations. I hope that we can have the full cooperation of all of the Federal agencies and the Congress working with this newly established water resources board to develop a water policy that will be in keeping with the best interests of my district, of my State, and of the Missouri Basin States.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Is this project recommended by the budget?

Mr. AVERY. I brought that out very definitely yesterday. This was not recommended by the Bureau of the Budget, nor was it recommended by the subcommittee assigned to study Kansas river projects.

Mr. WILSON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. My understanding is that the Bureau of the Budget, in keeping with the Flood Control Act of 1936, will not recommend any project without the approval of the State. They do not recommend a project unless it has the approval of the State.

Mr. AVERY. Very strangely enough, this particular project was authorized in 1938, prior to the 1944 act. Kansas had no way of knowing that the project was under consideration until it was authorized by this Congress. The other two reservoirs involved here were referred to the State of Kansas. They did not receive the endorsement of the governor of Kansas, and yet they were authorized, anyway.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, the amendment offered by the gentleman from Kansas [Mr. AVERY] should be defeated.

The Congress of the United States has spoken on Tuttle Creek many times.

This reservoir on the Blue River in Kansas is a key project in providing protection from devastating floods, and furnishing an adequate supply of water in times of drought.

Tuttle Creek Reservoir was authorized by Congress as a part of a comprehensive Kansas River Basin program in 1938—a part of the Pick-Sloan plan.

In fiscal year 1953, $5 million was provided to begin construction. Not rising to the criteria of a substantial start, funds were not thereafter recommended by the Bureau of the Budget because no funds were provided for new starts. I felt it was not a new start. It was in an area affected by drought and in addition was a defense area.

In 1954, the House of Representatives—and the Senate concurred—again voiced its approval of Tuttle Creek Reservoir, and voted down an effort, in the public works omnibus bill, H. R. 9859, to delete the previously granted authorization of Tuttle Creek. That measure also provided for other installations—including a program for local protective works along the Kansas River.

Those local protective works at Kansas City, Mo.; Kansas City, Kans.; Bonner Springs, Lawrence, Topeka, St. Marys, Manhattan, and so forth, are all planned as part of one program, and designed upon the hypothesis that Tuttle Creek Reservoir is to be built. Without Tuttle Creek, investment in these local projects will be futile and wasteful.

Why is this so? See page 483, central section, part I. The Blue River area above Tuttle Creek makes up one-sixth of the entire Kansas River Basin drainage area of 60,000 square miles. It is in a weather area of extremes—page 603, hearings, 1955, part 2. The Blue River may not flood at all one year—and then again it may flood 9 times in a single year. It goes from drouth to gulley-

washers, trash movers and frog stranglers of unbelievable magnitude just as it did prior to Black Friday, July 13, 1951, when the Kansas River, on a rampage, hit my hometown of Kansas City, Kans., with the most disastrous flood in all recorded history—with one-sixth of the flow coming from the Blue River—and incidentally, this was but 1 of 5 floods that hit the Kansas Valley that year.

That flood—and here are pictorial reminders—just a few of thousands I could show—cost many times the proposed cost of this one dam—which is around $60 million.

Let us see what it did—and what the Kansas River must never again do—page 292, omnibus hearings, volume 3. In that one flood of 1951—and we have lesser floods recurring annually—over $60 million worth of crops were ruined; $200 million of damage to farms and farm property in Kansas and Missouri; 10,000 farms; 900,000 acres of farmland were flooded in Kansas; 500,000 acres in Missouri; 116 towns were flooded in Kansas; 47 in Missouri. In all 22,000 homes and 5,000 business places, 90,000 people forced out of homes. Railroads, factories of all kinds were inundated. In my hometown alone, 17,000 were made homeless as the on-rushing waters inundated 6,000 homes. Nearly 1,000 businesses were disastrously affected. The following are excerpts from only a few of the many telegrams I have received. Let those folks tell their story:

I am a widow and a music teacher and I lost all of my music library and instruments in the flood of 1951.

Flood took home and all our life savings. Hope you help us get Tuttle Creek Dam.

We lost everything we had in the 1951 flood except our self-respect and our love for our home and neighbors.

I am a widow aged 73 and in 1951 I lost my life's savings.

We lost everything in the 1951 flood. We lost home, furniture and clothing.

Our house and all we had went down the river in 1951.

I lost my home, household goods and health. Also a daughter and husband lost their homes.

Nothing left but rags and debts after 1951 flood. Please vote for Tuttle Creek Dam and prevent this from happening again.

That is the story from these telegrams, including telegrams from Mr. AVERY's own home district. They all tell the same story all the way through.

The total cost of all this devastation and destruction is safely and conservatively estimated at more than $1 billion. The United States itself—page 372, omnibus hearings—lost over $400 million in income tax—current loss—and carryback and forward.

Fairfax industrial district, site of the North American bomber plant where F-84-F's have been coming off the line—suffered nearly $100 million in losses to the many vital industries there.

Mr. Chairman, if there is any doubt in any Member's mind as to the need of Tuttle Creek—I do not ask him to take my word—let him consult with members of the Public Works Committee. They have studied this for years. They have seen this area first hand. Men such as the Honorable CLIFF DAVIS of Tennessee; TRIMBLE, of Arkansas; JONES of Alabama; and ever so many others including MACK of Washington, SCUDDER of California, and BECKER, of New York.

In addition to those men, I might suggest that you likewise query members of the Public Works Appropriations Subcommittee who also know this first hand. I daresay none of them question the need—or the value—of Tuttle Creek. Men like RILEY, of South Carolina, CEDERBERG, of Michigan—former member of the committee—HAND, of New Jersey, and DAVIS of Wisconsin. While I cannot speak for them, I am sure they would tell you that this is one of the most thoroughly justified of any which the committee considered.

Of course, as the gentleman from Kansas has mentioned, there has been opposition to this dam—there still is—opposition by a vociferous, well-financed, but small, group. But that is the history of every dam—opposition by those in the lands affected, pleas for protection from those below who need it. And, quite frankly, and honestly, the opposition to Tuttle Creek is far less in recent months.

Now let us take a quick look at that affected area.

Although residents below the dam suffered hundreds of millions of dollars of losses—with not one single cent of aid from Uncle Sam—those in the pool area whose lands are taken are paid handsomely, they have done well; for examples, see page 602 in civil functions appropriation hearings for fiscal 1955, last year's hearings.

Boyd Cravens sold 147 acres for $17,200—a farm which had cost only $3,000 10 years before. He now has an irrigated farm in Idaho. Craven's farm in the Blue Valley was flooded 9 times in 1951.

One other fact is quite apparent. Since operations stopped in 1953, the price of land in the Blue Valley area has dropped a lot.

While many towns were flooded in the Kansas River Basin—they have been rebuilt at the expense of the residents with no help from Uncle Sam. The few small communities affected here will be rebuilt—as new modern towns—at Government expense—new stores, new utilities, new homes. That is a blessing—not the curse some would have you believe. Here again—one town affected, as against 20 or 30 downstream.

Uncle Sam will pay for every one of the 70,000 acres (p. 601, Public Works appropriations for fiscal year 1955) 53,000 taken at full pool. About 1 acre for each 20 protected downstream—land as good—or better than that taken. Uncle Sam will buy every building. But whether the flood comes seldom or often—those below get it in the neck—and we must bear all of the loss ourselves. For every farm taken—and paid for in full—30 or 40 are flooded.

Mr. Chairman, I do not blame Mr. AVERY for offering his amendment. He is keeping a promise he made. I, in turn, promised I would do all in my power to obtain adequate water conservation—protection against devastating floods—and an adequate supply in times of drought.

But all of his folks do not feel as he does by a long shot. That is proven by statements made in the hearings, and countless letters and wires I have received. For every 1 person opposed, I can show 50 to 100 supporting this program.

As a matter of fact, the big concern in the Blue Valley has been the uncertainty. As it now stands, no one can plan ahead for more than a crop season. They would like to know what to do. That question can be answered by defeating this amendment. Let us get on with the work—give us the protection we need—without which we are at the mercy of both flood and drought.

We have rebuilt our homes—we have rehabilitated our factories—we have reworked the muck, mire, sand and silt on our farms—we have planted our crops—rebuilt our properties—all out of our own pockets. Give us a chance to continue to produce—and live—live without fear—with courage we have often demonstrated—and with confidence of security from drought, devastation and destruction. Let us sleep soundly—secure in the knowledge that we will not be awakened again in the middle of the night by wailing sirens—knocks on the door—telling us to get up, run for our lives—taking only those few simple things we can carry with us in our arms—secure in the knowledge that never again will we see our entire life investment sink into the stinking, slimy sludge of rampaging flood—and that our industries and towns will never again suffer from lack of essential vital water.

Mr. Chairman, the drama, the excitement is most intense when these floods are at their height. But the tragedy—pathos all comes home when the flood waters recede.

I trust that I may be pardoned if I make a personal reference. After the flood of 1951 had receded—Mrs. Scrivner visited the Armourdale and Argentine districts of Kansas City, Kans. Although Mrs. Scrivner is not gifted as a writer, let me quote a few words from a letter she wrote to me:

If Members of Congress could just see that desolate, gray, mud-covered stinking mass of rubble—block after block—all with signs "Condemned" on it—Congress would understand the need for help.

Seeing Armourdale and Argentine covered with water was nothing to what it looks like now. It is a ghost town—no lights—no sewers—no people. It is nothing but a stinking mess of mud-covered ruins that were once homes.

Mr. Chairman, I have tried, in a feeble way, to give you the story of Kansas. My colleague, Mr. BOLLING, has, throughout the years, joined me in working for this key project and he can tell, from first-hand observation he has made—what this flood—these recurring floods—do to Kansas City, Mo.

Further than that, while I am not clairvoyant, since these floods also adversely affect the district so ably represented by the gentleman from Missouri,

[Mr. CANNON], the chairman of the Appropriations Committee, I feel quite sure, that deep down in his heart he is pleased that my amendment was adopted by an overwhelming vote by the Appropriations Committee—and I am quite certain that he, too, feels the amendment by the gentleman from Kansas [Mr. AVERY] should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. BOLLING].

(By unanimous consent, Mr. CHRISTOPHER was given permission to yield the time allotted to him to Mr. BOLLING.)

Mr. BOLLING. Mr. Chairman, I rise in opposition to the amendment. There are two points I would like to make to the House in this matter.

One point is that in 1951 much of Kansas and much of Missouri, including many towns and cities, one of which was Kansas City, Mo., which I have the honor to represent, were devastated by the greatest flood in the history of the United States. The property loss to the people of that area was in the hundreds of millions of dollars.

Since that time, the only concrete action which has been taken to mitigate the danger under the threat of which live hundreds and hundreds of thousands of people has been the initiation of Tuttle Creek Dam.

I believe the facts are clear on the record that there are a great many more people concerned for the passage of the legislation as it is, including appropriations to continue the construction of Tuttle Creek Dam than there are opposed. I support this appropriation in the interest of my district and in the interest of the greatest good for the greatest number.

I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. AVERY].

The question was taken; and on a division (demanded by Mr. AVERY) there were—ayes 87, noes 114.

So the amendment was rejected.

Mr. ROBESON of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBESON of Virginia: On page 21, line 1, strike out "$2,000,000" and insert in lieu thereof "$4,000,000."

Mr. RABAUT. Mr. Chairman, in the interest of saving time, we will accept the amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. TOLLEFSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TOLLEFSON: On page 20, line 8, after the colon, insert the following: "*Provided*, That out of the funds heretofore appropriated but not expended or obligated by the Corps of Engineers the sum of not to exceed $563,000 is hereby authorized to be expended for dredging the Port of Tacoma Waterway."

Mr. RABAUT. Mr. Chairman, I make the point of order against the amendment that it relates to funds previously appropriated.

Mr. TOLLEFSON. I had assumed from my conversation with the gentleman that he would not raise the point of order.

Mr. RABAUT. Does the gentleman want to speak on his amendment?

Mr. TOLLEFSON. I would like to, yes.

Mr. RABAUT. I reserve the point of order, Mr. Chairman.

Mr. TOLLEFSON. Mr. Chairman, I proceed on the assumption that the House wants to be fair in its consideration of the items in this bill and with the Members of the House. Some time earlier this afternoon the House adopted an amendment offered by the gentleman from Kentucky [Mr. NATCHER] which added some $46 or $48 million to the bill. That sum included a number of Corps of Engineers projects. Unfortunately I have a project that was not included in the items dealt with by his amendment. I sought recognition to amend or offer a substitute to his amendment but under the rules of the House it could not be considered, simply because the rules permit only so many amendments to be pending at the same time.

I think the House should be fair in this matter. I have a project in my district that has been approved by the Bureau of the Budget. The report has been sent to the committee. The amendment that was adopted by the Committee of the Whole a moment ago included some items that had not had the approval of the Bureau of the Budget.

My particular project is one which the Department of Defense wants. It has been certified as a defense project because it would deepen the channel which would permit oceangoing vessels to reach certain plants in which the military are interested. This is a national defense project. It has the approval of the Bureau of the Budget. I think, in all fairness, this item ought to be included in the bill as well as all the items which are included by the amendment offered by the gentleman from Kentucky [Mr. NATCHER]. The total cost of the project is some $563,000. I have asked that that sum be taken from the items which have already been appropriated, but which are unexpended and unobligated by the Corps of Engineers. I do so because the gentleman from Michigan [Mr. RABAUT], at the time we were considering Mr. NATCHER's amendment, offered a substitute amendment in which he indicated that the Army engineers had about $30 million unobligated and unexpended, and he sought to have those funds applied to the projects in Mr. NATCHER's amendment. All I am asking is that $563,000 out of that $30 million figure which the gentleman from Michigan mentioned be applied to my project. I think the House wants to be fair in this matter, and if it were possible under the House rules for me to have offered an amendment, I am sure the House would have included it in Mr. NATCHER's amendment. I would appreciate an affirmative vote on my amendment.

Mr. RABAUT. Mr. Chairman, I insist on my point of order.

The CHAIRMAN (Mr. COOPER). The gentleman from Washington offers an amendment which has been reported, and the gentleman from Michigan makes a point of order against the amendment. The Chair has examined the amendment and invites attention to the fact that the amendment refers to funds heretofore appropriated, therefore, it would affect funds heretofore appropriated and, in effect, would amount to legislation on an appropriation bill which is not permitted under the rules of the House. Therefore, the Chair sustains the point of order.

Mr. RHODES of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RHODES of Arizona: On page 20, line 8, after the amount named, insert "and in addition the further sum of $100,000 for engineering and design on the Whitlow Branch Dam, Ariz., as authorized by law."

Mr. RHODES of Arizona. Mr. Chairman, it is rather unusual for me to get up here and ask for help in keeping water off of the land. Coming from Arizona, it is more usual for me to get up and ask for a little help to put water on the land. However, this represents a project on a little creek which 364 days out of the year is just as dry as a bone, but on the 365th day it becomes a raging torrent. In August of last year there was a flood on this little creek in which the flow per second was as high as the average flow on the Colorado River. The Colorado River could not have done any more damage if it had been turned onto this little valley for about 8 hours. This is a project which has been authorized since 1946. I have tried ever since I have been in Congress to get some interest in the project because I know by experience it endangers Williams Air Force Base. That Air Force base is the jet-pilot school, one of the most important functionary parts of our Air Force. I know this endangers Williams Field because I was stationed there during the war. I waded to work at least three times during the period I was there. Luckily for some and unluckily for others, we had a flood in August of last year which proved to the people who doubted that this little creek did endanger that field. If this particular flood had been a little bit higher, they would have been taking those jets off with pontoons instead of with wheels. When the hearing was had before the Committee on Appropriations last time, I had people here to testify, including the commanding officer of this base.

I think this is a very important amendment because of the danger to this airfield base, if we have another flood along this creek the damage which was inflicted by the last flood includes the filling up of the old channel. The drawings indicate that the new channel goes so close to Williams Air Force Base that it will probably flood it.

This item I feel confident would have been in the budget except that since the flood was in August and they have been evaluating it in the meantime there was no chance to get it into the budget. I have here a letter from the Corps of Engineers addressed to the Director of

the Budget. From it I read the following:

I consider this matter of sufficient urgency to merit an appropriation of funds for the fiscal year 1956, and I suggest that a change in the budget be recommended to the President.

I do not think I am telling you anything you do not know or telling tales out of school when I tell you that should the chairman of the committee ask them for it they would probably give it to him. Naturally the chairman of the committee could not do this because I just got the letter 2 days ago.

I am asking that this project, which is tentatively set up to begin in fiscal year 1957, begin instead in fiscal 1956 and that you appropriate $100,000 to this end for the engineers.

Mr. Chairman, in closing, I would like to read a message which I received today while I was waiting to be recognized to offer this amendment:

This little creek flooded this very afternoon and inundated 6,000 acres of cotton.

Those of you who are in the Cotton Belt know that that represents a loss of some $600,000. Now, add that on to what was lost in the flood in 1954 of $2 million and you can see that the cost of this dam will soon be repaid. The costs, by the way, will be something over $4 million when finally built.

I hope this amendment will be adopted.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a new project, an unbudgeted project. It is not before us today. It has been here since 1946, I think. There must be something the matter with it if it has not had any recognition since that time.

I am not questioning the gentleman's word about the seriousness of the situation, but the point is that this is an unbudgeted item. If we are going to grant items of this nature that are not budgeted we might just as well throw up our hands, and appropriate an additional amount, and save ourselves a lot of time.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. RHODES of Arizona. The reason, I may say, there has been very little interest is because nobody took it seriously until the Williams Air Force Base was flooded last year. You would be surprised how much interest there is in this project at this time.

Mr. RABAUT. I have no doubt the gentleman is correct, but the project is not in the bill, and there is the budget estimate up here for it.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The question was taken; and on a division (demanded by Mr. RABAUT) there were—ayes 64, noes 104.

So the amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan: Page 21, line 10, after the word "Wisconsin" add: "*Provided*, That there is hereby also appropriated the sum of $10,000 to be used under the direction of the Corps of Engineers to dredge the St. Joseph River in the county of Berrien, Mich., from Berrien Springs to the mouth of the river at Lake Michigan."

Mr. RABAUT. Mr. Chairman, I reserve a point of order against the amendment.

Mr. HOFFMAN of Michigan. Mr. Chairman, I am constrained to offer this amendment because of a resolution adopted by the mayor and the Common Council of the City of Berrien Springs, a thriving city in the county of Berrien, Mich., through which meanders the beautiful St. Joseph River on its way to Lake Michigan at St. Joseph and Benton Harbor.

Where the river empties into the lake there exists a harbor which some day, our people hope, will, in tonnage and imports, rival those at Chicago and Milwaukee.

There are other reasons justifying the offering of this amendment. On my right sit Democrats who earlier today and who in the past have seemed determined to extract from the Federal Treasury millions—yes; over the years, billions—of dollars to help their home people either to dredge and deepen rivers and harbors or reclaim land.

The effort today was to pour additional millions into TVA in the Tennessee Valley. The purpose? Give to the local people and attract industries by cheap power at the expense of the public.

Not a little success has followed their efforts.

Now listen, my dear colleagues. To date you have extracted from the Federal Treasury to give special advantages to the people of the Tennessee Valley Authority more than $1,905,000,000.

What am I asking for?

For the people of Berrien Springs and the vicinity, my original amendment called for but $1,000. Then, at the suggestion of one of the reporters, it was raised to $10,000 for this dredging job. And mark you now, that sum is not asked primarily for the benefit of the people of Berrien Springs, but for the benefit of all, and undoubtedly if the channel was dredged, the St. Joseph River not only would be used for a tourist route, for commercial purposes, but it might be used as a part of our national defense.

The committee seems to be in a generous mood today, so if the taxpayers dollars are to be broadcast, there would seem to be no reason why some should not fall upon the exceedingly fertile soil of Berrien County and in the vicinity of Berrien Springs.

Billions upon billions of dollars, and I refer not to the billions sent abroad, have been broadcast here in America. Many have fallen on rocky, stony ground, and in the mountains of the Northwest.

Some of those millions, where they brought water to thirsty deserts, have fallen upon good ground—acres which have produced abundantly, which year after year have added to our crop surpluses, which are now, for storage, costing us a million dollars a day—a million dollars each day added to the national debt.

Other millions have fallen in the area of some of our streams. They sprouted into towns and cities with industrial plants—where none grew before. All to the advantage of certain, comparatively small groups, some owning townsites, others adjacent land. Apparently, most of these created industries, villages, and cities exist and continue to grow because they have, if I may use the expression, been and now are fertilized by tax dollars—partially contributed by the people of Berrien County.

Then, there is another reason for the offering of this amendment at this time. The chairman of the subcommittee, Mr. RABAUT, just established a new precedent for the making of an appropriation. He accepted an amendment of the gentleman from Iowa [Mr. TALLE] against which a point of order apparently might have been successfully offered. As I get it, he gave two reasons. One, the amount—$68,000—was, he said, small. The other was because accepting the amendment would avoid further discussions and make certain that the House could adjourn tonight, over Friday, thus giving the members of the Tuesday through Thursday club a 3-day respite.

Therefore, it occurred to me that this amendment, calling for but $10,000—one for $68,000 having been accepted—might also be accepted by the subcommittee chairman. His kindness, his generosity, his power as subcommittee chairman, having been exercised in favor of an appropriation of $68,000 for a district in Iowa, I just thought might be extended to cover a little $10,000 appropriation for a worthwhile project in his home State of Michigan. It is my hope that I was not mistaken.

Candor forces me to admit that the Corps of Engineers sent a representative to take a look at Berrien Springs and the St. Joseph River and he reported that, in his opinion, the expenditure of the funds necessary to dredge the river from Berrien Springs to the harbor at St. Joseph and Benton Harbor was not justified by the prospects of future profits. But since when has the Congress attempted to justify an appropriation by requiring that future taxes paid to the Government, or the profits to the Government, or the community where the Federal investment was made, would liquidate the original investment—the cost of the project? Is it possible the job is too small to merit the attention of the corps?

Certainly neither the original appropriation nor subsequent appropriations to TVA have been repaid to the Federal Government, nor has that investment been profitable to the taxpayers as a whole.

Oh, no, no, the soundness of the investment by the Government has never been the criterion, the yardstick, used and adhered to when the question of an appropriation of this nature or a reclamation project was before the House.

Apparently, appropriations of this nature go through committee, and my reference now is to the Committee of the Whole House on the State of the Union, and through the House in altogether too many instances because an appropriation of a somewhat similar nature has

either been adopted or will be adopted by the House to benefit some other area.

Apparently, the question is not, "Will the appropriation benefit the country as a whole, promote the welfare of all of our people?" The question seems to be, "If this particular appropriation goes through to give special benefits to a certain area, then will another appropriation for a somewhat similar purpose and which will likewise benefit another comparatively small group in another section of the country be adopted by the Congress?"

Some critical people refer to that method of dealing—of deciding whether an appropriation should or should not be made—as "logrolling." Please do not misunderstand me. I am not charging that there has been any logrolling in connection with today's consideration of this bill. Oh no. There just seems to be a spirit of good fellowship, a generous disposition on the part of some Members and of some groups. Has there been a little reciprocal backscratching in dealing with the provisions of this bill and the amendments? Added to that, the chairman of the subcommittee, the gentleman from Michigan [Mr. RABAUT] seems to feel that one of the very important things before the House at this time is to end discussion of this bill and adopt it today.

I am not asking you to vote for this very, very small appropriation to make this worthwhile improvement on this river because of any promise on my part that when some appropriation comes up which will benefit a river, a harbor, a desert, a canyon in your district, I will vote for that. I am just offering this amendment on the merit of the improvement which will be made, though realizing, as I certainly do, that merit all too often has not too much to do with the making of appropriations.

Mr. Chairman and my dear colleagues, this amendment has merit.

The appropriation sought is so small—but $10,000—and do not forget you just accepted one for $68,000 because it was small and in order to avoid debate and an adjournment over until tomorrow. It will not require the expenditure of any large sum for a survey, the preparation of specifications. The river is there, it is winding its way through Berrien Springs and on down to the lake, the sandbars are there. The banks of the river are high enough to contain the water, it flows down the channel, no levees will be required, nor is there any danger that floods will break through the banks and overflow the adjacent lowlands if a channel is dredged. No additional water will come to the river. The scenery is so beautiful, so enchanting is the river itself—fish, bass and pike, are so plentiful and so eager to cooperate, that working to improve it will be a joy and a pleasure.

While there are no paddlewheel steamboats now carrying commerce up and down the river, I am almost certain that some will be built, and certainly the obstruction to present navigation of the river is just as great as it was at Muscle Shoals when the first Federal millions of dollars were sent down there.

Our people are progressive, they are industrious, they are thrifty, they are farseeing, and if the Federal Government will give us a river on which to operate, I am sure our farsighted citizens will provide the industrial plants and the boats to use to full capacity the water highway which will be provided by the dredging of the St. Joseph.

This amendment is not like the amendment of the gentleman from Pennsylvania [Mr. FLOOD], who wanted an additional $18,500,000 for the Delaware River from Philadelphia to Trenton and which, as another gentleman from Pennsylvania [Mr. WALTERS] said, would cost $108 million and would subsidize United States Steel Corp. at the expense of all of the taxpayers of the United States by providing it with a free canal.

We do not have a United States Steel Co. at Berrien Springs, as they have at Philadelphia or farther up that river, and again do not misunderstand me, I make no claim that the St. Joseph River, as it runs through either Indiana or Berrien County, compares as a commerce-bearing channel with the Delaware River. However, it has possibilities. Surely it has a future. Why orphan it in its infancy?

We do not have plants like those of General Motors, of Chrysler, of Ford, as they have at Detroit, and we are not at this time asking for harbor improvements at St. Joseph and Benton Harbor, which might be of some help in establishing and maintaining industry at Berrien Springs. They do have industrial plants at Benton Harbor and St. Joseph—among them the largest washing-machine plant in the world. They are turning out billions of dollars' worth of excellent equipment. The employees at the plants, the most of them, are not only rendering full service for every dollar they receive, but they own their own homes, they pay their full share of the taxes which go to create and continue special benefits, not only to those who are served by TVA, but to employees of many another tax dollar created industry.

Berrien County has many an acre of fertile soil. As just indicated, the people there are the kind of people who made this country great, rich, and powerful. They are independent by nature, and if I judge their feelings aright, they are willing to earn every dollar they get, but, if their tax dollars are to be broadcast by a Federal bureaucracy or by a spending Congress, I just assume, though they have never told me so, that there is no reason why they should not share in this broadcasting. Some are tired of always being on the giving end—they would like, once at least, to be on the receiving end.

If Federal dollars are to be broadcast, then let them be sown not so often on rocky, stony ground. Let some of them be sewn, and, like the seed referred to by St. Matthew, "fall into good ground where they will bring forth a hundredfold." Berrien Springs and the St. Joseph River are there—waiting and willing.

The area where this improvement will be made, if this amendment is accepted, compares very, very favorably with the Tennessee Valley area when the first appropriation was made for Muscle Shoals and for TVA.

Berrien County is a great berry- and fruit-producing country. Washington has its Japanese cherry trees with their beautiful blossoms, but no fruit. Berrien County and southwestern Michigan—yes, the whole lakeshore area clear up to and including the district of our colleague from the 9th District, Miss THOMPSON, who is doing such a worthwhile service here—might well be characterized as the garden of Eden of the United States of America.

The blossoms of our cherry, our plum, our peach, our pear, and our apple trees, far surpass in beauty the nonproductive, scentless blossoms of Washington's cherry trees. I hope no international complications will grow out of this statement.

May I plead with you, you who live in the South, you who live in Washington, who may look and see, but never smell the fragrant breeze, go north sometime, travel through the Fourth District of Michigan and on up the west side of Michigan along the eastern shore of Lake Michigan and for once in your hard-working lives see blossoms that are beautiful, fragrant, and the advance agents of tasty, nourishing berries and fruits.

Please do not characterize me as a Pharisee. I am only endeavoring to have you see Michigan in the springtime as we who are fortunate enough to live there have seen it and to, with us, enjoy some of nature's bountiful blessings free to all who will come and look. It is a beautiful, bountiful, productive, nourishing country. Do you like cherry pie? Blueberry muffins? A tasty peach? A delicious plum? A pear that does not need to be pared, but in the hand calls for a pair? An apple that needs no peeling, but in the hand makes you want a glass of cider; apple sauce, apple pie? Come to Michigan, and all are yours for the taking.

Give the people of Berrien Springs this channel to the lake, and it just may be that they will make the land and the orchards blossom and produce so that not only the people of Indiana and Ohio, but certainly those of Chicago will get and enjoy more and better berries, fruits, and vegetables than they now are privileged to have.

If the dredging of this river is not now imperative because there is no great need for its use as a waterway, can we not be farsighted and look forward to the completion of the St. Lawrence Waterway, when vessels from across the sea, from the Old World will dock at our lake ports? Yes, perhaps some from the Far East will sail east and south around the horn, then up the Atlantic to the St. Lawrence, then through Lake Ontario, Lake Erie, up through the St. Claire River and Lake, up Lake Huron, through the straits and down the length of Michigan, may then load at the St. Joseph-Benton Harbor port and carry some of the abundant, health-giving produce of our area to those less fortunate.

Now, laugh at this dream if you will, but how many of you know that for several years ships from the Old World,

from Norway and from Sweden, have been unloading at South Haven, just a few miles north on Lake Michigan from the Benton Harbor-St. Joseph Harbor?

The Congress has given millions, yes, billions, of dollars for the development of places in the West where, before the Federal dollars were expended, there was neither people, townsite, industry, no productive land—nothing except a roaring river down through a mountain gorge. Many a thirsty desert has been made to blossom and produce because of the dollars given by taxpayers of the Midwest.

Federal dollars harnessed many a river, made possible the building of its industries and its cities; Federal dollars wired the current that is carried hundreds of miles away for the benefit of individuals and industrial enterprises, which have grown and expanded and profited because of Federal dollars so generously given by the Congress.

The Congress has given billions to create hydroelectric plants so that citizens throughout the West and Northwest might have television, radio, electrical refrigeration, electrical cooking, lights, water, only the good Lord knows what else.

And today all this amendment calls for is, by comparison, a measley little $10,000 for a beautiful river of clear water—or at least it was clear when I lived along its banks at Constantine in St. Joseph County—which has the possibility of carrying a commerce-creating, profitable resort business.

Nor is that all. With logic and reason equal to that which has put through many an appropriation for millions, if not billions, of dollars I may add that this improvement is needed in furtherance of our national defense.

Now think of that. Who knows what we may need? Will you impair the future safety, the security, and the welfare of our people by refusing the funds to dredge this river? It may be, if and when they bomb—as we read each day they may—the valley through which flows the St. Joe may be a land of refuge where we may not only seek safety, but find sustenance.

Did I hear someone in an undertone ask if I sincerely thought that the failure to adopt this amendment would actually endanger the future of our Republic or lessen the welfare of our people? If I did or if that question is in someone's mind, as perhaps it is, my reply would be that I have seen appropriations for many times the sum carried in this amendment go through the House and the other body with no more reason back of them.

Leaving this matter to your conscience and your good judgment, my hope is that this discussion has called your attention to what we have been doing here today, to the manner in which we have dealt with the taxpayers' dollars.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I did not get the first part of the remarks of the gentleman from Michigan. Did you say that Walter Reuther has written you on this subject?

Mr. HOFFMAN of Michigan. No; I made no reference whatever to any political boss who selects candidates or influences elections of the Democratic Party.

Mr. RABAUT. Mr. Chairman, I insist on my point of order. Nobody has proved to me that this project is authorized.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. HOFFMAN of Michigan. On the point of order, it is just a matter of going along with the purposes of this bill and the interests of this bill. It is new funds, and it is a limitation on appropriations, not legislation on an appropriation bill, because it requires that the money must be spent under the direction of the engineers.

The CHAIRMAN. Is the gentleman from Michigan prepared to offer proof that this has been authorized by law?

Mr. HOFFMAN of Michigan. It is the word of a Member of this body. There is no statute authorizing this appropriation, but if the Congress appropriates it, the appropriation would be good and by implication a repeal of the statute.

The CHAIRMAN. The Chair respects the word of the gentleman very highly, but he would have to see the statute. Is the gentleman prepared to quote the statute that authorizes this by law?

Mr. HOFFMAN of Michigan. No.

The CHAIRMAN. The point of order is sustained.

Mr. TOLLEFSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TOLLEFSON: On page 20, line 8, after the colon insert: "and in addition thereto the sum of $563,000 for dredging the Port of Tacoma Waterway as authorized by law."

Mr. TOLLEFSON. Mr. Chairman, I will try again. I had misunderstood the gentleman from Michigan when I offered my other amendment. I understood that he would not raise a point of order, and in that amendment I sought only to do what he previously sought to do earlier in the afternoon.

This amendment, as I indicated a moment ago, would authorize the Corps of Army Engineers to spend $563,000 to dredge a waterway in my community. Now, that project was authorized by the last Congress. That project has been approved by the Bureau of the Budget, and that approval has come to the committee that is handling this bill. So, it qualifies as much as any of the items that were contained in the amendment offered by the gentleman from Kentucky [Mr. NATCHER] earlier this afternoon. As I said a moment ago, had it not been for an oversight, for which I was at fault, perhaps, my item would have been included in the amendment offered by the gentleman from Kentucky. I sought recognition, as I mentioned previously, to offer a substitute to the Natcher amendment, but under the rules of the House a limited number of amendments can be offered and a limited number of substitutes, and therefore I was unable to come within the scope of the Natcher amendment.

Now I offer this amendment, as I indicated earlier, on the basis that the House probably wants to be fair in its treatment of all the Members. In the amendment offered by the gentleman from Kentucky, there were items that did not have the approval of the Bureau of the Budget, and there were items that were not authorized by the Congress. Mine is authorized by the Congress. Mine does not have the approval. In addition to that, the military wants this channel deepened and have termed it a national-defense project. They want the channel deepened so that oceangoing vessels can reach a structure or factory which makes material that the military wants. I sincerely trust that the House will adopt my amendment and accord me the same treatment that it has accorded everybody else.

Mr. ROBERTS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD following those of the gentleman from Louisiana [Mr. BOGGS].

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. EVINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by the gentleman from Washington is an unbudgeted item. There was no statement about it before the committee. The committee has not been advised about the project. The gentleman appeared before the committee but not with reference to this project, and we know nothing about it. I feel that the amendment should not be adopted at this time.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while I was absent from the room answering a telephone call there was limited debate on the amendment concerning Tuttle Creek Dam in Kansas. It had been my intention during debate to read a telegram that I had received from our colleague in the 83d Congress, the Honorable Howard Miller. The telegram said:

As you may be aware, there is included in the appropriation bill coming before the House tomorrow a provision calling for appropriation of $7½ million to begin again construction of Tuttle Creek Dam. Construction of this dam is opposed by the great majority of people of this district, who know the situation. We are presently demonstrating that flood can be better controlled by watershed treatment measures in the upland area where the rain falls and the only place where floods can be generated. I cannot come before the Members of the House as I did 2 years ago and explain the situation as I did at that time, but the conditions are the same. Mr. AVERY, a Republican, was elected in my stead because he took the same stand that I took upon this issue. He was elected by a narrow margin in this strongly Republican district, because the voters were called upon by the President to return a Republican Congressman. I am certainly imploring that all my friends, both Democrat and Republican, who went along with me 2 years ago on this issue support my successor, Mr. AVERY, in his effort to defeat the proposed appropriation. Will you kindly make known this request on the floor of the House?

Sincerely,

HOWARD S. MILLER.

I wrote Mr. Miller that, of course, I would read his telegram when the matter was up for debate. I am now explaining to the House the reason I did not read it at that time, although I did show it to many of my colleagues on our side. As I have already said, the debate on the amendment was limited to some 10 minutes, and I had left the chamber to answer a telephone call.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. TOLLEFSON].

The amendment was rejected.

The Clerk read as follows:

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; removal of obstructions to navigation; rescue work, and repair, restoration, or maintenance of flood-control projects threatened or destroyed by flood; and not to exceed $1 million for transfer to the Secretary of the Interior for conservation of fish and wildlife as authorized by law; to remain available until expended, $82,500,000.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division engineers; activities of the Board of Engineers for Rivers and Harbors, the Beach Erosion Board, and the California Debris Commission; administration of laws pertaining to preservation of navigable waters; commercial statistics; and miscellaneous investigations; $9,200,000.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration or maintenance of flood-control projects threatened or destroyed by flood, as authorized by law (33 U. S. C. 702a, 702g–1), to remain available until expended, $46,675,000.

Mr. PASSMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PASSMAN: On page 22, line 18, strike out "$46,675,000" and insert in lieu thereof the following: "$50,885,000."

Mr. PASSMAN. Mr. Chairman, my amendment, if adopted, would increase the appropriation for the Mississippi River and tributaries to the amount requested in the President's budget and bring the total appropriation for fiscal 1956 to $50,885,000. This amount, if approved, will still be over $6 million less than the average annual appropriation approved for this project during the past 8 years. The average annual appropriation for the past 8 years has been $57,100,000.

May I say that the funds requested in this item are not limited for use in any particular State. Part of the funds will be expended in the States of Illinois, Missouri, Tennessee, Kentucky, Arkansas, Louisiana, and Mississippi, and will affect, to some extent, the economy of almost every State in the Union.

Over a period of years the Congress in its wisdom has authorized an expenditure of $1,314,000,000 for this project. In subsequent years, the Congress has appropriated $854 million toward the authorization, leaving a balance of $460 million to be appropriated for the project under the present authorization.

The Secretary of the Army, the Chief of the Corps of Army Engineers, and the President's Budget Director have established that the very minimum necessary to continue the many projects on the lower Mississippi and its tributaries for fiscal 1956 would be $50,885,000. Certainly this amount is not adequate to prosecute the work in the most economical way, but would provide sufficient funds to continue the work on a slowed-down basis for the next fiscal year.

Based entirely upon the importance of this overall project, the appropriation has been considered solely on its merit by both Republican and Democratic-controlled Congresses.

I believe the following would interest the Members. The Congress appropriated for this project:

1948	$50,000,000
1949	61,000,000
1950	67,000,000
1951	61,400,000
1952	60,500,000
1953	60,020,000
1954	51,433,000
1955	46,450,000

It is too late to ask why the appropriation for this project which affects the economy of almost every State in the Union was reduced last year; but the mistake should not be repeated this year.

Mr. Chairman, I am a member of the Appropriations Committee, and no member of the committee would accuse me of wanting to waste the taxpayers' money. I am always alert to saving the taxpayers' money whenever possible. Now, in fairness to the committee, may I state that I informed the distinguishd chairman of the committee, as well as the distinguished chairman of the subcommittee, handling this item, that it would be necessary that I ask for restoration of funds up to the Budget's request. My request is a reasonable one; it is a logical one; and one in the interest of the economy and welfare of many millions of our fellow Americans living in the path of the unpredictable, meandering, mighty Mississippi River.

Mr. Chairman, over a period of years, the destruction caused by the Mississippi River has wrought damage and loss of property going into the billions of dollars and has claimed hundreds of lives. Slowly but surely this serpent of nature is being brought under control.

On the basis of facts and dire need for a sufficient appropriation to complete this project, I respectfully urge the Members to support my amendment. In fact, I would be overwhelmed if the distinguished chairman of the committee and the distinguished chairman of the subcommittee would decline to oppose this meritorious amendment.

Mr. CANNON. Mr. Chairman, in view of the data submitted by the gentleman from Louisiana, the committee accepts the amendment. We ask for a vote.

Mr. PASSMAN. I thank the distinguished chairman of the Committee on Appropriations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana.

The amendment was agreed to.

The Clerk read as follows:

NIAGARA REMEDIAL WORKS

For financing a part of the United States share of the cost of remedial works in the Niagara River, to be undertaken in accordance with article II of the treaty between the United States of America and Canada, ratified by the United States Senate on August 9, 1950, to remain available until expended, $2,400,000.

UNITED STATES SECTION, ST. LAWRENCE RIVER JOINT BOARD OF ENGINEERS

For necessary expenses of the United States section of the St. Lawrence River Joint Board of Engineers, established by Executive Order 10500, dated November 4, 1953, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $100 per day for individuals; $150,000: *Provided*, That no part of these funds shall be obligated until agreement has been entered into, by the United States Government and the United States entity authorized to construct the power works in the International Rapids section of the St. Lawrence River, providing for the reimbursement of the expenditures of the United States section of this Board by the construction entity.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for expenses of attendance at meetings of organizations concerned with the work for which the appropriation is made, for uniforms, or allowances therefor, as authorized by the act of September 1, 1954 (68 Stat. 1114), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 250 for replacement only) and hire of passenger motor vehicles.

Mr. DAVIS of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the best comment that could be made on what is occurring here on the floor of the House this afternoon was made by the gentleman from Michigan [Mr. HOFFMAN] when he offered his amendment, for satire can often say much more than the serious efforts of any Member of this House. I think some of the things we have heard here represent a rather shameful reflection upon the deliberations of this body. We have had the Committee on Appropriations completely shoved aside in favor of the deliberations—if that word might be used to describe what is going on here today—of a rump caucus which met in one of the office buildings the day before this bill came before us for consideration. We have heard Members who have maligned and used words of bitterness toward members of this committee in past years because they sought to give some credence to the recommendations of the Bureau of the Budget. We have seen them come before us today as the great champions of the Bureau of the Budget substituting their words for

everything that was done by this committee as the result of weeks and months of hearings held by this committee, and it pleases them because the Bureau of the Budget recommended more money than this committee was willing to do. But when the opportunity for the other thing came, when there was opportunity to put money in that the Bureau of the Budget had not recommended, then they discarded the deliberations of that executive department just as quickly and just as easily as they brushed aside the deliberations of the Committee on Appropriations of this House. Yes, we have heard some harsh things said about this bill in past years—some words we do not like to think about when we are talking about ourselves as Members of whom they are talking. Well, I submit that all these things that have been said of logrolling and pork barreling and other things are pretty true so far as what has occurred here on the floor of the House today. There ought to be a greater sense of responsibility than that among the Members. I submit there is but one way that we can purge ourselves of the shame that has descended upon us here this afternoon, and that is to recommit this bill to the Committee on Appropriations. I have placed such a motion to recommit on the Speaker's desk, and I intend to call up the motion to recommit at the proper time, and I hope the Members will adopt it.

Mr. CHRISTOPHER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I shall not use the entire 5 minutes. I shall use very little of the time, but I just want to say to the Members of this House that if the Bureau of the Budget are in absolute control of the Government of the United States, I would suggest that I and my colleagues all resign and go home.

Mr. Chairman, I yield back the remainder of my time.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I heartily commend the gentleman from Wisconsin for the courageous statement he has just made. If ever a bill deserved to be recommitted, it is this one. Expenditures under this measure have been increased by millions upon millions of dollars. I doubt that anyone knows the total. This is the worst day of logrolling I have seen since coming to Congress.

Let the record show that I am for recommittal of this appropriation bill and will vote against it if the recommittal motion fails.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I desire to commend the gentleman from Wisconsin on his words. Some of the amendments offered this afternoon are the worst examples of logrolling I have seen in the 5 years I have been in the House.

If the gentleman from Wisconsin can get a rollcall on his motion to recommit the bill I shall certainly support it.

The pro forma amendments were withdrawn.

The Clerk concluded the reading of the bill.

Mr. RABAUT. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H. R. 6766, making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DAVIS of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. DAVIS of Wisconsin. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. DAVIS of Wisconsin moves to recommit the bill to the Committee on Appropriations.

Mr. CANNON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill today may have permission to revise and extend their remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ALGER. Mr. Speaker, it is a matter of grave concern to me that we are debating the additional funds needed for the TVA when, to my certain knowledge, the TVA is in itself unconstitutional. I can find nowhere in the Constitution the right given to the Federal Government to produce electric power, and in competition with private business.

The right of free enterprise is a basic right which our forefathers held came from God, not Government. Or to quote the Declaration of Independence, upon which our Constitution is founded:

> We hold these truths to be self-evident that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

Government is to protect our rights and freedom, not compete with them. The loss of economic freedom would mean the loss of all freedom. TVA and public power development, interest and tax free, is marching in that direction. "Promote the general welfare" does not permit power development, nor does any other part of our Constitution.

It is also interesting to note that under socialism, next to control of credit, the most important weapon is electric power. Through the TVA and other public power development, we are well on the way to establishing this basic principle of socialism. If socialism is bad for us in the United States, then a little bit of it is bad. Any degree of a disease is as bad as the disease itself. So let us not nurse public power in our midst when private enterprise and the profit system, which have always undergirded our form of government, are so flagrantly challenged as they now are.

Free enterprise cannot survive Government competition. Let us not call socialistic public power a part of our system. Let the Socialists stand up for what they believe. Let those who believe in free enterprise so state. The battle thus joined can in conclusion produce a clear-cut answer. We cannot have both and survive—one must go, either public power or private business. We are at this moment surviving in spite of public power development, not because of it.

TVA was intended primarily for flood control, now the power development is its greatest function, which is beyond its constitutional right.

Yet the TVA can do much more than administer a power plan. It can condemn, buy, and develop most properties unhindered by the protests of the owners or local and State authorities. It can rearrange highways, railways, bridges, mills, and electric-light plants at will; it can remove great sections of land from public tax rolls; in lieu of taxes it can dole out such money as it feels like to local and State government; it can arbitrarily determine the size of farm units to get the benefits of vital irrigation or flood protection; it can operate with unlimited funds a wide variety of businesses exempt from State restraints for the control of competition. It may eventually have hundreds of millions of its own funds to put into almost any activity that might occur to its directors.

WHERE NOW IS STATE GOVERNMENT, STATES RIGHTS, AND OUR CONSTITUTION?

Two wrongs do not make a right. A bad law should not be continued or

tolerated by a reduction appropriation. Let us sell the TVA to the people of that area, let us not argue the merits of another steam generator, the elimination of fertilizer manufacture, or more or less annual running expense.

To further develop the study of the TVA, I wish to call my colleagues attention to this treatise by Professor Stephenson, of the University of Kansas, entitled "TVA: Profit or Loss?":

TVA: PROFIT OR LOSS?

(By Eugene A. Stephenson)

The casual visitor to the area served by the Tennessee Valley Authority is justifiably impressed by the magnificent dams, the smoothly functioning locks, occasional barges loaded with coal, fuel oil, automobiles, grain, and miscellaneous freight; by the lakes that provide both hydroelectric power and picturesque scenery as well as wholesome recreational facilities; by the great steam generating plants and the various industries that have taken advantage of the low rates at which power is available. However, many aspects of the enterprise cannot be readily seen by this casual observer, and a critical analysis of the accounting practices is necessary in order to determine whether or not this gigantic venture is a financial success.

Out of a maze of conflicting testimony, documentary and otherwise, a case can probably be made for the establishment of TVA as a conservation measure or for flood control, with promotion of navigation on the Tennessee River in order to compete with railroad transportation. Or it can be shown that TVA was designed to prove that public power can be produced and sold at much lower rates than are possible with private industry. It has also been suggested that TVA was planned to some extent as a punitive measure against the entire electric utility industry because of the scandals of a few of its prominent individuals, scandals that became prominent in the late twenties. Some evidence exists for all of these possibilities, and any discussion of TVA is likely to include some reference to one or more of them.

The basic TVA Act of 1933 was designed "to promote the national defense, to further the proper use, conservation, and development of the natural resources of the Tennessee River area and of related adjoining territory, to further the agricultural and industrial development and to promote the economic and social well-being of the people of that region. The methods provided by the act for bringing about these results are the maximum development of the Tennessee River for navigation purposes, flood control, and generation of electric power, incidental to and consistent with flood control and navigation, the disposition of the surplus power thus produced. * * * The most important considerations are the furthering of the public interest in making power available at the lowest rate consistent with sound financial policy, and the accomplishment of the social objectives which low-cost power makes possible."

Slight modifications were made when the original act was amended in August 1935, one of the most important of which was the following, in section 14, third paragraph:

"It is hereby declared to be the policy of this act that, in order, as soon as practicable, to make the power projects self-supporting and self-liquidating, the surplus power shall be sold at rates which, in the opinion of the Board, when applied to the normal capacity of the Authority's power facilities, will produce gross revenues in excess of the cost of production of said power."

The broad powers granted to the TVA Board to allocate investment and costs to the various projects embraced in its program, subject only to the approval of the President of the United States, have raised a question as to the wisdom of this provision. Regardless of his competency and skill as an Executive, no President should be expected to add to his other arduous duties by taking time to analyze adequately the mass of details which should serve as the basis for such allocations. Since Presidential approval cannot be more than a mere perfunctory act, the Board is virtually its own arbiter on any question of policy and has thus been able to perform practically all of its activities under the blanket heading of general welfare or public interest, subject only to the restrictions laid down by Congress, the Federal Power Commission, and the courts which have been called upon to adjudicate disputes.

The most authentic sources of information relative to TVA are the congressional hearings and the TVA yearly reports which also embody the annual financial statements. Emphasis in these annual reports has shifted from time to time to stress different features, such as the cheapness of the power produced and sold, the increase in the per capita consumption of power under the stimulus of low rates, expansion in rural electrification, forest management, soil conservation, erosion control, malarial suppression, research and production of improved phosphates, effective processing of minerals, manufacture of ammonia and nitrates and elemental phosphorus for military purposes, development of wildlife refuges, and recreational facilities. Although many of these phases of TVA seem to bear little relation, if any, to the original TVA program, the concept of unified development for the region is certainly broad enough to encompass a highly diversified field.

One striking omission that characterizes the annual reports is the failure to mention the "self-supporting and self-liquidating" requirement of the amended TVA Act. While frequent claims are made of the net earnings, reported to range from 2 to 5.75 percent on the depreciated investment in power facilities before interest, the only precise statement of TVA's recognition of the obligation to pay interest is found in the 1941 report, page 38, which reads as follows:

"When the allocated portions of common costs are added to direct costs, including the costs of steam generating plants and transmission systems, the results establish the proportions of the Authority's total investment in water control and utilization facilities chargeable to the three programs. At present (1941) these proportions are: Navigation 21.8 percent, flood control 12.4 percent; and power 65.8 percent. If the Authority's power program is to be self-supporting, therefore, power revenues must cover all costs associated with the production of power, including depreciation and interest on 65.8 percent of the total investment." The percentages shown are for the year 1941 only and are considerably different for later years, but the principle announced therein is sound insofar as it goes, even though it fails to mention the self-liquidation feature specified by the 1935 amendment to the TVA Act. By the year 1953 the allocated portion of the total river investment devoted to power alone, plus single-use dams, powerlines, and steam plants, reached 73.2 percent before depreciation is considered. The investment in power facilities, after deductions for depreciation, is reported at $803,481,000, exclusive of interest during construction.

A Government corporation possesses unique advantages over its competitors in private industry through its relative freedom from certain expenses, notably interest and many forms of tax. Some of them also have the power to distribute their total investment among several different accounts—known as the allocation principle—and thus decide arbitrarily what portion of the investment that serves several purposes shall be devoted to any particular one. In the case of TVA, these advantages finally culminate in what appear to be smaller investments in power production facilities, reduced operating expenses, and lower cost per unit of power produced. Stated another way, the yardstick by which the cost of power production is measured is shy several inches in length. Public power seems cheaper than that produced by the privately owned utilities simply because a few large expense items which must be borne by the privately owned corporation are avoided or are passed on to the unsuspecting taxpayers.

Since TVA is the outstanding example of power production by a Government unit, the study presented herewith was undertaken as an objective effort to discover, as nearly as possible, what are the real costs of producing "public power." By that is meant, what are the full costs, hidden and revealed, after elimination of all of the investment and operating expenses in connection with the other activities which are part of the elaborate series of the Authority's multifarious functions. On that account, no consideration is given herein to any phase of the Authority's programs, other than power production and sale. Flood control, navigation, fertilizer research and manufacture, munitions preparation, minerals beneficiation, reforestation, etc., are all charged off completely to the general welfare or public interest, even though these represent total contributions from Congress of more than $540 million. Nor is any attempt made to charge against TVA the cost of various forms of aid from other departments of Government, even though the cost of this aid necessarily came from the general tax funds. Still further, in order to view TVA as a going concern, and in recognition of the fact that it usually requires several years for an undertaking of such magnitude to reach the stage where its operations may be considered stable, this analysis excludes the results of the first 5 years of TVA operations, and limits its scope to the 15-year period 1939–53. The reader should realize, however, that this procedure will show the TVA financial picture to be more favorable than is actually the case.

The pertinent financial data are presented in the accompanying tables. Table 1 shows by years the income and expenses of the power program as reported in the annual statements, slightly modified to include as income all interest received and as expense all interest paid. TVA claims a gross income for the 15 years of $688,942,000 and expenses of $456,585,000 with a net income of $232,357,000.

Table 2 shows by years the various items of expense which are not included in the TVA operating costs, but which have either been paid by the taxpayers or have been lost to the Government as uncollected revenue. The latter would have been expense had TVA been subject to the same tax obligations as those borne by privately owned utilities. The two largest items of additional expense are unpaid interest and unpaid taxes.

Interest: The interest charges shown in column 1 of table 2, include interest on the invested capital devoted to power production—after depreciation—plus the interest on funds used during the construction of additional power facilities, less interest paid and included in the expenses shown in column 5. Under standard accounting practice, interest during construction is charged to investment, a procedure which has been followed herein. Even though Congress does not require any payment of interest on the huge sums appropriated to TVA, nevertheless such money was borrowed from banks and individuals or other lenders, and the average interest rate on such long-term borrowings has been approximately 2.5 percent, which is the rate used in all calculations herein. The additional investment represented by

the capitalized interest amounts to $26 million, after depreciation, which raises the total invested capital to approximately $830 million for the year 1953.

The interest paid out by TVA has been chiefly on bonded indebtedness incurred by the purchase and rehabilitation of the properties of Tennessee Electric Power Co., Alabama Power Co., and Mississippi Power Co. The maximum amount of bonds outstanding at any time was $65,072,500. Most of the money was borrowed in 1939 from the RFC and the United States Treasury, and the bonds bore interest rates from 1¾ to 2½ percent, but some "special arrangements" were made with the United States Treasury for the payment the first year of only one-half percent interest on $52 million of the total amount. This was increased to 1 percent on $56 million in 1942, a rate which continued through August 15, 1949. By that time, the bonds outstanding had been reduced to $49 million, and the interest rate was raised to 2 percent, which was paid until August 15, 1950, when the rate was reduced to 1⅞ percent. That rate continued until August 15, 1952, but it was again raised to 2 percent through August 15, 1953. No explanation for these changes in rates appears in the annual reports. The total unpaid interest, after deduction of payments to bondholders of $9,545,000, amounts to $161,754,000, which is a contribution directly from the pockets of the taxpayers.

Taxes: It is inconceivable that the Government should tax itself to provide a source of income. Nevertheless, when it launches an enterprise that competes with private capital, it definitely suffers a loss of revenue in the form of taxes that would have flowed to the Government if that source of income had not been destroyed by its own business venture. Hence those unpaid taxes become one of the costs which the Government pays, or foregoes, as the result of its entry into a field normally occupied by private individuals or corporations. On the part of the Government corporation, this becomes a form of unseen subsidy which enables it to operate with lower production costs than are possible with the private concern. These taxes, which TVA does not pay, include principally both State and Federal income, excise, franchise, unemployment, sales, use, electric energy, old-age benefits, automobile license, and State and Federal gasoline taxes.

Payments entitled "In Lieu of Taxes" are made to the States and certain counties of Alabama and Tennessee, as prescribed by the amended TVA Act. These have averaged 4.23 percent of the gross income, and have amounted to $29,500,000. But the privately-owned utilities would have been required to pay a tax of $147,759,000 on the same gross income, or at the average rate of 20.95 percent. Thus a tax deficit of $118,278,000 has been created, which under private ownership would have been paid to the Government; therefore, it is a loss to the Government, or a cost—paid by the Government—of producing TVA power.

Allocation of investment: Under its autonomous power to allocate investment to the various types of program, TVA allocated approximately 60 percent of the common investment in multipurpose dams to navigation and flood control and 40 percent to power production. These proportions were used until 1950 when slight changes were made. By 1953, they were 58 percent to navigation and 42 percent to power. When the direct investment in power facilities—such as turbines, generators, and other appurtenances—is added to the common investment, the part admittedly devoted to power production becomes 52.8 percent and that to navigation and flood control, 47.2 percent. These allocations are supposed to be based by TVA on the appraised values of flood control and navigation benefits, but have been subject to much criticism.

Common expenses: The activities of TVA embrace so many features—even though they are primarily power production, navigation, flood control, and national defense—that some degree of overlap is almost inevitable, particularly in the case of items that are usually considered common expenses or part of administration and overhead expenses. TVA segregates these common items and for 16 years has divided them equally between the three major activities, power, navigation, and flood control. Beginning with year 1950–51 the proportions were changed to a slightly different basis, whereby the amount chargeable to power was placed at 40 percent and the remainder of 60 percent to navigation and flood control. These proportions have also been used for the subsequent years. However, even these changes are inconsistent with the allocations of the common investment. Since 1949 the allocations of common investment to power are as follows:

	Percent
1949–50	40.4
1950–51	40.9
1951–52	41.5
1952–53	41.6

Whether the allocations of investment by TVA are sound or not (and many engineers consider them fantastically unsound) the proportion of the common expenses allocated to power should be on the same basis as the investment. In order to accomplish this objective, the common expenses allocated to power have been recomputed for the period 1939–49 on the basis of 40 percent to power, and for the years 1949–53 on the basis shown above. The net result is the addition of $1,880,000 to the cost of power production and the removal of this amount from the cost of navigation and flood control. The results by years are shown in column 4 of table 2.

Earnings: The total power production expense is the sum of columns 1, 2, 3, and 4, plus those already reported by TVA and shown in column 5 of table 2 (repeated from col. 3 of table 1). It amounts to $740,773,000. The boasted net income of $232,357,000 is completely erased and is replaced by a net loss of $51,831,000. These results are shown in summary below:

Net income claimed by TVA	$232,357,000
Additional expenses shown in table 2:	
Interest on depreciated investment in power facilities and on construction in progress of similar facilities	151,754,000
Depreciation on capitalized interest during construction	2,276,000
Common expenses transferred from flood control and navigation to power expense	1,880,000
Taxes lost by United States Government	118,278,000
Total additional expenses	284,188,000
Net loss	51,831,000

Amortization: The Government Corporation Appropriations Act of 1948 calls for payment to the United States Treasury by TVA of $348,239,000 within 40 years, or at the rate of $87,059,810 every 10 years, without interest (except for interest on outstanding bonds). If equal annual installments are assumed, this is equivalent to an average outstanding debt of $174 million for 40 years. If it be further presumed that the 2.5 percent interest rate on long-term Government loans will continue during the next 40 years, then the United States Treasury will have paid out in interest $174 million by the time TVA has repaid the capital sum required. Since TVA is not to pay that interest, it must come from the taxpayers instead of the users of the electricity.

A similar 40-year payment has also been permitted by Congress for all additional TVA power facilities constructed after 1948. The payments were originally scheduled to start as of the year the facilities are placed in service, but the original plan appears to have been modified. Out of a total of $351,059,000 which has been invested in power facilities since 1948, chiefly for steam plants, no specific payments are required toward this sum until 1990, by which year $17,745,840 must be paid. By that time, the interest on the $351,059,000 at 2.5 percent per year will have reached a total of $324,829,475. Other payments to be made in 1991, 1992, and 1993 are supposed to liquidate the remaining debt to the United States Treasury; but additional interest of approximately $21,300,000 will have accumulated by that time, plus interest on further additions to the steam plants now under construction but not yet shown on the TVA books as investment. By the year 1993, at least some $694 million in interest charges will thus have been paid by the United States Government. To these must be added the other losses on power production already listed, losses that will continue to grow in size if the present subsidies remain in effect. All of these enormous expenses must be paid by the taxpayers in order to perpetuate the myth of low-cost public power. It is here recognized, of course, that proper accounting procedure does not require that both depreciation and repayment of borrowed capital be entered as costs of production. But as long as the borrowed capital remains unpaid, the interest on it is still an inescapable cost to someone; in the case of TVA, the "someone" is the taxpayer.

Municipalities and cooperatives: Since TVA is authorized to give preference in its power sales to counties, States, municipalities, and cooperatives, and since it incorporates in the annual statements the financial status of the municipalities and cooperatives to whom it sells power, some students of the problem take the position that the financial position of all three organizations should be considered in any survey of power costs. Since the main objective has been to ascertain only the cost of TVA power production, that has not been done in this particular study. However, if the three units be considered together, the results may be summarized as follows, where in the same 15-year period is used:

(a) Combined gross income of TVA and the municipalities and cooperatives to which TVA sells power	$1,474,520,000
(b) Total taxes paid by above groups	$69,853,000
(c) Above taxes (b) expressed as percent of gross income (a)—percent	4.737
(d) Average percent of gross income paid by the electric utilities during the same period—percent	20.953
(e) Difference in tax rates expressed as percent, or line (d) minus line (c)—percent	16.216
(f) Additional taxes that would have been paid on gross income of line (a) if these groups had been taxed on the same basis as the electric utilities, 16.216 percent of line (a)	$239,108,000
(g) Deduct TVA tax deficit already shown in table 2, column 3	$118,278,000
(h) Tax loss due to municipalities and cooperatives	$120,830,000

(i) Add losses for TVA alone, table 2, column 8--	$51,831,000
(j) Total loss due to combined operations of TVA and the municipalities and cooperatives to which it sells power	$172,661,000

Remedy: Lest we become utterly discouraged by the contemplation of the above results, it may be well to recall that a healthy democracy possesses the means by which it can rectify its own errors and chart new courses of action. Where it has already embarked on ventures of a socialistic character, the vigorously expressed will of the people can halt their further extensions, as has been clearly demonstrated in England. While the recovery from such an experiment is apt to be a slow, faltering process that has been aptly compared to attempts to put Humpty-Dumpty back on the wall, if the issue is squarely faced, practical and logical solutions will be available from many sources.

TABLE 1.—*Summary of 1939–53 annual expenses and income reported by TVA, modified to include interest actually received and paid*

Year	Power sales, kilowatt-hours (1)	Gross operating revenues (2)	Power expenses (3)	Reported net income (4)=(2)−(3)
	Millions	*Thousands*	*Thousands*	*Thousands*
1939	1,618	$5,603	$4,125	$1,478
1940	3,630	15,429	11,129	4,299
1941	4,974	21,286	14,295	6,991
1942	5,983	25,466	21,793	3,673
1943	8,336	31,801	18,652	13,149
1944	9,110	35,545	21,429	14,116
1945	10,315	39,486	21,504	17,982
1946	9,059	35,343	19,129	16,214
1947	11,587	44,169	22,921	21,248
1948	12,225	48,775	32,157	16,618
1949	13,614	58,033	37,088	20,945
1950	14,166	57,787	31,719	26,068
1951	16,522	70,330	44,477	25,853
1952	20,177	95,004	69,908	25,096
1953	23,679	104,885	86,259	18,626
Total	164,995	688,942	456,585	232,357

TABLE 2.—*Summary of expenses incurred by U. S. Government in operation of TVA power program, plus taxes lost to the U. S. Government, the States, and municipalities (these are not shown in the annual reports)*

[In thousands]

	Interest not paid on investment (includes interest during construction) (1)	Depreciation on capitalized interest during construction (2)	Corporate taxes not paid (after deducting "in lieu" payments) (3)	Common expense previously allocated to navigation and flood control (4)	Reported expense of power program, including interest and depreciation (5)	Total expense (sum of cols. 1, 2, 3, 4, 5) (6)	Reported gross income (7)	Net gain (+) or loss (−) (difference between col. 6 and col. 7) (8)
1939	$3,030	----------	$676	$33	$4,125	$7,864	$5,603	−$2,261
1940	4,458	$16	2,203	51	11,129	17,857	15,429	−2,428
1941	5,269	29	2,992	64	14,295	22,649	21,286	−1,363
1942	7,676	39	4,278	71	21,793	33,857	25,466	−8,391
1943	9,277	68	5,703	91	18,652	33,791	31,801	−1,990
1944	10,368	103	5,971	113	21,429	37,984	35,545	−2,439
1945	9,427	144	6,431	143	21,504	37,649	39,486	+1,837
1946	9,583	160	5,289	205	19,129	34,366	35,343	+977
1947	9,933	165	6,768	272	22,921	40,059	44,169	+4,110
1948	10,601	180	6,921	226	32,157	50,085	48,775	−1,310
1949	11,264	198	9,150	238	37,088	57,938	58,033	+95
1950	11,862	222	9,664	243	31,719	53,710	57,787	+4,077
1951	14,560	243	13,731	30	44,477	73,041	70,330	−2,711
1952	19,813	301	18,530	49	69,908	108,601	95,004	−13,597
1953	24,633	408	19,971	51	86,259	131,322	104,885	−26,437
Total	161,754	2,276	118,278	1,880	456,585	740,773	688,942	−51,831

1939–53 net income (profit) reported by TVA	$232,357,000
Actual net loss shown by this table	51,831,000
Discrepancy	284,188,000

WISCONSIN STRAWBERRY FESTIVAL

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, Friday and Saturday, June 18 and 19, Alma Center, the strawberry capital of Wisconsin, celebrates the strawberry festival, a community project sponsored by the American Legion Auxiliary. This year marks the sixth annual contest to pick a strawberry queen who will be the official delegate to many State events and will advertise this delicious fruit from the State's largest strawberry-growing region. There are six lovely candidates for the title this year. Each contestant gains points by selling strawberry-festival buttons, with the candidates earning the highest number of points being named queen on Saturday, June 18.

At this time I would like to say a few words about the strawberry crop of Alma Center and the surrounding vicinity. The total crop produced on the peak days of the season is estimated to run about 30,000 crates a day, with production building up to that peak on the days preceding the height of the season and then declining. I might add that there are 16 quarts of fine strawberries to a case and the selling price to growers this year is $6.50 a crate. There is a large selling organization for growers known as the Alma Center Fruit Growers' Cooperative; some of the others being the Lea Bros. Strawberry Exchange and the Odd Fellows Lodge No. 5, which has 2½ acres under cultivation as a means of adding to their earning fund.

This fruit, for which Alma Center and the surrounding area is justly famous, is sold to fruit distributors in the St. Paul, Minneapolis, Milwaukee, and Chicago areas, some going as far away as Omaha, with a lesser amount being sold by local stores and directly to consumers at farmers' roadside stands. I wish it were possible for me to furnish all the Members with a sample of this luscious fruit, but hope that some day you may enjoy the succulent strawberries grown in the southern part of Wisconsin's Ninth Congressional District.

PUBLIC WORKS APPROPRIATION BILL, 1956

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BROOKS of Texas. Mr. Speaker, I want to respectfully bring to my colleagues' attention the importance of the $1.5 million item in the public works appropriation bill for the fiscal year 1956 to begin construction on the McGee Bend Dam system in Jasper County, Tex.

This project is one of the most important single projects ever proposed for the eleven counties in southeast Texas that I represent. It was first authorized in 1945 to more fully utilize the tremendous fresh-water resources of the Neches and Angelina River system—one of the largest runoffs of fresh water in the Southwest. The rapid industrial and agricultural development of the gulf coast area during World War II clearly pointed up the need for the careful control of this river—for flood control to protect the giant refineries, chemical plants, and rubber-producing plants which line the lower part of the Neches River; for additional power to furnish electricity to the five REA co-ops in the area as well as to enable further industrial development in neighboring counties; and to provide a constant and dependable source of water for an important segment of our Nation's rice growers.

During the Korean emergency, a Corps of Engineers spokesman appeared before the Civil Functions Subcommittee and requested funds for nine projects as "those which we see as the next necessary (projects) and (those which) fit into the defense and essential civilian economic programs." Among these nine projects was the proposal for the completion of the McGee Bend Dam project.

McGee Bend Dam will lie in the heart of the Second Congressional District and will certainly pump lifeblood into all parts of its economic life.

After the Neches-Angelina Dam project was authorized in 1945, money was appropriated to begin construction on a small re-regulating dam downstream from the main, multi-purpose McGee Bend Dam. This small dam in the system, known as dam B, was located near Town Bluff on the Neches River. However, before any work on the project was begun, local interests in southeast Texas were required to pledge $5 million toward the cost of the entire dam system. The Lower Neches Valley Authority of Beaumont, Tex., a State agency, obligated itself to pay the local contribution. To expedite the construction of dam B the LNVA offered to furnish, in advance, $2 million of the total pledge of $5 million. The $2 million was paid by local interests in southeast Texas in advance and the small re-regulating dam was built for a total cost of about $6 million. The Government then appropriated additional amounts totaling about $850,000 for advance planning of the main dam and the people in the Second Congressional District stood by to make good their obligation of another $3 million upon completion of the project—as had been agreed by the Government.

Since 1952, however, no appropriation has been earmarked for construction of McGee Bend Dam. Our people have spent $2 million in cash for a small dam that was designed to be only a part of the major system authorized in 1945. The lake behind the dam is too small to hold enough water even for limited flood control, agricultural or industrial purposes. The continued economic development of the entire area depends on the construction of the main dam as originally planned and as originally agreed to by the Government when the LNVA contributed the initial amount of $2 million.

This year I appeared before the Western Division of the Subcommittee on Public Works of the House Appropriations Committee along with representatives of the LNVA and the REA electric co-ops which serve southeast Texas. At that time, Mr. Ed Easterling, of the LNVA, presented the chairman a letter from Mr. Roy Nelson, president of the Gulf States Utilities Co., of Beaumont, Tex., offering to buy the power generated at McGee Bend Dam for a price of $800,000 per year.

Mr. Speaker, I would like to insert pertinent parts of this letter at this point:

GULF STATES UTILITY CO.,
Beaumont, Tex., April 28, 1954.

Mr. W. F. WEED,
President, Lower Neches Valley Authority, Beaumont, Tex.

DEAR MR. WEED: We are in full agreement that an adequate supply of fresh water is of vital importance to the Beaumont-Port Arthur area. This company realizes that its own future is substantially dependent upon the continued agricultural and industrial expansion of that area and therefore desires to cooperate to the maximum extent warranted by economic considerations in order to insure a continuous and reliable source of water supply.

We hereby offer to purchase the entire electrical output of the McGee Bend project for an annual sum of $800,000 payable in equal monthly installments, subject to the execution with appropriate governmental authority of a mutually satisfactory agreement.

ROY NELSON, *President.*

I would like to make the point at this time, Mr. Speaker, that this private power company and the REA Co-ops are working together, in complete cooperation, toward the realization of greater power resources in southeast Texas and southwest Louisiana through the construction of McGee Bend Dam. I think it is indicative of the importance of this project that these two groups are harmoniously supporting every part of this Neches-Angelina River development.

The power portion of a multipurpose dam is a very important consideration, and I submit that this proposal to buy all of the power to be generated before the dam is ever built is substantial justification for including power facilities in the project and sound evidence that there will be a market waiting for this electricity.

Also at this subcommittee hearing, Mr. Speaker, the LNVA, in addition to the $5 million already pledged toward the McGee Bend Dam project, would further assure and bind itself that after the completion of the project it will further pay to the Government $200,000 per year for a period of 50 years. This additional assurance will bring local contributions to the project up to a total of $15 million and more than the original commitment to meet 18 percent of the total cost.

In view of the willingness of the people of southeast Texas to meet and even increase substantially their contribution to this project which is already partly completed, and in view of the ready market for all electric power which can be produced at the main dam under the latest specifications from the Corps of Engineers, along with the worthwhile benefits from flood control, water conservation, and recreational facilities, I respectfully ask my colleagues in the House to consider the patently sound economic feasibility of the McGee Bend Dam project and approve the $1.5 million proposed to begin work on completing this project.

SPECIAL ORDER GRANTED

Mr. O'BRIEN of New York asked and was given permission to address the House for 20 minutes on Wednesday, June 22, following the legislative program and any special orders heretofore entered.

THOMAS F. HARNEY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co., with Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? (After a pause.) The Chair hears none and appoints the following conferees: Messrs. LANE, FORRESTER, and MILLER of New York.

LAKE MEAD

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, whereas Lake Mead has nothing whatsoever to offer visitors, there is a completed park-disposal project in the annals of anti-conservationists that could actually serve as a vacationland and would attract millions of tourists each year—providing, of course, that we could find millions of persons who enjoy water without scenery, and who have a sufficiently distorted sense of beauty to enjoy areas of stumps on parched ground.

In 1913, Congress made the mistake of permitting a dam to be built in beautiful Hetch Hetchy Valley, in Yosemite National Park. The project proved to be a useless waste of money and property, and today sordid Hetch Hetchy Reservoir—or what remains of it—stands as a ghastly monument to the 1913 model anticonservationists. A tragic picture of splenetic emptiness is all that remains for the few visitors who occasionally wander into the once-colorful and radiant valley.

America of two score years ago had its share of hucksters who employed extravagant and fallacious claims to create distorted visions of dam sites for the more credulous folk. There was no place for logic or economy in their sales kit. One of the more vocal proponents of the Hetch Hetchy project had this to say:

> Its beauty will be enhanced, making the valley more sightly and accessible * * * there can be no question but that the beauty of the scene, with a dam easily concealed by grasses and vines, will be enhanced by the effect of the lake reflecting all about it and will be in itself a great and attractive natural object.

In 1913 an article favoring the dam in Hetch Hetchy appeared in a special Washington edition of the San Francisco Examiner and accompanied by a glowing picture of what Hetch Hetchy would be like after the reservoir was formed. It depicted a beautiful roadway surrounding the body of water with a touring populace admiring and participating in this wondrous recreational area. Large hotels hanging from the cliffsides added to their manmade splendor.

The soothsayers of this not very ancient time were wrong, dead wrong.

The Hetch Hetchy of 1955 has created, as a result of the reclamation enthusiasts determination to improve upon nature, a desolate, swampy scene punctuated by scattered stumps of once proud trees.

The casual and perhaps misguided visitor to the "beautiful" area which was

scheduled to draw millions is greeted not by the compelling fragrance of blossoming foliage and verdant growth that characterize the rest of Yosemite, but is assaulted at once by the stench of drying, stinking muck.

And those stumps, which comprised virtually the only natural phenomenon in this previously inspired setting, are tombstones for monumentalizing one of the great mistakes made by the United States Congress as a result of the urging, pleading, and eloquent oratory that emerged in 1913 even as it is emerging again today from the practical engineers of the Bureau of Reclamation and the Department of the Interior.

The script has been only slightly changed for advocates of the plan to submerge the splendor of Dinosaur. Although the National Parks Act of 1916 was designed to prohibit recurrences of the Hetch Hetchy fiasco and has through the years successfully defended our park systems against further encroachments, the despoilers are determined to carry out their blueprint of destruction without regard for law or natural order.

To transform the breathlessly beautiful Dinosaur National Monument into the mud flats of a Lake Mead or a deserted never-never land of a Hetch Hetchy reservoir would be a violation of America's inheritance.

The enormity of the crime that would be committed defies description.

The disastrous consequences of the deed have been suggested and made at least partially understandable by one of the Nation's few great political cartoonists, Fitzpatrick of the St. Louis Post-Dispatch. I would like to submit a copy of Mr. Fitzpatrick's picturization of the Dinosaur National Monument project to my colleagues here in the House.

In closing, I urge the House not to be a part of this invasion of our national heritage and above all not to stand for a "time bomb amendment" that would bring the Echo Park unit back into the upper Colorado River project.

ANNOUNCEMENT

Mr. KEARNS. Mr. Speaker, I am going to be absent from the country for a week. I want to say that the mission I will be on will be in the best interests of the Congress of the United States.

THE LATE ERNEST GREENWOOD

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Speaker, it is with the very deepest regret that I announce to the House the death of my predecessor from the First Congressional District of New York, Ernest Greenwood.

Ernest Greenwood came to this country from England in 1910 when he was a mature, young man. Mr. Greenwood, a student of history, told me that the practical operation and application of American democracy meant more to him than anything else. Mr. Greenwood had a special dedication to our American institutions and American form of Government. As is true of many first generation citizens, they often appreciate our blessings far more than those who take these things for granted.

This love he had for American institutions was not merely abstract. He threw himself wholeheartedly into any effort to improve his home community. It was this that led to his entry into politics. Having retired in 1946 as headmaster of the Dwight School for Boys in New York City, he could not be content with mere contemplation. Three years later he ran for public office as candidate for the position of supervisor in the town of Islip. While defeated, his magnificent qualities were called to public attention. The following year he won his congressional seat after one of the most vigorous campaigns in recent New York political history.

His service in the 82d Congress was meritorious and courageous. A member of the Committee on Education and Labor, he fostered and supported much progressive legislation. As his colleagues bear witness, there was no Member more faithful or diligent in his attendance to this important committee duty. This impressive attachment to attendance was carried out in the House as well.

The origin of these good habits came from his years of scholastic leadership. Not only was he headmaster of the Dwight School, but also he had been president of the New York City Preparatory Evening School for Adults. Even after his retirement he remained on both boards. At one time he had been president of the Schoolmasters Association of New York.

In his home community and county, he took an especially active part in the Girl and Boy Scouts. He was president of the Suffolk County Council of the Boy Scouts of America. All agree that his activities were directly responsible for bringing Boy Scout affairs to their present high state.

As a director of the First National Bank of Islip, he lent a personal and human touch to a duty all too often impersonal. His church activities were many, but probably his greatest contribution was as a vestryman of St. Peter's Protestant Episcopal Church in Bay Shore.

To fill his seat in Congress is an honor and a privilege. It is a most difficult task. He had many friends on both sides of the political aisle, here in this House. He had thousands upon thousands of friends at home. We all will miss him. To his daughter, Mrs. Charles Banks of Bay Shore, the Congress extends its deep sympathy and regret. He was a good and just man.

Mr. DEROUNIAN. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. I yield to the gentleman from New York.

Mr. DEROUNIAN. I would like to join in the tributes paid our late colleague by the gentleman from New York and express my condolences to the family of Mr. Greenwood.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WAINWRIGHT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I also join with my friend. Mr. Greenwood was one of the most serious Members of the House that I have ever met and a very kind gentleman, one who made a profound impression upon his colleagues. I am very sorry to hear of his death, and I join with the gentleman from New York in extending to his daughter my profound sympathy in her bereavement.

Mr. WAINWRIGHT. That is very much appreciated.

Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD on the life and character of our late colleague.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, it was with great sadness that I learned today of the passing of our former colleague, Ernest Greenwood, who represented the First District of New York in the 82d Congress.

Mr. Greenwood was born in Yorkshire, England, and came to the United States in 1910. He worked as a pattern maker and as a teacher in vocational education. Subsequently, he became associate headmaster of the Dwight School in New York City, and for 19 years served as headmaster of the school. In 1946 he retired as headmaster and also retired as headmaster of the New York Preparatroy Evening School for Adults, an affiliate of the Dwight School. Mr. Greenwood served as chairman of the board of trustees of both schools and was a director of the First National Bank of Islip, and former president of the Bay Shore-Brightwaters Civic Association and president of the Suffolk County Boy Scout Council.

Mr. Greenwood was a conscientious Member and a fine public servant, and he will be greatly missed by those of us who were privileged to know and to serve with him. I know the other Members of the House join me in extending our sympathy to his daughter.

Mr. SIEMINSKI. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SIEMINSKI. Mr. Speaker, I call the attention of the Congress to the death of our beloved colleague, former Congressman Ernest Greenwood, who served with us here in the House during the 82d Congress in 1951 and 1952 when the Korean war was at a pitch peak.

I include as a part of my remarks an obituary appearing in the New York Herald Tribune of Thursday, June 16, 1955.

I considered Mr. Greenwood a very fine, cheerful, courteous, and close gentleman and friend. To his daughter, Mrs. Dorothy Banks, and to his sister,

Mrs. Dorothy Eastwood, go our deep sympathies in this their hour of sorrow. We were proud of Mr. Greenwood. He was a great fighter, a real man. We shall miss him.

[From the New York Herald Tribune of June 16, 1955]

ERNEST GREENWOOD IS DEAD; DEFEATED MACY FOR CONGRESS

BAY SHORE, LONG ISLAND, June 15.—Former Representative Ernest Greenwood, 70, a Democrat-Liberal, who defeated Representative W. Kingsland Macy in New York's First Congressional District election of 1950, died today at Southside Hospital.

Mr. Greenwood, who was taken to the hospital after suffering a heart attack on Monday, had been in retirement since November 1952, when he was defeated for reelection by Representative STUYVESANT WAINWRIGHT. He ran unsuccessfully against Representative WAINWRIGHT in 1954.

HANLEY LETTER INVOLVED

Having retired as headmaster of Dwight School for Boys, 72 Park Avenue, New York City, in 1946, Mr. Greenwood 4 years later entered the hottest fight of his career—a bitterly disputed campaign in which the Hanley letter was a central issue.

When the ex-schoolmaster entered the 1950 race, it was thought he had little chance against "King" Macy, Republican chairman of Suffolk County, former State Republican chairman and 2-term Congressman. But the scales tipped toward Mr. Greenwood when his opponent was accused by many Republicans of releasing a letter written to him by former Lt. Gov. Joe R. Hanley.

In the Hanley letter—which Representative Macy denied he had released to the Democrats—Mr. Hanley said that former Governor Dewey had promised to help him settle his debts, including some owed to Mr. Macy, if Mr. Hanley would accept the Republican nomination for United States Senator. Mr. Hanley, who had hoped to run for governor, was defeated in the Senate race.

Part of the First Congressional District lay in eastern Nassau County, and there Representative Macy was strongly opposed by the Republican organization headed by J. Russel Sprague, Nassau county chairman.

WON BY 135 VOTES

Mr. Greenwood, who had once been an enrolled Republican fought the 1950 campaign as a Democrat and Liberal who opposed Macy "bossism." He traveled more than 2,000 miles by truck during his campaign, and finally defeated Representative Macy by 135 votes.

After the Greenwood victory, Mr. Macy fought unsuccessfully to prevent him from being seated. Representative Greenwood was seated in the 82d Congress on January 12, 1951—the last of 435 Members to be seated in the House—but Mr. Macy continued a futile effort to oust him for another year. Mr. Macy was subsequently forced out of the county chairmanship.

Born in Yorkshire, England, Mr. Greenwood came to the United States with his wife in 1910. He worked as a patternmaker and then became a teacher of vocational courses. He took educational courses at Columbia University and City College, taught in the Schenectady public schools and later joined Dwight School as an associate headmaster.

HEADED EVENING SCHOOLS GROUP

He retired in 1946 as headmaster of Dwight and of New York Preparatory Evening School for Adults, but remained chairman of the boards of both schools. He had been president of the New York City Preparatory Evening Schools Association for 23 years. He was a former president of the Bay Shore Civic Association and the Schoolmaster Association of New York.

He was president of the Suffolk County Council of the Boy Scouts and a director of the Suffolk Girl Scout Council. He was a director of the First National Bank of Islip.

In 1949 he was an unsuccessful Republican candidate from Islip for representative on the Suffolk County Board of Supervisors. His home was at 53 Ocean Avenue, Bay Shore.

His wife died in 1952. Surviving are a daughter, Mrs. Dorothy Eastwood, and a granddaughter.

A funeral service will be held at 11 a. m. Saturday from St. Peter's Protestant Episcopal Church in Bay Shore, of which Mr. Greenwood was a vestryman.

Mr. DELANEY. Mr. Speaker, I have been much saddened by the death of my friend, Ernest Greenwood, who represented the First District of New York in the 82d Congress. I am sure that my sense of loss is widely shared here, for I have never known a Member who was held in more affectionate regard by his colleagues.

Mr. Greenwood's devotion to public service was notable.

A distinguished educator, as headmaster of the Dwight School in New York City for 19 years, headmaster of the New York Evening School for Adults, chairman of the board of trustees of both schools, president of the Schoolmasters Association of New York, and a member of the House Committee on Education and Labor, he made many valuable contributions to the field that claimed his lifelong interest. He often expressed the belief that the strength of our Nation depends on the proper education of our youth.

His interest in young people led Mr. Greenwood to become active in Boy and Girl Scouts' organizations. He was president of the Suffolk County Council of the Boy Scouts of America. The last time I saw him was when he brought a group of international Boy Scouts to Washington last year and I am happy that I was able to make sightseeing arrangements for them.

As a Member of Congress, Mr. Greenwood served his constituents ably and conscientiously. He was indefatigable in discharging his congressional duties and seldom missed a daily session or a committee meeting.

Ernest Greenwood will always be remembered by his friends here. He was a man of great personal charm. He was kindly, gentle, warmhearted, and generous. His integrity was never questioned. His interest in the welfare of his fellow beings was limitless.

I know that all Members will want to extend sympathy to Mr. Greenwood's daughter, Mrs. Charles Banks, of Bay Shore, Long Island.

Mrs. KELLY of New York. Mr. Speaker, it was with sadness that I learned of the death of our former colleague, Ernest Greenwood, who represented the First Congressional District of New York in the 82d Congress. Mr. Greenwood was a native of Yorkshire, England, and came to the United States in 1910. He was a teacher in vocational education and for 19 years was headmaster of the Dwight School in New York. He was also a director of the First National Bank of Islip, former president of the Bay Shore-Brightwaters Civic Association, and president of the Suffolk County Boy Scout Council. Mr. Greenwood served diligently in the House of Representatives. He was an able Congressman, and his State and his country benefited as a result of his efforts. He was a kind and gentle man, loved and respected by who knew him, devoted in the duties of his office and dedicated to public service. I am happy to have had the privilege of serving in this House with Ernest Greenwood and to his daughter, Mrs. Dorothy Banks, I extend my sincere sympathy in her loss.

A BRIGHT FUTURE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, so much of good and sense and sound advice is packed into an address delivered to the graduation class of 1955 of the Benton Harbor Community College and Technical Institute by Fred S. Upton, that others should be permitted to profit from it.

Mr. Upton is a successful businessman who, by his own experience, has demonstrated that the door of opportunity is still open for American youth.

His own career also further demonstrates not only that the door of opportunity is open but that one who has determination, who is industrious and will devote himself to the accomplishment of his objective, has every reason to be confident of success.

Permit me to read that address:

GUIDEPOSTS OF TOMORROW

Mr. Chairman, parents and graduates of the class of 1955, and guests, it is a sincere pleasure for me to address you, the graduates of the Community College of Benton Harbor, this evening. Usually a commencement address is given by a political leader or by a professional person, such as a lawyer, an educator or a clergyman. As you know, I am just a businessman who perhaps has picked up a little experience.

When Mr. Schlabach invited me to be your commencement speaker, I told him that this would be a new field for me, and that I might be lost among so many of you scholars. He suggested then that since the graduates and those of the college faculty would be wearing caps and gowns, I might care to have the same academic protection. It seemed to me that I would be in strange enough surroundings without such an outfit—so here I am.

First, I wish to congratulate the college and its administration for the splendid work it has accomplished since it was established. It is a well-known fact that Dr. Beckwith, Mr. Schlabach and the others who make up the college staff have, in a short time, developed one of the outstanding institutions of its kind in this part of the country. With the continued use of the excellent policies which have been followed, the future is bright indeed for your college.

Next, I wish to congratulate you parents upon the graduation of the young people who mean so much to you. I, as a parent, know that this is a happy evening for you as you see the culmination of your dreams when

your young graduate receives the coveted diploma.

Finally, may I rejoice with you graduates, so impressive in cap and gown, who have worked so hard that this evening might be a reality.

As you may know, I retire next month from Whirlpool Corp. which I have seen grow since 1911 from six employees, including my brother and myself, to its present size. What then are the guideposts which I might offer to those who are just about to commence their career? The guideposts which I am going to discuss are principles that are not new. Most of them have come down through the ages, and will be just as important and true for balanced living in the future as they have been in the past.

I suspect that many of you are undecided as to what your life's work is to be. I assure you that this is not unusual. In fact, an educator only recently told me that many college students, even in their senior year of college, do not know just what field they wish to pursue. Perhaps you feel that this is a mark of immaturity. The reverse is true. It is a process of maturity.

Often one must experience a number of jobs in entirely different fields before finding the vocation at which he is most happy and satisfied. Don't be afraid of change if it can develop you.

Ulysses S. Grant, twice elected President of the United States, started life as a professional soldier, a West Point graduate. He served with great distinction in the Mexican War. He thought, however, that such a career did not hold any future for him. He resigned his commission and engaged in a number of activities from real estate salesman to farming to merchant. None of his activities brought him much happiness or success. The Civil War paved the way for his return to the Army. History records his success in that war and ranks him second only to Lincoln in saving the Nation from being divided.

In planning your future, certainly you should avail yourself of the advice of older and more experienced people. Age brings experience, and experience wisdom, of which no young person can have too much. However, remember always, that the final decision rests squarely with you. You cannot successfully live the ambitions and interests of another. You must believe in, and be enthused about the work you do, for you and your family must live the career for which you prepare and accept.

A good education has always been essential. In this day of specialization, it becomes more important than ever before. Whether or not your formal education ends tonight, you must never lose the desire to learn.

Education must be coupled with the sincere desire to work. Education, such as you have enjoyed here, without that desire, will accomplish little. The combination, however, will create tools for which there is no substitute. Prophets of doom to the contrary, great opportunities to work, to create, and to prosper are still here, for one who has drive, initiative, honesty, and courage. There are more opportunities today than ever before. The day for opportunities is gone only for those who refuse to properly apply themselves. For them it never existed.

Use your leisure hours both for enjoyment and for personal development. Today, thanks to the tremendous economic progress we have enjoyed, we have more leisure than any people of any nation or of any age, in fact, more than one-half of your waking hours. Utilize this period as carefully as you do the so-called productive hours. Time can be wasted so easily day after day, when you are free of the routine and supervision of your employment.

Some of the time away from your job belongs to study. Education never ends. Men whom I respect and whose counsel I seek still are active students within their own fields and are also interested in all matters which affect our daily living.

Don't neglect the body for the mind. Allot a good share of your free time for play—bowling, fishing, golf, and other sports. Such physical activity will help to keep your bodies strong and healthy, and at the same time will afford you much pleasure.

I believe, especially as educated citizens, that you must take an active part in community affairs. There are many fine agencies that are organized to make our community better. I would urge you, when the opportunity presents itself, to take active part in some of the local social or charitable organizations. You will get much personal satisfaction from such activity, because you will be giving of your energy and talents to worthy causes.

In a true democracy it is the people who should govern. Too much in the past and today, thanks to apathy, there has been a neglect of this individual responsibility. This has opened the way to selfish minorities and unscrupulous political machines dominating our governmental systems. The educated man has an even greater obligation to provide public leadership.

I would urge you to be active within your church. Too many people today are not actively participating in spiritual life. I believe that as this important part of our life is weakened, so is our Nation weakened.

In all our activities we should realize that either someone, or some few, or perhaps many, are watching us and looking to us to set an example. Especially is this true when we are educated citizens. We may not know who these people are. If they look to us for their example, they are going to follow in the paths we establish. This is a responsibility that each of you must face.

I would certainly recommend that you always practice the two cardinal virtues of humility and sincerity. The wisest and most successful men of my knowledge possess both of these qualities. A truly educated man knows that the more he learns the less he really knows. The wise man realizes his personal limitations and inadequacies, and does not seek to cloak them in false pride or vain boasting.

The guideposts which I have just discussed can be summarized as follows:

1. Do not be discouraged if it seems to take considerable time for you to find your life's work.
2. Education must be coupled with a desire to work.
3. There are great opportunities that await you.
4. Take proper advantage of your leisure time.
5. Take an active part in community affairs.
6. Provide leadership in public matters.
7. Be active in your church.
8. Set a good example in everything you do.
9. Always be humble and sincere.

There is yet another guidepost which should be discussed. This is the matter affecting your individual security. I spoke a few minutes ago about the desire to work and the great opportunities that exist today. There has been much said in the past few years about security from the cradle to the grave. This theory is contrary to what I have experienced in 44 years of business. The best security is yourself.

While the past 20 years have given the greatest momentum to this philosophy than in any previous period, the seeds were planted long ago. The First World War; the severe depression of the thirties; the Second World war; followed immediately by the major inflationary period which is still with us, have all only served to accentuate the difficulty the individual has in coping with the large economic and social forces around him. These conditions have given impetus to the demand for absolute security.

While recognizing the causes of this modern philosophy, one must deplore the method through which it is sought, namely, the equating of the most able with the least able. There is nothing constructive or creative in such a practice. On the contrary it hastens the very thing that destroys a healthy progressive society. It substitutes the robot for the human being, thereby minimizing the incentive to create with one's own mind and hands. It offers a great opportunity to unscrupulous leaders to use a regimented population for immoral objectives. Germany and Russia are recent examples.

Certainly we are not opposed to security for the aged, the incapacitated, the infirm. As Americans we cannot blindly pass by those who, through no fault of their own, are unable to provide for themselves. True security, however, for the young and healthy is earned, not granted. It is not a right to which everyone is entitled regardless of effort or ability.

Unearned security is insecure. Like the Maginot line, no material fortress has ever been built that someone else cannot destroy. By robbing people of alertness and initiative, false security places a damper on ambition and desire to work. Our Nation was built on individual enterprise. The danger of the something-for-nothing philosophy, is that it gives more and more power to the grantor of the largesse, the promisor of this so-called insurance, whether the grantor be a political, social, or economic unit. The result is the individual receiving or promised such security will lose his economic freedom and perhaps even his political freedom.

Youth cannot afford this security. The cost is too great. The energy, the ambitions, the dreams of youth have their fulfillment only in hard work and in risk. They must not be stifled by the narcotic effect of so-called security. He who would seek to save his talents by avoiding real work or risk, will lose these talents.

Perhaps the best story to illustrate what I mean is the familiar parable told by Christ about the rich merchant and his three servants. Before setting forth on a journey the merchant gave to each servant certain talents, which were units of money at that time, in keeping with their attainments. He cautioned that upon his return he would expect a strict accounting of their employment of this money. You remember how the two with the larger sums put their talents to work and took the risk that was necessary to make a profit for their master. They received from their master on his return commendation and the promise of greater opportunities in his employ. That was their security. That was real security.

The third servant, on the other hand, sought security for the talent entrusted to him by burying it so as not to risk any loss. When the master received this accounting he was displeased that his servant had not put the talent to work. He took from the servant the talent he had given him and, as you will remember, discharged him from his service. Absolute security then as now left the worker with nothing.

It has always been thus. Risk not—gain not.

There is nothing dynamic about security. It calls for safety without risk, the changeless status quo, the promise for tomorrow of the same we have today.

Always in the past the liberal movement, the crusades of progress, have been led by youth for whom the cry has been, "Let us have a better tomorrow. Put no roadblocks in the path of our opportunity." Youth has said to those who preceded them, "Rest now and enjoy what your labors have earned for you. Give way to us who are young and strong. Let us enjoy our right to work and to risk and to create. Let us add our con-

tribution to the fashioning of the progress of civilization."

Esau was a piker compared to today's young folks who sell out their opportunity for so-called security. All Esau sold was his birthright. When today's youth sells out for this alleged security, it defeats its future and also destroys the very principles upon which this Nation was built and prospered. There can be no security for anyone if youth with all its health, talent, fertile imagination, and strength insists on having absolute security now.

The birthright of all Americans has always been individual freedom. American history is rich with political, social, and economic leaders who despite humble birth and despite frightening hardships have triumphed because the freedom they enjoyed as Americans enabled them to dream, to work, and to risk so that they could achieve the summit of their ambition.

True freedom is dynamic. Freedom is not protective. It is active. Let's go forward with the right fundamentals and restate our Nation's freedoms as they were understood when the Declaration of Independence was signed. In addition to freedom of speech and freedom to worship as one chooses, they were: The freedom to work; the freedom to make a choice; the freedom to succeed or fail; the freedom to enjoy the fruits of one's labor.

These are the necessary guaranties to our basic rights to life, liberty, and the pursuit of happiness. Freedom stated in these terms means opportunity in proportion to one's ability and willingness to accept it. This is the lesson taught in the parable of the talents.

Use your talents as your forefathers intended you to do. Combine the good education you have received here with a real desire to work and to risk when necessary. Do this and there is nothing that you cannot accomplish.

There is an even more glorious page that can be written in our American history. Whether it will be written or not, will depend on whether youth will embrace our proven principles of individual freedom, initiative, hard work, and religious faith, or whether it will follow the pied pipers of unearned security. The challenge is yours, and my prayers and best wishes go with you as you accept it.

JUVENILE DELINQUENCY

Mr. HOFFMAN of Michigan. Mr. Speaker, we continue to spend billions for free nations, free peoples, yet here in the Nation's Capital, on our doorsteps, inoffensive, law-abiding citizens cannot freely with safety walk the streets.

Not long ago a high-school student from Michigan was assaulted and robbed by three cowardly, thieving white youths.

Just a little later three high-school students from Mississippi were assaulted, knifed, and beaten by colored delinquents.

Just yesterday at approximately 10:45 in the forenoon, two girls on their way home from school through a public park were shot and killed.

When we cannot or lack the intelligence to or will not protect from assault, beating, robbery, rape, and murder, the people who either live in Washington or those who come to visit their Nation's Capital, it would seem we should direct our attention toward the necessity of freedom and safety of our own people before we attempt to reform the people of other nations.

While so many are seeking a remedy for what is termed juvenile delinquency, perhaps the solution may be suggested in the thinking inspired by an editorial in the Saturday Evening Post of April 30, 1955, entitled "Why No Chinese-American Delinquents? Maybe It's Traditional Respect for Parents," which I now read:

WHY NO CHINESE-AMERICAN DELINQUENTS? MAYBE IT'S TRADITIONAL RESPECT FOR PARENTS

Not long ago a New York City judge wrote to the New York Times saying that not in the 17 years he had been on the bench had a Chinese-American teen-ager been brought before him on a juvenile-delinquency charge. The judge said that he queried his colleagues on the matter, and they, too, expressed their astonishment. They said that not one of the estimated 10,000 Chinese-American teenagers, to their knowledge, had ever been haled into court on a depredation, narcotics, speeding, burglary, vandalism, stickup, purse-snatching, or mugging accusation. A check with San Francisco, where there is a large colony of Chinese-Americans, tells the same story. The same holds true of Chicago, where the police report excellent behavior on the part of Chinese-American youngsters.

P. H. Chang, Chinese consul-general in New York City, was asked to comment on this warm and amazing return. He said simply, "I have heard this story many times from many judges. They tell me that none of our people are ever brought before them for juvenile delinquency. They were surprised, but I was not. Why?

"I will tell you why I think this is so. Filial piety, the love for parents, is a cardinal virtue my people have brought over from the China that was once free. A Chinese child, no matter where he lives, is brought up to recognize that he cannot shame his parents. To do so would relegate him to worse than oblivion, for his parents would disown him and he would be cast free and alone from our traditions that go back many, many centuries.

"Before a Chinese child makes a move he stops to think what the reaction on his parents will be. Will they be proud or will they be ashamed? That is the sole question he asks himself. The answer comes readily, and thus he knows what is right and wrong.

"Above all other things, the Chinese teenager is anxious to please his parents before he pleases himself. Our family households work on the theory that the parents are wise and seasoned, and if the children follow the same course, they can do no wrong."

Today there are some 100,000 Chinese-Americans in the United States, of whom 90 percent live in New York City, Chicago, and San Francisco. Most are small businessmen in the import trade who deal with their own people in their own communities. Most, no matter whether wealthy or poor, maintain a strict, family-style home. Mealtimes are ceremonial affairs which must be attended by every member of the family. Holidays are celebrated in family style. Schooling, the reverence for religion and decorum, plus reverence for elders and family tradition, are the prime movers in developing the child from infancy.

The rest of us need not go back as far as Confucius, but there is much we could learn from our Chinese neighbors who regard the home as the fountainhead and parents as worthy of respect and imitation. More the pity that the new China, in seeking to modernize itself, has felt it necessary to spurn this tradition so that, as a Chinese official in this country declared, "for the first time in the history of my country there are tens of thousands of 'wild boys' of the road at large."

ADJOURNMENT OVER TO MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSIONS OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. REECE of Tennessee.

Mr. FJARE.

Mrs. SULLIVAN and to include a speech.

Mr. ROOSEVELT and to include extraneous matter.

Mr. NATCHER to revise and extend the remarks he made in the Committee of the Whole and include the list of projects therein mentioned at the point indicated.

Mr. RADWAN.

Mr. CURTIS of Missouri and to include extraneous matter.

Mr. BERRY and to include copy of a letter.

Mr. EVINS and to include extraneous matter.

Mr. THOMPSON of New Jersey and to include extraneous matter.

Mr. BROOKS of Louisiana (at the request of Mr. McCORMACK) to revise and extend his remarks made in Committee and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KEARNS (at the request of Mr. FENTON) on account of mission abroad for 15 days.

Mr. VELDE for 10 days, until June 27, on account of official business.

Mr. BAUMHART (at the request of Mr. McGREGOR) for balance of week, on account of illness.

Mr. SMITH of Virginia for 3 days next week, June 20, 21, and 22, on account of official business.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 600. An act to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 26 minutes p. m.), under its previous order, the House adjourned until Monday, June 20, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

904. Under clause 2 of rule XXIV, a letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia," was taken from the Speaker's table and referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 6679. A bill authorizing the construction of two nuclear-powered merchant ships to promote the peacetime application of atomic energy, and for other purposes; without amendment (Rept. No. 852). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6601. A bill to provide for the suspension of certain benefits in the case of members of the reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, and for other purposes; without amendment (Rept. No. 853). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 4280. A bill to direct the Secretary of Agriculture to release on behalf of the United States conditions in two deeds conveying certain submarginal lands to Clemson Agricultural College of South Carolina so as to permit such college, subject to certain conditions, to sell, lease, or otherwise dispose of such lands; with amendment (Rept. No. 856). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. S. 67. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; with amendment (Rept. No. 857). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. H. R. 2746. A bill for the relief of the First National Bank of Birmingham, Ala.; without amendment (Rept. No. 854). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5080. A bill for the relief of Florence E. McConnell; without amendment (Rept. No. 855). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 6868. A bill to amend the Agricultural Trade Development and Assistance Act of 1954 so as to authorize sales on credit; to the Committee on Agriculture.

By Mr. BERRY:

H. R. 6869. A bill to authorize the sale of certain lands to the city of Wall, S. Dak.; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 6870. A bill to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia; to the committee on the Judiciary.

H. R. 6871. A bill to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956; to the Committee on the Judiciary.

By Mr. ELLIOTT:

H. R. 6872. A bill to provide for the representation of indigent defendants in criminal cases in the district courts of the United States; to the Committee on the Judiciary.

By Mr. PRIEST (by request):

H. R. 6873. A bill to amend the Interstate Commerce Act with respect to the authority of the Interstate Commerce Commission to regulate the use by motor carriers (under leases, contracts, or other arrangements) of motor vehicles not owned by them in the furnishing of transportation of property; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of New Jersey:

H. R. 6874. A bill to establish a program of cultural interchange with foreign countries to meet the challenge of competitive coexistence with communism, to establish a Federal Advisory Commission to advise the Federal Government on ways to encourage artistic and cultural endeavor and appreciation, to provide awards of merit, and for other purposes; to the Committee on Education and Labor.

By Mr. WALTER:

H. R. 6875. A bill to amend the Clayton Act to allow the courts discretion in awarding damages, and for other purposes; to the Committee on the Judiciary.

By Mr. WHITTEN:

H. R. 6876. A bill for the purpose of erecting in Hernando, Miss., a Federal and post-office building; to the Committee on Public Works.

H. R. 6877. A bill for the purpose of erecting in Senatobia, Miss., a Federal and post-office building; to the Committee on Public Works.

H. R. 6878. A bill for the purpose of erecting in Carrollton, Miss., a Federal and post-office building; to the Committee on Public Works.

H. R. 6879. A bill for the purpose of erecting in Sardis, Miss., a Federal and post-office building; to the Committee on Public Works.

H. R. 6880. A bill for the purpose of erecting in Sumner, Miss., a Federal and post-office building; to the Committee on Public Works.

H. R. 6881. A bill for the purpose of erecting in Vaiden, Miss., a Federal and post-office building; to the Committee on Public Works.

H. R. 6882. A bill for the purpose of erecting in Calhoun City, Miss., a Federal and post-office building; to the Committee on Public Works.

By Mr. BYRD:

H. R. 6883. A bill to amend the Rubber Producing Facilities Disposal Act of 1953 to provide for the disposal of the Government-owned facility at Institute, W. Va.; to the Committee on Armed Services.

By Mr. GENTRY:

H. R. 6884. A bill to facilitate the transfer of storage facilities between the military departments; to the Committee on Armed Services.

H. R. 6885. A bill relating to the traffic-management functions of the General Services Administration; to the Committee on Government Operations.

By Mr. JENKINS:

H. R. 6886. A bill to amend the act of October 19, 1949, entitled "An act to assist States in collecting sales and use taxes on cigarettes"; to the Committee on Ways and Means.

By Mr. MILLS:

H. R. 6887. A bill to extend for 1 year the application of section 108 (b) of the Internal Revenue Code of 1954 (relating to income of a railroad corporation from discharge of indebtedness); to the Committee on Ways and Means.

By Mr. WALTER:

H. R. 6888. A bill to amend the act of September 3, 1954, and to facilitate the entry of skilled specialists chargeable to the quota for Spain; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 6889. A bill to modify the basis upon which Veterans' Administration benefit awards to women as widows may be made; to the Committee on Veterans' Affairs.

By Mr. DELANEY:

H. R. 6890. A bill relating to the rendition of musical compositions on coin-operated machines; to the Committee on the Judiciary.

By Mr. WHARTON:

H. R. 6891. A bill to amend the Agricultural Adjustment Act of 1938 to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed on the farm, and for other purposes; to the Committee on Agriculture.

By Mr. DODD:

H. Con. Res. 165. Concurrent resolution relative to inviting Spain to become a member of the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. ANFUSO:

H. Con. Res. 166. Concurrent resolution relative to inviting Spain to become a member of the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. WALTER:

H. Res. 279. Resolution authorizing the printing of additional copies of the hearing on Communist activities in the Fort Wayne, Ind., area for the use of the Committee on Un-American Activities; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 6892. A bill to consider residence in American Samoa by Catharine Mary Cool as residence in the United States for naturalization purposes; to the Committee on the Judiciary.

By Mr. HAYWORTH:

H. R. 6893. A bill for the relief of C. H. Baldwin; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 6894. A bill for the relief of Dr. Givlio DiFucia; to the Committee on the Judiciary.

H. R. 6895. A bill for the relief of Adolphe C. Verheyn; to the Committee on the Judiciary.

By Mr. POAGE:

H. R. 6896. A bill for the relief of Luisa Guidi Miller; to the Committee on the Judiciary.

By Mr. WALTER:

H. Con. Res. 167. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

H. Con. Res. 168. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

By Mr. HESS:

H. Res. 280. Resolution providing that the bill, H. R. 5385, and all accompanying papers shall be referred to the United States Court of Claims; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

America and the Far East

EXTENSION OF REMARKS
OF
HON. HARRY FLOOD BYRD
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES
Thursday, June 16, 1955

Mr. BYRD. Mr. President, today our colleague, the Senator from Vermont [Mr. FLANDERS], is speaking in London to the Royal Institute of International Affairs on the subject America and the Far East.

I think it is appropriate to insert this address in the CONGRESSIONAL RECORD on the same day on which it is delivered in London.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICA AND THE FAR EAST

This opportunity of speaking before you is one for which I am most grateful. This is no perfunctory statement and I want to explain just why I am grateful.

We of the 20th century have become familiar with the concept of the rise and fall of a series of civilizations, some in succession, others concurrently or overlapping when sufficiently separated geographically to give each its proper arena. This concept is advanced to succeed the older one of a unitary civilization, of which Western civilization is the residual heir, from the first beginning of history on the Euphrates and the Nile.

Three of the historians of civilization—Flinders Petrie, Oswald Spengler, and Arnold Toynbee—have developed the theory of cycles. None of these men could have been historians of civilization until these latter days. It is only in the century past that archeology and historical scholarship have provided the data which could be so analyzed and organized that civilization could be distinguished, their characters defined, and their histories compared.

I cannot mention these names without referring to another in the great line of world historians, Mr. Lionel Curtis. His achievement is to set forth the essential contribution of Christianity to accomplishing the continued growth of our civilization, so that it will not repeat the pattern of the past. Further analysis of and support to this thesis I hope to present in other ways and at another time.

I am one of those convinced that civilizations are born, grow to maturity, and then either fall into a decline or stagnate at a level lower than their creative prime. I have furthermore concluded that our own Western civilization is now arriving at a time of such testing; that our way of meeting that test will determine whether we continue to advance or, alternatively, we face a future in which uncertainty in our ideals and conflict between and in our institutions lead us to the era of decline.

Finally, I have concluded that Arnold Toynbee is right in his conviction that the strength and the testing of a civilization is determined by events in the field of morals.

If all this is true, a special responsibility is laid upon your country and mine. We have not made the greatest contributions to our civilization in any of the fine arts, except literature. We have been among the leaders in the sciences. We have been the leaders in the industrial evolution and the modern world of production and distribution is ours. This means that Britain and America have introduced into the world the vast changes which offer so much hope for the material improvement of mankind but which yet have undermined the social and spiritual institutions of whole races, without our being able to replace them with anything better and stronger.

Material problems we can solve. We are now face to face with the ultimate moral problems of this crucial age in Western civilization. What resources can we bring to the solution of this determining crisis in the long 1,500 years of Western civilization?

We cannot claim superior morals or spiritual insight. We do not have exclusive possession of these qualities. Yet our store is adequate if we rightly understand their functions.

What we do have are political institutions erected on a deep and solid spiritual foundation. That foundation is our conviction of the worth of the individual soul. We believe conventionally and instinctively that the state exists for men. Men do not exist for the state. These convictions have been handed down through you to us during 2,000 years of history. Their validity is now being challenged. The issue hangs in the balance. We must think together and act together if we are to apply this moral and spiritual content of our heritage to curing the confusion to which our material contribution has made the world susceptible.

This may seem a ponderous introduction to our topic, but in all truth I can find no easier way to tell you why I am glad to be here tonight.

Your secretary kindly suggested as the subject of this talk, America and the Far East, with the thought that it is sufficiently general to permit a range of choices in treatment. The area selected may be defined as American public opinion and the Chinese problem.

Let me say, first of all, that I never use the word "America" as a synonym for the United States without feeling a twinge of conscience. All of Latin America is America. Particularly is Canada America. But even our Canadian friends on occasion resign themselves to this improper designation of my country. Our official name is too clumsy. Besides that, the ties of race, history, and business with the Dominion are so close that in most connections no injustice is done.

I am supposing that our British friends find the American political scene to be a perplexing one. From time to time observers from your shores comment on the waves of opinion which sweep over us, on our proneness to engage in crusades, and on our irresponsibility. Of course, your comment is not all critical by any means. When you can find something to admire you find it comprehensible. It is the things which make living with us difficult that are incomprehensible to you.

Let me say at once that we are almost incomprehensible to ourselves when we try to analyze our own characteristics. What we do comes naturally and unself-consciously. When we are questioned by others we cannot always find the right explanations, but it is worth while to be questioned.

What, for example, explains the waves of opinion that sweep over us from time to time? This is tied into our proneness to go on crusades. It is true that some issues tend to present themselves to us emotionally so that we feel strongly about matters to which we may not have given enough thought. After VE-Day peace seemed to us to be a wonderful thing. War or the thought of war, after such a victory as had been won, was an unimaginable evil. Only a few were cynical enough to foresee the coming conflict with our former allies. "Get the boys home" was the insistent demand, and get them home we did.

However it may have been with you, with us I am sure it was moral indignation which supported the decision at Casablanca to inflict total defeat on Germany.

For a still earlier example of a popular crusade, we can refer to the Spanish-American War. The natural sympathy of our citizens for the Cuban rebels was fanned by journalistic experts into a frenzy of indignation. We won an easy victory in a largely bungled war. Its results were not totally evil. It gave us an experience in colonialism which enabled us to join the company of those nations which have prepared in some measure their subject peoples for freedom, and have then yielded it to them.

Earlier yet was the moral issue of secession of the Southern States and the conviction so simply and eloquently set forth by Abraham Lincoln that the people of our Nation had been entrusted with a sacred mission in the world, to preserve in peace and freedom government "of the people, by the people, and for the people."

My own grandfather volunteered in the Northern Army and fought at Gettysburg. As a boy he told me that he didn't volunteer to "free the slaves"; he fought to save the Union. Hundreds of thousands of others risked their lives for the same end. Materialistic historians may analyze our civil war as being fundamentally a contest between a southern agricultural economy and northern industry. But those volunteers knew what they were fighting for. They sought to preserve freedom in unity. For those whose blood was willingly shed the issue was not economic, it was moral.

Let us go back further yet. We find Edmund Burke in your Parliament supporting the Colonies on what were essentially moral grounds. Our Founding Fathers in the Declaration of Independence and in the specific provisions of our Constitution proclaimed the worth of the individual human soul. That belief came down to them from your own forefathers. It is now the fundamental division between the Soviet and free world. Our common heritage bids us stand together in the present day.

Such are the noble beginnings of American tendencies which are today perhaps less clear, less easily justified. They have

always been determinants of our best actions. They were recognized by that remarkable analyst and prophet, Alexis de Tocqueville, who published his studies of American life in 1840. Without taking the time to quote him verbatim, let it be said that he recognized the strong religious spirit in American life, understood the terms on which heterogeneous democracy and absolute religious beliefs coexisted and reacted and defined the terms of successful cooperation.

Incidentally, this remarkable man a full century before the event, foresaw the conflict of our day. He said: "The Russian centers all the authority of society in a single arm. The principal instrument of the Anglo-American is freedom; of the Russian, servitude." And again, speaking of Russia and America, he says: "Their starting points are different; their courses are not the same; yet each of them seems to be marked out by the will of heaven to sway the destines of half the globe."

So much for the impulses which move us. Let us now consider where public opinion is lodged in America.

There are, first, certain basic beliefs from which we may wander on occasion but toward which we feel a constant pull. These include the common beliefs already mentioned—belief in the worth of the individual, and in service to the state to the citizen. This latter is of course balanced by the balancing service of the citizen to the state whenever and however that is needed to preserve the service of the state to the citizen.

These are the basic beliefs—the deeps over which pass the waves raised by the winds of passing events. These basic beliefs we must nourish and hold if we are to remain strong.

Above these depths come next the beliefs of groups, which play an important part in affecting public policy. I will give three examples of groups of opinions selected for their relevance to Far Eastern policy. They are: the do-gooders, the isolationists and the China lobby. Each of these groups has a hard core. From this core it reaches out to gain adherents, influence opinion, and affect policy. The effects vary. These ideas go up and down, down and up, at one time powerful and effective, at other times in eclipse. Our Nation's wealth moves the do-gooders to urge a policy of general benevolence toward all the peoples of the earth. They are constantly pressing for ever larger appropriations to support this or that really worthy cause. Their expansive benevolence obviously has had to be limited by budgetary considerations. However, there have been other restraints of a less direct character. We have come to realize that our national abilities lie so strongly in the field of production that it is better for us to be of what help we can in assisting other peoples to improve their productive practices, rather than to expend our own resources in direct aid.

In this connection I often think of our American Quakers, and your British also, who are unsurpassed in their generosity. Yet they are discerning in making their gifts and, more characteristically still, seldom give so lavishly as to injure the sources from which their wealth is derived. Only a major crisis justifies an individual or a nation in making drafts on the future for the sake of a present demand. That stern decision your nation has had to make. It is one which is not entered into lightly.

You are all surely aware of the powerful group in America which goes under the name of isolationist. The moral exuberance of the do-gooder has been repressed, but that repression, carried beyond reasonable limits, results in the conviction that our duty lies in serving only the direct and narrow interests of America. In the extreme the isolationist tends to the belief that our entrance into two world wars was a terrible mistake. He sees no advantage accruing to us from participation in the recovery of world production and world trade. He believes not merely that we have wasted money in these ways but we have become the unrespected dupes of the people whom we have tried to help.

National interest is the watchword of the isolationists, and a not unworthy watchword it is. The danger comes when we interpret it narrowly and thoughtlessly. Unrestrained their policies would lead to a world under Communist domination wherein finally only Canada and the United States would remain as a besieged fortress of freedom, constrained from trade, travel, or communication with the rest of the world except on terms set by a power stronger than ourselves. National interest, narrowly conceived, is self-defeating. Isolationism dies hard. Its doctrines are still stoutly supported. Yet I venture to predict that its influence is waning and that wiser counsels are in the ascendancy.

The China lobby is the third of these opinion groups to which I will refer. Let it be said at once that China lobby, as a designation, is scarcely fair. A lobby in our parlance is an organized group seeking to direct legislation to serve private ends and as such may serve as useful a function as the attorney for the defense in courts of law. While there may be private ends to be served, the strength of the China lobby lies in the inner convictions of its members rather than in the pressure of special interests.

These convictions go back to a series of events. In the first place, there is in America a traditional interest in China, arising at first from trade, then strengthened by missionary undertakings and finally sealed by the educational contacts with Chinese students in both countries. Except for the narrow band of exclusionist sentiment on the Pacific coast, we have always liked the Chinese and have been interested in them.

Our imagination was captured by the superhuman effort by which the students and faculties of the Chinese colleges preserved their institutions from the invading Japanese armies. Chiang Kai-shek, as the leader of a heroic people, gained our admiration.

Unfortunately, a breach opened between the Congress and the administration. The Congress came early to the conclusion that Mao was primarily a Communist and only by expediency an agrarian reformer. It has been a strong conviction of successive Congresses that assistance voted to Chiang never was made effectively available to him. This was a sore spot in the relations between a strong group in the Congress and the Truman administration. It was evident both in the State Department and in the Pentagon. It is not necessary for our purposes to go into the details.

During the later years of this period, I endeavored to persuade the administration to a limited and controlled assistance which might or might not have been acceptable to Chiang. It did not interest the administration and no action was taken. "After the dust had settled," to use Secretary Acheson's phrase, Chiang was found to be within the sanctuary of Formosa, while the mainland was firmly in Communist hands, under the leadership of victorious Mao.

There has been another influence which rankles in the breast of many Americans when we let our minds dwell on the Chinese problem. With the support of many of the governments represented in the United Nations, the United States took the lead in resisting aggression when the North Koreans attempted to conquer the South of that divided country. This was a major war by any standards which were applied before our world conflicts. Through defeat and victory, with further success hanging in the balance, the United Nations' armies drove the Communists back beyond the mythical line of the 38th parallel and the limited objective of resisting aggression was achieved. It never seemed to us that this objective was enough. It was purely negative. It settled nothing. The same old problems continued in an aggravated form, and the solution of other Asiatic conflicts was made harder, not easier.

When in the summer of 1951 the Communist armies made a last desperate attempt to break through our lines, the opportunity of a greater achievement was open. It was General Van Fleet's testimony that after that attack was beaten back, the Communist armies were in disorderly retreat with their ammunition exhausted and their heavy equipment abandoned. A determined counterattack might well have carried our line to the narrow waist of the peninsula. Instead Van Fleet was held in leash. In our eyes the American forces suffered a defeat. Defeat is a new experience to us and one which we have been unable to assimilate. When you are perplexed about our point of view as to the problem of China, this is a matter which must be taken into account.

The arguments which supported this limited policy are well known. The principal one was that the Soviet Government might throw its enormous manpower into the contest as it had already thrown its planes and surface armament. This was a chance which would have had to be taken. The chance could have been minimized by diplomatic action, and subsequent events have not added strength to the fear of a broader involvement.

When the planned-for stalemate had been achieved, when the chance for victory had been thrown away, there was nothing left to do but to liquidate a negative enterprise. This, Mr. Eisenhower promised to consider, and this President Eisenhower successfully accomplished.

Let me say that I cannot review this episode in modern history without bitter thoughts. I can only hope that too much bitterness has not escaped into my words.

So far we have considered three currents of public opinion which relate to United States foreign policy in the Far East. The three are general benevolence, isolationism, and support for Nationalist China. The next matter to consider is the means by which such opinions affect national policy, if indeed they do affect it.

In the first place, let it be said that the effects are not necessarily, or even often, the result of having a policy adopted as party policy and supported by party discipline. The Republicans and Democrats both adopt party platforms at national conventions and nominally seek election on the basis of those platforms. Seldom indeed are the differences between them great enough to raise issues on which a national election can be decided. It is true that there are undefinable differences between the parties; there are significant historical backgrounds to each, but the differences between the parties are not as great as between northern urban Democrats and those from the South, or between isolationist Republicans and those whose outlook on national interest is international. The impact of opinion on policy is seldom directly through the machinery of party.

On the other hand, the successful presidential candidate of a party has powerful means of promoting or obstructing the translation of opinion into policy. For example, the sentiment for general benevolence found perhaps rather stronger support under Roosevelt than under either Truman or Eisenhower. With the two latter, better conceived plans have been the rule, such as the Marshall plan and technical assistance. Note that this does not rule out simple human help for pressing human needs, such as support for the Children's

Emergency Fund of the United Nations or gifts of wheat under Asian and European famine conditions. But pure benevolence is ruled out as the foundation of foreign assistance.

The strong but not overwhelming popular support for isolation has had no support from any President or his administration. Consequently, it has had little effect on policy except as it has slowed up or minimized foreign undertakings which nevertheless were authorized, appropriated for, and put into effect. The President is the key rather than the party; yet the two are not completely independent.

We have yet to examine the major determinant of American policy with regard to Red and Nationalist China. That determinant is our well-nigh universal hostility to communism. America has passed a moral judgment on that institution and found it to be evil. On this point we are loath to compromise. On this one point we gladly plead guilty to Nehru's complaint that with us an issue is black or white; there are no neutral grays. Finally, on this point it seems clear that public opinion is controlling the State Department, and not vice versa.

I need not tell you than one section of this anticommunism was dangerous, not so much to communism as to its enemies. I need not tell you how it introduced into American life alien practices akin to those of both Soviet and Hitlerian origin. We seem at the moment to have escaped these evils while our anticommunism remains strong in both fear and hatred.

Our fear is that, unchecked, communism may roll over country after country, in Asia, in Africa, in Latin America, and eventually in Europe.

Our hatred is not against the people whom it has brought under its power. Our hatred does not go even to the Russian people themselves, as it went, for instance, to the German people during World War II. Our hatred is leveled at active evil. Soviet philosophy and the practice of that philosophy denies the worth of the human soul and degrades man to the level of spiritless material to be molded and used to serve a soul-less state.

The experience of your returned prisoners and ours turned a bright light into the recesses of Communist evil. Ordinary, independent self-respecting citizens, by a skilled technique in brain-washing, were deprived of their moral judgment. They became bewildered in making distinctions between right and wrong. A high ranking American general acknowledged that had the psychological conditioning proceeded a little longer, there would have been no escape for him save by suicide.

When we consider that, while these were individual men, it is the purpose and practice of communism similarly to mold the minds and souls of whole populations, whole nations, whole generations into will-less tools of the state, then we become sure that we are facing more than men—we are facing evil itself.

And so the criticisms of European friends, the criticisms of Nehru are justified in form. We do see these things in black and white. We feel it proper to compromise on matters of economics, social practices, and most political institutions—on everything except evil itself.

This is an absolutist position and suppose that there are moral absolutes. May I refer you to a great English champion of the moral absolutes. Lord Acton said:

"Opinions alter, manners change, creeds rise and fall, but the moral law is written on the tablets of eternity.

"The principles of true politics are those of morality enlarged; and I neither now do, nor ever will admit of any other.

"That which we must obey, that to which we are bound to reduce all civil authorities, and to sacrifice every earthly interest, is that immutable law which is perfect and eternal as God Himself, which proceeds from His nature, and reigns over heaven and earth and over all the nations.

"For we must be at war with evil, but at peace with men, and it is better to suffer than to commit injustice."

Let me give you the authentic definition of the moral law. Its elements were defined through the centuries by the poets and prophets of a race with a genius for spiritual insight and spiritual growth. Their record is to be found in the Old Testament of our Bible.

In the New Testament Jesus clearly defined the moral law in answer to the lawyer's query as to which is the great commandment. Jesus said unto him "Thou shalt love the Lord, thy God, with all thy heart and with all thy soul and with all thy mind. This is the first and great commandment. And the second is like unto it. Thou shalt love thy neighbor as thyself."

To this I like to add a derivative principle set forth in Saint Paul's address to the men of Athens, when he told them that God "hath made of one blood all nations of men for to dwell on all the face of the earth."

Bear in mind that Lord Acton believed that the moral law is valid, natural law. It determines success or failure in human undertakings concerned with men as physical law does in dealing with matter and energy. We cannot break the moral law but we may break ourselves against it.

I have mentioned Mr. Lionel Curtis. Let me add his wise and perceptive formulation of the moral law in terms of personal and political responsibility. He has expressed it as an infinite duty of men to God and an infinite duty of men to one another.

Our way does not lie in conquest. My thesis is that it lies in contact and communication, so that the moral law may perform its perfect work.

We have now come down to the consideration of our policy as it relates to the problem of China. How do these principles apply?

1. Our heritage of Judeo-Christian ethics requires that we make no compromise with essential Communist theory and practice.

2. With available resources and with available wisdom we must actively assist those peoples threatened with Communist conquest. Help is needed, not imposed programs.

3. We should be clear in our minds as to the iniquity of curtains. While rights of citizenship or residence are matters of policy, the prohibition of personal contact and communication are insults to man and are in defiance of the laws of God.

4. Governments which erect curtains ask admission to the family of nations on the basis of falsehood. Experience with governments who have erected curtains but are nominally within the family plainly illustrates the fact that membership has been a means of attack from within with no intent of cooperation.

5. The terms of admission for Communist China into the United Nations must be stated and always left open. They include her return to the same freedom of travel and intercommunication as existed a generation ago and as now exists between the free nations of the world. They include the other requirements of a free people in a free world. Should these requirements endanger the existence of communism, that is an evidence of the weakness of that institution.

6. For China, for the Soviet peoples, for all the Communist-dominated world, the hand of friendship and cooperation must always be held out on the basis of free, human relationships.

These are particular applications of the moral law to a current situation. Mr. Curtis would truly say, I believe, that we have years, centuries, even millenia to bring our hearts and minds to the task of recognizing our infinite duty in these matters. Realizing this, I yet cannot free myself from the conviction that we face an immediate crisis, that our civilization may be weighed and found wanting, and that the forwarding of the kingdom of God may be left for a civilization which succeeds ours.

Our crisis is centered on the overhanging threat of a war which will end our opportunity and our stewardship. It is my belief that the test is coming in the willingness of our world to accept universal, complete and controlled disarmament, and to set up the international institutions for its administration.

We cannot treat this great project as a secondary matter to which we give fleeting attention when we are not beset with day by day problems. It is the great undertaking. It is the grand project. It is the one thing on which unwavering, persisting attention must be focused.

With regard to this, I would like to express my conviction that the Soviet Government can be so morally encircled, so morally penetrated, and the cause of disarmament presented to them so intelligently, that the necessary thoroughgoing action eventually will appear to their rulers as being in their own long-range self interest.

The heads of the four great powers are soon to meet. There is pessimism as to any practical results from that meeting. If they attempt in detail to relieve the tensions of the tangled web of influences in which the world is caught, their task will be difficult indeed. If, on the other hand, they raise the question as to whether each of them is ready to consider complete universal controlled disarmament, then their attention can be focused on the vital center of tension and the central hope of release.

There is not time to go into the details of these hopes and possibilities. Their solution solves, or renders more easy of solution all the other problems with which the world is troubled. In this great undertaking your country and mine can see together eye to eye, and work together hand in hand.

Commencement Exercises at Washington and Jefferson and Waynesburg Colleges, Pennsylvania

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EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, June 16, 1955

Mr. MARTIN of Pennsylvania. Mr. President, during the weekend I had the honor and pleasure of attending the commencement exercises of two historic colleges in southwestern Pennsylvania, Washington and Jefferson College, located at Washington, Pa., and Waynesburg College, located at Waynesburg, Pa.

Washington and Jefferson College, under the leadership of Dr. Boyd C. Patterson, and Waynesburg College, under the leadership of Dr. Paul R. Stewart, are functioning magnificently in upholding the ideals of America.

The problem of sustaining our small colleges each year is an important one in the United States. I therefore ask unanimous consent to have printed in the CONGRESSIONAL RECORD an editorial entitled "Graduation Time Here for Colleges," published in the Washington

Observer, of Washington, Pa., and also an address which I delivered on June 11, 1955, at the Waynesburg College alumni dinner.

There being no objection, the editorial and address were ordered to be printed in the RECORD, as follows:

[From the Washington (Pa.) Observer]

GRADUATION TIME HERE FOR COLLEGES

It is commencement season for the colleges of Greene and Washington Counties.

These are Waynesburg, Washington and Jefferson, and California State Teachers College.

Both liberal arts institutions will graduate classes this weekend, Washington and Jefferson on Saturday and Waynesburg the next day.

All three schools, particularly the liberal arts schools, have long records of outstanding service. Washington and Jefferson will graduate its 156th class, and Waynesburg will confer degrees on its 104th class.

Their long history is a record of service—to community and Nation, to their long rolls of alumni and those whose lives are influenced by those alumni.

W. & J. has a notable record of preparing large numbers of men for entry into medical and theological schools, and her alumni include a very large number of successful ministers and physicians, as well as scientists, teachers, and businessmen.

Waynesburg College has a record which over the years has virtually equaled that of W. & J. in sending men into the ministry and into medicine. Though her alumni rolls are not as large the record of success is little different, percentagewise.

It is doubtful whether many schools in the country have sent as large a percentage of their alumni into public service as ministers and physicians as have these two.

California, founded as a teachers' school, has, of course, sent the larger number of her alumni into the teaching field, where they have achieved much.

The alumni of these schools, at this commencement time, may find much satisfaction in the past record of public service.

But that satisfaction will live only as long as that record is continued. There can be little pride in the present work of an institution which has ceased to live up to its past glories.

The meaning is that today's alumni, trustees, and faculty must express that pride in something more than words. It must be expressed in continued service, with continuation of the high ideals which have characterized the work of these schools through the many decades of their history.

And that means that faculties must be made up of individuals with high ideals—ideals of civic, moral, and spiritual service. They must be able to give instruction of the highest order.

Faculties of this type, backed by trustees and administrative officers with the same high hopes and ideals for the schools, will continue to send men and women into the world ready to play an outstanding part in the business of improving the character of the world's people, as well as advancing the world's technological processes.

Our colleges in this area have an outstanding record—we wish a continuance of that record. Commencement season is a time for alumni, faculty, and administrative personnel to renew the ideals which will continue it.

ADDRESS BY HON. EDWARD MARTIN, OF PENNSYLVANIA, AT WAYNESBURG COLLEGE ALUMNI DINNER, SATURDAY, JUNE 11, 1955

This evening I would like to bring to your attention one of the great dangers confronting the colleges of America that depend upon voluntary sources for their support.

On numerous occasions—in public speeches and elsewhere—I have discussed the importance of keeping the educational system of the United States free from government control.

I have emphasized the great contribution of the private colleges to the development and maintenance of the American way of life.

I have tried to impress upon my fellow citizens that the independence of our educational system has a direct bearing on the future of the United States as a land of freedom and opportunity.

Unless our institutions of higher learning are sustained on a financial basis—adequate to meet their growing needs—the alternative will be government support—and government control.

That would be disastrous to the historic pattern of college administration—which has been so successful in the past.

If our schools and colleges ever come to depend upon government for their support—academic freedom would be destroyed by bureaucratic dictatorship.

Let us review the situation as reported by eminent educational authorities.

A recent survey of the Nation's 900 private colleges and universities revealed that just about half of them are operating in the red.

About 200 are facing serious trouble unless they obtain immediate and substantial financial help.

In recent years the expenses that educational institutions have to meet have doubled and even tripled.

The cost of everything has gone up—without a corresponding increase in income.

In order to maintain their educational standards, the colleges need more buildings, more laboratories, more classrooms, more libraries, and expanded administration facilities.

It has been estimated that at least $30 million is needed right now to overcome the operating deficits of the colleges that are in financial trouble.

About $6 billion is required to bring plant facilities up to present-day requirements.

It should be a matter of deep concern to each of us that the independent liberal arts colleges have been hit hardest of all by financial difficulties.

It is a tragic situation that many of them—after long years of honorable and distinguished service—now find themselves facing a struggle for survival.

What is being done to keep them from being submerged by their financial difficulties?

For one thing—tuition fees have been increased.

But educators realize that many thousands of qualified young men and young women are being deprived of a college education because their families are unable to meet the increased costs.

It is true that business and industrial concerns have interested themselves in the growing needs of education and have made substantial contributions.

Other generous gifts have come from foundations established by public spirited citizens and families who have accumulated wealth under the American system of free enterprise.

But much more is needed to keep our private colleges independent and uncontrolled in their cultural—spiritual—and academic policies.

There is no doubt in my mind that every one of us will give this problem serious thought.

We of the alumni of Waynesburg can help erect a barrier against intervention by government in higher education.

We can help preserve for the future generations the advantages we have enjoyed under the historic American system which has given strength and stability to our way of life.

Monopolies and Antitrust Laws

EXTENSION OF REMARKS
OF

HON. B. CARROLL REECE

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1955

Mr. REECE of Tennessee. Mr. Speaker, the Attorney General's National Committee To Study the Antitrust Laws submitted its report to the Congress on March 31. This Committee, appointed by the Attorney General, was charged with "a thoughtful and comprehensive study of our antitrust laws." The committees of the Congress are presently studying its report and are making their own review of these important statutes. In a sense, they are continuing the work of the Temporary National Economic Committee which was created pursuant to Public Resolution 113 of the 75th Congress.

Mr. Speaker, the distinguished junior Senator from Wyoming, Senator O'MAHONEY, and I are the only members of that Committee who are presently Members of the Congress. From my long association with this problem, I wish to make one observation—we cannot hope to clarify complex economic problems by name calling, character assassination and attacks on successful enterprises merely because they are big and successful.

Mr. Speaker, the study of monopoly is a complex problem which requires unemotional, analytical reasoning of the highest order. The Attorney General's Committee included distinguished lawyers, economists, Government officials, and other specialists. Only a few members among the 60 who constituted the Committee were critical of the final report. One of these was Prof. Walter Adams, of Michigan State College.

In order to appraise the dissents of Professor Adams it is appropriate to review some testimony before the Joint Committee on the Economic Report.

On Tuesday, February 1, 1955, that committee met to discuss the subject of monopoly and antitrust policies with particular reference to the report of the Council of Economic Advisers.

The witnesses included Walter Adams, associate professor of economics at Michigan State College, and Mr. T. K. Quinn, president of the T. K. Quinn Co. of New York.

Professor Adams is apparently a great admirer of Mr. Quinn's. One of Mr. Quinn's books, entitled "Giant Business: Threat to Democracy—the Autobiography of an Insider," was published by the Exposition Press in 1953. The jacket of the book includes this endorsement by Professor Adams:

This book on the curse of bigness stands in the tradition of Jefferson, Woodrow Wilson, and Brandeis. It is written by a man who discusses problems which are an integral part of his rich industrial experience. His warning is timely and ominous: excessive concentration and the growth of industrial oligarchies add up to a one-way ticket down the last mile on the road to socialism or fascism. If we are to avoid totalitarianism in the political arena, the progress of private

collectivism in the economy will have to be checked. * * * I hope this book will get the careful attention not only of Congressmen, academicians, and lawyers, but of ordinary citizens and businessmen (big and little) as well.

Representative PATMAN, the vice chairman of the committee, at the conclusion of Mr. Quinn's testimony, said:

I have certainly appreciated and enjoyed all of the statements that have been made, but there is one outstanding statement, to my mind, having worked with the Small Business Committee now for about 15 years, since it was organized, and having given a great deal of time and attention to small and independent business, I think Mr. Quinn made one of the finest, the most intelligent, and one of the most forthright statements I have ever heard (hearings, p. 530).

In view of this statement by the distinguished vice chairman of the joint committee, I felt it was important for me to learn more about Mr. Quinn through a detailed study of his writings. He has been on all sides of every issue, and his own writings are so contradictory that, in my opinion, his testimony cannot be given any more credence in the field of economics than Matusow's in the field of security. He has apparently so completely misled the vice chairman of the joint committee that I feel it incumbent upon me to place excerpts from his writings in the record. They reveal the character of this man.

Mr. Quinn was a vice president of the General Electric Co. and resigned from that organization in 1936 to become the president of Maxon, Inc., a national advertising agency. In 1943 he was the author of the book entitled "Liberty, Employment, and No More Wars." This book was printed 7 years after Mr. Quinn's departure from the General Electric Co. As will be shown in the material which follows, the book contains nothing but praise for big business, and there is no indication that he left General Electric because he was burdened with any conflict of conscience in serving the interests of that company and maintaining his own ideals.

In 1948 he was the author of another book entitled "I Quit Monster Business." This book contained the following introduction by the author:

I quit monster business because it is undemocratic, because it is inhuman and not socially responsible, because most of it is big only for the sake of bigness or for purposes of concentrated power and control, because it is inefficient and corruptive, because it is causing a dependent society where only masses count, genuine individual freedom languishes and opportunity and expression are restricted, because it glorifies leaders whose interest is too much in themselves, and because through its essentially collectivistic forms and methods and mockery of free enterprise, it is leading our country just as surely as the sun sets to a brand of totalitarianism, which is a perversion as far from individualism, civil liberties, and the democratic process as Russian communism.

In 1953 he released another book entitled "Giant Business: Threat to Democracy—the Autobiography of an Insider." This book amplifies the theme of his second publication: I Quit Monster Business.

This book for the first time reveals the basis for his present animosity toward big business. Immediately following the war, Mr. Quinn formed the Monitor Corporation to merchandise and distribute a diversified line of household appliances. The firms from whom he expected to purchase these appliances were unable to obtain sufficient steel, and it was necessary for the Monitor Corp. to be completely reorganized as a result of the failure of its suppliers to deliver appliances to it. I find that it was only after this occurred that Mr. Quinn remembered that he left General Electric 8 years before because of the reasons set forth in: I Quit Monster Business.

In Giant Business: Threat to Democracy Mr. Quinn said:

The recent history of the General Motors Corp. shows an interesting curve of steadily increasing sales: in 1945 sales totaled $1,900,000,000; in 1947, $3,815,000,000; in 1948, $4,701,000,000; in 1949, $5,700,000,000; in 1950, $7,531,000,000. As an associate of small manufacturers, I wonder where and how General Motors was able to get the enormous quantity of steel necessary for this production in a period of alleged shortage, when the little fellows were not able to get it. How ridiculous, how dishonest it is to say that all the people of the country have equal opportunities. What is meant is that equal opportunities are open to those who have the power to force themselves into advantageous positions and obtain preferment.

The thousands of tons of steel gobbled up by General Motors might have kept alive many fine smaller companies which were forced to the wall. The situation was so bad that General Motors itself, shamefacedly conscious of its advantage, joined the Government in demanding more production from the steel companies, though it continued to hog what steel there was.

Automobile manufacturers are not the only ones who have suffered. Before the war General Motors had very little stove, or range, business. Now, because of their inability to get steel during the shortage, a number of the small prewar manufacturers of these commodities are no longer with us. Electromaster of Detroit felt obliged to sell out to Philco; Globe-American, of Indiana, sold out to Maytag; Glenwood, of Massachusetts, discontinued; Crown Stove, of Illinois, has barely hung on; Robertson, of Tennessee, went broke. Monitor, of New York, had to go through financial reorganization. There were other victims. But Frigidaire—hardly a descriptive name for a cookstove—produced in sufficient quantities to become one of the leaders in volume of sales. General Motors' financial power was more than enough to get steel for unprecedented automobile production—it could also get steel for stoves. Other industries were similarly affected (p. 227).

In checking the facts, I find that General Motors, in 1941, produced 1,827,978 passenger cars, or 48 percent of the total number sold in the United States. The comparable figures for the early postwar years are as follows:

General Motors Sales Data

Year	Number of units sold	Share of passenger car market
		Percent
1946	817,215	38
1947	1,442,749	40
1948	1,563,295	40
1949	2,202,204	43
1950	3,046,593	46

It is apparent that the output of General Motors passenger cars did not reach the 1941 level until 1949, and its share of the market was less in all of the early postwar years than it was in 1941.

Mr. Quinn, when he wrote Liberty, Employment, and No More Wars in 1943, hoped that our large corporations would diversify after the war and provide jobs for our returning soldiers. He said:

Our large corporations have no intention whatever of deliberately shrinking their volume after the war. This is, in fact, one of our major hopes for continued employment. Beyond the pressing, weighty problems of immediate war production the chief concern of the large industrial organizations is how to replace guns, tanks, ships, planes, and munitions and materials for war with peacetime goods. What can the aircraft manufacturers, for example, profitably produce when the current demand for upward of 100,000 warplanes a year ceases? And what of the manufacturers of guns and tanks, etc., to the extent of billions of dollars in value when the war is over? We must not assume for a moment that they are not thinking and making plans to prevent liquidation (p. 130).

Because some were successful and his Monitor Corp. was not, the system is at fault.

Mr. Quinn's generalizations, I find, are too often influenced by his own personal experiences. While he served in the General Electric Co. he was responsible for their refrigerator business. He was confronted with competition from Frigidaire, the General Motors refrigerator. In Giant Business: Threat to Democracy Mr. Quinn said:

And General Electric proved to be a high-cost, inefficient manufacturer. The company was never an efficient manufacturer of anything to my best knowledge, except lamps or articles produced by outside companies which we purchased. Our position always depended upon capital advantage. During every month, for example, of the 10-year period in which I was interested in General Electric refrigerators, our factory cost was higher than the Kelvinator and Frigidaire selling prices to their distributors (p. 79).

This accounts for the generalized broad recommendations in his book Liberty, Employment, and No More Wars shown below:

In passing I must point a finger of moral and social disapproval at those large corporations which, having established themselves in some one industrial field, take advantage of their financial position to move into other unrelated lines, where they contribute nothing and often cut prices ruinously. The wanton, adroit method is to go after the cream or "easy picking" in the other field. Thus the position gained in one industrial line enables a large competitor to become a destructive raider in another. In this unfair practice they are encouraged and abetted by our well-intentioned, out-of-date antitrust laws (p. 87).

The automobile industry, where 3 companies have 87 percent of the business, was vindicated as to efficiency and competition. I find no reference to the bad practice of using capital to go into unrelated lines of business (p. 111).

What manner of man is Mr. Quinn? Mr. Quinn takes pleasure in supporting unconventional positions.

For example, chapter I of Giant Business: Threat to Democracy is entitled "I Decide To Be a Genius." The first line of the second paragraph of the book

reads: "I decided to be a genius when I was 8 years old." In discussing his family background in Giant Business he said:

But most suspicious of all, he (my father) bore too many scars of bitter battles. He had taken me, a week or two before, to Lake Michigan to teach me to swim. When he got into his bathing trunks, I saw for the first time the marks of a knife gash at his right elbow, another longer one across his chest, and bullet scars on his left leg. The employers of those days had not yet been taught the humanitarianism which they now boast. My father's scars left an indelible impression on me. But there must be something wrong with a fellow who has to fight like that. Years later I came to know how the struggle with then-imperialistic England had made fighters of the Irish. I was congratulating a typical corncob Irishman in Dublin on the final victory of the Irish, their independence, and peace at last. "Yes," he said a little sadly; then his expression changed and his eyes brightened, "but ain't it a shame what they're doin' to them poor Hindoos?" He felt disconnected and was looking for a fuse (p. 19).

The willingness to fight was a family trait, which explains why it was that although Dad came from the Catholic part of Ireland, he was not a Catholic. According to the story, undoubtedly colored somewhat in favor of the Quinns, our great-great-grandfather was once walking down a country road in Limerick after a hard day's work, when he passed a priest on horseback. It was the custom of those times for the peasantry to doff their hats to the respected members of the clergy. But old Pat Quinn was just too tired—too tired, that is, to take off his hat—not too tired to fight. The priest made the mistake of hitting Pat with the butt end of his whip by way of punishment. A day later the priest wandered back to town in a dazed and torn condition. Further details are a family secret, but none of us has been Catholic since. Upon such slender threads of accident does destiny depend. It just occurs to me that the willingness to fight may also help to explain this book (p. 20).

In Liberty, Employment, and No More Wars, he said:

Over 2 million babies are born annually in this country. Within 15 years about 750,000 of them will be dead, crippled, tubercular, mentally deficient, delinquent, or problem children. They never should have been born at all. While birth control is no longer a crusading movement, it is far from universally accepted. In 1890 my own grandfather, Dr. Theodore R. Kinget, was jailed in New York City by the persecution of Anthony Comstock's prudery for encouraging and publically advocating birth control. As late as 1942 the Catholic Church itself wrote an unfortunate chapter in Boston on this issue (p. 33).

He is very pleased with himself, as indicated by the following taken from Giant Business: Threat to Democracy.

To establish myself as a remarkable fellow and get that question settled quickly, I refer, modestly of course, to a few half-remembered childhood incidents (p. 21).

Upon my arrival at the office of the manager of sales, Mr. J. Robert Crouse, I was assigned as a stenographer to an assistant sales manager who was a company favorite, having married the daughter of an officer of the company. He was one of the most handsome, amiable, charming, and harmless of men. His dictation was rambling, lengthy, and often pointless. He had some ability but was not interested. We soon developed a working agreement under which he would tell me what he wanted to say and I would write it. From this point it was but a short step to my also doing whatever thinking was required. The whole business was a kind of nuisance to him anyway; he had already arrived. There was plenty of time left over to do the filing, and it was in connection with this work that I became familiar with the business (p. 54).

When I moved to New York and became a, if not the, top-ranking G. E. vice president, I became involved in all sorts of distasteful affairs. I was busier than anyone ought to be if he is to have any time left for reflection and for a personal life (p. 154).

True to a sketch labeling me a "philosophical promoter," which appeared in Fortune magazine after I left Washington, I proceeded to refuse several "safe" positions that were offered to me and chose instead a new and unexplored venture in the distribution of electrical appliances. Somehow I am reminded at this point of a penetrating question asked by my alert and charming daughter, Jean, when she was 6 years old. She had been taken to see a picturization of the life of Jesus. In the lobby of the theater there were huge and colorful reproductions of Jesus being stoned by the mob, carrying the cross and finally crucified. "Daddy," she inquired with alarming innocence, "how did Jesus ever get into so much trouble?"

The fellow who was asked, "Who gave you the black eye?" is alleged to have replied, "Nobody gave it to me, I had to fight for it."

Strangely, the black eyes I acquired came from no fault in this venture or its operation but rather from conditions quite beyond control, which I have resolved never to condone (pp. 189–190).

The following quotations are indicative of the general approach of Mr. Quinn toward serious public issues:

The animal man, who rose from the caves of antiquity, has been misbehaving badly. He still lives by instincts that he doesn't understand. Motives he only partially controls drive him to eat, to self-defense, to reproduce himself. Like any other animal he exhibits himself for deep, sexual reasons, has offspring and dies. But in his thought for tomorrow and in his spiritual search for beauty and truth, he is unlike the beasts. His existence never seems quite real. He is caught on a merry-go-round of business and social activity—and the fun is gone. He is opposed to war, but we have war. War is often mistakenly regarded as another unaccountable, natural phenomenon, like the growth of a little seed into a big watermelon; the birth of a baby or an elephant; the flight of a bird. Liberty, Employment, and No More Wars, p. 31.)

Briefly examining the reasons for our predicament, we must go back a few million years. Mankind, our scientists agree, is a species of animal evolved in a manner still unexplained from extinct wild creatures.

Man's physical structure closely resembles that of all other mammals. Each of us goes through an evolutionary process, from a cell smaller in size than a pinhead, passing through the period of birth and ending with death. We retain through life muscles to wag a tail or move the ears. We never got over being animals. For millions of years, in fact, for more than 90 percent of the time man has been on earth he lived as a savage hunter. Slowly and tediously through the centuries he gradually learned from his experience and environment.

Civilization is not inborn. Had we been born in Africa a thousand years age we would talk and act as the Africans did then. We should have believed as they did. Actually, we have little personal responsibility for our ideas or notions. We had nothing to do with them. They are imposed upon us by the time and the environment in which we live. (Liberty, Employment, and No More Wars, pp. 40–41.)

In reviewing Mr. Quinn's previous background, I find that he was Director of the War Production Drive in the War Production Board from the middle of 1943 until the end of 1944. During this period he apparently organized the T. K. Quinn Co. as industrial consultants and proceeded to publish, as a private venture, material which he had assembled in his capacity in the WPB. Former Congressman Jerry Voorhees, of California, excoriated Mr. Quinn on the floor of the House for the improprieties of his conduct while serving the Government—see CONGRESSIONAL RECORD, volume 91, part 1, pages 822-825 and volume 91, part 10, page A1262. He said:

The war-production drive was established in March 1942 by Donald M. Nelson, then Chairman of the War Production Board. Its first Director was Michael W. Straus, now Assistant Secretary of the Department of the Interior, who was borrowed from the Interior Department by the War Production Board in March 1942 to organize the drive and the labor-management committee function. After 8 or 9 months, when the drive was well organized, Mr. Straus returned to the Interior Department and was succeeded as Director by Mr. William Marshall, a vice president of the Westinghouse Electric Co. Mr. Quinn did not come on the scene until the middle of 1943, when Mr. Marshall found it necessary to devote his full time to his work in Pittsburgh.

Prior to the time that Mr. Quinn had any connection with the war-production drive, the war-production-drive headquarters had worked out a full program of committee aids and services and of procedures for establishing and operating the committees. Although all this material and information is available from the War Production Board to whomever asks for it, nevertheless, this program and these procedures are now being sold privately in a manual being offered by the T. K. Quinn Co.

I cite this record simply to show that, prior to the connection of Mr. Quinn with the war-production drive, its program was fully developed and operating. It is that program and the techniques developed mainly by his predecessors, and wholly by Government employees, through the expenditure of Government funds, that Mr. Quinn now appears to be attempting to exploit privately.

Shortly after Mr. Quinn received his appointment as Director General of the war-production drive the Quinn Co. soon developed a keen interest in the business of serving labor-management committees and charging for their services. Various members of the staff of the war-production drive were approached to join the staff of the Quinn Co., and at least one of them did. Records that could be of value to the Quinn Co. were apparently scanned and copied. (CONGRESSIONAL RECORD, vol. 91, part 1, p. 823.)

This manual was not printed by the Government, but was printed privately and is now being offered at $5 per copy to the public under the title "The Original Labor-Management Committee Manual," by the T. K. Quinn Co.

The other interesting item is that, in his letter soliciting all of the Government-sponsored committees and dated December 15, Mr. Quinn, on the stationery of his private firm, announced his coming retirement from the War Production Board on January 1, 1945, and announced that the War Production Drive Section of the War Production Board would soon terminate its activities and would be disbanded with victory in Europe. This announcement made by Mr. Quinn on his private stationery in a letter in which he re-

ferred to himself as a public official had at that time not been made by the War Production Board. (CONGRESSIONAL RECORD, vol. 91, part 1, p. 824.)

The material which follows compares statements made during his appearance before the Joint Committee last February with statements from his own writings:

In the meantime, the antitrust laws should be strengthened in every possible way, and all other means taken to restore genuine and full freedom of opportunity and enterprise (hearings, p. 519).

In 1943, when Mr. Quinn wrote Liberty, Employment, and No More Wars, he believed that the antitrust laws were outmoded and that they were preventing the efficient and proper operation of our economy.

It was not a steady continuation of the same old unrestricted competition. As early as 1890 it became evident that vicious competition could only result in wrecking all industry. Cooperative agreements began to appear and to control prices, production, and management. Cooperation became, in fact, the new badge of sanity. As one of the results was to raise prices at the expense of the consumer, the Government took a hand. The Sherman antitrust law was passed and the practices which were partly wise and inevitable and partly destructive were all made illegal.

For the past 40 years and more, we have lived in a period of industrial confusion. Industry was not legally permitted to be as efficient as it might have been and unquestionably we have not made the progress as a nation of which we are capable. We have an interesting illustration in a comparison with Germany. With little more than half our population and only a small percent of our resources and opportunities, Germany has forged rapidly ahead, except of course for the interruption of the World Wars, which she has fought almost single handed against all the Allies. In this current war Germany has demonstrated a remarkable capacity for industrial cooperation, self-sacrifice, hard work, meeting conditions and getting results which is the envy of the world. No—it is not all a simple matter of political manipulation by the fanatical Hitler. He and his gangsters could not have accomplished the results they have without the basic conditions which made them possible.

Let us inquire for a moment into the causes which retarded our natural industrial development. They did not stop it. We are the world's leading industrial Nation today, with fabulous resources, and we enjoy the highest standard of living, but we have had to push against brakes constantly applied by Government and by the hangover of outmoded notions and actual mistakes and abuses.

In large part the opposition comes from those who object to huge corporations and Big Business. There is a long list of reasons and causes and it is not easy to discover all of the truth or to know how to use it when it is found. (Liberty, Employment, and No More Wars, pp. 10–11.)

Consider the economic experience and facts. We have a large number of industries in which an appreciable percentage of the total business is done by 1 to 4 or 5 individual corporations. In any mass-production industry, a single company with from 2 to 10 times the volume of any of its competitors, has a low, basic cost and, in the case of consumer goods, a public recognition and good will, which no small producer can possibly match. Under these circumstances, trade understandings and cooperation in some form are the only way, under the sun, of keeping the smaller competitors alive. Is it possible that our politicians and lawmakers are so economically uninformed that they do not know this? Mass production, where machines are used to a considerable extent, lowers cost amazingly.

The old theory of unrestricted competition was that it lowered prices to a point just far enough above the cost of production to assure a small margin of profit. Actually, as we have learned over and over and over again from experience, unrestricted competition forces prices down to a level which is less than the actual cost of production. The explanation is simply in the increasingly high proportion of fixed costs such as buildings, machinery and tools, depreciation and interest on investment. It is cheaper to run the modern, mass-production, average factory at a loss of from 10 percent to 20 percent of sales volume, than not to run the factory at all. For even when the factory is idle such costs as depreciation, interest, and taxes continue. Therefore, in any competitive fight the lowest economic price level is from 10 percent to 20 percent under cost. This means that the company with the greatest resources, that is, the largest, best-financed company, which can outlast the others, is bound to win at the end of any competitive war. It also means that in a price war competitors would fight on, gradually exhausting capital until the bitter end.

Is this the kind of competition which our well-intentioned Department of Justice is currently trying to restore? There are cases pending now which will result, if the Department prevails, in breaking up price and volume understandings and restoring unrestricted competition. When it comes, the little fellow will either be wiped out entirely or join with others to form larger single units. Thus the prosecutions only accelerate the trend toward larger and still larger corporations. Warfare always favors the strong and powerful.

This is the heyday of mass production and big business. Big business prospers because it attains lower, relative total costs. The secret of the lower cost is primarily in the volume of business handled with the same or less proportionate overhead charges in production and sales and also in the savings inherent in machine production and the division of labor. One of the greatest social assets we have as a Nation is these large low-cost, efficient production units. They need improvement, greater social conscience, and must learn to cooperate with others for the common good; but they should not be destroyed or their constructive, capital structures weakened. (Liberty, Employment and No More Wars, pp. 81–83.)

Competition is war. The gangster is a warrior. He goes to the individual laundry shop which has not yet been taken into a chain like the grocery store, the drugstore, the shoe store, liquor store, variety, 5 and 10, etc., "pay me," he says to the owner, "$50 a month and I'll see that no new laundries come into this district." (Good economics, if one is enough.) "Your prices can be raised to the level of our standard without fear of losing business, because we do not permit it and if you don't succeed here, or lose your lease, we'll find you another noncompetitive spot." He promises these conditions and makes good on his promise. One or more competitors could easily lower prices and fight, with the blessing of our antitrust laws, until all were bankrupt. Bankruptcies in our society are ordinary, legitimate affairs like clam bakes. Society does not realize that eventually it pays for all these failures. (Liberty, Employment and No More Wars, p. 90.)

Economic concentration and restraints of trade are obstacles to the growth of small business, as the Committee believes. But competition is the greatest obstacle. Under competitive conditions the large and strong survive and so, of course, the emphasis and effort is put upon becoming large and strong. If the competition which so many of our politicians and theorists think they want, were actually effective today, the result would be to put many more small concerns out of business. Does anyone suppose that in a competitive dog fight small steel companies could outlast U. S. Steel and Bethlehem? If General Motors, Ford, and Chrysler went out to gobble up the remaining 13 percent of the automobile industry, which they do not now have, who could stop them in a price war? Similarly, General Electric and Westinghouse are the strongest in the electrical field, Du Pont in chemicals, Standard Oil in oil, etc., etc. Only to the extent that industrial companies get together and reach livable understandings do any small companies find it possible to exist at all.

At the only NRA session which I ever attended we were treated to an exhibition by a group of small incandescent lamp manufacturers whose complaint was that General Electric and Westinghouse prices were too low. (The quality is certainly equal or better as Government reports show.) Our Department of Justice is now prosecuting the manufacturers under the antitrust laws, which the Temporary National Economic Committee wants more rigidly enforced. Every intelligent manufacturer knows perfectly well that if the price harmony among them is broken up and a commercial war ensues, every one may be wiped out except General Electric and Westinghouse; only the large companies will be selling above cost. That is the way competition works. Examples could be multiplied indefinitely. (Liberty, Employment and No More Wars, pp. 113–114.)

A new era of teamwork is upon us. It is absurd to treat every effort at cooperation as a restraint to trade. Many of them are helpful and constructive. To discourage them is to interrupt and impede industrial production and prosperity. Our so-called antitrust laws do not stop anyone from following the price leadership of a competitor, simply as the exercise of his individual judgment. There is nothing to prevent price discussions among competitors so long as there are no actual agreements. These laws have had the effect in many cases of preventing cost reductions and disrupting employment. Of course, this was not intended, but the bad effect followed from the effort to preserve the old competition in a cooperative age. The antitrust laws have also been used to help the proper development of certain industries, to prevent cruel and wasteful competition, and to prevent enterprises, big and small, from cooperating. Intended originally, only to protect the consumers, they have been used for these other purposes purely by judicial interpretation.

All competition is not good competition, nor is all cooperation or even monopoly bad cooperation or bad monopoly. Such free enterprise as we may continue to hope for may best be promoted by friendly supervision. It is a grave mistake for the Government to be hostile and punitive, and to prevent economic, voluntary cooperation. We are now over 60 years behind Germany in capitalizing on the power of cooperative endeavor. (Liberty, Employment, and No More Wars, pp. 190–191.)

Germany started its organization along cooperative lines, introduced social legislation comparable to that of our New Deal in the United States 60 years later, and absorbed militant socialism. It is a little difficult for us to realize now that Germany had old-age insurance, sickness insurance, and even unemployment insurance so long ago. The fear of old age, sickness, and unemployment, like the sword of Damocles, hung over the heads of the masses of people engaged in industry in certain other countries and undoubtedly made them a little less loyal than

the Germans have been to their more paternal government.

Instead of fighting and contending against the corporate organization of industries, the German Government encouraged it. There was no hangover of individualism or economic freedom in opposition. Consolidation, combination, and even trusts followed but they were all under effective government supervision and control. Thus, in Germany, the individualistic age of laissez faire and everybody for himself gave way to a form of cooperative organization where everybody was required to work but was also guaranteed the right to live.

What died in the recent surrender of France was the era of extreme individualism there, just as other eras have passed before. This is most significant in the synopsis of events leading up to our situation today. (Liberty, Employment, and No More Wars, p. 220.)

Mr. Quinn testified before the committee that:

Our national policy should be directed toward the active encouragement of new ventures, of the genuinely independent, and most efficient medium-sized firms, and the discouragement of the multiple-line giants grown huge through acquisition and absorptions that should, for them, be made illegal. They should be forced, wherever possible and practicable, to decentralize physically and financially (hearings, p. 519).

In Liberty, Employment, and No More Wars, Mr. Quinn said:

Most all of this is the result of the working out of natural economic law and all the manmade laws in the world won't change it. Why not accept Ford, General Motors, United States Steel, General Electric Du Pont, A T. & T., etc., as the national economic assets they are. Of course, these types of concerns got 80 percent of the war orders. Who in the world should the orders be given to? Let us fear for performance on the other 20 percent, not on the 80 (pp. 115–116).

There are, of course, many ways to proceed and dozens of plans can and probably will be conceived, but they are all hopeless of accomplishment as long as we continue to believe that the resurrection of old-style competition offers any real hope.

If we really believe it possible or desirable to break the Du Pont Co., for instance, into 10 or 20 small companies, or General Motors, or Westinghouse, or United States Steel, etc., regardless of manufacturing costs and efficiencies and get better results, we have missed the whole point of our new cooperative era of mass production and mass distribution, with more goods for more people at less cost. Imagine trying to live and compete with a postwar Germany, or postwar England, organized as Germany is now and as England surely will be, on a huge collective basis, getting the lowest costs through large industry and big business and the highest possible division of labor. Small business has its proper place where there are no cost savings in mass production or mass distribution, or where such savings are negligible. Purely financial business combinations, forced in many instances by our antitrust laws, may be efficiently decentralized when and if our Government permits cooperative agreements, subject to regulation in the public interest. Those who loudly advocate the cause of small business simply because of the larger number of votes involved, are not helpful. The best argument for small business, that is, decentralized business, is that owners, managers, and workers can know each other, be human, and make social adjustments around their daily work which will give it meaning and purpose (pp. 118–119).

I agree with Senator O'MAHONEY's conclusion that we have mistakenly treated large industrial corporations as though they were clothed with natural human rights instead of having only the rights which the people, acting through their Government, see fit to bestow upon them. Individuals and local governments can no longer cope with the big national corporations. True, too, is the Senator's suggestion that the business of these huge private industrial corporations can no longer be considered private. The man has been losing out to organizations of men. (Certainly this is a cooperative age.) Do you think it can be taken by the neck and forced back by artificial law into the individualistic age? Corporate concentration has proceeded only in relatively small part because there was no national incorporation law. In much larger part it has proceeded in conformity with natural economic law around machines, the steam engine, and electrical power (pp. 121–122).

Mr. Quinn is fond of comparing businesses with various-sized animals. In Giant Business the author's note contained the following:

The grand proposition that a thing is not evil simply because it is big is being advanced by self-serving interests as though they were dealing with harmless static business giants when, in fact, "there ain't no such animal." No one assumes that comfortable position when a big tiger or leopard escapes from a zoo and goes on a free-enterprising spree. Without benefit of a public-relations department or paid advertising, they are known to be attractive, dangerous, predatory animals, safe enough perhaps among their own kind, but death itself in a community dedicated to the preservation and progress of the little fellow and to his freedom and opportunity.

Contrast this statement with what he said in 1943:

The confusion between big and little business and free private enterprise is a little beyond me. I gather that the report (Temporary National Economic Committee) favors freedom for all business from arbitrary control by either private organization or public organization. We are to make the economy democratic. This appears to mean enforcing antitrust laws and hampering big business but favoring and encouraging little business in every feasible way. I also am very sympathetic toward little children, little dogs, little business—in fact, anything little. But the effort to make little successful in comparison with big in modern times is pure humbug. How much better to let big business get just as big as it economically can as long as it behaves itself and is not built on purely financial advantage, and police and control it when it runs afoul of the public interest. Individuals are thus treated. Society is strengthened by supporting and helping the strong and efficient members, like Senator O'MAHONEY, for example. It does not fatally hamper or try to destroy him so long as he obeys the good law and observes the public interest. So it should be with respect to corporations, big and little, without standing in the way of natural economic evolution. (Pp. 123–124, Liberty, Employment, and No More Wars.)

Today's vision of America's industrial future is clouded and confused by the fact of huge and still growing corporations, on the one hand, and our sentimental and ideological heritage of preference for smaller units on the other. Actually, there is nothing substantial in the present practice or the projected future to encourage the notion that the century trend will be reversed in the postwar period. The war has developed a number of new giants, and giants continue to be the rule. A number of well-meaning politicians are indeed urging the restoration of small business and perhaps getting some uninformed votes thereby. They mistakenly propose greater competition for that purpose, despite the plain and proven fact that the old-style competition has failed as a constructive force in this new day. If it is further encouraged, then the trend toward larger units will be further accelerated as it has during the past 50 years. (Liberty, Employment, and No More Wars, pp. 128–130.)

Instead of looking vaguely to the restoration of past conditions for a solution of modern problems, we would do much better to face the facts and deal with realities. And the reality is a new age of cooperation with huge corporations and millions of employees and the public, all dependent upon each other. These corporations have become, in effect, great social units with new responsibilities to the public. They cannot engage in commercial wars to kill each other. The public could not stand that cost. Questions of how to make the most of them constructively, in the general interest as well as in the interest of their owners, operators, and employees, should receive our attention. Only the foolhardy would seek to destroy or hamper them unnecessarily. Essentially, they are servants, not masters, and that is, among the most forward looking of them, their own conception and outlook. (Liberty, Employment, and No More Wars, pp. 131–132.)

Mr. Quinn, in his presentation to the committee, recommended progressive taxes on corporations. He said:

Corporate taxes should be graded gradually upward as are personal income taxes so that as little as 10 percent would be assessed against profits of $10,000 and as high as 75 percent when profits reach a billion dollars a year (hearings, p. 519).

In Liberty, Employment, and No More Wars, Mr. Quinn took exactly the opposite position. In fact, he said that taxes should not discriminate against bigness, as shown in the quotations which follow:

Collectively, all business is our business. It belongs to America and Americans. We all profit by it. Why do you suppose our living standards are the highest in the world? If you think that big business is owned by too few people and ownership should be more equitably distributed, I agree and point to the tax laws which are accomplishing that result in the good American evolutionary way. I refer now to income and inheritance taxes, not to any extra burdensome taxes which discriminate unfairly against our large industrial and commercial companies merely because they are doing a good job. That's like trying to build a better country by destroying or weakening the best things in it. It's the best men and women, the most able, hardest working and public spirited corporations upon whose shoulders our strength and prosperity depends. They lay golden eggs. What possible sense is there in damaging them? They are parts of all of us and we of them (pp. 119–120).

Let us highly favor the equitable distribution of wealth and preserve all the virtues of democracy in this country, including economic freedom, a meaningful life for every citizen of our Republic, but let us oppose unfair taxes, persecution, and unwarranted Government restrictions that tend to destroy uselessly our great, economic industrial and commercial organizations. Moreover, let us oppose the vain, costly, artificial attempts to preserve inefficiency, incompetence, and pitifully small business in this new collective era. More construction, less destruction, should be the rule (p. 116).

Mr. Quinn, in his presentation before the joint committee in February, made a new suggestion: namely, that—

Any remaining corporations with $250 million or more in gross assets, or more than 10 percent of the business in any major line, should be declared to be inevitably affected with a public interest. For each of these, at least, one new director should be appointed by the President of the United States, subject to Senate confirmation, and be in no way under any private influence. These directors, representing the public, would together constitute a national board of public directors where all of the policies and practices of the individual giants would be aired. The directors would be required through an effective central organization to widely publicize all irregular practices, coercion, undue advantages taken, illegal, and unjust actions or contracts, bring to bear the full weight of public opinion in the public interest, and continually recommend remedial legislation to the Congress (hearings, p. 519).

I was amazed to find that, while Mr. Quinn is now apparently concerned with the encroachment of big business on our democratic political institutions, in Liberty, Employment, and No More Wars he proposed the creation of an economic senate to be appointed by big business which would, among other things, operate our social security system. He said:

While we build mental windmills of outmoded competition and vainly enact laws and spend time and money thoughtlessly to prevent our economy from evolving naturally, we neglect conditions which could occupy us to much better advantage. Shall our economy meantime gradually drift along with its inseparable social aspects and attendants into more and more political control? Must we continue to depend upon political, bureaucratic policemen for the regulation which can only be intelligently and constructively managed by economic operation?

Industry and commerce—and perhaps later the farm groups (all those who constructively may provide employment) should organize, just as soon as possible, not as a resolutions or debating society for members to hear each other's speeches, and take no organized cooperative action, but to prepare to meet together the economic problems of the future which cannot possibly be met in any other way, except by governmental control and more political regimentation. Labor need not be initially included, except to the extent that labor is itself an employer and therefore responsible for providing jobs. The National Association of Manufacturers and the United States Chamber of Commerce must present a common, unified front. In the presence of the threatening political bureaucracy, their differences are childish. From this start they could well elect an economic Senate, generally coordinating all of the Nation's activity in production and trade. Farm employers might later be represented (pp. 132–133).

We need have little fear over the effectiveness of such an economic organization. The public will judge accurately whether it is impartial and unselfish and public opinion in this country is the music to which all of our performers must dance.

The economic Senate could be supported by executive committees chosen from different industries. This would amount to an industrial, business government with the minimum necessary centralization, quite beyond anything heretofore realized or projected. It would not need nor would it have mandatory power of any kind outside its membership but would be based entirely upon mutual interest and teamwork. The officers of the economic Senate would be chosen by representatives of the various industries associated together as supporting groups. These representatives, in turn, would be elected by the member companies in each industry. Questions of general policy should, of course, be decided by majority vote of all members but questions of fact and those requiring special technical or professional knowledge must be decided by appointed specialists responsible to the governing Senate and through it indirectly to the whole membership and the public (pp. 133–134).

It is precisely at this point that industry through its economic senate must act if it is to fulfill its social mission. If industry fails to act collectively in some manner, as it has failed heretofore, then we may surely anticipate that Government will eventually act. Unfortunately, governmental action in this field is usually mistaken because politicians are not economists or businessmen. Government, being commercially inexperienced, is inclined to try stunts with such disastrous results as those involved in the gold tinkering fiasco. So in addition to the insurance against totalitarian political rulership, which a separate industrial social organization would provide, we need its professional and technical knowledge and qualifications.

Questions of general public policy that are not involved in professional qualifications and depend wholly on personal preference, dictated by no economic law, may be decided by majority vote and left to the governmental field. Here with superior but essentially negative power the Government would outline the area and framework of our lives. The constructive or positive, economic government, through its senate without mandatory power could be more permanent and largely self-perpetuating, consisting of men best qualified by training and experience for the general direction of the various productive and social activities of the country.

The political government, exercising inhibitory, and where absolutely necessary, regulatory power only, would continue, of course, to be elected as it is now at frequent intervals by the majority vote of all our citizens, having general supervisory power, the final decision on national policies and the absolute veto but preferably less administrative or executive power.

This is a form of dual government—a positive, constructive one and a negative, inhibitory one, toward which we should gradually tend. It would, in many respects, be like the very efficient, successful government of the old Roman Republic which lasted so many centuries. The Roman Senate was in those days the constructive power, representing the various national interests, and the people's tribunes represented the negative authority, with absolute veto power, and were therefore superior to all other officers. The tribunes were elected by all the people but they had no administrative power. This government finally failed because the Roman Empire spread over such a vast area that the tribunes ceased to represent all the people, having no adequate means of communication or transportation. For 300 years this form of government kept the civilized world in peace.

Thus our objective should be private ownership and operation, subject to necessary governmental restraint, and a liberal, capitalistic society in a democracy with a large prosperous middle class with every family able to provide for its reasonable, cultural needs.

Under such a balanced government, industry and commerce would be self-operating and largely self-disciplining and self-controlled. It would assume general responsibility for the constructive part of living and take hold of such old, recurring problems as booms and depressions (pp. 173–180).

It is interesting to compare Mr. Quinn's proposal for an economic Senate with this paragraph from his testimony before the joint committee:

Essentially, the difference now between our system and Russia's is that we still have political freedom and a degree of economic freedom, at least at the consumer retail level, whereas the Russians are completely subject to a single, concentrated, nonrepresentative authority—the Kremlin. Politically, we have representative authority concentrated in Washington and in the 48 States of the Union. Economically, we have about 250 major centers of private, nonrepresentative authority. These are the huge corporations that are gradually assuming political as well as economic roles. They were never contemplated by our Founding Fathers, nor is there any provision for their commanding positions in our basic law. Nevertheless, they are more intimately related to our daily lives than the political authorities. For they largely determine, directly or indirectly, where and how we work, for whom, how much we are paid, our housing, the goods we consume, travel, entertainment, etc. Unless this picture is grasped one cannot hope to understand our society (hearings, p. 519).

While Mr. Quinn now suggests adding public directors to the boards of corporations, he did not believe that political management would be helpful when he included the following in Liberty, Employment, and No More Wars:

Similarly, in the case of the Securities and Exchange Act, the Commissioners have gone quite beyond the original intent of publicizing financial facts and preventing fraudulent representations and bad practices. They consider that they are required to control management by changing and opposing the plans of those placed in charge by the stockholders, directors, and managers and to reform the financial structure of corporations. The effect is to disturb security and confidence by making success or failure depend upon politically appointed commissioners rather than upon business managers. Here we have another illustration of good intentions by hard-working but inexperienced public officials who are trying conscientiously to make their interpretation of private enterprise serve the common good by tackling an overwhelming task that is too much for them (p. 194).

In, I Quit Monster Business, Mr. Quinn indicted big business "because it is causing a dependent society where only masses count, genuine individual freedom languishes, and opportunity and expression are restricted." (Foreword by the author.) This point of view was expressed again in Giant Business when he said:

The method of handling mass-production workers in huge corporations and treating them as mere impersonal labor, rather than as human beings, practically precludes their advancement to executive positions of any kind (p. 45).

There are tens of thousands of promising young men in monster-big corporations who never get a chance and whose talents are lost to society because of the complex nature, standardized routines and oversize of these organizations (p. 49).

Whatever laurels American industry can claim for its management in material technology, it has certainly failed in its human relations with its employees, as the existence of large and strong labor unions now so conclusively proves. The gains of labor and human welfare have had to be made by force or the threat of it, and against the

strong opposition, particularly of giant, impersonal corporations. Labor unions, once established, can hardly be expected to differentiate, in pressing their cause, between large and small corporations (p. 50).

Mr. Quinn's own rapid rise in the General Electric Co. belies these statements. He completely refutes them by his own writings. In, Liberty, Employment and No More Wars, he said:

And now a word about personal opportunity. Enterprise is not necessarily stifled within big business; the contrary is true. Any man of genuine ability has a better chance in a big business than a small one; he's needed more. Many mistakes are made. Incompetents and misfits are everywhere, usually because they are mere personal favorites, but that fact isn't the final answer (p. 120).

Our large corporations have worked out better than Government, practical ways and means of getting men to work together in a common cause. Indeed, they have done such a good job of it that human adjustments, an equilibrium of desires and loyalties beyond anything attained by Government have been achieved by private industry (p. 83).

It may seem superficially that the day of industrial and commercial corporate activity for deliberate social purposes as well as for profits and dividends is far distant. But upon analysis it will be seen that we have already come much closer to this end than we think. Most of business, particularly big business, was being conducted very largely in the public interest before the war. In wartime, strangely enough, corporate activity with but a few unfortunate exceptions is exemplary. Products are of good quality and must be reliable; investors are practically guaranteed certain minimum dividends on war contracts; the necessary war materials are being made to the best advantage in measured quantities at conveniently located places by qualified, well-paid people. And what is of the greatest social significance, every worker everywhere knows what he is doing, his work is appreciated, and he has the almost inestimable inner satisfaction of being an active partner in a worthy cause, a conscious part of a great purpose, the success of which is also dependent upon him (pp. 141–142).

Contrast these statements with his testimony before the joint committee:

The giant collectives certainly do not encourage private initiative or price competition. Neither do they curb monopolistic tendencies nor promote greater opportunity. On the contrary, concentrated economic power imitates the dictators, crushes individualism, makes mere numbers out of people, and threatens our democratic institutions (hearings, p. 518).

Mr. Quinn professes great concern at the fate of the individual in the large corporation. Yet, I wonder how real this concern is in view of this statement from Liberty, Employment and No More Wars:

Populations, not individuals, make history, and the character of population depends upon climate, soil and food supply. The most cursory review of the people of the world, their conduct and progress, should be convincing. All power is in the current of human thought and ambition. The history of the world is the history of industry, arts, and commerce. Wars and revolutions, conquests and defeat, are merely the outward appearances, the signs or marks of the true history of the human race (pp. 60–61).

Mr. Quinn deprecates industrial research by large corporations. In fact, in Giant Business: Threat to Democracy, he said:

I know of no original product invention, not even electric shavers or heating pads, made by any of the giant laboratories or corporations, with the possible exception of the household garbage grinder, developed not by the research laboratory but by the engineering department of General Electric. But the basic idea of this machine came from a smaller concern producing commercial grinders. It was hardly an original invention (p. 117).

Yet, in this same volume he said:

I need not dwell upon the remarkable material achievements of the free-market capitalistic system. Every popular publication in the land extols them to the skies in the zealous promotion of the products of our machines. And they are all quite real. Production has increased to astronomic proportions and the welfare of our people has made remarkable gains. The real wages of the masses, measured in terms of what workhours will buy, have more than quadrupled in the past century (p. 288).

And in Liberty, Employment, and No More Wars he said:

As for the kind of work that discovers new opportunities and new industries, it is best done today by great research laboratories by big business. The chances of a small operator or an individual creating something to start a great, new industry are increasingly remote in our highly organized, complex society. But if it is felt that the lone individual is handicapped by being obliged to take his invention or creation to a big company (and this is often the fact; the real inventors are seldom adequately rewarded), then let him take it to a department of an economic senate. We don't have to change the whole economic system. Self-regulating, intelligent business will find its way if only it is not artificially and unnecessarily restricted by foolish laws and bureaucratic rules made and upheld to preserve outworn competitions (p. 120).

Mr. Quinn in Giant Business: Threat to Democracy, implies that contracts by big business are only obtained through favoritism. He said:

Like so many other small businesses, the little agency has to break the crust of its competitive situation with some concession, bestowal of favor, or brilliancy before it can get into the big leagues and belong. J. Walter Thompson, the biggest of the agencies, through a connection which I never understood, invariably had the accounts of the J. P. Morgan-financed companies (p. 164).

Yet, in the same book he refutes this statement with the following advice offered to those who hope to secure the patronage of big business:

If you have basic raw materials for sale, you had better go direct to the general purchasing agent, to whom you may ultimately be referred by any branch if the amount involved is large. If you can get a letter of commendation, recommendation, or introduction from an officer of the company, it may be helpful, providing there is nothing in it which indicates that the purchasing agent is asked to give you more than a hearing; they are often quite jealous of their prerogatives (p. 206).

Mr. Quinn, in Giant Business, casts a serious reflection on our defense program and indirectly on the Congress of the United States. He said:

It is the American public who will be called upon to protect the farflung properties of the giant corporations. We are building a $100 billion war machine. What a miracle it will be if we can avoid future wars with this combination of conditions. Much as we detest the imperialism of Joe Stalin, we can at least say that it is not our making. Our own force and power, which should give us no less profound concern, is of our making. How shall we answer for it to our Maker when it breaks loose upon the world?

This means another runaround in a power-mad world. We seem to have learned nothing from the old, dead democracies or from the imperialisms of the past, which have always led to devastating war (p. 292).

In Liberty, Employment, and No More Wars he took a different position. He said:

I have a friend who edits a little weekly paper. He had gone completely loco on the subject of the division of wealth. He hated Morgans, Mellons, Rockefellers, Du Ponts, and most all the rich—and he was blind to everything else. This war was just another capitalistic scheme to make money, so far as he was concerned. History, the rights of man, our democracy, American liberties, and all the cherished freedom which it took thousands of years to win, all meant little to him. He saw only a capitalistic class struggle, and there were thousands like him. The British in particular were said to be the arch conspirators with wholly selfish purposes (pp. 34–35).

The Congress, in deciding to oppose godless communism, has not appropriated billions of dollars to defend the farflung properties of the giant corporations. We all know that our force and power will only be used to protect our liberties.

Mr. Quinn, in Liberty, Employment, and No More Wars, proposed trying Members of Congress, whom he branded as isolationists, as war criminals. He said:

To find Members of our Senate still talking and acting as though they propose to revert to their old selfish, blind isolationism (sometimes misleadingly called noninterventionalism) and face the prospect of still another war is almost despairing. One wonders what possible explanation they have in mind to make to the loved ones and mothers of sons who will never come back from this war. Could there be any crime greater than the one which these politicians under the cloak of Americanism appear ready to repeat? Is it not time while we are thinking in terms of prosecuting the leaders in Germany, Italy, and Japan for their brutality, to plan proceedings against Members of our own Congress for their blind, selfish, stupidity? (p. 203).

In Giant Business, Mr. Quinn endorses a proposal to require large corporations to secure Federal charters. He said:

Those which remain too big must be taken in hand and forced to operate under Federal charters (p. 312).

Yet in Liberty, Employment, and No More Wars, Mr. Quinn attacked this proposal, which had been included in the Report of the Temporary National Economic Committee. Mr. Quinn said:

Senator O'MAHONEY, chairman of the committe, was strongly in favor of reviving free enterprise, free from interference by corpo-

rate monopoly as well as Government officials. But what an idle dream that is in this new era of great organization and collective enterprise. Federal incorporation of national corporations, as a remedy, has as much chance against the revolutionary economic trends of the past 50 years and more, as a lone soldier had against the German hordes (pp. 107–108).

In I Quit Monster Business, Mr. Quinn included inefficiency in his indictment of the evils of big business. In Labor, Employment, and No More Wars, he said:

So far as I can find in the voluminous reports, it occurred to no one that there must be some basic reason of efficiency why large concerns could continue to grow, earn greater profits, and require no Government help. Comparisons were made of production costs only. Actually, the greater advantages of large companies will be found in the selling costs, and selling costs are equal to or greater than production costs in most of our consumer goods lines. Also, the American public will wisely pay more for branded, quality goods and for the assurance that goes with reliable manufacturers.

The investigators could have turned on the radio or read the advertisements in magazines and newspapers in which millions of dollars are invested every year. All of them testify to the immense advantage of product and company recognition nationally, which in the case of a new and small company is practically unattainable today. Mass production and mass distribution are a part of our new economic world. We cannot go back to small business and little operations in this new day (pp. 110–111).

The basic fact is that taken as a whole, big business is most efficient. It can employ better people, or at least pay more and therefore have a better chance of getting them. Even in certain lines where big business has no great production cost advantages, or none at all, it almost always has reputation, prestige, and sales cost advantages. It is more difficult and expensive to sell unknown brands, and when a company or a brand becomes well and favorably known it doesn't remain small. These are facts, not theory. I know it from experience. Small producers know it, so do large producers. When they reach harmonious price understandings by intelligent realization or agreement, within or without the law, allowances are frequently made and invariably requested which recognize that the small producer cannot get as much money for his product, regardless of quality. The presumption is against him. People just will buy the known, reliable thing when they can afford it. You do it, so do I. We do not always know or have the time or ability to inquire, so we put our trust in names and reputations. Think for a moment of watches and admit that you buy a name; of shoes, hats, automobiles, refrigerators, radios, cigarettes, toothpaste, building material, etc., etc., etc. The field includes just about everything, even milk and dairy products, under new and widely advertised names. These are consumer goods. In the case of durable goods, we have a similar situation. Reliability and dependence upon reputation and performance make any gamble on the product of a little or unknown fellow unthinkable (pp. 114–115).

Increasing efficiency by a broad or narrow definition is at least one element in progress. We must recognize what the scientific method has proved, that large industry is efficient, and not try, for purely political reasons, to restore an era that has passed by destroying today's assets (p. 103).

The following colloquy between Congressman KELLEY and Mr. Quinn, taken from the hearings of the joint committee, is of interest:

Representative KELLEY. Mr. Chairman, I would like to direct a question to Mr. Quinn. These monopolistic practices you set forth here, do they or do they not militate against the intent and the purposes of the Congress as set forth in the Full Employment Act; namely, that the objective should be the maximum employment, maximum production, and maximum purchasing power?

Do you think those practices militate against the carrying out of the purposes and intent?

Mr. QUINN. Yes, I do (hearings, p. 536).

Yet, in Liberty, Employment, and No More Wars, Mr. Quinn said:

Arthur T. Hadley contends, in his Economics: An Account of the Relations Between Private Property and Public Welfare, that the increase in the size of industrial and commercial units has actually increased the ratio of wage payments to interest and dividends. In proportion to wages, profits were larger in the days of small factories and, of course, very much less was paid in taxes. The 1941 prewar taxes of many of our large corporations were equal to or greater than the total amounts paid out in interest and dividends to stockholders. This ability to pay higher taxes, higher salaries and wages, and sometimes also higher dividends is due to greater efficiency and larger sales volume. And the increased volume is largely the result of lower prices. This need of lower prices to increase sales is an automatic incentive which largely replaces the need for the old-time destructive price competition between producers and sellers of the same kinds of products. Today the larger competition is not so much between the manufacturers of automobiles, of refrigerators or radios, of furniture, of houses, as it is between these various types of products for the consumer's dollar (pp. 92–93).

Mr. Quinn completed his testimony with this statement:

One of the most dangerous of these rationalizations, expressed at the hearing, regards the trend toward giant private concentrates as natural and therefore inevitable. It follows, unconsciously perhaps, the manner and logic of Karl Marx's dialetic reasoning. What he predicted would undoubtedly have come true and capitalism would indeed have failed, except for the changes, improvements, and innovations we have wisely adopted. The doctrine of inevitability is fatalistic and fallacious. Why all of our efforts, our world building, our defense program, our hopes and aspirations if there is an unavoidable which is going to happen anyway? Every single act, every move we make denies its validity. "You can't do nuthin about it," is a complete and cowardly surrender (hearings, p. 521).

Yet, in Labor Employment, and No More Wars, Mr. Quinn once again took exactly the opposite point of view. He said:

Corporate concentration by itself is generally efficient in our modern world and under necessary regulation, in the public interest, may be highly beneficial as we have seen, particularly if it recognizes increasing social responsibilities. I am quite aware of the contrary contention that concentrated, corporate capitalism is not necessarily natural and that the tendency to this opinion is based upon a false premise that has led away from the liberal toward the authoritarian conception of society. It is true that our progress heretofore has been in almost direct proportion to our freedom from bondage and authority. But this refers primarily to political progress and avoids the basic distinction of whether the authority is one we help to establish by election or approval or whether it is forced upon us without reason, justication, or moral right. They are generalizations. One factory in a single locality could make all the electric refrigerators this country needs, do it at less cost, and be socially efficient providing its employees, owners, and managers had a relationship to the work, and standing and associations in their daily lives which gave meaning and purpose to their existence and enterprise (p. 149).

Mr. Quinn then would have apparently carried concentration to the point of one producer for the entire country.

In 1943 he also said:

Monopoly was seen to be an evil and as an antidote the antitrust laws were passed to enshrine the old competitive order and fix it on the future, regardless of growth, progress or evolution. Then natural law proceeded to make cynical jokes of our man-made antitrust laws. Within the past 40 years there has been a veritable slaughter of small-independent-business men. Corporations and combinations of them have grown by leaps and bounds, until the independent is the exception and the huge organization is the rule. Officially we have not yet recognized the immutability of the natural law. Instead, we continue to fight it, superficially and hopelessly, of course; but the fight is kept up at tremendous and useless, legal expense. I hasten to say that it is not all wasted. Some combinations and artificial price boosting agreements and practices are clearly antisocial, as mere forms of commercial larceny. But the overall trend toward big business within limits which have not yet been set, and a constantly higher and further division of labor means lower factory costs and is inevitable in the progress of civilization. The fact that we have badly handled the accompanying social developments does not change, one whit, the inevitable trend (pp. 85–86).

When we speak of the United States, its resources, abilities, and accomplishments, then Ford, General Electric, General Motors, American Telephone & Telegraph, United States Steel, du Pont, etc., are sources of American pride and strength as much as our great battleships, the George Washington and Golden Gate Bridges, the Smithsonian Institution, or the Merrit Parkway. They are a part of this great country. Where would we be in this war without them?

Our Sherman Antitrust Act and the Clayton law were belated attempts to enforce the old competition. Both Federal laws were based upon the assumption that competition was still the beneficent force that it was in the early days of industrial development. Their authors saw competition vanishing before cooperation and consolidation and attempted by legal enactment to resurrect and revitalize it. They sought to break up trusts and combinations by law, as if legal enactments could change natural, economic laws. By prosecution and persecution industries may, indeed, be destroyed, the whole Nation may be plunged into disaster, but the old rugged individualism and unrestricted competition cannot be restored in this new age (pp. 83–84).

Mr. Quinn's statements completely discredit his testimony before the joint committee.

May I repeat the chronology. He left big business in 1936, praised it in 1943, then in 1948 remembered that 8 years before he had left it because of its sins of commission and omission.

League of United Latin-American Citizens

EXTENSION OF REMARKS
OF
HON. DENNIS CHAVEZ
OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Thursday, June 16, 1955

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered on June 11 at the national convention of the League of United Latin-American Citizens, held in Galveston, Tex.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. DENNIS CHAVEZ, UNITED STATES SENATE, DEMOCRAT, NEW MEXICO, AT THE NATIONAL CONVENTION OF THE LEAGUE OF LATIN AMERICAN CITIZENS AT GALVESTON, TEX., JUNE 11, 1955

It is indeed a real and sincere pleasure to address the convention of the League of United Latin American Citizens and to meet with friends whom in the course of my public and personal and private life, I have had the opportunity to know and to come to love. With all the sincerity at my command I tell you that I am happy to have been invited to be with you and address you this evening.

The League of United Latin American Citizens, as you all know, was founded on the basic premise that through united efforts and understanding, we people of Latin American descent would and could afford our fellow Latin Americans in the United States the kind of leadership which can lead the way to a more wholesome life, not only for ourselves, but beneficial to the body economic and politic of the entire United States.

By wholesome life, I mean assuring all the benefits that rightfully accrue to every community in this country of ours, which reach all the component parts of these communities and not only a select few.

The LULAC organization has demonstrated that it does indeed offer the opportunity to exercise that kind of leadership. It is a nonpartisan organization with wideawake members who have the interests of the citizens at heart and who constantly have worked toward the well-being of this sector of our population.

I wish to congratulate the leadership of the LULAC organization. Since its foundation, I believe I have known the majority of them and they have given their time and their money and their efforts and their hearts to improve and advance the welfare of their fellow Latin American citizens. I congratulate them, and I for my part, thank them for the many great accomplishments which they have achieved.

We have been hearing a lot about the "wild frontier" and of a mythical character who has been transferred from a man—a historical figure—to a more or less fabulous Robin Hood of the West. You will hear more of the wild frontier but this is the last that I will mention Davy Crockett.

I am glad to address your convention in the city of Galveston, because it was not too long ago that all the country that stretches from what is now New Orleans to Texas, Coahuila, Chihuahua, Sonora, New Mexico, Arizona, Colorado, and California was a real frontier, and believe me, it was wild. But here in the city of Galveston, named after Bernardo de Galvez, probably the greatest figure in 18th century Spain, who as a youth and a real hero of the wild frontier roamed these parts for 12 years. The city of Galveston was founded by a small group of Americans who had been disturbed by the turbulence of the American Revolution and during the governorship of this same Bernardo de Galvez. They named the city after him because of the many kindnesses which he extended them. They went even further—they asked him in a petition if he would give Spanish names to their homes so that they could in that way express the appreciation they felt for his help.

Bernardo de Galvez was a fabulous man. No disk jockey can make him famous. He established his fame by deeds which will ever be remembered. He came as a youth and fought in the wild frontier that I mention to you as second in command of the interior provinces which comprise this wild frontier. He led numerous expeditions against the Apaches and the Comanches and he was wounded—as a matter of fact at one time received many arrow wounds at the hands of the Indians at what is now Pecos, N. Mex. Later he became Governor of Louisiana, as I mentioned before. During that time and although the American history books fail to mention it, when Spain declared war on England, he aided the American colonies in their fight for freedom. He led successful expeditions and captured not only Mobile and Pensacola, but went across to the Bahamas and the lower Mississippi and captured them. Following this, he was appointed Governer General of Cuba and he continued as Governor of Louisiana and the Floridas. On the death of his father, Matias de Galvez, who at that time was Viceroy of New Spain, or Mexico, Bernardo de Galvez, was appointed Viceroy and continued in command and administration of the governorship of Cuba, of Louisiana. He was a great administrator and his treatment of the Indians though firm was benevolent at the same time.

At the age of about 42 years his health, having been weakened by the arduous campaigns, he died—but he left his name forever and it is a pleasure to speak in a city of this size and in this site which has been named after a real hero of the wild frontier.

Now, there still remains a frontier and in exactly the same places which I mentioned. We have in this region in the Southwest some 3 million persons of Spanish and Mexican descent and it still remains a frontier because of the condition of the people; unfortunately it is not a thing of which we can be proud. It is a frontier of poverty but not of despair, but there is much to be done. In this frontier it is a very well known fact that a very large part of our fellow citizens finds itself in dire circumstances. In many instances this is due to the lack of language orientation, as to their rights as members of the community, and, more often than not, to a lack of counsel and advice regarding opportunities for advancement such as jobs, education, public relations, and civic duties.

This is a sphere in which it seems to me organizations such as the LULACS are necessary. For this reason, the subject of my discourse is the role that the wild frontier and the people who now occupy it can play not only in the domestic field but also in the international, and the necessity and the importance that organizations such as yours, the American GI Forum, and others be perfected.

I come here not to talk at you or down to you, but to visit with you and exchange a few ideas in the hope that some of the knowledge and experience which I have acquired over many years of public life, and some of the knowledge I have obtained from personally experiencing as a child and as a young man, and witnessing all my life the ills and unfortunate circumstances that beset our people, that these may be of some use and perhaps assist you in the task you have before you—the continuing task of providing the leadership which our people so badly need and which can be of so much benefit to them, to you and to this great country which we love.

We know that in the wild frontier poverty, disease, economic injustice—these are the very food which feed and nourish the cancerous growth of communism. Communism is a problem to all of us, but the first problem which we have here is first to see that people are well fed, well clothed, well housed, and then I can assure you that the next step will inevitably follow—that the economic and the political and social position which we desire and which we must insist on will be brought about.

I am sure that the first generation of say, Italians, who came to this country worked hard, they lived in unfit places, they probably lacked for clothes—I am sure they spent their last nickel, however, to help educate their children and now those childred have become lawyers, doctors, and professional people, and they in turn have obtained for themselves political importance so now they need not ask anyone to defend their rights. As a result they are contributing not only to increasing the national product of the United States and have become good citizens, but are assisting the United States in the foreign field, in the international field—not that they have become less Americans but that they have become greater Americans.

I am sure that all of us are grateful that the Italian-Americans organized together and sent money and wrote letters to their families in Italy asking them to vote against the Communist Party candidates in the recent elections. We can thank them that Italy has not gone communistic.

The problem is then, twofold. The first is to defend our political and economic and social rights to the best of our ability as the circumstances at the present time permit and at the same time do our best, through education and through political maneuvering, if necessary, through the weight of numbers, to see that poverty and slums and disease is eradicated from this wild frontier.

This can be done and it has been done to a large extent in some of our cities, but there is much left to be done. This neglected segment of our population must be made sound and wholesome and this only can be accomplished, in my opinion, by organizations which will have proper leadership and will keep the interest of this group at all times.

We have in this wild frontier many Senators and many Congressmen, but in all this frontier only in New Mexico do you find a Congressman by the name of FERNANDEZ—only in New Mexico do you find a Senator by the name of CHAVEZ. But there is no reason why in this marvelous country of ours where we have the right to vote, where we have the right to express our opinions as we wish, why this wild frontier cannot have a Congressman from the El Paso district by the name of Garcia, nor why from the district in which Laredo, Tex., is located there cannot be a Congressman by the name of Terrazas. The congressional district which is now occupied by Congressman JAMES ROOSEVELT is 70 percent Spanish-speaking. There is no reason why a man by the name of Martinez cannot represent that district as well as a man by the name of ROOSEVELT, particularly, and only if he is qualified and has the interest of our people at heart, and the people vote for him.

There are many fine Congressmen and Senators who are very close personal friends of mine and with whom I must live in order to get along with in order to properly represent my State because we have many similar problems and they occupy important committees, but what I am saying is this—that when we have good persons who are qualified and know our problems, then we should have the opportunity to elect them to public office if we wish.

Any Congressman, Senator, or Governor who does not respect the rights of these neglected citizens, then it should be firmly brought to his attention and they should be informed that the next time they come up for election they will not have the support of this sector of the population.

Let me tell you what took place one day not so long ago in New York. The Negroes there were not permitted to have jobs with the New York Telephone Co. They sent committees to see the officials. They were not received. They sent them letters. They were not answered. Finally, they sent them a letter and told them that on a certain day they would have a committee waiting to hear from the telephone company officials if they deemed it convenient, and on that day every Negro who owned a telephone in New York started dialing numbers at random. It so jammed the telephone exchanges that within 2 hours an official of the telephone company went to see the committee and invited them to come over to their offices and discuss the problem. All they wanted was for the telephone company to remove this ban of Negro employees so that competent Negro girls who could speak English and enunciate properly, could at least be employed as telephone operators.

Believe me, it just took 2 hours of the combined efforts of the Negroes in New York to bring the mighty American Telephone & Telegraph Co. to their knees.

That is what I say can be accomplished here and that is the kind of leadership the LULACS should provide. They should organize the people and lead them and guide them and counsel them and defend their rights. Eliminate the poverty I speak of, the slums and the disease—all this can be done with the help of organizations such as yours.

We must not overlook the international features of this wild frontier. Do not forget that we, after all, represent an outpost of the Spanish world, or maybe I should put that another way; that Mexico, Central America, and Latin America are merely an extension of our wild frontier. Think of what this means in the international field. We know that Communist Russia is exploiting the poverty and perhaps the discrimination of various unfortunate parts of our population—and don't believe for a minute that we have a monopoly of this unfortunate situation. Don't forget that the poor white people in the South are just as bad off as many of our people right here. And don't forget that at the same time the poor Negroes in various parts of our country are also suffering equal hardships, and don't forget that many descendants of many races are suffering intolerable conditions in the slums of New York, Baltimore, Chicago, Atlanta, and even here in Texas.

We do not have a monopoly on these conditions and it is these conditions which the Communists are exploiting for propaganda purposes in other parts of the world.

They are using these weapons, these tools, and they are beating us at the game. We talk democracy—they talk poverty. We talk about freedom—they talk about the mistreatment of GI's of Latin and other minorities, the discrimination in schools and the reluctance of many communities to accept integration.

In this connection it is a well-known fact throughout the 20 Latin American Republics that the inhabitants of these countries have always looked in respect to governmental policies of the United States, whether it be at the local, State, or national level, in the sense of the treatment accorded their fellow Latins living within the boundaries of the United States.

The Communist ideology has been exploiting any indiscretions on the part of that policy that would adversely affect the well-being of this numerous group in the United States. The consequences of such exploitation in the minds of 150 million Latin American neighbors we can all well understand.

It seems to me, therefore, that a positive aggressive program designed to demonstrate to our neighbors to the south that the efforts of such organizations such as the League of the United Latin American Citizens toward a better understanding and solution of problems would probably be a more useful approach in international relations than the usual diplomatic representations.

It is within this context that I personally feel that the usefulness of the LULACS can best be shown for our ideals, hopes, and aspirations for a better world.

The Jaycees Meet Again

EXTENSION OF REMARKS
OF
HON. ORVIN B. FJARE
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1955

Mr. FJARE. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to pay tribute to the United States Jaycees. Next week approximately 10,000 young men between the ages of 21 and 36 years will gather in Atlanta, Ga. They will be delegates to the 35th annual convention of the United States Junior Chamber of Commerce.

I believe it is fitting at this time to briefly review the record of this organization during the past year and pay tribute to 250,000 young men, in over 2,800 chapters, in this country who believe that service to humanity is the best work of life.

The United States Junior Chamber of Commerce in the past has received many eulogies from Members of this body and on the floor of our colleagues in the Senate. Therefore, it is not necessary to review the makeup and purposes of Jaycees.

I do believe, however, that the accomplishments of this young man's organization during the past 12 months will be of interest to you and will impress you as it has me.

During this past year new chapters of junior chamber have been established in over 400 communities, embracing over 15,000 new members.

This year Jaycees have conducted an intensive youth-welfare program in which each chapter in the 40 States was asked to conduct at least 5 projects involving teen-agers or children of lesser age. Although final figures are not available, it is estimated that this program alone has reached almost 5 million young people; 5 million young people learning a great lesson in democracy.

This has been a great individual effort on the part of this young man's organization and has undoubtedly made an outstanding contribution to the American way of life.

One of the projects undertaken by the United States Junior Chamber of Commerce in cooperation with Junior Chamber International has been Operation Brotherhood. Recognizing the importance of Vietnam to the future of the free world, Jaycees worldwide have undertaken an all-out effort to assist the free peoples of Indochina. While Jaycees from all parts of the world have contributed to this effort, a major share of the assistance has come from the United States members.

To date the United States Jaycees have collected over $150,000 in cash contributions and enough needed clothing, medicine, tools and farm equipment to fill a large cargo vessel. This vessel, now in port on the west coast, is being loaded and will sail with its cargo of friendship within a few days.

The project is being recognized by free world leaders everywhere as being one of the most important contributions to the cause of freedom in recent years. This, a Jaycee effort, because Jaycees believe that "the brotherhood of man transcends the sovereignty of nations."

There are many other outstanding achievements attained by members of the United States Junior Chamber of Commerce during the past year. All of these activities have contributed immeasurably to the betterment of our communities, State, and Nation. In addition, the organization is affording leadership opportunities to the thousands of young men who make up its membership.

The slogan of the recent international convention held in Mexico City was "Young men can change the world." The Junior Chamber of Commerce has contributed much to a change for the better in the past 12 months.

I would like to conclude with the Jaycees creed which embodies for Jaycees a way of life:

JAYCEE CREED

That faith in God gives meaning and purpose to human life. That the brotherhood of man transcends the sovereignty of nations. That economic justice can best be won by freemen through free enterprise. That the government should be of laws rather than of men. That earth's great treasure lies in human personality and that service to humanity is the best work of life.

I offer my heartiest congratulations to the members of the United States Junior Chamber of Commerce on their achievements and accomplishments and for their contribution toward making this a better country in which to live. I know my colleagues will join me in this expression.

Are You Cooking With Gas?

EXTENSION OF REMARKS
OF
HON. EDMUND P. RADWAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1955

Mr. RADWAN. Mr. Speaker, in the case of most of us in the Buffalo area, the answer to the question contained in the above title is a loud "yes." It is only natural that we should be large consumers of gas in Buffalo. We have a long heating season and we appreciate the cleanliness and convenience of gas

heating. This, coupled with its efficiency as a cooking fuel, and rates that compare favorably with any in the country, make our city a big and appreciate user of gas. In fact, our only trouble in recent years has been getting all we can use, as many Buffalonians switched to gas over competing fuels. Industrial as well as residential consumers have invested millions in equipment that uses gas, and only gas.

This whole picture is threatened by bills now pending in both Houses of Congress. If the price of gas were to soar, we would be in a bad way. Gas is a monopoly, and you cannot very well switch to something else. But the bills now being considered would end existing price regulation at the point of production—the gas wells. At the present time, the price of gas is supervised and regulated from producer to consumer. The local gas company is regulated and its rates approved by the New York State Public Service Commission. The price of transporting the gas from the wells to our city is subject to Federal regulation, and so is the price of the gas at the wells, thanks to a decision of the United States Supreme Court. The bills in Congress, supported by the oil and gas producers, and aided by a $1,500,000 educational fund, seek to nullify that Supreme Court decision by removing regulation of the price of the gas charged by the producer. It is reminiscent of the tidelands oil bill which upset a Supreme Court decision that these valuable lands belonged to the entire Nation, and which turned them over to a few Southern and Western States. Just as I fought that tidelands "grab" as detrimental to all of the people of my district, so do I intend to fight this latest attempt to upset a Supreme Court decision at the expense of us who are the principal users of natural gas.

The local gas companies which distribute the gas to our homes could very well suffer substantial injury from the removal of price regulation at the well. That is because the rates which they are permitted to charge us are fixed by the State Public Service Commission, and if they must abruptly pay more for the gas which they sell, they could be caught in a disastrous squeeze while over a period of months or longer, they sought permission from the State to pass this increase on to the consumer. It is not a pretty picture.

When our industrial economy and the very usefulness of our homes depends on the natural gas which flows through the pipelines directly into those homes from the well, then we are completely at the mercy of everyone along the line who has anything to do with that gas—producer, transmitter, and distributor. To decree that one of them is to fix his charge without regulation is to destroy the chain.

The decision to be made in Congress is primarily the settlement of a political and economic conflict between regions. Should the rights and interests of 88 million people be disregarded at the request of several thousand so-called independent gas producers in Texas and Oklahoma because the good Lord put this valuable commodity in their earth and forgot to put it in ours. They are certainly entitled to the fair and reasonable profit they receive for their risk in taking it out of the earth, but we live in the same Nation, and we feel entitled to participate in the resources of another part of our Nation at a reasonable cost, because the Texans and Oklahomans did not put that gas into the earth.

In short, I am in perfect agreement with the distinguished, trained, judicial minds of the United States Supreme Court. The bills now before Congress which would upset their decision should be defeated in the public interest.

Rural Electric Cooperatives

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1955

Mr. BERRY. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a copy of a letter from the Honorable Ancher Nelsen, REA Administrator, to Mr. Robert E. Estabrook, editor of the Washington Post and Times Herald of Washington, D. C.:

MAY 23, 1955.

Mr. ROBERT E. ESTABROOK,
Editorial Page Editor, the Washington Post and Times Herald, Washington, D. C.

DEAR MR. ESTABROOK: On your editorial page Saturday morning you quoted a statement implying that REA under this administration has so reduced services to the rural electric cooperatives as "to threaten the very life of REA."

This criticism, with which, I am convinced, the rank and file of co-op managers and directors do not agree, ignores the tremendous advances that REA electric borrowers have made in the last 20 years. These cooperative businesses which started from scratch have grown up into strong, mature, well-run, sound rural utilities. REA gave them help to get them started and that, in my opinion, was an entirely proper function for the Government agency. But today these thriving locally controlled organizations would be insulted to have a Government agent come out to tell them what they should or should not do. Moreover, it would be poor public policy and an unnecessary waste of public funds.

There are, of course, some borrowers out of the 1,000 that are not in as good shape as the rest. It is our policy to help these in every reasonable way. We concentrate our personnel on matters concerning them. It is our objective to help them become strong and self-reliant with the others. The advances the REA borrowers have made enable us to operate on this selective type of operation—helping those who need help and leaving alone those who are progressing nicely.

The rural electric cooperatives today are businesses with an average investment each of more than $2,500,000. Their repayment record to REA is fantastically good. As of today, only 13 of them are behind in their repayments more than 30 days.

Does that kind of a healthy business need to have the Government supply free audits each year?

Does a business handling operations of that size need to have the Government provide free engineering services?

Does a business that has succeeded in growing to that size need the help of the Government to fill out its applications for new financing that may be needed?

Does a business that has shown all the vigor of these co-ops need the Government to hold its hand in one and a hundred problems that may come up?

As a farmer myself who lived without electricity before REA came along and who helped organize our own rural electric cooperative, I can say with some conviction that I believe farmers resent people suggesting that they are so incompetent that they need bureaucrats out of Washington to do things for them.

As Administrator of REA I am as firm in my belief that REA would not be doing the co-ops a favor at all to take over functions that co-ops can do and should do for themselves.

Every time the Administrator of REA makes a loan he must, under the law, certify "that, in his judgment, the security therefor is reasonably adequate and such loan will be repaid within the time agreed." It seems to me an Administrator can make this certification only if he has strong confidence in the ability and determination of the local boards of directors and managers to run their businesses successfully.

Sincerely yours,

ANCHER NELSEN,
Administrator.

Administration Removes Welcome Mat From Door of TVA—Does Such Inhospitable Actions Strengthen Our Foreign Relations?

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1955

Mr. EVINS. Mr. Speaker, since its inception and up to the time the present administration removed the welcome mat from the door, TVA has been one of the major points of interest sought out by visiting foreign dignitaries when making tours of our country.

The reason for this tremendous interest of visiting foreigners in the TVA is due to the fact that TVA is one of the most striking examples in the world today of an enlightened approach to national development. These visitors are desirous of learning from TVA ways and means and methods which they can take back to their homelands and put to good use in their own national development. That is why they have traditionally been so anxious to visit TVA—and, because this Nation traditionally has wanted to by the helpful Good Neighbor that is why our country has heretofore taken pride in showing the TVA to people of other countries.

It has been apparent for the past 2½ years that TVA has been removed from a list of places to visit and see in our country. Fewer and fewer foreign visitors have been given the priivlege of visiting TVA—this has been most apparent.

But it has remained for the new TVA chairman, General Vogel, to jerk the welcome mat from the door of the TVA. He has done this most effectively in recent testimony before the House Public Works Subcommittee of the Appropriations Committee. The inauguration of a new era of inhospitality to foreign visitors came about as General Vogel was being questioned relative to a modest request of $30,000 for the entertainment of foreign visitors at TVA.

Said General Vogel before the subcommittee: "We receive a great many visits from foreign visitors during the year and it puts quite a burden upon us to take care of these people."

Now, Mr. Speaker, General Vogel has been at his present job considerably less than a year and to my knowledge he is the first official of TVA who has expressed displeasure of showing foreign visitors around TVA. He is the first official to my knowledge to complain of the great burden of demonstrating national hospitality.

General Vogel's attitude would appear to be another candid statement of the administration's determination to do nothing to promote and advance TVA, but I would remind those in charge of hospitality at TVA that the TVA is still a point of interest for visiting dignitaries, and that the failure to give visitors a chance to see and study its operations does not detract in any degree from this agency—it merely emphasizes the shortsightedness of the administration toward a national and international asset.

In this connection, Mr. Speaker, I would like to have included in the RECORD a list of dignitaries and official visitors to the TVA in years past who have come to this country anxious to see this agency in operation and to gain inspiration for advancement in their own countries—who have demonstrated a hunger for national advancement and progress and a desire to obtain from us the blueprints for the realization of a better life.

The visitors from foreign lands to the TVA have included:

Queen Juliana and Prince Bernhard, of the Netherlands, in April 1952.

Ambassador and Mrs. Eban, of Israel, in May 1953.

Muhammed Khuda, Minister of Defense, Pakistan, in December 1952.

Admiral Renato Guillobel, Secretary of the Brazilian Navy, in September 1952.

Former Prime Minister Hans Hetoft, of Denmark, and Ambassador Henrik de Kauffmann, of Denmark, in July 1952.

Prime Minister Ben-Gurion, of Israel, in May 1951.

Prime Minister Joseph Pholien, of Belgium, in April 1951.

President Gabriel Gonzales Videla, of Chile, in April 1950.

Dr. Franz Bluecher, Vice Chancellor of West Germany, in February 1950.

Prime Minister Pundit Jawaharalal Nehru, of India, in October 1949.

President Enrico Gaspar Dutra, of Brazil, in May 1949.

Right Honorable Hector McNeil, British Minister of State, in April 1949.

The Khan of Kalat, ruler of Kalat, Pakistan, in April 1949.

Prince Charles, Regent of Belgium, in April 1948.

The Egyptian Minister of Public Works, in July 1947.

President Miguel Aleman, of Mexico, in May 1947.

Let us not permit the "No visitors" sign to be put up at TVA, but rather let us continue a policy of welcome to all.

Our Near Eastern Mutual Security Program

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1955

Mr. ROOSEVELT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a statement which I made on June 15, 1955, before the House Committee on Foreign Affairs. Because of the seriousness of our relations with the countries of the Near East, I hope that my colleagues will give this statement their serious consideration.

The statement follows:

STATEMENT BY CONGRESSMAN JAMES ROOSEVELT, 26TH DISTRICT, CALIFORNIA, BEFORE THE HOUSE COMMITTEE ON FOREIGN AFFAIRS, JUNE 15, 1955

Mr. Chairman and members of the committee, I wish to thank this committee for the opportunity to make some comments on the mutual security program with particular reference to its effect on current problems in the Near East.

I strongly support our program of economic development in the countries of the Near East. The way to promote peace, democratic procedures and democratic institutions is to lift living standards. I will not try to review what has been done in the Near East in recent years. This would be unnecessary here, for the members of this committee are themselves largely responsible for this program and are far more familiar with it than I am.

I would like, however, to express appreciation to you, Mr. Chairman, and the others of this committee for the highly constructive contribution that you have made to our foreign policy by these programs for the development and the strengthening of the economies of the countries of this region.

It is my understanding that these programs have been helpful to both Israel and to some of the Arab countries that wanted our help. I note, for example, that the development-assistance program in Israel has been going down. It was $73 million in fiscal year 1953, $53 million in fiscal year 1954, and $40 million in the current fiscal year. And, I am informed that in the new program, the amount will be even less. I assume that these cuts reflect progress and are based on the premise that Israel has been getting stronger. But I ask, Mr. Chairman, whether we are cutting this program down too rapidly. All of us are pleased that Israel has been able to reduce its imports and to expand its exports. We would like to see that steady progress towards economic independence continues and I hope that nothing will be done in the current program, either by the administration or by this committee to reduce the amount of our assistance to Israel and thus arrest the pace of that progress. It seems to me that it would be most wasteful if a drastic reduction in our aid program should slow down progress and thus prolong the period of Israel's dependence on outside assistance.

Mr. Chairman, I am deeply concerned about the military assistance program in the Near East. It is, I believe, a mistake to send arms to any of these countries in the Near East in advance of an Arab-Israel peace. I have been told that the supply of arms is limited to Iraq and it has been argued that Iraq does not have a common frontier with Israel. Mr. Stassen testified before the Senate Foreign Relations Committee that we are not giving arms either to Israel or to the states which border on Israel.

While this reassurance is welcome, I am still troubled. It is true that Iraq has no common frontier with Israel. But that did not prevent Iraq from sending its troops into Israel to try to prevent her establishment in 1948. Iraq has close and friendly relations with Jordan. There is nothing to prevent Iraq from sending troops and military equipment either through Jordan or Syria to be used against Israel. It is a well known fact that Iraq would like to enlarge its territory to include both Syria and Jordan. Moreover, the British have always sent arms to Jordan and are continuing to do so. I am not an alarmist and I don't suggest that Iraq is going to use our arms against Israel in a renewal of fighting tomorrow or next week. But no one can deny that Iraq maintains a state of war against Israel, that it is a leader in the Arab campaign against Israel and that, even though there may not be any fighting between Iraq and Israel at the moment, Iraq continually mobilizes its energies and the energies of its sister Arab States to intensify the boycott and blockade of Israel. She is so bitterly hostile to Israel that she has never to this day signed an armistice agreement with her. An example of Iraq's position occurred at the recent Bandung conference when the Iraqi spokesman denounced Israel in bitter terms and the Arab bloc, with the collaboration of Communist China's Chou En-lai, put through a resolution endorsing the Arab position in the Arab-Israel conflict. This maneuver succeeded after the Arab States arranged to have Israel excluded from the conference and thus denied her the opportunity to respond to the Arab attack.

The purpose of our arms shipments to the Arabs is stated in the tripartite declaration of May 25, 1950, between the United Kingdom, France, and the United States, and which presently guides our policy in the Near East. In this declaration, the three nations expressed their recognition that the Arab States and Israel all need to maintain a certain level of armed forces to insure their internal security and their self-defense and the defense of the area as a whole. Yet, we have refused Israel's request for United States military aid under the Mutual Security Act on the theory that she is in a position to purchase the arms she needs, even though President Eisenhower stated in his December 31, 1954, report on the mutual-security program that:

"Despite its growing achievements, Israel continues to face a troublesome financial situation. Its trade deficit of over $200 million and external debt of over $400 million make it most difficult for it to pay from its own resources for the essential commodities and capital items needed to sustain an adequate rate of development."

This we have done, despite continued hostilities between the Arab States and Israel; despite the fact that King Saud of Saudi Arabia has proclaimed Israel to be a "cancer on the body of the Arab world" which must be cut out. Similar statements have been made by other authoritative Arab leaders. This we have done despite the fact that in defiance of the United Nations, Egypt keeps the Suez Canal closed to shipping to and

from Israel; despite the fact that the Palestine war ended without either an accepted settlement or a genuine peace; and despite the fact that the Arab countries and Israel are still technically in a state of war with the Arab countries eager for a second round.

I stated that I favored economic aid to the Arab peoples—I do. Yet, I do wish to call this committee's attention to the fact that the Department of State held back the entire economic-aid program in Egypt so long as there was no agreement between Egypt and the British on the Suez Canal. Mr. Stassen so testified before the Senate committee during the hearings on this legislation. But immediately after the Anglo-Egyptian agreement was signed, we went forward with a very large program of economic aid to Egypt and we also offered Egypt military aid. It seems to me that we threw away a real opportunity to promote an Arab-Israel peace at that time. We might have insisted, as part of the Suez agreement, that Egypt call off its blockade of the Suez Canal—a blockade which affects all shipping to and from Israel, including American tankers. Last fall, after the Egyptians got what they wanted, both the Anglo-Egyptian agreement and a promise of some $40 million of economic aid, they still carried on the blockade of the Suez. They seized an Israeli ship. They still hold it. They have defied a U. N. Security Council resolution ordering them to call off this blockade.

Mr. Chairman, I do not propose here to try to go into an extended discussion of all the rights and wrongs of the Arab-Israel conflict. I don't think that anything is gained by trying to fix the blame on a day-to-day basis. But the central fact is that the Arab States are still at war with Israel. It is the Arabs who refuse to negotiate with Israel or recognize her existence. So long as that situation continues, I think it is a blunder to send military aid to any one of the Arab States. I am firmly convinced that our policy will neither strengthen our defenses in the area nor will it win us friends. On the contrary, I have felt that the program will weaken our defenses, because it will make peace more difficult to attain. Instead, it is a blow at peace, for we encourage the Arabs to believe that they can get what they want from us without making any concessions to a peaceful settlement. From such a policy they are bound to infer that we are indifferent to the conflict, and that our attitude toward Israel has cooled. It will certainly tend to weaken Israel, the one country in the Near East which is firmly alined with the West.

Our arms program in the Near East calls for the closest scrutiny. It seems evident that the current program will make little appreciable difference in strengthening the region against Communist aggression. If I thought that the shipment of arms to Iraq was vital for our defense, I would not appear here. I believe that the shipment of arms to one side, in advance of peace, keeps the Arab-Israel conflict going and postpones the attainment of peace, which is an indispensable prerequisite to effective defense in the region. There is danger that once the Arab States secure arms from us, they will not feel that any concessions to peace are required as a condition of their acceptance in the free world partnership. Past experience invests that principle with substance. Iraq's record indicates that she cannot be relied upon to play an effective part in any war on the side of the West. Iraq was the one country in the Middle East that went over to the side of the Nazis in 1941. As for the rest, they remained on the sidelines waiting to see who was going to win before they entered the war in 1945. Accordingly, I see little to be gained in pouring arms into this area. In fact, should the Arab States be encouraged to renew this conflict, this would play into the hands of the Soviet Union which would exploit any new outbreak of hostilities.

I believe that the giving of arms without requiring that there be some substantial progress toward a real and lasting peace between Israel and the Arab States as a condition of our support would be failing to utilize one of the few remaining instruments for peace at our disposal. I believe that we will experience what the British learned to their bitter disappointment—that the gift of assistance and weapons did not necessarily win them friendship.

The people living in Israel must be gravely concerned about our policy. We promoted the recent Turkish-Iraqi agreement. It is open to all countries recognized by the two countries, that is, anyone can join except Israel. While we have not joined, we are arming both the contracting parties. The British have joined and have also reached agreements with Egypt and Jordan. Israel is the only country in the area which has no defense agreement with anyone. It is ringed by hostile states and is completely isolated, for, in a crisis, it can count on support from no one.

I believe that we should be taking measures to meet this serious problem. We have insisted that our policy is one of impartiality. But it is not impartiality to give arms to Iraq and to deny them to Israel which requested them as far back as 1952. This is clear discrimination, which must lead inevitably to an arms race, imposing disastrous burdens on the people of these countries and crippling economic development.

I hope that the administration will take another look at our policy in the Near East. If we cannot discontinue our arms shipments to Iraq, then at least before we make any future shipments, I believe that we should find some kind of formula for including Israel in our defense system, perhaps by negotiation of defense treaties with Israel and those Arab States which may want to be alined with the West. These treaties should provide that any armed aggression in this area will result in immediate active United States military support to the invaded country. I believe that it is only when both sides understand that the United States will not tolerate any further aggression by either side, that the issues may be resolved and a peaceful settlement of the tensions now existing in the Near and Middle East may be made. This has become all the more urgent, in my view, because our ally, England, has already entered into formal treaties with a number of Arab countries—Iraq, Egypt, and Jordan—and has not entered into any corresponding arrangement with Israel.

Mr. Chairman, I shall vote for the mutual security program and I hope that this committee will report it out without substantial reductions. I also hope that the committee can find the proper amendments to assure the lessening of tensions in the Middle and Near East and the elimination of any future arms shipments to the countries of that area until permanent peace compacts have been negotiated.

Hon. Edna F. Kelly's Address at Her Daughter's College Commencement

EXTENSION OF REMARKS
OF
HON. LEONOR K. SULLIVAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 16, 1955

Mrs. SULLIVAN. Mr. Speaker, earlier this month, on June 1, our colleague, Representative EDNA F. KELLY, of New York, whom we all love and admire, had the happy experience of delivering the commencement address to a college graduating class which included her lovely daughter, Maura Patricia Kelly. The exercises took place at Marymount College, Tarrytown, N. Y., and were attended by Francis Cardinal Spellman, archbishop of New York, and other dignitaries.

Congresswoman KELLY, who is one of the outstanding members of the House Committee on Foreign Affairs—a conscientious, and I can attest, extremely hard working Member of the House—delivered an address on that occasion which I feel all of the Members will want to read. Deep spirituality, as well as a firm and realistic appraisal of international problems are found in this excellent commencement address and, under leave to extend my remarks, I commend it to the Members, as follows:

The gracious invitation extended to me on this happy occasion is one that I deeply appreciate. My acceptance is given with humble understanding of the honor accorded me, and with a deep sense of responsibility.

This responsibility is deepened, first, because of my long, personal association with the Religious of the Sacred Heart of Mary. No woman should ever admit this—but I shall take you into my confidence—and tell you that this association began very little less than a half century ago. My sisters and I were most fortunate to have our formal, religious training developed by the members of this community. Secondly, it is my great and good privilege to have a close bond of love in the Class of 1955, and also among your esteemed faculty.

I am well aware of the value of an education, particularly in these critical days, which is based upon the foresighted philosophy of education of the first American Superior General of the Religious of the Sacred Heart of Mary. As early as 1918, Mother M. Joseph Butler had in mind the establishment of international schools where girls from all countries could learn the meaning of true patriotism in an understanding of all peoples. This international aspect of education did not mean losing one's own nationality—nor diminishing love for one's own country. It meant, rather, bringing together the best in all countries.

The great spread of international movements is one of the striking phenomena of the present day. All over the world people are becoming conscious of belonging to a unified world. We believe that God speaks to mankind through the events of daily life. Today He speaks to us through the internationalization of worldwide problems.

These facts you know. You know also, from your present studies, the condition of affairs in the world—the struggle between the forces of good and evil. Ideological frontiers are set up that beggar nature's ancient barriers of sea and sky. Men in their pride boast of reaching out to encompass the mysteries that lie at the outer surface of the universe, while in their ignorance, they cannot exhaust the knowability of a single mote of dust. Veneration of things sacred is scoffed at. The very worship of God is denied him. The whole world of man, which should be the radiant shrine of the Almighty, is desecrated by hatred and impiety. I refer to this somber picture not to arouse fears but to present a challenge.

To the young ladies to whom I will now specifically address myself, I extend the congratulations which flood my mind and heart today. My felicitations pertain to your well-justified happiness and sense of accomplishment, to the joys of your dear families and friends in this splendid day of the culmina-

tion of your collegiate careers, a day which has its very eye fixed on what the future holds for you. May that future ever mirror and reflect the joy which is in your hearts today. This is so much your day, dear young members of the class of 1955, you are so much the objects of our love and concern that all of our ideas and sentiments have you and your well being for their motivation.

There is a very special challenge which confronts each of you as an individual today. I am not going to speak in a prophetic vein as one revealing a truth not known before. On the contrary, I hope, in these few passing moments, to be able to bring into focus a challenge which all mankind has had to meet. It is not a challenge to remake the universe or a challenge to produce, within the short span of one of our lives, a millennium of peace and order and good will and universal worship of God, such as we dream of as the kind of world we would like to live in, if only all men could be brought to see the light.

The challenge we have to meet, every one of us, lies not in a special call to adjust, within a few days or years, the woes that afflict us, or to correct the terrible errors of history, and, in effect, as it were, to banish evil from the face of the earth. The challenge for each and every one of us is rather to overweigh and to diminish evil in the world by our individual contribution to the quantum of good in the world. It is quite clear that when an act of positive good is being performed, there is a double effect, not only the creation of goodness measurable by God, but, since good and evil cannot exist in the same time and place, evil is, at least relatively, being diminished by the good act.

The goodness of your actions will be the criteria of your meeting this challenge. Whatever vocation you choose, this must be your objective, to take into the wide world in the market place as well as in the home, the ideals and standards of living so well implanted in you here in this great Catholic college for women.

As individuals, you will now be expected to stand on your own feet. Many fields of endeavor are open to you, which, I am sure, will be enriched by your presence. Outside of the relatively narrow sphere of your own special calling there is a crying need for all of us to serve our communities. The question "Who is my neighbor?" must be answered on a worldwide scale. Isolationism is a thing of the past, both in its political and in its social sense. No American has given more evidence of the great charity and neighborliness of his heart than His Eminence Francis Cardinal Spellman.

Be alert and energetic in seeking the truth in every situation. Express your ideals and principles. At the root of many of today's problems we find apathy on the part of those who believe in truth and justice. Their apathy is in direct contrast to the missionaries of evil who are tireless in their initiative and resourcefulness. These are the doers today.

You must be the doers. In your every field of endeavor there never will be a conflict between your high ideals and the basic ideals of Americanism. The work of the welfare of our country and the good of humanity is done in the name of God. The Declaration of Independence of the United States of America appeals to "The Supreme Judge of the World for the rectitude of our intentions." America needs the best in its schools, in its hospitals, in its courts, in government, in its business firms, and, above all, in its homes. Survival and restoration of American principles must be maintained on all levels—at the grassroots and at the summit.

Reflect on the valiant souls of our forefathers. They were not afraid to face a situation. They blazed a trail in the wilderness of a continent and founded these United States—the great natural law nation in history, where the dignity of the human is recognized in his civil, his social, and his spiritual rights. Cowards tamper with these rights and invoke the very substance of our justice to undermine these truths.

As you know, this is part of the worldwide revolution of the Communists. To be successful, they must destroy the United States of America. In order to counteract this movement our Government has accepted reluctantly the leadership of the free world. Writers of the current scene have made sweeping indictments of failure concerning the political leaders of the first half of the 20th century. The aims for universal peace among nations and universal brotherhood among individuals have not been achieved even at the terrible cost of three wars. That blood has been shed for an ideal which is at present out of reach does not mean that the direction is wrong. But it does place on each and every one of us the onus of repaying the debt of a hero's life.

Each one of you can be an ambassador of good will carrying forward those ideals of internationalism upon which this school was founded. The cumulative effect of your goodness can be the leaven which will bring peace into the world. In the vanguard of our country you will take your place to obtain peace through justice. You are instilled with the fundamental precept of peace so well said by the recently canonized Pius X, "Peace without God is an absurdity. Where God is not present there is no justice and without justice it is vain to hope for peace."

May the best and holiest thoughts of today flow through your lives, the tide of them bearing your beautifully educated minds, your informed intellects, your strengthened wills, your serene hearts, upward to the very throne of heaven—at the foot of which may we, all of us, be one day gathered, seeing and knowing and possessing God, our creator, in eternity. Whatever degree you may receive today, whatever degrees and titles you may win hereafter, may your final degree be "blessed of my Father," from the loving hands of the Teacher who expounded the law to the sages in the synagogue and who teaches us the greatest lesson of all—the lesson of His love.

In this spirit and for your commencement, I wish you from my innermost heart, "Happy beginnings, Eternally happy endings."

Address to Graduating Class of Baxter Seminary by Hon. Estes Kefauver, of Tennessee

EXTENSION OF REMARKS

OF

HON. ALBERT GORE

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Thursday, June 16, 1955

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by my colleague, the senior Senator from Tennessee [Mr. KEFAUVER], to the graduating class of Baxter Seminary, Baxter, Tenn., on Friday, May 27, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR ESTES KEFAUVER TO GRADUATING CLASS AT BAXTER SEMINARY, BAXTER, TENN., FRIDAY, MAY 27, 1955

I am happy to come here because I have such high admiration for the life and work of the president of this seminary, Harry Upperman. In the field of education and civic responsibility, he has met the test and contributed much.

I feel that we Americans today face three major problems. Broadly stated they are these:

1. To preserve the peace;
2. To preserve our constitutional liberties and our free way of life; and
3. To preserve our economic health and prosperity.

All three blend together and are really aspects of the same problem—the problem of preserving our free society. It is you young people who will ultimately decide how we face these problems. It is you and thousands like you who will decide whether we accept the role of world leadership or whether we step down and take the easy way out.

In the past other Americans have had to make similar decisions. In days gone by, their decisions affected only the United States, affected only our freedom, our way of life, our families, our friends. Today our decisions affect the entire world. Can the youth of America answer this challenge?

In some parts of the world, people say emphatically, "No." They will shout that American young people are hamstrung by an ancient tradition. They will call you capitalists and imperialists. They will say that we have a false idealism. Many people will listen to their arguments. And some people will believe them.

Those who believe could not have had much knowledge of the traditions that made this Nation great. My only fear is not that we are still following these traditions, but the fear that we are losing these traditions.

Those brave men that founded our great State of Tennessee faced a challenge, even as you face problems in the world today. They cocked back their hats, chewed their tobacco, listened to the odds against them, then went into the woods and carved out this State. When they had completed their work they framed a Constitution which is a model of what free men can do. Even in victory they guaranteed our basic right in this country—the right of dissent. They left the door open for others to challenge them. Secure in their beliefs, they did not fear the arguments of others. It was this tolerance, this understanding, that made the men of Tennessee great. It was this same understanding that made the United States the mighty nation it is.

Yet, today, it seems that we are losing some of this understanding and tolerance. On all sides of us, we find people who say, "Shut out the different idea." They say, "We already have the best, so why listen to new ideas." In reality, they are afraid of the idea.

That is why these people are afraid of our young people. For it is your new ideas that will change the content of our way of life in some direction. We may still keep the same traditional framework, but the picture will change. The new will replace the old, because change is inevitable. And that is the way it should be. That is the way it must be. When ancient Rome and Athens sat back to contemplate their greatness, they were ruined. It was when the new ideas of the ancient Greeks were frowned upon that their civilization came tumbling down on them.

We in America want our individualism. We want the Government to have a minimum of control over our private lives. We want to come and go without having to register at a police station, as they do in China today. We do not want to have someone come knocking on our door in the middle of the night to see if we have visitors who do not have a pass to be away from their own city. This is what goes on in China today.

If I want to say something against the President of the United States, or if you want to shout something against me as a Senator,

that is your privilege. And what many people do not understand is that the President will fight for your right to shout against him and I will fight for your right to say terrible things about me.

In many nations, freedom of speech is just a dream. In Communist countries you may have freedom of speech as long as you talk about the things the state wants you to talk about and comment on these things in the accepted state line.

Most of us in Tennessee would last only a few moments under totalitarian rule. We like to say what we think, when we think. And we are better off for this.

In the heat of a political discussion, words fly freely. I can express my viewpoint and those on the other side can express their notions. After our discussion ends, I can keep my views and they can keep theirs. As soon as someone tried to take my freedom of speech away, or curtail my thoughts, my most vigorous political enemies would rally around me so quickly that the antagonist's head would spin. That's Tennessee. That's America. That's our tradition, and we are mighty proud of it.

All of these things are the traditions my generation and our forefathers pass on to you. Along with this wonderful heritage we pass to you, we give you many perplexing problems. Their enormity would have staggered the imagination of all those who came before you.

Patronage of Mr. Willis

EXTENSION OF REMARKS
OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I note from the newspapers the passing from the Washington scene of Mr. Charles F. Willis, Jr. I cannot pretend that I am sorry or regret this development. As a matter of fact, it is long overdue.

For the benefit of my colleagues who may not be up on their patronage and civil service, this young man gained his great insight into latter-day politics while running the service concession at Idlewild Airport. I do not want the impression to get abroad that I think running a service concession is not an honorable profession. It is. But whether it provides an adequate background for service at the White House with a strong determining influence on the lives of Federal employees may be seriously doubted. As a matter of fact, the President must finally have come to the same conclusion, a conclusion, I might add, which was arrived at by the more than 2 million Federal employees last fall when the Willis directives were first uncovered by two enterprising newspapermen, Jerry Kluttz, of the Washington Post and Times Herald, and Joseph Young, of the Washington Evening Star.

I introduced on May 27 a number of bills designed to carry out the recommendations of the Task Force on Personnel and Civic Service of the Hoover Commission. My bills have as their purpose the improvement and strengthening of the Civil Service—one of the long-range objectives of the Democratic Party. I am indeed proud and happy to have contributed what I can to this laudable purpose. My introductory statement in support of my proposals was made on the floor of this House on May 26. The title of my remarks as they appear in the CONGRESSIONAL RECORD is How To Eat Your Cake and Have It. I said at that time in regard to the work of the Task Force on Personnel and Civil Service—

At the same time that the members of the task force were earnestly engaged in the studies which led to what I believe to be one of the best reports developed by any of the task forces of the Hoover Commission there were other less dedicated men at work scheming and plotting for partisan political advantage and developing plans which would do more to destroy the merit system than the Task Force on Personnel and Civil Service could ever do to strengthen and improve it.

I refer especially to Charles F. Willis, Jr., the so-called assistant to the assistance who, over at the White House, was making history in another direction from the task force.

Charles F. Willis, Jr., developed and put into effect—with the support of the President, and the Republican Party leaders—one of the boldest and most cynical plans for destroying the merit system and the Civil Service ever developed in the entire history of our country.

This is surely one of the historic chapters of politics and statecraft. The Willis scheme affords a unique insight into the thinking of one of the major political parties, and gives an instructive example of how to work both sides of the street—that is, taking bows for the work of the Hoover Commission while cynically planning to destroy the Civil Service.

This is the young man to whom the President writes, according to the New York Times—

As an intimate member of the administration family, you have devoted yourself tirelessly, and effectively to our objectives. We shall greatly miss you. You take with you on your return to private affairs my full appreciation of the worth of your efforts along with my sincere thanks and best wishes for continued happiness and success.

That this feeling is not shared by Federal employees may be demonstrated best, perhaps by giving you the text of letters I have received from Luther C. Steward, president of the National Federation of Federal Employees, and from James R. Watson, executive director of the National Civil Service League. These letters are included here:

NATIONAL FEDERATION OF
FEDERAL EMPLOYEES,
Washington, D. C., June 7, 1955.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN THOMPSON: We acknowledge with appreciation your statement of the attitude of the present administration toward Federal employees, as appearing in the CONGRESSIONAL RECORD, pages 7160–7169 both inclusive.

You have unquestionably assembled a great deal of factual material which is unassailable.

The attitude of the National Federation of Federal Employees was set forth by me in an address before the annual meeting of the Society for Personnel Administration on May 12, 1954, where I appeared on the program to present the employee viewpoint immediately following the appearance of the President.

We feel that every statement I made at that time has been verified by the actual day-to-day happenings.

We appreciate your vital and continuing interest in the problem of developing and maintaining a good Federal service free from political taint.

Sincerely,

LUTHER C. STEWARD,
President.

NATIONAL CIVIL SERVICE LEAGUE,
New York, N. Y., June 7, 1955.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN THOMPSON: I wish to commend you for the very strong position you have taken regarding the career civil service.

We will study your bills very carefully and will look forward to discussing them with you in the near future.

I believe that it is very important to have placed in the CONGRESSIONAL RECORD the material from the Hoover Commission task force and the so-called Willis directives. Our league has been working diligently in an effort to get the Willis directives rescinded to the extent that it does apply to career positions.

I am enclosing a copy of the statement we made in February and a speech on patronage which I recently gave in Washington.

We appreciate the constructive proposals you have made, and I am looking forward to meeting you.

Sincerely yours,

JAMES R. WATSON,
Executive Director.

Of course, I do not want the impression to get abroad that my introduction of bills to strengthen and improve the civil service and the statement I made on the floor of this House on May 27 had anything to do with Mr. Willis' almost immediate retirement from public life. It had "absitively and posolutely" nothing to do with the return of Mr. Willis to private life, a development which is chronicled in the following two news stories from the Washington Evening Star and the New York Times. If Mr. Willis in his new position as assistant to the chairman of the board of W. R. Grace & Co. takes his peculiar ideas as to personnel management with him I predict that the officials there will soon find that he is no great bargain.

[From the Washington Evening Star of June 15, 1955]

SEC AIDE NAMED TO STAFF IN WHITE HOUSE SHIFTS

President Eisenhower today selected Edward T. Tate, 35-year-old Securities and Exchange Commission official, to replace on the White House staff Charles F. Willis, Jr., who has stirred considerable controversy as Federal job patronage dispenser.

At the same time, Mr. Eisenhower promoted Fred A. Seaton to a new position as deputy assistant to the President for administrative liaison.

In announcing these shifts, White House press secretary James C. Hagerty said that Mr. Tate would work under Mr. Seaton and have responsibility for personnel matters in liaison with the various Government departments and agencies.

ASSISTANT TO ADAMS

Mr. Willis had been an assistant to Sherman Adams, the assistant to the President and head of the White House staff.

Mr. Eisenhower accepted his resignation late yesterday "with deep regret," to be effec-

tive June 30. Mr. Tate's appointment is effective July 1.

The resignation of the 36-year-old Willis had been rumored for many months.

In accepting the resignation, the President told Mr. Willis: "You have devoted yourself tirelessly and effectively to our objectives. We shall greatly miss you."

Mr. Willis got into hot water last fall when he issued his now-famous directive to Federal agencies which ordered them to list all GS–14 and above civil service job vacancies with the Republican National Committee and not to fill them for 30 days. The directive was a move to give Republican applicants first crack at the jobs, although it was stated that the applicants must have civil service qualifications.

The resultant heat of criticism from the press and Democratic Members of Congress caused the directive to wither on the vine. Although it never was officially rescinded, it was quietly ignored by most agencies and the White House and the Republican National Committee, so far as is known, never followed up on it.

A Republican National Committee official later estimated that not more than 200 jobs were obtained by GOP applicants as a result of the Willis order.

EARLY EISENHOWER FAN

Mr. Willis made his entrance into politics in 1952 when he became coorganizer of the Citizens for Eisenhower Committee. Previously he had been a partner in a company selling supplies to airlines.

In January 1954, Mr. Willis married Elizabeth Firestone, daughter of Harvey Firestone, chairman of the Firestone Tire & Rubber Co.

During the war he was a Navy pilot and received numerous decorations and citations for his record, including the Distinguished Flying Cross with four gold stars.

Mr. Tate, who lives at 8615 Lynbrook Drive, Bethesda, Md., now is executive assistant to the SEC Chairman.

Mr. Hagerty recalled that during the 1952 presidential election campaign he was a member of the Eisenhower campaign train staff. He is a native of Indiana, Pa.

He is scheduled to carry on the same type of work on personnel matters as Mr. Willis, but with Mr. Seaton having general direction of his work.

QUIT DEFENSE POST

Mr. Seaton, a former Republican Senator from Nebraska and a member of Mr. Eisenhower's 1952 personal advisory campaign staff, resigned as Assistant Secretary of Defense in February to become an administrative assistant to the President.

Another change of title on the White House staff announced today makes Howard Pyle deputy assistant to the President for intergovernmental relations. He has been handling the same work as an administrative assistant since February 1. Mr. Pyle is a former governor of Arizona.

Mr. Hagerty said that Mr. Pyle has been handling liaison work with Government departments and agencies in addition to his work with State and city governments. His responsbility for liaison with the departments and agencies now are shifted to Mr. Seaton.

[From the New York Times of June 16, 1955]

C. F. WILLIS, JR., QUITS AS WHITE HOUSE AIDE

WASHINGTON, June 14.—President Eisenhower accepted "with deep regret" today the resignation of Charles F. Willis Jr., as a White House staff member, effective June 30.

Mr. Willis, an early organizer of the Citizens for Eisenhower movement that helped bring General Eisenhower into politics, has been an assistant to Sherman Adams, the assistant to the President.

A White House announcement said that he would become assistant to the chairman of the board of W. R. Grace & Co. and make his home in New York after July 1. He formerly headed the Willis-Rose Corp., which had the service concession for aircraft at Idlewild Airport.

"As an intimate member of the administration family, you have devoted yourself tirelessly, and effectively to our objectives," the President wrote to Mr. Willis, "We shall greatly miss you. You take with you on your return to private affairs my full appreciation of the worth of your efforts along with my sincere thanks and best wishes for continued happiness and successs."

President Eisenhower also expressed his thanks to Mr. Willis for his "outstanding and significant" service in the Citizens for Eisenhower movement and in urging other young pepole "to associate themselves closely with the conduct of their Government."

Because of the importance of the issue and the widespread concern among Federal employees over the efforts of Mr. Willis and others in the present Republican administration to subvert the civil service, I would like to include here a splendid speech on patronage which Mr. Watson of the National Civil Service League gave recently here in Washington:

Mr. Chairman, honored guests, distinguished commentators, ladies and gentlemen: my topic, as you have heard is: Is Patronage Obsolete? This is of course a difficult question. I think patronage is obsolete, but not dead. However, I do think that the old-fashioned concept of political patronage is fading away. Wallace Sayre has said that patronage has gone underground. One thing is certain, at least, it is increasingly difficult to be a reformer.

In the good old days to be against political patronage was as holy as being against sin. The reformer was a knight on a white charger and carried the banner of the merit system. The answer to political corruption was the merit system. But what is the answer today?

The colossus of modern government has all but crushed the remnants of the Jackson-type patronage. At present at least 90 percent of Federal workers are under merit systems. The problem which remains is much more devious and more complicated to deal with.

SPOILS AS OLD AS GOVERNMENT

Every page of history will indicate the struggle over jobs. There is little doubt but that the concept of patronage with emphasis on spoils is as old as the concept of government itself. Certainly it predates the Jacksonian era. As a matter of fact I was recently a little startled to be reminded how ancient the concept really is when I heard a minister refer to the disappointment of some of the disciples of Christ because Christ did not emerge as a great political figure. It seems the disciples had already developed ideas as to the jobs they were to hold in such a political setup.

Leonard White has described the rise, persistence, and gradual decline of the patronage system as being one of the outstanding characteristics of the American public service. But the historical persistence of patronage doesn't make it right any more than the inevitability of sin.

I am speaking today of job patronage. The kind of patronage where the appointment to positions and advancement is based primarily on political or personal favoritism rather than on merit and the good of the service.

PATRONAGE ARGUMENTS

Today I think that the patronage advocates are on the defensive. They have three main arguments which they allege to be in the interest of the common good of the people.

1. The administration in power must have sufficient jobs to control the execution of the policies of the administration.

2. Civil service has become entrenched, inefficient, unduly protective of the incompetent, and has too much red tape.

3. The American political system is built on the two-party concept, and the parties need jobs to sustain themselves and to maintain the system.

1. Patronage and policy

I believe that we can dispose of the question of patronage and policy very directly. In the first place, I firmly believe that patronage actually interferes with executive control by the party in power rather than facilitating it.

(A) The freedom of the executive in making appointments is limited. Patronage appointments are made to satisfy the party organization. More often than not, the patronage pressures come from the State and county organizations who have little knowledge of or concern for important executive problems.

(B) One of the principal reasons given for allowing freedom of appointments at top levels is to provide the executive with the freedom to remove people as well as to appoint them. In spite of all of the allegations about excessive protection within civil service, and there are cases where this is true, it is very clear that the political appointee has more protection and is more difficult to remove for incompetence or misuse of office while his party is in power than is the civil servant. An example of this is shown by the statement in the biography of Franklin K. Lane, Secretary of Interior in President Wilson's Cabinet, who said:

"Never again will I make a removal. I did so once in the case of an incompetent and insubordinate woman, but when President Wilson took me into the window recess of the Cabinet room and begged me as a matter of 'balance' not to antagonize the Senator from Indiana, but to restore the lady to her position, I yielded."

On the basis of these observations, and for purposes of my discussion, I am going to eliminate the matter of policy control from further consideration as a patronage argument.

2. Patronage and civil service

Let us now turn to the second argument "civil service has become entrenched, inefficient, unduly protective of the incompetent and has too much red tape."

Those who fail to recognize the serious short-comings of our civil-service system in terms of modern personnel management and the need for better public service are doing themselves, as well as the public service, a grave injustice. There are several factors in the campaign for better personnel management which relate in one way or another to the patronage question. I would like to consider these now. First, however, let us make it clear—the patronage advocates do not have the answers to the civil-service problems. They in fact set up one of the more serious barriers to achieving adequate improvement.

A. Career Service Here To Stay

We know today that the Federal service is staffed and administered by career people and will continue to be. Every study of civil service yet made has substantiated this. A high percentage of those filling top level administrative positions today have had 15 or more years of service.

Even under schedule C which has been the first constructive attempt to clearly separate the so-called policymaking and confidential jobs, experience has shown the inability to get competent people through patronage procedures. There has been a consistent number of vacancies in schedule C positions and 70 percent of those filled are held by people who were in the Federal service prior to January 1953. It should not be

surprising to the informed and conscientious observer to realize that the department heads in Washington today depend on career people more than on a confused patronage recruiting machinery to fill responsible positions. It is at this level that the public interest must be supreme and not the interests of a political party which come in conflict with the responsibility of the administration and the public interest.

B. Patronage Underground

My earlier reference to patronage going underground means primarily the efforts that are being made throughout the country in Federal, State, and local civil-service systems to inject partisan politics and favoritism into the appointments and advancements of career people. This is where the patronage problem is especially serious and why it is particularly difficult to be a reformer today. It is impossible to sufficiently emphasize the demoralizing effect of such efforts. This includes the recent obvious and clumsy attempt to placate the spoils element by politicalizing certain career positions in the Federal service through the so-called Willis directive.

If we are to have a system whereby certain so-called career people must get political endorsements and be subjected to political tests before receiving appointments to career positions, then we will never achieve the advancements in the civil-service system which we need.

If the career service is to be subjected to political test, Philip Young and his staff at the CSC might as well abandon their progressive efforts to improve executive development and training. The public cannot afford to train executives in the career service who will be subjected to political suspicion by future administrations. Adequate selection of people for training cannot be accomplished where political favoritism is involved.

If there are to be political tests then President Eisenhower might as well discontinue efforts for the President's incentive award program. What kind of incentive award system can we have if every person receiving an award is going to be suspected of being a political favorite?

D. It is time, however, for a serious word of caution. Some career people and personnel administrators are basically conservative. They inevitably have a belief in the status quo, therefore, they resist, and are suspicious of efforts to bring improvement. I have said to you before and say to you again, civil service needs improvement.

Just as we guard against favoritism, we must also be careful that we do not view every proposal for change as a raid on the merit system. In other words, civil service must be protected from the entrenched bureaucrat just as much as it must be protected from the pious politician who is going to save democracy from the civil service.

We have reached a point where conscientious administrators attempting to overcome some of the inadequacies in civil service are sometimes improperly accused of using patronage and favoritism. Just as some administrators have used civil service as a "whipping boy" for their own administrative and supervisory shortcomings, there is also the situation where some employees and employee groups label efforts to disturb the status quo as being patronage or favoritism. In other words, the "whipping boy" principal works in both directions.

The persistence of a patronage climate is one of the serious barriers to rapid advancement in modern personnel management. I would like to emphasize that the executive is responsible for maintaining and improving the personnel system. This must be completely eliminated from any concept of or argument for patronage.

PATRONAGE AND THE TWO-PARTY SYSTEM

3. We come now to the final argument on patronage, the argument that jobs are needed to sustain the two party system. To me this is the only argument from a patronage point of view that deserves careful analysis. I hope I have made it clear that the problem of political control of the executive branch and the problem of civil service shortcomings are matters completely outside of any patronage argument.

I do not feel qualified to take a dogmatic view on this question of patronage as the lifeblood of the two-party system.

Unfortunately, we have not had an exhaustive analysis of the party system and the patronage question for a long time. During the last 20 years when civil service has been greatly extended there have been 4 or 5 major civil service studies. Each has assumed that patronage in relation to a career service is undesirable. I would urge that a careful, disinterested analysis of the two-party system and means for sustaining it be undertaken. Personally, I believe that two things are quite clear:

First, on the basis of various observations I doubt if patronage does sustain a healthy and proper political organization, and,

Secondly, any patronage system yet devised is too expensive in terms of its effect on the Government administration to justify its existence. The patronage advocates must answer some pretty serious questions.

Can a patronage system be developed in such a way that it does not interfere with the skill, integrity, and prestige of the career system which is now the foundation of good government?

Can it be done in such a way that it does not deter outstanding community leaders from participating in politics?

Can a patronage system be developed which would overcome the negative corrupting reputation which patronage has historically carried with it?

Because many of you are familiar with the views of Mr. James C. Worthy, former Assistant Secretary of Commerce, and I think unduly concerned about his patronage proposal, I would like to take a moment to analyze it. I am certain that some people think it is shocking that someone who has made such a proposal for a specific patronage system would be invited to become a member of the National Civil Service League's executive committee. I am afraid that too many people have failed to read carefully Mr. Worthy's proposal and many are still inevitably on the defense about any such ideas.

Personally, I am not convinced as to the need for or the workability of the Worthy patronage scheme. I think, however, that it would be very shortsighted, indeed, not to recognize the careful distinction that Mr. Worthy made. As a result of his political experience he has accepted the theory that patronage is necessary to feed the two-party system. He has attempted, and I think in an honest fashion, to separate this patronage both from the career civil service and particularly from the political control level of government.

Mr. Worthy says that it does not take very many jobs to control a department and to assure its loyal adherence to the policies of the administration in power. Secondly, Mr. Worthy believes it is entirely improper to attempt to obtain patronage by politicalizing the career service. It is very clear from his paper that he disapproves of the way in which the Willis order confuses the appointment system in higher level career positions.

Mr. Worthy then goes on to propose the development of a group of positions which would satisfy the grassroots organization of the political party from a patronage point of view. Naturally some politicians will take the Worthy theme out of context in an attempt to use it as an advancement of patronage which does interfere with the career civil service. One important thing is that Mr. Worthy carefully and emphatically isolated the negative factor of patronage.

The patronage advocates, including Mr. Worthy, must find the answers to the problems which arise as a result of patronage and the conclusions we have all come to accept; namely:

1. Patronage, as typically practiced in the Federal Government, weakens executive authority and interferes with proper executive responsibility. Many political leaders conscientiously believe the reverse. The political pressures and the local political organizations, the Members of Congress, as well as various special-interest groups, put such pressures on the executive that many appointments are not truly executive in their influence.

2. Patronage is demoralizing to career people who really do the work. When people are rewarded on a basis other than performance, the good people become demoralized and leave the service or they lack the incentive to do their best work.

3. Patronage degrades the service in the public eye. One of the reasons that the public service today lacks the prestige which it needs and to a large extent deserves is that the public lacks confidence in it. It is also degrading to the political party. I believe that the patronage program of the Republicans is a failure. A member of the Republican National Committee in referring to the administration's patronage program said, "The program has done us far more harm than good. It has given us a black eye in the press and furnished the Democrats with a lot of ammunition."

4. Patronage, by any method yet devised, is ultimately corrupting. People who want patronage are not interested in qualifications and standards. In fact, strong control of standards quickly makes the politician dissatisfied with patronage. It is most difficult to supervise politically appointed people. The combination of poorer standards and lack of supervision not only degrades the service, but allows corrupting influences to creep in which periodically shock the Nation.

5. Patronage generally reduces efficiency. Turnover increases and the more competent people are the first to leave to find more stable employment elsewhere.

These items are cited to remind us that we are looking at a personnel program and that any system which uses public office to reward the political victors and help maintain the party system must be able to deal successfully with these problems.

PATRONAGE AND THE RESPONSIBLE POLITICAL LEADER

To the responsible political leader, patronage is like other sacred cows. The records are full of statements by politicians that patronage is a headache. That it is more of a liability than an asset. Even such an eminent political realist as James Farley had recognized that patronage was used to build political machines and said that a shortsighted lust for jobs has broken up more political organizations both Republican and Democratic than any other single cause.

But in the final analysis few are willing to take the initiative and overthrow the patronage idea. Most people with experience don't like it. They don't believe in it. But they go along with it because they think everyone wants it.

PATRONAGE AND THE PUBLIC

No real discussion of patronage is complete without mention of the basis of real democracy—patronage and the public.

It can hardly be denied that the public overwhelmingly endorses the merit system. No man running for public office today would fail to immediately and vigorously endorse the merit-system principle. The party platforms of both the Republicans and the Democrats have for many years had a strong plank for civil service. Hardly any legislator or political leader speaks out directly against the merit system, no matter how much he wants to develop patronage appointments.

The press has also indicated its universal approval of the merit system. This was manifested again only recently by the extensive coverage and favorable editorial comment accorded Secretary of Labor Mitchell's appointment of Millard Cass, a career man, to be Deputy Under Secretary of Labor. A typical endorsement appeared in the Youngstown (Ohio) Vindicator in an editorial entitled "A Welcome Appointment."

"The Hoover Commission's recommendation of a senior civil service bears fruit with the appointment of Millard Cass, a career civil cervant, as Deputy Under Secretary of Labor. Thus the Labor Department, through Secretary Mitchell's wise action, is assured the continuing services of an experienced executive.

"Hitherto politics and patronage have been responsible in part for failure to establish such a corps. Secretary Mitchell does the Nation a service by ignoring such considerations in appointing Mr. Cass."

There are two things about the public attitude that come to mind. First, people tend to distrust big government, but they expect more from it without accepting the accompanying responsibilities to them as citizens.

There is a certain amount of apathy over political activity which is inconsistent with their demands for good government and good civil service.

It is necessary that every possible opportunity be utilized to encourage broad public participation in political affairs. I really think that this more than any other single factor will remove the patronage threat in the healthiest possible way. I realize, of course, that this is of limited value to most of you since you are all under the Hatch Act and I think properly so.

The greatest contribution which professional personnel and career people can make in stemming the advocates of patronage is to develop and maintain a personnel system that serves the public in a most efficient and effective manner.

I would like to repeat that patronage and not civil service is on the defensive. Therefore, we should not be afraid to admit deficiencies in the civil service system and work in an aggressive manner for improvement.

The role of the reformer is to see that you persevere in your task and we must also continually stimulate the public's interest in a more efficient public service. It is our aim and desire to help perfect the public service by improving its reputation and prestige. The more carefully the public looks at public service the more efficient it will become.

I must urge once more that the present administration clarify its policy regarding the career service and remove any cause for suspicion of partisan influence which will prevent the constructive programs now under way from realizing their full potential.

As an editorial in Time Magazine so effectively stated: "Federal patronage as a force in politics is dead. No amount of whipping will hurt it and no amount of wailing can restore it." I think we have all come to accept this. Our biggest problem today is not protecting the civil service, it's making it work. Our responsibilities are clear and I sincerely hope we will all succeed.

The Internal Revenue Act of 1954

EXTENSION OF REMARKS
OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1955

Mr. CURTIS of Missouri. Mr. Speaker, there has been a continuous effort on the part of a small group, politically inspired, I would say, to discredit the excellent Tax Revision Act of 1954. Most of the attacks are hit and run, but because they plug the same theme, they have a cumulative effect. The theme is that the act is a rich man's bill or the theme is sometimes varied to say it to be a bill for the rich corporations. It is all one and the same, and the object is to stir up class hatred where in actuality there really are no classes, where actually we are all Americans, the closest to a classless society the world has ever seen.

The underlying thought in these attacks, however, on analysis is basically vicious and is of the vilest smear variety. The thought that is sought to be sown is that the members of the Republican Party are not interested in the welfare of the little man and that they purposely and through connivance are endeavoring to hurt him. Now, of course, if that is the motivating force behind the Republican Party and the individuals comprising it, there is no sense to discuss any issue. We are not worthy of being listened to. We are people devoid of the basic principles set forth in the Christian religion.

Of course, the Republican Party and those going to make it up are not motivated by such un-Christian feelings or objectives. The whole issue at stake between political parties and the individuals in them is not over the desire to help all our people but how do we best achieve these ends? Now anyone can properly argue that a particular procedure or program or law results in injustice, or discrimination, or inefficiency, but in pursuing that line of argument he should marshal his facts and resort only to proper logic. He should not appeal to prejudice or resort to smearing the motives of the person with whom he is in disagreement.

I took the floor of the House last year to defend the Democrat Party against a rather limited attack that had been made against its patriotism and that of its leaders as the result of certain policies pursued in quite recent years. I felt these attacks were uncalled for and unjustified and I said so. However, I thought the leaders of the Democrat Party were carrying what was a limited attack by just a few Republicans too far in claiming that the Republican Party had accused it of being disloyal. I thought also that they were making an issue of being insulted inasmuch as the President and many other responsible leaders of the Republican Party had publicly denounced the limited attacks that had been made and avowed that other statements that were alleged to be attacks were not so intended.

Now it appears that the top leaders of the Democrat Party are personally in this attack on the motives of the Republican Party. They are out to try to make the people believe that this great party is devoid of the basic Christian tenets, that the Republican Party is not equally interested with the Democrat Party in the welfare of all Americans.

I hope we will get back to issues. The only way to really demonstrate one's interest in the welfare of the people is to honestly discuss the public issues of the day so that through proper debate—marshaling the facts and using true logic—we may resolve as best we may what is the best for our people. I think we may all rest assured that there will be plenty of proper political issues upon which we differ to go to the people for their judgment in any election year.

I am placing in the RECORD a letter I received, at my request, from Laurens Williams, Assistant to the Secretary of the Treasury, in which he discusses the rather complicated depreciation law as it applies to the purchase of automobiles. One of the favorite themes pursued at this juncture is saying that under the new tax law a rich motorist can, through manipulations, get his Cadillac free with the implication that it was planned that way for his special interest.

It is untrue and if it were true there is no question that every Republican or Democrat would move to change the law and all would recognize that an unintentional mistake had been made.

The tax revision law of 1954 is a fair law and is amazingly free of mistakes. There have been some unintentional mistakes made and these are being corrected. I am hopeful that the Democrat leadership will cease its smear campaign against the Republican Party, and in particular where they are using the complexities of tax legislation which is perforce technical and intricate to deliberately confuse and misinform the public.

The letter follows:

TREASURY DEPARTMENT,
Washington, May 18, 1955.

Hon. THOMAS B. CURTIS,
House of Representatives,
Washington, D. C.

MY DEAR MR. CURTIS: I acknowledge receipt of your letter of May 14, inquiring about "some loose statements made in regard to an alleged loophole in the new depreciation allowances permitted in" the Internal Revenue Code of 1954.

I assume you refer to statements such as that which appeared some months ago in a local newspaper column in which the author used the following example: A "rich motorist," making $100,000 a year, buys a "superduper motorcar" for $4,600 for use in his business. He takes a $2,300 depreciation deduction (50 percent) the first year, then sells the car for $3,400. Citing his "tax specialist," the columnist made the following computation:

Income tax saved by $2,300 depreciation deduction	$2,000
Cash received on sale of car	3,400
Total cash	5,400
Cost of car	$4,600

Capital gains tax on sale of car (25 percent of $1,100) ($3,400—$2,300)	275	
		4,875
Net cash profit		525

Such statements are based on several wholly fallacious assumptions. In the first place, they ignore the salvage value of the property, erroneously assuming that depreciation may be taken on the whole cost of the property. Depreciation may be taken only on the difference between cost and salvage value. Moreover, assets may not be depreciated below a realistic salvage value. In determining realistic salvage value, consideration must be given to the taxpayer's use of the property, the retirement and maintenance practices he follows, and the salvage or other proceeds he realizes on disposition of the property. Junk or scrap value may be used only where the taxpayer follows the practice of using depreciable property for its full serviceable life. Where a taxpayer's practice is to dispose of depreciable property substantially before the end of its full useful life, the realistic salvage value will be the amount which probably will be realized at time of disposition. Thus, in the example, depreciation would be allowable only on the difference between the car's cost ($4,600) and its salvage value ($3,400).

In the second place, the allowable rate of depreciation is dependent on the useful life of the property, and the example erroneously ignores the fact that the useful life used in determining depreciation allowances is not the full, normally inherent useful life of the property. It is, rather, the useful life of the property determined in accordance with the practice of the particular taxpayer in his trade or business or in the production of income. If a taxpayer has no consistent practice regarding the disposition of depreciable property, the estimated useful life of his depreciable assets should be determined in the light of experience in the taxpayer's business or industry. Thus, in the example, since the taxpayer uses the property for but 1 year, his depreciation rate is 100 percent—the full difference between cost and salvage value—without regard to "straight-line," "sum-of-the-years digits," or "declining balances" method.

Application of correct criteria to the facts in the columnist's example produces this dollar result:

Cost of car		$4,600
Cash received on sale of car	$3,400	
Income tax saved by $1,200 depreciation deduction	1,044	
		4,444
Out-of-pocket cost		156

The apparent small out-of-pocket cost is not due to the amount of the depreciation allowance. It is due to application to the amount of the depreciation deduction of the taxpayer's top tax bracket—87 percent. On such line of reasoning, all of such a taxpayer's business deductions (salaries, wages, rent, etc.) cost him, out-of-pocket, only 13 cents on the dollar. It would be just as accurate to say that any other of such a taxpayer's expense deductions cost only 13 cents on the dollar. The fallacy in the reasoning is obvious.

Furthermore, the statement is fallacious in assuming that the alleged loophole (which, as you will see, is nonexistent) arises out of the new depreciation methods of the 1954 code. The loophole, if there is one, arises from the operation of section 117 (j) of the 1939 code (enacted in 1942) which gave long-term capital gains treatment to net profit on sales of depreciable property, though still allowing ordinary (100 percent) deduction of net losses from such sales. Depreciation allowances are ordinary 100-percent deductions. When such property (held more than 6 months) is sold for more than its depreciated cost, only half of the gain is taxed under the 1942 provision (now sec. 1231).

In addition, note that the new 1954 depreciation methods apply only "in the case of property * * * with a useful life of 3 years or more" (section 167 (c), I. R. C. 1954).

It is unfortunate that so many persons have lost sight of the fundamental, elemental function and purpose of depreciation allowances. Certainly the Congress does not intend depreciation allowances to be mere accounting gimmicks, or bookkeeping devices for saving taxes. We view them, and we believe Congress intended them, simply as methods of measuring, by a reasonably consistent plan, the amounts which should be set aside during a taxpayer's use of depreciable property, so that the aggregate of the amounts set aside plus the amount the taxpayer realizes from sale or salvage will equal the property's cost. Stated differently, they are simply methods of measuring the dollar difference between the cost of property used in a trade or business, or held for the production of income, and the amount the taxpayer probably will realize when he disposes of it. This amount, having been consumed in the production of taxable income, seems an eminently fair and proper tax deduction.

I trust this explanation will be helpful. If I can be of further service, advise me.

Sincerely,

LAURENS WILLIAMS,
Assistant to the Secretary.

SENATE

FRIDAY, JUNE 17, 1955

(Legislative day of Tuesday, June 14, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal spirit, far above us and yet deep within us, we bow at the altar of prayer which our fathers set up at the Nation's birth in this temple of freedom, so that even before we speak we may listen.

In a turbulent time we would wait to put our hearts in tune with the infinite. In the midst of a social order which in its blindness still so often crucifies its prophets, and where the lowest so commonly is the loudest, we desperately need at the day's beginning a shrine of reverence to give the Highest a chance at our lives.

We cannot maintain the fine edge of our spiritual morale in the constant Babel of the world's uproar. For our soul's sake we must find the quiet places, the still waters, the green pastures, if our jaded and frayed spirits are to be restored.

And so give us, we beseech Thee, ears to hear, not just the strident shouts upon the noisy streets, but also the still voice heard only in the inner chamber.

We ask it in the name of that One who said and says, "Come unto me, all ye that labor and are heavy laden, and I will give you rest." Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 17, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBEN W. BARKLEY, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. BARKLEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 16, 1955, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE PRESIDENT—RETURN OF JOINT RESOLUTION

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying joint resolution, was ordered to lie on the table:

To the Senate of the United States:

In compliance with the request contained in the resolution of the Senate (the House of Representatives concurring therein), I return herewith Senate Joint Resolution 60, entitled "Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 17, 1955.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. MILLER of New York were appointed as managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year

ending June 30, 1956, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 600) to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter, and it was signed by the Acting President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Security Investigations of the Post Office and Civil Service Committee was authorized to meet until 2 o'clock p. m. today during the session of the Senate.

AUTHORIZATION FOR JUDICIARY SUBCOMMITTEE ON NARCOTICS TO HOLD HEARINGS IN PHILADELPHIA

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. DANIEL and Mr. WELKER were given leave of the Senate to hold hearings of the Judiciary Subcommittee on Narcotics in Philadelphia today and tomorrow.

INVITATION TO ATTEND UNVEILING OF STATUE OF THE LATE CHIEF JUSTICE WHITE

Mr. ELLENDER. Mr. President, I wish to announce that at 2 o'clock this afternoon in the rotunda of the Capitol there will be a dedication of the statue of the late Chief Justice White, of Louisiana, and I extend an invitation to all Senators to be present at the ceremonies.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday next, at the conclusion of the morning business, but previous to the operation of the unanimous-consent agreement on H. R. 6042, the Defense Department appropriation bill for 1956, it be in order to call the calendar for the consideration of measures to which there is no objection.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED TRANSFER BY NAVY DEPARTMENT OF NAVAL LCC HULL TO AMERICAN MUSEUM OF NATURAL HISTORY

A letter from the Under Secretary of the Navy, reporting, pursuant to law, that the American Museum of Natural History, Long Island, N. Y., had requested the Navy Department to transfer one 56-foot LCC hull, for use by the Department of Micropaleontology of the Museum; to the Committee on Armed Services.

REPORT ON LIQUIDATION OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the liquidation of the Reconstruction Finance Corporation, for the quarter ended March 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

HIGHER QUOTA OF SUGAR FOR MEXICO—PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a petition submitted by Oscar L. Chapman, Washington, D. C., on behalf of the Union Nacional de Productores de Azucar, S. A. de C. V., relating to a higher quota for sugar to Mexico under the United States Sugar Act, which was referred to the Committee on Finance.

RESOLUTIONS OF VETERANS OF FOREIGN WARS, DEPARTMENT OF DELAWARE

Mr. WILLIAMS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, three resolutions adopted by the Veterans of Foreign Wars, Department of Delaware, adopted at their department encampment, Rehoboth Beach, Del., on June 11, 1955.

The first resolution concerns itself with their aim to foster and promote an aggressive nationwide campaign dedicated to the objective of conveying the truth about the United States to the peoples of other countries and appealing particularly to citizens of foreign extraction to communicate with relatives and friends in their native countries; the second concerns itself with the forthcoming Big Four meeting and their insistence upon discussion of the problem of freedom for Poland and for other captive nations behind the Iron Curtain; and the third reaffirms their unalterable opposition to any concept of world government which would limit, diminish, or destroy the sovereignty of the United States of America or the individual's rights and liberties thereof.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

RESOLUTION No. 28

RESOLUTION OF VETERANS OF FOREIGN WARS OF THE UNITED STATES, OFFICE OF NATIONAL CHAIRMAN, LOYALTY DAY COMMITTEE

Whereas the everlasting friendship of the peoples of the free countries of the world, based upon mutual trust and understanding, is vitally essential to the future national security of the United States; and

Whereas this friendly relationship is extremely important to our national economy in times of peace through the preservation of foreign markets for our vast agricultural and industrial surpluses; and

Whereas this enduring friendship will increase the strength of our military alliances with those free countries that are equally willing to fight for their freedom against Communist subversion and aggression; and

Whereas American journalists, publicists, and experts in international human relations are unanimously agreed that the peoples of all foreign countries must know the truth about America before we can rightfully expect their unswerving allegiance in any cold or hot wars with Soviet Russia; and

Whereas a majority of the peoples in foreign countries suffer from a deplorable lack of knowledge as to how freedom operates in America, and the individual rights and liberties that we enjoy under our form of government; and

Whereas this ignorance of the truth about America is due primarily to a constant stream of vicious anti-American Communist propaganda emanating from Moscow and designed to portray the average American as a slave of his alleged economic bosses, and as an enemy who seeks to exploit the military strength and economic markets of all foreign countries, free or enslaved; and

Whereas many of the people of the free world labor under the impression that the typical American citizen is accurately reflected in certain motion-picture films that are produced in Hollywood, particularly those films that glorify murder, rackets, sex, and immorality; and

Whereas the ordinary citizen in foreign countries truly believes conditions in the United States are honestly described in newspapers that are either edited by Communists or published by persons whose personal distrust of the United States is reflected in their news columns; and

Whereas some people in foreign countries are hostile and suspicious toward America because they do not know that we prize our rights of religious freedom, our rights of free

speech and a free press, and our many cultural blessings above the value of our telephones, automobiles, TV sets, washing machines, and bathtubs; and

Whereas certain animosity toward the American people persists despite the millions of dollars that have been spent for the dissemination of pro-American information via Radio Free Europe, the Voice of America, and the United States Information Agency; and

Whereas the Veterans of Foreign Wars of the United States has entered into a program to further extend the effectiveness of its Loyalty Day observed annually on May 1, with its true meaning and purport made clear to the peoples of other lands in order to strengthen mutual understanding and thereby our Nation: Therefore be it

Resolved, That the Veterans of Foreign Wars of the United States should foster and promote an aggressive nationwide campaign dedicated to the objective of conveying the truth about the United States to the people of other countries, through the transmittal of personal letters, books, magazines, catalogs, and other literature direct to individual friends and relatives, and others, in other countries; and be it further

Resolved, That we direct our appeal for cooperation particularly to those of our citizens who are of foreign extraction themselves and who possess the means of communicating direct with relatives and friends in their native countries; and be it further

Resolved, That each VFW post and its ladies auxiliary be urged to help implement this effort on the community level by enlisting the support of newspaper, radio, and television facilities as a means of acquainting the general public with the desperate need for this campaign and the opportunity it offers the individual citizen to do his bit in the fight against communism, and the threat of universal devastation if humanity is confronted with the terrifying possibilities of atomic destruction in a third world war—a war that is certain to come if the free nations of the world allow themselves to be divided by distrust, evil suspicions, and groundless fears spawned by the Communist dictators in the Kremlin; and be it further

Resolved, That copies of this resolution be sent to all Members of the United States House of Representatives and the United States Senate from this State so that they may understand our feelings, and our desire to stop the spread of anti-Americanism, and its corollary, the spread of communism; and be it further

Resolved, That Congress be urged to make adequate appropriations for a thorough, complete, and truly American United States Overseas Information Service to the end that those in Europe, Africa, the Near East, and the Far East may understand the blessings of liberty, the peaceful goals of life, liberty, and the pursuit of happiness as advocated by the United States, and the terrors, loss of liberty, war and regimentation, and slavery to be the true goal of communism.

Adopted by the Department of Delaware, VFW Encampment, June 11, 1955.

RESOLUTION No. 33

Whereas the exuberant joy expressed by Western Germans and Austrians recently upon the occasion of regaining their sovereignty; and

Whereas in postwar years we have seen the same expressions among the nations of Asia which were granted sovereignty after many years of colonialism; and

Whereas if the Soviets continue to oppose the inclusion of the captive people on the agenda, then it would be better not to have a Big Four Conference: Therefore be it

Resolved by the Department of Delaware, Veterans of Foreign Wars of the United States, at its 25th annual encampment, That the United States at the forthcoming Big Four meeting insist on the discussion of the problem of freedom for Poland and for other captive nations behind the Iron Curtain; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the Secretary of State, the two United States Senators and Congressman from Delaware.

Adopted by the Department of Delaware, VFW Encampment, June 11, 1955.

RESOLUTION ADOPTED BY THE EASTERN STATES CONFERENCE, AT BOSTON, MAY 8, 1955

Whereas the Veterans of Foreign Wars of the United States has constantly announced and vigorously opposed any and all concepts which might have for their objects and purposes, the creation of a system of world government, for the reason that any form of world government would of necessity deprive the citizens of the United States of America of their individual sovereignty as guaranteed by the Declaration of Independence and the Constitution of the United States, and would in effect subject our citizens under a body of laws which would be inconsistent with the freedoms and liberties of the individual; and

Whereas many organizations and misguided or uninformed individuals have been attempting to foist a concept of world government upon the citizens of our country and are presently trying to use the framework of the United Nations to accomplish this end; and

Whereas it is contemplated that the Charter of the United Nations may be amended or revised during the current year; and

Whereas the proponents of world government are seeking to amend or revise the Charter of the United Nations to provide for a system, whereby the citizens of the United States of America would be governed, in domestic affairs, by the laws of an international organization which is in principle repugnant to the American theory of the individual's inalienable right to life, liberty, and the pursuit of happiness: Therefore be it

Resolved by the Eastern States Conference of Veterans of Foreign Wars of the United States, representing 11 States on the eastern seaboard of the United States, in session at Boston, Mass., on this 8th day of May 1955:

1. That we reaffirm our unalterable opposition to any concept of world government which would limit, diminish, or destroy the sovereignty of the United States of America or the individual's rights and liberties thereof.

2. That the various member States of this conference give utmost priority to calling public attention to this latest devious attempt to foist a concept of world government upon the United States through the medium of an amendment or revision of the United Nations Charter.

3. That the Government of the United States of America be petitioned to abstain from participating in any amendment or revision of the Charter of the United Nations unless such proposal for amendment or revision be first approved by the Senate of the United States of America.

4. That the member States of this conference take such action as may be necessary to acquaint their elected Representatives, both State and National, with the contents of this resolution, without delay.

Adopted by Department of Delaware, VFW Encampment, June 11, 1955.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Appropriations:

H. R. 6499. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes; with amendments (Rept. No. 573).

By Mr. YOUNG, from the Committee on Agriculture and Forestry:

S. 1582. A bill to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; with an amendment (Rept. No. 574).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 63. A bill to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate (Rept. No. 575); and

S. 1849. A bill to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment (Rept. No. 576).

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

H. R. 4048. A bill making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes (Rept. No. 580);

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela (Rept. No. 579); and

S. Res. 106. Resolution to provide additional funds for the Committee on Interior and Insular Affairs.

By Mr. GREEN, from Committee on Rules and Administration, with an amendment:

S. 1993. A bill authorizing the installation of additional elevators in the Senate wing of the Capitol (Rept. No. 578).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 103. Resolution increasing the limit of expenditures by the Select Committee on Small Business (Rept. No. 577).

By Mr. HUMPHREY, from the Committee on Government Operations:

S. J. Res. 21. Joint resolution to establish a Commission on Government Security; with amendments (Rept. No. 581).

HAZEL MILLER IVES—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report favorably an original resolution to pay a gratuity to Hazel Miller Ives. I ask unanimous consent for the present consideration of the resolution.

The ACTING PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 113) was read, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Hazel Miller Ives, widow of Guy E. Ives, an employee of the Senate at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

MARTIN A. COYLE, ADMINISTRATOR OF ESTATE OF JAMES R. BUTLER—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report favorably an original resolution to pay a gratuity to Martin A. Coyle, administrator of the estate of James R. Butler. I ask unanimous consent for the present consideration of the resolution.

The ACTING PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 114) was read, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Martin A. Coyle, administrator of the estate of James R. Butler, an employee of the Senate at the time of his death, a sum equal to 1 month's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

PROPOSED AGREEMENTS FOR COOPERATION BETWEEN TURKEY, BRAZIL, COLOMBIA AND THE UNITED STATES, RELATING TO ATOMIC INFORMATION—REPORT OF A COMMITTEE (S. REPT. NO. 572)

Mr. PASTORE. Mr. President, on May 6 a proposed Agreement for Cooperation for the Republic of Turkey was deposited with the Joint Committee on Atomic Energy, and on June 4 proposed Agreements for Cooperation with the Republic of Colombia and the United States of Brazil were also deposited with the joint committee. On May 11 I had the Turkish agreement inserted in the RECORD, and on May 26 I inserted copies of the correspondence of the Commission's intentions with respect to their operations under the proposed agreement.

On June 13 the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy held hearings on these three agreements for cooperation, and made a report to the full committee. The full committee adopted the report which I submit herewith. Since the date of those hearings the joint committee has also received proposed Agreements for Cooperation with Lebanon and Israel which are similar to the proposed Agreements for Cooperation with Brazil and Colombia.

The proposed Agreements for Cooperation for the Republic of Turkey, with the Republic of Colombia, and with the United States of Brazil, all appear to the Joint Committee and to its Subcommittee on Agreements for Cooperation to be in conformance with the letter and spirit of the Atomic Energy Act of 1954.

I ask unanimous consent that the report be printed.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and printed.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 17, 1955, he presented to the President of the United States the enrolled bill (S. 600) to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MALONE (for himself and Mr. BIBLE):

S. 2267. A bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. KNOWLAND:

S. 2268. A bill to establish in the Executive Office of the President a National Freedom Board which shall direct the activities of the United States in promoting the cause of freedom; to the Committee on Foreign Relations.

(See the remarks of Mr. KNOWLAND relative to the introduction of the above bill, which appear under a separate heading.)

By Mr. SYMINGTON:

S. 2269. A bill for the relief of Mualla S. Holloway; and

S. 2270. A bill for the relief of Nadia Noland and Samia Ouafa Noland; to the Committee on the Judiciary.

CONVEYANCE OF CERTAIN LANDS TO CITY OF HENDERSON, NEV.

Mr. MALONE. Mr. President, on behalf of my colleague, the junior Senator from Nevada [Mr. BIBLE] and myself, I introduce for appropriate reference a bill relating to the conveyance of certain public lands to the city of Henderson, Nev.

The city of Henderson, Nev., is in a situation whereby it is surrounded by property owned either by the Federal Government or Basic Management, Inc. As a result, Henderson cannot grow landwise in any direction. The city of Henderson, which is the third largest city in the State of Nevada and the largest industrial city in the State, is suffering from growing pains.

The land in question was withdrawn, as I understand, by Executive Order No. 8927 of October 29, 1941, under the War Powers Act. On April 23, 1947, in a letter to the War Assets Administration, the Department took the position that these lands for which no patent was requested did not contain any improvements classified as surplus property and that the Department would be justified in vacating the withdrawal.

I have been informed by the Bureau of Land Management that there is no objection in any way to the disposal of the lands in question through this proposed legislation.

The land is so located in relation to the city of Henderson that to comply with the master plan for the city, it must come under control of the community of Henderson for zoning and designating for commercial, industrial, and residential usage.

Mr. President, I ask unanimous consent that the bill may be appropriately referred and that it may be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2267) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev., introduced by Mr. MALONE (for himself and Mr. BIBLE), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Interior (hereinafter referred to as the Secretary) shall convey by quitclaim deed, at a purchase price equal to the fair market value of the lands to be conveyed as determined by the Secretary after appraisal of such lands, the following-described lands, together with all buildings and improvements thereon, situated in the State of Nevada and comprising approximately 7,018 acres (all range references are to the Mount Diablo base and meridian):

(1) All of sections 2, 3, 4, and 24, township 22 south, range 62 east.

(2) All of section 33, township 21 south, range 63 east.

(3) The east half of section 8; east half of section 17; east half of northwest quarter of section 28; all of sections 30, 31, and 32; all in township 22 south, range 63 east.

SEC. 2. The conveyance authorized by this act shall be conditional upon the city of Henderson, Nev., paying into the Treasury of the United States, within 2 years after the Secretary has notified such city of the amount of the purchase price referred to in the first section of this act, (1) a sum equal to such purchase price, or (2) such sum as shall be designated by the Secretary as the amount of the first installment on such purchase price. Any balance remaining on such purchase price, in the event that only a first installment is paid, shall be paid by such city in 20 equal installments at such time as shall be agreed upon by the Secretary and such city.

SEC. 3. The conveyance authorized by this act shall be made subject to any existing valid claims against the lands described in the first section of this act.

Mr. MALONE. Mr. President, I ask unanimous consent that a letter dated June 8, 1955, from James B. French, mayor of the city of Henderson, Nev., be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HENDERSON, NEV., *June 8, 1955.*

Senator GEORGE W. MALONE,
Senator from Nevada, Senate Office Building, Washington, D. C.

DEAR SENATOR MALONE: Thank you for your letter of May 20 and the correspondence attached thereto.

Enclosed is a copy of letter to Bureau of Land Management in which the city of Henderson requested withdrawal of certain public lands. The city is desirous of purchasing this land. As you know, Henderson is surrounded by property owned by either the Federal Government or Basic Management, Inc. As a result, Henderson cannot grow landwise in any direction.

It is the feeling of the city council that if Henderson could purchase these particular public lands it could be turned over to private enterprise for development, in accordance with the master plan for the city.

Some of it might be commercial property, some might be industrial, and other residential.

We are extremely anxious to secure this land for obvious reasons stated above.

Sincerely yours,

CITY OF HENDERSON,
JAMES B. FRENCH, *Mayor.*

Mr. MALONE. Mr. President, I have a list of certain parcels of land to be surveyed, contained in a letter from James B. French, mayor of the city of Henderson, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

HENDERSON, NEV., *December 23, 1953.*
LAND AND SURVEY OFFICE,
Reno, Nev.

DEAR SIRS: Application is hereby made by the city of Henderson for withdrawal of the following lands, pending legislation, for the city of Henderson. The lands desired are:

Section thirty-three, township twenty-one south, sixty-three east.

East one-half section twenty, west one-half, southwest one-fourth section twenty-one, township twenty-two south, sixty-three east.

East one-half section seventeen, east one-half section eight, township twenty-two south, sixty-three east.

East one-half, northwest one-fourth section twenty-eight, township twenty-two south, sixty-three east.

East one-half section two, township twenty-two south, sixty-two east.

Section three, section four, section twenty-four, west one-half, section two, township twenty-two south, sixty-two east.

Section thirty, section thirty-one, section thirty-two, township twenty-two south, sixty-three east.

The purpose of the request for withdrawal is to obtain for the city of Henderson necessary lands for industrial development and city growth. The incorporation of the city left us in the center of an area of public domain, in the most part bounded by an area which is under the control and ownership of Basic Management, Inc., and the city, as a city, has no area at the present time for any expansion or for industrial growth. Considerable interest at the present time is being directed toward Henderson as an industrial center and we feel that it is of paramount importance as a city to encourage industry to come here. In order to do so land will of necessity have to be made available for this expansion.

We are attempting to build Henderson on an industrial level and feel that it will become a very stabilizing center for this southwest area, in which there is almost no industry.

At present Basic Management, Inc., is operating a large plant, for the most part of critical defense products. With this in mind we feel that the Henderson area can become a vital part in our national defense economy.

It is hereby requested that the above-named lands be withdrawn for all purposes, including grazing, mineral leases, and mining locations. This application is tendered under Public Lands Circular 1830, part 295, paragraph 295–10, published in 17FR7368 of August 13, 1952.

JAMES B. FRENCH, *Mayor.*

Mr. MALONE. Mr. President, this land is so located in relation to the city of Henderson that to comply with the master plan of the city, it must come under the control of the city, and be designated for commercial and residential usage.

NATIONAL FREEDOM BOARD IN EXECUTIVE OFFICE OF THE PRESIDENT

Mr. KNOWLAND. Mr. President, earlier in the afternoon I introduced a bill to establish in the Executive Office of the President a National Freedom Board which shall direct the activities of the United States in promoting the cause of freedom.

I have prepared some remarks on the bill. Due to the lateness of the hour today, and not wishing to detain the business of the Senate, I ask unanimous consent that my remarks may be printed in the RECORD, and that immediately following may be printed a copy of the bill, as well as a brief explanation of it.

The PRESIDING OFFICER. Without objection, the statement, bill, and explanation will be printed in the RECORD.

The statement, bill, and explanation presented by Mr. KNOWLAND are as follows:

STATEMENT BY SENATOR KNOWLAND

Two and one-half billion people who populate the earth today ponder the future fate of mankind. Although boundary lines presently divide these people into two opposing camps, the great majority are unified in their hopes and prayers for an honorable and enduring peace.

Today, for the first time in recorded history, a total conflict in peacetime has evolved with its theater of operations worldwide in scope. The headquarters of this conspiracy against mankind is located in Moscow and its chief instrument is international communism.

Over 30 years ago, Lenin expounded the eternal philosophy of communism's irreconcilability with our free system and no Communist has deviated from that platform to the present date. "It is inconceivable," Lenin said, "that the Soviet Republic should continue to exist for a long period side by side with imperialistic states. Ultimately, one or the other must conquer."

The world may well ask whether its future is to be shadowed by the philosophy enunciated over 30 years ago. It is true that since 1940 spokesmen of international communism do not always publicly trumpet their objectives. The strategy of forceable conquest is carried on solely within party circles. However, the screen or curtain of secrecy of Communist plans and objectives is pierced occasionally.

In 1952, Stalin wrote, "It is possible that in a definite conjecture of circumstances, the fight for peace will develop here or there into a fight for socialism. But then, it will no longer be the present peace movement; it will be a movement for the overthrow of capitalism." In any analysis, Mr. President, the words that promise our future must be evaluated by past performances and deeds.

From the beginning of the revolution in Russia in 1917, international communism has been able to spread over the lives of 40 percent of the earth's inhabitants. Most of these gains have occurred in the 15-year period since the start of World War II.

Perhaps it might clarify the problems of the present to recall these events of the past when the Communists, by invasion or subversion, took over once proud countries and peoples. The casualties read as follows:

In 1940, Estonia, Latvia, and Lithuania; in 1939 and 1940, Poland; in 1945, Romania, Bulgaria and Albania and North Korea. In 1947, Hungary; in 1948, Czechoslovakia; in 1949, China; in 1954, North Vietnam. Present threats exist today against Formosa and South Vietnam.

In generations past active warfare has been conducted with orthodox forces. The first, the Army, was quickly joined by the second, the Navy. The 20th century added the Air Force to the world's military power and World Wars I and II saw the expansion of psychological force in times of open conflict. However, international communism has now advanced a new and fifth force which in essence is the interchangeable use of the power of orthodox forces in peacetime to advance the cause of world communism. Conventional methods of defense are incapable of protecting against this deadly threat of a relentless enemy. The aim of the Communist cold war is to create confusion and uncertainty among its enemies.

I am convinced that there will never be a real and lasting relief of world tensions until the last vestige of slavery has been eliminated from the earth. As long as there exists suppression in Russia or in China, in North Vietnam or in Poland, there will be no real peace in England, in France or in the United States. But the world may ask how can we operate against an enemy system which is not bound by its word or commitment, which operates without restraint or convention or a moral code.

In such cases history proves that it becomes essential to return to fundamentals and this means a return to the spirit and challenge of freemen. If this country is to assume a position of leadership in this mortal conflict we must diagnose for the world the evils and intentions of international communism and we must apply the antidote of truth to the falsity of Soviet promises. In substance, this means the story of the progress of man under a free society must be fully told to all peoples everywhere. We must reach the minds of those presently enslaved with the message that we will unceasingly strive to secure their freedom.

The power of truth cannot be over estimated. It is indisputable that the truth will make men free. Iron Curtains are not erected solely for the purpose to prevent men from looking in—they are also there to keep an uncertain people from looking out. We can be assured that the one lesson communism knows well is that freedom is contagious and a small concession granted will induce tremendous stresses and strain for full liberty.

I am today introducing legislation which establishes a National Freedom Board that will have the responsibility of inaugurating and administrating this Nation's ideological answer to international communism. I have been long convinced that the defeat of international communism requires the united efforts of all Americans regardless of partisanship.

This legislation provides no panacea for the present ills of mankind. It is no substitute for present or proposed military programs which must be continued without delay or diversion. This legislation is an attempt to revitalize and increase our efforts to win the ideological battle phase against communism. Our overall policy must remain constant—what advances freedom, we must support—what retards it, we must oppose. We must be firmly united in never agreeing to yield human beings or more territory to the Communist orbit.

The proposed creation of the National Freedom Board is a recognition of the record to date, that the battle against tyranny over the minds of man has not yet been won by the free world. If we are the leaders in this conflict, we must advance our ideals and our policies confidently and positively. Our economic system based on a free-competitive enterprise is a proven success. It has given our people the highest standard of living the world has ever known. The story of the progress and growth of freemen in a free society is unparalleled in modern times and it is tragic that this story of achieve-

ment has never been adequately portrayed.

Our way of life in the United States is based upon spiritual strength. The patriotism and pride of our citizens is founded on our schools and institutions—our churches and not our material wealth.

The National Freedom Board represents a hopeful approach to the world's present predicaments and perils.

The proposed legislation has been carefully studied and assistance has been received from the research done in this field by such outstanding Americans as David Sarnoff and William Randolph Hearst, Jr. Renewed efforts in this area have been urged by the 17 districts of the American Legion in California, and the efforts of that organization have received the approval of the national executive committee of the American Legion.

I have stated repeatedly in the past that time may not be on the side of the free world.

S. 2268

Be it enacted, etc., That—

(a) There is hereby established in the Executive Office of the President a National Freedom Board (referred to hereinafter as the Board) which shall be composed of the Vice President, the Secretary of State, the Secretary of Defense, the Director of the United States Information Agency, and five members appointed by the President, by and with the advice and consent of the Senate, from individuals in civil life. One member shall be designated by the President as Chairman of the Board. Five members of the Board shall constitute a quorum. Any vacancy in the Board shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(b) Each member of the Board appointed from civil life shall receive a salary at the rate of $20,000 per year. No member who holds any office under the United States shall receive additional compensation by reason of his service as a member of the Board. Each member of the Board shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties of the Board.

(c) The Board may appoint, without regard to the civil-service laws, and, subject to the Classification Act of 1949, as amended, fix the compensation of, such personnel as it shall determine to be necessary to carry out its duties under this act. The Board may procure, without regard to the civil-service laws or the Classification Act of 1949, as amended, temporary and intermittent services to the same extent as is authorized for the Departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

SEC. 2. (a) It shall be the duty of the Board to—

(1) conduct a study of each existing program and activity of any department, agency, or instrumentality of the executive branch of the Government adopted or undertaken for the purpose of combating by any means (other than by military or diplomatic action) the activities of international communism directed against the United States and other free nations;

(2) conduct a comprehensive study of additional ways and means whereby such Communist activities can be combated most effectively;

(3) prepare and transmit to the President and to the National Security Council at the earliest practicable time a comprehensive plan for effective future action in combating such Communist activities, which shall specify the role to be taken by each participating department, agency, or instrumentality in the executive branch and provide for the coordination of the activities thereof;

(4) upon approval of such plan by the President, oversee the execution of such plan, evaluate the results thereof, and from time to time transmit to the President for approval such modifications of the plan as it shall determine to be necessary or advisable.

(b) Such plan shall—

(1) specify means for the effective exposure of the falsity of propaganda used by Communist governments and agencies to mislead the people of the world with respect to the nature of the American way of life and the nature and purposes of the Communist movement;

(2) specify means to be employed in acquainting the people of the world with (a) the true nature of the social, political, and economic institutions of the United States; (b) the rights, privileges, achievements, culture, and way of life of the people of the United States, (c) the genuine desire of the American people for world peace and the absence of any desire by them for territorial expansion or colonization, and (d) the willingness of the American people to cooperate with the other peoples of the world in the interest of freedom and prosperity for all mankind;

(3) promote affirmatively by all available means (other than by military or diplomatic action) the cause of freedom throughout the world by bringing to all people, including those of countries dominated by Communist governments, an understanding of the genuinely revolutionary concept of individual liberty within a free nation.

SEC. 3. The Board is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Board upon request made by the Chairman.

SEC. 4. There are hereby authorized to be appropriated to the Board such sums as may be required for the performance of its duties under this act.

PROVISIONS OF NATIONAL FREEDOM BOARD LEGISLATION

1. Establishes National Freedom Board within the Executive Offices of the President. Membership on the Board composed of five members appointed by the President with advice and consent of the Senate; and the Vice President, Secretary of State, Secretary of Defense, and Director of the United States Information Agency.

2. Compensation for members appointed is $20,000 per annum.

3. Board will have the responsibility of investigating existing Government activities in the psychological warfare field and conducting a comprehensive study of deficiencies and inadequacies of present programs. Board will submit to the President and National Security Council a comprehensive program for effective action to defeat international Communist cold-war tactics.

4. Subsequent to President's approval of such program, Board will have responsibility for its administration.

5. New programs will include methods for effective exposure of falsity of international Communist doctrine, the adequate portrayal of the American way of life; and encouragement by adequate methods the hopes for freedom and civil liberties among the captive peoples presently dominated by Communist governments.

6. All agencies and departments of the executive branch of the Government are required to furnish available information and complete cooperation to the Board.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO GENERAL GOVERNMENT MATTERS APPROPRIATION BILL

Mr. MAGNUSON submitted the following notices in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 2, after line 19, insert the following new section:

"SPECIAL PROJECTS

"For expenses necessary to provide staff assistance for the President in connection with special projects, to be expended in his discretion and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, $1,250,000: *Provided,* That not to exceed 10 percent of this appropriation may be used to reimburse the appropriation for 'Salaries and expenses,' the White House Office, for administrative services."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him, to House bill 6499, making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 5, line 13, after the sum insert the following: ": *Provided,* That the committee is authorized, without regard to section 505 of the Classification Act of 1949, as amended, to place one position in grade GS–18 of the general schedule established by said act."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him, to House bill 6499, making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 10, line 9, strike out the following: "for the purchase of any station wagon or other passenger motor vehicles (exclusive of buses and ambulances), is hereby fixed at $1,350" and

insert in lieu thereof the following: "for the purchase of any station wagon is hereby fixed at $1,875, and for the purchase of any other passenger motor vehicle (exclusive of buses and ambulances) is hereby fixed at $1,375: *Provided*, That in addition to said maximum amount the contractor is authorized to charge the amount of the manufacturer's regular established charge to the public for transportation and delivery of such vehicle: *Provided further*, That the amount of any charge by the contractor to the Government for any special feature or equipment on said vehicle that is not required for the convenience and comfort of the operator or passengers but is necessary to permit the operator or passengers to carry out their official duties need not be included in said maximum amount."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him, to House bill 6499, making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

CONVEYANCE OF A CERTAIN TRACT OF LAND TO GEORGIA STATE BOARD OF EDUCATION—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him to the bill (H. R. 2973) to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education, which was ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. LEHMAN:

Address delivered by him at the United Jewish Appeal conference, Sheraton-Park Hotel, Washington, D. C., on June 4, 1955.

Testimony given by him on June 16, 1955, before the Senate Interstate and Foreign Commerce Committee on the nomination of Mr. William C. Kern to the Federal Trade Commission.

CONSTRUCTION OF YELLOWTAIL DAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me on the action taken yesterday by the Subcommittee on Irrigation and Reclamation of the Senate Committee on Interior and Insular Affairs relative to the construction of Yellowtail Dam.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MANSFIELD

YELLOWTAIL DAM

The Senate Interior Subcommittee on Irrigation and Reclamation yesterday recommended "an appropriation to initiate immediate construction of Yellowtail Dam, with provision for later installation of power-generating facilities, and the construction of the Hardin irrigation unit."

The subcommittee resolution, unanimously recommended by the Senator from New Mexico [Mr. ANDERSON], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Colorado [Mr. MILLIKIN], is another constructive step toward construction of this vital multipurpose project in the Northwest. When completed, Yellowtail Dam will provide needed power, flood control, and irrigation.

This subcommittee action is similar to action taken by the House Interior Committee last year, that the dam be constructed under its Federal authorization.

In addition the subcommittee resolution called for continued discussion between the Secretary of Interior and the interested private power companies "with a view of advising the subcommittee * * * so that the initiation of the construction of Yellowtail Dam will not be delayed, pending evaluation of any 'partnership' approach." The subcommittee also asked the Secretary of Interior to continue land right-of-way negotiations with the Crow Indian Tribe.

The next step is an appropriation to get construction underway. The public-works appropriation bill for fiscal year 1956 is now being considered by the House of Representatives. In view of the fact that the bill has not been acted upon by the Senate, the senior Senator from Montana [Mr. MURRAY] and myself strongly urge that these recommendations be carried out and that an appropriation be granted to begin construction on Yellowtail Dam in the next fiscal year. I also wish to make note of the fact that the Bureau of Reclamation included a $5 million request in its program for fiscal year 1956, but it was denied by the Bureau of the Budget.

A new start in our power program in the Northwest has been long overdue; Yellowtail Dam will be a great contribution to meet our power shortage in America.

DEATH OF JOHN GRAHAM DOWLING

Mr. MANSFIELD. Mr. President, I was saddened to read in this morning's newspaper of the passing in a plane crash in Paraguay of an old friend of mine, John Graham Dowling, chief correspondent for the Time-Life bureau in Buenos Aires, Argentina. Jack Dowling used to be chief of Time's staff in southeast Asia, with headquarters in Singapore. I met him many times in Saigon, South Vietnam, and I was indebted to him for the sound counsel and good advice which he gave me. He was an outstanding reporter, a good friend, and a fine American. His death will be a great loss to American journalism. May his soul rest in peace.

I ask unanimous consent to have printed in the RECORD as a part of my remarks a brief summary of John Dowling's life, which was published in today's New York Times.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

BEGAN CAREER AS REPORTER

John Graham Dowling was born in Philadelphia on March 5, 1914.

He left Notre Dame University after 2 years to enter newspaper work as a reporter on the Chicago Times and Newark Star-Ledger. He became a charter member of the staff of the Chicago Sun, started by Marshall Field in 1941.

Mr. Dowling covered the Pacific theaters for the Sun as a war correspondent in World War II. He saw combat in the Solomon Islands, New Guinea, the Philippines, and Okinawa. He remained on duty in the Far East until 1948. During this time he spent 1 year in Peiping and was held for 5 weeks by the Russians during a visit to Manchuria.

Mr. Dowling joined the Time-Life staff in October 1950, setting up a southeast Asia bureau at Singapore. He covered the Korean war and the fighting between the French and Communist forces in Indochina.

Since March 1954, Mr. Dowling was head of the Time-Life bureau in Buenos Aires.

Mr. Dowling is survived by his wife, the former Patricia Louise Shafer, and a son, Gordon Graham Dowling, 2 years old.

CONSOLIDATED FUND RAISING

Mr. WILEY. Mr. President, I have spoken previously on the Senate floor on the tremendous importance of making sure that every single dollar collected in the name of charity be used precisely for that purpose. I feel that the overhead in the conduct of fund raising and in the administration of charity should be held to an absolute minimum.

Recently, I mentioned this issue in my Weekly Report to the people of Wisconsin. I was pleased to hear in response from Mr. John Werner, community services director of the Wisconsin State Industrial Union Council, affiliated with the Congress of Industrial Organizations. Mr. Werner brought to my attention the text of an important resolution on behalf of consolidated fund raising as adopted at the 16th constitutional convention of the CIO in Los Angeles last December.

I believe that this resolution makes a very powerful case for federated fund raising—a matter in which labor, like management, and all other segments of our population, should be deeply interested.

I send to the desk the text of the resolution and ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

FEDERATED FUND RAISING

The evidence of American generosity is nowhere better demonstrated than in the widespread support of voluntary health and welfare agencies and services.

On every hand, in every community good citizens have proven to be good neighbors in providing for the sick, the unfortunate and the underprivileged.

Settlement houses, youth activities, character building and rehabilitation agencies, recreational and health services are among the numerous social services supported by the voluntary contributions of Americans. In the ranks of these good neighbors are millions of CIO members who annually support the many fund drives of their communities.

CIO believes in the need and work of voluntary or private health and welfare agencies. While CIO believes that government must assume the major responsibility of providing material assistance to those in need, it also believes that the field of voluntary social work must supplement the welfare programs of government.

Medical research, emergency and supplemental financial assistance, family counseling, youth guidance and recreation, and the stimulation of citizen participation in community health and welfare problems are the special domain of America's voluntary social agencies and organizations.

Unfortunately America's voluntary health and welfare dollar is being stretched out of all proportions by an increasing multiplicity of diversified appeals.

It is an unusual week that passes without having some fund appeal to support a charitable organization or service. Consequently, many donors are lost in a maze of collections, canvasses, and membership drives. Such supermarket tactics, with health and welfare agencies competing for a limited amount of money, is gradually reducing the effectiveness of all voluntary social services.

The vital and needed work of private social agencies can be greatly assisted by a careful budgeting of funds to meet the relative needs of the community. Emotional appeals, pressure tactics, and special personal interests are no substitutes for community-wide health and welfare planning, fund raising and budgeting.

There must be an intelligent consolidation and federation of such appeals in order to reduce the mounting costs of various fund campaigns. The energies and time of the citizen volunteer and solicitor can be conserved if there is a sincere and concerted effort on the part of health and welfare organizations to initiate community-wide planning and fund raising.

CIO has consistently supported through the program of its community services committee efforts in this direction. In most instances annual Community Chest and United Fund campaigns have been generously supported through employee payroll deduction plans.

CIO feels that many social services, especially health organizations not currently participating in a so-called "one-shot campaign", should give serious consideration to consolidating their annual appeal in such a community-wide drive.

Of course, the fund raising and budgeting functions, as well as the boards and committees of voluntary health and welfare agencies should be broadly representative of the entire community.

Federated fund raising based on sound community planning and budgeting will assure a wise allocation and an intelligent expenditure of America's voluntary health and welfare dollar.

FREE DISTRIBUTION OF POLIO VACCINE TO ALL CHILDREN

Mr. LEHMAN. Mr. President, at a hearing of the Committee on Labor and Public Welfare on June 14, 1955, the Secretary of Health, Education, and Welfare, Mrs. Hobby, in response to a question, stated that she believed that the free distribution of vaccine to all children, as proposed by the bill which the Senator from Alabama [Mr. HILL] and other Senators, including myself, had introduced, constituted socialized medicine.

Yesterday, June 16, the Washington Post and Times Herald printed a very interesting, illuminating, and timely editorial, entitled "Socialized Nonsense," in reply to Secretary Hobby's statement. I ask unanimous consent to have the editorial printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOCIALIZED NONSENSE

Secretary Hobby was her own worst enemy in her testimony before the Senate Labor and Public Welfare Committee. She seemed to regard all criticism of the administration's handling of the polio program as captious and added that she was "not embarrassed in the slightest" by it. Then, replying to a question from Senator GOLDWATER, she charged that Senator HILL's bill to provide free vaccine for all children would lead to socialized medicine by the back door.

This attitude, we submit, epitomizes what is wrong with Mrs. Hobby's administration of the Department of Health, Education, and Welfare. If she really can see nothing wrong with the botch over the polio program, and if she screens every new project ranging from aid to education to polio vaccinations from the standpoint of whether it might be labeled socialistic, it is easy to understand why her Department has acquired a reputation for doing nothing.

The administration has proposed a bill under which the Government would supply polio vaccine to the States to insure that no child whose parents could not pay for the vaccine would be denied it. This is a praiseworthy enough objective; the major difficulty lies in the lack of uniform standards for determining what constitutes ability to pay. Perhaps there are reasons why a more comprehensive program for the Government to supply free polio vaccine to all children would be unwise. It would cost more money, it might set a precedent for other medical discoveries (the Federal Government, for example, does not supply free smallpox vaccine), and it might exaggerate the importance of the polio vaccine in relation to other needs.

But there is hardly anything subversive in a proposal for free vaccine under which the Government would pay private laboratories for the material and private doctors would continue to be paid for their services. To call this socialized medicine is to render that much abused term even more ridiculous than it has already become.

Mr. LEHMAN. Mr. President, I have no further comment. None is necessary. The characterization in the editorial is accurate and speaks for itself.

THE POWER POLICIES OF THE ADMINISTRATION

Mr. NEUBERGER. Mr. President, I wish to take note of the fact that at least one segment of the population is jubilant about the power policies of the Eisenhower administration. The cries of delight are not coming from the farmers of the Nation, who saw many of the drudgeries of farm life disappear with the march of REA lines under previous Democratic administrations. Neither are the joyful shouts coming from power consumers we have saved millions of dollars from rate reductions forced by the public power yardstick. No, Mr. President; applause for the administration's power program does not come from the vast majority of American people. The group which is so pleased and grateful is made up of the heads of the country's big power companies. This was succinctly revealed in a recent headline in the New York Times: "Utility Men Hail Eisenhower Policy."

The expressions of delight for administration policy were voiced at a meeting of the Edison Electric Institute. Spokesmen for the utilities described the Eisenhower program's partnership principles as not something new and strange to America. I agree with that statement. The partnership proposals of the administration are not something new and strange to the American scene.

No, the partnership is not a new idea. When Theodore Roosevelt occupied the White House, the Rivers and Harbors Board of the United States Army Engineer Corps made a recommendation on a proposed partnership between the Government and a power company to develop the Tennessee River. The recommendation stated:

In general, any partnership relation between the United States and a private corporation is necessarily to be closely scrutinized, as the results in the past have been that the Government as a party to such agreements usually suffered thereby.

The partnership principle is neither new to America historically, nor is it new to our well-known literature. The partnership was excellently portrayed by the noted author of Alice in Wonderland, Lewis Carroll. He wrote in the following words of the immortal partnership between the owl and the panther:

I passed by his garden and marked, with one eye,
How the owl and the panther were sharing a pie;
The panther took piecrust, and gravy, and meat,
While the owl had the dish as his share of the treat.
When the pie was finished the owl, as a boon,
Was kindly permitted to pocket the spoon;
While the panther received knife and fork with a growl,
And concluded the banquet * * *.

By eating the owl.

Out of sympathy for the tender sensibilities of his readers, Mr. Carroll did not add the final words to the verse describing the fate of the unfortunate owl. Nor have the last words been written as to the fate of the people's power resources under the administration's partnership program. But in Mr. Carroll's verse there is an admonition which today gives us reason for careful thought. When a partnership is formed with a panther, watch out for the unspoken words. They are the fateful ones.

I ask unanimous consent to have printed in the body of the RECORD a fine article on the proposed power partnership. The article was written by Mr. Dewey Rand, and was published in the Salem Capital-Press for June 6, 1955. I also ask unanimous consent to have printed at this point in the RECORD a dispatch from the New York Times of June 15, 1955.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Salem (Oreg.) Capital Press of June 6, 1955]

PASSING IN REVIEW

(By Dewey Rand)

SAM COON, stockman, turned Congressman by election to Congress in the Second District, has added to the burdens of his job by becoming the front man for the belabored Eisenhower partnership power development plan in Oregon. The eastern Oregon Representative, through a series of political maneuvers by himself and others, now occupies the hot spot created and held by Interior Secretary McKay earlier in the Eisenhower administration.

COON, however, is taking a somewhat different approach to the controversy. Instead of the well-worn cries of creeping socialism and pleas for private enterprise, he has centered the fight on a specific case, the John

Day Dam. His introduction of a bill in Congress authorizing the John Day Dam which would give the dam's electric power to private utilities in return for 90 percent of the construction cost is the new line of battle. This moves the issue from talk to action, just as has happened to the Federal Hells Canyon Dam which was approved by the Senate interior subcommittee this week.

It remains, of course, for COON to get his bill passed, but he is working diligently at the job. He has agreed to debate the merits of his plan this summer with Senator NEUBERGER, who favors full Federal development of the site, and his Washington office is producing supporting newsletters for the press and public. In the latest we have received, for release June 8, COON claims a great majority of people he has heard from have expressed a favorable opinion for his legislation. He does not say who these people are, so there is no reason to doubt the truth of this statement.

There is a good reason to doubt the logic of other statements he makes. The letter states the purpose of his legislation: "COON's bill would permit local interests, both public and private, to aid in financing the John Day Dam. Under the terms of the bill, the local groups would put up all of the money required to build the power features. This has been estimated at $273 million, about 90 percent of the total cost."

The flaw in this, so far as the public is concerned, is that the only local interests in evidence are private power companies. There are no others to any substantial degree. But worse still, the plan would give up the only revenue feature, power production, and deprive the Government of future profits and reimbursement. It would also mean—and this is far more important—higher power costs, for the private power companies must make a greater profit than the Government in order to exist.

Then COON resorts, in his letter, to the old defeatist attitude that has been used so often by many other proprivate power public officials. He says: "We certainly won't get the job done if we insist that the Federal Government do all the work and foot all the expense, nor will we insist that local agencies do it all. Both groups, Federal and non-Federal, must work together."

Bonneville, Coulee, and the other great Federal dams of the Northwest refute this nonsense that "we won't get the job done if we insist that the Federal Government * * * foot all the expense." What COON should say, if he wants to report the facts, is that it is difficult to get the job done federally if Oregon's Governor and 3 of its 4 Congressmen are actively opposed. Nor does it prove anything to argue, as some do, that when the other dams were accomplished, the atmosphere at Washington was different. Congress still controls the fate of John Day, Hells Canyon, and the others. None can say with certainty what Congress will do until the issue is before it.

No one can reasonably deny COON's privilege to take what stand he wishes on the power issue, whether it is the result of honest convictions or the influence of special interests. COON may be an able and conscientious Congressman, as Congressmen go. But if his Washington office continues to produce newsletters such as the one quoted here, it is obvious that he or someone with him there has a very low estimate of the intelligence of those to whom it is sent. This, we resent, more than his proprivate power position.

[From the New York Times of June 15, 1955]

UTILITY MEN HAIL EISENHOWER POLICY—PARTNERSHIP CALLED WHOLLY IN THE AMERICAN TRADITION AT INDUSTRY CONVENTION

LOS ANGELES, June 14.—Two western power company executives endorsed in ringing terms today the Eisenhower "partnership policy" in the development of natural resources.

The backing came from James E. Black, chairman of the Pacific Gas & Electric Co., and Kinsey M. Robinson, president and chairman of the Washington Power Co., addressing the 23d annual convention of the Edison Electric Institute.

Mr. Black, who led the successful private industry campaign to run the Central Valley project in California, said that partnership principles are not "something new and strange," but "wholly in the American tradition."

"If they need to be spelled out by the President," he declared, "it is only because the Nation has strayed so far from its historic path."

STIMULUS TO PROSPERITY

Mr. Robinson also referred to the basic resources program outlined by President Eisenhower in his State of the Union message last January.

"It is a real stimulus to prosperity," Mr. Robinson said. "It differs from New Deal power which advocated by word and deed the nationalization of electric power."

The administration's policy, he said, includes States, local communities, private citizens, and the Federal Government, all working together. "The job to be done is so great that all are urged to participate—it is not a policy of monopoly by any one group."

"Government as a partner enlarges and strengthens the abilities of its citizens; government as a remote and bureaucratic overseer can only weaken and subject its citizens to a demoralizing control," said Mr. Black. "It is not a coincidence that the only areas of potential power scarcity in the United States are those in which government has assumed to itself a dominant role."

Both Mr. Black and Mr. Robinson made strong arguments for private initiative in power development in their respective States.

Observing that "in California there has been no real grassroots demand for the Federal Government to go into the commercial power business," Mr. Black cited the Central Valley project to support his contention that tax-free cheap Federal power was a myth.

If the Bureau of Reclamation had been given free rein in the Central Valley, Mr. Black declared, "the total loss to the project, the taxpayers, and the water users * * * would be about $7 million a year."

He discussed a cooperative proposal, now before Congress, for the development of the Trinity River as part of the Central Valley project. It is planned that the turbulent Trinity be harnessed through a series of dams and tunnels to help irrigate the interior valleys. To help finance the project, by-product electric power would be developed.

BIG SAVINGS ESTIMATED

"Our partnership proposal to the Bureau of Reclamation would save the Federal taxpayers $50 million initially in capital outlay," Mr. Black said. "We would pay $3,500,000 a year for the falling water. We would develop half again as much power capacity as the Bureau proposes to build."

The company, he said, would pay Federal taxes of $1,400,000 and State and local taxes totaling $1,300,000 a year.

Mr. Black claimed the support of 200 California organizations, including farm and business associations, labor unions, irrigation districts, and civic groups.

Regarding atomic power development, Mr. Black said: "We believe that if nuclear power does become competitive, it will fit into existing integrated power systems in the same manner as new and more efficient conventional plants are added today." He indicated that economically feasible atomic power was a decade away.

Like the institute's president, Harold Quinton, of Los Angeles, Mr. Black contended that "government power should be taxed equally with the investor-owned utility industry."

He was encouraged to remark, however, that "we can't help feeling that we may be witnessing * * * the advancing twilight of the threat of socialism."

Mr. Robinson argued for the partnership principle as exemplified in another proposal now before Congress, to authorize the John Day Dam on the Columbia River.

"Though the United States Government would retain title, and Army engineers do the actual construction," he said, "it is proposed that 3 private power companies and any others, if they care to participate, will advance $273 million of the total estimated cost of $310 million."

Investor-owned electric companies in the Northwest are building or planning 45 new hydroelectric projects with a total potential of 3.7 million kilowatts of additional power, Mr. Robinson said.

"With the entire Northwest facing serious need for power, it is most baffling to understand why small political blocs try so desperately to destroy private incentive," he declared.

Richard Joyce Smith, of the New York law firm of Whitman, Ransom & Coulson, spoke on overlapping Federal and State regulation of utilities. He suggested as a possible solution an act of Congress enabling the Federal Power Commission to exempt from its authority those electric companies whose functions are "essentially local in character."

With that as a basis, he said, it would be possible to set up an "integrated system of regulation" under which the National Government would have "spheres of control supplementary to and consistent with State regulation of local utilities."

CANADIAN STOCK FRAUDS

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement I have prepared in relation to Canadian stock frauds, a subject to which I have referred heretofore on the floor. Annexed thereto is a memorandum of the Securities and Exchange Commission on the Canadian situation, which I also ask to have printed in the RECORD.

There being no objection, the statement and memorandum were ordered to be printed in the RECORD, as follows:

SENATOR WILEY SEES ENCOURAGING PROGRESS IN COMBATING CANADIAN STOCK FRAUDS

On May 11, I commented in the CONGRESSIONAL RECORD regarding cooperation with our good friends of the Canadian Government in curbing stock frauds emanating from north of the border.

Since that time, I have been in continuous close touch with all the various sources which have been quietly but industriously working on this problem.

These include Federal agencies like the Securities and Exchange Commission, the State Department, the Post Office Department, the Department of Justice, and others.

Likewise, my contacts include the New York Stock Exchange, the National Association of Securities Dealers, the Investment Bankers Association, the National Association of Better Business Bureaus, and a great many other worthy private sources.

Similarly, I have been in contact with State securities commissioners like the commissioners of Wisconsin, Michigan, and Minnesota, and with other public officials at State and local levels as well.

Finally, I have been in continued contact with interested representatives of the press,

particularly the financial press, which is, like all the rest of us, deeply interested in helping to flush out culprits, whether they be of American or of any other national origin and, for that matter, whether they operate above or below the border to fleece the public.

I have found a universal interest in every responsible quarter in helping to protect the investing public, in helping to make sure that those Americans who desire to invest do so soundly in issues where they will get a fair run for their money. Yes; let it be in issues which will be constructive to the free-er terprise system, whether it be in the vital new atomic-energy field or in any other field. But let it not be simply to line the pockets of a handful of unscrupulous fringe operators who have already milked the public of vast sums.

Fortunately, representatives of the staff of the Senate Banking Committee have, under the direction of the distinguished chairman of that committee, Mr. FULBRIGHT, been earnestly exploring this subject, as has a staff member of the Senate Foreign Relations Committee at my request.

I have assured my friends of the Banking Committee of my own continued cooperation with them, since this securities subject is within their fundamental jurisdiction.

The members of the Securities and Exchange Commission have been particularly cooperative. They, of course, face throughout their exploration of this problem and of other problems the constant dilemma of how to meet an ever-expanding workload with an exceedingly small staff—indeed, a staff declining in number.

I feel that any such important agency, dealing as it does with matters of tremendous consequence to the financial structure of our Nation, should have an adequate number of employees so that they can perform their heavy responsibilities efficiently.

I have been interested to receive from the office of the Chairman of the Securities and Exchange Commission, both from the former Chairman, Ralph Demmler, and the present Chairman, J. Sinclair Armstrong, helpful comments on a possible many-sided approach to solution of this problem.

I send to the desk the text of a background memorandum transmitted to me by Chairman Armstrong—one which has likewise been transmitted to the chairman of the Senate Banking Committee. This memorandum lists past and present steps, plus a variety of future possible steps, all of which, as Chairman Armstrong well indicates, would, of course, have to be weighed extremely carefully.

None of the future possibilities is presented by the SEC as a recommendation, but, as I understand, all are listed as merely theoretical possibilities.

I, for one, would oppose any new step which might prove so drastic as to cause more serious problems than it cures. Basically, I would oppose, as I am sure the Commission would likewise oppose, any step recommended from any quarter which would prejudice in any way the splendid relations between our two countries. Even at first glance, I may say, several of the possibilities listed seem so drastic as to be both undesirable and unfeasible, in my judgment.

In any event, it is my intention to comment further, on future occasions, on this overall issue.

I am satisfied that progress is being made toward resolving it—progress which, while slower than we would want, is nevertheless substantial.

I have been particularly pleased at the constructive messages which have come to me from our friends north of the border, in particular, from His Excellency, the Canadian Ambassador, the Honorable A. D. P. Heeney, and from the Honorable O. E. Lennox, chairman of the Securities Commission of the Province of Ontario.

Canada and the United States—the two best friends in the world, the two finest neighbors will, I am sure, meet this issue, as they have met all other issues, including ones of infinitely greater importance than this, with full teamwork.

MEMORANDUM OF THE SECURITIES AND EXCHANGE COMMISSION ON THE CANADIAN SITUATION

Illegal and fraudulent distribution of Canadian securities into the United States existed for many years prior to the organization of the Securities and Exchange Commission and has presented continuing serious problems to date.

In this memorandum we seek to identify the primary problem and the basic difficulty involved in dealing with it, to outline by way of background certain of the means by which the problem has been attacked and the limitations of these methods, and finally to indicate additional measures which might be taken.

The primary problem is to prevent frauds upon our citizens. The problem is created by the efforts of unscrupulous persons, many of them from the United States, to take advantage of the international boundary and the differing regulatory and legal systems of the two countries in order to exploit investors in the United States from bases in Canada. The ease of communication by mail, telegraph, or telephone across the border makes it possible to conduct high-pressure selling campaigns as readily from Canada as from within the United States.

An additional problem is created by sales from Canada in violation of section 5 of the Securities Act of 1933, which imposes registration and prospectus requirements. Such violations may, and frequently do, accompany fraudulent offerings but not all offerings violating section 5 involve fraud.

The basic difficulty of the Commission and other Federal and State agencies in dealing with such activities is that we cannot directly reach violators in Canada since they are beyond our jurisdiction. Moreover, these persons may not clearly violate any Canadian law where they restrict their offerings to the United States. Canada has no Federal securities law (except for criminal fraud statutes) or Federal Securities Commission, the regulation of securities and security dealings being left to the 10 Provinces. All of these have regulatory laws similar to the blue-sky laws of many States. Such Provincial laws do not explicitly protect foreign investors, and the Commission, in trying to deal with violators of American law, has been compelled in large measure to rely upon the exercise by Provincial authorities of limited discretionary powers. While we have received varying degrees of cooperation, reliance on Provincial administrators, whose powers are limited and whose difficulties are great, is unsatisfactory as a means of effective law enforcement.

The Commission, the Department of State, the Department of Justice, the Post Office Department, and law-enforcement authorities of the several States and Canadian Provinces, have, sometimes cooperatively, sometimes independently, attacked the problem in many different ways, including:

1. Investigations of alleged violations of the security laws.
2. Postal fraud orders.
3. State injunctions and cease and desist orders.
4. Federal injunctions.
5. Federal indictments, both open and secret.
6. Restricted lists (lists of securities presumptively illegally offered in which American brokers and dealers should not trade).
7. Publicity campaigns warning investors against high-pressure Canadian offerings.
8. Warning letters to the violators.
9. Informal liaison with Canadian authorities.
10. Prosecutions under Canadian law.
11. Administrative sanctions under Canadian law.
12. Regulation D (a simplified procedure for small Canadian offerings made in the United States).
13. Extradition under treaty.

The degree of success or failure attending these efforts has varied from time to time, but the problem has persisted. All of the foregoing procedures have severe limitations. Fraud must first be proved to obtain a postal fraud order, and then such orders are evaded by changes of name and mailing address in Canada. Indictments and injunctions under American law are ineffective unless jurisdiction over the defendant is obtained. Public warnings have not deterred gullible investors. Prosecutions and administrative proceedings under provincial laws are dependent upon the provisions of these laws, and the vigor with which they are applied against offerings made outside the province. It has also been difficult to conduct investigations of violations occurring partly in Canada and partly in the United States, because of the lack of power by investigators from the United States to obtain facts in Canada and the natural reluctance of Canadian authorities to have American investigators operating in their country. In addition, there is difficulty in getting witnesses from Canada to testify in proceedings in the United States.

One of the difficulties in connection with proceedings under provincial laws has been the feeling on the part of some provincial officials that American securities laws and procedures are unduly complex by Canadian standards and difficult for legitimate Canadian mining and exploration ventures to comply with. Regulation D was adopted by the Commission to provide a simplified procedure by which small Canadian offerings could be made in compliance with our statutes, in the hope that provincial authorities would then require compliance with our laws. This hope has not been realized, owing, among other things, to the limited powers of provincial administrators, differences in the philosophy of securities regulation between the United States and the Canadian Provinces, and administrative difficulties which were aggravated by the inexperience of Canadian issuers and underwriters with SEC statutes and procedures. Moreover, issuers and underwriters offering from Canada object to complying with the multiple requirements of the laws of almost all the States, in addition to SEC requirements.

In order to achieve more harmonious cooperation between the provincial administrators and ourselves, the SEC is presently considering a revision of its regulation governing small offerings from Canada. The revision would confine the exemption exclusively to Canadian offerings which have been qualified under the provincial securities laws. This step is desired by the provinces to provide them with a reason for preventing nonapproved offerings from being made in the United States.

The Supplementary Extradition Convention with Canada of 1952 has been interpreted in a manner which limit its effectiveness, primarily because of the complexity of international extradition law when applied to statutory offenses of this kind as between countries both of which have a federal system, but a differing division of authority between Federal and State or Provincial Governments. A Canadian court has held that enumeration 11A of the Convention does not reach violations of the fraud provisions of the Securities Act of 1933 because Canada has no sufficiently analogous statute,

and hence the "double criminality" requirement of extradition law as interpreted in the British Commonwealth is not met. In any event, extradition is more effective as a weapon in reserve than as a routine instrument of law enforcement.

Additional approaches to the situation include a more intensive exploration of possibilities for cooperation in prosecutions under Canadian law. There are also certain legislative weapons available to the United States if it seems desirable to use them. A Federal statute could be enacted which could close by summary process the channels of international communication to illegal Canadian offerings. Such a statute might include a prohibition against owning any foreign securities offered in violation of its provision, the transmission of funds for the purpose of purchasing such securities might be prohibited and American citizens who depart from or remain outside the jurisdiction of the United States in order to evade prosecution for securities violations might be deprived of their citizenship. We recognize that the enactment and administration of such a drastic measure would present serious problems involving other departments and agencies of our Government as well as the telephone and telegraph companies. The suggestions referred to above are not submitted as a recommendation, but rather as an indication of a new approach which warrants discussion.

While these suggestions are being considered, this Commission will continue its efforts under its statutory powers to obtain compliance with the law.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

VISIT TO THE SENATE OF THE NATIONAL BALLET COMPANY OF CANADA

Mr. WILEY. Mr. President, it is a pleasure to welcome to the Senate today an unusual invasion from the north—a group of beautiful and distinguished dancers from our friendly neighbor across the border. These delightful young people, 35 of them, come from every province of the Dominion of Canada. The National Ballet Company of Canada is young, as they are. They have come to our Capital City for the first time. They have played in the cities of Milwaukee, Chicago, New York, and other places, and the people have taken them to their hearts. They have filled the Carter Barron Amphitheater every evening since they came to Washington 8 days ago. I am sure we wish them every success. The news ticker reports that Washington audiences are receiving them enthusiastically. Despite the threatening weather, large numbers have turned out nightly for their performance. The music and dramatic critics have been warm in their praise.

We of the Senate welcome these fine ambassadors from our neighbor, Canada—a good and valiant neighbor.

I should like to ask the group to rise so that Senators may give them a hand.

(The group rose from their seats in the gallery and received the applause of the Senate.)

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the executive business, and consider first the nominations on the Executive Calendar, to be followed by the Austrian treaty.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the Secretary will proceed to state the nominations on the calendar.

FEDERAL COMMUNICATIONS COMMISSION

The Chief Clerk read the nomination of Richard A. Mack, of Florida, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1955.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Gordon Gray, of North Carolina, to be an Assistant Secretary of Defense.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES AIR FORCE RESERVE COMMISSIONED OFFICERS

The Chief Clerk proceeded to read sundry nominations of United States Air Force Reserve commissioned officers.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

AIR NATIONAL GUARD

The Chief Clerk proceeded to read sundry nominations in the Air National Guard.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

IN THE NAVY

The Chief Clerk read the nomination of Rear Adm. Charles Wellborn, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a designation in accordance with section 413 of the Officer Personnel Act of 1947.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

IN THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Marine Corps.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Marine Corps nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of all nominations confirmed today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

AUSTRIAN STATE TREATY

The ACTING PRESIDENT pro tempore. The Chair now lays before the Senate the treaty with Austria.

The Senate, as in Committee of the Whole, proceeded to consider the treaty (Executive G, 84th Congress, 1st session), the state treaty for the reestablishment of an independent and democratic Austria, signed at Vienna on May 15, 1955, which was read the second time, as follows:

STATE TREATY FOR THE RE-ESTABLISHMENT OF AN INDEPENDENT AND DEMOCRATIC AUSTRIA

Preamble

The Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and France, hereinafter referred to as "the Allied and Associated Powers", of the one part and Austria, of the other part;

Whereas on 13th March, 1938, Hitlerite Germany annexed Austria by force and incorporated its territory in the German Reich;

Whereas in the Moscow Declaration published on 1st November, 1943, the Governments of the Union of Soviet Socialist Republics, the United Kingdom and the United States of America declared that they regarded the annexation of Austria by Germany on 13th March, 1938, as null and void and affirmed their wish to see Austria reestablished as a free and independent State, and the French Committee of National Liberation made a similar declaration on 16th November, 1943;

Whereas as a result of the Allied victory Austria was liberated from the domination of Hitlerite Germany;

Whereas the Allied and Associated Powers, and Austria, taking into account the importance of the efforts which the Austrian people themselves have made and will have to continue to make for the restoration and democratic reconstruction of their country, desire to conclude a treaty re-establishing Austria as a free, independent, and democratic State, thus contributing to the restoration of peace in Europe;

Whereas the Allied and Associated Powers desire by means of the present Treaty to settle in accordance with the principles of justice all questions which are still out-

standing in connection with the events referred to above, including the annexation of Austria by Hitlerite Germany and participation of Austria in the war as an integral part of Germany; and

Whereas the Allied and Associated Powers and Austria are desirous for these purposes of concluding the present Treaty to serve as the basis of friendly relations between them, thereby enabling the Allied and Associated Powers to support Austria's application for admission to the United Nations organization;

Have therefore appointed the undersigned Plenipotentiaries who, after presentation of their full powers, found in good and due form, have agreed on the following provisions:

PART I—POLITICAL AND TERRITORIAL CLAUSES

Article 1—Re-establishment of Austria as a free and independent State

The Allied and Associated Powers recognize that Austria is re-established as a sovereign, independent, and democratic State.

Article 2—Maintenance of Austria's independence

The Allied and Associated Powers declare that they will respect the independence and territorial integrity of Austria as established under the present Treaty.

Article 3—Recognition by Germany of Austrian independence

The Allied and Associated Powers will incorporate in the German Peace Treaty provisions for securing from Germany the recognition of Austria's sovereignty and independence and the renunciation by Germany of all territorial and political claims in respect of Austria and Austrian territory.

Article 4—Prohibition of anschluss

1. The Allied and Associated Powers declare that political or economic union between Austria and Germany is prohibited. Austria fully recognizes its responsibilities in this matter and shall not enter into political or economic union with Germany in any form whatsoever.

2. In order to prevent such union Austria shall not conclude any agreement with Germany, nor do any act, nor take any measures likely, directly or indirectly, to promote political or economic union with Germany, or to impair its territorial integrity or political or economic independence. Austria further undertakes to prevent within its territory any act likely, directly or indirectly, to promote such union and shall prevent the existence, resurgence and activities of any organizations having as their aim political or economic union with Germany, and pan-German propaganda in favor of union with Germany.

Article 5—Frontiers of Austria

The frontiers of Austria shall be those existing on 1st January, 1938.

Article 6—Human rights

1. Austria shall take all measures necessary to secure to all persons under Austrian jurisdiction, without distinction as to race, sex, language or religion, the enjoyment of human rights and of the fundamental freedoms, including freedom of expression, of press and publication, of religious worship, of political opinion and of public meeting.

2. Austria further undertakes that the laws in force in Austria shall not, either in their content or in their application, discriminate or entail any discrimination between persons of Austrian nationality on the ground of their race, sex, language or religion, whether in reference to their persons, property, business, professional or financial interests, status, political or civil rights or any other matter.

Article 7—Rights of the Slovene and Croat minorities

1. Austrian nationals of the Slovene and Croat minorities in Carinthia, Burgenland and Styria shall enjoy the same rights on equal terms as all other Austrian nationals, including the right to their own organizations, meetings and press in their own language.

2. They are entitled to elementary instruction in the Slovene or Croat language and to a proportional number of their own secondary schools; in this connection school curricula shall be reviewed and a section of the Inspectorate of Education shall be established for Slovene and Croat schools.

3. In the administrative and judicial districts of Carinthia, Burgenland and Styria, where there are Slovene, Croat or mixed populations, the Slovene or Croat language shall be accepted as an official language in addition to German. In such districts topographical terminology and inscriptions shall be in the Slovene or Croat language as well as in German.

4. Austrian nationals of the Slovene and Croat minorities in Carinthia, Burgenland and Styria shall participate in the cultural, administrative and judicial systems in these territories on equal terms with other Austrian nationals.

5. The activity of organizations whose aim is to deprive the Croat or Slovene population of their minority character or rights shall be prohibited.

Article 8—Democratic institutions

Austria shall have a democratic government based on elections by secret ballot and shall guarantee to all citizens free, equal and universal suffrage as well as the right to be elected to public office without discrimination as to race, sex, language, religion or political opinion.

Article 9—Dissolution of Nazi organizations

1. Austria shall complete the measures, already begun by the enactment of appropriate legislation approved by the Allied Commission for Austria, to destroy the National Socialist Party and its affiliated and supervised organizations, including political, military and para-military organizations, on Austrian territory. Austria shall also continue the efforts to eliminate from Austrian political, economic and cultural life all traces of Nazism, to ensure that the above-mentioned organizations are not revived in any form, and to prevent all Nazi and militarist activity and propaganda in Austria.

2. Austria undertakes to dissolve all Fascist-type organizations existing on its territory, political, military and para-military, and likewise any other organizations carrying on activities hostile to any United Nation or which intend to deprive the people of their democratic rights.

3. Austria undertakes not to permit, under threat of penal punishment which shall be immediately determined in accordance with procedures established by Austrian Law, the existence and the activity on Austrian territory of the above-mentioned organizations.

Article 10—Special clauses on legislation

1. Austria undertakes to maintain and continue to implement the principles contained in the laws and legal measures adopted by the Austrian Government and Parliament since 1st May, 1945, and approved by the Allied Commission for Austria, aimed at liquidation of the remnants of the Nazi regime and at the reestablishment of the democratic system, and to complete the legislative and administrative measures already taken or begun since 1st May, 1945, to codify and give effect to the principles set out in Articles 6, 8 and 9 of the present Treaty, and insofar as she has not yet done so to repeal or amend all legislative and administrative measures adopted between 5th March, 1933, and 30th April, 1945, which conflict with the principles set forth in Articles 6, 8 and 9.

2. Austria further undertakes to maintain the law of 3rd April, 1919, concerning the House of Hapsburg-Lorraine.

Article 11—Recognition of peace treaties

Austria undertakes to recognize the full force of the Treaties of Peace with Italy, Roumania, Bulgaria, Hungary and Finland and other agreements or arrangements which have been or will be reached by the Allied and Associated Powers in respect of Germany and Japan for the restoration of peace.

PART II—MILITARY AND AIR CLAUSES

Article 12—Prohibition of service in the Austrian Armed Forces of former members of Nazi organizations, and certain other categories of persons

The following shall in no case be permitted to serve in the Austrian Armed Forces:

1. Persons not of Austrian nationality;

2. Austrian nationals who had been German nationals at any time before 13th March, 1938;

3. Austrian nationals who served in the rank of Colonel or in any higher rank in the German Armed Forces during the period from 13th March, 1938, to 8th May, 1945;

4. With the exception of any persons who shall have been exonerated by the appropriate body in accordance with Austrian law, Austrian nationals falling within any of the following categories:

(a) Persons who at any time belonged to the National Socialist Party ("N. S. D. A. P.") or the "S. S.", "S. A.", or "S. D." organizations; the Secret State Police ("Gestapo"); or the National Socialist Soldiers' Association ("N. S. Soldatenring"); or the National Socialist Officers' Association ("N. S. Offiziersvereinigung").

(b) Officers in the National Socialist Fliers' Corps ("N. S. F. K.") or the National Socialist Motor Corps ("N. S. K. K.") of rank not lower than "Untersturmfuehrer" or its equivalent;

(c) Functionaries in any supervised or affiliated organizations of the N. S. D. A. P. of rank not lower than that equivalent to "Ortsgruppenleiter";

(d) Authors of printed works or scenarios placed by the competent commissions set up by the Government of Austria in the category of prohibited works because of their Nazi character;

(e) Leaders of industrial, commercial and financial undertakings who according to the official and authenticated reports of existing industrial, commercial and financial associations, trade unions and party organizations are found by the competent commission to have co-operated actively in the achievement of the aims of the N. S. D. A. P. or of any of its affiliated organizations, supported the principles of National Socialism or financed or spread propaganda for National Socialist organizations or their activities, and by any of the foregoing to have damaged the interests of an independent and democratic Austria.

Article 13—Prohibition of special weapons

1. Austria shall not possess, construct or experiment with—(a) Any atomic weapon, (b) any other major weapon adaptable now or in the future to mass destruction and defined as such by the appropriate organ of the United Nations, (c) any self-propelled or guided missile or torpedoes, or apparatus connected with their discharge or control, (d) sea mines, (e) torpedoes capable of being manned, (f) submarines or other submersible craft, (g) motor topedo boats, (h) specialized types of assault craft, (i) guns with a range of more than 30 kilometers, (j) asphyxiating, vesicant or poisonous materials or biological substances in quantites greater than, or of types other than, are required for

legitimate civil purpose, or any apparatus designed to produce, project, or spread such materials or substances for war purposes.

2. The Allied and Associated Powers reserve the right to add to this Article prohibitions of any weapons which may be evolved as a result of scientific development.

Article 14—Disposal of war materiel of Allied and German origin

1. All war materiel of Allied origin in Austria shall be placed at the disposal of the Allied or Associated Power concerned according to the instructions given by that Power.

Austria shall renounce all rights to the above-mentioned war materiel.

2. Within one year from the coming into force of the present Treaty Austria shall render unusable for any military purpose or destroy: all excess war materiel of German or other non-Allied origin; insofar as they relate to modern war materiel, all German and Japanese drawings, including existing blueprints, prototypes, experimental models and plans; all war materiel prohibited by Article 13 of the present Treaty; all specialized installations, including research and production equipment, prohibited by Article 13 which are not convertible for authorized research, development or construction.

3. Within six months from the coming into force of the present Treaty Austria shall provide the Governments of the Soviet Union, of the United Kingdom, of the United States of America, and of France with a list of the war materiel and installations enumerated in paragraph 2.

4. Austria shall not manufacture any war materiel of German design.

Austria shall not acquire or possess, either publicly or privately, or by any other means, any war materiel of German manufacture, origin or design except that the Austrian Government may utilize, for the creation of the Austrian armed forces, restricted quantities of war materiel of German manufacture, origin or design remaining in Austria after the Second World War.

5. A definition and list of war materiel for the purposes of the present Treaty are contained in Annex I.

Article 15—Prevention of German rearmament

1. Austria shall co-operate fully with the Allied and Associated Powers in order to ensure that Germany is unable to take steps outside German territory towards rearmament.

2. Austria shall not employ or train in military or civil aviation or in the experimentation, design, production or maintenance of war materiel: persons who are, or were at any time previous to 13th March, 1938, nationals of Germany; or Austrian nationals precluded from serving in the Armed Forces under Article 12; or persons who are not Austrian nationals.

Article 16—Prohibition relating to civil aircraft of German and Japanese design

Austria shall not acquire or manufacture civil aircraft which are of German or Japanese design or which embody major assemblies of German or Japanese manufacture or design.

Article 17—Duration of limitations

Each of the military and air clauses of the present Treaty shall remain in force until modified in whole or in part by agreement between the Allied and Associated Powers and Austria, or, after Austria becomes a member of the United Nations, by agreement between the Security Council and Austria.

Article 18—Prisoners of war

1. Austrians who are now prisoners of war shall be repatriated as soon as possible, in accordance with arrangements to be agreed upon by the individual Powers detaining them and Austria.

2. All costs, including maintenance costs, incurred in moving Austrians who are now prisoners of war from their respective assembly points, as chosen by the Government of the Allied or Associated Power concerned, to the point of their entry into Austrian territory, shall be borne by the Government of Austria.

Article 19—War graves and memorials

1. Austria undertakes to respect, preserve and maintain the graves on Austrian territory of the soldiers, prisoners of war and nationals forcibly brought to Austria of the Allied Powers as well as of the other United Nations which were at war with Germany, the memorials and emblems on these graves, and the memorials to the military glory of the armies which fought on Austrian territory against Hitlerite Germany.

2. The Government of Austria shall recognize any commission, delegation or other organization authorized by the State concerned to identify, list, maintain or regulate the graves and edifices referred to in paragraph 1; shall facilitate the work of such organizations; and shall conclude in respect of the above-mentioned graves and edifices such agreements as may prove necessary with the State concerned or with any commission or delegation or other organization authorized by it. It likewise agrees to render, in conformity with reasonable sanitary requirements, every facility for the disinterment and despatch to their own country of the remains buried in the said graves, whether at the request of the official organizations of the State concerned or at the request of the relatives of the persons interred.

PART III

Article 20—Withdrawal of allied forces

1. The Agreement on the Machinery of Control in Austria of 28th June, 1946 shall terminate on the coming into force of the present Treaty.

2. On the coming into force of the present Treaty, the Inter-Allied Command established under paragraph 4 of the Agreement on Zones of Occupation in Austria and the Administration of the City of Vienna of 9th July, 1945, shall cease to exercise any functions with respect to the administration of the City of Vienna. The Agreement on Zones of Occupation of Austria shall terminate upon completion of the withdrawal from Austria of the forces of the Allied and Associated Powers in accordance with paragraph 3 of the present Article.

3. The forces of the Allied and Associated Powers and members of the Allied Commission for Austria shall be withdrawn from Austria within ninety days from the coming into force of the present Treaty, and in so far as possible not later than 31st December, 1955.

4. The Government of Austria shall accord to the forces of the Allied and Associated Powers and the members of the Allied Commission for Austria pending their withdrawal from Austria the same rights, immunities and facilities as they enjoyed immediately before the coming into force of the present Treaty.

5. The Allied and Associated Powers undertake to return to the Government of Austria after the coming into force of the present Treaty and within the period specified in paragraph 3 of this Article:

(a) All currency which was made available free of cost to the Allied and Associated Powers for the purpose of the occupation and which remains unexpended at the time of completion of withdrawal of the Allied forces;

(b) All Austrian property requisitioned by Allied forces or the Allied Commission, and which is still in their possession. The obligations under this sub-paragraph shall be applied without prejudice to the provisions of Article 22 of the present Treaty.

PART IV—CLAIMS ARISING OUT OF THE WAR

Article 21—Reparation

No reparation shall be exacted from Austria arising out of the existence of a state of war in Europe after 1st September, 1939.

Article 22—German assets in Austria

The Soviet Union, the United Kingdom, the United States of America and France have the right to dispose of all German assets in Austria in accordance with the Protocol of the Berlin Conference of 2nd August, 1945.

1. The Soviet Union shall receive for a period of validity of thirty years concessions to oil fields equivalent to 60% of the extraction of oil in Austria for 1947, as well as property rights to all buildings, constructions, equipment, and other property belonging to these oil fields, in accordance with list No. 1 and map No. 1 annexed to the Treaty.

2. The Soviet Union shall receive concessions to 60% of all exploration areas located in Eastern Austria that are German assets to which the Soviet Union is entitled in conformity with the Potsdam Agreement and which are in its possession at the present time, in accordance with list No. 2 and map No. 2 annexed to the Treaty.

The Soviet Union shall have the right to carry out explorations on the exploration areas mentioned in the present paragraph for 8 years and to subsequent extraction of oil for a period of 25 years beginning from the moment of the discovery of oil.

3. The Soviet Union shall receive oil refineries having a total annual production capacity of 420,000 tons of crude oil, in accordance with list No. 3.

4. The Soviet Union shall receive those undertakings concerned in the distribution of oil products which are at its disposal, in accordance with list No. 4.

5. The Soviet Union shall receive the assets of the Danube Shipping Company (D. D. S. G.), located in Hungary, Roumania and Bulgaria; and, likewise, in accordance with list No. 5, 100% of the assets of the Danube Shipping Company located in Eastern Austria.

6. The Soviet Union shall transfer to Austria property, rights and interests held or claimed as German assets, together with existing equipment, and shall also transfer war industrial enterprises, together with existing equipment, houses and similar immovable property, including plots of land, located in Austria and held or claimed as war booty with the exception of the assets mentioned in paragraphs 1, 2, 3, 4 and 5 of the present Article. Austria for its part undertakes to pay the Soviet Union 150,000,000 United States dollars in freely convertible currency within a period of 6 years.

The said sum will be paid by Austria to the Soviet Union in equal three-monthly installments of 6,250,000 United States dollars in freely convertible currency. The first payment will be made on the first day of the second month following the month of the entry into force of the present Treaty. Subsequent three-monthly payments will be made on the first day of the appropriate month. The last three-monthly payment will be made on the last day of the six-year period after the entry into force of this Treaty.

The basis for payments provided for in this Article will be the United States dollar at its gold parity on 1st September, 1949, that is, 35 dollars for 1 ounce of gold.

As security for the punctual payment of the above-mentioned sums due to the Soviet Union the Austrian National Bank shall issue to the State Bank of the U. S. S. R. within two weeks of the coming into force of the present Treaty promissory notes to the total sum of 150,000,000 United States dollars to become payable on the dates provided for in the present Article.

The promissory notes to be issued by Austria will be non-interest-bearing. The State Bank of the U. S. S. R. does not intend to discount these notes provided that the Austrian Government and the Austrian National Bank carry out their obligations punctually and exactly.

7. Legal Position of Assets:

(a) All former German assets which have become the property of the Soviet Union in accordance with paragraphs 1, 2, 3, 4 and 5 of the present Article shall, as the general rule, remain under Austrian jurisdiction and, in conformity with this, Austrian legislation shall apply to them.

(b) Where duties and charges, commercial and industrial rights and the levying of taxation are concerned, these assets shall be subject to conditions not less favorable than those which apply or will apply to undertakings belonging to Austria and its nationals and also to other states and persons who are accorded most-favored-nation treatment.

(c) All former German assets which have become the property of the Soviet Union shall not be subject to expropriation without the consent of the Soviet Union.

(d) Austria will not raise any difficulties in regard to the export of profits or other income (i. e. rents) in the form of output or of any freely convertible currency received.

(e) The rights, properties and interests transferred to the Soviet Union as well as the rights, properties and interests which the Soviet Union relinquishes to Austria shall be transferred without any charges or claims on the part of the Soviet Union or on the part of Austria. Under the words "charges and claims" is understood not only creditor claims arising out of the exercise of Allied control of these properties, rights and interests after 8th May, 1945, but also all other claims including claims in respect of taxes. The reciprocal waiver by the Soviet Union and Austria of charges and claims applies to all such charges and claims as exist on the date when Austria formalizes the rights of the Soviet Union to the former German assets transferred to it and on the date of the actual transfer to Austria of the assets relinquished by the Soviet Union.

8. The transfer to Austria of all properties, rights and interests provided for in paragraph 6 of the present Article, and also the formalizing by Austria of the rights of the Soviet Union to the former German assets to be transferred shall be effected within two months from the date of the entry into force of the present Treaty.

9. The Soviet Union shall likewise own the rights, property and interests in respect of all assets, wherever they may be situated in Eastern Austria, created by Soviet organizations or acquired by them by purchase after 8th May, 1945 for the operation of the properties enumerated in Lists 1, 2, 3, 4 and 5 below.

The provisions as set forth in sub-paragraphs a, b, c and d of paragraph 7 of the present Article shall correspondingly apply to these assets.

10. Disputes which may arise in connection with the application of the provisions of the present Article shall be settled by means of bilateral negotiations between the interested parties.

In the event of failure to reach agreement by bilateral negotiations between the Governments of the Soviet Union and of Austria within three months, disputes shall be referred for settlement to an Arbitration Commission consisting of one representative of the Soviet Union and one representative of Austria with the addition of a third member, a national of a third country, selected by mutual agreement between the two Governments.

11. The United Kingdom, the United States of America and France hereby transfer to Austria all property, rights and interests held or claimed by or on behalf of any of them in Austria as former German assets or war booty.

Property, rights and interests transferred to Austria under this paragraph shall pass free from any charges or claims on the part of the United Kingdom, the United States of America or France arising out of the exercise of their control of these properties, rights or interests after 8th May, 1945.

12. Fulfillment by Austria of all obligations stipulated in the provisions of the present Article or derived from such provisions, the claims of the Allied and Associated Powers with respect to former German assets in Austria, based on the Decision of the Berlin Conference of 2nd August, 1945, shall be considered as fully satisfied.

13. Austria undertakes that, except in the case of educational, cultural, charitable and religious property none of the properties, rights and interests transferred to it as former German assets shall be returned to ownership of German juridical persons or where the value of the property, rights and interests exceeds 260,000 schillings, to the ownership of German natural persons. Austria further undertakes not to pass to foreign ownership those rights and properties indicated in Lists 1 and 2 of this Article which will be transferred to Austria by the Soviet Union in accordance with the Austro-Soviet Memorandum of April 15, 1955.

14. The provisions of this Article shall be subject to the terms of Annex II of this Treaty.

LIST NO. 1

Oil fields in eastern Austria on which concessions shall be granted to the Soviet Union

Serial No.	Name o. Oil Field	Name of Company
1	Mühlberg	Itag.
2	St. Ulrich-DEA	D. E. A.
3	St. Ulrich-Niederdonau	Niederdonau.
4	Gösting - Kreutzfield - Pionier (50% of Production).	E. P. G.

NOTE: A. All properties of the oil fields listed above shall be transferred to the Soviet Union, including all wells, both productive and non-productive, with all their surface and underground equipment, oil collecting networks, installations and equipment for drilling, compressor and pumping stations, mechanical workshops, gasoline installations, steam-generating plants, electric generating plants and sub-stations with transmission networks, pipe lines, water supply systems and water mains, electric networks, steam lines, gas mains, oilfield roads, approach roads, telephone lines, fire fighting equipment, motor vehicle and tractor parks, office and living accommodation serving the fields, and other property connected with the exploitation of the oil fields listed above.

B. The right of ownership and leasehold rights to all the properties of the above-mentioned producing fields shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these fields, exploited them or participated in their exploitation, had rights in, title to, or interest in the said properties.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 2

Concessions to oil exploration areas in eastern Austria to be transferred to the Soviet Union

Serial No.	Name of Concession	Name of Company	Hectarage of the area to be ceded to the U. S. S. R.
1	Neusiedlersee	Elverat	122,480
2	Leithagebirge	Kohle Oel Union	52,700
3	Gross Enzersdorf (including the Aderklaa field).	Niederdonau	175,000
4	Hauskirchen (including the Alt Lichtenwarth field).	Itag	4,800

Concessions to oil exploration areas in eastern Austria to be transferred to the Soviet Union—Continued

Serial No.	Name of Concession	Name of Company	Hectarage of the area to be ceded to the U. S. S. R.
5	St. Ulrich	D. E. A.	740
6	Schrattenberg	Kohle Oel Union	3,940
7	Grosskrut	Wintersha	8,000
8	Mistelbach	Preussag	6,400
9	Paasdorf (50% of the area).	E. P. G.	3,650
10	Steinberg	Steinberg Naphta	100
11	Hausbrunn	D. E. A.	350
12	Drasenhofen (area on Austrian territory).	Kohle Oel Union	8,060
13	Ameis	Preussag	7,080
14	Siebenhirten	Elverat	5,000
15	Leis	Itag	14,800
16	Korneuburg	Ritz	30,000
17	Klosterneuburg (50% of the area).	E. P. G.	7,900
18	Oberlaa	Preussag	51,400
19	Enzersdorf	Deutag	25,800
20	Oedenburger Pforte	Kohle Oel Union	55,410
21	Tulln	Donau Oel	38,070
22	Kilb (50% of the area).	E. P. G.	18,220
23	Pullendorf	Kohle Oel Union	60,700
24	Nord Steiermark (50% of the area in the Soviet Zone).	E. P. G.	55,650
25	Mittel Steiermark (area in the Soviet Zone).	Wintershal	9,840
26	Gösting (50% of the area).	E. P. G.	250
	Total—26 Concessions.		766,340 ha.

NOTE: A. All the properties of the above-mentioned oil exploration areas shall be transferred to the Soviet Union.

B. The right of ownership and leasehold rights to all the properties of the above-mentioned oil exploration areas shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these oil exploration areas, exploited them or participated in their exploitation, had rights in, title to, or interest in the said properties.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 3

Oil refineries in eastern Austria the property rights to which are to be transferred to the Soviet Union

Serial No.	Name of the refinery	Annual productive capacity in 1,000 tons of crude oil in 1947
1	Lobau	240.0
2	Nova	120.0
3	Korneuburg	60.0
4	Okeros (re-refining)	
5	Oil Refinery "Moosbierbaum" excluding the equipment belonging to France and subject to restitution.	
	Total	420.0

NOTE: A. The properties of the refineries shall be transferred with all their equipment including technological installations, electric generating stations, steam generating plants, mechanical workshops, oil depot equipment and storage parks, loading ramps and river moorings, pipe lines including the pipe line Lobau Zistersdorf, roads, approach roads, office and living quarters, fire fighting equipment, etc.

B. The right of ownership and leasehold rights to all the properties of the above-mentioned oil refineries shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these refineries, exploited them or participated in their exploitation, had rights in, title to, or interest in the said properties.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 4

Undertakings in eastern Austria engaged in the distribution of oil products, the property rights to which are to be transferred to the Soviet Union

Serial No.	Name of the undertaking
1	Deutsche Gasolin A. G.—distributing branch in Austria G. m. b. H.
2	"A. G. der Kohlenwerkstoffverband Gruppe Benzin-Benzol-Verband-Bechum"—branch in Austria including the oil depot belonging to it at Praterspitz.
3	"Nova" Mineral Oe. Vertrieb Gesellschaft m. b. H.
4	"Donau-Oel G. m. b. H."
5	"Nitag" with the oil depot at Praterspitz.
6	Firms engaged in gas distribution "Erdgas G. m. b. H.", "Ferngas A. G.", "Zaya Gas G. m. b. H.", "Reintal Gas G. m. b. H." and "B. F. Methane G. m. b. H."
7	Oil depots "Praterspitz Winter Hafen" and "Mauthausen".
8	"Wirtschaftliche Forschungsgesellschaft m. b. H." (W. I. F O.) Oil depot at Lobau and plots of land.
9	Pipe line Lobau (Austria)—Raudnitza (Czechoslovakia) on the section from Lobau to the Czechoslovak frontier.

NOTE.—A. The undertakings shall be transferred with all their property located in Eastern Austria, including oil depots, pipe lines, distributing pumps, filling and emptying ramps, river moorings, roads approach roads, etc.

In addition, the property rights over the whole park of railway tank wagons now in the possession of Soviet organizations shall be transferred to the Soviet Union.

B. The right of ownership and leasehold rights to all the equipment of the above-mentioned undertakings situated in Eastern Austria and engaged in the distribution of oil products shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these undertakings, exploited them or participated in their exploitation had rights in, title to, or interest in the said equipment.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 5

Assets of the D. D. S. G. in eastern Austria to be transferred to the Soviet Union

I. Shipyard in the Town of Korneuburg

The property rights of the shipyard in the town of Korneuberg situated on the left bank of the Danube at kilometer 1943 and occupying territory on both sides of the old bed of the river Danube, with an aggregate area estimated at 220,770 square meters are to be transferred to the Soviet Union. The wharf area is equal to 61,300 square meters and the berth accommodation to 177 meters.

Furthermore, rights in the lease of the shipyard area of 2,946 square meters are to be transferred to the Soviet Union.

Property rights and other rights to all the equipment of the shipyard to the extent that the D. D. S. G. had rights, or title to or interest in the said equipment, including all plots of land, buildings, dockyards and slips, floating tackle, workshops, buildings and premises, power stations, and transformer substations, railway sidings, transport equipment, technological and operational equipment, tools and inventory, communications and all communal welfare installations, dwelling houses and barracks, and also all other property belonging to the shipyard are to be transferred to the Soviet Union.

II. Areas of the Port of the City of Vienna

(a) First area (Nordbahnbruecke)

1. Port area from point 1931, 347.35 kilometers along the course of the Danube to point 1931, 211.65 kilometers, including in it the "Donau-Sandwerkplatz" area, and from point 1931, 176.90 kilometers to point 1930, 439.35 kilometers along the course of the Danube, including in it the areas "Nordbahnbruecke" and "Zwischenbruecke," extending along the wharfside for a total distance of 873.2 meters and with an average width of about 70 meters.

(b) Second area (Nordbahnlaende)

2. Port area from point 1929, 803.00 kilometers to point 1929, 618.00 kilometers along the course of the Danube, extending along the wharfside for a distance of 185.00 meters and with an average width of about 15 meters with the 2 adjacent railways and also the plot of the "Kommunal Baeder" area.

(c) Third area (Praterkai)

Port area from point 1928, 858.90 kilometers to point 1927, 695.30 kilometers along the course of the Danube, for a distance of 1163.60 meters and with an average width of about 70 meters.

(d) Fourth area

Port area, bordering on point 1925, 664.7 kilometers, on the Danube on the area of the port used by the Hungarian Steamship Co., to point 1925, 529.30 kilometers on the area occupied by the railway (Kaibahnof), extending along the wharfside for a total distance of 135.4 meters and with an average width of about 70 meters.

The four areas of the port enumerated shall be transferred with all the hydrotechnical constructions, warehouses, magazines, sheds, river station, operational, service and dwelling houses, auxiliary buildings and constructions, mechanical and loading and unloading equipment and mechanisms, repair shops with equipment, transformer substations and electrical equipment, communications, communal welfare installations, all road and transport installations and also all equipment and inventory.

III. Property and Plant of the Agencies, of River Stations and Stores

Serial No.

Niederranna

1. Agency and warehouse building.

Obermuehl

2. Agency and warehouse building.
3. Land plot 536 square meters.

Neuhaus

4. Waiting room.

Mauthausen

5. Agency building.

Wallsee

6. Agency building.
7. Warehouse.

Grein

8. Agency and warehouse building.

Sarmingstein

9. Agency building.

YBBS

10. Agency building.

Poechlarn

11. Living premises.
12. Agency building.
13. Land plot 1598 square meters.

Melk

14. Warehouse (in the city).
15. Waiting room and office.
16. Warehouse.

Schoenbuehel

17. Waiting room.

Aggsbach-Dorf

18. Agency building.
19. Warehouse.

Spitz

20. Agency building.
21. Warehouse.
22. Land plot 1355 square meters.

Weissenkirchen

23. Office and waiting room.
24. Warehouse.
25. Land plot 516 square meters.

Duernstein

26. Agency building.

Stein

Serial No.

27. Living premises.
28. Waiting room and warehouse building.
29. Land plot alongside house.

Krems

30. Agency building.

Hollenburg

31. Waiting room.

Tulln

32. Agency building.

Greifenstein

33. Shed.

Korneuburg

34. Waiting room and booking office building.

Hainburg

35. Living premises.
36. Agency building.
37. Warehouse.
38. Land plot 754 square meters.

Arnsdorf

39. Agency building.

Landing Stages

40. Melkstrom.
41. Isperdorf.
42. Marbach.
43. Weitenegg.
44. Deutsch-Altenburg.
45. Zwentendorf.
46. Kritzendorf.

The property enumerated in section III is to be transferred with all equipment and inventory.

IV. Property in the City of Vienna

1. Living house at No. 11, Archduke Karl Square (formerly house No. 6), 2d District, standing on its own land.

2. Freehold land and house at 204 Handelskai, 2nd District.

3. Freehold building plots in Wehlistrasse, 2d District, Catastral Registry Nos. 1660, 1661, 1662.

4. Leased land plot at No. 286 Handelskai, 2d District.

The property enumerated in section IV is to be transferred with all equipment and inventory.

Note to sections II, III, and IV

The land, occupied by the port area mentioned in section II of the present list, and also by the agency buildings, river stations, warehouses, and other buildings, enumerated in sections III and IV of the present list and also all property indicated in sections II, III, and IV are to be transferred to the U. S. S. R. on the same legal basis on which this land and other property were held by the D. D. S. G., with the proviso that the land and other property owned by the D. D. S. G. on 8th May, 1945, pass into the ownership of the U. S. S. R.

In cases where agreements which established the legal basis for the transfer of land to the D. D. S. G. did not provide for the transfer to the D. D. S. G. of the ownership rights to this land, the Austrian Government shall be obliged to formalize the transfer to the U. S. S. R. of rights, acquired by the D. D. S. G. by such agreements, and to prolong the validity of the latter for an indefinite period with the proviso that in the future the validity of such agreements shall not be canceled without the consent of the Government of the U. S. S. R.

The extent of the Soviet Union's liabilities in respect of these agreements is to be determined by agreement between the Government of the U. S. S. R. and the Government of Austria. These liabilities shall not exceed the liabilities undertaken by the D. D. S. G. in accordance with agreements concluded on or before 8th May 1945.

V. VESSELS, BELONGING TO THE D. D. S. G. LOCATED IN EASTERN AUSTRIA AND TO BE TRANSFERRED TO U. S. S. R.

No.	Type of vessel	Present name	Old name	Horse-power	Cargo carrying capacity
1	Tug	"Vladivostock"	"Persenbeug"	1000	
2	Tug	"Cronstadt"	"Bremen"	800	
3	Passenger steamer	"Caucasus"	"Hellios"	1100	
4	Dumb tanker barge	104	"DDSG-09714"		967
5	"	144	"DDSG-09756"		974
6	"	161	"DDSG-05602"		548
7	"	09765	"DDSG-09765"		952
8	"	29	"DDSG-XXIX"		1030
9	Dumb dry cargo barge	22	(Taken over after completion)		972
10	"	23	"		972
11	"	EL-72	"DDSG-EL-72"		180
12	"	654	"DDSG-67277"		669
13	"	689	"DDSG-6566"		657
14	"	1058	"DDSG-1058"		950
15	"	5016	"DDSG-5016"		520
16	"	5713	"DDSG-5713"		576
17	"	5728	"DDSG-5728"		602
18	"	6746	"DDSG-6746"		670
19	"	65204	"DDSG-65204"		650
20	"	67173	"DDSG-67173"		670
21	"	10031	"DDSG-10031"		942
22	"	5015	"DDSG-5015"		511
23	"	6525	"DDSG-6525"		682
24	"	67266	"DDSG-67266"		680
25	Lighter	304	"Johanna"		30
26	"	411	"V-238"		40
27	Double funnel pontoon	RP-IV	"RP-IV"		
28	"	RP-VI	"DDSG-RP-VI"		
29	"	RP-XX	"DDSG-RP-XX"		
30	Landing Stage	EP-97	"DDSG-EP-9721"		
31	Pontoon	EP-120	"DDSG-EP-120"		
32	Deckless Lighter	"Trauner"	"Trauner"		
33	Floating Crane	P-1	(nameless)		
34	"	P-2	"DDSG-21"		
35	Pontoon	PT-7			
36	"	PT-8			

Article 23—Austrian property in Germany and renunciation of claims by Austria on Germany

1. From the date of the coming into force of the present Treaty the property in Germany of the Austrian Government or of Austrian nationals, including property forcibly removed from Austrian territory to Germany after 12th March, 1938, shall be returned to its owners. This provision shall not apply to the property of war criminals or persons who have been subjected to the penalties of denazification measures; such property shall be placed at the disposal of the Austrian Government if it has not been subjected to blocking or confiscation in accordance with the laws or ordinances in force in Germany after 8th May, 1945.

2. The restoration of Austrian property rights in Germany shall be effected in accordance with measures which will be determined by the Powers in occupation of Germany in their zones of occupation.

3. Without prejudice to these and to any other disposition in favor of Austria and Austrian nationals by the Powers occupying Germany, and without prejudice to the validity of settlements already reached, Austria waives on its own behalf and on behalf of Austrian nationals all claims against Germany and German nationals outstanding on 8th May, 1945, except those arising out of contracts and other obligations entered into, and rights acquired, before 13th March, 1938. This waiver shall be deemed to include all claims in respect of transactions effected by Germany during the period of the annexation of Austria and all claims in respect of loss or damage suffered during the said period, particularly in respect of the German public debt held by the Austrian Government or its nationals and of currency withdrawn at the time of the monetary conversion. Such currency shall be destroyed upon the coming into force of the present treaty.

Article 24—Renunciation by Austria of claims against the Allies

1. Austria waives all claims of any description against the Allied and Associated Powers on behalf of the Austrian Government or Austrian nationals arising directly out of the war in Europe after 1st September, 1939, or out of actions taken because of the existence of a state of war in Europe after that date whether or not such Allied or Associated Power was at war with Germany at the time. This renunciation of claims includes the following:

(a) Claims for losses or damages sustained as a consequence of acts of armed forces or authorities of Allied or Associated Powers;

(b) Claims arising from the presence, operations or actions of armed forces or authorities of Allied or Associated Powers in Austrian territory;

(c) Claims with respect to the decrees or orders of Prize Courts of Allied or Associated Powers, Austria agreeing to accept as valid and binding all decrees and orders of such Prize Courts on or after 1st September, 1939, concerning ships or goods belonging to Austrian nationals or concerning the payment of costs;

(d) Claims arising out of the exercise or purported exercise of belligerent rights.

2. The provisions of this Article shall bar, completely and finally, all claims of the nature referred to herein, which shall henceforward be extinguished, whoever may be the parties in interest. The Austrian Government agrees to make equitable compensation in schillings to persons who furnished supplies or services on requisition to the forces of Allied or Associated Powers in Austrian territory and in satisfaction of non-combat damage claims against the forces of the Allied or Associated Powers arising in Austrian territory.

3. Austria likewise waives all claims of the nature covered by paragraph 1 of this Article on behalf of the Austrian Government or Austrian nationals against any of the United Nations whose diplomatic relations with Germany were broken off between 1st September 1939 and 1st January, 1945, and which took action in co-operation with the Allied and Associated Powers.

4. The Government of Austria shall assume full responsibility for Allied military currency of denominations of five schillings and under issued in Austria by the Allied Military Authorities, including all such currency in circulation at the coming into force of the present Treaty. Notes issued by the Allied Military Authorities of denominations higher than five schillings shall be destroyed and no claims may be made in this connection against any of the Allied or Associated Powers.

5. The waiver of claims by Austria under paragraph 1 of this Article includes any claims arising out of actions taken by any of the Allied or Associated Powers with respect to ships belonging to Austrian nationals between 1st September, 1939 and the coming into force of the present Treaty as well as any claims and debts arising out of the conventions on prisoners of war now in force.

PART V—PROPERTY, RIGHTS AND INTERESTS

Article 25—United Nations property in Austria

1. In so far as Austria has not already done so, Austria shall restore all legal rights and interests in Austria of the United Nations and their nationals as they existed on the day hostilities commenced between Germany and the United Nation concerned, and shall return all property in Austria of the United Nations and their nationals as it now exists.

2. The Austrian Government undertakes that all property, rights and interests falling under this Article shall be restored free of all encumbrances and charges of any kind to which they may have become subject as a result of the war with Germany and without the imposition of any charges by the Austrian Government in connection with their return. The Austrian Government shall nullify all measures of seizure, sequestration or control taken against United Nations property in Austria between the day of commencement of hostilities between Germany and the United Nation concerned and the coming into force of the present Treaty. In cases where the property has not been returned within six months from the coming into force of the present Treaty, applications for the return of property shall be made to the Austrian authorities not later than twelve months from the coming into force of the Treaty, except in cases in which the claimant is able to show that he could not file his application within this period.

3. The Austrian Government shall invalidate transfers involving property, rights and interests of any description belonging to United Nations nationals, where such transfers resulted from force exerted by Axis Governments or their agencies between the beginning of hostilities between Germany and the United Nation concerned and 8th May, 1945.

4. (a) In cases in which the Austrian Government provides compensation for losses suffered by reason of injury or damage to property in Austria which occurred during the German occupation of Austria or during the war, United Nations nationals shall not receive less favorable treatment than that accorded to Austrian nationals; and in such cases United Nations nationals who hold, directly or indirectly, ownership interests in corporations or associations which are not United Nations nationals within the meaning of paragraph 8 (a) of this Article shall receive compensation based on the total loss or damage suffered by the corporations or associations and bearing the same proportion to such loss or damage as the beneficial interest of such nationals bears to the capital of the corporation or association.

(b) The Austrian Government shall accord to United Nations and their nationals the same treatment in the allocation of materials for the repair or rehabilitation of their property in Austria and in the allocation of foreign exchange for the importation of such materials as applies to Austrian nationals.

5. All reasonable expenses incurred in Austria in establishing claims, including the assessment of loss or damage, shall be borne by the Austrian Government.

6. United Nations nationals and their property shall be exempted from any exceptional taxes, levies, or imposts imposed on their capital assets in Austria by the Austrian Government or by any Austrian authority between the date of the surrender of the German armed forces and the coming into force of the present Treaty for the specific purpose of meeting charges arising out of the war or of meeting the cost of occupying forces. Any sums which have been so paid shall be refunded.

7. The owner of the property concerned and the Austrian Government may agree upon arrangements in lieu of the provisions of this Article.

8. As used in this Article:

(a) "United Nations nationals" means individuals who are nationals of any of the United Nations, or corporations or associations organized under the laws of any of the United Nations, at the coming into force of the present Treaty, provided that the said individuals, corporations or associations also had this status on 8th May, 1945.

The term "United Nations nationals" also includes all individuals, corporations or associations which, under the laws in force in Austria during the war, were treated as enemy.

(b) "Owner" means one of the United Nations, or a national of one of the United Nations, as defined in sub-paragraph (a) above, who is entitled to the property in question, and includes a successor of the owner, provided that the successor is also a United Nations or a United Nations national as defined in subparagraph (a). If the successor has purchased the property in its damaged state, the transferor shall retain his rights to compensation under this Article, without prejudice to obligations between the transferor and the purchaser under domestic law.

(c) "Property" means all movable or immovable property, whether tangible or intangible, including industrial, literary and artistic property, as well as all rights or interests of any kind in property.

9. The provisions of this Article do not apply to transfers of property, rights or interests of United Nations or United Nations nationals in Austria made in accordance with laws and enactments which were in force as Austrian Law on 28th June 1946.

10. The Austrian Government recognizes that the Brioni Agreement of 10th August, 1942 is null and void. It undertakes to participate with the other signatories of the Rome Agreement of 21st March, 1923, in any negotiations having the purpose of introducing into its provisions the modifications necessary to ensure the equitable settlement of the annuities which it provides.

Article 26—Property, rights and interests of minority groups in Austria

1. In so far as such action has not already been taken, Austria undertakes that, in all cases where property, legal rights or interests in Austria have since 13th March, 1938, been subject of forced transfer or measures of sequestration, confiscation or control on account of the racial origin or religion of the owner, the said property shall be returned and the said legal rights and interests shall be restored together with their accessories. Where return or restoration is impossible, compensation shall be granted for losses incurred by reason of such measures to the same extent as is, or may be, given to Austrian nationals generally in respect of war damage.

2. Austria agrees to take under its control all property, legal rights and interests in Austria of persons, organizations or communities which, individually or as members of groups, were the object of racial, religious or other Nazi measures of persecution where, in the case of persons, such property, rights and interests remain heirless or unclaimed for six months after the coming into force of the present Treaty, or where in the case of organizations and communities such organizations or communities have ceased to exist. Austria shall transfer such property, rights and interests to appropriate agencies or organizations to be designated by the Four Heads of Mission in Vienna by agreement with the Austrian Government to be used for the relief and rehabilitation of victims of persecution by the Axis Powers, it being understood that these provisions do not require Austria to make payments in foreign exchange or other transfers to foreign countries which would constitute a burden on the Austrian economy. Such transfer shall be effected within eighteen months from the coming into force of the present Treaty and shall include property, rights and interests required to be restored under paragraph 1 of this Article.

Article 27—Austrian property in the territory of the Allied and Associated Powers

1. The Allied and Associated Powers declare their intention to return Austrian property, rights and interests as they now exist in their territories or the proceeds arising out of the liquidation, disposal or realization of such property, rights or interests, subject to accrued taxes, expenses of administration, creditor claims and other like charges, where such property, rights or interests have been liquidated, disposed of or otherwise realized. The Allied and Associated Powers will be prepared to conclude agreements with the Austrian Government for this purpose.

2. Notwithstanding the foregoing provisions, the Federal People's Republic of Yugoslavia shall have the right to seize, retain or liquidate Austrian property, rights and interests within Yugoslav territory on the coming into force of the present Treaty. The Government of Austria undertakes to compensate Austrian nationals whose property is taken under this paragraph.

Article 28—Debts

1. The Allied and Associated Powers recognize that interest payments and similar charges on Austrian Government securities falling due after the 12th March, 1938, and before 8th May, 1945, constitute a claim on Germany and not on Austria.

2. The Allied and Associated Powers declare their intention not to avail themselves of the provisions of loan agreements made by the Government of Austria before 13th March, 1938, in so far as those provisions granted to the creditors a right of control over the government finances of Austria.

3. The existence of the state of war between the Allied and Associated Powers and Germany shall not, in itself, be regarded as affecting the obligation to pay pecuniary debts arising out of obligations and contracts that existed, and rights that were acquired before the existence of the state of war, which became payable prior to the coming into force of the present Treaty, and which are due by the Government or nationals of Austria to the Government or nationals of one of the Allied and Associated Powers or are due by the Government or nationals of one of the Allied and Associated Powers to the Government or nationals of Austria.

4. Except as otherwise expressly provided in the present Treaty, nothing therein shall be construed as impairing debtor-creditor relationships arising out of contracts concluded at any time prior to 1st September, 1939, by either the Government of Austria or persons who were nationals of Austria on 12th March, 1938.

PART VI—GENERAL ECONOMIC RELATIONS

Article 29

1. Pending the conclusion of commercial treaties or agreements between individual United Nations and Austria, the Government of Austria shall, during a period of eighteen months from the coming into force of the present Treaty, grant the following treatment to each of the United Nations which, in fact, reciprocally grants similar treatment in like matters to Austria:

(a) In all that concerns duties and charges on importation or exportation, the internal taxation of imported goods and all regulations pertaining thereto, the United Nations shall be granted unconditional most-favored-nation treatment;

(b) In all other respects, Austria shall make no arbitrary discrimination against goods originating in or destined for any territory of any of the United Nations as compared with like goods originating in or destined for territory of any other of the United Nations or of any other foreign country;

(c) United Nations nationals, including juridical persons, shall be granted national and most-favored-nation treatment in all matters pertaining to commerce, industry, shipping and other forms of business activity within Austria. These provisions shall not apply to commercial aviation;

(d) Austria shall grant no exclusive or preferential rights to any country with regard to the operation of commercial aircraft in international traffic, shall afford all the United Nations equality of opportunity in obtaining international commercial aviation rights in Austrian territory, including the right to land for refuelling and repair, and, with regard to the operation of commercial aircraft in international traffic, shall grant on a reciprocal and non-discriminatory basis to all United Nations the right to fly over Austrian territory without landing. These provisions shall not affect the interests of the national defense of Austria.

2. The foregoing undertaking by Austria shall be understood to be subject to the exceptions customarily included in commercial treaties concluded by Austria prior to 13th March, 1938; and the provisions with respect to reciprocity granted by each of the United Nations shall be understood to be subject to the exceptions customarily included in the commercial treaties concluded by that State.

PART VII—SETTLEMENT OF DISPUTES

Article 30

1. Any disputes which may arise in giving effect to the Article entitled "United Nations Property in Austria" of the present Treaty shall be referred to a Conciliation Commission established on a parity basis consisting of one representative of the Government of the United Nation concerned and one representative of the Government of Austria. If within three months after the dispute has been referred to the Conciliation Commission no agreement has been reached, either Government may ask for the addition to the Commission of a third member selected by mutual agreement of the two Governments from nationals of a third country. Should the two Governments fail to agree within two months on the selection of a third member of the Commission, either Government may request the Heads of the Diplomatic Missions in Vienna of the Soviet Union, of the United Kingdom, of the United States of America, and of France to make the appointment. If the Heads of Mission are unable to agree within a period of one month upon the appointment of a third member, the Secretary-General of the United Nations may be requested by either party to make the appointment.

2. When any Conciliation Commission is established under paragraph 1 of this Article, it shall have jurisdiction over all disputes which may thereafter arise between the United Nation concerned and Austria in the application or interpretation of the Article referred to in paragraph 1 of this Article and shall perform the functions attributed to it by these provisions.

3. Each Conciliation Commission shall determine its own procedure, adopting rules conforming to justice and equity.

4. Each Government shall pay the salary of the member of the Conciliation Commission whom it appoints and of any agent whom it may designate to represent it before the Commission. The salary of the third member shall be fixed by special agreement between the Governments concerned and this salary, together with the common expenses of each Commission, shall be paid in equal shares by the two Governments.

5. The parties undertake that their authorities shall furnish directly to the Conciliation Commission all assistance which may be within their power.

6. The decision of the majority of the members of the Commission shall be the decision of the Commission, and shall be accepted by the parties as definitive and binding.

PART VIII—MISCELLANEOUS ECONOMIC PROVISIONS

Article 31—Provisions relating to the Danube

Navigation on the Danube shall be free and open for the nationals, vessels of commerce, and goods of all States, on a footing of equality in regard to port and navigation charges and conditions for merchant shipping. The foregoing shall not apply to traffic between ports of the same State.

Article 32—Transit facilities

1. Austria shall facilitate as far as possible railway traffic in transit through its territory at reasonable rates and shall be prepared to conclude with neighboring States reciprocal agreements for this purpose.

2. The Allied and Associated Powers undertake to support inclusion in the settlement in relation to Germany of provisions to facilitate transit and communication without customs duties or charges between Salzburg and Lofer (Salzburg) across the Reichenhall-Steinpass and between Scharnitz (Tyrol) and Ehrwald (Tyrol) via Garmisch-Partenkirchen.

Article 33—Scope of application

The Articles entitled "United Nations Property in Austria" and "General Economic Relations" of the present Treaty shall apply to the Allied and Associated Powers and to those of the United Nations which had that status on 8th May, 1945, and whose diplomatic relations with Germany were broken off during the period between 1st September, 1939 and 1st January, 1945.

PART IX—FINAL CLAUSES

Article 34—Heads of mission

1. For a period not to exceed eighteen months from the coming into force of the present Treaty, the Heads of the Diplomatic Missions in Vienna of the Soviet Union, the United Kingdom, the United States of America and France, acting in concert, will represent the Allied and Associated Powers in dealing with the Government of Austria in all matters concerning the execution and interpretation of the present Treaty.

2. The Four Heads of Mission will give the Government of Austria such guidance, technical advice and clarification as may be necessary to ensure the rapid and efficient execution of the present Treaty both in letter and in spirit.

3. The Government of Austria shall afford to the said Four Heads of Mission all necessary information and any assistance which they may require in the fulfillment of the tasks devolving on them under the present Treaty.

Article 35—Interpretation of the Treaty

1. Except where another procedure is specifically provided under any Article of the present Treaty, any dispute concerning the interpretation or execution of the Treaty which is not settled by direct diplomatic negotiations shall be referred to the Four Heads of Mission acting under Article 34, except that in this case the Heads of Mission will not be restricted by the time limit provided in that Article. Any such dispute not resolved by them within a period of two months shall, unless the parties to the dispute mutually agree upon another means of settlement, be referred at the request of either party to the dispute to a Commission composed of one representative of each party and a third member selected by mutual agreement of the two parties from nationals of a third country. Should the two parties fail to agree within a period of one month upon the appointment of the third member, the Secretary General of the United Nations may be requested by either party to make the appointment.

2. The decision of the majority of the members of the Commission shall be the decision of the Commission, and shall be accepted by the parties as definitive and binding.

Article 36—Force of Annexes

The provisions of the Annexes shall have force and effect as integral parts of the present Treaty.

Article 37—Accession to the Treaty

1. Any member of the United Nations which on 8th May, 1945 was at war with Germany and which then had the status of a United Nation and is not a signatory to the present Treaty, may accede to the Treaty and upon accession shall be deemed to be an Associated Power for the purposes of the Treaty.

2. Instruments of accession shall be deposited with the Government of the Union of Soviet Socialist Republics and shall take effect upon deposit.

Article 38—Ratification of the Treaty

1. The present Treaty, of which the Russian, English, French and German texts are authentic, shall be ratified. It shall come into force immediately upon deposit of instruments of ratification by the Union of Soviet Socialist Republics, by the United Kingdom of Great Britain and Northern Ireland, by the United States of America, and by France of the one part and by Austria of the other part. The instruments of ratification shall, in the shortest time possible, be deposited with the Government of the Union of Soviet Socialist Republics.

2. With respect to each Allied and Associated Power whose instrument of ratification is thereafter deposited, the Treaty shall come into force upon the date of deposit. The present Treaty shall be deposited in the archives of the Government of the Union of Soviet Socialist Republics, which shall furnish certified copies to each of the signatory and acceding States.

ANNEX I

DEFINITION AND LIST OF WAR MATERIEL

The term "war materiel" as used in the present Treaty shall include all arms, ammunition and implements specially designed or adapted for use in war as listed below.

The Allied and Associated Powers reserve the right to amend the list periodically by modification or addition in the light of subsequent scientific development.

Category I

1. Military rifles, carbines, revolvers and pistols; barrels for these weapons and other spare parts not readily adaptable for civilian use.

2. Machine guns, military automatic or auto-loading rifles, and machine-pistols; barrels for these weapons and other spare parts not readily adaptable for civilian use; machine gun mounts.

3. Guns, howitzers, mortars (Minenwerfer), cannon special to aircraft, breechless or recoilless guns and flamethrowers; barrels and other spare parts not readily adaptable for civilian use; carriages and mountings for the foregoing.

4. Rocket projectors; launching and control mechanisms for self-propelling and guided missiles and projectiles; mountings for same.

5. Self-propelling and guided missiles, projectiles, rockets, fixed ammunition and cartridges, filled or unfilled, for the arms listed in subparagraphs 1–4 above, and fuses, tubes or contrivances to explode or operate them. Fuses required for civilian use are not included.

6. Grenades, bombs, torpedoes, mines, depth charges and incendiary materials or charges, filled or unfilled; all means for exploding or operating them. Fuses required for civilian use are not included.

7. Bayonets.

Category II

1. Armoured fighting vehicles; armoured trains, not technically convertible to civilian use.

2. Mechanical and self-propelled carriages for any of the weapons listed in Category I; special type military chassis or bodies other than those enumerated in sub-paragraph 1 above.

3. Armour plate, greater than three inches in thickness, used for protective purposes in warfare.

Category III

1. Aiming and computing devices for the preparation and control of fire, including predictors and plotting apparatus, for fire control; direction or fire instruments; gun sights; bomb sights; fuse setters; equipment for the calibration of guns and fire control instruments.

2. Assault bridging, assault boats and storm boats.

3. Deceptive warfare, dazzle and decoy devices.

4. Personal war equipment of a specialized nature not readily adaptable to civilian use.

Category IV

1. Warships of all kinds, including converted vessels and craft designed or intended for their attendance or support, which cannot be technically reconverted to civilian use, as well as weapons, armour, ammunition, aircraft and all other equipment, material, machines and installations not used in peace time on ships other than warships.

2. Landing craft and amphibious vehicles or equipment of any kind; assault boats or devices of any type as well as catapults or other apparatus for launching or throwing aircraft, rockets, propelled weapons or any other missile, instruments or devices whether manned or unmanned, guided or uncontrolled.

3. Submersible or semi-submersible ship, craft, weapons, devices, or apparatus of any kind, including specially designed harbor defense booms, except as required by salvage, rescue or other civilian uses, as well as all equipments, accessories, spare parts, experimental or training aids, instruments or installations as may be specially designed for the construction, testing, maintenance or housing of the same.

Category V

1. Aircraft assembled or unassembled, both heavier and lighter than air, which are designed or adapted for aerial combat by the use of machine guns, rocket projectors or artillery, or for the carrying and dropping of bombs, or which are equipped with, or which by reason of their design or construction are prepared for, any of the appliances referred to in sub-paragraph 2 below.

2. Aerial gun mounts and frames, bomb racks, torpedo carriers and bomb release or torpedo release mechanisms; gun turrets and blisters.

3. Equipment specially designed for and used solely by airborne troops.

4. Catapults or launching apparatus for shipborne, land-or-sea-based aircraft; apparatus for launching aircraft weapons.

5. Barrage balloons.

Category VI

Asphyxiating, vesicant, lethal, toxic or incapacitating substances intended for war purposes, or manufactured in excess of civilian requirements.

Category VII

Propellants, explosives, pyrotechnics or liquified gases destined for propulsion, explosion, charging, or filling of, or for use in connection with, the war material in the present categories, not capable of civilian use or manufactured in excess of civilian requirements.

Category VIII

Factory and tool equipment specially designed for the production and maintenance of the materiel enumerated above and not technically convertible to civilian use.

ANNEX II

Having regard to the arrangements made between the Soviet Union and Austria, and recorded in the Memorandum signed at Moscow on April 15, 1955, Article 22 of the present Treaty shall have effect subject to the following provisions:

1. On the basis of the pertinent economic provisions of the April 15, 1955 arrangements between the Soviet Union and Austria, the Soviet Union will transfer to Austria within two months from the date of entry into force of the present Treaty, all property, rights and interests to be retained or received by it in accordance with Article 22, except the Danube Shipping Company (D. D. S. G.) assets in Hungary, Roumania and Bulgaria.

2. It is agreed that in respect of any property, right or interest transferred to Austria in accordance with this Annex, Austria's rights shall be limited only in the manner set out in paragraph 13 of Article 22.

In faith whereof the undersigned Plenipotentiaries have signed the present Treaty and have affixed thereto their seals.

Done in the City of Vienna in the Russian, English, French and German languages this day of May 15, 1955.

[SEAL] VYACHESLAV MIKHAILOVICH MOLOTOV.
[SEAL] IVAN I. ILYICHEV.
[SEAL] HAROLD MACMILLAN.
[SEAL] GEOFFREY WALLINGER.
[SEAL] JOHN FOSTER DULLES.
[SEAL] LLEWELLYN E. THOMPSON.
[SEAL] A. PINAY.
[SEAL] R. LALOUETTE.
[SEAL] LEOPOLD FIGL.

AUSTRIAN STATE TREATY

(Summary)

The Preamble makes reference to certain political highlights of relations between the Allied Powers and Austria after the annexation of Austria by Germany on March 13, 1938. Austria was annexed by force and incorporated into the Reich and subsequently the U. S. S. R., United Kingdom, United States, and France declared that they regarded the annexation as null and void. Account is taken of the efforts which the Austrian people have made for the restoration and democratic reconstruction of their country. The Allied and Associated Powers desire by means of the Treaty to settle all questions outstanding in connection with the annexation of Austria by Germany and participation of Austria in the war as part of Germany. The Preamble notes finally that the Allied Powers are desirous of concluding the Treaty to establish the basis of friendly relations, thereby enabling them to support Austria's application for admission to the United Nations.

PART I—POLITICAL AND TERRITORIAL CLAUSES

Article 1—Reestablishment of Austria as a Free and Independent State—Austria is reestablished as a sovereign, independent and democratic state.

Article 2—Maintenance of Austria's Independence—The Allied and Associated Powers declare that they will respect the independence and territorial integrity of Austria as established under the Treaty.

Article 3—Recognition by Germany of Austrian Independence—The Allied and Associated Powers undertake to incorporate in the German Peace Treaty provisions for securing from Germany the recognition of Austria's sovereignty and independence and the renunciation by Germany of all territorial and political claims in respect of Austria and Austrian territory.

Article 4—Prohibition of Anschluss—Political or economic union between Austria and Germany is prohibited. Austria agrees that it shall not enter into such union in any form whatsoever and undertakes to prevent within its territory any act likely to promote such union.

Article 5—Frontiers of Austria—The frontiers of Austria are established as those existing on January 1, 1938.

Article 6—Human Rights—Austria undertakes to take all measures necessary to secure to all persons under Austrian jurisdiction the enjoyment of human rights and fundamental freedoms. Austria further undertakes that the laws in Austria shall not discriminate between persons of Austrian nationality on the ground of race, sex, language or religion.

Article 7—Rights of the Slovene and Croat Minorities—Austrian nationals of the Slovene and Croat minorities shall enjoy the same rights on equal terms as all other Austrian nationals. They are also assured certain rights in regard to education, language, and participation in cultural, administrative and judicial systems.

Article 8—Democratic Institutions—Austria shall have a democratic Government based on elections by secret ballot and shall guarantee to all citizens free, equal and universal suffrage as well as the right to be elected to public office without discrimination as to race, sex, language, religion or political opinion.

Article 9—Dissolution of Nazi Organizations—Austria shall complete measures to destroy the Nazi Party and its affiliated organizations on Austrian territory. Austria shall continue efforts to eliminate from Austrian life all traces of Nazism. Austria also undertakes to dissolve all Fascist-type organizations existing on its territory as well as any other organizations carying on activities hostile to any United Nation.

Article 10—Special Clauses on Legislation—Austria undertakes to maintain and implement laws aimed at liquidation of the remnants of the Nazi regime and providing for reestablishment of the democratic system.

Austria further undertakes to maintain the Austrian law of April 3, 1919 providing for the expulsion of the Hapsburg family and the confiscation of their properties.

Article 11—Recognition of Peace Treaties—Austria undertakes to recognize the treaties of peace with Italy, Rumania, Bulgaria, Hungary and Finland and other agreements reached by the Allied and Associated Powers in respect of Germany and Japan for the restoration of peace.

PART II—MILITARY AND AIR CLAUSES

Article 12—Prohibition of Service in the Austrian Armed Forces of Former Members of Nazi Organizations and Certain Other Categories of Persons—This article prohibits service in the Austrian Armed Forces of:

(1) Non-Austrians;

(2) Austrians who had been German nationals at any time before March 13, 1938 (the date of annexation of Austria by Germany);

(3) Austrian nationals who served in the rank of Colonel or higher in the German Armed Forces;

(4) Austrian nationals who formerly were in specified categories of the Nazi organization.

Article 13—Prohibition of Special Weapons—Austria shall not possess, construct or experiment with atomic or other designated types of weapons. The Allied and Associated Powers may add to the list weapons which may be evolved in the future.

Article 14—Disposal of War Materiel of Allied and German Origin—Allied war materiel in Austria shall be placed at the disposal of the Allied Power concerned. Austria renounces all rights to such materiel. (List of War Materiel contained in Annex I.)

Article 15—Prevention of German Rearmament—Austria undertakes to cooperate with the Allied and Associated Powers to prevent Germany from taking steps toward rearmament outside German territory. Austria agrees not to employ or train in aviation or in connection with war materiel persons who were German nationals previous to March 13, 1938, Austrian nationals precluded from military service under Article 12, or non-Austrians.

Article 16—Prohibition Relating to Civil Aircraft of German and Japanese Design—Austria shall not acquire or manufacture civil aircraft which are of German or Japanese design or which embody major assemblies of German or Japanese manufacture or design.

Article 17—Duration of Limitations—The military and air clauses of the Treaty remain in force until modified by agreement between the Allied and Associated Powers and Austria or, after Austria becomes a member of the United Nations, by agreement between the Security Council and Austria.

Article 18—Prisoners of War—Austrians who are prisoners of war shall be repatriated as soon as possible. All costs incurred in such repatriation to the point of entry into Austrian territory are to be borne by Austria.

Article 19—War Graves and Memorials—Austria undertakes to respect, preserve, and maintain Allied war graves and memorials. Austria agrees to recognize delegations authorized by foreign states to identify or maintain graves and memorials and to render assistance in connection with such missions.

PART III

Article 20—Withdrawal of Allied Forces—The Agreement on the Machinery of Control under which the occupying authorities have operated in Austria shall terminate on the coming into force of the Treaty and the Inter-Allied Command shall cease to exercise any functions with respect to the administration of the city of Vienna. The Agreement on Zones of Occupation shall terminate upon completion of the withdrawal from Austria of Allied Forces. Such forces shall be withdrawn from Austria within ninety days from the coming into force of the present Treaty, and insofar as possible not later than December 31, 1955. Pending their withdrawal, Austria shall accord to the Allied Forces the rights, immunities and facilities which they had prior to the coming into force of the Treaty.

The Allied Powers will return to Austria within the ninety-day period all requisitioned property.

PART IV—CLAIMS ARISING OUT OF THE WAR

Article 21—Reparation—No reparation shall be exacted from Austria.

Article 22—German Assets in Austria—The Soviet Union, United Kingdom, United States and France have the right to dispose of all German assets in Austria in accordance with the Potsdam Protocol of August 2, 1945.

(1) The U. S. S. R. shall receive for a period of thirty years concessions to oil fields equivalent to 60 percent of the extraction of oil in Austria for 1947, as well as property rights belonging to these fields.

(2) The Soviet Union shall receive concessions to 60 percent of all exploration areas located in Eastern Austria that are German assets. The U. S. S. R. shall have the right to carry out explorations in these areas for

eight years and to the extraction of oil for a period of 25 years beginning from the time of discovery of oil.

(3) The Soviet Union shall receive oil refineries having a total annual production capacity of 420,000 tons of crude oil.

(4) The Soviet Union shall receive agencies and properties concerned with distribution of oil products.

(5) The Soviet Union shall receive the assets of the Danube Shipping Company located in Hungary, Rumania and Bulgaria as well as the assets of the company located in Eastern Austria.

(6) The Soviet Union agrees to transfer to Austria property, rights and interests held or claimed as German assets with the exception of those assets mentioned in the foregoing paragraphs of this Article in exchange for which Austria undertakes to pay the Soviet Union 150 million U. S. dollars within a period of six years.

(7) Former German assets which become the property of the Soviet Union in accordance with this Article remain under Austrian jurisdiction and Austrian legislation applies to them. Such assets shall receive national treatment in connection with duties, taxation, etc. and shall not be subject to expropriation without consent of the U. S. S. R. Profits or other income may be exported. The rights, properties and interests transferred to the Soviet Union and those which the Soviet Union relinquishes to Austria are transferred without any charges or claims on the part of the Soviet Union or Austria.

(8 and 9) The transfer to Austria of properties mentioned in paragraph 6 and the formalizing of Soviet rights to the former German assets shall take place within two months from the date the Treaty enters into force. The Soviet Union shall own assets created or purchased in Eastern Austria after May 8, 1945 for the operation of the oil properties and the Danube Shipping Company.

(10) Disputes in connection with the Article are to be settled by bilateral negotiation or if this is not possible by an Arbitration Commission.

(11 and 12) The United Kingdom, United States and France transfer to Austria all property, rights and interests held or claimed in Austria as former German assets or war booty. After Austria fulfills the obligations set forth in this Article, the claims of the Allied Powers with respect to former German assets shall be considered satisfied.

(13) Austria undertakes that except in the case of educational, cultural, charitable and religious property none of the property, rights and interests transferred to it as former German assets shall be returned to ownership of German juridical persons or to the ownership of German natural persons where the value of the property exceeds 260,000 schillings. Austria further undertakes not to pass to foreign ownership those rights and properties included on Lists 1 and 2 which will be transferred to Austria by the Soviet Union in accordance with the Austro-Soviet memorandum of April 15, 1955.

(14) The provisions of the Article shall be subject to the terms of Annex II of the Treaty.

List No. 1—Oil fields in Eastern Austria on which concessions shall be granted to the Soviet Union.

List No. 2—Concessions to oil exploration areas in Eastern Austria to be transferred to the Soviet Union.

List No. 3—Oil refineries in Eastern Austria the property rights to which are to be transferred to the Soviet Union.

List No. 4—Undertakings in Eastern Austria engaged in the distribution of oil products, the property rights to which are to be transferred to the Soviet Union.

List No. 5—Assets of the Danube Shipping Company to be transferred to the Soviet Union.

Article 23—Austrian Property, in Germany and Renunciation of Claims by Austria or Germany—The property in Germany of the Austrian Government or of Austrian nationals shall be returned to its owners. The provision shall not apply, however, to the property of war criminals or persons subjected to denazification measures.

Austria waives on its own behalf and on behalf of Austrian nationals all claims against Germany and Germans outstanding on May 8, 1945 except contractual and other obligations entered into before May 13, 1938.

Article 24—Renunciation by Austria of Claims Against the Allies—Austria waives all claims against the Allied and Associated Powers on behalf of the Austrian Government or Austrian nationals arising out of the war after September 1, 1939 or out of actions taken because of the existence of the state of war. The renunciation of claims includes claims arising as a consequence of acts of armed forces or authorities of Allied or Associated Powers, from the presence, operation or actions of Allied Forces or authorities in Austrian territory, claims arising from decrees or orders of prize courts of Allied or Associated Powers, and claims arising out of the exercise of belligerent rights. The Austrian Government agrees to compensate persons who furnish supplies or services on requisition to the Allied Forces and in satisfaction of non-combat damage claims arising in Austrian territory. The foregoing waiver extends to the United Nations whose diplomatic relations with Germany were broken off during the war and which took action in cooperation with the Allied Powers.

PART V—PROPERTY RIGHTS AND INTERESTS

Article 25—United Nations Property in Austria—Insofar as Austria has not already done so, it agrees to restore all legal rights and interests in Austria of the United Nations and their nationals as they existed on the day hostilities commenced between Germany and the United Nation concerned and shall return all property in Austria of the United Nations and their nationals as it now exists. Such restoration shall be free of any encumbrances or charges. Austria shall nullify all measures of sequestration or control taken against United Nations property in Austria between the outbreak of hostilities with Germany and the coming into force of the Treaty. The Austrian Government shall invalidate transfers of property belonging to United Nations nationals where such transfer resulted from force exerted by Axis Governments or their agencies during the war.

Where Austria provides compensation for war damage to property, United Nations nationals shall receive national treatment. Reasonable expenses incurred in Austria in establishing claims shall be borne by the Austrian Government. United Nations nationals and their property shall be exempt from exceptional taxes imposed in connection with war or occupation charges.

Article 26—Property, Rights and Interests of Minority Groups in Austria—Where such action has not already been taken, Austria undertakes that where property, rights or interests were the subject of forced transfers after March 13, 1938 due to the racial origin or religion of the owner, the said property shall be returned and legal rights and interests restored. Where return or restoration is impossible compensation shall be granted to the same extent as such compensation is given to Austrian nationals in respect of war damage.

Austria agrees to take under its control all heirless or unclaimed property of persons, organizations or communities which were the object of racial, religious or other Nazi persecution where it remains unclaimed for six months after the coming into force of the present Treaty. Within eighteen months after the coming into force of the Treaty, Austria shall transfer such property rights and interests to agencies or organizations designated by the Four Heads of Mission in Vienna by agreement with the Austrian Government to be used for the relief and rehabilitation of victims of persecution by the Axis Powers.

Article 27—Austrian Property in the Territory of the Allied and Associated Powers—The Allied and Associated Powers declare their intention to return Austrian property in their territories or the proceeds arising out of the liquidation of such property.

Yugoslavia, however, shall have the right to seize, retain or liquidate Austrian property within Yugoslav territory and Austria undertakes to compensate Austrian nationals whose property is so taken.

Article 28—Debts—Interest payments on Austrian Government securities falling due after March 12, 1938 and before May 8, 1945 constitute a claim on Germany rather than on Austria. The existence of the state of war between the Allied Powers and Germany shall not be regarded as affecting the obligation to pay pecuniary debts arising out of contractual obligations existing before the outbreak of the war which became payable prior to the coming into force of the Treaty and which are due by the Government or nationals of one of the Allied Powers to the Government or nationals of Austria.

PART VI—GENERAL ECONOMIC RELATIONS

Article 29—Pending the conclusion of commercial treaties between individual United Nations and Austria, Austria shall for eighteen months after the coming into force of the Treaty grant to each of the United Nations which reciprocally grants similar treatment (a) most-favored-nation treatment regarding import and export duties, internal taxation on imported goods and similar regulations; (b) non-discrimination against goods originating in or destined for any of the United Nations as compared with like goods originating in or destined for any other United Nation; (c) United Nations nationals shall be granted national and most-favored-nation treatment in matters pertaining to commerce, industry and other business activity within Austria; (d) Austria shall grant no exclusive rights to any country with regard to commercial aircraft in international traffic.

PART VII—SETTLEMENT OF DISPUTES

Article 30—Any disputes arising under Article 25 shall be referred to a Conciliation Commission.

PART VIII—MISCELLANEOUS PROVISIONS

Article 31—Provisions Relating to the Danube—Navigation on the Danube shall be free and open to the nationals, vessels and goods of all states on an equal basis.

Article 32—Transit Facilities—Austria shall facilitate railroad traffic through its territory at reasonable rates. The Allied Powers undertake to support inclusion in the German settlement of provisions to facilitate transit and communication between certain Austrian points across German territory.

Article 33—Scope of Application—The Allied Powers and the United Nations are those which had that status on May 8, 1945 and whose diplomatic relations with Germany were broken off during the period between September 1, 1939 and January 1, 1945.

Article 34—Heads of Mission—The Heads of the Diplomatic Missions in Vienna of the U. S. S. R., United Kingdom, United States of America and France, acting in concert, will represent the Allied and Associated Powers for a period of not to exceed eighteen months after the coming into force of the Treaty in dealing with the Government of Austria concerning the execution and interpretation of the Treaty. The Heads of Mission will give such guidance as may be necessary to ensure the execution of the Treaty.

Article 35—Interpretation of the Treaty—Any dispute concerning interpretation or execution of the Treaty which is not settled by diplomatic negotiations shall be referred to the Four Heads of Mission acting under

Article 34 except that the time limit provided in that Article does not apply. Any dispute not resolved within two months shall be referred at the request of either party to a commission composed of one representative of each party and a third member selected by mutual agreement from nationals of a third country. Should the two parties fail to agree within a period of one month upon the appointment of a third member, the Secretary General of the United Nations may be requested by either party to make the appointment.

Article 36—Force of Annexes—The annexes shall have force and effect as integral parts of the Treaty.

Article 37—Accession to the Treaty—Any member of the United Nations which was at war with Germany on May 8, 1945, and which had then the status of a United Nation may accede to the Treaty.

Article 38—Ratification—The Treaty shall be ratified and will come into force upon deposit of instruments of ratification by the U. S. S. R., United Kingdom, United States of America, France and Austria.

Annex I—Definition and List of War Materiel—Lists and defines categories of war materiel, including arms, ammunition and implements especially designed or adapted for use in war, as used in the Treaty.

Annex II—The Annex refers to the pertinent economic provisions of the Austro-Soviet memorandum of April 15, 1955 signed at Moscow (copy was attached to report by Secretary of State to the President) and provides that Article 22 of the Treaty shall have effect subject to the provision that on the basis of the memorandum the Soviet Union will transfer to Austria within two months from the date of entry into force of the Treaty all property rights and interests to be retained or received by the Soviet Union in accordance with Article 22 except the Danube Shipping Company assets outside of Austria. Austria's rights in property transferred in accordance with this Annex shall be limited only in the manner set out in paragraph 13 of Article 22.

[Translation]

MEMORANDUM CONCERNING THE RESULTS OF THE CONVERSATIONS BETWEEN THE GOVERNMENT DELEGATION OF THE REPUBLIC OF AUSTRIA AND THE GOVERNMENT DELEGATION OF THE SOVIET UNION

I

In the course of conversations regarding the earliest conclusion of the Austrian State Treaty in Moscow from the 12th to the 15th of April 1955 agreement was reached between the Soviet and the Austrian delegations that, with regard to the declarations made by the members of the Soviet Government—the Deputy Chairman of the Council of Ministers and the Minister for Foreign Affairs of the U. S. S. R., V. M. Molotov, and the Deputy Chairman of the Council of Ministers of the U. S. S. R., A. I. Mikhoyan—Federal Chancellor Ing. Julius Raab, Vice Chancellor Dr. Adolf Schaerf, Foreign Minister Dr. h. c. Ing. Leopold Figl, State Secretary Dr. Bruno Kreisky in connection with the conclusion of the Austrian State Treaty will see to it that the following decisions and measures of the Austrian Federal Government are brought about.

1. In the sense of the declaration already given by Austria at the conference in Berlin in 1954 to join no military alliances and to permit no military bases on its territory, the Austrian Federal Government will make a declaration in a form which will obligate Austria internationally to practice in perpetuity a neutrality of the type maintained by Switzerland.

2. The Austrian Federal Government will submit this Austrian declaration in accordance with the terms of the Federal Constitution to the Austrian Parliament for decision immediately after ratification of the State Treaty.

3. The Federal Government will take all suitable steps to obtain international recognition for the declaration confirmed by the Austrian Parliament.

4. The Austrian Federal Government will welcome a guarantee by the four great powers of the inviolability and integrity of the Austrian State Territory.

5. The Austrian Federal Government will seek to obtain from the Governments of France, Great Britain and the United States of America such a guarantee by the four great powers.

6. The Federal Government will, after return of German assets in the Soviet Zone of Occupation to Austria, take measures which will exclude a transfer of these assets to the possession of foreigners including juridical persons of private or public character.

Furthermore, it will see to it that no discriminating measures will be taken against the employees of the former USIA concerns, of the concerns of the former Soviet mineral oil administration, the Corporation OROP, and of the DDSG.

II

The Deputy Chairman of the Council of Ministers, V. M. Molotov and A. I. Mikhoyan, made the following declaration in the name of the Soviet Government with regard to the declarations of the Austrian Government delegation:

1. The Soviet Government is prepared to sign the Austrian State Treaty without delay.

2. The Soviet Government declares itself to be in agreement that all occupation troops of the four powers be withdrawn from Austria after the entry into force of the State Treaty, no later than on the 31st of December 1955.

3. The Soviet Government considers Articles 6, 11, 15, 16-bis and 36 as obsolete or superfluous and is prepared to drop these Articles. It is prepared, moreover, to drop also Article 48-bis if Austria is simultaneously prepared to drop its demand against the Soviet Union for the so-called "civilian occupation costs". It will support, moreover, the Austrian Government in its efforts to attain further possible changes in the draft of the State Treaty, and will agree to such changes. However, agreement exists that the negotiations leading to the conclusion of the State Treaty between the four powers and Austria are not to be drawn out unnecessarily by proposals to change the Treaty.

4. The Soviet Government is prepared to recognize the declaration concerning the neutrality of Austria.

5. The Soviet Government is prepared to participate in a guarantee by the four powers of the inviolability and integrity of the Austrian State Territory—according to the model of Switzerland.

III

As a result of the exchange of opinions which has taken place, the delegations have reached the following conclusions:

Concerning the delivery of goods to the U. S. S. R. in compensation for the value of Soviet enterprises in Austria as handed over in accordance with the Austrian State Treaty (article 35)

1. The Soviet Government is prepared, in the sense of its pledge given at the Conference in Berlin in 1954, to accept Austrian goods in the equivalent of 150 million American dollars provided for in Article 35 as a lump sum;

2. The Soviet delegation takes note of the declaration of the Austrian delegation that the latter accepts as a basis the list of goods which it has received from the Soviet delegation, and in this connection specially authorized representatives of the Austrian Government will go to Moscow not later than the end of May of this year.

3. The Soviet Delegation also takes note of the declaration of the Austrian delegation that the Austrian Government will form a special commission which will concern itself with the terminal dates and quality of the shipments of goods to the Soviet Union, and specifically in the agreed upon amounts for the lump sum of 150 million American dollars, that is 25 million American dollars annually.

4. The Austrian delegation has declared itself prepared to guarantee to representatives of the Soviet purchaser the possibility to carry out examinations upon receipt of the goods which are destined to be delivered to the Soviet Union on account of the above-named sum. It is agreed that the delivery of the goods should be free to the Austrian border and at world market prices. The prices and the amount of goods will be agreed upon by both parties annually three months before the beginning of each year. The Austrian National Bank will issue promissory notes to guarantee the above delivery of goods for the sum of 150 million American dollars indicated in the draft of the State Treaty. The promissory notes of the Austrian National Bank will be returned according to the liquidation of the sum by the delivery of goods.

Concerning the transfer to Austria of the oil enterprises held by the U. S. S. R. in Austria

1. The Soviet delegation accepts the proposal of the Austrian delegation, according to which the Austrian Government in return for the oil fields and oil refiners held by the U. S. S. R. and transferred to Austria will pay the Soviet Union by delivery of crude oil to the extent of one million tons annually for a period of ten years, therefore a total of ten million tons.

The Soviet Delegation takes note of the declaration of the Austrian delegation that the Austrian Government reserves the right to carry out deliveries of the aforementioned quantity of crude oil to the Soviet Union also in shorter periods of time. The crude oil is to be delivered under the following conditions: delivered free to the Austrian border, duty and customs free.

2. The Austrian delegation has taken note of the declaration of the Soviet delegation that the oil enterprises and oil fields transferred by the Soviet Union to Austria include also the refineries and the company for marketing oil products (OROP).

Concerning the transfer to Austria of assets of the Danube Steamship Company in Eastern Austria

The Soviet side transfers to Austria all properties of the Danube Steamship Company, which are located in Eastern Austria, including the shipyard in Korneuburg, the ships and dock facilities, for which the Austrian Government will pay simultaneously with the transfer the amount of two million American dollars to the Soviet Union.

Concerning trade between the Soviet Union and Austria

1. Agreement was reached between the Soviet Union and Austria to conclude a trade treaty for a period of five years with an automatic extension as long as no termination of the treaty is brought about by one of the parties.

2. Furthermore, agreement was reached that a treaty regarding the exchange of goods and payments between Austria and the Soviet Union be concluded for a period of five years, according to which the amount of goods is to be agreed upon annually.

Done in two copies, in the German and Russian languages, of which both texts are of equal authenticity.

In verification of the above this Memorandum is signed by

For the Government Delegation of the Soviet Union:

V. M. MOLOTOV.
A. I. MIKHOYAN.

For the Austrian Delegation:

J. RAAB.
A. SCHAERF.
L. FIGL.
B. KREISKY.

Moscow, 15 April 1955.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REAFFIRMATION OF THE DESIRE OF THE AMERICAN PEOPLE FOR PEACE

Mr. JOHNSON of Texas. Mr. President, I ask the attention of the minority leader and the distinguished Senator from New Jersey [Mr. SMITH].

I ask unanimous consent, as in legislative session, for the immediate consideration of House Concurrent Resolution 157, Calendar No. 570.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (H. Con. Res. 157) reaffirming the desire of the American people for peace, was read, as follows:

Resolved, etc., That the Congress reaffirms the deep desire of the people of the United States for an honorable and lasting peace, and expresses the hope that the people of all the nations of the world join with the people of the United States in a renewed effort for peace.

SEC. 2. The President is requested to convey an expression of such reaffirmation and such hope to the representatives of the nations gathered in San Francisco to commemorate the 10th anniversary of the founding of the United Nations.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate, as in legislative session, proceeded to consider the concurrent resolution.

Mr. SMITH of New Jersey. Mr. President, the Committee on Foreign Relations, having had under consideration House Concurrent Resolution 157, reaffirming the desire of the American people for peace, reported the resolution favorably to the Senate and recommended that it be agreed to.

This resolution is in the nature of a message to the meeting to be held at San Francisco from June 20 to 26, 1955, in commemoration of the 10th anniversary of the United Nations. The message states that "Congress reaffirms the deep desire of the people of the United States for an honorable and lasting peace" and that the Congress hopes "that the people of all the nations of the world join with the people of the United States in a renewed effort for peace." The President of the United States is requested to convey this message to the gathering at San Francisco.

House Concurrent Resolution 157 was submitted in the House on June 14, 1955, by Mrs. FRANCES P. BOLTON, a Representative from the State of Ohio, and agreed to that day. An identical companion resolution, Senate Concurrent Resolution 38, was introduced at the same time in the Senate by myself and referred to the Committee on Foreign Relations. On June 16, the committee agreed to report House Concurrent Resolution 157 to the Senate and recommend favorable action thereon.

In the light of the timeliness of this message, we believe it is desirable for the Senate to associate itself with the action of the House at this particular time. The United States search for peace hardly needs to be affirmed by words. Our actions and efforts on behalf of world peace over the years speak for themselves. We live in a time, however, of rapidly shifting international situations. The committee, therefore, agreed that the coming San Francisco meeting affords a proper opportunity to reaffirm the continuing desire of the American people for a just and lasting peace and to call for renewed efforts to that end.

The commemoration at San Francisco will begin Monday, June 20. The Senate should act promptly on the resolution if this message is to reach the opening session.

THE ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 157) was agreed to.

The preamble was agreed to.

AUSTRIAN STATE TREATY

The Senate, as in Committee of the Whole, resumed the consideration of the treaty (Ex. G, 84th Cong., 1st sess.), the state treaty for the establishment of an independent and democratic Austria, signed at Vienna on May 15, 1955.

SENATOR GEORGE, OF GEORGIA

Mr. JOHNSON of Texas. Mr. President, as we proceed with the consideration of the Austrian Treaty, I should like to take this opportunity to pay tribute to the distinguished senior Senator from Georgia, the chairman of the Committee on Foreign Relations [Mr. GEORGE].

As most of my colleagues are aware, the Senator from Georgia is not with us today in the Senate Chamber. He has gone to the hospital to receive treatment for a bronchial ailment. I know that his friends and admirers, who, I believe, include every Member of the Senate, will be happy to learn that his condition is not serious.

I think it is no overstatement to say that the Senator from Georgia is one of the greatest statesmen of our time. His leadership has been one of the decisive factors in molding a strong foreign policy, geared to the objective of preserving the liberty of this great Nation.

No man has brought to the difficult field of international relations greater capacity, greater experience, or a greater desire to preserve peace and freedom throughout the world.

We all wish him well, and are eagerly awaiting his return to the Chamber, which we hope will be next week.

Mr. KNOWLAND. Mr. President, I wish to join the distinguished majority leader in paying a very well deserved tribute to the distingushed senior Senator from Georgia, chairman of the Committee on Foreign Relations.

Also, on behalf of all Senators on this side of the aisle, I join in the hope for his speedy recovery and return to his duties in the Senate Chamber, and as chairman of the Foreign Relations Committee.

Mr. SMITH of New Jersey. Mr. President, I desire to identify myself completely with the remarks made by the distinguished majority leader and the distinguished minority leader. Let me express my deep appreciation of the privilege of serving with the senior Senator from Georgia on the Foreign Relations Committee during the past several years and especially during the last year when he has been chairman. He has performed a wonderful service for us all, and we all hope and pray for his speedy full recovery. I am assured by his office that his illness is not serious, and that the purpose of his sojourn in the hospital is merely to obtain a checkup. I hope he will be back with us very soon.

Mr. WILEY. Mr. President, we can all agree to what has been said about our distinguished associate the senior Senator from Georgia [Mr. GEORGE]. Besides being a wonderful Senator and a perfect gentleman, he, as has been said, is one of the great forces for peace and good in the world today.

I join in the prayer that it will not be long before we see his smiling countenance again the Senate Chamber.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished majority leader and the distinguished minority leader, as well as other Senators, in their remarks about the chairman of the Committee on Foreign Relations, the outstanding statesman and Senator from Georgia.

I sincerely hope that this "icebreaker" in foreign policy will watch his health very carefully and will not leave the hospital until he is in good physical condition, because we shall need him very much, not only in this session but in the years ahead. His wisdom and guidance will be sorely missed while he is in the hospital. When he returns to the Senate, I hope he will be stronger by reason of his sojourn in the hospital. His counsel and guidance are needed because of the leadership which this country is now assuming in the field of international affairs.

Mr. FULBRIGHT. Mr. President, I am happy to join in the remarks made by the distinguished majority leader, the distinguished minority leader, and other Senators.

We can rejoice in the fact that we are assured that the trouble of the Senator

from Georgia is of a minor nature, and that we can expect him back next week.

Mr. HUMPHREY. Mr. President, I wish to associate myself with the fine remarks of the majority leader and the minority leader. We all hope and pray for the early and complete recovery of our distinguished colleague and friend, the senior Senator from Georgia. I think it is fair to say that much of the impetus which has been given to American foreign policy and has led toward a better understanding and relaxation of world tensions, at least toward the hope of approaching the horizon of peace, is due to the farsighted leadership and profound understanding of the Senator from Georgia. I am proud to have the privilege of serving with him on the Committee on Foreign Relations. I wish him a very quick return to the Senate.

Mr. SPARKMAN. Mr. President, the majority leader has stated the regret of the Senate because of the absence today of our esteemed chairman of the Committee on Foreign Relations, the Senator from Georgia [Mr. GEORGE].

If he were here he would be presenting the report on the Austrian Treaty. I shall try to present it in the same way in which I believe he would present it. Of course, I join all the other Members of the Senate in expressing regret that the Senator from Georgia is absent temporarily. I am sure he will be back in a few days, and we all look forward to his return.

Mr. President, on June 14, the Committee on Foreign Relations unanimously voted to recommend that the Senate give its consent to the ratification of the Austrian State Treaty.

This treaty will restore to Austria the freedom and independence taken from her 18 years ago. It was in March 1938 that Nazi troops marched into Austria and forced a proud people to yield—at least temporarily—although they bitterly resented the degradation of Nazi philosophy, economics, and politics.

During the war the Allied and Associated Powers, including the Soviet Union, pledged that upon victory they would restore Austria to the family of nations as a free and independent state. They recognized that Austria was the first victim of the aggression launched by Hitlerite Germany, and they pledged to restore her pre-Anschluss boundaries.

SOVIET POLICY

Unfortunately, the hopes and expectations of Austria that victory for the Allies in World War II would mean early restoration of Austrian independence have been frustrated. For nearly 10 years Soviet cold-war tactics have made Austria a pawn of Soviet power politics.

But now the situation has changed. Two months ago, on April 15, 1955, the Soviet Union declared its willingness to sign the Austrian State Treaty "without delay." On May 15 the treaty was signed. By June 15 the treaty was ratified by Austria and the Soviet Union and the ratification process in the United States had proceeded to the point requiring only the approval of the Senate before this nation can deposit its ratification.

Mr. President, I do not profess to know why the Soviet Union has within 2 months reversed a policy it has clung to for 10 years. It does seem reasonably clear, however, that sudden Soviet willingness to sign an Austrian treaty, stripped of most of the provisions that the Russians have insisted were essential, is but part of a larger pattern. It is part of the pattern that caused Khrushchev to go to Belgrade, that has caused the Soviet to sound more rational in discussing disarmament, that has led them to speak in dulcet tones to Western Germany, that is causing them to negotiate a peace treaty with Japan. The Soviet Union seems now to be implementing by acts, the words they have used so freely.

We must ever be wary in our dealings with Communist Russia. They are master propagandists. They may have decided that their basic aim to communize the world requires changed tactics. They may finally have realized that acts speak louder than words.

Whatever the cause for recent Soviet actions, we may be sure that they are still motivated by self-interest. The sudden willingness of the Russians to agree to the Austrian Treaty is not an act of grace. It is an act conditioned by a Soviet judgment that it will be in a better position by signing an Austrian Treaty than by further delay.

NEED FOR EARLY, DECISIVE ACTION

The about-face of the Soviet Union has a lesson for us. It indicates that the United States must have as much flexibility of negotiation as is consistent with our democratic processes. Unless we give that flexibility to the President and the Secretary of State during the forthcoming Big Four Conference, they will be as handicapped, as one commentator has recently suggested, as a fencer with his shoes nailed to the floor.

I hope the Senate, in the exercise of its constitutional responsibility in foreign affairs, will support in an overwhelming fashion the Austrian State Treaty. Such support, following closely on the heels of our recent approval of the Mutual Security Act, will constitute a compelling expression not only of our bipartisan support of the President in the conduct of foreign affairs, but will constitute a firm welcome to the people of Austria as they return to the family of free, democratic nations.

Mr. President, I do not propose to describe in detail the provision of the treaty which is now before the Senate. They are fully described in the message of the President and in the report of the Committee on Foreign Relations.

NOT A PEACE TREATY

I do wish to stress, however, that this treaty is not a peace treaty imposed on a defeated nation. It is rather a treaty with a nation that was the first victim of Nazi aggression—a treaty that has necessarily taken into account not only the depredations wreaked upon Austria by Nazi Germany in 8 years of occupation prior to and during the war, but 10 years of occupation by Allied forces, unable to withdraw because of Soviet intransigence on the treaty.

The conclusion of the treaty, as I have noted, involved long years of negotiations between the four Allied Powers and Austria. Strange as it may seem, almost from the beginning of the negotiations the three Western Powers and Austria have been in agreement on most of the fundamentals of the treaty. The result was that most of the negotiations were in effect between the three Western Powers on the one side, and the Soviet Union on the other.

Most treaties involve mutual accommodation by all of the parties. The Austrian treaty is no exception. Unfortunately, a study of the treaty will reveal that most of the accommodation was on the part of the Western Powers and Austria and very little on the part of the Soviet Union. Nevertheless, the pending treaty has those essential provisions which will assure Austria her freedom and independence. Its terms restrict the burden of Soviet drains for reparations to tolerable limits; it provides a reasonable basis for the settlement of claims; and it commits the parties thereto to respect the territorial integrity of Austria.

NEUTRALITY

Mr. President, there is one matter of fundamental importance with which I wish to deal briefly. It concerns the future neutrality of Austria and the possibility of a future guaranty of her independence.

Although there is no mention of neutrality in the treaty, Austria has undertaken of her own free will to declare her neutrality. To that end she has stated that when the treaty comes into effect she will thereafter, first, not join any military alliances; second, not permit the establishment of military bases of foreign states on her territory; and third, maintain and defend that neutrality with all the means at her disposal.

Neutrality is not mentioned in the treaty because if it is to mean anything it must be a status entered upon freely by Austria.

Austrian neutrality is to be an armed neutrality. Austria will not become a military vacuum into which the forces of neighboring states might flow.

ADMISSION TO U. N.

Austrian neutrality is not to be a neutrality that would deny her the right to apply and to be admitted to the United Nations. Indeed, as will be noted in the report of the Committee on Foreign Relations, Austria has indicated that it would not construe the neutrality concept to go to the lengths of the situation in Switzerland which has found it impossible to become a member of the United Nations. Furthermore, the Soviet Union has indicated in the preamble of the pending treaty that one of the reasons for conclusion of the treaty is to enable the parties to support the admission of Austria to the United Nations, and, therefore, there is reason to hope that the Soviet will not veto Austria's application for U. N. membership.

GUARANTY OF TERRITORIAL INTEGRITY

Aside from, but related to the matter of neutrality, is the desire of Austria to have an international guaranty of the inviolability and integrity of her territory. Such a guaranty might involve a commitment on the part of guarantor

states to come to the aid of Austria should her territorial integrity be threatened from without.

So far as the United States is concerned the problem of guaranteeing the territorial integrity of a foreign state involves grave constitutional issues going to the power of the Congress to declare war. For that reason, the Secretary of State has indicated flatly—and I quote him—that "no commitment with respect" to the inviolability and integrity of Austria's territory has been made. The Secretary added that the Senate will be "fully informed and consulted with respect to further developments in this connection."

GERMAN ASSETS

One of the problems which has caused particular difficulty in negotiations over the years concerns the disposition of German assets in Austria.

When the Nazis moved into Austria they took over by various devices vast amounts of property in Austria. Some was taken from the Austrian Government, some from Austrian nationals, some from racial and religious minorities, and some from the citizens of other states. Some of this property was legitimately acquired, but large amounts were taken under duress.

At the end of the war, the Four Powers declared in Berlin that German assets in Austria might be used to satisfy allied reparations claims. Difficulties began when the Soviet Union in its zone developed broad definitions of these former German assets and began a systematic operation of exploitation. The Russians were particularly intrigued with the oil properties in east Austria, with the Danube Shipping Co., and with some 300 other industrial enterprises.

Arrangements for the transfer of these assets from the Soviet Union to Austria at a price, over 10 years, of more than $300 million are covered in article 22 of the pending treaty.

Lest there be misunderstanding from a reading of article 22, let me emphasize that although the first five numbered paragraphs and annexed lists of oil properties are written in terms which would seem to indicate that these properties are to be turned over to the Soviet Union, free and clear, those paragraphs are qualified by paragraph 14 of the same article. Paragraph 14 has the effect of incorporating, by reference, annex II of the treaty and portions of the bilateral memorandum of April 15, 1955, between the Soviet Union and Austria, thereby fixing the terms upon which the properties listed in article 22 are to be transferred to Austria.

While the Soviet Union is claiming as its price for the treaty some $300 million from Austria, the Western Powers are transferring their claims to former German assets to Austria with no charge, recognizing that as a matter of policy it is in the interests of the free world to strengthen the Austrian economy instead of taking action which would weaken it.

AUSTRIAN ARMED FORCES

I remarked earlier, Mr. President, that Austrian neutrality will be an armed neutrality. The treaty does not impose any restrictions on the size of Austrian armed forces, although it does prohibit possession, manufacture, and experiment with atomic and certain other modern-type weapons.

When the troops of the present occupying forces are withdrawn within 90 days after the treaty comes into effect, it will be necessary for Austria to supply its own forces for internal policing and defense purposes. Those forces will necessarily be limited in view of the drain large forces would impose on the Austrian economy. Plans are now underway to organize a small defense force based upon conscription.

Since Austria has been prohibited from manufacturing military equipment during the occupation, it is likely that it will seek outside assistance in equipping those forces. Secretary of State Dulles has indicated that if Austria should request arms assistance, it is contemplated that we would give some assistance to the Austrians in equipping the forces which they are allowed to have under the treaty.

These forces will be used by Austria to maintain her territorial integrity. They should be sufficiently large to deter attack, and small enough not to threaten any neighbor.

An Austria in that situation will be a bastion of freedom extending into Eastern Europe. As such, Austria will bring to the borders of Czechoslovakia and Hungary new frontiers of freedom and may, as Secretary Dulles has suggested, set an example which will stimulate the aspirations of other peoples for a freedom which has not yet been realized.

Mr. President, in concluding these remarks it seems proper to express the deep gratitude of the Senate for the persistent efforts which have been made by Secretaries of State Byrnes, Marshall, Acheson, and Dulles to bring the Austrian State Treaty into being. They, and the men under their immediate direction who have labored through hundreds of frustrating meetings with representatives of the Soviet Union, deserve the highest commendation. And so, I may add, do the Austrian people. Throughout years of occupation they have demonstrated a devotion to freedom and independence which sets an example for free men everywhere.

The negotiation and final conclusion of this treaty are a lesson in foreign policy from which we all might benefit. It shows that in dealing with the Communists, persistence, patience, and principle have their reward.

It is my fervent hope that in the weeks immediately ahead we may start building a solid foundation for peace. This Austrian State Treaty may well prove to be one of the first stones in that foundation. This stone has been molded only because we have been guided by principle and have been patient and persistent in our efforts.

The materials for building a firm peace are available. Let us begin now to use them.

Mr. SMITH of New Jersey. Mr. President, I desire to commend my distinguished colleague from Alabama [Mr. SPARKMAN] for his very able presentation of the treaty.

My remarks in support of the Austrian State Treaty will be brief. Most of the important articles of the treaty have been described in the report of the committee, and in the remarks of the able Senator from Alabama.

There are a few matters which have given me considerable concern, and I shall touch upon them in the course of my remarks.

THE REFUGEE PROBLEM

One matter in which many Americans have had a profound and serious concern relates to the situation of refugees in Austria. That country, bordering as it does on the satellite countries, has become a haven for many refugees and displaced persons. The Austrian people have done their utmost to absorb these refugees into the Austrian economy. Now that the occupation is to end, however, the question naturally arises as to the treatment which these refugees may expect.

Prior to the final signature of the Austrian Treaty I had received a number of letters from Americans who were deeply concerned over article 16 which was then in the draft treaty. Although that article stated that no refugee should be repatriated against his will, there was much cause for concern that the Soviet Union might misconstrue its terms and seek by terroristic methods to force some of these refugees to return to the Soviet Union. At that time members of the Committee on Foreign Relations discussed article 16 with the Department of State and expressed their disappointment at its inclusion in the treaty.

Our negotiators, especially in this connection, Secretary Dulles, are to be congratulated for their success in having article 16 removed from the final draft of the treaty. So, Mr. President, there is no provision, either implied or expressed, regarding compulsory repatriation of the refugees who are in Austria.

I questioned the Secretary of State on the status of these refugees during our hearing on the Austrian Treaty. Mr. Dulles informed the committee that there are about 37,000 refugees remaining in camps. The care of these refugees will be in the hands of the Austrian Government which will continue to be assisted by private charitable institutions and by the United Nations in liquidating the problem.

I was particularly concerned that there be no possibility that any of these refugees might be forced to return to the Soviet Union, and I asked Mr. Dulles if he thought there was any possibility of that happening. He replied as follows:

> I do not think so. Of course, that was the fear which we entertained under the old article 16, and it was because of that fear that the Soviet Union would use coercive measures which would frighten these people and maybe terrorize them into coming back, that we were able to obtain, after some difficulty, the elimination of that article 16. I think it is all right the way it now is, and I think that the sturdy qualities that have been shown by the Austrian Government give adequate assurances that they will not lend themselves to any coercive measures by the Soviet Union which would in fact be a violation of the due sovereignty

and independence which the Austrian nation is winning back for itself.

IMPACT OF TREATY ON SATELLITES

Mr. President, the conclusion of this treaty with Austria will have the effect of opening up new frontiers of freedom in Eastern Europe. Austria is bounded on two sides by the satellite countries of Czechoslovakia and Hungary. There is little doubt in my mind that freedom in Austria will have a tremendous impact upon those countries. Conclusion of the treaty will mean, for one thing, that the Soviet Union will lose its legal right to maintain troops in Rumania and Hungary to protect its lines of communication to Austria. We cannot be perfectly sure that this will result in Soviet withdrawals, but I think it is going to be much more difficult for the Soviet Union to justify retention of troops in those countries.

As we all know, an attempt has been made by the Soviet Union to set up a sort of NATO in central Europe, composed of Russia and her satellites, Hungary, Czechoslovakia, and other countries. They may have an excuse through that arrangement to station troops in the various countries; but under this treaty itself, all legal right to maintain troops in those countries has been brought to an end.

Perhaps more important even than requiring the Soviet to remove its troops from Austria and the withdrawal of a treaty basis for the retention of Soviet troops in Hungary and Rumania, if the fact that a free Austria will provide an inspiring example of freedom for these Balkan States. Here we have the idea of freedom backed up by the act of restoring freedom. Under the circumstances it seems to me that the example of Austria will run like wildfire through these states.

AUSTRIAN NEUTRALITY

Mr. President, I know that the idea of Austria declaring her neutrality has given some Members of the Senate pause. Is this a neutrality that is likely to turn the Austrian people over to the Soviet Union, or a neutrality that would turn Austria away from the West? I think not.

Austrian neutrality is to be an armed neutrality. Austria will declare in due course that it will not join any military alliances, and that military bases of foreign states may not be established on her soil. But Austria intends to build up defensive armed forces of its own. Those forces will serve to prevent satellite encroachment on Austrian territory and will be used to defend the territorial integrity of Austria.

I should imagine that in time the military neutrality of Austria might develop somewhat along the same lines as that of Switzerland and I think no one could successfully claim that Swiss neutrality has been a disadvantage to the free world.

Austrian neutrality would presumably prevent her participation in NATO. It might prevent her participation in a United States of Europe. But when I questioned Mr. Dulles on this point he indicated that should conditions become right for such a development it might be expected that the signatories of the treaty would be willing to accept that possibility. Austrian neutrality would not, of course, prevent her from participating in such international cooperative ventures as the United Nations, the International Bank, the Organization for European Economic Cooperation, and so on.

In that connection, I may point out, as has the junior Senator from Alabama [Mr. SPARKMAN], that Austria has applied for membership in the United Nations. All of us hope that that may be brought about in the near future.

CONCLUSION

Mr. President, there are many other aspects of this treaty upon which I might comment, but, as I promised earlier, these remarks will be brief.

In conclusion I want to express my appreciation, which I am sure is shared by all Americans, at the steadfast devotion the Austrian people to the principles of freedom and democratic government. For 18 years Austria has been occupied. But during the midst of the war, the allies were so sure of the dedication of the Austrian people to freedom that they were ther promised that their independence would be restored at the end of the war.

Despite the disappointments and frustrations that developed as a result of Soviet intransigence, the Austrian people and Government have stood firm. They would not compromise their hope for freedom by any concession that would impair it.

Their patience and perseverence, as the Senator from Alabama has so well remarked, have now reaped their reward.

Mr. President, before I close, I should like to read the last paragraph in the report of the committee, which I think is appropriate on this occasion. I read from page 13 of the report:

> The Committee on Foreign Relations desires to express its deep appreciation for the perseverance of the executive branch of this Government under Democratic and Republican administrations in the long and tedious negotiations that have been undertaken in connection with the conclusion of the Austrian Treaty. It desires also to express its appreciation to the Government and the people of Austria for their steadfast devotion to principle during many difficult and trying years. For it is the continuing faith which the Austrian people had in the cause of freedom—more than any other single factor—which made possible the eventual restoration of independence to that country.

I earnestly hope the Senate will give its full support to the Austrian Treaty, which, while not perfect, is an instrument which will bring into the free world one additional, fully sovereign, free nation.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. CASE of South Dakota. I merely wish to say that I am glad to see this day come when the state treaty with the Government of Austria can be submitted to the United States Senate.

In the fall of 1947, as chairman of a subcommittee of the Select Committee on Foreign Trade, I spent several weeks in Austria, and I know something of the aspirations of the Austrian people. I know at that time, in 1947, we were perplexed by the delays which had occurred, and which were far longer than we thought necessary, in the development of a treaty which would restore full independence and sovereignty to the Austrian people.

I recall that we went from the airfield, 45 miles outside the city of Vienna, under guard or convoy before we could go into the sector of Vienna where, presumably, the United States Government had responsibility under the occupation immediately following the war.

I saw a train arrive with some Austrian soldiers, who were returned prisoners of war. We wondered at that time how many thousand others there might be back where those soldiers had come from.

The Russians at that time were demanding payments in oil and oil revenues, which seemed to us to be quite unjust.

It has taken much patience to negotiate this treaty, but I for one rejoice that the day has come when independence can be restored to Austria. I express my appreciation of the services which have been performed by the Senate Committee on Foreign Relations, the representatives of our State Department, and of all others who have contributed to a very much deserved end.

Mr. SMITH of New Jersey. I thank the Senator from South Dakota sincerely for his remarks.

Mr. WILEY. Mr. President, I rise to support what the able Senator from Alabama [Mr. SPARKMAN] and the able Senator from New Jersey [Mr. SMITH] have so well said in urging prompt and overwhelming approval of this treaty.

The fact that the treaty is before the Senate is in itself abundant and eloquent justification of the policies of firmness and perseverance which this Government has followed in regard to Europe in general and to Austria in particular since the end of World War II. I do not recall another treaty for which the negotiations have been so tedious, so prolonged, and at times so apparently hopeless.

The treaty is not only a mark of the success of our own policies and those of the British and French. It is also a testimonial, as has been said so many times today, to the courage and steadfastness of the Austrian people themselves.

We cannot at this time assess the full significance of the Kremlin's change of heart which made this treaty possible.

I think the Kremlin might very well have done a much better job for itself if it had not insisted on adhering to its practice of literally raping the Austrian economy. It has taken, up to date, from that economy approximately a billion dollars. Now it insists on certain other payments—however, they are less than what it has been taking. The Austrian people will not forget what they have suffered.

But our allies and ourselves, of the West, are again demonstrating what I call the powerful psychological policy of not taking, but of giving. As a consequence, from my own knowledge and contacts, I know that the Austrians have

appreciated our policy, are loyal to the West, and will continue to be so.

But regardless of what happens in the future, this treaty means that Russian troops will withdraw from territory which they have occupied for 10 years. Freedom will be extended eastward in Europe to the borders of captive Hungary and to additional portions of the borders of captive Czechoslovakia. We can only speculate as to what the results of that will be, but I do not see how it can fail to have an effect which will be favorable to us and disadvantageous to the Soviets.

This is not, of course, a perfect treaty from our point of view. But it is infinitely preferable to no treaty at all or to any of the various treaties which the Soviets offered to accept before they suddenly agreed to accept this one.

The economic clauses of the treaty still give the Soviets more benefits than they deserve; but—and this is the important point—these benefits are much less than the Soviets are receiving. The payments from Austria to the Soviet Union will be well within the capacity of the Austrian economy. Indeed, the treaty will result in a reduction in the drain on the Austrian economy, and should therefore serve to make Austria even more prosperous.

Austrian recovery has reached the point where assistance from the United States is not necessary, and that is another aspect of the matter in which we can take satisfaction, though it should be noted that military assistance to Austria may be indicated in the future. The treaty contemplates Austrian neutrality, so that Austria could not, for example, join NATO. However, the treaty also recognizes Austria's sovereign right of self-defense, and Austria intends to raise and maintain her own armed forces. Austria wants this treaty; those who note the objectionable features have no alternative.

The treaty contemplates Austria's admission to the United Nations. Whether the Soviet Union will in fact follow through on that point remains to be seen, but it is a hopeful augury.

Mr. President, this treaty is very much in the interests of the United States and of the whole free world, and I hope the Senate vote will be unanimously in favor of the resolution.

Mr. MANSFIELD. Mr. President, I am happy today to join with my colleagues in urging that the Austrian Peace Treaty be approved and ratified by the Senate.

The Austrian people, under the leadership of their Chancellors, Julius Raab and Leopold Figl, have exhibited great courage and devotion to principle in keeping alive the spirit of democracy in that country. I am disappointed over the fact that the price they are called upon to pay for their independence and freedom is so exorbitant. However, as everyone knows, there have been almost 400 meetings between representatives of the Western Allies and the Soviet Union in negotiations looking to the possibility of a peace treaty for Austria.

Until the recent Soviet invitation to Chancellor Raab to visit Moscow, there seemed to be little hope that we were anywhere near a solution of the vexing problem.

Austria has occupied a very peculiar position since the end of the war. When I say "peculiar," I mean it has been a liberated country, occupied by the armed forces of the four powers. Austria is on the point of achieving once again, and deservedly so, its full sovereignty.

It is to be bemoaned that the Austrian Government must pay so many millions of dollars each year, for the next 10 years, from the revenues of Austrian oil fields and refineries. It is to be bemoaned that the Austrian Government has to pay the Soviet Union $2 million for the Danube Shipping Co. But despite the high price, I am sure the achievement of sovereignty will be a happy event for Austria and the Western World.

I am especially delighted that the resolution ratifying the pending treaty is before the Senate under the sponsorship of the distinguished chairman of the Senate Committee on Foreign Relations, the senior Senator from Georgia [Mr. GEORGE]. I am also happy that the motion in committee approving the resolution was made by the distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], indicating, of course, that, on a bipartisan basis, the Senate is very much in favor of the proposal to extend to the Austrian state its best wishes for the years to come.

It is my hope that before too long it will be possible for the Republic of Austria to become a member of the United Nations. I think she is entitled to that right. I know she would conduct herself ably and efficiently, and I cite to the Senate the fact that at the present time the Austrians are represented on certain subsidiary organizations of the United Nations.

So I hope that today when the Senate proceeds to vote on the Austrian State Treaty, the vote will be unanimous, and thus show to Austria and to the world that we have faith and confidence in the people of that country, and that we look forward to a close and continued friendship between the Austrian and the American people.

Mr. AIKEN. Mr. President, although the situation has been very well presented by my colleagues on the Foreign Relations Committee, I wish to add that the resolution of ratification which we are now asked to approve may prove to be a very important milestone on the road to a better understanding between all nations, and may result in greater freedom for all people in all the countries of the world.

As has been said, the treaty is not ideal, in any sense of the word, but it is so much better than a continuation of the intolerable conditions under which the Austrian people have existed during the past 10 years that it is extremely important that the Senate approve the resolution of ratification at this time.

It has been said that payments to Russia by Austria will be reduced under the treaty. That is true; but what is more important, the treaty provides a termination date for those payments—6 years in the case of payments in the form of industrial goods, and 10 years in the case of payments in the form of oil. So I say that, in my opinion, in approving the treaty today we shall make great progress toward the ultimate objective of freedom and understanding between all nations.

Mr. HUMPHREY. Mr. President, I wish to join with my colleagues in the Senate, and particularly with those on the Foreign Relations Committee, in vigorous support of the Austrian State Treaty. This treaty is a milestone in the relations of the free nations in the cold war with the Soviet Union. I suppose no one country has more clearly symbolized the conflict of interest and the full implications of the cold war than has Austria.

Since the end of the world war, great effort has been made to arrive at a satisfactory treaty pertaining to Austria.

From time to time it appeared that a treaty might be realized. In fact, there were proposed drafts of treaties which the people of Austria were willing to accept, and, I may say, which were far less desirable and far less just than the one which the Senate is called upon today to ratify.

As a nation, standing by principle, not yielding to the expediency of the moment, we have been able, along with our allies and our friend, the state of Austria, to obtain a treaty acceptable to Austria, our allies, and ourselves.

By adhering to sound principles of international law and order, we have at least been in a position to stand our ground and ultimately to achieve results.

Mr. President, I should like to point out one of the many differences between the pending Austrian Treaty and those previously contemplated. In particular, let me refer to the 1949 draft, a treaty which appeared to be on its way to ratification. Under that particular treaty the Soviet Union would have retained control of oil and shipping properties in Austria, whereas, of course, under the pending treaty those properties will be returned to Austria within 2 months after the treaty becomes effective. Austria will thus be rid of the Soviets, and will be free to exercise sovereign control over all the economic assets within her boundaries. Furthermore, this treaty provides for the withdrawal of all foreign troops.

These are some of the details of the treaty; but I think the most significant development arises from the fact that after some 10 years, the Soviet Union has switched its position, and has made a complete turnabout, so far as Austria is concerned. This emphasizes the importance of flexibility in the foreign policy of any country, and particularly our own foreign policy. I suggest that we think of this treaty as an opening wedge in the program of attaining a more relaxed and a more friendly world in which to live.

I, for one, continue to believe that the recent developments on the part of the Soviet Union represent no fundamental change in the Soviets' long-range policy; but I do know that they certainly represent a change in the Soviets' present-day strategy and tactics. Whatever

their long-term policy may be—and I think we are fairly well informed of it, namely, world domination—the fact remains that when we see a shift in current strategy, we should be prepared to meet the shift and to take advantage of whatever opportunities may be made available.

I mention this because there is about to be held a high-level conference between our President, the Prime Minister of Britain, the Prime Minister of France, and the Soviet Premier. It seems to me to be important that the President of the United States should have the greatest possible flexibility in connection with these negotiations.

I believe that all our leaders are fully aware of the dangers inherent in any policy of expediency; and surely none of them would agree, I trust, to a policy of appeasement. But to meet at the summit, so to speak, requires negotiation; and negotiation requires a genuine understanding of the problems which beset the nations of the world in the effort to arrive at a reasonable settlement or at least an approach to a settlement of those problems. That was done in the case of Austria.

For a period of time, even before the treaty was signed by the heads of state, there were indications that Austria would have to submit by the terms of the treaty to a neutrality enforced upon her; such a provision would have prevented Austria from even being an active participant in the U. N. and the world about her. However, by means of the insistence of our Government and of others, the Soviet Union withdrew from that position. This treaty now permits Austria to become a full participating member of the United Nations, and also permits Austria to become a full-fledged member of any of the great international organizations now in being, or any which the days ahead may reveal.

Furthermore, during the negotiation of this particular treaty, notably in the month of May of this year, there was some feeling that the Soviets would insist upon repatriation, so to speak, of some of the political refugees who had fled to Austria, in order to get away from Communist oppression. By standing our ground again, the Soviets gave in, so that no principle of humanity has in any way been sacrificed. There will be no forced repatriation.

These developments should indicate to us that there is a possibility for improvement in the world scene. They should tell us that we must go to any conference we attend with firm convictions, with sound principles, and with a full understanding of the nature of the economic and political problems which beset the nations of the world. If we go so prepared, well-informed, with an agenda, with a program, if we stand by the principles of political independence, self-determination, and the rights of people to select their own government, and if we do not yield on these fundamental principles, I submit that we shall have every opportunity to bring about a relaxing of the tensions now existing in the world. Today, the people of the world cry for peace; and they herald the Austrian State Treaty as a further indication of the fulfillment of the world objective of peace.

I am proud that the chairman of the Senate Foreign Relations Committee, the distinguished senior Senator from Georgia [Mr. GEORGE], had the courage to propose a Big Four conference. At this time the Members of the Senate must have courage, and the leadership of our Government must be willing to venture forth with new ideas and new proposals. It will do us no good to be caught up in the inflexibility of prejudices or of ironclad political attitudes which leave no room for negotiation or mobility. The Senator from Georgia has, by his leadership, given the United States of America, for the first time in many years, a chance to be and portray its true self, the champion of a just and enduring peace. The proposal of the Senator from George for a high-level conference, and his willingness to break through what I consider to be rigid political prejudices in the field of foreign relations, have at long last given our Nation a chance to stand out in front in a world which is seeking peace, stability, and security. There is no guarantee that we shall attain those goals, but certainly there is no chance of attaining them unless we try.

It is a tribute to the Senator from Georgia that at long last, by the initiative we have been able to take, we have opened a door, and now are even beginning to get a look behind the Iron Curtain. The leaders of Red China and the leaders of the Soviet Union are now on the defensive, and are having to say openly, "Come see us." What a remarkable display there was in Belgrade when the real leader of the Soviet Union, Mr. Khrushchev, had to say, because of the inadvertent comments which had been made to newspaper reporters, "Come see us." He had to say, in so many words, "Come through the Iron Curtain, and travel in our country."

Mr. President, these are small signs. They may not be too meaningful; but they are better than no signs. These little streaks of light are better than darkness.

We should use every means at our command to pursue honorably these opportunities, and at least to prove to ourselves and to our friends and neighbors throughout the world that our country is not a warrior at heart, but is a warrior only if forced to be one, and that it seeks honorable peace, and above all else, a chance for people everywhere to live in the light of better understanding and in the light of freedom and opportunity for mankind.

Mr. SPARKMAN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JENNER. Mr. President, first let me state that this treaty was reported to the Senate on June 15. Here we are, at 1:25 o'clock of the afternoon of June 17, considering the ratification of the treaty. It is my honest opinion that there are not a dozen Members of this body who have even read the treaty. In such a short space of time it is pretty difficult for the press to perform its duty, or for any Senator to perform his duty. The State Department has about 9,000 employees, and has had ample time to consider the treaty. We have had only a brief time.

Recently I read somewhere that there have been 379 conferences on the Austrian Treaty. Yet the Senate, a body which is supposed to give intelligent consideration to the treaty, is to take final action on the ratification of the treaty in a few short hours.

I, with a limited staff, have hurriedly examined the treaty. I feel that it is my duty to bring to this body the thoughts I am about to express before final action is taken. I hope that, at least, I can put up a warning flag. I hope that, at least, I can create sufficient doubt so that the Foreign Relations Committee will take the treaty back and clarify some of the ambiguous clauses and determine what they actually mean to the peace and security of our Nation. I think it is time for Members of this body and the American people to take a careful look at the Austrian settlement before the treaty is approved without objection by the Senate.

This settlement does not restore the sovereignty of Austria, because Austria is not permitted sufficient weapons for self-defense. The answer might be made that, after all, the elected officials of Austria agreed to this treaty. I say that that makes no difference. This great Nation is a power; and for us to stand by and acquiesce in the destruction of the sovereignty of any other nation is not the traditional American foreign policy.

Secondly, Austria is not permitted to make alliances with other free nations; and we, the United States Government, and the Senate, if it ratifies the treaty, will agree to such a condition.

Thirdly, Austria is not permitted to abolish subversive organizations operating within her territory, but obedient to a foreign power. Think of the United States acquiescing in a provision which would not permit another nation to abolish subversive organizations bent on destroying that nation. That is what is involved in this treaty.

Austria is an area comparable to the size of Maryland. It is as far from the Iron Curtain as Maryland is from the Potomac. The military power of Russia is as near as Virginia. Let us try to imagine, if it is possible, that Virginia has been conquered and is the frontier of a Soviet Empire stretching to Patagonia, and then we are told that the best security for the State of Maryland is for her to stand alone without arms, without allies, and without the legal power to put down subversive attempts by her neighboring empire to destroy her.

This is not a question of justice to Austria but a question of the security of the United States.

A helpless Austria will be a Soviet Austria in short order. Instead of occupying one-quarter of the globe the Soviet Empire will, without firing a shot,

be able to spread to one-third of the globe. Instead of having dominion over one-third of the people of the earth, she will, without risking a single soldier, soon have dominion over half of it.

This "neutralization" of Austria is the Acheson-Korea policy of 1950 all over again. The State Department would not permit the government of South Korea to have arms any more dangerous than police weapons. We had full information about the rearming of North Korea and the training of North Koreans for modern battle, but we were asked to close our eyes and pretend that all was well. The white markers on the graves of American soldiers in Korea and in our national cemeteries, and the unmarked pits where our captured fighting men were buried, marked the cost to the American people of the folly of the Acheson policy of talking peace while the enemy grows ever more powerful. It would be a cruel and fantastic folly for the American people to repeat in Europe today the errors which led us into the war in Korea in 1950.

The acid test of this settlement is this: If it is a good settlement for Austria, it is a good settlement for Poland, Hungary, Rumania, and Bulgaria. We can consent to the neutralization of an Austria, disarmed and helpless, only if she is protected by a belt of neutral nations protecting her from the Soviet border.

It seems to me that in the 379 conferences something along that line should have been brought out. Perhaps it will be taken care of in the meeting at the summit on July 18.

Soviet Russia is committed in her treaties with Hungary and Rumania to withdraw her armed forces from their territory, as soon as her troops are withdrawn from Austria. The Secretary of State says Soviet treaties with these nations have been "flagrantly violated in the past." He says the State Department is "actively studying" to see "what basis we have" for asking—mind you, Mr. President—the withdrawal of Soviet troops from these two nations.

I should think the treaties the Soviet Union solemnly signed years ago would be clearly the basis for not asking but insisting on withdrawal of Soviet troops from the Balkans. If the earlier treaties are not valid, why sign a new one?

Let us look at the specific provisions of this treaty.

Austrian sovereignty is militarily incomplete. She is compelled to accept an arms limitation which is not accepted by her more powerful neighbors.

In article 13, she is forbidden to "possess, construct, or experiment with" practically any of the decisive weapons of modern war. The allies reserve an unlimited right to add in the future to the list of prohibited weapons. This restriction would make it wholly impossible for Austria, like Korea in 1950, to resist invasion. It would end her influence as a sovereign nation, in councils where strength of arms was essential.

"Oh," it may be said, "but, Jenner, Austria's sovereign people O. K.'d this treaty." Mr. President, the situation has been described as being similar to a son being kidnaped and the parents dealing with the kidnapers on the question of ransom. The parents could say, "Although this is a bad situation, this is the best we can do." I say that in all morality this country should have no part in acquiescing in any such arrangement.

If we had stood strong and had dealt through strength, Austria might not have been placed in the position of having to deal with kidnapers. I do not know what went on at the 379 conferences which ended in the culmination of this treaty, and neither does any other Senator.

Austria is forbidden to manufacture any war materiel, or even civil aircraft, of German design. Neither may she employ in the design of military equipment anyone who is barred from the armed forces by denazification programs. In this connection it is pertinent to note that the Soviet Union employs large numbers of German scientists and engineers who served under the German Government during the war period. However, Austria cannot do what Russia can do, and we say, "O. K."

These clauses cannot be modified or revoked without the agreement of Soviet Russia. In effect this constitutes a Soviet veto on any future restoration of Austria's full sovereignty. She is doomed. She is done.

To add to her humiliation, Austria is compelled to maintain all the memorials to the military glory of the Soviet armies, which were erected in the postwar period. That is certainly a beautiful provision.

Austria's sovereignty is limited politically because she is forbidden to restrict political organizations within her own territory which are obedient to a foreign government.

It has been said that we permit the Communist Party to exist in America, and that the names of candidates of that party are permitted on ballots in this country. Certainly; but we have not given up the right to pass a law to outlaw the party or to destroy it. Yet that is what we are forcing Austria to do.

Article 8 commits Austria to permitting all citizens the right to public office "without discrimination as to" political opinion. This clause would bar Austria from forbidding the election to office of members of the Communist Party or any other party obedient to a foreign government. What do Senators think about that?

For the United States to be a party to such a compulsion on Austria's domestic policies is to set a precedent for a similar compulsion by an international agency in the United States to remove all bars to election of Communists or other subversives to public office. If we ratify a treaty which does this to Austria, why could not the tables be turned on us some day?

Article 9, section 2, requires Austria to dissolve all "Fascist-type organizations." The word Fascist has two meanings, the original meaning—the philosophy of the Axis powers, and the Communist meaning—any organization which is anti-Communist. The treaty does not define which meaning is to govern. It could therefore in a short time come to mean that Austria must dissolve all anti-Communist organizations if they are called Fascist by the Soviet Union.

The same clause binds Austria to dissolve any organization "carrying on activities hostile to any United Nation" which covers any anti-Communist activity.

The clause also requires Austria to dissolve any organizations which work to deprive people of their "democratic rights." This phrase also has two meanings. The Soviet meaning of "mass democracy" is entirely contrary to the American meaning of "individualist democracy." Since the meaning is not defined, we may find ourselves a party to a demand that Austria dissolve, for example, trade unions which dare oppose Communist mass unions under alien control.

The treaty compels Austria to make opposition to "democracy" a penal offense. For the United States to support such a demand is to set a precedent by which the Soviet Union or a satellite might insist through the U. N. that we punish Americans who supported State's rights or private unions or private business firms, which are contrary to "democracy" as the Communist define it.

Austria is compelled by this treaty permanently to observe the laws and legal measures aimed at de-nazification, regardless of whether any of these acts of postwar vengeance prove to have been excessive.

It is also compelled to maintain the expulsion of the Hapsburg family. This is likewise a limitation of sovereignty. It is not in the interests of the United States to tell Austria how to choose among constitutional forms of government. We should not bar any settlement of mid-European politics which might lead to stability in that area.

The treaty grants excessive benefits to the Soviet Union.

Article 11 commits the United States anew to the Teheran and Potsdam agreements.

Article 22 gives to the Soviet Union vast property rights, mostly for 30 years, in oil fields, oil exploration areas, oil refineries, oil distribution equipment, and the Danube Shipping Co. In the Soviet-Austrian agreement of 1955, these claims are replaced by a promise by Austria to ship to the Soviet Union 1 million tons of crude oil annually for 10 years.

Senators must know what a nation does and can do with oil. But Austria is compelled, and we are acquiescing in it, to ship to the Soviet Union—the nation which today is the threat to the world and because of which we are spending billions of dollars for defense—1 million tons of crude oil annually for 10 years.

This bilateral settlement between Austria and the U. S. S. R., incorporated in the treaty which we are to approve, converts certain other claims into cash or goods, with the kind of goods not specified.

Austria is to pay the Soviet Union 2 million American dollars in payment of Soviet claims to the properties of the Danube Steamship Co.

Austria is to pay the Soviet Union 150 million United States dollars in goods or

freely convertible currency, in exchange for assets belonging to Germany.

Austria is compelled to give the Soviet Union promissory notes to the face value of this payment, so that, in the case of any disagreement, the Soviet Union's opinion will be final. For example, if the Soviet Union wanted machine tools from the United States, and Austria did not give them, I believe the promissory notes would fall due at once.

Any disputes are to be settled by negotiations between Austria and the Soviet Union, with the other occupying powers excluded.

There are no corresponding concessions to the United States or any other of the occupying powers. I am speaking of financial concessions.

Austria is not permitted to expropriate any property granted to the U. S. S. R., or to limit the export of profits in the form of goods or currency. No similar rights are guaranteed American enterprises in Austria.

Austria is, on the other hand, compelled by article 27, section 2, to recognize the right of Yugoslavia to expropriate Austrian public and private property in Yugoslavia. To whom does that nation belong?

By article 29, Austria is not free to make any distinction or discrimination against goods "originating in or destined for" any member of the United Nations. She is thereby forbidden to restrict trade with the Soviet Union or with Red China, in goods originating in Austria or outside. That means Austria could not keep any agreement to prevent American goods in Austrian trade from reaching the Communist countries.

The treaty is markedly unfriendly to the German Republic, which had no part in the Nazi Government, and which is an important ally of the West at this moment.

Article 22 prohibits Austria from returning to Germany any "properties, rights, and interests" in former German assets, seized by the Soviet Union, the United Kingdom, the United States, or France. The only exceptions are small property holdings of individuals, or property of educational, charitable, cultural, and religious agencies. That is, all German-owned business property, and all personally owned property above a small amount, now held by the occupying powers, is to be kept by Austria permanently, if not transferred to the Soviet Union.

Austrian property in Germany is to be returned by Germany to its Austrian owners, except for the property of persons "subjected to the penalties of denazification measures." Thus again the treaty validates all decisions of the denazification tribunals, without a possibility of revision of postwar judgments.

It is an important question whether these clauses are not a deliberate continuation of the Soviet postwar policy to destroy Germany's war potential by destroying its economic base. They are also perfectly calculated to weaken the confidence of the Germans in the United States.

In article 6, Austria is committed to "secure to all persons under Austrian jurisdiction" the enjoyment of "human rights." For the United States to be a party to such a provision is to give indirect sanction to the idea of U. N. jurisdiction over domestic affairs on matters involving "human rights," or practically everything. This principle is being vigorously fought by our own people in the Bricker amendment.

These "human rights," otherwise undefined, specifically include freedom of political opinion and of public meeting. This clause would also bar Austria from taking any action whatever limiting the political activities of Communists, however subversive they might be in their obedience to a foreign government.

A further interference in domestic affairs is guaranteed by section 5 of article 7 which gives the Croats and Slovenes the right to schools using their own language and forbids any organization to urge any alternative policy. For the United States to insist on this domestic policy might open the door to some future demand through the U. N. that the United States maintain foreign language schools for its immigrant population.

In addition to these specific objections, I am disturbed at a curious usage of the curious phrase, "United Nations nationals," as a way of referring to the United States and other sovereign nations.

"United Nations nationals" is defined in article 25, section 8, of the treaty, as "individuals who are nationals of any of the United Nations, or corporations or associations organized under the laws of any of the United Nations."

This is obliteration of the national identity of the United States. It is an implied acceptance of a new kind of citizenship, and a subordination of the United States to a world organization. This treaty is actually a treaty between Austria and the four occupying powers. Why is the U. N. brought in by indirection?

It seems to me most important that the Senate should reject this usage now, before it becomes accepted by default.

I realize that the Committee on Foreign Relations has studied this treaty most carefully—I hope far more carefully than I have had an opportunity to study it. It was reported only on June 15 and the Senate is acting on it on June 17. I will venture a guess that not a dozen Senators among those on the floor have read the treaty. Is not that some way to run a railroad or to run the United States Senate? One of the highest obligations the Senate has to perform is the ratification of treaties.

I know that the Committee on Foreign Relations has studied the treaty and has given it unanimous approval. I have the greatest respect for the judgment of the committee. I should not be willing to dissent, with all the vigor I have, from their conclusions unless I were certain that the issue is the safety of the United States.

I do not see what harm could come from sending the treaty back to the committee. Some of the warning signals which have been raised in my mind probably will be raised in the minds of other Americans, but fears might be allayed and there might be such clarification as to enable us at least to know what we are actually doing.

I think it would be useless for me to make a motion to recommit the treaty. I shall leave it to the conscience of the Committee on Foreign Relations to make such a motion. If I made it, I think it would be rejected overwhelmingly. But I am only trying to point out, as I think it is my duty to point out, the pitfalls and the precedents we shall be setting today by the ratification of the treaty.

My differences from the committee spring from the fact that they think we should interpret the dubious sections in the hope that the Soviet Union will play fair. I do not think we have the right to such credulity. I believe the Soviet Union has a fifth column within our Government actively working to help confuse us. We know we have no fifth column within the Politburo.

The papers recently referred to a story in which an applicant for a license in one of our States demonstrated the danger of fine print by getting the signatures of 6 or 7 prominent men to a document in which the fine print said, in effect, "I recommend that I be hanged by the neck at noon in the public square."

If that can be done in one of our States, how can we in the United States Senate ignore the fine print in a treaty involving the military power of the Soviet Union? For the security of our Nation, it is time that someone began reading the fine print.

I believe it is a standard practice of the Soviet Union to put into settlements sleeper clauses which appear innocent, but which will afford great nuisance value or even military advantage when invoked later, as people get tired of controversy.

I believe our fifth column gives its greatest assistance in helping to contrive such sleeper provisions.

The Constitution imposes on Members of the Senate the duty to consider not only probable interpretations of any law or treaty, but also to close off the possibility that interpretations which seem improbable are the real ones. In dealing with the Communist powers it is especially important, before we vote, to consider latent as well as explicit meanings, rather than to discover them when it is too late.

The last line of defense for the American people in this settlement is the Senate of the United States. We cannot approve this treaty without full exploration of the dubious clauses I have mentioned. There can be no reason for haste where American security is involved.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. JENNER. I yield.

Mr. DWORSHAK. The Senator from Indiana has given us his own interpretation of the treaty. I was led to believe that, the resolution of ratification having been reported by the unanimous decision of the Committee on Foreign Relations, there was no controversy or dispute involved.

Does the Senator from Indiana recall that in June—I think it was June 5, 1947—the Senate of the United States overwhelmingly, by a vote of 79 to 10, voted to ratify the Italian Peace Treaty.

over the protests of a few Members, who sensed that the treaty was not advantageous to Italy at that time?

Within a few months after the vote to ratify that treaty, it was generally recognized that its negotiation had been a tragic mistake. Within a period of a year or two, while that treaty was not nullified officially, it was, rather, ignored and repudiated, not only by the Italian Government, but by our State Department, by the then President of the United States, and by most of the countries of the world, with the possible exception of Russia and a few satellites.

Now, today, the Senator from Indiana calls on the Senate to act without haste, in an effort to determine whether, once more, we are considering a treaty which momentarily may be beneficial in restoring the sovereignty of Austria, but which, in reality, may be establishing a pattern which will be not only advantageous to the Soviets, but may contain the seeds of future dissension, and be extremely deleterious to Austria.

Does the Senator from Indiana feel that once more we are considering a treaty under the assumption that it ought to receive overwhelming support merely because its ratification would be symbolic of support of the State Department and of the foreign policies of this administration?

Mr. JENNER. In reply to the Senator from Idaho, Mr. President, I should like to say that is exactly all I am asking. I wish to state again that I do not intend to make a motion to recommit. I wish to leave that motion to the consciences of the Foreign Relations Committee members. If they think they have cleared up all the dubious clauses and phrases in the treaty, that they know what the meaning is as it affects American security, and are aware of the precedent it establishes, it is up to them. I merely have tried to do my duty and to point out some of the warning signals, as I see them, in the brief time I have had to study this important treaty.

Mr. DWORSHAK. Mr. President, will the Senator yield further?

Mr. JENNER. I yield.

Mr. DWORSHAK. Naturally, we in the Senate function through our committees. I am a member of the Senate Committee on Appropriations, and I try to discharge conscientiously my duties as a member of that group. Most of us have no opportunity to study treaties, and we must rely to a large extent upon the recommendations made by the Foreign Relations Committee.

On that point, I am wondering how we can carefully scrutinize the various provisions of the treaty. There are present today, on this Friday afternoon, not more than a dozen Senators although this treaty may have far-reaching effect on the future relations of Austria, not only with our own country, but with countries behind the Iron Curtain, yet we are called upon to take more or less snap judgment, unless we want to take a position in opposition to the foreign policies of the administration.

Mr. JENNER. I cannot see any reason for haste in such an important matter.

Mr. MALONE. Mr. President, will the Senator from Indiana yield?

Mr. JENNER. I yield for a question.

TREATIES AND AGREEMENTS: TWO INDIAS, KOREAS, INDOCHINAS, AND SOON TWO CHINAS—THE ITALIAN, JAPANESE, AND NOW AUSTRIAN TREATIES—ALL PAYING REPARATIONS OR DIVIDED WITH RUSSIA

Mr. MALONE. I have listened with a great deal of interest to the Senator from Indiana [Mr. JENNER] in his exposé of the Austrian Treaty. Is this treaty not typical of the treaties we have been approving since World War II?

Mr. JENNER. I think so. I think it is the Korean policy all over again.

A PARALLEL TO ITALIAN TREATY

Mr. MALONE. I was going to call attention to the Italian Treaty. I am glad the Senator from Idaho [Mr. DWORSHAK] did call attention to it. When it was before the Senate for approval, the senior Senator from Nevada was a freshman, and he stood on the floor for an hour explaining what the treaty would do to the Italian people.

The treaty provided for the Italians sending large amounts of processed goods to Yugoslavia and Russia.

Mr. President, I ask permission to include in the RECORD at this point excerpts from my speech on the Italian Treaty of June 5, 1947.

The PRESIDING OFFICER. There being no objection, the excerpts will be included:

Mr. MALONE. Mr. President, the pending Italian Treaty, including the provision for the payment by Italy of $360 million to four foreign nations as reparations, definitely sets a 7-year slave-labor policy for the Italian nation, and I shall show that it could cost this Government $1 billion during that period to support the 198,000 Italian laborers who could be required in discharging Italy's obligations. In addition, the necessary processing of raw materials to fulfill the obligations undertaken through the approval of this treaty could well require more than 18,000 highly paid Russian foremen to supervise the 7 years' work, and their salaries could be deducted from the increased value of the manufactured products. Thus, the amount of required work to discharge the reparations obligations could well be greatly increased.

Mr. President, this was the way the pyramids were built. In my humble opinion, the United States of America cannot afford to be a party to such an agreement. Certainly the slave-labor provisions of this treaty have little resemblance to the ringing slogans "making the world safe for democracy" and "the four freedoms" coined for World Wars I and II.

Mr. President, let me show how much this treaty could cost the Italian nation in slave labor and the United States in money.

The latest wage statistics for Italy are for December 1946. At that time the skilled industrial worker in the northern Italian industrial area was paid 595 lire per day. This daily wage consisted of four special payments added together, some of which were borne by the Government rather than by the private employer. The four special payments were as follows:

	Lire
Daily base wage	232
Special cost-of-living allowance	185
Special allowance	60
Family allowance	118
Total	595

This daily wage of 595 lire is the wage of an employee having four dependents—a wife and three children.

The official lira rate of exchange is 225 lire to the dollar. The free rate of exchange is between 500 and 600 lire to the dollar. At the official rate of exchange of 225 lire to the dollar the Italian skilled laborer is being paid the equivalent of $2.65 per day. At the free rate of exchange of 550 lire to the dollar Italian skilled labor is being paid the equivalent of $1.08 per day. Italian skilled labor without dependents, however, receives only 477 lire per day, which is the equivalent of 87 cents per day. For general purposes of calculation, it can be assumed that the average Italian skilled laborer today receives the equivalent of $1 per day at the free rate of exchange.

AMOUNT OF ITALIAN LABOR REQUIRED AS REPARATIONS IN PEACE TREATY

Article 74 of the pending treaty provides that Italy shall pay the Soviet Union and the states of Albania, Ethiopia, Greece, and Yugoslavia a total of $360 million in reparations during a period of 7 years. These reparations are to be paid out of Italy's current production through the countries concerned furnishing the raw materials and Italian wage earners furnishing labor valued at $360 million without pay or subsistence of any kind.

The amount of labor required to pay off these reparations at $1 per day would amount to 360 million man-days of labor. On the basis of a 5-day week, or 260 working days per year, it would take 1,385,000 Italian laborers, working a full year to pay off the $360 million of reparations. Or, if paid off during a 7-year period, it would require 198,000 Italian skilled laborers, working full time for 7 years, to pay off the reparations due.

Since the product of 7 years for the 198,000 Italian skilled laborers would be turned over to the 5 countries mentioned for purposes of reparations, it would be necessary for someone to finance the economic support for 7 years of this body of laborers.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. EASTLAND. There would be the same kind of vote as that now cast by Yugoslavia and Poland.

The argument has been made that the Italian people favor this treaty. I was amazed yesterday to hear the distinguished minority leader, the senior Senator from Kentucky [Mr. BARKLEY], make the statement, and reiterate time and again, that the Italian people want this treaty ratified. Mr. Constantine Brown, a noted columnist, is an authority on foreign policy. He has recently returned from Italy. I should like to read to the Senator his statement regarding the views of the Italian Government on this question. I read from his article which appeared in the Washington Star on May 11 of this year:

"The Italian Government accepted the treaty under duress. The Italian people do not like it at all. When Premier Alcide de Gasperi returned to Rome from America last February he conferred immediately with the newly arrived American Ambassador in Rome, James Clement Dunn, and told him he could not sign the treaty"—

Note that, Mr. President. He could not sign the treaty "because it would leave Italy helpless both economically and physically."

Listen to what happened:

"Mr. de Gasperi changed his views within 24 hours, however, after he had a long conversation with the British Ambassador in Rome and with Palmiro Togliatti, chief of the Italian Communists, and then a member of the Italian Cabinet.

"The Premier later explained to close friends that he was compelled to change his mind because the British diplomat had

warned him that failure to sign the treaty not only would keep Italy out of the United Nations"—

Think of that, Mr. President—if the Italian Premier did not sign the treaty, Italy would be kept out of the United Nations, "but also would make it impossible for her to obtain loans and assistance from the western Allies. Mr. Togliatti is said to have threatened a general strike and other forms of disturbance if the treaty were not signed."

Just think of that, Mr. President. The head of the Communist Party in Italy, the representative of Stalin in Italy, threatened to call a general strike and to engage in other forms of resistance unless Italy signed this treaty. And then some Senators are naive enough to say that Communist pressure is not behind the move for ratification of the treaty, and that ratification of this treaty would not promote world communism.

I read further from the article:

"Premier de Gasperi yielded to the British and Communist pressure and since then he has taken the official position that he would like to see the treaty ratified and out of the way. In private, however, the Italian Premier is as much opposed to the treaty as he was on his return from America."

Mr. MALONE. I thank the able Senator from Mississippi.

Mr. President, to return to the question of the able Senator from New Hampshire [Mr. BRIDGES], let me say that during the course of my remarks I shall show that Italy is being driven into the hands of the Soviet Union because the Italians can obtain raw materials only from Russia, and the Russians are allowed to keep their supervisors in the form of an army in Italy and are also allowed to supervise the work the Italians do on the raw materials sent into Italy by Russia.

As to the British influence, which I shall outline later on in my remarks, I merely say at this point that not only is there no provision to prevent Britain from dumping her manufactured goods into Italy, but there is a provision to prevent Italy from setting up any barrier against manufactured goods from Britain. Therefore it is in the interest of the British Government to have this treaty approved, so that the British may have an additional dumping ground for their manufactured products.

Mr. EASTLAND. Mr. President, will the Senator further yield to me?

Mr. MALONE. I yield.

Mr. EASTLAND. It is stated that Secretary Marshall is in favor of the speedy ratification of this treaty, for the assigned reason that it would be futile to negotiate further with Russia if we do not approve the present treaty recommendations of the executive branch of our Government. Let me say that I can readily understand that viewpoint; but I think that by now we should certainly be convinced that Russia is not going to agree to anything, and that further conferences with Russia are futile. Whether we like it or not—and God knows I do not like it—the world in the future will be two worlds, a democratic world and a Communist world. We must draw the line, we must take a stand against communism. We must prevent the spread of communism. It is certainly important that we do so. The whole theory of the Greek-Turkish loan was to preserve the Mediterranean Sea for the western powers; and thus it is important that Italy, which controls the Mediterranean Sea, not fall within the Russian orbit.

Mr. President, the way to prevent Italy from falling within the Russian orbit is for us to maintain an army in Italy, to maintain the American flag there, until the Italian economy is sufficiently rejuvenated and until Italy is put on her feet economically to the point where she can weather the Communist storm and can resist the Communist efforts. But I think Secretary Marshall is doing a futile thing when he thinks and hopes that we are going to do business with Russia. Of course, we can get promises; but a promise from Stalin or a promise from Molotov or a promise from Tito, as history already shows, is absolutely worthless.

Mr. MALONE. I agree with the able Senator from Mississippi that if we are going to give aid to Greece and Turkey and are going to send men there to help train their armies and to assist them economically, then if any nations are to maintain any supervisors or military forces in Italy, we should be among those nations.

I wish to say, in passing, that today everyone in the world knows—certainly the schoolchildren know—that there are not 5 great powers or 4 great powers or 55 great powers in the world, but there are only 2—the United States and Russia. Whenever one of those great powers—whether it be the United States or Russia—does not want a certain thing to be done, that thing will not be done in this world.

Everyone must know by now that England is making separate trade treaties with other nations. She has just completed a separate trade treaty with Russia, by means of which Russia will furnish raw materials and England will act as the manufacturing center and will be able to furnish Russia with many munitions of war, including jet airplanes and other things. Mr. President, in a case in which our interests apparently are at stake, to say that we should not make a separate treaty with Italy, or with any other country, in my judgment, simply does not make sense.

Mr. JENNER. Under the pending treaty 1 million tons of crude oil will be sent to Russia. We would neutralize Austria completely. We would destroy her sovereignty. We would give Austria no means of self-development. We would permit the operation in that country of organizations which could destroy her government. We would approve and condone all of that. I cannot describe just what we would do.

OIL TO RUSSIA FOR WHICH WE WILL PAY

Mr. MALONE. The treaty provides that about 50 million barrels of oil, 7 to 10 million per year, will be sent to Russia free of charge, which can be used for war-making purposes. We, of course, will pay for the oil through gifts to Austria.

Mr. JENNER. The amount is set forth in the treaty.

Mr. MALONE. I know the distinguished Senator from Indiana has watched carefully all the maneuverings which have gone on since World War II. I am sure he will remember that, as a result of action by England, two Indias were created when they withdrew from that nation after a century of domination.

Mr. JENNER. Yes.

Mr. MALONE. One of the Indias which was created out of the original India is split into two parts, 500 miles apart. Of course, such an arrangement cannot succeed. We have participated in the split of Indochina into two countries. We have arranged for two Koreas. The senior Senator from Nevada has said many times, both on the floor of the Senate and in addresses throughout the country, that many important people in our administration are committed to the recognition of Communist China and that there then would be two Chinas, until Chiang Kai-shek passed out of the picture, and then there would be one China again—Communist China.

Mr. JENNER. I think that is in the mill.

Mr. MALONE. Yes; I think it is. Does not that kind of action bear out what a great humorist once said? While that saying got many laughs, it had a lot of meat in it. He said that this Government never lost a war or won a conference. Is it not correct that if we continue to lose conferences, we could lose a war?

Mr. JENNER. That could be.

THE HEAT—INTERNATIONAL PLAN

Mr. MALONE. What furnishes the great pressure behind the plan—pouring the heat on the American people, and which makes Senators afraid to vote their convictions on the Senate floor? Where does the "heat" come from?

Mr. JENNER. It is political fear. It is the fear of being unpopular.

Mr. MALONE. The fear of being unpopular and not being returned to office? What good would it be returned to office if they continue to desert their convictions? Will the Senator from Indiana answer that question?

Mr. JENNER. I cannot answer that question. I think the Senator himself has answered it.

Mr. LEHMAN. Mr. President, I have prepared a statement in regard to one phase of the Austrian State Treaty. I ask unanimous consent to have the statement printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

During the final phase of the negotiations leading to the completion of the Austrian State Treaty I have stated on the floor of the Senate, what I believe to be our firm policy, that the victims of Nazi persecution in and from Austria should be properly compensated for the losses they suffered. I stated then that "It will be in the interests of justice and equality in the international community, as well as in the interests of Austria itself, if a generous solution of these claims can be achieved simultaneously with or before the conclusions of the discussions with respect to a state treaty."

I was pleased to note that this view was shared by the Department of State when it advised me on May 10 that it agreed with me "as to the wisdom of concluding a satisfactory agreement on the subject of these claims before the state treaty is presented to the Senate for ratification."

I believe that I properly reflect the sentiments of the Senate, as many distinguished Members have expressed the same deep concern for the need to rectify the injustices which arose in consequence of the Anschluss and Nazi action in Austria, when I reiterate that we would have been pleased to record on the occasion of the consideration of the Austrian State Treaty that a satisfactory agreement has been reached between the Austrian Government and the interested organizations with respect to the claims of Nazi victims.

I regret very much that we cannot at this time report that the negotiations in this respect have been concluded. I understand, however, that negotiations are in progress and that the Austrian Government has indicated a readiness to consider measures which may meet the minimum needs of victims of Nazi persecution. This matter affects very deeply tens of thousands of victims of Nazi persecution from Austria who

found a haven in the United States, many of whom are of advanced age and destitute.

The treaty deals with certain aspects of this problem in article 26. We understand this article to mean that Austria is committed to maintain and fully implement such legislation which is presently in force. The existing legislation, however, is highly deficient in failing to provide minimal compensation for a wide range of losses and damages suffered in consequence of Nazi persecution.

In passing upon the state treaty which is intended to restore full independence to Austria, 17 years after it was deprived of it by the Third Reich, I would like to record what I am confident is the sound wish of the Senate and our Government that a speedy and effective settlement of the claims of Nazi victims should be brought about by the Austrian Government as quickly as possible. Negotiations concerning this subject have long been pending. The time is now ripe for action. It is, in my judgment, indispensable that the Austrian Government satisfactorily deal, without delay, with this tragic aspect of the loss of her independence which the treaty has now restored to her. In my view, such action would represent an essential requirement for the attainment of the basic objective of the treaty, as stated in its preamble, "to settle in accordance with the principles of justice the questions which are still outstanding in connection with the annexation of Austria by Hitler Germany and the participation of Austria in the war as an integral part of Germany."

Mr. HOLLAND. Mr. President, if the distinguished Senator from Alabama will yield for a series of questions, I shall appreciate it.

Mr. SPARKMAN. I shall be very glad to answer them, insofar as I am able to do so.

Mr. HOLLAND. One term used in several places in the treaty gives me some concern, not because of its use, but because of what might be considered to be its meaning. My own understanding of its meaning does not disturb me; but I am fearful that another and a troublesome meaning might be assigned to it by others. I refer to the use in several places in the treaty, particularly in article 25, of the term "United Nations nationals." My own understanding of that term is that, as it is used throughout the treaty, it means nationals of sovereign nations which are members of the United Nations, but does not mean, nor does it even imply that the United Nations itself is a nation or superstate or can have citizens or can have nationals of its own.

The point I raise with the distinguished Senator from Alabama, who of course has a much more thorough grasp of the meaning of the treaty and all its provisions than I do, is that my understanding, which I hope is correct, is that the term "United Nations nationals," as used in the treaty, refers to citizens—individuals or corporations—who are nationals of sovereign governments which are members of the United Nations. Is that understanding correct?

Mr. SPARKMAN. Mr. President, I think the Senator from Florida is correct, with one exception. Although it may appear that I shall be somewhat tedious in referring to this point, I should like to state that my interpretation of the use of the term "United Nations" in this case is that it does not apply to the organization we know as the United Nations Organization. The United Nations which is in existence today was originally known as the United Nations Organization. Let me call the attention of the Senator from Florida to the fact that in one place in the treaty—I believe it is in the preamble—reference is made to the United Nations Organization. Yes, Mr. President, it is in the preamble. So far as I know, that is the only place in the treaty where the term "United Nations Organization' is used; and that has to do with Austria's application for admission to the United Nations Organization.

The preamble sets forth that the four great powers, the occupying powers, are the Allied and Associated Powers. That descriptive term is used in referring to those four powers.

Another group of nations is interested in the treaty; they are the nations who were organized for the purpose of carrying on the war, on the Allied side.

On January 1, 1942, a declaration was entered into by all the various nations which were engaged in the war, on the Allied side, and what have become known as the United Nations. It is my understanding that the term "United Nations," when used in this treaty, refers to the United Nations, as that term was used in the declaration of January 1, 1942, long before there was an organization which originally was known as the United Nations Organization, to which name reference is made in the preamble to this treaty.

Let me say categorically that, regardless of that interpretation, certainly nothing in the treaty recognizes that the organization we know today as the United Nations has such a thing as a national or has nationals of its own; and certainly it is not the intent of the treaty to so indicate.

Mr. HOLLAND. I thank the distinguished Senator from Alabama. Then it is perfectly clear that, growing out of the use of this term, there is no implication under which it could ever be claimed that the treaty lays a predicate for the recognition of any persons, whether individuals or corporations, as having citizenship in or being nationals of the United Nations Organization. Is that correct?

Mr. SPARKMAN. The Senator from Florida is absolutely correct in making that statement.

Mr. HOLLAND. Nor is there in the treaty anything which might ever be interpreted as giving rise to the conclusion that the United Nations Organization, as now existing, could be regarded as a nation or superstate having nationals; is that correct?

Mr. SPARKMAN. The Senator from Florida is again correct.

Mr. HOLLAND. I thank the distinguished Senator from Alabama. I thought the point important, because, with all the loose claims which have been made—and always falsely, I think, as I have understood them—to the effect that the United Nations Organization was such an organization as to create a kind of citizenship which was above and beyond national citizenship, as we understand it—specifically, our citizenship in the United States, such as that which pertains to the Members of the Senate of the United States—it seemed to me that it was highly necessary that the RECORD show, as I believe it now does show with complete certainty—that the term "United Nations nationals," as used in the treaty, by no means implies that the United Nations Organization can have nationals or can have citizens, or is, in itself, a nation or a supernation which has either citizens or nationals.

I thank the distinguished Senator from Alabama.

Mr. JOHNSON of Texas. Mr. President, I understand that there are other Senators who wish to address themselves to the pending treaty.

However, at this time I should like to have the yeas and nays ordered on the question of agreeing to the resolution of ratification of the treaty.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Is there a sufficient second?

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, I wish to make a few observations, particularly regarding the point that the terms of the treaty are unduly onerous upon Austria.

I regret as much as does the Senator from Indiana [Mr. JENNER] or anyone else that our negotiators found it necessary to make some concessions to the Russian Government, in order to obtain this treaty.

With regard to oil, in particular, I think one paragraph of the statement of Secretary Dulles before the committee sums up that matter. I read now from page 16 of the hearings before the committee, when it was considering the Austrian State treaty:

> Secretary DULLES. It is not perfect in that respect. We would, of course, have been much happier and the Austrians would have been much happier if the payments could have been totally discontinued. But the practical choice that we faced was whether for example, to go on with the Russians getting 3 million tons of oil or changing to a situation where they would get only 1 million tons of oil. Obviously the latter was better than the former.

Enlarging upon that statement, during the past 10 years the Russians have been taking approximately 3 million tons of oil annually from the fields of Austria. It is estimated that during the past 10 years they have taken from Austria altogether, in various items, including factories as well as oil and commodities, more than $1 billion. Under this treaty, it is estimated that in the next 10 years the value of payments will be about $300 million. So obviously the terms of the treaty are far better than the existing situation or the circumstances under which Austria is now living. So, much as I regret these onerous conditions, I think they are far better for Austria than not to have the treaty.

In general, I think the same observation could be made with regard to the other items specifically mentioned by the Senator from Indiana [Mr. JENNER], such as the Danube Shipping Co. It is true that Austria is paying $2 million, which is estimated to be the value in the overall settlement for the return

of the Danube Co. to Austria. Nevertheless, in my opinion, that is far superior to permitting—as we must permit, unless we wish to take violent action—these proprieties to continue under the control of the Russians.

In considering this treaty we must consider the alternatives. It is true that we could have negotiated indefinitely, as we have done, without arriving at any conclusion, in which case Austria would remain under the occupation which she is now undergoing.

The other alternative would be to take events into our own hands and lay down an ultimatum, and, if necessary, declare war. That seems to be implied in the criticism that we must do this, and we must do that, with regard to the terms of this treaty. I do not believe that any Member of this body wishes that we should use force to free Austria from occupation by the Russians, and thereby recreate a sovereign power free from the obligations of this treaty. So, in all fairness to our representatives, I think it must be admitted that they have done a good job as they could have done under the circumstances.

With regard to the observation with respect to the Italian treaty, I was one of those who voted against the Italian treaty; but the conditions were quite different. That was in the beginning. There was no occupation, and it was not a case of relieving Italy from conditions which had been imposed upon her by force, as conditions were imposed on Austria by force.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. O'MAHONEY. I desire to interrupt the Senator before he proceeds to a new phase of the discussion.

I have been reading Executive Report No. 8, entitled "The Austrian State Treaty," which is the report of the Committee on Foreign Relations with respect to this treaty. I am frank to say that it raises in my mind very serious questions.

On page 6 of the report there is set forth the Austrian Neutrality Resolution. This is a resolution adopted by the Parliament of Austria, asserting its neutrality, and at the same time asserting its desire to become a member of the United Nations.

Mr. FULBRIGHT. That is correct.

Mr. O'MAHONEY. It seems to me that the language of this resolution is self-contradictory, and that we are in great danger, as parties to this treaty, of finding ourselves in the position of giving indirect approval, if not direct approval, to a course of action which the Soviet Government has clearly laid down with respect to its policies.

The Soviet Government is seeking to establish a pattern of neutrality in Central Europe, wherever there are any nations or former nations the people of which seem to be in a position which offers some possibility of gaining freedom from Soviet domination. At the same time, the Soviets have indicated that, at the conference at the summit they will not entertain any discussion with respect to the status of those nations in Eastern Europe which have unfortunately fallen under the forcible domination of Soviet Russia, in violation of pledges given by Soviet Russia at Yalta and at Potsdam.

Let me read a portion of the Austrian Neutrality Resolution. I skip the first three paragraphs, because apparently there is a typographical error in the first paragraph of the resolution. Apparently 1 or 2 lines have been omitted. The third paragraph reads as follows:

> Austria, in this connection, declares her desire to observe at all times in her relations with other states the principles laid down in the United Nations Charter, and once again voices her willingness and ability to accede to and observe the obligations contained in the charter.
>
> In addition, the Federal Government—

That is the Federal Government of Austria, as I understand—

> is requested to submit to the Nationalrat (Parliament) the draft of a federal constitutional law regulating the neutrality.

That seems to be a declaration that Austria will bind herself in a constitutional way to be neutral as between Soviet Russia and the Western Powers.

The neutrality resolution continues:

> To take all steps in order to achieve the final admission to the organization of the United Nations, for which Austria has already applied.

Does the Senator believe, and does the Foreign Relations Committee believe, that if Austria should become a member of the United Nations it would be free from its neutrality constitutional obligations, and the obligation it has assumed in the treaty not to engage in war against Soviet forces if the United Nations, as a body, should undertake to condemn Soviet aggression as it already has done through the Assembly?

To make the illustration clear, the Assembly of the United Nations clearly denounced Communist China for aggression in Korea and in response to that declaration by the Assembly, many members of the United Nations rallied to the cause. They all did in theory, but some of them, like Turkey, and a few other nations, sent their forces to fight against the aggression. Can the Senator say, that under this neutrality pledge given by Austria in the language quoted in the report, Austria is not bound to refuse to join in any United Nations declaration of aggression against Communist power?

Mr. FULBRIGHT. I first call the Senator's attention to the comment on the next page, wherein a similar question is raised. It is the comment in the report regarding this matter in committee. First, purely on a very narrow basis, the treaty itself does not, of course, include the neutrality resolution. That is a resolution which I am sure the Austrian Parliament undertook to make in an effort to conciliate the Russians and to help them come to the conclusion to sign a treaty in the first place. However, I think the conflict which the Senator from Wyoming has pointed out, certainly is involved, from a theoretical point of view.

When we look at the treaty itself, we find that the treaty does not include any reference to neutrality. That is a separate item. I believe the Senator noticed that fact. Nevertheless, in looking at the whole picture, I believe there is the possibility of a conflict.

Mr. O'MAHONEY. May I interrupt the Senator at that point?

Mr. FULBRIGHT. The Russians have twice already vetoed for the entrance of Austria into the United Nations.

Mr. O'MAHONEY. That is correct.

Mr. FULBRIGHT. Therefore, I am not sure whether this is considered merely an academic problem from their point of view.

Mr. SPARKMAN. Mr. President, will the Senator yield to me on that point?

Mr. FULBRIGHT. I yield.

Mr. SPARKMAN. I would suggest a better illustration. A comparison has been made between the position of Austria and the position of Switzerland. Switzerland is a constitutionally neutral country. It is held that Switzerland cannot discharge the obligations assumed under the United Nations Charter, and therefore it is not a member of the United Nations. However, Austrian neutrality is not properly comparable with that of Switzerland. It is more like that of Sweden.

Mr. O'MAHONEY. Where are those words in the treaty?

Mr. SPARKMAN. They are not in the treaty at all.

Mr. FULBRIGHT. There is nothing at all about that in the treaty.

Mr. SPARKMAN. There is nothing in the treaty relating to it. We have the declaration of Austria, fairly and squarely made before the treaty is entered into, that that is the stand she intends to take. It is a stand, if we will be fair in making the comparison, which is more properly comparable with that of Sweden than with the stand of Switzerland. We know that Sweden is one of the powerful nations in the United Nations.

Mr. O'MAHONEY. Let me call to the attention of both Senators the language of the report. This is the committee speaking unanimously. I am reading from page 6, in the first paragraph, under the heading "Austrian Neutrality."

> The memorandum of agreement of April 15, 1955, between Austria and the Soviet Union, by which the Soviet Government undertook to sign the Austrian State Treaty without delay, stated that the Soviet Government was "prepared to recognize the declaration concerning the neutrality of Austria" and was "prepared to participate in a guarantee by the Four Powers"—

I assume the United States is one of the Four Powers—

> "of the inviolability and integrity of the Austrian State territory—according to the model of Switzerland."

Here is a declaration with respect to a position to be taken by the Four Powers, recognizing the inviolability of the neutrality of Austria.

Then the committee proceeds to state:

> This constituted acceptance by the Soviet Union of a proposition first put forth by Austria at the Berlin Conference in 1954, when Austria declared its willingness to agree that it would join no military alliances and would permit no foreign military bases on its territory if the Soviet Union would agree to the treaty.

What does that mean? It means that the position of Austria will be utterly different from that of Turkey. Turkey sent its troops to Korea to participate with the United Nations. However, we are giving our advice and consent to a treaty to which Soviet Russia and Austria are parties, when it is clearly stated by the Senate Committee on Foreign Relations that the acquiescence of the Soviet Union was purchased by the declaration of Austria that it would maintain neutrality.

Mr. President, my concern about this matter is based upon the fact that there is soon to be held a conference at the summit. I am told, and I read in the press, that this conference at the summit will be composed of the leaders of the Big Four. We know that the President of the United States will attend the conference, and we know that he is the leader of the United States, constitutionally chosen. We know that Premier Bulganin, of Soviet Russia, will attend. But we know that when Soviet Russian representatives went to Yugoslavia to win Yugoslavia back to the Communist fold, Bulganin stood and had his picture second in the line of priority. The secretary of the Communist Party, Khrushchev, was the man who stood first in line.

If we read this treaty and the report which the Senate Committee on Foreign Relations has submitted, we have a clear picture of an agreement which has been purchased not only by the language I quoted from the report, with respect to the neutrality of Austria, but also by the agreement which the Senator from Arkansas has described in different words, but which is set forth clearly on page 5 of the report, to allow Soviet Russia to continue for some 5 or 6 years more to exploit the resources of Austria.

Mr. FULBRIGHT. May I ask the Senator what his alternative is? What would he have done? Would he approve of having Russia continue to take 3 million tons, instead of 1 million tons?

Mr. O'MAHONEY. I agree with the Senator when he speaks about alternatives.

Mr. FULBRIGHT. What does the Senator propose? Would he send an army to Austria and tell the Russians, "You are not going to do this. Get out"?

Mr. O'MAHONEY. That is not an answer to my question.

Mr. FULBRIGHT. What is the Senator from Wyoming proposing?

Mr. O'MAHONEY. I am trying to discuss the impact of this treaty on the further steps we are about to take. Have we bought by appeasement this treaty with Austria? Perhaps I should not ask the question in that way, because I do not believe the United States has done that, but certainly I believe Austria has that idea. All I have to do to prove that statement is to read the language of the report of the Committee on Foreign Relations. I am reading from page 5:

> The committee is convinced that the Austrian people recognize that their successful efforts to stave off the economic disintegration promoted by the Soviet Union were made possible largely by the assistance they have received from their friends in the West. The Soviet Union has not been satisfied, however, by the more than $1 billion taken during the 10 years since the war.
>
> They have in effect, as one price for the pending treaty, insisted upon the imposition of additional burdens upon the Austrian economy which will run over the next 10 years.

Mr. President, I am reading from the unanimous report of the Committee on Foreign Relations. The report goes to to say:

> While the Soviet Union under the terms of the treaty (art. 22) will surrender all control over extensive oil and shipping properties as well as over other industrial and business enterprises, the Austrian Government has agreed: (1) to pay the Soviet $150 million in goods over a 6-year period; (2) to supply 1 million tons of oil per year for the next 10 years with a total value of about $170 million; and (3) to pay $2 million for the return to Austria of the Danube Shipping Co. properties in eastern Austria. Thus, Austria is still obligated to pay the equivalent of more than $300 million additional to the Soviet Union after the treaty becomes effective.

Is not that appeasement?

Mr. FULBRIGHT. I shall have very few remarks to make, and shall be glad to yield the floor to the Senator if he wishes to make his speech. The Senator from Indiana [Mr. JENNER] just completed a similar analytical discussion of the report.

Mr. O'MAHONEY. I only seek some answers from a spokesman of the committee.

Mr. FULBRIGHT. I have made my answer. I have stated that I do not think all of the terms of the treaty are as good as we would like them to be.

Mr. O'MAHONEY. What would be the effect at the summit if the United States Senate said——

Mr. FULBRIGHT. I am perfectly willing to yield the floor, but I should like to complete my statement by saying that after due consideration of the report, after watching the negotiations which have been going on for some 10 years, with innumerable efforts to reach with the Russians an agreement to end occupation, the ratification of the treaty would seem to augur a better situation than that which has obtained in Austria during the past 10 years. The Senator knows that following wars there have been impositions on conquered countries. Germany required a large payment from France. We can call it appeasement if we like. All wars, I suppose, are immoral in a very true sense. We cannot justify them on the basis of justice, which the Senator would like to apply to this treaty. I do not think the Russians should have $170 million, but, on the contrary, when I am faced with the alternative of their remaining in control and taking three times as much every year, I say it is a better result than to permit a continuation of the Russian occupation.

Mr. O'MAHONEY. Mr. President, will the Senator permit me to interrupt at this point?

Mr. FULBRIGHT. In a moment. The Senator from Wyoming thinks, as does the Senator from Indiana, that a terrible situation is presented. But unless we are prepared to go to war how can we end the occupation without this treaty? The only alternative would be for us to lay down an ultimatum and say to the Russians, "You get out within 30 days, or we will start a war." I prefer to take the treaty as the lesser of two evils. The committee was under no illusion—and I believe I speak for the committee—that the Russians, on principles of fairness and morality, are entitled to $170 million worth of Austrian oil, but we believe the treaty is the best we can get in an imperfect world.

Mr. O'MAHONEY. Will the Senator permit me to say to him that I applaud the statement he has just made, and I think the interruptions which I have made have been productive of goods, since they have brought from the spokesman of the Foreign Relations Committee the explicit and direct statement that he does not believe the Russians are entitled to the payments provided for.

I agree with the Senator that the dilemma in which this country finds itself is whether or not the Austrian people would be better off by a refusal on our part to approve the treaty than by our approval of it; but if the Senate does act to approve it, I wish it to be clear on the record, as it is in the report, that the Senate of the United States is not participating in any appeasement of Soviet Russia.

I wish the record to be a warning to those who carry on negotiations in our foreign affairs that there had better be an end to appeasement. I have seen it at Panmunjom, where the aggression of the Communist Chinese resulted to our great disadvantage, and to that of the United Nations. I do not want to see any more of it. That is why I am delighted that the Senator from Arkansas has made the explicit declaration that he does not believe Soviet Russia, in justice, is entitled to continue the exploitation of the people of Austria, as this treaty will permit them to do for another 10 years.

Mr. FULBRIGHT. I dare say the Senator would find very few treaties concluding wars which he would say were entirely justified on principles of exact Christian morality, and that such treaties were negotiated without any concessions or compromises. I think we can make similar criticism of the treaties ending the First World War.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I think the distinguished Senator from Arkansas and the distinguished Senator from Wyoming are to be complimented for the debate in which they have engaged; but the questions they have discussed were raised during the consideration of the treaty by the committee.

In the Russian-occupied part of Austria there is an oil reserve containing between 40 million and 50 million tons of oil. At the present time the Soviets are taking out of that area 3 million tons a year. This treaty will reduce the amount to 1 million tons. That is 1 million tons too many, but there is nothing we can do about it, because Russia is taking it out of the hide of the Austrian economy. It is all wrong, but the

Austrians are in a difficult position. They have been trying to negotiate a treaty with the Soviet Union, and practically 400 meetings were held during the course of that effort. This is the first chance they have had to get something tangible.

While there are many aspects of the treaty that we do not like, it is the best that can be done at this time. The fact of the matter is that today Russia is taking from Austria 3 million tons of oil a year, and under the treaty the quantity will be reduced to 1 million tons a year for a 10-year period.

Mr. FULBRIGHT. I thank the Senator from Montana for his contribution. I agree completely with what he has said.

But there are many similar situations in regard to Austrian industries which the Russians took over on the theory that they belonged to the Germans, but which they have given up in return for a monetary payment of $150 million. It is assumed, and I think we are justified in assuming, that the Austrians will more than recoup.

I do not wish to delay the Senate any further. I happen to have had the privilege of living in Austria for almost a year when I was a younger man. I feel a very great attachment to the Austrian people. I think they have shown during the difficult period since the war, particularly the period of the occupation, a stamina and courage which are rare in this world, and almost unparalleled among free peoples.

We should consider that Austria is a small nation, having a population of approximately only 7 million, that they had no real means of defense, yet they stood up to the Russians in the administration of Vienna. Austrians have been extremely courageous. They have been as courageous, I should say, as the Berliners in West Berlin under the leadership of Mayor Reuter. The United States owes Austria a great deal for her example of courage during a very difficult period.

Austria wishes to have the treaty ratified. In spite of its onerous conditions, they are very strongly for it, because it will relieve them of the occupation by foreign troops.

I hope the Senate will ratify the treaty overwhelmingly, in spite of conditions it contains of which I thoroughly disapprove. Yet I know of no better alternative.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Idaho.

Mr. DWORSHAK. Can the Senator state how large a military establishment the Austrian Government will maintain under the Austrian treaty?

Mr. FULBRIGHT. It is my impression that the treaty does not put a precise limit on that at all. As I have said, the treaty itself does not contain a provision about neutrality. There is no limitation in the treaty as to the size of Austrian armed forces.

There are certain limitations as to the equipment; that is, Austria cannot make atomic weapons, and I believe it cannot make submarines, and a few other items like that. But there is no limitation on the size of the armed forces.

Mr. DWORSHAK. Is there any understanding or implication under the terms of the treaty that the United States will furnish military assistance to the Austrian Government?

Mr. FULBRIGHT. There is none in the treaty; but the Secretary of State, in his testimony and in answer to a question, said he assumed that if Austria needed certain necessary equipment of a military nature, the United States would be willing to furnish it. But there is no obligation and no agreement. Secretary Dulles merely stated that to the committee in the course of the hearings.

Mr. BARKLEY. And there is no prohibition in the treaty with respect to it.

Mr. FULBRIGHT. That is correct; there is no prohibition, either.

Mr. DWORSHAK. In reality, if the drain on the Austrian economy because of paying reparations to the Soviet Government makes it difficult for Austria to raise military forces, and the United States then contributes some military assistance, indirectly the taxpayers of this country will be paying reparations to the Soviet Government.

Mr. FULBRIGHT. If the Senator wishes to put it that way, that is true. But that would not be an unusual situation. What did the United States do in the case of Germany, for example? We have been spending enormous sums in Germany to maintain the German economy.

Mr. DWORSHAK. About $4 billion since the end of the war.

Mr. FULBRIGHT. At the same time, we know that under the settlements of war, the Germans have made reparations to Russia. If the Senator wishes to apply the same reasoning, he can do so. That is one of the things of which we all disapprove. But again I ask, What is the alternative? What does the Senator from Idaho propose to do about it? It seems to me that seeking relief through some such agreement as is represented by the treaty is about the only thing we can do.

The United States has already spent several billion dollars in Austria during the occupation. It is estimated that the Russians have taken out of Austria about that much. But the alternative, it seems to me, was to permit Austria to disintegrate completely; and in that case, without any question, Austria would have gone behind the iron curtain, just as Czechoslovakia did.

Mr. DWORSHAK. Certainly the American people want the Austrians to have their sovereignty, and to reestablish their nation as an independent one. But the price seems to be terrific and there also appears to be an unfair imposition upon the taxpayers of the United States.

Mr. FULBRIGHT. The Senator from Idaho has reiterated what I have said. The only question in all these cases is the balancing off of the welfare and security of the United States by means of the treaty as against a different set of circumstances.

It is my best judgment, the judgment of the committee, and also the judgment of the administration, that this treaty will serve the taxpayers and the security interests of the United States, because the alternatives are worse. If present conditions are allowed to continue, the cost will be greater. Do we wish to give up Austria and let her go behind the Iron Curtain? I think that is a price we do not wish to pay.

The other alternative, involving a still greater price, is to go to war.

I believe, as I think we all believe, that the treaty is the best possible choice.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I am perfectly willing to yield the floor, but I yield to the Senator from Montana for a question.

Mr. MANSFIELD. At present it is costing us more than $50 million to maintain our troops in Austria. In response to a question asked by the Senator from Idaho in reference to the United States furnishing arms to the Austrians, if we do so, they will, I believe, pay for them.

So far as reparations or payments to the Soviet Union are concerned, they will amount to less than 5 percent of Austria's present budget, even less, in comparison with her gross national product. So it seems to me that, economically, the treaty will be better than the arrangement Austria now has.

Mr. FULBRIGHT. The Senator from Indiana [Mr. JENNER] said he was certain in his own mind that, if the treaty were ratified, Austria, because of onerous conditions imposed upon her by Russia, would end up as a Soviet satellite and become a part of the Soviet regime.

I most strenuously and vigorously enter my own opinion that that is not so. Under the very difficult conditions of the occupation, the Austrians have demonstrated a stamina and courage which I think is our guaranty that she can survive, and has the will to survive, as an independent country.

So I have no fear that Austria will give up and join voluntarily the Russians or the Communist regime. I have great hope that Austria will work out of this situation more quickly than we expect and that we will have a vigorous ally in that area.

Mr. O'MAHONEY. Mr. President, as I understand, has the Senator from Arkansas yielded the floor.

Mr. FULBRIGHT. Did the Senator from Wyoming wish to ask me a question?

Mr. O'MAHONEY. I did.

Mr. FULBRIGHT. I yield to the Senator for a question. I thought he wanted the floor in his own right. I thought he was about to make a speech.

Mr. O'MAHONEY. I will propound questions as I go along now, speaking in my own right.

The Senator prompts me to make a speech, because he said the alternative is war. The alternative is not war.

Mr. FULBRIGHT. I said it was one of the alternatives.

Mr. O'MAHONEY. The alternative, it seems to me, which should be taken by the Senate is to add to the treaty a formal reservation in which the United States Senate shall say that by the ratification of this document it is not to be

understood that the United States gives its approval to the unjust demands to be made by Soviet Russia upon the economy of Austria during the next 10 years, demands which the Senator from Arkansas himself has condemned.

It would be perfectly simple to dissociate ourselves by a reservation from any interpretation whatsoever that we are joining in the appeasement of Soviet Russia, which Austria obviously was compelled to do.

Of course, it would not be my desire to keep Austria and the Austrian people from getting out from under the domination of Soviet Russia, so far as they could do so under the treaty. What I am concerned about is the construction the other nations of the world may put on the action of the Government of the United States when it ratified a treaty containing all these unjustifiable surrenders to Soviet materialism.

Mr. KNOWLAND. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. I think the Senator from Wyoming has made a real contribution to the discussion today by the very pertinent questions he has raised, both as to the onerous terms which have been imposed by the Soviet Union on Austria and also on the question of membership in the United Nations. I think that is a matter which needs exploration.

If the Senator will read the hearings, as I feel certain he has, he will see that during the hearings I raised certain points with the Secretary of State regarding the fact that Austria itself was not in any real sense an enemy power, but was the first victim of Nazi aggression and was a captive of Nazi Germany, and yet the Soviet Government, unlike the treatment we accorded the enemy powers of Germany, Japan, and Italy, in which, by the generosity of our people, we helped rehabilitate war-torn damage, the Soviet Union, which is presumed to have a velvet glove, but still with the mailed fist within the velvet glove, is imposing very harsh conditions upon Austria.

As was said by the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Alabama [Mr. SPARKMAN], who are handling the treaty on the floor—and I have the highest respect for them, and I serve on the committee with them—we were not happy about some of these conditions; but, as they pointed out, and as President Grover Cleveland said, we are faced with a condition and not a theory——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. KNOWLAND. Let me complete my sentence, and then I shall yield to the Senator, because he has the floor.

The situation at the present time is that the Soviet is in occupation of Austria for an unlimited period. Russia has been obtaining 3 million tons of oil a year from Austria. I think it is unconscionable that the Soviet Union should have required 1 million tons of oil a year for 10 years. But, from the point of view of the Austrians, who want to get Russian soldiers out of their country so they will not molest their women and other citizens, I think the Austrians felt it was far better to contribute 1 million tons a year for 10 years, and get it over with, than it was to have Russian occupation continue during their lifetime, and perhaps during the lifetime of their children.

Mr. O'MAHONEY. What the Senator from California has said is altogether unobjectionable. I have no debate with him. Nor do I have any debate with the Senator from Arkansas, or the Senator from Alabama when they say the condition of Austria under the treaty will be better than it has been. That is not what concerns me. I agree it will be better than it has been. What concerns me is that during the 10 years of Soviet exploitation of a victim of Nazi aggression, against all the laws of international relations, the United States Senate never did anything which could be interpreted as an approval of that aggression. We never gave our assent to a treaty which recognized the existence of that exploitation in a manner which the Soviet Chancellory could say was an approval. But now the President of the United States has sent to us a treaty to which the United States Senate is asked to give its approval. Though the committee says in its report, and Senators say upon the floor, that the concessions and the purchase price—and it is labeled as the price of Austrian peace—are unconscionable and unjustifiable, still we are asked to approve the treaty.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. That is why I say we ought to make a clear reservation. I do not think it will be done, because I doubt that the committee will submit such a reservation, but I am making my remarks because I want the RECORD to show clearly that the Senate of the United States is not fooled one bit by Soviet propaganda, or by what is contained in the treaty.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. If this treaty had been arrived at as the result of a four-power conference, in which the representatives of the people of the state of Austria had not participated, first of all I do not think such a treaty would have been sent to the Senate by the administration, and, if it were sent, I do not think it would receive approval——

Mr. O'MAHONEY. But the Senator has said something which the record answers.

Mr. KNOWLAND. The fact of the matter is, and I think the record is very clear about it, that the Government of Austria is a freely elected government of the people of Austria. Elections were held in Austria, contrary to what has taken place in Poland, Czechoslovakia, or in other countries behind the Iron Curtain. Elections in Austria were held not only in the Allied Zone, but in the Soviet Zone of Austria, and the democratic parties and the free parties of Austria won an overwhelming victory. Even in the Soviet Zone, the democratic parties won by an overwhelming vote. The Government of Austria, which was elected by the free people of Austria, is the ones which request the West to ratify the treaty, because they believe it will be in the best interest of Austria. Unlike what happened at Yalta, where the legal governments of the countries involved did not participate, unlike the agreement respecting the Republic of China, in which the legal Government of China did not participate in the discussions, in this case the freely and democratically elected Government of Austria, after negotiating in conferences with the Soviet Union in an effort to improve their conditions, came to us and urged us to ratify the treaty, so they may get rid of the Soviet forces.

Mr. O'MAHONEY. That is beside the point. I acknowledge the accuracy of everything the Senator has said. Of course, what he has said is true. When the agreements at Yalta and Potsdam were reached, the Government of the United States, its political leaders, and its military leaders, including the general who is now the President of the United States, held in their hearts a confident belief that Soviet Russia would not enter upon an era of exploitation. They believed that Soviet Russia would, for example, be willing to afford the people of Czechoslovakia and the people of Poland an opportunity to vote upon their futures. We did not anticipate what happened. But here in the report of the Senate Foreign Relations Committee, at page 7, I read what the committee has to say about Secretary Dulles and his views. Let me read the concluding paragraph of the portion of the report entitled "Membership in the United Nations":

> Nevertheless, it must be recalled that the Soviet Union has already twice vetoed Austria's application for United Nations membership, although in recent years it has been willing to include Austria in proposals for simultaneous admission of groups of states. Secretary DULLES—

May I have the attention of the minority leader?

The PRESIDING OFFICER. Let there be order in the Senate.

Mr. O'MAHONEY. I am addressing my remarks to the minority leader, with apologies to the junior Senator from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. I apologize to the junior Senator from Wyoming for conferring with the Senator from California. I did not know he was addressing the minority leader. I just recently became a Member of the Senate. I do not know its rules. [Laughter.]

Mr. O'MAHONEY. I continue to read:

> Secretary Dulles, when questioned on this point during committee hearings, noted that while the Soviet Union has not honored similar preambles relating to admission of states to the United Nations, it was his hope in this case that—

Now I quote what the Secretary of State said—

> as indicative of its apparent desire to show that it is turning over a new leaf, the Soviet Union might perhaps at this time honor that indication of the preamble, that Austria should be a member of the United Nations.

Ah, Mr. President. What sort of faith does the Secretary of State place in the Soviet promise? After his experience as Secretary of State, how could he say

what he did when he appeared before the Foreign Relations Committee of the United States Senate? He sent his law partner to Panmunjom to negotiate a cease-fire with the Red Chinese. His law partner returned to the United States, satisfied that the Communists did not mean what they said; and he did not return to continue the negotiations. But the State Department, in its naive belief that communism is turning over a new leaf, went forward with that cease-fire. At that time, Communist airpower in North Korea had not even been found to exist. But now—in violation of the precise terms of the cease-fire agreement—the Communist Chinese, with the aid and assistance of Soviet Russia, have moved into North Korea Russian-manufactured MIG's and jet fighters, so as to make it impossible for the United Nations ever to regain North Korea without much greater sacrifice than that which already has been made.

Mr. BENDER. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I shall yield in a moment.

Mr. President, how can the Secretary of State express to the Senate, to the House of Representatives, and to the people of the Nation any belief that Soviet Russia is turning over a new leaf? Ah, Mr. President, Soviet Russia finally gave up the siege of Berlin when we demonstrated that our air power could continue to supply that city. But only recently Soviet Russia showed that it has not changed its purpose one iota when it made access from the western zone more difficult than it had been before that time.

Are we then to ratify a treaty which has been laid before the Senate by the Secretary of State with the expression of a rather pious hope that Communist Russia is turning over a new leaf? That is why I say we should add to the treaty a reservation declaring that we are not deceived, that we do not repose any faith in Soviet Russia, and that we have no reason to believe that at the Geneva Conference there will be offered anything except what will lessen the tension upon Soviet Russia.

My fear is that by means of this treaty, if it is ratified without including a reservation asserting these things, we shall be saying to the peoples of the small states of Central Europe and of Eastern Europe, "You will have to buy your liberation from Soviet tyranny."

Of course, I think we should do what we can, through this treaty, to improve the situation of the Austrian people. But I do not believe the treaty should be ratified by the Senate until it is made crystal clear that we are not here creating a precedent for a conference at the summit or for any conference which may take place in Germany. While the great leader of West Germany, Conrad Adenauer, is in the capital of the United States, I think the Senate of the United States should make amply clear to him that when we see exploitation, tyranny, robbery, and suppression we know what is happening, and we are not closing our eyes to it.

Now I yield to the Senator from Ohio.

Mr. BENDER. Mr. President, I may remind my distinguished friend, the Senator from Wyoming, that the Secretary of State said:

> But we hope in this case that as indicative of its apparent desire to show that it is turning over a new leaf.

Mr. O'MAHONEY. That is what I quoted.

Mr. BENDER. The Secretary of State expressed a hope. But he does not approve, or put his stamp of approval on, what happened in this case.

Furthermore, I wish to say we have a decision to make. On the first page of the hearings on the treaty——

Mr. O'MAHONEY. Mr. President, before the Senator from Ohio gets off the question, let me ask him whether he believes that anything Soviet Russia has done, or any action it has taken is—to use the words of Secretary Dulles—"indicative of its apparent desire to show that it is turning over a new leaf"? Will the Senator from Ohio tell the Senate and the people of Ohio whether he thinks Soviet Russia is turning over a new leaf or has any apparent desire to do so?

Mr. BENDER. Mr. President, I may say to my distinguished and experienced friend, the Senator from Wyoming, that I do not have any faith at all in Soviet Russia. I hope, as the Secretary of State has indicated he hopes, that Soviet Russia is turning over a new leaf. I have my doubts.

Mr. O'MAHONEY. But the Secretary of State said Soviet Russia has an "apparent desire"——

Mr. BENDER. I ask the Senator from Wyoming to wait a moment, please; I should like to finish, and I wish to make a comment. Inasmuch as the Senator from Wyoming has yielded to me, I shall appreciate it very much, since I am a brandnew Member of the Senate——

Mr. O'MAHONEY. I am a junior Senator, too.

Mr. BENDER. I wish the Senator from Wyoming to know that I desire to be courteous and considerate; I hope the Senator from Wyoming understands that it is not my disposition to be otherwise.

But it seems that the rules of the Senate are very different from those of the other body. In the Senate, every Member is very distinguished, and prefaces every remark by addressing the Chair and by using beautiful superlatives. I am not used to procedure of that sort; in the other body, there is a rough-and-tumble fight all the time.

Mr. O'MAHONEY. Perhaps that is why the Senator from Ohio is so ready to accept the declarations of the Secretary of State.

Mr. BENDER. Oh, no. Mr. President, I was not born the day before yesterday. I understand something about the situation in Europe. For several years I have been writing a book on the Munich conference; and I have been studying some of the things which happened before Munich, as well as the things which happened afterward.

I wish to say to the Senator from Wyoming that the President of the United States recommends that the Senate ratify this treaty, but not because he approves of what has happened heretofore.

When the Senator from Wyoming says that, when a general, President Eisenhower approved all the "deals" at Yalta, Potsdam, and Teheran, the Senator from Wyoming knows he is not saying what is gospel truth. Actually, the general had nothing to do with the arrangements made at Potsdam, Yalta, and Teheran. And I, unfortunately——

Mr. O'MAHONEY. I say——

Mr. BENDER. Let me finish.

Mr. O'MAHONEY. The Senator will pardon me. I have the floor. What I am saying——

Mr. BENDER. That is the most unfortunate part of the whole business. [Laughter.]

Mr. O'MAHONEY. Just a moment.

What I am saying may not come from the Gospel, but it comes from the Crusade in Europe.

Mr. BENDER. I understand about the Crusade in Europe, because the general who now occupies the Presidency was in charge of the Crusade in Europe, and was responsible for our glorious victories on the battlefields of Europe, to a greater degree than any other individual.

Mr. O'MAHONEY. And he stopped the American armies on the Elbe River.

Mr. BENDER. When we approve this treaty today we are not approving the betrayal of the people of Czechoslovakia, or the betrayal of the people of Poland, Hungary, Bulgaria, and all the other countries. We are not closing our eyes to the bad deals which were made, and we shall not be happy in this country until every person behind the Iron Curtain is free. I say advisedly that we in the United States Congress are, in a measure, responsible for their being behind the Iron Curtain, because we did not protest as vehemently as we should have done. When the statesman from Wyoming says that the United States Senate failed to protest, he is telling the truth. We did not protest enough against the wrongs perpetrated upon the poor people behind the Iron Curtain.

Let me say——

Mr. O'MAHONEY. Mr. President——

Mr. BENDER. Just a moment, if the Senator will be kind enough to yield——

Mr. O'MAHONEY. I have the floor.

The PRESIDING OFFICER (Mr. FREAR in the chair). The Senator from Wyoming has the floor. Does the Senator from Wyoming yield to the Senator from Ohio?

Mr. O'MAHONEY. Mr. President, I wish to make it clear that the Senator from Ohio is doing an excellent job of looking backward. What I am trying to do is to have the Senate look forward. The Senator from Ohio began his book on Munich 7 years ago. He has not announced when it is to be printed. But if we continue to look back upon the things that have happened in Europe and in other places in the world since Munich, without looking forward to the things into which we are stepping, we shall be in grave danger.

I am standing here today not to engage in a political discussion or an attempt to place responsibility here or there. I have been making my remarks wholly upon

the basis of the unanimous report of a committee of the Senate. What I am engaged in is an effort to make it clear that the Senate of the United States does not approve now of what Soviet Russia has done in Austria, and what it will do under this treaty during the next 10 years, and that we are not here establishing a pattern for the future action of this Government.

I believe that the Soviet leaders have not changed their spots.

Mr. BENDER. Mr. President——

Mr. O'MAHONEY. I believe that the Soviet leaders are still engaged in the pursuit of their ultimate objective, namely, that of conquering the world. I want to make it clear, from what is said and done here, that the Government of the United States and the people of the United States are not fooled, and that we will not permit ourselves to be led into any indirect approval of the tyrannies and oppression of the arbitrary Government of Soviet Russia.

Mr. BENDER. Mr. President, I am sure the distinguished Senator will wish to yield to me in order that I may complete my observation.

Mr. O'MAHONEY. Certainly.

Mr. BENDER. I commend the Senator from Wyoming for his discussion. I think we need more rather than less discussion of the kind he is providing this afternoon. I think sometimes we are inclined to be a little too careless and indifferent with respect to indications of the feeling of the American people. I think the Senator from Wyoming has rendered an excellent service in emphasizing the questions, the doubts, and the fears of the American people regarding many international agreements and treaties. I commend him for it.

Mr. O'MAHONEY. I thank the Senator from Ohio.

Mr. BENDER. I have no quarrel whatsoever with the position of the Senator from Wyoming. The United States Senate is the body which, under the Constitution, has the responsibility of approving or rejecting treaties. The Senate Committee on Foreign Relations, composed of fine statesmen of both parties, unanimously recommend approval of the pending treaty. The President of the United States is recommending such action.

In pointing out our fears the Senator from Wyoming is doing a constructive work. I have the same fears. Let me say to him and to my other colleagues in the Senate that we need more of this kind of discussion. It is well to point out to Soviet Russia and the rest of the world that we are not approving or agreeing to the dastardly things the Soviets have perpetrated on the satellite countries in Europe and on other countries.

But I say that we have no alternative but to ratify this treaty. I should like to vote for another kind of treaty, but I have no alternative other than to vote for the pending treaty, which I think is the only thing we can do under the circumstances. I am sure that every Member of this body agrees with the Senator from Wyoming in expressing fear and apprehension of Soviet Russia. We are not approving her deals. We are not approving her chicanery, and all the things she has done. We are aware of her tyranny. We are aware of what she has in mind, but we must vote for the pending treaty. It represents the best deal Austria can get. I believe in doing the thing which is best to do under the circumstances. So I shall vote for the pending treaty, not because I approve of what has happened to all the neighbors of Austria, for I think it is a crying outrage that the people of Czechoslovakia, the great Polish people, the people of Hungary, the Bulgarian people, and the people of a third of Germany should be under Soviet rule. But the treaty on which we are soon to vote was approved unanimously by the Committee on Foreign Relations. Fortunately, the Senate is guided by the recommendations of its committees. When the Committee on Foreign Relations says to us, "We unanimously recommend approval of this treaty," I have complete confidence in every one of the members of the committee on both sides of the aisle who have recommended the treaty. Under the circumstances, we have no alternative.

I commend the Senator from Wyoming. I do not disagree with him. He is to be commended for having prolonged this discussion. If we were to talk for several weeks, I do not believe we would overemphasize the feelings of the American people about the situation which Soviet Russia has brought about in the world.

Mr. O'MAHONEY. Mr. President, I am very grateful for the statement of the Senator from Ohio. I do not intend to prolong the debate. I merely wish to remark that this discussion has already been productive of what I conceive to be a pretty definite agreement among the Members of this body that we are not deceived by the action of Soviet Russia, and that we are in no way lulled into any feeling of confidence that the leaders of the Soviet have changed their spots.

I think the signing of the treaty, in the first instance, was received in many places in the United States as an indication that there was a change of view on the part of the new leaders of Soviet Russia. I think this treaty is, in itself, proof that there has been no change of view, no change of purpose, no change of plan, but only another demonstration of the method of procedure laid down by Stalin, namely, that of following many different roads to gain the primary objective of the Soviet Government, which is the capture of the entire world by Communist ideologies.

Mr. KNOWLAND. Mr. President, I wish to say that the Senator from Wyoming has performed a very useful service in raising the point relative to United Nations membership. In chapter 1 of the United Nations Charter it is provided:

> The purposes of the United Nations are:
>
> 1. To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace;

The point the Senator from Wyoming has raised is a very valid one, and it will need some additional exploration by the State Department, both at the Meeting at the Summit, and when the foreign secretaries meet.

If Austria does gain membership in the United Nations—and of course to do so it will have to get by a Soviet Union veto—does such membership, ipso facto, modify the terms of the Austrian State Treaty and obligate Austria, along with all the other members of the United Nations, to help maintain the peace of the world and to help suppress acts of aggression?

If it does not do so, then in effect we would be creating two classes of membership in the United Nations. We would have first-class members and second-class members. One group would get the benefits and assume the obligations. The other group presumably would get the benefits, but would assume no obligations.

I do not believe that is the intent of the United Nations Charter. I do not believe we can permit a situation to exist whereby nations could come into the organization and claim all the benefits if they were the victims of aggression, but would themselves assume no obligation if another country were the victim of aggression. Certainly, by raising the issue on the floor and by having the colloquy and the discussion on the floor, I believe we are serving notice on the Department of State, and on the Foreign Office of Great Britain, and on the Foreign Office of France, and on Mr. Hammerskjold, and on the other members of the United Nations, and on our representatives in the United Nations.

This is a very basic issue. I do not believe we should permit a situation to develop in which any nation could come into the United Nations and obtain so-called benefits—if there be benefits—and not assume the obligations of such membership. The Senator from Wyoming has performed a very useful purpose.

Mr. BENDER. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. BENDER. Is it not a fact that the Austrian Parliament, by unanimous vote, has approved this treaty?

Mr. KNOWLAND. The Senator from Ohio is correct. The Austrian Parliament, freely elected by the people of Austria, in free elections, as I pointed out earlier, in which the Soviet Party gained only a very few votes even in the Soviet-occupied zone, ratified the treaty and has appealed to the free world to accept it.

I say that that makes the situation basically different than it would be if the great powers had negotiated it, as was the case in Yalta, where, without the Governments of China and of Free Poland being represented, the great powers made decisions affecting those countries.

This decision is being made on the application of and at the unanimous request of the Parliament of the legally constituted Government of free Austria.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. LEHMAN. Not being a member of the Foreign Relations Committee, and thus not having had the advantage of hearing the witnesses, of course it is very difficult for me on the matters that have been under discussion today to form an opinion which is at all commensurate with the validity of the opinions formed by the members of the Committee on Foreign Relations.

However, I must say that I have been very much impressed by the points raised by the distinguished Senator from Wyoming and I have also been very much impressed by the remarks just made by the distinguished minority leader. The question I wish to ask the minority leader is this: If the fears he has expressed and the doubts he entertains and the dangers he has pointed out have validity, can they be raised with any degree of usefulness and effectiveness after this treaty has been approved by the Senate, unless we append reservations to the treaty at this time? In other words, if the treaty is once ratified and accepted, it seems to me it will be too late to raise the questions he suggests with the State Department or with the President, or in the Foreign Relations Committee, in order to protect what appears to be in the minds of some of the best informed Members of the Senate.

Mr. KNOWLAND. I will say to the Senator from New York that I believe it is important that these questions be raised on the floor of the Senate. I believe it is important that this history be established on the floor of the Senate. Personally I do not believe that a country may be admitted into the United Nations unless it also assumes the obligations of membership. My belief is that the provision in the treaty with respect to neutrality would keep Austria out of a regional pact with, for example, Italy, or some other country with which it might wish to join in such a pact. Austria has limited its ability to make that kind of defensive pact. It has done so by the free choice of its Parliament and of its constitutional Government.

We might disagree with the decision Austria has made. The distinguished Senator from Indiana [Mr. JENNER] was quite correct when he said that the terms are very onerous, particularly in providing that Austria must give a million tons of oil a year for 10 years to the Soviet Union. However, I submit that at the present time, with the Soviet forces in occupation in Austria, Russia is taking 3 million tons of Austrian oil a year for an indefinite period of time. I suppose that all those factors were given weight by the legally constituted Government of the Republic of Austria.

Mr. LEHMAN. Mr. President, will the Senator yield for another question?

Mr. KNOWLAND. I should like to yield first to the Senator from Wyoming [Mr. BARRETT], who has been on his feet for some time.

Mr. BARRETT. Mr. President, the committee report at page 7 contains this statement:

> Nevertheless, it must be recalled that the Soviet Union has already twice vetoed Austria's application for United Nations membership, although in recent years, it has been willing to include Austria in proposals for simultaneous admission of groups of states.

The question I should like to ask the Senator is this: Does he have any idea whatever that Russia will come forward with any proposal to bring Austria into the United Nations without at the same time including a group of satellite nations and Red China?

Mr. KNOWLAND. In that respect I fully concur with the Senator from Wyoming [Mr. O'MAHONEY]. I have expressed myself quite often on the subject, and I have received some criticism in some quarters for so expressing myself. I do not believe that the Soviet leopard has changed its spots in the slightest. The Soviets are zigging instead of zagging at the present time. Unless we go into a conference fully aware of the fact that the Soviets will cut our throat at the earliest opportunity and at the first chance they get to do it, we will be jeopardizing the safety of the Republic. However, I do not necessarily subscribe to the theory that our representatives, who are responsible men, and the legally constituted heads of our Government, must permit our throat to be cut. I should certainly expect them—and I am sure the American people will expect them—to protect the vital interests of this country and the vital interests of the free world, because they will be responsible to Congress and to the American people for their actions.

Unlike the situation of Mr. Bulganin, who will be responsible only to a handful of men in the Presidium, the representatives of our Government will be responsible to the American Congress and to the American people. The representatives of the British Government will be responsible to the elected representatives in their Parliament, and the French representatives will be responsible to their people. I think all those representatives are on due notice as to what the Soviet record has been for the past 30 years in violating every agreement, with possibly two exceptions, whenever it suited their purpose so to do. So we should, at least, make it clear that we do not entertain the view that the Soviet Union is acting on a new and different principle.

Mr. BARRETT. Mr. President, if the Senator from California will yield further, I should like to say that I subscribe wholeheartedly to the statement he has just made, but I think it should be made abundantly clear that we do not consider that we are making any concession to the rulers of the Kremlin. I believe it is plain that they do not intend to let Austria become a member of the United Nations without at the same time bringing in a lot of satellite nations.

Mr. KNOWLAND. I think the Senator is correct. I also have in mind the statement of the Japanese Premier, made only yesterday, that in the negotiations which are now taking place between the Soviet Union and Japan, despite all the talk about peace and their desire to relieve tensions in the world, the representatives of the Soviet Union are laying down the same type of conditions they tried to lay down at the time of the San Francisco-Japanese Peace Treaty Conference, such as the withdrawal of American forces from Japan, the breaking of our defense pact with Japan, and making permanent the occupation of certain territories which they are now occupying. Though they may wear for the moment a velvet glove, there is the same iron fist on the inside of the glove, and they are going to be just as brutal and disagreeable as they can be. That is why I think we must keep our defense up and why we must not be caught in a second-rate position.

Mr. BARRETT. I am sure the Senator will agree with me that if there is any change of heart in Moscow they could make it abundantly clear by releasing the prisoners they are holding.

Mr. KNOWLAND. I will say to the distinguished Senator, and I am sure his colleague will agree, that if the Soviets really want to demonstrate that they have changed the cruel, hard, cynical approach which they have had ever since their godless tyranny enslaved the Russian people, they could have said to the Austrians, "Forget all this talk of reparation. We are certainly not going to treat little Austria worse than the United States treated its enemy countries of Germany, Japan, and Italy."

There was a chance for them to demonstrate to the world that they had really experienced a basic change of heart, but while they may be talking one kind of language, actually the underlying policies of the Kremlin are precisely the same, and all they are seeking is to gain a little additional time.

I hope I may be wrong. We all hope the time will come when Russia will realize that it has great resources within its own borders and that it does not have to undermine all the other nations of the world. That is why I said yesterday that if the great mass of the Russian people, who themselves, in many respects, have been enslaved and treated worse than captive peoples, could get the impression that we are not unfriendly to them, but our only feeling is that we have a right to protect ourselves from a government which for 30 years has made it its policy to try to destroy legitimate, constitutional governments every place in the world, there would be a much better understanding.

The men of the Kremlin talk about relieving tensions, but they have not shown any real desire to relieve tensions. They could have shown it with regard to a dozen nations, but they have not done so. That is why I subscribe to the statement made by the Senator from Wyoming and why I think it is well on the floor of the Senate to show that this arm of the United States or any other arms of the United States will not be taken in by any temporary change in tactics rather than in basic strategy.

Mr. BARRETT. If the Senator will indulge me for another moment, before I sit down I wish to make this statement on the floor of the Senate.

The Senator from California, the Senator from Montana, and, I think, the

Senator from Arkansas, all members of the Foreign Relations Committee, have stated that perhaps this is the best arrangement the people of Austria could make with the rulers of the Kremlin. I have no doubt that probably that is true. I think, however, we should make the evidence as clear as we can that we are not happy with the manner in which the Russian rulers have exacted tribute from the people of Austria. I do not believe for one moment that they have been in any way fair when they exact from Austria 10 million tons of oil in the next 10 years. During the past 10-year period they have drained every possible barrel of oil out of the oilfields of Austria, they have sold oil back to the people of Austria, and they have exhausted all the oil they possibly could. I doubt very much that there is more than 10 million barrels of oil left in the Austrian fields.

Mr. KNOWLAND. Through the Voice of America the information programs which are beamed abroad are carrying home to the people of Austria the fact that we recognize there has been exacted from them that which we did not exact from any enemy power. I hope it can be understood that while they are agreeing to make some sacrifice finally in order to get the last Russian soldier off their soil, at least we ought to make them feel that there is no particular reason for rejoicing at the terms of the treaty, because I think it is a hard treaty which the Soviet Union is insisting upon.

Mr. BARRETT. I agree wholeheartedly with that statement. In my judgment, the only great resource left in Austria is oil, and the Russians are exacting practically all the oil which will be recovered in the next 10 years.

Mr. KNOWLAND. As of now, under the occupation, they are taking 3 million tons a year for an indefinite period of time.

Mr. BARRETT. The Senator knows full well that the life of oil wells diminishes as time goes on. The Austrian oil wells during the past 10 years have been producing at the maximum limit, and from the best information I can obtain I doubt that there will be much more than 10 million tons of oil produced in the next 10 years in the Austrian oil fields.

I think we have got to make it very clear that we believe very deeply that this is a robbery treaty imposed upon the people of Austria, and that we do not condone it in any way, shape, or form.

Mr. KNOWLAND. I thank the Senator for his contribution.

Mr. AIKEN. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. AIKEN. Although the prospects may be very remote that Russia would consent to the admission of Austria to the United Nations without imposing impossible conditions, such as the admission of Red China or some of the Russian satellites, there is an outside possibility that Russia might do so.

In justification of that statement, I simply point out that 6 months ago no one would have believed that Russia would have consented to the type of agreement, harsh as it is, which the Senate is being asked to ratify today. We do not know what has happened to the thinking of the Russians. It may have been one thing; it may have been another. But 6 months ago no one would even have suggested that Russia would have approved such a treaty as this.

Mr. KNOWLAND. The Senator from Vermont is quite correct. This is the first time within Europe, if I am not mistaken, that Soviet troops have been withdrawn from a territory in which they were once stationed. There was previously a situation in Asia in the Middle East, when Russian troops were withdrawn from Iran. Some persons have said that the withdrawal from Austria will be the first time such a withdrawal has been made. It will be the second time, but the first time Russian troops will have been pulled back in Europe.

Mr. AIKEN. That is correct. There is something else which certainly should be considered. If the treaty should not be approved and should not take effect, then in 2½ years the Russian Government, at the rate it has been making its demands upon Austria, would have taken from Austria as much in the way of oil and other goods as the treaty would require to be paid during the entire period which the reparations would run.

Mr. KNOWLAND. I think the Senator is correct.

Mr. LEHMAN. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. LEHMAN. The minority leader has expressed an opinion as to the interpretation which would be made by members of the United Nations in the event of Austria's application for admission to the United Nations. I am inclined to agree that his interpretation is a valid one.

But what bothers me, and bothers me very deeply, is whether any opinion which may be expressed by the senior Senator from California or the junior Senator from New York, or any other Member of this body, on the floor or elsewhere, would have any force and effect whatsoever if the treaty were now ratified by the Senate without a reservation or, at least, a formal expression of opinion setting forth the viewpoint of the Senate.

Mr. KNOWLAND. I do not personally feel that that is necessary. I think the beneficial effects of the discussion which has taken place on both sides of the aisle in the Senate, among large numbers of Republicans and Democrats, have pointed up the issue both to our own Government and to governments abroad.

Mr. HUMPHREY. Mr. President, like other Members of the Senate, I have appreciated the expressions which have been made in the Senate today with reference to the treaty and the underlying problems, and I wish to make a very brief comment, because it seems to me there are some disturbing elements which need to be referred to and to be given consideration.

First, there is no one who does not recognize the fact that in a treaty such as this concessions have to be made. I would only say that the people of Austria were pleased with the treaty. Their Parliament ratified it unanimously. Their Chancellor greeted it with pleasure and approval. The people of Austria stood in the streets and hailed the achievement of the state treaty for Austria.

Furthermore, I think it is quite clear to the world by now that the United States Senate is opposed to communism. I think it should be clear to the world that we are not at all fooled by any kind of change of pace, strategy, or tactics on the part of the Soviet Union.

I hope that what has been said in the Senate is not any reflection upon the executive branch of the Government in the sense that we believe the executive branch is without awareness of the difficulties which lie ahead and of the objectives of the Soviet Union. Very frankly, I, for one, want to believe, and do believe, that our responsible officials are aware of the subtleties, treachery, and the tactics of the Soviets. If they are not, then they have been deceiving the American people.

I realize that from time to time statements have been made which have indicated some underestimation of the complexities of the problem; but I should like to believe, particularly since our country has now agreed to participate in a Big Four conference, that the President is aware of the nature of the Soviet system. I should like to believe that our Secretary of State is equally aware. I am assuming that they are. I do not believe we shall help them in any way by reminding them every day that the Soviet Union has not changed its fundamental objective.

One thing which has disturbed me is the interpretation of the treaty as it relates to the ultimate participation of Austria in the United Nations. This was a matter of discussion in the committee. On page 14 of the hearings, some colloquy appears between the Secretary of State and myself on this very question. Also, there were questions asked by the junior Senator from Montana [Mr. MANSFIELD] pertaining to the United Nations, the ultimate participation of Austria in the United Nations, and the responsibilities of Austria.

I propounded to the Secretary of State this question:

> Now, just what are the implications of that particular statement, Mr. Secretary; such as, what is the Swiss model, and does this mean that Austria would need to stay out of the U. N.?

I was referring to the neutrality on the model of Switzerland. I continued by asking:

> I wondered whether there was a conflict of interests, so to speak, with reference to the U. N. in the treaty and the Swiss model being referred to in the memorandum between the Soviet and Austria.

The Secretary of State said:

> The parallel which was drawn in that memorandum, to Switzerland, is not binding, and that particular reference is deleted from the Austrian neutrality resolution which I referred to here, which has been unanimously adopted by the Austrian Parliament. That neutrality resolution provides, among other things, that Austria voices her willingness and ability to accede to and observe the obligations contained

in the Charter of the United Nations, so that whereas Switzerland has not desired to join the United Nations, the Austrian neutrality resolution, which we may be invited to agree to respect, does explicitly provide for Austria's joining the United Nations.

Further in the discussion a question was asked, again by me, to this effect:

But now we are to understand clearly, as an official representation of our Government, that neutrality as explained herein does not mean a neutrality including nonparticipation under the obligations of the U. N. Charter?

Secretary DULLES. Yes, sir.

So it appears to me, unless some member is willing to question on the floor what the Secretary of State has clearly stated for the benefit of the Senate, that Austrian neutrality does not include a repudiation of the obligations of the United Nations Charter, when and if Austria becomes a member of the United Nations. There are many countries with which we have friendly relations, and which are not members of so-called alliances, collective security pacts, or the United Nations.

The United Nations Charter binds its members—at least those members that are self-respecting—to the obligations of collective security, within the terms of the U. N. Charter. The distinguished minority leader read the pertinent provisions from the charter. I say that if Austria becomes a member of the United Nations, under the treaty, she will be obligated to adhere to the provisions of the United Nations Charter.

Finally, Mr. President, I realize that the reparations which were exacted from Austria are in fact reprehensible, are most unfortunate, and are, indeed, heavy burdens; but the choice of the Austrian people was to pay those reparations or have no treaty which would give them full independence. The Austrian people recognized the realities of the situation rather than the academic point which is attempted to be made here this afternoon. So the Austrian Government accepted those reparation payments, and the Austrian people have accepted them as the best thing they could do in a very difficult situation.

Approval of the treaty by the Senate does not mean we approve of the manner in which the reparations are to be abstracted. It does not mean we are at all pleased with what happened. But it does mean we had to do the best we could do. We have been trying for years to get a treaty which would reassert Austrian independence. We now have one which at least meets with the approval of the principal party, namely, the people of Austria.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. MANSFIELD. I wish to support the Senator from Minnesota in the statement he has just made. I know he will recall the fact that it was the unanimous opinion of the Foreign Relations Committee that the Austrian Government was paying too big a price for the independence which the Soviet Union was finally allowing the people of Austria to have. He will also recall that the argument which has been mentioned on the floor of the Senate was advanced in the committee. We did not like the treaty, but we recognized that if it were not ratified, it would mean that Austria would have to pay far more, and that occupation armies would remain on the soil of Austria for an indefinite period to come.

Mr. HUMPHREY. I wish to thank the Senator from Montana.

The junior Senator from Minnesota also questioned the Secretary of State, during the hearings, in reference to a statement made by the President of the United States concerning the definition of Austrian neutrality. I believe my colleagues will recall that the President, in a press conference some 3 or 4 weeks ago, said, in reference to Austrian neutrality, that neutrality did not necessarily mean without armed forces. At that time the junior Senator from Minnesota said he thought that was a dangerous statement, because if we were to let that kind of neutrality stand on its own in its relationship to Austria, the Soviet Union might want to press the same point with respect to Germany, because the Soviet Union would gladly accept a neutral Germany which had only her own armed forces, and was not connected with the Western collective security system.

I spoke on the Senate floor about that, Mr. President. I challenged the statement of the President of the United States as to his definition, fearing and feeling that if this definition were to get abroad, it might very well plague us in the days to come as it related to Germany and the possibility of German reunification.

It is interesting to note that about a week after that press conference it was made quite clear that Austrian neutrality as the definition was applied to this Austrian State treaty, was not to be interpreted as acceptable in reference to Germany.

I think we are all aware of the fact that Russia has invited Chancellor Adenauer to discuss Germany and German unity. I think the important point of the discussion is not the details of the Austrian Treaty as they apply to Austria, but the fact that our administration, the fact that our State Department or our President, may have some kind of idea that this same kind of neutrality might be applied to Western Germany. If that were to happen the Western defense system in Western Europe would suffer a stunning blow which would weaken, shatter, and destroy it.

The key question today is not Austria; the key question is what will happen in Western Germany. Will German rearmament take place? Should effective German participation in NATO take place?

The key question in the Far East is not Formosa; it is Japan. That is the country toward which the Soviet Union is bending every effort.

Let us get out of the back alleys and byroads, and get on the main highway of foreign policy. There are two points which are critical in that policy. One is Western Germany, its future in Europe, and its relation to the United States. The other is Japan. I say now that the administration will be held strictly accountable for whatever negotiations take place regarding those two vital countries.

I was surprised to hear the deep concern expressed in this Chamber about what might happen with respect to the administration's program at the so-called conference at the summit. I, for one, desire to say again that if the President goes to the meeting of the Big Four properly prepared with an agenda, with a program, if he goes there with a full recognition of the nature of the difficulties which beset us, we should have no fear. But I want to know what preparation is being made for that conference. I think it is time the top leadership in America, men and women of both political parties, men of the character of Chester Bowles, Mr. Kennan, Dean Acheson, Paul Hoffman, Mr. McCloy, and others, were brought into the councils of the Government, in preparation for the major conference which will take place.

That will be the important meeting.

The Austrian treaty has been accepted by the Austrian people. It has been ratified by their Parliament. The United States Senate is going to approve it. We are discussing, in fact, very academic issues; but the real issues which will determine what is going to happen in years to come are going to be discussed at the Big Four meeting.

I regret to say that there has been no indication that the administration is properly preparing itself for that meeting. I have heard others say that we must keep our defenses strong. Indeed we must keep our defenses strong. But I wish to submit, for the general review of my colleagues, that the New York Times this morning carries a lead editorial entitled "Soviet Plane Progress." That editorial calls to our attention the fact that the Department of Defense has not been telling the American people the truth. It is pointed out in the editorial that only a few months ago the Secretary of Defense indicated to the Congress of the United States that Soviet Russia was not interested in engaging in long-range bomber production, but only in fighter or intercepter production. Now we wake up to the fact that Russia is away ahead in heavy bomber production and intercontinental missiles. All I ask of the administration is that it face facts. All I ask is that it tell the Congress the facts. All I ask is that it treat us as if we are responsible members of the Government, and not with the philosophy that "Papa knows best," because, frankly, I do not think "Papa knows best" in these situations.

I suggest, as a Member of this body, and particularly as a member of the Foreign Relations Committee, that members of the administration have not been thinking ahead as to the best way to prepare our representatives for the delicate negotiations which will take place at the meeting of the Big Four. If we have apprehensions, I think we should make them a part of the record of the Congress. If we do that, I think we will have done our part. I hope those who

are apprehensive will express their apprehensions to those who are going to do the negotiating, those who are telling us all will go well, those who have been telling us we have been making steady progress. I want to believe that. I wish to see our country so well prepared, so strong in its faith and so strong in its defenses and so strong in its knowledge of the world situation, that we shall be able to capture the imagination of the people throughout the world.

I warn my colleagues in the Senate that the world is tired of war talk. We need to stop talking about massive retaliation and great power. Instead, we need to obtain the power and have it in store, in readiness. Let us stop talking about it, but let us have the power in being. Mr. President, as I have said a number of times, if we have the strength, our enemy will know it, and so will our friends. In that event, we shall not need to tell about it.

Instead, let us let the world know what the world is hungry to know, namely, that the United States is prepared to deal honorably, that we seek no appeasement and no deals for expediency, but that we stand on the basis of principle, and are willing to work for peace, and are willing to go the extra mile to seek peace. But let us do so in full confidence of our strength—but strength in fact, not strength in myth.

As we proceed with our deliberations in the Senate Chamber next week, I think we shall find out how much strength we have. As we consider the appropriation bill for the Department of Defense, I think we shall find to what extent we have been deluded—to what extent we have had big talk, but not big power.

Mr. President, our first duty is to have our country proceed in terms of strength. Then, having the strength in hand, let us proceed in the spirit of true liberty and in the spirit of those who seek peace in the world. On that basis let our representatives attend the Big Four conference, and let them go there with an agenda which will call for an accounting for the many breaches of faith and the many breaches of agreements on the part of the Soviets. Let our representatives at the Big Four Conference call for an accounting. Let them make every effort to settle all disputes which can be settled without sacrificing principle and without sacrificing what we regard as national honor.

Mr. President, I shall vote in favor of ratification of the pending treaty. I shall do so with a feeling that at least we have made some progress. This sick world is not going to be cured overnight by any speech made in the Senate of the United States. This sick world will not be made any more healthy by having us condemn and condemn. This sick world will be better only if we help make it better.

The problems which beset us will take a while to solve. All we have to be sure of is that we have a firm resolve for the long pull: that we are firmly dedicated to the proposition that the freedom we have has no price tag attached to it; and that we are firmly dedicated to the proposition that we can outlast, out-think, out-create, and out-imagine the totalitarian slavery system.

Instead of running from hot to cold; instead of being 2 months ago, on the precipice or verge of war in the Far East, and then being on the precipice or verge of peace in Vienna, let us take a more steady view. Let us realize that the problems confronting us are complex and difficult; that the answers to them are not simple; that there is no easy way out; but that we shall have to inch along in our efforts for the development of the kind of world in which it will be possible to achieve a just and an enduring peace.

Mr. BARKLEY. Mr. President, I realize the anxiety of the Senate to vote on the pending treaty. I also realize that nothing that any of us may say at this juncture in the debate will affect any vote. But I suppose that those of us who are members of the Foreign Relations Committee, and who participated in the hearings and deliberations which have resulted in bringing the treaty before the Senate at this time, will be justified in expressing briefly our views regarding some of the matters which have been brought out in the course of the debate.

I appreciate, as do all other Senators, the sincerity of those who have criticized the terms of the treaty, which primarily is between Austria and Russia. We are involved in the treaty only because we are one of the nations occupying Austria; otherwise, we would not be involved, and would not be called upon to ratify the treaty, and would not even be a party to it.

For 10 years we have witnessed the ability of the Austrian people to carry great burdens. Austria is but a part of the once great Austro-Hungarian Empire, within whose boundaries occurred the episode which produced World War I. The assassination of an archduke of Austro-Hungary in the streets of little Sarajero, in the small country of Serbia, in July, 1914, was not the cause, but was the occasion, of the beginning of World War I, into which we were drawn, 2 years later, against our will.

During the 41 years which have elapsed since then, it has been interesting to note the great transformation which has occurred in Europe, Asia, and elsewhere in the world, with respect to nations, the kind of governments they have, and our part in the events and struggles which have resulted in these enormous changes.

We are now dealing with a very infinitesimal part of what was once the great Austro-Hungarian Empire, ruled over by Emperor Franz-Josef. At this time we are dealing with Austria, a country of some 6 million persons, one-third of whom live in the city of Vienna, the great cultural center of Europe, in some respects. Vienna is a lovely and a beautiful city.

It is difficult to understand how any country which has been whittled down in area and population to such an extent that one-third of its entire population now lives in its capital city, can support an economy sufficiently strong to support the nation. Yet, Mr. President, in the past 10 years we have seen this small nation do glorious things in rehabilitating itself. She has endured the occupation of 4 armies—1 of Russia, 1 of Great Britain, 1 of France, and 1 of the United States. They have been a burden—a burden that has been somewhat lifted in recent years, but for the most part—for 7½ or 8 of those 10 years, I would say—that country of 6 million people, with its economy uprooted, with its territory reduced, and with its population frustrated by having 4 alien armies within its boundaries, has been able to strengthen its economy and to survive; and now it has entered into an agreement with one of its conquerers—a most brutal conquerer—over a peace treaty.

In considering this treaty, objectionable as some of its provisions are, we must not lose sight of the fact that, primarily, it is a treaty between Austria and Russia; and we come into it only by reason of our position as a nation which has in Austria 1 of the 4 occupying armies.

The Committee on Foreign Relations has had this treaty before it since the 1st day of June. Complaint has been made that it was reported only 2 days ago. The Senator from Indiana [Mr. JENNER] complained that the treaty had been presented to us only on the 15th of June, and that we are now voting on it on the 17th.

This treaty had been signed on the 15th day of May. It was sent to the Senate by the President of the United States on the 1st of June, with a message which went into the RECORD. The treaty has been here for 17 days for the inspection of any Senator interested enough to look at it. I do not know how many Senators have read it or even seen it, but it was available if any Senator wished to examine it.

Hearings were held on the treaty. No one asked the committee for leave to appear in opposition to it. Among all the 165 million Americans, not one asked to be heard in opposition, although one statement was received and considered by the committee. If any request to be heard had been made it would have been granted, because the Committee on Foreign Relations prides itself on its willingness to hear both sides of every question. Secretary of State Dulles appeared and was cross-examined rather closely and sharply by all members of the committee with respect to the provisions of the treaty.

We all agree that if we had our way, if we could have dictated the terms, they would have been different. But we did not dictate the terms. We had no power or authority to do so. The substantive terms of the treaty were entered into between Austria and Russia before we ever got to it. There were modifications in the meeting at Vienna on the 15th of May before it was signed by all four of the powers, but the main portions of the treaty had already been agreed to between Austria and Russia, before the meeting in Vienna on Sunday, when it was signed. That meeting was largely a meeting to ratify what had already been agreed to between Molotov and Chancellor Raab, of Austria, in Moscow, and not in Vienna.

At any rate, we did not have the power to initiate the treaty.

As the Secretary of State has indicated, we signed the treaty not only as the best we could obtain under the circumstances, but as what the Secretary considered the best for the Austrian Government and the people of Austria. They get out from under a 10-year burden. They get out from under a 10-year period of occupation by outside soldiers. While they have had, in a manner of speaking, an independent Government elected by the people, it has been handicapped by the occupation by outside soldiers.

Mr. President, I think this discussion has been beneficial and profitable. But, as the Senator from Minnesota [Mr. HUMPHREY] has said, this treaty, important as it is, does not occupy a position of importance equal to that which we shall face in years to come with respect to Germany, Japan, and many other parts of the world.

Suppose we make a reservation. I hope the Senator from Wyoming [Mr. O'MAHONEY] will not offer his reservation, much as I sympathize with his position, because, no matter which way the decision went, it would embarrass the United States Senate. If we adopted the reservation, we would be saying, in effect, "We agree to a treaty, but we do not approve of it." That would be the interpretation. It would be said that we had not really voted our convictions, that we had ratified a treaty which we did not believe in or approve of. That, in itself, would be inconsistent on the part of the Senate. If the reservation were offered and not agreed to, we would be placed in an even more embarrassing position. The interpretation and the propaganda which would emanate from Moscow over the refusal of the Senate to adopt a reservation of this kind in the resolution of ratification would be utilized all over the world against us.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. I want the record to be clear that in my references to a reservation I was seeking the advice and counsel of members of the Foreign Relations Committee, in whom I have the greatest confidence. I have written no reservation. I have expressed no intention of offering a reservation. I was seeking to make it clear that, in the opinion of the Senate, this body and its Members have not closed their eyes to the methods, the policies, and the purposes of Soviet Russia. I believe that the discussion which was provoked and the colloquy which ensued after I took the floor have amply demonstrated that fact.

Mr. BARKLEY. I appreciate that.

Mr. O'MAHONEY. At the same time I do not believe that the Senate would be embarrassed in any way. I would be more concerned about the embarrassment which might be suffered by the people of Austria.

Mr. BARKLEY. As I stated at the outset, the people of Austria were the ones who initiated the treaty. They have agreed to it with enthusiasm. They have embraced with alacrity this opportunity to get on their own—to get rid of the foreign occupying armies.

I was in Austria in 1947, on the occasion mentioned by the Senator from South Dakota [Mr. CASE]. I believe it was in connection with the activities of the joint committee of the House and Senate of which the Senator from New Jersey [Mr. SMITH] was chairman, but in his absence I acted as chairman of the joint committee in visiting the Iron Curtain countries of Europe, with the exception of Russia and Yugoslavia, which at that time was behind the Iron Curtain, but which has since come from behind it.

I can endorse what he says about the situation in Austria. The Austrian people are a wonderful people. I pay them great tribute for their fortitude in this decade of embarrassment and depression. They have come out of it stronger than they were in the beginning, and they will be able to solidify their economy. I have faith to believe that they will be permitted to join the United Nations.

Let me say, by way of parentheses, that, according to the statement made by the Secretary of State to the Committee on Foreign Relations in the hearing on this very treaty, the bloc of nations which is alleged to be in the Soviet basket to be presented to the United Nations for admission does not include Red China.

Mr. President, I shall vote for the pending treaty with no apologies. I do not intend to foul my own nest by apologizing for the vote which I expect to cast in the next few minutes. Objectionable though some of its provisions are, we cannot hope to get any better if we reject it; and if it is rejected by us it may become a nullity. No man can predict what length of time in the future would be required to obtain another treaty, or, if we did obtain another one, whether it might be better or worse than the one which we are called upon to ratify today.

Mr. President, I hope this treaty will be ratified by an overwhelming vote. I had hoped that the vote might be unanimous, but now it appears that that will be impossible. I hope that the Republic of Austria will continue to improve her economic, political, and social condition, in order that she may be a potent voice in the council of nations, for peace not only in Europe; but throughout the world.

I hope to live long enough to see the day when we as a people and as a Nation, and all the other free nations of the world, may be able to respect the word and the obligation of every nation in the world.

As I have so often said, I still believe that if the people of Russia had the right to vote; if the people of Poland, Czechoslovakia, Rumania, Bulgaria, Hungary, and all the other enslaved nations had the right to vote; if the people of China had the right to vote and have their votes counted as cast on the question of their willingness to cooperate with all the other nations in an effort toward peace, in order that all expenditures for war might be diverted to peace and the constructive energies of man, they would vote overwhelmingly in favor of such action.

Unfortunately, they are not allowed to do so. In Poland, after the Yalta agreement was entered into, more than 5,000 ballot boxes were filled with ballots by the people of Poland as a result of the Yalta conference and agreements, and only 35 ballot boxes of the 5,000 were opened. Based upon a false report of what was contained in those 35 ballot boxes, an alien government was imposed upon the Polish people.

When I was in Poland in 1947, on the very same trip referred to by the Senator from South Dakota [Mr. CASE], we were told by even those in power at that time—by some of those who had the courage to say it—that if the Polish people could vote on the kind of government they then had, only 15 percent of the people would vote for it.

I believe that to be so. I believe the same thing is true of all the nations behind the Iron Curtain. I believe this opening of the doors of opportunity to Austria will bring encouragement to those who are still enslaved. We may well look forward to the day when all the nations of the world will be free and when all our energies for war will be released in behalf of peace and the constructive enterprises of man, and the encouragement of his initiative and his inventive genius, and when all the great gifts of man which have been bestowed on him by the God of salvation may be used for man's development and advancement, instead of for his destruction.

It is in that hope that I vote for this treaty. I vote for it without apology, and with some pride in the opportunity to do so, not only as a Member of the Senate but as a member of the committee which presents the treaty to the Senate and asks that it be approved.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no objection, the pending treaty will be considered as having passed through its various parliamentary stages, up to the presentation of the resolution of ratification.

The resolution of ratification will be read.

The Chief Clerk read the resolution of ratification, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive G, 84th Congress, 1st session, the State Treaty for the Reestablishment of an Independent and Democratic Austria, signed at Vienna on May 15, 1955.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. The yeas and nays have been ordered, and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. KNOWLAND. Mr. President, I wish to announce that the senior Senator from North Dakota [Mr. LANGER] is absent on official committee business. If present and voting, he would vote "yea." The Senator from North Dakota also wishes the RECORD to show that he voted in favor of the Austrian State Treaty when it was under consideration by the Committee on Foreign Relations.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from Oregon [Mr. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Texas [Mr. DANIEL] is absent by leave of the Senate to hold narcotic hearings in Philadelphia, Pa.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote, the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from North Carolina [Mr. SCOTT] would each vote "Yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from New Hampshire [Mr. COTTON], the Senator from Connecticut [Mr. BUSH], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Iowa [Mr. HICKENLOOPER] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maryland [Mr. BEALL] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is absent on official committee business.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to attend the funeral of close personal friends.

The Senator from Nebraska [Mr. CURTIS] is necessarily absent on public business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Idaho [Mr. WELKER] is absent by leave of the Senate on official committee business.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senators from Maryland [Mr. BEALL and Mr. BUTLER], the Senator from Connecticut [Mr. BUSH], the Senator from New Hampshire [Mr. COTTON], the Senator from Nebraska [Mr. CURTIS], the Senator from Vermont [Mr. FLANDERS], and the Senator from Pennsylvania [Mr. DUFF] would each vote "yea."

The yeas and nays resulted—yeas 63, nays 3, as follows:

YEAS—63

Aiken	Hill	Morse
Barkley	Holland	Mundt
Barrett	Hruska	Neely
Bender	Humphrey	O'Mahoney
Bennett	Ives	Pastore
Bible	Jackson	Payne
Bricker	Johnson, Tex.	Purtell
Carlson	Johnston, S. C.	Saltonstall
Case, N. J.	Kilgore	Schoeppel
Case, S. Dak.	Knowland	Smathers
Chavez	Kuchel	Smith, Maine
Douglas	Lehman	Smith, N. J.
Dworshak	Long	Sparkman
Ellender	Magnuson	Stennis
Ervin	Mansfield	Symington
Frear	Martin, Iowa	Thurmond
Fulbright	Martin, Pa.	Thye
Gore	McClellan	Watkins
Green	McNamara	Wiley
Hayden	Millikin	Williams
Hennings	Monroney	Young

NAYS—3

Jenner	Malone	McCarthy

NOT VOTING—30

Allott	Curtis	Kennedy
Anderson	Daniel	Kerr
Beall	Dirksen	Langer
Bridges	Duff	Murray
Bush	Eastland	Neuberger
Butler	Flanders	Potter
Byrd	George	Robertson
Capehart	Goldwater	Russell
Clements	Hickenlooper	Scott
Cotton	Kefauver	Welker

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to.

Without objection, the President will be immediately notified.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE COLORADO RIVER PROJECT

Mr. WATKINS. Mr. President, the United States reclamation policy, which had an illustrious beginning in the days of Theodore Roosevelt, and since then has played a dominant role in the development of the western half of the country, today is under a vicious, unrelenting attack.

Probably one of the most persistent and vociferous foes of the West and reclamation is Raymond Moley, columnist for Newsweek magazine.

I have prepared a statement in answer to the charges made by Mr. Moley, and I ask unanimous consent that the statement may be printed in full in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS

Mr. Moley authored a series of low blows at reclamation last year, obviously timed to help defeat consideration of the Colorado River storage project bill, one of the most carefully and extensively planned, comprehensive water-resource development programs ever brought before the Congress.

That bill did not come up for a vote last session, so Mr. Moley is back again with his half-truths and dishonest arithmetic, seeking to harpoon the Colorado River project and to cripple reclamation.

Representatives of the Western States affected have gone to the editors of Newsweek, protesting against the bias and inaccuracy of Mr. Moley's intemperate attacks.

However, in the issue of Newsweek of May 9, Mr. Moley in all his intellectual arrogance, injected this statement into the latest of his series of attacks upon reclamation and, in this case, upon the Colorado River storage project specifically:

"Here are some incontrovertible facts about this bill, and neither the piety of WATKINS, nor the wit of O'MAHONEY shall cancel half a line."

Now I am glad to concede the correctness of Mr. Moley's statement that Senator O'MAHONEY is a wit. And many of my fellow Members of this body will testify that he utilized his brilliant wit and his penetrating intelligence and wide background on public resource development very effectively in supporting the Colorado River project in the recent floor debate in this Chamber.

I will ignore Mr. Moley's obvious slur upon me and proceed with a point-by-point analysis of his statement, inasmuch as he mentioned my name in conjunction with his statement that not "half a line" could be challenged.

1. MOLEY'S INCORRECT STATEMENT

"An incredible bill: A year ago I criticized in a number of articles in this magazine, the 1954 version of the plan, which was born in the wedlock of the Bureau of Reclamation with politicians from four Mountain States and blessed by an administration interested in keeping western Republicans in office."

The facts: The Colorado River storage project, as concretely proposed in S. 500, actually was born in 1902, when Congress established the reclamation fund, and embarked this country upon its highly successful, half-century-old reclamation program. This act of June 17, 1902 (32 Stat. 388), provided that the reclamation fund, which was to accrue from public land leasing and sale, was to be utilized for the "examination and survey for and the construction and maintenance of irrigation works for the storage, diversion, and development of waters for the reclamation of arid and semiarid lands" in the public-land States of the West.

This act recognized that these States, which contain extensive land areas still owned largely by the Federal Government, had a primary interest in the development of their admittedly limited water resources.

Comprehensive development of the water resources of the Colorado River, which drains 1 of the Nation's 3 principal arid areas, was proposed on numerous occasions both before and after the signing of the Colorado River compact of 1922, which allocated the river's water supply between its two major basins. On December 21, 1928, the Congress formally authorized such an investigation and provided an initial appropriation of funds in the Boulder Canyon Project Act (45 Stat. 1065). Section 15 of this act directed the Secretary of the Interior to "make investigations and public reports of the feasibility of projects for irrigation, generation of electric power, and other purposes in the States of Arizona, Nevada, Colorado, New Mexico, Utah, and Wyoming for the purpose of making such information available to said States and to the Congress, and of formulating a comprehensive scheme of control and the improvement and utilization of the waters of the Colorado River and its tributaries."

In 1940, Congress exhibited further specific interest in this Colorado River investigation and, in addition, authorized appropriations of $500,000 a year from Hoover Dam power revenues to finance the studies then underway. Today, 15 years later, these technical studies of the upper Colorado River are probably the most extensive preliminary investigations ever made on a single river system in this country. Through these allocated power revenues, and direct contributions to the Federal Government, the 4 States of the upper Colorado River Basin now have a stake of more than $10 million invested in engineering and economic studies of the upper Colorado River conducted by the Department of the Interior, in addition to investigations made by the States themselves.

Section 2 of the Boulder Canyon Project Adjustment Act of July 19, 1940, further directs the Secretary of the Interior to continue "the studies and investigations by the Bureau of Reclamation for the formulation of a comprehensive plan for the utilization of waters of the Colorado River system for irrigation, electrical power, and other purposes, in the States of the upper division and the States of the lower division, including studies of quantity and quality of water and all other relevant factors."

On June 7, 1946, Acting Interior Secretary Oscar L. Chapman approved a March 1946 report of the Bureau of Reclamation based on its Colorado River studies. This report recommended "That the States of the Colorado River Basin, acting separately or jointly, recommend for construction, as the next stage of development, a group of projects, the streamflow depletions of which will assuredly fall within ultimate allocations of Colorado River water which may be made to the individual States."

The first specific proposal for the Colorado River storage project and participating projects was made by Secretary Chapman in a detailed report dated December 1950, and formally approved January 26, 1951. Bills for congressional authorization of the project proposed were introduced in the Democratic 82d Congress, and in both the Republican 83d and the Democratic 84th Congresses.

This is the type of serious, bipartisan study that Mr. Moley apparently is unaware of or chooses to ignore. No other water resource development project to my knowledge has had as much advance study, as well as much complete bipartisan support.

2. MOLEY'S INCORRECT STATEMENT

"The 1954 model was priced at about $900 million. The one now passed by the Senate has a tag of $1,658,000,000."

The facts: The apparent implication of this statement is that the cost of the project authorized by the Senate recently is $1,658,000,000. This is simply not so, and both the language of the bill, S. 500, and the report of the Senate Interior Committee make it clear that this statement is not true. The correct "tag" is $1,092,999,800.

The following summarizing statement is found on page 15 of the Senate Report No. 128, on the Colorado River storage project bill, S. 500:

"The estimated overall construction costs of the projects under each of the several categories set forth in S. 500, as amended, are as follows:

"Storage units:	
Authorized for construction (5)	$733,578,000
Authorized subject to report to Congress (1)	49,305,000
Total storage units (6)	782,883,000
Participating projects:	
Authorized subject to supplemental reports (12)	310,116,000
Total projects authorized in S. 500, as amended	1,092,999,800"

The summary then goes on to refer to 21 participating projects "subject to further approval and authorization by Congress," and one project previously authorized, participating in revenue.

In authorizing the six storage projects the Senate bill makes this specific proviso:

"Provided, That the Curecanti Dam shall be constructed to a height which will impound not less than 940,000 acre-feet of water or will create a reservoir of such greater capacity as can be obtained by a high waterline located at 7,520 feet above mean sea level and approved by the Colorado Water Conservation Board, and that construction thereof, and of the Juniper shall not be undertaken until the Secretary has, on the basis of further engineering and economic investigations, reexamined the economic justification of each unit, and, accompanied by appropriate documentation in the form of a supplemental report, has certified to the Congress and to the President that, in his judgment, the benefits of each unit will exceed its costs."

Hence, there is only a qualified authorization for 2 of the 6 storage projects. Two major storage projects, Curecanti and Juniper, are subject to additional investigation and a report to Congress and the President before construction can begin. These two projects will cost a total of $65,653,000.

Furthermore the following provisos apply to participating projects considered under S. 500:

(1) "That construction of the participating projects set forth in this clause (2) shall not be undertaken until the Secretary has reexamined the economic justification of such project and, accompanied by appropriate documentation in the form of a supplemental report, has certified to the Congress through the President that, in his judgment, the benefits of such project will exceed its costs, and that the financial reimbursability requirements set forth in section 4 of this act can be met. The Secretary's supplemental report for each such project shall include, among other things, (i) a reappraisal of the prospective direct agricultural benefits of the project made by the Secretary after consultation with the Secretary of Agriculture; (ii) a reevaluation of the nondirect benefits of the project; and (iii) allocations of the total cost of construction of each participating project or separable features thereof, excluding any expenditures authorized by section 7 of this act, to power, irrigation, municipal water supply, flood control, or navigation, or any other purpose authorized under reclamation law. * * * With respect to the San Juan-Chama, Navaho, Parshall, Troublesom, Rabbit Ear, Eagle Divide, Woody Creek, West Divide, Bluestone, Battlement Mesa, Tomichi Creek, East River, Ohio Creek, Fruitland Mesa, Bostwick Park, Grand Mesa, Dallas Creek, Savery-Pot Hook, Dolores, Fruit Growers Extension, and Sublette participating projects no appropriation for or construction of such participating projects shall be made or begun until coordinated reports thereon shall have been submitted to the affected States (which in the case of the San Juan-Chama and Navaho participating projects shall include the State of Texas), pursuant to the act of December 22, 1944, and such participating projects shall have been approved and authorized by act of Congress."

In accordance with the proviso that I have just quoted, the tabulated report on page 15, under the title "Estimated Overall Construction Costs," designates the second group of participating projects as subject to further approval and authorization by Congress, and numbers them as 21, with a total estimated cost of $558,173,300. By adding the total estimated cost of the 21 participating projects, subject to further approval and authorization by Congress, to the total of $1,092,999,800, the grand total of all projects mentioned in S. 500, as amended, reaches the total of $1,658,460,100. But the total of $558,173,300 is, in effect, not authorized at all by Congress, because it requires approval and authorization of Congress, after these projects in fact have been studied and resubmitted to the Congress. Mr. Moley did not point this out in his article. Congress must still say "Yes" or "No" to these 21 projects before a single dollar can be appropriated or a contract entered into for their construction.

Again it should be repeated that 12 of the participating projects were only authorized subject to supplemental reports and certification by the Secretary of the Interior before appropriations can be made. Those 12 participating projects are estimated to cost $310,116,800.

These quotations make it clear that it is an easy matter to generalize a situation which is complex. Such a generalization would be completely misleading and would be only a half-truth.

At this point it may be asked, "Why were these projects mentioned at all if they were not actually authorized in this bill?" It is made abundantly clear in S. 500 and the report accompanying it that the Colorado River storage project is a comprehensive project, having as its ultimate objective the construction of all feasible water development projects necessary to bring about the use of as much of the water as possible which is allocated to the upper Basin States by the 1922 Colorado River Compact.

All of the 21 projects mentioned on page 15 of the report as participating projects subject to further approval and authorization by Congress have not been investigated beyond the reconnaisance stage. They do require further investigation before it can be determined that they are feasible, both from an engineering and economic point of view.

So the price tag on S. 500, the bill just passed by the Senate, is actually $1,092,999,800. To declare otherwise, without any attempt to bring out all the facts, is a deplorable half-truth or a deliberate misrepresentation.

3. MOLEY'S INCORRECT STATEMENT

"In both cases, Phineas P. [the American taxpayer] must pay hidden interest charges amounting to two and a half times the cost."

The facts: This is a blanket charge, wholly untrue. Perhaps this explains why Mr. Moley deals in generalities and does not specify what the exact charge will be, nor how the

general taxpayer will be saddled with such a charge.

The true facts are that the entire amount of the construction costs for the projects authorized under S. 500 will be returned to the Federal Government, except for $8,238,900, allocated to flood control, recreation, and fish and wildlife development, and, therefore, nonreimbursable. The major portion of the total construction costs—roughly, two-thirds—is assigned to power and municipal water facilities, and will be returned to the United States with interest. These interest payments by our own water and power users are estimated to total $450 million on projects authorized by S. 500.

The costs identified with irrigation are repaid without interest, in accordance with a national policy (endorsed by both political parties and supported by this and preceding administrations) going back to the original Reclamation Act of 1902. It is considered in the national interest to provide "interest-free money," not only to promote settlement of the West and an expanded tax base there but also to facilitate the development and settlement of family size farms, which is one of the main objectives of the reclamation program.

This national policy has been applied in extensive reclamation developments in the Columbia River Valley, the Central Valley of California, Imperial Valley, the Salt River Valley, and other parts of the semiarid West. Does Mr. Moley now desire that we change the rule and charge interest to the people of the upper Colorado River Basin, and nowhere else? Or would he still oppose water development for this four-State desert-mountain area, even if interest were paid on the irrigation features? Apparently Mr. Moley favors reclamation in California and the Northwest, but not in Colorado, New Mexico, Utah, and Wyoming.

Since the founding of this country, the Federal Government has been investing in growth and progress—frequently up to 100 percent of the value of a public-works project and usually nonreimbursable—through authorizations and grants for such varied activities as:

(1) Development, operation, and maintenance of rivers and harbors.

(2) Railroad transportation, including extensive land grants throughout the West.

(3) Highway construction.

(4) Construction of ships and operation and maintenance of steamship lines and our merchant marine.

(5) Development of airlines.

(6) Operation and maintenance of defense or critical industries.

(7) Flood control.

(8) Reclamation.

(9) Construction of schools, hospitals, and health centers.

It is true that there have been some abuses under these programs, and I am wholeheartedly in agreement that such programs should be kept under close scrutiny and control, by both the executive and legislative branches of Government and under constant scrutiny by the general public, including the press. Also, it is true that some of these are outright subsidies.

In general, I subscribe to the sound fiscal procedures of the reclamation program, under which Federal funds are used to assist people unable to develop water resources with private financing, but which also directs that the principal advanced for construction be repaid, that interest be paid on power and municipal water features, and that participating farmers be required to pay to the maximum of their ability the costs assigned to irrigation.

It is also my belief that these public development programs, in general, have made an impressive contribution to the progress and to the present economic strength of this country. In fact, when one considers the tremendous increase in the gross national product and general prosperity in recent years, it is difficult to consider how most of these development programs can be considered as subsidies. Actually, most of them have proved to be sound investments in economic and social progress.

Be that as it may, Mr. Moley has charged that the socalled hidden interest charges of the Colorado River storage project amounts to "2½ times the cost." The cost of the project under S. 500 as incorrectly reported by Mr. Moley, was listed at $1,658,000,000. But I will give him the benefit of the doubt, and use the true cost as listed in the Senate report, $1,092,999,800. Multiplying this reduced amount by 2½, my arithmetic produces this answer: $2,732,499,500.

Now, if I correctly understood Mr. Moley's statement, he asserts, therefore, that "hidden interest charges" on the Colorado River storage project amount to $2,732,499,500.

Mr. Moley doesn't say how he arrived at this ridiculous figure, so I have no way of analyzing his arithmetic. He apparently believes that merely because Raymond Moley says it, people will believe that it is a fact.

Well the fact is that the amount assigned to irrigation costs under the Senate-approved project is $378,109,700. All other reimbursable costs of this billion-dollar project are assigned to municipal water development or to the power-producing facilities, on both of which interest will be paid by our area residents who use the water and the power.

Mr. Moley does not show how he computes interest, the irrigation allocation, that produces in a 50-year repayment program, a sum 7 times the original principal. Perhaps Mr. Moley intends that Uncle Sam shall apply usurious interest rates to the four upper Basin States, after changing a 50-year-old principle of interest-free money for reclamation, to discriminate against those States.

Under the circumstances, I wish to call these financial facts to the attention of Mr. Moley and his associates, who obviously are bent on using every half-truth or less at their disposal to keep the waters of the Colorado River flowing from the States where the river originates, turning turbines for southern California power users, and wasting into the Gulf of California:

1. More than half of the annual appropriation for reclamation is now coming from the revolving reclamation fund which was established by the Congress by the Reclamation Act of 1902, according to the Commissioner of Reclamation, W. A. Dexheimer. Mr. Moley and his fellow critics of the Colorado River project deceive people by assuming that all money appropriated for reclamation represents borrowed money.

2. During the past fiscal year, minerals leases on public lands in the four upper basin States (Colorado, New Mexico, Utah, and Wyoming) poured a total of $41 million into the Federal Treasury. Of this amount, 52½ percent is earmarked for reclamation funds.

Hence, it is clear that residents of these 4 States already are pouring into the Treasury more than 7 times the amount required for simple interest on the average unpaid balance of the costs allocated to irrigation on this project by S. 500 during the payout period. Yet, in spite of this fact—which should be obvious to a man of Mr. Moley's wide background—he continues to paint the interest feature of this project as a hidden subsidy which must be borne almost exclusively by taxpayers of the other States.

4. MOLEY'S INCORRECT STATEMENT

"And remember, Bureau of Reclamation actual costs have traditionally been 2 to 4 times its estimates."

Correct facts: This statement suggests a possible source of Mr. Moley's inflated cost figures. If his statement is true—and it must be if Mr. Moley says it—then ergo, the costs of the Colorado River storage project are not the amount reported to the Congress, but some figure drawn from thin air and estimated at 2 to 4 times actual costs. Nonsense.

Actually, on the last two major Bureau of Reclamation contracts awarded in my home State of Utah, the awards were significantly under the estimates of the Bureau engineers. To be specific, the Bureau's estimate on the Wanship Dam was $3,603,210, and the low bid for the contract award was $2,423,004. The estimate for the Davis Aqueduct, another unit of the Weber Basin project now underway in northern Utah, was $6,275,541, but the contract was awarded on the low bid of $3,902,977.

This by no means proves that all Bureau estimates are above actual contract awards. But neither is the reverse proved by some hand-picked examples by a biased observer like Mr. Moley.

When Mr. Moley makes a blanket indictment of some very competent Government engineers like those in the Bureau of Reclamation, he most assuredly is aware of the fact that all engineers since the war have been faced with the problem of making estimates in face of steadily increasing costs. This problem has been reflected in Bureau estimates for the past decade. The fact that this problem is now easing and that construction bids are now firm and competitive, undoubtedly is reflected in the two contract awards just cited with respect to the Weber project in Utah.

Bureau engineers have assured the Senate committee that their estimates for the Colorado River storage project have been very carefully prepared and that they are based on more extensive engineering and cost studies than normally made with respect to such projects, thanks to the many years of investigation on this project. We members of the Senate Irrigation Subcommittee, who have sat through two extensive public hearings on this project, are convinced that the estimates are sound and will hold up very favorably when contracts are awarded.

George D. Clyde, Commissioner of Interstate Streams for Utah and an internationally known irrigation engineer, gave this estimate of Bureau engineers before a recent congressional hearing:

"These investigations have largely been made by the Bureau of Reclamation. Its staff of engineers are among the best in the world. They have established an enviable record. No dam designed and built by the Bureau of Reclamation has ever failed. They are competent, sincere, and honest. Their professional ability is beyond question. Their conclusions are sound and, speaking for Utah, we have complete confidence in them."

This is an estimate of our Federal engineering staff from a well-qualified engineer representing a State where works built under the Bureau's supervision are constructed and in operation, and where water users have an admirable opportunity to assess their performance. If their work satisfies the people who have to pay the bill, the unsubstantiated statements from Mr. Moley's ivory tower appear rather beside the point.

I can add that as a result of 20 years of personal experience with the Bureau of Reclamation and its engineers, I can wholeheartedly concur with Mr. Clyde's estimation of their hard-working and competent field engineering staff.

It also should be considered that in those cases where Bureau costs have been appreciably higher than the original estimate, it was usually caused either by an increase in price levels from the time the project was authorized until it was completed, oftentimes covering a period of 10 to 20 years, or it was caused by major changes or additions to the original plan which are clearly

deemed desirable or necessary. Commissioner Dexheimer, for example, has pointed out that the construction cost index advanced 250 percent on 1 major project between authorization and completion.

In my own State of Utah, finishing touches are just being put to a $40-million reclamation project that was started during the depression years of the mid-1930's. During that period, costs had increased considerably over the original estimates—and we have footed the bill, even though apart from inflationary causes, some of the increased cost is attributable to normal delays of getting authorizations and appropriations through Congress. And it is significant that even at increased costs, the value of the water produced also has increased and those of us who helped promote what some of our neighbors, and some pundits like Mr. Moley, thought was an expensive project, have come to appreciate, along with the contrite critics, the fact that it was a tremendous bargain and that it is making a major contribution to both the area and to the national economy, in spite of the $40-million price tag.

Critics of the Bureau of Reclamation also should recognize that additional detailed studies leading up to the definite plan after the project is authorized frequently will disclose features in the approved plan which are undesirable and which should be removed. These preconstruction studies also may discover some desirable additions which are of immediate benefit and which should be added to the project. These additions and deletions sometimes can be anticipated—and provisions for such contingencies are reflected in estimates for the Colorado River storage project.

Inasmuch as I feel that the Bureau of Reclamation has been unfairly and unnecessarily abused by Mr. Moley's misrepresentations, I requested the Bureau to give me a cost comparison on all projects initiated since the end of War II. This report is attached herewith.

It is apparent that instead of the costs exceeding original estimates by "2 to 4 times," as Mr. Moley so glibly charged, the present costs have exceeded estimates only by one twenty-fifth. The estimates for these projects at time of authorization totaled $506,232,898, and today's official estimate—including total costs on all completed projects—is $526,833,790. If these original estimates had kept pace with the composite cost index of the Bureau of Reclamation, the total present-day cost would be $581,124,900. And if the costs had increased in line with the increase in the Engineering News Record construction cost index during the same period the total would have been $657,320,600. Hence, in view of two well-known and respected construction cost indexes, postwar estimates of the Bureau of Reclamation have stood up very well indeed.

5. MR. MOLEY'S INCORRECT STATEMENT

"The 1954 model would have authorized two major power dams and 11 irrigation and storage projects. The 1955 bill contains 5 power dams and 33 irrigation and storage schemes."

Correct facts: As clearly pointed out in Senate Report 128 and S. 500, the 1955 Senate bill authorizes 4 storage units, 2 storage units subject to report to Congress and 12 participating projects, subject to supplemental reports. Actually, the 1954 (S. 1555), would have authorized 5 storage units and 13 participating projects.

Mr. Moley deliberately mislabels the storage units as "power dams," when he should be adequately aware that they are multiple-purpose dams designed to supply holdover water storage on the main stem of the river. The production of power is a byproduct to their storage function. No power dams as such are proposed for this project, and Mr. Moley's reference therefore is not only unfair but misleading and inaccurate.

6. MR. MOLEY'S INCORRECT STATEMENT

"This mammoth spending plan will, if passed, probably cost ultimately between five and seven billions."

Correct facts: If passed, Senate bill 500 will cost $1,092,999,800.

If additional bills to authorize some 21 other projects mentioned in S. 500 are introduced, justified economically, and passed by Congress, the ultimate cost of all projects considered under this bill could reach $1,658,460,100, assuming that all are approved and built.

Mr. Moley should explain to his readers how he takes a total cost estimate, studied and accepted by an overwhelming majority of the Senate, and then inflates that figure from 5 to 7 times.

The fact is the Colorado River storage project is an eminently sound, well-planned water-development project. Working with the Bureau of Reclamation engineers, the four States involved have participated in the planning and have approved the financing and repayment conditions. The people of those four States are, in effect, asking the Federal Government to assist them in making available for utilization the water allocated to them under the terms of the Colorado River compact. This water is now going downstream, turning power turbines for southern California power users, and, we presume, wasting into the Pacific Ocean.

We propose to make that water, and supplementary hydropower available for use in the upper basin States where 90 percent of the Colorado's river flow originates, and do so at no cost to the taxpayers, except for interest on the features assigned to irrigation. And I have pointed out that residents of our area using the public domain are already paying in every year in land use fees and royalties far more than could be applied for interest, if Congress decided to so discriminate against them.

We are commiting ourselves to repay virtually 100 percent of the construction costs, including interest, on the two-thirds of the project assigned to the production of municipal water and the supplemental production of power. Approximately $450 million in interest will be repaid by our water and power users, in addition to the full construction costs.

For this investment, underwritten by our residents as well as the Federal Government, the Federal Government will derive direct benefits, within 10 to 15 years after construction begins, from Federal taxes on personal and corporate income derived from increased economic activity resulting from this great project. These benefits from a broadened tax base and from increased income tax receipts may exceed the total cost of the project by as much as 2½ times in the project's first hundred years.

Even though the major multiple-purpose or storage-power dams are to be amortized in 50 years, they will last many lifetimes over and thereby constitute a continuing source of revenue of considerable importance to the Federal Government, once the construction costs are repaid. Let me explain it this way. At 6 mills, the power produced will be worth $22,500,000 annually, after amortization of the entire project is completed.

The additional water, farmland, and hydropower to be developed will be an asset of extreme importance in the event industrial dispersal is pushed by the Government as a defense measure. Civil Defense Director Val Peterson is one of the witnesses who appeared in favor of this project at recent Senate hearings and strongly supported it as a civil-defense feature. It is my strong personal conviction that even if the area residents did not want this project, the Federal Government would be justified in going ahead with it anyway, purely as a civil-defense measure.

Furthermore, if the cold war eases as a result of the forthcoming international conferences, the availability of such reimburseable projects, already on the planning boards will be even more important as an adjunct to the eventual economic transition to a more stable peace.

Under these circumstances, it is difficult to see why a columnist of Mr. Moley's national reputation, would continually misrepresent the economic facts of this project.

In all fairness, I do not wish to suggest that Mr. Moley is alone in this "numbers game" on the Colorado River project costs. Here are some estimates of total costs on this project, made in all seriousness by supposedly responsible individuals or groups in the past few months: Colorado River Association of California, $4 billion; Oklahoma Public Expenditures Council, $4 billion; Mr. Moley, $5 billion to $7 billion; Dinosaur National Monument Council (California), $13 billion; Council of Conservationists (New York), $15 billion.

One would think that these individuals and groups, all allied in their destructive campaign against this four-State water project, at least would get together on their inflated cost figures.

7. MR. MOLEY'S INCORRECT STATEMENT

"When T. R. started reclamation in 1902, projects were to pay out in 10 years. This one will run 75 or more."

The facts: This is another of Mr. Moley's half-truths. It is true that in the early days of reclamation activities, irrigation projects were believed able to pay out in 10 years. At that time, reservoir sites were available near the land to be served and irrigation diversions were simple and cheap.

However, as Mr. Moley's own book shows, this original payout period was extended in 1914, 1926, and in 1939.

Today, the need for water for all purposes is greater than ever, but the best and most accessible reservoir sites have been utilized. This has increased both the need for more extensive investigations, the costs involved and has necessitated a longer repayment period. Today's projects are complex and multiplepurpose. Those of the early 1900's were simple and single-purpose irrigation developments.

In the case of the Colorado River storage project, we were faced with both the necessity of basinwide, long-range planning, as directed by Congress in 1928, and by downstream delivery commitments incorporated in the Colorado River compact of 1922. We not only have to build reclamation works, but before we can do so, we have to guarantee delivery to the lower basin States (California, Arizona, and Nevada) an aggregate of 75 million acre-feet of water every 10 years. This has both complicated our planning and increased our expense.

However, we were able to work out a sound program of meeting such requirements, controlling a wild and unruly river in its deep canyon gorges, and working out a program of repayment, from water and power revenues, that is acceptable to the President, the Bureau of the Budget, and to the Senate.

Construction and repayment of project units under this bill, incidentally, may exceed 75 years, as Mr. Moley indicated, but will not exceed 50 years for any individual project or unit, after allowance is made for a development period of 1 to 10 years.

8. MOLEY'S INCORRECT STATEMENT

"Senator DOUGLAS said in his masterful speech against the bill there could not be found in the whole, wide Nation land less suitable for cultivation."

The facts: One need only refer to the number of successfully irrigated acres in the four upper basin States of Wyoming, Colorado, Utah, and New Mexico to reveal the nonsensical nature of this assertion. According to Dr. O. V. Wells, Administrator, Agricultural Marketing Service, USDA, there

are in these 4 States 18,632,000 acres of cropland, of which 6,097,000 acres are irrigated.

My own State of Utah had in 1949, according to the latest Census Bureau figures, 2,053,000 acres of cropland, of which 1,138,000 acres constitutes irrigated land. In 1949, Utah farmers received $149,179,000 from the marketings of agricultural products—not an insignificant income for a State whose total land area is 52 million acres of which only 6 percent is arable.

Utah's share of the upper Colorado River water, proposed for development under the bill passed by the Senate, will provide water for an estimated 32,170 acres of new land, and supplemental water for 168,690 acres now under cultivation but whose maximum economic potential cannot be realized without additional water.

How important is the need for developing additional water for irrigation to Utah agricultural economy? Writing in the March 1954 issue of Farm and Home Science, published by the Utah State Experiment Station, Dr. W. Preston Thomas, head of the agricultural economics department of Utah State Agricultural College from 1928 to 1952, has provided the answer.

"The home market and the California market normally need, for example, more dairy products, more slaughter beef, more pork and pork products, more chicken meat, more potatoes and similar products. Because they cannot be produced here, it is necessary to pay transportation costs on them from the Middle West. In some cases, beef for example, the animals are shipped from Utah, Nevada, or even California to the Corn Belt for fattening and then back to the coast for consumption. The only reason for this is that it is not possible under existing conditions to produce sufficient feed to fatten cattle here. Additional land is available for the production of feed, but sufficient water is not available to irrigate the land. All other factors necessary to satisfactory production exist here in abundance—soil, climate, labor, institutions of every kind and competent management. Only water for irrigation is lacking."

Verification of Dr. Thomas' conclusion was voiced last week at the spring meeting of the Interstate Commission on the Potomac River Basin by Dr. H. N. Young, of Virginia Polytechnic Institute, who told the assembled delegates that "if we (Southeastern States) are to meet the competition from the irrigated valley of the West, we shall need to establish a water code such as the West has—one which encourages the maximum beneficial use of water."

Yet, from a practical standpoint, it is evident, as Dr. Sherman E. Johnson, Director, Farm and Land Management Research, Agricultural Research Service, USDA, told the National Association of County Agricultural Agents last October in Salt Lake City with respect to western agriculture that "the land in the valley may be almost valueless without a right to use some of the water stored in a mountain reservoir." And as President Truman's Water Resources Policy Commission so ably phrased it in 1950: "Crop production in the Colorado River Basin is dependent almost wholly on irrigation."

In the light of these facts, I believe that a reasonably prudent person would conclude with me that it is perfectly obvious, and quite contrary to Senator DOUGLAS' statement, made in the heat of debate, that there can be found in the whole, wide Nation land less suitable for cultivation than the 132,360 acres of new cropland and the 250,330 acres of land now under cultivation which will be provided water by the construction of the 12 participating irrigation and reclamation projects which S. 500 would authorize.

9. MR. MOLEY'S INCORRECT STATEMENT

"Not only would such arid land be grievously wasteful of water, but when watered, its product would be mainly alfalfa, hay, and some corn. And since it lies in very high altitudes, it would have short growing seasons. Therefore, it cannot be compared with the successful Imperial and Salt River projects in California and Arizona."

The facts: It is correct that the high altitude lands of the upper basin States have a shorter growing season than at locations such as the Imperial Valley, but contrary to the implication which Mr. Moley makes this does not mean that irrigated agriculture at higher altitudes is grievously wasteful of water. Why?

First, the arable land of the upper basin States requires less water due to the shorter growing season. Land at the lower elevation such as the Imperial Valley has approximately three times the growing season as that of the upper Colorado Basin area and requires approximately three times the water.

Second, additional water on these higher altitude lands will permit the introduction of late season crops which, due to deficiencies of water when coupled with a shorter growing season, cannot be produced at this time. Experimental studies indicate that in areas confronted by a short growing season an adequate water supply hastens crop maturity with these results: (1) Larger yields and (2) better quality.

It is evident, therefore, that the principles of plant science clearly indicates that additional water means better utilization of our limited land resources, not a grievous waste of water. As to whether this land compares in productivity with those of the Imperial Valley is immaterial in any discussion about the economic feasibility of the Colorado River storage project, as I shall point out in a moment.

The production of "alfalfa and hay," the latter which I take it refers to native grasses, and corn, is not a wasteful nor unprofitable farming activity as concerns the agricultural economy of the upper Colorado River Basin States. In the upper basin States of Wyoming, Colorado, Utah, and New Mexico, cattle and sheep and dairy products are the principal agricultural commodities produced. For example, 70 percent of the income which Utah farmers received in 1942, according to United States Census Bureau data, was derived from the sale of livestock. This compared with a national average of 55 percent from such sales.

Thus, whether the land in question has the general level of productivity which that of the Imperial Valley enjoys is absolutely immaterial in any discussion about the economic feasibility of the Colorado River storage project. The major point to be considered is this: Are these lands now and will they hereafter be used in the productive capacity for which they are best suited? Is there a demand for the products produced on this land? In this respect President Truman's Water Resources Policy Commission observed that—

"Range use and irrigation developments are somewhat complementary in the Colorado Basin. Although the range is used by a large proportion of the livestock year long, the production of hay for feed and the use of irrigated lands for pasture contribute an important farm use. In the upper basin, livestock farms predominate, averaging nearly 40 percent of all farms and ranging from 78 percent in Wyoming to 28 percent in New Mexico. In the lower basin, almost 37 percent of the farms are livestock and dairy farms. * * *

"Cropland is a necessary adjunct to the range because of the need for providing supplemental feed to carry stock through severe winters and dry summers. Effective use of the range is not possible without forage from croplands, and many croplands would have little value except in connection with the use of rangeland. * * *

"Unquestionably as additional water is made available for irrigation, there will be an expansion in pasture feeding, permitting greater integration of range and pasture use. As population in nearby States increases, the percentage of finished stock is almost certain to increase * * *." (10 Rivers in America's Future: No. 5, Colorado River, vol. 2, pp. 80–81.)

This Commission also came to the following conclusion with respect to the economic impact and desirability of the Upper Colorado River storage project:

"The several water resources programs in the Colorado River Basin should bring in some additional areas of new land besides providing more adequately for lands now suffering water shortages. This irrigation will greatly aid in stabilizing the range economy by providing wider opportunities for marketing livestock, by creating greater feeder possibilities, and by increasing the economic base so that the range need not be so badly abused. * * *

"To the extent that these programs can be spread into new areas and into the sparsely inhabited portions of the basin, even greater benefits will be provided by permitting close integration of livestock and feeding." (Ten Rivers in America's Future: No. 5 Colorado River, vol. 2, p. 81.)

Now, these questions might logically be asked: Is it desirable that livestock production be increased? If so should steps be taken now to insure an adequate supply of livestock products? The testimony of Dr. Byron Shaw, Administrator, Agricultural Research Service, USDA, before the House Appropriations Committee on February 1, 1955, gives affirmative answers to both of these questions. On that occasion Dr. Shaw stated:

"In considering what the shifts ought to be and what possibilities we would have of making shifts that may be profitable to farmers, I think the greatest single factor that has an influence on the use of substantial acres of land is the meat consumption of the United States population. * * *

"Now, if we were to have per capita consumption at the average of the last 3 years, or the 151 pounds, by 1962 it would require 27 billion pounds of red meat. That is roughly 10 percent more than was actually consumed in 1954. This would require about 3½ million more cattle, about 2 million more sheep, and about 9 million more hogs to supply the increased meat that would be needed by 1962.

"If you take the upper level or 156 pounds of red meat per capita, you would have to add still another 3½ million head of cattle, another million sheep and another million hogs to provide for the needs in 1962.

"The feed for that livestock would require 20 million acres more to produce the feed based on the 151 pounds per capita consumption (1952 to 1954 average) over the land that was used in 1953.

"In other words, it would require 10 million more acres of feed grains than was used in 1953 and 10 million more acres of hay and pasture than we used in 1953. This is a 3 million-acre smaller increase in feed grains than actually took place between 1953 and 1954. There was no shift to hay and pasture going from 1953 to 1954. It would require a 10 million-acre shift in that direction by 1962. * * *

"If we were to consume 156 pounds of red meat, which was the consumption in 1954, it would require in 1962 some 35 million acres more land to grow feed than was used in 1953. * * *

"That again would provide opportunity for the use of the 17 million acres that were used for growing wheat and cotton in 1953 that would not be needed in 1962. But it would indicate a deficit this time of roughly 18 million acres. In other words, the small difference in meat consumption—from 151 pounds per capital, which was the average 1952 to 1954, to 156 pounds, which was the average per capita consumption in 1954—would take an extra 15 million acres of feed

to provide that meat. (Hearings, Agriculture Department appropriations, 1956, pt. II, pp. 447–551.)

Congressman H. CARL ANDERSON gave the reason why we are faced with this situation and what it means in the way of increasing our agricultural productive plant. In a few words he summed it up as follows:

"The surplus of 17 million acres that has to be shifted from wheat and cotton, allows for 5 million acres more wheat and cotton in 1962 than was actually grown in 1954. It allows for 14 million acres more wheat and cotton than is provided in the 1955 allotments.

"This is all an evolution which will come into being because of the fact that we will have at least 2.6 million more human beings each year in this Nation from now on, and on an ascending curve. Evidence was given to us last year that by 1970 we would need the production from 115 million additional acres of land above that we have now."

The livestock industry of the great upper-basin States can help—but the extent of its contribution depends upon the full development and efficient use of its water resources. The Colorado River is the last and only great source of water for such development.

10. MR. MOLEY'S INCORRECT STATEMENT

"Phineas P. is already stuck for subsidies on surplus food and fiber to the extent of $8 billion. The Department of Agriculture experts say that we shall have surpluses for years to come and that by 1975 scientific progress will supply the population with a measurably small increase in cultivated acreage. Moreover, if we used new land, there are 20 million acres east of the Mississippi and in Oklahoma and Texas which can be prepared for cultivation at an average cost of $100 an acre."

The facts: There is no doubt that the high rigid 90-percent price-support program has resulted in surpluses of wheat, corn, tobacco, cotton, and rice and the other basic commodity, peanuts, at certain times.

But Mr. Moley didn't mention the fact that there is absolutely no connection between these surpluses on basic commodities and the crops which will be produced on the lands irrigated by Colorado River water when the 12 participating projects are completed. Why? Because the primary crops grown in the four upper-basin States are neither now in surplus nor are they crops which enjoy the privilege of price support.

In Utah only 7 percent of the cash receipts of farmers in 1953 came from the sale of basic commodities, notably wheat, 9.9 percent of which is nonirrigated. In Wyoming, farmers received only 8 percent from the sale of basic commodities. Colorado farmers received 18 percent of their income from basic commodities, of which 17.6 percent is derived from wheat. This wheat, by and large, however, is grown in eastern Colorado on dry farmland, land which will never see one drop of Colorado River water. New Mexico farmers received 38 percent of their income from the sale of basic commodities of which cotton, grown in southern New Mexico, constitutes 37 percent. Likewise, no water from any of the 12 participating projects authorized by the bill which has passed the Senate will find its way into the agricultural-crop production of this area.

It may be news to Mr. Moley and others to know that alfalfa is not in surplus—this crop is in relative short supply and has been so for several years. And as of April 15, 1954, the average market price for alfalfa was $23.60, which figures out at about 90 percent of parity. It is not under price support and has not been supported at any time. Yet it constitutes the major forage grown in the upper basin States for cattle, sheep, and dairy feeding. Also he may be interested to learn that great quantities of alfalfa are dried, chopped, and prepared for poultry feed, an agricultural product which likewise is not eligible for price support. Also many thousands of tons are shipped to other States whose alfalfa is in short supply. Meadow grasses, or wild hay, as we call it, which are harvested in the higher altitudes in the mountain States, also, are not found among the commodities entitled to price support.

Perhaps Mr. Moley does not realize that reclamation projects come into production slowly. Experience over the past 50 years shows that 25 to 30 years elapse between the beginning of construction of a reclamation project and full production. On large basin-wide projects the time interval is even greater. For example, it has taken nearly 40 years to bring the Columbia Basin project from initial planning to its present construction stage, and it will be another 25 years before it is at full production as a project. The Central Valley project in California has been underway for more than 25 years.

Now the Colorado River storage project, which has been nearly a quarter century in the planning state, may require another quarter century to complete the authorized storage units and bring them into full operation. To completely develop the entire project may require as much as 75 years. So it is evident that even if the primary crops—alfalfa and other forage crops—which are produced in the upper basin States did constitute a surplus problem, which, as I have explained, they do not, it would be impossible for their increased production, due to project water, to add to our surpluses of agricultural commodities.

Contrary to Mr. Moley's assertion, Department of Agriculture experts do not "say that we shall have surpluses for years to come and that by 1975 scientific progress will supply the population with a measurably small increase in cultivated acres." Had Mr. Moley bothered to read an article entitled "Food: Not Less, But More" in the April 25, 1955, issue of Newsweek he would have learned as the article pointed out that—

"To some experts—the ones who can see beyond the misleading mountains of today's surpluses—such advances [scientific] are deceptive. They are not nearly enough to assure that United States agriculture will continue to get its job done.

"One of these men, Dr. Byron T. Shaw, Farm Research Chief of the United States Department of Agriculture, estimates that, if the average American is to continue to have as much meat to eat as he did last year, all acreage that is currently idle will have to be back at work by 1960. By 1975, even if all marginal lands are used, there might be a deficit of more than 100 million acres. To meet this, livestock production alone will have to be nearly doubled on the land at home (pp. 110–112).

Now Dr. Shaw, it might interest Mr. Moley and others to know, is the Administrator of the Agricultural Research Service of the United States Department of Agriculture. He is the "boss" of the experts Mr. Moley misquotes. Three things are significant about his statement:

1. By 1975 this Nation will be a deficit agricultural production area, even if the "20 million acres east of the Mississippi and in Oklahoma and Texas," which Mr. Moley says can be prepared for cultivation at an average cost of $100 an acre, are brought into production. I shall discuss this item more in detail later.

2. Livestock production will have to be nearly doubled on the land now in cultivation if our increasing demand for meat products is to be met.

As you will recall, Mr. Moley complains that land brought into production and lands which will be supplied supplemental water by construction of the participating projects if the Colorado River bill becomes law will primarily produce alfalfa and hay. You also will recall my discussion a few minutes ago in which I pointed out that livestock production is the primary agricultural industry of the upper-basin States. We can supply, as I pointed out, a greater quantity of meat and dairy products, but our farmers need additional forage and feed to supplement pasture and range grazing of livestock. This is dependent upon development, however, of the last great water resource we have in that area—the waters of the Colorado River.

3. Department of Agriculture experts do not "say that we shall have surpluses for years to come. Dr. Shaw testified before the House Appropriations Committee on February 1, 1955, that "it would take until about 1962 to bring production into balance with demand." (Hearings, Agriculture Department appropriation, 1956, pt. II, p. 449.)

However, as I have already pointed out, whether the surpluses of basic commodities disappear by 1962, 1975, or 2000, is immaterial to this discussion, since, although Mr. Moley is either ignorant of the fact or merely delights in distortion of the facts and misleading his readers on this point, the crops grown on the upper Colorado Basin lands, for which this bill will provide additional water, are not the basic crops—wheat, cotton, corn, tobacco, rice, and peanuts—which are our surplus crops.

The crops and commodities now produced and for which additional water is needed are principally feed and forage and livestock, commodities which are not now and which have not been under price support. We should be concerned about surpluses created by a rigid 90-percent price-support program even in the short run, but it is not material to a discussion of the merits of the upper Colorado River project.

Mr. Moley, in spite of his misstatement of the facts which led him to fallacious conclusions about the economic necessity and feasibility of the upper Colorado River project, has carried two very interesting questions which warrant attention: First, exactly what are going to be our consumptive food requirements in light of population changes by 1975? Second, how can these requirements be met?

Three independent studies on population trends have been made within the last 5 years:

(1) The President's Water Policy Commission (1950).

(2) The Shaw Report, USDA (1953).

(3) The Paley Study of Material Resources (1953).

All three have one thing in common: They agree that by 1975 the population of the United States will be in the neighborhood of 190 million to 205 million people, and that to provide food and fiber, even at present dietary standards, will require approximately 100 million acres of additional cropland. For example, President Truman's Water Resources Policy Commission estimated in 1950 that this estimated need for an additional 100 million acres of cropland would have to be met from three potential sources which take into account the reduced need of cropland acreage for horses and mules, increased efficiency on present lands under cultivation, and reclaimed land, as follows:

Source:	*Acres*
1. Acre equivalent of ordinary land reclaimed through clearing, drainage, and flood protection	21,000,000
2. Newly irrigated land equivalent (9 million acres of land in the humid areas will produce about as much as 6 million under cultivation)	9,000,000
3. Increased productivity on present land under cultivation (liberally assuming that productivity would increase 18 percent by 1975 over the low period, 1945–49)	46,000,000
Total available	76,000,000

These potential acreage resources leave a need for an additional 24 million acres. In all probability, as I have mentioned, in the not too distant future, we will be a deficit agricultural nation. This deficit will have to be met by importation.

But what is the relationship between that portion of our potential land resources identified by the Commission as "newly irrigated land equivalent" and reclamation projects such as the upper Colorado River? Namely this, as Dr. George D. Clyde commissioner of streams for Utah and formerly the Dean of the School of Engineering, Utah State Agricultural College for 10 years, and more recently Chief of the Division of Irrigation Research in the Soil Conservation Service of the United States Department of Agriculture, told the House Interior and Insular Affairs Committee on March 15, 1955:

"Nine million acres of land in the humid areas will produce about as much as 6 million under irrigation. * * *

"Six million new acres of irrigated land will require that every acre of arable land within the reach of an adequate water supply will have to be put under irrigation. This means full and complete development on a basin-wide basis of every river basin in the West. It will require the completion of projected reclamation programs in the Columbia, Missouri, Arkansas, White, and Red, the Colorado drainage basins and in all drainage basins in California and the great basin States. * * *

Dr. Clyde concluded his testimony with the astute observation that—

"This country has become great because it has great natural resources, but also because its people looked forward. They did not wait for crises to develop. They anticipated them and prepared for them. We must anticipate our agricultural needs and prepare for them. The future needs are evident, the way of meeting them is clear. Begin now to develop the means of production of food and fiber to meet our needs 25 years from now.

"This is the reason why * * * the Colorado River storage project and participating projects, a basin-wide development which will require at least 25 years to bring into full production the lands in the initial phase should be authorized and construction started as soon as possible. It is a self-liquidating project and an investment in the Nation's future."

Mr. President, I am sure you will agree with me, in light of these facts, that Mr. Moley is something less than an expert on western reclamation, irrigation, and agriculture. It is too bad that Phineas P. has to be subject to his inaccurate statements on a subject—inaccurate statements which the analysis I have given indicates his article contains. Phineas P.'s best interests are clearly represented in and tied up with the enactment of the upper Colorado River legislation, but not in the light which Mr. Moley attempts by distortion to place it.

11. MR. MOLEY'S INCORRECT STATEMENT

"The construction cost on the 1955 project would average $1,000 or more, but since the repayment period would run 75 years or more, the hidden interest cost would be $5,000 per acre."

The facts: The average cost per acre for the 12 participating irrigation projects conditionally authorized in S. 500 actually is $537. Per acre costs for the 12 units are as follows: LaBarge, $210; Seedskadee, $383; Lyman, $260; Silt, $450; Smith Fork, $321; Paonia, $398; Florida, $343; Pine River, $332; Emery County, $400; Central Utah, $794; Hammond, $627; and Gooseberry, $349. The net average cost per acre for central Utah project is only $620, when project power revenues are subtracted.

Where Mr. Moley got his figures and how he doubled the actual average acre cost for the 1955 project to $1,000 is a mystery to me.

Furthermore, his additional statement that hidden costs would be $5,000 per acre is totally false and ridiculous, and he should know it.

It is true that costs per acre reach a very high level where Navaho Indian lands are involved. One reason for this is that the Southwest Indians, notably the Navahos, were shunted off onto huge reservations comprising some of the driest and most inacessible land in the country. But to them, the reservation is home, and water is vital not only to their continued growth but also to their very survival.

The provision of a water supply for these people actually is a responsibility not of the residents of our area but of the entire country. However, since the Indian people live along the river and are our neighbors, and since we see no possibility of their getting such needed assistance from any other source, we have included admittedly expensive Indian water development units in the overall project. This makes the Navahos eligible for project power revenues—which will be paid essentially by white consumers in the four-State area—to help pay the difference between the financial burden they can assume and the total cost of such units. It also increases the average acre costs of the project unit embracing Navaho lands.

For this concession that the Indian needs water, too, we obviously are being censured by Mr. Moley.

12. MR. MOLEY'S INCORRECT STATEMENT

"Excessive power costs: Senator DOUGLAS cannot be accused of hostility to public power or to hydropower. He said that the cost of producing power on the Tennessee is 1.1 mill per kilowatt, and 1 mill on the Columbia."

The facts: The cost of producing power on the Tennessee River and on the Columbia River has absolutely no bearing on this project. We are considering a project for four Rocky Mountain States, which deserve Federal cooperation in solving economic problems, beyond available financing, just as much as do the good people of the Tennessee Basin and the Columbia River. We wish that we could get power at comparable rates to those mentioned, but the fact is that we cannot and Mr. Moley knows it.

Mr. Moley should know that spokesmen for all the privately owned electric utilities in the four States concerned appeared at both 1954 and 1955 congressional hearings on the Colorado River storage project and committed themselves to purchase all of the power produced by the project above that delivered to preference customers, such as REA's and publicly owned power systems. Spokesmen for the REA's in the area also appeared in support of the bill, pointing out that project power at 6 mills would have effected a total savings of $419,909 for the electric cooperatives in the area in 1953.

Echo Park Dam also has been endorsed by the Northwest Public Power Association, Inc. Hence the project is supported by all advocates of hydropower, both private and public, in the area most directly concerned.

13. ANOTHER OF MR. MOLEY'S MASTERFUL HALF-TRUTHS

"Power from coal can be produced for less than 4 mills."

The facts: Regardless of the cost of electric power produced from coal steam plants, the fact is that residents of our area want to build the Colorado River storage project to produce water. We have plenty of coal in our area, but it may never have occurred to Mr. Moley that we cannot drink coal, nor irrigate crops with it. And we cannot drink uranium either, another future source of fuel for power production. Industry must also use large quantities of water in industrial operations.

In dealing in half-truths of this kind, Mr. Moley is totally ignoring the true cost of the power to be produced by the Colorado River storage project. This true cost, of course, is the average cost of the plant's output over its expected years of operation. These project power plants will function effectively for hundreds of years. After the construction cost is amortized, in a 50-year repayment program, with interest, the major expense of power production will be simple maintenance, and operating including part-replacement costs. The river flowage rights will cost nothing.

Hence, Mr. Moley should have pointed out that if the most efficient coal-fueled steam-power unit can produce power for 4 mills today, the power production from that unit probably will cost as much, or more, 50 years from now. Power produced by Glen Canyon and Echo Park Dams, on the other hand, will cost less than 2 mills at the end of the 50-year amortization period.

The cost to area consumers of 6 mills per kilowatt-hour reflects construction with interest, operation, and maintenance expense; the cost of transmission facilities to load or market centers; and the application of power revenues to help pay the total costs of the project. And inasmuch as the people who use and benefit from the water also will use and pay for the power, the complete costs of this project are being paid by the residents of the four States involved who benefit from the project. This is sound financing of public works projects.

14. MOLEY'S INCORRECT STATEMENT

"The plans in this bill call for power production costs of about 4½ mills at Glen Canyon and 6 mills at Echo Park."

The facts: The costs of power production during the amortization period were estimated at 4.7 mills for Glen Canyon and 5.9 mills at Echo Park Dam. After construction costs are amortized, both of these highly efficient dams will produce power, for many generations, for less than 2 mills.

15. MOLEY'S INCORRECT STATEMENT

"This bill actually assumes in its alleged pay-out plan that 6 mills can be charged for 75 to 100 years. And the region has enormous unused coal and shale oil for power production. It also has a lot of uranium. If power is to be sold competitively in such a region, it will have to be below cost, and that means a subsidy for power as well as irrigation."

The facts: The bill does not "assume" that the project will pay out in the prescribed period. The area power market has been thoroughly studied, both by the Bureau of Reclamation and the Federal Power Commission. Commitments were made during the 1954 and 1955 congressional hearings by representatives of all the private electric utilities as well as the cooperative groups in the area, to the effect that they will buy all the power produced from the project at the proposed 6-mill rate. This estimated power rate, it may interest Mr. Moley to learn, is lower than the average power production rates in the four-State area at the present time.

Calamity howlers made similar charges against Boulder Dam back in the 1920's. At that time, it was charged that Boulder Dam, located on the best power site of the entire Colorado River, would never pay out, that the power would be delivered in Los Angeles at 4.5 mills, and never sell. This great dam not only will pay out on schedule, but on the basis of earnings, the rates actually have been readjusted downward so that the southern California area has some of the lowest power rates in the country. Time has proven those pessimists wrong, and with the next two best power sites on the river included in the Colorado River storage project, I have no doubt that the project will prove its critics wrong, and that the country 30 years from now will be just as proud of this great project

as we are of Hoover Dam and allied hydropower development on the lower Colorado River.

16. MOLEY'S INCORRECT STATEMENT

"This knocks into pieces the already rickety financial plans for the project."

The facts: This is Mr. Moley's opinion, and from the batting average on the soundness and accuracy of his statements in this article, after several years of acknowledged study of this project, he most certainly does not qualify as an expert on the economic feasibility of the upper Colorado River storage project. But let us continue with the examination of his remaining half-truths regarding this project.

17. MOLEY'S INCORRECT STATEMENT

"Hoover bypassed": The Hoover Commission already has a task force report on reclamation. The Commission itself will report about June 1. The Senate and the administration have now ignored, affronted, and frustrated the Commission which they piously created 2 years ago.

The facts: The Hoover Commission most assuredly was not "bypassed" on this project. The Hoover Task Force on water resource facilities was appointed only last year. Comprehensive water resource development of the upper Colorado River was recommended by the Department of Interior in 1946 and 1950, and legislation proposals have been introduced during the last three sessions of Congress.

The Hoover Commission recommendations will not pass upon the feasibility of any particular water resource development projects. Instead, it undoubtedly will confine itself to general policy recommendations.

These recommendations will be reviewed by the President's Cabinet Level Committee on Water Resource Facilities, which has announced that it will not go into the merits or demerits of any specific project. Furthermore, the chairman of this higher level committee, Secretary of Interior Douglas McKay, has been on record as approved the Colorado River storage project even before either of these water resources study groups was formed. Furthermore, the President, who appointed both groups, also is strongly on record in favor of the Colorado River storage project.

Mr. Moley's statement, therefore, can only be accepted as an attempt to confuse and deceive the public on this matter, because as a student of this subject with his assiduity, surely he must have known these simple background facts.

The mere fact that a few members of the Hoover Task Force may have made public statements against the project neither proves that they are right nor that the Hoover Commission, as such, is against the Colorado River storage project. On the contrary, one member of the task force, Gov. J. Bracken Lee, of Utah, who has established a national reputation for economy in government, also has come out publicly in favor of the Colorado River storage project. This fact was overlooked by Mr. Moley in his completely one-sided statement.

18. MOLEY'S INCORRECT STATEMENT

"Phineas P., the little man who pays the bill, has two hopes left: His House of Representatives and his own capacity to complain."

The facts: The Federal taxpayers in four great upper basin States, and such organizations as the National Congress of Industrial Organizations, which has also publicly endorsed this project, have some real complaints to make concerning the bitter bias and deliberate misrepresentation displayed by Raymond Moley.

It is my hope that this attempt to present the whole truth on this project, will help to clear up the half-truths and misstatements that characterize almost every line of Mr. Moley's article. By such unfair and inaccurate reporting, Mr. Moley is rendering an outrageous injustice to 3 million residents in the four upper basin States and to all the States which have benefited from and which will continue to grow and progress through development of water resources under the reclamation program, tested and proved highly successful in half a century of operation.

UNITED STATES FOREIGN POLICY

Mr. BENDER. Mr. President, in the past few weeks, I have completed a most interesting survey of public thinking on our foreign policy. I believe that the people who are vitally affected by these critical decisions should be heard before the decisions are made. My questionnaire was directed to the Formosa problem and I asked three questions.

The first question was: Should the United States defend Formosa? The second asked: Should we defend Matsu and Quemoy if Red China attacks these islands? My last question was: Should we use atomic weapons, if necessary, to repel a Red Chinese attack upon Matsu and Quemoy?

More than 50,000 voters in the State of Ohio received this questionnaire. They were not required to sign their names if they did not wish to do so. Well over 38,000 people replied to one or more of the questions, and thousands of them not only signed their replies but also added a series of extremely interesting comments.

The results of the poll showed an overwhelming majority in favor of an all-out, realistic, determined stand by our Government. To the defense of Formosa, 32,484 men and women replied "Yes." Only 6,785 said "No." On the second question, the defense of Quemoy and the Matsu Islands, 27,825 voters said "Yes" against 7,715 "No." On the third issue, the use of atomic weapons, if necessary, to defend the coastal islands off Formosa, 24,660 replies voted "Yes"; 8,327 said "No."

There is no quibbling in the views of Ohio citizens on these questions. They are clearly in favor of using every means necessary to stop further Communist aggression. They do not differentiate between an attack by the Red Chinese on Formosa or an attack on the islands leading to Formosa. There was a marked drop in the number of people replying to the question involving atomic weapons, but the results still favored using such weapons to defend Quemoy and the Matsus by a margin of almost 3 to 1.

Hundreds of letters accompanied the replies to my poll. Several thousand voters simply wrote their own comments right on the questionnaire. By the hundreds, these writers emphasized their determination to stop any further Communist aggression, in the Far East or anywhere else. There were dozens of strong replies attacking any element of "appeasement" in Uncle Sam's approach. I found frequent references to the Bricker amendment and its importance as a warning to the Soviet Union and Red China. Statements protesting the continued imprisonment of Americans by Communist China were written by scores of people.

Taken as a whole, the results of this survey were most positive and reassuring. They reinforced my own belief that the American people are far more determined than many Members of Congress to back a strong stand by our country. Wherever the Communist question arises, I shall be thinking of this overwhelming response by the voters of my own State.

During the past few weeks in Congress, we have been moving slowly ahead on other major questions before the Nation. Many people ask why we continue to spend large sums of money on foreign spending. They object strenuously to much of this. Sometimes they challenge Congress to stop pouring good American tax dollars down "ratholes." I have often sympathized with this viewpoint myself. There is no doubt in my mind that much of our spending abroad has been wasted, particularly in years gone by. But there can be no doubt today that at least part of the credit for a revived Europe must go to American dollars. Today, we have shifted our attention from Europe to the Far East. Here, the needs are far more evident than they were in Europe.

We have learned to our bitter sorrow that communism does not really appeal to men's minds. It only pretends to do so. It does its work through empty stomachs. Those countries which have succumbed to the Marxist propaganda have done so because they were hungry. They have listened to Moscow because the Kremlin promised them everything they wanted. I do not believe for a moment that the Chinese people, with their ancient traditions, have accepted the theories of Lenin and Stalin. What they have accepted is a bowl of rice.

If we are to have a chance to keep the people of Vietnam, Laos, Cambodia, and Thailand from falling into the Communist trap, we must keep them alive until they learn how to resist for themselves.

I have every confidence in the honesty and integrity of the Eisenhower administration. I do not see wise men like Secretary of the Treasury George Humphrey accepting a foolish financial policy. He is not the kind of public official who can be misled or kidded. If he agrees that we must still spend large sums of money to protect our fundamental interests in Asia, he knows what he is doing.

Let there be no misunderstanding about this. I believe in a balanced Federal budget. I believe in it because I want to see American taxes cut. I do not believe that we should cut taxes until the budget is balanced, and I shall do everything that I can to balance it. But we must not make the unfortunate mistake of eliminating spending that helps to safeguard our way of life. Helping those countries which we rely upon to help us is a good investment. We saw how well it paid off at the recent Bandung Conference. There, country after country spoke up for America in defiance of Red China. We have made mistakes in our foreign spending, to be sure, but we have also made friends.

Our friendships all over the world are one of our greatest assets. They will become increasingly important in the light of the approaching Big Four Conference. There are many Americans who look with great concern at this meeting.

They are mindful of previous sessions at the summit. All of us remember the work of Mr. Roosevelt, and Mr. Truman at Yalta, Teheran, and Potsdam. Some of us go back a good deal further to Versailles, where Woodrow Wilson's 14 points were blunted by diplomatic manipulations.

I for one do not expect any miracles to be achieved at the Big Four meeting. We have too many areas of basic disagreement to expect any overnight reversal of the trend. Much as we may dislike the prospect, the evidence points to a long struggle to prove that freedom is still better than Communist slavery. No conference is likely to change Communist policies in Indochina or Formosa. The Reds are not going to give up their political organizations in France or Italy or the United States. It would be unrealistic to expect the Soviet Union to surrender its grip on East Germany and allow the unification of Germany. Nor can we count on the Russians to accept a universal and honest atomic weapons control plan.

These are the mental reservations which must accompany President Eisenhower to the Conference. Nevertheless, I do not think our President is going to be hoodwinked, hornswoggled, or bulldozed in Europe. I am positive that his predecessors at these international conferences were. Mr. Eisenhower knows the Russians. He knows that one of their fundamental party lines calls for the right to change their position as rapidly as a chameleon changes his color. He knows that treaty obligations are scraps of paper to Communists.

Why is he going under these circumstances? I think the answer is clear. This time, America is going with nothing to offer. We are going to listen to what the other side has to say. If they keep quiet, we are not going to start the conversation.

This is a vastly different situation from what we had a few years ago. America today is not a Samson with a haircut. We have our strength back. We are not going to give it up. President Eisenhower's greatest triumph has been the reestablishment of America's might, not only as a military power but also on the domestic front.

When our country speaks today, it speaks with power. We shall not go to Switzerland as a suppliant, nor as an appeaser.

These are some of the developments which have taken place in the past few weeks on the international scene and at home. I am an optimist by nature. There are many serious problems before us. Our difficulties are by no means at an end. Formosa may erupt into a shooting war. But the big difference between America under Eisenhower and America under the Democrats is this—today we are prepared. We have stopped falling for the propaganda dished out by the Kremlin and its echoes.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1956

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

DEDICATION OF LEE MANSION IN ARLINGTON NATIONAL CEMETERY AS A PERMANENT MEMORIAL TO ROBERT E. LEE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 62) dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee, which was, on page 3, strike out lines 3 through 7, and insert:

Resolved, That the magnificent manor house situated in its prominent position at the brow of a hill overlooking the Potomac River in Arlington National Cemetery, and popularly known as the Lee Mansion, be officially designated as the Custis-Lee Mansion, so as to give appropriate recognition to the illustrious Virginia family in which General Lee found his wife, and that the Custis-Lee Mansion is hereby dedicated as a permanent memorial to Robert E. Lee, and the Secretary of the Interior is authorized and directed to erect on the aforesaid premises a suitable memorial plaque, and to correct governmental records to bring them into compliance with the designation authorized by this joint resolution.

Mr. JOHNSON of Texas. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I submit Senate Concurrent Resolution 41 and ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be read for the information of the Senate.

The legislative clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the joint resolution (S. J. Res. 62) dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee, to make the following changes, namely: On page 2, line No. 1, of the engrossed joint resolution, strike out the word "Resolved" and in lieu thereof insert "*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*"; and on page 2, line 9, and page 3, line 3, strike out "*Resolved,*" and in lieu thereof insert, respectively, "SEC 2." and "SEC. 3.".

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 41) was considered and agreed to.

CONSTRUCTION OF TOLL BRIDGE NEAR RIO GRANDE CITY, TEX.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 518, H. R. 4573.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4573) authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. The bill, which comes from the Committee on Foreign Relations, involves a bridge. The bill was unanimously reported by the committee.

By this proposed legislation, subject to the approval of the International Boundary and Water Commission, United States and Mexico, and of the Republic of Mexico, Gus A. Guerra is authorized to construct, maintain, and operate a toll bridge in the vicinity of Rio Grande City, Tex. Tolls will be fixed and charged in accordance with applicable United States and Texas laws. This legislation conforms to the provisions of previous legislation which authorized construction of bridges across the Rio Grande between Texas and Mexico. Congressional authorization is required because the proposed bridge will cross international waters. There will be no costs to the Federal Government.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF TOLL BRIDGE NEAR LOS EBANOS, TEX.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 519, H. R. 2934.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 2934) authorizing E. B. Reyna, his heirs, legal representatives and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande at or near Los Ebanos, Tex.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief statement as to the purpose of the bill, as contained in the report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This bill authorizes the construction, maintenance, and operation of a toll bridge across the Rio Grande at or near Los Ebanos. Construction, maintenance, and operation of the proposed bridge will be subject to the approval of the International Boundary and Water Commission, United States and Mexico, and also subject further to the approval of the proper authorities in the Republic of Mexico. The tolls will be fixed and charged in accordance with the applicable laws of the United States and the State of Texas.

No expenses to the Federal Government are involved in this legislation.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

COMPACT BETWEEN THE STATES OF ARKANSAS AND OKLAHOMA RELATING TO APPORTIONMENT OF WATERS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 543, H. R. 208.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 208) granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I call the attention of the Senator from New Mexico [Mr. CHAVEZ], the chairman of the committee, to the bill, and ask him if he wishes to discuss it.

Mr. CHAVEZ. Mr. President, the report explains the bill completely. All the bill does is to permit the States of Arkansas and Oklahoma to enter into a compact with respect to the Arkansas River. The Senate has passed similar bills of this nature before.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

EMERGENCY FLOOD CONTROL WORK

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 544, H. R. 3878.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 3878) to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood control work.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CHAVEZ. Mr. President, the Committee on Public Works, to whom the bill was referred, has reported the bill favorably.

On page 1 of the report, section 5 of the Flood Control Act of 1941 is set forth as follows:

> That the Secretary of War is hereby authorized to allot, from any appropriations heretofore, or hereafter made for flood control, not to exceed $1 million for any 1 fiscal year to be expended in rescue work, or in the repair or maintenance of any flood-control work threatened or destroyed by flood.

The bill which is designed to amend the Flood Control Act, would eliminate the present emergency maintenance of flood-control works threatened or destroyed by flood. The bill proposes to eliminate the present requirement of maintenance since the purpose of the flood-emergency appropriation is for work of an emergency nature and should not include ordinary maintenance of existing flood-control works. The Secretary of the Army advised the committee that because of the word "maintenance" in the present law, it has been administratively difficult to withhold allotments for the repair of flood-control works which should be maintained from other sources. As a result, funds available annually for true emergency work have been reduced. The effect of this elimination would be to permit the use of the entire emergency flood appropriation for the purposes for which it was basically intended.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

TELEPHONE SERVICE IN CONNECTION WITH CONSTRUCTION AND OPERATION OF LOCKS AND DAMS FOR NAVIGATION, FLOOD CONTROL, AND RELATED WATER USES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 545, H. R. 4426.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4426) to amend section 7 of the act approved September 22, 1922, as amended.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. CHAVEZ. Mr. President, H. R. 4426, which was passed by the House on April 18, 1955, is designed to reduce the administrative expenses of the Corps of Engineers. The bill as proposed would permit the issuance of regulations by the Corps of Engineers, upon the recommendation of the Chief of Engineers, concerning telephone installations, and would eliminate the present requirements for individual approval.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF FUNDS FOR CONSTRUCTION OF INTER-AMERICAN HIGHWAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 546, H. R. 5923.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment, to strike out all after the enacting clause and insert:

> That the sum authorized in section 7 of the Federal-Aid Highway Act of 1954 (68 Stat. 70) for the Inter-American Highway for each of the fiscal years ending June 30, 1957, 1958, and 1959, is hereby authorized for appropriation immediately, to be available until expended, and the additional sum of $25,730,000 is hereby authorized for appropriation immediately, to be available until expended, for the purposes of and in accordance with the provisions of said section 7.

Mr. CHAVEZ. Mr. President, we have been discussing for a long, long while the Inter-American Highway. Congress has heretofore authorized appropriations for the road. After the visit of the Vice President some few months ago to that area, the President of the United States sent a message to the Congress, wherein there was expressed the desire to accelerate and complete the road within 3 years.

The purpose of the bill is to make available appropriations, which would otherwise extend for a period of 4, 5, or 6 years, so the work can be done in 3 years, instead of in 5 or 6 years. All the bill does is to accelerate the work of building the Inter-American Highway.

Mr. President, we can talk all we want about it, but nothing would do more good and bring greater economic benefit, not only to the countries involved in the Pan American Highway, but to the people of this country, than would passage of the bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. HOLLAND. I wish to compliment the distinguished Senator from New Mexico, chairman of the Public Works Committee, upon the prompt handling of the bill and upon the favorable action on the bill.

Mr. CHAVEZ. I may say to the Senator that the House passed the bill by a vote of 365 to 13.

Mr. HOLLAND. I thought that, too, was highly commendable. It is the rather general understanding in the Congress that our own interest is extremely well served by this bill, and that a tremendous amount of good will in Central America, and, for that matter, throughout Latin America, is tied in with the early passage of the bill.

I wish to make one further comment as a final observation. I was present with the delegation from Congress and from the Departments of State and Commerce, but a short while ago, when two recently completed links of the inter-American highway were dedicated. One was on the border of Costa Rica and Nicaragua, where only a few months before a bloody conflict had raged. The dedication took place just a few yards away from the Costa Rican customhouse, which was shot to pieces, and at which point nine men had been killed in the fighting a few months before. The border had been closed for many months, with no passage permitted.

There were lined up a great number of cars, estimated to be 400, going from Nicaragua to Costa Rica, and about half that number going from Costa Rica to Nicaragua to spend the weekend, with every evidence of a return of friendship and appreciation of each nation for the other, and, as a matter of fact, with a tremendous amount of good will shown in every direction on that occasion.

I do not see how there could have been a clearer illustration of the fact that with ready communication there is involved the assurance of better understanding.

I strongly approve the measure. I am glad the Senate is about to pass it.

In closing, I call attention to the fact that the Appropriations Committee, in reporting the bill on this subject, went as far as it could to meet the objective by making available in 1956 $25,250,000, which is one-third of the total authorization. We thereby exhausted all the authorization that was now available. We included in the report the fervent hope that the pending measure would be quickly passed.

I indeed congratulate the Senator from New Mexico, who for many years has shown such a warm personal interest in the project, and has traversed the area in which the project lies, expressing there repeatedly the good will of this Nation for our Central American neighbors.

Mr. CHAVEZ. I am glad the bill is ready to be passed.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from New Mexico yield to the Senator from Pennsylvania?

Mr. CHAVEZ. I yield to the distinguished ranking minority member of the committee.

Mr. MARTIN of Pennsylvania. Mr. President, as ranking minority member of the committee, I wish to confirm what the Senator from New Mexico has stated. The bill was reported unanimously by the Public Works Committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RESOLUTIONS TAKEN FROM THE CALENDAR AND REFERRED

Mr. JOHNSON of Texas. Mr. President, I move that Calendar No. 551, Senate Resolution 93, appointing a subcommittee to work toward the goal of world disarmament; Calendar No. 552, Senate Resolution 112, to appoint Members of the Senate to attend the North Atlantic Treaty Organization Conference in Paris in July 1955; and Calendar No. 553, Senate Concurrent Resolution 29, authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, be taken from the calendar and referred to the Committee on Rules and Administration.

The motion was agreed to.

EXTENSION AND STRENGTHENING OF THE WATER POLLUTION CONTROL ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 547, S. 890.

There being no objection, the Senate proceeded to consider the bill (S. 890) to extend and strengthen the Water Pollution Control Act, which had been reported from the Committee on Public Works with amendments, on page 1, line 6, after the numeral "1", to insert "(a)"; on page 2, after line 11, to insert "(b) Nothing in this act shall be construed as impairing or in any manner affecting any right or jurisdiction of the States with respect to the waters (including boundary waters) of such States"; in line 22, after the word "or", to strike out "adopt" and insert "develop"; on page 3, line 9, after the word "may", to strike out "deleteriously" and insert "adversely"; on page 6, line 6, after the word "appropriated", to strike out "$2,000,000 each"; in line 7, after the word "and", to strike out "the" and insert "for each"; and in the same line, after the word "year", to insert "to and including the fiscal year ending June 30, 1960"; in line 8, just after the amendment above stated, to strike out "and such sums as the Congress may determine for each fiscal year thereafter," and insert "$2,000,000"; on page 8, after line 17, to strike out "the Surgeon General shall notify such agency that no further payments will be made to the State or to the interstate agency, as the case may be, under this section (or in his discretion that further payments will not be made to the State, or to the interstate agency, for projects under or parts of the plan affected by such failure) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Surgeon General shall make no further payments to such State, or to such interstate agency, as the case may be, under this section (or shall limit payments to projects under or parts of the plan in which there is no such failure)." and in lieu thereof, to insert "the Surgeon General shall notify such agency that no further payments will be made to the State or to the interstate agency, as the case may be, under this section (or in his discretion that further payments will not be made to the State, or to the interstate agency, for projects under or parts of the plan affected by such failure) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Surgeon General shall make no further payments to such State, or to such interstate agency, as the case may be, under this section (or shall limit payments to projects under or parts of the plan in which there is no such failure)"; on page 9, line 23, after the word "unless", to strike out "substantially"; on page 10, at the beginning of line 6, to strike out "substantially"; on page 13, line 8, after the word "conservation", to insert "and recreation"; in line 13, after the word "person", to strike out "who shall have shown an active interest in the field of recreation" and insert "representative of interstate agencies"; on page 14, line 5, after the word "terms", to strike out "expiring prior to July 1, 1955," and insert "commencing prior to the enactment of the Water Pollution Control Act Amendments of 1955"; on page 15, after line 2, to strike out:

WATER QUALITY STANDARDS TO PREVENT POLLUTION OF INTERSTATE WATERS

SEC. 7. (a) In order to aid in preventing, controlling, and abating pollution of interstate waters in or adjacent to any State or States which will or is likely to endanger the health or welfare of persons in a State other than that in which the matter causing or contributing to the pollution is discharged, the Surgeon General shall, after careful investigation and in cooperation with other Federal agencies, with State water pollution control agencies, and with municipalities and industries involved, prepare or adopt and publish standards of quality to be applicable (in accordance with subsection (c)) to such interstate waters at the point or points where such waters flow across or form the boundary of two or more States. Such standards of quality shall be based on the present and future uses of such interstate waters for public water supplies, propagation of fish and wildlife, recreational purposes, and agricultural, industrial, and other legitimate uses, as determined in accordance with regulations prescribed by the Surgeon General after such consultation with the State water pollution control agencies, interstate agencies, and Federal agencies concerned as he deems appropriate.

(b) The Surgeon General shall prepare the standards pursuant to subsection (a) with respect to any waters only if, within a reasonable time after being requested by the Surgeon General to do so, the appropriate States and interstate agencies have not developed standards found by the Surgeon General to be acceptable for adoption under subsection (a).

(c) The alteration of the physical, biological, or chemical qualities of such interstate waters, which reduces the quality of such waters below the water quality standards promulgated by the Surgeon General and below the quality of such waters certified, by any State affected by such reduction, to be essential to its present or future uses (whether the matter causing or contributing to such reduction is discharged directly into such waters or reaches such waters after discharge into tributaries of such waters), is hereby declared to be a public nuisance and subject to abatement in accordance with the provisions of section 8 (a).

(d) Nothing in this section shall prevent the application of section 8 to any case to which it would otherwise be applicable.

On page 17, line 3, to change the section number from "8" to "7"; in line 9, after the word "originates", to strike out "is hereby declared to be a public nuisance and" and insert "shall be"; at the beginning of line 13, to insert "such"; in the same line, after the word "pollution", to strike out "declared to be a public nuisance by subsection (a)"; in line 21, after the word "action", to insert "reasonably"; on page 18, line 17, after the word "pollution", to strike out "declared to be a nuisance by" and insert

"referred to in"; in line 23, after the word "pollution", to insert:

The Secretary shall send a copy of such findings and recommendations to the person or persons discharging any matter causing or contributing to such pollution, together with a notice specifiying a reasonable time (not less than 6 months) to secure abatement of such pollution, and shall also send a copy of such findings and recommendations and of such notice to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate.

On page 19, after line 6, to strike out:

(d) After affording the person or persons discharging the matter causing or contributing to the pollution reasonable opportunity to comply with the recommendations of the board, the Secretary of Health, Education, and Welfare may request the Attorney General to bring a suit on behalf of the United States to secure abatement of the pollution.

And in lieu thereof to insert:

(d) If action reasonably calculated to secure abatement of the pollution within the time specified in the notice prescribed in subsection (c) is not taken, the Secretary of Health, Education, and Welfare shall send a further notice to such person or persons, and shall send a copy thereof to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate. Such further notice shall specify a reasonable time (not less than 3 months) to secure abatement of such pollution. If action reasonably calculated to secure abatement of the pollution within the time specified in such further notice is not taken, the Secretary of Health, Education, and Welfare may, with the consent of the water pollution control agency (or any officer or employee authorized to give such consent) of the State or States where the matter causing or contributing to the pollution is discharged or at the request of the water pollution control agency (or any officer or employee authorized to make such request) of any other State or States where the health or welfare of any person or persons is adversely affected by such pollution, request the Attorney General to bring a suit on behalf of the United States to secure abatement of the pollution.

On page 20, line 17, after the word "and", to strike out "may" and insert "shall"; after line 21, to strike out:

(g) In carrying out their respective functions under this section, the Surgeon General, the Secretary of Health, Education, and Welfare, and any board appointed pursuant to subsection (c) shall have power to administer oaths and to compel the presence and testimony of witnesses and the production of any evidence that relates to any matter under investigation under this section, by the issuance of subpenas. Witnesses so subpenaed shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States. In case of contumacy by, or refusal to obey a subpena duly served upon, any person, any district court of the United States for the judicial district in which such person charged with contumacy or refusal to obey is found or resides or transacts business, upon application by the Surgeon General or the Secretary or such board, shall have jurisdiction to issue an order requiring such person to appear and give testimony, or to appear and produce evidence, or both. Any failure to obey such order of the court may be punished by the court as contempt thereof.

(h) For purposes of this section, the jurisdiction of the Surgeon General, or any other agency which has jurisdiction pursuant to the provisions of this act, shall not extend to any region or areas nor shall it affect the rights or jurisdiction of any public body where there are in effect provisions for sewage disposal pursuant to agreement between the United States of America and any such public body by stipulation entered in the Supreme Court of the United States. While any such stipulation or modification thereof is in force and effect, no proceedings of any kind may be maintained by virtue of this act against such public body or any public agency, corporation, or individual within its jurisdiction. Neither this provision nor any provision of this act shall be construed to give to the Surgeon General or any other person or agency the right to intervene in the said proceedings wherein such stipulation was entered.

On page 22, at the beginning of line 7, to strike out "(i)" and insert "(g)"; in line 11, to change the section number from "9" to "8"; on page 23, line 5, to change the section number from "10" to "9"; in line 13, after the word "States", to insert "established by or pursuant to an agreement or compact approved by the Congress, or any other agency of two or more States; after line 16, to strike out:

(c) The term "treatment works" means the various devices used in the treatment of sewage or industrial wastes of a liquid nature, including the necessary intercepting sewers, outfall sewers, pumping, power, and other equipment, and their appurtenances, and includes any extensions, improvements, remodeling, additions, and alterations thereof.

At the beginning of line 23, to strike out "(d)" and insert "(c)"; on page 24, at the beginning of line 1, to strike out "(e)" and insert "(d)"; at the beginning of line 4, to strike out "(f)" and insert "(e)"; at the beginning of line 5, to insert "county"; in line 9, to change the section number from "11" to "10"; in line 21 to change the section number from "12" to "11"; on page 25, line 2, to change the section number from "13" to "12"; at the beginning of line 12, to strike out "June 30, 1955", and insert "the date of enactment of this act"; in line 13, after the word "such", to strike out "day" and insert "date"; in line 14, after the numeral "4", to strike out "Sections 1 and 2 of this act shall become effective July 1, 1955; except that as" and insert "As"; after line 23, to insert:

SEC. 5. It is hereby declared to be the intent of the Congress that any Federal department or agency having jurisdiction over any building, installation, or other property shall, insofar as practicable and consistent with the interests of the United States and within any available appropriations, cooperate with the Department of Health, Education, and Welfare, and with any State or interstate agency or municipality having jurisdiction over waters into which any matter is discharged from such property, in preventing or controlling the pollution of such waters.

On page 26, line 9, to change the section number from "5" to "6", so as to make the bill read:

Be it enacted, etc., That the Water Pollution Control Act (33 U. S. C. 466–466j) is hereby amended to read as follows:

"DECLARATION OF POLICY

"SECTION 1. (a) In connection with the exercise of jurisdiction over the waterways of the Nation and in consequence of the benefits resulting to the public health and welfare by the prevention and control of water pollution, it is hereby declared to be the policy of Congress to recognize, preserve, and protect the primary responsibilities and rights of the States in preventing and controlling water pollution, to support and aid technical research relating to the prevention and control of water pollution, and to provide Federal technical services and financial aid to State and interstate agencies in connection with the prevention and control of water pollution. To this end, the Surgeon General of the Public Health Service shall administer this act through the Public Health Service and under the supervision and direction of the Secretary of Health, Education, and Welfare.

"(b) Nothing in this act shall be construed as impairing or in any manner affecting any right or jurisdiction of the States with respect to the waters (including boundary waters) of such States.

"COMPREHENSIVE PROGRAMS FOR WATER POLLUTION CONTROL

"SEC. 2. The Surgeon General shall, after careful investigation, and in cooperation with other Federal agencies, with State water pollution control agencies and interstate agencies, and with the municipalities and industries involved, prepare or develop comprehensive programs for eliminating or reducing the pollution and improving the sanitary condition of surface and underground waters. In the development of such comprehensive programs due regard shall be given to the improvements which are necessary to conserve such waters for public water supplies, propagation of fish and aquatic life and wildlife, recreational purposes, and agricultural, industrial, and other legitimate uses. For the purpose of this section, the Surgeon General is authorized to make joint investigations with any such agencies of the condition of any waters in any State or States, and of the discharges of any sewage, industrial wastes, or substance which may adversely affect such waters.

"INTERSTATE COOPERATION AND UNIFORM LAWS

"SEC. 3. (a) The Surgeon General shall encourage cooperative activities by the States for the prevention and control of water pollution; encourage the enactment of improved and, so far as practicable, uniform State laws relating to the prevention and control of water pollution; and encourage compacts between States for the prevention and control of water pollution.

"(b) The consent of the Congress is hereby given to two or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for (1) cooperative effort and mutual assistance for the prevention and control of water pollution and the enforcement of their respective laws relating thereto, and (2) the establishment of such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts. No such agreement or compact shall be binding or obligatory upon any State a party thereto unless and until it has been approved by the Congress.

"RESEARCH, INVESTIGATIONS, TRAINING, AND INFORMATION

"SEC. 4. (a) The Surgeon General shall conduct in the Public Health Service and encourage, cooperate with, and render assistance to other appropriate public (whether Federal, State, interstate, or local) authorities, agencies, and institutions, private agencies and institutions, and individuals in the conduct of, and promote the coordination of, research, investigations, experiments, demonstrations, and studies relating to the causes, control, and prevention of water pollution. In carrying out the fore-

going, the Surgeon General is authorized to—

"(1) collect and make available, through publications and other appropriate means, the results of and other information as to research, investigations, and demonstrations relating to the prevention and control of water pollution, including appropriate recommendations in connection therewith;

"(2) make grants-in-aid to public or private agencies and institutions and to individuals for research or training projects and for demonstrations, and provide for the conduct of research, training, and demonstrations by contract with public or private agencies and institutions and with individuals without regard to sections 3648 and 3709 of the Revised Statutes;

"(3) secure, from time to time and for such periods as he deems advisable, the assistance and advice of experts, scholars, and consultants as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U. S. C. 55a);

"(4) establish and maintain research fellowships in the Public Health Service with such stipends and allowances, including traveling and subsistence expenses, as he may deem necessary to procure the assistance of the most promising research fellows; and

"(5) provide training in technical matters relating to the causes, prevention, and control of water pollution to personnel of public agencies and other persons with suitable qualifications.

"(b) The Surgeon General may, upon request of any State water pollution control agency or interstate agency, conduct investigations and research and make surveys concerning any specific problem of water pollution confronting any State, interstate agency, community, municipality, or industrial plant, with a view of recommending a solution of such problem.

"(c) The Surgeon General shall collect and disseminate such information relating to water pollution and the prevention and control thereof as he deems appropriate to carry out the purposes of this act.

"GRANTS FOR WATER POLLUTION CONTROL

"SEC. 5. (a) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1956, and for each succeeding fiscal year to and including the fiscal year ending June 30, 1960, $2 million for grants to States and to interstate agencies to assist them in meeting the costs of establishing and maintaining adequate measures for the prevention and control of water pollution.

"(b) The portion of the sums appropriated pursuant to subsection (a) for the fiscal year which shall be available for grants to interstate agencies and the portion thereof which shall be available for grants to States shall be specified in the act appropriating such sums.

"(c) From the sums available therefor for any fiscal year the Surgeon General shall from time to time make allotments to the several States, in accordance with regulations, on the basis of (1) the population, (2) the extent of the water pollution problem, and (3) the financial need of the respective States.

"(d) From each State's allotment under subsection (c) for any fiscal year the Surgeon General shall pay to such State an amount equal to its Federal share (as determined under subsection (l)) of the cost of carrying out its State plan approved under subsection (f), including the cost of training personnel for State and local water pollution control work and including the cost of administering the State plan.

"(e) From the sums available therefor for any fiscal year the Surgeon General shall from time to time make allotments to interstate agencies, in accordance with regulations, on such basis as the Surgeon General finds reasonable and equitable. He shall from time to time pay to each such agency, from its allotment, an amount equal to such portion of the cost of carrying out its plan approved under subsection (f) as may be determined in accordance with regulations, including the cost of training personnel for water pollution control work and including the cost of administering the interstate agency's plan. The regulations relating to the portion of the cost of carrying out the interstate agency's plan which shall be borne by the United States shall be designed to place such agencies, so far as practicable, on a basis similar to that of the States.

"(f) The Surgeon General shall approve any plan for purposes of this section which is submitted by the State water pollution control agency or, in the case of an interstate agency, by such agency, and which meets such requirements as the Surgeon General may prescribe by regulation.

"(g) All regulations and amendments thereto with respect to grants to States and to interstate agencies under this section shall be made after consultation with a conference of the State water pollution control agencies and interstate agencies. Insofar as practicable, the Surgeon General shall obtain the agreement, prior to the issuance of any such regulations or amendments, of such State and interstate agencies.

"(h) (1) Whenever the Surgeon General, after reasonable notice and opportunity for hearing to a State water pollution control agency or interstate agency finds that—

"(A) the plan submitted by such agency and approved under this section has been so changed that it no longer complies with a requirement prescribed by regulation as a condition of approval of the plan; or

"(B) in the administration of the plan there is a failure to comply substantially with such a requirement, the Surgeon General shall notify such agency that no further payments will be made to the State or to the interstate agency, as the case may be, under this section (or in his discretion that further payments will not be made to the State, or to the interstate agency, for projects under or parts of the plan affected by such failure) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Surgeon General shall make no further payments to such State, or to such interstate agency, as the case may be, under this section (or shall limit payments to projects under or parts of the plan in which there is no such failure).

"(2) If any State or any interstate agency is dissatisfied with the Surgeon General's action with respect to it under this subsection, it may appeal to the United States court of appeals for the circuit in which such State (or any of the member States, in the case of an interstate agency) is located. The summons and notice of appeal may be served at any place in the United States. The findings of fact by the Surgeon General, unless contrary to the weight of the evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Surgeon General to take further evidence, and the Surgeon General may thereupon make new or modified findings of fact and may modify his previous action. Such new or modified findings of fact shall likewise be conclusive unless contrary to the weight of the evidence. The court shall have jurisdiction to affirm the action of the Surgeon General or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

"(i) (1) The 'Federal share' for any State shall be 100 percent less that percentage which bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the continental United States (excluding Alaska), except that (A) the Federal share shall in no case be more than 66⅔ percent or less than 33⅓ percent, and (B) the Federal share for Hawaii and Alaska shall be 50 percent, and for Puerto Rico and the Virgin Islands shall be 66⅔ percent.

"(2) The 'Federal shares' shall be promulgated by the Surgeon General between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the continental United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such promulgation: *Provided*, That the Federal shares promulgated by the Surgeon General pursuant to section 4 of the Water Pollution Control Act Amendments of 1955 shall be conclusive for the period beginning July 1, 1955, and ending June 30, 1957.

"(j) The population of the several States shall be determined on the basis of the latest figures furnished by the Department of Commerce.

"(k) The method of computing and paying amounts pursuant to subsection (d) or (e) shall be as follows:

"(1) The Surgeon General shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State (or to each interstate agency in the case of subsection (e)) under the provisions of such subsection for such period, such estimate to be based on such records of the State (or the interstate agency) and information furnished by it, and such other investigation, as the Surgeon General may find necessary.

"(2) The Surgeon General shall pay to the State (or to the interstate agency), from the allotment available therefor, the amount so estimated by him for any period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid such State (or such interstate agency) for any prior period under such subsection was greater or less than the amount which should have been paid to such State (or such agency) for such prior period under such subsection. Such payments shall be made through the disbursing facilities of the Treasury Department, in such installments as the Surgeon General may determine.

"WATER POLLUTION CONTROL ADVISORY BOARD

"SEC. 6. (a) There is hereby established in the Public Health Service a Water Pollution Control Advisory Board to be composed as follows: The Surgeon General or a sanitary engineer officer designated by him, who shall be Chairman of the Board, a representative of the Department of the Army, a representative of the Department of the Interior, a representative of the Department of Commerce, a representative of the Department of Agriculture, a representative of the Atomic Energy Commission, a representative of the National Science Foundation, and a representative of the Federal Power Commission, designated by the Secretary of the Army, the Secretary of the Interior, the Secretary of Commerce, the Secretary of Agriculture, the Chairman of the Atomic Energy Commission, the Director of the National Science Foundation, and the Chairman of the Federal Power Commission, respectively; and seven persons (not officers or employees of the Federal Government) to be appointed by the President. One of the persons appointed by the President shall be an engineer who is expert in sewage and industrial waste disposal, one shall be a person who shall have shown an active interest in the field of wildlife conservation and recreation, and, except as the

President may determine that the purposes of this act will be better furthered by different representation, one shall be a person representative of municipal government, one shall be a person representative of State government, one shall be a person representative of affected industry, one shall be a person representative of interstate agencies, and one shall be a person who shall have shown an active interest in the field of agriculture. Each member appointed by the President shall hold office for a term of 3 years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the members first taking office after June 30, 1955, shall expire as follows: 2 at the end of 1 year after such date, 2 at the end of 2 years after such date, and 3 at the end of 3 years after such date, as designated by the President at the time of appointment. None of the members appointed by the President shall be eligible for reappointment within 1 year after the end of his preceding term, but terms commencing prior to the enactment of the Water Pollution Control Act Amendments of 1955 shall not be deemed 'preceding terms' for purposes of this sentence. The members of the Board who are not officers or employees of the United States, while attending conferences or meetings of the Board or while otherwise serving at the request of the Surgeon General, shall be entitled to receive compensation at a rate to be fixed by the Secretary of Health, Education, and Welfare, but not exceeding $50 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U. S. C. 73b–2) for persons in the Government service employed intermittently.

"(b) The Board shall advise, consult with, and make recommendations to, the Surgeon General on matters of policy relating to the activities and functions of the Surgeon General under this act.

"(c) Such clerical and technical assistance as may be necessary to discharge the duties of the Board shall be provided from the personnel of the Public Health Service.

"ENFORCEMENT MEASURES AGAINST POLLUTION OF INTERSTATE WATERS

"SEC. 7. (a) The pollution of interstate waters in or adjacent to any State or States (whether the matter causing or contributing to such pollution is discharged directly into such waters or reaches such waters after discharge into a tributary of such waters), which endangers the health or welfare of persons in a State other than that in which the discharge originates, shall be subject to abatement as herein provided.

"(b) Whenever the Surgeon General, on the basis of reports, surveys, and studies, has reason to believe that any such pollution is occurring, he shall give formal notification thereof to the person or persons discharging any matter causing or contributing to such pollution and shall advise the water pollution control agency or interstate agency of the State or States where such discharge or discharges originate of such notification. The notification shall specify a reasonable time to secure abatement of the pollution.

"(c) If action reasonably calculated to secure abatement of the pollution within the time specified in the notification pursuant to subsection (b) is not taken, the Secretary of Health, Education, and Welfare is authorized to call a public hearing, to be held in or near one or more of the places where the discharge or discharges causing or contributing to such pollution originate, before a board of five or more persons appointed by the Secretary, who may be officers or employees of the Department of Health, Education, and Welfare or of the water pollution control agency or interstate agency of the State or States where such discharge or discharges originate (except that the water pollution control agency of the State or States where such discharge or discharges originate shall be given an opportunity to select at least one member of the Board and at least one member shall be a representative of the Department of Commerce, and not less than a majority of the Board shall be persons other than officers or employees of the Department of Health, Education, and Welfare). On the basis of the evidence presented at such hearing, the Board shall make findings as to whether pollution referred to in subsection (a) is occurring. If the Board finds such pollution is occurring, it shall make recommendations to the Secretary of Health, Education, and Welfare concerning the measures, if any, which it finds to be reasonable and equitable to secure abatement of such pollution. The Secretary shall send a copy of such findings and recommendations to the person or persons discharging any matter causing or contributing to such pollution, together with a notice specifying a reasonable time (not less than 6 months) to secure abatement of such pollution, and shall also send a copy of such findings and recommendations and of such notice to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate.

"(d) If action reasonably calculated to secure abatement of the pollution within the time specified in the notice prescribed in subsection (c) is not taken, the Secretary of Health, Education, and Welfare shall send a further notice to such person or persons, and shall send a copy thereof to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate. Such further notice shall specify a reasonable time (not less than 3 months) to secure abatement of such pollution. If action reasonably calculated to secure abatement of the pollution within the time specified in such further notice is not taken, the Secretary of Health, Education, and Welfare may, with the consent of the water pollution control agency (or any officer or employee authorized to give such consent) of the State or States where the matter causing or contributing to the pollution is discharged or at the request of the water pollution control agency (or any officer or employee authorized to make such request) of any other State or States where the health or welfare of any person or persons is adversely affected by such pollution, request the Attorney General to bring a suit on behalf of the United States to secure abatement of the pollution.

"(e) In any suit brought pursuant to subsection (d) in which two or more persons in different judicial districts are originally joined as defendants, the suit may be commenced in the judicial district in which any discharge caused by any of the defendants occurs.

"(f) The court shall receive in evidence in any such suit a transcript of the proceedings before the Board and a copy of the Board's recommendation; and shall receive such further evidence as the court in its discretion deems proper. The court shall have jurisdiction to enter such judgment, and orders enforcing such judgment, as the public interest and the equities of the case may require.

"(g) As used in this section, the term 'person' includes an individual, corporation, partnership, association, State, municipality, and political subdivision of the State.

"ADMINISTRATION

"SEC. 8. (a) The Surgeon General is authorized to prescribe such regulations as are necessary to carry out his functions under this act. All regulations of the Surgeon General under this act shall be subject to the approval of the Secretary of Health, Education, and Welfare. The Surgeon General may delegate to any officer or employee of the Public Health Service such of his powers and duties under this act, except the making of regulations, as he may deem necessary or expedient.

"(b) The Secretary of Health, Education, and Welfare, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as may be found necessary to assist in carrying out the purposes of this act.

"(c) There are hereby authorized to be appropriated to the Department of Health, Education, and Welfare such sums as may be necessary to enable it to carry out its functions under this act.

"DEFINITIONS

"SEC. 9. When used in this act—

"(a) The term 'State water pollution control agency' means the State health authority, except that, in the case of any State in which there is a single State agency, other than the State health authority, charged with responsibility for enforcing State laws relating to the abatement of water pollution, it means such other State agency.

"(b) The term 'interstate agency' means an agency of two or more States established by or pursuant to an agreement or compact approved by the Congress, or any other agency of two or more States, having substantial powers or duties pertaining to the control of pollution of waters.

"(c) The term 'State' means a State, the District of Columbia, Hawaii, Alaska, Puerto Rico, or the Virgin Islands.

"(d) The term 'interstate waters' means all rivers, lakes, and other waters that flow across, or form a part of, State boundaries.

"(e) The term 'municipality' means a city, town, county, district, or other public body created by or pursuant to State law and having jurisdiction over disposal of sewage, industrial wastes, or other wastes.

"OTHER AUTHORITY NOT AFFECTED

"SEC. 10. This act shall not be construed as (1) superseding or limiting the functions, under any other law, of the Surgeon General or of the Public Health Service, or of any other officer or agency of the United States, relating to water pollution, or (2) affecting or impairing the provisions of the Oil Pollution Act, 1924, or sections 13 through 17 of the act entitled 'An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors and for other purposes,' approved March 3, 1899, as amended, or (3) affecting or impairing the provisions of any treaty of the United States.

"SEPARABILITY

"SEC. 11. If any provision of this act, or the application of any provision of this act to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this act, shall not be affected thereby.

"SHORT TITLE

"SEC. 12. This act may be cited as the 'Federal Water Pollution Control Act.'"

SEC. 2. The title of such act is amended to read "An act to provide for water pollution control activities in the Public Health Service of the Department of Health, Education, and Welfare, and for other purposes."

SEC. 3. Terms of office as members of the Water Pollution Control Advisory Board (established pursuant to sec. 6 (b) of the Water Pollution Control Act, as in effect prior to the enactment of this act) subsisting on the date of enactment of this act shall expire at the close of business on such date.

SEC. 4. As soon as possible after the date of enactment of this act the Surgeon General

shall promulgate Federal shares in the manner provided in subsection (1) of section 5 of the Water Pollution Control Act, as amended by this act (and without regard to the date specified therein for such promulgation), such Federal shares to be conclusive for the purposes of section 5 of such act for the period beginning July 1, 1955, and ending June 30, 1957.

SEC. 5. It is hereby declared to be the intent of the Congress that any Federal department or agency having jurisdiction over any building, installation, or other property shall, insofar as practicable and consistent with the interests of the United States and within any available appropriations, cooperate with the Department of Health, Education, and Welfare, and with any State or interstate agency or municipality having jurisdiction over waters into which any matter is discharged from such property, in preventing or controlling the pollution of such waters.

SEC. 6. This act may be cited as the "Water Pollution Control Act Amendments of 1955."

Mr. JOHNSON of Texas. I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. MARTIN of Pennsylvania. Mr. President, on behalf of the Senator from New Hampshire [Mr. COTTON], who is absent on official business, I desire to clarify one point relative to the pending bill, S. 890, to extend the Water Pollution Control Act.

Section 7 of the bill as reported by the committee provides additional enforcement authority to the Federal Government, and this has been a matter of some concern.

Is it the intent of the committee that the Federal Government, under the provisions of the bill, shall take over, preempt, or supersede the enforcement authority of the States or interstate pollution control agencies in the matter of control or abatement of pollution?

Mr. CHAVEZ. That is not the intent of the committee.

Mr. MARTIN of Pennsylvania. Then would it be correct to state that where a State, or an interstate agency, is proceeding under a comprehensive, effective program for control and abatement of pollution, the Surgeon General would not invoke the Federal enforcement provisions?

Mr. CHAVEZ. The Surgeon General would not invoke the Federal enforcement provisions of section 7 of the bill where a State or an interstate agency is proceeding under a comprehensive, effective program for control and abatement of pollution.

Mr. MARTIN of Pennsylvania. I think the chairman of the committee has correctly stated the intent of the committee when it reported the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have a paragraph from the report printed in the RECORD at this point.

There being no objection, the excerpt from the report (No. 543) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE COMMITTEE BILL

The purpose of the bill here reported is to authorize the Public Health Service, under the supervision and direction of the Secretary of Health, Education, and Welfare, to continue and improve the program it is carrying on under the Water Pollution Control Act (Public Law 845, 80th Cong.). It would extend and improve the provisions of that act, which is now scheduled to expire on June 30, 1956. The changes which the bill would make in the act are based on experience with its administration and on the views of public agencies, conservation interests, industry, and others which have testified before or submitted material to the committee in connection with this legislation.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION OF HIGHWAY BRIDGE ACROSS THE ST. CROIX RIVER, MAINE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the present consideration of Calendar No. 548, which is S. 1550.

There being no objection, the Senate proceeded to consider the bill (S. 1550) authorizing the State highway commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Dominion of Canada, which had been reported from the Committee on Public Works with amendments.

Mr. MORSE. Mr. President, while I was absent from the floor in connection with business of the Committee on the District of Columbia, I understand Calendar 546, a House bill, was passed. I wish to move that the Senate reconsider the vote by which the bill was passed, in order that I may submit an amendment to the bill.

Mr. JOHNSON of Texas. Mr. President, I wonder whether the Senator from Oregon will make his motion at the conclusion of the calendar? Approximately 15 Members are waiting for the consideration of the other bills which have previously been listed for consideration today. We expect that the consideration of those bills will take only a few minutes. After they are considered, it will be appropriate for the Senator from Oregon to submit his motion to reconsider.

Mr. MORSE. Very well; I shall wait.

Mr. JOHNSON of Texas. Mr. President, is Senate bill 1550, Calendar No. 548, now before the Senate?

The PRESIDING OFFICER. It is, and unless there is objection the committee amendments to the bill will be stated.

The amendments of the Committee on Public Works were, on page 1, line 4, after the word "a", to insert "free highway"; in line 9, after the name "Brunswick", to strike out "Dominion of"; and on page 2, line 5, after the word "authorities", to strike out "in the Dominion of Canada" and insert "of the Government of Canada", so as to make the bill read:

Be it enacted, etc., That the State Highway Commission of the State of Maine is authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the St. Croix River, so far as the United States has jurisdiction over the waters of such river at a point suitable to the interests of navigation, between Calais, Maine, and St. Stephen, New Brunswick, Canada, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities of the Government of Canada.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. CHAVEZ. Mr. President, the bill will merely permit the State of Maine and the Province of New Brunswick, Canada, to construct a bridge. It will not cost the American people 1 penny.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the State highway commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Canada."

STRENGTHENING AND IMPROVING THE ORGANIZATION OF THE DEPARTMENT OF STATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 550, Senate bill 2237.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2237) to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, the purpose of the bill is twofold. First, it will increase the number of top-level statutory positions in the Department of State by three officers at the level of Deputy Under Secretary of State. Second, it will authorize an increase in the salaries of the top-level officers, exclusive of the Secretary of State, namely, the Under Secretary of State, 3 Deputy Under Secretaries of State, 10 Assistant Secretaries of State, the Counselor, and the Legal Adviser.

The number of Assistant Secretaries of State will continue to be the same; and the pay level will be comparable to that in the Department of Justice.

The PRESIDING OFFICER. If there be no amendment to be proposed, the

question is on the engrossment and third reading of the bill.

The bill (S. 2237) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of May 26, 1949 (63 Stat. 111; 5 U. S. C. 151 (a)), is hereby amended to read as follows:

"There shall be in the Department of State in addition to the Secretary of State an Under Secretary of State, 3 Deputy Under Secretaries of State, and 10 Assistant Secretaries of State."

SEC. 2. Section 2 of said act is hereby amended to read as follows: "The Secretary of State and the officers referred to in section 1 of this act, as amended, shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this act, as amended, become effective shall not be required to be reappointed by reason of the enactment of this act, as amended. The rates of basic compensation of the Under Secretary of State shall be $21,000 per annum, the Deputy Under Secretaries of State $20,500 per annum, the Assistant Secretaries of State, the Counselor, and the Legal Adviser $20,000 per annum."

SEC. 3. The President may initially fill 2 of the Deputy Under Secretary positions established in section 1 of this act by appointing, without further advice and consent of the Senate, the 2 Deputy Under Secretaries of State who, on the date of the enactment of this act, held that designation pursuant to authority contained in section 2 of the act of May 26, 1949 (63 Stat. 111).

REPEAL OF FEE-STAMP REQUIREMENT IN THE FOREIGN SERVICE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 555, House bill 5841.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5841) to repeal the fee-stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, before action on the bill is completed, let me ask whether the bill should be referred to the Committee on Rules and Administration?

Mr. MANSFIELD. No.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5841) was ordered to a third reading, read the third time, and passed.

REPEAL OF SERVICE CHARGE IN MAKING AND AUTHENTICATING RECORDS IN DEPARTMENT OF STATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 556, House bill 5842.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5842) to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief excerpt from the report on the bill.

There being no objection, the excerpt from the report (No. 551) was ordered to be printed in the RECORD, as follows:

WHY THE BILL IS NECESSARY

Section 213 of the Revised Statutes (5 U. S. C. 166; derived from an act of September 15, 1789) requires that for "making out and authenticating copies of records in the Department of State, a fee of 10 cents for each sheet containing 100 words shall be paid by the person requesting such copies, except where they are requested by an officer of the United States in a matter relating to his office."

H. R. 5842 will eliminate this requirement. The Department of State, which proposed this legislation, contends that the old statute is "obsolete, and its implementation is uneconomical in view of present administrative and accounting costs."

The PRESIDING OFFICER. If there be no amendment to be submitted, the question is on the third reading of the bill.

The bill (H. R. 5842), was considered, ordered to a third reading, read the third time, and passed.

CARRYING OF FIREARMS BY CERTAIN OFFICERS AND EMPLOYEES OF THE STATE DEPARTMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 557, House bill 5860.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5860) to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, the purpose of the bill is to permit certain security officers to carry firearms when accompanying distinguished guests around the country.

I ask unanimous consent that a marked portion of the report on the bill be printed at this point in the RECORD.

There being no objection, the excerpt from the report (No. 552) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

This bill authorizes security officers of the Department of State and the Foreign Service to carry firearms for the purpose of protecting (1) heads of foreign states, (2) high officials of foreign governments and other distinguished visitors to the United States, (3) the Secretary and Under Secretary of State, and (4) official representatives of foreign governments and of the United States attending international conferences or performing special missions. The Secretary of State may prescribe regulations and shall designate security officers who have qualified for the use of firearms for this purpose.

The PRESIDING OFFICER. If there be no amendment to be submitted, the question is on the third reading of the bill.

The bill (H. R. 5860) was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

Mr. JOHNSON of Texas. Mr. President, at this time I wish to have Calendar No. 558, Senate bill 1966, amending the Interstate Commerce Act, temporarily passed over, as one of our colleagues who is en route here desires to discuss it.

MODIFICATION OF AUTHORIZED PROJECT FOR FERRELLS BRIDGE RESERVOIR, TEX.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 560, Senate Joint Resolution 77.

The PRESIDING OFFICER. The joint resolution will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 77) to modify the authorized project for Ferrells Bridge Reservoir, Tex., and to provide for the local cash contribution for the water-supply feature of the reservoir.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas for the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, this measure has been reported unanimously by the Committee on Public Works, of which the distinguished senior Senator from New Mexico [Mr. CHAVEZ] is chairman.

I ask unanimous consent to have printed at this point in the RECORD an excerpt from the report on the bill.

There being no objection, the excerpt from the report (No. 55) was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this bill is to modify the general plan for flood control on Red River below Denison Dam, Tex. and Okla., to include an increase of approximately 250,000

acre-feet of storage for water-supply purposes in Ferrells Bridge Reservoir, and to provide that local interests contribute the appropriate increased costs, either on a percentage basis as construction of the project progresses, or in a lump sum as soon as reasonably certain date of completion can be made, but no later than at such time as may be determined by the Chief of Engineers that will assure orderly construction to proceed to completion without interruption or delay.

The PRESIDING OFFICER. If there be no amendment to be proposed——

Mr. MORSE. Mr. President, I should like to have an explanation made of the joint resolution.

Mr. JOHNSON of Texas. Mr. President, this joint resolution involves Ferrells Bridge Dam and Reservoir, in Texas. The dam was authorized some 10 years ago. It is a part of the Red River Basin flood-control project, which serves the States of Texas, Arkansas, and Louisiana.

After the project was authorized, Congress passed legislation permitting the communities to purchase water impounded by the dam.

Mr. MORSE. Mr. President, my memory is now refreshed, and I am satisfied.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 77) was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Resolved, That the general plan for flood control on Red River below Denison Dam authorized by the Flood Control Act of 1946 (Public Law 526, 79th Cong.) is hereby modified to include in Ferrells Bridge Reservoir approximately 250,000 acre-feet of increased storage for water supply: *Provided*, That local interests shall contribute the increased cost, including appropriate interest charges, of planning, constructing, operating, and maintaining such added storage as determined by the Chief of Engineers: *Provided further*, That this contribution may be made on a percentage basis as construction of the project progresses or in a lump sum as soon as a reasonably certain date of completion can be given: *And provided further*, That payment of such contribution, irrespective of the method selected, shall be made no later than at such time as may be determined by the Chief of Engineers that will assure orderly construction to proceed to completion without interruption or delay.

CONSTRUCTION OF A BUILDING FOR A MUSEUM OF HISTORY AND TECHNOLOGY, SMITHSONIAN INSTITUTION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 561, House bill 6410.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6410) to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief, marked portion of the report on the bill.

There being no objection, the excerpt from the report (No. 556) was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to authorize and direct the Regents of the Smithsonian Institution to plan and to have constructed under the supervision of the Administrator of the General Services Administration, a building and all necessary appurtenances, for use by the Smithsonian Institution as a national museum of history and technology.

The bill authorizes the appropriation of such sums, not to exceed $36 million, as may be necessary to carry out the work of planning and constructing the building and appurtenances.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 6410) was ordered to a third reading, read the third time, and passed.

TRANSFER OF CERTAIN REAL PROPERTY IN ST. CROIX, VIRGIN ISLANDS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 562, Senate bill 2097.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2097) to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, V. I.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, before the bill is passed, I ask unanimous consent to have printed at this point in the RECORD a statement which I send to the desk.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 2097

This bill would direct the transfer of certain real property by the Virgin Islands Corporation, a wholly owned Government corporation, to the Department of Agriculture. The Department is presently using this property under a cooperative agreement for the research and extension program recently established for the Virgin Islands. It is desirable that the Department have permanent possession of these facilities so that it can make needed improvements and undertake long-range research.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2097) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Virgin Islands Corporation is authorized and directed to transfer and convey to the United States of America upon request of the Secretary of Agriculture, without cost, the real property comprising 60 acres more or less, together with the buildings and improvements thereon, occupied and in use by the Department of Agriculture, which property is adjacent to the southwest corner of the intersection of Centerline Road and Airport Road on the island of St. Croix, V. I.: *Provided*, Upon the transfer and conveyance of such property by the Virgin Islands Corporation to the United States, the interest-bearing investment of the United States in the Corporation shall be reduced by the net book value of such property.

EXTENSION SERVICE APPROPRIATIONS FOR LOW-INCOME FARMERS' PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 563, Senate bill 2098.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2098) to amend Public Law 83, 83d Congress.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, the bill was reported unanimously from the Committee on Agriculture and Forestry. I now send to the desk a brief statement, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 2098

This bill, which is a part of the President's program to assist low-income farmers, would authorize appropriations to meet the special needs of underdeveloped agricultural areas for extension service. The amounts appropriated for the purposes of the bill would be additional to the amounts now authorized for allotment on the basis of special needs by sections 3 (b) and 3 (c) of the Smith-Lever Act.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2098) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the Smith-Lever Act, as amended (7 U. S. C. 341 and the following, supp. 1), is further amended as follows:

(a) By adding a new section, following section 7, to read as follows:

"SEC. 8. In order to further the purposes of section 2 in agricultural areas which, because of special circumstances affecting such areas, are at a disadvantage insofar as agricultural development is concerned, and to encourage complementary development essential to the welfare of such areas, there is hereby authorized to be appropriated such sums as the Congress from time to time shall

determine to be necessary for payments to the States, Alaska, Hawaii, and Puerto Rico on the basis of special needs in such areas as determined by the Secretary of Agriculture. Sums appropriated in pursuance of this section shall be in addition to, and not in substitution for, appropriations otherwise available under this act."

(b) By renumbering section 8 to read section 9.

CONVEYANCE OF CERTAIN TRACT OF LAND IN MACON COUNTY, GA.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 564, House bill 2973.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2973), to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

Mr. JOHNSTON of South Carolina. Mr. President, the bill was reported unanimously from the Committee on Agriculture and Forestry. I ask unanimous consent to have printed at this point in the RECORD a statement regarding the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF H. R. 2973

This bill provides for transfer to the Georgia State Board of Education of reversionary rights and reserved mineral rights in approximately 226 acres conveyed to the board in 1945 for school and community purposes. It appears that the property will continue to be used for those purposes and that this transfer is necessary to enable the board to qualify for additional improvements from State funds; 39.8 percent of the interests to be transferred are held for the Georgia Livestock Development Authority, and 60.2 percent are held for the United States.

Mr. MORSE. Mr. President, this is the bill I had in mind a few minutes ago, when I referred to Calendar 546. At that time I was advised, inaccurately, that Calendar 564, House bill 2973, had been passed. I then referred by mistake to Calendar 546, instead of Calendar 564, House bill 2973, the bill I had in mind.

Of course, Mr. President, the distinguished senior Senator from New Mexico [Mr. CHAVEZ] the Chairman of the Committee on Public Works, has always been an enthusiastic supporter of the Inter-American Highway, the subject of Calendar 546, House bill 5923.

I wish to address myself to the bill to which the Senator from Texas [Mr. JOHNSON] has just referred, namely Calendar 564, House bill 2973, providing for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

I wish to offer an amendment to House bill 2973. So far as I know, this is the first time in this session of Congress that a bill has been proposed which has sought to transfer Federal property rights to a State without any compensation whatsoever. The objective of this bill is good, but it is proposed to transfer a Federal reversionary interest in this property.

A reversionary interest is worth something. It can be appraised. I think it is a great mistake, in one session of Congress, to pass a property and retain in the Federal Government a reversionary interest in mineral rights, which is what the Congress did when this property was transferred in the first instance to the educational system of Georgia, and, in another session of Congress, complete the deal by another bill, which transfers the reversionary interest.

I do not know how much this reversionary interest is worth. I do not think it is worth very much, but that is for the appraisers to determine. Of course, it might be worth a great deal, if it should come to pass that oil or mineral deposits should be found on this piece of property.

I think we have gone a long way in the Senate in recent years in establishing a very sound policy in the disposal of Federal property, when we have required, in most instances, with very few exceptions, that a State or local government unit pay 50 percent of the appraised fair market value of the Federal interest in the property which is to be transferred.

Mr. JOHNSON of Texas. Mr. President, inasmuch as the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] is not present, and inasmuch as neither of the distinguished Senators from Georgia is in the Chamber, the distinguished senior Senator [Mr. GEORGE] being indisposed, as my friend knows, and inasmuch as we were unable to get word in advance to the junior Senator from Georgia [Mr. RUSSELL], I wonder if it would be agreeable to the Senator from Oregon to pass on to another bill, and consider this proposed legislation at a later date, when the Senator's amendment can be offered and we can obtain the reactions to it when we have more time. Several Senators are interested in bills which it is desired to consider. I do not wish action on the bill to be taken in the absence of the chairman of the Committee on Agriculture and Forestry, if any question is involved.

Mr. MORSE. It is perfectly satisfactory to me to defer consideration of the bill, with the understanding that I may send to the desk an amendment to the bill, in order that it may be printed and await future consideration.

The PRESIDING OFFICER. Without objection, consideration of the bill will be deferred; and, without objection, the amendment submitted by the Senator from Oregon will be printed and lie on the table.

Mr. MORSE subsequently said: Mr. President, I wish to make a brief statement in connection with calendar 564, H. R. 2974, so that the authors of the bill will have a complete record before them when they come to study my amendment tomorrow.

As I was saying, I believe this is the first bill in this session of Congress—at least it is the first to my knowledge—in which it is proposed to transfer Federal property interests without any compensation whatever to the Federal Government. As I said earlier, before I agreed to let the bill go over, we have gone a long way in the Senate in recent years in saving the taxpayers of this country millions of dollars—in fact hundreds of millions of dollars—by requiring payment to the Federal Government for the transfer of property to local governmental agencies.

When the property is to be transferred for public use, the standard formula has become 50 percent of the appraised fair market value of the property. When the transfer is for private use, it has been 100 percent of the appraised fair market value.

In all fairness to the proponents of the bill, I wish to say that with respect to this piece of property it was first transferred in the year 1945. That was before the Morse formula came into being in the Senate.

When the property was first transferred there was a reversionary clause attached to the conveyance, reserving in the people of the United States a reversionary interest in the mineral and oil rights in the property.

I do not believe it is controlling in the premises, so far as the instant situation is concerned, that this property was originally transferred before the Morse formula came into being, because the Morse formula pertains to all Federal proprietary interests in federally owned property.

Therefore the question before the Senate is a very simple one. The question is: Is this reversionary interest of value to the taxpayers of the United States. The answer is in the affirmative. It has a value, which is now vested in the people of the country, for which the State of Georgia should pay 50 percent of the appraised fair market value. There is no question about this property going to public use, although it is interesting that in the committee report there is no assurance that the property will always be used for educational purposes. The committee in effect states that, so far as it knows, the State of Georgia intends to continue to use it for educational purposes. However, there is nothing binding about it. Once we transfer the reversionary interest, the State could proceed to use it for any purpose it pleased. Once the State has vested in it the fee simple title it can do with it what it pleases. It has possession of the property. There are no strings attached.

I do not think we should start making exceptions in the Senate with regard to these matters. I believe we have done a remarkably fine job in such cases by requiring some payment for Federal property. That has not been an easy course for the senior Senator from Oregon since 1946. I have had my ears battered down, if I may say so good naturedly, and there have been times when muscle tensions have not been particularly relaxed toward the senior Senator from Oregon on the part of some of his colleagues.

Nevertheless, the overwhelming majority of my colleagues have said—just as one colleague said to me not more than 15 minutes ago in the cloakroom—"If you will just stick to it, and insist on your formula without exception, I will

back you up." I happen to know that that is the private opinion of an overwhelming majority of my colleagues.

I believe the proponents of the bill, when they come to reflect upon it, particularly when they consider the fact that the reversionary interest will probably not run into a great amount of money, will agree that the Morse formula should be attached to the bill. That means that the State of Georgia, in order to get the reversionary interest, will have to pay 50 percent of the appraised fair market value.

If we start making an exception in the case of this bill, where will the end be? Merely because we have an item before us which may not run into many dollars, I do not believe we can justify violating a very sound public policy principle which has been established by the Morse formula.

We are dealing here with 264 and a fraction acres of land. I hope that when the bill comes up its proponents will voluntarily agree on the floor of the Senate to accept my amendment, which is on file at the desk, and which calls upon the State of Georgia to pay 50 percent of the appraised fair market value for the reversionary interest.

Because some Senators who are not lawyers may believe that this is not of great importance as a matter of principle, let me point out that a reversionary interest in property can become exceedingly valuable. If, hypothetically speaking, oil or a valuable mineral deposit should be found on the land, we would recognize how important is the principle for which I am fighting on the floor of the Senate.

Mr. President, I am rather proud of the fact that since 1946 there has been saved for the taxpayers of the United States, through the application of the Morse formula, in excess of $450 million in property, including property covered by bills which have come before us with the formula written into them, but not counting, of course, those pieces of property which if the gates had been wide open would have been transferred for the benefit of local constituents.

I hope my friends in the Senate who are proponents of the bill will not feel unkindly toward me because I have once again taken the same position with respect to this bill that I have taken with respect to all other bills involving the same problem. I hope the proponents of the bill will study the amendment and read my remarks so that when it comes up again I will hear them say, "Although we would prefer that the Senator from Oregon did not insist in such a stickler fashion, we are in accord with the principle and we are willing to accept the amendment."

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. We all agree that the Senator from Oregon has always interceded in matters of this kind and has objected to giving reversionary rights unless they are paid for. We expected him to do the same at this time. But at the present time the two Senators from Georgia are absent, and we wished, for that reason, to have the bill go over.

Mr. MORSE. That is perfectly satisfactory.

PROHIBITION OF PUBLICATION OF APPLE PRICES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 565, House bill 5188.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5188) to prohibit publication by the Government of the United States of any prediction with respect to apple prices.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF H. R. 5188

This bill would prohibit the Government from predicting apple prices in any official publication.

The same prohibition has applied to cotton for a number of years.

The growers contend that data as to quantity and quality of the crop and information of this type are a sufficient guide to both producers and buyers and that predictions as to future apple prices, although such predictions may be made in the most general terms can be affected by so many factors not capable of accurate prediction that they are likely to do more harm than good.

FINANCIAL ASSISTANCE TO DESERT LAND ENTRYMEN

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 566, Senate bill 1472.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1472) to enable the Secretary of Agriculture to extend financial assistance to desert land entrymen to the same extent as such assistance as available to homestead entrymen, which had been reported from the Committee on Agriculture with amendments, on page 1, line 3, after the word "That", to strike out "(a)"; in line 6 after the word "amended", to insert "(1)"; in line 8, after the word "entry", to insert a semicolon and "and (2) by striking out 'homestead and' and inserting in lieu thereof 'homestead, desert-land, and'"; and at the top of page 2, to strike out:

(b) The last sentence of the first section of such act is amended by inserting after "project," the following: "or to an entryman under the desert-land laws."

So as to make the bill read:

Be it enacted, etc., That the first sentence of the act entitled "An act to enable the Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes," approved October 19, 1949 (63 Stat. 883), is amended (1) by striking out "homestead entry" and inserting in lieu thereof "homestead or desert-land entry"; and (2) by striking out "homestead and" and inserting in lieu thereof "homestead, desert-land, and."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSTON of South Carolina. Mr. President, this bill was unanimously approved by the Committee on Agriculture and Forestry. I ask unanimous consent that a statement which I have prepared in explanation of the bill be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 1472

This would authorize the Secretary of Agriculture to make loans under the Bankhead-Jones Farm Tenant Act and the Water Facilities Act to persons who are acquiring farms by means of desert-land entries. Such persons do not have clear title to these lands and under the present regulations are unable to give adequate security for such loans. Such assistance is already made available to homestead entrymen.

The committee amendments are clarifying only, and make no changes in substance.

AMENDMENT OF AGRICULTURAL MARKETING ACT OF 1946

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 567, Senate bill 1757.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1757) to amend the act known as the "Agricultural Marketing Act of 1946," approved August 14, 1946, which had been reported from the Committee on Agriculture with amendments, on page 1, line 8, after the word "the", to insert "possession or"; on page 2, line 5, after the word "shall", to insert "possess without promptly notifying the Secretary of Agriculture or his representative,"; in line 12, after the word "or", to insert "inspection, grading, or certification"; and after line 14, to insert:

SEC. 2. The farm produce inspection clause contained in various appropriation acts (7 U. S. C. 414) and the second, third, and fourth sentences of section 1 of the Produce Agency Act of March 3, 1927 (7 U. S. C. 492) are hereby repealed.

So as to make the bill read:

Be it enacted, etc., That subsection (h) of section 203 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1622 (h)) is hereby amended by adding at the end thereof the following new sentence: "Whoever shall violate any provision of any regulation promulgated by the Secretary of Agriculture to govern the possession or use of certificates, memorandums, marks, or other identifications with respect to inspection, class, grade, quality, size, quantity or condition,

or devices for making such marks or identifications, issued or authorized under this act, or falsely make, issue, alter, forge, or counterfeit any such certificate, memorandum, mark identification, or device, or knowingly cause or procure, or aid, assist in, or be a party to, such violation, false making, issuing, altering, forging, or counterfeiting, or whoever knowingly shall possess without promptly notifying the Secretary of Agriculture or his representative, utter, publish, or use as true or cause to be uttered, published, or used as true any such false, altered, forged, or counterfeited certificate, memorandum, mark, identification, or device, or in any manner make any false or deceptive representation in connection with any United States standard or inspection, grading, or certification service issued or authorized under this act shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.".

SEC. 2. The farm produce inspection clause contained in various appropriation acts (7 U. S. C. 414) and the second, third, and fourth sentences of section 1 of the Produce Agency Act of March 3, 1927 (7 U. S. C. 492), are hereby repealed.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 1757

This bill would tighten provisions to prevent deception in connection with inspection of agricultural commodities as follows:

1. It would remove any question as to the applicability of such provisions to inspection under the Agricultural Marketing Act of 1946, which is the authority now being used for all inspection of the type which such provisions are intended to protect.

2. It would cover violations of regulations issued to govern the possession or use of inspection certificates, memoranda, marks, and devices, such as those governing possession of grade stamps, destruction, or preservation of certificates, use or reuse of marked bags, and use of the letters "U. S. D. A." and grade designations on meat.

3. It would apply to memoranda, marks, identifications, and devices, as well as inspection certificates, so that forgery of grade stamps could be covered.

4. It would cover the use, as well as publication or utterance, of false material, so that a retailer who knowingly used false certificates uttered by his supplier would be covered.

5. It would omit the requirement of the act now governing such penalties that the act be done for a fraudulent purpose, as proof of this element has created some problems in the past.

6. It would cover false or deceptive representations in connection with the inspection service so as to prevent false advertising, false labeling of display counters, and similar practices.

7. It would increase the maximum fine to $1,000 from $500.

The committee amendments would clarify the bill so that it will carry out its intended purpose, and would repeal duplicating inspection authorities which are neither used nor needed, but serve to complicate the law.

CONSOLIDATION OF AGRICULTURAL EXPERIMENT STATION APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 568, Senate bill 1759.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1759) to consolidate the Hatch Act (1887) and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico, which had been reported from the Committee on Agriculture with amendments, on page 3, line 21, after the word "same", to strike out "requirements" and insert "requirement as to use for marketing research projects"; on page 11, at the beginning of line 25, to strike out "Such portions of the" and insert "The"; on page 12, line 2, after the name "Rico", to strike out "as are in conflict with this act"; in line 4, after the numerals "1936", to strike out ", section 2"; and at the beginning of line 14, to insert "That part of the"; so as to make the bill read:

Be it enacted, etc., That the Hatch Act of March 2, 1887, relating to the appropriation of Federal funds for the support of State agricultural experiment stations, is hereby amended to read as follows:

"SECTION 1. It is the policy of Congress to continue the agricultural research at State agricultural experiment stations which has been encouraged and supported by the Hatch Act of 1887, the Adams Act of 1906, the Purnell Act of 1925, the Bankhead-Jones Act of 1935, and title I, section 9, of that act as added by the act of August 14, 1946, and acts amendatory and supplementary thereto, and to promote the efficiency of such research by a codification and simplification of such laws. As used in this act, the terms 'State' or 'States' are defined to include the several States, Alaska, Hawaii, and Puerto Rico. As used in this act, the term 'State agricultural experiment station' means a department which shall have been established, under direction of the college or university or agricultural departments of the college or university in each State in accordance with an act approved July 2, 1862 (12 Stat. 503), entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agricultural and the mechanic arts'; or such other substantially equivalent arrangements as any State shall determine.

"SEC. 2. It is further the policy of the Congress to promote the efficient production, marketing, distribution, and utilization of products of the farm as essential to the health and welfare of our peoples and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum employment and national prosperity and security. It is also the intent of Congress to assure agriculture a position in research equal to that of industry, which will aid in maintaining an equitable balance between agriculture and other segments of our economy. It shall be the object and duty of the State agricultural experiment stations through the expenditure of the appropriations hereinafter authorized to conduct original and other researches, investigations, and experiments bearing directly on and contributing to the establishment and maintenance of a permanent and effective agricultural industry of the United States, including researches basic to the problems of agriculture in its broadest aspects, and such investigations as have for their purpose the development and improvement of the rural home and rural life and the maximum contribution by agriculture to the welfare of the consumer, as may be deemed advisable, having due regard to the varying conditions and needs of the respective States.

"SEC. 3. (a) There are hereby authorized to be appropriated for the purposes of this act such sums as Congress may from time to time determine to be necessary.

"(b) Out of such sums each State shall be entitled to receive annually a sum of money equal to and subject to the same requirement as to use for marketing research projects as the sums received from Federal appropriations for State agricultural experiment stations for the fiscal year 1955, except that amounts heretofore made available from the fund known as the 'Regional research fund, Office of Experiment Stations' shall continue to be available for the support of cooperative regional projects as defined in subsection 3 (c) (3), and the said fund shall be designated 'Regional research fund, State agricultural experiment stations,' and the Secretary of Agriculture shall be entitled to receive annually for the administration of this act, a sum not less than that available for this purpose for the fiscal year ending June 30, 1955: *Provided,* That if the appropriations hereunder available for distribution in any fiscal year are less than those for the fiscal year 1955 the allotment to each State and the amounts for Federal administration and the regional research found shall be reduced in proportion to the amount of such reduction.

"(c) Any sums made available by the Congress in addition to those provided for in subsection (b) hereof for State agricultural experiment station work shall be distributed as follows:

"1. Twenty percent shall be allotted equally to each State;

"2. Not less than 52 percent of such sums shall be allotted to each State, as follows: One-half in an amount which bears the same ratio to the total amount to be allotted as the rural population of the State bears to the total rural population of all the States as determined by the last preceding decennial census current at the time each such additional sum is first appropriated; and one-half in an amount which bears the same ratio to the total amount to be allotted as the farm population of the State bears to the total farm population of all the States as determined by the last preceding decennial census current at the time such additional sum is first appropriated;

"3. Not more than 25 percent shall be allotted to the States for cooperative research in which two or more State agricultural experiment stations are cooperating to solve problems that concern the agriculture of more than one State. The funds available for such purposes, together with funds available pursuant to subsection (b) hereof for like purpose shall be designated as the 'Regional research fund, State agricultural experiment stations', and shall be used only for such cooperative regional projects as are recommended by a committee of nine persons elected by and representing the directors of the State agricultural experiment stations, and approved by the Secretary of Agriculture. The necessary travel expenses of the committee of nine persons in performance of their duties may be paid from the fund established by this paragraph.

"4. Three percent shall be available to the Secretary of Agriculture for administration of this act.

"(d) Of any amount in excess of $90,000 available under this act for allotment to any State, exclusive of the regional research fund, State agricultural experiment stations, no allotment and no payments thereof shall be

made in excess of the amount which the State makes available out of its own funds for research and for the establishment and maintenance of facilities necessary for the prosecution of such research: *And provided further*, That if any State fails to make available for such research purposes for any fiscal year a sum equal to the amount in excess of $90,000 to which it may be entitled for such year, the remainder of such amount shall be withheld by the Secretary of Agriculture.

"(e) 'Administration' as used in this section shall include participation in planning and coordinating cooperative regional research as defined in subsection 3 (c) 3.

"(f) In making payments to States, the Secretary of Agriculture is authorized to adjust any such payment to the nearest dollar.

"SEC. 4. Moneys appropriated pursuant to this Act shall also be available, in addition to meeting expenses for research and investigations conducted under authority of section 2, for printing and disseminating the results of such research, retirement of employees subject to the provisions of an act approved March 4, 1940 (54 Stat. 39), administrative planning and direction, and for the purchase and rental of land and the construction, acquisition, alteration, or repair of buildings necessary for conducting research. The State agricultural experiment stations are authorized to plan and conduct any research authorized under section 2 of this act in cooperation with each other and such other agencies and individuals as may contribute to the solution of the agricultural problems involved, and moneys appropriated pursuant to this act shall be available for paying the necessary expenses of planning, coordinating, and conducting such cooperative research.

"SEC. 5. Sums available for allotment to the States under the terms of this act, excluding the regional research fund authorized by subsection 3 (c) 3, shall be paid to each State agricultural experiment station in equal quarterly payments beginning on the first day of July of each fiscal year upon vouchers approved by the Secretary of Agriculture. Each such station authorized to receive allotted funds shall have a chief administrative officer known as a director, and a treasurer or other officer appointed by the governing board of the station. Such treasurer or other officer shall receive and account for all funds allotted to the State under the provisions of this act and shall report, with the approval of the director, to the Secretary of Agriculture on or before the first day of September of each year a detailed statement of the amount received under provisions of this act during the preceding fiscal year, and of its disbursement on schedules prescribed by the Secretary of Agriculture. If any portion of the allotted moneys received by the authorized receiving officer of any State agricultural experiment station shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced no subsequent appropriation shall be allotted or paid to such State.

"SEC. 6. Bulletins, reports, periodicals, reprints of articles, and other publications necessary for the dissemination of results of the researches and experiments, including lists of publications available for distribution by the experiment stations, shall be transmitted in the mails of the United States under penalty indicia: *Provided, however*, That each publication shall bear such indicia as are prescribed by the Postmaster General and shall be mailed under such regulations as the Postmaster General may from time to time prescribe. Such publications may be mailed from the principal place of business of the station or from an established subunit of said station.

"SEC. 7. The Secretary of Agriculture is hereby charged with the responsibility for the proper administration of this act, and is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its provisions. It shall be the duty of the Secretary to furnish such advice and assistance as will best promote the purposes of this act, including participation in coordination of research initiated under this act by the State agricultural experiment stations, from time to time to indicate such lines of inquiry as to him seem most important, and to encourage and assist in the establishment and maintenance of cooperation by and between the several State agricultural experiment stations, and between the stations and the United States Department of Agriculture.

"On or before the first day of July in each year after the passage of this act, the Secretary of Agriculture shall ascertain as to each State whether it is entitled to receive its share of the annual appropriations for agricultural experiment stations under this act and the amount which thereupon each is entitled, respectively, to receive.

"Whenever it shall appear to the Secretary of Agriculture from the annual statement of receipts and expenditures of funds by any State agricultural experiment station that any portion of the preceding annual appropriation allotted to that station under this act remains unexpended, such amount shall be deducted from the next succeeding annual allotment to the State concerned.

"If the Secretary of Agriculture shall withhold from any State any portion of the appropriations available for allotment, the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid, it shall be carried to surplus.

"The Secretary of Agriculture shall make an annual report to the Congress during the first regular session of each year of the receipts and expenditures and work of the agricultural experiment stations in all the States under the provisions of this act and also whether any portion of the appropriation available for allotment to any State has been withheld and if so the reasons therefor.

"SEC. 8. Nothing in this act shall be construed to impair or modify the legal relations existing between any of the colleges or universities under whose direction State agricultural experiment stations have been established and the government of the States in which they are respectively located. States having agricultural experiment stations separate from such colleges or universities and established by law, shall be authorized to apply such benefits to research at stations so established by such States: *Provided*, That in any State in which more than one such college, university, or agricultural experiment station has been established the appropriations made pursuant to this act for such State shall be divided between such institutions as the legislature of such State shall direct.

"SEC. 9. The Congress may at any time, amend, suspend, or repeal any or all of the provisions of this act."

SEC. 2. The following listed sections or parts of sections of the Statutes at Large heretofore covering the provisions consolidated in this act are hereby repealed: *Provided, however*, That any rights or liabilities existing under such repealed sections or parts of sections shall not be affected by their repeal:

Bankhead-Jones Act, title I, sections 2 to 8, June 29, 1935 (49 Stat. 436; 7 U. S. C. 427a–g).

Section 9, and related provisions of section 11 of the Bankhead-Jones Act, title I, as added by title I of the Research and Marketing Act (60 Stat. 1082; 7 U. S. C. 427h, 427j).

Department of Agriculture Organic Act of 1944, title I, section 105, amending the Bankhead-Jones Act, title I, section 5, by adding subsection (c) (58 Stat. 735; 7 U. S. C. 427d).

Act approved June 7, 1888, amending the Hatch Act (25 Stat. 176; 7 U. S. C. 372).

Adams Act approved March 16, 1906 (34 Stat. 63; 7 U. S. C. 369, 371, 373, 366, 374, 375, 361, 376, 380, 382).

Purnell Act approved February 24, 1925 (43 Stat. 970; 7 U. S. C. 370, 371, 373, 374, 375, 376, 366, 361, 380, 382).

The acts extending the benefits of the foregoing acts to the Territory of Hawaii, the Territory of Alaska, and Puerto Rico: Hawaii, act of May 16, 1928 (45 Stat. 571; 7 U. S. C. 386, 386a, 386b); Alaska, act of June 20, 1936 (49 Stat. 1553), as amended by Public Law 739, approved August 29, 1950 (7 U. S. C. 369a); Alaska, act of February 23, 1929 (45 Stat. 1256; 7 U. S. C. 386c)); Puerto Rico, act of March 4, 1931 (46 Stat. 1520; 7 U. S. C. 386d, e, f).

Such portion of the Department of Agriculture Appropriation Act of 1890, approved March 2, 1889, as related to examination of soils by experimental stations (25 Stat. 841; 7 U. S. C. 364).

That part of the act of October 1, 1918, relating to the Georgia Agricultural Experiment Station (40 Stat. 998; 7 U. S. C. 383).

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EXPLANATION OF S. 1759

This bill would consolidate the various laws authorizing appropriations for the State agricultural experiment stations, and thereby reduce budgeting and accounting requirements and expenses for the Government and for the States. Similar action was taken by Congress in 1953 with respect to the extension service. In addition the bill would (1) prevent allotments from shifting with shifts in relative rural and farm populations; (2) freeze the amount earmarked by section 9 of the Bankhead-Jones Act for marketing research at the amount so earmarked in 1955; and (3) repeal a provision exempting the Georgia experiment station from the Secretary's authority to withhold funds from stations not complying with the act. Consolidation has been recommended by the Appropriations Committees of the House and Senate, and the bill has been approved unanimously by a committee representing the Association of Land-Grant Colleges and Universities.

The committee amendments would clarify the language of the bill, making no change in substance.

PROTECTION OF INTEGRITY OF GRADE CERTIFICATES UNDER THE UNITED STATES GRAIN STANDARDS ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 569, Senate bill 1400.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1400) to protect the integrity of grade certificates under the United States Grain

Standards Act, which had been reported from the Committee on Agriculture, with amendments, on page 1, line 11, after the word "false", to insert "or incorrect", and on page 2, line 7, after the word "false", to insert "or incorrect", so as to make the bill read:

Be it enacted, etc., That section 9 of the United States Grain Standards Act (7 U. S. C. 85) is amended to read as follows:

"SEC. 9. Any person who shall knowingly violate any of the provisions of section 4 or 7 of this act, or any inspector licensed under this act, or any person sampling grain for inspection under this act, who shall knowingly inspect, grade, or sample improperly any grain which has been shipped or delivered for shipment in interstate or foreign commerce, or shall knowingly give any false or incorrect certificate of grade, or shall accept money or other consideration, directly or indirectly, for any neglect or improper performance of duty, and any person who shall improperly influence or attempt to improperly influence any such inspector or sampler in the performance of his duty, or shall knowingly of willfully cause, or attempt to cause, the issuance of a false or incorrect certificate of grade under this act by deceptive loading, handling, or sampling of grain, or by submitting grain for inspection knowing that it has been so loaded, handled, or sampled, or by any other means, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $1,000, or be imprisoned not more than 1 year, or both."

Mr. JOHNSTON of South Carolina. Mr. President, the senior Senator from Minnesota [Mr. THYE] will explain the bill.

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill, which was unanimously reported from the committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This bill is designed to protect the integrity of grade certificates under the United States Grain Standards Act by prohibiting the "plugging" of cars or "slugging" of ships. The bill would make it a crime, punishable by fine or imprisonment, for—

(1) Any sampler to take samples improperly for inspection under the United States Grain Standards Act;

(2) Any sampler to accept a bribe for improper performance of his duty;

(3) Any person to attempt to influence any sampler improperly;

(4) Any person to load, handle, or sample grain in a manner designed to cause the issuance of a false grade certificate under that act;

(5) Any person to submit for inspection under that act any grain so loaded, handled, or sampled; and

(6) Any person to do any other act to cause the issuance of a false grade certificate.

By assuring purchasers that they can rely on United States grade certificates, the bill will contribute to the improvement of both our domestic and export markets.

The committee amendment (which was suggested in the Department of Agriculture's report) makes no substantial change in the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FILING OF DOCUMENTS EVIDENCING SALE OF MOTOR VEHICLES BY CERTAIN CARRIERS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 558, Senate bill 1966.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1966) to amend the Interstate Commerce Act to provide for filing of documents evidencing the lease, mortgage, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act.

Mr. BRICKER. Mr. President, this bill was reported unanimously from the Committee on Interstate and Foreign Commerce. Last year a bill was unanimously reported in the same form, and it passed the Senate without objection.

I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the bill. What it does is merely place trucking companies in the same position as all other carriers, so that financial institutions and trucking companies can be protected—both creditor and debtor—in the filing of documents evidencing the sale of motor vehicles by certain carriers.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MEMORANDUM RE S. 1966, A BILL TO PROVIDE THAT A TRUCK LIEN PROPERLY FILED IN THE PURCHASER'S HOME STATE IS VALID IN ALL OTHER STATES TO THE SAME EXTENT AS IF ACTUALLY FILED IN SUCH OTHER STATES

S. 1966 is substantially similar to S. 3185 which passed the Senate in the 83d Congress. Hearings were held on S. 3185 and a report thereon was published as No. 6141, Calendar No. 1475. A similar bill, H. R. 4528, has been introduced in the House.

The objective of the bill is to afford the trucking industry relief from existing sales handicap in the recording of liens on trucks and truck trailers.

Existing Federal statutes regarding the recording of liens provide a benefit to the competing branches of the transportation business, namely, railroad, aircraft, and shipping, which is not now available to the trucking industry. S. 1966 would eliminate this disadvantage to the trucking industry.

At the present time the trucking industry has trouble arranging credit with banks and other lending institutions to finance purchases of equipment. The principal reason is that it is impossible from a practical standpoint to record a lien in every State and other political subdivision such as county and municipality whose laws provide for recording of such liens. Consequently when a manufacturer of trucking equipment or some other seller of such equipment attempts to finance the sale through a bank, the bank's attorneys are not in a position to advise the bank as to the priority of the lien the bank would assume because it is both impracticable and prohibitive in cost for the attorneys to search the records of every State, municipality, and other political subdivision, where the particular truck upon which the lien is being given may travel.

This bill would provide certainty as to the validity of lien instruments essential for financing of motor vehicles and also would encourage banks and manufacturers to extend necessary credit to the industry. The legislation would reduce substantially the cost of financing motor carrier equipment by effecting savings of recording fees, by eliminating most of the costs incident to enforcing such liens.

Motor carriers generally do not have sufficient capital to purchase equipment on a cash basis. They have difficulty financing such purchases through local banks because of the impracticability of searching State and other political subdivision recording offices for evidence of prior liens or of assuring that a lien against a loan made now would retain its priority.

Most manufacturers do not have sufficient capital in excess of their own requirements to finance such sales and their attempts to negotiate the sale of paper covering such financing to banking institutions meet with the same difficulty, namely, statements that the paper constituting a first lien cannot be substantiated by legal opinion for the reasons previously stated.

Under S. 1966, a lien filed in the home State of the purchaser would be valid in all other States to the same extent that it would have been if actually filed in these other States. Thus one filing would be sufficient, as is true now under Federal statutes for railroad equipment, airplane equipment, and shipping equipment.

The bill applies to motor vehicles belonging to motor, rail, and water carriers, which are subject to the Interstate Commerce Act. The bill has the support of the trucking industry, Railway Express, truck and trailer manufacturers, and the lending institutions concerned. Government departments expressed no objection to the same legislation as proposed in the 83d Congress by S. 3185 and neither did any other group. No departmental or other objections to S. 1966 have been received to date.

Appended hereto is a summary of the drafting changes between the pending bill S. 1966 and S. 3185 which passed the 83d Congress. There are no substantive changes. The drafting changes were designed after discussions with various groups and are of a clarifying nature.

S. 1966 contains no substantive changes from the proposal made in S. 3105 which passed the Senate in the 83d Congress.

Specifically, S. 1966 accomplishes the following changes in S. 3185.

1. Page 2, line 4 and 5 (S. 1966), the language "or the use and possession of which has by such instrument been transferred to" has been added to the language of S. 3185 which read simply, "owned by." This change was believed necessary as a vehicle is not technically owned when purchased under a title retaining contract.

2. Page 2, line 5 (S. 1966), "express" added in line with request of Railway Express Agency.

3. Page 2, line 6 (S. 1966), "or" read "and" in S. 3185.

4. Page 2, lines 14 and 20 (S. 1966), "or other business legal entity" was merely "association" in S. 3185.

5 Page 8, lines 14 and 15 and 21 (S. 1966), "principal place of business" was "principal office" in S. 3185. We feel that this change is in keeping with standard phraseology in corporate charters.

In addition to the above technical changes, S. 1966, in the interest of clarity, places the criteria for having a valid lien at the end of the bill rather than in the middle of the bill as formerly.

Also, in order to eliminate the somewhat confusing language contained in S. 3185 relating to "mortgagor, trustee, lessee, bailee or buyer" (p. 2, lines 6–9, of S. 3185), S. 1966 defines "purchaser" to include these terms. It should be noted that S. 1966 eliminates the term "trustee" (or "trustees" as it appears both ways in S. 3185), as it is our feeling that the term "trustee" is inconsistent with mortgagor, buyer, etc.

Further, the addition of the paragraph in S. 1966 (p. 2, lines 12–15), respecting recording of the instrument in the "home" State of the purchaser, together with the addition of the phrase "if any", at page 2, line 10, of S. 1966 is intended to overcome objections raised relating to the situation where either the State of residence or the State where enforcement of the lien is sought have no recordation statute.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Interstate Commerce Act is amended as follows: After section 212 insert the following new section:

"VALIDITY OF CERTAIN CREDIT INSTRUMENTS

"SEC. 213. (a) As used in this section the term "purchaser" means any mortgagor, lessee, bailee, buyer, or person holding a motor vehicle under a title retaining contract, mortgage, lease agreement, bailment, trust indenture, or other instrument having the effect thereof.

"(b) Any mortgage, lease, equipment trust agreement, conditional sale agreement, or other instrument evidencing the lease, conditional sale, or bailment of one or more motor vehicles owned by, or the use and possession of which has by such instrument been transferred to, a motor, rail, express, or water carrier subject to any provision of this act shall be valid and enforcible without filing or recording in any State against any person to the same extent that such instrument would be enforcible against such person if the filing and recording statutes of such State, if any, applicable to such documents had been complied with, if

"(1) such instrument has been recorded or filed in the State in which the purchaser resides, or if a corporation or other business legal entity has its principal place of business, and/or

"(2) such instrument is valid or enforcible against creditors of the purchaser and against subsequent purchasers from the first purchaser named in such instrument in the State in which the purchaser resides, or if a corporation or other business legal entity has its principal place of business."

CONSTRUCTION OF TWO SURVEYING SHIPS FOR THE COAST AND GEODETIC SURVEY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 571, Senate bill 847.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 847) to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I invite the attention of my delightful friend from Maine [Mr. PAYNE] to the pending bill.

Mr. PAYNE. Mr. President, the bill was before the Committee on Interstate and Foreign Commerce, and was unanimously reported by that committee. It has the approval of the agencies concerned.

I ask unanimous consent to have printed in the RECORD at this point a statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

BRIEF SUMMARY OF S. 847, TO AUTHORIZE CONSTRUCTION OF TWO SURVEY SHIPS FOR COAST AND GEODETIC SURVEY

The bill would authorize the construction for the Coast and Geodetic Survey, of two 2,500-ton vessels, to cost not more than $3,700,000 each, as part of a replacement program begun in 1938, but halted by the war after two vessels were constructed. The new vessels would be placed in service in Alaska, where a great deal of work is underway for the Defense Department.

The agency now has in service 4 moderate-sized vessels (2 of which are overage, 25 and 38 years old, respectively), plus 1 old Navy vessel, operated with Navy funds, to carry out its function of surveying and charting the 90,000 miles of shoreline of the United States and possessions and approximately 2,317,000 square miles of adjacent waters. In addition, there are 12 smaller vessels, 85-footers, in operation.

The proposed vessels would release another modern vessel, the *Explorer,* now in Alaska, for needed service in the Atlantic, and would permit scrapping of the 38-year-old, none-too-seaworthy *Surveyor,* and the retirement of the *Hydrographer,* 25 years old. The *Pathfinder,* completed in 1942, would be continued in its present Alaskan service. There would be additional personnel required, totaling approximately 30 men, to man the new vessels.

The need for these vessels can be understood when it is recalled that there were 8 vessels of this class in service in 1938, as against the present 5, of which 3 are not modern.

And more than 60 percent of the water areas adjacent to this country and its possessions are inadequately charted or entirely unsurveyed.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be constructed for the Department of Commerce two surveying ships of not over 2,500 displacement tons each, under a limit of cost of $3,700,000 each, including costs of preparation of plans and specifications, cost of inspection during construction, and purchase or construction of complete equipment and outfit: *Provided,* That such limit of cost may be exceeded or shall be reduced by an amount equal to the percentage increase or decrease, if any, in ship construction cost generally dating from January 1, 1955, as determined by the Secretary of Commerce.

SEC. 2. There is hereby authorized to be appropriated to the Secretary of Commerce, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of Senators that following the morning hour on Monday there will be a brief calendar call for the consideration of immigration bills, claim bills, and other bills we have not been able to reach today, beginning with Order No. 523, Senate bill 80. Is that in accordance with the agreement of today?

The PRESIDING OFFICER. Without objection, the previous agreement is modified accordingly.

Mr. JOHNSON of Texas. Then there is no conflict?

The PRESIDING OFFICER. Without objection, the previous agreement is modified in accordance with the announcement of the Senator from Texas.

Mr. JOHNSON of Texas. We shall begin with Order No. 523. I merely wish to make sure that the staff understands the situation.

It is planned next to have a general statement on the Defense Department appropriation bill, presented by the distinguished chairman of the subcommittee [Mr. CHAVEZ], who has done such an excellent job in conducting hearings on the largest appropriation bill the Congress will handle during this session.

If any Senators desire to discuss the bill following the presentation by the distinguished chairman of the subcommittee, we shall be prepared to remain in session as long as Senators may desire to discuss the subject. If there are any Senators who would like to address the Senate tomorrow, the leadership is prepared to have the Senate meet tomorrow to discuss the defense bill. I have had no request along that line, and if I do not have any—and I have discussed the matter with the minority leader, and the distinguished chairman of the committee, who I believe has discussed it with the ranking minority member—we will meet at 12 o'clock on Monday, at which time we will have a morning hour and then a call of the calendar, which should not take more than 20 or 30 minutes. Then we will proceed to the consideration of the defense appropriation bill. Consideration of the defense appropriation bill will be under the unanimous consent agreement to limit debate to 2 hours on an amendment and 2 hours on the bill itself. If I do not get any request from Senators to speak tomorrow, I shall ask that when the Senate concludes its business today it adjourn until noon on Monday.

I appreciate very much the cooperation of all Senators. Again it has been a very productive week. We have ratified a treaty and we have agreed to a conference report on one of the most important trade bills that has ever been passed by Congress, and we have passed an appropriation bill, and also 25 or 30 measures involving general legislation.

That could not have been done except with the cooperation of every Member of the Senate and every member of our staff, which is the most efficient staff in Washington.

I am indebted to everyone for his helpfulness, and, as I have said many times, no one needs help more than does the majority leader, and of course no majority leader has ever received more help than I have. I thank everyone.

TRANSATLANTIC CARGO CERTIFICATE

Mr. DOUGLAS. Mr. President, on May 24, 1955, I made a speech noting that it was time the President acted on the application of an American-flag carrier for a nonsubsidized cargo certificate across the Atlantic, particularly in view of the fact that this American-flag carrier had been waiting 7 years for the

certificate, that during this waiting period a British all-cargo company had been given a certificate by President Eisenhower, and that, in the third place, the Defense Department very strongly backed the certification of a freight line. I inserted editorials from the Chicago Tribune, New York Times, Washington Post and Times Herald and Washington Star, all urging action on this case.

I further pointed out that, faced with the reduction in airline subsidies in the amount of $24,100,000 for fiscal 1955, and with reductions made by the House in the 1956 appropriation, the best course of action open to the President to insure that essential American services be operated on foreign routes without subsidy costs to the American taxpayers was to issue nonsubsidized certificates.

In our debate on the subsidy appropriation yesterday, the distinguished Senator from Louisiana [Mr. LONG] and the distinguished Senator from Wyoming [Mr. O'MAHONEY] made the point that it was discriminatory to certain airlines and also unfair to the taxpayers to deny certificates for nonsubsidized companies while protecting the certificates of companies requiring more than $17 million a year in subsidies.

Mr. President, I am glad to announce that yesterday, June 16, 1955, the President signed a 5-year certificate for a nonsubsidized cargo operation in the Atlantic, and I ask unanimous consent to have printed in the RECORD a newspaper account from today's New York Times of this action by the President.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRANSPORT NEWS AND NOTES—EISENHOWER CERTIFIES GI'S ATLANTIC CARGO AIRLINE

EMERGENCY WHITE HOUSE, June 16.—A 5-year certificate for the Seaboard & Western Airlines to fly cargo over the North Atlantic was approved today by President Eisenhower.

His action was in accordance with recommendations of the Civil Aeronautics Board. It was taken over the opposition of the regular American-flag carriers on this route, Pan American World Airways and Transworld Airlines.

The all-cargo case had been before the President for about a year, but the pressure for action increased in recent months after a British carrier, Airwork, Ltd., was licensed to fly cargo.

Seaboard & Western is authorized to pick up cargo at the New York, Philadelphia, and Baltimore airports. It can fly to Newfoundland, Canada, and Ireland. Beyond Ireland, one route terminates in West Germany with stops in the United Kingdom, the Netherlands, and Belgium. Another leg ends in Switzerland with stops at intermediate points in France.

Seaboard & Western, founded on May 10, 1947, by Arthur and Raymond Norden, is one of the few cargo lines started by World War II veterans that survives today. Dozens of similar carriers went into bankruptcy after very few flights.

The Norden brothers, former Army Air Transport Command pilots assigned to the Hump operation in the Far East, began operations with a single DC–4. They gradually developed a fleet of 10 of the 4-engined Douglases and now are operating Lockheed Super Constellations as well.

Seaboard's executives applied for certification on July 17, 1947, and had a weary wait until last night. Last year the Board accepted an examiner's recommendation that the certificate be granted.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE REFUGEE RELIEF PROGRAM

Mr. LEHMAN. Mr. President, I have today received a telegram from the American Council of Voluntary Agencies for Foreign Service of New York City.

This Council issued a statement to the press in regard to the need for our Government to take steps to expedite the refugee-relief program. The American Council of Voluntary Agencies for Foreign Service represents all the great voluntary agencies working in the immigration and resettlement field.

Representatives of the following organizations subscribed to the statement I shall introduce into the RECORD: Adventist Relief Agency, American Federation of International Institutes, American Friends of Russian Freedom, American Friends Service Committee, American Fund for Czechoslovak Refugees, American Jewish Joint Distribution Committee, American Ort Federation, Catholic Relief Services, National Catholic Welfare Conference, Church World Service, International Rescue Committee, International Social Service, Lutheran Refugee Service, Luthern World Relief, National Council of Jewish Women, National Travelers Aid Association, Self-Help of Emigres from Central Europe, Tolstoy Foundation, United Friends of Needy and Displaced People of Yugoslavia, United Hias Service, United Lithuanian Relief Fund of America, United Ukrainian American Relief Committee, Young Women's Christian Association National Board.

The statement, which is directed at the consideration being given in the Senate Judiciary Committee to amending the Refugee Relief Act, is as follows:

At a meeting today of member agencies of the American Council of Voluntary Agencies for Foreign Service, held at the Carnegie Endowment International Center, over 20 national refugee and welfare agencies, representing millions of American citizens, announced, after full discussion, unanimous and urgent support for liberalization of the refugee relief program as now under consideration in Congress. Moses A. Leavitt, chairman, presided at the meeting. The discussion, in which agency representatives recently returned from abroad participated, emphasized the fact that far more people are anxious to emigrate to the United States than can be accommodated under the Refugee Relief Act, and that these oppressed and homeless people are living under conditions of poverty, suffering and unemployment, and constitute a continuing challenge of greatest importance to America's generosity and foreign policy.

The agencies strongly urged that Congress do everything in its power toward the end that there may be 100-percent fulfillment of the objectives of the program.

REVOLT OF CZECHOSLOVAKIAN WORKERS IN JUNE 1953

Mr. HUMPHREY. Mr. President, I rise at this time to memorialize both the revolt of the Czechoslovakian workers in June 1953, and their courageous adherence to the ideals of freedom and liberty. It is fitting that the Congress at this time pause to pay tribute to these great heroes of democracy.

The revolt took place in the first week of June as a protest against the unbearable conditions imposed on the workers by the Communist regime. The rebellion spread all over the country and was suppressed only after an extensive use of large detachments of the police, security forces, and the armed Communist militia, mobilized for this purpose. Thousands of workers were arrested, tried by kangaroo courts and sentenced to terms in prison, the uranium mines or labor camps. The demonstrations were suppressed. But the unrest and opposition among workers has continued ever since and has been admitted on many occasions by spokesmen of the regime.

The demonstrators learned something from their 1953 experience. They now realize that they cannot overthrow the regime alone, that they must use other methods of resistance. Time and time again we hear or read complaints of the Czech Communist leaders about the millions of hours of work lost by absenteeism, loafing, or direct sabotage. They lament the low productivity, continuous unfulfillment of planned output and labor norms. Absenteeism and other examples of the lack of "labor discipline," as they are called by the Communists, are probably the only means open to ordinary citizens of Czechoslovakia to show their dislike for the Soviet-type oppression to which they have been subjected since the Communist coup in February 1948.

We salute the freedom-loving spirit of Czechoslovakia and look to the day when the Czechoslovakians will rejoin the community of free nations.

Mr. President, I desire to refer to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

FREE VACCINE PROPOSAL

Mr. HUMPHREY. Mr. President, I wish to register my disappointment at Secretary of Health, Education, and Welfare Hobby's suggestion that free vaccine for all children constitutes a "back-door" approach to socialized medicine.

False branding of a sensible measure, urgently needed for the public welfare, as "socialism" is not only a flagrant misapplication of the word, but also indicates that the administration is willing to play politics with the lives of our children. I strongly question that any authority on political science would confirm Mrs. Hobby's ill-considered apprehension that such a program would in reality be a "back-door" approach to the socialization of medicine. Most of us can remember that not so long ago the bogey word of "socialism" was being flung around with equal abandon by the

Republican Party in regard to TVA and social security. Today, this same party enthusiastically recognizes these projects as an integral part of American life that they would not want to do without.

Perhaps we should also note that in most parts of the Nation a man can have his dog inoculated against rabies at public expense. I ask you, Mr. President, are we to give free rabies shots for dogs and oppose free polio shots for children? What kind of distorted values does this represent?

The Republican administration has urged that Congress appropriate $35 million to allocate to the States so that they can supply free vaccine to those children only whose parents could not otherwise afford the shots. When asked for a fair and practical method of determining who would get the vaccine, the Secretary of Health, Welfare, and Education could only reply that: "It is obvious that I do not know the answers to all public health practices."

Mr. President, I suggest that it is Mrs. Hobby's business to know the answers on the No. 1 public-health question of the year. The pragmatic problem of determining means is one that we must face up to in considering programs for providing vaccine. I reject the administration notion that children must publicly stand humiliated as needy charity cases before the Government will provide them with protection against polio.

We need to develop a program to protect all our youngsters against the fatal or crippling effects of infantile paralysis. This calls for decisive imaginative dedication to the public good. It is indeed a blow to the American people that the administration is failing in its responsibility to meet that national need.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks of the Senator from Minnesota regarding the polio vaccine matter, and I wish to announce that next week I intend to make a major speech on this question, based upon additional information which I have obtained as to the gross incompetency of the administration in handling the problem.

I desire to say, Mr. President, that in my judgment, the administration is trying to cover up for an inexcusable blunder on its part in connection with the vaccine program. I am shocked to see the Surgeon General of the United States, Dr. Scheele, and Mrs. Hobby seek to give the American people the impression that they have been working for safety and caution rather than for speed, when the fact is that the whole program, at the beginning, when the blunder was made, was a program of inexcusable speed. If they had taken the time for proper testing the horrendous mistake would not have been made.

I am pleading for an investigation and a hearing at which every official of the Public Health Department who has had anything to do with the program will be put under oath and be required to testify, step by step, as to what happened in regard to the matter. I am satisfied, Mr. President, that if the testimony is taken under oath we shall find how wrong the President and Mrs. Hobby are in trying to give the false impression that they have been following a program of safety and caution instead of a program of speed. Their great blunder was that they went ahead with the matter entirely too fast, with the result that the vaccine, batch after batch, was never adequately tested by the Government officials who should have been required to test it. That is why I wish to associate myself with the Senator from Minnesota.

I also desire to say, good naturedly, that I am a little bit amused at the tactics of my smear critics who are seeking to create the impression that my criticism of Mrs. Hobby is due to the fact that I am opposed to women in politics. On the contrary, Mr. President, I am in favor of women in politics, but women, like men, when they take a public office, must be competent; and Mrs. Hobby has been proven to be incompetent for her job. That is why I have said she should be dismissed.

I think what the President should do is to select one of the most able woman doctors in this country and place her immediately at the head of the department. That is my answer to the smear critics. It does not make any difference to me whether a man or a woman is in public office; if he or she makes a record of incompetency such as that which Mrs. Hobby has made, then dismissal should follow. I think the President has too long delayed severing Mrs. Hobby from the position.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent that, immediately following my comments on the polio matter, a press dispatch on the subject be printed in the RECORD.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

DETROIT.—Gov. Fred Hall, of Kansas, called on Young Republicans last night to help save their party from "the Rip Van Winkle extremists of whom we have too many in our Congress and in our statehouses."

In a speech to the college section of the Young Republican National Convention, Hall said it was time for the GOP to become the "Grand New Party" that will look like President Eisenhower.

Hall criticized Secretary of Welfare Oveta Culp Hobby for telling the Senate Labor Committee that a Salk polio vaccine program might lead to socialized medicine by the back door.

"There is no better established principle of constitutional law than the exercise of police power by the State and Federal Governments to protect public health," Hall said.

THE DEPARTMENT OF AGRICULTURE AND "OPERATION ALERT"

Mr. HUMPHREY. Mr. President, on yesterday I addressed myself to the problem of civil defense, and especially to "Operation Alert," which was carried out by the National Civil Defense Administration.

I ask unanimous consent that two excellent editorials on the subject be printed in the RECORD. The first is entitled "Get Out or Die," and was published in the Washington Post and Times Herald of June 15; the second is entitled "Thoughts on Civil Defense," and was published in today's edition of the New York Times.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of June 15, 1955]

GET OUT OR DIE

Operation Alert, the mammoth civil defense evacuation project scheduled for today, is either a useful practice exercise or a piece of monumental foolishness. This newspaper inclines to the view that, apart from the silly attempt to clothe in secrecy the movement of 15,000 Government employees along public highways, the experience may be worth while. It may be worth while, that is, if the administration will loosen up with enough information about the exercise to enable Congress and the public to evaluate it and profit from the defects and inadequacies that are inevitable. There will of course remain many perplexing questions about civil defense, particularly those concerning the effect of radioactive fallout.

Some foreigners are critical of what they regard as an American preoccupation with the fear of war. Perhaps they are right that there is an air of remoteness about evacuation and shelter plans. The fact remains that, despite the hopes of the free world for a reduction of tensions and some control of armaments, the capability of the Soviet Union to launch a surprise nuclear attack is increasing. Moreover, there simply is no answer to the inexorable logic of a hydrogen bomb blast; for persons in the core of the target area it would be quite literally a question of evacuate in advance of the attack or be pulverized. What constitutes a primary target is debatable. Our own guess is that Strategic Air Command bases would be first on the list. But cities such as Washington certainly would be endangered, and it makes sense to train the public in the sort of evacuation procedure that might someday be imperative. Without practice any evacuation might become hopeless chaos.

There is one essential element, however, in which both today's exercise and much of the other evacuation and shelter planning may be appallingly deficient. Atomic Energy Commissioner Willard F. Libby has confirmed indirectly that the nuclear weapon exploded at Bikini in 1954 was far more than a hydrogen bomb: it used the hydrogen fusion process to fission additional ordinary uranium. This is what caused the fearfully increased danger from radioactive fallout. If the deductions of Dr. Ralph E. Lapp in the Bulletin of the Atomic Scientists are an accurate guide, concentrated radioactivity in a particular area could remain lethal for a long period of time and could in some instances deny territory for as long as 9 months. The effect of radioactive strontium ingested by farm animals or absorbed by food crops, for example, could be lingering—and terrible.

Even if Dr. Lapp overstates the practical danger, would ordinary shelters of the type civil defense authorities are urging families to build in their backyards suffice? Unless there were provisions for filtering the air and enabling persons to subsist underground like moles for long periods of time, might not Government employees evacuated, say, to Hagerstown or Culpepper as protection against blast, still be vulnerable to lethal radiation?

These are not frivolous questions. The administration, particularly the Atomic Energy Commission, has played very coy about fallout and the U-bomb in general. Until Dr. Libby acknowledged the fact of the U-bomb in his speech, for example, the

AEC had denied its existence. There thus remains the deep suspicion that the administration not only has failed to take the public into its confidence, but also that it has not itself fully faced up to the facts about the fallout. Until there is more frank information and more leadership on this point, any civil defense exercise is bound to seem unrealistic.

[From the New York Times of June 17, 1955]

THOUGHTS ON CIVIL DEFENSE

The nationwide civil defense test this week may have had its soft spots, but it could hardly have failed to impress the interested observer with two things: the almost unimaginable destructiveness of the hydrogen bomb and the absolute necessity of preparation to meet a sudden enemy attack.

Think what a blow such as this would have meant in reality to New York City. More than half its population killed or fatally injured; an area with a radius of more than 2 miles so completely destroyed that, in the graphic words of one observer, "we might as well plow it up and start rebuilding from scratch"; another 2-mile ring in which practically every building would be unfit for use; fires spreading throughout the city; utter disruption of normal public services; virtual elimination of the world's greatest metropolis as a productive organism. It doesn't do us any harm to think of New York in these terms, because only when we do so do we begin to realize that it would be criminal negligence for us not to take defensive measures seriously.

The fact of the matter is that the advent of the hydrogen bomb changes the whole aspect of civil defense in kind as well as degree. Not only is the problem bigger; it is different because of the peculiar properties of the thermonuclear weapon. And yet it is not so big nor so different that we as citizens must stand helpless before it. Our first line of defense is a courageous and vigorous-minded people, confident of our democratic strength and unafraid either of external Communist bluster or internal Communist subversion. Our second line of defense is a dynamic foreign policy based on the principles of peace, social and economic progress and, above all, freedom. Our third line of defense is a strong military establishment with due attention to warning systems and protective devices, both active and passive. Provision of passive defenses for our vast urban population should be no more beyond our capacity or our ingenuity than provision of the tools of war.

But because of the enormity of the problem of civil defense, much planning and research is required. Not nearly enough has been done to date; and the recent series of articles in this newspaper, as well as a recent Senate report, showed how extensive is our country's unpreparedness in this respect. It is not good enough for the Federal administration, in line with its peculiar theories of States' rights, to shoulder off major responsibility for a national problem onto local governments hopelessly unequipped to cope with it. We are in the hydrogen age, and we have to face up to it.

Mr. HUMPHREY. Mr. President, I should like to call to the attention of Senators who are still present the fact that one of the most interesting developments in the Operation Alert program was that the officials of the Department of Agriculture, in carrying out their mission, sent orders throughout the land, as a part of the mock or simulated attack, for farmers to cancel all marketing quotas, acreage allotments, and the wheat referendum. This, of course, was done in terms of what might happen in case of a real air attack, but the action has caused great consternation with respect to the farm program.

While I have great respect for what was done in Operation Alert, this part of the operation might well be termed "Operation Foul-up," because it surely was fouled up.

I cannot help pointing out that the Department of Agriculture at long last has recognized that in case of a national disaster, such as an atomic attack, we would need our abundance of wheat, cotton, corn, and every other food and fiber product we produce, because the very first thing the Department did, even in a make-believe war situation, was to issue orders throughout the land canceling all acreage allotments, restrictions of production, the wheat referendum, and marketing quotas.

What better evidence do Senators need to underscore the fact that an abundance of farm products is a blessing and should be looked upon as an arsenal, a storehouse of critically needed supplies in time of war.

I trust that the Department has been able to convince farmers, processors, green merchants, and others concerned that the orders which went out were fictitious orders, and that operations are back to normal. But the situation certainly was fouled up by the Department officials for at least the period of the mock attack.

DEFENSE DEPARTMENT APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

Mr. HUMPHREY. Mr. President, I know that the senior Senator from New Mexico, the chairman of the Subcommittee on the Armed Services Appropriation, wishes to begin his discussion of the defense appropriation. I hesitate to take another minute of his time, but I shall be away next week as an official representative of the Committee on Foreign Relations to the United Nations 10th anniversary conference in San Francisco. Prior to my departure I wanted to make a statement in reference to the United Nations. It is my privilege to be chairman of the Subcommittee on United Nations Affairs of the Committee on Foreign Relations. I shall, with the indulgence of the Senators who are present, make a statement which I feel is necessary and long overdue with respect to our obligations as a member of the United Nations.

Mr. CHAVEZ. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CHAVEZ. I thank the acting majority leader for yielding to me; but if he thinks I intend to discuss under present circumstances a bill appropriating $31,500,000,000, he does not understand the feeling of the Senator from New Mexico. The bill provides more than the entire cost of the operation of all the other branches and agencies of the Government. I want to be patient, but I shall not discuss the bill before such a small attendance.

I thank the acting minority leader, the senior Senator from Massachusetts [Mr. SALTONSTALL], who is the ranking member of the subcommittee, and the other two Senators, including the acting majority leader, for at least being present. But I shall not discuss in an empty Senate Chamber a bill which will cost the American people many billions of dollars.

Mr. HUMPHREY. Mr. President, it was my understanding that the Senator from New Mexico wanted to speak. I wanted to yield to him for the purpose of allowing him to proceed.

Mr. CHAVEZ. No; I shall not proceed to discuss this kind of bill to an empty Senate Chamber.

Mr. HUMPHREY. I certainly agree with the Senator's point of view, and I so indicated to him privately a moment ago. But if he wishes to proceed, I want to accommodate him, and I will yield the floor so that he may proceed.

Mr. CHAVEZ. No. I think the Senator from Minnesota has business of his own to discuss. Eventually I shall be able to summarize the bill. The bill will cost the American people, for the fiscal year 1956, $31,800,000,000, which is more than the cost of operating the rest of the Government in its entirety, including the independent offices.

Mr. HUMPHREY. I thoroughly agree with the Senator that the subject matter of this important measure should be discussed after a quorum call, when every Member of the Senate will have had an opportunity to be present.

Mr. CHAVEZ. I do not want to discommode any Senator.

Mr. HUMPHREY. I think every Senator should have the opportunity to listen to the Senator from New Mexico when he goes into the details of this tremendous appropriation.

Mr. CHAVEZ. That is when I want to discuss it.

Mr. MORSE. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. MORSE. I share the point of view which has just been expressed by the Senator from New Mexico. I happen to know something about the nature of his remarks and about the wonderful service he has rendered to the Senate as chairman of the subcommittee.

I think Senators owe it to themselves, more than they owe it even to the Senator from New Mexico—and they owe the Senator from New Mexico a great deal—to be present in the Senate when the Senator from New Mexico discusses this very important bill. I am delighted to know that the Senator does not plan to discuss it tonight.

I sincerely hope that the Senate may adjourn tonight with the understanding that the Senator from New Mexico will be recognized immediately following the morning hour on Monday, so that he may proceed with his discussion of the matter, and so that the Senate, fresh from a weekend of rest, will be present to listen to the Senator's remarks.

Mr. HUMPHREY. The work of the Senator from New Mexico on the committee has caused much favorable comment and commendation from his colleagues. As the Senator from Oregon has so appropriately said, this bill re-

quires the diligent attention of all Senators.

I appreciate the desire of the Senator from New Mexico to withhold his remarks until there has been at least an opportunity to develop a quorum or to have a majority of the Members of the Senate present.

Mr. LEHMAN. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. LEHMAN. I should like to associate myself with the remarks of the previous speakers, the Senator from Oregon [Mr. MORSE] and the Senator from Minnesota [Mr. HUMPHREY], in expressing my appreciation for what the Senator from New Mexico has done, and also to express my great satisfaction in knowing that he will not go into detail in discussing this most important bill unless and until a larger number of Senators are present in the Chamber.

Mr. President, may I address a parliamentary inquiry to the Chair?

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. LEHMAN. I think the Senator from New Mexico, so far as the time at his disposal is concerned, should not be penalized. I know there is a unanimous consent agreement to limit the debate on the bill to 2 hours, and on each amendment to 2 hours. If the Senator from New Mexico wished an additional 20 minutes or half hour, I should certainly be very glad, indeed, to ask unanimous consent that his request be granted. I do not know whether the Senator from New Mexico feels that that would be necessary.

Mr. CHAVEZ. If the expenditure of $31,800,000,000, which will have quite an impact on the American taxpayer's pocketbook, does not deserve consideration, that is all right.

Mr. LEHMAN. Mr. President, may I propound a parliamentary inquiry?

Mr. HUMPHREY. Will the Senator yield to me?

Mr. LEHMAN. Yes.

Mr. HUMPHREY. I make this suggestion only because I am acting temporarily as the acting majority leader. I would feel constrained to reject the request, because there was another unanimous-consent agreement arrived at. However, I feel that on Monday the suggestion of the Senator from New York should be acted on. I am sure the Senator from New York appreciates that by consenting to such a request I would find myself in an embarrassing situation.

Mr. LEHMAN. Yes; I do.

Mr. SALTONSTALL. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. I am confident that there will be a unanimous feeling on both sides of the aisle that the Senator from New Mexico should have an opportunity to proceed for as long as he desires before the unanimous-consent agreement goes in effect on Monday.

Mr. CHAVEZ. Mr. President, it is not a question of a desire by the Senator from New Mexico to hear his own voice. The question is that there is involved the expenditure of vast sums of money, which the American people ought to know about. I realize the cooperation which I have received from the majority leader and from the full Committee on Appropriations in connection with this particular bill. It was my desire to show the American people that the expenditure of this tremendous amount of money is necessary, and I thought they should know about it.

Mr. SALTONSTALL. I agree with the Senator from New Mexico, and I know of no one who has been more conscientious in working with this problem.

Mr. CHAVEZ. Mr. President, I ask unanimous consent that upon the completion of the call of the calendar on Monday, I may be recognized to proceed to discuss the pending bill.

The PRESIDING OFFICER. Is there objection?

Mr. SALTONSTALL. Reserving the right to object—and I shall not object—I think that the Senator from New Mexico should include in his unanimous-consent request the understanding that the time he may take will not be charged to either side under the unanimous-consent agreement.

Mr. CHAVEZ. That is what I had in mind.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TENTH ANNIVERSARY OF THE SIGNING OF THE UNITED NATIONS CHARTER

Mr. HUMPHREY. Mr. President, the United Nations will be 10 years old next week. That occasion provides a convenient opportunity to look both backward and forward, to see what has happened to the U. N., what have been its accomplishments and failures, its strengths and weaknesses, and also to put in clearer focus the problems which we and the U. N. face in the future.

Abraham Lincoln once said:

> If we could first know where we are, and whither we are tending, we could better judge what to do and how to do it.

When one considers the deep antagonisms which rend this world, it is remarkable that the U. N. exists at all. But what is even more remarkable is that it not only exists; it lives, it thrives, as a positive, creative and constructive force for a just and enduring peace.

Looking backward, we cannot fail to be impressed by the ability which the U. N. has shown to adapt itself to changing, unforeseen circumstances. It has demonstrated to a marked degree the flexibility which is characteristic of the most valuable and enduring human institutions. It has likewise shown a high quality of courage and a remarkable singleness of purpose.

The United Nations is in fact a declaration of interdependency. The charter of the U. N. conceived and written in the United States under the auspices of our Government, is the twentieth century proclamation of peace, freedom, and security. It represents to the world what our own Declaration of Independence and Constitution mean to America.

But liberty and justice are not attained by their mere proclamation. Surely we Americans know that freedom and security represent the continuing challenge to liberty-loving people in every generation. We Americans should be proud of our role in the U. N., and our active participation within its councils. Our traditions, our history, have uniquely prepared us for a role of leadership in creating a world order based on the enduring principles of freedom, justice, and equality. It is to these principles that the United Nations is dedicated.

Rather than withdraw from the responsibilities and task of achieving the hopes and aspirations of the United Nations charter, we should declare to the world, day in and day out, that the United States will proceed with confidence, with determination, and with perseverance, to the end of strengthening the U. N. and all of its agencies. We are people of peace. Ours is a government of law. Ours is a society of equal opportunity. Surely these credentials qualify us as an active participant in the greatest international organization the world has ever known.

The singleness of purpose of the U. N. is worth emphasizing. The discordant clatter of the Soviet bloc sometimes tends to drown out, but never to destroy, the underlying harmony of the overwhelming majority of the members of the United Nations. This underlying harmony, this fundamental singleness of purpose, has been demonstrated time after time on crucial votes which have seen 45 or 50 or 55 nations of the world alined on 1 side and the 5 Soviet bloc members braying to themselves on the other.

It is this singleness of purpose, I believe, which has enabled the U. N. not only to hold together but to grow in stature and prestige, despite the trying events of the last 10 years—events which no one could possibly have foreseen 10 years ago.

The fundamental difficulty which the U. N. has had to survive, and which its founders did not foresee, has been the cold war. The U. N. was founded on the premise of Big Five unanimity. Rarely, perhaps never, in the history of human affairs has an institution built on such a shaky premise flourished so mightily. The fact that the U. N. has flourished is in itself the most eloquent and impressive testimony to the need for the U. N. and to the determination of the people of the world to make it work.

It is important to recognize that in its fight to survive the cold war, the U. N. has gone through structural and institutional changes which make it something different from what it was 10 years ago. As the Security Council has been frustrated by Soviet abuse of the veto, for example, the General Assembly has gradually and of necessity assumed certain functions which the charter contemplates should be performed by the

Security Council. The Uniting for Peace resolutions which the Assembly adopted in 1950 established a procedure whereby if the Security Council is unable, because of a veto, to act on a threat to the peace, the Assembly itself may take up the matter immediately—in emergency session on 24 hours' notice, if necessary—and may recommend collective measures, including the use of armed force.

Let it be noted that the word "recommend" is used. The Assembly cannot compel action. But the action will be taken if the governments of the world want it to be taken. An Assembly recommendation can be effective to the extent that the U. N.'s members are willing and able to make it so.

This is just another way of saying that the United Nations is what its members make it. Those members are all sovereign nations in their own right, and they lose none of their sovereign capacities by participating in U. N. proceedings.

There are some persons who profess alarm over the changes which have taken place in the U. N. as a result of the cold war. In my judgment, the changes, on the contrary, are a cause of satisfaction. What sort of human institution is it that does not change, in the course of time, to adapt itself to changes in its environment? The fact that the U. N. has changed has nothing to do with any imaginary, Machiavellian plot to subvert the sovereignty of the United States; it is, instead, indicative of a healthy vitality on the part of the U. N. And we should all rejoice that this is so.

The member nations of the U. N. have had the courage and the wisdom to meet collectively a series of crises and challenges which, in their gravity and complexity, far surpass the events which led to the failure of the League of Nations. The list of accomplishments of the U. N. in keeping the peace is impressive. I shall name only a few of the most outstanding.

The U. N. was scarcely a year old when it was confronted with the refusal of the Soviet Union to withdraw its troops from the Province of Azerbaijan, in Iran. The U. N. met this challenge to its authority, and the Soviet troops were withdrawn.

The U. N. was scarcely 2 years old when fighting broke out between India and Pakistan, over Kashmir. Through efforts of the U. N., that fighting was halted.

The U. N. also played a prominent role in ending the hostilities between Indonesia and the Netherlands, and in stopping the fighting between Israel and the Arab States.

The gravest challenge to the U. N. came in Korea, and again the U. N. met the test. Never before has the principle of collective security been so firmly established; never before have so many nations acted together in defense of that principle; never before have the rights of the weak against the strong been so stoutly protected.

For one reason or another, some persons in the United States have sought to distort history on this point. Let us keep the record straight. The United States did not fight the Korean war under either the compulsion or the direction of the United Nations. The truth of the matter is that United States forces had already been ordered into Korea before the United Nations intervened. Despite all the hue and cry which we heard later—after the going got tough—no voice was raised in serious protest at the time.

The principle of collective security was at stake in Korea, and both the United States and the United Nations rose to meet the challenge. But also at stake in Korea were the vital interests of the United States—to a greater extent than those of any other U. N. member, and so much so, in fact, that no less an authority than Secretary of State John Foster Dulles recently told the Foreign Relations Committee, in referring to our intervention in Korea:

> I believe that the vital interests of the United States would have justified our taking this action alone, if we had had to.

After all, Mr. President, it was United States forces in Japan which would have been threatened by a Soviet-dominated Korea. It was the United States defense line in the Western Pacific which would have been breached.

Nor is there any basis for the complaint that American troops were sent to fight in Korea under United Nations command. There was a United Nations command, true; but from the beginning to the end of the Korean fighting, an American general was at the head of it; and he got his orders, not from the U. N. headquarters, in New York, but from the Pentagon, in Washington.

It is fashionable to criticize other members of the United Nations for not putting more troops into Korea. We all wish they had put more. We all hope they will do more in the unhappy event that such a situation arises again. But the constant repetition of this complaint, like the playing of a broken phonograph record, becomes monotonous, and obscures the contribution which other U. N. members did make to the Korean action. Ambassador Lodge has estimated that if it had not been for these contributions, the United States would have had to put two additional divisions of its own into the field. The American casualties in Korea were tragically high; but if it had not been for the U. N., they would have been even higher.

To belittle the contributions of other U. N. members is also to ignore the fact that the United States would have fought the war alone, if that had been necessary.

Now, although the fighting in Korea has been ended for almost 2 years, there is still no peace in that unhappy, divided land; nor has there been a definitive settlement in Kashmir or in Palestine. But the situation which exists in all these places is certainly far more satisfactory than open warfare.

Important and impressive as it is, peacemaking is only one of the accomplishments of the United Nations. The flexibility with which the U. N. has met the demands of Asia and Africa for political independence and economic development is only slightly less remarkable than the manner in which it has coped with the exigencies of the cold war. And in the long run, this phase of U. N. activities may be even more significant and productive of international peace and prosperity.

The United Nations expanded technical assistance program is perhaps the best known of these activities, but it is only one of many things the U. N. is doing to promote human welfare and economic development. There is, in addition, the whole congeries of specialized agencies—the Food and Agriculture Organization, the World Health Organization, the International Labor Organization, the Educational Scientific and Cultural Organization, the International Civil Aviation Organization, the World Meterological Organization, the International Telecommunications Union, the Universal Postal Union, the International Monetary Fund, and the International Bank for Reconstruction and Development.

But apart from these efforts, vast progress has been made in a number of fields, particularly in regard to technical assistance. In this country, for instance, where many of us are inclined to take for granted our living standard, not many persons realize that out of the world's 2,400 million inhabitants, about 1 out of every 2 persons lives where there is generally not enough food; that his daily diet is only 400 calories above starvation level, and is 750 calories below the diet enjoyed by the more fortunate one-third of mankind. Every day, there are an additional 80,000 new mouths to feed in a world whose farmlands have not yielded enough food to keep pace with population growth.

One person in eight suffers from malaria. More than 8,000 a day die from it, on the average. Even more suffer and die from tuberculosis. In many sections of quite a number of countries, 250 or more children out of every 1,000 die before they reach the age of 1 year. Sometimes this infant death rate may be as high as 400 per 1,000 a year.

About 50 percent of mankind can neither read nor write. Earnings are also extremely low. Two out of every three people earn, on the average, less than $200 a year, or its equivalent. Of these, half earn less than $50 a year.

These are ugly, indeed dangerous, facts about the 20th century, which so often has been called an age of progress.

In large part following American leadership and inspiration, the members of the U. N. in 1950 put in motion an action program to send experts from the U. N. and its family of specialized agencies into farms, homes, hospitals, schools, workshops, and government offices in the less developed countries throughout the world, to help people to help themselves. The U. N. also sends young men and young women to study and to be trained abroad.

The UNETAP in 1954 sent more than 1,500 experts of 63 nationalities to 71 countries and territories, and awarded more than 1,500 fellowships or scholarships to nationals of 86 countries and territories.

The technical assistance provided to the recipient countries under the U. N. expanded program covers a wide range of diverse activities. The degree of

underdevelopment differs from country to country; consequently, the nature and the types of assistance vary from one recipient country to another. In some cases, projects may be in the preliminary stage, designed to advise and assist the less developed countries, to survey their potential resources, to formulate general plans of development, and to establish the institutional framework, efficient administrative services, labor legislation and administration, agricultural institutions and services, educational systems and administration, health administration and services, civil aviation directorates, and meteorological and telecommunications services.

In other cases projects may have advanced to the operational stage, where individual experts or teams of experts are provided to carry out specific assignments in connection with the particular development programs of the countries concerned. A number of international experts are assisting in the establishment of plants such as penicillin and DDT factories, steel and cement plants, and fertilizer and food-processing factories. They are helping to carry out manpower organization and vocational and technical training programs. They are cooperating in the development of land and water resources, of livestock production, of modern slaughterhouses, and improved systems of production and distribution of milk with UNICEF assistance for pasteurization plants, mechanization of fishing craft, effective utilization of farm implements, and improvement of the nutrition levels of the populations. They are providing assistance in the organization of schools to train teachers and provide specialized experts to develop courses in particular branches in technological colleges and institutes. They are aiding in programs to eradicate common epidemics and diseases such as malaria and tuberculosis, and are helping to train personnel for the development of civil aviation and telecommunications and meteorological services.

The major emphasis in the technical assistance activities in the various fields is on the training of the nationals of the less developed countries, so that in time they can continue the work which has been initiated by the experts. To this end special training programs are provided, such as regional training seminars or fellowships for study abroad at particular institutions, or for practical observation and training in factories or in the fields in the more advanced countries. Most technical assistance projects also involve on-the-job training of local personnel under the international experts working on particular assignments. As a result of the activities undertaken in the U. N. expanded program over a period of 4 years, training is provided for a host of administrative, clerical, and accounting staff members, engineers, nurses, health workers, general mechanics, leather tanners, plumbers, carpenters, agricultural extension workers, economists, statisticians, teachers, community development workers, radio, telephone, and telegraph technicians, air navigation and aircraft maintenance personnel, and meteorologists.

The U. N. World Health Organization can recruit doctors to help countries deal with tropical disease problems, such as those in the case of yaws, bilharzia, and other tropical plagues, by drawing on doctors from countries where these diseases are found, or by using the services of European doctors who are experienced in the tropics. In many fields the U. N. can recruit from countries that already have learned how to deal with problems found in similar neighboring countries. Often, too, the U. N. can recruit more persons with a knowledge of such languages as the Arabic and the Far Eastern tongues, a knowledge of which is rarely possessed by American technicians. In these cases, where neighbors can be brought to help neighbors, it is less expensive to do so, than to send Americans to distant shores.

The problems of the less developed countries are, by their very nature, slow to resolve. There are no miracles that can be wrought. It takes time and patience to train teachers, doctors, fishermen, foresters, farmers, and technicans to grow more food, to produce more goods, and to use natural resources more efficiently. Obviously it takes time to teach people who cannot read or write, how to grow more food or to use modern machinery. This is a long-term job. It must be tackled vigorously, and must be supported with capital investment if it is to make a lasting impression against age-old primitive conditions and inertia. The U. N. technical assistance program offers one of the best ways in which nations can work together to help people help themselves.

Thus, it must not be assumed that the specialists sent out by the United Nations and specialized agencies to underdeveloped countries come only from the technically advanced, prosperous nations.

Haiti, for instance, has had one of its coffee specialists working in Ethiopia under the United Nations programs; from Rhodesia to Libya has gone an agricultural statistician; Ceylon has used the services of an Icelandic marine engineer; and a Finnish expert has helped the Government of El Salvador reconstruct its airport at San Salvador.

A French mining expert has completely modernized the tin, silver, zinc, and copper mines in Bolivia, which are the key factors in that country's economy.

Prefabricated houses and farms are being erected all over Yugoslavia, and are based on methods developed in a number of Western countries.

Educational training centers have been established in Egypt, Jordan, Iraq, Lebanon, Saudi Arabia, and Syria.

In Brazil, the International Labor Organization is busy training skilled workers to man the machines for the growing industrial economies of Latin America.

Specialists of the International Civil Aviation Organization have built a network of weather-reporting stations in Ethiopia.

In Bombay, scientists of the World Health Organization succeeded in cutting the death rate due to bubonic plague to less than 1 in 10 cases. Previously, that disease had been almost 100 percent fatal, there.

For the first time in its 3,000 years of history, Saudi Arabia is exporting packaged dates. That began after an FAO expert recommended the introduction of assembly-line packing methods.

With the aid of equipment provided by the United Nations Children's Fund—UNICEF—and advice by a World Health Organization expert, Asia's first penicillin factory, an enterprise of the Indian Government, began production in 1954, in Poona.

An iron foundry in Pakistan has increased its output 54 percent with the advice of United Nations experts.

In Libya, one of the world's new states, scores of workers, who otherwise would have received little or no education of any kind, have now been given basic training—with the aid of the International Labor Organization and the United Nations Education, Scientific, and Cultural Organization—to enable them to undertake clerical and administrative duties.

Fourteen new varieties of coffee have been collected in Ethiopia, by a Haitian expert, for ultimate cultivation in Brazil, Colombia, and Costa Rica. Ethiopia, benefiting from this expert's advice on preparing and packing its coffee, has thus contributed to the economic development of other countries.

In 1951, Thailand was introduced by a Food and Agriculture Organization fisheries expert to 20 specimens of a certain carp, a fish that "eats like mad, grows like mad, and reproduces like mad." These fish were originally confined to a single pond. Today, Thai hatcheries are producing fingerlings of this "mad fish" at the rate of 100,000 a month, thus creating a huge new source of protein food not only for Thailand, but also for neighboring countries.

The death rate from tuberculosis in Guayaquil, chief port of Ecuador, dropped from 500 per 100,000 in 1949, to 200 in 1952, due to the vigorous action of Ecuadorean health authorities whose initiative was backed with technical advice by World Health Organization experts and laboratory equipment from UNICEF. The fall in the tuberculosis death rate has continued.

In varying degrees, most of these agencies are working quietly and unspectacularly to improve standards of living or to remove causes of unrest—sometimes through the expanded technical assistance program, sometimes as a part of their normal activities.

It is worth emphasizing that the urge for political independence and economic development is one of the great phenomena of our times. Since the United Nations Charter was signed 10 years ago, more people have achieved political independence than in any other comparable period in history. The roll of newly independent states includes India, Pakistan, Indonesia, the Philippines, Korea, Vietnam, Laos, Cambodia, Burma, Ceylon, Israel, and Libya. The U. N., of course, cannot claim credit for the independence of all of these; but the U. N. did play a part—particularly in the cases of Indonesia, Korea, Israel, and Libya; and the U. N. can claim credit for

constantly emphasizing the importance of promoting self-government and self-determination.

The U. N. can also claim credit for a good deal of the substantial political progress which has been made toward self-government by territories which are not yet fully independent. The U. N. Trusteeship Council stands as a constant and effective watchdog of the rights and interests of the people of the trust territories. And in regard to other non-self-governing territories, the U. N. is constantly urging more rapid progress.

But the people of Asia and Africa want more than political independence. They want economic development; and in this they are joined by the people of Latin America who have had their independence for more than a century, but who have not shared to the fullest the technological progress of Europe and North America.

This is the field of the Economic and Social Council of the U. N., of the Economic Commissions for Latin America and for Asia and the Far East, and of the specialized agencies. The International Bank has made loans of more than $2 billion, with increasing emphasis on the economic development of underdeveloped countries. The proposed International Finance Corporation will make an important contribution in this field. So would the proposed Special United Nations Fund for Economic Development, which, in my judgment, deserves more sympathetic consideration than apparently it has yet received from the United States Government.

But perhaps the greatest accomplishment of the United Nations—one which cuts across and transcends all its other activities—is that it has become a living, working mechanism. It has made itself indispensable. If it did not exist, it would have to be created.

It seems to me that frequently we underestimate the basic support which exists among the people of the world for the U. N. as an idea and as an institution. In the United States we hear so much balderdash and claptrap about the United Nations that we are apt to lose our sense of proportion about the noisy little clique which mouths the slogan "Get the United States out of the U. N., and the U. N. out of the United States."

A recent study by the University of Michigan shows that 80 percent of American adults believe that the U. N. and our participation in it is good for America, and that only 5 percent want the United States to pull out of the U. N.

This 5 percent somehow got the idea that the U. N. is inimical to the United States. Their irrational opposition to the U. N., I think, stems basically from xenophobia, from a kind of 20th century know-nothingism. These persons find the state of the world unsatisfactory; which, of course, it is; but their only reaction is one of frustration, and the only solution they propose is the impossible one of seceding from the world.

What really troubles these persons is that the U. N. is composed largely of foreigners, and is therefore un-American. This small group of Americans cannot get used to the fact that 93 percent of the world is in that sense un-American.

The truth is that the United Nations, far from endangering the United States, actually protects it. In many parts of the world, the voice of the U. N. carries more weight than does the voice of the United States. A good example is the action of the General Assembly in denouncing Communist China as an aggressor.

Another fact which the people who seem to be afraid of the U. N. overlook is that the United States has never lost a crucial vote on a major issue in the United Nations. The Soviet Union, not the United States, is the country which has cause to be apprehensive over the U. N. Time after time after time, the Soviets have been on the little end of lopsided votes. The Soviets are always experiencing defeat in the U. N., and yet they do not leave the U. N. Ambassador Lodge has suggested that the Soviets have a bear by the tail, and are afraid to let go. Russia fears that if she were out of the U. N., it might be made into an even more effective instrument against Communist aggression. Conversely, if the United States were out of the U. N., the position of Russia would be correspondingly strengthened.

Indeed, one of the best pieces of evidence of the strength of the U. N. and of its usefulness as an instrument for promoting world peace and human freedom is the healthy respect with which the Russians obviously regard it. There might very well be a relationship between the prospective U. N. Charter review conference and the recently changed attitude which is apparent in Moscow.

The U. N. is an unexcelled forum for showing up the true nature of communism and for creating solid world opinion against it.

Mr. President, just as it is important that we recognize the strengths and accomplishments of the United Nations, so also is it important that we recognize its limitations. I think much of the disillusionment and frustration which we have noticed in connection with the United Nations is the result of having expected too much from it in the balmy days of 1945. The United Nations is not a world government. It cannot perform miracles. If we expect it to do too much, we are making as big a mistake as we are if we attempt to write it off for having done too little.

Soon we shall be confronted with the problem of whether to hold a charter review conference, and, if so, what changes to make in the charter. The question of holding a charter review conference will automatically be on the agenda of the General Assembly, this fall. Secretary Dulles has indicated that the United States will support the proposal to hold such a conference. A subcommittee of the Foreign Relations Committee, of which I have the honor to be a member, has been holding hearings in various parts of the country for more than a year, to determine what changes, if any, should be made and would be supported by the American people. I do not want to anticipate the report of that subcommittee, which will be available shortly.

However, this much, I think, is clear: While there can be no objection to reviewing the charter, certainly there should be an abundant spirit of caution about amending it simply for the sake of making a change.

The charter is not perfect, but it has worked well, and it has been flexible enough to grow with the times. There comes a point, as Mr. Dulles once said in another context, when, if one insists on what is best, he is in danger of losing what is good.

What we have is good. Before we change it, let us be very careful that we shall be getting something better.

Mr. President, the United States can be justly proud of its role in the United Nations in the last 10 years, and of its part in the U. N.'s accomplishments. We ought to support an even larger role for the U. N. in international affairs, and we need have no fear of what the U. N. will do. We can be confident of the actions of the U. N. to the same extent that we are confident of the fundamental soundness of our own position. I do not share the qualms on that score which seem to beset some persons. What we need to do is to reinforce the courage of our own convictions.

Today, the U. N. is the most successful of man's many efforts to develop a worldwide international organization for the maintenance of peace and security. It has to be, for it may be the last chance we shall ever have.

Mr. SALTONSTALL. Mr. President, if the Senator from Minnesota will yield to me, let me say that I commend him for the attitude he takes toward the United Nations. As one who has listened to his remarks, and who has faith in the future of the United Nations, and who feels that all of us must have faith that it is going to be a success, I wish to say that we must be patient and understanding, and must work hard to make the United Nations Organization an effective instrumentality for keeping the peace.

Personally, I am glad the United Nations has survived for these 10 years, for I believe that the first 10 years are the hardest; and I have hope and faith that the United Nations will succeed.

Mr. HUMPHREY. Mr. President, I thank the Senator from Massachusetts for his comments. He has always been a stanch supporter of the United Nations and its activities.

DEFENSE DEPARTMENT APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. The question is on agreeing to the unanimous-consent request of the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I withdraw my request.

The PRESIDING OFFICER. The request of the Senator from New Mexico is withdrawn.

Mr. CHAVEZ. Mr. President, the attendance of only four Senators on the floor at this time may turn out to be a good omen. Under the circumstances, I shall make this address to the American people, and shall try to tell them exactly where their money will go, and for what purposes, in connection with the operations of the Department of Defense.

Mr. President, the Subcommittee on Department of Defense Appropriations of the Senate Appropriations Committee, worked patiently, and for long weeks, in receiving testimony on what we regard as the creation of a fund for national defense which at all times will protect the American people and will keep us ahead of any other nation, insofar as defense is concerned.

Mr. President, as chairman of the Senate Appropriations Subcommittee charged with the consideration of H. R. 6042, the Defense Department appropriation bill for the fiscal year 1956, I should like to summarize the principal provisions of the bill, and to discuss briefly some of the considerations which entered into our recommendations.

The purpose of this measure is to provide financing for the military functions of the Department of Defense for the fiscal year beginning July 1, 1955, and ending June 30, 1956. The bill, as reported by your committee, provides for a total of $31,836,521,336 of new appropriations, exclusive of those for military public works, which will come before this body later.

This amount is $3,036,450,850 more than was appropriated for this agency for the fiscal year 1955. It is $396,293,664 under the revised budget estimates for 1956 of $32,232,815,000, and is $348,315,336 over the amount of $31,488,206,000 voted by the House.

The bill, as now reported to the Senate, provides for an Army active-duty strength for June 30, 1956, of 1,027,000 as compared with an estimated strength for June 30 of this year of 1,114,000—a reduction of 87,000 men. During the coming fiscal year, the Army will be able to support 18 divisions, 11 regiments, and 136 antiaircraft battalions, as compared with the 20 divisions, 12 regiments, and 122 antiaircraft battalions it now has—or a reduction of 2 divisions and 1 regiment, but an increase of 14 antiaircraft battalions.

In the committee there was considerable discussion of a proposal to hold the active-duty strength of the Army at the estimated June 30, 1955, level, namely, 1,114,000, thereby permitting the Army to retain its present 20 divisions. The thought was that by maintaining the Army strength at 1,114,000, the calculated risk would be lessened, and a larger mobile striking force would be provided for the reinforcing of overseas areas, in the event of an emergency. Maintenance of the 20-division army, it was thought, would also serve to encourage our allies, by providing a clear indication that the United States intends to remain strong and active in their support.

The importance of this particular aspect of the problem is underscored by the fact that this country is just about to enter into negotiations with the U. S. S. R. in an effort to seek ways and means of easing international tensions. Many persons feel that whatever success we have had thus far in dealing with the Communists has been achieved primarily through a position of strength—the strength of the United States and the collective strength of the free world. Basic to the unity and collective strength of the free world has been the willingness of this country to accept its full share of the responsibilities and burdens of collective defense. For this reason, some members of the committee felt that this might not be the appropriate time to reduce in any way our military capabilities.

However, the committee realizes that 100-percent security is unattainable under any circumstances. In relying on the assurances of the President that the proposed budget for the Army is adequate, the committee recommends the appropriation of the budgeted funds which will provide an active-duty strength of 1,027,000 as of June 30, 1956. In making this recommendation, the committee wishes to underscore the urgent need for more effective Reserve forces. The great complexity and rapid tempo of modern war have greatly increased the time, effort, and skill required of our citizen soldiers, and have created new problems in their organization, administration, and training. But the character of modern war has not diminished their potential contribution to our military strength in a period of uneasy peace. The full potential of our Reserve forces must be attained if we are to maintain the level of military preparedness we need for the years ahead, at a bearable cost. However, even without new legislation the Army expects to have on its Reserve rolls on June 30, 1956, a total of 2,264,000 men, of which only 644,000 will be on drill pay status. The difference between these two figures gives some indication of the potentials available in the Reserve forces, which should be utilized.

For the Navy the bill provides an end active duty strength of 664,000 men for fiscal 1956. This is some 8,000 less than the estimated strength for June 30 of this year. The manpower allowance for the Navy is tight, and will require a high degree of efficiency on the part of the Navy in the management of its manpower resources. Both the Secretary of the Navy and the Chief of Naval Operations have indicated to the committee that they feel fully confident that, through management improvements, the manpower reduction can be absorbed without affecting the combat effectiveness of the forces. Nevertheless, there will be some reduction in the number of active auxiliary vessels and in the active assault lift. These types of vessels, the committee was assured, could be quickly reactivated in the event of an emergency.

The combat effectiveness of the Navy during the fiscal year 1956 will continue to improve, particularly in the air arm. The program provides for the activation of one additional aircraft carrier and one additional air group during the coming fiscal year. Testimony indicated that a proposed shift to more atomic power will provide the *Nautilus* and her sister ships with greater striking power in the years to come. The bill also provides for an increasingly high level of shipbuilding and conversion—almost $300 million more than in fiscal year 1955.

For the Marine Corps, this bill will provide a June 30, 1956, strength of 193,000, 12,000 less than the estimated June 30, 1955, active duty strength. Nevertheless, the Marine Corps will be able to continue to support its 3 ground divisions and 3 air wings during the coming fiscal year, nevertheless, with some reduction in manning, particularly in the reinforcing and support type units. The effect of this reduction on the readiness of the forces was summarized for the committee by General Shepherd, Commandant of the Marine Corps, as follows:

> Operationally, the effect of these actions will be to diminish somewhat the staying power of our combat forces, because of reduced depth in personnel and supporting units. Except in these respects, however, the readiness of the operating forces which we are authorized will be undiminished. They are ready to go into combat now, and will remain so during the coming fiscal year.

General Shepherd, however, did indicate during the course of our hearings that he would like to see a Marine Corps of 210,000 to 215,000 which would provide what he called "an ideal optimum peacetime strength." There was considerable discussion in the committee of the advisability of holding Marine Corps strength at about that level during fiscal year 1956 in order to permit a somewhat higher overall level of manning and avoid the necessity of eliminating certain combat support units, thereby increasing the staying power of the forces in the event of an emergency. However, in the light of General Shepherd's statement that the readiness of the operating forces will not be diminished and the President's assurance that an active Marine Corps of 193,000 men is adequate to the present defense needs, the committee has funded for the budgeted strength.

Mr. GORE. Mr. President, will the distinguished Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. GORE. I wish to compliment the senior Senator from New Mexico for a very able and full discussion of a very important bill now pending before the Senate. My purpose in rising is, secondly, to inquire of the distinguished Senator what justification, if any, the spokesmen or witnesses appearing before the committee could give, which, in the opinion of the Senator, would justify the drastic reductions in the defenses of this Nation which have been proposed.

Mr. CHAVEZ. There were two lines of thought before the committee. The civilian personnel from the Defense Department went along with the reduction. The military personnel did not

think it was quite correct. That was true in the case of both the Marine Corps and the Army.

Mr. GORE. Does the Senator think the security of this Nation can more safely be lodged in the opinions of the civilian employees of our defense agencies, or in the trained military staffs thereof?

Mr. CHAVEZ. The trained military staffs are created for the purpose of defense. There are only two good reasons for West Point and Annapolis, namely, the security and defense of the United States.

But even after discussion within the committee, where efforts were made to go along with both the Marine Corps and the Army, the committee decided differently. So what we have before us the committee action on the question involved.

The bill provides for the Air Force a military personnel strength of 975 000 for June 30, 1956. This is 5,000 more than the June 30, 1955, goal. With this military personnel strength, the Air Force will continue to build its 137-wing goal, attaining 131 wings by June 30, 1956. The authorized strength now is from 121 to 136 wings. During the coming fiscal year 10 wings will be reactivated, and for the future we shall have 6 more wings.

The bill provides $6,306,000,000 for Air Force aircraft and related procurement, $356 million more than provided by the House. This sum is made up of two parts—a restoration of $150 million reduced by the House and the addition of $206 million to the amount originally requested by the President. These $356 million of additional funds were requested by the Department of Defense for the purpose of accelerating the production of the Air Force's new long-range jet bomber, the B–52.

In other words, after we had the budgetary request and the budgetary information, there came before the committee officials from the Department of Defense who testified—and I believe the American people are entitled to that testimony—that it was necessary to accelerate the program. They said, "Let us not wait 3 years, but build the airplane now, and be ready." That is the reason for the acceleration.

Although Defense Department and Air Force officials assured us that we have an airpower land, they, nevertheless, consider it good insurance to step up production of the B–52 so as to replace, somewhat earlier than originally planned, the older and slower B–36, which has long been the mainstay of our long-range Air Force. The total amount recommended by the committee for aircraft and related procurement in the coming fiscal year is more than $3½ billion greater than the amount provided by the Congress for this purpose last year.

Mr. President, I should like to describe briefly the action of the committee as it differs from the House bill.

The committee also recommends restoration to the Office of the Secretary of Defense for salaries and expenses the $250,000 reduced by the House, thus providing the same amount as was appropriated last year. There was no increase, but the Department was given the same amount it had last year.

Although the general level of our defense programs has stabilized, the work of the Office of the Secretary of Defense is increasing, particularly with respect to current studies on the organization and operation of the Department as a whole, improvements in the accounting and fiscal systems, and maintenance engineering on new weapons.

The committee has also restored $20,000 of the $100,000 requested for the Office of Public Information, which will enable the Office to maintain its present level of obligation. The committee approved the changing of the name of the Office of Public Information to Office of Public Affairs, because the Office does much more than give public information. It passes on security clearances, for example. It is not necessarily limited to giving handouts or press releases, but security matters which are very important.

The bill provides for the restoration to the research and development emergency fund of the Department of Defense the $10 million deleted by the House. In addition, the bill provides that not to exceed $200 million may be transferred to the emergency fund from any appropriation available to the Department of Defense for expenditure in fiscal year 1956 upon the determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense. The purpose of this action is to give the Department of Defense a much greater degree of flexibility in exploiting significant technical and scientific developments which may occur in the coming fiscal year, but which cannot be anticipated in detail at this time.

Past experience has demonstrated that such situations do arise and breakthroughs do occur which can and should be promptly exploited. During the past several years the Congress has recognized the need for an emergency fund in the research and development area. But instead of providing each military department with its own emergency fund, a much greater degree of flexibility and economy can be obtained by providing a single fund to the Secretary of Defense, to be used at his discretion.

Mr. President, we are all aware that we are living in an era of very rapid scientific and technological progress. Certainly, since the end of World War II this country has been in the forefront of this advance. Recently, however, there has been a growing apprehension that we are lagging in this race for technological supremacy. Even though some of these funds may remain unused by the end of the fiscal year, the urgency of our research and development needs justify, in the view of the committee, the provision of the additional funds and the transfer authority.

The committee has allowed $7,330,053,000 for the Department of the Army, which is $235,000 over the House, and $243,927,000 under the estimate.

The increase in the Army appropriation for the promotion of rifle practice will assure a more adequate program for the training of citizens in the use of military-type small arms. In addition, the committee also recommends the transfer of not to exceed $1,200,000, in value, of ammunition from the Department of Defense for use in this program, which we are convinced is of very great value to our national defense.

The committee has recommended striking out the provision inserted on the floor of the House which would have drastically curtailed recruitment in all the services.

The committee allowed the Department of the Navy $9,071,785,166, which is $48,834 under the House bill, and $108,371,834 under the estimates. Relatively minor reductions in passenger motor vehicles account for this cut. The committee granted an amendment which will permit the Navy to transfer $540,000 to the Coast Guard for salary increases of personnel operating weather stations. The committee also inserted the words "long lead time" in the language of the shipbuilding program to limit procurement to only those items which require an excess amount of time to procure technical equipment for ships not yet funded by specific appropriation.

For the Air Force, the committee recommends an appropriation of $14,739,763,170. This is an increase over the House of $337,859,170, and a reduction under the estimates of $43,914,830. It is $3,811,833,170 over the amount appropriated for the fiscal year 1955 for the same purposes.

A reduction of $18 million below the amount voted by the House was made in the maintenance and operations appropriation of the Air Force to reflect the fact that certain items of procurement could be obtained for a great deal less than was originally contemplated.

The transfer of $10,650,000 from the "Air National Guard" to the "Military personnel" appropriation of the Air Force is to remove certain inequities which have occurred as a result of the commissioning of ROTC graduates in the Air National Guard who have been ordered on active duty training with the Air Force.

The bill as reported by the committee restores the $155 million rescinded by the House from the Air Force industrial fund, and $225 million of the $300 million rescinded by the House from the Air Force stock fund. The restoration of the $225 million will enable the Air Force to go forward with its plans to enlarge stock fund operations during the coming fiscal year, to include all common use standard stock items. The broader use of stock funds by the Air Force is indispensable to the proper management and control of its inventories and should result in significant savings over a period of years.

With respect to industrial funds, title IV of the National Security Act provides for the establishment of working capital funds for such industrial and commercial type activities which provide common services within or among the departments and agencies of the Department of Defense. The wisdom of this provision of the law has been reaffirmed

many times by committees of the Congress and many competent individuals, both in and outside the Government. In order to reassert the interest of the Congress in this effort, your committee recommends the restoration of the $155 million to the Air Force industrial fund.

In addition, the committee made minor reductions in passenger motor-vehicle procurement.

There are a number of language amendments in addition to the ones already mentioned. The committee recommends that $55 million of 1953 funds remain available to the Air Force, which, were they to lapse, would force contractors to go to the General Accounting Office for payment of certified claims on contracts which will have been completed.

In section 615, the committee recommends that the amount available from the sale of scrap and salvage operations to be used for transportation and demilitarization of supplies and equipment be reduced from $40 million to $20 million.

The committee has amended section 623 to permit the legal training of 3 persons in each of the 3 military departments.

In section 630 of the bill the committee inserted the words "Spun silk yarn for cartridge cloth" in the buy-American provision.

I think my good friend from Massachusetts will discuss that.

Mr. GORE. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. GORE. Does the able Senator indicate by his reference to the Senator from Massachusetts either personal or official interest in the textile industry on the part of the distinguished Senator from Massachusetts?

Mr. CHAVEZ. Testimony was adduced before the committee by constituents of the distinguished Senator from Massachusetts. It is a small industry, but it is very important.

Mr. GORE. The interest of the Senator, then, is entirely laudable?

Mr. CHAVEZ. It is extremely laudable. I believe he made a good case.

This "Buy American" would protect American processors against the importation of processed Chinese silk yarn used for making cartridge cloth.

Section 638 of the bill was changed and clarified. That is the section which permits none of the funds to be used to transfer work traditionally done by the Department of Defense to outside contractors unless justified before the appropriate committees of Congress that the change is economically sound and not detrimental to the national security. The committee deleted the word "traditionally" and inserted in its place the words "for a period of 25 years or more." The committee also included language which would require the Secretary of Defense to certify to the Appropriations Committees at least 60 days prior to any change that it is economically sound and not dangerous to our security.

A new section 639 has been added to the bill which would allow enlisted personnel, on duty, who are unable because of their duties to eat their meals at messes to be allowed somewhere between the $1.10 now allowed and the $2.57 allowed personnel where no messing facilities are available.

Mr. President, for the first time in many years there is a feeling abroad that there may now be a real chance to ease the present tensions existing between the free world and the Communist dictatorships. We all hope these expectations will be realized. But we must all recognize that the road to a durable peace is long and hard and that the final attainment of our goal will not be quick or easy. Experience has taught us that to deal successfully with the Communists we must remain strong. To let down our defense efforts now may destroy the very hope we all cherish—the end to the burdens of vast armaments, and a world truly at peace. The bill now before the Senate provides the funds required for the continued maintenance of our military strength during the coming fiscal year. I urge its prompt enactment.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. JOHNSON of Texas. Mr. President, I wish to express my personal appreciation to the distinguished chairman of the subcommittee for the many weeks and long hours he spent in conducting tedious hearings and in securing for the Senate and the American people the facts relating to our defense establishment. I am grateful for the comprehensive statement he has made regarding the bill this evening. I hope he will make another statement on Monday when time is yielded to him.

I understand the distinguished Senator from Missouri [Mr. SYMINGTON], former Secretary of the Air Force, plans to offer an amendment concerning a reduction in the ranks of the Marine Corps. The amendment would involve some 12,000 men who otherwise would be discharged from the Marine Corps and it involves in the neighborhood of $40 million. May I ask whether the amendment was submitted in that form to the committee?

Mr. CHAVEZ. The amendment was submitted, and the committee rejected it.

Mr. JOHNSON of Texas. Does the Senator think this is the time to reduce the number of men in the Marine Corps?

Mr. CHAVEZ. I voted on the losing side.

Mr. JOHNSON of Texas. I think the Senator has again exercised good judgment, and I hope he will not be on the losing side when the question comes before the Senate.

Mr. CHAVEZ. Mr. President, I am representing the committee. The fact that I happen to be chairman of the subcommittee is only incidental. I stand by what the committee did.

Mr. SALTONSTALL. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. SALTONSTALL. I join with the majority leader in congratulating the chairman of the subcommittee, as I have done before. The committee hearings started on April 4 and closed on June 6. During that time the Senator from New Mexico was present almost all the time and was very patient and considerate with the witnesses and with other members of the committee. I intend, from this side of the aisle, to try to help the Senator support the committee action when the matter comes up on Monday, and I shall be prepared at that time to make a more extended statement.

As the Senator from New Mexico knows, I did not agree with him with reference to the Marine Corps. I agreed with what has been recommended in the estimate, as also with reference to the size of the Army. I shall have on Monday some rather detailed statements which I think will show that we are not reducing our fighting strength by the changes in the numbers of men, most of whom come from the supporting units.

I should like to point out, and I know the Senator agrees with me, that the two fundamental changes from the House bill—and there were only two, other than some amendments which involve a good deal of money but are, in substance, relatively minor—the two important amendments were, first, to increase the Air Force procurement for the B–52 program, primarily by $356 million.

Mr. CHAVEZ. That is correct.

Mr. SALTONSTALL. We restored $250 million which the House cut and added a large amount beyond the estimate submitted in the budget. That was our major change.

Another change was to restore $35 million to the research fund, which had been cut by the House, and to permit the transfer of some $200 million in case there should be breakdowns in the research program; in other words, if there were sudden developments which required substantial funds. The transfers are to be left to the sound judgment of the Secretary, as to practicability, feasibility, wisdom, and so forth.

During the time we held hearings, many of them in closed session, there were some very interesting discussions showing the tremendous technological improvements—and that is why I mention the change in the research fund—in continental air defense, in our distant aerial warning system, in our program SAGE, which cannot be discussed beyond naming it, and the progress made in the various kinds of guided missiles, and so forth. I think the most interesting afternoon we spent was the afternoon when we were shown the progress with reference to guided missiles, supersonic aircraft, and, in the Navy, the modernized tankers.

There was brought out for the first time the fact that in the budget the Navy requested five diesel-powered submarines. That number has been reduced to 4, and the number of atomic-powered submarines has been increased by 1. We plan to build 4 nuclear submarines instead of 3, and 4 diesel submarines instead of 5.

The other changes, as the chairman of the subcommittee has so well stated, while they involved a good many millions of dollars, were more technical and related to the internal workings of the

department. So there is not a great deal of difference between the House bill and the Senate bill, except in the two instances which I have mentioned. I believe the chairman of the subcommittee will agree with me in that respect.

Mr. CHAVEZ. That is correct, so far as the money items are concerned. The bill involves a great deal of money. The Senator knows there was complete agreement in the committee as a whole.

Mr. SALTONSTALL. That is correct. The only difference at all in the committee was with regard to the size of the Marine Corps and the manpower, as the chairman has brought out, and which I shall discuss with him further on Monday.

Again, I thank the chairman of the subcommittee. I am confident that the Senate will agree in the end with the well-considered program he has brought forth for the security of our country.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. MONRONEY. I should like to join with my colleagues in expressing appreciation for the splendid speech made by the Senator from New Mexico describing the bill, which represents security for this country. I know of no other piece of proposed legislation which will come before the Senate at this session which may have so important a bearing on determining whether there shall be peace or war than the bill which the Senator from New Mexico has brought to the floor.

Mr. CHAVEZ. I tried to consider the bill providing for the defense of the country from the standpoint of the simple way of the West in the early days. We had our so-called bad men, the Jameses and others, who were despoiling the country. But if a farmer had a couple of guns in his house, the bandits were not likely to annoy him.

Mr. MONRONEY. Particularly if the farmer was a good shot. It is necessary to keep the powder dry and the aim accurate.

Mr. CHAVEZ. I think it is necessary for us to keep a strong defense organization.

Mr. MONRONEY. I am very much worried about the reduction in manpower which the Senator has described. Do I understand correctly that the Armed Forces will lose the services of some 12,000 marines by reason of the reductions which a majority of the committee voted to include in the bill?

Mr. CHAVEZ. The fiscal 1955 current estimated end strength is 205,000. This bill proposes 193,000 for 1956. An effort was made to increase the number by 17,000—12,000 combat forces and 5,000 supporting units. If there is a combat unit of 12,000, it is also necessary to have an additional 5,000 ready to support the combat unit in case of emergency.

Mr. MONRONEY. But what that means is that the Marine Corps will not be as strong, by 12,000 well-trained volunteers, as it is this year.

Mr. CHAVEZ. That is correct.

Mr. MONRONEY. Does the Senator see anything in the international picture to indicate that this action would be advisable for the security of the United States, with our far-flung commitments throughout the world?

Mr. CHAVEZ. I feel that we must keep America strong, and I think we are a little undermanned now.

Mr. MONRONEY. Especially in the Army. Are we not also sustaining great reductions in that service?

Mr. CHAVEZ. Under Secretary Finucane supported the budget figures. General Ridgway indicated that he was still sticking to his idea that there should be an increase in the size of the Army. The matter was discussed back and forth in the committee, and the committee took the action it did.

Mr. MONRONEY. The committee did not follow the recommendations of General Ridgway.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more statement?

Mr. CHAVEZ. Certainly.

Mr. SALTONSTALL. This matter was brought to my attention this afternoon. A change was made in the plans relative to nuclear-powered submarines since the budget estimates were made because of the success of the *Nautilus*. Our committee recommended that that be done.

Mr. CHAVEZ. That is correct.

Mr. SALTONSTALL. Without discussing the matter further, I may say that no member of the Marine Corps will be released if he desires to stay, and that the fighting forces of the marines will not be reduced by as much as would seem to be indicated by the figures.

I point this out to my friend from Oklahoma, and I shall be glad to argue the question with him on Monday, because the hour is now late.

ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires recognition, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 55 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, June 20, 1955, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 17 (legislative day of June 14), 1955:

Federal Communications Commission

Richard A. Mack, of Florida, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1955.

Department of Defense

Gordon Gray, of North Carolina, to be an Assistant Secretary of Defense.

In the Army

The nominations of Julian J. Fried and 213 other officers for appointment in the Regular Army of the United States, which were received by the Senate on June 8, 1955, and which appear in full in the Senate proceedings of the Congressional Record on that date, under the caption "Nominations," beginning with the name of Julian J. Fried, which appears on page 7888, and ending with the name of Robert J. Yuhas, which appears on page 7889.

United States Air Force Reserve Commissioned Officers

The officers named herein for appointment in grade indicated as Reserve commissioned officers in the United States Air Force under the provisions of the Armed Forces Reserve Act of 1952:

To be major generals

Brig. Gen. John Mirza Bennett, Jr., AO403621.

Brig. Gen. Robert Emmet Condon, AO228877.

Brig. Gen. Lawrence George Fritz, AO191234.

Brig. Gen. Pierpont Morgan Hamilton, AO900788.

Brig. Gen. Henry Christopher Kristoffersen, AO252676.

To be brigadier generals

*Col. Jay Glenn Brown, AO289764.

*Col. Jerry Winslow Davidson, AO394423.

*Col. Mark Hampton Galusha, AO241376.

*Col. James Porter Hollers, AO214999.

*Col. William Saunderson Johnston, AO144417.

*Col. Harold Pearson Little, AO219618.

*Col. Paul Stuart Zuckerman, AO900133.

(Note.—*Subject to physical examination.)

The following-named officers for appointment as Reserve commissioned officers in the United States Air Force for service as members of the Air National Guard of the United States, act of 1952:

To be major generals

Brig. Gen. John Munnerlyn Donalson, AO176345.

Brig. Gen. Fred Calvin Tandy, AO206131.

Brig. Gen. Winston Peabody Wilson, AO398325.

Col. William Dempsey Partlow, Jr., AO255478.

Lt. Col. Sherman Taulbee Clinger, AO358189.

To be brigadier generals

Col. Philip Pendleton Ardery, AO325990.

Col. Earnest Hodges Briscoe, AO291638.

Col. Royal Hatch, Jr., AO426388.

Col. Allison Maxwell, AO393154.

Col. Wilson Vernon Newhall, AO257329.

Col. Clarence Adelbert Shoop, AO341066.

In the Navy

Rear Adm. Charles Wellborn, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a designation in accordance with section 413 of the Officer Personnel Act of 1347.

In the Marine Corps

The nominations of Merrill B. Twining and 2,318 other officers for appointment in the Marine Corps, which were received by the Senate on June 6, 1955, and which appear in the Senate proceedings for that date, under the caption "Nominations," beginning with the name of Merrill B. Twining, which is shown on page 7651, and ending with the name of Thomas D. Moffitt, Jr., which is shown on page 7656.

EXTENSIONS OF REMARKS

Address by Hon. Herbert H. Lehman, of New York, Before United Jewish Appeal Conference, Washington, D. C.

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Friday, June 17, 1955

Mr. LEHMAN. Mr. President, on Saturday evening, June 4, 1955, the United Jewish Appeal held an important conference at the Sheraton-Park Hotel, in Washington. During the course of the dinner, citations were given to a number of great American generals of World War II. I was privileged to speak on that occasion. I was very happy, indeed, to have the opportunity of expressing my great appreciation and my gratitude to President Eisenhower, who was, at the time to which I referred in my remarks, General Eisenhower. I expressed my deep appreciation for the great cooperation which General Eisenhower gave to the United Nations Relief and Rehabilitation Administration during the years I was its director general, 1943–46, and the unfailing encouragement and help which he made available to us.

I ask unanimous consent that the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Rosenwald, honored guests, during many years of public life, I have been fortunate enough to be the recipient of a number of awards, yet never in my life have I felt more highly privileged than at this moment, in accepting this honor which you have chosen to bestow on me.

I think that is because the organization issuing this citation was born at a very special time, which I, for one, can never recall without emotion.

Those were troubled times.

Those were dark days indeed.

Those were the days when news of persecution, bestiality, of inhumanity beyond belief, formed the content of our fears and nightmares.

In those days, the leaders of American Jewry united to form this great lifesaving organization.

There were moments when under the impact of the tragic news from Europe, we believed that European Jewry was doomed.

But history was to erase those moments of despair.

We ourselves took hold of history.

It became abundantly clear in the midst of the dark moments that we could do something about the suffering of Jews in the areas dominated by Nazi Tyranny—that we could offer material aid, funds and food and clothing out of our own resources and give encouragement and hope to the millions of sorely threatened people abroad. At the same time we were comforted by the fact that men of other faiths and of good will were doing all they could to bring additional aid to those trapped in the shadow of the Nazi terror.

Whenever America practices democracy in action, it gains strength and it gains friends.

America must continue to demonstrate, clearly and forthrightly, what is meant by freedom, by democracy, by tolerance, by equal rights.

Thus do we win respect for our way of life. Thus can we open the eyes of many deluded by the glib promises of totalitarian rulers who offer so much but fulfill so little.

A splendid example of this vital obligation to practice what we preach was our participation in the United Nations Relief and Rehabilitation Administration—UNRRA—which I had the privilege of serving as first Director General, from 1943 to 1946.

To become an integral part of UNRRA was a stroke of great political wisdom and of a deep humanity on the part of the American people.

With Europe ravaged by so much destruction, we served greatly to rebuild lives and to sustain courage in many millions of suffering people in Europe, Asia, and Africa.

And when we sent our teams of nurses and doctors and social workers and administrators to Europe, a remarkable thing happened.

They came into contact with the soldiers and officers of our great American Army and the story from there on was a story of magnificent cooperation between the civilian administration and the military.

So began the historic undertaking of free nations acting together to restore war-torn Europe.

This work was accomplished in a miraculously short time.

In 1947 it was possible to dissolve UNRRA.

I am glad this evening that this great work is being commemorated.

I am glad because it gives us a chance to remember that this work not only physically strengthened our friends abroad but also gave them the impetus to take up where we left off.

It also proved in action the old American convictions of fair play and the helping hand. We must continue to prove that we know what democracy means by practicing it.

The generals we are going to honor tonight behaved with great compassion and understanding and a true concern for the welfare of those in their charge because they were brought up in our tradition of democracy—respect for the dignity of one's fellow men—the tradition of honesty and decent behavior at all times and in all situations.

I am very moved at this opportunity to pay tribute to these men who so much deserve it and to the others among us who served as their advisers on Jewish affairs.

I want to speak very briefly of the great help that was given to UNRRA by the great general who is now President of the United States, Dwight D. Eisenhower. By his every word and deed he gave encouragement to those of us who were charged with carrying out the merciful and humane purposes of this first great international operating organization.

I will recount just one instance. In 1945 when we were seeking the appropriation of the second United States contribution of $1,350,000,000, to which we were obligated to our allies, we were held up for a considerable length of time in Congress in securing favorable action on the appropriation which was so sorely needed. I was not then a Member of Congress nor did I at that time know as much about congressional committees as I do now, but day after day my associates and I appeared before committees with a plea for prompt action. The situation was a critical one. Finally, General Eisenhower on Thanksgiving Day 1945 left his sickbed to appear before the Foreign Affairs Committee of the House. He dramatically, and in moving terms, told the story of the displaced-persons camps and the great help that UNRRA was giving to our military and to the nations of Europe in returning millions of people to their homes, if they had homes, and of caring for those who no longer had any homes. It was a powerful appeal to the Congress and it greatly helped to bring about early and favorable action. I shall never fail to be grateful to General Eisenhower for the humanity that he showed on that and many other occasions, and for the constant encouragement and help that he gave to UNRRA.

I am moved, too, at the thought that we have with us this evening representatives of those very displaced persons who in the days right after the war did not know where they were going to go or what they were going to do and since have come so far that they are able now to enrich our society by their contributions to public life.

In addition to the great honor you have conferred on me this evening, you have given an equally great honor in permitting me, in behalf of all us associated with the United Jewish Appeal, the privilege of presenting tonight's awards for distinguished humanitarian service.

These awards are beautiful clay lamps from the land of the Bible, dating from the ancient past, and symbolizing 20 centuries of Jewish history in which each generation renewed its devotion to freedom's ideal.

Each is inscribed with the name of the recipient and the caption "To one who has kept the lamp of freedom burning, presented in deepest gratitude by the United Jewish Appeal for his distinguished humanitarian service to victims of Nazi tyranny."

I should like now to present the first of these awards to Gen. John H. Hilldring.

Nomination of William C. Kern to the Federal Trade Commission

EXTENSION OF REMARKS
OF
HON. HERBERT H. LEHMAN
OF NEW YORK
IN THE SENATE OF THE UNITED STATES
Friday, June 17, 1955

Mr. LEHMAN. Mr. President, yesterday, June 16, 1955, I appeared before the Senate Interstate and Foreign Commerce Committee in opposition to the nomination of Mr. William C. Kern to the Federal Trade Commission. I ask unanimous consent that the text of my testimony be printed in the CONGRESSIONAL RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Mr. Chairman, I appear today before your committee—and I am very grateful to you for this opportunity—in opposition to the nomination of Mr. William C. Kern to the Federal Trade Commission.

Mr. Chairman, I do not know Mr. Kern. I have made some inquiries concerning him

but have not been able to find out very much about him, other than that he has been a trial lawyer for the Federal Trade Commission for a number of years, serving during the last year as Deputy Director of the Bureau of Litigation—a position to which he was appointed by the present Chairman of the Federal Trade Commission, Mr. Edward F. Howrey.

I have nothing against Mr. Kern personally. As I said, I do not know him personally. He has the qualification of experience with the Federal Trade Commission and the severe disqualification of the position he now occupies as Deputy Director of the Bureau of Litigation. I shall go into that in the course of my testimony.

I do not know what Mr. Kern's views are on the basic policy matters over which he would be required to preside as a member of the Federal Trade Commission—on the fundamental laws which it is the duty of the Federal Trade Commission to enforce. I trust that this committee will inquire into those views.

I do know, however, that Mr. Kern's qualifications—viewing them in their most favorable light—and I am perfectly willing to give him the benefit of every doubt, and to appraise him with the highest possible estimate—still pale and grow dim by comparison with the qualifications of the man he seeks to replace—or rather, the man whom the President has named him to replace—Commissioner James M. Mead.

I would now like to define the bases of my interest in this nomination—the interest which moves me to come before this committee and to oppose Mr. Kern's nomination. It is not my usual practice, Mr. Chairman—I have never done it before—to come before a committee of which I am not a member, to oppose the nomination of an individual designated by the President to fill an important policymaking position.

Mr. Kern is not from my State. He is from Indiana. Moreover, I believe that in general the President of the United States should have a wide latitude in making the appointments that are within his prerogative. Surely in the executive branch of the Government, the President is the responsible official, and I believe that generally speaking, the President should be allowed the widest latitude, within well-understood limits, in naming individuals to carry out the executive policies of Government in the executive branch of Government.

Strictly speaking, however, the Federal Trade Commission is not a part of the executive branch of the Government. It is a quasi-judicial and quasi-legislative agency. It renders judgments and makes decisions which are half legislative and half judicial. The Federal Trade Commission enjoys powers which are delegated to it by Congress—which the Congress has a right to do—a right which has been challenged in the past, but which the Supreme Court has repeatedly upheld.

So, Mr. Chairman, the first basis of my extreme interest in this nomination is the vital concern I have—and the vital concern which New York State has—for the proper discharge of the duties delegated to the Federal Trade Commission under our laws covering fair trade, price discrimination, combinations in restraint of trade, and unfair business practices in general. There are few subjects in which New York State has a greater interest. New York State has, I may say, a greater concentration of business and commerce than any other State in the Union. Although we have many great business concerns in our State—and some of them are indeed monopoly-minded—we also have thousands and thousands of small businesses in New York State. I would guess that we have the greatest number of small businesses in New York State of any State in the Union. So we are concerned with the work of the Federal Trade Commission—vitally concerned. We are concerned for the protection of small business, for the protection of the consumer, and for adequate defenses against monopoly and unfair business practices.

The second basis of my interest in this nomination is the fact that Jim Mead, former Chairman of the Federal Trade Commission, and at present a member of that Commission, is a citizen of my State; one of our most distinguished citizens. New York is proud of the service Jim Mead has performed as chairman and as a member of the Federal Trade Commission. It has been outstanding service—service always in the public interest, in behalf of small business, and in behalf of the consumers of this country.

Jim Mead's record on the Trade Commission—both as an administrator and as a representative of the public interest—have helped in a most significant way to give consumers and small business the safeguards that Congress intended they should have—and never were those safeguards more needed than they are today. We need more protection of small business and of the consumer—not less. We need more vigilance in the defense of the public interest—not less.

President Eisenhower's failure to reappoint Jim Mead is a rebuke to Jim Mead's record. It is a rebuke to the principles for which Jim Mead has stood on the Federal Trade Commission during all the years of his service.

If the Federal Trade Commission were nothing more than a branch of the executive department of Government, I would have only a political difference with the President over his failure to reappoint Jim Mead. I would not have been surprised. But the Federal Trade Commission is not just another branch of the executive department.

It is an independent agency. It has quasi-judicial and quasi-legislative functions.

The FTC was set up by law as a bipartisan commission to insure its immunity from passing political pressures or from dictation by the President of the United States, whoever he might be. The law states that no more than three members of the Commission may be appointed from the same political party. The other two must be members of the minority party—in this case, the Democratic Party. This provision of the law is intended to insure adequate representation for the minority political viewpoint—further to guarantee the independence and political balance of this agency.

That wasn't all the Congress did to insure the independence of this agency. The Congress also made the term of each Commissioner 7 years—another device to provide this agency with immunity from political pressures. And finally, Mr. Chairman, the Congress determined that no Commissioner could be removed except for cause. In 1935 the Supreme Court, in the celebrated Humphrey case, declared that this proviso clearly meant that no Commissioner could be removed save on the basis of specific charges as to malfeasance or improper conduct in office. The Humphrey case, it is interesting to recall, dealt directly with the FTC. In October 1933 President Roosevelt removed the then Chairman of the FTC, Mr. William E. Humphrey, and replaced him with a Mr. Matthews. Mr. Humphrey was old, and he died shortly thereafter, but his executors brought a suit against the United States Government. The Supreme Court ruled that the President did not have the power to remove a member of the FTC at will, but was required by law to present charges and to have a hearing on those charges.

A member of the FTC does not serve at the pleasure of the President. He is not an agent of the President's will. He is an agent of the Nation—carry out the national intent as reflected in the various pieces of legislation on the subject of fair trade practices and monopoly.

Now, Mr. Chairman, I have been deeply troubled by the tendency in this administration—a general tendency—to subvert the intentions of the law—the plain purposes of legislation enacted in past years—by appointing to positions of authority in the discharge of regulatory functions men who are out of sympathy with these functions, or at most, ready to pay only lip service to them.

Time and again during the past 2 years, tried and true defenders of the public interest have been replaced, on the regulatory agencies established by Congress, with individuals who, by background and past association, might be expected to be directly opposed to the purpose of the laws they are appointed to administer.

We have seen this happen with the National Labor Relations Board, the Securities and Exchange Commission, the Federal Communications Commission, and last but by no means least, the Federal Trade Commission.

I do not charge—I have no real basis for charging—that Mr. Kern is a spokesman for, or a representative of, the business interests which the Federal Trade Commission is supposed to regulate. I strongly suggest that this committee examine Mr. Kern carefully to ascertain whether his views are entirely consistent with the spirit and purposes of the laws he has been appointed to help administer.

I do know, however, that Commissioner Mead was a man who, on the record, fought consistently and tirelessly in behalf of the public interest in the exact spirit of the laws which form the charter of the Federal Trade Commission. President Eisenhower's failure to reappoint Mr. Mead immediately raises questions and doubts.

The Federal Trade Commission is supposed to be bipartisan. It is supposed to have a membership representing a minority viewpoint. I am chairman of the Securities Subcommittee of the Banking and Currency Committee. There recently came to my subcommittee the nomination of a member of the Securities and Exchange Commission. The individual nominated is supposed to be a Democrat. The position in question, like the one before you, is required, by law, to be filled by a member of the minority party. Yet the individual nominated—and I have nothing against him personally—just as in the case of Mr. Kern—testified that he had been cleared for the nomination to the Securities and Exchange Commission by the Republican National Committee.

I remarked, in the course of the hearings I was conducting on this nomination, that I considered this a complete subversion of the principle of nonpartisanship. There is no nonpartisanship when a minority member has to be cleared by the national committee of the majority party.

I say this, of course, in no partisan spirit, but rather in a spirit of devotion to the law itself. I would address both Republican and Democratic Members of the Senate in the same way. I believe it would be just as wrong should a Democratic President be in office—and I hope one soon will be—to require that a position, which under the law should go to a Republican, have the clearance of the Democratic National Committee. I suggest to the Republican Members of the Senate that they beware of setting this kind of precedent.

Let us bear clearly in mind the meaning and the purpose of the legal requirement that no more than three members of the Federal Trade Commission, for instance, be

members of the same party. The purpose is to insure minority representation on these Commissions. Not minority representation in theory, but minority representation in fact. It does not satisfy the spirit of the law, in my judgment, to appoint, as a minority member of such an independent agency as the Federal Trade Commission, an individual who, technically speaking, is a member of the minority party, or who is a member of a wing of the minority party which is indistinguishable in viewpoint from the majority party. That does not satisfy the spirit of this legal requirement. That is an evasion of the requirement. That does not insure the presence on these Commissions—and on this Commission—of a vigilant minority dedicated to the social and economic viewpoint of the minority party.

It may satisfy the letter of the law if the individual concerned is a registered member of the minority party, or even if he simply asserts, beyond power of contradiction, that he is a member of the minority party. I do not believe it satisfies the spirit of the law.

Turning now from the question of bipartisanship and minority representation to the question of what general viewpoint should be required of nominees to this all-important Commission, let me quote from an official document—from the United States Government Organization Manual for 1954–55, issued by the National Archives and Records Service of the General Services Administration.

I am going to quote from that publication a significant excerpt, written by the Federal Trade Commission itself, representing, I assume, the composite view of the Commission. This quotation defines the nature and purpose of the Federal Trade Commission. This is not my interpretation, but the official interpretation.

"The basic objective of the Commission," says the United States Government Organization Manual, "is the maintenance of free competitive enterprise as the keystone of the American economic system. Although the duties of the Commission are many and varied * * * the foundation of public policy underlying all these duties is essentially the same: to prevent the free-enterprise system from being stifled or fettered by monopoly or corrupted by unfair or deceptive trade practices. In brief, the Commission is charged with keeping competition both free and fair. * * * As an administrative agency acting quasi-judicially and quasi-legislatively, the Commission was established to deal with trade practices on a continuing and corrective basis."

These aren't my words; they are the Commission's words—the words of the United States Government Organization Manual. The Commission describes itself as a quasi-judicial and quasi-legislative agency. What is more important than having on such agency a true minority viewpoint—a properly critical and constructive opposition to the majority?

On such a Commission, the differences in viewpoint naturally establish themselves on the basis of social and economic philosophy. Jim Mead represents as well as any man has ever represented, the social and economic philosophy of the Democratic Party as a whole, which I believe is the social and economic philosophy of the overwhelming majority of the American people—a social and economic philosophy written, in 1914, into the Federal Trade Commission Act; and subsequently into the Clayton Act and many other acts through the years, the most important and climactic of which, in recent years, was the Robinson-Patman Act in 1936.

Incidentally, I find it very interesting that the United States Government Organization Manual of 1954–55, in listing the basic statutes under which the Federal Trade Commission operates, significantly omits direct mention of the Robinson-Patman Act, although the United States Government Organization Manual of 1952–53 does indeed include reference to the Robinson-Patman Act among the basic charters of the Federal Trade Commission. I wonder whether we might have here a basis for suspecting—or at least raising the question—whether the Federal Trade Commission, under its present administration, would like to forget the existence of the Robinson-Patman Act—that basic bulwark of small business?

Jim Mead is well aware of the existence of the Robinson-Patman Act. His record as chairman and as a member of the Federal Trade Commission reflects his awareness of the necessity of enforcing the law relating to price discrimination.

All of us are well aware of the change in the tone and temper of the Federal Trade Commission since the change in national administration, and especially since the present chairman, Mr. Edward F. Howrey, took office. I would like to submit, for the record, Mr. Chairman, an article from the responsible publication Business Week, published by McGraw-Hill, issue of June 5, 1954. This article is entitled "Republicans Reshape the FTC." The highlights of the article, as printed in the heading, are as follows:

"There is a new stress on proof of injury in cases involving curbs on competition."

"They're taking a fresh look at the law on mergers and price-fixing."

Mr. Chairman, I suggest that this article be read by the members of this committee before acting on this nomination, and ask that this article be incorporated in the record and be printed at the end of my remarks.

It is a fact that in the area of unfair price discriminations, the Commission has given such a broad interpretation to the Supreme Court decision in the Standard Oil of Indiana case, that the whole Robinson-Patman Act is in danger of emasculation.

In recent hearings before Senator SPARKMAN's Small Business Committee, it was testified that due to this broad interpretation, the Commission now refuses even to initiate a case where the good-faith defense is asserted.

I am a cosponsor, and I am sure some of the members of this committee are cosponsors, of S. 11, a bill introduced by Senator KEFAUVER to restore to the Robinson-Patman Act the teeth that were removed by the Supreme Court "good-faith" decision in the Standard Oil case.

The Federal Trade Commission, under the chairmanship of Jim Mead, favored this legislation. It is my understanding that today, the Federal Trade Commission, under its present administration, opposes this legislation.

I believe, with all my heart, that the removal of Jim Mead from this commission, would eliminate a vital viewpoint, a viewpoint shared by at least 30 Members of the Senate, as witnessed by the number of sponsors of S. 11. That viewpoint is a minority viewpoint today on the Federal Trade Commission. To the extent that it is possible, I believe we should insist that the minority viewpoint be retained on the Commission.

Chairman Howrey, of the Federal Trade Commission, has endorsed the majority report of the Attorney-General's National Committee to Study Anti-Trust Laws. As I interpret that report, it favors weaker anti-trust enforcement in practically every part of this field. Jim Mead does not subscribe to the Attorney-General's report. He favors stronger enforcement of the anti-trust laws. He has made some recommendations pointed in this direction, recommendations which Senator HILL, of Alabama, inserted textually into the CONGRESSIONAL RECORD on March 4.

Jim Mead gained a justified reputation on the Commission as the leading champion of free enterprise and effective anti-trust legislation. Jim Mead was not a partisan. While he was chairman, attorneys were hired without regard to political affiliation, and, I am told, that many so hired were in fact Republicans.

I am not a lawyer, Mr. Chairman, nor an expert in the complexities of the work of the Federal Trade Commission. I would commend to this committee, however, a reading of the opinions of Commissioner Mead in the Pillsbury Mills case, in the General Foods case, in the Metal Lath case, the National Lead case, and the Book-of-the-Month Club case. I would ask that these opinions of Commissioner Mead be placed in the record of these hearings at the end of my remarks. As I said, I do not know all the legal implications of these cases. I have chosen them as representative of Commissioner Mead's consistent record in favor of the public interest.

In a period characterized by almost daily mergers, a growing trend toward monopoly, and a growing threat to competitive free enterprise and to small business, I think it terribly important that there be retained on the Federal Trade Commission a clear, strong voice speaking for what some of us believe to be the public interest. I think the two minority places on the Commission should be filled by men who represent the social and economic viewpoint so ably expounded by Jim Mead.

I have been told, Mr. Chairman, that since the Federal Trade Commission was reorganized by Chairman Howrey 1 year ago, the Commission has not initiated a single new action against mergers. Now I am not against all mergers—some of them may be justified. But we are facing a trend—a sweeping tide of mergers, which, compositely, in my judgment, threaten our system of free competitive enterprise and undermine our national economic health.

I feel that with this trend in full swing, we cannot safely endure the loss o even one such individual as Jim Mead from the Federal Trade Commission.

I would like to interpose at this point that Jim Mead is not the only loss we are threatened with. There is another Commission which is within the jurisdiction of this committee—the Federal Communications Commission. There is a member of that Commission who, like Jim Mead, has valiantly, tirelessly, and zealously fought for the public interest against monopoly and against undue concentration of control over our communications in the hands of any one group or class of persons. I refer to Miss Frieda Hennock. It so happens that Miss Hennock is also a constituent of mine. Just as I regret the President's failure to reappoint Jim Mead, I regret the President's failure to reappoint Frieda Hennock.

The pattern is all too clear. It is a dangerous pattern, seeking to eliminate from these independent Commissions and agencies, effective and constructive minority viewpoints. This pattern forms one of the bases of my opposition to Mr. Kern's nomination.

While I do not think that Mr. Kern has all the necessary qualifications from my point of view, he might indeed turn out eventually to be an able representative and exponent of my viewpoint. But there is no basis for any such prediction on the record. Hence, I do not think that I, as a Member of the Senate, am justified in taking a chance by voting to confirm Mr. Kern to replace Jim Mead.

Finally, Mr. Chairman, there is another question raised by Mr. Kern's appointment which disturbs me greatly. Let us assume, for the moment, that Mr. Kern would turn out to be a vigilant advocate of the liberal viewpoint on the Federal Trade Commission. There is still a hitch. About a year ago, Chairman Howrey promoted Mr. Kern to be Deputy Director of the Bureau of Litigation of the Federal Trade Commission.

In that position, Mr. Kern's duties included the prosecution or supervision of the prosecution of many cases initiated by the Federal Trade Commission under its basic statutes. I have been advised by competent legal counsel—as I said, I am not a lawyer—that under section 5–C of the Administrative Procedures Act, Mr. Kern would be disqualified from participating as a member of the Commission in the consideration of cases with which he had a connection as Deputy Director of the Bureau of Litigation during the past year. Actually, I am informed all litigated cases before the Federal Trade Commission during the past year came under Mr. Kern's purview.

If my information and legal advice are correct, Mr. Kern will be disqualified from participating at all—for some years to come—on many, if not most, of the cases coming before the Federal Trade Commission.

The Federal Trade Commission already has a chairman, Mr. Howrey, who I understand has disqualified himself from sitting on many of the cases because, as a private attorney, he appeared before the Federal Trade Commission in behalf of many of the business interests which are currently involved in FTC proceedings.

Now here it is proposed to appoint another member of the Federal Trade Commission who will likewise be disqualified from participating in the decisions of the Commission. We would have, as a result, in most cases a three-member Commission.

Mr. Chairman, as I said, I am not an expert on these matters. I am not qualified to give expert testimony. I am merely repeating what I have been told. Therefore, I would strongly suggest and urge that this committee hear Mr. Stephen Spingarn, a former member of the Commission, and a qualified and expert attorney-at-law. I urge you, Mr. Chairman, to call Mr. Spingarn to testify on this point before this committee.

Mr. Chairman, this is the sum total of my testimony. I have come here before you because I feel strongly that it will be most unwise to approve Mr. Kern's nomination, and that President Eisenhower, on the basis of the record of these hearings, should be given a chance to reconsider his decision in replacing Mr. Mead.

I hope he will continue to avail himself of the services of Mr. Kern in his present position, and will send to the Senate for reappointment, the name of James M. Mead, of Buffalo.

SENATE

MONDAY, JUNE 20, 1955

The Reverend George A. Taylor, rector, St. David's Episcopal Church, Baltimore, Md., offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Senate and Representatives in Congress assembled, that Thou wouldst be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the good of Thy church, the safety, honor, and welfare of Thy people; that all things may be so ordered and settled by their endeavors, upon the best and surest foundations, that peace and happiness, truth and justice, religion and piety may be established among us for all generations. These and all other necessaries, for them, for us, and Thy whole church, we humbly beg in the name and mediation of Jesus Christ, our most blessed Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 17, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On June 13, 1955:

S. J. Res. 51. Joint resolution extending an invitation to the International Olympic Committee to hold the 1960 winter Olympic games at Squaw Valley, Calif.

On June 15, 1955:

S. 153. An act to amend the Rural Electrification Act of 1936; and

S. 414. An act to authorize an examination and survey of the coastal and tidal areas of the Eastern and Southern United States, with particular reference to areas where severe damages have occurred from hurricane winds and tides.

On June 16, 1955:

S. 39. An act for the relief of Stanislavas Racinskas (Stacys Racinskas);

S. 68. An act for the relief of Evantiyi Yorgiyadis;

S. 93. An act for the relief of Ahti Johannes Ruuskanen;

S. 121. An act for the relief of Sultana Coka Pavlovitch;

S. 129. An act for the relief of Miroslav Slovak;

S. 193. An act for the relief of Louise Russu Sozanski;

S. 236. An act for the relief of Johanna Schmid;

S. 265. An act to amend the acts authorizing agricultural entries under the nonmineral land laws of certain mineral lands in order to increase the limitation with respect to desert entries made under such acts to 320 acres;

S. 266. An act authorizing the Secretary of the Interior to transfer certain property of the United States Government (in the Wyoming National Guard Camp Guernsey target and maneuver area, Platte County, Wyo.) to the State of Wyoming;

S. 320. An act for the relief of Mrs. Diana Cohen and Jacqueline Patricia Cohen;

S. 321. An act for the relief of Anni Marjatta Makela and son, Markku Paivio Makela;

S. 351. An act for the relief of Ellen Henriette Buch;

S. 407. An act for the relief of Helen Zafred Urbanic;

S. 439. An act for the relief of Lucy Personius;

S. 504. An act for the relief of Priska Anne Kary;

S. 528. An act to revive and reenact the act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River, at or near Baudette, Minn., approved December 21, 1950;

S. 755. An act to authorize the conveyance of certain war housing projects to the city of Warwick, Va., and the city of Hampton, Va.;

S. 844. An act for the relief of Zev Cohen (Zev Machtani);

S. 998. An act to authorize the conveyance of a certain tract of land in the State of Oklahoma to the city of Woodward, Okla.;

S. 1398. An act to strengthen the investigation provisions of the Commodity Exchange Act; and

S. J. Res. 6. Joint resolution to provide for investigating the feasibility of establishing a coordinated local, State, and Federal program in the city of Boston, Mass., and general vicinity thereof, for the purpose of preserving the historic properties, objects, and buildings in that area.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

LEAVES OF ABSENCE

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. HUMPHREY was granted leave of absence for this week while in attendance on the United Nations anniversary celebration in San Francisco, as a representative of the Senate Committee on Foreign Relations.

On request of Mr. KNOWLAND, and by unanimous consent, Mr. MILLIKIN was excused from attendance on the session of the Senate today.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on the Judiciary was authorized to meet during the session of the Senate today.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Subcommittee on Production and Stabilization of the Committee on Banking and Currency be permitted to sit and receive testimony during the session of the Senate this afternoon. The subcommittee is receiving testimony on the question of extending the Defense Production Act, which expires on June 30.

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, there will be a morning hour for

the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business. I ask unanimous consent that statements made in connection therewith be subject to the usual 2-minute limitation.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON FOOD AND CLOTHING

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission's Task Force on Food and Clothing, dated April 1955 (with an accompanying report); to the Committee on Armed Services.

REPORT ON LENDING AGENCIES

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission's Task Force on Lending Agencies, dated February 1955 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON BUDGET AND ACCOUNTING

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission on Budget and Accounting, dated June 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON TRANSPORTATION

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission's Subcommittee on Transportation, dated March 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON RESEARCH ACTIVITIES

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission's Subcommittee on Research Activities, dated April 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON LEGAL SERVICES AND PROCEDURE

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission's Task Force on Legal Services and Procedure, dated March 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT ON SURPLUS PROPERTY

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report on that Commission's Task Force on Surplus Property, dated February 1955 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON GENERAL SUPPLY FUND, GENERAL SERVICES ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the General Supply Fund, General Services Administration, for the period July 1, 1949, through June 30, 1953 (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"Assembly Joint Resolution 38

"Joint resolution relative to H. R. 4927, amending the Immigration and Nationality Act relating to certain Mexican aliens

"Whereas there is no provision in Public Law 414, commonly known as the McCarran-Walter Act, to adjust status for Mexican aliens (citizens of contiguous countries) where the deportation or refusal to grant reentry will cause, or has caused, extreme family hardship to American citizen spouses or children; and

"Whereas it does not appear that it was the intention of the authors or those who supported enactment of this law to cause separation of families and the banishment forever of a parent to Mexico, simply because in the desperate effort of these men to better their environment, they crossed our border without color of right; and

"Whereas in many instances in the past individuals have walked across our unguarded southern border, entering the United States illegally in violation of the United States immigration laws; and

"Whereas the entry of such persons may have occurred many years prior to their banishment or deportation from this country, and after they had become the parents of families, and had become taxpayers and respected residents of our country; and

"Whereas separation of mother or father from their children results in great moral, physical, and financial hardship on such persons, leading to juvenile delinquency and disruption of our community life; and

"Whereas in addition to the moral hardship caused by the separation of families, this law imposes a serious financial burden upon the taxpayers of this State, in that there are many hundreds of such families compelled to seek social aid and public assistance at a high cost to the taxpayers; and

"Whereas many of our most respected citizens are of Mexican ancestry and our Nation has great ties of friendship with our southern neighbor and friend, who has served with us in the struggle of freedom and democracy in our turbulent world; and

"Whereas there is pending before Congress legislation, H. R. 4927, which would amend the immigration laws to provide relief from the hardship in such cases, while still imposing adequate safeguards to discourage illegal entrance: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California hereby respectfully memorializes the Congress of the United States to enact H. R. 4927; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 39

"Joint resolution relative to providing Santa Clara, Alameda, San Benito, Contra Costa, and Santa Cruz Counties with a supply of water from the Central Valley project

"Whereas Santa Clara, Alameda, San Benito, Contra Costa, and Santa Cruz Counties comprise one of the fastest growing regions of the State of California; and

"Whereas a great increase in population and in industrial development, together with intense agricultural activity, have combined to tax severely the existing water supplies of the region; and

"Whereas at present the watersheds of Santa Clara, Alameda, San Benito, Contra Costa, and Santa Cruz Counties are virtually the sole source of the water supply for the region; and

"Whereas to meet the desperate water needs of this region, it is necessary that an additional supply of water be provided with the least possible delay: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States and the Secretary of the Interior to take such action through the Bureau of Reclamation as may be necessary to conduct and complete with the least possible delay the necessary investigations, surveys, and studies for the purpose of providing plans and feasibility reports to furnish a supply of water from the Central Valley project to Santa Clara, San Benito, Alameda, Contra Costa, and Santa Cruz Counties, all generally in keeping with section 2 of the act of October 14, 1949 (63 Stat. 852), authorizing the American River Division, Central Valley project; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States, and to the United States Bureau of Reclamation."

"Assembly Joint Resolution 40

"Joint resolution relative to saline water conversion

"Whereas the United States Department of the Interior proposes to engage in a saline water conversion program; and

"Whereas in order fully to carry out the saline water conversion program, it is necessary that a research activity be undertaken; and

"Whereas because of the critical nature of the water problems of the city of San Diego, that city would appear to provide an appropriate location for the saline water conversion program research activity in addition to the other locations in California where such research is now being conducted: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to consider locating some of the research activity of the saline water-conversion program of the United States Department of the Interior at San Diego, Calif.; and be it further

"Resolved, That the chief clerk of the assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representatives from California in the Congress of the United States, and to the United States Secretary of the Interior."

A resolution of the Assembly of the State of California; to the Committee on Armed Services:

"House Resolution 277

"Resolution relative to location of the aircraft industry in California and the Western States

"Whereas recent public statements made by officers in high position in the United States Air Force have caused the belief among many persons in California that the United States, for strategic purposes, prefers the location of the major aircraft industries of this country in places other than California and the Western States; and

"Whereas it appears that such a preference for relocation of the aircraft industry may result in the placing of Federal Government contracts for aircraft in such manner as to affect adversely the economy of the aircraft industry of the Western States, and particularly in California; and

"Whereas the aircraft industry of California and the Western States has for varied reasons grown to major proportions in these localities and has become of prime importance in local economies, such that relocation of this industry in whole or in part would adversely affect the economy of entire communities; and

"Whereas loss of any large portion of the aircraft industry to the Western States would create unemployment and other suffering which might amount to such scope as to be of national concern: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the Assembly of the State of California respectfully memorializes the Congress to study and investigate thoroughly any policy or policies proposed on behalf of the Federal Government and its agencies with regard to the aircraft industries of California and the Western States, to take immediate action calling for the study of any question raised regarding the strategic location of the aircraft industry in California and the Western States, so that any decisions upon such policy changes by the Federal Government will be resolved only after a full hearing before the Congress of the United States; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, and to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A copy of page 5888 of the Journal of the Assembly of the State of California, of June 8, 1955, showing a motion which was carried relative to the Trinity-San Luis project; to the Committee on Interior and Insular Affairs:

"MOTION TO MEMORIALIZE CONGRESS

"Mr. Dolwig moved that the Assembly of the State of California respectfully memorialize the Congress and the President of the United States to enact such legislation as may be required to bring about the immediate authorization and construction of the Trinity-San Luis project and that in such authorization the Congress make provisions mutually satisfactory to the United States and the State of California for the integration of the San Luis project with the California State water plan; and further

"That the chief clerk of the assembly transmit copies of this motion to the President and the Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the Interior and to the Secretary of the Army."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 56

"Joint resolution requesting the Congress of the United States to waive certain restrictions with respect to exchanges of public lands for emergency relief to distressed persons in Puna, T. H.

"Whereas recent volcanic activity in the district of Puna, county of Hawaii, T. H., has desolated many acres of heretofore productive farmlands; and

"Whereas unlike other catastrophic events which befall lands and render them only temporarily unproductive, lands inundated by flowing lava are rendered totally worthless for thousands of years; and

"Whereas there is little or no privately owned land in or about the district of Puna, T. H., available for purchase by those persons whose lands have been so destroyed; and

"Whereas there are substantial acreages of public lands within and adjacent to the said district of Puna, T. H., which can be made available to those persons whose lands were destroyed by such volcanic activity and to persons who had existing leases of such lands: Now, therefore,

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact suitable legislation which would, notwithstanding any provision of the Hawaiian Organic Act, authorize and direct the commissioner of public lands to sell, to persons whose lands were destroyed by lava flows and to persons who had such lands under lease, public lands within or adjacent to the district of Puna, county of Hawaii, T. H., the area of such land to be purchased by any one person, not to exceed 80 acres or the area of land destroyed, whichever is the smaller, each such sale to be at a price determined by the board of public lands of the Territory of Hawaii to be the reasonable value thereof.

"SEC. 2. Duly authenticated copies of this joint resolution shall be forwarded to the President of the United States, to the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior of the United States and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 15th day of June A. D. 1955.

"SAMUEL WILDER KING,

"Governor of the Territory of Hawaii."

Two acts (Nos. 249 and 254) of the Legislature of the Territory of Hawaii; relating to the issuance of $50 million in highway revenue bonds; and to create the Hawaii Development Credit Corporation; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Board of Supervisors of the City and County of Honolulu, T. H., relating to the reapportionment of the Territorial legislature; to the Committee on Interior and Insular Affairs.

A petition signed by Stanley L. Shoemaker, and sundry other members of American Legion Post, No. 636, Boron, Calif., relating to world citizenship; to the Committee on Foreign Relations.

RESOLUTIONS OF MIDWEST STATES CONFERENCE OF MACHINISTS

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a series of four resolutions adopted by the Midwest Conference of Machinists, at their fourth annual conference held in Wichita, Kans., on May 21 and 22, 1955.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Finance:

"RESOLUTION NO. 1—SUBMITTED BY THE WISCONSIN STATE CONFERENCE OF MACHINISTS

"Whereas the rapid changes which are being made in methods of production demonstrate conclusively the accelerating tempo of change in all of our economic and social life; and

"Whereas the technological progress has now brought forth the newer techniques called automation, which brings with it the problems of importance to the working force of our Nation; and

"Whereas the age limits imposed on workers in industry are being constantly lowered by management to meet the requirements of the modern pace of production; and

"Whereas the swift changes in our economic and social life present growing threats to the sense of security and well-being of our wage earners; and

"Whereas the possibilities of automation should not be permitted to operate to the detriment of society, but should be applied to create a fuller and more secure life for all of our citizens, especially to those no longer able to withstand the pace of modern production due to age; and

"Whereas there has been no progress in the lowering of the age of eligibility for social-security benefits to keep pace with the changed conditions which increasingly face our older workers since the enactment of the social-security law more than 20 years ago: Now, therefore, be it

"Resolved, That the Midwest States Conference of Machinists in conference assembled in the city of Wichita, Kans., on this 22d day of May 1955, go on record in favor of a reduction in the eligibility age for benefits under the Social Security Act to 60 years; and be it

"Resolved, That the Midwest States Conference of Machinists submit this resolution to the next conventions of the American Federation of Labor of the nine-State area for their concurrence and promotion; and be it further

"Resolved, That this resolution be spread upon the minutes of this conference and that copies of this resolution be sent to all congressional representatives of the nine-State area comprising the Midwest States Conference of Machinists."

To the Committee on Labor and Public Welfare:

"RESOLUTION NO. 6—SUBMITTED BY THE WISCONSIN STATE CONFERENCE OF MACHINISTS

"Whereas it has come to our attention that field offices of the Bureau of Apprenticeship, United States Department of Labor, located in the nine States area of the Midwest Conference of Machinists have been closed because of curtailment of funds; and

"Whereas the training of tradesmen is absolutely essential to the national health and welfare; and

"Whereas history shows that governmental assistance is needed in the promotion of on-the-job training for the youth of our land as part of the civilian-defense program which sustains the front line of defense; and

"Whereas the curtailment of promotional efforts to train young men as tradesmen in the metal and manufacturing firms will seriously jeopardize our position in national and international prestige: Now, therefore, be it

"Resolved, That the Midwest States Conference of Machinists, assembled in convention in the city of Wichita, Kans., on May 22, 1955, go on record as vigorously opposing any

reduction in the personnel of the Bureau of Apprenticeship, United States Department of Labor; and be it further

"Resolved, That every effort be made to reestablish those offices already closed in this nine States area; and be it further

"Resolved, That copies of this resolution be sent to the President of the United States and to all United States Senators and Representatives of the nine States area; and be it further

"Resolved, That copies of this resolution be sent to the Secretary of Labor, United States Department of Labor, William F. Patterson, Director of Bureau of Apprenticeship, United States Department of Labor and to Brother Al Hayes, president, International Association of Machinists."

To the Joint Committee on Atomic Energy:

"RESOLUTION No. 13—SUBMITTED BY LOCAL No. 612, LINCOLN, NEBR.

"Whereas the objectionable Dixon-Yates contract is a real threat to the lower power rates that the public have enjoyed since TVA came into existence; and

"Whereas this is very emphatically proven by the fact that the power rates increase with distance as one travels away from the Tennessee Valley regardless of whether power is supplied by private or public utilities; and

"Whereas the said Dixon-Yates contract was rushed into existence under the most unnecessary noncompetitive conditions, expertly designed to use public tax moneys to furnish private power interests a risk-free project that will drive a wedge into the TVA yardstick of low rates: Now, therefore, be it

"Resolved, That the Midwest States Conference of Machinists in conference assembled in the city of Wichita, Kans., this 22d day of May 1955, resolve that the said Dixon-Yates contract be condemned and withdrawn because of the damaging effect it will have on the public interests and power rates; and be it further

"Resolved, That copies of this resolution be sent to the proper congressional committee and all Members of Congress from our nine States area."

To the Committee on Agriculture and Forestry:

"RESOLUTION No. 20—SUBMITTED BY THE FARM COMMITTEE OF FOND DU LAC COUNTY, WIS., AND REWRITTEN BY THE LEGISLATIVE COMMITTEE OF THE MIDWEST STATES CONFERENCE

"Whereas members of the International Association of Machinists are interested in all actions which will produce a stable, healthy and expanding economy; and

"Whereas the financial and economic plight of the farmer is of importance to the wage earner because the farmer represents one of the greatest markets for the goods and machinery we produce; and

"Whereas the city workers are conversely one of the greatest markets for the foodstuff and other products that the farmer produces, our interests are interrelated and our well-being is indivisible: Now, therefore, be it

"Resolved, That the Midwest States Conference of Machinists go on record this 22d day of May 1955, in conference at Wichita, Kans., to take cognizance of the steadily decreasing farm income which has been evident since 1952 and that we go on record to urge the Congress of the United States to enact farm legislation which will be fair and equitable to the small family-type farmer and which will guarantee the farmer an equitable return through reasonable income supports; and be it further

"Resolved, That copies of this resolution be distributed to all Congressmen and Senators from the nine States area with the request that they support such legislation on the floor of Congress; and be it further

"Resolved, That copies of this resolution be sent to our international headquarters for such followup by the legislative department of the International Association of Machinists as may be necessary."

POSTAL RATES APPLICABLE TO RELIEF GOODS—RESOLUTION

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Presbytery of the Great Plains of the Bible Presbyterian Church, sent to me by Rev. Lloyd C. Snyder, of Lemmon, N. Dak., relating to postal rates applicable to relief goods sent abroad.

There being no objection, the resolution was referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

RE POSTAL RATES—SENDING OF RELIEF GOODS

"Senator WILLIAM LANGER:

"Whereas the need for used clothing and bedding, etc., in the lands of Korea and Palestine, and many other places in the world, is so great; and

"Whereas the present postal rates are so excessive that it makes it prohibitive for individuals and our small churches to send such clothing and bedding, etc., to aid in the supplying of the need: Therefore, be it

"Resolved, That the members of the Presbytery of the Great Plains of the Bible Presbyterian Church do hereby request our Representatives in Congress to put forth every effort to have domestic and foreign postal rates lowered for the purpose of sending such relief goods, and that the sending of such relief goods through APO be resumed."

The stated clerk of the presbytery was directed to send a copy of this resolution to each of our Representatives in the Congress from both North and South Dakota.

Your consideration is very much appreciated.

Rev. LLOYD C. SNYDER.

LEMMON, S. DAK.

REORGANIZATION OF RURAL ELECTRIFICATION ADMINISTRATION—LETTER AND RESOLUTION

Mr. CARLSON. Mr. President, I invite the attention of the Senate to a letter I received from Charles W. Ellis, manager of the Clay and Washington County Rural Electric Cooperative Association, together with a resolution adopted at their meeting, regarding the recommendations of the Hoover Commission, providing for the reorganization of the REA. I ask unanimous consent that the letter and resolution be printed in the RECORD.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

THE C. & W. RURAL ELECTRIC COOPERATIVE ASSOCIATION, INC.,
Clay Center, Kans., June 10, 1955.

Hon. FRANK CARLSON,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR MR. CARLSON: At the 17th annual meeting of the C. & W. Rural Electric Cooperative Association, held at the city hall in Clay Center on May 11, 1955, the enclosed resolution was unanimously approved by the members in attendance. The resolution was offered by Mr. Ernest Benne, of Washington, Kans., and seconded by Mr. William Steffen, of Wakefield, Kans., both members in good standing of the cooperative.

During the discussion prior to the voting on this resolution, Mr. Benne stressed the fact that the resolution was of his own offering and that neither the board of trustees nor the management were aware of his intention to offer the resolution prior to the time of the meeting. We mention this to indicate the grassroots nature of the action and wish to assure you that the 415 members registered at the meeting voted without exception and with considerable enthusiasm for the resolution.

We believe you will be interested in having this information since it very clearly indicates the position of the farm people in Kansas on REA.

Thank you for your attention.

Yours very truly,

CHARLES W. ELLIS,
Manager.

Whereas bills embracing the recommendations of the Hoover Commission are now pending in the United States Congress providing for the reorganization of REA which would change entirely the present methods of administering and financing the local electric cooperatives; requiring them to secure their loans for operation and construction from private sources instead of from funds provided by the Federal Government as at present; and

Whereas such financing would necessitate a substantial increase in rates to pay the greatly increased rate of interest, making it impossible for many farmers, all of whom have suffered a major decline in income, to continue using electric service. Adoption of these recommendations by Congress would be so detrimental to our rural electric cooperatives that most of them would be ruined. The financing of REA has not been a liability, or loss, to the Federal Government. Practically all of the local associations are in sound financial condition. Some associations have already paid off their obligation to the Federal Government 14 years ahead of schedule: Now, therefore, be it

Resolved by the members of the Clay and Washington Electric Cooperative in meeting assembled at Clay Center, Kans., That we do emphatically oppose the adoption of the recommendations of the Hoover Commission or any law that will materially change the present REA setup. Instead that more money be made available for the expansion and improvement of established systems and also for the building or acquisition of generating facilities in areas where sufficient wholesale power is not now being generated. Be it further

Resolved, That copies of this resolution be sent to Senator Andrew Schoeppel, Senator Frank Carlson, Representative William Avery, Ancher Nelsen, REA Administrator, and to other persons whom the board of trustees might feel should know of this action. Also that a copy be sent to the Kansas Electric Farmer and to other publications, working in the interest of farmers, which the board of trustees may select, also that a copy be made a part of the minutes of this meeting.

CONSTRUCTION OF LARGER DETENTION DAMS UNDER WATER FACILITIES AND SOIL CONSERVATION PROGRAMS—LETTER AND RESOLUTIONS

Mr. CARLSON. Mr. President, I invite the attention of the Senate to a letter I received from O. W. Lyman, president of the Kansas Watersheds Association, together with resolutions of this organization, in regard to a Federal contribution for the construction of the larger-size detention dams now being constructed

under our water facilities and soil conservation programs.

In Kansas, we have in progress the construction of detention dams, ponds, and terraces on a number of small watersheds in different sections of the State. This program is well received, and is important for the control of water runoff at its source.

Many of the larger detention dams are of such size that the individual farmer or rancher is unable to finance their construction.

It is for these reasons that I urge the Senate to give consideration to the suggestion made by the Kansas Watersheds Association.

Therefore, Mr. President, I ask unanimous consent to have the letter and resolutions printed at this point in the body of the RECORD.

There being no objection, the letter and resolutions were ordered to be printed in the RECORD, as follows:

KANSAS WATERSHEDS ASSOCIATION,
Burdett, Kans., June 11, 1955.

Senator FRANK CARLSON,
Washington, D. C.

DEAR SENATOR CARLSON: Enclosed are copies of resolutions adopted by the Kansas Livestock Association and the Kansas Watersheds Association. You have previously received a copy of the resolutions from the KLA.

The resolutions set out the policy and stand of these associations regarding watershed and main-stream dams. We are opposed to the construction of the large flood-control structures until the completion of a thorough program of construction of detention dams at the points of rainfall.

If the United States Government is going to pay 100 percent for the construction of large dams and also for the dam sites and easements, then the same formula should be applied to the smaller detention dams. Due to the loss of agricultural income, a great percent of our farmers cannot finance the 50 percent of the construction of these detention dams. Why should one be required to finance out of his own pocket 50 percent of the small structure while he is called on to pay his share of the taxes for construction of the large dams? We are sure you will not argue with us as to the importance and value of these small watershed structures as means of flood control and water storage. They will recharge our underflow much more rapidly than the large dams, and at points where the large dams will be of no value for recharging of our aqueous beds.

Will be pleased to receive your reaction to these resolutions.

Sincerely,

O. W. LYNAM.

RESOLUTION OF KANSAS WATERSHEDS ASSOCIATION

The board of directors of Kansas Watersheds Association, meeting May 26, 1955, in Topeka recommends:

(a) Integration of national (including interagency planning), State and local water conservation policy, planning and execution on a working, practical basis, to the end that such projects get underway with minimum red tape and delay;

(b) Cost participation by the United States, the States and their political subdivisions, and other (private) beneficiaries approximately proportionate to their respective benefits, and the application of this formula to all public dams and other watershed, irrigation and flood-control works (as now required in the case of projects under the jurisdiction of the USDA); and

(c) Construction of detention dams and "on the land" structure in the watershed, to increase soil infiltration, raise the water table, provide local water supply and minimize silting, should be thoroughly completed before the introduction of reasons for the construction of "main stem" dams. Water storage in Kansas for navigation and hydroelectric purposes is not economically feasible; obviously there is more flood hazard than flood control in such water storage.

O. W. LYNAM, *President.*

SOIL AND WATER CONSERVATION POLICY

The following report of the soil and water conservation committee of the Kansas Livestock Association was adopted as the policy of the association in general assembly. It was presented by Wm. Ljungdahl, Menlo, chairman:

"It recognizes that the seriousness of both soil and water conservation should command the attention of our people in all parts of the State in general, and in certain localities specific consideration to the problem of flood control.

"In an approach to dealing with problems of flood control which are applicable in all parts of the State, we have the State watershed district law which was enacted 2 years ago and which has for its purpose to delay the runoff of water, during heavy rains, and afford control over such runoff, to the end that it will serve the land on which it falls by way of beneficial saturation, instead of losing the water together with destructive soil erosion.

"Since its enactment by the State legislature, the Congress of the United States has passed a watershed law of its own which is designed to implement watershed operations in cooperation with the several States.

"If changes are needed in our present State watershed law, in order to bring it into conformity with the Federal law, this association urges that the present session of the legislature pass the necessary amendments for such purposes.

"Your committee suggests that we approve a control program for the water runoff of our State, and with that the benefits that would be provided by having an adequate water supply over an entire watershed area, rather than providing a concentrated supply of water to a limited area, as would be the case if only large downstream reservoirs were provided.

"It has been stated to your committee, on good authority and we believe the statement is correct, that in the construction of large dams that the entire cost is borne by the Federal Government.

"This is in contrast to the policy adopted by the Federal Government in regard to small dams.

"The Kansas Livestock Association recommended that in the construction of all dams that the Federal Government's participation in the matter of cost be in the same proportion to the total cost.

"This association heartily endorses soil conservation practices applicable to and best serving the different areas of our State, and thus preserving our greatest asset, the productive topsoil of Kansas.

"The Kansas Livestock Association disapproves the construction of large downstream reservoirs such as the Tuttle Creek Dam until after all efforts to control runoff water where it falls have been exhausted.

"And it is the further recommendation of the Kansas Livestock Association that Congress be petitioned to establish a national water resources development policy; provide for integrated planning of a watershed or basin area by committees of people of the area, to be developed within the area and to provide for the impartial review by a national review commission as to the feasibility, the economic justification and priority of such projects, and to recommend to the Congress of the United States the basis for such authorization and appropriation to the various agencies which may engage in water resources programs.

"SOIL AND WATER CONSERVATION COMMITTEE OF THE KANSAS LIVESTOCK ASSOCIATION,
"WM. LJUNGDAHL,
"Menlo, Chairman,
"J. J. MOXLEY,
"Council Grove, Vice Chairman,
"W. I. BOONE,
"Eureka,
"TAYLOR L. JONES,
"Holcomb,
"GEORGE HILL,
"Buffalo,
"STANLEY MARR,
"Esbon,
"FRED GERMANN,
"Manhattan."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Finance:

H. R. 4904. A bill to extend the Renegotiation Act of 1951 for 2 years; with amendments (Rept. No. 582).

By Mr. McCLELLAN, from the Committee on Government Operations:

S. 1585. A bill to provide for the return to the town of Hartford, Vt., of certain land which was donated by such town to the United States as a site for a veterans hospital and which is no longer needed for such purpose; without amendment (Rept. No. 583).

EXECUTIVE REPORTS OF A COMMITTEE

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services I report favorably the nomination of Lt. Gen. Isaac Davis White, to be assigned to a position of importance and responsibility designated by the President, in the rank of general, under subsection (b) of section 504 of the Officer Personnel Act of 1947, and ask that this nomination be placed on the Executive Calendar. General White will be assigned as Commanding General, Army Forces Far East and Eighth Army.

I also report the nomination of Francis Leonard Castillo, United States Naval Academy, class of 1955, for appointment in the Regular Air Force, in the grade of second lieutenant, and ask that this also be placed on the Executive Calendar.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

Mr. STENNIS. Mr. President, also from the Committee on Armed Services, as in executive session, I report the nominations of approximately 1,900 names for temporary and permanent appointment in the Navy and Marine Corps in grades from ensign to lieutenant. All of these names have already appeared in the CONGRESSIONAL RECORD, so to save the expense of printing on the Executive Calendar of this list, I ask unanimous consent that these nominations be ordered to lie on the Vice President's desk for the information of any Senator.

The VICE PRESIDENT. The nominations will lie on the desk, as requested by the Senator from Mississippi.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation five lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. IVES:

S. 2271. A bill for the relief of Salomon Benveniste; to the Committee on the Judiciary.

By Mr. BENDER:

S. 2272. A bill for the relief of Evangelos Demetre Kargiotis; to the Committee on the Judiciary.

By Mr. HENNINGS:

S. 2273. A bill for the relief of Benjamin Barron-Aragon; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 2274. A bill to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes; to the Committee on the District of Columbia.

By Mr. SMATHERS:

S. 2275. A bill for the relief of Louise Alford; to the Committee on the Judiciary.

By Mr. AIKEN:

S. 2276. A bill to authorize the Secretary of Agriculture to provide for payment by the Federal Government of a portion of the costs of certain works of improvement constructed for purposes of water conservation, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. ELLENDER (for himself and Mr. YOUNG):

S. J. Res. 79. Joint resolution designating the last week in October of each year as National Farm-City Week; to the Committee on the Judiciary.

By Mr. MANSFIELD:

S. J. Res. 80. Joint resolution to establish a Joint Committee on a Just and Lasting Peace; to the Committee on Foreign Relations.

By Mr. HENNINGS (for himself, Mr. SYMINGTON, Mr. CARLSON, and Mr. SCHOEPPEL):

S. J. Res. 81. Joint resolution to provide for the acceptance and maintenance of presidential libraries, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. HENNINGS when he introduced the above joint resolution, which appear under a separate heading.)

ACCEPTANCE AND MAINTENANCE OF PRESIDENTIAL LIBRARIES

Mr. HENNINGS. Mr. President, on behalf of myself, my colleague, the junior Senator from Missouri [Mr. SYMINGTON], and the Senators from Kansas [Mr. CARLSON and Mr. SCHOEPPEL] I introduce, for appropriate action a joint resolution to provide for the acceptance and maintenance of presidential libraries.

This joint resolution proposes to amend the Federal Property and Administrative Services Act of 1949 by authorizing the General Services Administration to take over and operate any presidential library when it is offered to the United States as a gift. This legislation establishes a method for integrating future presidential libraries, with their historically valuable documents, into our national recordkeeping system.

In our more recent history, the institution of the presidential library has evolved as the most desirable way of taking care of the papers and mementos of a President after he leaves office. President Herbert Hoover placed his papers in the Hoover Library on war, revolution, and peace on the campus of the University of Leland Stanford. President Franklin D. Roosevelt gave his papers to the Federal Government in the Roosevelt Library at Hyde Park. The Congress authorized the acceptance of this library and placed it under the jurisdiction of the National Archives by a joint resolution approved July 18, 1939—Public Resolution 30, 76th Congress—President Harry S. Truman proposes to dispose of his papers in the same way, placing them in a library which is now being built in Independence, Mo., and which will be offered as a gift to the United States. Steps are now being taken, with President Eisenhower's approval, to place his papers at Abilene, Kans., in a library to be constructed near the Eisenhower family home where he spent his boyhood and young manhood. In all these cases the presidential library was built, or will be built, without cost to the Federal Government. Federal operation of archival institutions such as these is not only beneficial to the cause of historical study and research, but also offers a means of preserving other Federal records of local or regional value in the areas in which they have been accumulated.

The immediate occasion for this proposed legislation is the fact that the Harry S. Truman Library is already under construction at Independence, Mo., and will, before very long, be offered to the Government together with the land on which it stands, its equipment, and the papers and other historical materials of President Truman.

Under this proposed legislation, the Government will be able to take advantage of the generous motives of a President's associates and friends whose interests in a memorial provide us with the expensive physical facilities and equipment for an archival depository at no cost to the Nation's taxpayers. There could be no better memorial, no more lasting tribute, than a living institution dedicated to research and to the preservation in impartial hands of the documentary source materials of our Nation's history.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 81) to provide for the acceptance and maintenance of presidential libraries, and for other purposes, introduced by Mr. HENNINGS (for himself, Mr. SYMINGTON, Mr. CARLSON, and Mr. SCHOEPPEL), was received, read twice by its title, and referred to the Committee on Government Operations.

AMENDMENT OF HOME OWNERS' LOAN ACT of 1933—AMENDMENTS

Mr. BUSH submitted amendments, intended to be proposed by him, to the bill (S. 972) to amend the Home Owners' Loan Act of 1933, as amended, which were ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. THYE:

Address delivered by him at the Rice County Farmers Union picnic, at Faribault, Minn., on June 19, 1955.

By Mr. GOLDWATER:

Address delivered by him before the American Legion Convention at Tucson, Ariz., on June 17, 1955.

Address delivered by him before the Michigan Christian Endeaver Convention, at Grand Rapids, Mich., on June 18, 1955.

NOTICE OF HEARING ON NOMINATION OF JOHN C. BAKER TO BE REPRESENTATIVE ON THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS

Mr. FULBRIGHT. Mr. President, the Senate received today the nomination of John C. Baker, of Ohio, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, vice Preston Hotchkis, resigned. I wish to give notice that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

LET US TAP SCIENTIFIC GENIUS FOR UNITED STATES DEFENSE

Mr. WILEY. Mr. President, on this, the opening day of the United Nations Conference in San Francisco, marking the 10th anniversary of the U. N. Charter, the hopes and prayers of all the people of the world are with the United Nations in its great mission. Essential to that mission is, of course, the adequate preparedness and leadership of the United States, the standard bearer of the free world.

I turn, therefore, to the pending bill authorizing $31.8 billion in funds for the United States Defense Department. I desire to urge now, as I have urged consistently in the past, that in our discussion of the question of defense, we start thinking in terms of the quality of our scientific technology rather than of the mere quantity of conventional arms. In other words, merely the number of ground divisions or the number of sea units or even the number of fighter planes is far less significant in these times than it has ever been in our history.

What counts is the answer to these questions: Do our weapons reflect the latest advances in scientific technology? Have we reached out and fully tapped

the genius of American scientists, and the genius of allied scientists in our effort to cope with the three military threats of our time?

What are these three threats? They are: First, nuclear warfare; second, bacteriological warfare; third, chemical warfare.

In this morning's New York Times there appears on the front page an article by Harry Schwartz, distinguished specialist on Russian affairs for that great newspaper. Mr. Schwartz' article begins: "A new emphasis on the importance of surprise attack in the age of nuclear weapons is being openly disseminated by Soviet military leaders in the Soviet press."

Not only are the Russians emphasizing surprise, but they are building on a crash basis the long-range weapons to accomplish surprise. They are proceeding at breakneck speed toward the development of an intercontinental missile—a guided missile or ballistic missile. Such a missile might reach any target in the United States 30 minutes after it is fired.

This missile development becomes even more significant, therefore, than the number of our long-range B–52 bombers. Fortunately, in the pending bill, a third of a billion dollars more is provided for these B–52's. But I say that this is not the complete answer.

Moreover, I say that the point of importance is not necessarily the amount of money which we spend, but how the money is expended. If we are to spend $30 or $40 billions, to train ground troops in "squads right," "squads left," parade drill, and the like, we will hardly be adequately prepared.

Is the money, therefore, going to be used for advancing our scientific technology? Or is it going to be used merely to increase the amount of conventional arms and conventional troops and conventional weapons?

This is not a partisan issue, and I would sincerely regret any attempt to make it such. This is an issue which transcends the Eisenhower administration or the Truman administration. It is a question of where the military chiefs are putting their emphasis.

Meanwhile, the development of nuclear weapons is proceeding at a fantastic pace. On last Saturday night, I spoke in Sheboygan, Wis., before a State convention of American veterans of World War II. I pointed out that, in accordance with a recent speech by Dr. Willard Libby, member of the Atomic Energy Commission, certain facts are now becoming universally known. Those facts demonstrate that radioactive fallout can contaminate an area, not merely of 7,000 square miles downwind, but of 100,000 square miles. I repeat, 100,000 square miles.

What is worse, the radioactivity can be, indeed, may be, exceedingly persistent. The radioactivity may last, not for 1 day or 2 days, but for weeks or months. It may be absorbed by plants, which in turn will be eaten by animals, which in turn will provide the basis for human food, either as milk or meat or in some other form.

What is the answer to this radioactive problem? I do not profess to know it. But I do know that for every weapon, there can be a counterweapon. For every poison, there can be an antidote. We must find the new weapons; then we must find answers to the new weapons. We must discover the new poisons; and then we must discover the antidotes to the new poisons.

This is a subject to challenge the scientific genius of America. But the scientists must be in a position to do the job. If they are held back, if they are regimented by the brass, if they are not given full opportunity, they can hardly come up with the answers.

There are strong evidences that our scientists are not happy with the present state of military affairs. There are strong evidences that they feel their new ideas are not being sufficiently applied. I feel that this situation should be resolved by getting the best possible teamwork between our scientists and our military leaders.

Much of the history of our country in terms of the development of new weapons, unfortunately, involves the story of the bitter resistance of military leaders to the introduction of such weapons. We certainly do not want that to happen. We dare not risk another Pearl Harbor, because it could be the last such chapter in our history.

These, then, are a few of my reactions to the pending bill:

In summary, the important point is not necessarily the amount of money spent, but where the money is spent, and whether the money is put into the most advanced weapons and weapons systems the mind of man can devise.

I send to the desk the text of Mr. Schwartz's article from this morning's New York Times, and ask that it be followed by the text of my address before the Wisconsin State Department of AMVETS. I ask unanimous consent that they be printed at this point in the body of the RECORD.

There being no objection, the article and address were ordered to printed in the RECORD, as follows:

[From the New York Times of June 20, 1955]

SOVIET NOW CALLS SURPRISE KEY FACTOR IN NUCLEAR WAR

(By Harry Schwartz)

A new emphasis on the importance of surprise attack in the age of nuclear weapons is being openly disseminated by Soviet military leaders in the Soviet press. The concept that such an attack by planes or guided missiles delivering atomic and hydrogen weapons may be decisive in war is apparently being incorporated in Soviet strategic doctrine.

This new emphasis on surprise attack and on the Soviet Union's ability to use it is a key point in recent articles by Marshal Alexander M. Vasilevsky, Deputy Defense Minister; Marshal Pavel A. Rotmistrov, chief of tank troops, and other Soviet military figures.

Coming in a period when the Soviet Union has demonstrated its possession of significant numbers of intercontinental jet bombers, the articles appear aimed at two goals: To readjust the thinking of Soviet military men to the new Soviet long-range attack capabilities and to warn the West that the Soviet Union will not hesitate to use its long-range bombers for blows on foreign soil if it deems it necessary to do so.

Marshal Rotmistrov and others writing in this vein quote with approval Lenin's statement that "an army would behave foolishly or even criminally if it did not prepare itself to master every kind of weapon, every means and device of warfare that is or can be used by the enemy."

The warning to the West is most explicit in a recent article by Lt. Gen. S. S. Shatilov, deputy chief of the Main Political Administration of the Ministry of Defense. He warns the "generals and admirals of the imperialist camp" to remember that "atomic weapons, and equally surprise acts, are double-edged weapons."

A major article spread over two pages of the Soviet Army newspaper Krasnaya Zvezda assails "some of our military comrades" who think only in defensive terms as victims of "narrow-minded, pacifist ideology." Soviet disclaimers of aggressive intent, the article continues, do not mean that in case of attack "Soviet armed forces cannot transfer military activities to the territory of the enemy, cannot strike and destroy the aggressors everywhere, on whatever territory they are to be found."

That modern weapons have resulted in a change of Soviet military doctrine is indicated most explicitly by Marshal Rotmistrov. He attacks Soviet writings on military science for ignoring the importance of surprise attack under modern conditions and stressing only the old line that "the permanently existing factors decide the fate of war." In Soviet parlance the "permanently existing factors" are such matters as a nation's economic strength and the state of its morale.

He adds: "The imperialist aggressors count on winning victories over the peace-loving states by means of surprise attack. This means that we must not passively react to this kind of military cadres with general considerations, but must seriously, with all conviction, reveal the growing role of surprise attack and raise the vigilance and fighting readiness of the entire personnel composition of the army, air force, and fleet."

As part of the new stress on the importance of surprise attack, General Shatilov demands that Soviet writers give an honest account of the confusion, chaos, and defeat suffered by the Soviet Union in 1941 following Hitler's attack. He accuses them of having presented an idealized picture of this period as one of active defense proceeding along planned lines, a picture he indicates is completely untrue.

Marshal Rotmistrov, General Shatilov, and other writers also demand a new attitude and respect for bourgeois military science. They call for recognition of the fact that the capitalist world can make advances that Soviet military men must know, and they condemn disdain for and ignorance of military thinking outside the Soviet bloc. They suggest that past undue depreciation of Western military achievements and ability has tended to result in a complacent attitude dangerous for the Soviet Union.

ADDRESS BY SENATOR WILEY BEFORE STATE CONVENTION OF AMERICAN VETERANS OF WORLD WAR II, AT SHEBOYGAN, WIS., ON JUNE 18, 1955

It is a great privilege to address my friends of AMVETS. I say, my friends, advisedly, because over the years from the very birth of your organization, I have watched your progress with admiration, with esteem, and with delight. I have been gratified at your vigor, your forward-looking approach, particularly in the field of American leadership and partnership in the free world. I have admired your constructive deeds in all the communities with AMVETS chapters.

Back in 1947 and 1948, it was my privilege during the 80th Congress—as chairman of the Senate Committee on the Judiciary—to offer the bill which granted a national charter to AMVETS.

Subsequently, I was pleased to be honored by an award of recognition from National AMVETS.

And it has been my further pleasure down through the years to address AMVETS departments and chapters on many occasions—both your fine Wisconsin department, and other departments as well, most recently—just a few weeks ago—the Ohio State Department of AMVETS.

POSSIBLE SUBJECTS OF INTEREST TODAY

In thinking over the message which I might bring to you this evening, many possibilities suggested themselves to me.

I thought I might talk with you—and in turn get the benefit of your own ideas—on the vital problem of America's Reserve forces. I thought, for example, that I might devote a great deal of attention to the absolute necessity of quickly passing the pending—but bogged-down—legislation for a 2.9 million man Ready Reserve, coupled with a sound selective service policy to assure adequate American preparedness. We of the Senate have just approved a draft-extension bill, but regrettably, the Reserve bill is still tied up.

I thought that I might make reference in detail to the work of our National Guard, in particular, to our famed and universally admired 32d Division—our Red Arrow men—and to the great significance of citizen-soldier readiness for civil defense and other purposes.

I might have referred at some length to legislation affecting this audience, in particular, and 18 million other Americans—who are veterans of our Armed Forces. For example, I could have referred to the problem of essential new veterans' facilities at Wood, Wis., a matter which I am now urging in the form of my bill, S. 1531. Present obsolete facilities at Wood, some of which date back as far as 1871, are completely antiquated and are a disgrace to the Nation which was saved by these heroes of past battlefields.

And I could have turned and referred to the promising situation in our general economy as a whole.

To our rising third of a trillion dollars gross national product.

America's 62 million employed.

The hopeful prospects for still more jobs.

The bright outlook as regards stable prices.

The possibility of tax relief next year.

The opportunity for liberalizing social security, the need for extending such pension coverage, as in the instance of my bill to give optional coverage to attorneys-at-law.

I could have referred to these domestic problems and to many others of interest to you and to me.

THE GREATEST CHALLENGE—SURVIVAL

But I have decided, my friends, to devote the bulk of my address tonight to a single theme, a single great subject.

It is the overriding subject of our time—the one subject of greatest importance to every single one of you and to me, and to all those and to everything we hold dear.

My subject is an 8-letter word, but the biggest 8-letter challenge facing this Nation. My subject is: Survival.

THE THREE HORSEMEN OF MODERN WAR

Survival against what?

Survival in the face of the threat of International communism, survival against the deadly threat of a third world war. Survival against the three horsemen of modern mass destruction, nuclear warfare, bacteriological warfare, chemical warfare.

Survival in this world which has been contracted and foreshortened by the greatest outburst of inventiveness in man's history. This inventiveness can open up a new golden age of plenty. Or a new dark age of near-suicide for the race.

Yes, we must concentrate on survival in the face of the atom—the fissioned or fusioned atom. The mighty atom is source of unlimited potential power, the source of untold possible blessings for mankind, the source of almost inexhaustible light, fuel, power. It is the source which can bring us comforts, standards and conveniences rivaling any that we have ever known.

Or the atom can, in a blinding flash, in a mushroom fireball, cause mass slaughter too frightful almost to contemplate.

WHAT 30 BOMBS MIGHT DO TO UNITED STATES

More than a year ago, on March 1, 1954, a fusion weapon was exploded in the Pacific proving grounds. Radioactive fallout from that explosion reportedly rendered unsafe for human habitation an area of 7,000 square miles. That radioactive area could have been larger or smaller, depending on the nature of the bomb.

Then, within the past week, a newspaper observer wrote regarding a significant speech of Atomic Energy Commissioner Willard F. Libby. Wrote this observer, Mr. Warren Unna:

"According to Libby, a single 10-megaton bomb, one equal to the explosive power of 10 million tons of TNT, could shower 1,100 pounds of fallout dust over a 100,000 square mile area. At such a rate, 30 carefully placed bombs could blanket the entire United States."

I repeat, "30 carefully placed bombs" might theoretically blanket the 3 million square miles of continental United States.

Now, friends of Amvets, like yourselves, I am a layman on this nuclear science or weapon subject. I do not presume to have the technical background to evaluate with any degree of expertness—the widespread press and scientific reports and speculation on this subject.

But, I do know that each passing day brings new evidence that military science is progressing, not at an arithmetic rate, but at a geometric rate in packing more millions of tons of TNT power into each bomb.

Nuclear bombs are getting deadlier. They are getting cheaper. They are getting so numerous in our own and in the Soviet Union's stockpile as utterly to change many of our concepts of military defense and of foreign policy.

The plain fact of the matter is that nuclear science has already reached a point where a third world war becomes not just a dreadful possibility which we would like to avoid. It becomes the deadliest sort of universal catastrophe against which, every thinking nation must move heaven and earth, so to speak, so that it never comes to pass.

Any man who talks lightly of the possibility of war is a man who is out of his senses, or one who is deliberately ignoring the basic facts of the atomic age.

SLAVERY WOULD BE WORSE THAN WAR

But, let me make it perfectly clear that, although I regard the possibility of war as an almost unmitigated horror, I regard the possibility of slavery under communism as a worse horror.

There is no single person in this audience tonight who does not share my feeling. There is no single American who would not, in a showdown, be willing to risk war—as terrible as it would be—in order to save this Republic.

But my suggestion is that we use all our ingenuity, our diplomacy, our God-given brains in conjunction with our allies—to make sure that such a showdown never comes, that we never have to face the grim alternative of either going to war of losing our freedom.

In my judgment, we will never face such a possibility, provided we are strong, provided our alliance with our friends remains invincible, provided our diplomacy is effective.

But still more needs be done along all these lines.

COMING CONFERENCES OFFER GREAT POSSIBILITIES

Fortunately, three golden opportunities are coming up ahead. At the start of next week, begins one such opportunity at San Francisco, birthplace of the United Nations, when we observe the 10th anniversary of the founding of the U. N. Charter. I say to you, of AMVETS, that AMVETS' consistent support of the United Nations and of its charter is a source of deepest gratification to me.

Continue to stand by the United Nations. While it is only a mechanism, it is one which has achieved splendid success and will achieve still more success if we breathe more of the spirit of life into it.

A second great opportunity comes in Geneva almost a month from now at the Big Four meeting "at the summit."

It will not produce the millenium. We cannot expect overnight solutions of 8 years of East-West tensions. But the meeting can explore. It can clarify. It can permit of progress. And this can occur without the slightest appeasement and always with honor. We can trust our President. He merits our fullest confidence at Geneva or anywhere else. He will not be deceived by the Soviets. But he will make an honest try in frank discussion.

And then, a month thereafter at Geneva, too, occurs the historic United Nations Atoms-for-Peace Conference. It will be a great landmark in man's search to apply the miracles of science to this age and succeeding ages.

At this conference, there is much evidence that the Soviet Union is going to put on a mammoth display of her presumed progress in nuclear science. The conference will in effect be a great showplace of the rival scientific achievements of West and East. We ourselves will be setting up what is termed "a swimming pool" reactor there. Great numbers of scientific papers are already being circulated. Those who have glimpsed the Soviet papers say that the Soviet papers indicate very considerable progress on the part of the Russians.

Our allies, as well, are likewise going to use Geneva as a great showplace. It is not generally realized but some of our allied countries are much further ahead in their peaceful application of atomic energy than we are, in some specialized lines. All this indicates that we must look to our laurels and must not become smug or overconfident.

DON'T FALL FOR RED PROPAGANDA

Meanwhile, current Soviet propaganda tactics of so-called peaceful coexistence can be particularly misleading and disarming, if we and our allies were naively to allow ourselves to be fooled.

Instead, we must be on our guard; we must be vigiliant; our friends must not and will not fall for so-called neutralists lures.

Simultaneously, we must take additional step for peace. They must be bold, imaginative steps. We must not permit ourselves to get caught in a rut or tired hackneyed approaches.

LET'S HAVE A GENERAL ASSEMBLY TO SEE H-BOMB EXPERIMENT

And so, I want to offer now certain additional suggested steps.

First, I say that when, as, and if additional thermonuclear experiments occur in the western Pacific or elsewhere, that observers from the Soviet Union, observers from Red China, observers from the satillite countries—as well as from friendly and neutral nations be invited to witness these explosions.

Yes, let's have a U. N. General Assembly meeting—formally or informally—at a weapon testing ground—to see at firsthand

the absolute importance of an all-out-effort for peace. Such a U. N. meeting need not endanger necessary security precautions covering the nature or construction of the weapon itself.

The idea of the Soviets, in particular, witnessing a fission or fusion test is not a personal idea of mine. It is basically the suggestion of Thomas E. Murray, an able member of the United States Atomic Energy Commission.

Commissioner Murray, in his outstanding suggestion, said:

"How can the world take any chance that each one in authority is not thoroughly familiar with what all-out atomic war would really mean? What a tragedy it would be if, after a nuclear holocaust, it was disclosed that those who struck the atomic spark had no real understanding of the spread of nuclear fire."

The fact of the matter is that there is much evidence to confirm that the leaders of the Soviet Union, and the especially insulated leaders of the Peking government very definitely do not understand that they are playing around with matches near a fuse which, if lit, might disintegrate them and much of mankind.

As proof, consider the ridiculous propaganda mouthings from Moscow and Peking. These statements run to the effect that, in event of nuclear war, only one side—the so-called capitalist side—would be destroyed.

That is utter nonsense. The fact of the matter is that, as some of the foremost spokesmen of the United States have frankly pointed out, both sides, in the event of nuclear war, would suffer frightful devastation. No less a person than Gen. Douglas MacArthur has pointed out that, in the event of world war III, the principal difference between victory and vanquished might only be in the degree of mutual destruction, because the three horsemen of modern war are such that neither side could escape the ghastliest consequences.

RED LEADERS FOOLING THEMSELVES AND/OR THEIR PEOPLE

But the Soviets or the Peking leaders are guilty of either 1 or 2 errors: (a) Either they are literally blinding themselves to reality, completely ignoring evidence.

Or (b) they are not blinding themselves to reality, are aware of the facts, but are simply deceiving their people by empty boastfulness.

Both of these errors are exceedingly dangerous to the cause of peace.

There are strong indications that Peking, in particular, does not really understand what nuclear war might mean. The Red regime has filled itself with so many lies about alleged germ warfare, that it may not know a truth from a lie if it saw one.

And, as a matter of fact, the Soviet masters of the Kremlin are probably guilty likewise of stuffing themselves with so many lies that, after a while they, themselves, may lose some touch with reality.

They do tend ordinarily to be realists; they are practical, they are cold and hard and merciless. But the chronic tendency of a dictatorship is often to swallow its own lies.

Perhaps, therefore, the Reds may really think that they would escape nuclear devastation and may completely underestimate it.

And, so, I say that to help avert any misconception, to avert the Soviets from possible triggering an explosion of ghastly unforseen dimensions, let them see at first hand what nuclear war might mean by witnessing a thermonuclear test explosion.

But that will not be enough—if the people remain largely uninformed.

WE DARE REDS TO INFORM THEIR PEOPLE

So, the second phase of my suggestion is that the pressure of world opinion be brought to bear upon the Soviets so that they print the blunt facts of what nuclear devastation might really mean to Moscow, Leningrad, etc. Let them print them on the front pages of "Pravda" and "Izvestia."

Print similar hard facts in Chinese Red newspapers and broadcast them over the Peking radio to the Chinese people.

Yes, let us challenge the Soviet Axis—Moscow and Peking—to tell the grim truth to their own peoples and to the satellite world.

The reason for my suggestion is obvious:

PUBLIC OPINION SHOULD BE CHECK AND BALANCE

In the United States, public opinion can be a brake on official leadership. It is a check and balance. If leadership errs, then public opinion can put it right.

Fortunately, we have sound leadership in the United States. But even so, it benefits from this check and balance.

In the Communist world, there is no such check and balance. A handful of men in the Kremlin, a handful of men in Peking can make a decision, an utterly wrong and suicidal decision. But there is virtually no domestic check and balance on it, because public opinion is neither informed nor in very much of a position to express itself.

So, let public opinion in the Communist world at least be informed of the significance of nuclear war. I am convinced that public opinion behind the Iron Curtain will find ways to express itself, somehow.

I am convinced that not even a Communist dictatorship can completly avoid the pressure of aroused public opinion, particularly on a subject of this nature.

Let us tell the leadership behind the Iron Curtain and the peoples of the world that this country and its great free press will continue to publish all the details that security will allow, concerning the dreadful possible meaning of atomic conflict.

We do not, of course, propose to give to the Soviets any secrets, "on a silver platter," or in any other way. But we do propose to continue to inform our people.

OUR PEOPLE ENTITLED TO MORE FACTS

Yes, let us see that our people are even better informed than they have been permitted to be—thus far.

Let not the necessary goal of security be used, as it has sometimes been used, as a coverup to hide embarrassing facts. The long lag in publicly revealing the radioactive fallout menace—was both unfortunate and unjustified.

The American people are not children; they can and should be told the hard facts of life. They cannot come to intelligent decisions, if they are denied basic facts—which the Soviets probably already have in many instances, anyway. Civil defense here can be utterly hobbled—if it is acting on the basis of obsolete assumptions on weapons long since superseded.

DARE WE IGNORE INTERCONTINENTAL MISSILE?

And what is the use preparing ourselves against, let us say, slow-moving Soviet piston bombers which have long since been replaced by swifter combat formations of intercontinental Red jets?

What is the use of ignoring Red progress toward an intercontinental guided or ballistic missile?

Dare we allow ourselves to be guilty of the same sin of which the Soviets are guilty—keeping our people less informed than they should be?

No; "give light and the people will find their own way." Let the people know the truth and nothing but the truth about radioactive fallout or any other developments. Let this be to the extent that a carefully evaluated—not exaggerated—security standard will allow.

WE DO NOT BOAST ABOUT WEAPONS

I come to the third phase of my suggestions. I have said that the world should see at first hand what a thermonuclear explosion really looks like and means. Then, let the world's peoples be thoroughly informed.

But, thirdly, let this whole matter be approached in a manner of sincerest American humility.

It will do us little good to show the world what fission-fusion weapons really mean, if any part of the world thinks that we are boastful about our destructive powers.

That is really the furthest thought from our mind. We of the Judao-Christian heritage do not boast about our ability to slaughter men.

The Russian people lost 12 million souls in World War II. They have suffered frightfully under the yoke of their own masters. We do not want a single additional Russian boy to die in a war with us or anyone else, or want any other boy to die in avoidable conflict.

We Americans abhor force and violence and we take up arms only in defense.

There is no thinking American who has the slightest intrinsic feeling of pride in the mass destruction which fell on Hiroshima or on Nagasaki. But those two bombs were necessary instruments of a war which we did not want, a war we tried to avoid, a war which, when it came, we were determined to win quickly with the instruments that were available to us.

We do not doubt for one moment that the evil Axis leaders who perpetrated that war on the world, would have used weapons of infintely greater horror on us if they had invented them first and were in a position to deliver them first.

No; we do not intend to boast. There is not the slightest feeling of gratification in our possible ability to exterminate fellow human beings.

So after the experiment, let the world continue to hear ever more clearly the true story of what the people of the United States and the Government of the United States feel in their hearts. It is a feeling of profound chagrin and dismay that 2,000 years after the birth of the Prince of Peace, it should be necessary even to have to conduct such experiments.

CONCLUSION

This, then, is my threefold suggestion. It is necessarily but a small phase of a comprehensive program for peace.

I know that you of AMVETS will not fail in your responsibilities toward this great goal.

It has been a great privilege and pleasure to be with you this evening, and I hope that I will have a similar opportunity in the not too distant future.

THE CONQUEST OF BANG'S DISEASE

Mr. WILEY. Mr. President, on a great many occasions I have commented on the Senate floor on the issue of all-out help to American agriculture in the struggle to conquer diseases of livestock and plants. My own State of Wisconsin—America's dairyland—has been in the forefront, down through the years, in the battle against diseases affecting dairy cattle.

Two particular diseases have been combatted by Wisconsin scientific agriculture to a greater extent than any other State of the Union. Those diseases are bovine tuberculosis and brucellosis—known as Bang's disease. The battle against both these ailments has literally cost fortunes to the farmers of my State. The very first county in the United States which tested livestock for tuberculosis was Barron County—home of the dairy farm which my father owned, and which I owned, after his passing.

The battle against brucellosis has been particularly costly. Cattle reacting to the tests have been sent to slaughter. Milk production has often gone down, sometimes by as much as 20 percent; and many calves have been lost.

But at long last, these scourges have been put on their way out. These scourges, which have afflicted livestock for centuries, are now on their way to complete elimination.

In last Monday's Janesville Daily Gazette and in other Wisconsin newspapers carrying his widely-read column, Mr. John Wyngaard wrote an article on the conquest of Bang's disease. The theme of his article is that here was a costly, voluntary program which the farmers worked out for themselves, which they themselves applied at the grassroots. Here was a true lesson in democracy and in voluntary achievement. I hope this experience will prove a lesson to us all.

Moreover, I trust that we, of the Congress, will continue to grant to the Department of Agriculture every dime which is necessary for the final elimination of these scourges. I trust similarly, of course, that we will continue our efforts against the event more important target—the ailments which afflict man.

I ask unanimous consent that the text of Mr. Wyngaard's article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW BANG'S DISEASE CONTROL ACT RESULT OF FARM INITIATIVE

(By John Wyngaard)

MADISON.—Sometimes items in the news become so repetitive that they tend to become trite. So it may be with Bang's disease legislation. Yet the Wisconsin Legislature the other day enacted a new livestock disease control act that will draw attention in dairying circles from one part of the country to the other.

For this new act will require all of some 150,000 dairymen in this State, representing a herd of more than 3 million dairy animals, to come within the terms of the compulsory brucellosis elimination program.

The achievement is comparable to the legislation of a quarter of a century ago outlawing bovine tuberculosis. That represented essentially a public health measure. Brucellosis is not alarmingly dangerous to the public health. It is primarily an economic problem of the farmer, and particularly since some of the major market areas of the country are moving to erect embargoes against producing areas not certified to be free of the disease or under workable public controls.

WHAT IT MEANS

The new act is not nearly as punitive as it sounds. It provides that whenever the herd owners in 54 Wisconsin counties, upon their own voluntary action, come within the compulsory testing and eliminating phase of the State-sponsored control program that compulsory program is effective statewide.

That means the act is effective immediately, because farmers in 55 counties have voluntarily voted such controls for themselves.

And such voluntary controls have been under way, by means of dairymen's petitions, in all other counties, save one, so that the legislature was actually doing what farm sentiment demonstrably wanted done.

But the act has meaning in other directions. It gives the patient taxpayer some hope that this enormously costly problem of dairy cattle health is on the way toward solution. More than $25 million of the taxpayers' dollars have been poured into this control effort, including some of the futile enterprises that preceded the present statutory method of control adopted 4 years ago. Even today the State and Federal Governments are spending more than $2 million a year apiece within Wisconsin for testing cattle, and for paying herd owners for animals condemned to slaughter.

The legislature, in its basic brucellosis control law, left the initiative in the hands of the farmers. The new act making controls compulsory and statewide was enacted because progressive farmers had made voluntary controls work. The legislature in effect set up the machinery 4 years ago and invited the farmers to make it work.

DEMOCRACY WORKS

The legislature recognized that force in the early stages, no matter how well backed by factual evidence and scientific discoveries, would run against the grain of the sturdy rural citizen.

Instead, the legislature waited for the farmer to recognize his problem, appraise the best advice available on a solution, and take the initiative in solving his dilemma of marketing in an era of more discriminating buyers and ever more rigorous inspection.

It was a revealing demonstration of the democratic method, the instinctive political responsibility of the people of Wisconsin. It is reminiscent of a similar achievement in the field of rural school district reorganization. Force didn't work there, as was made clear in the 1930's. But when voluntary methods were adopted later, and the facts gradually became clear to all, the people moved to adopt their school district boundaries to the facts of modern technology and geography, with equally astounding consequences.

TENTH ANNIVERSARY OF THE UNITED NATIONS—POEM BY MILFORD E. SHIELDS

Mr. ALLOTT. Mr. President, on this 10th anniversary of the United Nations, I think it appropriate that we give some recognition to this event. Therefore, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a poem by Colorado's poet laureate, Milford E. Shields, of Durango.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

OUR MARCH OF NATIONS

(United Nations 10th anniversary, June 20, 1955)

The march of man has been an upward climb
Along the highway of expectant time:
From out the mists into expanding light
Have men progressed in dignity and right.

Men have forged nations with proud history,
In flaming concepts lived and labored free:
Almighty God has witnessed from on high
Their blazing banners gracing brilliant sky.

Our cavalcade of nations marching on
Has moved into an even brighter dawn:
The rights of peoples loved and understood,
We have united in true brotherhood.

We have marched on in cadence and in beat
That was the force of decade now complete:
Our march of nations is man's destined climb
Upon the highroad to the stars sublime.

—*Milford E. Shields.*

REMOVAL OF CLOAK OF SECRECY FROM APPLICATIONS FOR TAX-EXEMPT STATUS

Mr. WILLIAMS. Mr. President, for some time there has been under discussion with officials of the Departments of Treasury and Justice the question of removing the cloak of secrecy from applications for a tax-exempt status, as well as the publication of the names of all those to whom such exemption has been granted.

In this connection it seems that everyone is in agreement as to the wisdom of making public, information regarding those who are given a tax-exempt status. However, the solution to this problem has developed into a stalemate.

The Treasury Department is apparently taking the position that under the existing law it has the necessary authority, and it is willing to proceed. The Department of Justice is taking the position that the existing law does not permit such disclosure, and that some action by Congress is required.

To settle this controversy, several weeks ago I requested from each Department its recommendations for the necessary proposed legislation, which I have offered to introduce and to help expedite its enactment. I took the position that if there is any question as to the existing authority, a law clarifying the point should be enacted. To depend upon administrative action alone might provide the desired answer today, but at a future time another administration could rule otherwise.

Since both agencies have indicated their agreement in principle upon the proposal that the cloak of secrecy should be removed, I am appealing to both Departments to stop quibbling over procedure and to cooperate in recommending the necessary proposed legislation.

PROPOSED MEMBERSHIP OF THE UNITED STATES IN THE ORGANIZATION FOR TRADE COOPERATION

Mr. MARTIN of Iowa. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement by me on the President's proposal for United States membership in the Organization for Trade Cooperation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN, OF IOWA

The President has asked the Congress to assent to United States membership in a new organization called the Organization for Trade Cooperation, which will administer the general agreement on tariffs and trade, known as the GATT.

When the President's message was delivered last April, I immediately sought clarification as to the differences in the aims and objectives of this new organization and the defunct international trade organization, which would have come into being if the United States had taken the lead in ratifying the Habana Charter. I have made an exhaustive review of the Habana Charter and there has never been any doubt in my mind that its provisions were not in the best interest of the United States. Our economy has achieved its great strength because it

has been dedicated to free enterprise principles. We have shunned socialism and have endeavored to shape our policies so as to stimulate the imagination and the initiative of free citizens to produce the good things of life in a competitive climate. The Habana Charter discriminated against private enterprise in favor of those enterprises which were owned and operated by governments. It included provisions for intergovernmental commodity agreements and an elaborate code supposed to prevent restrictive business practices but only applicable to private firms and not to public enterprises. In effect, it proposed world antitrust laws setting up machinery for complaints and prosecution without defining any substantive law.

When the Habana Charter was rejected by the Congress, the Truman administration proceeded to implement portions of the ITO concept through the United Nations. The Eisenhower administration, when it assumed office, inherited a difficult situation in that our Government had taken the lead in sponsoring agreements to handle restrictive business practices within the United Nations. We had also given encouragement to the concept of stabilizing commodity price levels through active participation in various U. N. study groups. My views on these problems are contained in the CONGRESSIONAL RECORD of February 18, 1955, pages 1819–1828, in which I discussed these two U. N. activities at length.

I am now happy to be able to inform the Senate that the State Department, under its present able leadership, was able to persuade the Economic and Social Council to adopt a resolution on restrictive business practices without any dissent, a remarkable achievement in itself, which disposes of the concepts inherited from Chapter V of the Habana Charter. I attach hereto the resolution of the United Nations Economic and Social Council, E/Res. (XIX)/14 adopted Thursday, May 26, as follows:

"RESTRICTIVE BUSINESS PRACTICES

"The Economic and Social Council:

"Having considered the reports prepared by the Secretary-General and the Ad Hoc Committee on Restrictive Business Practices, and the comments transmitted by governments, specialized agencies, intergovernmental organizations, and nongovernmental organizations pursuant to council resolutions 375 (XIII) and 487 (XVI).

"Noting with satisfaction that these reports indicate that a number of governments have undertaken new measures, or strengthened existing measures, to prevent or control restrictive business practices or their harmful effects; and that there is a growing awareness of the fact that, even though the precise form or effect of restrictive business practices differs throughout the world, these practices may have harmful effects upon economic development, employment, and international trade;

"Recognizing that national action and international cooperation are needed in order to deal effectively with restrictive business practices affecting international trade, but taking into account the fact that international action in this field would not be effective without sufficient support by member states;

"1. Reaffirms its continuing concern with the existence in international trade of restrictive business practices which have harmful effects on the attainment of higher standards of living, full employment, and conditions of economic and social progress and development;

"2. Urges governments to continue the examination of restrictive business practices with a view to the adoption of laws, measures and policies which will counteract such effects;

"3. Recommends to member states to continue to communicate to the Secretary-General information concerning laws, measures and policies adopted by them in respect to such restrictive business practices;

"4. Requests the Secretary-General:

(a) To circulate to member states any further information received from governments;

"(b) To circulate to member states the views of appropriate intergovernmental bodies and agencies in respect of this question;

"(c) To assist in making such arrangements—at the request of interested governments—as may be appropriate to enable them to avail themselves of any opportunities to share the experience gained in countries having an established body of law and practices in this field;

"(d) To suggest further consideration of the matter at a later session of the Council; and for this purpose, to continue to summarize information concerning restrictive practices in international trade and to prepare a bibliography on the nature of restrictive business practices and of their effect on economic development, employment, and international trade."

It will be noted that this resolution directs the attention of member governments to strengthening their own domestic laws so as to deal with restrictive and monopolistic practices. Our Government in the debates took the position that before any elaborate international machinery could be established to deal with such a problem, there must first be some agreement on the substantive law of restrictive business practices by each member state. This highlights the conflict which exists in all international forums in which we participate as our Government is dedicated to free enterprise economic: and many other countries, including some of our allies, have adopted socialism in one form or another.

Since the subject of restrictive business practices was to be discussed by the United Nations at its meeting in New York last month, the Secretary-General of the United Nations early this year asked members governments for their comments which would be helpful in the discussion of this subject. In reviewing the replies to the Secretary-General, I noted that several countries proposed that the GATT organization, which will be replaced by OTC, be given jurisdiction in this field.

The comments from the Norwegian Government are most illuminating. I submit for the record the statement by Norway to the Secretary-General, as follows:

"II. COMMENTS FROM GOVERNMENTS

"Comments of Norway

"The Norwegian Government agrees in general with the principles expressed in the [Report of the Ad Hoc Committee on Restrictive Business Practices] (E/2380). It considers that the control of restrictive business practices in international trade should be carried out largely in accordance with the provisions contained in chapter V of the Habana Charter, possibly amended as proposed by the Ad Hoc Committee of the Economic and Social Council.

"It is generally accepted that restrictive business practices in the form of international trusts and cartels adversely affect international trade and that such practices also in other respects would run contrary to the principles embodied in the Habana Charter. The contracting parties to GATT have as far as possible tried to incorporate these principles in the General Agreement on Tariffs and Trade and the contracting parties have based themselves on these principles in their efforts to expand world trade. The Norwegian Government considers that the problem of controlling restrictive business practices affecting international trade falls naturally within the scope of the contracting parties to GATT, and that the supervision of such provisions as may be agreed upon should consequently be placed within the competence of the contracting parties, which presumably would be in the most advantageous position to deal with the various questions of an international character having a direct bearing upon world trade. There exists a close interrelationship between restrictive business practices and such other restrictive practices in international trade which GATT has been designed to counteract. Consequently, the control of restrictive business practices should be conceived as a natural and necessary part of those functions for which GATT presently is responsible.

"The Norwegian Government does not consider it desirable to establish a separate organization to exercise the control of restrictive business practices.

"It considers that the provisions relating to restrictive business practices should be incorporated in GATT. Consequently, at the ninth session of the contracting parties the Norwegian Government together with the Danish and Swedish Governments suggested that the proposals of the ECOSOC Ad Hoc Committee should be taken as the basis for discussion at that session, with the exception of those articles proposed which related to the form of an organization in this field. The problems involved in connection with these latter articles were assumed to be settled by other provisions of GATT or by a special agreement on organizational matters in case the present machinery of GATT should be replaced by another form of organization.

"The Norwegian Government reserves its right to submit further comments and proposals when the matter is considered by the Economic and Social Council or the contracting parties to GATT. However, it is the considered opinion of the Norwegian Government that the Economic and Social Council should transmit the question of restrictive business practices to the contracting parties to GATT for consideration as soon as possible."

The United States delegation was, of course, aware that many of the members of the Economic and Social Council wanted to assign control over restrictive business practices to the Organization for Trade Cooperation. It is quite apparent that the resolution which was adopted forecloses this action.

I have been so fearful that some attempt might be made on the part of one of the countries in the United Nations to convert the Organization for Trade Cooperation into an organization similar to the International Trade Organization that I secured an official statement by the Department of State contrasting the terms of reference of these two organizations. I include in the record at this point this statement which was prepared by the Department of State:

"COMPARISON OF THE INTERNATIONAL TRADE ORGANIZATION WITH THE ORGANIZATION FOR TRADE COOPERATION

"This memorandum supplements the memorandum entitled 'Comparison of the ITO Charter and the General Agreement on Tariffs and Trade,' dated April 18, 1955. It is submitted in response to a request for a comparison of the scope and powers of the defunct International Trade Organization with those of the proposed Organization for Trade Cooperation.

"The ITO would have been empowered to deal with a wide area of foreign economic policy in addition to commercial policy. Its charter contemplated procedures looking toward the prevention of restrictive business practices having a harmful effect on the expansion of production and trade; called upon members to take internal measures designed to maintain full and productive employment within their own territories; called upon members to eliminate unfair labor conditions; established procedures and criteria for conclusion of intergovernmental

commodity agreements; and provided for extensive measures for cooperation for economic development and reconstruction. All of these activities would have been administered by the ITO.

"The agreement on the OTC, on the other hand, limits its administrative functions to the field of commercial policy, and there is thus excluded from it all the other broad areas covered by the ITO. The OTC is primarily responsible for administering the GATT. It may also sponsor international negotiations in the trade field and serve as an intergovernmental forum where members may discuss and seek solution of other questions relating to international trade. Not covered by the agreement on the OTC would be the administration of agreements relating to such provisions of the ITO draft charter as were concerned with cartels, full employment, fair labor standards, commodity agreements, or economic development measures other than such measures relating to commercial policy matters."

Let me emphasize particularly this portion of the statement by the Department which from my standpoint is crucial:

"Not covered by the agreement on the OTC would be the administration of agreements relating to such provisions of the ITO draft charter as were concerned with cartels, full employment, fair labor standards, commodity agreements, or economic development measures other than such measures relating to commercial policy matters."

I am completely satisfied with the intent and purposes of the Department in regard to these aspects of the charter for the proposed OTC.

I now wish to discuss OTC in relation to its avowed purpose, namely, the administering of the General Agreement on Tariffs and Trade. Our country has always adhered in its dealings with other nations to a most-favored-nation policy. In other words, Mr. President, any concessions we granted to one friendly foreign country we granted to all, assuming that we, in turn, received similar treatment. Any other policy would be disastrous in terms of an effective foreign or commercial policy. Since 1934 we have negotiated numerous trade agreements in which we have made tariff concessions to a particular country in return for other concessions granted to us. Our concessions were then generalized under the most-favored-nations clause to all of the countries with whom we had friendly relations. Finally we participated in a master agreement which became known as the General Agreement on Tariffs and Trade, in which all of these reductions were crystallized into one master document.

During this entire period the United States has not resorted to forms of trade discrimination such as multiple currencies, exchange controls, import licenses, etc. Imports into the United States are limited only by the tariff except for a few products where quota provisions apply under our agricultural program. Other countries have resorted to a multiplicity of currency restrictions, licensing and quantitative controls which have in many cases nullified the advantages we were to gain through reciprocal-trade negotiations. The purpose of OTC is to prevent these new impediments to trade and to protect the advantages we have secured by our concessions. Inasmuch as the Congress has extended the trade-agreements program for 3 more years, we have everything to gain and nothing to lose through participating in OTC provided that OTC does not stray from its present objectives.

I have no doubt whatsoever that the present administration means exactly what it said in the statement explaining the difference between the Organization for Trade Cooperation and the defunct International Trade Organization. However, the OTC agreement provides in part 4, article 16, that:

"Amendments to this agreement shall become effective, in respect of those members which accept them, upon acceptance by two-thirds of the members of the organization and thereafter in respect of each other member upon acceptance by it."

I have no fear that this administration would ever accept an amendment to the OTC agreement that would compromise its stated position. Unfortunately some future administration may not be so dedicated to these principles. Therefore, I shall support United States participation in OTC provided the resolution, which I know we shall adopt, contains a reservation that any new obligation to be imposed upon the United States as an amendment to this agreement can only be accepted by the United States with the concurrence of the Congress. Mr. President, with this one reservation I feel that we should wholeheartedly support the President in his effort to secure the maximum expansion of world trade which the Congress approved in its adoption of H. R. 1.

President Eisenhower and the able team he has assembled in the Department of State merit the confidence of all those who believe in the ultimate triumph of free-enterprise economics.

CONGRATULATIONS TO JACK FLECK ON WINNING THE NATIONAL OPEN GOLF CHAMPIONSHIP

Mr. MARTIN of Iowa. Mr. President, on yesterday one of the truly great stories of competitive athletics was written when Jack Fleck, golf professional, won the national open golf championship by defeating one of the truly all-time greats in the golfing world, Ben Hogan. Jack Fleck is from Davenport, Iowa; and I should like to call to the attention of the Senate his wonderful victory.

The story of yesterday's win has all the elements of a fairy story come true. Jack came from nowhere, to win the most coveted of all golf titles. This is his first major championship. In the practice rounds, Jack's game was not solid, and seemed to constitute no threat to the established golf leaders. Twice before, he had played in the National Open; but the highest he had finished was 52d. In Iowa, we knew him to be a great golfer and a fine person; but his tournament record did not predict this tremendous victory.

In defeating Ben Hogan, he conquered one of the truly great champions and one of Jack's personal favorites. To some extent he has patterned his game after that of Hogan, the "champ". He uses Hogan clubs; and, in some instances, the observer watching them play yesterday could detect a physical similarity in the way each played his game.

Jack Fleck portrayed the superb control and nerve that makes a champion. On Saturday afternoon he followed Hogan on the course, and knew the obstacles which faced him. Without wavering, he played his game, finishing with a tremendous "birdie" when he had to have it. Although many thrills and accomplishments are awaiting Jack Fleck, none will surpass those at the dramatic 18th hole he played on Saturday.

Jack has all the qualities needed to make a truly great champion. During the last few days he has proved the excellence of his golf game. He also indicated he has the emotional qualities to set him apart from the average person. When interviewed over the radio, following his victory, he quietly said, "The Lord must have been with me." These simple words show the humility and composure that mark the true champion.

The congratulations of all of us are extended to Jack, his wife, Gail, and their little boy. Although great things are in store for them in the years to come, they will look back on this occasion and will say to themselves, "This was our finest hour."

AGREEMENTS FOR COOPERATION ON THE CIVIL USES OF ATOMIC ENERGY

Mr. PASTORE. Mr. President, from time to time the Joint Committee on Atomic Energy has published in the RECORD the text of the Agreements for Cooperation which the Atomic Energy Act of 1954 require to come before that committee.

On Wednesday, June 15, the Atomic Energy Commission deposited with the joint committee its proposed agreements for cooperation with the United Kingdom, with Canada, and with Belgium, relating to the use of atomic energy for peaceful purposes.

On June 15 the Department of Defense also deposited with the Joint Committee on Atomic Energy its proposed agreements for cooperation with the United Kingdom and with Canada relating to mutual-defense plans.

Hearings on all of these agreements are scheduled for the immediate future before the Joint Committee on Atomic Energy, and the joint committee will give very careful consideration to the agreements.

Today I ask unanimous consent to have the unclassified portions of the text of these agreements for cooperation published in the RECORD.

There being no objection, the agreements for cooperation were ordered to be printed in the RECORD, as follows:

AGREEMENT FOR COOPERATION ON THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

The Government of the United States of America (including the United States Atomic Energy Commission) and the Government of the United Kingdom of Great Britain and Northern Ireland, on its own behalf and on behalf of the United Kingdom Atomic Energy Authority;

Considering that they have for several years been engaged in atomic energy programs within their respective countries and from the inception of these programs have collaborated closely in certain fields;

Considering that the use of atomic energy for peaceful purposes is a major objective of each of these programs;

Believing that mutual benefit would result from further cooperation between them; and

Recognizing that for the present their main efforts in the field of atomic energy will be directed to defense but desiring also to promote the development of atomic energy for peaceful purposes;

Have agreed as follows:

ARTICLE I

Scope of agreement

A. Subject to the provisions of this Agreement, the availability of material and personnel, and the applicable laws, regulations and license requirements in force in their respective countries, the Parties shall assist each other in the achievement of the use of atomic energy for peaceful purposes. It is the intent of the Parties that such assistance shall be rendered on a reciprocal basis.

B. The disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of this Agreement.

C. The exchange of restricted data under this Agreement shall be subject to the following limitations:

(i) It shall extend only to that which is relevant to current or projected programs.

(ii) Restricted data which is primarily of military significance shall not be exchanged.

(iii) The development of submarine, ship, aircraft, and certainly package power reactors is presently concerned primarily with their military uses. Accordingly, restricted data pertaining to such reactors will not be exchanged until such time as these types of reactors warrant peacetime application and the exchange of information on these types of reactors may be agreed. Information on the adoption of these types of reactors to military use will not be exchanged. Likewise, restricted data pertaining primarily to any future reactor-types the development of which is concerned primarily with their military use will not be exchanged until such time as these types of reactors warrant civil application and exchange of information on these types of reactors may be agreed; and restricted data on the adaptation of these types of reactors to military use will not be exchanged.

(iv) Restricted data on specific experimental power, demonstration power, or power reactors will not be exchanged unless the reactor is currently in operation in the receiving country or is being considered seriously for construction by the receiving country as a source of power or as an intermediate step in a power production program. There shall, however, be exchanged such general information, including restricted data, on design and characteristics of various types of reactors as is required to permit evaluation and comparison of their potential use in a power production program.

D. This Agreement shall not require the exchange of any information which the Parties are not permitted to communicate because the information is privately developed and privately owned or has been received from another government.

E. The Parties will not transfer or export, or permit the transfer or export, under this Agreement of any material, equipment, or device which is primarily of a military character.

ARTICLE II

Exchange of information between the Commission and the Authority

Subject to the provisions of Article I, classified information in the specific fields set out below and unclassified information shall be exchanged between the Commission and the Authority with respect to the application of atomic energy to peaceful uses, including research and development relating to such uses and problems of health and safety connected therewith. The exchange of information provided for in this Article shall be accomplished through the various means available, including reports, conferences, and visits to facilities. The following are the fields in which classified information shall be exchanged.

A. Reactors

1. Fields of exchange:

(a) Reactor physics, including theory of and pertinent data relating to neutron bombardment reactions, neutron cross sections, criticality calculations, reactor kinetics, and shielding.

(b) Reactor engineering—theory of and data relating to such problems as reactor stress and heat transfer analysis insofar as these are pertinent to the overall design and optimization of the reactor.

(c) Properties of reactor materials—effects of operating conditions on the properties of reactor materials, including fuel, moderator, and coolant.

(d) Specification for reactor materials—final form specifications including composition, shape, and size, and special handling techniques of reactor materials including source material, special nuclear material, heavy water, reactor grade graphite, and zirconium.

(e) Reactor components—general performance specifications of reactor components.

(f) Over-all design and characteristics, and operational techniques and performance, of research, experimental power, demonstration power, and power reactors.

2. Detailed designs, detailed drawings and applied technology of reactors of the types referred to in subparagraph 1 (f) of this paragraph and of related components, equipment and devices in this field shall not be exchanged except as may be agreed.

3. The exchange of information under this paragraph shall include and be limited to information from the following sources and shall be accomplished in such a manner as to maintain a reciprocal basis of exchange:

(a) Information developed by and for the Commission and information developed by and for the public and private utility groups in the United States with the assistance of the Commission;

(b) Information developed by and for the Authority and information developed by and for the United Kingdom Electricity Supply Authorities with the assistance of the Authority.

B. Uranium and Thorium

Geology, exploration techniques, chemistry and technology of extracting uranium and thorium from their ores and concentrates, the chemistry, production technology and techniques of purification and fabrication of uranium and thorium compounds and metals, including design, construction, and operation of plants.

C. Properties of Materials

Physical, chemical, and nuclear properties of all elements, compounds, alloys, mixtures, special nuclear material, byproduct material, other radioisotopes, and stable isotopes and their behavior under all conditions.

D. Technology of Production and Utilization of Materials

1. Technology of production and utilization, from laboratory experimentation up to pilot plant operations but not including design and operation of pilots plants except as may be agreed, of all elements, compounds, alloys, mixtures, special nuclear material, byproduct material, other radioisotopes, and stable isotopes relevant to paragraphs A and E of this Article.

2. This paragraph shall not be construed as including:

(a) the exchange of restricted data pertaining to design, construction, and operation of production plants for the separation of U–235 from other uranium isotopes;

(b) the exchange of restricted data on the design, construction, and operation of specific production plants for the separation of deuterium from the other isotopes of hydrogen until such time as the Party wishing to receive the information shall determine that the construction of such plants is required; the Commission will, however, supply the Authority with heavy water as provided in Article III A and Article IV;

(c) the exchange of restricted data pertaining to design, construction, and operation of production plants for the separation of isotopes of any other element, except as may be agreed;

(d) the exchange of restricted data pertaining to the underlying principles, theory, design, construction, and operation of facilities, other than reactors, capable of producing significant quantities of isotopes by means of nuclear reactions, except as may be agreed.

E. Health and Safety

The entire field of health and safety as related to any of the fields within which information is to be exchanged in accordance with the provisions of this Article; in addition those problems of health and safety which affect the individual, his environment, and the civilian population as a whole and which arise from nuclear explosion (excluding such test data as would permit the determination of the yield of any specific weapon or nuclear device and excluding any information relating to the design or fabrication of any weapon or nuclear device).

ARTICLE III

Research materials and research facilities

A. Research Materials

Materials of interest in connection with any subject of agreed exchange of information as provided in Article II subject to the provisions of Article I, including source material, special nuclear material, byproduct material, other radioisotopes, and stable isotopes shall, except as provided in paragraph E of Article I, be exchanged for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially to the Party wishing to receive them.

B. Research Facilities

Under such terms and conditions as may be agreed, specialized research facilities and reactor testing facilities shall be made available for mutual use consistent with the limits of space, facilities, and personnel conveniently available, except that it is understood that neither Party will be able to permit access by personnel of the other Party to facilities which are primarily of military significance.

ARTICLE IV

Materials for purposes other than research

In connection with any subject of agreed exchange of information as provided in Article II subject to the provisions of Article I, specific arrangements may be agreed between the Parties from time to time for the sale and purchase, under such terms and conditions as may be agreed, of quantities, greater than those required for research, of materials other than special nuclear materials.

ARTICLE V

Transfer of equipment and devices

With respect to any subject of agreed exchange of information as provided in Article II subject to the provisions of Article I, equipment and devices may be transferred from one Party to the other under such terms and conditions as may be agreed, except as provided in paragraph E of Article I. It is recognized that such transfers will be subject to limitations which may arise from shortages of supplies or other circumstances existing at the time.

ARTICLE VI

Permissive arrangements for materials, including equipment and devices, and services

A. Within the fields specified in paragraph B of this Article, persons under the

jurisdiction of one Party shall be permitted to make arrangements to transfer and export materials, including equipment and devices and rights owned by them therein, to and perform services for the other Party and such persons under its jurisdiction as are authorized by it to receive and possess such materials and utilize such services, provided that any classified information the disclosure of which would be involved shall fall within the fields specified in paragraph B and subject to:

(1) the provisions of paragraph E of Article I;

(2) applicable laws, regulations and license requirements;

(3) approval of the Party to the jurisdiction of which the person making the arrangement is subject if the materials or services are classified or if the furnishing of such materials or services requires the communication of classified information.

B. To the extent necessary in carrying out the arrangements made under paragraph A of this Article, classified information in the following fields, subject in each case to the provisions of Article I, may be communicated by the person furnishing the material or services to the Party or person to whom such material or service is furnished:

(1) the subjects of agreed exchange of information as provided in Article II;

(2) the development, design, construction, operation, and use of research, experimental power, demonstration power, and power reactors;

(3) the development, design, manufacture, and use of equipment and devices of use in connection with the fields described in this paragraph.

ARTICLE VII

Patents

A. With respect to any invention or discovery employing information which has been communicated under this Agreement by one of the Parties to the other in accordance with Article II and made or conceived thereafter but during the period of this Agreement, and in which invention or discovery rights are owned by the Government of the United States or by the Government of the United Kingdom or any agency or corporation owned or controlled by either, each Party:

(1) agrees to transfer and assign to the other Party all right, title, and interest in and to any such invention, discovery, patent application or patent in the country of that other Party, to the extent owned, subject to a royalty-free, non-exclusive, irrevocable license for the governmental purposes of such other Party and for purposes of mutual defense;

(2) shall retain all right, title, and interest in and to any such invention, discovery, patent application or patent in its own or third countries but shall, upon request of the other Party, grant to that other party a royalty-free, nonexclusive, irrevocable license for the governmental purposes of such other Party in such countries, including use in the production of materials in such countries for sale to the other Party by a contractor of such other Party; each Party may deal with any such invention, discovery, patent application or patent in its own country and all countries other than that of the other Party as it may desire, but in no event shall either Party discriminate against citizens of the country of the other Party in respect of granting any license under the patents owned by it in its own or any other country;

(3) waives any and all claims against the other Party for compensation, royalty or award as respects any such invention or discovery, patent application or patent and releases the other Party with respect to any such claim.

B. (1) No patent application with respect to any classified invention or discovery employing information which has been communicated under this Agreement may be filed by either Party or any person in the country of the other Party except in accordance with agreed conditions and procedures.

(2) No patent application with respect to any such classified invention or discovery may be filed in any country not a party to this Agreement except as may be agreed and subject to Article IX.

(3) Appropriate secrecy or prohibition orders shall be issued for the purpose of giving effect to this paragraph.

ARTICLE VIII

Classification policies

Agreed classification policies shall be maintained with respect to all information, materials, equipment and devices exchanged under this Agreement. The Parties intend to continue the present practice of consultation with each other on the classification of these matters.

ARTICLE IX

Guaranties

The Parties guarantee that:

A. All classified material, equipment, devices and classified information exchanged under this Agreement shall be safeguarded in accordance with the applicable security arrangements between the Commission and the Authority.

B. No material, equipment or device transferred pursuant to this Agreement shall be used for atomic weapons or for research on or development of atomic weapons, or for any other military purpose.

C. No material, equipment, device, or restricted data transferred pursuant to this Agreement, and no equipment or device which would disclose any restricted data transferred pursuant to this Agreement, shall be transferred to any unauthorized person or beyond the jurisdiction of the country receiving it, without the written consent of the Party to this Agreement from which or by permission of which it was received. Such consent will not be given on behalf of the Government of the United States unless the transfer in respect of which it is requested is within the scope of an agreement for cooperation made in accordance with Section 123 of the United States Atomic Energy Act of 1954.

ARTICLE X

Definitions

For the purposes of this agreement:

"Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

"The Authority" means the United Kingdom Atomic Energy Authority.

"Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

"Classified" means a security designation of "Confidential" or higher applied under the laws and regulations of either the United Kingdom or the United States to any data, information, materials, services or any other matter, and includes "restricted data."

"The Commission" means the United States Atomic Energy Commission.

"Equipment and devices" and "equipment or device" means any instrument, apparatus, or facility and includes any facility, except an atomic weapon, capable of making use of or producing special nuclear material, and component parts thereof.

"Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation other than the Commission and the Authority.

"Pilot plant" means a device operated to acquire specific data for the design of a full-scale plant and which utilizes the process, or a portion thereof, and the type of equipment which would be used in the full-scale production plant.

"Reactor" means an apparatus other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium or any combination of uranium, plutonium, or thorium.

"Restricted data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of restricted data by the appropriate authority.

"Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission or the Authority determines to be special nuclear material; or (2) any material artifically enriched by any of the foregoing.

ARTICLE XI

Period of agreement

This agreement shall enter into force on the date on which each government shall receive from the other government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 10 years.

In witness whereof, the undersigned, duly authorized, have signed this agreement.

Done at Washington this 15th day of June, 1955, in two original texts.

For the Government of the United States of America:

ROBERT MURPHY.
LEWIS STRAUSS.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

R. H. SCOTT.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached Agreement for Cooperation on the Civil Uses of Atomic Energy Between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America, and authorize its execution by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

As you know, Great Britain has from the beginning been one of the leaders in the development of atomic energy. Her scientists include great names in nuclear research, and her research and experimental centers are among the finest and most advanced in the world. British endeavor in the field of atomic energy preceded World War II, but in 1943 all work in this field was suspended in the British Isles, and the leading English scientists came to the United States and to Canada to labor jointly with the scientists of those countries in the development of the atomic bomb. The immense contribution made by the United Kingdom in the great scientific achievement which resulted is a matter of recorded history. Since the war, the United Kingdom has developed and put into effect an impressive, comprehensive, and highly integrated atomic energy program; but collaboration and the exchange of

atomic energy information between our two Governments was, until the passage of the Atomic Energy Act of 1954, severely limited by law. The proposed agreement, negotiated under the Atomic Energy Act of 1954, represents an important step toward achieving in the field of the peaceful uses of atomic energy the friendly tradition of cooperation which prevails in the other areas of our relationships with Her Majesty's Government and will result in mutual benefit.

The agreement calls for reciprocal assistance in the achievement of the use of atomic energy for peaceful purposes, for the exchange of information between the United States Atomic Energy Commission and the United Kingdom Atomic Energy Authority of classified and unclassified information relating to the application of atomic energy for peaceful uses (including such general information on design and characteristics of various types of reactors as is required to permit evaluation and comparison of their potential use in a power-production program), for an exchange of research materials not available commercially, for the use of research and reactor testing facilities, and for the transfer of equipment and devices. However, of the information which is classified, only that relevant to current or projective programs will be exchanged. The parties to the agreement will not exchange restricted data under the agreement which is primarily of military significance nor will they grant access to facilities which are primarily of military significance. Further it is specifically provided that the parties will not transport or export, or permit the transfer or export, under the agreement of any material, equipment, or device which is primarily of a military character; and, further, that the disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of the agreement.

Special nuclear material will be exchanged under the agreement only for research purposes and in such quantities and under such terms and conditions as may be agreed, subject to the general limitation that no material which is primarily of a military character will be transferred.

The reciprocal arrangement set forth in the proposed agreement will permit the scientists and technicians of the United States access to valuable atomic information developed in the United Kingdom and will make possible a close collaboration in investigating the effective peacetime uses of atomic energy and in advancing the frontiers of knowledge in the nuclear sciences. The limits of nuclear energy cannot now be predicted, but its promise for the more abundant life is infinate. Working together the scientists of these two great nations can contribute substantially to the fulfillment of that promise. In this way, each Government will be promiting its own defense and security and substantially furthering the mutual security of the peoples of the free world.

It is, therefore, the opinion of the Commission agreement not only is in accordance with the policy which you have established concerning the development of the peaceful uses of atomic energy in collaboration with friendly foreign nations, but also that the cooperative effort which the proposed agreement will permit will further solidify the friendship we now enjoy with Her Majesty's Government and go far in assuring the continuance of peace and freedom in our countries.

Respectfully,

L. L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, June 15, 1955.

Hon. L. L. STRAUSS,
Chairman.

DEAR MR. STRAUSS: Under date of June 15, 1955, the Atomic Energy Commission recommended that I approve a proposed agreement for cooperation concerning the civil uses of atomic energy by the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America.

The Commission's letter of recommendation refers to the close collaboration that existed between Great Britain and the United States in the development of the atomic bomb, and points out that since the war and until the passage of the Atomic Energy Act of 1954, further cooperation in atomic energy development was severely limited by law. The Commission's letter also states that the United Kingdom has developed and put into effect a comprehensive atomic energy program, and that the proposed agreement, negotiated under the Atomic Energy Act of 1954, represents an important step toward achieving in the atomic energy field the friendly tradition of cooperation which prevails in the other areas of our relationships with Her Majesty's Government.

I have examined the agreement recommended. I share in the belief of the Commission that the performance of the agreement will result in mutual benefit to both Governments.

The agreement calls for an exchange of classified and unclassified information relating to the application of atomic energy for peaceful uses, for an exchange of research materials not available commercially, for the use of research and reactor testing facilities, and for the transfer of equipment and devices. It is provided, however, that classified information will be exchanged only when relevant to current or projected programs, and that the parties to the agreement will not exchange restricted data under the agreement which is primarily of military significance; nor will they grant access to facilities which are primarily of military significance. Further, it is specifically provided that the parties will not transfer or export, or permit the transfer or export, under the agreement, of any material, equipment, or device which is primarily of a military significance. It is specifically provided that the disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of the agreement.

Special nuclear material will be exchanged under the agreement only for research purposes and in such quantities and under such terms and conditions as may be agreed, subject to the general limitation that nuclear material which is primarily of a military character will not be transferred.

The extent of the progress of atomic energy development in Great Britain, particularly in the matter of the peaceful uses of atomic energy, makes it certain that the United States will gain materially from a mutual exchange of information and the mutual uses of facilities. The proposed agreement will permit our scientists to have access to valuable information which the eminent scientists of the United Kingdom have developed, and will make possible a close collaboration in advancing the frontiers of knowledge in the nuclear sciences and the fulfillment of the promise which nuclear energy holds for all mankind. I share the opinion of the Commission that the activities called for in the agreement will promote the defense and security of the United States and will substantially further the mutual security of the peoples of the free world.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, and upon the recommendation of the Atomic Energy Commission, I hereby

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland concerning the civil uses of atomic energy;

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

(3) Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT EISENHOWER.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy,
Congress of the United States.

DEAR SENATOR ANDERSON: Pursuant to section 123 (c) of the Atomic Energy Act of 1954 there is submitted with this letter:

(1) A proposed agreement for cooperation with the Government of the United Kingdom and Northern Ireland;

(2) A letter dated June 15, 1955, from the Commission to the President recommending his approval of the proposed agreement;

(3) A letter dated June 15, 1955, from the President to the Commission approving the proposed agreement, authorizing its execution, and containing his determination that the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security.

This proposed agreement for cooperation calls for the exchange of classified and unclassified information and material, including restricted data, and is more extensive in scope than the unclassified research agreements which previously have been submitted to this session of the Congress.

The arrangement contained in the proposed agreement results from the special relationship which exists between the Government of the United Kingdom and Northern Ireland and the United States in the atomic energy field.

Sincerely yours,

L. L. STRAUSS,
Chairman.

AGREEMENT FOR COOPERATION CONCERNING CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA

The Government of the United States of America, represented by the United States Atomic Energy Commission (hereinafter referred to as the "Commission"), and the Government of Canada, through its wholly-owned Corporations, Eldorado Mining and Refining Limited and Atomic Energy of Canada Limited, have for several years been engaged in atomic energy programs within their respective countries and from the inception of these programs have collaborated closely in certain areas. The principal objective of Canada's atomic energy program is the civil use of atomic energy and, in particular, the use of atomic energy as a source of electric energy. The objective of the atomic energy program in the United States is twofold: (1) the use of atomic energy for peaceful purposes, and (2) the use of atomic energy for defense purposes. There exists a unique tradition of cooperation between Canada and the United States. Based on similar national interests, this cooperation produces special industrial and economic interrelationships. Consequently, progress in each country toward the full benefits of the peaceful uses of atomic energy will be accelerated through an arrangement which is consistent with the cooperation existing in other areas. Accordingly, the Government of the United States of America and the Government of Canada, the parties to this Agreement, agree, as provided herein, to assist each other in the achievement of the objectives of their respective atomic energy

programs to the extent such assistance is relevant to current or projected programs and subject to applicable laws of the respective governments and the availability of material and personnel. While for the present and for the foreseeable future priority of materials and personnel must be given to defense needs, an increasing number of opportunities exist for the development of the peaceful applications of atomic energy. It is expressly understood that the design, fabrication, disposition, or utilization of atomic weapons are outside the scope of this Agreement.

ARTICLE I—PERIOD OF AGREEMENT

This Agreement shall enter into force on the date of receipt by the Government of Canada of a notification from the Government of the United States of America that the period of thirty days required by Section 123c of the United States Atomic Energy Act of 1954 has elapsed, and it shall remain in force through July 31, 1965.

ARTICLE II—EXCHANGE OF INFORMATION

Classified and unclassified information will be exchanged between the Commission and the appropriate agencies of the Government of Canada with respect to the application of atomic energy to peaceful uses, including research and development relating thereto, and including problems of health and safety. There are set forth in this Article the specific fields in which classified information will be exchanged. The exchange of information provided for in this Article will be accomplished through the various means available, including reports, conferences, and visits to facilities.

A. Limitations

Of the information which is classified, only that relevant to current or projected programs will be exchanged. The parties to the Agreement will not exchange Restricted Data under this Agreement which, in the opinion of either country, is primarily of military significance, or exchange Restricted Data relating to the design or fabrication of atomic weapons. Within the subject matter of this Agreement, the parties may come into possession of privately developed and privately owned information and information received from other governments which the parties are not permitted to exchange.

It is mutually understood and agreed that, except as limitations are stated to apply specifically to one party or the other, any limitations to cooperation imposed pursuant to this Agreement shall be reciprocal.

B. Reactors

(1) Information on the development, design, construction, operation and use of research, production, experimental power, demonstration power, and power reactors, except as provided in Paragraph A and (2) and (3) of this paragraph.

(2) The development of submarine, ship, aircraft, and certain package power reactors is presently concerned primarily with their military uses. Accordingly, it is agreed that the parties to this Agreement will not communicate to each other under this Agreement Restricted Data pertaining primarily to such reactors, until such time as these types of reactors warrant civil application, and as the exchange of information on these types of reactors may be mutually agreed. Restricted Data pertaining to the adaptation of these types of reactors to military use, however, will not be exchanged under this Agreement. Likewise, the parties to the Agreement will not exchange under this Agreement Restricted Data pertaining primarily to any future reactor-types the development of which may be concerned primarily with their military use, until such time as these types of reactors warrant civil application and as exchange of information on these types of reactors may be mutually agreed; and Restricted Data pertaining to the adaptation of these types of reactors to military use will not be exchanged under this Agreement. Nevertheless, information pertaining to military nuclear power plants in furtherance of the joint Canada-United States defense effort in the development of an early-warning radar network may be exchanged.

(3) It is agreed that neither of the parties to this Agreement will exchange Restricted Data on any specific production, experimental power, demonstration power, and power reactor, unless that type of reactor is being operated currently by the other party, or is being considered seriously for construction by the other party as a source of power or as an intermediate step in a power production program. There will, however, be exchanged such general information on design and characteristics of various types of reactors as is required to permit evaluation and comparison of their potential use in a power production program.

C. Source materials

Geology, exploration techniques, chemistry and technology of extracting uranium and thorium from their ores and concentrates, the chemistry, production technology, and techniques of purification and fabrication of uranium and thorium compounds and metals, including design, construction and operation of plants, except as provided in Paragraph A.

D. Materials

(1) Physical, chemical and nuclear properties of all elements, compounds, alloys, mixtures, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes and their behavior under various conditions, except as provided in Paragraph A.

(2) Technology of production and utilization, from laboratory experimentation and theory of production up to pilot plant operations (but not including design and operation of pilot plants and full scale plants, except as may be agreed), of all elements, compounds, alloys, mixtures, special nuclear material, byproduct material, other radioisotopes, and stable isotopes, relevant to and subject to the limitations of Paragraphs B, E, and F of this Article, except as provided in Paragraph A and (a), (b), (c) and (d) of this subparagraph.

(a) The Commission will not communicate Restricted Data pertaining to design, construction and operation of production plants for the separation of U–235 from other uranium isotopes. The Commission, however, will supply the Government of Canada with uranium enriched in U–235 as provided in Article III A and Article VI.

(b) The Commission will not communicate Restricted Data on the design, construction and operation of specific production plants for the separation of deuterium from the other isotopes of hydrogen until such time as the Government of Canada shall determine that the construction of such plants is required. The Commission will, however, supply the Government of Canada with heavy water as provided in Article III A and Article VI.

(c) No Restricted Data will be exchanged pertaining to the design, construction and operation of production plants for the separation of isotopes of any other element, except as may be agreed.

(d) No Restricted Data will be exchanged pertaining to the underlying principles, theory, design, construction and operation of facilities, other than reactors, capable of producing significant quantities of isotopes by means of nuclear reactions, except as may be agreed.

E. Health and safety

The entire field of health and safety as related to this Article. In addition, those problems of health and safety which affect the individual, his environment, and the civilian population as a whole and which arise from nuclear explosion (excluding such tests data as would permit the determination of the yield of any specific weapon or nuclear device and excluding any information relating to the design or fabrication of any weapon or nuclear device), and except as provided in Paragraph A.

F. Instruments, instrumentation and devices

Development, design, manufacture, and use of equipment and devices of use in connection with the subjects of agreed exchange of information provided in this Article, except as provided in Paragraph A.

ARTICLE III—RESEARCH MATERIALS AND RESEARCH FACILITIES

A. Research materials

Materials of interest in connection with the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, including source materials, special nuclear material, byproduct material, other radioisotopes, and stable isotopes, will be exchanged for research purposes in such quantities and under such terms and conditions as may be agreed, except as provided in Article VII, when such materials are not available commercially. These materials for nonresearch purposes may be supplied by one party of this Agreement to the other as provided in Article VI.

B. Research facilities

Under such terms and conditions as may be agreed, and to the extent as may be agreed, specialized research facilities and reactor testing facilities will be made available for mutual use consistent with the limits of space, facilities and personnel conveniently available, except that it is understood that the Commission will not be able to permit access by Canadian personnel to facilities which, in the opinion of the Commission, are primarily of military significance.

ARTICLE IV—TRANSFER OF EQUIPMENT AND DEVICES

With respect to the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, equipment and devices may be transferred from one party to the other to the extent and under such terms and conditions as may be agreed, except as provided in Article VII. It is recognized that such transfers will be subject to limitations which may arise from shortages of supplies or other circumstances existing at the time.

ARTICLE V—OTHER ARRANGEMENTS FOR MATERIALS, INCLUDING EQUIPMENT AND DEVICES AND SERVICES

It is contemplated that, as provided in this Article, private individuals and private organizations in either the United States or Canada may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, persons under the jurisdiction of either the Government of the United States of America or the Government of Canada will be permitted to make arrangements to transfer and export materials, including equipment and devices, to and perform services for the other government and such persons under the jurisdiction of the other government as are authorized by the other government to receive and possess such materials and utilize such services, subject to:

(a) The limitation in Article VII.

(b) Applicable laws, regulations and license requirements of the Government of the United States of America and the Government of Canada.

(c) The approval of the government to which the person is subject when the materials or services are classified or when the

furnishing of such materials and services requires the communication of classified information.

ARTICLE VI—NONRESEARCH QUANTITIES OF MATERIALS

A. The Commission will sell to Atomic Energy of Canada Limited, a wholly-owned corporation of the Government of Canada, under such terms and conditions as may be agreed, such quantities of uranium enriched in the isotope U–235 as may be required in the power reactor program in Canada during this period, subject to any limitations in connection with the quantities of such material available for such distribution by the Commission during any year, and subject to the limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of Atomic Energy of Canada Limited by reason of transfer under this Agreement shall not, in the opinion of the Commission, be of military significance. It is agreed that the uranium enriched in the isotope U–235 which the Commission will sell to Atomic Energy of Canada Limited under this Article will be limited to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. It is understood and agreed that, although Atomic Energy of Canada Limited intends to distribute uranium enriched in the isotope U–235 to authorized users in Canada, Atomic Energy of Canada Limited will retain title to any uranium enriched in the isotope U–235 which is purchased from the Commission until such time as private users in the United States are permitted to acquire title to uranium enriched in the isotope U–235.

The Government of Canada, or its appropriate agent, will give to the Commission a first refusal of any special nuclear materials which the Government of Canada may desire to transfer outside of Canada, where such special nuclear materials have been produced from the irradiation of fuel elements enriched with U–235 purchased from the Commission under the terms of this Agreement.

In addition, any special nuclear material transferred by Atomic Energy of Canada Limited to the United States may be retransferred to Canada on such terms and conditions as may be agreed.

B. The Commission will continue the present understanding with Atomic Energy of Canada Limited, wholly-owned corporation of the Government of Canada, covering the sale of uranium of normal isotopic composition for use in the NRX and NRU reactors.

The Commission will also sell to Atomic Energy of Canada Limited such quantities of uranium of normal isotopic composition, and to the extent practical in such form, as may be required for the power reactor program in Canada and under such terms and conditions as may be agreed, subject to the availability of supply and the needs of the United States program.

C. The Commission will continue the present understanding with Atomic Energy of Canada Limited, a wholly-owned corporation of the Government of Canada, covering the sale of heavy water for use in the NRX and NRU reactors. The Commission will also sell to Atomic Energy of Canada Limited, under such terms and conditions as may be agreed, such quantities of heavy water as may be required in the power reactor program in Canada, subject to the availability of supply and the needs of the United States program.

D. It is understood and agreed that the existing contract between the Commission and Atomic Energy of Canada Limited relating to the sale of plutonium, and extensions thereof, will continue in full force and effect.

E. Collaboration between the two countries in the field of raw materials has resulted in the development of substantial uranium production in Canada which has been made available to the United States under arrangements and contracts now in effect. These arrangements and contracts shall remain in full force and effect except as modified or revised by mutual agreement.

F. As may be necessary and as mutually agreed in connection with the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, specific arrangements may be made from time to time between the parties for lease or sale and purchase of nonresearch quantities of other materials under such terms and conditions as may be mutually agreed, except as provided in Article VII.

ARTICLE VII—MATERIALS AND FACILITIES PRIMARILY OF MILITARY SIGNIFICANCE

The Commission will not transfer any materials under Article III A or Article VI F and will not transfer or permit the export of any materials or equipment and devices under Article IV and Article V if such materials or equipment and devices are in the opinion of the Commission primarily of military significance.

ARTICLE VIII—CLASSIFICATION POLICIES

The Governments of the United States of America and Canada agree that mutually agreed classification policies shall be maintained with respect to all information and materials, including equipment and devices, exchanged under this Agreement. In addition, the parties intend to continue the present practice of periodic consultation with each other on the classification of atomic energy information.

ARTICLE IX—PATENTS

A. With respect to any invention or discovery employing information which has been communicated hereunder and made or conceived thereafter during the period of this Agreement, and in which invention or discovery rights are owned by the Government of the United States or by the Government of Canada or an agency or corporation owned or controlled by either, each party:

(1) Agrees to transfer and assign to the other all right, title, and interest in and to any such invention, discovery, patent application or patent in the country of the other, to the extent owned, subject to a royalty-free, nonexclusive, irrevocable license for its own governmental purposes and for purposes of mutual defense.

(2) Shall retain all right, title, and interest in and to any such invention, discovery, patent application or patent in its own or third countries but will, upon request of the other party, grant to the other party a royalty-free, nonexclusive, irrevocable license for its own governmental purposes in such countries including use in the production of materials in such countries for sale to the other party by a contractor of such other party. Each party may deal with any such invention, discovery, patent application or patent in its own country and all countries other than that of the other party as it may desire, but in no event shall either party discriminate against citizens of the other country in respect of granting any license under the patents owned by it in its own or any other country.

(3) Waives any and all claims against the other party for compensation, royalty or award as respects any such invention or discovery, patent application or patent and releases the other party with respect to any such claim.

B. (1) No patent application with respect to any classified invention or discovery made or conceived during the period of this Agreement in connection with subject matter communicated hereunder may be filed by either party except in accordance with mutually agreed upon conditions and procedure.

(2) No patent application with respect to any such classified invention or discovery may be filed in any country not a party to this Agreement except as may be mutually agreed and subject to Article X.

(3) Appropriate secrecy or prohibition orders will be issued for the purpose of effectuating this provision.

ARTICLE X—SECURITY

A. The Governments of the United States of America and Canada have adopted similar security safeguards and standards in connection with their respective atomic energy programs. The two governments agree that all classified information and material, including equipment and devices, within the scope of this Agreement, will be safeguarded in accordance with the security safeguards and standards prescribed by the security arrangement between the Commission and the Atomic Energy Control Board of Canada in effect on June 15, 1955.

B. It is agreed that the recipient party of any material, including equipment and devices, and of any classified information under this Agreement, shall not further disseminate such information, or transfer such material, including equipment and devices, to any other country without the written consent of the originating country. It is further agreed that neither party to this Agreement will transfer to any other country any equipment or device, the transfer of which would involve the disclosure of any classified information received from the other party, without the written consent of such other party.

ARTICLE XI—GUARANTIES PRESCRIBED BY THE UNITED STATES ATOMIC ENERGY ACT OF 1954

The Government of Canada guarantees that:

A. The security safeguards and standards prescribed by the security arrangements between the Commission and the Atomic Energy Control Board of Canada in effect on June 15, 1955, will be maintained with respect to all classified information and materials, including equipment and devices, exchanged under this Agreement.

B. No material, including equipment and devices, transferred to the Government of Canada or authorized persons under its jurisdiction by purchase or otherwise pursuant to this Agreement will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose.

C. No material, including equipment and devices, or any Restricted Data transferred to the Government of Canada or authorized persons under its jurisdiction pursuant to this Agreement will be transferred to unauthorized persons or beyond the jurisdiction of the Government of Canada, except as the Commission may agree to such a transfer to another nation, and then only if the transfer of the material or Restricted Data is within the scope of an Agreement for Cooperation between the United States and the other nation.

ARTICLE XII—GUARANTIES BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA

The Government of the United States of America guarantees that:

A. The security safeguards and standards prescribed by the security arrangements between the Commission and the Atomic Energy Control Board of Canada in effect on June 15, 1955 will be maintained with respect to all classified information and materials, including equipment and devices, exchanged under this Agreement.

B. No material, including equipment and devices, or any Restricted Data transferred to the Government of the United States or authorized persons under its jurisdiction pursuant to this Agreement, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the United States of America, except as the Government of Canada may agree to such a transfer to another nation.

ARTICLE XIII—STATEMENT CONCERNING CONSTRUCTION OF ARTICLE II A AND B (2) AND ARTICLE XI B

Article II A and B (2) and Article XI B shall not be construed to prevent the Government of Canada from selling materials produced in its reactors to the Government of the United States for defense use or from making available, to the extent the Government of Canada may agree to do so, its reactor testing facilities for use by the Government of the United States in connection with the defense aspects of atomic energy.

ARTICLE XIV—DEFINITIONS

For purposes of this agreement:

A. "Classified" means a security designation of "Confidential" or higher applied under the laws and regulations of either Canada or the United States to any data, information, materials, services or any other matter, and includes "Restricted Data."

B. "Equipment and devices" means any instrument, apparatus or facility, and includes production facilities and utilization facilities and component parts thereof.

C. "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation, but does not include the parties of this agreement.

D. "Pilot Plant" means a device operated to acquire specific data for the design of a full-scale plant and which utilizes the process, or a portion thereof, and the type of equipment which would be used in a full-scale production plant.

E. "Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium, or any combination of uranium, plutonium, or thorium.

F. The terms "production facilities," "utilization facilities," "source materials," "special nuclear materials," "byproduct material," "Restricted Data," and "atomic weapon" are used in this agreement as defined in the United States Atomic Energy Act of 1954.

In witness whereof, the parties hereto have caused this agreement to be executed pursuant to duly constituted authority.

Done at Washington in duplicate this 15th day of June, 1955.

For the Government of the United States of America:

ROBERT MURPHY.
LEWIS L. STRAUSS.

For the Government of Canada:

A. D. P. HEENEY.
W. J. BENNETT.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 14, 1955.

The PRESIDENT,
The White House,

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of Canada, and authorize its execution by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

As you know, Canada and the United States were active partners in the wartime undertaking that resulted in the first release of atomic energy by man, and during World War II the collaboration between the two countries was close and invaluable. Since then, however, and until the passage of the Atomic Energy Act of 1954, United States participation in a cooperative effort to advance the peaceful uses of atomic energy was severely limited by law. Canada, on the other hand, in continuing to pursue an active atomic energy program for peaceful purposes, has closely cooperated with the United States in certain important areas and in a way which has made a valuable contribution to our common defense and security.

Beyond the field of atomic energy, there exists, as the proposed agreement recites, a unique tradition of friendship and cooperation between Canada and the United States. Based on similar national interests and ideals, this tradition has produced special industrial, economic, and cultural relationships which have contributed to our common security and well-being. As you stated in your address to the House of Commons at Ottawa in November 1953, the sense of partnership that for generations has been the hallmark of the relations between Canada and the United States has made each country "a better and stronger and more influential nation because each can rely upon every resource of the other in days of crisis. Beyond this, each can work and grow and prosper with the other through years of quiet peace." The proposed document represents an important step toward achieving in the field of the peaceful uses of atomic energy that sense of partnership which prevails in the other areas of our relationship with Canada, and will materially assist both the United States and Canada in the achievement of the objectives of their respective atomic energy programs.

The agreement calls for an exchange of classified and unclassified information relating to the application of atomic energy to peaceful uses, for an exchange of research materials not available commercially, for the use of research and testing facilities, and for the transfer of equipment and devices. However, of the information which is classified, only that relevant to the current or projected programs will be exchanged; and the parties to the agreement will not exchange Restricted Data under the agreement which, in the opinion of either country, is primarily of military significance or which relates to the design or fabrication of atomic weapons. Further, it is provided that the Commission will not transfer materials or equipment and devices which in its opinion are primarily of military significance, nor will it grant access to research and testing facilities which are primarily of military significance.

It is provided in the proposed agreement that the Commission will sell to Atomic Energy of Canada, Ltd. (a wholly owned corporation of the government of Canada) such quantities of uranium enriched in the isotope U–235 as may be required in the power reactor program in Canada during the period of the agreement, subject to the availability of this material for such distribution and to the limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of Atomic Energy of Canada, Ltd., by reason of transfer under the agreement shall not be of military significance, as determined by the Commission. Enriched uranium to be sold under the agreement will be limited to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. The Government of Canada, on its part, will give to the Commission a first refusal of any special nuclear materials which it may desire to transfer outside of Canada, where such materials have been produced from the irradiation of fuel elements enriched with U–235 purchased from the Commission. The agreement also provides for continued collaboration between the two countries in the field of raw materials which already has resulted in the development of substantial uranium production in Canada which has been made available to the United States. Under the agreement, it will also be possible for the Commission to continue its use of Canadian reactors for special and unique irradiations of value in the Commission's weapons program. A still further benefit to the United States under the agreement will result from the strengthening of our domestic economy through the authorization granted United States industry to enter into commercial arrangements in the atomic energy field with the Government of Canada and its authorized nationals.

It is the opinion of the Commission that the proposed agreement is an important and desirable step in advancing the development of the peaceful uses of atomic energy both in the United States and in Canada, in accordance with the policy which you have established. It is the further opinion of the Commission that the cooperative effort which the proposed agreement will permit will further solidify the friendship we now enjoy and go far in assuring the continuance of peace and freedom in our countries.

Respectfully yours,

L. L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of June 15, 1955, the Atomic Energy Commission recommended that I approve a proposed agreement for cooperation concerning the civil uses of atomic energy between the Government of Canada and the Government of the United States of America.

The Commission's letter of recommendation refers to the history of collaboration in the field of atomic energy between Canada and the United States, and points out that, while United States participation in a cooperative effort to advance the peaceful uses of atomic energy was, until the passage of the Atomic Energy Act of 1954, severely limited by law, Canada has continued to cooperate closely with the United States in certain important areas and in a way which has contributed to our common defense and security. The Commission's letter also points out, and the proposed agreement so recites, that there exists in other areas a unique tradition of friendship and cooperation between Canada and the United States which has contributed to the security and well-being of both countries.

I have examined the agreement recommended. I share wholeheartedly in the belief of the Commission that the proposed document represents an important step in achieving in the field of the peaceful uses of atomic energy that sense of partnership which prevails in the other areas of our relationships with Canada, and will materially assist both the United States and Canada in the achievement of the objectives of their respective atomic-energy programs, thus solidifying further the friendship we now enjoy and contributing to the preservation of peace and freedom in other countries.

The proposed agreement calls for an exchange of classified and unclassified information relating to the application of atomic energy to peaceful uses, for an exchange of research materials not available commercially, for the use of research and testing facilities and for the transfer of equipment and devices. It is also provided that the Commission will sell special nuclear material to Atomic Energy, Ltd., of Canada in such quantities as may be required in the Canadian power-reactor program during the term of the agreement.

However, the parties to the agreement will not exchange restricted data under the agreement which, in the opinion of either country, is primarily of military significance or which relates to the design or fabrication of atomic weapons. Nor will the Commission transfer materials or equipment and devices which,

in its opinion, are primarily of military significance, or grant access to research and testing facilities which are primarily of military significance. With respect to the sale of special nuclear material, it is noted that such sale is subject to the limitation that the quantity of this material which would be transferred to Canada shall not be of military significance, as determined by the Commission.

By reason of the state of the art in Canada, the United States will gain materially from the mutual exchange of information and the mutual use of facilities. Further benefits to this country under the agreement will be realized from the first refusal given by Canada to the United States with respect to special nuclear material produced in Canada from the irradiation of fuel elements enriched with U–235 purchased from the Commission, from continued collaboration in the important field of raw materials, from the continued use of Canadian reactors for special irradiations of value in the Commission's weapons program, and from the general strengthening of our domestic economy which will result from the development of commercial activities between the two countries and their nationals in the field of atomic energy.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of Canada concerning the civil uses of atomic energy.

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States, and

(3) Authorize the execution of the proposed agreement for cooperation for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT EISENHOWER.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR ANDERSON: Pursuant to section 123 (c) of the Atomic Energy Act of 1954, there is submitted with this letter:

(1) A proposed Agreement for Cooperation with the Government of Canada;

(2) A letter, dated June 14, 1955, from the Commission to the President recommending his approval of the proposed agreement;

(3) A letter, dated June 15, 1955, from the President to the Commission approving the proposed agreement, authorizing its execution, and containing his determination that the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security.

This proposed Agreement for Cooperation calls for the exchange of classified and unclassified information and material, including Restricted Data, and is more extensive in scope than the unclassified research agreements which previously have been submitted to this session of the Congress.

The arrangement contained in the proposed agreements results from the special relationship which exists between Canada and the United States in the atomic energy field.

Sincerely yours,

L. L. STRAUSS,
Chairman.

AGREEMENT FOR COOPERATION CONCERNING THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF BELGIUM

Beginning with discussions in 1940 the Government of the United States of America and the Government of Belgium have cooperated with each other in the atomic energy field.

As a result of these discussions, the Belgian Government and the Governments of the United States and the United Kingdom reached a common understanding as to the desirability during World War II, as well as in the future, that all uranium ores wherever located should be subject to effective control for the protection of civilization. To this end, the Government of Belgium undertook to insure effective control of such ores located in all territory subject to its authority.

The Belgian Government has also made available Congo uranium ores to the United States and the United Kingdom through commercial contracts. The Belgian Government further undertook to use its best endeavors to supply such quantities of uranium ores as might be required by the Governments of the United States and the United Kingdom.

The arrangements outlined above were on the understanding that Belgium would reserve for itself such quantities of uranium ores as might be required for its own scientific and industrial purposes. The Belgian Government, however, in deciding to utilize such ores as a source of energy for commercial power would do so in consultation and in agreement with the Governments of the United States and the United Kingdom. The latter on their part, agreed that the Belgian Government should participate on equitable terms in the utilization of these ores as a source of energy for commercial power at such time as the two Governments should decide to employ the ores for this purpose.

Since that time the Government of Belgium has made available to the United States and to the United Kingdom, through commercial contracts, a vitally important quantity of uranium produced in the Belgian Congo and thus has made a unique contribution to the defense of the western world. The United States and the United Kingdom have assisted in the development of the Congo uranium properties and have assisted the Government of Belgium in the establishment of a research and development program the principal objective of which is the realization of the peaceful use of atomic energy. Consequently a special relationship exists between the Government of the United States and the Government of Belgium in the field of atomic energy. While the United States must continue to give priority to the defense aspects of atomic energy, an increasing number of opportunities exist for the development of its peaceful applications. In keeping, therefore, with the special relationship, the Government of the United States of America and the Government of Belgium, the Parties to this Agreement, desire to establish an expanded program of cooperation and have agreed as follows:

ARTICLE I

It is the intent of this Agreement that the Government of Belgium will receive from the United State Atomic Energy Commission (hereinafter referred to as the "Commission"), in the field of the peaceful uses of atomic energy, information and materials on terms as favorable as any other major uranium supplying country except Canada.

ARTICLE II—PERIOD OF AGREEMENT

This Agreement shall enter into force on the date of receipt by the Government of Belgium of a notification from the Government of the United States of America that the period of thirty days required by Section 123c of the United States Atomic Energy Act of 1954 has elapsed, and it shall remain in force through July 31, 1965. The Parties will reexamine the bases of this Agreement if world disarmament is realized or if a threat to world peace so requires.

ARTICLE III—EXCHANGE OF INFORMATION

A. With the objective of facilitating the development of peacetime uses of atomic energy, and particularly the development of atomic power, the Government of Belgium and the Commission agree to exchange the following information, subject to the limitations of paragraph C of this Article:

(1) General information on the over-all progress and economics of power reactor programs;

(2) Technological information required for the construction of specific reactors for the Belgian power program in Belgium, the Belgian Congo, and Ruanda-Urundi.

B. The exchange of information provided for in this Article includes the communication to the Commission of information developed in the Belgian power program and will be accomplished through the various means available, such as reports, conferences, and visits to facilities, and shall, subject to the limitations of paragraph C, include the following:

1. The Commission will transmit as needed in the Belgian project information relating to reactors which Belgium intends to construct as a part of its current experimental power and power program and which falls within one or the other of the following areas:

(a) Specifications for Reactor Materials: Final form specifications including composition, shape, size and special handling techniques of reactor materials including uranium, heavy water, pile grade graphite, zirconium.

(b) Properties of Reactor Materials: Physical, chemical, metallurgical, nuclear, and mechanical properties of reactor materials including fuel, moderator and coolant and the effects of the reactor's operating conditions on the properties of these materials.

(c) Reactor Components: The design and performance specifications of reactor components but not including the methods of production and fabrication.

(d) Reactor Physics Technology: This area includes theory of and pertinent data relating to neutron bombardment reactions, neutron cross sections, criticality calculations, reactor kinetics and shielding.

(e) Reactor Engineering Technology: This area includes considerations pertinent to the overall design and optimization of the reactor and theory and data relating to such problems as reactor stress and heat transfer analysis.

(f) Environmental Safety Considerations: This area includes considerations relating to normal reactor radiations and possible accidental hazards and the effect of these on equipment and personnel and appropriate methods of waste disposal and decontamination.

2. The Commission will receive selected security-cleared personnel from Belgium to work with and participate in the construction of the PWR reactor at Shippingport, Pennsylvania, and such other reactors as may be agreed.

3. The Commission will transmit to the Belgian Government all essential information as indicated in subparagraph B1 relating to the objective of making it possible for Belgium to design, construct, and operate a thermal, heterogeneous, pressurized light or heavy water (boiling or non-boiling) reactor if the decision is made on the part of the Belgian Government to construct such a reactor.

4. There will be collaboration with respect to unclassified reactor information and tech-

nology and with respect to unclassified information relating to the production of reactor materials such as heavy water, zirconium, and hafnium.

C. 1. The Parties will not exchange Restricted Data under this Agreement relating to design or fabrication of atomic weapons or information which, in the opinion of the Commission, is primarily of military significance; and no Restricted Data concerning the production of special nuclear materials will be exchanged except that concerning the incidental production of special nuclear materials in a power reactor. It is recognized that the Commission may come into possession of privately developed and privately owned information and information received from other governments which it is not permitted to exchange. It is also recognized that the Government of Belgium may come into possession of information developed and owned by private persons and industries not having access to information transmitted under this Agreement and information received from other governments which it is not permitted to exchange.

2. a. The Commission will communicate classified technical information required for the construction of any specific reactor only when Belgium is seriously considering the construction of the specific type of reactor in Belgium, the Belgian Congo, or Ruanda-Urundi and when private industry in the United States is permitted to undertake the construction and operation of the same type of reactor. In addition, the Commission will communicate classified information on any specific type of reactor other than those types mentioned in subparagraph B 3 only when, except as may otherwise be agreed, the Commission has made a finding that the specific type of reactor has been sufficiently developed to be of practical value for industrial or commercial purposes.

b. Further, the Commission will communicate classified information pertaining exclusively to any reactor-types, such as submarine, ship, aircraft, and certain package power reactors, the development of which is concerned primarily with their military use, only when, in the opinion of the Commission, these types of reactors warrant peacetime application and as exchange of information on these types of reactors may be mutually agreed.

ARTICLE IV—RESEARCH MATERIALS

Materials of interest in connection with the subjects of agreed exchange of information as provided in Article III, and under the limitations set forth therein, including source materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes will be exchanged for research purposes in such quantities and under such terms and conditions as may be agreed, except as provided in Article VIII, when such materials are not available commercially. These materials for non-research purposes may be supplied by one Party to this Agreement to the other as provided in Article VII.

ARTICLE V—TRANSFER OF EQUIPMENT AND DEVICES

With respect to the subjects of agreed exchange of information as provided in Article III, and under the limitations set forth therein, equipment and devices may be transferred from one party to the other under such terms and conditions as may be agreed, except as provided in Article VIII. It is recognized that such transfers will be subject to limitations which may arise from shortages of supplies or other circumstances existing at the time.

ARTICLE VI—OTHER ARRANGEMENTS FOR MATERIALS, INCLUDING EQUIPMENT AND DEVICES, AND SERVICES

It is contemplated that, as provided in this Article, private individuals and private organizations in either the United States or Belgium may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, persons under the jurisdiction of either the Government of the United States or the Government of Belgium will be permitted to make arrangements to transfer and export materials, including equipment and devices, to and perform services for the other Government and such persons under its jurisdiction as are authorized by the other Government to receive and possess such materials and utilize such services, subject to:

(a) The limitation in Article VIII;

(b) Applicable laws, regulations and license requirements of the Government of the United States and of the Government of Belgium;

(c) The approval of the Government to which the person is subject when the materials or services are classified or when the furnishing of such materials and services requires the communication of classified information.

ARTICLE VII—NON-RESEARCH QUANTITIES OF MATERAILS

A. 1. The Commission will sell to the Government of Belgium under such terms and conditions as may be agreed such quantities of uranium enriched in the isotope U–235 as Belgium may require during the period of this Agreement for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year, and subject to the limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of Belgium by reason of transfer under this Agreement shall not, in the opinion of the Commission, be of military significance. It is agreed that the uranium enriched in the isotope U–235 which the Commission will sell to Belgium under this Article will be limited to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. It is understood and agreed that although Belgium will distribute uranium enriched in the isotope U–235 to authorized users in Belgium, the Belgian Congo, and Ruanda-Urundi, the Government of Belgium will retain title to any uranium enriched in the isotope U–235 which is purchased from the Commission until such time as private users in the United States are permitted to acquire title to uranium enriched in the isotope U–235.

2. It is agreed that when any fuel elements received from the United States or any fuel elements fabricated from uranium of normal isotopic composition or uranium enriched in the isotope U–235 received from the United States require reprocessing, such reprocessing shall be performed by the Commission on terms and conditions to be later agreed; and it is understood, except as may be agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission for reprocessing.

B. The Commission will sell to Belgium under such terms and conditions as may be agreed such quantities of uranium of normal isotopic composition as Belgium may require, and to the extent practical in such form as Belgium may request, during the period of this Agreement for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to the availability of supply and the needs of the United States program.

C. The Commission shall have an option to purchase any special nuclear materials produced in Belgium, the Belgian Congo, or Ruanda-Urundi, from materials sold in accordance with A and B of this Article and which are in excess of Belgium's need for such materials in its program for the peacetime use of atomic energy. Belgium agrees not to transfer to any country other than the United States or the United Kingdom any special nuclear materials produced in Belgium, the Belgian Congo, or Ruanda-Urundi unless the Government of Belgium is given assurance that the material will not be used for military purposes, and the Government of Belgium agrees to consult with the United States on the international significance of any proposed transfer of any uranium and thorium ores or special nuclear materials to any country other than the United Kingdom.

D. The Commission will sell to Belgium, under such terms and conditions as may be agreed, such quantities of heavy water as Belgium may require, during the period of this Agreement, for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to the availability of supply and the needs of the United States program.

E. 1. It is agreed that existing commercial contracts between the Combined Development Agency and the African Metals Corporation, acting for the producing company (Union Miniere du Haut Katanga), for the sale of uranium ores and concentrates to said Agency shall continue in effect until their expiration as provided in these contracts.

2. The Government of Belgium will use its best endeavors to see that the Combined Development Agency will have a first option to purchase:

(a) 90 percent of the uranium and thorium ores and concentrates produced in Belgium and the Belgian Congo during calendar years 1956 and 1957.

(b) 75 percent of the uranium and thorium ores and concentrates produced in Belgium and the Belgian Congo during calendar years 1958, 1959, and 1960.

3. In addition to the percentage stated in the foregoing schedule with respect to any calendar year, this option shall also extend to such additional quantities of uranium ores and concentrates to provide for the production of the materials sold to Belgium by the Commission in accordance with paragraphs A and B of this Article during any such year. The formulae for the purpose of making computations required to give effect to this provision are:

(a) 102 kilograms of contained elemental uranium in the form of ore or ore concentrates will provide for 100 kilograms of elemental uranium of natural isotopic composition in the form of purified metal or compounds.

(b) The preparation of uranium enriched in U–235 content will be assumed to be accomplished by the isotopic separation of uranium of natural isotopic composition into enriched material having the required U–235 content and depleted material having a U–235 content of 0.4 percent.

4. If the Belgian Government does not require for its own use all or part of the uranium and thorium ores produced in Belgium and the Belgian Congo during the foregoing period and which are not covered by the options in subparagraphs E 2 and E 3, it will consult with the Commission concerning the sale of such uranium and thorium ores to the Combined Development Agency.

5. Belgium will in due course evaluate its requirements of uranium and thorium ores and concentrates for the period of this Agreement remaining after calendar year 1960, and the parties hereto will consult with each other for the purpose of establishing an agreed percentage of such materials which the Combined Development Agency shall have the first option to purchase.

6. It is agreed that the Government of Belgium shall be kept informed of the division, between the United States and the United Kingdom, of uranium and thorium ores and

concentrates sold to the Combined Development Agency in accordance with this Agreement. Belgium agrees that if so requested by the Commission and the United Kingdom Atomic Energy Authority, the options to the Combined Development Agency in subparagraphs 2, 3, 4 and 5 of this paragraph may be exercised as follows:

(a) Through a contract or contracts with either the Commission or the United Kingdom Atomic Energy Authority; or

(b) Through a contract or contracts with the Commission and a contract or contracts with the United Kingdom Atomic Energy Authority.

7. (a) If before the termination of this Agreement (1) the diminution of available ore supply results in a decline in the rate of production of uranium ores and concentrates in Belgium and the Belgium Congo by as much as 80 (eighty) percent of the rate of production in 1955 and (2) if the strategic stockpiles of special nuclear material in the United States and the United Kingdom have been demilitarized or if the civilian needs in the United States and the United Kingdom are covered without limitation by means of production and current imports of uranium ores and uranium concentrates, the Government of Belgium shall have the right to purchase from the Commission on such terms as are agreed a total quantity of material, in the form and manner described in (b) of this subparagraph, as is equivalent to the total quantity of uranium ores and concentrates sold under and during the period of this Agreement (1) to the Combined Development Agency, and acquired by the Commission, and (2) directly to the Commission if uranium ores and concentrates are sold to the Commission in accordance with paragraph 6 of this Article.

(b) (1) At the election of the Combined Development Agency or the Commission, whichever is appropriate, the material so sold to the Government of Belgium may be in the form of ores and concentrates or uranium of normal isotopic composition in the form of purified metals or compounds or any combination of these.

(2) In determining that quantity of one of these materials which is equivalent to a given quantity of another, the formulae in paragraph E 3 (a) shall be used.

(3) The material shall be delivered within 5 years after this provision comes into effect in accordance with an agreed schedule of deliveries.

F. As may be necessary and as mutually agreed in connection with the subjects of agreed exchange of information as provided in Article III, and under the limitations set forth therein, specific arrangements may be made from time to time between the Parties for lease, or sale and purchase, of quantities of materials, other than special nuclear materials, greater than those required for research, under such terms and conditions as may be mutually agreed, except as provided in Article VIII.

ARTICLE VIII—MATERIALS AND FACILITIES PRIMARILY OF MILITARY SIGNIFICANCE

It is agreed that the Commission will not transfer any materials under Article IV or Article VII F and will not transfer or permit the export of any materials or equipment and devices under Articles V and VI if such materials or equipment and devices are in the opinion of the Commission primarily of military significance.

ARTICLE IX—PATENTS

The United States shall have all rights, title, and interest within its jurisdiction as to any inventions or discoveries made by any person under the jurisdiction of the Belgian Government as a result of such person's access to Restricted Data communicated to Belgium under this Agreement, provided such invention or discovery is made during the period of this Agreement or within three years thereafter.

ARTICLE X—SECURITY

A. The criteria of security classification established by the Commission shall be applicable to all information and material, including equipment and devices, exchanged under this Agreement. The Commission will keep the Government of Belgium informed concerning these criteria and any modifications thereof, and the Parties will consult with each other from time to time concerning the practical application of these criteria.

B. It is agreed that all information and material, including equipment and devices, which warrant a classification in accordance with paragraph A of this Article shall be safeguarded in accordance with the security safeguards and standards prescribed by the security arrangements between the Government of the United States, represented by the Commission, and the Government of Belgium in effect on June 15, 1955.

C. It is agreed that the recipient Party of any material, including equipment and devices, and of any classified information under this Agreement shall not further disseminate such information or transfer such material, including equipment and devices, to any other country without the written consent of the originating country. It is further agreed that neither Party to this Agreement will transfer to any other country any equipment or device, the transfer of which would involve the disclosure of any classified information received from the other Party, without the written consent of such other Party.

ARTICLE XI—GUARANTIES PRESCRIBED BY THE UNITED STATES ATOMIC ENERGY ACT OF 1954

The Government of Belgium guarantees that:

A. The security safeguards and standards prescribed by the security arrangements between the Government of the United States, represented by the Commission, and the Government of Belgium in effect on June 15, 1955, will be maintained with respect to all classified information and materials, including equipment and devices, exchanged under this Agreement.

B. No material, including equipment and devices, transferred to Belgium by purchase or otherwise pursuant to this Agreement will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose.

C. No material, including equipment and devices, or any Restricted Data transferred to Belgium pursuant to this Agreement will be transferred to unauthorized persons or beyond the jurisdiction of the Government of Belgium except as the Commission may agree to such a transfer to another nation, and then only if the transfer of the material or Restricted Data is within the scope of an agreement for cooperation between the United States and the other nation.

ARTICLE XII—DEFINITIONS

For purposes of this Agreement:

A. "Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

B. "Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

C. "Classified" means a security designation of "Confidential" or higher applied, under the laws and regulations of either the Government of Belgium or the Government of the United States, to any data, information, materials, services or any other matter, and includes "Restricted Data."

D. "Combined Development Agency" means the contracting Agency which acts on behalf of the United States and the United Kingdom with respect to the purchase of uranium and thorium ores and concentrates.

E. "Equipment and devices" and "equipment or device" means any instrument, apparatus, or facility and includes any facility, except an atomic weapon, capable of making use of or producing special nuclear material, and component parts thereof.

F. "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation but does not include the Parties to this Agreement.

G. "Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium, or any combination of uranium, plutonium, or thorium.

H. "Restricted Data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of Restricted Data by the appropriate authority.

I. "Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Government of Belgium or the Commission determines to be special nuclear material; or (2) any material artificially enriched by any of the foregoing.

ARTICLE XIII—EXISTING ARRANGEMENTS

This Agreement shall supersede all existing arrangements between the Parties concerning atomic energy matters (1) except insofar as these arrangements are reflected in commercial contracts, the continuation of which is provided for in Article VII E 1, (2) except any contracts between the Commission and the Government of Belgium which by their terms provides otherwise, and (3) except any arrangements with regional defense organizations of which the Government of Belgium is a member.

In witness whereof, the parties hereto have caused this Agreement to be executed pursuant to duly constituted authority.

Done at Washington in duplicate this 15th day of June 1955, in the English and French languages, but in any case in which divergence between the two versions results in different interpretations the English version shall be given preference.

For the Government of the United States of America:

ROBERT MURPHY.
LEWIS L. STRAUSS.

For the Government of Belgium:

SILVERCRUYS.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached "Agreement for Cooperation Concerning the Civil Uses of Atomic Energy Between the Government of Belgium and the Government of the United States of America," and authorize its execution by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

There exists a special relationship between the Government of Belgium and the Government of the United States in the field of atomic energy, and beginning with discussions initiated in 1940 the two Governments have closely cooperated with each other in this field. Under an arrangement made in 1944, the Belgian Government agreed with the Governments of the United States and the United Kingdom that all uranium ores

wherever located should be subject to effective control for the protection of civilization, and the Government of Belgium undertook to insure the effective control of such ores located in all territories subject to its authority. The Belgian Government also agreed that all uranium ores in the Belgian Congo, including ore from the rich Shinkolobwe Mine, should be made available to the United States and the United Kingdom through commercial contracts, and that it would use its best endeavors to supply such quantities of uranium ores as might be required by the Government of the United States and the United Kingdom. The Governments of the United States and of the United Kingdom, on their part, agreed that the Belgian Government should participate on equitable terms in the utilization of these ores as a source of energy for commercial power at such time as the two Governments should decide to employ the ores for this purpose.

Since the 1944 arrangement, the Government of Belgium, through commercial contracts, has made available to the United States and to the United Kingdom a vitally important quantity of uranium produced in the Belgian Congo. This has constituted a unique contribution to the defense of the Western World and to our strength as a nation dedicated to the preservation of peace and freedom.

In addition to being the principal foreign supplier of uranium, Belgium's interest in atomic energy is also evident in its strong scientific and technical community. This interest led in 1950 to the appointment of an atomic energy commissioner to coordinate the country's atomic energy programs, and current plans call for work in both the research and power fields. The United States now has the opportunity to assist Belgium in these programs and thus materially express our gratitude for the great contribution the Belgians have made to our common defense and security.

The proposed agreement calls for an exchange of classified and unclassified information relating to the development of peaceful uses of atomic energy, and particularly the development of atomic power, including general information in the overall progress and economics of power reactor programs and technological information required for the construction of specific reactors for the Belgian program in Belgium, the Belgian Congo, and Ruanda-Urundi, and other specified reactor information. The agreement also provides for an exchange of research materials not available commercially and for the transfer of equipment and devices. However, the parties will not exchange Restricted Data under the agreement relating to design or fabrication of atomic weapons or information which, in the opinion of the Commission, is primarily of military significance; and no Restricted Data concerning the production of special nuclear materials will be exchanged except that concerning the incidental production of special nuclear materials in a power reactor. Further, the Commission will not transfer any materials or equipment and devices which, in the opinion of the Commission, are primarily of military significance.

It is provided in the proposed agreement that the Commission will sell to the Government of Belgium such quantities of uranium enriched in the isotope U–235 as Belgium may require during the period of this agreement for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year, and subject to the further limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of Belgium by reason of transfer under the agreement shall not, in the opinion of the Commission, be of military significance. Enriched uranium to be sold under the agreement will be limited to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. The Government of Belgium, on its part, will give to the Commission an option to purchase any special nuclear materials produced in Belgium, the Belgian Congo, or Ruanda-Urundi from materials purchased from the Commission and which are in excess of Belgium's need in its program for the peacetime uses of atomic energy. The agreement also provides for the continuance of existing commercial contracts relating to the sale of uranium ores and concentrates; and the Government of Belgium undertakes to use its best endeavors to see that the Combined Development Agency (a contracting agency which acts on behalf of the United States and the United Kingdom with respect to the purchase of uranium and thorium ores and concentrates) will have a first option to purchase 90 percent of the uranium and thorium and concentrates produced in Belgium and the Belgian Congo during calendar years 1956 and 1957, and 75 percent of such ores and concentrates produced during the calendar years 1958, 1959, and 1960. Belgium also agrees to evaluate its requirements of uranium and thorium ore concentrates for the period of the agreement remaining after calendar year 1960 and to consult with the United States for the purpose of establishing an agreed percentage of materials which thereafter the Combined Development Agency shall have the first option to purchase. Equitable consideration has led to incorporating in the agreement a formula whereby the Government of Belgium may repurchase material in the event the diminution of available ore supply results in a decline in the rate of production of uranium ores and concentrates in Belgium and the Belgian Congo by as much as 80 percent of the rate of production in 1955 and if the strategic stockpiles of special nuclear material in the United States and the United Kingdom have been demilitarized.

The proposed agreement is in keeping with the previous undertaking of the United States that the Belgian Government should participate on equitable terms in the utilization of uranium ores as a source of energy for commercial power when the decision was made to employ the ores for this purpose. It represents, in the opinion of the Commission, an important step in advancing the development of the peaceful uses of atomic energy in Belgium, in accordance with the policy which you have established concerning such development in the free nations of the world. The consideration and benefit which will flow to the United States is very real, and the proposed agreement will further solidify the friendship we now enjoy with Belgium. Its performance will materially assist in assuring the continuance of peace and freedom in our countries and throughout the Western World.

Respectfully,

L. L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable L. L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of June 15, 1955, the Atomic Energy Commission recommended that I approve a proposed agreement for cooperation concerning the civil uses of atomic energy between the Government of Belgium and the Government of the United States of America.

The Commission's letter of recommendation refers to the special relationship between Belgium and the United States in the atomic-energy field and to the arrangements which have been in effect since 1944 with respect to uranium ores from the Belgian Congo. The Commission's letter also states that the important quantity of uranium made available by the Government of Belgium has constituted a unique contribution to the defense of the free world and to our strength as a nation dedicated to the preservation of peace and freedom.

I am in complete accord with the Commission's view concerning the importance of the Belgian contribution, and take this opportunity to ask that you personally convey the gratitude of our people to the appropriate representatives of the Belgian Government.

I have examined the agreement recommended. It calls for an exchange of classified and unclassified information relating to the development of peaceful uses of atomic energy and particularly to the development of atomic power, for the exchange of research materials not available commercially, and for the transfer of equipment and devices. It is provided, however, that the parties to the agreement will not exchange restricted data relating to the design or fabrication of atomic weapons or information which, in the opinion of the Commission, is primarily of military significance. Further, no restricted data concerning the production of special nuclear material will be exchanged, except that concerning the incidental production of such material in a power reactor; nor will the Commission transfer any materials or equipment or devices which, in the opinion of the Commission, are primarily of military significance.

It is also provided in the recommended agreement that the Commission will sell special nuclear material to the Government of Belgium in such quantities as may be required during the term of the agreement for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to any limitations in connection with quantities of such material available for distribution during any year and the further limitation that the quantity of material of weapons quality in possession of Belgium by reason of transfer under the agreement shall not be of military significance.

The benefits which the United States will receive in the performance of the proposed agreement are substantial. Belgium, on its part, will give the Commission an option to purchase special nuclear materials produced in Belgian reactors from materials purchased from the Commission which are in excess of Belgium's need in its program for the peacetime uses of atomic energy. The agreement also provides for the continuance of commercial contracts relating to the sale of uranium ores and concentrates, and Belgium undertakes to use its best endeavors to see that the Combined Development Agency will have a first option on a large percentage of ores and concentrates produced through calendar year 1960.

In addition to the benefits which the United States will receive, the proposed agreement responds to a previous undertaking by the United States that the Belgian Government should participate on equitable terms in the utilization of uranium ores as a source of energy for commercial power.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby—

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of Belgium concerning the civil uses of atomic energy;

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

(3) Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of

the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT EISENHOWER.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR ANDERSON: Pursuant to section 123 (c) of the Atomic Energy Act of 1954 there is submitted with this letter:

(1) A proposed agreement for cooperation with the Government of Belgium;

(2) A letter dated June 15, 1955, from the Commission to the President recommending his approval of the proposed agreement;

(3) A letter dated June 15, 1955, from the President to the Commission approving the proposed agreement, authorizing its execution, and containing his determination that the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security.

This proposed agreement for cooperation calls for the exchange of classified and unclassified information and material, including restricted data, and is more extensive in scope than the unclassified research agreements which previously have been submitted to this session of the Congress.

The arrangement contained in the proposed agreement results from the special relationship which exists between Belgium and the United States in the atomic energy field.

Sincerely yours,

L. L. STRAUSS,
Chairman.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR COOPERATION REGARDING ATOMIC INFORMATION FOR MUTUAL DEFENSE PURPOSES

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland,

Recognizing that their mutual security and defense requires that they be prepared to meet the contingencies of atomic warfare,

Recognizing that their common interests will be advanced by the exchange of information pertinent thereto,

Believing that the exchange of such information can be undertaken without threat to the security of either country, and

Taking into consideration the United States Atomic Energy Act of 1954, which was prepared with these purposes in mind,

Agree as follows:

ARTICLE I

1. While the United States and the United Kingdom are participating in international arrangements for their mutual defense and security and making substantial and material contribution thereto, each Government will from time to time make available to the other Government atomic information which the Government making such information available deems necessary to:

(a) the development of defense plans;

(b) the training of personnel in the employment of and defense against atomic weapons; and

(c) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

2. Atomic information which is transferred by either Government pursuant to this Agreement shall be used by the other Government exclusively for the preparation and implementation of defense plans in the mutual interests of the two countries.

ARTICLE II

1. All transfers of atomic information to the United Kingdom by the United States pursuant to this Agreement will be made in compliance with the provisions of the United States Atomic Energy Act of 1954 and any subsequent applicable United States legislation. All transfers of atomic information to the United States by the United Kingdom pursuant to this Agreement will be made in compliance with the United Kingdom Official Secrets Acts, 1911–1939, and the United Kingdom Atomic Energy Act of 1946.

2. Under this Agreement there will be no transfers by the United States or the United Kingdom of atomic weapons or special nuclear material, as these terms are defined in Section 11 d. and Section 11 t. of the United States Atomic Energy Act of 1954.

ARTICLE III

1. Atomic information made available pursuant to this Agreement shall be accorded full security protection under applicable security arrangements between the United States and the United Kingdom and applicable national legislation and regulations of the two countries. In no case shall either Government maintain security standards for safeguarding atomic information made available pursuant to this Agreement lower than those set forth in the applicable security arrangements in effect on the date this Agreement comes into force.

2. Atomic information which is exchanged pursuant to this Agreement will be made available through channels existing or hereafter agreed for the exchange of classified defense information between the two Governments.

3. Atomic information received pursuant to this Agreement shall not be transferred by the recipient Government to any unauthorized person or, except as provided in Article V of this Agreement, beyond the jurisdiction of that Government. Each Government may stipulate the degree to which any of the categories of information made available to the other Government pursuant to this Agreement may be disseminated, may specify the categories of persons who may have access to such information, and may impose such other restrictions on the dissemination of such information as it deems necessary.

ARTICLE IV

As used in this Agreement, "atomic information" means:

(a) so far as concerns the information provided by the United States, Restricted Data, as defined in Section 11 r. of the United States Atomic Energy Act of 1954, which is permitted to be communicated pursuant to the provisions of Section 144 b. of that Act, and information relating primarily to the military utilization of atomic weapons which has been removed from the Restricted Data category in accordance with the provisions of Section 142 d. of the United States Atomic Energy Act of 1954;

(b) so far as concerns the information provided by the United Kingdom, information exchanged under this Agreement which is either classified atomic energy information or other United Kingdom defense information which it is decided to transfer to the United States in pursuance of Article I of this Agreement.

ARTICLE V

Nothing herein shall be interpreted or operate as a bar or restriction to consultation and cooperation by the United States or the United Kingdom with other nations or regional organizations in any fields of defense. Neither Government, however, shall communicate atomic information made available by the other Government pursuant to this Agreement to any nation or regional organization unless the same information has been made available to that nation or regional organization by the other Government in accordance with its own legislative requirements and except to the extent that such communication is expressly authorized by such other Government.

ARTICLE VI

This Agreement shall enter into force on the date on which each Government shall receive from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such an Agreement, and shall remain in effect until terminated by mutual agreement of both Governments.

Done at Washington this Fifteenth day of June 1955 in two original texts.

For the United States of America:

C. BURKE ELBRICK.

For the United Kingdom of Great Britain and Northern Ireland:

R. H. SCOTT.

THE SECRETARY OF DEFENSE,
Washington, June 14, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Section 144 b. of the Atomic Energy Act of 1954 empowers you to authorize the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with another nation or regional defense organization to which the United States is a party and to communicate to that nation or organization such atomic information as is necessary to the development of defense plans, the training of personnel in the employment of and defense against atomic weapons, and the evaluation of the capabilities of potential enemies in the employment of atomic weapons. This cooperation and communication, however, may be undertaken only in accordance with the limitations imposed by the Act and under an agreement entered into pursuant to Section 123 thereof.

The first of these agreements was with the North Atlantic Treaty Organization. It was approved by you on April 13, 1955, and has been before the Joint Committee on Atomic Energy for the required thirty-day period. With the cooperation of the Department of State, a separate agreement has now been negotiated with the United Kingdom and recommended for signature. This proposed agreement is submitted herewith for your approval.

It is the view of this Department that this agreement is entirely in accord with the provision of the Atomic Energy Act of 1954. I am convinced that it will fully serve the best interests of the United States by making possible a further significant extension of the close cooperation in the field of mutual defense which has characterized our relationships with the United Kingdom for so many years. I, therefore, strongly recommend that you approve this proposed agreement as required by section 123 of the Atomic Energy Act and transmit the agreement to the Joint Committee on Atomic Energy, together with your determinations and authorizations as to execution.

With great respect, I am,

Faithfully yours,

C. E. WILSON.

JUNE 15, 1955.

The Honorable CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Washington, D. C.

DEAR SENATOR ANDERSON: Pursuant to section 123 of the Atomic Energy Act of 1954, I hereby submit to the Joint Committee on Atomic Energy a proposed agreement between the Governments of the United States and the United Kingdom for cooperation regarding communication of atomic information for mutual-defense purposes under section 144 (b) of the act.

Under the terms of the proposed agreement, the United States may exchange with the United Kingdom, so long as the United Kingdom pursuant to an international arrangement continues to make substantial and material contributions to the mutual-defense effort, atomic information which the United States considers necessary to—

(1) the development of defense plans;

(2) the training of personnel in the employment of and defense against atomic weapons; and

(3) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

The United Kingdom will make atomic information available to the United States on the same basis.

Atomic information made available pursuant to the proposed agreement will not be transferred to unauthorized persons, or beyond the jurisdiction of the recipient government except where that information is to be communicated to another nation or regional organization which has already been given the same information under an agreement similar to this and then only to the extent such transfer is specifically authorized by the originating government.

Transfers of atomic information by the United States under the proposed agreement will be made only in accordance with the Atomic Energy Act of 1954 and such information will be safeguarded by the stringent security arrangements in effect between the United States and the United Kingdom when this agreement comes into force.

The agreement will remain in effect until terminated by agreement between the two Governments, but the actual exchange of atomic information is entirely discretionary.

The Department of Defense has strongly recommended approval of this agreement. It is my firm conviction that through the cooperative measures foreseen in this agreement we will have aided materially not only in strengthening our own defenses but also those of our British ally and will thereby contribute greatly to the mutual-defense efforts which are of such vital importance to the maintenance of our common freedom.

Accordingly, I hereby determine that the performance of this proposed agreement will promote, and will not constitute an unreasonable risk to, the common defense and security, and approve this agreement. In addition, I hereby authorize, subject to the provisions of the Atomic Energy Act of 1954, the Secretary of State to execute the proposed agreement and the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with the United Kingdom and to communicate restricted data to the United Kingdom under the agreement.

Sincerely,

DWIGHT D. EISENHOWER.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA FOR COOPERATION REGARDING ATOMIC INFORMATION FOR MUTUAL DEFENSE PURPOSES

The Government of the United States of America and the Government of Canada,

Recognizing that their mutual security and defense requires that they be prepared to meet the contingencies of atomic warfare,

Recognizing that their common interests will be advanced by the exchange of information pertinent thereto,

Believing that the exchange of such information can be undertaken without threat to the security of either country, and

Taking into consideration the United States Atomic Energy Act of 1954 and the Canadian Atomic Energy Control Act and Atomic Energy Regulations, which were prepared with these purposes in mind,

Agree as follows:

ARTICLE I

1. While the United States and Canada are participating in international arrangements for their mutual defense and security and making substantial and material contribution thereto, each Government will from time to time make available to the other Government atomic information which the Government making such information available deems necessary to:

(a) the development of defense plans;

(b) the training of personnel in the employment of and defense against atomic weapons; and

(c) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

2. Atomic information which is transferred by either Government pursuant to this Agreement shall be used by the other Government exclusively for the preparation and implementation of defense plans in the mutual interests of the two countries.

ARTICLE II

1. All transfers of atomic information to Canada by the United States pursuant to this Agreement will be made in compliance with the provisions of the United States Atomic Energy Act of 1954 and any subsequent applicable United States legislation. All transfers of atomic information to the United States by Canada pursuant to this Agreement will be made in compliance with the Atomic Energy Control Act and the Atomic Energy Regulations of Canada or subsequent applicable Canadian legislation and regulations.

2. Under this Agreement there will be no transfers by the United States or Canada of atomic weapons or special nuclear material, as these terms are defined in Section 11 d. and Section 11 t. of the United States Atomic Energy Act of 1954.

ARTICLE III

1. Atomic information made available pursuant to this Agreement shall be accorded full security protection under applicable security arrangements between the United States and Canada and applicable national legislation and regulations of the two countries. In no case shall either Government maintain security standards for safeguarding atomic information made available pursuant to this Agreement lower than those set forth in the applicable security arrangements in effect on the date this Agreement comes into force.

2. Atomic information which is exchanged pursuant to this Agreement will be made available through channels existing or hereafter agreed for the exchange of classified defense information between the two Governments.

3. Atomic information received pursuant to this Agreement shall not be transferred by the recipient Government to any unauthorized person or, except as provided in Article V of this Agreement, beyond the jurisdiction of that Government. Each Government may stipulate the degree to which any of the categories of information made available to the other Government pursuant to this Agreement may be disseminated, may specify the categories of persons who may have access to such information, and may impose such other restrictions on the dissemination of such information as it deems necessary.

ARTICLE IV

As used in this Agreement, "atomic information" means:

(a) so far as concerns the information provided by the United States, Restricted Data, as defined in Section 11 r. of the United States Atomic Energy Act of 1954, which is permitted to be communicated pursuant to the provisions of Section 144 b. of that Act and information relating primarily to the military utilization of atomic weapons which has been removed from the Restricted Data category in accordance with the provisions of Section 142 d. of the United States Atomic Energy Act of 1954;

(b) so far as concerns the information provided by Canada, classified information relating to the military application of atomic energy.

ARTICLE V

Nothing herein shall be interpreted or operate as a bar or restriction to consultation and cooperation by the United States or Canada with other nations or regional organizations in any field of defense. Neither Government, however, shall communicate atomic information made available by the other Government pursuant to this Agreement to any nation or regional organization unless the same information has been made available to that nation or regional organization by the other Government in accordance with its own legislative requirements and except to the extent that such communication is expressly authorized by such other Government.

ARTICLE VI

This Agreement shall enter into force on the date of receipt by the Government of Canada of a notification from the Government of the United States of America that the period of thirty days required by Section 123 c. of the U. S. Atomic Energy Act of 1954 has elapsed, and shall remain in effect until terminated by mutual agreement of both Governments.

Done at Washington this fifteenth day of June 1955 in two original texts.

For the United States of America:

C. BURKE ELBRICK.

For Canada:

A. D. P. HEENEY.

THE SECRETARY OF DEFENSE,
Washington, June 10, 1955.

The PRESIDENT,
The White House.

Dear Mr. President: Section 144 b. of the Atomic Energy Act of 1954 empowers you to authorize the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with another nation or regional defense organization to which the United States is a party and to communicate to that nation or organization such atomic information as is necessary to the development of defense plans, the training of personnel in the employment of and defense against atomic weapons, and the evaluation of the capabilities of potential enemies in the employment of atomic weapons. This cooperation and communication, however, may be undertaken only in accordance with the limitations imposed by the act and under an agreement entered into pursuant to Section 123 thereof.

The first of these agreements was with the North Atlantic Treaty Organization. It was approved by you on April 13, 1955, and has been before the Joint Committee on Atomic Energy for the required thirty-day period. With the cooperation of the Department of State, a separate agreement has now been negotiated with Canada and recommended for signature. This proposed agreement is submitted herewith for your approval.

It is the view of this Department that this agreement is entirely in accord with the provisions of the Atomic Energy Act of 1954. The execution of this agreement should do much to advance our mutual defense interests, especially the vital cause of North American defense in which we have long been working closely with our Canadian neighbors, and will thereby aid materially in the defense of the United States. I therefore strongly recommend that you approve this proposed agreement as required by Section 123 of the Atomic Energy Act and transmit the agreement to the Joint Committee on

Atomic Energy together with your determinations and authorizations as to execution.

With great respect, I am,

Faithfully yours,

C. E. WILSON.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy,
Washington, D. C.

DEAR SENATOR ANDERSON: Pursant to section 123 of the Atomic Energy Act of 1954, I hereby submit to the Joint Committee on Atomic Energy a proposed agreement between the Governments of the United States and Canada for cooperation regarding communication of atomic information for mutual defense purposes under section 144 b. of the act.

Under the terms of the proposed agreement, the United States may exchange with Canada, so long as Canada pursuant to an international arrangement continues to make substantial and material contributions to the mutual defense effort, atomic information which the United States considers necessary to

(1) the development of defense plans;

(2) the training of personnel in the employment of and defense against atomic weapons; and

(3) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

Canada will make atomic information available to the United States on the same basis.

Atomic information made available pursuant to the proposed agreement will not be transferred to unauthorized persons, or beyond the jurisdiction of the recipient government except where that information is to be communicated to another nation or regional organization which has already been given the same information under an agreement similar to this and then only to the extent such transfer is specifically authorized by the originating government.

Transfers of atomic information by the United States under the proposed agreement will be made only in accordance with the Atomic Energy Act of 1954 and such information will be safeguarded by the stringent security arrangements in effect between the United States and Canada when this agreement comes into force.

The agreement will remain in effect until terminated by agreement between the two governments, but the actual exchange of atomic information is entirely discretionary.

The Department of Defense has strongly recommended approval of this agreement. It is my firm conviction that through the cooperative measures foreseen in this agreement we will have aided materially not only in strengthening our own defenses but also those of our Canadian ally and will thereby contribute greatly to the mutual defense efforts which are of such vital importance to the maintenance of our common freedom.

Accordingly, I hereby determine that the performance of this proposed agreement will promote, and will not constitute an unreasonable risk to, the common defense and security, and approve this agreement. In addition, I hereby authorize, subject to the provisions of the Atomic Energy Act of 1954, the Secretary of State to execute the proposed agreement and the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with Canada and to communicate restricted data to Canada under the agreement.

Sincerely,

DWIGHT D. EISENHOWER.

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, under the unanimous-consent agreement, following the morning hour we are to commence the call of the calendar, beginning with order No. 523.

The VICE PRESIDENT. That is correct. Pursuant to the unanimous-consent agreement, the clerk will proceed to state the bills and other measures on the calendar, beginning with order No. 523.

NICHOLAS NEAPOLITAKIS

The bill (S. 80) for the relief of Nicholas Neapolitakis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nicholas Neapolitakis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GERDA IRMGARD KURELLA

The bill (S. 176) for the relief of Gerda Irmgard Kurella was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Gerda Irmgard Kurella, the fiance of Sergeant James D. Ritz, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Gerda Irmgard Kurella is coming to the United States with a bona fide intention of being married to the said Sgt. James D. Ritz and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event that the marriage between the above-named persons does not occur within 3 months after the entry of the said Gerda Irmgard Kurella, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Gerda Irmgard Kurella, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Gerda Irmgard Kurella as of the date of the payment by her of the required visa fee.

SPIRODON KAROUSATOS

The bill (S. 186) for the relief of Spirodon Karousatos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act Spirodon Karousatos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

FELICIANO C. MENDOZA

The bill (S. 561) for the relief of Feliciano C. Mendoza was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Feliciano C. Mendoza shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

CHARLES F. GARRIZ

The bill (S. 562) for the relief of Charles F. Garriz was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Charles F. Garriz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GERTRAUT HILDEGARDE MARIE HUBINGER AND FRANZ HUBINGER

The bill (S. 1884) for the relief of Gertraut Hildegarde Marie Hubinger and Franz Hubinger was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Gertraut Hildegarde Marie Hubinger and Franz Hubinger shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

LUIGI CIANCI

The bill (H. R. 1062) for the relief of Luigi Cianci was considered, ordered to a third reading, read the third time, and passed.

ANNA TOKATLIAN GULEZIAN

The bill (H. R. 1081) for the relief of Anna Tokatlian Gulezian was considered, ordered to a third reading, read the third time, and passed.

MAYER ROTHBAUM

The bill (H. R. 1086) for the relief of Mayer Rothbaum was considered, ordered to a third reading, read the third time, and passed.

ROSE MAZUR

The bill (H. R. 1108) for the relief of Rose Mazur was considered, ordered to a third reading, read the third time, and passed.

MARIA THERESIA REINHARDT AND HER CHILD, MARIA ANASTASIA REINHARDT

The bill (H. R. 1165) for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt, was considered, ordered to a third reading, read the third time, and passed.

CHARLES CHAN

The bill (H. R. 1664) for the relief of Charles Chan was considered, ordered to a third reading, read the third time, and passed.

MECYS JAUNISKIS

The bill (S. 664) for the relief of Mecys Jauniskis was announced as next in order.

Mr. BIBLE. Mr. President, reserving the right to object, I wish to address a specific inquiry to the Senator from Minnesota [Mr. THYE]. This bill provides for a waiver of the provisions of the Immigration and Nationality Act, which excludes persons afflicted with tuberculosis. On the previous call of the calendar, a similar bill, Calendar No. 452, Senate bill 235, was objected to by the minority calendar committee. I should like to inquire if there is any basis upon which the senior Senator from Minnesota believes this particular bill can be distinguished from the bill introduced by the distinguished Senator from Kansas [Mr. CARLSON].

Mr. THYE. Mr. President, the main objection was based upon signs of a tubercular condition which had prevailed at one time in this particular individual. The man's wife is a medical doctor in her own right. Dr. Ruta Jauniskis is employed by the Mounds Park Midway Hospital, St. Paul, which is a tubercular hospital. She not only has a cash reserve of her own, but she has an income of $400 a month in the Mounds Park Midway Tubercular Hospital. I am familiar with it. I have several times visited that hospital in years past. Therefore, there can be no question as to Federal responsibility, and no question of this individual becoming a charge or a financial burden on the Government.

In the first place, the wife is a medical doctor in her own right. She has finances of her own. She has an excellent income, and I think the most humane thing we could do would be to permit this man to enter the United States.

Mr. BIBLE. I thank the Senator for his explanation. I make no objection.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, I wonder if the distinguished Senator from Minnesota is satisfied—I am sure he is—that the beneficiary would receive proper medical attention?

Mr. THYE. Without question, or I would never have introduced a private relief bill in his behalf. There can be no question about the case. His wife is a doctor. She is employed in one of the well-known tubercular hospitals in Minnesota, and there can be no question involved.

Mr. PURTELL. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 10, after the word "act", to insert a colon and *"Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Mecys Jauniskis may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IVA DRUZIANICH (IVA DRUZIANIC)

The Senate proceeded to consider the bill (S. 1155) for the relief of Iva Druzianich (Iva Druzianic), which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert: "That, for the purposes of the Immigration and Nationality Act, Iva Druzianich (Iva Druzianic) shall be deemed to be the natural-born minor alien child of John Druzianich, a citizen of the United States."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNA MARIE HITZELBERGER SCHEIDT, AND HER MINOR CHILD ROSANNE HITZELBERGER

The Senate proceeded to consider the bill (S. 1730) for the relief of Anna Marie Hitzelberger Scheidt, and her minor child Rosanne Hitzelberger, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 8, after the word "Act", to strike out the period and "The provisions of this section shall apply only to grounds for exclusion under such paragraphs known to the Secretary of State or the Attorney General prior to the date of enactment of this act", and in lieu thereof to insert a colon and *"Provided,* That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of paragraphs (9) and (12) of section 212 (a) of the Immigration and Nationality Act, Anna Marie Hitzelberger Scheidt may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided,* That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Rosanne Hitzelberger, shall be held and considered to be the natural-born alien child of Peter J. Scheidt, a citizen of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CARL E. EDWARDS

The Senate proceeded to consider the bill (H. R. 847) for the relief of Carl E. Edwards, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 5, after the word *"Provided"*, to strike out "That no benefits shall accrue by reason of the enactment of this act for any period prior to the date of its enactment" and insert "That no benefits other than hospital and medical expense actually incurred shall accrue prior to the date of enactment of this act."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

MOSES AARON BUTTERMAN

The Senate proceeded to consider the bill (H. R. 1085) for the relief of Moses Aaron Butterman, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 10, after the word "act", to insert a colon and *"And provided further,* That the exemption granted herein shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

GISELA HOFMEIER

The Senate proceeded to consider the bill (S. 606) for the relief of Gisela Hofmeier, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 3, after the word "That", to strike out "for the purposes" and insert "in the administration"; in line 11, after the word "the", to strike out "immigration laws" and insert "provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act"; on page 2, line 10, after the word "sections", to strike out "241 and 242" and insert "242 and 243"; and in line 17, after the word "visa", to strike out "fee: *Provided,* That the exemption granted herein shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act" and insert "fee", so as to make the bill read:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Gisela Hofmeier, the financée of Robert E. Leonard, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided,* That the administrative authorities find that the said Gisela Hofmeier is coming to the United States with a bona fide intention of being married to the said Sgt. Robert E. Leonard and that she is found otherwise admissible under the provisions of the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act: *Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Gisela Hofmeier she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Gisela Hofmeier the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Gisela Hofmeier as of the date of the payment by her of the required visa fee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALE OF CERTAIN LAND IN ALASKA

The Senate proceeded to consider the bill (H. R. 4853) to authorize the sale of certain land in Alaska to the Pacific Northern Timber Co., which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, after line 22, to strike out:

The conveyance shall be made upon the payment by the said Pacific Northern Timber Co. for the land at a price to be fixed by the Secretary of the Interior through appraisal, plus the cost of survey and preparation of a plat of survey, after taking into consideration the purpose for which the land is to be used. Conveyance shall be made only if the said Pacific Northern Timber Co. makes the total payment within 1 year after notification by the Secretary of the Interior of the amount due: *Provided,* That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public land laws: *Provided further,* That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior: *And provided further,* That any such patent shall be revoked and shall be of no further effect in the event the Pacific Northern Timber Co. fails to construct the sawmill facilities on or adjacent to this site required by its contract A10fs 1233 with the United States Department of Agriculture Forest Service.

And on page 3, after line 18, to insert:

SEC. 2. That the land shall be sold to the said Pacific Northern Timber Co. at a reasonable appraised price to be fixed by the Secretary of the Interior, plus the cost of survey and preparation of a plat of survey. Conveyance shall be made only if the said Pacific Northern Timber Co. makes the total payment due within 1 year after notification by the Secretary of the Interior of the amount due: *Provided,* That the coal, oil, and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2220) to authorize appropriations for the Atomic Energy Commission for the construction of plants and facilities, including acquisition or condemnation of real property or facilities, and for other purposes, was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. This bill is the unfinished business. Without objection, it will be passed over.

The bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681) and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes, was announced as next in order.

Mr. BARRETT. Mr. President, this bill is not one which should be considered on the call of the calendar, in my judgment. Furthermore, request has been made that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 2973) to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education, was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will be passed over.

VOLUNTARY EXTENSIONS OF ENLISTMENTS IN THE ARMY, NAVY, AND AIR FORCE

The bill (S. 1571) to authorize voluntary extensions of enlistments in the Army, Navy, and Air Force for periods of less than 1 year was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the fifth paragraph under the heading "Pay, miscellaneous" of the act of August 22, 1912 (ch. 335, 37 Stat. 331), as amended, is amended by deleting the word "either" and substituting therefor the words "less than 1 year or for a period of."

SEC. 2. The term of enlistment of any enlisted man in the Army and the Air Force may, by his voluntary written agreement, under such regulations as may be prescribed by the Secretary concerned, be extended for a period of less than 1 year from the date of expiration of the then existing term of enlistment, and subsequent to said date such enlisted men as extend the term of enlistment as authorized in this section shall be entitled to and shall receive the same pay and allowances in all respects as though regularly discharged and reenlisted immediately upon expiration of their term of enlistment, and such extension shall not operate to deprive them upon discharge at the termination thereof of any right, privilege, or benefit to which they would be entitled at the expiration of the former term of enlistment.

MONTHLY PAYMENTS FOR CERTAIN MILITARY PERSONNEL

The bill (S. 1725) to repeal two provisions of law requiring that certain military personnel shall be paid monthly was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1268 of the Revised Statutes is repealed.

SEC. 2. The last proviso in subtitle "pay" of the act of August 30, 1890 (26 Stat. 400), is repealed.

SUSPENSION OF CERTAIN BENEFITS OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES

The bill (S. 2135) to provide for the suspension of certain benefits in the case of members of the Reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 10 of the act of August 2, 1946 (60 Stat. 854), as amended, is further amended by deleting the final period, inserting a colon in lieu thereof, and adding the following new proviso: *"Provided further,* That in the case of any member of the Naval or Marine Corps Reserve receiving a pension, retainer pay, disability compensation, or retired pay from the Gov-

ernment of the United States by virtue of prior military service who is ordered to extended active duty in excess of 30 days in time of war or national emergency and is found physically qualified to perform active duty, entitlement to the pension, retainer pay, disability compensation, or retired pay shall be suspended for the period of the extended active duty unless that compensation is greater than the compensation specified in clause (1) of this section. During the period of such suspension the member shall receive compensation for such extended active duty as specified in clause (1) of this section. Upon termination of the period of extended active duty the pension, retainer pay, disability compensation, or retired pay of the member shall be resumed and paid as provided by law. The suspension herein provided shall not operate to affect any other rights or benefits to which the member or his dependents may be entitled under this or any other provision of law."

SEC. 2. Section 2 of the act of September 27, 1950 (ch. 1053, 64 Stat. 1067), is amended by inserting before the final period a colon and the following proviso: "*Provided*, That in the case of any such member receiving a pension, retirement pay, disability compensation, or retired pay from the Government of the United States by virtue of prior military service who is ordered to extended active duty for a period in excess of 30 days in time of war or national emergency and is found physically qualified to perform active duty, entitlement to the pension, retirement pay, disability compensation, or retired pay shall be suspended for the period of the extended active duty unless that compensation is greater than the compensation specified in clause (1) of this section. During the period of extended active duty the member shall receive the compensation for that duty specified in clause (1) of this section. Upon termination of the period of extended active duty the pension, retirement pay, disability compensation, or retired pay of the member shall be resumed and paid as provided by law. The suspension herein provided shall not operate to affect any other rights or benefits to which the member or his dependents may be entitled under this or any other provision of law."

SEC. 3. Section 3 of the act of September 27, 1950 (ch. 1053, 64 Stat. 1067), is hereby amended by changing the comma after "1947" to a period and striking out the words "and shall terminate 5 years after the date of approval of this act."

SEC. 4. The term "disability allowance" is deleted from section 10 of the act of August 2, 1946 (60 Stat. 854), as amended, and from section 2 of the act of September 27, 1950 (ch. 1053, 64 Stat. 1067).

EXTENSION OF MISSING PERSONS ACT

The bill (S. 2266) to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 15, Missing Persons Act (56 Stat. 147, 1093), as amended, is further amended by deleting "July 1, 1955" and inserting in lieu thereof "July 1, 1956."

REGULATION OF THE SALE AND USE OF FIREWORKS IN THE CANAL ZONE

The bill (H. R. 4650) to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone was considered, ordered to a third reading, read the third time, and passed.

BILLS AND RESOLUTIONS PASSED OVER

The bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes was announced as next in order.

Mr. JOHNSON of Texas. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1582) to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 63) to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1849) to provide for the grant of career conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 106) to provide additional funds for the Committee on Interior and Insular Affairs was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The resolution (S. Res. 103) increasing the limit of expenditures by the Select Committee on Small Business was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The resolution will be passed over.

ADDITIONAL ELEVATORS IN SENATE WING OF THE CAPITOL

The Senate proceeded to consider the bill (S. 1993) authorizing the installation of additional elevators in the Senate wing of the Capitol, which had been reported from the Committee on Rules and Administration with an amendment on page 2, line 4, after the numeral "2", to strike out "There are authorized to be appropriated such sums as may be necessary to carry out this act" and insert "There is hereby authorized to be appropriated the sum of $285,000 to carry out the provisions of this act", so as to make the bill read:

Be it enacted, etc., That the Architect of the Capitol is authorized and directed to prepare and submit to the Committee on Rules and Administration of the Senate plans and specifications for the installation of two additional elevators in the Senate wing of the Capitol, to be located adjacent to and east of the existing elevators at the main east front entrance to the Senate wing. Upon approval of such plans and specifications by such committee, the Architect of the Capitol is authorized and directed to proceed with the procurement and installation of such elevators, including the making of such structural changes in the Capitol Building as may be necessary to provide for such installation.

SEC. 2. There is hereby authorized to be appropriated the sum of $285,000 to carry out the provisions of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL AND JOINT RESOLUTIONS PASSED OVER

The joint resolution (H. J. Res. 232) authorizing the erection of a memorial gift from the Government of Venezuela was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (H. R. 4043) making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces and their families, to exercise their voting franchise, and for other purposes, was announced as next in order.

Mr. BIBLE and Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 21) to establish a Commission on Government Security was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

MILTON BEATTY AND OTHERS

The bill (S. 175) to provide for the relief of Milton Beatty and others by providing for determination and settlement of certain claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Montana, was announced as next in order.

Mr. PURTELL. Mr. President, I send to the desk an original Senate resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 115), was read, as follows:

Resolved, That the bill (S. 175) entitled "A bill to provide for the relief of Milton Beatty and others by providing for determination and settlement of certain claims of former owners of lands and improvements purchased by the United States in connection with the Canyon Ferry Reservoir project, Montana," as reported by the Committee on the Judiciary of the Senate, now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims; and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable

date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

Mr. PURTELL. This resolution, which has been prepared by the Legislative Counsel of the Senate at our request, is designed to refer the bill S. 175, Calendar No. 476, to the Court of Claims for a study by that court of the facts and circumstances which are the background of the claims for relief in that bill and for a report by the court to the Congress as to whether there is any entitlement to relief, legal or equitable, by the claimants, together with the recommendation of the court.

Mr. President, S. 175 would authorize the establishment of a 3-member Board of Appraisers, 1 to be an employee of the Interior Department and to be appointed by the Secretary of the Interior, 1 to be an employee of the Department of Agriculture and appointed by the Secretary of Agriculture, and the third to be appointed from private life by the chief judge of the United States District Court for the District of Montana. The Board of Appraisers would appraise lands taken by the Federal Government from some 30 landowners, in the course of constructing Canyon Ferry Dam. The Board would determine whether or not these landowners received fair compensation and, if not, the amounts reasonably due them. The bill also makes provision directing the Secretary of the Treasury to make such payments as may be reasonably due.

It was the concern of the Republican Calendar Committee that the procedure contemplated in this bill would result in establishing a dangerous and possibly unfortunate precedent in the administration of claims involving the taking of land by the United States Government.

The procedure contemplated in the resolution which is now before the Senate would conform with past precedent and would give these claimants their day in court. It has the approval of the sponsor of the bill in the Senate, the Senator from Montana [Mr. MANSFIELD] and the sponsor of a House companion bill, Representative METCALF.

I ask that the Senate agree to the resolution at this time.

Mr. MANSFIELD. Mr. President, will the Senator yield for a question?

Mr. PURTELL. I am glad to yield.

Mr. MANSFIELD. Mr. President, as I understand, if the Senate adopts the resolution, the Court of Claims will be directed to utilize the services of an appraiser or appraisers, who will report his or their findings to the Court of Claims, which in turn will send to the Senate its report showing what damages, if any, are due.

Mr. PURTELL. The Court of Claims may designate a commissioner, who will submit his report to the court, which in turn will submit its report to the Senate.

Mr. MANSFIELD. Then the Senate can take action on the basis of the report made to it by the Court of Claims. Is that correct?

Mr. PURTELL. After all interested parties are heard, the committee will get the report, and it, in turn, will submit its report to the Senate. The Senate can then determine what damages, if any, should be paid.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 115) was considered and agreed to.

Mr. PURTELL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a memorandum on Senate bill 175.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

Subject: S. 175, for the relief of Milton Beatty and others.

As reported from committee, this bill authorizes the establishment of a 3-member Board of Appraisers, 1 to be an employee of the Interior Department and to be appointed by the Secretary of the Interior, 1 to be an employee of the Department of Agriculture and appointed by the Secretary of Agriculture, and the third to be appointed from private life by the chief judge of the United States District Court for the District of Montana. The Board of Appraisers would appraise lands taken by the Federal Government from some 30 landowners in the course of constructing Canyon Ferry Dam. The Board would determine whether or not these landowners received fair compensation, and if not, the amounts reasonably due them. The bill also makes provision directing the Secretary of the Treasury to make such payments as may be reasonably due.

The Republican Calendar Committee is mindful of the claims set out in the Judiciary Committee's report that when the Government's representatives advised of an intention to take the land it was stated that there would be a uniform land acquisition policy, and on that basis these claimants accepted the price that was offered, with very little negotiating, and that thereafter it was discovered that there was a considerable differentiation in price paid for different tracts. An example cited is of two adjoining parcels purchased within 10 days of each other, with similar improvements, fertility, and crop history, and which were sold in the one case at $158 per acre and the other at $300 per acre.

The Republican Calendar Committee is also mindful, however, of the adverse reports on this legislation by the Department of Justice and the Department of the Interior. Moreover, the Administrative Office of the United States Courts claims that the bill provides "for an unusual procedure for fixing the compensation of land purchased by the United States from the owners * * *."

The Justice Department states "to pay the beneficiaries of the bill additional sums would create a highly undesirable precedent." The Interior Department adds other cogent reasons for opposing this legislation, as follows:

"If these parties have, as we believe they do not have, a valid claim against the United States arising out of the land purchase contract, redress may be had in the courts of the United States under the Tucker Act, as amended and supplemented, without the special privilege which would be granted by the bill. We are unaware of any special circumstances or equitable considerations in their cases which entitle them to ask of the Congress a revaluation of their properties and a payment in excess of the amount for which they agreed to sell, and did sell, their properties. Not having availed themselves, as they could have if they were dissatisfied with the prices offered them, of the privilege of having a judicial determination made of the value of their properties at the time of the transaction, we can see no merit to their being given the consideration they now ask in another forum. Particularly is this so in a case like the present where changed conditions caused by the removal of improvements and the flooding of the land have made it impossible for anyone to make an estimate of fair market value of the land and improvements as of the date of payment by the United States of the agreed purchase price.

"Although what has already been said is enough, I believe, to indicate the lack of merit in S. 3154, I must also point out that its enactment would establish a precedent under which all the United States land purchase contracts could, at the behest of any vendor who later becomes dissatisfied with the bargain he made, be regarded as lacking that finality which is as important to the conduct of public business as it is normal to conventional business transactions."

The Republican Calendar Committee is impressed additionally by the statement quoted in the report of Congressman METCALF, who had held a hearing on a predecessor bill in 1953, that "there is not a charge of misrepresentation that will sustain a case in the Court of Claims."

In view of the foregoing, we are of the belief that enactment of this bill would set a most undesirable precedent. At the same time, however, we are of the belief that these claimants are entitled to a forum before which all of the parties can present the facts. For this reason we have prepared and submit for consideration by the Senate a resolution under which, pursuant to section 2509, title 28, United States Code, this bill, together with all pertinent papers and documents, shall be referred to the Court of Claims for report of its conclusions sufficient to inform Congress on the facts as to whether there is a legal or equitable claim and the amount, if any, legally or equitably due from the United States.

If the Senate should follow the course thus recommended and adopt the recommended resolution, the claimants in this case will not only be given a forum, but one which conforms with precedent and at the same time is entirely qualified by reason of its handling of a great body of cases involving land acquisition matters, pursuant to the jurisdiction conferred on the Court of Claims under the Tucker Act.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS of Louisiana, Mr. KILDAY, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 208. An act granting the consent of Congress to the States of Arkansas and Oklahoma to negotiate and enter into a

compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States;

H. R. 2984. An act authorizing E. B. Reyna, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Los Ebanos, Tex.;

H. R. 3878. An act to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work;

H. R. 4426. An act to amend section 7 of the act approved September 22, 1922, as amended;

H. R. 4573. An act authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.;

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices;

H. R. 5841. An act to repeal the fee-stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended;

H. R. 5842. An act to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State;

H. R. 5860. An act to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms; and

H. R. 6410. An act to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

DEFENSE DEPARTMENT APPROPRIATIONS, 1956

The PRESIDING OFFICER. The call of the calendar has been completed, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. I understand that under the unanimous-consent agreement there are 2 hours time on the bill to be equally divided and controlled by the majority and minority leaders. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, I yield 10 minutes on the bill to the distinguished senior Senator from New Mexico [Mr. CHAVEZ].

Mr. CHAVEZ. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as the original text for the purpose of further amendment, and that any point of order against the committee amendments be reserved.

Mr. KNOWLAND. Mr. President, reserving the right to object, and I shall not object, my understanding is that the bill would be treated as an original bill and, thereby, open to amendment. Is that correct?

Mr. CHAVEZ. That is correct.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from New Mexico? The Chair hears none, and the request is agreed to.

The committee amendments agreed to are as follows:

Under the heading "Title I—Office of the Secretary of Defense—Salaries and Expenses", on page 2, line 10, to strike out "$12,000,000" and insert "$12,250,000".

On page 2, line 11, after the word "Public", to strike out "Information" and insert "Affairs".

On page 2, line 13, after the word "Public", to strike out "Information, $400,000" and insert "Affairs, $420,000".

Under the heading "Title II—Interservice Activities—Emergency Fund", on page 4, at the beginning of line 1, to strike out "$25,000,000," and insert "$35,000,000 and in addition not to exceed $200,000,000 to be used upon determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense and to be derived by transfer from such appropriations available to the Department of Defense for expenditure during the current fiscal year as the Secretary of Defense may designate."

Under the heading "Title III—Department of the Army—National Board for the Promotion of Rifle Practice, Army", on page 11, line 17, after the word "Board", to strike out "$265,000" and insert "$500,000", and in line 20, after the word "amended", to insert a colon and the following additional proviso: *Provided further,* That during the current fiscal year the Secretary of Defense shall, upon requisition of the National Board for the Promotion of Rifle Practice, and without reimbursement, transfer from agencies of the Department of Defense to the Board ammunition costing not to exceed $1,200,000.

Under the subhead "Reduction in Appropriation—Army Stock Fund", on page 12, after line 18, to strike out:

No part of any appropriation in this act shall be used to pay rent on space to be used for recruiting purposes; and no part of any appropriation in this act may be used for pay and allowances of military personnel assigned to recruiting duty in excess of 50 percent of the amount expended for such purposes during the fiscal year ending June 30, 1955.

Under the heading "Title IV—Department of the Navy—Marine Corps procurement," on page 15, line 11, after the word "vehicles", to strike out "$286,500,000" and insert "$286,456,610."

Under the subhead "Shipbuilding and conversion," on page 17, line 20, after the word "critical" to insert "long lead time."

Under the subhead "Ships and facilities," on page 19, line 7, after the word "which", to strike out "$15,700,000" and insert "$16,240,000."

Under the subhead "Medical care," on page 21, line 16, after the word "salaries", to strike out "$62,500,000" and insert "$62,494,556."

Under the heading "Title V—Department of the Air Force—Aircraft and related procurement," on page 25, at the beginning of line 8, to strike out "$5,950,000,000" and insert "$6,306,000,000."

Under the subhead "Major procurement other than aircraft," on page 25, line 14, after the word "vehicles", to strike out "$350,000,000" and insert "$349,862,600."

Under the subhead "Maintenance and operations," on page 27, line 21, after the word "Government", to strike out "$3,615,500,000" and insert "$3,597,496,570: *Provided,* That not to exceed $55,000,000 of the appropriation "Maintenance and operations, Air Force, 1953" shall remain available until expended solely for the liquidation of obligations heretofore incurred against such appropriation for assist takeoff units and armaments."

Under the subhead "Military personnel," on page 29, line 17, after the word "enlistment", to strike out "$3,670,000,000" and insert "$3,680,650,000."

Under the subhead "Air National Guard", on page 31, line 9, after the word "Defense", to strike out "$202,841,000" and insert "$192,191,000."

Under the subhead "Reductions in Appropriations—Air Force Stock Fund," on page 31, line 17, after the word "by", to strike out "$300,000,000" and insert "$75,000,000."

On page 31, after line 19, to strike out:

AIR FORCE INDUSTRIAL FUND

The amount available in the Air Force Industrial Fund is hereby reduced by $155 million, such sum to be covered into the Treasury immediately upon approval of this act.

Under the heading "Title VI—General Provisions," on page 40, line 12, after the word "than", to strike out "$40,000,000" and insert "$20,000,000."

On page 46, line 13, after the word "profession", to insert "in excess of three persons in each military department".

On page 46, line 21, after the word "exceed", to strike out "$3,250,000" and insert "$3,270,000."

On page 49, line 2, after the word "cotton", to insert "spun silk yarn for cartridge cloth."

On page 50, line 2, after the word "the", to insert "Navy and"; in the same line, after the word "for", to strike out "two hundred and twenty-one" and insert "two hundred and fifty", and in line 3, after the word "for", to strike out "five hundred and three" and insert "seven hundred and fifty."

On page 51, after line 23, to strike out:

SEC. 638. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work traditionally performed by civilian personnel of the Department of Defense unless it has

been justified before the appropriate committees of Congress that the disposal is economically sound and that the related services can be performed by a contractor without danger to national security.

And in lieu thereof to insert:

SEC. 638. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 25 years or more performed by civilian personnel of the Department of Defense unless certified by the Secretary of Defense and reported by him to the Appropriations Committees of the Senate and House of Representatives at least 60 days in advance that the disposal is economically scund and that the related services can be performed by a contractor without danger to national security.

On page 52, after line 16, to insert:

SEC. 639. Effective April 15, 1955, and during the fiscal year 1956, under such regulations and in such localities as may be prescribed by the Secretary of Defense, enlisted members granted permission to mess separately whose duties require them to purchase one or more meals from other than Government messes shall be entitled to not to exceed the pro rata allowance authorized for each such meal for enlisted members when rations in kind are not available.

On page 53, line 1, to change the section number from "639" to "640."

Mr. CHAVEZ. Mr. President, last Friday night I gave the Senate a full presentation of what is contained in the Department of Defense appropriation bill. In that statement I discussed the strengths in men, ships, and airplanes contained in the bill. I discussed the amount of money the committee recommended for each of the three departments. I also discussed every change the committee has made in the bill as it came to the Senate from the House of Representatives.

I do not think it necessary at this time to repeat what I carefully explained then. It is available for all to read. But I shall mention a few highlights of the bill as it now comes to the Senate.

Bear in mind that the bill was reported by unanimous vote of the committee.

H. R. 6042 provides a total of $31,836,521,336 of new appropriations. I hope Senators will listen to the figures, because they are not small figures. This amount is approximately $348 million in excess of the amount provided by the House, but almost $400 million under the revised budget estimates.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. JOHNSON of Texas. I should ask the Senator if the sum of $348 million was added before there was a budget request?

Mr. CHAVEZ. We had a budget request for a part of it, but for other parts of it we did not have budget figures. However, since that time the chairman of the subcommittee has received some correspondence from the Air Force indicating that the amount is not sufficiently large. Normally they do not take any action unless they have budgetary approval.

Mr. ROBERTSON. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. ROBERTSON. The bill as reported to the House contained a very large figure but it was approximately $390 million less than the budget estimates.

Mr. CHAVEZ. That is correct.

Major increases over the House amount are to be found in two areas. First, the committee restored $150 million for production of Air Force planes and added another $206 million for the same purpose. In other words, the committee restored $150 million which the House had eliminated, and added $206 million for the same purpose. This will speed up production of long-range jet aircraft and permit the replacement of B–36 bombers by newer types earlier than had previously been planned. The purpose is to use these funds in order to accelerate production now.

Second, the committee restored $10 million to the Research and Development Emergency Fund and also provided by transfer the availability of $200 million for the same purpose. That means that there is appropriated $10 additional new money and permission is granted to transfer from available funds $200 million more.

The committee was assured that these funds would be utilized only if the Secretary of Defense determined that they would be utilized "wisely, practically, and profitably" to exploit new research developments not at present crystallized, but which may be during the coming year.

As a great general of ours once stated about another defense appropriation act, this bill contains more funds than we would need if we knew we would never have to defend our country; it contains far short of the amount of money needed to fight a full-scale war. Some of us would have liked to have provided for somewhat higher Army and Marine Corps end strengths. But the committee voted to follow the recommendations of the Commander in Chief. However, notwithstanding that the committee took that action, I still insist that the Senate itself is supreme. If the Senate wishes to take some other action in connection with the matter it is the business of the Senate, and not that of the Executive.

As it is, this bill will provide funds to maintain and continue the development of the world's greatest Navy, the world's finest Air Force, and an Army, with its new weapons, which is increasing in firepower if not in numbers.

We have the know-how to build airplanes.

We have the know-how to build new weapons, and we have the manpower that will know what to do with those weapons.

I urge prompt enactment of this measure as a symbol of our determination to keep the free world strong.

I submit these round figures to the Senate:

The amount of the bill as passed by the House is $31,488,206,000.

The amount added by the Senate, net, is $348,315,336.

The total amount of the bill as reported to the Senate is $31,836,521,336.

I read from the report the amount of the 1956 budget estimates:

Original budget estimates, $31,405,000,000.

Revised budget estimates, $32,232,815,000.

The amount of the 1955 appropriations was $28,800,070,486.

The bill as reported to the Senate may be analyzed as follows:

It is over the original budget estimates, 1956, by $431,521,336.

It is under the revised budget estimates, 1956, by $396,293,664.

It is in excess of the appropriations for fiscal year 1955, by $3,036,450,850.

That is the statement so far as the money items are concerned.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. YOUNG. Mr. President, I call up my amendment 6–15–55–A and ask that it be read. The amendment is sponsored by myself, my colleague, the senior Senator from North Dakota [Mr. LANGER], the senior Senator from Minnesota [Mr. THYE], the junior Senator from Minnesota [Mr. HUMPHREY], the senior Senator from South Dakota [Mr. MUNDT], the junior Senator from South Dakota [Mr. CASE], the senior Senator from Montana [Mr. MURRAY], and the junior Senator from Montana [Mr. MANSFIELD].

The PRESIDING OFFICER. The amendment offered by the junior Senator from North Dakota for himself and on behalf of other Senators will be stated.

The LEGISLATIVE CLERK. On page 28, line 3, it is proposed to delete the period and insert the following: ": *Provided further*, That the Administrator of Veterans' Affairs shall, during the fiscal year 1956, continue the maintenance, operation, and availability of the John Moses Veterans' Hospital at Minot, N. Dak., to meet requirements of the Veterans' Administration and the Department of the Air Force."

Mr. YOUNG. Mr. President, I yield myself 3 minutes, which I think is all that will be necessary.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CHAVEZ. Mr. President, I am very much in agreement with the amendment offered by the junior Senator from North Dakota and other Senators. I do not like to see the hospitals closed, so I will accept the amendment and take it to conference.

Mr. YOUNG. Thank you very much.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from North Dakota [Mr. YOUNG] for himself and other Senators.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I thought it was necessary to yield back the unused time on the amendment before the amendment could be agreed to.

Mr. KNOWLAND. Mr. President, was the unused time yielded back on the amendment?

The PRESIDING OFFICER. It was automatically yielded back; actually, it was never allocated.

The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I invite the attention of the junior Senator from Missouri [Mr. SYMINGTON] to the fact that the bill is open to further amendment, in case he desires to call up his amendment.

Mr. ELLENDER. Mr. President, I desire to speak for a few minutes. Will the Senator from Texas yield me 5 minutes?

Mr. JOHNSON of Texas. I yield 5 minutes to the senior Senator from Louisiana.

Mr. ELLENDER. It was my privilege to listen to most of the testimony given on this bill, which provides for such a huge amount of appropriated funds to maintain our Armed Forces. It is my considered judgment that the Committee on Appropriations should have a little more assistance if we are to be able to grasp the circumstances surrounding these enormous appropriations.

As I pointed out before the committee, when the 1954 fiscal year ended last June 30, there was a total of $15,706,807,000 of unobligated funds in Department of Defense coffers. This huge amount was unobligated—not merely unexpended. I feel sure that when the representatives of our armed services came before the Senate Appropriations Committee to justify the appropriations for the 1954 fiscal year they must have made a good case for the entire amount they requested. Yet that fiscal year ended with more than $15 billion of unobligated funds in their accounts.

The fiscal year ending June 30, 1955, will find the military with unobligated funds aggregating $11.5 billion.

It strikes me, as I stated before the committee, that such huge unobligated balances lend themselves to our Armed Forces purchasing large amounts of materials of war which are not really needed. As I pointed out during the hearings, there is evidence in the record to show that the coming fiscal year—that is, fiscal 1956—will end with unobligated balances on hand totaling about $6,500,000,000.

It strikes me, Mr. President, that this is the wrong way to appropriate funds. The armed services have come before the committee and have asked for specific sums which they say will be needed during fiscal 1956. Yet they will end the year, according to their own testimony, with unobligated balances of approximately $6,492 million. It would appear to me that, somewhere along the line, there are items for which an excess of funds will be provided. Let me emphasize that no Member of this body wants the Armed Forces to be short any equipment they know they need. Yet it strikes me that in our study of these bills there is something wrong somewhere if our military leaders tell us that they will find themselves with more than $6 billion in unobligated—not only unspent but unobligated—funds in their coffers a year from now.

I made my presentation of this situation and my views thereon before the full committee; and, of course, I realize that the answers given by the armed services may have been somewhat plausible. They told us that they will need this sum, although they know they will not obligate it next year, so as to continue the availability of the funds into the following year—that is, fiscal 1957. Their position is that unless this huge amount is continued available to them, their program will be impeded—that they need the money to maintain an even and uninterrupted purchasing program.

The Department of Defense money bill will be on the President's desk, I believe, long before the end of fiscal 1955. Therefore, the necessity, as the Army, the Navy, and the Air Force put it, of having huge unobligated balances on hand in case of a lag in the appropriations bill lends itself, to my way of thinking, as I have said, to much overspending.

When I presented the matter to the full committee, when the bill was to be reported, the committee placed certain language in the report which, I believe, should help us deal with this problem. It is my hope that the armed services will take heed of it, and when they come before the committee next year will ask only for such funds as they intend to actually spend during the succeeding fiscal year. The language to which I refer appears at the top of page 3 of the report, and is as follows:

> The committee expresses strong disapproval of both carryovers and unobligated balances. While the matter of lead time and construction time is fully appreciated——

The PRESIDING OFFICER. The Chair regrets to announce that the time of the Senator from Louisiana has expired.

Mr. ELLENDER. May I have 1 more minute?

Mr. KNOWLAND. Mr. President, I yield 1 additional minute to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I continue to read:

> nevertheless, it is felt that all items in the pipeline should have annual review by the committee. It is the expressed intention of the committee to work with the Departments of Defense and the Treasury to the end that unobligated balances be reduced to a minimum and a pay-as-you-go policy be established and carried out.
>
> By way of emphasis, it is the view of the committee that the practice of providing carryovers of unobligated balances from one fiscal year to another fiscal year be terminated without delay.

I express the hope that when the armed-services representatives appear before the committee next year they will not be in the position of telling us they need so many billion dollars, but that of that amount they expect to have a carryover of $6 billion—that such a tremendous amount of unobligated funds on hand is a necessity.

Mr. JOHNSON of Texas. Mr. President, I yield 1 additional minute to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, in connection with the statement I have just made, I ask unanimous consent that there be printed in the RECORD, at this point a table showing the huge unobligated balances for the fiscal years 1954, 1955, and 1956.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

Unobligated balances of general appropriations available for obligation in the subsequent year, fiscal years 1954, 1955, and 1956

[Thousands of dollars]

Department and appropriation	Actual unobligated balance as of June 30, 1954	Estimated unobligated balance as of June 30, 1955	Estimated unobligated balance as of June 30, 1956 [1]
(1)	(2)	(3)	(4)
Department of Defense, total	15,706,807	11,534,877	6,492,801
OSD and interservice activities:			
Construction of ships, MSTS		2,800	
Reserve tools and facilities	100,000		
Family housing		25,000	
Total, OSD and interservice activities	100,000	27,800	
Department of the Army:			
Procurement and production	5,504,638	3,767,213	1,658,437
Military construction, Army	651,461	276,461	
Military construction, Army Reserve Forces	25,562	25,562	24,173
Research and development, Army	53,929	51,478	17,000
Operation and maintenance, Alaska Communication System	2,912		
Construction, Alaska Communication System	1,249	1,276	
Total, Department of the Army	6,239,751	4,121,990	1,699,610
Department of the Navy:			
Marine Corps procurement	318,265	86,653	31,848
Aircraft and related procurement	1,103,299	1,601,887	516,704
Construction of ships	34,948	72,548	33,572
Shipbuilding and conversion	534,698	557,092	495,484
Navy military procurement			10,350
Ordnance for new construction	35,479	26,356	16,900
Public works	271,579	120,862	14,405
Military construction, Naval Reserve Forces	22,426	17,426	11,904
Construction, water supply facilities	1,716	1,616	
Research and development	[2] 926	5,000	5,000
Naval emergency fund	1,710	1,685	1,663
Total, Department of the Navy	2,325,046	2,491,125	1,137,889
Department of the Air Force:			
Aircraft and related procurement	4,658,142	3,325,000	3,350,000
Major procurement other than aircraft	1,052,853	830,000	250,000
Acquisition and construction of real property	1,207,492	647,492	
Research and development	123,523	91,469	55,302
Total, Department of the Air Force	7,042,010	4,893,961	3,655,302

[1] As shown in 1956 budget document.

[2] In addition, unobligated balances from other appropriations in amount of $7,777,000.

NOTE.—Amounts will not necessarily add to totals due to rounding.

Mr. CHAVEZ. Mr. President, I ask unanimous consent that the Senator from Louisiana tell the Senate the figures for those particular fiscal years.

Mr. JOHNSON of Texas. Mr. President, I shall be happy to yield to the Senator from Louisiana whatever time he may need. I do not wish to enter into a unanimous-consent agreement with regard to it.

Mr. ELLENDER. I have already stated for the RECORD the huge unobligated balances. I have not gone into detail with regard to them.

Mr. JOHNSON of Texas. I yield to the Senator from Louisiana such time as he may desire.

Mr. ELLENDER. Let us take the Department of the Army. On June 30, 1954, the Department of the Army had an unobligated balance of $6,239,751,000. For the year ending June 30, 1955, the Department is going to have an unobligated balance of $4,121,990,000. With reference to the appropriation which the Department of the Army is now requesting, the one about which the Senator from New Mexico has spoken, the Department admits to us in advance it is not going to obligate all that money, but it will have an unobligated balance as of June 30, 1956, of $1,699,610,000.

Let us now turn to the Department of the Navy. On June 30, 1954, the Department of the Navy had an unobligated balance of $2,325,046,000. This year, as of June 30, 1955, the Navy will have an unobligated balance of $2,491,125,000. As of June 30, 1956, the Navy expects to have an unobligated balance of $1,137,889,000.

Referring now to the Department of the Air Force, the actual unobligated balance for the year ending June 30, 1954, was $7,042,010,000. For the fiscal year ending June 30, 1955, which will be next week, the Department of the Air Force will have an unobligated balance of $4,893,961,000, or almost $5 billion.

When officials of the Department of the Air Force came before the committee to request appropriations last year, it was presumed the Department would spend or obligate the amount which they requested.

This year, of the amount of money which the Department requested for the next fiscal year, the officials tell us in advance they are going to end up, on June 30, 1956, with an unobligated balance of $3,655,302,000.

It strikes me we should be able to devise a plan whereby none of the departments in the Defense Establishment—the Navy, the Air Force, or the Army—will arrive at the end of the fiscal year with such huge unobligated balances. I repeat that such enormous balances lend themselves to large expenditures—to overexpenditure—and the buying of a great deal of material which is not needed. My hope is that in the future the departments will pattern their demands to accord with the amounts which they expect to actually obligate. It would appear to me, Mr. President, to be most imprudent for us to continue to appropriate these huge amounts when we are told in advance that the money will not all be spent. I realize full well that the majority of our armed services representatives are men of high honor and great competence, but I cannot rid myself of the thought that by continuing to make these huge amounts available, knowing in advance that they will not all be obligated, we are inviting overspending. We must have a thoroughly prepared military force, Mr. President, but this country cannot afford waste. It is my judgment that by cutting back on these huge amounts of funds for which no use has been devised by our military planners, we can do the taxpayers of this country and the military itself a great favor.

I thank the Senator from Texas for yielding me additional time.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, the Senator from Louisiana has left the Chamber, but he has said substantially what I desired to say. One year ago the unobligated balances were more than $15 billion. At the end of this month there are scheduled to be more than $11 billion. At the end of the next fiscal year it is anticipated they will be in excess of $6 billion. That indicates a reduction in obligated balances of almost 50 percent in 2 years.

I agree absolutely with the Senator from Louisiana that unobligated balances should be brought as close to zero as possible. I know they can never be brought down to zero, but that is the goal to which the Senator from Louisiana referred, and he is right in expressing the hope that it may be attained. The present Secretary of Defense has reduced unobligated balances very substantially.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. ELLENDER. As the Senator may recall, I asked the Department of Defense to furnish us with such orders or rules as it may have promulgated with respect to the $11 billion it will carry over this year as an unobligated balance, but up to this very moment we have not heard from them. My guess is that the Department is not going to obligate the $11,534,877,000 which will be carried over.

Mr. SALTONSTALL. I think a great deal of it will not be obligated.

Mr. ELLENDER. I think most of it will not be.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

The bill is open to further amendment.

Mr. SYMINGTON. Mr. President, I have three amendments at the desk. I ask that they be stated, and considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc. The clerk will state the amendments.

The LEGISLATIVE CLERK. On page 14, line 23, it is proposed to strike out "$616,438,000", and insert in lieu thereof "$650,244,000."

On page 15, lines 11 and 12, it is proposed to strike out "$286,456,610", and insert in lieu thereof "$290,190,000."

On page 16, line 3, it is proposed to strike out the "$172,750,000", and insert in lieu thereof "$181,605,000."

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. As I understand, under the unanimous-consent agreement 2 hours are allotted on each amendment, 1 hour to be controlled by the mover of the amendment and the other hour by the majority leader, unless he is agreeable to the amendment, in which event the hour is to be controlled by the minority leader. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, I favor the amendments just submitted by the distinguished Senator from Missouri. Therefore, I assume that under the unanimous-consent agreement, the distinguished minority leader, the Senator from California [Mr. KNOWLAND], will control the time in opposition to the amendments.

The PRESIDING OFFICER. That is correct, according to the unanimous-consent agreement.

Mr. JOHNSON of Texas. Mr. President, I now ask unanimous consent that I may suggest the absence of a quorum, without having the time required therefor charged to either side. These amendments are extremely important, and Senators should be on the floor to hear them discussed.

The PRESIDING OFFICER. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object—and I wish to say that I shall not object, but I desire to have the parliamentary situation clarified—let me say that I understand the Senator from Missouri is offering his amendments en bloc.

Mr. JOHNSON of Texas. That is correct; and, under the agreement, there will be 1 hour to each side on all 3 of the amendments, with 1 vote to be taken on all 3 of them.

Mr. KNOWLAND. Mr. President, I have no objection to the request that there be a quorum call at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 15 minutes.

Mr. SYMINGTON. Mr. President, one of the amendments I have submitted to House bill 6042, the Defense Department Appropriation bill for the fiscal year 1956, offered for the purpose of preventing, if possible, a cut-back in the personnel strength of the United States Marine Corps. The amendment provides for a fiscal year 1956 ending strength of 215,000 personnel. This, in effect, would continue throughout fiscal year 1956 the

end strength provided in the original 1955 appropriation act.

In this connection, it should be noted that these estimates must be approximate, in view of the fact that the strength of the Marine Corps is steadily dropping toward the revised goal of 205,000 on June 30, 1955. The actual cost would depend on the date when an authorized buildup to 215,000 was attained.

The effect of the amendment would be an increase in end strength of 22,000 men, over the administration's proposal of 193,000 men, with an increase in cost of $46,394,390. I repeat that for $46 million, which is scarcely 2 percent of our foreign-aid program cost, we can maintain 22,000 Regulars in the Marine Corps, at the same time that we are being forced to draft—to take from the farms and from the cities—men who have not volunteered, and who do no wish to be in the service.

Every man of these 22,000 is a volunteer; and this will make it possible for us to deal more fairly with the inductees and volunteers now in service.

Under the present law, a private or corporal or any other enlisted man who comes home from, let us say, 2 years of service in the Army, has an obligation of 6 years of Reserve membership, but he has no obligation for Reserve participation, such as weekly drills or summer training.

Under the House version of the bill, men now coming off active duty can be required, on an involuntary basis, to participate in either 48 weekly drills, with 2 weeks summer training, or 30-day summer training camps for each of 4 years. If the man fails to so participate, in effect he can be sent to jail.

A Marine volunteer has 3 years obligation and a 4-year Navy volunteer or Air Force volunteer has a 2-year obligation he did not know about when he enlisted for that term.

These men did not know that they would be given this additional training requirement when they entered active duty 2 years ago. We are, therefore, in effect, breaking faith with them by imposing this additional obligation upon them.

I believe that the adoption of this amendment will aid materially in the passage of the Reserve bill.

Before proceeding further this afternoon, I take this opportunity to express my appreciation to the distinguished Senator from Georgia [Mr. RUSSELL], chairman of the Armed Services Committee, for calling a hearing which resulted in an announced heavy step-up in our plans for intercontinental bomber production.

I also express my appreciation to the senior Senator from New Mexico [Mr. CHAVEZ] who steered the money necessary for this announced step-up through the Senate Appropriations Subcommittee; and to the distinguished senior Senator from Arizona [Mr. HAYDEN], who did the same in the full committee and also to the invariably gracious and understanding assistance of the majority leader, the distinguished senior Senator from Texas.

In my opinion, these actions insure greater security for the United States, although they will not reflect themselves in operational aircraft for a long time to come.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article prepared for the Reporter magazine, and entitled "The Growing Power of the Soviet Air Force," written by Brig. Gen. Thomas R. Phillips, United States Army, retired, military analyst of the St. Louis Post-Dispatch.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE GROWING POWER OF THE SOVIET AIR FORCE

(By Thomas R. Phillips)

One of the first real showdowns between the administration and the opposition may come soon on the issue of our competitive position in airpower vis-a-vis the Soviet Union, and whether it is to be determined by military or by budgetary considerations.

Popular respect for President Eisenhower as a military expert has made it politically difficult for his critics in either party to stand against the President's military recommendations. Their present access of courage is the result of Soviet aircraft demonstrations in practice flights for the last May Day celebration. (Due the bad weather the flybys could not be carried out on May Day itself this year.) These practice flights, together with later public demonstrations plus other intelligence, indicate, alarmingly, that the Soviet Union has surpassed the United States in the development of interceptors—defensive aircraft—and is rapidly drawing abreast in medium and heavy jet bombers—the means of delivery of nuclear weapons.

It is probable that today, in the words of Sir Winston Churchill, the United States and the Soviet Union have reached the point of saturation in thermonuclear weapons. This, Sir Winston explained, "means the point where, although one power is stronger than the other—perhaps much stronger—both are capable of inflicting crippling or quasi-mortal injury on the other."

When the point of saturation in weapons is reached the arms race shifts from the weapons themselves to the means of delivering them and the defense against them. The Soviet shows have demonstrated, according to our experts, that the Russians are ahead of the United States in the design and construction of large jet and turboprop engines and of interceptors, and that they have matched us in the design of medium and heavy bombers and in getting heavy bombers into production.

In spite of American skill in production, the Russians have a supersonic interceptor in combat formations while we have none; they have thousands of transsonic interceptors in combat formations while the United States has a few hundred; they started 2 years later than we to make a jet intercontinental bomber and now have it in formations while we don't; they have developed jet engines which, when first shown a year ago, had about twice the thrust of anything developed in the West; they have built more jet aircraft of a single type—the MIG–15—than we have of all jet aircraft combined; and have built more light two-engined jet bombers than all the free world put together. While the United States concentrated on jet engines and neglected turboprops, the Russians have developed both simultaneously. At the same time that the Soviets were involved in crash programs for medium and heavy bombers, they also had crash programs on long-range missiles. The United States, in contrast, completely dropped its intercontinental ballistic missile for 2 years and was progressing at a leisurely pace until Soviet progress forced a top priority on our missile program.

DEFENSE COVERUP

These are shocking facts, but they are not really fresh news. The Air Force has been aware of them for a long time, and much has been public for at least a year. What has made it bad, however, is that the Defense Department has tried to cover up. The practice flights over Moscow for the May Day celebration were seen by millions of Russians and thousands of foreigners. The aircraft flew low and anyone could photograph them and deduce their characteristics. According to Hanson W. Baldwin of the New York Times, the Defense Department, in order to head off criticism of the administration defense program by Members of the Senate, put out a press release May 13 that was terse to the point of obscurity. Baldwin said it had been cleared at the highest level—meaning the White House. It gave no specific information nor did it go into the implications of the Soviet show. It merely concluded that this was "evidence of the modern technology of the Soviet aircraft industry and the advances which are being made by them."

If the release was intended to quiet criticism of the Defense Department's air program, it failed signally. Detailed information on the Soviet display was published in the St. Louis Post-Dispatch and the magazine Aviation Week. European publications printed informed interpretations about what the Russians had shown. Senator STUART SYMINGTON, Democrat, Missouri, used the confusing press release as an example to justify his demand for a Senate inquiry into the state of the military program.

Eleven days later at a news conference, Secretary of Defense Charles E. Wilson released a new statement of what had been seen in Moscow. This was not complete either. In it the Department admitted that "the Soviets displayed several models of modern jet bombers and fighters. They displayed more than 50 new supersonic day fighters and more than 30 new all-weather fighters, both in operational numbers. They displayed more than 40 new medium bombers, known for the first time last year as a prototype. They showed at least 9 new aircraft powered with turboprops, the first time they have displayed aircraft so powered. They displayed 10 or more long-range heavy bombers after showing just 1 last year. This is comparable to our own B-52 which we are producing."

There is one error in the Secretary's statement quoted above. The medium bomber was not known as a prototype last year. A formation of nine was flown at the May Day celebration in 1954. Therefore the bomber was in quantity production and in combat formations a year ago.

There is another rather doubtful statement in the release. Secretary Wilson quoted the President as saying at his most recent news conference: "It is just not true" that we no longer have air superiority. What the President actually said was: "To say that we have lost in a twinkling all of this great technical development and technical excellence as well as the numbers in our total aircraft is just not true."

WHAT THE DISPLAY MEANT

Where does the United States stand in relation to the Soviets in air power? The U. S. S. R.'s first outstanding achievement was the MIG–15, a subsonic jet interceptor for defense against the American intercontinental B–36. Fifteen thousand were manufactured between 1948 and 1952, with production reaching 450 a month at one time. The United States and Canada have built about 6,000 of the comparable United States F–86 Saberjet.

In 1952, production of the MIG–15 was stopped and the larger MIG–17 was put into

production. The MIG–17 is an interceptor capable of speeds just below that of sound in level flight and of supersonic speed in dives. About 7,000 of the MIG–17 have been produced and more than 4,000 are now in combat formations in the Soviet Union. Production is believed to be more than 300 a month. In the United States the manufactured total of the comparable F–100's, or Supersabers, is in the low hundreds, and fewer than a hundred of them are in combat formations.

The 50 new Russian supersonic fighters noted in the Secretary of Defense's press release have 60 degree swept-back wings. The display of such numbers meant that they are in assembly-line production and in combat formations. In the United States the comparable aircraft are still in the prototype-and-testing stage. From the observed characteristics of the Soviet supersonic fighter, it is not possible to judge its performance exactly. It is believed to be below that of the 1,000-mile-an-hour F–101.

The formation of 30 new all-weather fighters was as much of a shock as the supersonic day fighter. They have thin, straight wings and a solid radome nose. Performance is estimated to exceed that of the Lockheed F–94C Starfire but to be below the supersonic all-weather F–102. The latter, however, is still in the testing stage.

A new turboprop aircraft with counter-rotating propellers was displayed in a formation of nine. It is not known whether these are tankers, bombers, or long-range reconnaissance aircraft. The United States has a requirement for this type of aircraft for tankers and transports and is developing it. But again it will not be in use for some time, while the Soviet aircraft are now in combat inventory.

The Russians displayed 40 or 50 of their Type 39 (Badger) medium bomber. This two-engined jet bomber is comparable in performance to the American six-engined B–47. When the big jet engines were first seen in flight a year ago, western designers, who had been unable to produce anything comparable, found it hard to believe that the Russians had succeeded. These engines had twice the thrust (18,000 to 20,000 pounds) of any jet engines then in production in the West. The larger engine is more economical of fuel than several smaller engines producing equivalent power. The rate of production of the Badger is not known but is believed to be substantial. It will replace the TU–4, a copy of the American B–29, as a threat against Europe and our peripheral air bases.

THE B–47 GAMBLE

Since 1948 the United States has built about 1,500 of the B–47 medium bombers. It is the B–47 that accounts for American superiority in air power. Its 3,000-mile range, which can be doubled by in-flight refueling, exposes the entire surface of the Soviet Union to attack from our forward bases. The B–47 was no accident. It was ordered into production in 1948 by Secretary of the Air Force SYMINGTON without long testing and modification in prototype stage. As a result the first 300 had to undergo modifications. It was not until after more than 700 had been built that all the changes found necessary in service use had been incorporated in the assembly lines. The modification of the B–47 cost more than $300 million dollars. But if this wasteful haste had not been adopted, we might be now little better off than the Soviet Union in medium bombers. Instead, 80 percent of the medium wings of the Strategic Air Command are now equipped with them. This is the bomb carrier that carries the air-atomic power of the United States, while the aging B–36 is being replaced by the jet B–52.

The Russian four-engined jet heavy bomber, the Type 37 (or Bison) was shown in prototype at the May Day celebration a year ago. Two formations, 1 of 10 and 1 of 8, were seen this year. It was believed to have entered into production last year and is probably now going into combat formations. About 30 of the comparable American B–52 have been built. None are yet in squadron service.

THE MEN WHO FLY

In summary, the Russians are behind us in medium bombers and approximately equal to us in intercontinental jet bombers and all-weather fighters. They surpass us in nearly all other types of military aircraft. But we are still not inferior in the air. Superiority consists in more than numbers and superior performance of aircraft. The MIG–15 in the Korean war was superior to the F–86 Sabre at higher altitudes and inferior at lower. The 12-to-1 difference in kills in combat cannot be accounted for by the difference in performance. It was due to the skill and training of the American pilots and superior gunsights.

The Russians have no organization remotely comparable in training and experience to the United States Strategic Air Command. The relative effectivesess between Soviet and American long-range bombers should be in about the same ratio as our superiority in fighters in Korea. The United States also benefits offensively and defensively from its geographic position and its peripheral bases. Whereas every Soviet attack on the United States must be intercontinental, most American attacks on the Soviet Union can be from nearer bases. One plane from a near base can make twice as many raids as from a distant base and hence is the equivalent in effectiveness of two planes working from intercontinental bases.

But after conceding all this, the Soviet advances in aircraft production and design are of grave significance. The new Soviet interceptors, especially the all-weather (night) interceptor, make the American intercontinental B–36 obsolete. It has been admitted for some time that the B–36 probably would not be able to operate over hostile territory in daytime without serious losses. It has been thought that it could operate at night. The new Soviet all-weather interceptor, once in adequate inventory, ends even the prospect of nighttime operations. It was because of this obvious conclusion that the Secretary of Defense asked Congress to make available $356 million to speed up the production of the jet intercontinental B–52. Production will be increased 35 percent. This means that the replacement of the B–36 by the B–52 will be hastened, but at present there has been no decision to increase the number of heavy-bomber wings.

BOMBERS VERSUS FIGHTERS

It is expectable that the new Soviet supersonic interceptors would greatly increase the predictable losses of B–52 and B–47 bombers in case of a war. At one time the Air Force planned to use a formation of 10 to 15 planes to carry 1 bomb. Part of these were to engage in diversionary tactics to draw off enemy fighters, others would have been loaded with equipment for radar countermeasures. The reduction in weight of this equipment and the high performance of the B–52 and B–47 led to plans for every bomber to have a bombing mission. With the Soviet advance in fighters, the Strategic Air Command might have to go back to large defensive formations. This, together with the greater losses to be expected, would require greater numbers of aircraft than are now contemplated. The administration has not faced up to this problem yet.

The bomber-fighter relationship needs to be turned around and looked at with the United States on the receiving end. The Soviet Union is now producing high-performance intercontinental jet bombers, and should have them in large numbers within 2 years. The United States, in contrast to the Soviet Union, does not have the supersonic all-weather and day fighters in combat units. The United States Continental Air Defense Command would have to meet, if war came, high-performance jet bombers with fighters and interceptors with performances only marginally superior to that of the invading craft.

CONTRASTING APPROACHES

The average American with confidence and pride in our industrial skill finds it hard to believe that the Russians can outdesign and outproduce us in any field. How did it come about? Why are the Russians able to compress the time between design and mass production more than we? For example, the United States started on the B–52 in 1948. It was first tested in 1952, and first production came in the spring of 1954. The comparable Soviet type 37 was designed in 1950, first tested in 1953, and first produced in 1954. They gained between 2 and 3 years on the United States in making a heavy jet bomber although we had experience and production facilities for heavy aircraft that the Soviet Union did not have.

There are a number of reasons for our lag. One is the present business approach to production in the Pentagon. The businessman likes a nice, economical routine. This is laudable and proper if the competition is mild as in banking but it can be disastrous if the competition is for survival.

The entirely business approach would not tolerate such expense as was required to get the B–47 into early production. But that wasteful and courageous decision on the B–47 is the single reason that the United States still has an edge over the Soviet in the air. It would be nice to test and test and test until a perfect prototype of a new aircraft has been made. But the plane would be obsolete when it was ready for production. It would be like ordering today a 1958 Cadillac to be delivered in 1960. We are doing exactly that in permitting the Russians to have a cycle from design to production 2 years shorter than ours.

It is American practice to build 1 or 2 prototypes, handmade versions, and to use 1 or 2 test pilots. The testing period could be greatly reduced if as many as 10 prototypes were produced and a number of test pilots were used.

DELAYS IN LEAD TIME

The business approach in the Pentagon created a serious delay in lead time when it stopped the issuance of letters of intent to contract to the producers. By letters of intent the Air Force was able to start the producer as soon as the money was appropriated. It now takes 8 to 10 months to decide on a type and award and complete a contract. Today there is this needless delay in getting started on new production.

Another problem is the decision-making and budget cycle. The budget for 1957 is now being started. Today the Air Force may not know which new designs it wants to put into prototype and which new aircraft in the testing stage it may want to produce. The decisions have to be made in some cases after the budget has gone to Congress. The yearly budget itself tends toward yearly decisions. In the Soviet Union there is no such cycle. Decisions can be made at any time and once made production is all-out. Stalin decided on the MIG–15 and almost the entire Soviet aviation industry concentrated on it. This was the largest and fastest expansion of airpower in postwar history.

Another delay in lead time can be debited to the present administration. It prevented expansion of personnel in the Air Force while the numbers of wings were still expanding. One "saving" was in the elimination of transition and final combat-crew training in the Training Command of the Air Force. Combat units, when they get new aircraft, now have to do both transition

and combat crew training themselves. Had the Training Command not been cut, the crews would have been trained by it, ready when the new aircraft became available.

It has required an enormous effort for the Soviet Union to pull ahead of the United States in the aviation industry. The effort has been promoted in successive 5-year plans since 1928. At the same time the Russians have vastly increased their scientific and technical training. According to Ramsay D. Potts, Jr., in the May issue of the Annals of the American Academy of Political and Social Science: "While the United States has been turning out far more university graduates, the Soviets between 1928 and 1953 have graduated 150,000 more engineers than the United States. In 1928 the Soviets had some 26 institutions offering engineering training. Today there are approximately 175 schools offering training in engineering exclusively. Their enrollment numbers about 300,000 students. By comparison, some 210 United States colleges offer engineering courses with an enrollment of about 194,000 students. * * * Since 1951 the Soviets have been graduating at least 1,200 to 1,400 aeronautical engineers per year. In 1954 the United States graduated 645 aeronautical engineers. The quality of Soviet instruction is very high by United States standards; the students get considerably more education in the general sciences, and especially in mathematics."

THE DOLLAR IN POWER

The Soviet Union, as Senator SYMINGTON avers, is in the process of surpassing the United States in aircraft quality. For several years it has been ahead in quantity. But as long as the administration refuses to admit this and fails to do anything about it, there is little chance that the United States will regain its lead. On May 24 Assistant Secretary of the Air Force Roger Lewis at a news conference with the Secretary of Defense said in answer to a question: "I would say in terms of airplanes that can do the job—the fighting job—in the quality of airplanes, I think we have not only qualitative superiority but quantitative superiority."

From the figures given above it can be seen that this is not true as to quality except for the B–47. As to quantity, the Soviet Union has for some years maintained about 20,000 aircraft in combat formations and about 20,000 in reserve. The United States has about 13,000 aircraft in combat formations in the Air Force, Navy, and Marine Corps and a total inventory of all types from one-seaters on up of about 39,000. The figures to be compared, however, are the aircraft in combat formations. Here the United States total is deceptive. Half the aircraft on naval carriers exists only to defend the carriers. Marine aviation is tied to ground units so closely that it is of only limited use. In the air battle Navy carriers do not stay in one place long and hence naval aviation can give only limited yield in sustained combat as compared to land-based aircraft.

What has happened to our relative position in air power cannot be reversed overnight. We should be going into production of supersonic medium and heavy bombers right now and should have been producing supersonic fighters for at least a year. Instead we are years away.

We shall probably acquire a belated sense of urgency in the next year, and as our margin of leadership vanishes indulge again in crash programs in an effort to catch up. In the meantime our relative position will grow worse for at least 2 or 3 years. It will take that long for a sense of urgency today to have an effect on production of advanced aircraft. The "new look" in the Pentagon 2 years ago was a look at the defense dollar and not at defense needs. The dollar is still in power. As a result we are again in the old cycle, decried by the President, of feast and famine in the Armed Forces. The economies of the past 2 years soon will have to be erased by new expansions because the "new look" peered in the wrong direction.

Mr. SYMINGTON. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Soviet Now Calls Surprise Key Factor in Nuclear War," written by Harry Schwartz, and published in the New York Times of today.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOVIET NOW CALLS SURPRISE KEY FACTOR IN NUCLEAR WAR

(By Harry Schwartz)

A new emphasis on the importance of surprise attack in the age of nuclear weapons is being openly disseminated by Soviet military leaders in the Soviet press. The concept that such an attack by planes or guided missiles delivering atomic and hydrogen weapons may be decisive in war is apparently being incorporated in Soviet strategic doctrine.

This new emphasis on surprise attack and on the Soviet Union's ability to use it is a key point in recent articles by Marshall Alexander M. Vasilevsky, Deputy Defense Minister; Marshal Pavel A. Rotmistrov, chief of tank troops, and other Soviet military figures.

Coming in a period when the Soviet Union has demonstrated its possession of significant numbers of intercontinental jet bombers, the articles appear aimed at two goals: To readjust the thinking of Soviet military men to the new Soviet long-range attack capabilities and to warn the West that the Soviet Union will not hesitate to use its long-range bombers for blows on foreign soil if it deems it necessary to do so.

Marshal Rotmistrov and others writing in this vein quote with approval Lenin's statement that "an army would behave foolishly or even criminally if it did not prepare itself to master every kind of weapon, every means and device of warfare that is or can be used by the enemy."

The warning to the West is most explicit in a recent article by Lt. Gen. S. S. Shatilov, deputy chief of the Main Political Administration of the Ministry of Defense. He warns the "generals and admirals of the imperialist camp" to remember that "atomic weapons, and equally surprise acts, are double-edged weapons."

A major article spread over two pages of the Soviet Army newspaper Krasnaya Zvezda assails some of our military comrades who think only in defensive terms as victims of narrowminded, pacifist ideology. Soviet disclaimers of aggressive intent, the article continues, do not mean that in case of attack Soviet armed forces cannot transfer military activities to the territory of the enemy, cannot strike and destroy the aggressors everywhere, on whatever territory they are to be found.

That modern weapons have resulted in a change of Soviet military doctrine is indicated most explicitly by Marshal Rotmistrov. He attacks Soviet writings on military science for ignoring the importance of surprise attack under modern conditions and stressing only the old line that the permanently existing factors decide the fate of war. In Soviet parlance the "permanently existing factors" are such matters as a nation's economic strength and the state of its morale.

He adds: "The imperialist aggressors count on winning victories over the peace-loving states by means of surprise attack. This means that we must not passively react to this kind of military cadres with general considerations, but must seriously, with all conviction, reveal the growing role of surprise attack and raise the vigilance and fighting readiness of the entire personnel composition of the army, air force, and fleet."

As part of the new stress on the importance of surprise attack, General Shatilov demands that Soviet writers give an honest account of the confusion, chaos, and defeat suffered by the Soviet Union in 1941 following Hitler's attack. He accuses them of having presented an idealized picture of this period as one of active defense proceeding along planned lines, a picture he indicates is completely untrue.

Marshal Rotmistrov, General Shatilov, and other writers also demand a new attitude and respect for bourgeois military science. They call for recognition of the fact that the capitalist world can make advances that Soviet military men must know, and they condemn disdain for, and ignorance of, military thinking outside the Soviet bloc. They suggest that past undue depreciation of western military achievements and ability has tended to result in a complacent attitude dangerous for the Soviet Union.

Mr. SYMINGTON. Some of us are earnestly opposed to these planned further reductions in the military strength of the United States—and these are the reasons why:

Permanent world peace can only become a real hope provided some formula for disarmament and effective procedures to achieve such a goal, are developed.

All of us are certain ultimate success in this field depends upon the free world being able to participate in any such negotiations from a position of adequate military strength.

The history of the Communists, along with their recent rapid conquests, prove that all these ambitious atheists really respect is power.

We should be vary careful, therefore, about any plans for further unilateral disarmament, because as of now this country is the only country left which may be capable of successfully resisting the military strength of the Communists.

As the so-called theory of neutralism develops in many lands during this hydrogen age, we should also give careful consideration to the reaction among our allies and would-be allies, with respect to further military reductions by this country.

At the end of World War II America had developed the atomic bomb, along with the ability to deliver it against any possible enemy.

During the 5 years after the war we reduced our military strength, because at first we had confidence in our Communist allies. When that confidence began to appear misplaced, we were still nevertheless confident our known supremacy in this air-atomic power would prevent any attack.

In this belief we were wrong.

In June of that year the Communists attacked in Korea.

Just prior to the Korean war, one of the most influential voices for limited armament was the former Chief of Staff of the Army, then president of Columbia University, General Eisenhower.

This is important, because everyone I talked with who voted recently in committee for these further heavy reductions in certain parts of our military strength explained his vote on the

grounds President Eisenhower had approved these cuts in the interest of our economy.

But should we blindly trust the Eisenhower record in this matter?

Let us look at some of that record.

On March 29, 1950, less than 3 months before the Communists attacked in Korea, testifying before a Senate Appropriations Subcommittee, General Eisenhower said:

> Out of my personal regard for the economy of the country, I have strongly urged that that figure ($15 billion) not be exceeded. I believe we could work out an effective defense at that level.

This belief could not have been more wrong. Within a matter of weeks the Communists attacked in Korea; and soon the administration was asking of the Congress—and getting from the Congress—$60 billion annually instead of $15 billion.

In passing, I think it is worth while to note that the cost of the Korean war to the American taxpayer is estimated in a study made by the Library of Congress to have been more than $150 billion.

Now let us look at General Eisenhower's record with respect to air power. On that same day, before the same Senate committee, less than 3 months before Korea, he said:

> I then considered, and I still consider, that in the world situation, 48 well-equipped Regular groups, and some dozen, in the National Guard, would be probably a safe minimum.

But he was wrong again, as many of us felt, and stated, at that time.

Shortly thereafter came the Communist attack, and the administration asked for—and obtained—a doubling of National Guard air strength; and a tripling of Regular Air Force strength.

Let me read another excerpt from that same hearing, just before the Korean war, in which we suffered 137,051 casualties:

> Senator SALTONSTALL. You believe that this committee should take the responsibility, and the Congress should take the responsibility, to the utmost of its understanding, to keep the military budget within $15 billion, including stockpiling, but perhaps cutting down some of the other items where the military tell us we should go forward a little faster than perhaps we want to?
>
> General EISENHOWER. If you will allow me to testify in the capacity of a private citizen instead of a soldier, because I do not think that, otherwise, I should address you on what you should do with the money level, I do believe just that. I believe that within that amount, you can do it.

Within that level we most certainly could not do it, as the record proves.

The record is sad from the standpoint of the Air Force—but it is no better with respect to the Army, and Navy, and Marines.

Listen to this, from the same hearing:

> Chairman MCKELLAR. Did you feel that $13.2 billion overall budget was not enough?
>
> General EISENHOWER. Well, I testified not long ago before a committee of the House, and I told them that somewhere in the level looking toward $14 billion, I still believed, for military purposes, there was the possibility of meeting most of our situation pretty well. I believe we are fairly well on the line, the proper line between economy and security.

And then the Senator from Arkansas [Mr. MCCLELLAN] asked this question in that hearing—again, less than 3 months before Korea:

> Senator MCCLELLAN. * * * Based on your present judgment with respect to the current health and soundness of our economy, your opinion regarding the threat or imminence of war, or lack of such threat or imminence of war, and taking into account our present military strength, and the attitude and the policies and the preparation being made, and the military strength that is now being maintained by our potential enemies, do you consider our budget proposal for expenditures for national defense for 1951 adequate, and if not, how much would you add to it in appropriations?
>
> General EISENHOWER. Subject to the conditions I imposed a few minutes ago, sir, that it was a guess because I have not studied these things in detail, I believe there are certain features that I should say would cost us—I will give you a guess, because that is all it is—I would say I would add $500 million to the present budget, as I understand it now, but I would be determined to stay somewhere below the $15 billion which always, in my own mind, has represented the maximum, and I would be determined to stay well below that.

No one in this country has greater respect for General Eisenhower than I have, but in this particular case, along with many other people, he was wrong, because in a few weeks after this testimony we were at war.

Mr. THYE. Mr. President, will the Senator yield to me for a question?

Mr. SYMINGTON. I am glad to yield to the distinguished Senator from Minnesota. May I yield on the time of the other side, in order to save time for this side?

Mr. GOLDWATER. Mr. President, how much time does the Senator desire?

Mr. THYE. I have only one question. I do not believe it will require more than I minute.

Mr. GOLDWATER. I yield 1 minute to the Senator from Minnesota for a question.

Mr. THYE. My question is this: Could the diplomatic decision and the orders of the President withdrawing the fleet from the Korean area have indicated that we were not concerned with Korea, and could not such action well have encouraged the invasion of a part of North Korea, inspired by the Communists?

Mr. SYMINGTON. Mr. President, I will answer my good friend from Minnesota in this way. I do not know how many more people made errors. I do know, however, that almost daily General Eisenhower was in contact with the Secretary of Defense and almost weekly with the President of the United States with respect to the world problems.

Mr. THYE. I am sure that as president of a university, as President Eisenhower was at that time, he would not have been giving directions and making recommendations with respect to orders for the fleet, and so forth, as he would be as a member of the Joint Chiefs of Staff. I am in search of an answer to these questions, because I want to be in the position of assisting to furnish this Nation the defense which I believe it should have and must have.

Mr. SYMINGTON. I thank the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. SYMINGTON. In the budgets of the Pentagon, the three plans were called "Ike 1," "Ike 2," and "Ike 3," which shows in what close contact the distinguished president of Columbia University was with the Secretary of Defense. I am not saying that more than one person did not make mistakes, or vice versa.

As I did say, within a few weeks of this testimony we were at war, and within a few months the relatively unprepared military forces of the United States suffered the worst defeat in the history of our country.

Based on this record, is it right for us to follow blindly the present request for even further reductions in our military strength?

Smarting under the defeat in 1951 to which I have just referred, the Joint Chiefs of Staff came up with a new plan, one designed for the security of the United States, and based on the new knowledge of the Communist strength. That plan was inaugurated, and was being put into effect as rapidly as possible until the present administration took office.

As soon as President Eisenhower came into office, in the interest of economy the plan was promptly scrapped, by a new and totally inexperienced Secretary of Defense.

More than $7 billion was cut from the funds requested by the services, including over $5 billion from the Air Force. I might add at this point that most of the Air Force money has now been replaced, at great cost of money and time to the American people.

Before these cuts were made there was no discussion with the then Joint Chiefs of Staff, and the then Chairman of the Joint Chiefs, Gen. Omar Bradley, publicly announced his disagreement with the new policy, when he wrote that we had started to coast before we reached the top of the hill.

And we have been coasting down, to save money, every day until the recent incredible display of air power by the Soviet last month.

During 1953, many persons in high places in this administration devoted much time to warning that Indochina must be saved at all cost. So the Congress agreed to the request for over a billion dollars more to be spent in that country, and that billion was lost at the fall of Dien Bien Phu.

This was the period in which we first created, and then abandoned, such word weapons as massive retaliation.

Also during 1953, 1954, and now 1955, we continued, and are continuing, to cut our military strength heavily. And now in the Senate it is again requested that we approve heavy reductions in our Army and Marine Corps—these reductions to take effect during the fiscal year 1956.

As a former businessman, holding to the theory, as the Chinese say, that a picture is worth a thousand words, I call the attention of Senators to the

charts which are now on display in the rear of the Chamber. The first chart shows what has happened to the Air Force in recent years. At the beginning of the chart is shown the condition in which we were just prior to the beginning of the Korean war. The line shows what happened, as we move along to the top figure on the chart. Then, we started to reduce, cutting the $21 billion figure almost in half. The next year it went up a little, and the following year some more. Based on what is happening, we will again have to put that figure up somewhat higher.

From the standpoint of business and business experience, everyone knows that the ideal line is a straight line, because each time there is a change, up or down, it means that thousands of men must be occupied in changing millions of records, at a cost of hundreds of millions of dollars to the taxpayers. That is the result of what we call reprograming. Probably there is no organization in the world which understands reprograming better than the military service.

Now let us look at the Army chart. It starts with the figure $4.4 billions at the bottom of the chart. Then it goes up to $19.6 billions, and then to $21.3 billions. Then the trend is sharply downward: $15.2, $12.8, $7.8, and $7.3 billions. This trend also will undoubtedly have to be reversed.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. SYMINGTON. I yield myself 10 additional minutes.

Now let us look at the Navy chart. We note that the line goes up, down, up, down. Finally we have an overall chart which shows the damaging influence of all these changes, instead of the steady line we understood we would have in this administration. The last chart shows the combined figures for the three services together.

For the third straight year, therefore, despite the lesson of Korea, this administration is demanding further heavy reductions in our ground forces.

As stated, these reductions go squarely against previous recommendations of General Eisenhower's right arm in Europe, General Bradley. They also go against recent statements by General Gruenther, head of SHAPE.

On March 15 last in London in a talk widely published in the British press but not reported in a single newspaper in this country, General Gruenther said:

> I desire to emphasize that there is no evidence to justify the hope that (under atomic warfare) there will be a decrease in the numbers of men and equipment now considered necessary for the defense of the NATO territory. * * * The size of the unit and the tactics it employs will not reduce the overall land force requirements.

In an interview last February, Lieutenant General Gavin replied to the question whether the Army would need more men for the atomic battlefield, or fewer, by stating:

> Certainly not fewer, quite possibly more, almost certainly more.

General Matthew Ridgway stated his position before our committee. Now he is leaving the post of Chief of Staff of the Army, but he completely confirmed the position of his colleagues that the dispersion and mobility necessary in possible modern peripheral or nuclear war will require at least as many ground troops as have been necessary in previous wars.

For less than 10 percent of the money now being requested for foreign aid, the 109,000 trained troops scheduled to be eliminated next year could be retained.

In that connection, again speaking directly to the amendment, for less than 2 percent of that foreign aid, we could hold in service 22,000 Marine Regulars, every one of whom is a volunteer.

I believe in proper foreign aid, and in the vital importance of allies, and only use this illustration to show how relatively small—$329 million—is the amount which would be saved by discharging these 109,000 Army and Marine veterans at this time.

Let me emphasize that until now neither I nor, to the best of my knowledge, any other Member of the Senate has asked that Air Force appropriations be increased in the fiscal year 1956. But an attempt has been made to justify the proposed ground force reductions on the basis of a degree of Air Force supremacy which the now released truth shows conclusively is not true.

In that connection, I should like to say that the distinguished chairman of the subcommittee, the Senator from New Mexico [Mr. CHAVEZ], has in his possession a letter from the Department of the Air Force which states that they have the money with which to increase the production of fighter planes, and will do so when they consider it necessary. Of course the production of fighter planes should be increased, because fighter planes are used against bombers, not bombers against fighter planes, and therefore the production of fighter planes should be increased. In view of that statement in the letter, although I have prepared an amendment in connection with the production of fighter planes, I shall not offer it.

Mr. CHAVEZ. Mr. President, it was my purpose to submit the letter at the appropriate time. My reason for opposing one of the amendments of the Senator from Missouri was shown by the statement made a few moments ago by the Senator from Louisiana [Mr. ELLENDER], with respect to unobligated balances, both in the Army and in the Air Force. In this particular instance the Air Force has $3,350,000,000 in unobligated funds. That was one of the reasons why the chairman of the subcommittee did not feel he could agree to appropriations of new money for the Air Force at this time.

Mr. SYMINGTON. I thank the Senator from New Mexico. I believe he is correct.

Mr. CHAVEZ. The Air Force has $3,350,000,000 left.

Mr. WILEY. In appropriated funds?

Mr. CHAVEZ. Appropriated already and unobligated.

Mr. SYMINGTON. What we have asked for is that the American people be given the facts with respect to overall relative strength—our strength as against that of the Communists; and more specifically, the quantities of planes and the characteristics of the planes forming those quantities which were flown and reflown, in various formations, over Moscow last May.

Everybody in Moscow, including all residents of foreign embassies, had the opportunity to see the formations in question, and to photograph them.

A part of the truth about these flights was later confirmed by the Department of Defense, after more complete facts had been published in the press.

All of us know that partial truth is an evasion of truth.

Even as of today, however, the photographs of these planes have never been declassified and released to the American people, although in a press conference the Secretary of Defense might have been considered to have implied that said photographs would be released.

The request for more money to speed up the production of the long-range B–52's was made by the Department of Defense only after Senate Committees demanded the facts, and an authoritative magazine had released available details about the Moscow flights.

Could it be that one of the reasons this information was held back from the public was knowledge that additional money would almost automatically have to be asked for if the truth became known?

Many people have asked why, now that bomber production is to be increased, fighter production is not increased. The Communists are further ahead of us in the production of modern jet fighters than they are in modern intercontinental jet bombers, and fighters, not bombers, defend against bombers.

A reporter for an authoritative magazine said only last week that the Russian members of the Soviet team which recently spent a week inspecting United States and Canadian aircraft and engines on display at the Canadian International Trade Fair, stated that in the near future air demonstration over Moscow will display aeronautical models even more advanced than those seen over that city in May.

The Communists added:

> Compare what you see here in Canada with what we will show you later in Moscow, that will indicate the progress of our industry.

This statement was made during the month of June, an indication there are more Communist developments to come.

Whether or not the Communists have passed us in the engineering of most models, one thing is sure, they are getting production of their new models, and we are not.

Mr. LONG. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield.

Mr. LONG. Is it not a fact that although a great deal of money has been spent for fighter defense, we have never been able to receive any assurance that no matter how much we spend we can prevent enemy bombers from reaching this country? I believe that while the Senator from Missouri was Secretary of the Air Force, he made an estimate that we could intercept only approximately 30 percent.

Mr. SYMINGTON. There is a great deal of merit in what the Senator says, and I appreciate his comment.

Mr. LONG. Can the Senator give us any assurance that if we appropriated twice or three times what we are appropriating, we could prevent any more bombers from getting through?

Mr. SYMINGTON. The answer very possibly is, "No," especially as there is no known defense, even in theory, against the intercontinental atomic missile.

If the planned cuts in ground troops for 1956 were made on the basis of an air supremacy which the Moscow demonstration last month proves we do not now have, then how can these reductions be justified?

How can anyone argue against a reappraisal, and a postponement in the proposed reductions at least until that reappraisal has been completed?

Consider that, despite our worldwide commitments, our planned mobile combat forces are tens of thousands of troops smaller than the little army of South Korea, or the army of North Korea, or the Chinese Communist army stationed in North Korea; and millions less than the army of the Soviet Communists, or the army of the Chinese Communists.

On that basis, how can we plan to further reduce our own mobile divisions to 13?

Now that we know the Communists have both the hydrogen and atomic bombs, plus the capacity for intercontinental delivery, what capability for decisive strategic deterrence on the part of our Air Force is left?

Even when we had that power of deterrence, and the Communists did not, they attacked in Korea, and attacked in Indochina, and may well attack in the Formosa area.

This condition becomes even more true if we are as far behind in the development and production of what may be the ultimate weapon—the intercontinental ballistic missile—as so many of us think we are today.

I again ask, if these reductions were exactly right before we had the recent shocking revelations of additional Soviet air strength, how can they be exactly right now?

Before any further cuts of any kind are made in our Military Establishment, should we not reexamine our entire estimated relative strength as against the strength of the Communists?

"Relative" is the important word, because the fact that we are stronger today than in any other period of uneasy peace means exactly nothing.

Here is a rough accounting of our relative strength. The present plan is for the United States to have 15 combat Army divisions. Of these, 13 will be mobile. The Soviet Communists have 175 army divisions. The Chinese Communists between 200 and 400. Therefore the decrepancy against the United States is somewhere between 375 to 15 and 575 to 15. These figures do not include satellite armies of the Communists, or allied armies of the free world. On the surface of the sea the United States is supreme. Under the sea the Communists are far ahead. Secretary Thomas has announced the number of their submarines to be 375, which is far more than any country ever had in the world's history. Consider what these undersea craft might do to our lifelines all over the world.

Justification for further cuts next year in the Army, Navy, and Marine Corps, are now given by this administration on the basis of our air supremacy. But that supremacy is becoming more and more questionable.

Of the 5 chief categories of airpower—fighters, light bombers, medium bombers, heavy bombers, and missiles—the Soviet is ahead in 2, probably ahead in 2 more. The United States is ahead in one.

We are now told by the Department of Defense that the Soviet Communists have manufactured, and have in operation units, thousands more modern jet fighters than have the United States and the entire free world combined.

We are also told that the Soviet Communists have manufactured, and have in operation units, thousands more modern light jet bombers than the United States and the entire free world combined possess.

We have hundreds more modern medium size bombers than the Communists.

Latest knowledge would tend to show that the Communists have passed us in the production of modern long-range jet intercontinental bombers. Recently they had more flying in one display over Moscow then we have in operational units.

Any extrapolation based on facts convinces us the Communists are ahead in the missile field—well ahead with the intercontinental ballistic missile, the ultimate weapon at least in our time.

That is the accounting, the balance sheet.

Survival is more important than money.

Only recently we again lowered our guard. As a consequence the American people were forced to put up over $150 billion to pay for the Korean war which resulted.

But we still have the richest economy in the history of the world—after taxes.

In any case, why save money by taking it out of the Army and Marines if there are other places, to economize? And there are other places.

For many years some of us have been on record as urging that true unification would save a tremendous amount in the budget of the Department of Defense.

Instead of attacking the problem from the standpoint of proper management under true unification, however, this administration is now building a bureaucratic empire in the Pentagon unparalleled in the history of our Government.

In January, 1946, I went to the Pentagon as Assistant Secretary of War for Air. At that time there were 4 Secretaries in the Pentagon and 4 more across the river in the Navy Department—a total of 8 in the defense structure. That number, now considered so totally inadequate, nevertheless was enough to fight and win the greatest war in the history of the world.

The so-called unification law of 1947 was passed. It resulted in 4 departments instead of the previous 2 or the desired 1—exactly the opposite of the declared purpose of the bill. Now the number of secretaries has grown to the incredible figure of 31.

Mr. CHAVEZ. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield.

Mr. CHAVEZ. If the Senate now increases the number of personnel and the amount of money for the Department, they are likely to have 50 secretaries, are they not?

Mr. SYMINGTON. I will come to that very shortly, if the distinguished senior Senator from New Mexico will bear with me.

A recent talk made by an expert on the Unification Act included the following statement:

As the program seller says when you go to the ball park, "You can't tell the players without a program," so, by way of summing up—

There are a total of 31 officials within the Department of Defense who can be properly addressed as "Mr. Secretary."

Since I resigned as Assistant Secretary of Defense more than 4 years ago when there was only one "Mr. Secretary" at the Defense level, the Secretary of Defense himself—I hope you will understand why I enjoy this recital of some of the fruits of the economy program—for the Department of Defense.

One of the high officials of the Department of Defense was recently giving a speech in New York. In the course of the speech he referred proudly to the large number of civil-service employees dismissed since Charles Wilson became Secretary of Defense.

I am told former Secretary of the Air Force Finletter, who was in the audience, when called upon for comment at the conclusion of the speech, remarked that the reduction of civil-service employees would have been quite impressive—had it not been for the apparent policy of replacing each laid-off employee with an Assistant Secretary.

I would like to give you my views, for whatever value they may have, concerning the present setup with all of its "operating vice presidents" and "functional vice presidents"—including, I should add, the numerous Deputies and Assistants who revolve, like satellites, around all of these "vice presidents."

I think that there are so many of these "vice presidents" and "deputy and assistant vice presidents" that the organization is beginning to suffer from the sheer weight of their number. Prompt and decisive action is often prevented by the number of "vice presidents" who must be consulted.

Moreover, various treaties have had to be entered into between some of the Assistant Secretaries of Defense, in an effort to define the respective jurisdictional limits of, say, Assistant Secretary X and Assistant Secretary Y. One such treaty was published recently by the Bureau of National Affairs, and there have been other treaties of a similar nature that have not yet been published.

Let me read to you a single sentence from Secretary Wilson's report of March 31, 1955, to President Eisenhower, to which I referred a few moments ago.

In this report Secretary Wilson states:

"The task of building a stable defense establishment, adequate to meet the requirements of the years ahead and within the economic resources of the Nation, was only started during the past year."

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. SYMINGTON. I yield myself 3 more minutes.

If the project which Secretary Wilson described was, as he puts it, "only started during the past year, "then a lot of us must have been wasting a tremendous amount of time during the preceding 6 years or so.

Now let me read to you the following brief excerpt from testimony before the Woodrum committee by James Forrestal in April of 1944, at a time when Forrestal had been serving for approximately 4 years as Under Secretary of the Navy. In his testimony, Forrestal said:

"Organization charts are very fine things but they are of no value unless human beings, who have to make them work, have the necessary qualifications. Personally, whether in business or government, I would rather let the chart follow experience than the reverse."

This is a quotation from the first Secretary of Defense—an American patriot who quite literally laid down his life through overwork in the service of his country.

That constructive talk indicates where defense money might be saved without further sacrificing the military strength of the Nation.

If this administrative monstrosity were cleaned up at the top by true unification, the unification would extend all through the defense organization—and billions of dollars annually would be saved the American taxpayer.

Many other persons who have had business experience, and who have joined the staff at the Pentagon Building have said the same thing for years.

These times do not justify further unilateral disarmament.

We have committed ourselves to stop Communist aggression, all over the world.

The stated policy of this administration is to rely upon air supremacy and local defenses.

But recent events show we have nothing like the air supremacy to that degree once relied on.

Local defenses in Europe are vastly outnumbered; and from Formosa to Turkey—almost a third of the world—there are no local defenses worthy of the name.

Based on this record, we plead that in the face of these astounding recent Communist engineering and production accomplishments, the Senate approve no further decrease in our military strength and in the Marine Corps as examplified by the evidence given on the bill.

Mr. HILL. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I yield.

Mr. HILL. The time of the Senator has almost expired, but I wish to commend him heartily for his devoted and tireless efforts in behalf of the national defense. Particularly I thank him for the very enlightening, informative, and challenging address he has made today.

Mr. SYMINGTON. I thank the Senator from Alabama.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. MANSFIELD. I wish to join with my colleague, the senior Senator from Alabama, in commending the Senator from Missouri for his "laying it on the line" speech.

Is the Senate to understand, on the basis of the remarks made by the Senator from Missouri, that at present the Soviet Union is ahead of the United States in combat land forces, in undersea craft, in fighter craft in the air, and in bomber craft, with the exception of the B–47 bombers; and that the only phase in which the United States has superiority at present is its surface fleet. Is that the correct way in which to state our position?

Mr. SYMINGTON. If I am correct in understanding his question, I would answer the Senator from Montana by saying that the Soviet Union is far ahead of the United States on the ground and far ahead of us under the sea. The United States is supreme on top of the sea, thanks to the efforts of some of our colleagues now in the Chamber. I am thinking of people like the distinguished junior Senator from Georgia [Mr. RUSSELL] and the distinguished senior Senator from Virginia [Mr. BYRD], former members of the Committee on Naval Affairs.

Nevertheless, in the air we are in much worse relative shape than we were before.

In modern jet fighters, improved fighters over those used in Korea, the Soviet Union is far ahead of us, according to the testimony of representatives of the Department of Defense. In modern light jet bombers, also, the Soviet Union is far ahead of the United States.

In medium bombers, because of the development of the B–47, the United States is well ahead of the Soviet Union.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. SYMINGTON. I yield myself an additional 2 minutes.

In the matter of modern intercontinental jet bombers, it is a fact that the Soviet Union has recently flown over Moscow more of that type of plane in one formation than the United States has in operation today.

Finally, based on all analysis I can make, and I believe I have full information, the Soviet Union is well ahead of the United States in the intercontinental ballistics field, the field which should cause us the most concern.

I wanted to be careful to state the position in detail, in answering the question asked by the very able Senator from Montana.

Mr. MANSFIELD. I thank the Senator. I should say it is a very depressing answer.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. LEHMAN. I commend the Senator from Missouri for having made what I think is one of the most important and convincing speeches I have listened to in the Senate for a very long time.

Mr. SYMINGTON. I thank the Senator from New York.

Mr. LEHMAN. I am completely in accord with his point of view and his arguments in this matter. During the past 2 or 3 years we have continually assumed many additional obligations in Europe, in Asia, in the Middle East, and in other areas of the world. There can be no doubt whatsoever about that. Yet, simultaneously with the assumption of additional great responsibilities, we have constantly weakened our defenses and lessened our ability to meet the responsibilities which we have assumed and to which we are solemnly committed.

As the Senator from Missouri has so clearly stated, we are weaker today than we should be under the sea, on the land, and in the Marine Corps. There is very grave doubt whether we are continuing to hold our superiority in the air.

To me, it simply does not make sense for the United States, in the face of continuing serious threat, to weaken her defenses by further reductions in armament. I am vigorously opposed to such a policy. I strongly favor the amendment of the Senator from Missouri fixing the strength of our Marine Corps at 215,000 men. I go much further, too, and urge that we maintain the size of our Army and continue to increase very materially the strength and fighting potential of our Air Force. With our present inadequate military force we are threatening with a big stick which does not have the strength to defend us and our freedom.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. JOHNSON of Texas. I wish to express my very deep appreciation to the junior Senator from Missouri for making this very constructive and comprehensive statement. I also appreciate the fact that a substantial number of my colleagues on this side of the aisle heard him state the situation.

I should like to make this observation: Before voting on the amendment offered by the junior Senator from Missouri, an amendment which, if it shall not be adopted, will in effect result in reducing the Marine Corps, which is one of the finest fighting forces any nation ever had, by 22,000 men, I hope every Senator will stop, look, and listen.

Mr. SYMINGTON. I am very grateful to the distinguished senior Senator from Texas for those remarks.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. ERVIN. I should like to ask the Senator if the only justification which the administration gives for the drastic cuts in the Army, Navy, and Marine Corps is a nonexistent Reserve to be organized under a nonexistent law.

Mr. SYMINGTON. I would answer the distinguished senior Senator from North Carolina in this way: The Reserve program should be enacted; but, to the best of my knowledge, as of this moment the Senator is entirely correct.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield 5 minutes to the junior Senator from Mississippi.

Mr. STENNIS. I have viewed most of the entire military program as reflected in the pending appropriation bill, which provides for the military program for fiscal 1956. Also in the Committee on Armed Services I have seen unfolded this year most of the major parts of the future military program.

Pending before the Committee on Armed Services for future military construction is an authorization bill which calls for an expenditure of $2.3 billion. Of that amount, $255 million is for military housing alone. Undoubtedly that

is something which is desirable and is needed, but certainly it is something which is not absolutely essential, because our present force is getting along, in a measure, with the housing which is available.

This year Congress will be asked to appropriate for the next fiscal year $330 million for military housing alone. On top of that, we are cutting off 22,000 troops who are trained, ready, and willing to go into action in a matter of hours. Thereby, we shall save only $46 million. With all deference, that simply does not make sense. We are providing money for other programs I have mentioned, and I could continue to illustrate further. One hundred million dollars is provided in one bill simply for reserve tools—machine tools—which we are going to put in reserve for future use. That may be necessary. If so, I shall vote for it. But at the same time it emphasizes the utter fallacy, as I see it—and I cannot see it any other way—of the proposal to take out of circulation—dismembering and liquidating, so to speak—marines who are already trained. If the program goes through without this added appropriation, by the end of fiscal year 1953 we will have reduced the Marine Corps to the bare minimum of the 3 divisions now required by law, without leaving 1 single marine who is presently in service to be used as a replacement, should that be necessary.

Mr. BARKLEY. Mr. President, does the Senator have time to yield?

Mr. STENNIS. I yield very briefly.

Mr. BARKLEY. What has it cost the Government of the United States to train the 22,000 marines who will be discharged? In addition to all the other reasons against such reductions, what would we lose by way of expenses already incurred?

Mr. STENNIS. That is certainly a good point. I would not undertake to evaluate it, but merely for the first few months of the initial training of any soldier, it takes in the neighborhood of $2,000 to teach him the rudiments of military training. The marines to whom I have referred are already trained. They are familiar with action of all kinds. They are trained to be artillerymen, infantrymen, and everything else a marine is called on to be. The only excuse I have heard, in or out of committee, for such a reduction is that we are going to have a Marine Reserve, and that Reserve has been building up numerically. It is common sense that after a soldier returns to civilian life for a while, no matter how good a soldier he was, his muscles lose their hardness, and he does not have as quick an eye, and is not so good as a trigger man, as he formerly had. He needs months and months of training, not only for his own welfare, but for the general welfare. I am not willing, for the amount of money involved, even though there would be marines in reserve, to see happen again what happened in World War I and World War II, when men were put into action with only a little training. I am not willing to take a chance of weakening our ground forces. I still believe that initial battles are won by men on the ground. I cannot see any sense in reducing the Marine forces.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. STENNIS. My time has expired.

Mr. SYMINGTON. Mr. President, I yield the remainder of my time to the distinguished majority leader.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The Senator will state it.

Mr. JOHNSON of Texas. How much time remains to each side on the amendment?

The PRESIDING OFFICER. The Senator from Missouri has 15 minutes remaining to him. The Senator from California has 58 minutes.

Mr. JOHNSON of Texas. Mr. President, since we have only 15 minutes remaining on this side, and since my friends on the other side have 58 minutes, I wonder if they are willing to proceed at this time.

Mr. GOLDWATER. Mr. President, I yield 4 minutes to the distinguished Senator from Maine.

Mrs. SMITH of Maine. Mr. President, I have the greatest respect for the judgment and knowledge of the distinguished junior Senator from Missouri [Mr. SYMINGTON] on the subject of our Air Force. But in having that respect for him, I cannot support his attempt to discredit President Eisenhower as a capable analyst and evaluator of the defense needs of our country.

I do not consider President Eisenhower infallible. None of us are infallible, including the distinguished junior Senator from Missouri and myself.

In his attempt to discredit the defense judgment of President Eisenhower, the man who led us to victory in World War II, the distinguished junior Senator from Missouri has indulged in the luxury of hindsight. I do not begrudge him that luxury. But if he is to see fit to use it, then so may others.

So, in answer to his application of the luxury of hindsight in his attempt to discredit the military judgment of President Eisenhower in that period shortly preceding the Korean war, I would call his attention to the fact that only a few days before the outbreak of the Korean war, the then President of the United States, on whose team the Senator was serving as Secretary of the Air Force, publicly stated that we were nearer peace than we had been since the end of World War II.

As for the subject of the strength of the Air Force, I would call the attention of the distinguished junior Senator from Missouri to the fact that in the pre-Korean war period to which he has referred, the then President of the United States, in defiance of the will of the Congress and the legislation it had passed, deliberately put a 48-group ceiling on the Air Force after Congress had passed legislation providing for a 70-group Air Force.

While I recall that the distinguished junior Senator from Missouri initially took a strong stand for a 70-group Air Force at that time in his capacity as Secretary of the Air Force, I do not recall that he continued to publicly maintain that stand.

To the contrary, it is my impression that after President Truman and Defense Secretary Forrestal took their positions against a 70-group Air Force, the then Secretary of the Air Force chose not to proceed in defiance of his superiors on the Truman team, but rather abruptly terminated his public statements about the 70-group Air Force and accepted the decree of his superiors for a smaller Air Force.

I do not say that the distinguished junior Senator from Missouri was wrong in the revised stand he took. I have no criticism of it. But I recall it to the attention of the Members of this body for the purpose of perspective in this luxury game of hindsight about positions taken shortly prior to the outbreak of the Korean war. If we are to sit in judgment on the positions taken at that time, then let us apply the same standard to all—and also be aware of the position taken by those who now seek to discredit President Eisenhower for the position he took at that time.

Mr. SALTONSTALL. Mr. President, I ask the acting minority leader to yield some time to me.

Mr. JOHNSON of Texas. Mr. President, I should like to yield 1 minute at this time to the junior Senator from Missouri.

Mr. CHAVEZ. Mr. President, will the majority leader yield me half a minute?

Mr. JOHNSON of Texas. I promised to yield time to the Senator from Missouri.

Mr. CHAVEZ. Very well. I wanted to speak because it is not Truman or Eisenhower who is involved.

Mr. JOHNSON of Texas. I shall yield time to the Senator from New Mexico in a moment. I yield 1 minute to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, there is nobody on the floor of the Senate, in either party, for whom I have greater respect than I have for the senior Senator from Maine. I assure her I was not attempting to discredit anybody. I would respectively say that when it became obvious the Air Force was to be composed of only 48 groups, I resigned from the Air Force, and quietly gave that out as the reason for my resignation. I did not think that decision should preclude me from further effort to serve my country.

I should like to say to the distinguished senior Senator from Maine, whether she agrees with me in this case or not, that many people are fallible. Everybody may be fallible. I, therefore, hope that she will give deep consideration to this question because of her vast experience in the field of military strength, including the reserve field, and thereupon vote for the amendment which is now before the Senate. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from New Mexico.

Mr. CHAVEZ. I am extremely sorry the debate has come to this point. President Truman made history. President Eisenhower is making history. The pending bill is not based on who had the advantage when Truman was President

or whether President Eisenhower should have the advantage now. This bill is in the interest of the defense and the national security of the people of the United States, and I should like to have the bill remain that way.

The bill was unanimously reported by the full committee, without any consideration whatsoever as to which political party would have any advantage or would not have any advantage. I hope the Senate will consider the bill as one for the American people as a whole.

The cost of the bill will have to be paid by the American people, and the cost is not small. Let us try to keep the bill one for the entire Nation.

Mr. SALTONSTALL. Mr. President——

Mr. GOLDWATER. Mr. President, I yield 30 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 30 minutes.

Mr. SALTONSTALL. Mr. President, I wish to address myself to the question of the proposed manpower increase in the Marine Corps and the Army.

It is my understanding that the Senator from Missouri does not intend to submit an amendment regarding the Air Force, although he has discussed that subject.

I should like to ask the chairman of the subcommittee, the distinguished Senator from New Mexico [Mr. CHAVEZ], whether he intends to place in the RECORD, before the debate is concluded, the letter from Secretary Talbott, regarding the Air Force.

Mr. CHAVEZ. Yes, Mr. President, it is my purpose to place the letter in the RECORD, inasmuch as I think the letter covers present needs and present desires of the Air Force, and in my opinion Secretary Talbott honestly sent the letter to the chairman of the subcommittee. So it is my purpose to have the Senate, the House of Representatives, and all the American people have knowledge of the letter.

Mr. SALTONSTALL. I thank the Senator from New Mexico.

Mr. President, today we stand in a crosscurrent of world affairs. On the one hand, we find a growing hope on the part of some persons, deliberately encouraged by the Communists, that we are entering into an era of mutual understanding and enduring peace. On the other hand, we find growing apprehension on the part of other persons, again deliberately encouraged by the Communists, that the United States is falling behind in the race for military-technological supremacy.

At this time, hardheaded realism and calm perspective are needed. We should not permit ourselves to be taken in by mere Communist protestations of peace, and thus prematurely lower our guard. Neither should we permit ourselves to be panicked into hasty and ill-considered changes in our carefully planned and thoroughly considered military programs.

Mr. President, we must face the fact that defense expenditures in the vicinity of $34 billion a year—and perhaps more—will burden our national budget for years to come. This being so, we cannot deal solely on a year-by-year basis with the defense program if it is to be effective.

We must also face the fact that each of our military services is merely a part of our total military force. The appropriate size and structure of any one of the military services can be intelligently determined only in relation to the size and structure of the other military services and our defense problem as a whole.

In determining the overall size and composition of the military force required for our security in the years to come, we dare not overlook the fact that changes in the international situation and changes in the technology of warfare inevitably necessitate changes in our military strategy and in the proportioning of our total military force, in order to achieve the optimum balance among the various components of that force. In this regard, we must always keep in mind that there is no such thing as absolute security. National defense will always be a calculated risk, no matter how many billions of dollars we spend or how many millions of men we keep in uniform.

In achieving the proper balance in our military effort, the value of an additional man in the Army or Marine Corps must be equated with the value of an additional man in the Navy or the Air Force, and, for that matter, in the Reserve components. The benefits to be derived from additional expenditures for more manpower must be measured against the value of additional expenditures for more aircraft, more guided missiles, more research and development, more air bases, and so forth. The cost of more national defense must be weighed against the additional burden placed on the taxpayer and the effect on his incentive as a worker and a producer in our economic system. All these things must be weighed in the balance, in determining the size of any one of our military services.

This, I believe, is what President Eisenhower meant when he said, in his letter to Secretary of Defense Wilson:

> It is at this point that professional military competence and political statesmanship must join to form judgments as to the minimum defensive structure that should be supported by the Nation. To do less than the minimum would expose the Nation to the predatory purposes of potential enemies. On the other hand, to build excessively under the impulse of fear could, in the long run, defeat our purposes by damaging the growth of our economy and eventually forcing it into regimented controls.

Mr. President, who is in better position than President Eisenhower to make such judgment? Not only as President and Commander in Chief of our Armed Forces, but also as a man who has spent the greater part of his mature life in the military service of his country, and as a man who both in peace and in war has commanded great coalitions of military forces of many nations, he has acquired the background, the experience, and the facts upon which to base such judgments. No one can deny that.

In his letter to the Secretary of Defense, which appears on page 3 of the Senate Appropriations Committee hearings on the Department of Defense appropriations for fiscal year 1956, the President clearly states the concepts underlying his decisions on the military forces and programs proposed for the coming fiscal year. Briefly, they are as follows:

First. That the security of the United States is inextricably bound up with the security of the free world, and that growing reliance can be placed upon the forces now being built and strengthened with our help in many areas of the free world.

Second. That the threat to our security is a continuing and many-sided one; and that, so far as can be determined, there is no single critical "danger date," and no single form of enemy action to which we could soundly gear all our defense preparations.

Third. That true security for our country must be based on a strong and expanding economy, readily convertible to the tasks of war.

Fourth. That we should base our security upon military formations which make maximum use of science and technology, in order to minimize numbers of men.

Fifth. That our first objective must be to maintain the capability to deter an enemy from an attack, and to blunt that attack if it comes, by a combination of effective retaliatory power and a continental air-defense system of steadily increasing effectiveness.

Sixth. That we must also have forces to clear the ocean lanes and to meet critical land situations.

Seventh. That both in composition and in strength, our security arrangements must have long-term applicability.

Eighth. That in view of the practical considerations limiting the rapid development of major military forces from the continental United States immediately upon the outbreak of war, the numbers of active troops maintained for this purpose can be correspondingly tailored. For the remainder, we may look primarily to our Reserves.

Who in this Chamber will quarrel with these concepts? The military forces and programs recommended by the President in his fiscal year 1956 budget faithfully adhere to these concepts, and only in that context can we properly appraise the adequacy of the forces and military strengths proposed by the President.

Specifically, the President's budget for the coming fiscal year provides a total military personnel strength of 2,859,000 for June 30 of next year—or a net reduction of 102,000, or less than 3½ percent, from the estimated strength of 2,961,000 for June 30 of this year. During the coming fiscal year, the Air Force will increase in strength by 5,000—from 970,000 to 975,000; the Navy will reduce by 8,000—from 672,000 to 664,000, including officer candidates; the Marine Corps will reduce by 12,000—from 205,000 to 193,000; and the Army will reduce by 87,000—from 1,114,000 to 1,027,000, including West Point cadets.

There has been no controversy concerning the military personnel strength proposed for the Air Force for fiscal year 1956. The continued build-up of the Air Force clearly justifies the increase. There has been little discussion of the Navy but there has, however, been a good deal of controversy concerning the Army and Marine Corps reductions.

First, I would like to discuss the reduction in Marine Corps military personnel strength proposed in the President's fiscal year 1956 budget and reflected in the bill now before the Senate. This reduction amounts to 12,000, or 6 percent of the estimated June 30, 1955, strength. It is made possible in large part by lower personnel turnover expected in the coming fiscal year, a reduction in the personnel pipeline which will result from the return of a Marine division from Japan, and the elimination of marginal or less essential units or activities.

The Marine Corps, with an end strength of 193,000 men, will continue to support 3 divisions and 3 air wings at a high level of combat readiness. These forces, General Shepherd, Commandant of the Marine Corps, told us, "are ready to go into combat now, and will remain so during the coming fiscal year." The reduction in military personnel will not affect the readiness of the basic striking forces.

In this connection, it should be noted that in June 1950, the Marine Corps supported 2 divisions and 2 air wings with about 74,000 men. In fiscal year 1956, the Marine Corps will have a force just half again as large, but will have more than 2½ times the number of men it had in June 1950. Obviously, with even a reasonably good utilization of its manpower, the Marine Corps in fiscal year 1956 will be a vastly better manned and combat-ready force than it was in 1950.

Mr. STENNIS. Mr. President, will the Senator yield briefly for a question?

Mr. SALTONSTALL. I will yield if the distinguished acting minority leader [Mr. GOLDWATER] will give me a little more time. I have not sufficient time to complete my prepared remarks.

Mr. GOLDWATER. The majority leader has time of his own at his disposal, if he cares to yield.

Mr. SALTONSTALL. I would appreciate the opportunity of concluding my statement. Then I shall be glad to yield.

Mr. THYE. Mr. President, will the Senator yield, if the acting minority leader will yield time to the Senator? I should like to quote directly from General Shepherd's own statement at the committee hearing.

Mr. SALTONSTALL. I appreciate the Senator's cooperation, but I declined to yield to my friends on the other side of the aisle, and, under the circumstances, I think it is only fair not to yield to him.

Mr. THYE. I respect the decision of the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. I thank my friend.

There has been some confusion in the current discussions of the Marine Corps manning problem. It has been asserted, for example, that the 193,000 end strength provided in the President's fiscal year 1956 budget will enable the Marine Corps to man its units at only about 80 percent of full strength. Yet, General Shepherd says that the basic striking forces of the Marine Corps "are ready to go into combat now, and will remain so during the coming fiscal year."

What has not been brought out clearly in the debate on Marine Corps manning is the fact that the three Marine divisions, a major part of the force, will be manned during fiscal year 1956 at 100 percent of war strength, a higher level of manning than that achieved a year ago, when the Marine Corps had a total strength of about 224,000 men.

The other major element of the Marine Corps, the three air wings, will be manned at better than 80 percent of full war strength, a level of manning which compares very favorably with similar units in the Navy air arm and in the Air Force.

The reason why units of this type can be manned at less than war strength when not actually engaged in combat is that their peacetime operation does not require the full complement of men in such categories as ammunition loaders, medical detachments, aircraft repair, and so forth.

The manning levels planned for the fiscal year 1956 will, however, permit these air units, in the event of a war emergency, to operate at full combat rates for an initial period of time within which reinforcements can be provided. This also applies to those supporting type units of the Marine Corps which will be manned below full war strength.

There is absolutely no basis for the contention that the cut of 12,000 men will impair the ability of the Marine Corps to do its job. General Shepherd has stated categorically "we can do the job." The only adverse effect of this cut, he said, will be to diminish "somewhat the staying power of our combat forces." But at the same time he pointed out, "In any major emergency the Marine Corps relies heavily on its reserve component." This reserve, by end of fiscal year 1956, will number 51,000 men, or 19,000 more than in December 1954, and, in the words of the Commandant of the Marine Corps, "stands ready to be called in as they were in the case of Korea, in a period of a month or 6 weeks."

This is possible because the Marine Corps reserves will be integrated into the active forces as individuals and not as units.

On the basis of all the evidence, it would appear that the Marine Corps, as usual, has the situation well in hand.

The largest manpower cut proposed in the President's fiscal year 1956 budget, both numerically and proportionately, falls on the Army. During the coming fiscal year the active duty strength of the Army will be reduced by about 87,000 men. However, and this is very important, only 22,000 of this reduction will come from the combat units—a cut of only 4 percent. The balance of 65,000 will come from "overhead"—service units, support forces, training, and pipeline.

Admittedly, "overhead" troops are necessary, but they are not the men who do the fighting. Reductions in this area, to the extent they do not impair the effectiveness of the combat forces, should be enthusiastically encouraged by the Senate.

The large proportion of our total military strength in "overhead" categories has long been a matter of major concern to this body. About 3 years ago, a Senate committee, under the chairmanship of the present distinguished majority leader, made a thorough study of this very problem. The committee found a high degree of waste in the utilization of manpower by the Armed Forces.

Since that time, it is fair to say, the services have made excellent progress in improving the utilization of their military manpower. The Army ranks high in this regard and the measure of its progress can be found in the dramatic reduction in the ratio of noncombat to combat personnel. At the end of fiscal year 1953, the Army had about 2 noncombat personnel for each man in the combat units—966,000 noncombat personnel versus 567,000 in combat units. By the end of fiscal year 1956, this ratio will be about 1-for-1—525,000 noncombat personnel versus 502,000 in combat units. To put it another way, the Army from June 30, 1953, to June 30, 1956, will decline in total numbers by 506,000, but 411,000, or fully 87 percent of the total reduction, will be in the noncombat category.

To an important degree, the end of combat operations in Korea contributed to this reduction, particularly in training and pipeline. However, the full extent of this reduction could not have been achieved without major improvements in the organization, management, and utilization of military personnel, and for this the Army is entitled to full credit. Here are some specific examples of such improvements:

First. The Army is conducting a continuing review of tables of organization and distribution to eliminate unnecessary or marginal positions. Such reviews during the 6-month period July-December 1954, for example, have enabled the Army to eliminate over 30,000 military positions, principally in the support area.

Second. The Army is substituting civilian personnel in place of military personnel wherever economical and not detrimental to combat effectiveness or the requirement for the rotation of military personnel between overseas and continental United States assignments. In one current project, Operation Teammate, for example, the Army is replacing 12,000 military personnel in its supporting forces with civilians.

Third. Wherever possible, the Army is continuing the use of foreign nationals in place of United States military personnel overseas.

Fourth. Since June 30, 1953, the Army has extensively reorganized its training establishment, consolidating and reducing the number of separate schools, con-

solidating and shortening many courses, reducing student waiting time prior to commencement of classes, and eliminating excessive travel time to and from schools.

Fifth. Only last year the Army devised and put into effect a new rotation program called Gyroscope. Under this program men will rotate overseas with their units and will stay with these units until they complete their terms of service, or, if they are career personnel, until the unit returns home. This will greatly reduce the number of individual moves and the in-transit pipeline as well as provide the stability of assignment so necessary as a career incentive. Under the same program 3 combat divisions will engage in individual training during their tour of duty in continental United States, and will receive their new men directly from induction stations, thus reducing the number of moves and time in travel status.

Sixth. In 1954 alone the Army conducted 766 manpower-utilization surveys of units and organization in the United States and overseas. These surveys not only resulted in the reduction of military spaces, but in civilian personnel as well.

While the number of men on full-time duty with the Army will decline by 87,000 in the fiscal year 1956, the number on drill-pay status in the Army Reserve forces will increase by 90,000, to a total of 644,000. This increase in Ready Reserve forces is not dependent on the new Reserve legislation now before the Congress.

I do not wish to imply that this increase of 90,000 in Ready Reserve forces is a man-for-man substitute for the reduction of 87,000 in the Army's active duty strength. Nevertheless, the increase in Ready Reserve forces adds materially to the overall strength of the Army.

In all fairness to the men who devote their time and effort to the Reserve programs, we must recognize the contribution they make to our national defense. Our Reserve forces are not all they could and should be, but neither are they completely devoid of combat effectiveness. Even today, the Ready Reserve forces of the Army represent a significant part of our overall military strength, and the addition of 90,000 to their number is a measurable increase in that strength.

Although the reduction in military personnel in the combat units of the Regular Army amounts to only about 4 percent, some realinement of forces will nevertheless be required. The Army will have 18 divisions at the end of the coming fiscal year, compared with 20 at the present time, but the number of antiaircraft battalions will be significantly larger. These divisions will be well manned during fiscal year 1956. All combat divisions deployed in Europe and the Far East will continue to be manned at 100 percent of wartime strength and ready for combat.

Furthermore, certain other combat divisions located in the United States, which would be required for deployment overseas in the early months of an all-out war, will also be manned at 100 percent of wartime strength and maintained at a high level of combat readiness. Most of the remaining combat divisions of the Army in the United States will be manned at full strength, but because they will be heavily engaged in training activities, their combat readiness will vary from time to time.

A few Army divisions will not be manned at full strength, but General Ridgway, Chief of Staff of the Army, has stated that, "back in the continental United States there can be a certain percentage accepted as a reasonable risk below full strength in some units."

It has been proposed that the military personnel strength of the Army be continued through the coming fiscal year at the estimated June 30, 1955, level of 1,114,000. The justification for this change is that it will permit the Army to maintain the present 20 divisions instead of reducing to 18. Why specifically 1,114,000 men and 20 divisions? The answer is quite obvious. It is the number of men and divisions we are supposed to have by the end of this month.

Many people have apparently forgotten that the Army at the close of the Korean war had no more than 20 divisions, 6 of which were committed to the Korean battlefront. Hostilities in Korea ended 2 years ago. It certainly does not seem reasonable to me to insist that the Army, now, must have the same number of divisions it had when this Nation was engaged in a large-scale shooting war in Korea. The reduction of 2 divisions contemplated in the fiscal year 1956 budget does not appear to me to be out of line with the reduction in the Army's task represented by the end of hostilities in Korea.

It has been argued that the retention of the 20 divisions should encourage our allies by indicating that the United States intends to remain strong and active in their support. The President's program full recognizes that the security of the United States is inextricably bound up with the security of the free world. But the President's program also recognizes that the defense of the free world is a collective undertaking and that each of the nations participating in this collective defense should contribute those forces which they can best contribute in view of their particular capabilities.

The United States has made a special effort in recent years to develop forces which would best complement the military contributions of our allies. For example, the United States is placing major emphasis on airpower, particularly retaliatory airpower, because only the United States and, to a lesser extent, the United Kingdom are in a position to provide this type of extremely complex and costly military forces.

The fiscal year 1956 budget proposed by the President provides for a continued buildup of the strategic airpower of the Air Force and the striking power of the naval air arm. These forces are not only being strengthened in numbers but in quality as well. In the Air Force, the medium bomber units have now all been converted to jet and conversion of the heavy bomber units to jet aircraft will soon start. In the Navy, the new Forrestal-type carriers will soon begin to join the fleets and the modernization of the older-type attack carriers is nearing completion. All carriers are being equipped with newer and improved aircraft, while at the same time the potentialities of the seaplane are being actively explored.

For our own protection we must also provide for a steady buildup in our air defense forces. The fiscal year 1956 budget reflects an increase in the continental defense forces of all three services.

While most of our allies have little or no capability for the provision of the more complex air and naval forces, they do have the capability, with our help, of providing suitable ground forces and some tactical air and local naval forces.

Since 1949 the Congress has made available for military assistance to our allies a total of $19 billion, of which about $11 billion has actually been delivered. This aid has produced good results.

In Europe, where in the summer of 1950 the members of the Atlantic Alliance had only about 14 divisions and less than 1,000 aircraft, the NATO forces have been increased several-fold. More importantly, the combat power of these forces has been increased in far greater proportion than in numbers. The present forces are much superior in equipping, training, and facilities and are much better organized and deployed for the common defense of Europe.

The NATO forces now in being constitute a very effective defensive shield which could be penetrated only by an all-out effort on the part of an aggressor. This, in itself, is an effective insurance against a so-called accidental or unpremeditated war, which is one of the grave dangers the world faces.

The combat power of the NATO forces will continue to grow as military assistance now programed is delivered and as the recipient nations improve their own defense production capability and the organization and training of their military forces. In 2 or 3 years the German contribution should begin to be effective, further improving the combat power of the NATO forces.

In the Far East, significant forces—almost all ground—have been developed, particularly in Korea and Formosa, and to a lesser extent in Japan, the Philippines, and the free nations of southeast Asia. In 1950 these nations had little or no military forces of any consequence. With our help these forces will continue to grow in numbers and in quality. Substantial United States military assistance is presently programed for the free nations in that area of the world.

The United States is also helping certain nations in the Middle East to develop their military forces. Except for Turkey, this effort is just beginning, but results are already apparent.

Mr. President, at this point in my remarks I ask unanimous consent to insert in the RECORD a table showing the allocation of military personnel which clearly illustrates the points I have made. First I ask unanimous consent to have printed the table relating to the Army.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Allocation of military personnel by functional category, actual June 30, 1953, and projected June 30, 1955, and June 30, 1956

[In thousands]

ARMY

Category	June 30, 1953		June 30, 1955		June 30, 1956	
	Number	Percent	Number	Percent	Number	Percent
Operating forces	797	52	750	67	702	68
Supporting forces	237	15	167	15	159	15
Training base	381	25	149	13	125	12
Transients, etc	119	8	49	4	41	4
Total [1]	1,534	100	[2] 1,114	100	1,027	100

[1] Totals may not add due to rounding.

[2] The figure shown in the fiscal year 1956 budget was 1,102,000. Army, end fiscal year 1955, strength was subsequently increased by 12,000. For purposes of this table, the same percentage distribution by category has been assumed.

Mr. SALTONSTALL. I discussed a similar table relating to the Marine Corps. The table which has just been put into the RECORD relates to the Army. If the President's program is adopted, the Army operating forces will be increased from 67 percent to 68 percent, an increase of 1 percent, even with the contemplated reduction. The supporting forces will remain the same, at 15 percent. The training base will be reduced 1 percent, from 13 percent to 12 percent. The transients, and others, will remain the same, at 4 percent. Therefore the net result, if the program is adopted, will be to increase the operating forces by 1 percent, and to decrease the training base by 1 percent. Otherwise the situation remains exactly the same.

At this point I ask unanimous consent to have printed in the RECORD the tables with reference to the Navy, Marine Corps, and Air Force.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Allocation of millitary personnel by functional category, actual June 30, 1953, and projected June 30, 1955, and June 30, 1956

[In thousands]

NAVY

Category	June 30, 1953		June 30, 1955		June 30, 1956	
	Number	Percent	Number	Percent	Number	Percent
Operating forces	504	63	400	60	390	59
Supporting forces	143	18	123	18	120	18
Training base	109	14	108	16	112	17
Transients, etc	39	5	42	6	42	6
Total [1]	794	100	672	100	664	100

MARINE CORPS

Category	June 30, 1953		June 30, 1955		June 30, 1956	
	Number	Percent	Number	Percent	Number	Percent
Operating forces	148	59	134	65	119	62
Supporting forces	31	12	22	11	21	11
Training base	41	16	31	15	36	19
Transients, etc	30	12	18	9	17	9
Total [1]	249	100	205	100	193	100

AIR FORCE

Operating forces	486	50	553	57	588	60
Supporting forces	196	20	148	15	139	14
Training base	257	26	242	25	230	24
Transients, etc	38	4	28	3	18	2
Total [1]	978	100	970	100	975	100

[1] Totals may not add due to rounding.

Mr. SALTONSTALL. Mr. President, it can be seen from these tables that the proportion of military personnel in the operating forces of the Army will increase from 52 percent on June 30, 1953, to 68 percent by June 30, 1956. The percentage of military personnel in the operating forces of the Navy will decline somewhat because of the heavy training load the Navy anticipates in the coming fiscal year. In the Marine Corps, the percentage of military personnel in the operating forces will increase from 59 percent on June 30, 1953, to 62 percent by June 30, 1956. In the Air Force, the percentage of military personnel in the operating forces will increase during the same period from 50 to 60 percent.

Mr. President, I remind the Senate that to maintain the higher strengths proposed for the Army, we shall have to draft twice the number of young men presently planned for fiscal year 1956. The Congress has the power and, indeed, the duty to demand from our young men a contribution of their time and effort in the military service of their country. But do we have the duty, do we have the moral right to tear these young men away from their homes and families, to disrupt their studies or civilian careers when the need for their services in our military forces has not been indisputably established?

The President of the United States, Commander in Chief of our Armed Forces and former Chief of Staff of the Army, told Congress in his budget message, without any equivocation whatsoever, that in his judgment the forces provided in that budget "are accurately adjusted to the national needs." If ever there were a man uniquely qualified to form such a judgment, he is that man. Himself a product of the Army, deeply attached to its ways and traditions, but now in a position to view our problem of national defense in its full perspective, President Eisenhower has recommended to the Congress and to the people of this country an Army of 1,027,000 men for June 30, 1956.

Mr. President, I shall vote in support of President Eisenhower's Army program, and the entire military program of which it is a constituent part. In the best interests of our Nation, I strongly urge my colleagues on both sides of the aisle to do the same.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. CHAVEZ. Of course all of us wish to cooperate with the President, but, as I recall the testimony of General Ridgway, is it not a fact that he testified before the committee that he believed the President's budget report and the testimony given by Secretary Wilson were entirely different? General Ridgway testified that he did not agree with that testimony.

Mr. SALTONSTALL. The Senator is correct, as always. I would say that General Ridgway, of course, was asking for more men in the Army. I, too, would take his position if I were in the Army and were nervous as to what might be expected of me. General Ridgway, however, testified that the men in our Army might be used in areas of the world where I, for one, would never vote to send them, namely, to such places as Quemoy and the Matsus, and so forth.

Mr. CHAVEZ. The only point I wish to have clearly made in the RECORD is that so far as our Defense Department is concerned, the military men did not agree with the budget requests, whereas the civilian officials of the Defense Department agreed with the budget requests. That is the only point I wish to make.

Mr. SALTONSTALL. Admiral Radford, the Chairman of the Joint Chiefs

of Staff, General Twining, and Admiral Carney, agreed with the President's budget. General Ridgway very frankly testified that he would like to have more men in the Army.

Mr. CHAVEZ. Is it not a fact that while it is true that General Twining did agree, he did so very reluctantly, and he thought he needed more money than Secretary Talbott had requested?

Mr. SALTONSTALL. I will say to my friend that every department wants more money than the Bureau of the Budget allows. The President must take all the requests together and do what he thinks is best.

Mr. CHAVEZ. I do want to keep the RECORD straight. The testimony before the committee——

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. KNOWLAND. Mr. President, what is the time situation on this amendment?

The PRESIDING OFFICER. The Senator from Texas has 14 minutes, and the Senator from California has 23 minutes.

Mr. KNOWLAND. Mr. President, I yield three minutes to the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. THYE. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield for a question.

Mr. THYE. The Senator from Massachusetts has yielded for a question. I should like to make a brief comment, and then ask a question.

Mr. President, I wish to commend the distinguished Senator from Massachusetts, who is the ranking Republican member on the Armed Services Committee, and, therefore, has not only considered in that committee the question of military strength and manpower, but he has also been a member of the Appropriations Committee, so that he has studied the question from an appropriations standpoint. I commend him for making a clear statement on the manpower question, not only as it relates to the Marines, but as it relates to the other Armed Forces.

I should like to read a portion of the testimony of General Shepherd, appearing on page 136 of the hearings, wherein, in answer to a question, he made the following statement:

General SHEPHERD. During the next 2 years our plans call for the involuntary release of 179 officers in fiscal year 1956, and 151 officers in fiscal year 1957. To retain these officers on active duty we would require an additional estimated amount of $1,245,000 for fiscal year 1956, and approximately $807,000 for fiscal year 1957. Enlisted marines present a different picture. During the next 2 years the Marine Corps does not plan to separate involuntarily any qualified enlisted marines. The reenlistment program instituted by the Marine Corps is designed to insure that every enlisted marine who meets the standards of a career marine is encouraged to remain in the service.

Senator ROBERTSON. How much for just noncommissioned officers?

General SHEPHERD. Noncommissioned officers are included in my preceding statement concerning retention of enlisted personnel. All qualified noncommissioned officers are being encouraged to remain in the Marine Corps.

On page 115 General Shepherd stated specifically that the Reserve program was an advance over what the Department had anticipated, and what ultimately developed. He said:

This submission will support the growth of the drill pay Reserve from about 63 percent to 80 percent of the personnel goal by the end of fiscal year 1956.

So, Mr. President, the distinguished Senator from Massachusetts was giving us a factual report not only as a member of the Armed Services Committee, but as one of the senior members of the Appropriations Committee.

Mr. SALTONSTALL. I thank the Senator from Minnesota.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, with an amendment; that the House insisted upon its amendment, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MURRAY, Mr. DAVIS of Georgia, and Mr. REES of Kansas were appointed managers on the part of the House at the conference.

FEDERAL EMPLOYEES PAY BILL, 1955

Mr. JOHNSON of Texas. I ask the Chair to lay before the Senate the message from the House of Representatives on the Federal classified pay bill.

The PRESIDING OFFICER (Mr. SCOTT in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, which was, to strike out all after the enacting clause, and insert:

That this act may be cited as the "Federal Employees Salary Increase Act of 1955."

SEC. 2. (a) Section 603 (b) and section 603 (c) of the Classification Act of 1949, as amended (65 Stat. 612; 5 U. S. C., sec. 1113 (b) and (c)), are amended to read as follows:

"(b) The compensation schedule for the General Schedule shall be as follows:

"Grade	Per annum rates						
GS-1	$2,690	$2,775	$2,860	$2,945	$3,030	$3,115	$3,200
GS-2	2,955	3,040	3,125	3,210	3,295	3,380	3,465
GS-3	3,170	3,255	3,340	3,425	3,510	3,595	3,680
GS-4	3,415	3,500	3,585	3,670	3,755	3,840	3,925
GS-5	3,665	3,800	3,935	4,070	4,205	4,340	4,475
GS-6	4,080	4,215	4,350	4,485	4,620	4,755	4,890
GS-7	4,520	4,655	4,790	4,925	5,060	5,195	5,330
GS-8	4,965	5,100	5,235	5,370	5,505	5,640	5,775
GS-9	5,440	5,575	5,710	5,845	5,980	6,115	6,250
GS-10	5,915	6,050	6,185	6,320	6,455	6,590	6,725
GS-11	6,385	6,600	6,815	7,030	7,245	7,460	
GS-12	7,570	7,785	8,000	8,215	8,430	8,645	
GS-13	8,985	9,200	9,415	9,630	9,845	10,060	
GS-14	10,320	10,535	10,750	10,965	11,180	11,395	
GS-15	11,610	11,880	12,150	12,420	12,690		
GS-16	12,900	13,115	13,330	13,545	13,760		
GS-17	13,975	14,190	14,405	14,620			
GS-18	14,800						

"(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

"Grade	Per annum rates						
CPC-1	$1,945	$2,010	$2,075	$2,140	$2,205	$2,270	$2,335
CPC-2	2,600	2,675	2,750	2,825	2,900	2,975	3,050
CPC-3	2,745	2,830	2,915	3,000	3,085	3,170	3,255
CPC-4	2,955	3,040	3,125	3,210	3,295	3,380	3,465
CPC-5	3,200	3,285	3,370	3,455	3,540	3,625	3,710
CPC-6	3,440	3,525	3,610	3,695	3,780	3,865	3,950
CPC-7	3,695	3,805	3,915	4,025	4,135	4,245	4,355
CPC-8	4,020	4,155	4,290	4,425	4,560	4,695	4,830
CPC-9	4,460	4,595	4,730	4,865	5,000	5,135	5,270
CPC-10	4,905	5,040	5,175	5,310	5,445	5,580	5,715

"(2) Charwomen working part time shall be paid at the rate of $2,900 per annum, and head charwomen working part time shall be paid at the rate of $3,050 per annum."

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at one of the scheduled or longevity rates of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding scheduled or longevity rate in effect on and after such date;

(2) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate between two scheduled or two longevity rates, or between a scheduled and a longevity rate, of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

(3) If the officer or employee (other than an officer or employee subject to paragraph (4) of this subsection), immediately prior to the effective date of this section, is receiving basic compensation at a rate in excess of the maximum longevity rate of his grade, or in excess of the maximum scheduled rate of his grade if there is no longevity rate for his grade, he shall receive basic compensation at a rate equal to the rate which he received immediately prior to such effective date, increased by an amount equal to the amount of the increase made by this section in the maximum longevity rate, or the maximum scheduled rate, as the case may be, of his grade until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such act, as amended; or

(4) If the officer or employee, immediately prior to the effective date of this section, is receiving an existing aggregate rate of compensation determined under section 208 (b) of the act of September 1, 1954 (Public Law 763, 83d Cong.), he shall receive an aggregate rate of compensation equal to such existing aggregate rate, increased by an

amount equal to the amount of the increase made by this section in the maximum longevity rate of his grade until he (A) leaves such position, or (B) is entitled to receive aggregate compensation at a higher rate by reason of the operation of any other provision of law; but when such position becomes vacant the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. For the purposes of section 208 (b) of the act of September 1, 1954 (Public Law 763, 83d Cong.), the amount of such increase shall be held and considered to constitute a part of the existing aggregate rate of compensation of such employee; or

(5) If the officer or employee, immediately prior to the effective date of this action, was in a position for which the rate of compensation is fixed under section 603 (c) (2) of the Classification Act of 1949, as amended, and at such time he was receiving basic compensation at a rate in excess of the rate provided for his position under such section, he shall receive basic compensation at a rate equal to the rate he was paid immediately prior to such effective date increased by an amount equal to the amount of the increase made by this section in the rate for like positions under such section 603 (c) (2) until he leaves such position; but when such position becomes vacant the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such section.

(c) Each officer or employee—

(1) (A) who with his position has been transferred, at any time during the period beginning January 1, 1952, and ending on the date of enactment of this act, from the Crafts, Protective, and Custodial Schedule or the General Schedule to a prevailing rate schedule pursuant to the Classification Act of 1949 or title I of the act of September 1, 1954 (Public Law 763, 83d Cong.), or (B) who, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this act, transferred from a position subject to the Classification Act of 1949, as amended, to a position subject to a prevailing rate schedule;

(2) who at all times subsequent to such transfer was in the service of the United States (including the Armed Forces of the United States) or of the municipal government of the District of Columbia, without break in such service of more than 30 consecutive calendar days and, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, without break in service in excess of the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia;

(3) who is on such date of enactment being compensated under a prevailing rate schedule; and

(4) whose rate of basic compensation is less on such date of enactment than the rate to which he would have been entitled on such date of enactment if such transfer had not occurred (unless he is receiving such lesser rate by reason of an adverse personnel action resulting from his own fault),

shall be paid basic compensation at a rate equal to the rate which he would have been receiving on such date of enactment (including compensation for each within-grade and longevity step-increase which he would have earned) if such transfer had not occurred until the day immediately following such date of enactment, for all time in a pay status on and after the effective date of this section in a position subject to a prevailing rate schedule under the circumstances prescribed in this subsection, until (A) he leaves the position which he holds on such date of enactment, or (B) he is entitled to receive basic compensation at a higher rate under a prevailing rate schedule; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with prevailing rate schedules.

(d) The rate of basic compensation of each officer or employee who, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this act, became subject to the Classification Act of 1949, as amended, at a rate of basic compensation which was fixed on the basis of a higher previously earned rate or which was established under authority of section 803 of the Classification Act of 1949, as amended (68 Stat. 1106; 5 U. S. C., sec. 1133), and which is above the minimum rate of the grade of such officer or employee, shall be adjusted, retroactively to the date on which he became subject to such act, on the basis of the rate for that step of the appropriate grade of the appropriate compensation schedule contained in this section which corresponds numerically to the step of the grade of the compensation schedule for such officer or employee which was in effect (without regard to this act) at the time he became subject to the Classification Act of 1949 as in effect immediately prior to the effective date of this section.

(e) The last sentence of section 704 of the Classification Act of 1949, as amended, is amended to read as follows: "Notwithstanding subsection (b) (4) of section 703, longevity step-increases for grade 15 of the General Schedule shall be the same as those for grade 14 of the General Schedule."

SEC. 3. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U. S. C., sec. 102 (a) (2)), section 3656 of title 18 of the United States Code, the second and third sentences of section 603, section 604 (a) (5), or sections 672 to 675, inclusive, of title 28 of the United States Code are hereby increased by amounts equal to the increases provided by section 2 of this act in corresponding rates of compensation paid to officers and employees subject to the Classification Act of 1949, as amended.

(b) The limitations of $10,560 and $14,355 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the paragraph under the heading "Salaries of Supporting Personnel" in the Judiciary Appropriation Act, 1955 (Public Law 470, 83d Cong.), or in any subsequent appropriation act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this act.

(c) Section 753 (e) of title 28 of the United States Code (relating to the compensation of court reporters for district courts) is amended by striking out "$6,000" and inserting in lieu thereof "$6,450."

SEC. 4 (a) Each officer and employee in or under the legislative branch of the Government whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 7.5 percent of the aggregate rate of his rate of basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948, the provisions under the heading "Increased pay for legislative employees" in the Second Supplemental Appropriation Act, 1950, the act of October 24, 1951 (Public Law 201, 82d Cong.), and any other provision of law.

(b) Section 2 (b) of the act of October 24, 1951 (Public Law 201, 82d Cong.), is amended by striking out "$11,646 per annum unless expressly authorized by law" and inserting in lieu thereof "the highest per annum rate of compensation paid under authority of the Classification Act of 1949, as amended, unless expressly authorized by law."

(c) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses), the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the Legislative Counsel of the Senate, the Legislative Counsel of the House of Representatives, and the Coordinator of Information of the House of Representatives are hereby increased by 7.5 pecent.

(d) The limitations in the paragraph designated "Folding documents" under the heading "Contingent Expenses of the House" in the Legislative Appropriation Act, 1955 (Public Law 470, 83d Cong.), are hereby increased by 7.5 percent.

SEC. 5. Section 66 of the Farm Credit Act of 1938 (48 Stat. 269) is hereby amended to read as follows:

"SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of $14,620 per annum."

SEC. 6. (a) Each of the minimum rates of salary contained in section 3 (d), the maximum rate of salary contained in the second sentence of such section 3 (d), and each of the maximum and minimum rates of salary contained in section 7, of the act of January 3, 1946 (Public Law 293, 79th Cong.), as amended (38 U. S. C., secs. 15b (d) and 15f (a)), are hereby increased by 7.5 percent.

(b) Each of the rates of salary contained in section 3 (e) and section 3 (f) of such act of January 3, 1946, as amended (38 U. S. C., secs. 15b (e) and (f)), is hereby increased by 7.5 percent.

(c) Each of the rates of salary increased by subsections (a) and (b) of this section shall be rounded, as so increased, to the nearest $5 per annum, counting $2.50 per annum and over as $5 per annum.

(d) Section 8 (d) of such act of January 3, 1946, as amended (38 U. S. C., sec. 15g (d)), is amended by striking out "$12,800" and inserting in lieu thereof "$13,760."

SEC. 7. Each of the rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946, as amended, is hereby increased by 7.5 percent. Each such rate as so increased shall be rounded to the nearest $5 per annum, counting $2.50 per annum and over as $5 per annum.

SEC. 8. (a) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U. S. C., sec. 665), the rates of compensation of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of compensation are fixed by administrative action pursuant to law and are not otherwise increased by this act are hereby authorized to be increased, effective on or after the first day of the first pay period which began after February 28, 1955, by amounts not to exceed the increases provided by this act for corresponding rates of compensation in the appropriate schedule or scale of pay.

(b) Nothing contained in this section shall be deemed to authorize any increase in the

rates of compensation of officers and employees whose rates of compensation are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(c) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of compensation may be fixed by administrative action.

SEC. 9. Nothwithstanding any other provision of this act, (1) no rate of compensation or salary which is $14,800 or more per annum shall be increased by reason of this act and (2) no rate of compensation or salary shall be increased by reason of this act to an amount in excess of $14,800 per annum.

SEC. 10. (a) Retroactive compensation or salary shall be paid by reason of this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this act, except that such retroactive compensation or salary shall be paid (1) to an officer or employee who retired during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act for services rendered during such period and (2) in accordance with the provisions of the act of August 3, 1950 (Public Law 636, 81st Cong.), as amended, for services rendered during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act by an officer or employee who dies during such period.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

SEC. 11. Notwithstanding any provision of this act or of the Postal Field Service Compensation Act of 1955, no individual subject to the Classification Act of 1949, as amended, whose rate of basic salary is increased by reason of section 701 of the Postal Field Service Compensation Act of 1955, shall be entitled to receive payment of any increase under the provisions of the Classification Act of 1949, as amended by this act, for any period for which he is entitled to receive an increase in basic salary under section 701 of the Postal Field Service Compensation Act of 1955.

SEC. 12. (a) Section 505 of the Classification Act of 1949, as amended (68 Stat. 1105; 5 U. S. C., sec. 1105), is amended to read as follows:

"SEC. 505. (a) No position shall be placed in grade 16, 17, or 18 of the General Schedule except by action of, or after prior approval by, a majority of the Civil Service Commissioners.

"(b) Subject to subsections (c), (d), and (e) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum number of positions (not to exceed 1,200) which may be in grades 16, 17, and 18 of the General Schedule at any one time, except that under such authority such maximum number of positions shall not exceed 325 for grade 17 and 125 for grade 18. The United States Civil Service Commission shall report annually to the Congress the total number of positions established under this subsection for grades 16, 17, and 18 of the General Schedule and the total number of positions so established for each such grade.

"(c) The number of positions of senior specialist in the Legislative Reference Service of the Library of Congress allocated to grades 16, 17, and 18 of the General Schedule by reason of the proviso contained in sec. 203 (b) (1) of the Legislative Reorganization Act of 1946 (60 Stat. 836; 2 U. S. C., sec. 166 (b) (1)) shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

"(d) The Comptroller General of the United States is authorized, subject to the procedures prescribed by this section, to place a total of 25 positions in the General Accounting Office in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

"(e) The Director of the Federal Bureau of Investigation, United States Department of Justice, is authorized, without regard to any other provision in this section, to place a total of 37 positions in the Federal Bureau of Investigation in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b)."

(b) Positions in grades 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, shall remain, on and after such effective date, in their respective grades, until other action is taken under the provisions of sec. 505 of the Classification Act of 1949 as in effect on and after such effective date.

(c) The following parts of laws and parts of reorganization plans are hereby repealed:

(1) Section 710 (a) of the Defense Production Act of 1950 (64 Stat. 819; 50 App. U. S. C., sec. 2160 (a));

(2) That part of section 401 (a) of the Federal Civil Defense Act of 1950 (64 Stat. 1254; 50 App. U. S. C., sec 2253 (a)) which reads as follows: "and subject to the standards and procedures of that act, to place not more than 22 positions in grades 16, 17, and 18 of the General Schedule established by that act, and any such positions shall be additional to the number authorized by section 505 of that act;";

(3) Section 108 of the Supplemental Appropriation Act, 1951 (64 Stat. 1064; Public Law 843, 81st Cong.);

(4) The fourth paragraph under the heading "General Accounting Office" contained in title I of the Independent Offices Appropriation Act, 1952 (65 Stat. 274; Public Law 137, 82d Cong.), as amended by the fourth paragraph under the heading "General Accounting Office" contained in title I of the Independent Offices Appropriation Act, 1953 (66 Stat. 399; Public Law 455, 82d Cong.), and by the proviso under the heading "General Accounting Office" contained in title I of the Independent Offices Appropriation Act, 1955 (68 Stat. 280; Public Law 428, 83d Cong.; 31 U. S. C., sec. 52a), which reads as follows: "The Comptroller General of the United States hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 5 positions in grade GS–18, 2 positions in grade GS–17, and 12 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the General Accounting Office previously allocated under section 505. The authority granted herein shall not be construed to require or preclude the reallocation of any positions in the General Accounting Office previously allocated under section 505.";

(5) That part of the paragraph under the heading "Renegotiation Board" and under the subheading "Salaries and Expenses" contained in chapter V of the Second Supplemental Appropriation Act, 1952 (65 Stat. 763; Public Law 254, 82d Cong.; 50 App. U. S. C. sec. 1217a), which reads as follows: ": *Provided*, That the Board is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place not more than 5 positions in grades 16, 17, or 18 of the General Schedule established by said act, and such positions shall be in addition to the number authorized by said section";

(6) That part of section 606 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952 (65 Stat. 600; Public Law 188, 82d Cong.), which reads as follows: "The Director of the Federal Bureau of Investigation, United States Department of Justice, hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place 2 positions in grade GS–18, and 7 positions in grade GS–17, in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the Federal Bureau of Investigation previously allocated under section 505.";

(7) That part of the paragraph under the heading "Federal Bureau of Investigation" and under the subheading "Salaries and Expenses" contained in title II (the Department of Justice Appropriation Act, 1953) of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1953 (66 Stat. 557; Public Law 495, 82d Cong.; 5 U. S. C., sec. 300e), which reads as follows: ": *Provided further*, That the Director of the Federal Bureau of Investigation hereafter is authorized, without regard to the Classification Act of 1949, to place 20 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949";

(8) Section 806 of the Supplemental Appropriation Act, 1954 (67 Stat. 429; Public Law 207, 83d Cong.);

(9) Section 737 of the Department of Defense Appropriation Act, 1955 (68 Stat. 357; Public Law 458, 83d Cong.; 5 U. S. C., sec. 171d–2);

(10) That part of the paragraph under the heading "Bureau of the Budget" contained in title I of the Independent Offices Appropriation Act, 1955 (68 Stat. 273; Public Law 428, 83d Cong.; 31 U. S. C., sec. 16b), which reads as follows: ": *Provided*, That the Bureau of the Budget is authorized, without regard to section 505 of the Classification Act of 1949, to place 2 additional positions in grade GS–18 and 2 additional positions in grade GS–17 of the General Schedule established by said act";

(11) That part of the paragraph under the heading "Saint Lawrence Seaway Development Corporation" contained in chapter VIII of the Supplemental Appropriation Act, 1955 (68 Stat. 818; Public Law 663, 83d Cong.; 33 U. S. C., sec. 984a), which reads as follows: "; and the Administrator is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place not more than four positions in grades 16, 17, or 18 of the General Schedule established by said act, and such positions shall be in addition to the number authorized by said section";

(12) That part of the paragraph under the heading "President's Advisory Committee on Government Organization" contained in chapter IV of the Second Supplemental Appropriation Act, 1954 (68 Stat. 25; Public Law 304, 83d Cong.), which reads as follows: ": *Provided*, That the Committee is authorized, without regard to section 505 of the Classification Act of 1949, to place

1 position in grade GS–17 of the General Schedule established by said act";

(13) That part of section 602 (a) of the act entitled "An act to provide for greater stability in agriculture; to augment the marketing and disposal of agricultural products; and for other purposes," approved August 28, 1954 (68 Stat. 908; Public Law 690, 83d Congress; 7 U. S. C., sec. 1762 (a)), which reads as follows: ", and the Secretary of Agriculture may place not to exceed 8 positions in grade 16 and 2 in grade 17 of the General Schedule of the Classification Act of 1949, as amended, in accordance with the standards and procedures of that act and such positions shall be in addition to the number authorized in section 505 of that act";

(14) Section 228 of the National Housing Act (68 Stat. 609; 12 U. S. C., sec. 1702a);

(15) The second paragraph of section 606 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952 (65 Stat. 601; Public Law 188, 82d Cong.; 5 U. S. C., sec. 152c);

(16) That part of the third proviso of the first paragraph under the heading "General Provisions" contained in chapter XI of the Third Supplemental Appropriation Act, 1952 (66 Stat. 121; Public Law 375, 82d Cong.; 5 U. S. C., secs. 245a, 295b, 483–1, 592a–2, 611c), which reads as follows: "shall be placed in the highest grade set forth in the general schedule of such act without regard to section 505 (b) of such act, as amended, and shall be in addition to the number of positions authorized to be placed in such grade under such section,"; and

(17) That part of the paragraph under the heading "United States section, St. Lawrence River Joint Board of Engineers" contained in chapter IX of the Third Supplemental Appropriation Act, 1954 (68 Stat. 90; Public Law 357, 83d Cong.), which reads as follows: "*Provided*, That, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, one position under the United States section of said Joint Board of Engineers may hereafter be placed in grade GS–16 in the General Schedule established by that act:".

(18) That part of section 3 of Reorganization Plan No. 1 of 1952, effective March 15, 1952 (66 Stat. 823; 5 U. S. C., sec. 133z–15 note), which reads as follows: ", except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105)";

(19) That part of section 4 (a) of Reorganization Plan No. 5 of 1952, effective July 1, 1952 (66 Stat. 826), which reads as follows: ", except that the compensation for not to exceed 15 such offices at any 1 time may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949 (5 U. S. C. 1105)"; and

(20) That part of section 1 (d) of Reorganization Plan No. 8 of 1953, effective August 1, 1953 (67 Stat. 642; 5 U. S. C., sec. 133z–15 note), which reads as follows: ", except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105)".

SEC. 13. (a) Except as provided in subsection (b) of this section, this act shall take effect as of the first day of the first pay period which began after February 28, 1955.

(b) This section and sections 8, 10, 11, and 12, shall take effect on the date of enactment of this act.

(c) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in rates of compensation or salary which result from the enactment of this act shall be held and considered to be effective as of the first day of the first pay period which begins on or after the date of such enactment.

Mr. JOHNSON of Texas. I move that the Senate disagree to the amendment of the House, agree to the conference asked by the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. JOHNSTON of South Carolina, Mr. NEELY, Mr. PASTORE, Mr. CARLSON, and Mr. JENNER conferees on the part of the Senate.

DEFENSE DEPARTMENT APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

Mr. KNOWLAND. Mr. President, I yield 12 minutes to the Senator from Arizona [Mr. GOLDWATER].

Mr. GOLDWATER. Mr. President, it is not with great ease that I disagree with my good friend, the junior Senator from Missouri [Mr. SYMINGTON]. He and I have much in common in that we both have a high and deep regard for the United States Air Force. But, Mr. President, inasmuch as the Senator has brought the President's name into the picture, I think it is proper at this time, that we look at the record.

Before I refer to this particular part of the record I should like to say that I agree with the Senator from Missouri that we need unification in our armed services; but I suggest that if we approach the question at hand with the idea that it is a pie to be divided into three parts, we do not promote unification, but get further and further away from it.

The Senator from Missouri spoke of testimony which the President gave in 1950. There was a man speaking as a civilian and speaking in peacetime. Who could foresee Korea in 1948 or in 1949? Certainly, very few people in this country dreamed that the time might come when we would be engaged in hostilities in Korea, and not the least were those who were charged with responsibility for the management of our Air Force, because in 1947, when that organization became a separate unit, it had 305,000 men at full strength, and in 1950 that figure had been increased only to 411,000.

If President Eisenhower is to be charged with responsibility for the failure to have an adequate Air Force in the Korean war, I think we should look at the record of the Air Force as it was then conducted. At the outset of the Korean war we had no fighter force. We were using outmoded F–51's. At Kelly Field there are literally thousands of those aircraft "pickled," as we call it. Some of them had to be shipped overseas. President Eisenhower did not order those airplanes to be "pickled." He did not say not to send F–80 outfits to Korea. We were using what I would term experimental aircraft, the F–82. Certainly, President Eisenhower did not recommend that.

In the light-bomber field we had obsolete B–26's, made over from airplanes used in World War II. All the B–29's, with the exception of those which were used in this country, were "pickled" and standing on the desert near Tucson, Ariz. Certainly the President did not recommend that they be withheld from the use of our Air Force.

We had so neglected our tactical air training that we had to rely upon the always efficient Marine Air Force.

One of the most glaring examples of the misuse of men and equipment in our history occurred in the early stages of the Korean war. At the time of the outbreak we had 84 National Guard squadrons in combat readiness. Of these, 66 squadrons were used for active duty, but only 2 wings of this potential force saw service in northern Japan and in Korea, although all the men did see action in Korea under the rotation system.

I have always felt that had we used the air power embodied in the National Guard at that time the war could have been won in the first 6 months. General Eisenhower or gentleman Eisenhower, or whatever he may have been called at that time, did not say, "Do not send the National Guard air squadron over to Korea."

The Senator from Missouri said in his remarks to the Senate:

> As mentioned, within a few weeks after this testimony we were at war—and within a few months the relatively unprepared military forces of the United States had suffered the worst defeat in the history of our country.

President Eisenhower did not tell General MacArthur to stop; neither did President Eisenhower tell General Clark to stop. But someone in the preceding administration, someone in Washington, stopped the Unitel States from winning a military victory in Korea. I think that some day those guilty will have to be brought to task. But I do not like to see President Eisenhower charged with any of the reverses in Korea, when he personally had nothing at all to do with them.

We read on page 5 of the speech delivered by the junior Senator from Missouri that—

> Also during 1953, 1954, and 1955, we continued, and are continuing, to cut our military strength heavily.

That does not jibe with the actual figures. It does if one does not take into consideration the total military strength, but we should recognize that there has been unification. It is time that we in the United States recognize that the chief strength of our national strategy is our Air Force, and that we have our other forces as requisites of the Air Force.

Mr. President, I ask unanimous consent to have a table printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Air Force appropriations and wing strength

Fiscal year	New obligating authority [1]	Authorized end-year strength [2]	Actual end-year strength
	Millions		
1950	$4,596	58 groups	48 groups.
1951	15,896	87 (95-wing program)	87 wings.
1952	22,265	95 (more than 95-wings program)	95 wings.
1953	20,346	128 (143-wing program)	106 wings.
1954	11,409	115 (120-wing interim program)	115 wings.
1955	11,558	120 (137-wing program)	121 (estimated).
1956 [3]	14,530	131 (137-wing program)	

[1] Includes cash and contract authorization.
[2] Authorized strengths are those strengths programed for the end of the fiscal year at the time the last appropriations acts were passed for that fiscal year.
There has been only one actual authorization act as distinguished from appropriations acts. This was Public Law 604, July 10, 1950, which authorized 70 groups. Before the end of that fiscal year, however, Congress had appropriated money for 87 wings toward the 95-wing program.
[3] Recommended by the President. It does not include funds for real-estate acquisition and construction to be submitted at a later date. Air Force will probably receive an additional $900 million for these purposes.

Mr. GOLDWATER. Mr. President, since 1953 when the Republican administration came into office, the size of the Air Force has increased from 106 wings to 124 wings. By the end of 1956 it should reach the estimated 131 wings of a 137-wing program.

It is time that Americans, especially American military planners, looked to the Air Force as the center of our national strategy.

Field Marshal Montgomery, who is one of the greatest experts in the conduct of land warfare, has recently said there will be three phases in a future war.

The first phase, which will last 1 day, will involve the question of air superiority.

The second phase, which will last another 24 hours, will be the destruction of strategic targets in the enemy area.

The third phase, which likewise should last 1 day, will be the threat of overwhelming airpower in the execution of any cease-fire or armistice which may be offered.

I speak with all respect for my friend from Missouri. As I said before, I know he shares my interest in this organization. We have heard too much talk throughout the country in the last 2 weeks to the effect that the United States might have a second-rate Air Force. I do not believe the Russians are midgets, 3 feet high, with brains the size of a pea; neither do I think the Russians are 9 feet tall, with brains the size of a bucket. I think they are ordinary people—people like ourselves.

If we can build supersonic jet fighters, so can they. If we can build intercontinental jet bombers, so can they. I think that whatever we can do, they can do.

When previous wars have started, we were at a decided disadvantage in weapons. But I submit that if war ever comes between these two great countries—and we hope it will never come—there will be pretty much of a standoff in the matter of weapons.

In connection with the question of airpower, I wish to call attention to this factor: The Russians have never dropped a strategic bomb. If someone says, "That is nothing; anyone can drop a bomb"; then I suggest that the person who makes such a statement would not know anything of the hundreds of thousands of men and the endless hours, days, and weeks of planning which go into the dropping of one strategic bomb.

So far as I know, the Russians have never engaged in the practice of mid-air refueling. That is something in which the United States excels.

I end my statement by calling the attention of the Senate to the fact that wars are won by men. Men have always won our wars. In the past we may have entered wars with inferior equipment; but we will not enter any future war with inferior equipment.

When we hear persons in high places criticize our Air Force, we ought to think of the feeling of the boy who sits at the radarscope in the front of a B–47 for 16, 20, or 24 hours. He must think, "Why should I spend my time doing this, when persons in high places belittle my efforts and say that the United States has a second-rate Air Force, that it does not have a prime Air Force?"

It does harm to the personnel of our armed services for us to criticize on the basis of weapons, when we should be calling attention instead to the history of the strength of our manpower, which has grown through the years. We should be encouraging the men in the armed services, instead of criticizing them.

I suggest to the Senator from Missouri that if he wants to help improve the picture, he and his colleagues should join in a determined effort to have the Reserve bill pass the Senate, because our country cannot hope to continue to win wars, if it declares them without adequate Reserves, even though the wars be only of 2 or 3 days duration.

A real Reserve bill will mean the difference between success or failure in a war to keep the peace of the world.

VISIT TO THE SENATE BY THE GREAT FALLS, MONT., HIGH SCHOOL BAND

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from Montana [Mr. MANSFIELD] 1 minute on the bill.

Mr. MANSFIELD. Mr. President, I know that the Members of the Senate are aware of the fact that high school students from surrounding States come to Washington every spring. But it is seldom that a group of high school students, especially members of an outstanding high school band comes from the Far West and, incidentally, from my old home town of Great Falls, Mont., to visit the Nation's Capital. The Congress of the United States is indeed fortunate to have had this band give an outstanding concert on the Capitol steps this morning.

I am proud, honored, and privileged that in the gallery at this time are members of the Great Falls, Mont., high school band, some 82 in number, under the talented leadership of Mr. Paul Shull. They are accompanied by 21 chaperons from Montana.

This is one of the outstanding high school bands in the entire country. They have been honored by invitation to appear before the Lions International Convention at Atlantic City. The Lions Clubs of Great Falls and Montana, and the citizens of Great Falls and vicinity have generously subscribed an amount sufficient to make this trip possible.

I should like to ask the members of this outstanding band to rise and receive the greetings of the Senate. We, of Montana, are very proud of them and their accomplishments.

(The members of the band rose and were greeted with applause, Senators rising.)

Mr. ROBERTSON. Mr. President, will the Senator from Montana yield for a comment?

Mr. MANSFIELD. I yield.

Mr. ROBERTSON. As I returned to the Capitol this morning, I heard the band playing. Someone asked me, "What band is that?"

I replied, "I do not know, but it sounds to me like the Army Band."

Mr. MANSFIELD. I thank the Senator, in behalf of the Great Falls high school band, and want to assure him we appreciate his remarks. Personally, I thought the comparison should have been with the United States Marine Band because of the affinity to John Philip Sousa between the two groups.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a list of the members of the band.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

THE MEMBERSHIP OF THE GREAT FALLS, MONT., HIGH SCHOOL BAND

(Leader: Mr. Paul Shull)

GIRLS

Alene Altenbach, Laverna Jones, Phyllis Snodgrass, Mrs. Mundale, Marilyn Olsen, JoAnne Tesarek, Sharon Emmett, Mrs. Dehon, Barbara Landgren, Jordis Erickson, Kathy Goudie, Mrs. Whyte, Myrel Ensley, Jill Bateman, Sharon Pellett, Mrs. Olson, Sandi Knudsen, Donna Davis, Dolly Mears, Mrs. Roberts, Sharon McLaughlin, Ruth Grandy, Shirley Vukasin, Mrs. Altenbach, Joyce McDonah, Pennee Kuno, Marjorie White, Mrs. Tonkovich, Karen Weismann, Joan Welch,

Pat Washburn, Mrs. Shull, Faith Petty, Ylonne Stevenson, Joanne Bazal, Mrs. Bachelder, Stacey Barkhurst, Suzanne Hawkes, Lynn Hemsing, Mrs. Hemsing, Bev Mundale, Shirley Remsh, Shirley Gillette, Janice Remsh, Judy Crago, Maxine Nordby, Mrs. Hilde, Ardis Jarrett, Carol Kugelard, Pat Mann, Ruth Jones, Carol Hautala, Joan Blanchard, Mrs. Knudsen.

BOYS

Gary Hindoein, Keith Good, Jack Tonkovich, Mr. Shull, Don Dehon, Duane Threlkeld, Ted Hodges, Mr. Threlkeld, Lee Foster, Chuck Pannage, Bob Makela, Mr. Roberts, Larry Holtz, Dave Sebens, Harold Stephens, Mr. Bachelder, David Hilde, Jack Holtzberger, Irving Weissman, Mr. Dehon, Don Holm, Jerry Polich, Lyle Thomas, Lowell Wandke, Glenn Whyte, Bob Lingscheit, Bob Lindquist, Mr. Tonkovich, Dan Lesh, Jack Weber, Phil Gerhart, Mr. Altenbach, Joe Roberts, Bob Gray, Bill Rogers, Leroy Waugh, David Baker, Duane Olson, Tom Annau, Larry Nemec, Russ Lindquist, Joel McVey, Dayton Misfeldt, Mr. Olson, Dan Bachelder, Wayne Simpson, John Olson, Mr. Mundale.

DEATH OF FORMER SENATOR D. WORTH CLARK

Mr. WELKER. Mr. President, it is with a sense of sorrow and deep sadness that I announce to the Senate the death of David Worth Clark, of Boise, Idaho, who formerly served in the United States Senate with honor and dignity.

Senator Clark first came to Washington as a United States Representative. He then became a United States Senator. He was born in Idaho Falls, Bonneville County, Idaho, on April 2, 1902, the son of a prominent family and nephew of one of Idaho's greatest families. He attended the public school of Idaho Falls.

Later he was graduated from the University of Notre Dame, South Bend, Ind. Following that, he was graduated from the law department of Harvard University, Cambridge, Mass., in 1925.

The late Senator William E. Borah held Senator Clark in high esteem—even though of opposite political faith Senator Clark was known as a protege of Senator Borah.

He was assistant attorney general of Idaho from 1933 to 1935, when he was elected, as a Democrat, to the 74th and 75th Congresses, and served from January 3, 1935, to January 3, 1939. He did not seek renomination to the House of Representatives because he was a successful candidate for the United States Senate, having been elected to the Senate in 1938.

He served in the Senate from January 3, 1939, to January 3, 1945.

Mr. President, I doubt that in the history of politics there has been a more friendly, nicer, kinder campaign than that which I was privileged to enjoy when I sought to defeat this able statesman. We used to meet in different places of Idaho and have luncheon and breakfast together. His spirit of campaigning was simply this: Let me win if I can, but only on high-minded principles. Our friendship never lessened, and I am flattered to say that D. Worth Clark visited me personally on his many trips to Washington, D. C.

There are many Members of the Senate who served with Worth Clark. I know their hearts are filled with sympathy for his lovely widow, Virgil, and his charming daughters and their children who have respectively suffered the loss of a fine husband, father, and grandfather.

Mr. President, Idaho has lost a great statesman in the passing of D. Worth Clark. Most assuredly I have lost a true friend.

Death cannot kill that which never dies, so we have some consolation in knowing that the benefits resulting from his untiring work for the State of Idaho and the Nation will not be lost. This Nation needs men like D. Worth Clark, who came from one of the great pioneering families of the State of Idaho.

I am sure that God in his infinite wisdom will richly reward his faithful servant, D. Worth Clark.

Mr. DWORSHAK. Mr. President, I join with my colleagues in expressing profound sorrow over the passing of former Senator D. Worth Clark, of Idaho. For a quarter of a century I had been acquainted with the late Senator, and although we belonged to opposing political parties, I always found him to be a formidable champion of sound political principles as a conservative Democrat.

During the years from 1939 to 1945, when he served as a Senator from Idaho, I was a Member of the House of Representatives, and we had occasion to cooperate frequently in promoting the interests and welfare of our State. Senator Clark's services in the Congress were characterized by a fearless independence which won him wide acclaim. This was particularly true when he was serving in the House of Representatives and joined in active opposition to the ill-fated court-packing plan of 1937.

Senator Clark came from a family which won distinction in public service and he upheld that tradition by his devoted service to his country as a public official. I join with colleagues of the late Senator and with his host of friends in Idaho in expressing our sorrow, and in extending condolences to his family on the passing of a distinguished American.

Mr. NEUBERGER. Mr. President, I wish to associate myself with the remarks made by the Senator from Idaho regarding the late Senator Clark. He was a personal friend of mine, with whom I went on several interesting fishing trips into the beautiful State of Idaho. I join in the tribute to former Senator Clark, and in the condolences to the late Senator's family and friends.

DEFENSE DEPARTMENT APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. How much time remains to each side on the amendment?

The PRESIDING OFFICER. The majority leader has 12 minutes remaining, and the minority leader has 8 minutes remaining.

Mr. JOHNSON of Texas. I ask unanimous consent that I may suggest the absence of a quorum, without the time being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Monroney
Allott	Gore	Morse
Barkley	Hayden	Mundt
Barrett	Hennings	Neely
Beall	Hickenlooper	Neuberger
Bender	Hill	O'Mahoney
Bennett	Holland	Pastore
Bible	Hruska	Payne
Bricker	Ives	Purtell
Bush	Johnson, Tex.	Robertson
Butler	Johnston, S. C.	Russell
Byrd	Kefauver	Saltonstall
Capehart	Kennedy	Schoeppel
Carlson	Kilgore	Scott
Case, N. J.	Knowland	Smathers
Case, S. Dak.	Kuchel	Smith, Maine
Chavez	Langer	Smith, N. J.
Curtis	Lehman	Sparkman
Daniel	Long	Stennis
Douglas	Magnuson	Symington
Duff	Malone	Thurmond
Dworshak	Mansfield	Thye
Ellender	Martin, Iowa	Watkins
Ervin	Martin, Pa.	Welker
Flanders	McCarthy	Wiley
Frear	McClellan	Williams
Fulbright	McNamara	Young

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as a representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate to attend the funeral of a friend.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, I yield 4 minutes to the senior Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 4 minutes.

Mr. SALTONSTALL. I thank the minority leader.

Mr. President, the pending amendment relates to the Marine Corps. No one can be more enthusiastic than I am about the Marine Corps. Our problem is to make the Marine Corps as efficient as possible in carrying out the President's program.

I wish to point out 1 or 2 facts which I believe are very important and are not generally known.

In reducing the Marine Corps from 205,000 to 195,000 men, no trained men will be dropped. When the change is made there will be 3 marine divisions which will be 100-percent manned, and there will be 3 marine air wings which will be 80-percent manned. In fact, they will be fully manned air wings, except in case of actual warfare, because in time of peace the ammunition carriers and similar personnel are not required. The Reserves will be increased by 19,000 men as compared to the strength of the Reserves in December 1954. Those figures are without regard to whether we pass or do not enact a new Reserve law.

As the distinguished Senator from Illinois [Mr. DOUGLAS] knows, because he was a member of the Marine Corps, it is important for us to remember that the marines are integrated by individuals, not by units, so that if one individual falls out, he is replaced by a man from the Reserves.

At the present time the Korean war is over, and the marine division which was in Korea has been returned to the United States. A part of it is in Hawaii; and 1 division is on the Atlantic coast, and 1 is on the Pacific coast.

We must also remember that if an emergency is declared troops will not be moved overnight. Our first defense will be the stategic bombers. It will take a few days or a few weeks to determine where our ground troops, such as the marines, can be used. During that time we can build up the Marine Corps, which now has 3 divisions 100-percent manned; and we can build up the air wings of the Marine Corps, 3 of which are now 80-percent manned. They can be built up to full strength pending the time when our troops are called upon to move into fighting areas.

Furthermore, we must remember that the Marine Corps will have the benefit of atomic power, if and when any battles are fought.

So the most important thing for us to remember is that there will not be a decrease in the operating troops in the Marine Corps. Instead, the 3 Marine Corps divisions will be kept 100 percent manned, and the 3 Marine Corps air wings will be kept 80 percent manned. We should also remember that the Reserves are being brought in as individuals, not as units. Furthermore, our Marine divisions are now available as mobile troops, because they are no longer in Korea.

We must consider whether, under the circumstances, our defense funds can best be used by providing for an increased number of marines, or by providing for additions to other branches of the military service. On this question, we have the benefit of the judgment of the President of the United States. Under all the circumstances, what Member of this body can say his judgment is equal to that of the President?

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time of the Senator from Massachusetts has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the distinguished junior Senator from Massachusetts [Mr. KENNEDY].

The PRESIDING OFFICER. The junior Senator from Massachusetts is recognized for 1 minute.

Mr. KENNEDY. Mr. President, I should like to congratulate the Senator from Missouri [Mr. SYMINGTON for the fight he has made on this issue during the past 3 years.

Let me state that when General Shepherd testified before the committee, he said, in part, in speaking of the Marine Corps:

> Operationally, the effect of these actions will be to diminish somewhat the staying power of our combat forces, because of reduced depth in personnel and supporting units.

A little later, in reply to a question which was asked him by the Senator from New Mexico [Mr. CHAVEZ], General Shepherd said:

> We can maintain those 3 divisions, but we will have very little backup for them; the supply, the logistics, the artillery, backup that you will need in sustained combat.

Therefore, Mr. President, I think General Shepherd's testimony justifies the adoption of the amendment proposed by the Senator from Missouri, which I shall support.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the distinguished junior Senator from Florida [Mr. SMATHERS].

The PRESIDING OFFICER. The Senator from Florida is recognized for 3 minutes.

Mr. SMATHERS. Mr. President, I join the Senators who oppose the proposed reduction in the Marine Corps.

Several Members of this body, of whom I am one, have had the privilege of serving in the Marine Corps; and those who have served in it are aware of the very intensive, comprehensive, and thorough training its members receive, and know that as a result, the members of the Marine Corps are really professional soldiers.

As has been explained by the able Senator from Massachusetts, the Marine Corps is composed of real career soldiers, insofar as their professional status is concerned.

It makes no sense to me, Mr. President, to propose a reduction of 22,000 in the number of well-trained, professional men in the Marine Corps, and then to propose that 10,000 men be drafted—a proposal which we learn from the newspapers was just announced as the quota for next month. In other words, it makes no sense, as I see the matter, to reduce by 22,000 the professional soldiers in the Marine Corps, and to increase by 10,000 the men who reluctantly, at best, serve in the Armed Forces. In short, how can it be said that we are acting wisely, if we spend the time, money, and effort required to train 22,000 of the professional soldiers who now are in the Marine Corps, where they are able to serve most efficiently, and then turn around and spend the same amount of money and the same amount of energy and the same amount of time—spend them all over again—in trying to train new men, drafted men, to do the same job? To me, that simply does not make sense.

If we are to err in this matter, about which there is some difference of opinion, certainly it is better to err in the direction of having too much too soon, rather than in having too little too late, which in the past has unfortunately been our custom.

Mr. SALTONSTALL. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. The proposed reduction will be 12,000, not 22,000; and not one marine who wants to stay in the service will be discharged.

Mr. SMATHERS. Mr. President, I could hardly disagree more with the Senator from Massachusetts.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. JOHNSON of Texas. Mr. President, I yield an additional one-half minute to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for an additional one-half minute.

Mr. SMATHERS. I thank the Senator from Texas.

Mr. President, as I recall, General Shepherd himself said that the proposed reduction would amount to 22,000 men. In the committee, there was a discussion of the effect of the proposed reduction in strength upon the capabilities of the Marine forces. In discussing that point, General Shepherd said:

> In the discussion of our personnel strengths a question may have arisen in your minds concerning the effect of the reductions upon the capabilities of the Fleet Marine Forces. It is manifest that reductions of the magnitude with which we are confronted involve some sacrifice.

So, Mr. President, the making of such a reduction will hurt in terms of the capabilities of the Marine forces.

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the distinguished junior Senator from Virginia [Mr. ROBERTSON].

The PRESIDING OFFICER. The Senator from Virginia is recognized for 2 minutes.

Mr. ROBERTSON. Mr. President, in the committee I offered an amendment similar to the one now pending; but it was rejected. However, I hope that following the explanation which has been made on the floor, the amendment will be agreed to.

I wish to say that I have long been familiar with the Marine Corps, for I helped to bring the great Gen, John A. Lejeune to Virginia Military Institute, where he served as Superintendent, following his service as Commandant of the Marine Corps. Furthermore, my son served for 2 years in the Marine Corps, during the Korean war. In short, Mr. President, I have been in close touch with the Marine Corps for a period of 35 years.

Now it is proposed that the number of trained, experienced men in the Marine Corps—veterans, if you please—be reduced by 22,000. If that should be done, then in combat the marines would not have sustained power, as the Commandant of the Marine Corps has said.

Mr. President, many persons are disturbed about the proposals to make reductions in the strength of the Marine Corps and also in the strength of other components of our military forces.

The pending bill, as reported to the Senate, is $396,293,664 below the revised budget estimates for the fiscal year 1956. The total amount of the bill as reported to the Senate is in excess of $31 billion. Therefore, Mr. President, to increase that amount by $38 million plus will neither make nor break us.

Let me say that I am not critical of the President for favoring the proposed reductions in the case of the marines and the Army, even though his Chiefs of Staff do not approve the making of such reductions. The President was depending on the Congress to give him a worthwhile reserve training law, but Congress has not yet done so. Such a law may or may not be enacted.

If, in connection with this bill, Congress provides for more manpower than is needed, the President can impound the surplus money. But so far as I can determine from the evidence which is before us, although we have made progress in the direction of achieving a proper defense status, it has not yet been achieved. So, Mr. President, it will be prudent for us to adopt the pending amendment, and thus refuse to have the strength of the Marine Corps reduced in the amount proposed.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. KNOWLAND. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 2 minutes.

Mr. KNOWLAND. Mr. President, this matter has been gone into thoroughly by the Joint Chiefs of Staff, by the responsible heads of our service departments, by the National Security Council, and by the President. It was their recommendation that the figure reported by the Appropriations Committee be the one included in the bill.

I think all of us have a very high regard for the United States Marines. But I submit that on this issue, with respect to which the responsible heads of the executive department of the Government, who have responsibility for the defense of the country, have come to us with well-developed plans and recommendations, their recommendations should be sustained.

I hope that the provision which was reported by the Appropriations Committee will be sustained by the Senate, and that the amendment offered by the distinguished Senator from Missouri [Mr. SYMINGTON] will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. SYMINGTON].

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Minnesota [Mr. THYE].

Mr. THYE. Mr. President, in the record of hearings before the Committee on Appropriations we have the benefit not only of the testimony of General Shepherd, but of other members of the Armed Forces who appeared before the committee. If I were a military leader, in command of foot troops, I, too, would want a large number of men. That is characteristic of military leaders. But when we take into consideration the entire budgetary situation and the defense needs, in the light of the statement of General Shepherd, there is no question that we shall have in service every marine who desires to remain in service, whether he be a private or a noncommissioned officer.

If we have a good Reserve in the Air Force, the Navy, the Marines, and the Army, we have a manpower pool to draw from. As indicated by General Shepherd in the record, the Reserve program is moving forward more speedily and more efficiently than was hoped for a year ago. Had we proceeded 3 years ago, or even 2 years ago, to build the number of B–36 type bombers which were said to be necessary, we would have an inventory of obsolete planes today, rather than an assembly line, including the tools, dies, and skilled mechanics to operate it. Today we have plant capacity which could be stepped up to twice the present output if there were a sudden need for the most modern type of B–52 planes.

So, Mr. President, in view of the entire budgetary situation, the pending appropriation bill in the provision it makes not only for the construction of planes, but for the guided missile program, and the manpower program, represents a well balanced defense program. We have not only unobligated funds carried over from previous appropriations, but also obligated funds yet to be spent in our defense program.

The committee did well as a result of its deliberations.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. How much time remains on the amendment on each side?

The PRESIDING OFFICER. The proponent of the amendment has 6½ minutes. No time remains in opposition to the amendment.

Mr. JOHNSON of Texas. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. I yield to the distinguished Senator from Georgia [Mr. RUSSELL], chairman of the Committee on Armed Services, the remaining time on the amendment.

Mr. RUSSELL. Mr. President, I yield such time as he may desire to the distinguished chairman of the subcommittee [Mr. CHAVEZ].

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter which I have received from Mr. H. E. Talbott, Secretary of the Air Force, dated June 20, 1955, together with the enclosure.

There being no objection, the letter and enclosure were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, June 20, 1955.

Hon. DENNIS CHAVEZ,
Chairman Armed Services Subcommittee,
Senate Appropriations Committee.

DEAR SENATOR CHAVEZ: During my appearance before your committee at the time we were discussing the Air Force budget, I informed you that we felt an increase in the production rate of our heavy bomber, the Boeing B–52, was both advisable and practical. Anticipating such a possibility, we had, as you recall, authorized the establishment of a second source in October 1953, at Wichita, Kans. Recently, we requested additional funds for the purpose of increasing the monthly production rate in both this plant and the first plant located at Seattle Wash. The amount of new money required in fiscal year 1956 was $356 million.

During this same hearing, I informed you that we were then engaged in a review of our aircraft program, and that if, on completion of these studies we felt that any change in our fighter programs was in order and would require additional funds, that we would notify the Secretary of Defense and appropriate committees of Congress to that effect, and advise the nature of the changes contemplated.

As you know, the budget as presented to the Congress is based on technological information and program requirements available during the fall of the year prior to the beginning of the budget period—in other words, about 9 months prior to the time that the budget becomes effective. It has been our policy that prior to the actual placement of procurement orders for the new weapons that additional reviews would be made to determine the extent to which the technical progress anticipated at the time the budget was being prepared has been accomplished or exceeded.

In the case of two of our supersonic fighter aircraft we have, by continuous pressure, achieved more rapid development than was anticipated at the time the budget was prepared. We therefore find that these aircraft are now ready to be placed in quantity production, and we have so recommended to the Secretary of Defense, and are taking this opportunity to advise the Congress.

We have not completed our review of all the elements of the program financed from the appropriation "Aircraft and Related Procurement." Therefore, it is not possible at this time to determine the extent to which additional funds may be needed to finance this program in fiscal year 1956. We see some possibility that all or a substantial part of the funds necessary to accelerate the fighter program can be achieved by appropriate adjustments in other areas financed by this appropriation. If additional funds are needed in fiscal year 1956 to properly support this increase in production of fighters and continue adequate support of other parts of the program, we will make such a recommendation to the Secretary of

Defense and advise your committee of the recommendation prior to the adjournment of this session of Congress.

I would like to call to your attention two items which seem to me to be of great importance. The first is that we do have an industrial structure somewhat larger than is needed to meet our current requirements for aircraft and other weapons. We have carefully planned and preserved this additional capacity and are in a position to step up rates of production of almost all types of aircraft on short notice. For example, we have the F–100, our supersonic tactical fighter and fighter-bomber, in production in two sources and could, should the circumstances require it, substantially increase its output. To some degree this is true of all aircraft that we are procuring under the current program.

The second point, and the one which I consider to be most vital, is that we must emphasize in our planning and in our procurement of weapons those items which will give us the greatest technological lead that is possible. Quality, in the last analysis, has always been our strength, and in this fast-moving technological age, it is our purpose to so plan and direct our affairs as to make the most of the technical assets of this country, and to increase our technological lead to the fullest extent possible.

The program changes which we have previously submitted to you, and which we are presenting above, concentrating as they do on the most advanced types in both the strategic and tactical areas, are steps in that direction. If additional funds are required, I would urge very strongly that they be made available.

For your further information, I am attaching a copy of General Twining's recommendations to me on this subject.

Sincerely yours,

H. E. TALBOTT.

MEMORANDUM FOR THE SECRETARY OF THE AIR FORCE

Subject: Recommendation for accelerated fighter production.

During a recent hearing before the Appropriations Committee of the Senate we disclosed that we were conducting a review of our aircraft production program. The review of the fighter aircraft has been completed, with the following results:

1. The production of our current supersonic fighter and fighter-bomber, the F–100, is at a satisfactory rate. This airplane is being produced in two sources.

2. The production of our all-weather fighter, the F–102, is proceeding satisfactorily, but further acceleration at this time does not appear feasible.

3. It is, however, both feasible and practical to step up production on two new supersonic fighter aircraft, the F–101 and the F–104. Flight tests recently completed indicate that these advanced aircraft are ready for volume production.

As a result of the above, I recommend an increase in production of the F–101 and the F–104 aircraft in fiscal year 1956.

N. F. TWINING.

Mr. RUSSELL. Mr. President, someone has truly said that apparently men learn nothing from history except the fact that we learn nothing from history.

On two occasions we have summoned the resources of this Nation. We have not only called upon our wealth, but our flesh and blood, to forge mighty fighting machines which have won two world wars.

Following World War I we brought our boys home and discharged them before the peace was assured, merely because we had won a military victory.

In World War II we organized the most powerful fighting machine ever seen upon the surface of the globe. It was one of the largest, best equipped, best trained, and certainly, by all odds, the most expensive fighting machine, that has ever been assembled. When the war was won we brought our boys home, demobilized them, and took that fighting machine apart, until there was scarcely a chassis left. As a result of this mistake we paid $150 billion and the lives of thousands of our sons in Korea. We had won a war, but had not won the peace. Who can delude himself into thinking that we have won the peace in today's troubled world?

We are preparing to enter into what are called summit negotiations. It has been truly said that negotiations with an enemy, unsupported by military strength, can end only in appeasement. What other end is there when our negotiators are not supported by military strength?

It is peculiarly unfortunate that at this time we are reducing the strength and fighting power of all branches of the armed services. It would be the wisest expenditure we have ever made to maintain them at the present level. We should maintain our strength until the "summit" conferences have been concluded, so that we may see whether an era of peace is about to be ushered in, an era for which the hearts of men everywhere, even behind the Iron Curtain, yearn and pray.

Of all the reductions that have been made in our fighting forces, to me this one is the most inexplicable. The Marine Corps is composed of 100 percent volunteers, men who enter the service through their own choice, because they wish to serve in this elite corps. The Department of Defense actually asks us to refuse to reenlist experienced Marine veterans, and then draft tens of thousands of young men who do not want to be brought into the Armed Forces to fill their places.

I care not who recommends such a program. To me it does not make sense to discharge men who wish to reenlist, and draft others who do not wish to serve. Of course, we are not actually discharging any men. We are merely refusing to reenlist 17,500 of the best trained and most effective fighting men on the globe today, and drafting many more thousands of sons of American mothers into the armed services who are completely untrained.

All the reductions in our defense forces are unfortunate, but this one is tragic. Stronger words might be used to describe it.

It is said that we have three Marine divisions. Yes; we have three Marine divisions, but we have not the necessary Reserve strength for them. If Senators will recall, communiques during World War II referred to "reinforced Marine battalions," "regimental combat teams," "beefed up," or "reinforced" Marine divisions, and so forth. We are asked to strip off the strength that has made the reinforced Marine division and the reinforced regimental combat team invincible.

There is no way on earth to justify the proposed reduction. Senators say: "Remember, these Marines have atomic weapons," as though we had a monopoly on atomic weapons. We know that our principal adversaries have atomic weapons; and if we did not have, we would certainly be in a deplorable position.

It is said, "We have increased the firepower of our ground forces." Of course we have; but we know that our enemies have likewise increased theirs. Indeed, the so-called "burp" gun which they use in street fighting and close infighting has been something about which we have learned, to our sorrow, paying for that knowledge in blood and sacrifices.

We propose to increase foreign aid by $300 million for next year. But it is said that we should not increase appropriations for the Marine Corps by $46 million, so as to maintain it in its present status.

We are not trying to increase anything. Senators say that we are seeking an increase. We are not seeking an increase. We are trying to hold onto what we have today, namely, a force of volunteers, the greatest fighting men under our flag. We should not take the step of reducing the strength of the Marine Corps. We should hold it where it is.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Monroney
Allott	Gore	Morse
Barkley	Hayden	Mundt
Barrett	Hennings	Neely
Beall	Hickenlooper	Neuberger
Bender	Hill	O'Mahoney
Bennett	Holland	Pastore
Bible	Hruska	Payne
Bricker	Ives	Purtell
Bush	Johnson, Tex.	Robertson
Butler	Johnston, S. C.	Russell
Byrd	Kefauver	Saltonstall
Capehart	Kennedy	Schoeppel
Carlson	Kilgore	Scott
Case, N. J.	Knowland	Smathers
Case, S. Dak.	Kuchel	Smith, Maine
Chavez	Langer	Smith, N. J.
Curtis	Lehman	Sparkman
Daniel	Long	Stennis
Douglas	Magnuson	Symington
Duff	Malone	Thurmond
Dworshak	Mansfield	Thye
Ellender	Martin, Iowa	Watkins
Ervin	Martin, Pa.	Welker
Flanders	McCarthy	Wiley
Frear	McClellan	Williams
Fulbright	McNamara	Young

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the senior Senator from Missouri.

Mr. HENNINGS. Mr. President, my colleague, the distinguished junior Senator from Missouri [Mr. SYMINGTON], earlier this afternoon addressed the Senate on the defense appropriations for the fiscal year ending 1956. His statement was most timely and provocative, and at the same time soberly thoughtful. His acute analysis has provided the country with a brief but clear vision on a subject always at best complex and difficult, but which the Eisenhower administration has allowed to become murky and confused.

Some columnists have recently indicated that the conclusion was not wholely unintended.

In any case on the basis of the brilliant analysis by the junior Senator from Missouri, it appears that it would be most unwise at this critical point in our Nation's history to grant President Eisenhower's request for heavy reductions in our Army and Marine Corps to take effect in the fiscal year 1956.

My distinguished colleague stated forcefully that the Eisenhower administration has attempted to justify the drastic reductions in these ground forces on the basis of an alleged degree of Air Force supremacy over the Russian not supported by facts recently revealed at the Moscow air show.

In a column appearing in yesterday's paper, the noted Washington newspaper columnist, Joseph Alsop, recited facts which, if true, are a shocking indictment against President Eisenhower and his administration. Mr. Alsop suggested that if Chiang Kai-shek can be cajoled or bully-ragged into cooperating, Quemoy and the Matsu Islands are eventually to be given to the Chinese Communists as the Tachen Islands were given—on a silver platter. He suggests this might be the best way out of a bad business. On this I am not informed. In any case, he says the consequences are likely to be appallingly unpleasant; and in the second place, this action will result from what he terms "the most incredible mismanagement in the entire history of American postwar diplomacy."

First, we had in January 1953 President Eisenhower's dramatic announcement that he had just unleashed Chiang Kai-shek. At that time, all of the offshore islands were lightly occupied by the Chinese Nationalists, and all were frankly regarded as entirely expendable. But the Eisenhower administration forced Chiang to fortify the islands heavily. Then, when the Chinese Communists prepared an attack in the Formosa Strait, the President vetoed any guaranty of American aid in defending any offshore island. In January 1954, instead of defending no islands at all, we were to help in the defense of Quemoy and Matsu if Chiang would evacuate the Tachens. Later came the turnabout, when Chiang was told that President Eisenhower would not guarantee Quemoy and Matsu. This is the same kind of big talk and pusillanimous action which so characterized the Eisenhower administration on the occasion of the Dienbienphu-Geneva debacle.

I ask unanimous consent to have printed in the RECORD, following my statement, an article by Joseph Alsop, which was published in the Washington Post and Times Herald of Sunday, June 19, 1955.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOUR-ACT DRAMA ON TURNING ONE'S BACK

(By Joseph Alsop)

According to report, no decisive business was done between the President, Secretary of State Dulles, and V. K. Krishna Menon. But only 3 months ago this double emissary of Pandit Nehru and Chou En-lai would have been about as popular in Washington as poison ivy at a picnic.

So the amiable and even distinguished reception that has been given Menon can be said to speak volumes.

In particular, it seems to prove what has long been suspected. If Generalissimo Chiang Kai-shek can be cajoled or bully-ragged into cooperating, Quemoy and the Matsu Islands are eventually to be given to the Chinese Communists as the Tachen Islands were given—on a silver platter.

On balance, perhaps, this is the best way out of a bad business. But two things about it must be clearly understood in advance. In the first place, the consequences are likely to be appallingly unpleasant. And, in the second place, those consequences will be the direct results of the most incredible mismanagement in the entire history of American postwar diplomacy.

The chief consequences of handing over Quemoy and the Matsus are not to be looked for in Japan and South Asia, as so many people suppose. But there will be grave repercussions on Formosa, where the Generalissimo's regime will be shaken to its foundations.

And, above all, the consequences in Peiping will be extraordinarily dangerous. If they get the offshore islands as a present the Chinese Communists will be finally and unshakably convinced that America really is a paper tiger.

Thereafter, nothing short of an American bullet through Chou En-lai's head will ever again convince the Peiping leaders that the Eisenhower administration means business.

This is known as a strange drama of tergiversation in four fantastic acts. The first act opened in January 1953 with President Eisenhower's dramatic announcement that he had just unleashed Chiang Kai-shek.

At that time all the offshore islands were very lightly occupied by the Chinese Nationalists, and all were frankly regarded as entirely expendable. But the heaviest American pressure was put on the unfortunate and highly reluctant Chiang to make him occupy the little islands in heavy force. The purpose was to give some substance to the much-touted unleashing.

The result was to make Chiang commit his own and his Government's prestige to the hilt.

Act two took place last summer and autumn. The Chinese Communists were now visibly preparing an attack in the Formosa Strait. The question therefore arose whether we would aid Chiang to defend the islands where we had persuaded him to commit himself. Three of the four Joint Chiefs of Staff said "Yes."

At the famous Security Council meeting in Denver in late September, the President said "No." The Formosa Treaty was therefore negotiated to exclude any American aid in defending any offshore islands.

Act 3 took place in January. For reasons which are still mysterious, the September decision of the National Security Council was suddenly altered. Now, instead of defending no islands at all, we were to help in the defense of Quemoy and the Matsus, if the Generalissimo would evacuate the Tachens.

This change of American policy was formally communicated to the Formosa Government by Secretary of State John Foster Dulles, through Chinese Foreign Minister George Yeh. The Formosa resolution, authorizing the President to use American forces to defend "any area essential" to the security of Formosa, was then before the Congress.

Dulles told Yeh that if the Generalissimo would abandon the Tachen Islands, the President would publicly declare that Quemoy and the Matsus were "essential" to Formosa's security as soon as the Formosa resolution had been passed.

Dulles further gave Yeh a written minute of this verbal communication, which amounted to a promise of a Presidential guaranty of the offshore islands. On the basis of this minute, when the Formosa resolution was finally approved, the American Ambassador in Taipeh, Karl Rankin, actually told a press conference that Quemoy and the Matsus would be guaranteed over the weekend. But, meanwhile, act 4 was already beginning.

Almost as Rankin spoke to the press, Assistant Secretary of State Walter Robertson was explaining to the dumbfounded Yeh that there had been a little misunderstanding between the President and his Secretary of State. The President, it seemed, was not going to guarantee Quemoy and the Matsus after all.

Meanwhile, however, nothing was done to stop the big, bold talk about defending Quemoy and the Matsus by other leaders of the administration. That bluff went on till the famous Admiral Carney dinner in April.

Consider this history. The abandonment of Quemoy and the Matsus would do little damage on Formosa, if it had not been for acts 1 and 2 of the foregoing drama. It would do little damage in Peiping, either, if it had not been for acts 3 and 4.

These acts repeated the pattern of big, bold talk followed by slow surrender that was traced out by the administration leadership in the Dien Bien Phu-Geneva period. After this double demonstration of phoniness, why on earth should Peiping worry, no matter what America says?

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. As I understand, the question is on the amendment offered by the junior Senator from Missouri [Mr. SYMINGTON]. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. If a Senator wishes to vote in favor of adding $46 million to the bill for the Marine Corps, he should vote "yea"; if he is opposed, he should vote "nay." Is that correct?

The PRESIDING OFFICER. That is correct.

The question is on agreeing en bloc to the amendments offered by the Senator from Missouri [Mr. SYMINGTON]. The yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ELLENDER (when his name was called). On this vote, I have a pair with the senior Senator from Oklahoma [Mr. KERR]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. YOUNG (when his name was called). On this vote I have a pair with the senior Senator from Colorado [Mr. MILLIKIN]. If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. JACKSON], and

the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign aid program.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as a representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote, the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

The Senator from Mississippi [Mr. EASTLAND] has a pair with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Mississippi would vote "yea" and the Senator from New Hampshire would vote "nay."

I also announce that if present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], and the Senator from Montana [Mr. MURRAY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate to attend the funeral of a friend. His pair with the Senator from North Dakota [Mr. YOUNG] has been previously announced.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Mississippi would vote "yea."

The result was announced—yeas 40, nays 39, as follows:

YEAS—40

Barkley	Johnston, S. C.	Neely
Bible	Kefauver	Neuberger
Byrd	Kennedy	O'Mahoney
Chavez	Kilgore	Pastore
Daniel	Langer	Robertson
Douglas	Lehman	Russell
Ervin	Long	Scott
Frear	Magnuson	Smathers
Fulbright	Mansfield	Sparkman
Gore	McCarthy	Stennis
Hayden	McClellan	Symington
Hennings	McNamara	Wiley
Hill	Monroney	
Johnson, Tex.	Morse	

NAYS—39

Aiken	Curtis	Martin, Pa.
Allott	Duff	Mundt
Barrett	Dworshak	Payne
Beall	Flanders	Purtell
Bender	Goldwater	Saltonstall
Bennett	Hickenlooper	Schoeppel
Bricker	Holland	Smith, Maine
Bush	Hruska	Smith, N. J.
Butler	Ives	Thurmond
Capehart	Knowland	Thye
Carlson	Kuchel	Watkins
Case, N. J.	Malone	Welker
Case, S. Dak.	Martin, Iowa	Williams

NOT VOTING—17

Anderson	Ellender	Kerr
Bridges	George	Millikin
Clements	Green	Murray
Cotton	Humphrey	Potter
Dirksen	Jackson	Young
Eastland	Jenner	

So Mr. SYMINGTON's amendments were agreed to en bloc.

The PRESIDING OFFICER. The bill is open to further amendment.

IT IS ESSENTIAL TO EXPAND AIRPOWER

Mr. O'MAHONEY. Mr. President, there has been a very interesting discussion this afternoon of the status of the air power of the United States. I recognize how difficult it is to offer an amendment from the floor of the Senate which varies from the amount reported by the Appropriations Committee. As a former member of that committee I am aware of the diligence with which the committee works and of the amount of information which it receives. I am not asking additional funds but I am asking that the funds appropriated be used.

The PRESIDING OFFICER. Does the Senator from Wyoming wish to offer an amendment at this time?

Mr. O'MAHONEY. Mr. President, my amendment is upon the desk, and I was about to ask that it be read, but I wished the Senate to know for what purpose the amendment is to be offered. If the clerk will be good enough to read the amendment which I have sent to the desk——

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The LEGISLATIVE CLERK. On page 25, line 9, after the period, it is proposed to insert the following:

It is the sense of the Congress that the funds herein appropriated for aircraft and related procurement shall be obligated and expended as speedily as possible consistently with proven technological developments to the end that the United States shall not fall behind any nation in the world in air power.

Mr. O'MAHONEY. Mr. President, I want to emphasize the purpose of this amendment. It is to require the Department to make the contracts for expanding air power for which we are making the money available.

The problem of what we shall do to defend this Nation in the air has been before the Congress for many years, and the battle between those who have desired to balance the budget rather than to provide air defense has continued for many years. I remember very well a period some 6 years ago when only 9 Members of this body voted to eliminate a reduction below the budget which had been made by the House of Representatives. The argument in favor of the reduction at that time was that the expansion of airpower was not needed. There can be no doubt, particularly after listening to the speech of the Senator from Missouri [Mr. SYMINGTON], that Congress is now faced with making a decision as to whether or not we desire to maintain control of the air. In view of the fact that the cold war is not ended and no one in this Chamber, no one in the House of Representatives' Chamber, no one in the Government is able to predict what the result of the conference on the so-called Summit will be. This we do know, Mr. President, that Soviet Russia has now built its air fleets far beyond the imagination of our military leaders. No one will now deny that Russia has made strides in building its airpower that no one anticipated. There is every reason to believe that Soviet Russia is better equipped today, so far as airpower is concerned, than is the United States. The question before us is, What are we going to do about it?

At one time it was my duty, through four Congresses or more, to work as a member of the Defense Appropriations Subcommittee. In two sessions I was chairman, and I remember very well the time when the late Senator Maybank, of South Carolina, sponsored an amendment to add billions of dollars to the appropriation, far above the budgeted amount, in order that we might have airplanes and guided missiles in far greater numbers than could possibly be constructed by any other nation. At the same time, the gentleman who is now the Ambassador of the United States to the United Nations, Henry Cabot Lodge, was a Senator from Massachusetts. He also offered an amendment to increase the appropriation. I am convinced that the failure of the United States to have the airpower for which provision was made has been due to the fact that there is a great misunderstanding in the public press and in Congress with reference to the meaning of an appropriation.

There are Members, I am sorry to say, who sometimes think that when a fund is appropriated, the money suddenly springs into being and is located somewhere in the Treasury, in a safe, or behind bars, ready to be expended. Such is not the case.

There are three categories into which these funds may be divided. First, there is the appropriated funds. That fund, particularly with respect to air power, is the sum Congress authorizes the Executive to spend, well knowing that it cannot all be expended during the fiscal year. It is greater usually than the

amount of money which is obligated during the fiscal year. The amount obligated is also greater than that which is expended because of the lapse of time between the making of a contract and the delivery of the planes.

When the Bureau of the Budget reports that "X billion dollars, appropriated for aircraft and related procurement, has been unexpended," some observers get the idea that too much was appropriated and ask, "Why should we appropriate more money?" They overlook completely the fact that to build an airplane of modern design frequently requires 5 years from the time the design of the plane is put upon the drafting board until the finished plane comes off the production line. Four or five years sometimes more, will have to pass. The result is that although money may have been appropriated and obligated to pay for the plane, it has not been expended because the plane has not been delivered.

So when we see in the report of the Bureau of the Budget that "X billion dollars is unobligated," it means only that the Department of Defense has not made the arrangements to have the planes built. It means only that the Department has not issued the contracts.

Likewise, when we read in the Bureau of the Budget report that "X billion dollars has been unexpended," it means either that the contracts have not been made, or that, even though the contracts have been made, the materials ordered have not yet been delivered.

CONGRESS WANTS ACTION

The purpose of my amendment is to expedite the making of contracts for the building of planes after the contracts are issued. This is the function of the Department of Defense. I want that Department to know that Congress wants action.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CHAVEZ. I did not quite understand the amendment as it was read by the Senator. I have a copy of the original. As I understand, the amendment does not change any of the money items whatsoever.

Mr. O'MAHONEY. The Senator is quite right.

Mr. CHAVEZ. It is a declaration of policy for the accelerating of the construction of airplanes.

Mr. O'MAHONEY. The Senator is quite correct.

Mr. CHAVEZ. I shall be delighted to accept the amendment, take it to conference, and fight for it.

Mr. O'MAHONEY. Mr. President, I have consulted about this matter with the senior Senator from New Mexico, with the majority leader, with the minority leader, and with the senior Senator from Massachusetts [Mr. SALTONSTALL], who is the ranking minority member of the Subcommittee on Defense Appropriations of the Committee on Appropriations. All of them have indicated to me their willingness to accept the amendment.

The announcement by the chairman of the Subcommittee on Defense Appropriations indicates that it is not necessary for me to take any more time in discussing the matter. I shall not do so unless it develops later that an additional explanation may be necessary.

May I ask if the Senator from New Mexico is now willing to accept the amendment?

Mr. CHAVEZ. I am perfectly willing to accept the amendment, to take it to conference, and to fight for it there.

Mr. O'MAHONEY. With that explanation, and there being no opposition, I am, of course, ready to yield the floor.

Mr. CHAVEZ. The ranking minority member of the committee had some question about a part of the language toward the end of the amendment.

Mr. O'MAHONEY. I made a change in the language of the amendment to accommodate the view of the senior Senator from Massachusetts.

Mr. CHAVEZ. That is why I am willing to accept the amendment.

Mr. O'MAHONEY. I want to direct attention to the letter of Secretary Talbott of the Department of the Air Force made a part of the RECORD by the Senator from New Mexico [Mr. CHAVEZ]. It acknowledges that we have unused industrial capacity. With the money and unused capacity we can expand our air power more rapidly than has been the case the last 2 years.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time on the amendment.

Mr. KNOWLAND. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY]. Without objection, the amendment is agreed to.

Mr. McCLELLAN. Mr. President, I send an amendment to the desk, and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, at the end of line 13, it is proposed to strike out the period, and insert a semicolon and the following proviso:

Provided, That during the fiscal year 1956 the maintenance, operation, and availability of the Army-Navy hospital at Hot Springs National Park, Arkansas, and the Murphy General Hospital in Boston, Mass., to meet requirements of the military and naval forces, shall be continued.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. CHAVEZ. Mr. President, I know the amendment has to do with keeping in operation a hospital in Arkansas and one in Boston, Mass., which are now in use. I do not like to hear of the Army, the Navy, and the Air Corps, or the Veterans' Administration closing hospitals. The amendment would keep the hospitals going for the present, so I accept the amendment.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. McCLELLAN. Mr. President, if the amendment is accepted——

The PRESIDING OFFICER. Does the Chair understand the Senator from New Mexico accepted the amendment?

Mr. CHAVEZ. I accepted the amendment.

The PRESIDING OFFICER. Does the Senator from Texas oppose the amendment?

Mr. JOHNSON of Texas. No.

Mr. KNOWLAND. Mr. President, I am not going to ask for a yea and nay vote on the amendment, but in view of the fact that the amendment is going to be accepted by the Chairman of the Committee, I think it is important to make a very brief statement. This morning an amendment was accepted relating to a Veterans' Administration hospital. The pending amendment deals with one of the military hospitals in Arkansas.

Mr. McCLELLAN. And also one in Massachusetts.

Mr. KNOWLAND. And also one in Massachusetts. In view of the fact that the Senate decided to have the other amendment taken to conference, I am quite willing to admit to the Senator from Arkansas that it would present a difficult position if there was a refusal to take the pending amendment to conference. However, I think we are getting into a very dangerous legislative situation when the legislative arm of the Government, contrary to the best judgment of either the Veterans' Administration or the military authorities, tells those agencies that they must keep certain hospitals open, despite the fact that the agencies have said that, in their judgment, the hospitals are not needed and that keeping them open would not be justified, in view of the fact that the number of patients is so much less than it was during the Korean war and that other hospitals which are being operated can take care of the patient load without certain institutions being maintained. It seems to me we are encroaching on the field of the executive branch of Government when we write such a mandatory provision into the bill.

I have jealously guarded, and shall continue to do so, regardless of whether the administration be Democratic or Republican, against encroachment by the executive branch on the legislative arm of the Government; and, for that same reason, we ought to be doubly careful about the legislative arm of Government encroaching on the executive arm, because Congress charges that branch of Government with the responsibilities of administration.

I do not want to see closed any institution which it is necessary and proper to keep open, and which is needed in order to take care of either veteran patients or military patients; but I think it should be closed, when, in the best judgment of the military authorities, it should not be maintained, and we would be getting out of our field to insist that it should remain open.

In view of the action of the chairman of the committee, I hope, when the bill reaches conference, the conferees on the part of the Senate and the House will very carefully go over both amendments and, if necessary, obtain additional information from the Veterans' Administration and from the Department of Defense, and ascertain whether in fact it is wise to maintain the hospitals.

The PRESIDING OFFICER. Does the Senator from California yield back the remainder of his time?

Mr. KNOWLAND. I do.

The PRESIDING OFFICER. Does the Senator from Arkansas yield back the remainder of his time?

Mr. McCLELLAN. Mr. President, I wish to say briefly that what the distinguished minority leader has said is generally true; but the situation is that it has been determined to close the hospitals, not operate them, and declare them—at least the one at Hot Springs, Ark.—surplus to the needs of the Government. The amendment would require the hospital to be kept open and operating only during the next fiscal year, during which time it is expected that a complete survey will be made of the hospital facilities belonging to the Government, in an effort to ascertain whether there is a need for the hospitals and whether they should be continued or abandoned.

I may say that both the House and the Senate committees have said in their committee reports that it was the sense of the committees that the hospitals should be operated for the next year. The amendment would simply write into the pending bill a statement showing the sense of the House and Senate committees.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the Senator from Kentucky.

Mr. BARKLEY. I should like to call attention to the fact that the Hoover Commission has recommended the abandonment of quite a number of hospitals, particularly veterans hospitals, two of which are located in my State. It has been my assumption that the Congress should have the right to pass on the recommendations of the Hoover Commission in one form or another. Yet if Members of Congress have to offer amendments to the Defense Appropriation bill with reference to all the hospitals in which they are interested, an embarrassing situation would be created. It had not occurred to me it would be necessary to offer an amendment to the bill in order to assure that hospitals in Kentucky, which it had been recommended be closed, could remain open. I am very much against the closing down of the hospitals, but if references to hospitals all over the country recommended for abandonment by the Hoover Commission have to be put in the bill by amendment, that certainly creates a strange situation.

I should like to inquire as to what opportunity we shall have to see to it that there remain open other hospitals which are recommended for abandonment in the future.

Mr. McCLELLAN. As the Senator knows, the Hoover Commission recommendations have no force or effect until the executive branch or the Congress implements them.

Mr. BARKLEY. I understand that.

Mr. McCLELLAN. The pending amendment is directed against action proposed to be taken prior to any recommendation by the Hoover Commission. Until the veterans hospitals located in the State of the Senator from Kentucky are placed in jeopardy by some action which would close them, rather than there being merely a recommendation by a commission that they be closed, I should not think it would be necessary to place a mandate in the pending bill that the hospitals remain open.

Mr. BARKLEY. Is it my understanding that the hospitals involved in the amendments are already on their way out because of executive action?

Mr. McCLELLAN. That is correct.

Mr. BARKLEY. Regardless of recommendations of the Hoover Commission?

Mr. McCLELLAN. They are not related to Hoover Commission recommendations in any way.

Mr. BARKLEY. They are in a different category from the ones I have mentioned. Is that correct?

Mr. McCLELLAN. They are in a completely different category.

Mr. KENNEDY. Mr. President, will the Senator from Arkansas yield to me?

Mr. McCLELLAN. I am very happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. I should like to ask unanimous consent that I may join the Senator from Arkansas in sponsoring the amendment.

Mr. McCLELLAN. Mr. President, I am very happy to have the Senator from Massachusetts join in sponsoring it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts? Without objection, it is so ordered.

Does the Senator from Arkansas yield back the remainder of his time?

Mr. McCLELLAN. I do.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment submitted by the Senator from Arkansas [Mr. McCLELLAN], on behalf of himself and the Senator from Massachusetts [Mr. KENNEDY].

The amendment was agreed to.

Mr. MUNDT. Mr. President, I call up the amendment which I have at the desk.

The PRESIDING OFFICER. The amendment of the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. On page 52, beginning in line 7, it is proposed to strike out all of section 638, as follows:

SEC. 638. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 25 years or more performed by civilian personnel of the Department of Defense unless certified by the Secretary of Defense and reported by him to the Appropriations Committees of the Senate and House of Representatives at least 60 days in advance that the disposal is economically sound and that the related services can be performed by a contractor without danger to national security.

Mr. MUNDT. Mr. President, the meaning of this amendment should be clear to all Members of the Senate, because we have been discussing it among ourselves and it has been discussed widely in the press.

This is the section by means of which the House of Representatives in the first instance endeavored to slow down, if not entirely stop, the present efforts of the administration and of various departments of the Government to divest the Government of socialistic enterprises in which the Government should not be engaged, and which can most logically and properly be handled by private enterprise.

In the committee we tried to add certain corrective language to the amendment. I submitted language which I thought would correct it. The language I proposed called for the elimination of such practices, going back for a period of 25 years. But I now find—and let me say that the Democratic Members specially will be interested in this—that not all the confusion in the Government, in terms of invading the field of private industry, occurred during the days of the New Deal and the Fair Deal; but a great deal of it occurred before 1933.

So I now think it is best for us to eliminate the entire section, and to give the conference committee an opportunity to consider the whole broad vista of socialistic activities on the part of the Federal Government. Then, if the House of Representatives will not agree to eliminate all the language, it will at least be possible for the House and the Senate to agree on writing strong corrective language.

In short, Mr. President, my proposal is that, by means of the language we adopt, we make it possible for all socialistic enterprises to be eliminated from the Government; and my amendment will make it possible for such governmental activities to be scrutinized and abandoned not only in the case of governmental operations during the days of the New Deal and the Fair Deal, but also in the case of governmental operations in prior periods, and even going back to and before the period of World War I. I am, of course, happy that the Appropriations Committee adopted the language I offered in committee strengthening our stand against socialism. However, I feel my present amendment is necessary to complete the job and to make our stand against useless socialistic ventures completely clear.

Mr. THYE. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I am glad to yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I believe this amendment is a very timely one. The Select Committee on Small Business held extensive and intensive hearings on this question, in an effort to locate the various types of governmental operations in fields which can well be served by private enterprise. It was shocking to us to find that the Government is engaged in a great many types of business activity.

As the Senator from South Dakota has just stated, the committee endeavored to study this phase of governmental operations, going back for a period of 40 years—back, in fact, beyond the time of World War I, inasmuch as many of these activities came into existence as governmental functions during World War I, as well as thereafter.

Mr. President, if the amendment of the distinguished Senator from South Dakota is agreed to, I believe that in conference the whole question will be wide open. If that happens, then, if

there is merit to the proposal to add certain language which will safeguard various of the military or naval installations of the Government, there will be opportunity to include such language in the bill.

Mr. MUNDT. That is correct. In that event, the entire subject will be before the conferees; and if certain language should be included, in order to provide a safeguard, it will be possible to add such language to the bill.

Mr. THYE. That is correct.

Mr. MUNDT. Whereas the present language would not make it possible to remove the Government from all the intrusions into the field of private enterprise which occurred during World War I, well beyond the purview of the present act, and it would slow down and perhaps stop other moves to get our Government out of socialistic projects.

Mr. CHAVEZ. Mr. President, if the Senator from South Dakota will yield to me——

Mr. MUNDT. I yield.

Mr. CHAVEZ. I should like to ask the Senator from South Dakota a question. Was it not the Senator from South Dakota who suggested the language which now appears at this point in the bill? Did not the committee accept the language he proposed?

Mr. MUNDT. That is correct. I did so, as I have said, in error; in fact, I have now confessed publicly the sin I committed in that respect. I proposed that language because I was under the misapprehension that most of these intrusions into the field of private enterprise occurred subsequent to 1933. However, I have pointed out that I now find that many of them occurred before 1933. Certainly we should be diligent in removing the Government from the field of private business, regardless of whether such Government intrusions into private business occurred during Democratic administrations or at other times.

Mr. CHAVEZ. That is true. However, I should point out that the Senator from South Dakota was so persuasive upon a majority of the members of the committee, including all the Democratic members, that he convinced the committee that the language he proposed to add to the bill would take the Government out of socialistic enterprises generally.

Mr. MUNDT. That is correct. But upon further examining into the matter, I have found that some of the Republican administrations were also guilty of engaging in certain socialistic activities. So I should like to have the language at this point in the bill made all-embrasive, so that all socialistic enterprises of the Government will be included, when we act to take the Government out of private business.

Mr. CHAVEZ. Mr. President, I should like to agree with the new proposal the Senator from South Dakota is making.

On the other hand, another member of the committee, who is not Socialist, either, thinks that the language first proposed by the Senator from South Dakota will be so effective in removing socialistic influences from the Government, that that language should be included at this time.

So, Mr. President, I wish that the Senator from South Dakota and the Senator from Virginia [Mr. ROBERTSON] would get together, in order that appropriate language may be drafted.

Mr. ROBERTSON. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I yield.

Mr. ROBERTSON. In connection with the remarks of the distinguished chairman of the subcommittee, I wish to say that in the committee, the amendment proposed by the Senator from South Dakota was agreed to, and no member of the committee voted against it; all the committee members thought the amendment was stated properly.

Furthermore, on June 17, the United States Chamber of Commerce, which all along has been sponsoring this fight, and had been misrepresenting the effect of this section, said:

> Although the Senate's version of section 638 is less restrictive, it still would have the effect of blocking specific cutbacks and slowing down the entire program.

That was the position taken by the United States Chamber of Commerce, after its last look at this provision of the bill.

Mr. MUNDT. That is correct. But I have already said that this language was drawn up hastily in the committee.

My understanding then was that most of the governmental intrusions into the field of private business had occurred during two recent Democratic administrations, which, to put the matter mildly, had leaned in the direction of a glorified central Government. However, I have since found that some similar steps were taken during World War I, and that some occurred even before then.

Mr. KNOWLAND. Mr. President, will the Senator from South Dakota yield to me?

Mr. MUNDT. I am glad to yield to the Senator from California.

Mr. KNOWLAND. Is it not a fact that in the committee this matter was widely discussed, and there was considerable sentiment that the entire section should be deleted and, in that way, the matter should be thrown into conference?

Mr. MUNDT. That is correct.

Mr. KNOWLAND. Is it not also correct that the only difficulty was that there did not happen to be quite enough members of the committee who had that point of view; so when the decision to retain some language of this sort was made, it was then that the Senator from South Dakota and other committee members offered various suggestions in an effort at least to soften the provision which came to us from the other body. But in the committee there was considerable sentiment to the effect that the correct procedure would be to delete this section entirely. Is not that true?

Mr. MUNDT. That is correct.

Mr. THYE. Mr. President, will the Senator from South Dakota yield further to me?

Mr. MUNDT. I am glad to yield further to the Senator from Minnesota.

Mr. THYE. Mr. President, in the committee this question was debated at length. The distinguished Senator from South Dakota [Mr. MUNDT] endeavored to correct what all of us recognize to be an abuse in the case of operations by the Federal Government in the field of private enterprise.

When the question arose, I offered an amendment calling for an extension for 40 years. I did so because I was chairman of the Small Business Committee when it conducted extensive hearings, in connection with which representatives of various governmental agencies, including the Department of Defense, appeared. In that hearings we discovered that one after another of the defense agencies were engaged in various types of enterprise which could well be handled by private businesses.

I felt that, if we went back 40 years, we would include the era when some of these governmental activities came into being, but that we would not go back so far that in any manner we would disrupt necessary defense functions in connection, for instance, with naval operations, concerning which it might be found that, because of necessary research activities or because of other important defense operations, it would not be possible to transfer to private enterprise all details of the functions or operations.

Mr. MUNDT. The Senator is correct. Were it not for that fact, I would try to contrive, on the floor of the Senate, language which would adequately safeguard the legitimate needs of defense and security, and still eliminate unnecessary socialistic enterprises. We can do this in conference much better by adopting my amendment striking out the entire paragraph and putting the entire situation in conference, where we can have the benefit of consultation with representatives of the Defense Department, and arrive at what I hope will be optimum light on the subject. That can be done better in conference than upon the floor of the Senate during debate.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. MUNDT. In a moment.

Let me point out the type of activity which the great Senate of the United States would be discouraging the Department of Defense and other departments from vacating if we left this language in. Before this language was written in the House and before the brakes were applied the Departments had started on a program of divesting themselves of unnecessary Government operations. Here are some of the things which have already been done:

We have gotten rid of two aluminum sweating activities; 7 scrap metal baling operations; 7 bakeries; 9 laundries; 1 caustic soda manufacturing activity—as I understand, that is a sodapop factory. They have eliminated one chlorine manufacturing activity, 4 ice plants, 1 acetylene manufacturing activity, 10 automotive repair shops, 4 cement mixing plants, 16 office equipment repair shops, 1 tire retreading activity, and 2 tree and garden nurseries.

They have eliminated coffee-roasting plants which have been operated as ventures in socialism, one of them being 100 years old. They have eliminated a rope manufacturing activity. They have

stopped using bureaucrats to engage in sawmill and logging operations in the South and elsewhere. They have eliminated a chain manufacturing activity. They are now buying chains manufactured by private enterprise.

I do not think the Congress wishes to go on record as saying, "Whoa! Do not go so fast. Do not get out of the socialistic enterprises so fast." So by striking out this language, we will enable the conference committee, headed by the able Senator from New Mexico [Mr. CHAVEZ] to sit down and write the kind of language needed to protect defense and security, but also to protect private enterprise.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. MUNDT. I promised to yield first to the Senator from Pennsylvania. Then I shall be glad to yield to the Senator from Louisiana.

Mr. MARTIN of Pennsylvania. Mr. President, I had intended to ask the distinguished Senator from South Dakota to enumerate some of the activities in which the National Defense Department is now engaging in competition with private enterprise.

Mr. MUNDT. I am happy to do so.

Mr. MARTIN of Pennsylvania. The Senator has very well illustrated the situation.

Mr. President, I have been in military work all my life. In one of the camps which I commanded, the laundry broke down. I recommended to the War Department at that time that the laundry be not rebuilt, that we could get the work done much more economically, and better, through private enterprise. That was the result.

I wished to ask the Senator from South Dakota to enumerate a number of activities in which the armed services are now engaged, which are absolutely in competition with private enterprise. The Senator has already given a number of illustrations to show that the Defense Department is engaged in many activities in which it has no business to engage, and which could be more economically conducted by private enterprise, to the advantage of the services.

Mr. MUNDT. I thank the Senator. I shall be happy to mention some of the activities now being studied at the direction of the President, and with the guidance of the Bureau of the Budget, looking to the possibility of the Departments divesting themselves of further enterprises. The ones I have mentioned have already been taken out of the area of socialism.

At the present time, the Government is operating fabricated textile product mills. Our friends from the South should be interested in that. I am sure the Senator from Massachusetts [Mr. SALTONSTALL] is interested, because he represents a textile manufacturing area. Here we find the Government of the United States in the textile business.

The President of the United States has raised the question, and the Bureau of the Budget has said that the subject should be investigated. If it is found that the Government can get out of certain activities, it seems to me that the Congress ought not to try to stop the process.

The Government is in the millwork business; prefabricated wooden buildings and structural members; and the manufacture of wooden containers, except cigar boxes.

The Government is manufacturing mirror frames and picture frames. The great Government of the United States is hiring bureaucrats to manufacture mirror frames and picture frames, further running the Government into the red and increasing the burden of taxation, because invariably these socialistic enterprises lose money.

The Government is engaged in the manufacture of upholstered wooden household furniture. In order to show that the Government is completely nondiscriminatory, it also is engaged in the manufacture of metal household furniture. What is the matter with furniture manufactured in Arkansas, North Carolina, or in Grand Rapids, Mich? Why must the Government be manufacturing furniture? The Congress does not want to have written into the bill a provision that before the Government gets out of a certain activity there must be a report to Congress, and the subject must be studied for 60 days in an effort to divest the Government of Federal enterprises.

The Government is manufacturing mattresses and bed springs. It is manufacturing wood office furniture and metal office furniture. It is manufacturing window and door screens, weather stripping, and venetian blinds. There is page after page of this material. I submit that at this juncture the Congress does not wish to take a stand which would discourage an effort on the part of bureaucrats to divest themselves of socialistic enterprises.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MUNDT. I yield to the Senator from Louisiana.

Mr. LONG. Can the Senator explain what is the need for writing into the bill any section comparable to section 638? So far as I know, there is no objection to the Government withdrawing from these enterprises, and there is no substantial sentiment in favor of discouraging the Government from doing so. Why is any provision of this sort needed in the bill at all?

Mr. MUNDT. The question asked by the Senator is answered by the amendment of the Senator from South Dakota, which would strike out the entire section, which was inserted in the House.

Mr. LONG. The Senator was suggesting that in conference some suitable language could be written. I see no need for any provision of this sort being in the bill.

Mr. MUNDT. The Senator from Virginia [Mr. ROBERTSON] raised the question in committee. There are certain legitimate Government activities, such as Navy Yard activities and others of which the Government should not be divested.

Mr. ROBERTSON. Mr. President, will the Senator yield to me, in order that I may answer the question of the Senator from Louisiana?

Mr. MUNDT. I am happy to yield to the Senator from Virginia.

Mr. ROBERTSON. The United States Chamber of Commerce has been sponsoring this effort. I read from a statement by the chamber which was published last week:

> Although more moderate than as passed by the House, the rewritten section is contrary to a philosophy supported by private business, in efforts to reduce the number of commercial- and industrial-type facilities within the Department of Defense. The Hoover Commission recently declared such facilities "probably exceed 2,500," with a total investment of Government capital probably exceeding $15 million.

That includes every shipyard and every activity of the Department of Defense.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MUNDT. I yield to the Senator from Louisiana.

Mr. LONG. My recollection has been that every time an effort was made to close down a $10,000 aluminum sweating plant, it required aggressive investigation and action before the Appropriations Committee to get any results in connection with such a minor item.

Mr. MUNDT. The Senator is correct.

Mr. LONG. Why do we need anything further to encourage the services to retain these unnecessary operations? I feel that anything that is really needed by the Government would be retained. I see no indication that any activity really needed by the Government is to be closed.

Mr. MUNDT. I agree with the Senator. We should go as far as we can today in the Senate by striking out the section entirely, and sending it to conference.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. CHAVEZ. I think we can carry out the purposes of the Senator from South Dakota and the purposes of the Senator from Virginia. There is no question that the committee was against the idea of the Government engaging in business in competition with private enterprise. There is no question that the committee wanted the Government to get out of such businesses. But if we agree to the amendment of the Senator from South Dakota, there will be a conference. I trust the Senator from Arizona [Mr. HAYDEN]; I trust the junior Senator from Georgia [Mr. RUSSELL]; I trust other members of the committee, including the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. BRIDGES], who will be conferees. Why can we not adopt the committee amendment and dispose of the bill?

Mr. ROBERTSON. Mr. President, will the Senator from South Dakota yield to me in order to permit me to answer that question?

Mr. CHAVEZ. Let me conclude.

Mr. President, I should like to do what the Senator from Virginia wishes to do. I should like to do what the Senator from South Dakota wishes to do. I want to do what the committee would like to do. I shall be at the head of the conference committee, and as such, I shall depend on the other conferees on the part of the

Senate; and we will do what is right. That is why I cannot accept the amendment of the Senator from South Dakota.

Mr. ROBERTSON. The Senator from Virginia trusts the Senator from New Mexico absolutely. He trusts the other conferees. However, if the Senate should strike out this provision, it would tie the hands of the conferees. They would not have anything to adjust. The language at the present time does not put any restraint upon the Department of Defense, or give power to any man to close down any establishment, or anything like that.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield.

Mr. KNOWLAND. First of all, I wish to say I believe the Senator's amendment is a good one. It is proper in this situation to proceed by conference with the House. I certainly believe that we should try to get the Government out of competition with private business. There is no intention on the part of the administration or anyone else that I know of to get the Government to withdraw from legitimate defense activities, such as those in the Navy yards, where the Government builds warships, for example. That is the situation, notwithstanding any statements to the contrary.

I should like to ask the Senator to yield to me long enough so that I may request the yeas and nays on the amendment.

Mr. MUNDT. I yield.

Mr. KNOWLAND. Mr. President, on the amendment of the Senator from South Dakota, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Texas. Mr. President, how much time has been used on the amendment?

The PRESIDING OFFICER. The Senator from South Dakota has used 27 minutes. No time has been used in opposition.

Mr. MUNDT. I shall be glad to work out an arrangement with regard to the time. How much time does the Senator from Texas wish to use on the other side?

Mr. ROBERTSON. Mr. President——

The PRESIDING OFFICER. The Senator from South Dakota has the floor. All this time is running against him.

Mr. DWORSHAK. Mr. President, will the Senator yield for a question?

Mr. MUNDT. I yield.

Mr. DWORSHAK. The Senator from South Dakota does not consider the Federal operation of the Navy ordnance plants or similar activities, for example, as being a socialistic undertaking, does he?

Mr. MUNDT. I certainly do not, any more than I consider the operation of the Marine Corps or the Air Force or the REA as a socialistic undertaking. No one has suggested that we put the navy yards under private enterprise operation. Furthermore no one has suggested that we put the Marine Corps or the Air Force or the Army or the REA into private enterprise.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. BUSH. I should like to congratulate the Senator from South Dakota on his presentation of his amendment. I should also like to congratulate the Senator from Minnesota [Mr. THYE]. Furthermore, I wish to associate myself completely with the presentation made by the Senator from Minnesota as well as the one made by the Senator from South Dakota [Mr. MUNDT]. I believe it is a very sound amendment, and I hope the Senate will adopt it with a resounding vote.

Mr. MUNDT. I thank the Senator from Connecticut. Although I was in hope that the committee would accept it without a yea-and-nay vote, I rather welcome a yea-and-nay vote on the amendment. It will be the first time in a long period that the Senate will have had an opportunity to vote on the subject of socialism. It is pretty clear that we will either vote to give a free hand to our Government, which has been all too reluctant in divesting itself from socialism, or we will say to our Government, "You cannot get out of private enterprise undertakings, and you cannot move in that direction, because Congress may not let you do it."

Mr. JOHNSON of Texas. Mr. President, I call the attention of the Senator from South Dakota to the fact that the yeas and nays have been ordered on his amendment. If he will yield back all time except 15 minutes, I will yield back all time in opposition to the amendment except 15 minutes. That would give us 30 minutes in which to discuss the amendment. In that way, notice could be served on all Members of the Senate that shortly after 5 o'clock there would be a yea-and-nay vote on the amendment.

Mr. MUNDT. If it is provided that I need not use my 15 minutes immediately, I have no objection.

Mr. JOHNSON of Texas. That is agreeable. I yield back all my time except 15 minutes, on condition that the Senator from South Dakota do likewise.

Mr. MUNDT. I yield back all my time except 15 minutes.

Mr. JOHNSON of Texas. I yield 12 minutes to the Senator from Virginia.

Mr. ROBERTSON. Mr. President, I regret very much that the last recorded vote on the floor appeared to be a partisan vote. I do not think the security of our Nation is a partisan issue. Certainly the pending amendment is not a partisan amendment. It was reported by the House committee by a unanimous vote.

Mr. SALTONSTALL. Mr. President, will the Senator yield 2 minutes to me, since I may go to an importance conference?

Mr. ROBERTSON. I am glad to yield.

Mr. SALTONSTALL. I wish to support the position of the committee in this matter. The language was very thoughtfully worked out. Let me state briefly what the provisions would do. It would allow the Secretary of Defense to abolish any industry carried on by Government which has not been in existence for 25 years. In connection with any industry in existence for more than 25 years the Secretary of Defense would have to report to the Appropriations Committees of the Senate and the House at least 60 days before taking any action to dispose of such an industry. If any member of those committees should object, the Secretary would have to go into the matter very carefully with the members of the committee before proceeding.

I debated the subject in committee with my distinguished friend the Senator from South Dakota [Mr. MUNDT]. I believe the language which we finally adopted is fair language in the light of the position taken by the Senator from South Dakota and the position taken by the Senator from Virginia. In the case of any industry which has been conducted by the Government for more than 25 years it gives an opportunity for the Appropriations Committees of Congress to have a second look at the matter. I believe we should support the position of the committee, which was worked out after a good deal of debate.

Mr. ROBERTSON. I appreciate the fine statement of the Senator from Massachusetts. The Senator from Massachusetts and I served on the subcommittee which framed the first language, which we thought was an improvement on the House language. In the full committee we yielded to the suggestion of the Senator from South Dakota.

As the Senator from Massachusetts has stated, this is nothing but a proper safeguard against a reckless program of destroying every activity of Government however essential it may be. The first report of the United States Chamber of Commerce stated, that under the House provision, Congress would have to act. That was not correct. In the second report, as I have already called to the attention of the Senate, it gave the impression that the Hoover Commission recommended that 2,500 agencies should be discontinued. That was not correct. I ask unanimous consent that there be printed in the RECORD at this point a statement on the Hoover Commission report.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Hoover Commission Report of Business Enterprises issued last month is a document of 113 pages including 42 dealing with the Department of Defense.

In the preface the report pointed out that the Government creates business-type enterprises in economic emergencies, in the emergencies of war and for the development of projects which are not adapted to private enterprise because of their nature and magnitude and that a very large portion of existing Government business enterprises originated in World War I, the depression, and World War II.

As an example of the tenacity with which some of these operations cling to existence it cited the Inland Waterways Corporation, established during World War I which survived for 33 years and lost money practically every year.

The report said the Government is conducting a multitude of projects in competition with and to the injury of the very system upon which our future security and prosperity is based but it commended the Department of Defense for reviewing its activities and making a start toward getting rid of those in competition with private enterprise. It said that 97 facilities in 20 categories, elimination of which were recom-

mended by the report have been discontinued or are scheduled for discontinuance by the Department of Defense.

Discussing the magnitude of the problem of dealing with commercial and industrial type facilities within the Department of Defense, the Commission report said it is impossible to estimate accurately but the total of such activities probably exceeds 2,500 in which the Government has a capital investment in excess of $15 billion.

It listed 47 categories of such activities known to exist as of December 31, 1954, but said not all of these are competitive with private enterprise and some are essential parts of the military service. The report said continuation of some activities is justified by the military on grounds of inability of private enterprise to provide service, geographic isolation, mobilization needs, classified nature of military requirements, hazardous nature of manufacture, training of personnel, need for research facilities and maintenance of morale through fringe benefits for personnel. The Commission concluded, however, on the basis of its study that probably 1,000 of the 2,500 individual facilities could be eliminated without injury to our national defense or any essential Government function.

Since this Commission on Organization of the Executive Branch of the Government admits in its report that it may be advisable for the Department of Defense to continue, for valid reasons of national interest approximately 3 out of 5 of the industrial and commercial type enterprises carried on by the Department of Defense, is it not reasonable that the Department be asked, as is proposed in our amended version of section 638, that advance notice be given to the Appropriations Committees of the House and the Senate as to which activities the Department proposes to discontinue? We can then express agreement or disagreement but have no authority to forbid or block the proposed action.

The Commission report also indicates the justification for some such advance notice and review in a chapter on readjustment and dislocation problems in which it points out that many loyal Federal employees will lose their jobs when industrial and commercial activities are discontinued and some communities will suffer economic hardship. The report cites with approval the handling of the closing of the Ropewalk in the Boston Navy Shipyard, which was announced more than 6 months before the effective date. It recommends that when governmental business activities are curtailed or terminated "every effort be made to proceed on a reasonable time schedule; to provide reasonable advance notice of contemplated action to the employees and communities concerned at the earliest possible opportunity; to assist dismissed employees in securing other employment and to insure that in scheduling terminations and in deciding which specific operations should be retained, if any (either by direct Government operation or by management contracts), consideration be given to the economic ability of the communities involved to stand the loss of Government payroll."

Section 638, as approved by the Senate Appropriations Committee, therefore, is not in conflict with the recommendations of the Hoover Commission, as many businessmen have been led to believe, but would merely back up this recommendation which is numbered 22 in the report.

When we examine the recommendations of the Hoover Commission with regard to specific activities of the Department of Defense, we find that they do not call for blanket abandonment of activities which have been carried on by the Department over long periods of time which are of an industrial or commercial nature but that the Commission advocates selective action.

In Air Transport the report recommends elimination of duplications and merging the entire operation of the several branches of the service into one Military Air Transport Service which would be restricted and realistically limited to persons and cargo necessary for military purposes, and it suggests that commercial carriers be utilized to the maximum practical extent.

Similarly for Sea Transport, the Commission recommends greater use of private vessels to reduce the Military Sea Transport nucleus fleet, but both air and sea transport services operated by the Department of Defense would be continued.

The recommendation as to shipyards is that Congress should appoint a Commission to study the effect of Government construction and repair operations and that this commission should make recommendations where advisable for more use of private facilities and disposition of Government facilities.

It would seem most appropriate, therefore, that the Department of Defense should be required to notify the Appropriations Committees of the House and Senate if it proposes to close down or curtail the activities of any Government shipyard before this recommended study has been made.

The chapter of the report dealing with Federal industrial facilities says that 288 large establishments of this type, mostly held over from World War II constitute the National Military Industrial Reserve, but that 148 other plants already have been disposed of on conditions that protect the military interest.

Of the plants still held, the report says: "Some of these plants are competitive with private enterprise; some could be made to contribute to the private enterprise system; some are essential to defense; some must be retained for standby."

It recommends a review of these plants to see which ones might be sold, which should be retained as standby, and which operations might be handled on a contract basis.

On the subject of commissary stores and post exchanges the report recommends that they be confined to localities where local facilities are not available or adequate; that prices be fixed to cover all costs; that use be limited to military personnel except in isolated or overseas locations and that consideration be given to contracting out their operation.

In the field of food and clothing, the commission report criticizes baking, coffee roasting, meat cutting, clothing manufacturing, laundering, and dry-cleaning establishments which not only are in direct competition with private enterprise but which in many instances have been operated at less than their capacity while private establishments in the same localities had ample excess capacity which could have been used. It challenges Defense Department arguments as to the need for these and recommends that all of these establishments except those located in isolated or overseas areas be closed and the equipment, except that necessary for a mobilization reserve, be disposed of to the best advantage of the Government.

Discussing dental and medical manufacturing and repair facilities the report recommends that they be discontinued except where needed for training purpose, mobilization reserve or where they are in remote areas.

All of these recommendations taken together, which the report says would result in return of large amounts of invested capital, economies in Government expenditures, increase of tax revenues, and creation of a more healthy economic system, would involve, however, as I have previously indicated, only about 1,000 of around 2,500 commercial and industrial-type facilities now in operation.

The selection of which operations to close and which to continue will involve in every case questions of judgment and I find it difficult to understand the reluctance of businessmen to allow the Appropriations Committees of the House and Senate to at least have advance notice and an opportunity to express their opinion about these decisions, where the operation has been conducted for 25 years or more.

I am convinced that members of these committees, as now constituted, are devoted to the principles of individual free enterprise and would not attempt to block any effort to get the Defense Department out of business except where an action obviously was hasty, ill-advised and against the real interest of our national defense.

Mr. ROBERTSON. The report stated that there were possibly a thousand activities which could be discontinued without any serious interruption of or detriment to the public business, but that the other 1,500 should be carefully investigated. It stated further that many of them were so essential that the Government would have to carry them on. That is what the Hoover Commission stated.

As I previously indicated, this is not a partisan issue. So far as I can tell, both Democrats and Republicans on the House Appropriations Committee supported the proposal. A Democrat on the floor of the House made the motion to delete it from the bill, and that motion was defeated by a large majority. Then in our subcommittee, all of us, Democrats and Republicans alike, supported the amendment which was adopted. In the full committee all of us supported it, both Democrats and Republicans. We did so because, in view of the known drive to take Government out of certain activities in which it has been engaged—2,500 activities involving an investment of $15 billion—we felt that before that was done, the Committees on Appropriations should have a 60-day period in which to determine whether an activity should be discontinued. The committees could not veto anything. But when the Secretary of Defense says, "Here is an activity I want to end, and this is the reason why I want to end it, and here is why it will not hurt our national defense effort," the committees would merely have an opportunity to analyze the proposal and to say, if they approved it, "Very well, you can do it."

I assume that in nine-tenths of the cases we would say that. Mind you, Mr. President, these are not activities which started since World War II. The amendment has reference only to those which have been in operation for 25 years or more. If they have been operated that long, a proposal to discontinue would be reported to the Appropriations Committees of the House and Senate. As the chairman of the subcommittee has said, we are just as dedicated to the principle of private enterprise as is any member of the United States Chamber of Commerce, but we think the people are entitled to the deliberate majority judgment of their duly elected Senators and Representatives as to whether the Government is to be taken out of business in connection with some essential operation which it has traditionally carried on. The chamber of commerce desires to leave the decision with a member of

the Cabinet who has not been elected. All of the activities in question are in the Department of Defense.

I am not making any criticism of any Cabinet officer, but I would say that it is only fair to our respective States that we reserve the right to be informed just as the Armed Services Committee did in the case of proposed land acquisitions for all military agencies. They cannot buy land. They have the money, but they have to justify the need. That question would come before the Appropriations Committee.

Mr. PASTORE. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. PASTORE. Do I correctly understand that if section 638 is deleted from the bill it would mean that the Department could indiscriminately cease its activities which have been going on for 25 years or more?

Mr ROBERTSON. It certainly could. The United States Chamber of Commerce apparently wishes to close them all. They say that is the private-enterprise way, the American way. I am just as much in favor of private enterprise as is the chamber of commerce, but I cannot endorse that position.

Mr. PASTORE. Mr. President, I merely wish to associate myself with everything the distinguished Senator from Virginia has said. I realize that if the Defense Department were indiscriminately to cease the activities in which it has been engaged for more than 25 years, a great many communities would be dislocated, and it would cost more to do the job than it does at the present time.

Mr. ROBERTSON. There would be ghost towns all over the United States if we put the Government out of business in connection with those activities. The Hoover Commission says that the cases must be very carefully studied because of the impact on given communities. Such questions must be considered. Under the present pressure without such a provision in the law the Secretary of Defense and other Cabinet officers who are in charge of such operations would be given a free hand to do whatever they pleased without saying to anyone, "By your leave."

Mr. KENNEDY. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. KENNEDY. Is it not a fact that the committee amendment is a very mild one? In the first place, it concerns activities which have been carried on by the Government for 25 years, and the discontinuance of which would not affect national security. That is a very minimum requirement on the part of the Appropriations Committee with relation to action which might affect employment rights and communities which may be dependent upon such Government activities for their survival. For Congress merely to ask for a report along those lines is the very least we can accept.

Mr. ROBERTSON. If Senators would only read the report filed by the Hoover Commission they would find it lists the businesses involved, such as coffee roasting, dry cleaning, lumber plants, paint plants, and so forth. They are in that general category. I agree with the Hoover Commission 100 percent. I do not want the Government to be in any business unnecessarily. I do not wish the Government to do anything which private enterprise can do just as well and often more cheaply. But there are other activities which the Hoover Commission has said are very essential and which should be considered. I do not propose to vote to make a ghost town out of Portsmouth, Va., where 15,000 or 17,000 out of 50,000 persons are dependent upon their jobs in the shipyards.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the RECORD, at this point, quotations from the Washington Report, a weekly newspaper of the United States Chamber of Commerce.

There being no objection, the quotations were ordered to be printed in the RECORD, as follows:

The weekly newspaper of the United States Chamber of Commerce, Washington Report, dated July 7, 1955, had a leading article headlined "Defense Department Decompetition Effort Faces Serious Check—Senate Appropriations Committee Retains Proposal Retarding Cutback of Activities."

This article said, "A serious potential check on the Defense Department's program to eliminate business and industrial-type activities which compete unfairly with private business was voted this week by the Senate Appropriations Committee.

"In acting upon the House-passed Defense appropriation bill (H. R. 6042), the committee retained in modified form a provision which would retard the Defense Department in its efforts to terminate such activities.

"As approved by the House, this provision (sec. 638) would, in effect, have required congressional committee approval of any decompetition projects.

"The Senate committee revised the language to require the Secretary of Defense to report to the House and Senate Appropriations Committees, 60 days in advance, any proposals to curtail operations which have been carried on for 25 years.

"Although the Senate's version of section 638 is less restrictive, it still would have the effect of blocking specific cutbacks and slowing down the entire program.

Retention of the section was voted by the Senate Committee despite strong representations by the national chamber, trade associations, other organizations, and individual businessmen."

The article also said that "although more moderate than as passed by the House, the rewritten section is contrary to a philosophy supported by private business in efforts to reduce the number of commercial and industrial-type facilities within the Department of Defense. The Hoover Commission recently declared such facilities 'probably exceed 2,500' with a total investment of Government capital probably exceeding $15 billion."

Legislative Daily news release distributed by the United States Chamber of Commerce under date of Tuesday, June 14, said that as approved by the Senate Appropriations Committee the Defense appropriations bill "retains a controversial provision which would require the Defense Department to obtain permission from Congress before disposing of any business-type activity it has been carrying on."

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Minnesota.

Mr. THYE. Mr. President, the Senator from Virginia need have no fear concerning Norfolk or Portsmouth, Va., where there are military or naval installations, because there is no intention, I am sure, on the part of any of us to disrupt those installations. It was suggested that we go back to the era of World War I and World War II. According to testimony adduced in committee hearings, the reason why the work was being conducted by the Government was that there were many secret installations on vessels, and so forth, with which the general public was not acquainted——

Mr. ROBERTSON. In committee I said we should go back 40 years, but there were others who thought differently.

Mr. THYE. I agreed, with reservations.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Rhode Island [Mr. PASTORE].

Mr. PASTORE. Mr. President, I honestly and sincerely feel that we have gone about as far as we can go in connection with section 638, without eliminating it completely from the bill, and causing a situation whereby the Secretary of Defense could indiscriminately cease these activities. I do not think it is a question between socialism and free enterprise. Whatever we have today we have built up through a slow process.

If we indiscriminately cease these activities we are going to affect many innocent workers who have established their homes in the localities involved. If we are going to do it at all we must do it slowly and carefully and with a sense of responsibility, taking into account the economic effect on many innocent workers.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the distinguished junior Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I would say to the Senator from Minnesota that there are plans to close down Government activities which have been in existence for a long period of time. We are now engaged in a struggle to preserve the ropewalk at the Boston Navy Yard which has been in operation since 1805. I think there is a definite danger that some projects which have been traditional may be put out of business. I think we have a right to expect a report to the Appropriations Committee that the closing of any such activity is feasible, sound, economical, and is in accordance with the preservation of the national defense.

That is all the amendment provides. It does not seem to me to be excessive. We do not even have the right of veto over the closing of the plant. All we ask is that the Secretary make a report before he takes action. It seems to me that that would be in accordance with sound precedents and would be in keeping with the interests of the country.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from South Dakota has 15 minutes.

Mr. MUNDT. I yield back all of that time except 8 minutes.

Mr. JOHNSON of Texas. When the Senator from South Dakota has finished, I will suggest the absence of a quorum, in order to accommodate all Senators.

Mr. THYE. Mr. President, will the Senator from South Dakota yield me 2 minutes?

Mr. MUNDT. I yield 2 minutes to the Senator from Minnesota.

Mr. THYE. In answer to the statement made by the junior Senator from Massachusetts about rope manufacturing, I feel quite certain that free enterprise could handle that work. However, there might be some historical reason for retaining it where it is, because if that business were taken away from that area it might cause some dislocation and great hardship by reason of unemployment. That is recognized. Therefore, it would be left to the Secretary of Defense to make an examination of the situation.

But I still contend that if we went back 40 years, and with the reservation that the Secretary of Defense might examine the question, we would then be on safe ground.

I will admit that the amendment contained in the bill as reported will bring the matter into conference; and the conferees, in their good judgment, might modify it.

But if there were a limitation of 25 years, and if we took the matter to conference with the House, and they differed with us, they might hold the time to 25 years. It was for that reason it was felt that 40 years would be safer than 25 years.

I agree that if the provision were struck out entirely, we would start with a clean slate on the Senate side, we could make compromises with the House conferees, and then come forth with a workable, sound bill.

I do not favor destroying activities which are recognized as being necessary to the national defense; but I recognize that many functions have been taken over as military operations which could be done as well by private enterprise, if not better. That is why I support the amendment offered by the Senator from South Dakota.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. THYE. If I have a moment or two left, I will yield.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. MUNDT. Mr. President, I promised to yield 2 minutes to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, I shall be glad to yield a minute of my time to the senior Senator from Minnesota so that he may answer a question of the senior Senator from New Mexico.

Mr. MUNDT. Very well. I yield another minute to the senior Senator from Minnesota.

Mr. CHAVEZ. While it is true that both sides want to save private enterprise, how is it possible to do so unless the committee amendment shall be agreed to?

The difference between the committee amendment and the amendment of the Senator from South Dakota is that if the committee amendment shall be adopted, the question will still be in conference. What would be have to offer the House conferees if the amendment of the Senator from South Dakota were agreed to?

Mr. THYE. We would have all the colloquy which has taken place in the Senate this afternoon. Do not think for a moment that the House conferees will not be familiar with the colloquy. We would start out with nothing in the Senate bill. Then we would agree upon something, and all of us would be searching for additional information with which to go to conference.

I believe the Senator from South Dakota has offered a way out of the problem, by which we would allay the fear on the part of private enterprise of the Nation that Congress was soft toward those who want the Government to continue doing business in the field of free enterprise.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. MUNDT. I yield 1 minute to the senior Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, very little can be said in 1 minute, but I wish to give the Senate the benefit of my own experience in commanding many military posts throughout the Nation. The amendment will in no way disturb the national defense. Personally, I think it will improve the national defense, because it has been my experience that very much better service is obtained from private enterprise than from installations which have been established as a part of the national defense organization. Many of the national defense installations have been in existence for more than a century. They do a magnificent job. Nevertheless, in a country which encourages competition, the best results will be obtained from free enterprise.

I sincerely hope the amendment offered by the Senator from South Dakota will prevail.

Mr. MUNDT. Mr. President, I yield myself the remainder of my time, which I believe is only 3 or 4 minutes.

The PRESIDING OFFICER. The Senator from South Dakota has 3 minutes remaining.

Mr. MUNDT. I wish to reply first to the arguments made by the Senator from Virginia, because I found them to be very interesting and significant.

The first was his remark that the adoption of the amendment might cause the Navy yards in his State to go out of the business of legitimate defense production.

Under this authority, the Government cannot vacate any of the responsibilities it has assumed as a result of legislative mandate. The Government cannot divest itself of any business or activity into which Congress has placed it. My amendment means only that anything which the Government established by executive edict it can divest itself of by executive edict.

There is no more opportunity for the Government to take itself out of the field of operating Navy yards or gun-making or from the REA than there would be of it flying to the moon. To do so would require legislative power, not executive edict and Congress would never so vote.

I think really that the gist of the argument of the Senator from Virginia was his second point. He said that some ghost towns would be created in Virginia. He said that to take the Government out of business would put Government employees out of work.

If his argument were carried to its logical conclusion, it would mean that the Government could never fire anyone, and that the size of this bureaucracy could never be reduced.

But that is not true, because if the work which the Government is now doing is important, those same employees can be rehired by private enterprise to do the same work.

If that is not to be the case, how can the collecting of taxes in the United States be justified to maintain a socialistic enterprise which is so useless, that the only argument that can be made to defend it is that to eliminate it will put some Federal employees out of work?

They will not be thrown out of work if the work is essential, because the jobs will continue. Some private entrepreneur will pick up the work and will hire the same employees.

I sincerely hope that the Senate, on a yea-and-nay vote, will not say that it wants to discourage the Government from getting out of business, when the business is needless, and simply on the argument that getting out of the business will mean that some Government employee will temporarily be out of work.

If we intend to strive for economy, if we mean what we say in support of private enterprise, if we mean that we will try to get a little more efficiency in Government, certainly we do not want to apply the brakes when, at long last, the executive agencies are willing to shrink, instead of increase in size; when, at long last, we have them coming to Congress and saying, "We would like to get out of a few useless socialistic enterprises."

Certainly if the Senate wants to vacate those Government jobs by the proposed amendment, the amendment will increase the bargaining power of the Senate in conference with the House. It will provide a blank page against a resolution. The conferees can then provide every safeguard the Senator from Virginia might desire in his effort to protect the Navy yard at Portsmouth and the other necessary installations in Virginia, and to protect the national defense in general. But my amendment is our opportunity, at this session, to register ourselves in favor of a decrease in the size of Government business, and to eliminate the costs of Government, which are steadily mounting.

The PRESIDING OFFICER. All time has expired. The question is on the amendment of the Senator from South Dakota [Mr. MUNDT] on which the yeas and nays have been ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from South Dakota [Mr. MUNDT]. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as a representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I also announce that if present and voting the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. KERR] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON] is absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate to attend the funeral of a friend.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

The result was announced—yeas 33, nays 48, as follows:

YEAS—33

Allott	Curtis	Martin, Pa.
Barrett	Duff	McCarthy
Beall	Dworshak	Mundt
Bender	Goldwater	Schoeppel
Bennett	Hickenlooper	Smith, N. J.
Bricker	Hruska	Thye
Bush	Ives	Watkins
Butler	Knowland	Welker
Capehart	Long	Wiley
Carlson	Malone	Williams
Case, S. Dak.	Martin, Iowa	Young

NAYS—48

Aiken	Hill	Neely
Barkley	Holland	Neuberger
Bible	Johnson, Tex.	O'Mahoney
Byrd	Johnston, S. C.	Pastore
Case, N. J.	Kefauver	Payne
Chavez	Kennedy	Purtell
Daniel	Kilgore	Robertson
Douglas	Kuchel	Russell
Ellender	Langer	Saltonstall
Ervin	Lehman	Scott
Flanders	Magnuson	Smathers
Frear	Mansfield	Smith, Maine
Fulbright	McClellan	Sparkman
Gore	McNamara	Stennis
Hayden	Monroney	Symington
Hennings	Morse	Thurmond

NOT VOTING—15

Anderson	Eastland	Jenner
Bridges	George	Kerr
Clements	Green	Millikin
Cotton	Humphrey	Murray
Dirksen	Jackson	Potter

So Mr. MUNDT's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

If there is no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The PRESIDING OFFICER. The question is, shall the bill pass.

Mr. JOHNSON of Texas. Mr. President, I yield back all time remaining under my control.

Mr. KNOWLAND. Mr. President, I yield back all time remaining under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The bill having been read the third time, the question is, Shall it pass?

Mr. JOHNSON of Texas. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. JACKSON], and the Senator from Oklahoma [Mr. KERR] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote, the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I also announce that if present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Oklahoma [Mr. KERR], and the Senator from Montana [Mr. MURRAY] would each vote yea.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New Hampshire [Mr. COTTON], and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate, to attend the funeral of a friend.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate, to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], and the Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea".

The result was announced—yeas 80, nays 0, as follows:

YEAS—80

Aiken	Dworshak	Kuchel
Allott	Ellender	Langer
Barkley	Ervin	Lehman
Barrett	Flanders	Long
Beall	Frear	Magnuson
Bender	Fulbright	Malone
Bennett	Goldwater	Mansfield
Bible	Gore	Martin, Iowa
Bricker	Hayden	Martin, Pa.
Bush	Hennings	McCarthy
Butler	Hickenlooper	McClellan
Byrd	Hill	McNamara
Capehart	Holland	Monroney
Carlson	Hruska	Morse
Case, N. J.	Ives	Mundt
Case, S. Dak.	Johnson, Tex.	Neely
Chavez	Johnston, S. C.	Neuberger
Curtis	Kefauver	O'Mahoney
Daniel	Kennedy	Pastore
Douglas	Kilgore	Payne
Duff	Knowland	Purtell

Robertson	Smith, N. J.	Watkins
Russell	Sparkman	Welker
Saltonstall	Stennis	Wiley
Scott	Symington	Williams
Smathers	Thurmond	Young
Smith, Maine	Thye	

NOT VOTING—16

Anderson	George	Millikin
Bridges	Green	Murray
Clements	Humphrey	Potter
Cotton	Jackson	Schoeppel
Dirksen	Jenner	
Eastland	Kerr	

So the bill (H. R. 6042) was passed.

Mr. CHAVEZ. Mr. President, first I wish to thank the Senators who have helped on this bill. I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Office appointed Mr. CHAVEZ, Mr. HAYDEN, Mr. RUSSELL, Mr. HILL, Mr. BYRD, Mr. SALTONSTALL, Mr. BRIDGES, Mr. YOUNG, and Mr. FLANDERS conferees on the part of the Senate.

Mr. JOHNSON of Texas. Mr. President, the vote just announced is a great tribute to the leadership of the distinguished chairman of the subcommittee [Mr. CHAVEZ]. As all Senators know, this is one of the most difficult appropriation bills to come before the Senate. It is the largest of the regular appropriation bills. There are always several controversies involved in it.

I take this opportunity not only to compliment the distinguished chairman of the subcommittee, but the distinguished ranking minority member of the committee, and all other members of the subcommittee.

I think the unanimous vote on this important bill is notice to the entire world that we intend to keep this country prepared and to keep it strong.

I express my personal appreciation to the chairman of the subcommittee for the fine work he had done, to the excellent staff who worked with him, and to every member of the subcommittee on both sides of the aisle.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the concurrent resolution (S. Con. Res. 41) to authorize the enrollment with certain changes of Senate Joint Resolution 62, dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

EMERGENCY LOANS FOR AGRICULTURAL PURPOSES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 578, Senate bill 1582.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1582) to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment, in line 6, after the word "thereof", to strike out "1956" and insert "1957", so as to make the bill read:

Be it enacted, etc., That the first sentence of the act entitled "An act to provide emergency credit," approved August 31, 1954 (Public Law 727, 83d Cong.), is amended by striking out "1955" and inserting in lieu thereof "1957."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. YOUNG. Mr. President, this bill, with the committee amendments, would extend for 2 years (until June 30, 1957) the authority of the Secretary of Agriculture to make emergency loans under Public Law 727, 83d Congress. That law provides for loans in areas where credit cannot be met for a temporary period from ordinary scurces, and is due to expire at the end of this month. In some areas (listed in the committee report) there is a continuing need for these loans at this time, and it is advisable to have this authority available for those areas as well as for other areas in which it may become needed. This bill was approved unanimously by the Senate Agriculture Committee and also has been favorably reported from the Department of Agriculture.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CASE of South Dakota. Is it not correct that this bill would take care of situations in counties where there has been some drought, and where there have been some adverse economic conditions, but possibly not of such a nature as to be classified as a disaster?

Mr. YOUNG. The Senator is correct.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LANGER. Is it not true that this situation affects the farmer of the entire Nation?

Mr. YOUNG. It does. This type of loan is extended in several counties in New Jersey and in many other counties in every area of the United States, including my own State of North Dakota.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. MONRONEY. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. MONRONEY. I should like to ask whether the interest rate will be 5 percent, as announced by the Secretary of Agriculture, or 3 percent, the rate which is being discussed by the Committee on Agriculture and Forestry?

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. The rate of interest will be the same as has been fixed by law. The other day, I believe, the Senate passed a bill fixing the rate of interest on a certain type of disaster loan at 3 percent.

Mr. MONRONEY. Would this activity qualify for the 3-percent rate, or would the Secretary of Agriculture have the right to make the rate either 5 or 3 percent?

Mr. AIKEN. I think all interest rates are now fixed by law—assuming that the House agrees with the Senate that the rate of interest fixed on certain types of loans shall be 3 percent. I am sure that whatever the interest rate is on this type of loan, it is fixed by law.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1582) was ordered to be engrossed for a third reading, read the third time, and passed.

RESULTS OF PRICE-SUPPORT AND OTHER PROGRAMS

Mr. ELLENDER. Mr. President, a few weeks ago the Commodity Credit Corporation issued a report showing the losses and gains on the operations of the price-support program. It will be noted, from a study of this report, that the amount of CCC losses from October 17, 1933, to April 30, 1955—a period of nearly 22 years—on basic commodities, was $353,675,738, or an average of some $16,450,034 a year.

It will be further noted, as to cotton, that the price-support program for that commodity actually shows a gain—a profit—of $267,290,377, and that the losses sustained on price-support operations for the basic commodities, as a whole, accrued principally on corn and wheat.

I further invite the attention of Senators to the fact that the total losses on all price-support programs, which would include nonbasics, such as honey, milk, butter, cheese, wool, and so on, aggregate $2,093,579,569, or an average of roughly $97,371,143 a year. If we exclude the wartime consumer subsidies—which are patently not a part of our normal farm-price program—the losses on the entire price-support operations—for both basics and nonbasics—for the period beginning October 17, 1933, and ending April 30, 1955, were $1,868,268,619, or about $86,896,215 a year over a 22-year period.

Mr. President, these figures indicate that the losses incurred in our price-support programs are far from astronomical, as some opponents of our farm program would have us believe.

I am pleased, also, to note that this report does not attempt to bring together all farm programs, such as the REA, the Farmers' Home Administration, the Extension Service, agricultural research, and others, as was the case not long ago when the Senate Committee on Agriculture and Forestry had occasion to take testimony on our farm-price program. Senators may recall that the figures to which I refer elicited much comment in our Nation's press, which

used that official United States Department of Agriculture summary as the basis of a charge that the price-support program was costing our taxpayers billions upon billions of dollars a year.

It gives me a great deal of pleasure to set the record straight and, in doing so, to use an official Department of Agriculture summary which does not include the cost of programs totally unrelated to price-support operations. I hope it will be noted that the annual average cost of this program is counted, not in billions a year, but in millions—and that the cost is a reasonable one for the result it has sought to achieve.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement indicating the authority for the price support and related programs, including the authority for the emergency feed program. I ask that this statement, together with the table to which I have just referred, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

COMMODITY STABILIZATION SERVICE—COMMODITY CREDIT CORPORATION

Analysis of program results from Oct. 17, 1933, through Apr. 30, 1955 [1] *(realized gains and losses)*

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1951	Fiscal year ended June 30— 1952	1953	1954	Fiscal year 1955 through Apr. 30, 1955	Oct. 17, 1933, through Apr. 30, 1955
Price support program: [1]								
Basic commodities:								
Corn	*$20,078,488	*$14,336,569	*$17,752,683	$1,783,916	*$20,526,523	*$80,502,840	*$62,941,097	*$214,354,294
Cornmeal [2]							595	595
Cotton	*27,401,798	218,328,306	77,525,617	148,924	*381,572	*1,796,768	867,668	267,290,377
Cotton, export differential [3]		*27,651,360	*13,709,858					
Cotton, Puerto Rican		*126,011	*4,187					*130,198
Cotton, rubber barter		11,055,451						11,055,451
Peanuts			*81,002,197	*8,670,873	*2,975,881	*23,359,266	*2,093,641	*118,101,858
Rice			*1,238,923	57,271	*277,861	568,205	7,991,738	7,100,430
Tobacco	*2,107,589	7,074,300	449,706	*1,014,923	*2,759,676	*956,375	31,616	
Wheat	*6,199,460	*11,775,173	*50,544,259	*7,722,262	*18,886,296	*71,338,944	*99,612,745	*266,079,139
Wheat flour [2]							187,047	187,047
Total	*55,787,335	182,568,944	*86,276,784	*15,417,947	*45,807,809	*177,385,988	*155,568,819	*353,675,738
Designated nonbasic commodities:								
Honey			*875,969	107	4,924	8,812	*5,377	*867,503
Milk and butterfat:								
Butter			*48,328,304	41,571	*456,492	*34,794,713	*116,397,893	*199,935,831
Butter oil						*895,422	*17,716,674	*18,612,096
Cheese			*25,071,542	31,405	14,708	*12,659,476	*43,835,918	*81,520,932
Milk, dried			*56,774,048	*1,183,459	*4,798,735	*82,363,920	*82,848,852	*227,969,014
Milk, fluid							*31,340,280	*31,340,280
Whey							*397,841	*397,841
Potatoes, Irish [4]		*$25,197,222	*452,740,718	*85,459	*73,658	*17,884	3,963	*478,116,978
Tung oil			*77,750	*1,154	*451	*2,685	*41,125	*123,165
Wool	*$176	*15,834,163	*76,306,520	*86,610	*15,290	*452,501	*662,604	*93,357,864
Total	*176	*41,031,385	*660,174,851	*1,283,599	*5,324,994	*131,177,789	*293,242,601	*1,132,235,396
Other nonbasic commodities:								
Barley		*40,019	*5,021,516	*2,807,078	*2,195,112	*2,047,568	*8,077,690	*20,188,983
Beans, dry edible		*179,753	*12,622,408	*15,429,183	*6,777,410	*7,093,768	*4,297,280	*46,399,802
Castor beans		*171,224	31					*171,193
Cotton, American-Egyptian		*538,573	57,956	175,206	294,665	39,547	*31	28,779
Cottonseed and products			4,908,903	2,686,612	7,701,799	*20,300,070	*44,749,329	*49,752,083
Eggs [5]		*224,002	*155,864,008	*29,368,028	*4,256,139	92,364	*3,362	*189,623,173
Flax fiber			*397,113					*397,113
Flaxseed and linseed oil		*22,209	*60,079,116	*4,683,190	*1,422,997	*51,274,251	*20,075,205	*137,556,968
Fruit, dried		*102,489	*14,771,976	*855				*14,882,320
Grain sorghum		437,456	*36,739,539	31,638	874,126	*7,278,771	*24,696,696	*67,371,786
Grapefruit juice			*1,732,374					*1,732,374
Hemp and hemp fiber		*20,201,375	*1,256,002	*4,778				*21,459,155
Hops	*162,036	*792,164						*954,200
Naval stores	*4,435,579	5,997,861	*2,951,996	3,876	30,253	9,370	101,680	*1,244,553
Oats			*440,428	*738,889	*194,938	*4,185,553	*7,307,032	*12,866,840
Olive oil					*170	*168,362	*228,625	*397,157
Peas, dry edible		*3,012	*885,738	*655	*31			*889,436
Pecans		*3,751						*3,751
Rye	*4,575	60,751	*245,223	18,599	7,947	*68,967	*1,640,602	*1,872,160
Rye flour [2]							7,080	7,080
Seeds		*148,193	*137,982	*537,879	*4,050,655	*17,989,413	*4,182,865	*27,046,987
Soybeans			4,386,895	1,574	*24,893	*647,855	*4,139	3,711,582
Sugar, Puerto Rican and Virgin Island			23,830					23,830
Sugar beets			*16,517,269					*16,517,269
Sweet potatoes			*135,421					*135,421
Turkeys			11,070					11,070
Vegetables, canned		*6,888	18,830					11,942
Total	*4,602,190	*15,944,584	*300,390,594	*50,650,030	*10,013,555	*110,913,297	*115,154,186	*607,668,436
Total price support	*60,389,701	125,592,975	*1,046,842,229	*67,351,576	*61,146,358	*419,477,074	*563,965,606	[6] *2,093,579,569
Supply program: [1] [7]								
Cotton and linters		1,592,551	283,648					1,876,199
General commodities purchase [8]			184,688,553	*195,564	1,314,667	1,841,948	699,317	188,348,921
Grains and seeds		23,969,000	51,139,460	437,204	405,837	*233,880	*176,482	75,541,109
Oils (bulk)		29,937	872,186	6,020	9,194	*47,287	77,548	947,598
Processed and packaged commodities [9]			38,918,857	162,193	23,559	136,460	23,072	39,264,141
Sugar, Puerto Rican raw			36,590		9,439	13,702		59,731
Tobacco		4,179,335	588,749					4,768,084
Other		*3,120,517	*293,533					*3,414,050
Total supply program		26,650,306	276,234,510	409,853	1,762,696	1,710,943	623,455	307,391,763

[1] Allocation of losses and gains as between price-support program and supply program for the period prior to the fiscal year 1947 was made on the basis of an analysis completed in April 1949. Since accounting records maintained prior to July 1, 1946, did not provide for this segregation, it was necessary to analyze program results in detail and in some cases make an estimate of the distribution between price support and supply of the total operating result as shown by the accounting records. This analysis was based on all known factors concerning the operations with respect to each commodity.

[2] Acquired by exchange of price-support commodities.

[3] Includes export differential on owned or pooled cotton only. Differential on exporters' cotton included under "Commodity export program."

[4] Includes price-support loss of $2,829,639 on the 1943 and 1944 potato programs, which was formerly included under "General commodities purchase program."

[5] Includes price-support loss of $11,956,386 on the 1944 egg program, which was formerly included under "General commodities purchase program."

[6] Amounts recovered or to be recovered from appropriations authorized in certain acts of the Congress, as detailed on schedule 8a, are not reflected as losses.

[7] Portion of overall supply and foreign purchase program effective July 1, 1952.

[8] Includes gain of $178,697,602 carried as "Special reserve—General commodities purchase program" as of June 30, 1946, and transferred to income in May 1947. Also see footnotes 4 and 5.

[9] During the period July 1, 1946, through June 30, 1949, activity under this program was reported as "General supply program."

*Denotes loss.

Analysis of program results from Oct. 17, 1933, through Apr. 30, 1955 (realized gains and losses)—Continued

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1951	Fiscal year ended June 30— 1952	1953	1954	Fiscal year 1955 through Apr. 30, 1955	Oct. 17, 1933, through Apr. 30, 1955
Foreign purchase program: [7] [8]								
Cotton		$5,439,464	$458,888	*$2,617				$5,895,735
Fats and oils		22,543,441	16,374,717	*2,550				38,915,608
Foodstuffs		4,620,232	1,053,486	9,770	*$2,616	$15,970	$5,956	5,702,798
Other		*274,627	45,509	53,378				*175,740
Total foreign purchase		32,328,510	17,932,600	57,981	*2,616	15,970	5,956	50,338,401
Emergency feed program:								
Corn						*16,451,228	*522,336	*16,973,564
Cottonseed meal						*17,593,792	75,977	*17,517,815
Oats						*3,933,092	*33,168	*3,966,260
Wheat						*3,354,725	*164,704	*3,519,429
Total emergency feed program						*41,332,837	*644,231	*41,977,068
Commodity export program:								
Cotton [11]		*7,008,694	*5,439,964	1,494				*12,537,164
Wheat		*1,209,445	*618			*26,087,494	*35,832,167	*63,129,724
Total commodity export		*8,308,139	*5,440,582	1,494		*26,087,494	*35,832,167	*75,666,888
Storage facilities program		*10,087,438	*441,539	*1,628,947	121,488	231,341	*78,417	*11,883,512
Accounts and notes receivable (chargeoffs)		11,134	*1,342,301	*196,247	*253,682	*572,211	*538,439	*2,891,746
Total (excluding wartime consumer subsidy costs) [12]	*$60,389,701	166,187,348	*759,899,541	*68,707,442	*59,518,472	*485,511,362	*600,429,449	*1,868,268,619
Wartime consumer subsidy program [13]		*2,130,581,589	28,253,347	266,423	74,623	*107,991	*92,535	*2,102,187,722
Grand total	*60,389,701	*1,964,394,241	*731,646,194	*68,441,019	*59,443,849	*485,619,353	*600,521,984	*3,970,456,341

[7] Portion of overall supply and foreign purchase program effective July 1, 1952.

[8] Insofar as possible, operating results have been retroactively classified to correspond with current budgetary programs. In some instances, the accounts maintained prior to July 1, 1946, did not make possible a precise segregation of the results of foreign procurement operations.

[11] Includes export differential on exporters' cotton only.

[12] Includes losses totaling $56,239,432 on price-support commodities disposed of in accordance with Public Laws 389 and 393, 80th Cong., i. e., transferred to foreign assistance outlets at a price equal to price of a quantity of wheat having caloric value. The Corporation was reimbursed for these losses by the Secretary of the Treasury.

[13] Subsidy losses on corn for alcohol, wheat for alcohol, and wheat for feed are included on an estimated basis. This program in process of liquidation since July 1, 1949. For detail of subsidy costs by commodities by fiscal year prior to that date, see report of financial condition and operations as of June 30, 1949.

*Denotes loss.

AUTHORITY FOR PRICE SUPPORT AND RELATED PROGRAMS

In furtherance of the purpose of the Agricultural Adjustment Act of 1933 (48 Stat. 31) of reestablishing the purchasing power of farmers at parity level, early price-support programs were carried out by CCC under the authority contained in its Delaware charter. The Corporation carried out price-support programs under this authority, in conjunction with various specific statutory authorizations and directives, until it was incorporated as a Federal corporation by the Commodity Credit Corporation Charter Act in 1948 (62 Stat. 1070).

By the act of August 24, 1935, as amended (sec. 32), (49 Stat. 750, 774), the Secretary of Agriculture was authorized to use funds equivalent to 30 percent of the customs receipts to encourage exportation and domestic consumption of agricultural commodities and to reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. Many programs carried out under this authority are so designed as to have price-support effect.

Section 302 of the Agricultural Adjustment Act of 1938 (52 Stat. 43) authorized CCC to make loans on agricultural commodities, including dairy products, and directed CCC to make loans upon wheat, cotton, and corn at levels between 52 and 75 percent of parity. Section 359 (e) (55 Stat. 90) of the act, added April 3, 1941, required that loans be made available on peanuts at levels between 50 and 75 percent of parity. Section 303 of the act (52 Stat. 45) authorized the Secretary to make payments to producers of corn, wheat, cotton, rice, or tobacco for the purpose of providing a return to such producers as nearly equal to parity price as funds appropriated for the purpose permitted.

Section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (49 Stat. 1150, 52 Stat. 31), authorized the Secretary to carry out the purposes of the act, one of which is to reestablish farmers' purchasing power, by making payments or grants of other aid to producers. Section 12 (a) of that act (49 Stat. 1151, 53 Stat. 550) authorized the Secretary to use funds appropriated under the act for the expansion of domestic and foreign markets and for surplus removal or disposition.

The act of May 26, 1941 (55 Stat. 203) directed CCC to make loans to cooperators on the 1941 crops of rice, tobacco, cotton, corn, and wheat at 85 percent of parity. This act was amended (55 Stat. 860) to add peanuts to the list of commodities to be supported and to extend its applicability to the 1942 through 1946 crops.

Section 8 (a) of the Stabilization Act of 1942 (56 Stat. 767) directed CCC to make loans to cooperators at 90 percent of parity upon any crop of cotton, corn, wheat, rice, tobacco and peanuts harvested after December 31, 1941, and before 2 years after the end of the war. (This period ended December 31, 1948.) The act of June 30, 1944 (58 Stat. 632) amended this section by increasing the rate on cotton harvested after December 31, 1943, to 92½ percent of parity and the act of October 3, 1948 (58 Stat. 765) further amended this section by increasing the rate on cotton to 95 percent of parity with respect to crops harvested after December 31, 1943, and planted prior to January 1, 1945.

The act of July 28, 1945 (59 Stat. 506) required that the support rate on fire-cured tobacco be 75 percent of the rate for burley tobacco and that the rate for dark air-cured and Virginia sun-cured tobacco be 66⅔ percent of the burley rate.

Sec. 4 of the act of July 1, 1941, the so-called Steagall amendment (55 Stat. 498) required the Secretary during the war emergency to support at not less than 85 percent of parity or comparable price those nonbasic commodities with respect to which he requested increased production. By the act of October 2, 1942 (56 Stat. 768) the minimum rate of support was increased to 90 percent of parity and such support was required to be continued for 2 years after the end of the war.

The subsidy aspects of certain price support programs which were carried out at processor levels during the war years were carried out pursuant to directives issued under Executive Orders 9250 of October 3, 1942, and 9328 of April 8, 1943, issued under the Stabilization Act of 1942 and the First War Powers Act of 1941.

The act of August 5, 1947 (61 Stat. 769), required Commodity Credit Corporation to support the price of wool until December 31, 1948, at the level at which wool was supported in 1946.

The Agricultural Act of 1948 (62 Stat. 1247) required the Secretary of Agriculture to support the price of the 1949 crops of the basic commodities at 90 percent of parity and to support until January 1, 1950, the price of Steagall commodities at not less than 60 percent of parity or comparable price and not in excess of the level at which such commodities were supported in 1948, with the exception of Irish potatoes harvested before January 1, 1949, milk and milk products, hogs, chickens, and eggs, which were required to be supported at 90 percent of parity or comparable price. This act also amended the act of August 5, 1947, by extending to June 30, 1950, the period during which mandatory support must be made available on wool; and stated the policy of Congress that the other price support operations of the Department should be carried out until January 1, 1950, so as to bring the income of producers of other commodities to a fair parity relationship, to the extent that funds remained available, with the basic and Steagall commodities and wool.

The Agricultural Act of 1949 (63 Stat. 1051) provided mandatory support at levels not in excess of 90 percent of parity nor less than certain prescribed minimums for the basic commodities; provided mandatory support for wool and mohair, tung nuts, honey, Irish potatoes, milk and milk products, at levels between 60 and 90 percent of parity (between 75 and 90 percent of parity in the case of milk and milk products); authorized price support at levels not in excess of 90 percent of parity for other nonbasic commodities, subject to consideration being given to specified factors; and provided that insofar as feasible, price support should be made available on any storable nonbasic commodity for which a marketing quota or marketing agreement or order program is in effect. The act of March 31, 1950 (64 Stat. 42) prohibited price support for potatoes of the 1951 and subsequent crops unless marketing quotas are in effect. There is no legislation which authorizes marketing quotas on potatoes.

Section 106 (a) of the act of June 30, 1952 (66 Stat. 298), amending the Defense Production Act, provided for price support at 90 percent of parity for the basic commodities under any program announced while

title IV of the Defense Production Act authorizing price controls was in effect. Title IV expired as of April 30, 1953.

The act of July 17, 1952 (66 Stat. 758), amending the Agricultural Act of 1949, provides for 90 percent of parity price support for the 1953 and 1954 crops of the basic commodities with respect to which producers have not disapproved marketing quotas. The act also provides that the price-support provisions of the Agricultural Act of 1949 shall apply separately to American upland cotton and to extra-long staple cotton; however, the level of support for extra-long staple cotton of the 1953 crop must be in the same relationship to that of American upland cotton as the relationship of their average farm prices during the period 1936–1942.

The Agricultural Act of 1954 (68 Stat. 897) allows price support for the basic commodities at the levels provided for in the Agricultural Act of 1949 (63 Stat. 1051) to go into effect beginning with the 1955 crops, except that for the 1955 crops the minimum level of price support for the basic commodities will be 82½ percent of parity. Extra-long staple cotton is required to be supported at the minimum level between 75 and 90 percent of parity specified in the price-support schedule for the supply as of the beginning of the marketing year for the crop. The Secretary's discretion to support basic commodities between the minimum level and 90 percent of parity will not apply in the case of extra-long staple cotton. The act provides for the support of wool and mohair beginning April 1, 1955, through payments to producers financed out of import duties on wool, at such incentive level not to exceed 110 percent of parity as the Secretary determines necessary to encourage an annual domestic production of approximately 300 million pounds. The act gives the Secretary discretionary authority to support the price of potatoes at not in excess of 90 percent of parity. The act of March 31, 1950 (64 Stat. 42), prohibiting price support for potatoes unless marketing quotas are in effect has been repealed.

AUTHORITY FOR THE SUPPLY PROGRAM

This program is carried out under section 5 (c) of the Commodity Credit Corporation Charter Act which provides authority to—

"(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements."

In this connection section 4 of the act of July 16, 1943 (15 U. S. C. 7130–9), specifically requires that the Corporation be fully reimbursed for services performed, losses sustained, and operating costs incurred or commodities purchased or delivered to or on behalf of any other Government agency. Prior to the enactment of the Commodity Credit Corporation Charter Act this program was carried out under the broad authority of the Corporation's Delaware charter.

AUTHORITY FOR THE FOREIGN PURCHASE PROGRAM

This was largely a wartime program carried out under the Corporation's general Delaware charter authority and the Commodity Credit Corporation Charter Act. Its principal purpose was the acquisition of supplies needed for foreign and domestic requirements. It was approved by the President of the United States on April 28, 1942, and the Corporation was designated by the Board of Economic Warfare on May 16, 1952, as the sole agency for the purchase of agricultural commodities in foreign countries. With the exception of Cuban sugar and Canadian purchases, the program was transferred to the Foreign Economic Administration by Executive Order 9385 of October 6, 1943, and transferred back to the Department of Agriculture by Executive Order 9630 of September 27, 1945.

AUTHORITY FOR EMERGENCY FEED PROGRAM

This program is carried out under the authority added to section 407 of the Agricultural Act of 1949 by section 301 of the Agricultural Trade Development and Assistance Act of 1954 with respect to making farm commodities available in relieving distress in distress or disaster areas.

AUTHORITY FOR COMMODITY EXPORT PROGRAM

The purpose of this program is to retain foreign markets and aid in the disposal of surplus agricultural commodities. Authority for the program is contained in sections 5 (d) and 5 (f) of the Commodity Credit Corporation Charter Act as well as other provisions of that act and the broad authority of the Delaware charter. Prior to the enactment of section 21c of the Surplus Property Act of 1944 statutory prohibitions against sales below the parity or comparable price of the commodity restricted the Corporation's authority to engage in these activities. Section 407 (F) of the Agricultural Act of 1949 permits sales for export at unrestricted prices.

AUTHORITY FOR THE STORAGE FACILITIES PROGRAM

This program includes storage bins and other storage facilities acquired or contracted for under the Delaware charter, or section 4 (h) of the Commodity Credit Corporation Charter Act, loans for storage facilities under section 4 (h) and other provisions of that act, and guaranteed storage agreements under sections 34 and 41 of the Farm Credit Act of 1933, as amended by sections 417 of the Agricultural Act of 1949, as well as under various provisions of the Corporation's charter.

GENERAL GOVERNMENT MATTERS APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to consider Calendar No. 577, House bill 6499.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON].

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, it is not planned to debate the bill this afternoon. It is the general Government appropriation bill, involving appropriations for the Executive Office of the President, the Council of Economic Advisers, and other agencies. It is planned to proceed with the consideration of the bill shortly after the morning hour tomorrow.

SENATOR SMITH OF MAINE, DOCTOR OF LETTERS

Mr. MARTIN of Pennsylvania. Mr. President, on June 18, 1955, our distinguished colleague, the Senator from Maine [Mrs. SMITH] received an honorary degree of doctor of letters from the Drexel Institute of Technology at Philadelphia, and on that occasion she delivered a very interesting address. It is a very helpful address so far as America is concerned. In her address she made the statement: "The best thing our Government can give us is the opportunity for self-development."

I ask unanimous consent that the citation given to the Senator from Maine when she received the honorary degree of doctor of letters and her very able address on that occasion be printed in the body of the RECORD as a part of my remarks.

There being no objection, the citation and the address were ordered to be printed in the RECORD, as follows:

DOCTOR OF LETTERS, HONORIS CAUSA MARGARET CHASE SMITH, SUCCESSFUL BUSINESSWOMAN, ABLE JOURNALIST, AND HONORED PUBLIC SERVANT

Through her record in the Congress of the United States as a Representative and as a Senator from the State of Maine, she has become a distinguished public figure, the only woman to have served in both branches of our highest legislative body.

One-time teacher and newspaper and business executive, she was chosen to fill out an unexpired term in the House of Representatives in 1940. Returned to office repeatedly by unprecedented majorities, she was elected in 1954 to serve another senatorial term.

Her legislative services have stemmed from her diligence in committee work, now a potent force in National Government; and she has assumed responsibilities in this connection altogether worthy of the sturdiest among her senatorial colleagues. Her independent and courageous interpretation for many years of public issues and challenges through a syndicated newspaper column earned for her recognition as an informed and effective commentator.

Appreciation of her manifold activities may be measured by the long list of honors conferred upon her. She has been repeatedly designated woman of the year and has been rated among the six best of the Senators by leading political scientists of the United States. In 1955, she was selected as 1 of the 4 most admired women in the world by the Gallup poll.

Successful businesswoman, skilled interpreter of vital issues, and conscientious public servant, her career is a brilliant example of the achievements of women in high affairs of state, and stands as an inspiration to all who would devote their talents to the welfare of our country.

ADDRESS BY SENATOR SMITH OF MAINE

President Creese, trustees and officers of Drexel, members of the faculty, distinguished guests, men and women of Drexel, and friends of Drexel, I have looked forward to coming to Drexel for some time now. I have because of the very great esteem that is held for your institution. And I always like to return to Philadelphia—the City of Brotherly Love.

In a way, Philadelphia seems like another home to me. For Philadelphia was the very first place I came and made my first speech after winning the Senatorial nomination for the first time. That was back at the 1948 Republican National Convention.

And my column that was carried by the Bulletin here for 5 years brought such a kindly response from Philadelphia readers that I came to think of them as I would next-door neighbors. If I am ever tempted to return to the heavy chores of writing a column again it will be because of such inspirational experiences as I received from Philadelphia on daily publication of my views.

There are many other things about my experiences with Philadelphia that make me feel as though I am one of you. But there

is none that makes me prouder than the honor that Drexel Institute of Technology grants me today.

Drexel Institute is truly an integral part of the traditions of your great metropolis that cradled the Declaration of Independence. That historic Declaration emphasized that our Creator had endowed in us the inalienable rights of life, liberty and the pursuit of happiness.

Drexel has kept the faith of the Declaration in that the object of Drexel training has been to open for its students the way of happiness through usefulness.

In faithful adherence to its illustrious founder and to its many dedicated philanthropists, Drexel has always been sensitive and adaptable to social and economic change. In keeping that faith with the eminently successful men and women who have made this great institution, Drexel has thus met the needs of thousands of students.

Two basic ingredients in happiness are freedom and security. To those of you who graduate today to go forth to make your place in the sun, to stand on your own feet, Drexel has given you excellent tools with which to pursue and capture happiness.

It has cultivated your value of freedom. It has shown you the way to be free and remain free—and how to protect not only your freedom but the freedom of your fellow man and of those less fortunate than you.

It has trained you in the ways of achieving security—security for yourselves and your families, whether they be present or future. It has trained you in productivity of various kinds. It has shown you how you can use your talents to contribute to the security of your fellow men and the security of your country.

Freedom is everybody's responsibility. It's something so taken for granted in our American way of life that we are rarely aware of it. Freedoms only come to seem important to many of us when we have lost them. They are intangibles that elusively escape our normal five senses of sight, hearing, smell, taste, and touch.

We can't see freedoms, we can't hear freedoms, we can't smell freedoms, we can't eat freedoms, and we can't grab freedoms in our hands. Because we can't, we are always in danger of losing the intangible freedoms gradually and without realizing it—to put it another way, without sensing it.

In a world of increasing materialism, this danger of loss of freedom is all the greater. As we become more materialistic and place greater emphasis upon the tangible things of life—the things we can see, hear, smell, taste, and touch—the greater grows the conflict between security and freedom. Security has a great advantage in that it can be reduced to tangibles.

Security can be translated into physical terms, while freedom is measured more in terms of the mind and the spirit. Important parts of security are food and shelter. They are materialistic tangibles, necessities of life. You can see, smell, taste, and touch them. To use a graphic phrase, food is something you can sink your teeth in. Freedom isn't.

You and your Government control the freedom that is enjoyed in this country. The less you exercise and jealously guard that freedom the more you surrender the authority and responsibility for freedom to your Government—and the more the Government controls and regulates your daily life and your destiny, the more the Government becomes a dispenser of promised security and the less it remains a guardian of freedom.

Shirking of individual responsibility is outright surrender of individual authority. Freedom is bartered for security. That does not mean to say that freedom and security are incompatibles. To the contrary, they can go hand in hand. But when they get out of balance the conflict starts.

Where should our Government stand on freedom and security? How have these concepts been developed? From where do they spring? What type of social system has maintained the best balance of freedom and security? Answers are indicated in past history.

The first formally recorded guide of freedom was relayed to the world by Moses when he brought the Ten Commandments down from Mount Sinai. Their common basis was the ordained freedom of everyone from arbitrary and unlawful interference with his life and his property.

This freedom from which all freedoms spring was formally revived and recorded by the Magna Carta in 1215. It was reasserted in our Declaration of Independence. It was refined and delineated in our Bill of Rights, the first 10 amendments to our Constitution. From the Ten Commandments to the 10 amendments freedom has been defined.

Yet there is a limitation to man's basic freedom—the freedom to be let alone. That limitation is that in the exercise of that freedom we cannot so use our freedom as to invade the right of others to be let alone. One man's freedom stops where another man's freedom begins.

Because individual selfishness either can't or won't recognize where that line of separation is, we have to have what we call government. That government operates on laws that draw the lines of individual freedom—that punish the crimes of murder, robbery and other acts that invade the freedom of the individual to be let alone.

Where the line of freedom is drawn between the individual and his government varies and determines the kind of government. On the one extreme, it is the state of society where there is no government at all, no law and no order. That is anarchy—no government control at all. On the other extreme is the state of society where the government controls everything. That has been called "statism."

Somewhere between the extremes of anarchy and the so-called "statism," there is a happy medium—an ideal balance between freedom and security that establishes order and eradicates injustice and poverty.

Man has tried a myriad of systems—monarchies, dictatorships, oligarchies, autocracies, democracies, republics. I think, and I believe achievement records of history show, that the nearest to the perfect, happy medium has been our Federal Republic with its system of checks and balances through the separation of authority into the legislative, executive and judicial.

This, together with the individual immunity provided by the Bill of Rights, has established history's greatest safeguard of individual freedom and order. Government our American way has been government the best way.

Just as man has tinkered with various types of political government so has he experimented with various types of economic systems in the pursuit of prosperity. He has run the gamut of the "isms"—capitalism, socialism, communism, fascism, and statism—and the greatest of these has been capitalism—not unrestrained and unlimited capitalism, but capitalism the American way, limited by laws restraining monopoly.

It has given us the highest standard of living man has ever known—and the highest standard of freedom man has ever enjoyed. Under it the ownership of land and natural wealth, the production, distribution, and exchange of goods, and the operation of the system itself, are effected by private enterprise and control under competitive conditions.

Freedom the American way is twofold. There is the positive freedom to do something. Sometimes we call this liberty. There is the negative freedom from something. Sometimes we call this immunity.

Woodrow Wilson had something to say about liberty that I think is worth repeating when we start thinking about government and freedom. He said:

"Liberty has never come from the government. Liberty has always come from the subjects of it. The history of liberty is a history of limitations of governmental powers, not the increase of it." On the score of the basic freedom of the right to be let alone, Abraham Lincoln superbly but simply stated the thought with:

"I believe each individual is naturally entitled to do as he pleases with himself and the fruits of his labor, so far as it in no wise interferes with any other man's rights."

This was the observation of a great humanitarian who could never be accused of prejudice against the acceptance of welfare responsibility by the government.

Perhaps Thomas Jefferson stated the proper balance of freedom and government most tersely when he said: "That government is best that governs least."

When we recall this statement of his we may also recall that he was our representative to France when that country was governed completely by statism. It cannot be said that Jefferson never saw statism in action.

The preservation of individual freedom requires a reasonable minimum of social security so that the shirkers can compare what is attainable to thrifty workers with what a benevolent government provides for those who take only the advantages and shirk all of the disadvantages of daily earning their way.

No government can devise a system of security that will completely eliminate the struggle in life. The test-proven way of successfully meeting the struggle of life is self-development. The best thing that our Government can give to you and me is not a State-controlled security or special advantage but rather the opportunity for self-development.

You and I cannot escape the fact that the ultimate responsibility for freedom is personal. Our freedoms today are not so much in danger because people are consciously trying to take them away from us as they are in danger because we forget to use them.

Freedom may be an intangible but like most everything else it can die because of lack of use. Freedom unexercised may be freedom forfeited.

ADDRESS DELIVERED BY PRESIDENT DANIEL J. RIESNER BEFORE THE NATIONAL REPUBLICAN CLUB

Mr. LANGER. Mr. President, on April 27 the reelected president of the National Republican Club delivered a very interesting address at the club's annual meeting. I ask unanimous consent that it be published in the body of the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY MR. DANIEL J. RIESNER, NEWLY REELECTED PRESIDENT OF THE NATIONAL REPUBLICAN CLUB, AT THE CLUB'S ANNUAL MEETING

Members of the National Republican Club, my gratification at the great honor you have bestowed upon me by reelecting me as your president is deep and profound, for it has been a tremendous privilege to serve at the helm of this vital organization. This is no ordinary club. Its prestige is nationwide, and all Republican Presidents since Benjamin Harrison have belonged to it. President Eisenhower became an honorary member last June, and I had the privilege to present to him his certificate of life

membership at the White House. At that time, the President was gracious enough to say: "This is one picture I want. This certifies I am a Republican."

Many other illustrious Republicans presently are members of this organization, including Leonard Hall, our national chairman, and former Gov. Thomas E. Dewey, to whom this club gave its first annual award recently for outstanding and sustained public service. Likewise, United States Senator IRVING M. IVES and Attorney General Jacob K. Javits are members.

From this organization there have emanated many new and important policy-making plans for our party. For instance, on February 12—Lincoln's birthday—our executive committee passed unanimously a resolution calling for the draft of the President for a second term as a prime necessity to national well-being and the peace of the world. From the club on that day came a clarion call to its members in all 48 States to organize themselves for a groundswell movement to get the Eisenhower draft rolling in ever-increasing proportions. Following our lead, many other groups drafted similar resolutions, and we fully anticipate that this tide will develop into a wave that will sweep the President into office for a second term, after he is nominated by acclamation by the 1956 Republican Convention. The National Republican Club, proud of its 76-year-old history as an important cog in the national GOP movement, has again demonstrated how it has stood in the foreground of progressive Republican action for well-nigh fourscore years.

The draft and subsequent reelection of the President is a must for America. He stands head and shoulders above all the contentiousness expressed in American politics. He is in every sense the President of all the people. He typifies and symbolizes character, achievement and leadership, and has contributed confidence and faith in the future not only to the people of this country, but to those of the entire world. The tone of his administration is such that its character is enhancing the moral fiber of all civilized peoples. He knows how to handle delicate international situations without upsetting the applecart.

Witness the concrete results this administration has given us. It has brought about a cease-fire in Korea, and no American blood is being shed there now. Its leadership resulted in silencing the guns in Indochina as well. The serious Iranian oil dispute was brought under control by an agreement sparked by the administration. In our own hemisphere, the Guatemalan people, inspired by American ideals, stabilized their own government along democratic lines and rejected Communist influence most convincingly.

Perhaps the most tremendous and far-reaching accomplishment of the administration's foreign policy, one which may very well go down in history as the single most important stroke in forcing the Soviet rulers to abandon their power-mad idea of world conquest, was the series of agreements in Paris which are bringing about West German rearmament and getting the West German Government into NATO. Already, these agreements have been ratified by Great Britain, Italy, Germany, and France, and the Russian Red Bear is on the run in Europe. In Asia, as well, the similar SEATO agreements have brought hope for peace in that part of the world. Witness too, President Eisenhower's Formosa resolution, which served notice on the Chinese Communists that this Nation desires peace, and that the best way to keep the peace is to serve notice that no more aggression can be allowed. Remember, by contrast, how the Democrat Truman administration first practically invited the Communists into South Korea, and then plunged us into a war to chase them back over the 38th parallel.

The President lived and breathed military strategy throughout the vast portion of his adult life, yet he is devoted and dedicated to the cause of real peace. He keeps his powder dry and still leaves no stone unturned to keep the guns silent.

Grasping the fact that the world is getting smaller and that its peoples definitely need more understanding of each other, he sent Vice President NIXON on two highly successful goodwill tours. When the Vice President visited 19 countries and 7 other areas on his 45,000-mile Far Eastern trip in 1953, that was a mission in the cause of world peace through mutual understanding. So also, was the Vice President's recent month-long plane tour of Caribbean and Central American nations.

This is the affirmative way of preserving the peace—the Eisenhower way—by developing the already good relations between this country and the legislative bodies, rulers and peoples of faraway lands in an ever-shrinking world.

Eisenhower's treatment of the cold war, typified by such good-neighborliness, is proving an effective antidote to the Russian ruthlessness. Again, we must contrast all of this Republican administration's foreign policy accomplishments with the weakness and vacillation of the preceding Democratic administrations, which spawned the notorious agreements at Yalta and Potsdam, for instance, that resulted in a succession of Russian victories and buildups. We now find at least a good indication that this trend of aggression is being reversed.

We have witnessed during this administration a crack-up in the Russian top-echelon command. I believe that President Eisenhower's strong foreign policy and his love of peace, which put the pressure directly on the Communist leaders for a change, was primarily responsible for that crack-up, which found Dictator Malenkov losing his power and which resulted in Marshal Zhukov being given high office. Zhukov has publicly praised President Eisenhower as a man of peace, and relations might get a little better with the Kremlin because of the Marshal's influence. Man-to-man, at least, they enjoyed a good relationship in the last campaigns in World War II, as well as immediately after V–E Day.

For too long, under Democrat administrations, we in this country have been kept off balance by Russian maneuvers. Now, the shoe is on the other foot—and the Kremlin knows it.

This administration's foreign policy has brought about the most drastic action for peace by the Kremlin gang since the cessation of hostilities. Almost frantically, the Russians have offered an agreement that would return sovereignty to the Austrian people. Such a move could only result from the consummate fear on the part of the Soviet bureaucrats that the Eisenhower way is winning. The rulers of Soviet Russia realize—at long last—that they cannot push Ike and the American people around any longer. There will be no Yaltas under Eisenhower.

The world is a tinderbox, but without the administration approach to the tough problems, anything might have happened. One mistake might very well have plunged the world into the furies of modern warfare, but the situation has been kept under control remarkably well. By contrast, this Nation was embroiled in worldwide wars under every Democratic President in the last generation and a half.

I have no hesitancy in saying that this new anti-cold-war policy owes its success in a large measure not only to Republicans but to the contribution of some public-spirited, patriotic Democrats in Congress who have supplied the necessary loyal opposition leadership to strengthen the President's hand in dealing with the Communist menace.

I refer particularly to the chairman of the Senate Foreign Affairs Committee, WALTER F. GEORGE, of Georgia. Senator GEORGE demonstrated this conclusively when he denounced as "not at all conducive to peace" the demands in some quarters for the administration to telegraph our punches to the Chinese Reds in the ticklish Far-Eastern situation. Senator GEORGE likewise demonstrated this real loyal opposition when he stood up steadfastly in the Senate for the Formosa resolution, for the Paris agreements, and for the administration's foreign aid and foreign trade programs.

Only the other day, he went to bat again for the Eisenhower mutual security program, which envisages the allocation of $3,530,000,000, of which about two-thirds is earmarked for the free nations of Asia to stave off the serious threats of communism.

The cooperation with the administration of Senator GEORGE has made a real bipartisan foreign policy possible. It is not enough to give lip service to the idea of bipartisanship. There must also be a real spirit of placing the welfare of this country first and foremost, in order to make it work. I am happy to be able to pay this tribute to a Democrat, who, in my opinion, has done so much for his country and for the furtherance of a foreign policy calculated to stop aggression and bring us lasting peace.

How different are the activities of Senator GEORGE from the antics of the "big mouths," the small-minded members of their political party like Adlai Stevenson, Paul Butler, their national chairman, and Harry Truman. The members of this truculent trio profess to belong to the loyal opposition, but they merely give lip service. They fool no one.

Adlai, Paul, and Harry, the smear-leaders on the American political scene, are not even goods for laughs these days. They "had it," as the saying goes. The people elected Dwight D. Eisenhower because they were sick and tired of the stupid and dangerous manner in which this country was being run, both on the domestic and international fronts.

It behooves all of us, Republicans and Democrats alike, then, to work for the Nation's goals of lasting peace and prosperity.

Not alone has the President given us peace, but he has accomplished in peacetime what the Democrats could only do with war and bloodshed; that is, give us a prosperous economy. Commerce Secretary Weeks stated recently that this year has a "good chance" of being the best business one ever.

That is understandable, for the number of idle workers, according to latest reports, dropped by more than 200,000 in 1 month, while the total civilian employment rose by 500,000 to 60,500,000 workers in the same period of time. Unemployment fell to 3,200,000 workers in March from 3,400,000 in February of this year, and 3,700,000 about a year ago. Meanwhile, there have been widespread gains in factory employment in recent months. So excellent is our economic resurgence that even "gloom and doom" Senator PAUL DOUGLAS has admitted on the record that "economic recovery is here; it is real."

The President has accomplished the highly difficult transition from war to peace without disturbing the country's economic balance. If that balance had been destroyed, the world's stability would likewise have been thrown out of kilter, with possible disastrous results. Instead, foreign country after foreign country has grown economically healthier during this administration.

British austerity has given way to income tax cuts there. Business is booming in Germany and Japan as these countries make great strides to rebuild their war damage. France and Italy are gradually working their way back to a better economic climate. Thus, the world is getting economically healthier, and that is all to the good, for

sick economies breed wars, while healthy ones make for peace.

The administration, by its down-to-earth, commonsense mutual security, foreign trade and foreign aid program, is helping our allies to help themselves, thereby bolstering world economic conditions in a manner that will stand up. Nations in underdeveloped areas of the world are also being helped to get into the economic swim of things. Eventually, what helps other natins will reciprocally help us, too.

Thus, not alone do the people of the United States, but those of the world, need Ike now and will need him for a second term. The question is not whether any other Republican can be elected President or not. The paramount issue is that we all need Ike. I like Ike, you like Ike, and the world likes Ike.

This, then, is the shape of things to come. I predict that because of the Eisenhower popularity, peace and prosperity, the President will be drafted by acclamation at the Republican National Convention in San Francisco in the summer of 1956. He will then be victorious on election day by an even more smashing margin than in 1952. His plurality will be of landslide proportions.

The most recent poll by the American Institute of Public Opinion reveals this trend. It shows that Ike's personal popularity is steadily climbing. Seventy-one percent of those polled said in no uncertain terms that they approve of the way the President is handling his job. Only 16 percent disapproved. The remaining 13 percent was listed as undecided.

The President is sure of a second term as Chief Executive—no matter who runs against him, or what kind of a campaign is waged by the opposition.

So, I wish to take this opportunity to thank the members of the National Republican Club for having strongly gone on record urging the President's draft and reelection, and for having initiated the grassroots "Draft Ike" movement throughout the country. We can all be extremely proud of our efforts in this cause. The members of this club have certainly upheld our tradition of always doing what is best for our country, and best for our party.

THE BIG FOUR MEETING AT THE SUMMIT

Mr. McCARTHY. Mr. President, I send a resolution to the desk, and ask unanimous consent that I may be allowed to submit it at this time.

Mr. JOHNSON of Texas. Reserving the right to object, is the resolution which the Senator from Wisconsin desires to submit the resolution which was placed on the desk of all Senators earlier today?

Mr. McCARTHY. It is.

Mr. JOHNSON of Texas. I am somewhat reluctant to object to the submission of any resolution, particularly if it is planned to follow the regular procedure and refer the resolution to the proper committee. As the Senator from Wisconsin knows, one objection would prevent his resolution from being submitted at this time. I do not object to the submission of the resolution, and I do not object to its consideration, if it follows orderly procedure in the Senate. However, as I stated to the Senator earlier, I do not believe, as majority leader and as the one who must attempt to work out procedure for 96 Senators, that I should assume the responsibility of having the Senate act on foreign policy between quorum calls.

Mr. McCARTHY. I am merely asking for the right to submit the resolution.

Mr. JOHNSON of Texas. I understand, and the Senator has that right during the morning hour.

Mr. McCARTHY. I may say that my reason for doing it at this time——

Mr. JOHNSON of Texas. I may say that under the rules the Senator may submit the resolution during the morning hour. However, Mr. President, we have just finished a heavy day's work. It is 20 minutes to 6 o'clock. The normal procedure to be followed in this case would be for the Senator from Wisconsin to submit his resolution during the morning hour. It would then be referred to the appropriate committee. However, I gathered from what the Senator said that he does not want to follow the regular procedure, but that he wants to ask unanimous consent to submit the resolution now, and that subsequently he hopes to ask unanimous consent for its consideration without its being referred to a committee.

I believe the Senator would save time if he would be willing to submit it and to have it referred to the appropriate committee immediately. The Senator from Texas will seek to have the committee consider it. I am sure the distinguished minority leader will join in that request. In that way I believe the Senator's purpose can be served and at the same time we will operate in an orderly manner.

I have only read the resolution hastily and I have not analyzed it. I would be the last to take the position that the Senate should not give consideration to some of the matters included in the resolution. However, I desire to be prudent and not have the Senate called upon to act on a resolution which has not followed the regular procedure.

If the Senator from Wisconsin has no objection, I will be glad to have him submit his resolution today, which is not in accordance with the rule, as the Senator knows, provided he will agree to have the resolution appropriately referred, with the request that the committee give consideration to it. As he knows, the Committee on Foreign Relations would have jurisdiction of the resolution.

Mr. McCARTHY. That is correct.

Mr. JOHNSON of Texas. The chairman of the Committee on Foreign Relations is not on the floor. He is confined to the hospital. This is a rather unusual procedure, and I do not wish to have the Senate get into the habit of legislating foreign policy between quorum calls.

Mr. McCARTHY. I may say that I had no thought or hope of getting a vote on the resolution tonight. The resolution concerns the conference now going on at San Francisco. Time is of the essence. For that reason I assumed that I would be granted the courtesy which is normally granted to a Senator. Every day Senators submit resolutions during the morning hour and there is no objection. The Senator from Texas may have an objection when I make my next unanimous-consent request, but I do not believe he should object to the mere submission of the resolution at this time, in order to save a day.

Mr. JOHNSON of Texas. The Senator from Texas is always reluctant to object to any procedure on this floor. However, he has an obligation to the Members of the Senate. It is my understanding that the Senator from Wisconsin desires, first, to ask unanimous consent to submit the resolution at this time, and, second, to ask unanimous consent to have the resolution considered without its being referred to a committee.

Mr. McCARTHY. That is correct.

Mr. JOHNSON of Texas. Why is not the Senator from Wisconsin willing to have the resolution referred to the committee and to ask the committee to consider it and to submit a report on it to the Senate? Time can be saved in that way, and it would be the orderly procedure to follow. The Senator's resolution probably would gain more strength if he followed the orderly procedure than if Senators felt it had been taken up in an unusual manner.

Mr. McCARTHY. I hope the Senator does not object to the submission of the resolution.

Mr. JOHNSON of Texas. And I hope that the Senator does not object to its being referred to the committee. That is where we stand. I do not object to its submission. I do not know that I will object to the resolution. However, I want to have some time in which to consider it and to learn what is in it. I want to know why the Senator does not wish the resolution to be considered by the committee. It could be referred immediately.

Mr. McCARTHY. I will tell the Senator from Texas why. I have another resolution before the Committee on Foreign Relations. It is as important as this one. The other resolution was submitted about 3 months ago, and it was referred to the Committee on Foreign Relations. It has to do with dealing with Red China, where Americans are being held in prison.

The committee has not held any hearings on that resolution, and I have not heard anything about it from the committee. The Big Four ministers are now meeting in San Francisco, and the resolution concerns what they are doing. The chairman of the Committee on Foreign Relations is ill, and I could hardly expect that the resolution I intend to submit would come to a hearing before the committee until after the San Francisco meeting ends. For that reason I intend to ask for the immediate consideration of the resolution. Although I assume objection will be made to that request, I do not believe the Senator from Texas should object to my submitting the resolution. If I were permitted to submit it at this time, it could be printed in the RECORD, and tomorrow all Senators would know what is contained in it. If I ask for its immediate consideration, the Senator may object to it. That will be an entirely different matter, however.

Mr. JOHNSON of Texas. I believe there is some merit to the position taken by the Senator from Wisconsin. I would be very reluctant to raise any question about it, except for the very unusual procedure the Senator from Wisconsin

is following in this instance. The Senator has had all year in which to submit his resolution.

Mr. McCARTHY. I have not done anything unusual yet.

Mr. JOHNSON of Texas. I was informed that the Senator had it in mind to do so, and I inquired of him, and he was courteous enough to outline his plan. I shall not object to the submission of the resolution, but I should like to say to the Senator and to every other Member of the Senate, so that they may be on notice—as I said to the Senator from Alabama the other day when he submitted a resolution regarding Miss Helen Keller—that I do not think there is any resolution so important that it cannot stand the scrutiny of Members of the Senate committee. I am not passing judgment on the Senator's resolution, but so long as I am majority leader we are not going to legislate foreign policy on the floor of the Senate between quorum calls, as the sun is going down, and when there are only half a dozen Members on the floor. It does not come at an appropriate time. It should be submitted tomorrow, during the morning hour, and referred to the appropriate committee. I serve notice that I am going to move to refer the resolution to the appropriate committee. If the Senator would permit that to be done it would save time. I hope that every Member who cares anything about the traditions of the Senate will support the majority leader when the time comes.

Mr. McCARTHY. How soon will that be?

Mr. JOHNSON of Texas. I have attempted to assure my friend from Wisconsin that if he will give me an opportunity to make a study of the resolution—I have been a busy man most of today—I shall try to study it tonight. I shall confer with the appropriate Members in the morning, and I shall be glad to discuss it with the Senator further. I have no desire to keep any Senator from expressing any view he may possess or to keep his view from being recorded. But the resolution would have a better chance of appealing to the intelligence of Members of this body if it followed the orderly procedure. I am sure the minority leader will agree with me.

Mr. THYE. Mr. President, I am acting minority leader at this time, as the Senator from California [Mr. KNOWLAND] has retired from the floor to do some officework, but I believe the majority leader has stated the rules correctly and that he has not been unreasonable.

I read the document on my desk when I first entered the Chamber this afternoon. What the effect of it may be on the conference at the United Nations anniversary in San Francisco I am not capable of determining at this time. I would certainly want the Foreign Relations Committee and its staff to examine the resolution and make their recommendation before I would be willing officially to act upon it as a Member of the Senate. There may be problems involved that I cannot foresee just from having hurriedly read the document. Therefore, Mr. President, I concur with the majority leader in his contention that the resolution should be referred to the Foreign Relations Committee.

Mr. JOHNSON of Texas. Mr. President, I wonder if this would be agreeable to the Senator from Wisconsin:

I ask unanimous consent that the Senator from Wisconsin be permitted to submit his resolution at this time and that it be referred to the Senate Committee on Foreign Relations.

If consent is given, it would not be an unusual procedure. The Senator's rights would be fully protected. The committee would have before it a printed resolution, and subsequently the Senator could make his request for action on the resolution.

So far as I am concerned—and I hope the minority leader will feel likewise, for he is a member of the Foreign Relations Committee—we could ask that the committee give its attention to the resolution, and if it reports the resolution I can assure the Senator that it will receive prompt action, as all other measures have received prompt action this year. If the committee does not report the resolution, then he can adopt some other course. But the Senator would at least have made the attempt in cooperation with the majority leader, to follow the procedures and rules of the Senate and the traditions of the Senate.

Mr. President, I make the unanimous-consent request that the Senator from Wisconsin be permitted to submit his resolution and that it be referred to the Foreign Relations Committee.

Mr. McCARTHY. I did not ask for that, Mr. President.

Mr. JOHNSON of Texas. I asked for it.

Mr. McCARTHY. I object to it. I ask unanimous consent that I may be allowed to submit the resolution.

Mr. JOHNSON of Texas. Is the Senator determined not to let the resolution go to the committee?

Mr. McCARTHY. Frankly, I intend to make another unanimous-consent request, namely, that the Senate immediately consider the resolution, not with the thought of getting a vote on it tonight, if the Senator from Texas objects to that. I have a perfect right to make such a request. There is no violation of any Senate rules involved.

Mr. JOHNSON of Texas. The rules provide that resolutions shall be presented during the morning hour. There are only two Members on my side of the aisle at this time. The Senator did not give me any notice——

Mr. THYE. Mr. President, may I correct the majority leader. There are 3 Members on the other side of the aisle, including himself, and on my side there are 4 Members.

Mr. JOHNSON of Texas. I thank my friend for moving one Senator over to my side of the aisle.

Mr. McCARTHY. Mr. President, if the Senator is going to object because there are so few Senators present, I shall suggest the absence of a quorum.

Mr. JOHNSON of Texas. That can be done, but Members were told that there would be no further business this evening. I see no reason why the Senator from Wisconsin could not protect his rights by the procedure which I have suggested. I hope the Senator will not object to my request that he follow the procedure which I think every Member of the Senate has followed concerning every resolution submitted at this session. I know of no exception.

Mr. McCARTHY. I have made the simple request that I be allowed to submit my resolution. I have made no further request. Such requests have been made day after day, and I have never heard any objection being made. Bills are introduced all during the day.

Mr. JOHNSON of Texas. I asked unanimous consent that the Senator be permitted to submit his resolution and that it be referred immediately to the Foreign Relations Committee. But the Senator said he would object. I appeal to him to come and let us reason together. I think the Senator is expressing a lack of confidence by his unwillingness to let the committee consider the resolution. They will have a chance to review the Senator's resolution, and it could be that the Senator may find some member of the committee who would agree with him.

Mr. McCARTHY. That could be. I was courteous and I told the Senator from Texas that I intended to offer a resolution. I called him over——

Mr. JOHNSON of Texas. Of course the Senator was courteous, but I was informed that a very highly unusual procedure was likely to be taken at the conclusion of the discussion of the defense appropriation bill. I was told that the Senator would submit in mimeograph form what purported to be a resolution, and would ask for immediate action on it.

We are not suspicious people, but when we see a mimeographed resolution distributed we know the normal thing to do is to have it submitted, have it sent to the printer, and have printed copies distributed. But here was a mimeographed resolution. I was not called over by the Senator from Wisconsin. I went over and said to him, "What do you plan to do about this?" Whereupon, he said he wanted to submit it and wanted to ask for its consideration. At that time I expressed the hope that my friend from Wisconsin would follow the usual procedure.

I am not indicating whether I shall favor the resolution or not, because, very frankly, I have not had an opportunity to study it. But the committee would have the resolution for its consideration, before the Senate could act; and the Senator says he does not want any action taken on it this evening.

Mr. McCARTHY. The Senator realizes that if I ask for immediate consideration of the resolution, and he objects, the resolution cannot be considered. If the Senator wants to move to refer the resolution to the committee, he can do so. I am merely taking the first step and am asking unanimous consent to submit the resolution.

Mr. JOHNSON of Texas. And I have just taken my first step by asking unanimous consent that the Senator be permitted to submit the resolution and that it be referred to the committee. If later the Senator should want to move to dis-

charge the committee, he could do so. I know the parliamentary semantics. The Senator from Wisconsin, I feel certain, has been upstairs a time or two in his life. He knows what he has in mind.

The Senator apparently would like to feel that his resolution has no chance of being considered by the committee. I do not approach the question with such cynicism. If the Senator's resolution were referred to committee, I think he could get the committee to take action. I do not know whether it would be favorable action.

Mr. McCARTHY. I am asking for the right to submit a resolution. That is a courtesy which is extended to every Senator, day after day.

Mr. JOHNSON of Texas. All I am asking for is the right to have the resolution referred to a committee, which is what happens to every resolution submitted.

Mr. McCARTHY. The Senator from Texas can object to my request for the immediate consideraaion of the resolution.

Mr. JOHNSON of Texas. The Senator from Texas is aware of what he can object to.

Mr. McCARTHY. Then the resolution will be referred to the committee.

Mr. JOHNSON of Texas. All I am trying to do is to appeal to the Senator from Wisconsin not to object to having the resolution referred to the committee. I have made that request.

Mr. President, I repeat my unanimous-consent request that the Senator from Wisconsin may have the right, out of order, to submit his resolution; and that the resolution be referred forthwith to the Committee on Foreign Relations.

Mr. McCARTHY. Mr. President, I ask unanimous consent——

Mr. JOHNSON of Texas. Mr. President, may we have a ruling on my request?

Mr. McCARTHY. I want to change the Senator's unanimous-consent request.

Mr. JOHNSON of Texas. I can formulate my own unanimous-consent requests. I ask the Chair to put the question, please.

Mr. McCARTHY. I shall have to object, as, of course, the Senator knows I shall.

Let us not play around. Either the Senator will allow me to submit the resolution, or he will object. If he objects, there is nothing I can do about the situation except to wait until tomorrow.

Mr. JOHNSON of Texas. I think the Senator is correct. But I think I will show him more courtesy than he has shown me.

I shall have no objection to the Senator's submitting the resolution. I am sorry he has so little faith in his own resolution and in a committee of the Senate that he refuses to permit the resolution to follow the ordinary procedure.

But I have no objection to the Senator's submitting the resolution. I had hoped I could prevail upon him to conform to the procedure which is followed by all his colleagues on the floor.

The PRESIDING OFFICER. Is there objection to the resolution being submitted out of order? The Chair hears none, and the resolution will be received.

Mr. JOHNSON of Texas. Mr. President, I should like to serve notice on the Presiding Officer, the members of the staff, and the Senate itself—both these present and those not present—that I have no intention, so long as the Senate will follow my recommendation, of having resolutions involving the foreign policy of the Nation presented between quorum calls and acted upon late in the evening, without reference to a committee. I shall insist that the dignity of the Senate be maintained and that the regular procedures of the Senate be followed regardless of who asks otherwise.

Mr. McCARTHY. I intend to make only a unanimous-consent request; then I will yield to the Senator from Oregon [Mr. NEUBERGER].

The PRESIDING OFFICER. The Chair wishes to read paragraph 6 of rule XIV, on page 21 of the Standing Rules of the Senate, as follows:

> All resolutions shall lie over 1 day for consideration, unless by unanimous consent the Senate shall otherwise direct.

Mr. McCARTHY. I am aware of that rule. I now make another unanimous-consent request. I call the attention of the majority leader to the fact that I have no intention of requesting a vote on the resolution tonight.

Mr. JOHNSON of Texas. Did not the Senator from Wisconsin tell me he would not make a request for immediate consideration of the resolution today?

Mr. McCARTHY. I must make it today, otherwise it will be referred to committee. If the Senator is misinformed, he can withdraw his unanimous-consent request.

Mr. JOHNSON of Texas. The Senator need have no illusions at all about what I intend to do.

Mr. McCARTHY. I have no illusions, but I have no intention of trying to push for a vote on the resolution tonight.

Mr. JOHNSON of Texas. What is the purpose of the Senator's request?

Mr. McCARTHY. It will make the resolution the pending business.

Mr. JOHNSON of Texas. There is already unfinished business.

Mr. McCARTHY. My reason for proceeding in this fashion is that, regardless of how the Committee on Foreign Relations may or may not act, I have no confidence that the committee will act on the resolution within this week's time. It will take much longer than that. By the time action is taken the conference of the four Ministers will have ended.

Mr. President, I ask unanimous consent for the immediate consideration of the resolution.

Mr. CHAVEZ. I object.

Mr. THYE. I suggest the absence of a quorum.

Mr. JOHNSON of Texas. Why does the Senator from Minnesota wish to suggest the absence of a quorum?

Mr. THYE. I think the minority leader should be present.

Mr. JOHNSON of Texas. The minority leader is informed of what is taking place.

Mr. THYE. Not unless the majority leader has informed him, because the acting minority leader has not informed the minority leader.

Mr. JOHNSON of Texas. My friend from Minnesota interrupted me. What was the request of the Senator from Wisconsin?

Mr. McCARTHY. I asked unanimous consent for the immediate consideration of the resolution.

Mr. JOHNSON of Texas. Of course, I object to that.

Mr. McCARTHY. There has already been an objection.

The PRESIDING OFFICER. The resolution will go over.

The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 116), as follows:

> Whereas under the Constitution of the United States, the Congress and more particularly the Senate, has concurrent responsibility with the Executive Branch for the formulation of the international policies of the United States; and
>
> Whereas the safety, peace and independence of the United States are seriously threatened by the aggressive world Communist movement under the leadership of the Soviet Union, and;
>
> Whereas the United States is pledged to seek the freedom of the millions of people who have already been enslaved by the world Communist movement; and
>
> Whereas the safety, peace and independence of the United States can never be permanently secured, nor the goal of the United States to obtain the freedom of oppressed peoples realized, so long as certain areas of the world remain under Communist control—namely, Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Hungary, Bulgaria, Rumania, Albania, Eastern Germany, northern Korea, northern Indochina, China, and the Soviet Union; and
>
> Whereas the President has determined to confer with the heads of State of the Soviet Union, the United Kingdom and France at Geneva, Switzerland on July 18, 1955, with the objective of relieving world tensions and thus of attempting to make more secure the safety, peace and independence of the United States; and
>
> Whereas the Government of the Soviet Union announced on June 13, 1955, and on several occasions prior thereto, that the subject of areas under Communist control would not be discussed by the Soviet Union at said conference between the heads of state; and
>
> Whereas failure to discuss said areas under Communist control at said Geneva meeting implies de jure recognition of Communist domination of said areas, and thus the establishment of a permanent threat to the safety, peace, and independence of the United States; and
>
> Whereas the Secretary of State is meeting with the Foreign Ministers of the Soviet Union, the United Kingdom, and France beginning June 20, 1955, at San Francisco, reportedly to discuss, inter alia, an agenda for the conference between the heads of state: Now, therefore, be it
>
> *Resolved*, That it is the sense of the Senate that at said Foreign Ministers' meeting at San Francisco or at such other meeting or occasion as may be appropriate, prior to any such conference between the heads of state, the Secretary of State should secure the agreement of the Soviet Union, the United Kingdom, and France that the present and future status of the nations of Eastern Europe and Asia now under Communist control shall be a subject for discussion at such conference between the heads of state.

Mr. JOHNSON of Texas. I should like to make it clear that under rule XIV,

whenever a bill or a joint resolution is offered, it shall lie over in the Senate 1 day.

I had hoped that my friend from Wisconsin, first, would not insist on submitting the resolution at this time; second, that if he insisted on following that procedure, he would not make a request for its immediate consideration.

Now that he has done so, I understand the resolution will go to the calendar and will not be eligible for consideration until the Senate has adjourned and the resolution can be called up on another day.

If no other Senator desires the floor, I am prepared at this time to move that the Senate stand in recess.

Mr. McCARTHY. I have not yielded the floor.

Mr. JOHNSON of Texas. The Senator from Wisconsin had the resolution stated and was seated. Does the Senator desire to speak?

Mr. McCARTHY. Yes; I desired to make some remarks on the resolution.

Mr. JOHNSON of Texas. How long does the Senator expect to take?

Mr. McCARTHY. I had promised to yield to the Senator from Oregon for 5 minutes.

Mr. JOHNSON of Texas. Mr. President, does not the Senator from Texas have the floor?

Mr. McCARTHY. I had the floor.

Mr. JOHNSON of Texas. The Senator from Wisconsin was seated. Usually, when a Senator has the floor, he is standing.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Chair rules that the Senator from Texas has the floor.

Mr. JOHNSON of Texas. I have no desire to move to adjourn or recess the Senate before every Senator has had a chance to say everything he wants to say, provided it does not take too late tonight. How long does the Senator expect to take?

Mr. McCARTHY. Perhaps I shall introduce my remarks into the RECORD, with a very few brief comments, in view of the fact that I had promised to yield to the Senator from Oregon. Does the Senator from Texas intend to move to recess rather than adjourn?

Mr. JOHNSON of Texas. Oh, yes.

Mr. McCARTHY. What did we do last night, recess or adjourn?

Mr. JOHNSON of Texas. We were not in session last night. Most of us were at church.

Mr. McCARTHY. We usually adjourn, do we not?

Mr. JOHNSON of Texas. No.

Mr. McCARTHY. If the Senator moves to recess rather than adjourn, that will be another clever way of manipulating——

Mr. JOHNSON of Texas. No. The Senator from Texas is not a manipulator nor is he clever. The Senator from Texas does not propose to be lectured on the way we should proceed. The Senate was not in session on Sunday. The Senator from Texas frequently moves to recess, and frequently moves that the Senate adjourn——

Mr. McCARTHY. I did not yield to the Senator.

Mr. JOHNSON of Texas. The Senator from Wisconsin does not have the floor.

Mr. McCARTHY. I had the floor.

Mr. JOHNSON of Texas. No. I move that the Senate stand in recess until 12 o'clock tomorrow.

Mr. McCARTHY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have just informed the distinguished Senator from Wisconsin [Mr. McCARTHY] that the distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], who is a member of the Foreign Relations Committee, but who is not present in the Chamber at the moment, had previously discussed the resolution with me. The minority leader has no objection to having the Foreign Relations Committee consider the resolution of the Senator from Wisconsin; and, as I have previously informed the Senator from Wisconsin and the entire Senate, the majority leader has no objection to having that done.

Therefore, if the Senator from Wisconsin will permit the resolution to be referred to the Foreign Relations Committee, I assure him and I assure the entire Senate—and I do so after a complete understanding with the minority leader—that the two of us will ask the Foreign Relations Committee to meet tomorrow afternoon—inasmuch as the distinguished minority leader has a White House conference tomorrow morning—and give consideration to the resolution of the Senator from Wisconsin.

Therefore, Mr. President, I ask unanimous consent that the resolution of the Senator from Wisconsin be referred to the Foreign Relations Committee; and I assure the Senator from Wisconsin and the other Members of the Senate that the majority leader and the minority leader will be delighted to urge the committee to have a session at the earliest possible date, which we hope will be tomorrow, and in no event later than Wednesday morning.

Mr. McCARTHY. Mr. President, I am glad to have that assurance by the majority leader. I have complete confidence in his word; I know that when he says he will do that, he will.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the resolution (S. Res. 116) was referred to the Committee on Foreign Relations.

Mr. JOHNSON of Texas obtained the floor.

Mr. McCARTHY. Mr. President, will the Senator from Texas yield for a moment to me?

Mr. JOHNSON of Texas. I yield.

Mr. McCARTHY. Mr. President, I do not wish to detain the Senate, so I now ask unanimous consent to have printed at this point in the RECORD the remarks I had intended to make this afternoon.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR McCARTHY

I am about to submit a resolution which I hope will resolve a lot of doubts around the country as to where the Senate stands on the question of what the Big Four should discuss at Geneva. There was general agreement in last Thursday's debate that we should negotiate about the Communist satellite countries at the Big Four meeting, but there were marked differences on the question of whether the subject would be discussed. The purpose of this resolution is to remove that question from the area of speculation.

It reads as follows:

"Whereas under the Constitution of the United States, the Congress and more particularly the Senate, has concurrent responsibility with the executive branch for the formulation of the international policies of the United States; and

"Whereas the safety, peace, and independence of the United States are seriously threatened by the aggressive world Communist movement under the leadership of the Soviet Union; and

"Whereas the United States is pledged to seek the freedom of the millions of people who have already been enslaved by the world Communist movement; and

"Whereas the safety, peace, and independence of the United States can never be permanently secured, nor the goal of the United States to obtain the freedom of oppressed peoples realized, so long as certain areas of the world remain under Communist control—namely, Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Hungary, Bulgaria, Rumania, Albania, Eastern Germany, northern Korea, northern Indochina, China, and the Soviet Union; and

"Whereas the President has determined to confer with the heads of state of the Soviet Union, the United Kingdom, and France at Geneva, Switzerland, on July 18, 1955, with the objective of relieving world tensions and thus of attempting to make more secure the safety, peace, and independence of the United States; and

"Whereas the Government of the Soviet Union announced on June 13, 1955, and on several occasions prior thereto, that the subject of areas under Communist control would not be discussed by the Soviet Union at said conference between the heads of state; and

"Whereas failure to discuss said areas under Communist control at said Geneva meeting implies de jure recognition of Communist domination of said areas, and thus the establishment of a permanent threat to the safety, peace, and independence of the United States; and

"Whereas the Secretary of State is meeting with the Foreign Ministers of the Soviet Union, the United Kingdom, and France beginning June 20, 1955, at San Francisco, reportedly to discuss, inter alia, an agenda for the conference between the heads of state: Now, therefore, be it

"*Resolved*, That it is the sense of the Senate that at said Foreign Ministers' meeting at San Francisco or at such other meeting or occasion as may be appropriate, prior to any such conference between the heads of state, the Secretary of State should secure the agreement of the Soviet Union, the United Kingdom, and France that the disposition of the nations of eastern Europe and Asia now under Communist control shall be a subject for discussion at such conference between the heads of state."

I wish it clearly understood that my fundamental objections to the Big Four meeting stand, for the reasons set forth in my Senate

speech of last Thursday. However, the preparations for the meeting are proceeding. I believe the Senate has the responsibility of seeing to it—so far as it is within its powers to do so—that the meeting take the shape that, in the Senate's judgment, it ought to take, and that the American delegation strive for the objectives that, in the Senate's judgment, it ought to strive for.

I was led to believe from the tenor of last Thursday's debate that it is definitely the Senate's judgment that the question of the Communist satellite countries should be discussed. The Senators seemed to agree with me that it was not desirable to talk only about what we might give away instead of what we might get.

My position was that the satellite countries would not be discussed, and for two reasons: No. 1, that the nature of the struggle between the Communists, whose goal is world conquest, and the free world, whose present goal is to live peacefully, side by side, with communism, is such that the only negotiable areas of the world are the frontier areas of the free world; and No. 2, that the Communists have plainly said on three occasions in the last month that they would not discuss the satellite nations.

Other Senators, notably the minority leader, took exception to this view. Senator KNOWLAND seemed to imply that the meeting would be unwise, in his judgment, if a discussion of the satellite countries did not take place. But he believed we would be able to force the Communists to discuss the question. I think this resolution, if heeded by the Secretary of State, will prove which view was correct.

I know the minority leader feels as strongly as I do that discussion of the satellite countries is an imperative for the Big Four talks. I know he feels as strongly as I that we should talk not about what we may give away, but what the free world may get. I hope he will see in this resolution an opportunity to firm up his position.

I do not believe anyone can seriously maintain that there will be actual negotiations about the satellite countries if an agreement is not reached in advance to include this item on the Geneva agenda. If the President starts talking about the satellite countries without such prior understanding, the Kremlin leaders will simply not listen.

Some Senators have said we will be able to score a propaganda victory by putting the Communists on the spot at Geneva. I believe if the Senators who make it will think this argument through, they will see that such hopes are illusory.

The Communists have given fair warning, far in advance of the conference, that they will not discuss the satellite countries. Therefore, and let's face it: the Communists have already put us on the spot. I say we should call their bluff—if bluff is what it really is. If we do not call their bluff, then we will have no standing to complain at the conference that the Soviet Union will not talk about the satellite countries. If Mr. Dulles comes away from San Francisco without an advance agreement, and if the President arrives in Geneva without it, the world will assume there is a tacit understanding between the Soviets and ourselves not to discuss the issue. And we certainly will not be in a position to score the propaganda touchdown some of the Senators seem to anticipate.

Mr. McCARTHY. Mr. President, I had promised to yield 2 minutes to the Senator from Oregon [Mr. NEUBERGER], to permit him to make a statement or to submit a request.

Mr. NEUBERGER. Mr. President, I thank the Senator very much, but I shall wait until tomorrow.

RECESS

Mr. JOHNSON of Texas. Then, Mr. President, I move that the Senate take a recess until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 6 o'clock and 14 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 21, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 20, 1955:

UNITED NATIONS

John C. Baker, of Ohio, to be the representative of the United States of America on the Economic and Social Council of the United Naitons, vice Preston Hotchkis, resigned.

IN THE ARMY

The following-named officers to be placed on the retired list in the grade indicated under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947:

To be general

Gen. Matthew Bunker Ridgway, O5264, Army of the United States (major general, U. S. Army).

To be lieutenant generals

Lt. Gen. Alexander Russell Bolling, O7548, Army of the United States (major general, U. S. Army).

Lt. Gen. Claude Birkett Ferenbaugh, O12479, Army of the United States (major general, U. S. Army).

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 20, 1955

The House met at 12 o'clock noon.

Rev. Robert E. Lee, pastor, St. Luke Evangelical Lutheran Church, Silver Spring, Md., offered the following prayer:

Eternal God, Father of us all—who knowest the motives of men and of nations—make Thy presence known, once more, to these men and women as they commence another week in service to Thee and to our Nation.

Protect and lead them as they go about their many duties and grant to us all moral courage stronger than the evil which is loose in the world. This we pray through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of Thursday, June 16, 1955, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills and a concurrent resolution of the House of the following titles:

H. R. 208. An act granting the consent of Congress to the States of Arkansas and Oklahoma to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States;

H. R. 2984. An act authorizing E. B. Reyna, his heirs, legal representatives, and assigns to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Los Ebanos, Tex.;

H. R. 3878. An act to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work;

H. R. 4426. An act to amend section 7 of the act approved September 22, 1922, as amended;

H. R. 4573. An act authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.;

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices;

H. R. 5841. An act to repeal the fee-stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended;

H. R. 5842. An act to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State;

H. R. 5860. An act to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms;

H. R. 6410. An act to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto; and

H. Con. Res. 157. Concurrent resolution reaffirming the desire of the American people for peace.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 847. An act to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes;

S. 890. An act to strengthen the Water Pollution Control Act;

S. 1400. An act to protect the integrity of grade certificates under the United States Grain Standards Act;

S. 1472. An act to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen;

S. 1550. An act authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Canada;

S. 1757. An act to amend the act known as the "Agricultural Marketing Act of 1946," approved August 14, 1946;

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico;

S. 1966. An act to amend the Interstate Commerce Act to provide for filing of documents evidencing the lease, mortgage, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act;

S. 2097. An act to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, V. I.;

S. 2098. An act to amend Public Law 83, 83d Congress;

S. 2237. An act to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes;

S. J. Res. 77. Joint resolution to modify the authorized project for Ferrells Bridge Reservoir, Tex., and to provide for the local cash contribution for the water-supply feature of that reservoir; and

S. Con. Res. 41. Concurrent resolution to authorize the enrollment with certain changes of Senate Joint Resolution 62, dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

The message also announced that the Senate agrees to the amendment of the House to a joint resolution of the Senate of the following title:

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3005. An act to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6367. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HOLLAND, Mr. ELLENDER, Mr. KILGORE, Mr. MAGNUSON, Mr. STENNIS, Mr. CLEMENTS, Mrs. SMITH of Maine, Mr. BRIDGES, Mr. KNOWLAND, Mr. THYE, and Mr. POTTER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on amendments of the Senate to bills of the House of the following titles:

H. R. 103. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies; and

H. R. 2126. An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters.

1955 AMENDMENTS TO THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS of Louisiana, KILDAY, SHORT, and ARENDS.

FEDERAL EMPLOYEES RATE A PAY PROMOTION

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, Federal employees are not only civil servants of the American public.

They give indispensable assistance to every Member of Congress.

It would be unfortunate, on our part, if we "took them for granted."

For many years it was assumed that, as soon as a person acquired civil-service status in one of the regular agencies of the United States Government, we could forget about him, or her.

What more could a person want than job security, in an age where security is supposed to be the answer to all economic problems?

No layoffs.

No part-time work.

Steady, for 30 or 40 or 50 years, with the presentation of a watch at the end of the trail.

"What more could these permanent status Federal employees expect than a guaranteed lifetime wage?" was the comment of a few cynics.

Forgetting that it was a permanent income for some, and a living income for none.

The static salaries of Federal employees fell behind the rising cost of living, and the improving wage standards of their fellow Americans in private enterprise.

Something was wrong with the job-security formula, even for those who were not affected by reductions in force.

The morale of Federal employees slipped, noticeably.

The job-turnover rate reached alarming proportions.

Even Presidents of the United States took time out to wonder why Federal employees were no longer satisfied with their work, and to consider ways and means of providing the incentives that would hold experienced and trusted employees whose places could be filled only at considerable cost and inconvenience, if ever.

To work on a treadmill that causes a person to lose ground no matter how hard he tries to advance is no encouragement for a person to remain in the Federal service.

Private industry, on the other hand, is quick to notice ability, and to reward it, voluntarily.

Federal employees, however, have had to wage an uphill fight, and over a long period of time, to awaken those who control the purse-strings that Government workers are also human beings who must be able to make both ends meet if they are to do their best work.

For the past year and a half we have seen this vital issue kicked around for political advantage.

This has not fooled the Government workers for 1 minute.

If anything, it has added to their discontent.

The time has come, therefore, for the Congress to pass a genuine pay increase bill, and by a unanimous vote, if the harm that has been done to the morale of Federal employees is to be repaired.

We have established a precedent in our own case by raising our own salaries generously.

We have increased the pay of career personnel in the Armed Forces.

We have made it possible for letter carriers and postal clerks to earn well over $4,000 a year.

The 1,073,262 Federal employees come last, but their arguments are now the strongest.

There is no doubt whatever that they have earned and will get an upward pay adjustment.

The only question is, "How much?"

The Senate has voted 10 percent.

The House Post Office and Civil Service Committee has recommended 7½ percent.

The bill to increase postal salaries has already become law, and dissatisfaction is already apparent with its two-installment increase to 8.2 percent, with proportionately higher percentage increases for those in the upper brackets.

I suggest that we do not write similar irritations into the Federal employees pay raise bill.

An across-the-board boost would be fair to all.

Personally, I believe that a 10-percent raise would not be too much.

But, whatever this House does decide, I hope that it will overwhelmingly endorse a substantial and long-overdue salary increase for all Federal workers today.

SPECIAL ORDER GRANTED

Mr. PATMAN asked and was given permission to address the House for 40 minutes today, following the legislative program of the day and any special orders hereto entered, and to revise and extend his remarks and include extraneous matter.

CONGRESSIONAL SECRETARIES' SHOW

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks, and to include the program of the congressional secretaries.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, during the past week all of us have had an opportunity to study the "flyer" I hold in my hand—as they sometimes say in Nebraska—and our attention has been drawn by the big black letters which read—"Now Hear This." It carries the news that our secretaries, who have been rehearsing for 6 weeks to present their annual variety show, Revisin' and Extendin', will donate the proceeds to a critically needed clinic for retarded children. In years past our secretaries have presented Revisin' and Extendin'—without unanimous consent—solely for the entertainment of the Members of the House and Senate and their families. Mr. Speaker, I am proud that this, the first benefit ever launched by the Congressional Secretaries' Club has been arranged during the administration of my secretary, Miss Marie Warme, who is president of the club this year. I want to urge that every Member of this House help the Congressional Secretaries' Club, the Greater Washington Council for Retarded Children—an association of parents of retarded children—and HELP—Help Exceptional Little People—an association which aids them—establish this medical center. Georgetown Hospital will provide a staff of doctors, nurses, and space for the clinic. We Members of the House should be more than willing to help our secretaries in this effort to equip this sorely needed diagnostic and treatment center.

You know, Mr. Speaker, a secretary's greatest attribute—particularly a secretary to a Member of Congress—is loyalty. Let us show our hardworking, loyal secretaries that we realize that loyalty is not a one-way street. Let us show them that we appreciate their attitude toward us and our interests and that we are proud and glad to help them in this worthwhile endeavor. If you have not bought your tickets, please step down to the House Restaurant now and make your purchase. Revisin' and Extendin', 1955, will be presented tomorrow night at 8:30 in the beautiful new ballroom at the Sheraton Park Hotel. Let us all be there.

NOW HEAR THIS!

Get your tickets for Revisin' and Extendin', '55, the congressional secretaries' annual variety show. Here is your chance to get the secretaries' eyeview of Capitol Hill.

Where? The beautiful new million-dollar ballroom, Sheraton Park Hotel. (It's worth the price of admission just to see the place.)

When? June 21 at 8:30 p. m.

Why? Because you are guaranteed a rollicking evening but more important because the net proceeds of Revisin' and Extendin', '55, will help establish a clinic for retarded children. There is no diagnostic or treatment center for the approximately 3,000 mentally retarded children in the metropolitan area (District of Columbia, Virginia, and Maryland). Many of these little children have been unnecessarily committed to institutions or are hidden and unknown to medical and educational authorities. The critical need for this clinic is manifest. Please help the Congressional Secretaries' Club, the Greater Washington Council for Retarded Children (an association of parents of retarded children) and HELP (Help Exceptional Little People—an association which aids them) establish this medical center. Georgetown Hospital will provide a staff, nurses, and space for the clinic. Won't you help to equip it?

How much? Three dollars for any seat in the house. Knowing you helped establish this clinic will be a source of great satisfaction to you. It will be the first clinic for retarded children in America.

Get your tickets now! Get your tickets now! Get your tickets now!

Sponsors: $25 for 2 tickets. Patrons: $10 for 2 tickets.

Send your check to Ticket Chairman, Variety Show, No. 326, Old House Office Building, Washington, D. C.

COME OUT! COME OUT! WHEREVER YOU ARE!

See Revisin' and Extendin', '55, third edition, congressional secretaries' annual variety show.

You will see 16 gorgeous congressional chorines.

You will hear the lowdown on Revisin' and Extendin' without unanimous consent.

You will see a subcommittee on appropriations under investigation.

You will hear these statesmen talk their way out of this new switch.

You will see what happens to a G. C. (grateful constituent).

You will hear the terrific entertainers in the Sheik of Araby Restaurant.

You will see Firefly. Spectacular Firefly, the gal in flames!

You will hear Raoul Dedwood pilot a secretary through the rigors of congressional employment in "This Was Your Strife" (no apologies to Ralph Edwards).

You will see and hear all this and more, too, in Capitol Hill's colossal, spectacular Revisin' and Extendin', '55.

Tickets at Talbert's Agency, Willard Hotel; Congressional Hotel; Washington and Silver Spring Hecht Co. stores; or phone National 8-3120, extensions 613, 224, 1459, and 567.

Get your tickets now.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. HALLECK. After Revisin' and Extendin' was presented last year, I had the pleasure of announcing to the House that members of the cast would appear on a Columbia Broadcasting System network television show. I am happy to say, Mr. Speaker, that the National Broadcasting Co. will use parts of this year's show on Today, the Dave Garroway show, tomorrow morning at 8:45. In view of the great interest last year's CBS TV show created throughout the country, I am sure Members of the House will want to remain at home until 8:45 tomorrow morning to see this year's TV presentation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. GROSS. I commend the gentleman for calling the attention of the Members of the House to this show to be given tomorrow night. It is for a worthy cause and I hope the Members will attend.

Mr. MILLER of Nebraska. The show will be at the Sheraton Park Hotel at 8:30 tomorrow evening.

The SPEAKER. The time of the gentleman from Nebraska has expired.

SPECIAL ORDER GRANTED

Mr. CANNON asked and was given permission to address the House for 15 minutes today, following the legislative program of the day and the conclusion of any special orders heretofore entered.

UTILIZATION OF SALINE WATER

Mr. ENGLE submitted a conference report and statement on the bill (H. R. 2126), an act to amend the act of July 3, 1952, relating to research, development, and utilization of saline water.

TO PROVIDE FOR THE CONSTRUCTION OF DISTRIBUTION SYSTEM OF AUTHORIZED FEDERAL RECLAMATION PROJECTS

Mr. ENGLE submitted a conference report and statement on the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies.

ARMY RESERVE LEGISLATION

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, anr to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, I am in full accord with the views of those people who feel—and many Members of Congress have told me that they feel that way—that we should try to revive the Reserve legislation which came before the House of Representatives several weeks ago. It is my hope that the Committee on Armed Services will shortly meet and report out a watered-down version of that measure, but a version of the bill that will give full and ample authority to the Defense Department to properly and efficiently handle the work of training our military Reserves.

I hope that this bill can come out and be passed without any opposition.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day.

The Clerk will call the first bill on the Consent Calendar.

SPECIAL PENSION TO CERTAIN PERSONS AWARDED THE MEDAL OF HONOR

The Clerk called the bill (H. R. 735) to increase the rate of special pension payable to certain persons awarded the Medal of Honor.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice. I understand a rule has been granted, and it has been programed for this week.

The SPEAKER. There will be a suspension on this bill this afternoon. Is there objection?

There was no objection.

CONGRESSIONAL DELEGATION TO ATTEND NORTH ATLANTIC TREATY PARLIAMENTARY CONFERENCE

The Clerk called the resolution (H. Con. Res. 109) authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

INCREASING FEE FOR EXECUTING APPLICATION FOR PASSPORT

The Clerk called the bill (H. R. 5844) to increase the fee for executing an application for a passport from $1 to $3.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

CONSTITUTIONAL CONVENTION IN ALASKA

The Clerk called the bill (H. R. 5166) relating to a constitutional convention in Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM, Mr. FORD, and Mr. BYRNES of Wisconsin objected, and the bill, under the rule, was stricken from the calendar.

RELIEF OF CERTAIN MEMBERS OF THE ARMY AND AIR FORCE

The Clerk called the bill (H. R. 5652) to provide for the relief of certain members of the Army and Air Force, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That commissioned officers of the Regular Army or Regular Air Force (except those appointed pursuant to the act of December 28, 1945 (59 Stat. 663)), as amended, who, subsequent to August 31, 1946, and prior to the date of enactment of this act, were absent from duty by authority of the Secretary concerned for any period after their acceptance of appointment as a commissioned officer of the Regular Army or Regular Air Force during which period they were awaiting orders assigning them to their initial-duty stations, shall, if application therefor is made within 2 years after the date of enactment of this act and to the extent they have not already been paid therefor, be paid pay and allowances for that period. Payments of pay and allowances heretofore made to these officers for such periods shall be validated upon a determination by the Secretary concerned, or his designee, that such payments were free from fraud and collusion.

SEC. 2. Any commissioned officer or former commissioned officer of the Regular Army or Regular Air Force who has repaid the United States an amount paid to him as pay and allowances for a period described in the first section of this act, is entitled to be paid the amount involved, if otherwise proper, under this act.

SEC. 3. The Comptroller General of the United States, or his designee, shall, within 2 years from the date of this act, relieve disbursing officers, including special disbursing agents, of the Army and the Air Force from accountability or responsibility for any payments described in this act, and shall allow credits in the settlement of the accounts of such officers or agents for payments which are determined by the Secretary concerned, or his designee, to be free from fraud or collusion. The determination by the Secretary concerned, or his designee, shall be final and conclusive upon the Comptroller General: *Provided*, That this section shall not apply to original payments authorized by the first section of this act or to the repayments authorized by section 2 hereof.

SEC. 4. Any appropriations available to the military department concerned for the pay and allowances of military personnel are available for payments under this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXECUTION OF MORTGAGES AND DEEDS OF TRUST ON INDIVIDUAL INDIAN TRUST

The Clerk called the bill (H. R. 4802) to authorize the execution of mortgages and deeds of trust on individual Indian trust or restricted land.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the individual Indian owners of any land which either is held by the United States in trust for them or is subject to a restriction against alienation imposed by the United States are authorized, subject to approval by the Secretary of the Interior, to execute a mortgage or deed of trust to such land. Such land shall be subject to foreclosure or sale pursuant to the terms of such mortgage or deed of trust in accordance with the laws of the State or Territory in which the land is located. For the purpose of any foreclosure or sale proceeding the Indian owners shall be regarded as vested with an unrestricted fee simple title to the land, the United States shall not be a necessary party to the proceeding, and any conveyance of the land pursuant to the proceeding shall divest the United States of title to the land. All mortgages and deeds of trust to such land heretofore approved by the Secretary of the Interior are ratified and confirmed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIMPLIFIED MAILINGS OF CHURCH PUBLICATIONS

The Clerk called the bill (H. R. 4585) to amend the act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the ninth paragraph under the heading "Office of the Third Assistant Postmaster General" contained in the first section of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes," approved August 24, 1912 (39 U. S. C., sec. 229), is amended—

(1) by inserting "or by a church or church organization," immediately after "or by a regularly established State institution of learning supported in whole or in part by public taxation,";

(2) by inserting "or by churches and church organizations," immediately after "and such periodical publications, issued by or under the auspices of benevolent or fraternal societies or orders or trades unions, or by strictly professional, literary, historical, or scientific societies,";

(3) by inserting "churches and church organizations," immediately after "whether such matter pertains to such benevolent or fraternal societies or orders, trades unions, strictly professional, literary, historical, or scientific societies,";

(4) by inserting "churches and church organizations," immediately after "to further the objects and purposes of such benevolent or fraternal societies or orders, trades unions,"; and

(5) by inserting "or by churches and church organizations" immediately after "circulation through the mails of periodical publications issued by, or under the auspices of, benevolent or fraternal societies or orders, or trades unions, or by strictly professional, literary, historical, or scientific societies,".

SEC. 2. The amendments made by the first section of this act shall take effect on the first day of the second calendar month following the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSMISSION OF KEYS AND IDENTIFICATION DEVICES THROUGH THE MAILS

The Clerk called the bill (H. R. 4808) to provide for transmission through the mails of keys and identification cards.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act fixing postage rates on hotel and steamship room keys and tags," approved July 3, 1926 (44 Stat. 890; ch. 778; 39 U. S. C., sec. 302), is amended to read as follows: "That keys or identification cards bearing an explicit post office address, and instructions directing that, if found, such keys or cards be returned to such address and guaranteeing payment of postage on delivery, the rate shall be 5 cents for each 2 ounces or fraction thereof."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That any key, any identification card, identification tag, or similar identification

device, and any other small article which the Postmaster General by regulation may designate, which bears, contains, or has attached securely thereto—

"(1) a complete, definite, and legible post office address, including (if such exists) the street address or box or route number, and

(2) a notice directing that such key, card, tag, device, or small article be returned to such address, and guaranteeing the payment, on delivery, of the postage due thereon,

may be transmitted through the mails to such address at a rate of postage of 5 cents for each 2 ounces or fraction thereof.

"SEC. 2. The act entitled 'An act fixing postage rates on hotel and steamship room keys and tags', approved July 3, 1926 (44 Stat. 890; 39 U. S. C., sec. 302), is hereby repealed.

"SEC. 3. This act shall take effect on the 60th day following the date of its enactment."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended to read: "A bill to authorize the transmission through the mails of certain keys, identification devices, and small articles, and for other purposes."

A motion to reconsider was laid on the table.

MULTIPLE USE OF SURFACE OF PUBLIC LANDS

The Clerk called the bill (H. R. 5891) to amend the act of July 31, 1947 (61 Stat. 681) and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, I understand this bill is to come up under a suspension of the rules. I therefore ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

The Clerk called the bill (H. R. 3758) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, in view of the fact that the report accompanying this bill does not comply with the Ramseyer rule I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

INCREASE IN SUBSISTENCE AND TRAVEL EXPENSES

The Clerk called the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1939, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I understand this bill is scheduled for consideration under suspension of the rules. I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SHIPMENT BY MAIL OF LIVE SCORPIONS

The Clerk called the bill (S. 35) to permit the transportation in the mails of live scorpions.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1716 of title 18 of the United States Code is amended by inserting after the second paragraph thereof a new paragraph as follows:

"The Posmaster General shall permit the transmission in the mails of live scorpions to be used for medical research work under such regulations as he may prescribe with respect to the packaging of such scorpions as will give adequate protection to postal personnel and make for ease of handling by the research worker."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That section 1716 of title 18 of the United States Code is amended by inserting immediately after the second paragraph thereof the following new paragraph:

" 'The Postmaster General is authorized and directed to permit the transmission in the mails, under regulations to be prescribed by him, of live scorpions which are to be used for purposes of medical research or for the manufacture of antivenin. Such regulations shall include such provisions with respect to the packaging of such live scorpions for transmission in the mails as the Postmaster General deems necessary or advisable for the protection of Post Office Department personnel and of the public generally and for ease of handling by such personnel and by any individual connected with such research or manufacture. Nothing contained in this paragraph shall be construed to authorize the transmission in the mails of live scorpions by means of aircraft engaged in the carriage of passengers for compensation or hire.' "

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title of the bill was amended to read: "A bill to provide for the transmission in the mails of live scorpions."

A motion to reconsider was laid on the table.

AUTHORIZING SPECIAL CANCELING STAMP BEARING THE WORDS "PRAY FOR PEACE"

The Clerk called the bill (H. R. 692) to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for peace."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act authorizing the Postmaster General to grant permission to use special canceling stamps or postmarking dies," approved May 11, 1922 (39 U. S. C., sec. 368), is amended to read as follows:

"SEC. 2. (a) Any permission granted by the Postmaster General under the first section of this act shall be revocable in the event the Government shall find it expedient or necessary to use special canceling stamps or postmarking dies for its own purposes.

"(b) The Postmaster General is authorized to provide for the use in each first- and second-class post office, of a special canceling stamp or postmarking die bearing the words "Pray for peace."

SEC. 2. The second proviso in the first section of such act of May 11, 1922, is amended by striking out "nothing in this act" and inserting in lieu thereof "nothing in this section".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, the action today by the House in unanimously passing my pray-for-peace bill gives me a great deal of satisfaction. The measure, H. R. 692, authorizes the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for peace." Last year an identical bill introduced by me was also passed in the House but the Congress adjourned 2 days later before the Senate could consider the measure. It is my hope that the bill, H. R. 692, that passed in the House today will receive early approval in the Senate so that soon it may be enacted into law—that the United States mail delivered here and abroad to the far corners of the earth may manifest to all the world the exhortation of our great country to peoples everywhere—to raise their minds and hearts to the Supreme Creator of the universe and pray for peace.

RECORDATION OF SCRIP, LIEU SELECTION, AND SIMILAR RIGHTS

The Clerk called the bill (H. R. 2972) to require the recordation of scrip, lieu selection, and similar rights.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any owner of, and any person claiming rights to, Valentine scrip, issued under the act of April 5, 1872 (17 Stat. 649); Sioux Half-Breed scrip, issued under the act of July 17, 1854 (10 Stat. 304); Supreme Court scrip, issued under the acts of June 22, 1860 (12 Stat. 85), March 2, 1867 (14 Stat. 544), and June 10, 1872 (17 Stat. 378); Surveyor General scrip, issued under the act of June 2, 1858 (11 Stat. 294); a soldier's additional homestead right, granted by sections 2306 and 2307 of the Revised Statutes; a forest lieu selection right, assertable under the act of March 3, 1905 (33 Stat. 1264); a lieu selection right conferred by the

act of July 1, 1898 (30 Stat. 597); a bounty land warrant issued under the act of March 3, 1855 (10 Stat. 701); or any lieu selection or scrip right or bounty land warrant, or right in the nature of scrip issued under any act of Congress not enumerated herein (except the indemnity selection rights of any State, or the Territory of Alaska), shall, within 3 years from the effective date of this act, present his holdings or claim for recordation by the Department of the Interior.

SEC. 2. In the case of a transfer after the effective date of this act, by assignment, inheritance, operation of law, or otherwise of a holding or claim of any right recorded under this act, the holding or claim of right so transferred shall be presented to the Department of the Interior within 6 months after such transfer, for recordation by it; except that where such transfer occurs within the period of 3 years from the effective date of this act and the prior owner has not complied with provisions of this act, the owner or claimant by transfer shall have the remainder of such period or a period of 6 months, whichever is the longer, within which to present his claims or holdings for recordation.

SEC. 3. There shall be endorsed on the evidence of the right or warrant each recordation thereof.

SEC. 4. Claims or holdings not presented for recordation as prescribed herein, shall not thereafter be accepted by the Secretary of the Interior for recordation or as a basis for the acquisition of lands.

SEC. 5. The Secretary of the Interior is authorized to make rules and regulations to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MANAGEMENT AND DISPOSITION OF CERTAIN PUBLIC DOMAIN LANDS IN OKLAHOMA

The Clerk called the bill (H. R. 4001) to provide for the management and disposition of certain public domain lands in the State of Oklahoma.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to provide, in accordance with the terms of this act, for the management and disposition of any interest of the United States in those lands which were reconvened to the United States by deeds of conveyance executed on November 29, 1950, by the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation, or which have been, or may be, reconveyed to the United States by any further and supplemental conveyances made under the authority of the Interior Department Appropriation Act of June 28, 1944 (58 Stat. 463, 483), the joint resolution of June 24, 1948 (62 Stat. 596), and the First Deficiency Appropriation Act of May 24, 1949 (63 Stat. 76, 84.)

SEC. 2. (a) The Secretary of the Interior, in order to facilitate the administration and management of the lands, to remove any clouds on the titles of any persons to interests in such lands, or to establish definite boundaries for such lands, may (1) sell any tract of lands at public sale to the highest responsible bidder, or at private sale; (2) exchange any tract of such lands for other lands or mineral deposits of approximately equal aggregate value; or (3) relinquish any tract of such lands, with or without compensation, to any person having a legal or equitable interest therein. In passing upon a proposed disposition of any tract of land under this subsection, the Secretary shall take into account the uses to which the tract involved is most suited and whether it may be better utilized in private ownership.

(b) In selling any tract under subsection (a) of this section, the Secretary shall make such provision as he may deem appropriate to give a preference right to any occupant of the tract who has, or whose predecessors in interest have, lawfully and continuously occupied the tract for home, business, or school purposes since April 30, 1949, or earlier. The Secretary shall give any occupant who is lawfully in possession of a tract at the time of its offer for sale, an appropriate period within which such occupant may remove improvements constructed by him or by his predecessors in interest, or may elect to receive compensation for such improvements from the successful purchaser of the tract in an amount equal to the appraised value of the improvements as determined by the Secretary.

(c) In disposing of an interest in any tract under this act, the Secretary may also give a preference right, when he deems it appropriate, to any owner of an interest in any land adjoining the tract to be disposed.

SEC. 3. (a) The Secretary may sell or lease any tract under the provisions of the act of June 4, 1954 (68 Stat. 173; 43 U. S. C., sec. 869, and the following), to the State of Oklahoma or any other agency or organization qualified under that act.

(b) Upon the filing of an application by an appropriate local governing body within 2 years after the first issuance of regulations under this act, the Secretary of the Interior may relinquish or convey to such body, without compensation, any tract of the lands which, prior to the transfer of title to the United States, was set apart for streets, alleys, or other public purposes, even though not legally dedicated to such purposes.

SEC. 4. (a) The Secretary of the Interior shall issue quitclaim deeds for any lands disposed of under section 2 or section 3 (b) of this act. The Secretary shall fix through appraisal the minimum price to be paid for lands that are offered for sale under subsection (a) (1) of section 2. If any lands are relinquished under subsection (a) (3) of section 2, without compensation, the Secretary shall require the grantee to pay a service charge of not less than $10.

(b) Any deed for lands disposed of under section 2 of this act which are withdrawn, classified, or valuable for mineral deposits shall contain a reservation to the United States of such mineral deposits, together with the right to prospect for, mine, and remove the same under applicable provisions of law, but this requirement may be waived by the Secretary in connection with any disposition under subsection (a) (3) of section 2. Any deed for lands disposed of under this act shall contain any provision which the Secretary determines is necessary in order to protect the rights of the holders of existing interests in the lands, or to permit access to any of the lands in which the Federal Government retains an interest.

(c) If a survey is necessary to describe properly any lands that are to be disposed of under this act, the Secretary shall require the proposed grantee to pay the proportionate cost of such survey.

(d) Any lands or mineral deposits acquired by the United States in an exchange under this act shall be subject to the same provisions of law as the public lands for which they were exchanged.

SEC. 5. The Secretary of the Interior may issue easements, leases, or permits for the development and use of nonmineral resources of the lands or may sell such resources.

SEC. 6. The Secretary of the Interior may accept contributions or donations of money, services, and property to further the provisions of this act. Moneys received under this section shall be covered into the Treasury and are hereby appropriated and made available until expended, as the Secretary may direct, for payment of expenses incident to the function toward the administration of which the contributions were made and for refunds to contributors of amounts contributed by them in excess of their appropriate share of such expenses, as determined by the Secretary.

SEC. 7. The Secretary of the Interior may issue such regulations as may be necessary or appropriate to carry out the provisions of this act, including regulations providing for the protection of the surface and other nonmineral values of lands disposed of under this act whenever any mineral rights reserved to the United States are exercised by it or under its authority.

SEC. 8. All moneys realized under the provisions of this act, except moneys received under the provisions of section 6, shall be deposited in the Treasury as miscellaneous receipts.

With the following committee amendments:

Page 2, line 10, preceding the numeral 2, insert the word "or."

Page 2, strike all of lines 11 and 12.

Page 3, line 22, preceding the words "any tract", insert the words "the surface rights to."

Page 4, lines 11 and 12, strike the words "which are withdrawn, classified, or valuable for mineral deposits."

Page 4, line 13, strike the word "such" and insert in lieu thereof the word "all."

Page 4, line 15, insert a period following the word "law" and strike the words ", but this requirement may be waived by the Secretary in connection with any disposition under subsection (a) (3) of section 2."

Page 5, lines 3 to 6 inclusive, strike all of subsection (d).

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVERSIONARY INTERESTS IN CERTAIN LANDS QUITCLAIMED TO CHANDLER, OKLA.

The Clerk called the bill (H. R. 4747) to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to quitclaim to the city of Chandler, Okla., in consideration of the payment of $3,000, all right, title, and interest of the United States in and to those lands otherwise conveyed by the United States to such city by the act entitled "An act to grant a military target range of Lincoln County, Okla., to the city of Chandler, Okla., and reserving the right to use for military and aviation purposes," approved February 15, 1923. Such sum of $3,000 shall be covered into the Treasury of the United States as miscellaneous receipts.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING SPECIAL LIVESTOCK LOANS FOR 2 YEARS

The Clerk called the bill (H. R. 4915) to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (c) of the act of April 6, 1949, as amended, is further amended by striking the word "two" from the first sentence of said subsection and inserting in lieu thereof "four" and by adding after the first sentence of the said subsection the following new sentence: "After the expiration of the period specified herein, such loans may be made only for supplementary advances to producers indebted for loans made under this subsection."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACQUISITION OF CERTAIN RIGHTS-OF-WAY AND TIMBER ACCESS ROADS

The Clerk called the bill (H. R. 4664) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior may acquire rights-of-way and existing connecting roads adjacent to public lands whenever he determines that such acquisition is needed to provide a suitable and adequate system of timber access roads to public lands under his jurisdiction.

SEC. 2. For the purpose of this act, the term "public lands" includes the Revested Oregon and California Railroad and the Reconveyed Coos Bay Wagon Road Grant Lands in Oregon.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 1464) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads, a similar though not identical Senate bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, for a period of 5 years after the date of enactment of this act, may acquire rights-of-way and existing connecting roads adjacent to public lands whenever he determines that such acquisition is needed to provide a suitable and adequate system of timber access roads to public lands under his jurisdiction.

SEC. 2. For the purpose of this act, the term "public lands" includes the Revested Oregon and California Railroad and the Reconveyed Coos Bay Wagon Road Grant Lands in Oregon.

Mr. ENGLE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Engle: Strike out all after the enacting clause of the Senate bill and substitute the provisions of H. R. 4664, just passed, as follows:

That the Secretary of the Interior may acquire rights-of-way and existing connecting roads adjacent to public lands whenever he determines that such acquisition is needed to provide a suitable and adequate system of timber access roads to public lands under his jurisdiction.

SEC. 2. For the purpose of this act, the term "public lands" includes the Revested Oregon and California Railroad and the Reconveyed Coos Bay Wagon Road Grant Lands in Oregon.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The proceedings by which H. R. 4664 was passed were vacated, and that bill and a motion to reconsider were laid on the table.

FEDERAL EMPLOYEES SALARY INCREASE ACT OF 1955

Mr. MURRAY of Tennessee. Mr. Speaker, I move to suspend the rules and pass the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Federal Employees Salary Increase Act of 1955."

SEC. 2. (a) Section 603 (b) and section 603 (c) of the Classification Act of 1949, as amended (65 Stat. 612; 5 U. S. C., sec. 1113 (b) and (c)), are amended to read as follows:

"(b) The compensation schedule for the General Schedule shall be as follows:

"Grade	Per annum rates						
GS-1	$2,690	$2,775	$2,860	$2,945	$3,030	$3,115	$3,200
GS-2	2,955	3,040	3,125	3,210	3,295	3,380	3,465
GS-3	3,170	3,255	3,340	3,425	3,510	3,595	3,680
GS-4	3,415	3,500	3,585	3,670	3,755	3,840	3,925
GS-5	3,665	3,800	3,935	4,070	4,205	4,340	4,475
GS-6	4,080	4,215	4,350	4,485	4,620	4,755	4,890
GS-7	4,520	4,655	4,790	4,925	5,060	5,195	5,330
GS-8	4,965	5,100	5,235	5,370	5,505	5,640	5,775
GS-9	5,440	5,575	5,710	5,845	5,980	6,115	6,250
GS-10	5,915	6,050	6,185	6,320	6,455	6,590	6,725
GS-11	6,385	6,600	6,815	7,030	7,245	7,460	
GS-12	7,570	7,785	8,000	8,215	8,430	8,645	
GS-13	8,985	9,200	9,415	9,630	9,845	10,060	
GS-14	10,320	10,535	10,750	10,965	11,180	11,395	
GS-15	11,610	11,880	12,150	12,420	12,690		
GS-16	12,900	13,115	13,330	13,545	13,760		
GS-17	13,975	14,190	14,405	14,620			
GS-18	14,800						

"(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

"Grade	Per annum rates						
CPC-1	$1,945	$2,010	$2,075	$2,140	$2,205	$2,270	$2,335
CPC-2	2,600	2,675	2,750	2,825	2,900	2,975	3,050
CPC-3	2,745	2,830	2,915	3,000	3,085	3,170	3,255
CPC-4	2,955	3,040	3,125	3,210	3,295	3,380	3,465
CPC-5	3,200	3,285	3,370	3,455	3,540	3,625	3,710
CPC-6	3,440	3,525	3,610	3,695	3,780	3,865	3,950
CPC-7	3,695	3,805	3,915	4,025	4,135	4,245	4,355
CPC-8	4,020	4,155	4,290	4,425	4,560	4,695	4,830
CPC-9	4,460	4,595	4,730	4,865	5,000	5,135	5,270
CPC-10	4,905	5,040	5,175	5,310	5,445	5,580	5,715

"(2) Charwomen working part time shall be paid at the rate of $2,900 per annum, and head charwomen working part time shall be paid at the rate of $3,050 per annum."

(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at one of the scheduled or longevity rates of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding scheduled or longevity rate in effect on and after such date;

(2) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate between two scheduled or two longevity rates, or between a scheduled and a longevity rate, of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

(3) If the officer or employee (other than an officer or employee subject to paragraph (4) of this subsection), immediately prior to the effective date of this section, is receiving basic compensation at a rate in excess of the maximum longevity rate of his grade, or in excess of the maximum scheduled rate of his grade if there is no longevity rate for his grade, he shall receive basic compensation at a rate equal to the rate which he received immediately prior to such effective date, increased by an amount equal to the amount of the increase made by this section in the maximum longevity rate, or the maximum scheduled rate, as the case may be, of his grade until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such act, as amended; or

(4) If the officer or employee, immediately prior to the effective date of this section, is receiving an existing aggregate rate of compensation determined under section 208 (b) of the act of September 1, 1954 (Public Law 763, 83d Cong.), he shall receive an aggregate rate of compensation equal to such existing aggregate rate, increased by an amount equal to the amount of the increase made by this section in the maximum longevity rate of his grade until he (A) leaves such position, or (B) is entitled to receive aggregate compensation at a higher rate by reason of the operation of any other provision of law; but when such position becomes vacant the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. For the purposes of section 208 (b) of the act of September 1, 1954 (Public Law 763, 83d Cong.), the amount of such increase shall be held and considered to constitute a part of the existing aggregate rate of compensation of such employee; or

(5) If the officer or employee, immediately prior to the effective date of this section, was in a position for which the rate of compensation is fixed under section 603 (c) (2) of the Classification Act of 1949, as amended, and at such time he was receiving basic compensation at a rate in excess of the rate provided for his position under such section, he shall receive basic compensation at a rate equal to the rate he was paid immediately prior to such effective date increased by an amount equal to the amount of the increase made by this section in the rate for like positions under such section 603 (c) (2) until he leaves such position; but when such position becomes vacant the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such section.

(c) Each officer or emloyee—

(1) (A) who with his position has been transferred, at any time during the period beginning January 1, 1952, and ending on the date of enactment of this act, from the Crafts, Protective, and Custodial Schedule or the General Schedule to a prevailing rate schedule pursuant to the Classification Act of 1949 or title I of the act of September 1, 1954 (Public Law 763, 83d Cong.), or (B) who, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this act, transferred from a position subject to the Classification Act of 1949, as amended, to a position subject to a prevailing rate schedule.

(2) Who at all times subsequent to such transfer was in the service of the United States (including the Armed Forces of the United States) or of the municipal government of the District of Columbia, without break in such service of more than 30 consecutive calendar days and, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, without break in service in excess of the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

(3) who is on such date of enactment being compensated under a prevailing rate schedule, and

(4) whose rate of basic compensation is less on such date of enactment than the rate to which he would have been entitled on such date of enactment if such transfer had not occurred (unless he is receiving such lesser rate by reason of an adverse personnel action resulting from his own fault),

shall be paid basic compensation at a rate equal to the rate which he would have been receiving on such date of enactment (including compensation for each within-grade and longevity step-increase which he would have earned) if such transfer had not occurred until the day immediately following such date of enactment, for all time in a pay status on and after the effective date of this section in a position subject to a prevailing rate schedule under the circumstances prescribed in this subsection, until (A) he leaves the position which he holds on such date of enactment, or (B) he is entitled to receive basic compensation at a higher rate under a prevailing rate schedule; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with prevailing rate schedules.

(d) The rate of basic compensation of each officer or employee who, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this act, became subject to the Classification Act of 1949, as amended, at a rate of basic compensation which was fixed on the basis of a higher previously earned rate or which was established under authority of section 803 of the Classification Act of 1949, as amended (68 Stat. 1106; 5 U. S. C., sec. 1133), and which is above the minimum rate of the grade of such officer or employee, shall be adjusted, retroactively to the date on which he became subject to such act, on the basis of the rate for that step of the appropriate grade of the appropriate compensation schedule contained in this section which corresponds numerically to the step of the grade of the compensation schedule for such officer or employee which was in effect (without regard to this act) at the time he became subject to the Classification Act of 1949 as in effect immediately prior to the effective date of this section.

(e) The last sentence of section 704 of the Classification Act of 1949, as amended, is amended to read as follows: "Notwithstanding subsection (b) (4) of section 703, longevity step increases for grade 15 of the General Schedule shall be the same as those for grade 14 of the General Schedule."

SEC. 3. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U. S. C., sec. 102 (a) (2)), section 3656 of title 18 of the United States Code, the second and third sentences of section 603, section 604 (a) (5), or sections 672 to 675, inclusive, of title 28 of the United States Code are hereby increased by amounts equal to the increases provided by section 2 of this act in corresponding rates of compensation paid to officers and employees subject to the Classification Act of 1949, as amended.

(b) The limitations of $10,560 and $14,355 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the paragraph under the heading "Salaries of supporting personnel" in the Judiciary Appropriation Act, 1955 (Public Law 470, 83d Cong.), or in any subsequent appropriation act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this act.

(c) Section 753 (e) of title 28 of the United States Code (relating to the compensation of court reporters for district courts) is amended by striking out "$6,000" and inserting in lieu thereof "$6,450".

SEC. 4. (a) Each officer and employee in or under the legislative branch of the Government whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 7.5 percent of the aggregate rate of his rate of basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948, the provisions under the heading "Increased pay for legislative employees" in the Second Supplemental Appropriation Act, 1950, the act of October 24, 1951 (Public Law 201, 82d Cong.), and any other provision of law.

(b) Section 2 (b) of the act of October 24, 1951 (Public Law 201, 82d Cong.), is amended by striking out "$11,646 per annum unless expressly authorized by law" and inserting in lieu thereof "the highest per annum rate of compensation paid under authority of the Classification Act of 1949, as amended, unless expressly authorized by law."

(c) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses), the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the Legislative Counsel of the Senate, the Legislative Counsel of the House of Representatives, and the Coordinator of Information of the House of Representatives are hereby increased by 7.5 percent.

(d) The limitations in the paragraph designated "Folding documents" under the heading "Contingent Expenses of the House" in the Legislative Appropriation Act, 1955 (Public Law 470, 83d Cong.), are hereby increased by 7.5 percent.

SEC. 5. Section 66 of the Farm Credit Act of 1933 (48 Stat. 269) is hereby amended to read as follows:

"SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of $14,620 per annum."

SEC. 6. (a) Each of the minimum rates of salary contained in section 3 (d), the maximum rate of salary contained in the second sentence of such section 3 (d), and each of the maximum and minimum rates of salary contained in section 7, of the act of January 3, 1946 (Public Law 293, 79th Cong.), as amended (38 U. S. C., secs. 15b (d) and 15f (a)), are hereby increased by 7.5 percent.

(b) Each of the rates of salary contained in section 3 (e) and section 3 (f) of such act of January 3, 1946, as amended (38 U. S. C., secs. 15b (e) and (f)), is hereby increased by 7.5 percent.

(c) Each of the rates of salary increased by subsections (a) and (b) of this section shall be rounded, as so increased, to the nearest $5 per annum, counting $2.50 per annum and over as $5 per annum.

(d) Section 8 (d) of such act of January 3, 1946, as amended (38 U. S. C., sec. 15g (d)), is amended by striking out "$12,800" and inserting in lieu thereof "$13,760."

SEC. 7. Each of the rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946, as amended, is hereby increased by 7.5 percent. Each such rate as so increased shall be rounded to the nearest $5 per annum, counting $2.50 per annum and over as $5 per annum.

SEC. 8. (a) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U. S. C., sec. 665), the rates of compensation of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of compensation are fixed by administrative action pursuant to law and are not otherwise increased by this act are hereby authorized to be increased, effective on or after the first day of the first pay period which began after February 28, 1955, by amounts not to exceed the increases provided by this act for corresponding rates of compensation in the appropriate schedule or scale of pay.

(b) Nothing contained in this section shall be deemed to authorize any increase in the rates of compensation of officers and employees whose rates of compensation are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

(c) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of compensation may be fixed by administrative action.

SEC. 9. Notwithstanding any other provision of this act, (1) no rate of compensation or salary which is $14,800 or more per annum shall be increased by reason of this act and (2) no rate of compensation or salary shall be increased by reason of this act to an amount in excess of $14,800 per annum.

SEC. 10. (a) Retroactive compensation or salary shall be paid by reason of this act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this act, except that such retroactive compensation or salary shall be paid (1) to an officer or employee who retired during the

period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act for services rendered during such period and (2) in accordance with the provisions of the act of August 3, 1950 (Public Law 636, 81st Congress), as amended, for services rendered during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this act by an officer or employee who dies during such period.

(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

SEC. 11. Notwithstanding any provision of this act or of the Postal Field Service Compensation Act of 1955, no individual subject to the Classification Act of 1949, as amended, whose rate of basic salary is increased by reason of section 701 of the Postal Field Service Compensation Act of 1955, shall be entitled to receive payment of any increase under the provisions of the Classification Act of 1949, as amended by this act, for any period for which he is entitled to receive an increase in basic salary under section 701 of the Postal Field Service Compensation Act of 1955.

SEC. 12. (a) Section 505 of the Classification Act of 1949, as amended (68 Stat. 1105; 5 U. S. C., sec. 1105), is amended to read as follows:

"SEC. 505. (a) No position shall be placed in grade 16, 17, or 18 of the General Schedule except by action of, or after prior approval by a majority of the Civil Service Commissioners.

"(b) Subject to subsections (c), (d), and (e) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum number of positions (not to exceed 1,200) which may be in grades 16, 17, and 18 of the General Schedule at any one time, except that under such authority such maximum number of positions shall not exceed 325 for grade 17 and 125 for grade 16. The United States Civil Service Commission shall report annually to the Congress the total number of positions established under this subsection for grades 16, 17, and 18 of the General Schedule and the total number of positions so established for each such grade.

"(c) The number of positions of senior specialists in the Legislative Reference Service of the Library of Congress allocated to grades 16, 17, and 18 of the General Schedule by reason of the proviso contained in section 203 (b) (1) of the Legislative Reorganization Act of 1946 (60 Stat. 836; 2 U. S. C., sec. 166 (b) (1)) shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

"(d) The Comptroller General of the United States is authorized, subject to the procedures prescribed by this section, to place a total of 25 positions in the General Accounting Office in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

"(e) The Director of the Federal Bureau of Investigation, United States Department of Justice, is authorized, without regard to any other provision in this section, to place a total of 37 positions in the Federal Bureau of Investigation in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b)."

(b) Positions in grades 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, shall remain, on and after such effective date, in their respective grades, until other action is taken under the provisions of section 505 of the Classification Act of 1949 as in effect on and after such effective date.

(c) The following parts of laws and parts of reorganization plans are hereby repealed:

(1) Section 710 (a) of the Defense Production Act of 1950 (64 Stat. 819; 50 App. U. S. C., sec. 2160 (a));

(2) That part of section 401 (a) of the Federal Civil Defense Act of 1950 (64 Stat. 1254; 50 App. U. S. C., sec. 2253 (a)) which reads as follows: "and subject to the standards and procedures of that act, to place not more than 22 positions in grades 16, 17, and 18 of the General Schedule established by that act, and any such positions shall be additional to the number authorized by section 505 of that act;";

(3) Section 108 of the Supplemental Appropriation Act, 1951 (64 Stat. 1064; Public Law 843, 81st Cong.);

(4) The fourth paragraph under the heading "General Accounting Office" contained in title I of the Independent Offices Appropriation Act, 1952 (65 Stat. 274; Public Law 137, 82d Cong.), as amended by the fourth paragraph under the heading "General Accounting Office" contained in title I of the Independent Offices Appropriation Act, 1953 (66 Stat. 399; Public Law 455, 82d Cong.), and by the proviso under the heading "General Accounting Office" contained in title I of the Independent Offices Appropriation Act, 1955 (68 Stat. 280; Public Law 428, 83d Cong.; 31 U. S. C., sec. 52a), which reads as follows: "The Comptroller General of the United States hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place 5 positions in grade GS–18, 2 positions in grade GS–17, and 12 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the General Accounting Office previously allocated under section 505. The authority granted herein shall not be construed to require or preclude the reallocation of any positions in the General Accounting Office previously allocated under section 505.";

(5) That part of the paragraph under the heading "Renegotiation Board" and under the subheading "Salaries and Expenses" contained in chapter V of the Second Supplemental Appropriation Act, 1952 (65 Stat. 763; Public Law 254, 82d Cong.; 50 App. U. S. C., sec. 1217a), which reads as follows: ": *Provided*, That the Board is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place not more than 5 positions in grades 16, 17, or 18 of the General Schedule established by said act, and such positions shall be in addition to the number authorized by said section";

(6) That part of section 606 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952 (65 Stat. 600; Public Law 188, 82d Cong.), which reads as follows: "The Director of the Federal Bureau of Investigation, United States Department of Justice, hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place two positions in grade GS–18, and 7 positions in grade GS–17, in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the Federal Bureau of Investigation previously allocated under section 505.";

(7) That part of the paragraph under the heading "Federal Bureau of Investigation" and under the subheading "Salaries and Expenses" contained in title II (the Department of Justice Appropriations Act, 1953) of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1953 (66 Stat. 557; Public Law 495, 82d Cong.; 5 U. S. C., sec. 300e), which reads as follows: ": *Provided further*, That the Director of the Federal Bureau of Investigation hereafter is authorized, without regard to the Classification Act of 1949, to place 20 positions in grade GS–16 in the General Schedule established by the Classification Act of 1949";

(8) Section 806 of the Supplemental Appropriation Act, 1954 (67 Stat. 429; Public Law 207; 83d Cong.);

(9) Section 737 of the Department of Defense Appropriation Act, 1955 (68 Stat. 357; Public Law 458, 83d Cong.; 5 U. S. C., sec. 171d–2);

(10) That part of the paragraph under the heading "Bureau of the Budget" contained in title I of the Independent Offices Appropriation Act, 1955 (68 Stat. 273; Public Law 428; 83d Cong.; 31 U. S. C., sec. 16b), which reads as follows: ": *Provided*, That the Bureau of the Budget is authorized, without regard to section 505 of the Classification Act of 1949, to place 2 additional positions in grade GS–18 and 2 additional positions in grade GS–17 of the General Schedule established by said act";

(11) That part of the paragraph under the heading "St. Lawrence Seaway Development Corporation" contained in chapter VIII of the Supplemental Appropriation Act, 1955 (68 Stat. 818; Public Law 663, 83d Cong.; 33 U. S. C., sec. 984a), which reads as follows: "; and the Administrator is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place not more than 4 positions in grades 16, 17, or 18 of the General Schedule established by said act, and such positions shall be in addition to the number authorized by said section";

(12) That part of the paragraph under the heading "President's Advisory Committee on Government Organization" contained in chapter IV of the Second Supplemental Appropriation Act, 1954 (68 Stat. 25; Public Law 304, 83d Cong.), which reads as follows: ": *Provided*, That the committee is authorized, without regard to section 505 of the Classification Act of 1949, to place 1 position in Grade GS–17 of the General Schedule established by said act";

(13) That part of section 602 (a) of the act entitled "An act to provide for greater stability in agriculture; to augment the marketing and disposal of agricultural products; and for other purposes", approved August 28, 1954 (68 Stat. 908; Public Law 690 83d Cong.; 7 U. S. C., sec. 1762 (a)), which reads as follows: ", and the Secretary of Agriculture may place not to exceed 8 positions in grade 16 and 2 in grade 17 of the General Schedule of the Classification Act of 1949, as amended, in accordance with the standards and procedures of that act and such positions shall be in addition to the number authorized in section 505 of that act";

(14) Section 228 of the National Housing Act (68 Stat. 609; 12 U. S. C., sec. 1702a);

(15) The second paragraph of section 606 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952 (65 Stat. 601; Public Law 188, 82d Cong.; 5 U. S. C., sec. 152c);

(16) That part of the third proviso of the first paragraph under the heading "General Provisions" contained in chapter XI of the Third Supplemental Appropriation Act, 1952 (66 Stat. 121; Public Law 375, 82d Cong.; 5 U. S. C., secs. 245a, 295b 483–1, 592a–2, 611c), which reads as follows: "shall be placed in the highest grade set forth in the general schedule of such act without regard to section 505 (b) of such act, as amended, and shall be in addition to the number of

positions authorized to be placed in such grade under such section,"; and

(17) That part of the paragraph under the heading "United States section, St. Lawrence River Joint Board of Engineers" contained in chapter IX of the Third Supplemental Appropriation Act, 1954 (68 Stat. 90; Public Law 357, 83d Cong.), which reads as follows: "*Provided*, That, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, one position under the United States section of said Joint Board of Engineers may hereafter be placed in grade GS–16 in the General Schedule established by that act:".

(18) That part of section 3 of Reorganization Plan No. 1 of 1952, effective March 15, 1952 (66 Stat. 823; 5 U. S. C., sec. 133z–15 note), which reads as follows ", except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105)";

(19) That part of section 4 (a) of Reorganization Plan No. 5 of 1952, effective July 1, 1952 (66 Stat. 826), which reads as follows: ", except that the compensation for not to exceed 15 such offices at any one time may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949 (5 U. S. C. 1105)"; and

(20) That part of section 1 (d) of Reorganization Plan No. 8 of 1953, effective August 1, 1953 (67 Stat. 642; 5 U. S. C., sec. 133z–15 note), which reads as follows: ", except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105)".

SEC. 13. (a) Except as provided in subsection (b) of this section, this act shall take effect as of the first day of the first pay period which began after February 28, 1955.

(b) This section and sections 8, 10, 11, and 12, shall take effect on the date of enactment of this act.

(c) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in rates of compensation or salary which results from the enactment of this act shall be held and considered to be effective as of the first day of the first pay period which begins on or after the date of such enactment.

The SPEAKER. Is a second demanded?

Mr. REES of Kansas. Mr. Speaker, I demand a second.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the purpose of this legislation is to increase by 7½ percent per annum the rates of compensation of officers and employees of the Federal Government—excluding employees in the field service of the Post Office Department and so-called wage-board employees and officers included in the present Executive Pay Act.

The salary increases provided in the legislation are permanent, are subject to retirement deductions, and will be taken into consideration in computing overtime and night differential pay, and in determination of group life insurance—and the amount of retirement annuities. The total cost of the pay increases provided for by the legislation will be approximately $326 million annually.

The legislation will increase the annual compensation of approximately 1,073,262 Federal employees in the executive, legislative, and judicial branches of the Government. Specifically, these employees are: (a) Employees whose positions are subject to the Classification Act of 1949; (b) officers and employees in or under the judicial branch of the Government; (c) court reporters for Federal district courts; (d) secretaries and law clerks of circuit and district judges; (e) officers and employees in or under the legislative branch of the Government (including reporters of debates and their employees); (f) elected officers and certain appointive officers and employees of the Senate and House of Representatives (except the presiding officers); (g) officers and employees in the Department of Medicine and Surgery in the Veterans' Administration; (h) employees in the Foreign Service of the United States under the Department of State.

The bill will also, first, authorize comparable increases to employees whose salaries are set by administrative action such as employees of the TVA; second, raise the limit on salaries which may be paid to officers and employees of the Central Bank for Cooperatives, or any production credit corporation, production credit association, or bank for cooperatives, to permit giving employees of these organizations raises comparable to those received by other Federal employees under this act; third, make the increases in rates of basic compensation effective retroactive to the beginning of the first pay period commencing after February 28, 1955; fourth, maintain the present ceiling of $14,800 above which no salary may be raised by reason of this enactment; fifth, restrict the salary for employees of the legislative branch, except those whose salaries are specifically set by law, to the same rate as the maximum provided under the Classification Act of 1949, as amended; sixth, provide for an adjustment in the salaries of employees transferred from the CPC schedules—crafts, protective custodial—to wage board salary schedules to take into consideration the increases provided under this bill; seventh, provide comparable salary increases for the "savings cases"—those drawing salaries over the top salary rate for their grade; eighth, provide for a proportionate payment of the salary increase due for work performed during the retroactive period to employees who retired or to the estate of employees who died during the retroactive period; and, ninth, consolidate all authority for grades 16, 17, and 18, repeals extraneous laws giving separate authority, and requires allocations and classification of such grade to have the approval of a majority of the Civil Service Commissioners.

Our committee conducted extensive hearings with respect to the problem of granting increases in the compensation of all Federal employees. Testimony was received from the Civil Service Commission, the Bureau of Labor Statistics of the Department of Labor, and representatives of national employees' organizations. It was unanimously agreed that there was ample justification for an increase in the compensation of Federal employees. The only difference of opinion was regarding the amount of such increase and the formula to be used in applying it to existing pay rates.

The Civil Service Commission sent to the Speaker of the House on January 26, 1955, a draft of legislation which would have provided an average increase of 4.9 percent. Following action on postal employees' pay representing a substantially larger increase for postal employees than originally proposed by the administration, as chairman of the committee, I received a report indicating that a higher increase for classified employees than originally recommended would not be disapproved by the administration.

There is a consensus of opinion that the classified employees should have the same salary increase as that given postal employees by Public Law 68 of this Congress. Under Public Law 68, postal employees received a 6-percent increase of their basic salary, retroactive to March 1, 1955, and within 6 months will receive a salary adjustment upon conversion into new salary schedules amounting on an average to 2.1 percent of payroll. It is recognized by the committee that all postal employees would not receive the total increases in the bill amounting to 8.1 percent. However, it is also pointed out by the committee that some of the increases resulting from conversion into the schedules will result in pay increases not entirely attributable to reclassification.

We received a number of proposals which would have readjusted Federal employees' salaries by schedules providing various rate increases. These rate increases would have varied from 4.9 to 10 percent. As a means of compromise, however, the committee decided to provide a salary increase for all Federal employees under this bill of 7½ percent retroactive to the beginning of the first pay period commencing after February 28, 1955. It was the view of your committee that the 7½-percent increase for Federal employees retroactive for the whole period, that is, from the beginning of the first pay period commencing after February 28, 1955, was a fair and adequate comparison between salary increases given postal employees.

INCREASE IN COST OF LIVING

One of the major factors in recommending the salary increases was the increase in the cost of living. On July 1, 1951, the effective date of the last salary increase, the cost-of-living index of the Bureau of Labor Statistics was 110.9; in April 1955 the index was 114.2. This represents an increase of 3.3 points, or 3 percent. S. 67, as reported by this committee, grants a minimum increase of 7.5 percent to every employee covered in the bill.

While the salary increase of 7½ percent is substantially more than the increase in the rise in the cost of living since the last pay raise, it was the view

of the committee that it was necessary to provide the employees an increase in their real wages and to permit them to enjoy, along with millions of other workers throughout the country, a general rise in their standard of living.

I have heard from representatives of the major Federal employee organizations representing employees whose salaries are raised by this bill. They have expressed themselves as being very pleased with the results of the action taken by our committee represented in this bill. I hope that the House will vote to suspend the rules and pass this bill without any opposition. I hope by that action we will as well end any bickering or action with respect to changing the pay-raise provisions of this bill. I am convinced that we have raised the amount of the increase right to the breaking point. There is no more room for general increases.

I would like to compliment each and every member of our committee for the energy and sincerity of purpose they have shown in approaching this very complicated and controversial problem. There have been differences of opinion, but never a difference of objective—that is, to provide a fair and equitable salary increase for Federal employees generally in the same manner as we have provided a salary increase for postal employees.

On January 1, 1955, the total civilian payroll of this Government was $9,455,000,000. The payroll cost of the postal pay bill, which has been enacted by Congress since that date was $159,194,000. The payroll cost of this bill is $325,598,000. So, when this bill becomes law, the total payroll per year for your civilian employees will be $9,939,782,000. This was more than the entire Federal budget in 1940. For the fiscal year 1940 the Federal budget was $9,062,000,000. So you can see how far we have gone in increasing the payroll of our employees. We must not go any further.

I am hopeful and confident that the President will sign this bill, but I do not believe he will sign a bill that goes any higher in salary increases than this one. I am very hopeful that the Senate will accept the House bill on this matter.

I plead with the House to suspend the rules and pass this bill unanimously.

Mr. REES of Kansas. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Speaker, in the past few days we have been presented with a riddle. Here it is: When is 8 percent not 8 percent? Some people would have us believe that 8 percent when applied to the Federal classified employees is 8 percent but when 8 percent is applied to the postal workers it is only 6 percent. That is the sort of answer we have been getting to this riddle from rather important sources and every effort has been made to prove its accuracy.

But, Mr. Speaker, it still doesn't make sense to me and I am sure a lot of my colleagues feel likewise. However we need not be too concerned. We all know that statistics and figures can be compiled to justify a position whatever that position may be. Statistics and figures are very flexible and in the hands of statisticians they have been known to do strange things.

In this particular case they have been used to prove that a 6 percent increase for postal employees plus a 2 percent reclassification increase add up to only 6 percent. Sugar it any way you like and that kind of figuring is tricky mathematics.

The plain and unvarnished fact is that to the average post office worker it comes out 8 percent and that 8 percent is reflected in the pay check he draws each month. And an 8 percent overall pay raise for the classified employee adds up to an equal amount. That is precisely what we have been fighting for—equal treatment for workers in the Government service and that is what I confidently expect will emerge from the conference committee.

I sincerely regret that this bill was brought before the House today under suspension of the rules. I would have much preferred an open rule permitting amendments. That is the democratic way to legislate. In this case I would have been satisfied with a rule that would have permitted one amendment pertaining to the percentage of increase.

Such a rule is particularly desirable in this instance because a motion was made in the Committee on Post Office and Civil Service to set the percentage rate of increase for the Federal classified workers at 8 percent and a tie vote was recorded on that motion. The vote was 12 to 12. Certainly with such a division we are justified in feeling that this body should have a greater opportunity to register its will in the final decision on this important matter.

I requested, in view of the tie vote in committee, that the distinguished chairman seek a rule permitting an amendment on the percentage increase. My request was rejected. Be that as it may, Mr. Speaker, I respect the prerogative of the chairman to bring the bill before the House in any manner he sees fit.

During discussion of the rules suspension in committee—and I am not attempting to commit any of the potential House conferees—it was stated that the bill before us, S. 67, provided for a 10 percent increase for all classified workers and the bill approved by the committee provided a 7½ percent increase. Therefore, it was further stated, the House conferees should have some latitude for compromise with the Senate conferees. Under those circumstances I did not oppose suspension of the rules because it was my impression that the House conferees would be compelled to come to some agreement for a pay raise of at least 8 percent for all classified employees. That was my understanding of the discussion relating to the rules suspension and I am certain a number of my colleagues on the committee also understood that by granting some degree of flexibility the desired objective of 8 percent would be attained in conference concurrence on the bill.

Mr. Speaker, at this point may I return to the matter of what constitutes an 8 percent increase for postal employees. Frankly the subject intrigues me. As I stated previously, it was argued that 2.1 percent of this increase is not an increase—it is only reclassification. When originally presented to Congress it was just a reclassification measure. It provided for no other increase whatever—just reclassification. But that reclassification would have the net effect of a pay increase and throughout consideration of the measure we considered it as something amounting to a total of 8 percent.

In fact the first reference to a 6 percent pay raise for postal workers plus a 2 percent reclassification hike was made only after we started talking about an equal increase for classified employees. This breakdown was obviously concocted in an effort to hold down the percentage of increase for the classified employees. But the argument, Mr. Speaker, is invalid. Practically every postal employee, particularly the carrier with whom we are most familiar, receives a 6 percent across-the-board pay raise and within 5 or 6 months, he will receive another 2 or 2½ percent.

To provide equal treatment for other Federal workers we must provide the same overall percentage increase in the total payroll. We know that throughout the years classified workers have lagged behind the postal workers in percentages of increase. That has been true since 1939. The average increase for classified has been 111 percent since then; the average increase for postal workers including the increase recently voted has been 125 percent. Thus to be fair, we would have to add 14 percent to the classified pay to equalize their compensation for the 1939 to date period.

Mr. Speaker, we are not asking such an increase. We are merely asking an 8-percent increase to bring the classified worker on a current par with the postal worker—that is, for this pay increase only. That is indeed a reasonable request—a request that cannot be denied in fairness to the classified service.

I therefore sincerely hope that the House conferees will yield to the conferees of the other body and agree to a minimum increase of 8 percent. Otherwise I shall feel it my duty to oppose the conference report as vigorously as I possibly can when it comes back to the House for concurrence and I am certain that in this fight I will not be alone.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Speaker, I want to second the remarks of the gentleman from Virginia. The bill we have before us is a good bill in practically all respects, but it is deficient in the amount of money. It fails to bring about equality of treatment between the classified employees and the postal field service employees of our Government. It is my conviction that these two large groups of Federal employees should be treated as nearly equal as possible.

The bill we passed after a great deal of wrangling, granting an 8-percent-plus increase to the postal field service employees, represented increased buying

power for each individual where he receives the increased compensation. Granting postal employees 6 percent immediately effective and a readjustment of their classification at some time between now and December, nevertheless, does ultimately give them a percentage of increase which, in a great majority of cases, exceeds 8 percent.

For your information, I will place in the RECORD a complete breakdown of each of the 50 positions in the postal schedule showing quite graphically the percentage they have received. At this time I should like to recite just a few of them.

The mail handler is going to receive a 9.2 increase; the garageman 9.2; the motor-vehicle operator 8.35; the city carrier 8.35; the distribution clerk 8.35; the postmaster in a third-class office 10.5; the tour superintendent 12.5; and the assistant postmaster in a first-class office 27.3. The pattern of increase is almost without exception above 8 percent.

The bill we have before us now provides just 7.5 percent, but 7.5 percent is not enough. It is not enough regardless of any statistics which might be offered indicating that the increase is in excess of the cost-of-living increase. Following is a complete breakdown:

Classification	Proposed level	Number of employees	Present salary	Analysis of S. 2061					
				New salary	Ultimate dollar increase	Ultimate percentage increase	Immediate dollar increase	Immediate percentage increase	Years to reach top grade	Amount of yearly step increases
1. Janitor	1	3,202	$2,870- $3,270	$2,880- $3,480	$210	6.4	$210.00	6.4		$100
2. Elevator operator	2	1,166	2,970- 3,370	3,090- 3,720	350	10.3	245.00	7.2	1	105
3. Order filler	2	212	2,950- 3,430	3,090- 3,720	290	8.4	290.00	8.4		105
4. Clerks, 3d-class, post office	2	19,651	2,770- 3,070	3,090- 3,720	650	21.1	230.00	7.4	4	105
5. Guard	3	650	3,170- 3,570	3,330- 4,020	450	12.6	220.00	6.1	2	115
6. File clerk	3	1,250	3,270- 4,070	3,330- 4,020	−70	17.2				
7. Typist	3	125	3,270- 4,070	3,330- 4,020	−70	17.2				
8. Mail handler	3	25,712	3,170- 3,470	3,330- 4,020	550	15.8	320.00	9.2	2	115
9. Garageman	3	624	3,170- 3,470	3,330- 4,020	550	15.8	320.00	9.2	2	115
10. Special-delivery messenger	4	4,533	3,170- 3,770	3,660- 4,410	640	16.9	265.00	7.0	3	125
11. Motor-vehicle operators	4	4,160	3,270- 4,070	3,660- 4,410	340	8.35	340.00	8.35		125
12. City carriers	4	121,731	3,270- 4,070	3,660- 4,410	340	8.35	340.00	8.35		125
13. Distribution clerk	4	113,890	3,270- 4,070	3,660- 4,410	340	8.35	340.00	8.35		125
14. Window clerks	4	64,750	3,270- 4,070	3,660- 4,410	340	8.35	340.00	8.35		125
15. Automotive mechanics	5	1,192	3,270- 4,070	3,880- 4,630	560	13.7	310.00	7.8	2	125
16. Transfer clerk	5	1,459	3,470- 4,270	3,880- 4,630	360	8.4	360.00	8.4		125
17. Distribution clerk, rural post office	5	17,107	3,470- 4,270	3,880- 4,630	360	8.4	360.00	8.4		125
18. Claims clerk, post office	5	54	3,270- 4,070	3,880- 4,630	560	13.7	260.00	6.3	5	125
19. Postmaster, small 3d-class office	5	162	2,883- 3,645	3,880- 4,630	985	27.7	235.00	6.3	6	125
20. Claims clerk	6	105	3,270- 4,070	4,190- 5,030	960	23.5	260.00	6.3	5	140
21. Postmaster, 3d-class post office	6	8,005	2,883- 4,298	4,190- 5,030	732	16.9	452.00	10.5	2	140
22. Foreman, mails	7	564	4,787- 4,896	4,530- 5,460	564	11.5	409.00	8.3	1	155
23. Postmaster, 3d-class post office	7	1,162	3,781- 4,298	4,530- 5,460	1,162	27.0	387.00	9.0	5	155
24. General foreman, rural post office	8	640	5,114- 5,270	4,890- 5,910	640	12.1	470.00	8.9	1	170
25. Assistant postmaster, 1st-class post office	8	940	4,896- 4,970	4,890- 5,910	940	18.1	430.00	8.4	3	170
26. Postmaster, 2d-class post office	8	840	4,770- 5,070	4,890- 5,910	840	16.5	330.00	6.5	3	170
27. General foreman, mails	9	1,020	5,005- 5,370	5,280- 6,390	1,020	18.9	465.00	8.6	3	185
28. Postmaster, small 1st-class post office	9	2,639	5,370- 5,570	5,280- 6,390	820	14.7	450.00	8.0	2	185
29. Building superintendent	10	7	5,970- 6,270	5,800- 7,000	730	11.6	530.00	8.4	1	200
30. Postmaster, 1st-class post office	10	1,663	5,670- 6,170	5,800- 7,000	830	13.4	430.00	6.9	2	200
31. Tour superintendent	11	175	5,270- 5,670	6,380- 7,700	2,030	35.8	710.00	12.5	6	220
32. Postmaster, 1st-class post office	11	865	6,370- 7,070	6,380- 7,700	630	8.9	630.00	8.9		220
33. Postal inspector	12	385	5,970- 6,770	7,020- 8,460	1,690	24.9	490.00	7.2	6	240
34. Postmaster, 1st-class post office	12	122	6,570- 7,370	7,020- 8,460	1,090	14.7	610.00	8.2	2	240
35. Station superintendent	13	15	6,470	7,730- 9,290	2,820	43.5	1,260.00	19.4	6	260
36. Assistant postmaster, 1st-class post office	13	54	6,070	7,730- 9,290	3,220	53.0	1,660.00	27.3	6	260
37. Postmaster, 1st-class post office	13	120	7,370- 7,770	7,730- 0,290	1,520	19.5	480.00	6.18	4	260
38. Assistant postmaster, 1st-class post office	14	44	6,270- 6,870	8,500- 10,180	3,310	48.1	1,630.00	26.0	6	280
39. Postmaster, 1st-class post office	14	54	7,770- 8,770	8,500- 10,180	1,410	16.0	570.00	6.5	3	280
40. Assistant postmaster, 1st-class post office	15	15	7,070	9,350- 11,150	4,080	57.7	2,280.00	32.2	6	300
41. Postmaster, 1st-class post office	15	34	8,770- 9,770	9,350- 11,150	1,380	14.1	780.00	7.9	2	300
42. General superintendent, Postal Transportation Service Division	16	9	8,470	10,300- 12,100	3,630	42.8	1,830.00	21.6	6	300
43. Assistant postmaster	16	10	7,970- 8,470	10,300- 12,100	3,630	42.8	1,830.00	21.6	6	300
44. Postmaster, 1st-class post office	16	10	10,770	10,300- 12,100	1,330	12.3	730.00	6.7	2	300
45. General superintendent, Postal Transportation Service Division	17	3	8,470	11,400- 13,200	4,730	55.8	2,930.00	34.6	6	300
46. Assistant postmaster, largest 1st-class post office	17	2	8,470	11,400- 13,200	4,730	55.8	2,930.00	34.6	6	300
47. Postmaster, 1st-class post office	17	15	11,770	11,400- 13,200	1,430	12.2	830.00	7.0	2	300
48. Postmaster, 1st-class post office	18	10	12,770- 13,770	12,500- 14,300	530	3.8	826.20	6.0		300
49. Postmaster, largest 1st-class post office	19	2	13,770	13,600- 14,800	1,030	7.5	1,030.00	7.5		300
50. Regional director	20	15	12,000- 12,800	14,800	2,000	15.6	2,000.00	15.6		

NOTE.—The percentage increases and the dollar amounts apply to the employees in the top automatic grades.

We have many factors which have a bearing upon the salaries the Government should pay the people it employs. Within the past few weeks, we have noted a number of increases in one of the largest manufacturing industries in the United States—the automobile industry. There have been reported in the newspapers hundreds and hundreds of instances of individual increases in private employment. These increases, negotiated with the strength of organization, usually follow the need for them. But Federal salary increases, because of the time lag and the difficulty of the Congress to meet the need when it first arises, always follow 2 or 3 years after the salary increase first becomes justified. At no time have we, as I think we should have, taken steps to compensate these people for lost buying power over prolonged periods when their pay has lagged behind the cost of living and lagged behind competitive standards in other governmental units and in private industry. It is my sincere hope that by not opposing this today, the bill can go to conference and that between the 10 percent, which is the position taken by the other body, and the 7½ percent in this bill, we can arrive at an 8 percent average which will deal fairly between two major groups of Federal employees. I would like to point out at this time that these are not the only two groups to whom we have given increased compensation. We have raised the salaries of the Federal judiciary and of the members of the Armed Services. They have all received increases in excess of the percentage proposed here. I think there should be a careful effort on the part of the conferees to deal fairly with these people who are entitled to justice from the Congress.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. REES of Kansas. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Speaker, I am happy that this bill has finally been reported out. We are assured that it will pass the House and go to the other body in conference. I believe this is a good bill. I am well aware that we can make figures say almost anything we want them to say. So I am not going to give you my personal opinion, but I would like first of all to turn back to the two reports which were published on the postal pay raise bill, one on the part of the House and the other on the part of the other body. Both these reports stated categorically, and without any ifs, ands or buts that the pay raise bill was giving these employees a minimum raise of 6 percent. I also quote from the

present report on the pending bill, S. 67, as amended by the House:

> There is a consensus of opinion that the classified employees should have the same salary increase as that given postal employees by Public Law 68 of the 84th Congress.

In that, I think we all agree.

The report reads further:

> Under Public Law 68, postal employees received a 6-percent increase of their basic salary, retroactive to March 1, 1955, and within 6 months will receive a salary adjustment upon conversion into new salary schedules amounting on an average to 2.1 percent of payroll. It is recognized by the committee that all postal employees would not receive the total increases in the bill amounting to 8.1 percent.

In the present bill, we are giving the classified employees 7.5 percent and the raise is to be retroactive to March 1, 1955. I am reliably informed, and I have no reason to doubt this, that this will give them a slight advance over the postal employees because of the retroactive clause.

In fact, it will take 27 months for the postal employees to catch up with them, dollar for dollar, which, of course, is what we want to have. We do not want to have any difference between the classified and the postal field service.

It is my belief, Mr. Speaker, that this is being accomplished in this bill. I believe that the bill is fair. I believe it is a bill that can be passed. I believe it is a bill that will be signed into law. Of course, we all want more, and there is no objection to that either, but on the other hand we have to face certain facts. We have to face the fact that we have a Government away over its head in debt today. We have to face the fact that by and large our people in whatever kind of employment—and this goes for Government employees as well—are better paid than any people in the world. We must also remember that the minute we get very high in these brackets we have a real danger, and that is that we may well price ourselves and our country out of the markets of the world. That could take place just as much through raising salaries to an unrealistic height as through pricing goods and services above the world market prices. Certainly we could all do with more. Certainly we know that these employees are well worth their hire, just as the postal employees are, but I get around and I talk to a lot of these employees. They are my friends. I can say that sincerely. They are very well satisfied with this bill. They realize that it has been well thought through; that every side has been given a thorough hearing. While there may have been some wrangling, I think that on the whole the committee has come out with a worthy compromise. And what legislation ever comes to the floor of this House that is not a compromise? Sometimes not altogether as good a one or as worthy a one as the bill we are bringing before you today.

It is my earnest hope that this bill will be passed, and that it will be signed as written by this great Committee on Post Office and Civil Service of the House of Representatives.

The SPEAKER pro tempore. The time of the gentlewoman from New York [Mrs. ST. GEORGE] has expired.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I rise in support of this bill, and would respectfully point out that there are two features which we ought to bear in mind. The one, I trust the conference committee will consider, is the differential in the pay raise.

As has been pointed out already, the vote was 12 to 12 on the question of 7½ percent as against 8 percent. I am hopeful that the conferees will consider that point in arriving at their report.

The other matter is that we are not able to adequately provide for those in the higher brackets, of the classified pay scale because we were confronted with a pay ceiling of $14,800. We cannot do justice today to those people and personnel in the executive branch without putting in proper position all of the executive pay scale. This will require raising the $14,800 ceiling and making salary adjustments in the executive pay scale which the Post Office and Civil Service Committee will undertake as soon as it has received the results of a study by and the recommendations of the Civil Service Commission.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. McMILLAN].

Mr. McMILLAN. Mr. Speaker, first I want to congratulate the chairman of this fine committee for bringing in this bill. I am certain he always makes a special effort to be fair at all times.

I would like to say for the benefit of the people in the House and in my district back home that this is the sixth time I have voted for a salary increase for Federal employees since June 30, 1945. Many new Members do not realize that we have continually raised these employees' salaries almost every year since 1945. No one can say the Congress has not been extra good to Government employees—no industry in my district could afford to compete with the Government in salaries and leave. The Congressmen's salary was raised once since 1927, and that was in the amount of 25 percent and recently, 50 percent. If my figures are correct, we have raised the Federal employee's salaries in that same time approximately 100 percent. I expect to vote for this bill. However, I wanted the Members to know the Government employees have not been neglected.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield one-half minute to the delegate from Alaska [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I should like to inquire of the distinguished chairman of the committee whether the retroactive feature of this bill applies to employees whose salaries are fixed administratively?

My concern arises specifically in the instance of Customs employees in Alaska, Puerto Rico, and Hawaii. The last time there was a general pay raise, a special act had to be passed to accommodate a like situation.

Mr. MURRAY of Tennessee. My reply is that it is taken care of in section 8 of the bill and can be done by administrative action.

Mr. BARTLETT. I thank the gentleman from Tennessee not only for myself but on behalf of the Delegate from Hawaii, Mrs. FARRINGTON, and the Delegate from Puerto Rico, Dr. FERNÓS-ISERN.

Mr. REES of Kansas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, we have heard a great deal today about the fact that some Members feel that the increase is not large enough. If these Members are dissatisfied with the bill they should vote against it. In my opinion the bill will become law in its present form. So if you do not like it then vote against it. If you believe it is the best bill that can be had under all the circumstances—then vote for it. I am convinced that there will be an overwhelming vote for this bill, and I take that vote to be one of confidence in the recommendations of our committee. I know too, this bill would not be coming before you today under this procedure, if it did not meet with the approval of the leadership on both sides.

Mr. Speaker, this is important legislation. It affects the salaries of more than 1 million employees of the Federal service. According to the last figures I have been able to obtain, there are 2,374,000 people employed by the Federal Government in this country and abroad. Incidentally, 221,000 are outside the United States. The figure also includes 21,000 in the legislative branch, 4,000 in the judicial branch, and 2,348,000 in the executive branch. Almost one-half of the employees of the executive branch are employed in the Department of Defense. About 21 percent, or approximately 506,000 persons, are in the Post Office Department. Another 8 percent, or 178,000 persons, serve veterans and their dependents. The remaining 21 percent of the executive branch perform various services including: State Department, Immigration Service, Department of Agriculture, Revenue Service, Social Security Administration, Public Health, Census, flood-control programs, and other agencies.

I would like for Members of the House to know that our committee has given this matter a great deal of study and consideration. It, like a lot of other legislation, is the result of compromise. I think it is fair. It is reasonable. Government employees, generally, will be pleased with our efforts.

This increase will be given to substantially every employee in the Government except in the postal field service, for which an average 8 percent increase already has been provided in Public Law 68, also employees whose salaries are fixed by wage boards according to local prevailing rates and those officials paid under the Executive Pay Act.

The pay increases in this bill amount to $326,000,000. I mention this to demonstrate we are not talking in terms of a few dollars here and there. I am informed this amount may be reduced considerably, possibly as much as 25 percent, by direction from the Bureau of the Budget to the agencies not to employ

additional employees where vacancies occur on account of resignations, retirement, or other causes. Not by unnecessary dismissals, but by attrition.

The officers and employees whose salaries are increased in this bill are, in general, the same ones who have received increases under earlier pay raise legislation over the past 10 years. The largest group of Federal employees to benefit will be 983,000 classified employees in the executive branch. Others included are: First, 20,000 employees in the Veterans' Administration, Department of Medicine and Surgery; second, approximately 52,000 employees whose salaries are fixed by administrative action; third, 9,683 foreign service officers and employees; fourth, 4,900 legislative employees; and fifth, 3,536 employees including court reporters, in the judicial branch.

It has been claimed on the floor of the House today that classified employees are not being treated as well as those in the postal service were treated in legislation recently approved by the Congress. They are doing as well as postal people. I do not want to argue the matter, but you may be interested in some concrete information on that subject.

I have selected at random several groups of employees to see exactly how much this pay increase will give them.

As an illustration, each of the 35,000 employees in the top of grade 4 will receive a $270 raise, bringing his basic compensation to $3,895 a year without longevity. The top pay for this grade just 10 years ago was only $2,160 a year.

Nearly 21,000 employees in the top of grade 7 each will receive a $375 raise, making the salary $5,270 a year; the top salary 10 years ago was $3,200 a year.

Each of the 16,000 employees in the top of grade 9 will receive a $440 increase, bringing his salary to $6,190 a year; the comparable salary 10 years ago was $3,800 a year.

One of the major factors in the pay-increase legislation is the increase in cost of living. According to testimony from Government agencies dealing with this problem, cost of living has risen about 3 percent since the last pay raise in 1951. One witness suggested 3½ percent. It would appear that a 7½-percent increase in pay should more than offset the cost of living increase in this bill.

The 7½-percent raise also will go to the many thousands of Federal employees who already are receiving salaries higher than the maximum salaries authorized by law for their positions. These higher salaries result from the so-called savings clauses which have been written into various laws whereby an individual whose salary is higher than a rate fixed by such a law is allowed to continue to receive the higher salary so long as he remains in the position.

For example, under the fringe benefits law of 1954 compensation—night differential, overtime, and holiday pay—of fire fighters, among others, will be fixed administratively at not over 25 percent above base salaries. One department fixed the percentage at 15 percent. So hereafter fire fighters in that department—except those under the savings clause—may receive no more than their basic compensation plus 15 percent for premium compensation.

Prior to the fringe benefits law many fire fighters were receiving premium compensation totaling 30 percent or more of their basic salaries. The savings clause was written into the law to protect their right to continue to receive this higher rate of premium compensation. Consequently, thousands of fire fighters presently are receiving aggregate compensation as high as 30 percent above the basic rates provided by law for their grades.

The bill now before the House guarantees these fire fighters their present aggregate salaries, plus an additional 7½ percent of the top basic salary for their grades. In effect, it will continue their salaries 15 percent above the highest rates generally authorized by law. This is authorized because S. 67 is purely a salary increase bill.

Perhaps the most attractive feature of this bill is the retroactive provision. Each officer and employee whose salary is increased by the bill will receive a generous retroactive pay check, dating back to the first pay period beginning after February 28 of this year.

Assuming that this bill becomes law in the near future and that the period of retroactivity ends with the end of the pay period on July 2, here are some of the back-pay checks that will go out shortly thereafter:

Each of the 16,000 employees I mentioned, who are in the top of grade 9, would receive $131 in retroactive pay; each of those in the top of grade 7 will receive $114; and each of those in the top of grade 4 will receive $87.

The committee also wrote into this legislation specific provisions to make the increases available to many thousands of employees who would not otherwise have received such benefits because of having been transferred to wage-board positions.

Many thousands of employees previously transferred to wage-board positions under the Classification Act of 1949 or the fringe benefits law of 1954 will have their wage-board rates recalculated to make certain they receive the full benefits of this pay increase on the same basis as though they had not been transferred to wage-board positions until after the increase becomes effective.

There is also a small group of employees who transferred from the wage-board system to classified schedules who will be given similar protection.

There are equitable provisions, designed to make sure that all employees receive equal treatment in granting this new pay increase.

The problem of the so-called supergrade positions—positions in grades 16, 17, and 18—in the Federal Government has been a matter of increasing concern to our committee and to many Members of Congress over the years since these positions were created in 1949.

The concept of supergrade positions originated in the Classification Act of 1949, which was reported by the House Post Office and Civil Service Committee. It was never intended that these positions be created, provided for, or dispensed, other than in legislation referred to our committee.

Unfortunately, there has been an increasing tendency on the part of departments and agencies to avoid the normal legislative process of obtaining their necessary supergrade positions in accordance with the procedures provided by the Classification Act of 1949. As a consequence, there is hardly a Member who knows how many supergrade positions there are, what laws granted them, and who occupies them.

The legislation now before us will clear up this situation. It amends, repeals, and consolidates existing provisions of law governing the number of positions in the supergrades. The committee believes that the Congress should be able to look to 1 law and to 1 agency in the executive branch—the Civil Service Commission—for overall authorization and control of these top-grade positions. The committee also believes that the Bureau of the Budget should exercise its full power to disapprove requests of departments for supergrade positions in addition to those provided for in this bill.

Under the bill, the usual and ordinary legislative procedures and process will obtain with respect to future requests for supergrade positions, in accordance with the appropriate committee jurisdiction. There will be no more than 1,200 supergrade positions, with a maximum of 125 for grade 18 and 325 for grade 17. These maximum numbers for grades 17 and 18 may be changed only by a majority vote of the Civil Service Commissioners.

The present system of separate authorizations for supergrade positions in the Federal Bureau of Investigation, the General Accounting Office, and the Library of Congress will be continued.

It is estimated there is an attrition of approximately 15 percent a year in Government employment. It means a turnover of more than 200,000 people who are separated from the service because of retirement, resignations, or death. It is my opinion there can be a considerable amount of reduction in the cost of Government employment if the agencies where vacancies occur will determine whether it is necessary to fill such a vacancy, or, if it is necessary for the vacancy to be filled, whether it may be done by transfer in the Government. In other words, no vacancy should be filled unless the necessity can be shown for employing additional people.

I am advised the Bureau of the Budget is considering reduction in the cost of Government by following this proceure. It is estimated that in doing so 25 percent of the cost of this measure can be absorbed.

I think attention should also be called to the fact that there has been a reduction of about 275,000, or 10 percent in Government employment since 1953. On the basis of these reductions, the total increase cost, as I indicated at the beginning, will not be as great as would first appear.

This legislation is fair, it is reasonable, it is equitable. If anyone is opposed to this legislation, he ought to vote against it. There are no pressures or demands

of any kind from me in respect to this matter. Vote as you please. I think still the legislation is fair and reasonable.

Mr. BROYHILL. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Virginia, a member of our great committee.

Mr. BROYHILL. Is it the gentleman's understanding that an employee who is promoted between the retroactive date and the passage of this bill will receive the retroactive-pay increase based on the amount of his new salary as a result of the promotion?

Mr. REES of Kansas. That is the intent of the legislation.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Florida, also a member of our committee.

Mr. FASCELL. Is it not true that this legislation covers the pay of all legislative employees and that it will add 7½ percent onto their gross and does not affect the basic allowance of the Members?

Mr. REES of Kansas. That is correct.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Illinois.

Mr. MASON. This places an increase of 7½ percent on the gross pay of the employees?

Mr. REES of Kansas. The gentleman is eminently correct. The salary of the gross amount of pay received by an employee in a Member's office is increased by 7½ percent.

Mr. MASON. There is a difference between their gross pay and their base pay.

Mr. REES of Kansas. The gentleman's statement is correct.

Mr. Speaker, this legislation, in my opinion, is equitable. It is the result of fair and careful consideration of the problem involved.

Of course, it will not satisfy everybody. Personally, I think employees, in general, will be pleased when it is enacted into law.

Some of the members of our own committee have expressed dissatisfaction with this proposed legislation. Eight or nine members of our own committee have filed what they describe as "additional views." They criticize this bill as well as other legislation approved for postal workers. They talk about "a long, hard fight" in considering this legislation. I attended every hearing. I did not observe any so-called fighting in the committee. I would not want the Members of this House to get that impression. There were differences of opinion. All opinions were carefully and amicably considered. The chairman of the committee was fair in giving all interested groups a chance to be heard.

Mr. Speaker, this measure is before the House under suspension of the rules. I think it ought to be approved. If you do not like it, you ought to vote against it. Some Members have spoken against it. Certainly they should vote against it. Those who signed the "additional views," will probably want to indicate their further opposition by voting against this bill. I would not want to attempt to persuade anyone to vote for or against it.

If there is anything you do not like about the bill, you will be given a chance to register that view. If it is too high, or too low to suit you then vote "No." Use your own judgment. There is no so-called pressure attached, insofar as I am concerned. I have tried to explain the measure, the legislation, as I see it. I stated before, I think the legislation is as fair as can be worked out. It is reasonable. It is equitable.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SCHERER. Mr. Speaker, my colleague, the gentleman from Ohio [Mr. HESS] has been extremely interested in the legislation before the House today providing for salary increases for Federal employees. He regrets that official business of the Congress prevents his being present on the floor of the House today to participate in the proceedings.

Mr. PELLY. Mr. Speaker, it is my intention to support the 7.5 percent Federal classified pay increase as reported by the committee, not necessarily because I believe it to be a good bill, but because I believe it to be the best bill that can be enacted into law. The many thousands of Federal employees in these United States are, I think, deserving of more consideration than is provided in this legislation. However, time grows short and I am fearful that any further boondoggling and delay may result in another postponement of this long overdue pay raise as it did a year ago. Consequently, and with great reluctance, I will cast my vote in support of this legislation. I am frank in saying it is my sincere hope that the conferees will adopt a more liberal view, and when this bill is returned to the House for final passage a more adequate increase will be afforded this loyal and conscientious group of Federal classified employees.

Mr. HYDE. Mr. Speaker, I am opposed to the consideration of the bill S. 67 under a suspension of the rules. I want it definitely understood that I am in favor of a fair pay increase for the classified Government employee. However, the bill S. 67 should be considered under regular rules of this House in order to permit amendments which in my opinion will make the pay increase more fair and equitable. The average increase should be at least as much as the average given in the postal pay increase bill. I am voting for this bill under the suspension of rules with the hope that the conferees will make the increase at least 8 percent. I will make this plea with the conferees. I believe the President will sign a bill making the increase in pay an average of 8 percent.

Mr. RHODES of Pennsylvania. Mr. Speaker, it is my hope that the House will approve S. 67 to grant pay increases for Federal and other related employees without further delay. Because I thought it was necessary to speed enactment of this legislation I supported the resolution to suspend the rules.

Some of us on the committee held out for an 8 percent pay-raise bill, instead of the 7½ percent measure which we are considering here today. I still feel that an 8 percent increase is thoroughly justified in view of the recent action on the postal employees pay bill. I will, however, vote for this pending bill since it is not possible to offer an 8 percent amendment under the suspension of the rules procedure governing the consideration of this bill.

Federal employees, like the postal-service employees, have waited an unnecessarily long time for their pay raises. They, too, were disappointed by the pocket veto of pay raise legislation last year.

The retroactive provisions of this bill, making the pay raise effective beginning with the first pay period commencing after February 28, 1955, is at least a partial recognition of the inequities caused by delay and an attempt to remedy them.

I am hopeful that the House-Senate conference committee will retain this retroactive date and at the same time agree on an 8 percent pay raise figure for our Federal employees.

Mr. BROWNSON. Mr. Speaker, I deeply regret that I have been unavoidably detained from Washington because of the critical illness in my family. I feel, however, that my constituents should know how I would have voted on the matter that came before the House today, pay increase for Federal employees. I have always supported the maximum pay raise that the President would approve. I did so in voting for the postal workers pay raise and would have voted for the 7.5 percent increase for Federal workers if I had been present today.

Mr. WOLVERTON. Mr. Speaker, the bill now under consideration to increase the rates of basic compensation of Federal employees is meritorious and deserves the favorable action of this House.

This legislation will increase the compensation of approximately 1,073,262 Federal employees in the executive, legislative, and judicial branches of the Government. The increase amounts to 7½ percent of basic compensation and is effective retroactively to March 1, 1955.

The hearings held by the Committee on Post Office and Civil Service of the House have been extensive and cover a long period of time. Testimony was received from the Civil Service Commission, Bureau of Labor Statistics of the Department of Labor, and representatives of national employees' organizations. All of this made plain the justification of an increase. It was a real problem, however, to determine the amount of such increase and how it was to be applied to existing rates of compensation.

The Civil Service Commisison during the early part of this present session of Congress recommended an average increase of 4.9 percent. However, after it was determined that the postal employees should receive a larger increase than the 4.9 percent, and, the Congress so approved, there was no reason that would

justify other Government employees receiving a lesser increase. Consequently, it was determined by the committee, and, it so reported to the House, that the increase for Government employees in other Departments should be the same, as near as practicable, to that previously agreed upon at this session for postal employees. This in my opinion is right and just to all concerned.

I am strongly of the opinion that the increase in cost of living since 1951, together with the necessity of providing for our Government workers an opportunity to enjoy a rising standard of living, is sufficient justification for the passage of this legislation. It has my full-hearted support. I shall vote to suspend the rules and pass the bill.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield such time as he may desire to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Speaker, I favor this bill and rise in support of its passage.

I feel that the classified Federal civil-service employees should receive a pay raise equal to that which Congress voted the postal workers, and I therefore introduced House bill 5899 which provided for these workers a pay increase of 8 percent. When the amount of the increase was under consideration by the House Post Office and Civil Service Committee, the vote for 8 percent was a tie vote of 12 for and 12 against. This vote, of course, was not sufficient to report the 8 percent bill. Inasmuch as the committee did not take favorable action on the 8 percent proposal, I supported the next highest amount before the committee, which was 7.5 percent, and that is the figure which is in the bill now before us for consideration.

We made the postal workers salary legislation retroactive to March 1, and the bill which I introduced carried that same retroactive provision. Senate bill S. 67 which we are now considering, I am glad to say, contains also this retroactive provision.

While the amount of the raise carried in this bill does not quite equal the amount of the postal workers' pay raise, it is substantially more than the amount of the raise recommended by the Chairman of the Civil Service Commission when he testified before our committee.

I have been asked by a few classified Federal civil-service employees to hold out for a raise of 10 percent or nothing. I would like to see all these employees receive a 10 percent increase, but I am confident such a bill would be vetoed if Congress enacted it, and a vetoed act of Congress will not pay bills and it will not buy groceries. I believe the logical step to take now is to vote out a bill which the President will sign, make it retroactive to March 1, and let these Federal employees begin to benefit by the legislation immediately.

For that reason I am actively supporting the bill which is before us, and hope that it will pass the House today overwhelmingly.

Mr. MURRAY of Tennessee. Mr. Speaker, I yield the balance of my time to the gentleman from New Jersey [Mr. TUMULTY].

Mr. TUMULTY. Mr. Speaker, the other day we were happy to witness "operation alert." I have an idea that the pending legislation might well be termed "operation grocery basket." I serve on the Post Office and Civil Service Committee, and at one point we were 12 to 12 for an 8 percent increase. I was one of those who voted for 8 percent. We seemed to be at an impasse. However, due to the action of our honored chairman, who conducted the hearings in a very fair, forthright manner throughout the entire consideration of this measure, we arrived at this compromise. This is a good compromise, even though I am still for 8 percent and even though, I might say to the gentleman from Kansas, I signed the accompanying views. But I suggest that they be read in their "Pickwickian sense," and in that light I do not think he will feel so badly. If you are for 8 percent, you should vote for this measure, because it may become 8 percent eventually. For those who think 7.5 percent is all right, you should vote for it, because this is a good measure; it is a good deal, and it represents your views. If the Senate raises it to 8, so much the better. Nevertheless, I think a fair and decent compromise has been worked out. I think the members of both parties feel that way, and I think this happy result is due to the fair, cooperative spirit in which both sides entered into the compromise suggested by our distinguished chairman. I think this measure is going to make the grocery basket a little heavier for the classified employees, and I am quite certain when the measure is passed that they will be very happy to get the pay raise and also to get the retroactive bundle that goes with it. I hear spirits will be raised as their pay is raised—desperately so.

The SPEAKER. The question is on suspending the rules and passing the bill.

Mr. MURRAY of Tennessee. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 370, nays 3, not voting 61, as follows:

[Roll No. 88]

YEAS—370

Abbitt	Baumhart	Budge
Abernethy	Beamer	Burdick
Adair	Becker	Burleson
Addonizio	Belcher	Burnside
Albert	Bennett, Fla.	Bush
Alexander	Bennett, Mich.	Byrd
Alger	Berry	Byrne, Pa.
Allen, Calif.	Betts	Byrnes, Wis.
Allen, Ill.	Blatnik	Cannon
Andersen, H. Carl	Blitch	Carlyle
	Boggs	Carnahan
Andresen, August H.	Boland	Carrigg
	Bolling	Cederberg
Andrews	Bolton, Frances P.	Celler
Anfuso		Chase
Arends	Bonner	Chelf
Ashley	Bosch	Chenoweth
Ashmore	Bow	Chiperfield
Aspinall	Bowler	Christopher
Auchincloss	Boykin	Chudoff
Avery	Boyle	Church
Ayres	Bray	Clark
Bailey	Brooks, La.	Clevenger
Baker	Brooks, Tex.	Cole
Baldwin	Brown, Ga.	Colmer
Barrett	Brown, Ohio	Coon
Bass, Tenn.	Broyhill	Cooper
Bates	Buchanan	Corbett
Coudert	Jenkins	Price
Cramer	Jennings	Priest
Cretella	Jensen	Quigley
Crumpacker	Johansen	Rabaut
Cunningham	Johnson, Calif.	Radwan
Curtis, Mass.	Johnson, Wis.	Rains
Dague	Jonas	Ray
Davidson	Jones, Ala.	Rees, Kans.
Davis, Ga.	Jones, Mo.	Reuss
Davis, Wis.	Jones, N. C.	Rhodes, Ariz.
Dawson, Ill.	Judd	Rhodes, Pa.
Dawson, Utah	Karsten	Richards
Deane	Kean	Riehlman
Delaney	Kearney	Riley
Denton	Keating	Rivers
Derounian	Kee	Roberts
Devereux	Kelley, Pa.	Robeson, Va.
Dies	Kelly, N. Y.	Robsion, Ky.
Dixon	Keogh	Rodino
Dollinger	Kilburn	Rogers, Colo.
Dolliver	Kilday	Rogers, Mass.
Dondero	Kilgore	Rogers, Tex.
Donohue	King, Calif.	Rooney
Donovan	King, Pa.	Rutherford
Dorn, N. Y.	Kirwan	St. George
Dorn, S. C.	Klein	Saylor
Dowdy	Kluczynski	Schenck
Doyle	Knox	Scherer
Edmondson	Krueger	Schwengel
Elliott	Laird	Scott
Ellsworth	Landrum	Scrivner
Engle	Lane	Seely-Brown
Fallon	Lanham	Selden
Fascell	Lankford	Sheehan
Feighan	Latham	Shelley
Fenton	LeCompte	Sheppard
Fernandez	Lesinski	Short
Fine	Lipscomb	Shuford
Fino	Long	Sieminski
Fisher	Lovre	Sikes
Fjare	McCarthy	Siler
Flood	McConnell	Simpson, Ill.
Flynt	McCormack	Simpson, Pa.
Fogarty	McCulloch	Sisk
Forand	McDonough	Smith, Kans.
Ford	McDowell	Smith, Miss.
Forrester	McIntire	Smith, Wis.
Fountain	McMillan	Spence
Frazier	Macdonald	Springer
Frelinghuysen	Machrowicz	Staggers
Friedel	Mack, Ill.	Steed
Fulton	Mack, Wash.	Sullivan
Garmatz	Madden	Talle
Gary	Magnuson	Taylor
Gavin	Mahon	Teague, Calif.
Gentry	Marshall	Teague, Tex.
George	Martin	Thomas
Gordon	Matthews	Thompson, La.
Granahan	Merrow	Thompson, Mich.
Grant	Metcalf	
Gray	Miller, Md.	Thompson, N. J
Green, Oreg.	Miller, Nebr.	Thompson, Tex.
Green, Pa.	Miller, N. Y.	Thomson, Wyo.
Gregory	Mills	Thornberry
Griffiths	Minshall	Trimble
Gross	Mollohan	Tuck
Hagen	Morano	Tumulty
Hale	Morgan	Udall
Haley	Moss	Utt
Halleck	Moulder	Vanik
Harden	Multer	Van Pelt
Hardy	Murray, Ill.	Van Zandt
Harris	Murray, Tenn.	Vinson
Harrison, Nebr.	Natcher	Vorys
Harrison, Va.	Nelson	Wainwright
Harvey	Nicholson	Walter
Hays, Ark.	Norblad	Watts
Hays, Ohio	Norrell	Weaver
Hayworth	O'Brien, Ill.	Westland
Henderson	O'Brien, N. Y.	Wickersham
Hill	O'Hara, Ill.	Widnall
Hillings	O'Hara, Minn.	Wigglesworth
Hoeven	O'Konski	Williams, Miss.
Hoffman, Ill.	O'Neill	Williams, N. J.
Hoffman, Mich.	Ostertag	Williams, N. Y.
Holifield	Passman	Willis
Holmes	Patman	Wilson, Calif.
Holt	Pelly	Wilson, Ind.
Holtzman	Perkins	Winstead
Hope	Pfost	Withrow
Horan	Philbin	Wolverton
Huddleston	Phillips	Wright
Hull	Pillion	Yates
Hyde	Poage	Young
Ikard	Poff	Zablocki
Jackson	Powell	Zelenko
Jarman	Preston	

NAYS—3

Mason	Taber	Vursell

NOT VOTING—61

Barden	Bolton, Oliver P.	Canfield
Bass, N. H.		Chatham
Bell	Brownson	Cooley
Bentley	Buckley	Curtis, Mo.

Davis, Tenn.	Hiestand	Prouty
Dempsey	Hinshaw	Reece, Tenn.
Diggs	Hosmer	Reed, Ill.
Dingell	James	Reed, N. Y.
Dodd	Kearns	Rogers, Fla.
Durham	Knutson	Roosevelt
Eberharter	McGregor	Sadlak
Evins	McVey	Scudder
Gamble	Mailliard	Smith, Va.
Gathings	Meader	Tollefson
Gubser	Miller, Calif.	Velde
Gwinn	Morrison	Wharton
Hand	Mumma	Whitten
Hébert	Osmers	Wier
Herlong	Patterson	Wolcott
Heselton	Pilcher	Younger
Hess	Polk	

So, two-thirds having voted in favor thereof, the motion to suspend the rules and pass the bill was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Canfield.
Mr. Roosevelt with Mr. Osmers.
Mr. Dingell with Mr. Patterson.
Mr. Evins with Mr. Bass of New Hampshire.
Mr. Eberharter with Mr. Wolcott.
Mr. Miller of California with Mr. Wharton.
Mr. Chatham with Mr. Tollefson.
Mr. Cooley with Mr. Sadlak.
Mr. Dempsey with Mr. Scudder.
Mr. Morrison with Mr. McGregor.
Mr. Polk with Mr. McVey.
Mr. Rogers of Florida with Mr. Hess.
Mr. Buckley with Mr. Hosmers.
Mr. Diggs with Mr. Kearns.
Mr. Dodd with Mr. Younger.
Mr. Herlong with Mr. Hand.
Mrs. Knutson with Mr. Heselton.
Mr. Whitten with Mr. Bentley.
Mr. Smith of Virginia with Mr. James.
Mr. Davis of Tennessee with Mr. Reece of Tennessee.
Mr. Durham with Mr. Hiestand.
Mr. Gathings with Mr. Gwinn.
Mr. Barden with Mr. Brownson.
Mr. Bell with Mr. Mailliard.
Mr. Pilcher with Mr. Velde.

The result of the vote was announced as above recorded.

Mr. MURRAY of Tennessee. Mr. Speaker, I move that the House insist on its amendments to the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, ask for a conference with the Senate, and that the Chair appoint conferees.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs MURRAY of Tennessee, DAVIS of Georgia, and REES of Kansas.

AMEND ACT OF JULY 31, 1947, AND THE MINING LAWS

Mr. ENGLE. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5891) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of July 31, 1947 (61 Stat. 681) is amended to read as follows:

"SEC. 1. The Secretary, under such rules and regulations as he may prescribe, may dispose of mineral materials (including but not limited to, sand, stone, gravel, pumice, pumicite, cinders, and clay) and vegetative materials (including but not limited to yucca, manzanita, mesquite, cactus, and timber or other forest products) on public lands of the United States, including for the purposes of this act land described in the acts of August 28, 1937 (50 Stat. 874) and of June 24, 1954 (68 Stat. 270), if the disposal of such mineral or vegetative materials (1) is not otherwise expressly authorized by law, including the United States mining laws, and (2) is not expressly prohibited by laws of the United States, and (3) would not be detrimental to the public interest. Such materials may be disposed of only in accordance with the provisions of this act and upon the payment of adequate compensation therefor, to be determined by the Secretary: *Provided, however,* That, to the extent not otherwise authorized by law, the Secretary is authorized in his discretion to permit any Federal, State, or Territorial agency, unit or subdivision, including municipalities, or any person, or any association or corporation not organized for profit, to take and remove, without charge, materials, and resources subject to this act, for use other than for commercial or industrial purposes or resale. Where the lands have been withdrawn in aid of a function of a Federal department or agency other than the Department headed by the Secretary of a State, Territory, county, municipality, water district, or other local governmental subdivision or agency, the Secretary may make disposals under this act only with the consent of such other Federal department or agency or of such State, Territory, or local governmental unit. Nothing in this act shall be construed to apply to lands in any national park, or national monument or to any Indian lands, or lands set aside or held for the use or benefit of Indians, including lands over which jurisdiction has been transferred to the Department of the Interior by Executive order for the use of Indians. As used in this act, the word "Secretary" means the Secretary of the Interior except that it means the Secretary of Agriculture where the lands involved are administered by him for national-forest purposes or for the purposes of title III of the Bankhead-Jones Farm Tenant Act or where withdrawn for the purpose of any other function of the Department of Agriculture: *Provided,* That, notwithstanding any other provisions of law, such leases or permits may be issued for lands administered for national park, monument, and wildlife purposes only when the President, by Executive order, finds and declares that such action is necessary in the interests of national defense."

SEC. 2. That section 3 of the act of July 31, 1947 (61 Stat. 681), as amended by the act of August 31, 1950 (64 Stat. 571), is amended to read as follows:

"All moneys received from the disposal of materials under this act shall be disposed of in the same manner as moneys received from the sale of public lands, except that moneys received from the disposal of materials by the Secretary of Agriculture shall be disposed of in the same manner as other moneys received by the Department of Agriculture from the administration of the lands from which the disposal of materials is made, and except that revenues from the lands described in the act of August 28, 1937 (50 Stat. 874) and the act of June 24, 1954 (68 Stat. 270) shall be disposed of in accordance with said acts and except that moneys received from the disposal of materials from school section lands in Alaska, reserved under section 1 of the act of March 4, 1915 (38 Stat. 1214), shall be set apart as separate and permanent funds in the Territorial treasury, as provided for income derived from said school section lands pursuant to said act."

SEC. 3. A deposit of common varieties of sand, stone, gravel, pumice, pumicite, or cinders shall not be deemed a valuable mineral deposit within the meaning of the mining laws of the United States so as to give effective validity to any mining claim hereafter located under such mining laws: *Provided, however,* That nothing herein shall affect the validity of any mining location based upon discovery of some other mineral occurring in or in association with such a deposit. "Common varieties" as used in this act does not include deposits of such materials which are valuable because the deposit has some property giving it distinct and special value and does not include so-called "block pumice" which occurs in nature in pieces having one dimension of 2 inches or more.

SEC. 4. (a) Any mining claim hereafter located under the mining laws of the United States shall not be used, prior to issuance of patent therefor, for any purposes other than prospecting, mining, or processing operations and uses reasonably incident thereto.

(b) Rights under any mining claim hereafter located under the mining laws of the United States shall be subject, prior to issuance of patent therefor, to the right of the United States to manage and dispose of the vegetative surface resources thereof and to manage other surface resources thereof (except mineral deposits subject to location under the mining laws of the United States). Any such mining claim shall also be subject, prior to issuance of patent therefor, to the right of the United States, its permittees and licensees, to use so much of the surface thereof as may be necessary for such purposes or for access to adjacent land: *Provided, however,* That any use of the surface of any such mining claim by the United States, its permittees or licensees, shall be such as not to endanger or materially interfere with prospecting, mining, or processing operations or uses reasonably incident thereto.

(c) Except to the extent required for the mining claimant's prospecting, mining, or processing operations and uses reasonably incident thereto, or for the construction of buildings or structures in connection therewith, or to provide clearance for such operations or uses, or to the extent authorized by the United States, no claimant of any mining claim hereafter located under the mining laws of the United States shall, prior to issuance of patent therefor, sever, remove or use any vegetative or other surface resources thereof which are subject to management or disposition by the United States under the preceding subsection (b). Any severance or removal of timber which is permitted under the exceptions of the preceding sentence, other than severance or removal to provide clearance, shall be in accordance with sound principles of forest management.

SEC. 5. (a) The head of a Federal department or agency which has the responsibility for administering surface resources of any lands belonging to the United States may file as to such lands in the office of the Secretary of the Interior, or in such office as the Secretary of the Interior may designate, a request for publication of notice to mining claimants, for determination of surface rights, which request shall contain a description of the lands covered thereby, showing the section or sections of the public land surveys which embrace the lands covered by such request, or if such lands are unsurveyed, either the section or sections which would probably embrace such lands when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument.

The filing of such request for publication shall be accompanied by an affidavit or affidavits of a person or persons over 21 years of age setting forth that the affiant or affiants have examined the lands involved in a reasonable effort to ascertain whether any person or persons were in actual possession of or engaged in the working of such lands or any part thereof, and, if no person or persons were found to be in actual possession of or engaged in the working of said lands or any part thereof on the date of

such examination, setting forth such fact, or, if any person or persons were so found to be in actual possession or engaged in such working on the date of such examination, setting forth the name and address of each such person, unless affiant shall have been unable through reasonable inquiry to obtain information as to the name and address of any such person, in which event the affidavit shall set forth fully the nature and results of such inquiry.

The filing of such request for publication shall also be accompanied by the certificate of a title or abstract company, or of a title abstractor, or of an attorney, based upon such company's, abstractor's, or attorney's examination of those instruments which are shown by the tract indexes in the county office of record as affecting the lands described in said request, setting forth the name of any person disclosed by said instruments to have an interest in said lands under any unpatented mining claim heretofore located, together with the address of such person if such address is disclosed by such instruments of record. "Tract indexes" as used herein shall mean those indexes, if any, as to surveyed lands identifying instruments as affecting a particular legal subdivision of the public land surveys, and as to unsurveyed lands identifying instruments as affecting a particular probable legal subdivision according to a projected extension of the public land surveys.

Thereupon, the Secretary of the Interior, at the expense of the requesting department or agency, shall cause notice to mining claimants to be published in a newspaper having general circulation in the county in which the lands involved are situate.

Such notice shall describe the lands covered by such request, as provided heretofore, and shall notify whomever it may concern that if any person claiming or asserting under, or by virtue of, any unpatented mining claim heretofore located, rights as to such lands or any part thereof, shall fail to file in the office where such request for publication was filed (which office shall be specified in such notice) and within 150 days from the date of the first publication of such notice (which date shall be specified in such notice), a verified statement which shall set forth, as to such unpatented mining claim—

(1) the date of location;

(2) the book and page of recordation of the notice or certificate of location;

(3) the section or sections of the public land surveys which embrace such mining claim; or if such lands are unsurveyed, either the section or sections which would probably embrace such mining claim when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument;

(4) whether such claimant is a locator or purchaser under such location; and

(5) the name and address of such claimant and names and addresses so far as known to the claimant of any other person or persons claiming any interest or interests in or under such unpatented mining claim;

such failure shall be conclusively deemed (i) to constitute a waiver and relinquishment by such mining claimant of any right, title, or interest under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (ii) to constitute a consent by such mining claimant that such mining claim, prior to issuance of patent therefor, shall be subject to the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (iii) to preclude thereafter, prior to issuance of patent, any assertion by such mining claimant of any right or title to or interest in or under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims.

If such notice is published in a daily paper, it shall be published in the Wednesday issue for 9 consecutive weeks, or, if in a weekly paper, in 9 consecutive issues, or if in a semiweekly or triweekly paper, in the issue of the same day of each week for 9 consecutive weeks.

Within 15 days after the date of first publication of such notice, the department or agency requesting such publication (1) shall cause a copy of such notice to be personally delivered to or to be mailed by registered mail addressed to each person in possession or engaged in the working of the land whose name and address is shown by an affidavit filed as aforesaid, and to each person who may have filed, as to any lands described in said notice, a request for notices, as provided in subsection (d) of this section 5, and shall cause a copy of such notice to be mailed by registered mail to each person whose name and address is set forth in the title or abstract company's or title abstractor's or attorney's certificate filed as aforesaid, as having an interest in the lands described in said notice under any unpatented mining claim heretofore located, such notice to be directed to such person's address as set forth in such certificate; and (2) shall file in the office where said request for publication was filed an affidavit showing that copies have been so delivered or mailed.

(b) If any claimant under any unpatented mining claim heretofore located which embraces any of the lands described in any notice published in accordance with the provisions of subsection (a) of this section 5, shall fail to file a verified statement, as above provided, within 150 days from the date of the first publication of such notice, such failure shall be conclusively deemed, except as otherwise provided in subsection (e) of this section 5, (i) to constitute a waiver and relinquishment by such mining claimant of any right, title, or interest under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (ii) to constitute a consent by such mining claimant that such mining claim, prior to issuance of patent therefor, shall be subject to the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (iii) to preclude thereafter, prior to issuance of patent, any assertion by such mining claimant of any right or title to or interest in or under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims.

(c) If any verified statement shall be filed by a mining claimant as provided in subsection (a) of this section 5, then the Secretary of the Interior shall fix a time and place for a hearing to determine the validity and effectiveness of any right or title to, or interest in or under such mining claim, which the mining claimant may assert contrary to or in conflict with the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, which place of hearing shall be in the county where the lands in question or parts thereof are located, unless the mining claimant agrees otherwise. Where verified statements are filed asserting rights to an aggregate of more than 20 mining claims, any single hearing shall be limited to a maximum of 20 mining claims unless the parties affected shall otherwise stipulate and as many separate hearings shall be set as shall be necessary to comply with this provision. The procedures with respect to notice of such a hearing and the conduct thereof, and in respect to appeals shall follow the then established procedures and rules of practice of the Department of the Interior in respect to contests or protests affecting public lands of the United States. If, pursuant to such a hearing the final decision rendered in the matter shall affirm the validity and effectiveness of any mining claimant's so-asserted right or interest under the mining claim, then no subsequent proceedings under this section 5 of this act shall have any force or effect upon the so-affirmed right or interest of such mining claimant under such mining claim. If at any time prior to a hearing the department or agency requesting publication of notice and any person filing a verified statement pursuant to such notice shall so stipulate, then to the extent so stipulated, but only to such extent, no hearing shall be held with respect to rights asserted under that verified statement, and to the extent defined by the stipulation the rights asserted under that verified statement shall be deemed to be unaffected by that particular published notice.

(d) Any person claiming any right under or by virtue of any unpatented mining claim heretofore located and desiring to receive a copy of any notice to mining claimants which may be published as above provided in subsection (a) of this section 5, and which may affect lands embraced in such mining claim, may cause to be filed for record in the county office of record where the notice or certificate of location of such mining claim shall have been recorded, a duly acknowledged request for a copy of any such notice. Such request for copies shall set forth the name and address of the person requesting copies and shall also set forth, as to each heretofore located unpatented mining claim under which such person asserts rights—

(1) the date of location;

(2) the book and page of the recordation of the notice or certificate of location; and

(3) the section or sections of the public land surveys which embrace such mining claim; or if such lands are unsurveyed, either the section or sections which would probably embrace such mining claim when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument.

Other than in respect to the requirements of subsection (a) of this section 5 as to personal delivery or mailing of copies of notices and in respect to the provisions of subsection (e) of this section 5, no such request for copies of published notices and no statement or allegation in such request and no recordation thereof shall affect title to any mining claim or to any land or be deemed to constitute constructive notice to any person that the person requesting copies has, or claims, any right, title, or interest in or under any mining claim referred to in such request.

(e) If any department or agency requesting publication shall fail to comply with the requirements of subsection (a) of this section 5 as to the personal delivery or mailing of a copy of notice to any person, the publication of such notice shall be deemed wholly ineffectual as to that person or as to the rights asserted by that person and the failure of that person to file a verified statement, as provided in such notice, shall in no manner affect, diminish, prejudice or bar any rights of that person.

SEC. 6. The owner or owners of any unpatented mining claim heretofore located may waive and relinquish all rights thereunder which are contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims. The execution and acknowledgment of such a waiver and relinquishment by such owner or owners and the recordation thereof in the office where the notice or certificate of location of such

mining claim is of record shall render such mining claim thereafter and prior to issuance of patent subject to the limitations and restrictions in section 4 of this act in all respect as if said mining claim had been located after enactment of this act, but no such waiver or relinquishment shall be deemed in any manner to constitute any concession as to the date of priority of rights under said mining claim or as to the validity thereof.

SEC. 7. Nothing in this act shall be construed in any manner to limit or restrict or to authorize the limitation or restriction of any existing rights of any claimant under any valid mining claim heretofore located, except as such rights may be limited or restricted as a result of a proceeding pursuant to section 5 of this act, or as a result of a waiver and relinquishment pursuant to section 6 of this act; and nothing in this act shall be construed in any manner to authorize inclusion in any patent hereafter issued under the mining laws of the United States for any mining claim heretofore or hereafter located, of any limitation or restriction not otherwise authorized by law, or to limit or repeal any existing authority to include any limitation or restriction in any such patent.

The SPEAKER. Is a second demanded?

Mr. MILLER of Nebraska. Mr. Speaker, I demand a second.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The gentleman from California [Mr. ENGLE] will be recognized for 20 minutes and the gentleman from Nebraska [Mr. MILLER] for 20 minutes.

Mr. ENGLE. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from California is recognized.

Mr. ENGLE. Mr. Speaker, the purpose of this bill is to amend the mining laws and to provide for multiple use of some of the public land areas subject to mining claims.

This legislation was introduced by a number of Members of this House: the gentleman from Texas [Mr. ROGERS] being the author of the bill presently before us. Bills of similar character were introduced by the gentleman from Utah [Mr. DAWSON], the gentleman from Nevada [Mr. YOUNG], the gentleman from Oregon [Mr. ELLSWORTH], the gentleman from North Carolina [Mr. COOLEY], the gentleman from Kansas [Mr. HOPE], the gentleman from Arizona [Mr. UDALL], the gentleman from Idaho [Mr. BUDGE], the gentleman from Montana [Mr. FJARE], and by myself.

Similar legislation has been introduced on the Senate side and, as I understand, has been favorably acted on by the Senate committee.

The legislation has a favorable report from the Department of the Interior and the Department of Agriculture, and those reports have been cleared by the Bureau of the Budget.

This legislation, Mr. Speaker, was drafted in a joint conference between representatives of the Department of the Interior, the Department of Agriculture, and various conservation groups, including the National Lumber Associations, the American Mining Congress and representatives of the lumber industry. Page 15 of the report contains a list of the various State and local groups which have endorsed and are supporting this legislation, including the American Mining Congress, American Federation of Labor, Independent Timber Farmers of America, the American Forestry Association, Western Lumber Manufacturers, National Wildlife Federation, Sports Afield, National Lumber Manufacturers Association, National Farmers Union, Wildlife Management Institute, the Izaak Walton League of America, the National Grange, Northwest Mining Association, Northern Rocky Mountain Sportsmen's Association, Western Forest Industries Association, Western Forestry and Conservation Association, United States Chamber of Commerce, Society of American Foresters, and the American Nature Association.

These organizations have taken a great interest in this legislation because of the problem that it seeks to handle. The problem arises from the fact that the mining law that exists today on the statute books of this country was passed in 1872. There have been recurring instances of abuse of these mining laws in recent years due to the filing of mining claims for the purpose of establishing fishing camps and recreational resorts of various types on public-domain land, and there has been a growing and continuing conflict in the use of the surface of the public-land areas between the mine claimants, the livestock people, those interested in recreation, fish and wildlife, and the lumber handlers.

As a consequence of all of that, it has become increasingly apparent to us that it would be necessary to enact legislation eliminating the filing of phony mining claims which are a real abuse of the mining laws and which the mining industry gives no support whatever.

In addition to that, there are thousands of stale and dormant mining claims throughout the national forests and the public domain areas of this country which should be dealt with; otherwise they simply lay there and clutter up the public-domain areas.

In the last session of the Congress the Committee on Agriculture of the House reported a bill relating to this subject matter as did the Committee on the Interior and Insular Affairs which reported the bill now before you. Because there were differences in those bills and because the two committees had some differences with reference to their approach to this problem, it was suggested to the Rules Committee before which those bills were pending that the matter be held in abeyance until the two committees had time to get together and work out satisfactory legislation.

This particular legislation has the approval of those gentlemen who supported the legislation in the Committee on Agriculture. The gentleman from Kansas [Mr. HOPE] and the gentleman from North Carolina [Mr. COOLEY] appeared before our committee at the time of the hearings on this legislation in support of it. As I said then, the purpose of the legislation is to amend the general mining laws to permit a more efficient management and administration and to provide for multiple use of the surface of the same tracts of the public lands.

On page 2 of our report, which is available to you, in 5 separate categories we have outlined very generally what the objectives of this legislation are.

To begin with, we amend the Materials Act of 1947 to prohibit future location and removal, under the mining laws, of common varieties of sand, stone, gravel, pumice, pumicite, and cinders, by requiring disposition of these materials under the Materials Act. The reason we have done that is because sand, stone, gravel, pumice, and pumicite are really building materials, and are not the type of material contemplated to be handled under the mining laws, and that is precisely where we have had so much abuse of the mining laws, because people can go out and file mining claims on sand, stone, gravel, pumice, and pumicite taking in recreational sites and even taking in valuable stands of commercial timber in the national forests and on the public domain.

That portion of the bill will eliminate those items which are essentially building materials and put them under the Materials Act of 1947—the latter is the second major objective of this legislation and provided for in it. The third is an amendment to the general mining law to prohibit the use of any hereafter located mining claims for any purposes other than prospecting, mining, processing, and related activities. The information our committee had was that there was a good deal of filing of mining claims to get a good cabin site on a fine mountain stream for the purpose of fishing. In other instances, mining claims were filed on what were really resort locations. This amendment to the bill will prohibit the use of mining claims for any purpose except bona fide mining.

The fourth general objective is to amend the general mining law to limit the rights of a holder of an unpatented mining claim hereafter located to the use of the surface and surface resources. The bill would accomplish this by vesting in the responsible United States administrative agency authority to manage and dispose of vegetative surface resources on such locations, to manage other surface resources thereof (except minerals subject to the mining laws), and to use so much of the surface as is necessary for management purposes or for access to adjacent lands. Now, boiled down in simple terms, that simply means that they can take timber and use the surface of mining claims for the purpose of disposing of grass and other forage for animals.

No. 5—and this is a very important provision in this bill—establishes, with respect to invalid, abandoned, or dormant mining claims, located prior to enactment of the bill, an in rem procedure in the nature of a quiet-title action, whereby the United States could expeditiously resolve uncertainties as to surface rights on such locations.

Mr. Speaker, that is what this legislation does. As far as I know, it has no

opposition whatever. The gentleman from Pennsylvania [Mr. SAYLOR] who will address this House a little later, thought perhaps the bill could go somewhat further, but I believe in the main he does support the objectives of this legislation, and except for his reservation, it passed our committee by unanimous action. It has the approval of both major Departments of the Government involving the administration of these lands and also has, as I said before, very broad coauthorship in this House as well as this very, very impressive group of organizations—conservation, lumber, mining, livestock, and forestry industry—primarily interested in the use of the public domain areas.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I am particularly interested in this legislation with respect to these invalid, abandoned, and dormant mining claims, and the gentleman is satisfied now that this legislation will permit the Department to go in and have those matters straightened out. They have been a bone of contention for many years and this legislation is long overdue. But, the gentleman feels certain that this legislation will enable the Department to clear up these matters with respect to abandoned claims.

Mr. ENGLE. I do, indeed. And it is a rather ticklish matter, I will say to the gentleman, because it involves what are known in law as vested rights. That involves an in rem proceeding, according to the best lawyers in the business who worked it out. I think it will do a great deal to eliminate those old, stagnant, dormant claims lying around.

Mr. GAVIN. And this proposed legislation meets the approval of the Forest Service of the Department of Agriculture; is that correct?

Mr. ENGLE. The answer to the gentleman is in the affirmative. A favorable report of the Department of Agriculture, of which, of course, the Forest Service is a part, is in the committee report, and the Forest Service representatives themselves appeared before our committee and testified in support of the bill.

Mr. YOUNG. Mr. Speaker, will the gentleman yield for a question?

Mr. ENGLE. I yield.

Mr. YOUNG. One of the complaints of sportsmen in the past has been that those who have mining locations have denied access to hunters and fishermen, so far as their mining claims are concerned. In the opinion of the gentleman, under the proposed legislation, will a mining locator be able to deny access to a fisherman who wants to stand on his land and fish in the stream, or to a hunter who runs across his land in pursuit of a deer or who is chasing some partridges?

Mr. ENGLE. In my opinion, this proposed legislation does not broaden the rights of the people who go on mining claims except to the extent specifically described in the bill, which relates to the power of administrative agencies to manage the surface resources on the claim. In other words, it is not a broad authority to everybody to cross a mining claim who wants to do so. So the answer to the gentleman's question on that score is in the negative.

Mr. MILLER of Nebraska. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I think the committee in bringing to the floor of the House H. R. 5891 has finally arrived at the proper method of handling mining claims which is satisfactory to the Department of Agriculture and the Department of the Interior and to others who have been working with the problem. The bill spells out how we can use the mining claims and does away with the fraudulent use of those claims. The bill prevents the use of the claims as a guise for getting title to timber or getting possession of the land for a different purpose than that intended under the mining laws.

As the report has so well said, on page 2:

> If enacted, H. R. 5891 would also amend the general mining laws to permit more efficient management and administration of the surface resources of the public lands by providing for multiple use of the same tracts of such lands.

I think it does spell out and remove some of the uncertainty that has prevailed in respect to some of these mining claims. Again on page 8 of the report we find these words:

> The bill would also amend the general mining laws by defining the rights of locators to surface resources prior to patent for locations hereafter made; would establish procedures for more efficient management and administration of the surface resources on mining locations hereafter made; and would permit quieting of title to surface resources on locations made prior to the effective date of the act through procedures established in the act.

Those two quotations from the report I think sum up the effects of this legislation. The bill is in the interest of the public and it does clarify and spell out the use of mining claims that are now in existence and those that may be made in the future.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, in 1872 Congress passed "the mining laws," which have remained substantially unaltered until this year of 1955. This is the first material change that has been made in all of those years. As our distinguished chairman, the good gentleman from California [Mr. ENGLE] said, my only complaint with this bill is that it does not go far enough to correct the errors in the act of 1872.

This bill recognizes in principle the severance theory, that two people may own various levels of land. For many, many years, the miners of all minerals in the eastern States have recognized that theory. In view of the fact that from 1872 until 1955 the manner of prospecting for minerals has changed materially I sincerely believe that the Congress should take the necessary steps to recognize in full the severance theory. This bill is the first step in that direction.

One of the reasons I say this bill does not go far enough is that it still gives to a man who files a mining claim the right to cut the timber on his mining claim. Heretofore, the men would go in and file spurious mining claims. Those mining claims were filed for many reasons, principally because they found very valuable timber, others because they were looking for campsites or homesites or they were looking for commercial sites. Those things have been taken care of in the bill, but the one that has not been taken care of is that a man can still go in and file a mining claim if he finds known minerals, but he has the right to remove all of the merchantable timber from that tract, even though it has no relation whatsoever to the mining claim.

This is a glaring defect in this bill. It is one that I sincerely hope will be taken care of by special legislation. I have absolutely no complaint against a man who has a legitimate mining claim being entitled to use the timber necessary for his mining operation, but I vehemently oppose in principle, and I think I am joined by a majority of the conservation groups in America, in allowing a man to go in and file a mining claim, even a legitimate mining claim, and be given the right to use not only the timber which is necessary for his mining operation but whatever merchantable timber is found upon that entire tract.

That is the only glaring defect that exists in this bill. Despite this defect, I urge the adoption of this bill because it is a step in the right direction. The defect I have commented upon is one which has existed since 1872. It is one that I sincerely hope, in view of the diminishing returns which we are getting from our national forests, will be looked into in detail not only by the Committee on Agriculture in handling the affairs of our national forests but also by the Subcommittee on Mines and Mining of the House Committee on Interior and Insular Affairs.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. McDONOUGH. In addition to the forest lands that he can use, can he use the same area for grazing purposes?

Mr. SAYLOR. If he proceeds to patent he may use the surface for any reason whatsoever.

Mr. ENGLE. Mr. Speaker, I yield such time as he may desire to the author of the bill, the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. Mr. Speaker, I shall not impose upon the House by taking a lot more time in explanation of this bill. The distinguished chairman of the committee has made a very able presentation of it. The ranking minority member of the committee and the gentleman from Pennsylvania [Mr. SAYLOR] have pointed out the reasons and the necessity for the legislation. Frankly, it is simply a corrective measure moving another step in the direction of solving the many problems that have troubled the mining business.

Another step was taken last session when we passed Public Law 585, I believe it was, concerning the separation of those leasing minerals and the locatable minerals. This bill has to do with the surface rights. It is a piece of legislation that is explained in detail and in a very excellent manner in the report. I commend that report to you for your reading and your future reference.

The passage of this legislation is long overdue. I hope there will be no further delay in its adoption.

Mr. MILLER of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Speaker, I simply want to take this time to commend the chairman of our committee for the most scholarly presentation he has made of the purposes of this bill. I would like to add that there has been much time and effort put into the planning and wording of this measure. For some years now, we have been attempting to properly define legitimate fields for the mining operators as well as for the people who are interested in the surface of our public lands. But, we have had a conflict and we are pleased to say that, in this bill, we have brought together the interests of the mining people as well as the conservationists and the forest people and others who are interested. It is a forward-looking measure, and one which is certainly going to redound to the benefit of the public generally.

Mr. DIXON. Mr. Speaker, will the gentleman yield?

Mr. DAWSON of Utah. I yield.

Mr. DIXON. I understand that the gentleman submitted a bill last year to prevent this fictitious filing of mining claims; is that not true?

Mr. DAWSON of Utah. The gentleman is correct. I have always felt something should be done to cut out this filing of fictitious claims. Those who file on sand, gravel, cinders, and pumice certainly are not legitimate miners. They are doing the mining industry no good. I certainly think they should be deprived of the right to file such claims.

Mr. DIXON. What happened to that bill?

Mr. DAWSON of Utah. Of course, many of us introduced bills, but a bill by our former colleague from Texas, Mr. Regan, passed this House but was left to die on the other side. The first portion of this bill does include the sections of the Regan bill which would prohibit the filing on sand, gravel, and common material. So that part will be taken care of in this bill. The measure also goes further and limits the right of mining people to the subsurface rights with the exception of such building materials as they might need in their mining operations.

Mr. DIXON. I commend the gentleman for following through on this legislation which will correct such a glaring evil. I hope the bill will pass and also be passed by the other body.

Mr. DAWSON of Utah. May I say to my colleague, I did have meetings with the forest people and the mining people and others before this measure was introduced. They are all in agreement on it. Now is the time to act, while we have them all in agreement. This measure is worthy of your support and I urge its favorable consideration under a suspension of the rules.

Mr. MILLER of Nebraska. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Speaker, my purpose in taking this minute, and perhaps another minute, if it is necessary, is to ask a question of the distinguished chairman with reference to this bill. First, may I say I think it is an excellent bill. The question which I wish to ask the distinguished chairman is with reference to the following matter. It has been represented to me by lumbermen who live in my part of the country and who operate sawmills and box factories that the Forest Service has permitted a great many trees to become overaged. We all know that trees, just like any other crop, when they get ripe should be cut down or harvested the same as any other crop. These men, who have represented this to me, are men who have had experience in the lumber business and I have taken their word that the representations concerning the failure to harvest trees when they are ripe is true. I wonder if the chairman would tell me whether in his opinion the Department of Agriculture and the Forestry Department is permitting any large group of trees to become overage and overripe, and will this bill help to correct that situation?

Mr. ENGLE. It is my opinion that the Forestry Service is letting a great deal of timber become overripe and fall down as a result of overmaturity. I agree with the gentleman that when the tree gets old enough to be cut down, it should be cut down, otherwise it is wasted just the same as any other crop may go to waste. This bill relates to that problem because it would permit the Forest Service and the Bureau of Land Management to dispose of mature trees on mining claims which they cannot do under the present law.

This bill would amend that law so that they can go in and harvest those trees. With reference to those areas in the national forests where mining claims have not been filed, the only way to perk up the Forest Service and get disposition of that timber is to keep after them and to provide them with the money to survey that timber and mark that out for sale. In other words, the gentleman has asked a question that is broader than this bill. This bill relates only to mining claims. As to that particular feature it is helpful in the line that the gentleman wants to go; namely, the disposition and marketing of mature and overripe timber on mining claims. This bill would permit that to be done.

Mr. JOHNSON of California. I associate myself with the gentleman from Pennsylvania [Mr. SAYLOR] regarding mining claims and the situation that permits them to use a mining claim for many other purposes than for mining. We should remove those purposes and permit mining claims only to use the land for mining purposes.

I hope this bill passes as I believe it is a constructive step in the conservation of our trees and the harvesting of them to produce the best lumber.

Mr. MILLER of Nebraska. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Speaker, this is as fine a bill as has been brought out from the Committee on Interior and Insular Affairs since I have been a Member of Congress.

I call particular attention to one feature of this bill. We have many unpatented mining claims throughout the public domain. Those claims are not being used by anybody. In many instances there never have been any minerals on those claims. The assessment work required by law is not kept up. But there is nothing under the present law that the Government can do about this situation. One time assessment work is important is when a claim is jumped, and it is necessary to prove the original claimant. The only other time assessment work must be proved is when he applies for patent. He must make proof in order to get patent. If his claim is never jumped and he does not apply for patent, then the claim stays outstanding for years as a cloud upon the title of the Government, and as a deterrent to the use which the people of the United States can make of the public domain.

This particular bill provides for an in rem proceeding, whereby the United States Government may, if it so desires, come in and quiet title on these long dormant rights which certainly serve no useful purpose for anyone.

It is a good bill and I hope it is passed.

Mr. ENGLE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Speaker, first I wish to congratulate the woodsman, trapper, aviator, and so forth, chairman of the committee on his presentation in behalf of this bill, and the authors for their efforts in presenting this legislation.

This bill indicates the necessity for a modern-day look at our national resources. As our population increases, as more areas are taken out of a raw wilderness, the necessity increases for the wise use of our remaining open and wilderness areas. This bill contributes to that wiser use. Perhaps it does not go far enough.

In my area there are uranium hunters swarming all over the countryside. There is hardly a foot of land along any highway that is not staked out with some kind of a claim, perhaps 3 or 4 on top of each other. The problem of preserving adequate habitats for fish and other wildlife is becoming more crucial throughout the United States. I am certain this legislation will make a major contribution toward clarifying some of these problems which have come along with this heavy modern use of what formerly were waste areas.

I hope the committee, of which the distinguished gentleman from California [Mr. ENGLE] is chairman, will watch this new law in operation, and perhaps come up with some further recommendations that will preserve the areas and the best use of those areas as we all desire them.

The SPEAKER. The time of the gentleman from California has expired.

Mr. MILLER of Nebraska. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Speaker, I, too, wish to commend the committee for the prompt and careful consideration of this bill. I am one of the coauthors of the bill and am very pleased to see it on the floor here today. I feel certain there is no doubt about its passage, because it is not only a good piece of legislation but also it is long overdue.

May I say with reference to the question that was asked by the gentleman from Nevada [Mr. YOUNG] regarding the rights of sportsmen, hunters, and fishermen to go on the mining claims filed after the enactment of this act that the chairman of the committee, the gentleman from California [Mr. ENGLE], in reply to the question by the gentleman from Nevada, indicated that the bill does not protect the rights of recreationists on mining claims filed hereafter. I believe that if the chairman of the committee, the gentleman from California [Mr. ENGLE], will recheck subsection (b) of section 4 on page 5 of the bill, he will agree with me that this bill does give rights to recreationists on national forest land even on those lands that have been filed upon for mining claims.

Section 4 (b) reads:

(b) Rights under any mining claim hereafter located under the mining laws of the United States shall be subject, prior to issuance of patent therefor, to the right of the United States to manage and dispose of the vegetative surface resources thereof and to manage other surface resources thereof.

In framing this bill the language of subsection (b) of section 4 was very, very carefully considered and carefully written with this thought in mind. We thought of protecting the rights of recreationists, sportsmen, and others to use the national forests for hunting, fishing, and recreation; so that the term "other resources thereon" protects the right of trespass.

Then it contains the language:

Such mining claims shall also be subject prior to the issuance of patent to the right of the United States, its permittees, licensees, to use so much of the surface thereof as may be necessary for such purposes or for access to adjacent land.

Therefore, Mr. Speaker, I think this record in the debate on this bill should be taken to indicate clearly that it is the intent of Congress that a person who files on a mining claim hereafter in the national forest does not have the right to exclude recreationists or other permittees.

Mr. ENGLE. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, from what I can learn of the contents of this legislation I think it is in the right direction and meritorious, and for that reason I would like to go on record as being in favor of it. However, the major purpose of asking for this time was to ask a question of the chairman of the committee.

We are having some extended litigation in the State of West Virginia growing out of the attempt of some individuals owning mineral rights under the Monongahela National Forest as well as in the State forest going in and opening up a coal-stripping operation. Our courts have decided against it, and there is a possibility that they are now going into the Federal courts.

There is a sizable section of the Monongahela National Forest barred to the National Government using the mineral rights. The Government acquired the surface rights but never owned the mineral rights, and it is creating considerable confusion.

I wanted to ask the chairman if he thought there was anything in this legislation that would clarify that situation where the mineral rights have been held by individuals before the Federal Government acquired surface rights. The mineral rights are still held either by individuals or by coal corporations.

Mr. ENGLE. This bill is not retroactive, therefore cannot affect the proposition the gentleman refers to one way or the other. The courts have held that a mining claim is a vested right or interest. There is no way you can go back and divest them of that interest without violating a provision of the Constitution. That is what made this problem so thorny and hard to handle under procedure and in dealing with stale and dormant mining claims. To answer the gentleman's question specifically, in my opinion the answer is "No," it does not affect it one way or the other.

Mr. BAILEY. I thank the gentleman from California.

Mr. ENGLE. Mr. Speaker, I yield myself 1 minute for the purpose of clarifying a situation referred to by the gentleman from Oregon [Mr. ELLSWORTH].

It is my opinion that this bill does not give a broadside right to recreationists, sportsmen, and whoever else may be in the national forests or on the public domain to walk upon and to occupy, in connection with their activities, mining claims.

Mr. ELLSWORTH. Mr. Speaker, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. I believe the gentleman might be correct with reference to the public domain other than the national forests or national parks, wilderness areas, and that type of land. So far as the national forests are concerned, as I read the language it confers on the National Forests Administrator exactly the same rights he has on the surface as he has at the present in the remainder of the land.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

House Resolution 271 was laid upon the table.

APPOINTMENT OF CONGRESSIONAL DELEGATION TO ATTEND THE NORTH ATLANTIC TREATY ORGANIZATION PARLIAMENTARY CONFERENCE

Mr. RICHARDS. Mr. Speaker, I move to suspend the rules and agree to House Concurrent Resolution 109.

The Clerk read the House concurrent resolution, as follows:

Whereas a parliamentary conference of the North Atlantic Treaty Organization will meet in Paris in July 1955; and

Whereas among other items it is planned to discuss at the conference the question of future cooperation by the NATO members, including their parliamentary bodies; and

Whereas the Congress has taken a leading part in the formation of the Organization and in its support through the enactment of measures to strengthen its capacity to defend the North Atlantic area against Communist aggression; and

Whereas the presence of Members of the Congress at the conference will be a tangible demonstration of the continuing desire of the American people to support the Organization and to promote closer relations with and between the members of the Organization; and

Whereas such a conference can contribute to the strength of the North Atlantic area in the maintenance of peace and security and the mutual interests of its members: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That not to exceed 14 Members of Congress shall be appointed to meet jointly with the representative parliamentary groups from other NATO members meeting in conference in Paris in July 1955, for discussion of common problems in the interests of the maintenance of peace and security in the North Atlantic area. Of the Members of the Congress to be appointed for the purposes of this resolution, half shall be appointed by the Speaker of the House from Members of the House, and half shall be appointed by the President of the Senate from Members of the Senate. Not more than four of the appointees from the respective Houses shall be of the same political party.

The expenses incurred by Members of the House, the Senate, and by staff members appointed for the purpose of carrying out this concurrent resolution shall not exceed $15,000 for each House, respectively, and shall be paid from the contingent fund of the House of which they are Members. Payment shall be made upon the submission of vouchers approved by the chairman of the respective House or Senate delegation.

The SPEAKER. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. RICHARDS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this resolution was unanimously reported by the Committee on Foreign Affairs of the House and placed on the Consent Calendar but passed over. We are now asking the House for endorsement of the action taken by the Committee on Foreign Affairs.

This resolution provides for the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, the delegation to be composed of 7 Mem-

bers of the Senate and 7 Members of the House, not more than 4 to come from any one political party.

As of the present time the parliaments of 10 or 12 countries have already indicated that they will send delegations to this conference. As a matter of fact, the Canadian Government was particularly interested to the extent that the president of the Canadian senate came down here to confer with the Speaker of the House and the Vice President, also the chairman of the Committee on Foreign Relations of the Senate and on Foreign Affairs of the House.

In view of the fact that the North Atlantic Treaty countries are, in concert with us, spending hundreds of millions of dollars in support of that alliance, it is felt that it would be helpful to send a delegation from the United States Congress in order that we might observe at first hand what is going on over there. I do not think there will be much opposition to this resolution, Mr. Speaker. I do not see how there could be. But, the grounds that I have stated, I think, are correct.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. How much authority will be given these delegates to the conference? Will they be given the authority, for instance, to obligate us to further expenditures of money?

Mr. RICHARDS. No; they certainly will not.

Mr. WILLIAMS of Mississippi. Morally or legally?

Mr. RICHARDS. Morally or legally they cannot commit the United States.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from California.

Mr. JOHNSON of California. As I understand, this is purely an exploratory conference to exchange ideas on what our various countries could do to move toward a peaceful solution of existing conditions.

Mr. RICHARDS. In harmony and unity. That is correct.

Mr. JOHNSON of California. We want to combine our efforts to see if we cannot move in the direction of peace by a little unity.

Mr. RICHARDS. Yes.

Mr. JOHNSON of California. But there is no commitment to be made by anybody in our group, as I understand it.

Mr. RICHARDS. No commitment to be made by anyone for the United States. And, they are going to meet there, anyway, and it is thought that it would be wise for the United States to impress its viewpoint on that gathering.

Mr. JOHNSON of California. I am heartily in accord with the gentleman's plea, and I hope it will pass the House.

Mr. RICHARDS. I thank the gentleman.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. As a matter of fact, the authority of this committee will be rather strictly limited. On page 2 of the bill they are authorized "to meet jointly with the representative parliamentary groups from other NATO members * * * for discussion of common problems in the interests of the maintenance of peace and security in the North Atlantic area." According to the text of the resolution, they can only discuss certain common problems in the interests of peace and security.

Mr. RICHARDS. That is right. And it is so written in the resolution.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Illinois.

Mr. SPRINGER. May I ask the gentleman will there be other parliamentary delegations at this meeting?

Mr. RICHARDS. Already 10 countries have signified their intention and passed resolutions of their parliamentary bodies to go there and be present. The Canadian Government has not only passed a resolution but has indicated its strong desire to go along with the United States.

Mr. SPRINGER. This is the first time, is it not, Mr. Speaker, that parliamentary bodies themselves have been present at these meetings?

Mr. RICHARDS. I would not say that. I think a year or two ago several countries met not as a special group, but as observers.

Mr. SPRINGER. The main purpose of this resolution is to bring the discussion which has previously been carried on more or less at what we call the administrative government level down to the parliamentary level, is it not, to exchange views as between them governing these overall problems?

Mr. RICHARDS. That is correct. Up until this time the emphasis has been placed on unity in the military. Now they want to emphasize and try to accomplish better civil unity, unity between themselves, particularly in regard to the parliamentary bodies which passed the laws by which NATO has the authority to operate.

Mr. SPRINGER. And this will be our first opportunity in this Congress to get a report directly back, is it not, from Members of our own body as to what the outlook is on NATO for the future?

Mr. RICHARDS. That is precisely correct.

Mr. SPRINGER. I want to commend the gentleman. I think it is a good resolution.

Mr. RICHARDS. I thank the gentleman very much.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Did I understand the gentleman to say that the people who this Government sends over there can neither morally nor legally bind our folks to anything.

Mr. RICHARDS. That is right.

Mr. HOFFMAN of Michigan. Then all they are going to do is talk about what is good for the world and for us?

Mr. RICHARDS. Talk about what is good for the North Atlantic Treaty Alliance.

Mr. HOFFMAN of Michigan. Then the gentleman thinks it is all right to leave out the other people in the world?

Mr. RICHARDS. No. I think we should not leave out the other people of the world, but there are plenty of other and more appropriate places to take up their problems. We are talking about the NATO alliance countries, countries to which we are committed and obligated to go to war in the event one of them is attacked.

Mr. HOFFMAN of Michigan. So eventually we will have in NATO one group of nations, and then, if the Communists come along, as we have been given to understand they will, and form another group, there will be that other group. Then we will have the whole world in two armed camps, so that each will know where to find its enemies.

Mr. RICHARDS. The whole world is already in two armed camps.

Mr. HOFFMAN of Michigan. Then, what is the use of NATO and the other group that is proposed, if they are all already lined up?

Mr. RICHARDS. We just want those in our camp brought closer together.

Mr. HOFFMAN of Michigan. Each group will be brought closer together?

Mr. RICHARDS. No; our group.

Mr. HOFFMAN of Michigan. Does not the gentleman think the other group will be brought closer together, too?

Mr. RICHARDS. Maybe.

Mr. HOFFMAN of Michigan. And then we will know just whom to fight, will we not?

Mr. RICHARDS. They are pretty close already.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to my friend from South Carolina.

Mr. RIVERS. The distinguished group which is to be selected from the other body, can the gentleman tell me whether the members of the Committee on Armed Services will be represented on that group?

Mr. RICHARDS. I do not know about that. The membership of this group which it is expected will be appointed will not be confined to any particular committee. So far as I know, no one from the Committee on Foreign Affairs has signified a desire to go. I hope the members will be appointed from the House at large.

Mr. RIVERS. I think that is a fine way to proceed.

Mr. RICHARDS. Mr. Speaker, I reserve the balance of my time.

SUBCOMMITTEE OF THE COMMITTEE ON EDUCATION AND LABOR

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Education and Labor dealing with school-construction legislation be permitted to sit during debate today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. GROSS. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Speaker, I want to express my full approval and endorsement of the resolution of the gentleman from South Carolina, the chairman of the Committee on Foreign Affairs [Mr. RICHARDS]. Already 9 or 10 countries, members of the North Atlantic Treaty Organization, the group that has been formed for the purpose of defending each other in the event of aggression against them, have indicated and have signified their intention of sending a delegation to this conference. In fact, in some countries the delegations have been named. If there is going to be another great world war, these countries who will meet in Paris in July of this year will be our allies. Of course, as the gentleman from South Carolina [Mr. RICHARDS] very well said, this conference will not bind the United States to any action or policy. But it is entirely possible that at this conference there will be discussions on the future of the NATO and there will be an effort to bring the members of the North Atlantic Treaty Organization closer together.

At the present time NATO is costing the taxpayers of America a great many millions of dollars annually. In my opinion, it will be an economy measure for us to have a delegation there to find out what is going on in the North Atlantic Treaty Organization and report back to the Congress.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. LECOMPTE. I yield to my colleague. I regret to find that I am not in full agreement with my friend from Iowa, but I am glad to yield to him.

Mr. GROSS. Is the gentleman now saying that we cannot find out what is going on in NATO through the officials already representing this Government in NATO?

Mr. LECOMPTE. There will be representatives of the countries there who will confer and discuss things.

Mr. GROSS. The gentleman has not answered my question. Can we not find out from the officials already representing us what is going on in NATO?

Mr. LECOMPTE. Yes, we can. But we cannot find out what is the thinking of the men in the parliaments of the member countries. That is what we hope to accomplish at this conference. We are going to find out what are the thoughts of the people in the parliamentary governments who will be represented there.

Mr. GROSS. What does the gentleman propose to find out from them?

Mr. LECOMPTE. There will be a free discussion.

Mr. GROSS. What does the gentleman propose to find out?

Mr. LECOMPTE. If the gentleman is opposed to the North Atlantic Treaty Organization, then, of course, he is opposed to this conference. But if the gentleman agrees with the philosophy of those who think we had better have some allies in this next war, if there is going to be one, then he certainly cannot object to this country being represented at that conference.

Mr. GROSS. The gentleman's answer is not responsive to my question. What is it the gentleman proposes to find out?

Mr. LECOMPTE. We propose to have an exchange of ideas at the Paris conference. I think that is what the gentleman from South Carolina [Mr. RICHARDS] who is the author of the resolution, has in mind.

Mr. GROSS. The gentleman is supporting the resolution. I am asking him the question.

Mr. LECOMPTE. I think he expects to have an exchange of ideas from representatives of these parliamentary governments embraced in the North Atlantic Treaty Organization.

Mr. ELLSWORTH. Mr. Speaker, will the gentleman yield?

Mr. LECOMPTE. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. I think the colloquy between the two gentlemen from Iowa may be a little bit wide of the mark. This resolution, as I understand, is for the purpose of permitting discussions of the subject of NATO at the parliamentary level.

Mr. LECOMPTE. Exactly.

Mr. ELLSWORTH. Certainly, we can ask the executive branch people who are in charge of these things administratively, but this is for parliamentarians, people like us in the other countries, so that the subject can be discussed at that level.

Mr. LECOMPTE. The gentleman from Oregon is exactly right. That is the purpose of the conference, a discussion by representatives of the parliaments and the Congress meeting together for an exchange of ideas, thereby bringing the countries of the North Atlantic Treaty Organization closer together.

Mr. ELLSWORTH. We are soon going to have discussions on the very highest level. We unquestionably now have numerous discussions on the executive level. But the people in all of the nations of NATO who are responsible for what goes on in their countries are the representatives in the parliamentary bodies of the several governments. This meeting is for the people in the parliamentary branches of the governments to get together and talk things over, too.

Mr. LECOMPTE. It might save the taxpayers of the United States a lot of money.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may require, and ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, these NATO meetings have been going on for a long time. I wonder why at this late date we must have another of these so-called parliamentary groups?

I take this time to ask a few questions and make a few remarks of my own. The gentleman from South Carolina, the chairman of the Committee on Foreign Affairs, says this junket to Paris is designed to impress our viewpoint on someone. May I ask him what viewpoint it is proposed to impress on somebody at this meeting?

Mr. RICHARDS. I would say the viewpoint of the people of the United States in regard to problems relating to the NATO alliance. All the time at these conferences, particularly international conferences, the representatives of particular countries are trying to impress the viewpoint of their particular country on the gathering and thus impress itself upon the North Atlantic alliance. I want representatives to this parliamentary body to be there and, in the event anything comes up that would not be in the best interests of the United States, they could express the viewpoint of our country. That is all.

Mr. GROSS. What is the viewpoint of the people of the United States?

Mr. RICHARDS. There are various views.

Mr. GROSS. Let us get this down to a point where the gentleman can answer it. Some of the Members seem to be amused either by the question or the answer. Do the people of the United States understand that France promised 14½ divisions for NATO? I doubt they have half that number, and most of those are not ready for combat. Do the people of the United States believe the French should at this time withdraw one combat division, meager as are their forces in NATO, and take it down to North Africa to perpetuate their colonial empire? The gentleman can answer that question, and it may not be quite as amusing as some people think it is.

Mr. RICHARDS. The gentleman is not going to attempt to answer that particular question, but I will answer the other one. The gentleman said, "How are we going to impress the viewpoint of the United States?" He followed by saying, "What is the viewpoint of the United States?" I will take the gentleman and myself as illustrations. The gentleman has certain opinions about the North Atlantic Treaty alliance that are different from mine. There are many other opinions in the United States. But I believe, and I have confidence enough in any committee which would be appointed to go over there, that they would not try to impress their individual opinions on those countries but that they would try to impress upon those countries the composite opinion of the legislative body of the United States as well as they could. There is one other angle to this. Not only will we try to impress upon them our viewpoint through these legislative representatives, but we could expect that committee to bring back to this body the viewpoint of the other countries and thus inform this body in that regard.

Mr. GROSS. Let me ask the gentleman this question then. Is not the viewpoint of the Congress of the United States well known and has it not been well demonstrated by the money which has been voted to implement NATO and by various other actions that have been taken? Is not our viewpoint known to these people? Must we spend $15,000 here to send a bunch of Congressmen junketing to Paris in July of this year?

Mr. RICHARDS. My contention is, may I say to the gentleman, that our viewpoint would be better informed if we

sent a delegation there to come back and report to us.

Mr. GROSS. Which statement does the gentleman elect to adopt here, the statement that these representatives will impress our viewpoint upon these foreigners or that they will obtain more information? Which is it?

Mr. RICHARDS. The gentleman would just like to have this resolution adopted.

Mr. GROSS. That is what I thought. A trip to Paris.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. GAVIN. I would like to ask the chairman how much latitude will the delegates representing the United States have to express their thinking at this meeting.

Mr. RICHARDS. I would assume inasmuch as the gathering would be governed by parliamentary rules of procedure that they would have just as much latitude to express their opinions as the gentleman has here today.

Mr. GAVIN. That is exactly the problem. There will be no restrictions on them to express themselves very forcefully on any subject matter they may care to discuss. I cannot imagine why this legislation comes out of the Committee on Foreign Affairs because the NATO agreement is a military agreement. Why would not this resolution come out of the Committee on Armed Services rather than the Committee on Foreign Affairs?

Mr. RICHARDS. The Parliamentarian has control of that.

Mr. GAVIN. I merely want to point out that if anybody going over there could speak their minds freely, it might be productive of excellent results, but if there are certain restrictions placed upon the Members who go on this trip and they are confined because it may be undiplomatic or they may be taking up matters that others think should not be discussed. In other words, as the gentleman pointed out, whoever goes on this trip, can go over there and speak freely, if they care to; is that right? That they can if they care to present their thinking on the support and cooperation that we have received from all of these different NATO countries?

Mr. RICHARDS. So far as I am concerned, I believe I can assure the gentleman they can lay it on the line.

Mr. GAVIN. I was particularly concerned recently over this situation. I noticed in a recent newspaper article, I believe it was, which pointed out that there was some objection on our part, the United States, to using military equipment which we were sending to the NATO countries and which we were giving to France who then, transported that equipment down to north Africa to participate in their situation existing there. Do you know anything about that? Now suppose they brought up a question such as that at the conference?

Mr. RICHARDS. Perhaps this delegation could clear up that situation.

Mr. GAVIN. The State Department evidently did not clear it up because I notice that they made considerable protest about it, but I presume that if we sent someone over there like the gentleman from Iowa [Mr. GROSS], maybe it would be cleared up and know the reasons why.

Mr. GROSS. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. I want to congratulate the gentleman from Iowa [Mr. GROSS] for getting up here and calling our attention to the fact that 14 or 15 or 20 of the best legislators we have are going to leave here in the month of July when we need them to work here, when we have more important legislation than at any other time in the year. Yet they can pick up and go over and talk something over with the Europeans. I think the place for them is here in the House of Representatives and the United States Senate to attend to our business first.

Mr. GROSS. I thank the gentleman.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. I usually fully agree with the gentleman from Massachusetts, but I cannot agree with him this time. Does the gentleman oppose our people going over there to make that trip?

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. KEATING. Mr. Speaker, this colloquy, particularly the one between the gentleman from Iowa [Mr. GROSS] and the gentleman from South Carolina [Mr. RICHARDS], points up to me the desirability of this legislation, for one reason. Here in this body we have varying viewpoints. We approach these problems in different aspects, as does the gentleman and myself. This is an opportunity for these legislators who are not hidebound by any policy in the Government to get together and discuss these matters of common interest. It strikes me it would be a good thing for a meeting to be held between the countries at that particular level, apart from the meetings which necessarily occur from time to time among the representatives of the State Department and various foreign agencies.

Mr. GROSS. That same argument has been used for years and years in behalf of the Interparliamentary Union. It is said to be very important that we send a delegation traipsing off each year to all corners of the earth. Of course, as in this case, they point to a very small appropriation. This resolution provides $15,000 each for the House and Senate, a total of $30,000. But probably, like the Interparliamentary Union, a couple of Air Force constellations will be ordered out, and the expense of flying from Washington to Paris will not be figured in the $15,000. It will cost the taxpayers, nevertheless. What results we have obtained from the Interparliamentary Union, I do not know. If the gentleman is prepared to tell me of any real accomplishment on the part of that junketeering outfit I will be glad to hear of it.

Mr. KEATING. Of course, that Interparliamentary Union has no power.

Mr. GROSS. Does this conference have any real power?

Mr. KEATING. I have the impression that this conference would be very weighty in determinations with respect to the Government.

Mr. GROSS. The gentlemen who represent us in the Interparliamentary Union proposition have told us that they were engaged in some very weighty discussions, but I do not believe the gentleman can put his finger on any accomplishments, although we have spent hundreds of thousands of dollars on that organization. I simply want to stop this kind of business of spending the taxpayers' money all over the world with no results. I think we ought to get something for the money we are spending.

Now I want to call attention to the resolution. Listen to this wording:

> Whereas the presence of Members of the Congress at the Conference will be a tangible demonstration of the continuing desire of the American people to support the Organization and to promote closer relations with and between the members of the Organization.

A tangible demonstration. We have spent hundreds of millions of dollars on NATO. We have six divisions stationed in Europe at this time in support of NATO, costing us hundreds of millions of dollars every year. What more tangible evidence can we give? Why that language in the resolution? Are we fools or dupes in the House of Representatives, that we should be confronted with a resolution which says we must send a hand-picked crew over to Europe at a cost of at least $30,000, to provide tangible evidence that we are for NATO?

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield to the distinguished gentlewoman from New York.

Mrs. ST. GEORGE. I notice it has been said quite frequently in this colloquy that this will be a splendid way of showing the thoughts of the American people and the different points of view to the people over there all over the world. Does the gentleman think that his point of view is likely to be represented at this Conference?

Mr. GROSS. I know very well it will not be, and the astute gentlewoman knows it will not be.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Briefly.

Mr. JUDD. Of course, this proposed meeting is somewhat like a meeting that was held in Strasbourg in 1951 to which the Congress sent over 6 representatives from the House and 6 from the Senate to meet with representatives of the parliaments of the various nations in the Council of Europe. I happened to be a member of that delegation. Some of the other Members from the House were the gentleman from Virginia [Mr. SMITH], our former beloved colleague from Georgia, Mr. Cox, the gentleman from Oregon [Mr. ELLSWORTH], and the gentleman from New York [Mr. KEATING]. You can be sure that, for example, the gentleman from Virginia [Mr. SMITH], was not hesitant in expressing his views on what the attitude of the American people was—some

of it favorable, some unfavorable—with respect to interests we have in common with them.

I felt that meeting where we could take down our hair and talk with them as fellow-legislators, where they could discuss with us their difficulties and problems and opinions, the things on which we could agree and the things on which we disagreed, did more good towards straightening out a lot of misunderstandings than any other single meeting that has been held.

Mr. GROSS. I am sure it did not. It brought no substantial help for us in the Korean war where 35,000 American boys were killed. It brought about no reduction in our foreign handout program. Like others of these conferences, it meant little or nothing.

Mr. JUDD. No, that was in November 1951. It was during the Korean war. We were chiefly discussing our common problems in Europe; we were not discussing the Far East.

Mr. GROSS. Then I will ask the gentleman this question: Where is this junketeering going to end? Is there to be another in conjunction with SEATO?

Mr. JUDD. That might be very useful. Since the Congress of the United States for some years has been appropriating annually approximately $3 billion or a little more for our various mutual security programs around the world, $15,000 is not an unreasonable investment or any waste of the taxpayers' money, when we spend it to enable us who appropriate the money to learn all we can about the purposes and the people for which it is spent.

I do not know anything that could be more valuable, that could give us more experience and background to enable us to legislate wisely in this field, than to sit down around a table with these legislators to discuss these common problems.

Mr. GROSS. The gentleman does not mean to tell me that we have not conferred year after year in Europe. There have been innumerable meetings and to what end?

Mr. JUDD. That is true, but not meeting with their legislators.

Mr. GROSS. The Foreign Affairs Committee, and including the gentleman from Minnesota, the Government Operations Committee, and practically any other committee of Congress that could possibly be interested have had delegations roaming the face of the earth looking into these matters.

Mr. JUDD. There is nothing that can take the place of Members of Congress going over there and sitting down with representatives elected like ourselves by the people of their respective countries and trying to work these things out.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. With respect to a recent conference I can recall several delegates to that conference going over there and taking their wives along with them. They had used Government transportation. No one can tell me there was not some subsidization directly or indirectly with regard to their wives' expenses. I just want to be sure that in this resolution that as to whoever happens to go over on this committee, the Congress will know whether or not they are going to take their wives.

Mr. GROSS. The gentleman from Iowa joins with the gentleman from Mississippi in hoping that the taxpayers will be spared any free loading by the wives of Members who may be designated for this junket. It has been done in the past. The gentleman is correct.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GROSS. It is always a pleasure to yield to my friend from Michigan.

Mr. HOFFMAN of Michigan. Our good colleague on the other side of the aisle, the gentleman from Mississippi [Mr. WILLIAMS] does not want them to take someone else's wife, does he? I am not in favor of that.

Mr. GROSS. Mr. Speaker, I am opposed to this resolution because I am convinced, on the basis of other similar deals, that it will mean only a further involvement of the United States in foreign manipulations. It will not relieve the overcommitment of American youth to the fighting of wars all over the globe; it will not relieve overburdened American taxpayers; nor will it help stop deficit spending. On the contrary, it provides for further spending and for no useful purpose.

I reiterate that the sponsors of this resolution have not made a valid case for it. I have no hesitancy in reasserting that it will provide for another free-wheeling junket for some 14 Members of Congress, and perhaps the wives of some if not all of them.

There is no better time to stop some of the waste of the taxpayers' money, and disapproval of this resolution is an excellent place to start. Approval of this resolution will mean that in due time someone will come up with the bright idea that there ought to be a so-called parliamentary conference somewhere in the distant Pacific in connection with SEATO, the Southeast Asia Treaty Organization.

Mr. Speaker, I urge in all sincerity that this resolution be defeated.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. RICHARDS. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, the one point I wanted to make at this juncture is this—again and again, the Congress has adopted language in the mutual security legislation, and always initiated in this body, encouraging the economic unification and political federation of Western Europe. Now when the countries there are moving in the direction we ourselves have urged and their elected parliamentary representatives invite us to sit down with them and discuss problems common to all of us in our desire to build security and peace, it is suggested here that we should not do it. Surely no harm and much benefit to both sides can come from such a free and friendly exchange of views. We would not be able, nor would they, to commit our respective governments to any given course of action. But the thing that we are most interested in is the peace and security of the world. Surely the best way and surest way to achieve that is through developing the greatest degree of mutual understanding.

It is said that our past contributions in money prove our interest. Certainly they do; but there is a good deal more to gaining confidence and good will and understanding than money. The gift without the giver does not generally bear the desired fruit.

Unless some indication and evidence of the views, the spirit, and the attitudes of those who provide the gifts go along with them, our money and arms will fail to produce all the good that we hope for from them. I cannot see one good reason for not adopting this resolution and sending representatives to this conference of the parliaments of the NATO countries. I am not a candidate for the delegation. I am urging this because of the very profitable experience I had at the previous conference of this same general sort and the mutual benefit I felt it had for all concerned.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I am not a candidate either, let that be understood, but it took them 5 years to bring about this NATO organization. What I am interested in is whether or not those who do represent this great country of ours are going to express to these people the American viewpoint; that is, that we have spent billions of dollars of the American taxpayers' money—they are the ones who are making a great sacrifice—and the question whether these countries are going to give us the cooperation that we expected of them when the NATO organization was established, or are they going to continue their dilatory tactics as they have during the past 5 years.

Mr. JUDD. I am unable to accept the implication of what the gentleman has said without replying. If we will look back to conditions as they were when we started this whole aid program in 1947, I think the results are not poor; they are better than any of us had a right or reason to expect. First, the countries individually have recovered remarkably well. Second, they are now making great progress in attacking their problems collectively so that there is steadily increasing strength in the whole of Western Europe. Germany is back on the team as a full partner.

The proof of that strength is the recent shift in tactics by the Kremlin. It has changed from threats and bluster to sweetness and light. Actually this new pose may be more dangerous, because more deceptive than the former one, but surely it is the direct result of the unity and strength NATO is finally developing.

We are right on the threshold of a great forward step that can come if we continue steadfastly on the course of cooperative effort we have been following. The invitation from these countries to closer contacts and consultations at the legislative level is merely another step, a further forward step, in building better understanding. I hope very much

that the House will adopt this resolution.

Mr. RICHARDS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I just want to make two short statements before we vote on the pending resolution.

A few weeks ago General Gruenther came before our committee. He is the Supreme Commander of the Allied Forces in Europe. He was asked at that time whether he thought the appointment of this delegation to the NATO Parliamentary Conference would be helpful. He expressed his belief that it would be exceedingly helpful to our military people over there and said he could be quoted to that effect.

The only other reference I want to make to the remarks of the gentleman just a minute ago is in reply to what he said about our spending all of these hundreds of millions of dollars in Europe. That statement is true. For our mutual defense, the Congress has gone down into the pockets of the taxpayers of the United States. It has taken money to the extent of hundreds of millions of dollars, even billions, for Europe, most of it in support of the North Atlantic Treaty Alliance countries.

Now, the representatives of the parliamentary bodies of those countries have asked us to join with them and to send a delegation over there to confer, and to discuss common problems in the interests of the maintenance of peace and security in the North Atlantic area. We would not want them to think that we are so disinterested in the use of the money we have spent over there on the alliance that we have with them that we will not send a delegation over there to confer with them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Iowa.

Mr. GROSS. The question I would like to ask the gentleman is, When were hearings held on this bill? I tried to get a copy of the hearings. The gentleman is now quoting General Gruenther as being for this proposition.

Mr. RICHARDS. Hearings were held, and the gentleman was given everything we had on it. The report of the committee was unanimous. No one was denied the opportunity to appear and testify.

Mr. GROSS. Does the gentleman say that hearings were held?

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. RICHARDS. Mr. Speaker, I yield myself 2 additional minutes.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. Is it not true that General Gruenther was asked to a hearing on another bill? He commented, as the gentleman has said, on another bill, but General Gruenther did not appear at hearings on this particular resolution.

Mr. RICHARDS. That is correct. Not on this particular resolution.

Mr. VORYS. Does not the gentleman feel, whether we call it laying it on the line or not, that the informal getting together of some of our brethren from the House and Senate with similar people from other countries will permit some of the thorny angles to be talked out and some of the problems, such as the problems of our taxpayers, to be explained to them in a little better way than we could by firing speeches or telegrams or cables across the Atlantic?

Mr. RICHARDS. I think so.

Mr. VORYS. In that way we can really get together in a more effective way.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I think that is an excellent idea. I do not think they have been properly informed as to the sacrifices that the American people have made in producing the money that makes all of these programs possible. They take it for granted, and then there are many times when we may be in disagreement with the policies that they pursue, but we fail to have a representative tell them that we are not in agreement, we seem to acquiesce, we seem to conciliate, we seem to accept. In view of the fact that we have invested these tremendous billions of dollars, we ought to let them know these things.

The SPEAKER. The question is on suspending the rules and passing the resolution.

The question was taken; and the Speaker announced that two-thirds had voted in favor thereof.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 337, nays 31, not voting 66, as follows:

[Roll No. 89]

YEAS—337

Abbitt	Bolling	Corbett
Abernethy	Bolton,	Coudert
Adair	Frances P.	Cramer
Addonizio	Bonner	Cretella
Albert	Bowler	Crumpacker
Alexander	Boyle	Curtis, Mass.
Allen, Calif.	Bray	Dague
Allen, Ill.	Brooks, La.	Davidson
Andresen,	Brooks, Tex.	Davis, Ga.
August H.	Brown, Ga.	Davis, Wis.
Andrews	Brown, Ohio	Dawson, Ill.
Anfuso	Broyhill	Dawson, Utah
Arends	Buchanan	Deane
Ashley	Budge	Delaney
Ashmore	Burleson	Denton
Aspinall	Burnside	Derounian
Auchincloss	Bush	Devereux
Avery	Byrd	Dixon
Ayres	Byrne, Pa.	Dollinger
Bailey	Byrnes, Wis.	Dolliver
Baker	Cannon	Dondero
Baldwin	Carlyle	Donohue
Barrett	Carnahan	Donovan
Bass, Tenn.	Cederberg	Dorn, N. Y.
Bates	Celler	Dorn, S. C.
Baumhart	Chelf	Doyle
Beamer	Chenoweth	Edmondson
Becker	Chiperfield	Elliott
Bennett, Fla.	Christopher	Ellsworth
Bennett, Mich.	Chudoff	Engle
Bentley	Church	Fallon
Betts	Clark	Fascell
Blatnik	Cole	Feighan
Blitch	Colmer	Fenton
Boggs	Coon	Fernandez
Boland	Cooper	Fine
Fino	Landrum	Richards
Fisher	Lane	Riehlman
Fjare	Lanham	Riley
Flood	Lankford	Rivers
Fogarty	Latham	Roberts
Forand	LeCompte	Robeson, Va.
Ford	Lesinski	Robsion, Ky.
Fountain	Lipscomb	Rodino
Frazier	Long	Rogers, Colo.
Frelinghuysen	Lovre	Rogers, Fla.
Friedel	McCarthy	Rogers, Mass.
Fulton	McConnell	Rogers, Tex.
Garmatz	McCormack	Rooney
Gary	McCulloch	Rutherford
Gathings	McDonough	St. George
Gavin	McDowell	Saylor
George	McIntire	Schenck
Gordon	McMillan	Scherer
Granahan	Macdonald	Schwengel
Grant	Machrowicz	Scott
Gray	Mack, Ill.	Scrivner
Green, Oreg.	Mack, Wash.	Seely-Brown
Gregory	Madden	Selden
Griffiths	Magnuson	Sheehan
Gwinn	Mahon	Sheppard
Hagen	Marshall	Short
Hale	Martin	Shuford
Haley	Matthews	Sieminski
Halleck	Merrow	Simpson, Ill.
Harden	Metcalf	Simpson, Pa.
Hardy	Miller, Md.	Sisk
Harris	Miller, Nebr.	Smith, Miss.
Harrison, Nebr.	Miller, N. Y.	Spence
Harrison, Va.	Mills	Springer
Harvey	Minshall	Staggers
Hays, Ark.	Morano	Steed
Hays, Ohio	Morgan	Sullivan
Hayworth	Moss	Taber
Henderson	Moulder	Talle
Hill	Multer	Taylor
Hillings	Murray, Ill.	Teague, Calif.
Hoffman, Ill.	Murray, Tenn.	Thomas
Holifield	Natcher	Thompson, La.
Holmes	Nelson	Thompson,
Holt	Norblad	Mich.
Holtzman	Norrell	Thompson, N. J.
Hope	O'Brien, Ill.	Thompson, Tex.
Horan	O'Brien, N. Y.	Thomson, Wyo.
Huddleston	O'Hara, Ill.	Thornberry
Hull	O'Neill	Trimble
Hyde	Osmers	Tuck
Ikard	Ostertag	Tumulty
Jarman	Passman	Udall
Jenkins	Patman	Vanik
Jennings	Patterson	Van Zandt
Jenson	Pelly	Vinson
Johnson, Calif.	Perkins	Vorys
Johnson, Wis.	Pfost	Walter
Jonas	Philbin	Watts
Jones, Ala.	Phillips	Weaver
Jones, Mo.	Pilcher	Westland
Judd	Pillion	Whitten
Karsten	Poage	Wickersham
Kean	Poff	Widnall
Keating	Powell	Wigglesworth
Kee	Preston	Williams, N. J.
Kelley, Pa.	Price	Willis
Keogh	Priest	Wilson, Calif.
Kilburn	Quigley	Wilson, Ind.
Kilday	Rabaut	Winstead
Kilgore	Radwan	Wolverton
King, Calif.	Rains	Wright
King, Pa.	Ray	Yates
Kirwan	Reed, Ill.	Young
Klein	Rees, Kans.	Zablocki
Kluczynski	Reuss	Zelenko
Knox	Rhodes, Ariz.	
Laird	Rhodes, Pa.	

NAYS—31

Andersen,	Forrester	O'Konski
H. Carl	Gentry	Sikes
Berry	Gross	Siler
Bosch	Hoeven	Smith, Kans.
Bow	Hoffman, Mich.	Smith, Wis.
Burdick	Johansen	Utt
Clevenger	Jones, N. C.	Van Pelt
Cunningham	Krueger	Williams, Miss.
Dies	Mason	Williams, N. Y.
Dowdy	Nicholson	Withrow
Flynt	O'Hara, Minn.	

NOT VOTING—66

Alger	Cooley	Hébert
Barden	Curtis, Mo.	Herlong
Bass, N. H.	Davis, Tenn.	Heselton
Belcher	Dempsey	Hess
Bell	Diggs	Hiestand
Bolton,	Dingell	Hinshaw
Oliver P.	Dodd	Hosmer
Boykin	Durham	Jackson
Brownson	Eberharter	James
Buckley	Evins	Kearney
Canfield	Gamble	Kearns
Carrigg	Green, Pa.	Kelly, N. Y.
Chase	Gubser	Knutson
Chatham	Hand	McGregor

McVey	Reece, Tenn.	Velde
Mailliard	Reed, N. Y.	Vursell
Meader	Roosevelt	Wainwright
Miller, Calif.	Sadlak	Wharton
Mollohan	Scudder	Wier
Morrison	Shelley	Wolcott
Mumma	Smith, Va.	Younger
Polk	Teague, Tex.	
Prouty	Tollefson	

So, two-thirds having voted in favor thereof, the motion to suspend the rules and agree to the House concurrent resolution was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Hébert with Mr. Sadlak.
Mr. Roosevelt with Mr. Kearns.
Mr. Evins with Mr. Wharton.
Mr. Eberharter with Mr. Hand.
Mr. Dodd with Mr. Scudder.
Mr. Dingell with Mr. Bass of New Hampshire.
Mr. Miller of California with Mr. Belcher.
Mr. Dempsey with Mr. Gubser.
Mrs. Kelly of New York with Mr. Gamble.
Mr. Buckley with Mr. Canfield.
Mr. Morrison with Mr. McGregor.
Mr. Polk with Mr. McVey.
Mrs. Knutson with Mr. Prouty.
Mr. Chatham with Mr. Reece of Tennessee.
Mr. Cooley with Mr. Tollefson.
Mr. Green of Pennsylvania with Mr. James.
Mr. Shelley with Mr. Hosmer.
Mr. Smith of Virginia with Mr. Carrigg.
Mr. Mollohan with Mr. Brownson.
Mr. Teague of Texas with Mr. Hess.
Mr. Boykin with Mr. Heselton.
Mr. Barden with Mr. Jackson.
Mr. Bell with Mr. Wainwright.
Mr. Davis of Tennessee with Mr. Wolcott.
Mr. Diggs with Mr. Younger.
Mr. Wier with Mr. Mailliard.

Mr. BOW changed his vote from "aye" to "nay."

Mr. GEORGE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

By unanimous consent, House Resolution 275 was laid on the table.

CONFERENCE REPORTS TO BE CONSIDERED TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, after the call of bills on the Private Calendar tomorrow and before the consideration of the bill H. R. 4663, two conference reports will be considered, one on H. R. 103 relating to reclamation projects and the other on H. R. 2126, with reference to the utilization of saline waters, and so forth. It is my understanding that these conference reports are unanimous. They will be considered tomorrow.

AMENDING TRAVEL EXPENSE ACT OF 1949

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, as amended by the committee.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the Travel Expense Act of 1949 (63 Stat. 166, as amended; 5 U. S. C. 836) is further amended by striking "$9" and inserting in lieu thereof "$13"; and by striking the period at the end thereof and adding the following additional proviso: " : *And provided further,* That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7, prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed $25 for each day in travel status."

SEC. 2. Section 5 of the Administrative Expenses Act of 1946 (60 Stat. 808; 5 U. S. C. 73b–2) is amended by striking "$10 per diem" and inserting in lieu thereof "$15 per diem within the limits of the continental United States and beyond such limits, not to exceed the rates of per diem established by the Director of the Bureau of the Budget pursuant to section 3 of the Travel Expense Act of 1949, as amended (5 U. S. C. 836)"; and by striking the period at the end thereof and adding the following additional proviso: " : *And provided further,* That where due to the unusual circumstances of a travel assignment within the limits of the continental United States such maximum per diem allowance would be much less than the amount required to meet the actual and necessary expenses of the trip, the heads of departments and establishments may, in accordance with regulations promulgated by the Director, Bureau of the Budget, pursuant to section 7 of the Travel Expense Act of 1949 as amended (5 U. S. C. 840) prescribe conditions under which reimbursement for such expenses may be authorized on an actual expense basis not to exceed a maximum amount to be specified in the travel authorization, but in any event not to exceed $25 for each day in travel status.".

SEC. 3. The first sentence of section 1823 (a) of title 28, United States Code, is amended by striking the portion "and if travel is made by privately owned automobile mileage at a rate not to exceed 7 cents per mile, together with a per diem allowance not to exceed $9 in lieu of subsistence" and inserting in lieu thereof "or, if travel is made by privately owned automobile, at a rate not to exceed that prescribed in section 4 of the Travel Expense Act of 1949, together with a per diem allowance in lieu of subsistence not to exceed the rates of per diem as described in, or established pursuant to, section 3 thereof."

The SPEAKER. Is a second demanded?

Mr. HOFFMAN of Michigan. Mr. Speaker, I demand a second.

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. HOFFMAN] for 20 minutes.

Mr. FASCELL. Mr. Speaker, I yield myself 10 minutes.

The SPEAKER. The gentleman from Florida is recognized.

Mr. FASCELL. Mr. Speaker, this bill deals with increasing the per diem allowance for subsistence and travel expenses of all regular Government employees; and those who might be in the service of the Government without compensation in a consultative capacity.

The bill deals specifically with the Travel Expense Act of 1949 and the Administrative Expenses Act of 1946. It raises the per diem allowance from $9 to $13 for the regular Government employees.

A new provision has been added which takes care of special cases where expenses might be considerably higher and it provides that in those cases under regulations promulgated by the head of the department and the Bureau of the Budget an actual cost basis of not to exceed $25 per day may be used.

For those persons who are not compensated by the Government, this act raises their per diem from $10 per day to $15 per day, and also carries a new provision providing for an actual cost basis to take care of special cases, not to exceed $25 per day.

The third section of the bill deals with a provision of the law which is now in a separate act. It has to do with travel expenses for civilian employees who are necessary as witnesses for the United States Government and puts their per diem at the same rate; that is, increases it from $9 to $13 a day. The committee considered but did not touch and this legislation does not affect the mileage allowance for the use of vehicles.

This report came out of the subcommittee unanimously and was reported by the full Committee on Government Operations unanimously except for reservations made by the gentleman from Michigan [Mr. HOFFMAN].

This was requested and has been recommended by the Bureau of the Budget and all of the departments of Government that have occasion to use the per diem. It is recommended also by all of the employee groups.

We had before us several bills. One was a bill introduced by the chairman of the Committee on Government Operations, the gentleman from Illinois [Mr. DAWSON], another was a bill introduced by the gentleman from Pennsylvania [Mr. CHUDOFF], and another bill by the gentleman from Wisconsin [Mr. WITHROW]. This bill represents a combination of all those bills which provided anywhere from $12 to $15 per diem. Those bills, or at least some of them, also dealt with an increase in the mileage allowance.

The testimony is clear that the increase in the cost of travel is sufficient to warrant the $13 recommended by the committee. There is no great objection to the measure. It is necessary in view of the increase in subsistence from 1949 to the present date. Therefore I urge that the rules be suspended and the bill be passed.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. McDONOUGH. I have had some complaints by employees in the thickly populated areas where the parking facilities are very costly. Is there any provision for a Government employee to include in his expense account parking facilities?

Mr. FASCELL. The increase provided for incidental expenses and it was taken into consideration in the allowance of this maximum of $13 a day. There is also the further provision, this new proviso which has been added, that takes care of those exceptional cases for which allowances can be made under regulations of the department heads and the Bureau of the Budget. That would take care of that matter.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I wonder, sir, if you can estimate how much of the expense comes under the allowance up to the $25 per diem? Has the gentleman any record of past expenditures to show what proportion that would be of the total amount of Government expenses?

Mr. FASCELL. I do not have any record and I do not know that any was given to us. In each case the $13 is a maximum amount and in each case the $25 would be a maximum amount. The departments do operate on the actual cost basis. We had testimony before the committee that in a great many cases, in fact the majority of the cases, the actual expenditures would be above the $9 provided in the present law.

Mrs. CHURCH. Would the actual expenses therein computed cover any expenditures except for board and lodging? What would be the other items included?

Mr. FASCELL. It would cover incidental expenses such as tips and fees, laundry, dry cleaning and so forth.

Mrs. CHURCH. And traveling within the place visited?

Mr. FASCELL. Yes.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Virginia.

Mr. GARY. Our subcommittee of the Appropriations Committee on the Treasury heard testimony on several occasions that the Secret Service officers who are under the Treasury, when traveling with the President to protect the President have to stop at the same hotels the President stops at, which usually or frequently are expensive hotels; and that in the past they have been forced to pay the high hotel rates out of their own pockets because the allowance was not sufficient to take care of them. Would the $25 limit be applied in that case and could they be compensated for their actual expenses up to $25?

Mr. FASCELL. The gentleman is correct, and the answer is in the affirmative.

Mr. GARY. Is that the purpose of the bill?

Mr. FASCELL. That is the purpose of the new proviso.

Mr. GARY. Of the new proviso. That is what I mean.

Mr. FASCELL. Yes. In fact, our committee also heard testimony on the same point, and that is the main reason why this proviso was included in the bill, to correct that inequitable situation.

Mr. GARY. I want to commend the committee for placing that proviso in the bill, because I think it is a very necessary proviso. I think it is not proper for the Government to require these men in the discharge of their duties to live at hotels of that kind and not pay their full expenses.

Mr. FASCELL. I thank the gentleman for his statement in corroboration of this committee's report.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, I apologize to the Speaker and the Members of the House for any confused ideas I might put forth, because the thought I had in mind I lost while yielding to unanimous consent requests—so those making them might get away. However, I do want to compliment my colleague on the committee for the very clear and factual statement which he made. He gave you an accurate idea of what this bill proposes to do. He stated that all of the representatives of the departments who came up to the hearing were in favor this bill. Was there anything strange about that? Why should they not be? He said that all of the representatives of all of the organizations representing Federal employees were in favor of the bill. No reason why they should not be. And, I assume that all of the employees who would benefit are in favor of the bill. I do not know of any who are against it. I did not hear of any. But, in the hearings that were held I did not hear one single word from anyone, unless it was your humble servant, who spoke in the interest of the taxpayer.

Now, if the gentleman could tell me or the House what the estimated cost of this raise will be, I will be very glad to hear it. I heard no testimony as to the number of employees overall who would receive this increase. I heard no testimony that was accurate as to the total of the dollars required to meet the cost if the bill goes through. So, here we are. And in looking at the noon paper a moment ago in an idle moment I noticed the statement that the amount which would be added to the national debt because of the deficit we are incurring would be $10 billion. Think of that now before you vote to appropriate more money to further increase that debt.

One other thing. The Federal employees who will receive this added benefit knew what the job was when they took it. They knew what each job paid. They expected there would be certain expenses along the line.

The gentleman referred to the hotels where those who guard the President are required to stay and to pay a comparatively high rate. Is there any reason why that amount should not be allowed to the President as a part of the necessary expenses of the Executive? The President's expenses are taken care of in an appropriation and these men's expenses can well be paid from that fund. I know of no way of giving it to them directly, but we provide our Intelligence Service with certain sums for which they do not need to account. That has been the practice for years. All of us realize the necessity for that. In such a case we are bound to trust those who have authority to approve such expenditures as are proper. There is no objection to that.

But here we have a bill which increases, for no one knows how many employees, the daily expense allowance by $4—from $9 to $13. Some may not be familiar with this practice. A Federal employee lives in Baltimore. He or she comes to Washington for the day's work. He charges up $13, or will if this bill passes. At present he or she charges up $9 which is paid by the Government. Perhaps some other employee lives in Washington or lives somewhere else in Maryland and he goes to some other city, such as Baltimore, someplace away from home. They will be able to charge up an additional $13 a day if this bill passes. The passage of this bill is an invitation not to live where you are working. It is an invitation to Federal employees to travel to work away from home. That is what it is.

When this bill was up it just chanced that an employer from my district who operates a factory was here seeking Government business. He is in charge of the sales agency of his organization and it is not a very small one. It is not as large as General Motors, nowhere near that, but it is a fairly decent-sized business. He was looking for me, so he was sent up to the committee, where I was and he listened to some of the testimony. When we walked out at the time of the recess, he shook his head and said, "Say, Clare, are they going to allow that? That would break us. Our sales force does not have an expense allowance like that." There you have it. Oh, I know how easy it is to build up a story. But let me tell you a little of my experiences—not about my operation, because I never had one, but about my experience on a trip for the Government. I went to Detroit on a hearing with one of our subcommittees. Do you know what happened? I got a room in the best hotel in Detroit, so reported to me, for $6.50. Then what happened? Someone—I will not state his political faith or whether he was or was not a member of the committee—someone said to me: "You cannot do that. Some of the members of our committee have rooms at $12 and $12.50. You have got to put in a bill that will compare with the rest of them."

It was not such a bad room. I have slept in worse places, in respectable homes and elsewhere. It was a small room, with a shower, a single bed—surely. Was not it all right? This was on Government business. I am not much for style nor for "putting on the dog" as some put it. It was the kind of a room I would use if I had been traveling on my own. Do you know what happened? Everybody on that committee was supposed to get a $12 room. Just to sleep in.

I do not think that is the way to do business for Uncle Sam. I do not believe these Federal employees are in such hard straits. If they were, they would not accept their jobs. It is like this postal-pay

bill. I voted for the increase. It seems to be an administration measure. A vote for the bill was a vote to prevent a greater increase in conference. I wanted to go along with the President if I could. I thought it was fair. So I voted for it. But do you know, in my district, every time there is a vacancy in a postal job, I have 4 or 5 applicants for the job. If I understand the situation correctly, people are waiting to get on the Federal payroll. That does not indicate to me that the jobs are no good, undesirable.

So why, when the Government is going into debt on the farm program at the rate of a million dollars a day—and there was another item that I read of another million-dollar-a-day deficit; I have forgotten what it is—and we are told in the papers that the national debt at the end of this year will jump $10 billion with an interest charge of—how much? Some of you mathematicians can figure it out quicker than I can—is there any reason why we should make these jobs pay more? Add another half-billion to the debt each year? It sure means more taxes. I cannot see it. I hope someday we will get around to the goal that the President has set. He was going to balance the budget, and he was going to reduce the national debt. And we were to have lower taxes. That promise of economy is the same promise that Franklin Delano Roosevelt made us in his first campaign. and we have all made it separately. And so far as I can recall—and if I am wrong I hope you will correct me—neither the executive department nor the Congress from that date to this has made any worthwhile effort to fulfill that promise.

And we are off on a wild, uncontrolled spending spree.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from California.

Mr. McDONOUGH. What maximum did you provide in this bill? The Bureau of the Budget is authorized to pay only actual expenses spent for the day and not the maximum, so that, after all, if the Bureau of the Budget is going to check these accounts for the actual amount spent, they are not going to get the maximum.

Mr. HOFFMAN of Michigan. Does the gentleman know where the Bureau of the Budget ever cut down a bill? Did the gentleman hear what the gentleman in charge of the bill said it was to include? I understood him to say laundry and dry cleaning, which is something that our own Disbursing Officer will not O. K. when we stick in a bill for expenses.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Illinois.

Mr. MASON. Of course, it is an invitation to stay at the $12 hotels or the $15 hotels because the maximum has been raised.

Mr. HOFFMAN of Michigan. There was one investigator that our own committee had. I said, "Look, George," and he was the son of a millionaire, too, but he told me, "I have got to get a job. I have only $33,000 left in the bank." Of course, if I had had $33,000 I would have retired, but he did not want to; he stayed on. He came in with a bill for me to O. K. He had $5—I almost fainted—$5 for breakfast. I said "George, for heaven's sake, what did you have?" He said, "It wasn't what I had, it was where I had it. I had it brought up to my room in the Blackstone Hotel in Chicago." "Why did you have breakfast in bed?" I said. He said, "I didn't feel like going down." I said, "You are through with this committee." And he is a nice fellow. It was just natural, you know, for him to have breakfast in bed, but some of the taxpayers who helped pay for the breakfast in bed were up long before breakfast trying to get their share of the tax dollars to the tax collector. There is no justice in forcing some workers to get up before daylight so some Federal employee can have breakfast in bed.

Mr. BUDGE. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Idaho.

Mr. BUDGE. Can the gentleman tell us the total average annual cost of Federal transportation for Federal employees?

Mr. HOFFMAN of Michigan. The gentleman was not listening when I started, because I asked the gentleman in charge of the bill, and I guess I am right about it, and he can correct me if I am not, for the total cost, and the answer was to the effect that there was no evidence before the committee as to, for example, the number of miles, the days traveled, the number of employees, so it is an impossibility to tell how many billions this measure will cost if it goes through. I will venture it does not cost the school children, the representatives of the 4–H, or the lobbyists who come down here for the CIO, the A. F. of L., or the farmers—I venture to say it does not cost them $13 a day for subsistance.

Mr. BUDGE. Mr. Speaker, will the gentleman yield further?

Mr. HOFFMAN of Michigan. How much time does the gentleman want? I want to yield some time to someone who wants to talk on the bill. We have plenty of time today even though we did not last Thursday.

Mr. BUDGE. I just want time enough to remark that I favor the gentleman's position on this legislation. Every appropriation I have seen, in the justifications for travel the expense item is a terrific amount of money. I rather think that perhaps raising the per diem will be an incentive for more travel. For that reason, I do not think you can even begin to compute what the total cost is to the Federal Government.

Mr. HOFFMAN of Michigan. I am sure we cannot. These expense bills are like snowballs going down hill. If anybody else wants to be yielded time, I will be glad to do it. There is no discussion under the 5-minute rule under this procedure.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Connecticut.

Mr. MORANO. The Bureau of Budget estimated that the additional cost to the Government due to the increase in the per diem from $9 to $13 would not exceed $30 million.

Mr. HOFFMAN of Michigan. Yes, but they did not have any estimate or any accurate information as to the number of people who are traveling, and they could not have, so they could not tell us how much the bill will come to—they give what they call an estimate. It is just one of those "Give us some more" things, that is all. No one knows or could even approximate accurately the cost. So if you want to go for it, that is your business, not mine.

I would like to do, as well as say, something that will help convince the people that a campaign promise is something more than campaign oratory.

Mr. FASCELL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, ever since I have been connected with the legislative process, I have always heard the hue and cry "Let's kill the legislation because of the abuses that might be possible." Well, I am going to be different from my very able and witty colleague, the gentleman from Michigan, and I am going to assume that people are honest until they are proven guilty. There is no denying it, and the evidence is complete in the report of the hearings, if you want to take the time to examine it, that inequities exist when you require Government employees to travel pursuant to their job and when you require civilians who are needed by the Government of the United States to testify at trials and when you require these special agents to go out on missions where they have to spend over and above the amount of money that is authorized; and where you call in highly specialized people to serve without compensation and you pay them their per diem. As far as the total cost of travel is concerned, of course, it cannot be computed on the basis per person because each person travels to a different place and expenses are at a different rate and therefore cost per person varies. You, therefore, have to take the total cost and average it out. And that is the reason the Bureau of the Budget estimated the total cost of this bill would not exceed $30 million. The total cost of travel including subsistence is $174 million, 50 percent of which is actually travel costs, and 50 percent is the cost of subsistence.

One other point, my able colleague, the gentleman from Michigan, is crying about the budget. I think his position is somewhat inconsistent as he himself points out, because he voted for the postal pay raise bill. He also voted for the bill, S. 67, just a moment ago, which appropriates $326 million, and now he says, "Oh, that is fine but this bill under consideration is going to make it impossible to balance the budget so, therefore, I am against it." He says this despite the fact that the Government requires employees to travel in the course of their employment and that the evidence before the committee was clear and substantial that the present rate of $9 is inadequate and inequitable. I submit that my distinguished colleague, whose remarks as so pointed and witty is attempting to reprimand the entire

Congress at the expense of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HOFFMAN of Michigan. Mr. Speaker, if nobody else wants to use the time, I will. Permit me to say to the speaker that we have recovered from our hurry of last Thursday when we were forced to get through with the bill so that we could have Friday, Saturday, and Sunday off. For the benefit of the Thursday to Tuesday club permit me to add I think it would be well to stay here and spend a little more time on this and other bills, then adjourn not later than July 4. I just do not appreciate the statement of my colleague on the committee that I do not have any confidence in human nature. I have lived longer than my colleague and I may be twice, or perhaps three times, as old as he is and the longer I live, the more honest people I find. The percentage of those who are honest and decent and loyal and patriotic, I find is going up all the time, but always—you know when the Lord was crucified there was one fellow there who just would not repent—do you remember that—well, now, there are still a few, and it is only human nature to try to get what you can, and these Government jobs are desirable, especially so under present conditions. It appears to me that once having secured a Federal job, you cannot be discharged for any reason—you just cannot be discharged.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mrs. CHURCH. I want to tell the gentleman first that I always appreciate his respect for the financial solvency of this country, and I am asking my question sincerely. Would the gentleman tell us in setting up his budget on the basis of $6.50 a night, how he would spend the remaining $2.50 of the presently allowed $9 per diem? Does that cover three meals and incidental expenses?

Mr. HOFFMAN of Michigan. Well, I just do not recall what I had for breakfast, but I will say to the gentlewoman that ordinarily it is one soft-boiled egg and a slice of toast. At noon, ordinarily, it is two doughnuts and a cup of coffee. In the evening, being on a diet, and not because of my figure or anything of that nature, but because I may have too much sugar in my blood, it is again two eggs and a slice of toast—and I seem to be as healthy as the average Member of the House. That is the way that is. Now everyone to his taste. Had I been born an aristocrat like my colleague with blue blood and all, I might not be able to get along on $6 or $9 a day, but I manage to get along. I hope St. Peter will forgive me for my sins and take me in where I will be permitted to enjoy the society of my betters.

All I am trying to do is to protect the aching back of some of the folks who just do not have very much and have to work very, very hard to meet the taxes we impose on them.

For example, down at the filling station, where I went night before last. He was a fine young man—a colored fellow—he had only six children and a wife. He said:

> Do you know, Mr. HOFFMAN, I am having trouble getting enough to eat for my family?

He said:

> They have not had a steak in I don't know how long. We get along on stews and soup bones.

He has to pay taxes too. I think he would like a Government job with $13 a day to spend for meals for himself. Then, of course, he would have relief for the family, and perhaps social security.

I apologize for opposing this bill. I do that because of the views of my distinguished colleague from Illinois.

Mr. MASON. Let us have a rollcall.

Mr. HOFFMAN of Michigan. Yes. The gentleman says we should vote, and I think we should.

Mr. FASCELL. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CHRISTOPHER].

Mr. CHRISTOPHER. Mr. Speaker, I enjoy listening to the gentleman from Michigan [Mr. HOFFMAN]. His talks are always very instructive, humorous, and to the point, but you know he is finally learning one thing, and he is not alone in accumulating that knowledge. The Republican Party is finding out that it takes money to run the Federal Government; that it is difficult to balance the budget, and that it is hard to reduce taxes.

Several gentlemen from his side of the aisle, when we had a Democratic administration, used to say that we Democrats just ran the Government into debt; spent money hand over fist, just because we wanted to.

But the present administration is learning that it takes a lot of money to run the Federal Government. And why should it not? It is the greatest business in the world. I am not finding fault with the Republican Party because they have spent a lot of money running this Government. I knew they would have to do it when they were elected. It was no surprise to me. We Democrats are willing for them to have it. So that if they do not do a good job they cannot say it is because the Democrats did not let them have enough money to do a good job. We shall go along.

Now, the gentleman from Michigan [Mr. HOFFMAN] referred to what the American farmer was costing the Federal Government. I would like to refer for a moment to what this administration is costing the American farmer. The latest figures of the Department of Agriculture are to the effect that the farmer's land and buildings are worth $2 billion less than they were 3 years ago. The value of his cattle is $4 billion less than it was 3 years ago. That means $6 billion. His hogs are worth $2 billion less than they were 3 years ago. That makes $8 billion. His poultry and his grain and his cotton and his dairy products are worth another $2 billion less than they were 3 years ago.

So, while the American farmer is costing the Federal Government a little money for storage of farm commodities that we will need if we ever get into war, and that the world needs now this present administration is costing the American farmer—has already cost him since the beginning of this administration—$10 billion; and I want to tell you I think they come pretty high. This administration is not worth it to me. If marketing quotas on wheat are voted down, and the Secretary of Agriculture is doing nothing to support the program, we will see wheat selling for less than $1 per bushel in 1956. But Mr. Benson says agriculture is leveling off; that we farmers should cheer up; farm prices will only sink another 5 to 10 percent again next year, and it is his intention to reduce the support level even lower.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The question is on the motion of the gentleman from Florida that the rules be suspended and that the bill be passed.

The question was taken and the Speaker announced that in the opinion of the Chair two-thirds had voted in the affirmative.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present and object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 320, nays 41, not voting 73, as follows:

[Roll No. 90]

YEAS—320

Abbitt	Byrd	Feighan
Abernethy	Byrne, Pa.	Fenton
Adair	Byrnes, Wis.	Fernandez
Addonizio	Cannon	Fine
Albert	Carlyle	Fino
Allen, Calif.	Carnahan	Fisher
Allen, Ill.	Cederberg	Fjare
Andersen, H. Carl	Celler	Flood
	Chase	Fogarty
Andrews	Chelf	Forand
Anfuso	Chenoweth	Ford
Arends	Chiperfield	Forrester
Ashley	Christopher	Fountain
Ashmore	Chudoff	Frazier
Aspinall	Church	Frelinghuysen
Auchincloss	Clark	Friedel
Avery	Cole	Fulton
Ayres	Cooper	Gary
Baker	Corbett	Gathings
Baldwin	Coudert	Gavin
Bass, Tenn.	Cramer	Gordon
Bates	Crumpacker	Granahan
Baumhart	Cunningham	Grant
Beamer	Curtis, Mass.	Gray
Becker	Dague	Green, Oreg.
Bennett, Fla.	Davidson	Gregory
Bennett, Mich.	Davis, Ga.	Griffiths
Bentley	Davis, Wis.	Gwinn
Betts	Dawson, Utah	Hagen
Blatnik	Deane	Hale
Blitch	Delaney	Haley
Boggs	Denton	Halleck
Boland	Derounian	Harden
Bolling	Devereux	Hardy
Bolton, Frances P.	Dies	Harris
	Dixon	Harrison, Nebr.
Bonner	Dollinger	Harrison, Va.
Bosch	Dolliver	Harvey
Bowler	Dondero	Hays, Ark.
Boykin	Donohue	Hays, Ohio
Boyle	Donovan	Henderson
Bray	Dorn, N. Y.	Hill
Brooks, La.	Dowdy	Hillings
Brooks, Tex.	Doyle	Hoeven
Brown, Ga.	Edmondson	Holifield
Brown, Ohio	Elliott	Holmes
Buchanan	Ellsworth	Holt
Burdick	Engle	Holtzman
Burleson	Evins	Hope
Burnside	Fascell	Horan

Huddleston	Morano	Schwengel
Hull	Morgan	Scott
Hyde	Moss	Seely-Brown
Ikard	Moulder	Selden
Jarman	Multer	Sheehan
Jenkins	Murray, Ill.	Sheppard
Jennings	Natcher	Short
Johnson, Calif.	Nelson	Shuford
Johnson, Wis.	Nicholson	Sieminski
Jonas	Norblad	Sikes
Jones, Ala.	O'Brien, Ill	Simpson, Ill.
Jones, Mo.	O'Brien, N. Y.	Simpson, Pa.
Judd	O'Hara, Ill.	Sisk
Karsten	O'Hara, Minn.	Smith, Miss.
Kean	O'Neill	Spence
Keating	Ostertag	Springer
Kee	Passman	Staggers
Kelley, Pa.	Patman	Steed
Keogh	Patterson	Sullivan
Kilday	Pelly	Talle
Kilgore	Perkins	Teague, Calif.
King, Calif.	Pfost	Teague, Tex.
Kirwan	Philbin	Thomas
Klein	Phillips	Thompson, La.
Kluczynski	Pilcher	Thompson, Mich.
Knutson	Pillion	Thompson, N. J.
Laird	Poage	Thompson, Tex.
Landrum	Powell	Thomson, Wyo.
Lane	Preston	Thornberry
Lanham	Price	Trimble
Lankford	Priest	Tuck
Latham	Quigley	Tumulty
Lesinski	Rabaut	Utt
Lipscomb	Radwan	Vanik
Long	Rains	Van Pelt
Lovre	Ray	Van Zandt
McCarthy	Reed, Ill.	Vinson
McConnell	Rees, Kans.	Vorys
McCormack	Reuss	Watts
McDonough	Rhodes, Pa.	Westland
McIntire	Richards	Whitten
McMillan	Riehlman	Wickersham
Macdonald	Riley	Widnall
Machrowicz	Rivers	Wigglesworth
Mack, Ill.	Roberts	Williams, N. J.
Mack, Wash.	Robeson, Va.	Willis
Madden	Robsion, Ky.	Wilson, Calif.
Magnuson	Rodino	Wilson, Ind.
Mahon	Rogers, Colo.	Winstead
Martin	Rogers, Fla.	Withrow
Matthews	Rogers, Mass.	Wolverton
Merrow	Rogers, Tex.	Wright
Metcalf	Rooney	Yates
Miller, Md.	Rutherford	Young
Miller, N. Y.	St. George	Zablocki
Mills	Saylor	Zelenko
Minshall	Schenck	
Mollohan	Scherer	

NAYS—41

Alexander	Gross	Miller, Nebr.
Andresen, August H.	Hayworth	Murray, Tenn.
Berry	Hoffman, Mich.	Norrell
Bow	Jensen	O'Konski
Budge	Johansen	Poff
Bush	Jones, N. C.	Rhodes, Ariz.
Clevenger	Kilburn	Scrivner
Colmer	King, Pa.	Siler
Coon	Knox	Smith, Kans.
Dorn, S. C.	Krueger	Taber
Flynt	LeCompte	Vursell
Gentry	McCulloch	Weaver
George	Marshall	Williams, Miss.
	Mason	Williams, N. Y.

NOT VOTING—73

Alger	Eberharter	Miller, Calif.
Bailey	Fallon	Morrison
Barden	Gamble	Mumma
Barrett	Garmatz	Osmers
Bass, N. H.	Green, Pa.	Polk
Belcher	Gubser	Prouty
Bell	Hand	Reece, Tenn.
Bolton, Oliver P.	Hébert	Reed, N. Y.
	Herlong	Roosevelt
Brownson	Heselton	Sadlak
Broyhill	Hess	Scudder
Buckley	Hiestand	Shelley
Canfield	Hinshaw	Smith, Va.
Carrigg	Hoffman, Ill.	Smith, Wis.
Chatham	Hosmer	Taylor
Cooley	Jackson	Tollefson
Cretella	James	Udall
Curtis, Mo.	Kearney	Velde
Davis, Tenn.	Kearns	Wainwright
Dawson, Ill.	Kelly, N. Y.	Walter
Dempsey	McDowell	Wharton
Diggs	McGregor	Wier
Dingell	McVey	Wolcott
Dodd	Mailliard	Younger
Durham	Meader	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Sadlak.
Mr. Roosevelt with Mr. Wolcott.
Mr. Wier with Mr. Kearns.
Mr. Eberharter with Mr. Hand.
Mr. Dodd with Mr. Scudder.
Mr. Dingell with Mr. Bass of New Hampshire.
Mr. Morrison with Mr. Gamble.
Mr. Miller of California with Mr. Canfield.
Mr. Dempsey with Mr. McGregor.
Mrs. Kelly of New York with Mr. McVey.
Mr. Buckley with Mr. Prouty.
Mr. Polk with Mr. Reece of Tennessee.
Mr. Chatham with Mr. James.
Mr. Cooley with Mr. Hosmers.
Mr. Smith of Virginia with Mr. Hess.
Mr. Davis of Tennessee with Mr. Heselton.
Mr. Udall with Mr. Carrigg.
Mr. Bailey with Mr. Broyhill.
Mr. McDowell with Mr. Mailliard.
Mr. Herlong with Mr. Taylor.
Mr. Green of Pennsylvania with Mr. Wharton.
Mr. Shelley with Mr. Wainwright.
Mr. Walter with Mr. Tollefson.
Mr. Garmatz with Mr. Gubser.
Mr. Dawson of Illinois with Mr. Cretella.
Mr. Diggs with Mr. Hoffman of Illinois.
Mr. Barrett with Mr. Hiestand.
Mr. Barden with Mr. Younger.
Mr. Bell with Mr. Jackson.
Mr. Durham with Mr. Osmers.
Mr. Fallon with Mr. Brownson.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

HOUSING INVESTIGATION

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 204) to provide funds for the expenses of the studies, investigations, and inquiries authorized by House Resolution 203, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies, investigations, and inquiries authorized by House Resolution 203, 84th Congress, incurred by the Committee on Banking and Currency, acting as a whole or by subcommittee, not to exceed $75,000, including expenditures for employment, travel, and subsistence of accountants, experts, investigators, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House, on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee, or subcommittee, and approved by the Committee on House Administration.

With the following committee amendment:

Like 10, strike out "or subcommittee."

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. LECOMPTE. This resolution is to implement House Resolution 203, which was approved by the House, and which provides for an investigation of the housing problems; is that not true?

Mr. BURLESON. That is true.

Mr. LECOMPTE. And we believe the gentleman from Alabama [Mr. RAINS], who sponsored it, will have charge of the investigations?

Mr. BURLESON. That is my understanding.

Mr. LECOMPTE. He has furnished a budget of his planned investigations?

Mr. BURLESON. His budget was submitted to the committee and approved by the committee.

Mr. LECOMPTE. I thank the gentleman.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the resolution.

The resolution was agreed to; and a motion to reconsider was laid on the table.

DEDICATING LEE MANSION AS A PERMANENT MEMORIAL TO ROBERT E. LEE.

Mr. BURLESON. I ask unanimous consent for the present consideration of the concurrent resolution (S. Con. Res. 41) to authorize the enrollment with certain changes of Senate Joint Resolution 62, dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the joint resolution (S. J. Res. 62) dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee, to make the following changes, namely: On page 2, line No. 1, of the engrossed joint resolution, strike out the word *"Resolved"* and in lieu thereof insert *"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled"*; on page 2, line 8, strike out "; and be it further" and insert a period; on page 2, line 9, strike out *"Resolved,"* and insert "SEC. 2."; on page 3, line 2, strike out "; and be it further" and insert a period; and on line 1 of the House engrossed amendment strike out *"Resolved,"* and insert "SEC. 3.".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. KEATING. Mr. Speaker, reserving the right to object, would the gentleman inform us what the change by the other body was?

Mr. BURLESON. Actually, this is a correction rather than an amendment. Originally, in the resolving clause, the Senate resolution simply used the word "Resolved" and in the pending resolution the words "Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled" is substituted, thus, making it a concurrent resolution. The language is simply corrective rather than an amendment.

Mr. KEATING. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was concurred in.

A motion to reconsider was laid on the table.

THE LATE HONORABLE JAMES M. HAZLETT

Mr. BURLESON. Mr. Speaker, I ask unanimous consent that the resolution (H. Res. 269) authorizing payment of salary due to James M. Hazlett, deceased, be referred to the Committee on the Judiciary.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

JOINT COMMITTEE ON ATOMIC ENERGY

Mr. PRICE. Mr. Speaker, by direction of the Joint Committee on Atomic Energy, I submit a committee report, and I ask unanimous consent to insert in the body of the RECORD after the legislative proceedings of today the unclassified portions of the text of the agreements for cooperation published in the RECORD.

I also ask in this connection to extend and revise my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, from time to time the Joint Committee on Atomic Energy has published in the RECORD the text of the agreements for cooperation which the Atomic Energy Act of 1954 require to come before that committee. On Wednesday June 15, the Atomic Energy Commission deposited with the joint committee its proposed Agreements for Cooperation with the United Kingdom, with Canada, and with Belgium, relating to the use of atomic energy for peaceful purposes.

On June 15, the Department of Defense also deposited with the Joint Committee on Atomic Energy its proposed Agreements for Cooperation with the United Kingdom and with Canada relating to mutual defense plans.

Hearings on all of these agreements are scheduled for the immediate future before the Joint Committee on Atomic Energy and the joint committee will give very careful consideration to these agreements.

Today I would like to ask unanimous consent to have the unclassified portions of the text of these agreements for cooperation published in the RECORD.

The Joint Committee on Atomic Energy through its Subcommittee on Agreements for Cooperation has held hearings on the proposed Agreements for Cooperation with Turkey, Brazil and Colombia. Under these agreements the United States proposes to cooperate with each country in the erection of a research reactor in the other country. A report of the joint committee on these three agreements for cooperation has been made. The joint committee finds that these three Agreements for Cooperation with Turkey, with Brazil, and with Colombia are in conformance with the spirit and letter of the Atomic Energy Act of 1954.

I herewith submit the report:

AGREEMENT FOR COOPERATION CONCERNING CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA

The Government of the United States of America, represented by the United States Atomic Energy Commission (hereinafter referred to as the "Commission"), and the Government of Canada, through its wholly-owned Corporations, Eldorado Mining and Refining Limited and Atomic Energy of Canada Limited, have for several years been engaged in atomic energy programs within their respective countries and from the inception of these programs have collaborated closely in certain areas. The principal objective of Canada's atomic energy program is the civil use of atomic energy and, in particular, the use of atomic energy as a source of electric energy. The objective of the atomic energy program in the United States is twofold: (1) the use of atomic energy for peaceful purposes, and (2) the use of atomic energy for defense purposes. There exists a unique tradition of cooperation between Canada and the United States. Based on similar national interests, this cooperation produces special industrial and economic inter-relationships. Consequently, progress in each country toward the full benefits of the peaceful uses of atomic energy will be accelerated through an arrangement which is consistent with the cooperation existing in other areas. Accordingly, the Government of the United States of America and the Government of Canada, the parties to this Agreement, agree, as provided herein, to assist each other in the achievement of the objectives of their respective atomic energy programs to the extent such assistance is relevant to current or projected programs and subject to applicable laws of the respective governments and the availability of material and personnel. While for the present and for the foreseeable future priority of materials and personnel must be given to defense needs, an increasing number of opportunities exist for the development of the peaceful applications of atomic energy. It is expressly understood that the design, fabrication, disposition, or utilization of atomic weapons are outside the scope of this Agreement.

ARTICLE I—PERIOD OF AGREEMENT

This Agreement shall enter into force on the date of receipt by the Government of Canada of a notification from the Government of the United States of America that the peroid of thirty days required by Section 123c of the United States Atomic Energy Act of 1954 has elapsed, and it shall remain in force through July 31, 1965.

ARTICLE II—EXCHANGE OF INFORMATION

Classified and unclassified information will be exchanged between the Commission and the appropriate agencies of the Government of Canada with respect to the application of of atomic energy to peaceful uses, including research and development relating thereto, and including problems of health and safety. There are set forth in this Article the specific fields in which classified information will be exchanged. The exchange of information provided for in this Article will be accomplished through the various means available, including reports, conferences, and visits to facilities.

A. Limitations

Of the information which is classified, only that relevant to current or projected programs will be exchanged. The parties to the Agreement will not exchange Restricted Data under this Agreement which, in the opinion of either country, is primarily of military significance, or exchange Restricted Data relating to the design or fabrication of atomic weapons. Within the subject matter of this Agreement, the parties may come into possession of privately developed and privately owned information and information received from other governments which the parties are not permitted to exchange.

It is mutually understood and agreed that, except as limitations are stated to apply specifically to one party or the other, any limitations to cooperation imposed pursuant to this Agreement shall be reciprocal.

B. Reactors

(1) Information on the development, design, construction, operation and use of research, production, experimental power, demonstration power, and power reactors, except as provided in Paragraph A and (2) and (3) of this paragraph.

(2) The development of submarine, ship, aircraft, and certain package power reactors is presently concerned primarily with their military uses. Accordingly, it is agreed that the parties to this Agreement will not communicate to each other under this agreement Restricted Data pertaining primarily to such reactors, until such time as these types of reactors warrant civil application, and as the exchange of information on these types of reactors may be mutually agreed. Restricted Data pertaining to the adaptation of these types of reactors to military use, however, will not be exchanged under this Agreement. Likewise, the parties to the Agreement will not exchange under this Agreement Restricted Data pertaining primarily to any future reactor-types the development of which may be concerned primarily with their military use, until such time as these types of reactors warrant civil application and as exchange of information on thees types of reactors may be mutually agreed; and Restricted Data pertaining to the adaptation of these types of reactors to military use will not be exchanged under this Agreement. Nevertheless, information pertaining to military nuclear power plants in furtherance of the joint Canada-United States defense effort in the development of an early-warning radar network may be exchanged.

(3) It is agreed that neither of the parties to this Agreement will exchange Restricted Data on any specific production, experimental power, demonstration power, and power reactor, unless that type of reactor is being operated currently by the other party, or is being considered seriously for construction by the other party as a source of power or as an intermediate step in a power production program. There will, however, be exchanged such general information on design and characteristics of various types of reactors as is required to permit evaluation and comparison of their potential use in a power production program.

C. Source materials

Geology, exploration techniques, chemistry and technology of extracting uranium and thorium from their ores and concentrates, the chemistry, production technology, and techniques of purification and fabrication of uranium and thorium compounds and metals, including design, construction and operation of plants, except as provided in Paragraph A.

D. Materials

(1) Physical, chemical and nuclear properties of all elements, compounds, alloys, mixtures, special nuclear materials, by-product material, other radioisotopes, and stable isotopes and their behavior under various conditions, except as provided in Paragraph A.

(2) Technology of production and utilization, from laboratory experimentation and theory of production up to pilot plant operations (but not including design and operation of pilot plants and full scale plants, except as may be agreed), of all elements, compounds, alloys, mixtures, special nuclear material, by-product material, other radioisotopes, and stable isotopes, relevant to and subject to the limitations of Paragraphs B,

E, and F of this Article, except as provided in Paragraph A and (a), (b), (c) and (d) of this subparagraph.

(a) The Commission will not communicate Restricted Data pertaining to design, construction and operation of production plants for the separation of U–235 from other uranium isotopes. The Commission, however, will supply the Government of Canada with uranium enriched in U–235 as provided in Articles III A and Article VI.

(b) The Commission will not communicate Restricted Data on the design, construction and operation of specific production plants for the separation of deuterium from the other isotopes of hydrogen until such time as the Government of Canada shall determine that the construction of such plants is required. The Commission will, however, supply the Government of Canada with heavy water as provided in Article III A and Article VI.

(c) No Restricted Data will be exchanged pertaining to the design, construction and operation of production plants for the separation of isotopes of any other element, except as may be agreed.

(d) No Restricted Data will be exchanged pertaining to the underlying principles, theory, design, construction and operation of facilities, other than reactors, capable of producing significant quantities of isotopes by means of nuclear reactions, except as may be agreed.

E. Health and safety

The entire field of health and safety as related to this Article. In addition, those problems of health and safety which affect the individual, his environment, and the civilian population as a whole and which arise from nuclear explosion (excluding such tests data as would permit the determination of the yield of any specific weapon or nuclear device and excluding any information relating to the design or fabrication of any weapon or nuclear device), and except as provided in Paragraph A.

F. Instruments, instrumentation and devices

Development, design, manufacture, and use of equipment and devices of use in connection with the subjects of agreed exchange of information provided in this Article, except as provided in Paragraph A.

ARTICLE III—RESEARCH MATERIALS AND RESEARCH FACILITIES

A. Research materials

Materials of interest in connection with the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, including source materials, special nuclear material, byproducts material, other radioisotopes, and stable isotopes, will be exchanged for research purposes in such quantities and under such terms and conditions as may be agreed, except as provided in Article VII, when such materials are not available commercially. These materials for non-research purposes may be supplied by one party of this Agreement to the other as provided in Article VI.

B. Research facilities

Under such terms and conditions as may be agreed, and to the extent as may be agreed, specialized research facilities and reactor testing facilities will be made available for mutual use consistent with the limits of space, facilities and personnel conveniently available, except that it is understood that the Commission will not be able to permit access by Canadian personnel to facilities which, in the opinion of the Commission, are primarily of military significance.

ARTICLE IV—TRANSFER OF EQUIPMENT AND DEVICES

With respect to the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, equipment and devices may be transferred from one party to the other to the extent and under such terms and conditions as may be agreed, except as provided in Article VII. It is recognized that such transfers will be subject to limitations which may arise from shortages of supplies or other circumstances existing at the time.

ARTICLE V—OTHER ARRANGEMENTS FOR MATERIALS, INCLUDING EQUIPMENT AND DEVICES AND SERVICES

It is contemplated that, as provided in this Article, private individuals and private organizations in either the United States or Canada may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, persons under the jurisdiction of either the Government of the United States of America or the Government of Canada will be permitted to make arrangements to transfer and export materials, including equipment and devices, to and perform services for the other government and such persons under the jurisdiction of the other government as are authorized by the other government to receive and possess such materials and utilize such services, subject to:

(a) The limitation in Article VII:

(b) Applicable laws, regulations and license requirements of the Government of the United States of America and the Government of Canada.

(c) The approval of the government to which the person is subject when the materials or services are classified or when the furnishing of such materials and services requires the communication of classified information.

ARTICLE VI—NONRESEARCH QUANTITIES OF MATERIALS

A. The Commission will sell to Atomic Energy of Canada Limited, a wholly-owned corporation of the Government of Canada, under such terms and conditions as may be agreed, such quantities of uranium enriched in the isotope U–235 as may be required in the power reactor program in Canada during this period, subject to any limitations in connection with the quantities of such material available for such distribution by the Commission during any year, and subject to the limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of the Atomic Energy of Canada Limited by reason of transfer under this agreement shall not, in the opinion of the Commission, be of military significance. It is agreed that the uranium enriched in the isotope U–235 which the Commission will sell to Atomic Energy of Canada Limited, under this article will be limited to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. It is understood and agreed that, although Atomic Energy of Canada Limited intends to distribute uranium enriched in the isotope U–235 to authorized users in Canada, Atomic Energy of Canada Limited will retain title to any uranium enriched in the isotope U–235 which is purchased from the Commission until such time as private users in the United States are permitted to acquire title to uranium enriched in the isotope U–235.

The Government of Canada, or its appropriate agent, will give to the Commission a first refusal of any special nuclear materials which the Government of Canada may desire to transfer outside of Canada, where such special nuclear materials have been produced from the irradiation of fuel elements enriched with U–235 purchased from the Commission under the terms of this agreement.

In addition, any special nuclear material transferred by Atomic Energy of Canada Limited to the United States may be retransferred to Canada on such terms and conditions as may be agreed.

B. The Commission will continue the present understanding with Atomic Energy of Canada Limited, a wholly-owned corporation of the Government of Canada, covering the sale of uranium of normal isotopic composition for use in the NRX and NRU reactors.

The Commission will also sell to Atomic Energy of Canada Limited such quantities of uranium of normal isotopic composition, and to the extent practical in such form, as may be required for the power reactor program in Canada and under such terms and conditions as may be agreed, subject to the availability of supply and the needs of the United States program.

C. The Commission will continue the present understanding with Atomic Energy of Canada Limited, a wholly-owned corporation of the Government of Canada, covering the sale of heavy water for use in the NRX and NRU reactors. The Commission will also sell to Atomic Energy of Canada Limited, under such terms and conditions as may be agreed, such quantities of heavy water as may be required in the power reactor program in Canada, subject to the availability of supply and the needs of the United States program.

D. It is understood and agreed that the existing contract between the Commission and Atomic Energy of Canada Limited relating to the sale of plutonium, and extensions thereof, will continue in full force and effect.

E. Collaboration between the two countries in the field of raw material has resulted in the development of substantial uranium production in Canada which has been made available to the United States under arrangements and contracts now in effect. These arrangements and contracts shall remain in full force and effect except as modified or revised by mutual agreement.

F. As may be necessary and as mutually agreed in connection with the subjects of agreed exchange of information as provided in Article II, and under the limitations set forth therein, specific arrangements may be made from time to time between the parties for lease or sale and purchase of non-research quantities of other materials under such terms and conditions as may be mutually agreed, except as provided in Article VII.

ARTICLE VII—MATERIALS AND FACILITIES PRIMARILY OF MILITARY SIGNIFICANCE

The Commission will not transfer any materials under Article III A or Article VI F and will not transfer or permit the export of any materials or equipment and devices under Article IV and Article V if such materials or equipment and devices are in the opinion of the Commission primarily of military significance.

ARTICLE VIII—CLASSIFICATION POLICIES

The Governments of the United States of America and Canada agree that mutually agreed classification policies shall be maintained with respect to all information and materials, including equipment and devices, exchanged under this Agreement. In addition, the parties intend to continue the present practice of periodic consultation with each other on the classification of atomic-energy information.

ARTICLE IX—PATENTS

A. With respect to any invention or discovery employing information which has been communicated hereunder and made or conceived thereafter during the period of this Agreement, and in which invention or discovery rights are owned by the Government of the United States or by the Government

of Canada or an agency or corporation owned or controlled by either, each party:

(1) Agrees to transfer and assign to the other all right, title, and interest in and to any such invention, discovery, patent application or patent in the country of the other, to the extent owned, subject to a royalty-free, non-exclusive, irrevocable license for its own governmental purposes and for purposes of mutual defense.

(2) Shall retain all right, title, and interest in and to any such invention, discovery, patent application or patent in its own or third countries but will, upon request of the other party, grant to the other party a royalty-free, non-exclusive, irrevocable license for its own governmental purposes in such countries including use in the production of materials in such countries for sale to the other party by a contractor of such other party. Each party may deal with any such invention, discovery, patent application or patent in its own country and all countries other than that of the other party as it may desire, but in no event shall either party discriminate against citizens of the other country in respect of granting any license under the patents owned by it in its own or any other country.

(3) Waives any and all claims against the other party for compensation, royalty or award as respects any such invention or discovery, patent application or patent and releases the other party with respect to any such claim.

B. (1) No patent application with respect to any classified invention or discovery made or conceived during the period of this Agreement in connection with subject matter communicated hereunder may be filed by either party except in accordance with mutually agreed upon conditions and procedure.

(2) No patent application with respect to any such classified invention or discovery may be filed in any country not a party to this Agreement except as may be mutually agreed and subject to Article X.

(3) Appropriate secrecy or prohibition orders will be issued for the purpose of effectuating this provision.

ARTICLE X—SECURITY

A. The Governments of the United States of America and Canada have adopted similar security safeguards and standards in connection with their respective atomic energy programs. The two governments agree that all classified information and material, including equipment and devices, within the scope of this Agreement, will be safeguarded in accordance with the security safeguards and standards prescribed by the security arrangements between the Commission and the Atomic Energy Control Board of Canada in effect on June 15, 1955.

B. It is agreed that the recipient party of any material, including equipment and devices, and of any classified information under this Agreement, shall not further disseminate such information, or transfer such material, including equipment and devices, to any other country without the written consent of the originating country. It is further agreed that neither party to this Agreement will transfer to any other country any equipment or device, the transfer of which would involve the disclosure of any classified information received from the other party, without the written consent of such other party.

ARTICLE XI—GUARANTIES PRESCRIBED BY THE UNITED STATES ATOMIC ENERGY ACT OF 1954

The Government of Canada guarantees that:

A. The security safeguards and standards prescribed by the security arrangements between the Commission and the Atomic Energy Control Board of Canada in effect on June 15, 1955 will be maintained with respect to all classified information and materials, including equipment and devices, exchanged under this Agreement.

B. No material, including equipment and devices, transferred to the Government of Canada or authorized persons under its jurisdiction by purchase or otherwise pursuant to this Agreement will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose.

C. No material, including equipment and devices, or any Restricted Data transferred to the Government of Canada or authorized persons under its jurisdiction pursuant to this Agreement will be transferred to unauthorized persons or beyond the jurisdiction of the Government of Canada, except as the Commission may agree to such a transfer to another nation, and then only if the transfer of the material or Restricted Data is within the scope of an Agreement for Cooperation between the United States and the other nation.

ARTICLE XII—GUARANTIES BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA

The Government of the United States of America guarantees that:

A. The security safeguards and standards prescribed by the security arrangements between the Commission and the Atomic Energy Control Board of Canada in effect on June 15, 1955 will be maintained with respect to all classified information and materials, including equipment and devices, exchanged under this Agreement.

B. No material, including equipment and devices, or any Restricted Data transferred to the Government of the United States or authorized persons under its jurisdiction pursuant to this Agreement, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the United States of America, except as the Government of Canada may agree to such a transfer to another nation.

ARTICLE XIII—STATEMENT CONCERNING CONSTRUCTION OF ARTICLE II A AND B (2) AND ARTICLE XI B

Article II A and B (2) and Article XI B shall not be construed to prevent the Government of Canada from selling materials produced in its reactors to the Government of the United States for defense use or from making available, to the extent the Government of Canada may agree to do so, its reactor testing facilities for use by the Government of the United States in connection with the defense aspects of atomic energy.

ARTICLE XIV—DEFINITIONS

For purposes of this Agreement:

A. "Classified" means a security designation of "Confidential" or higher applied under the laws and regulations of either Canada or the United States to any data, information, materials, services or any other matter, and includes "Restricted Data."

B. "Equipment and devices" means any instrument, apparatus or facility, and includes production facilities and utilization facilities and component parts thereof.

C. "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation, but does not include the parties of this Agreement.

D. "Pilot Plant" means a device operated to acquire specific data for the design of a full-scale plant and which utilizes the process, or a portion thereof, and the type of equipment which would be used in a full-scale production plant.

E. "Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium or thorium, or any combination of uranium, plutonium, or thorium.

F. The terms "production facilities," "utilization facilities," "source materials," "special nuclear materials," "by-product material," "Restricted Data," and "atomic weapon" are used in this Agreement as defined in the United States Atomic Energy Act of 1954.

In witness whereof, the parties hereto have caused this Agreement to be executed pursuant to duly constituted authority.

Done at Washington in duplicate this 15th day of June, 1955.

For the Government of the United States of America:

ROBERT MURPHY.
LEWIS L. STRAUSS.

For the Government of Canada:

A. D. P. HEENEY.
W. J. BENNETT.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 14, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached "Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of Canada," and authorize its execution by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

As you know, Canada and the United States were active partners in the wartime undertaking that resulted in the first release of atomic energy by man, and during World War II the collaboration between the two countries was close and invaluable. Since then, however, and until the passage of the Atomic Energy Act of 1954, United States participation in a cooperative effort to advance the peaceful uses of atomic energy was severely limited by law. Canada, on the other hand, in continuing to pursue an active atomic energy program for peaceful purposes has closely cooperated with the United States in certain important areas and in a way which has made a valuable contribution to our common defense and security.

Beyond the field of atomic energy, there exists, as the proposed agreement recites, a unique tradition of friendship and cooperation between Canada and the United States. Based on similar national interests and ideals, this tradition has produced special industrial, economic, and cultural relationships which have contributed to our common security and well-being. As you stated in your address to the House of Commons at Ottawa in November 1953, the sense of partnership that for generations has been the hallmark of the relations between Canada and the United States has made each country "a better and stronger and more influential nation because each can rely upon every resource of the other in days of crisis. Beyond this, each can work and grow and prosper with the other through years of quiet peace." The proposed document represents an important step toward achieving in the field of the peaceful uses of atomic energy that sense of partnership which prevails in the other areas of our relationship with Canada, and will materially assist both the United States and Canada in the achievement of the objectives of their respective atomic energy programs.

The agreement calls for an exchange of classified and unclassified information relating to the application of atomic energy to peaceful uses, for an exchange of research materials not available commercially, for the use of research and testing facilities, and for the transfer of equipment and devices. However, of the information which is classified, only that relevant to current or projected programs will be exchanged; and the

parties to the agreement will not exchange restricted data under the agreement which, in the opinion of either country, is primarily of military significance or which relates to the design or fabrication of atomic weapons. Further, it is provided that the Commission will not transfer materials or equipment and devices which in its opinion are primarily of military significance, nor will it grant access to research and testing facilities which are primarily of military significance.

It is provided in the proposed agreement that the Commission will sell to Atomic Energy of Canada Limited (a wholly owned corporation of the Government of Canada) such quantities of uranium enriched in the isotope U–235 as may be required in the power reactor program in Canada during the period of the agreement, subject to the availability of this material for such distribution and to the limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of Atomic Energy of Canada Limited by reason of transfer under the agreement shall not be of military significance, as determined by the Commission. Enriched uranium to be sold under the agreement will be limited to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. The Government of Canada, on its part, will give to the Commission a first refusal of any special nuclear materials which it may desire to transfer outside of Canada, where such materials have been produced from the irradiation of fuel elements enriched with U–235 purchased from the Commission. The agreement also provides for continued collaboration between the two countries in the field of raw materials which already has resulted in the development of substantial uranium production in Canada which has been made available to the United States. Under the agreement, it will also be possible for the Commission to continue its use of Canadian reactors for special and unique irradiations of value in the Commission's weapons program. A still further benefit to the United States under the agreement will result from the strengthening of our domestic economy through the authorization granted United States industry to enter into commercial arrangements in the atomic-energy field with the Government of Canada and its authorized nationals.

It is the opinion of the Commission that the proposed agreement is an important and desirable step in advancing the development of the peaceful uses of atomic energy both in the United States and in Canada, in accordance with the policy which you have established. It is the further opinion of the Commission that the cooperative effort which the proposed agreement will permit will further solidify the friendship we now enjoy and go far in assuring the continuance of peace and freedom in our countries.

Respectfully yours,

LEWIS L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of June 15, 1955, the Atomic Energy Commission recommended that I approve a proposed agreement for cooperation concerning the civil uses of atomic energy between the Government of Canada and the Government of the United States of America.

The Commission's letter of recommendation refers to the history of collaboration in the field of atomic energy between Canada and the United States, and points out that, while United States participation in a cooperative effort to advance the peaceful uses of atomic energy was, until the passage of the Atomic Energy Act of 1954, severely limited by law, Canada has continued to cooperate closely with the United States in certain important areas and in a way which has contributed to our common defense and security. The Commission's letter also points out, and the proposed agreement so recites, that there exists in other areas a unique tradition of friendship and cooperation between Canada and the United States which has contributed to the security and well-being of both countries.

I have examined the agreement recommended. I share wholeheartedly in the belief of the Commission that the proposed document represents an important step to achieving in the field of the peaceful uses of atomic energy that sense of partnership which prevails in the other areas of our relationships with Canada, and will materially assist both the United States and Canada in the achievement of the objectives of their respective atomic energy programs, thus solidifying further the friendship we now enjoy and contributing to the preservation of peace and freedom in other countries.

The proposed agreement calls for an exchange of classified and unclassified information relating to the application of atomic energy to peaceful uses, for an exchange of research materials not available commercially, for the use of research and testing facilities and for the transfer of equipment and devices. It is also provided that the Commission will sell special nuclear material to Atomic Energy Limited of Canada in such quantities as may be required in the Canadian power reactor program during the term of the agreement.

However, the parties to the agreement will not exchange restricted data under the agreement which, in the opinion of either country, is primarily of military significance or which relates to the design or fabrication of atomic weapons. Nor will the Commission transfer materials or equipment and devices which in its opinion are primarily of military significance, or grant access to research and testing facilities which are primarily of military significance. With respect to the sale of special nuclear material, it is noted that such sale is subject to the limitation that the quantity of this material which would be transferred to Canada shall not be of military significance, as determined by the Commission.

By reason of the state of the art in Canada, the United States will gain materially from the mutual exchange of information and the mutual use of facilities. Further benefits to this country under the agreement will be realized from the first refusal given by Canada to the United States with respect to special nuclear material produced in Canada from the irradiation of fuel elements enriched with U–235 purchased from the Commission, from continued collaboration in the important field of raw materials, from the continued use of Canadian reactors for special irradiations of value in the Commission's weapons program, and from the general strengthening of our domestic economy which will result from the development of commercial activities between the two countries and their nationals in the field of atomic energy.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby—

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of Canada concerning the civil uses of atomic energy.

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States, and

(3) Authorize the execution of the proposed agreement for cooperation for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT EISENHOWER.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy,
Congress of the United States.

DEAR SENATOR ANDERSON: Pursuant to section 123 (c) of the Atomic Energy Act of 1954 there is submitted with this letter:

(1) A proposed agreement for cooperation with the Government of Canada;

(2) A letter dated June 14, 1955, from the Commission to the President recommending his approval of the proposed agreement;

(3) A letter dated June 15, 1955, from the President to the Commission approving the proposed agreement, authorizing its execution, and containing his determination that the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security.

This proposed agreement for cooperation calls for the exchange of classified and unclassified information and material, including restricted data, and is more extensive in scope than the unclassified research agreements which previously have been submitted to this session of the Congress.

The arrangement contained in the proposed agreement results from the special relationship which exists between Canada and the United States in the atomic energy field.

Sincerely yours,

LEWIS L. STRAUSS,
Chairman.

AGREEMENT FOR COOPERATION CONCERNING THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF BELGIUM

Beginning with discussions in 1940 the Government of the United States of America and the Government of Belgium have cooperated with each other in the atomic energy field.

As a result of these discussions, the Belgian Government and the Governments of the United States and the United Kingdom reached a common understanding as to the desirability during World War II, as well as in the future, that all uranium ores wherever located should be subject to effective control for the protection of civilization. To this end, the Government of Belgium undertook to insure effective control of such ores located in all territory subject to its authority.

The Belgian Government has also made available Congo uranium ores to the United States and the United Kingdom through commercial contracts. The Belgian Government further undertook to use its best endeavors to supply such quantities of uranium ores as might be required by the Governments of the United States and the United Kingdom.

The arrangements outlined above were on the understanding that Belgium would reserve for itself such quantities of uranium ores as might be required for its own scientific and industrial purposes. The Belgian Government, however, in deciding to utilize such ores as a source of energy for commercial power would do so in consultation and in agreement with the Governments of the United States and the United Kingdom. The latter on their part agreed that the Belgian Government should participate on equitable terms in the utilization of these ores as a source of energy for commercial power at such time as the two Governments should decide to employ the ores for this purpose.

Since that time the Government of Belgium has made available to the United States and to the United Kingdom, through commercial contracts, a vitally important quantity of uranium produced in the Belgian Congo and thus has made a unique contribution to the defense of the Western World. The United States and the United Kingdom have assisted in the development of the Congo uranium properties and have assisted the Government of Belgium in the establishment of a research and development program the principal objective of which is the realization of the peaceful use of atomic energy. Consequently a special relationship exists between the Government of the United States and the Government of Belgium in the field of atomic energy. While the United States must continue to give priority to the defense aspects of atomic energy, an increasing number of opportunities exist for the development of its peaceful applications. In keeping, therefore, with the special relationship, the Government of the United States of America and the Government of Belgium, the Parties to this Agreement, desire to establish an expanded program of cooperation and have agreed as follows:

ARTICLE I

It is the intent of this Agreement that the Government of Belgium will receive from the United States Atomic Energy Commission (hereinafter referred to as the "Commission"), in the field of the peaceful uses of atomic energy, information and materials on terms as favorable as any other major uranium supplying country except Canada.

ARTICLE II—PERIOD OF AGREEMENT

This Agreement shall enter into force on the date of receipt by the Government of Belgium of a notification from the Government of the United States of America that the period of thirty days required by Section 123c of the United States Atomic Energy Act of 1954 has elapsed, and it shall remain in force through July 31, 1965. The Parties will reexamine the bases of this Agreement if world disarmament is realized or if a threat to world peace so requires.

ARTICLE III—EXCHANGE OF INFORMATION

A. With the objective of facilitating the development of peacetime uses of atomic energy, and particularly the development of atomic power, the Government of Belgium and the Commission agree to exchange the following information, subject to the limitations of paragraph C of this Article:

(1) General information on the overall progress and economics of power reactor programs;

(2) Technological information required for the construction of specific reactors for the Belgian power program in Belgium, the Belgian Congo, and Ruanda-Urundi.

B. The exchange of information provided for in this Article includes the communication to the Commission of information developed in the Belgian power program and will be accomplished through the various means available, such as reports, conferences, and visits to facilities, and shall, subject to the limitations of paragraph C, include the following:

1. The Commission will transmit as needed in the Belgian project information relating to reactors which Belgium intends to construct as a part of its current experimental power and power program and which falls within one or the other of the following areas:

(a) Specifications for Reactor Materials: Final form specifications including composition, shape, size, and special handling techniques of reactor materials including uranium, heavy water, pile grade graphite, zirconium.

(b) Properties of Reactor Materials: Physical, chemical, metallurgical, nuclear, and mechanical properties of reactor materials including fuel, moderator and coolant and the effects of the reactor's operating conditions on the properties of these materials.

(c) Reactor Components: The design and performance specifications of reactor components but not including the methods of production and fabrication.

(d) Reactor Physics Technology: This area includes theory of and pertinent data relating to neutron bombardment reactions, neutron cross sections, critical calculations, reactor kinetics, and shielding.

(e) Reactor Engineering Technology: This area includes considerations pertinent to the overall design and optimization of the reactor and theory and data relating to such problems as reactor stress and heat transfer analysis.

(f) Environmental Safety Considerations: This area includes considerations relating to normal reactor radiations and possible accidental hazards and the effect of these on equipment and personnel and appropriate methods of waste disposal and decontamination.

2. The Commission will receive selected security-cleared personnel from Belgium to work with and participate in the construction of the PWR reactor at Shippingport, Pennsylvania, and such other reactors as may be agreed.

3. The Commission will transmit to the Belgian Government all essential information as indicated in subparagraph B1 relating to the objective of making it possible for Belgium to design, construct, and operate a thermal, heterogeneous, pressurized light or heavy water (boiling or non-boiling) reactor if the decision is made on the part of the Belgian Government to construct such a reactor.

4. There will be collaboration with respect to unclassified reactor information and technology and with respect to unclassified information relating to the production of reactor materials such as heavy water, zirconium, and hafnium.

C. 1. The Parties will not exchange Restricted Data under this Agreement relating to design or fabrication of atomic weapons or information which, in the opinion of the Commission, is primarily of military significance; and no Restricted Data concerning the production of special nuclear materials will be exchanged except that concerning the incidental production of special nuclear materials in a power reactor. It is recognized that the Commission may come into possession of privately developed and privately owned information and information received from other governments which it is not permitted to exchange. It is also recognized that the Government of Belgium may come into possession of information developed and owned by private persons and industries not having access to information transmitted under this Agreement and information received from other governments which it is not permitted to exchange.

2. a. The Commission will communicate classified technical information required for the construction of any specific reactor only when Belgium is seriously considering the construction of the specific type of reactor in Belgium, the Belgian Congo, or Ruanda-Urundi and when private industry in the United States is permitted to undertake the construction and operation of the same type of reactor. In addition, the Commission will communicate classified information on any specific type of reactor other than those types mentioned in subparagraph B 3 only when, except as may otherwise be agreed, the Commission has made a finding that the specific type of reactor has been sufficiently developed to be of practical value for industrial or commercial purposes.

b. Further, the Commission will communicate classified information pertaining exclusively to any reactor-types, such as submarine, ship, aircraft, and certain package power reactors, the development of which is concerned primarily with their military use, only when, in the opinion of the Commission, these types of reactors warrant peacetime application and as exchange of information on these types of reactors may be mutually agreed.

ARTICLE IV—RESEARCH MATERIALS

Materials of interest in connection with the subjects of agreed exchange of information as provided in Article III, and under the limitations set forth therein, including source materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes will be exchanged for research purposes in such quantities and under such terms and conditions as may be agreed, except as provided in Article VIII, when such materials are not available commercially. These materials for non-research purposes may be supplied by one Party to this Agreement to the other as provided in Article VII.

ARTICLE V—TRANSFER OF EQUIPMENT AND DEVICES

With respect to the subjects of agreed exchange of information as provided in Article III, and under the limitations set forth therein, equipment and devices may be transferred from one party to the other under such terms and conditions as may be agreed, except as provided in Article VIII. It is recognized that such transfers will be subject to limitations which may arise from shortages of supplies or other circumstances existing at the time.

ARTICLE VI—OTHER ARRANGEMENTS FOR MATERIALS, INCLUDING EQUIPMENT AND DEVICES, AND SERVICES

It is contemplated that, as provided in this Article, private individuals and private organizations in either the United States or Belgium may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in Article III, and under the limitations set forth therein, persons under the jurisdiction of either the Government of the United States or the Government of Belgium will be permitted to make arrangements to transfer and export materials, including equipment and devices, to and perform services for the other Government and such persons under its jurisdiction as are authorized by the other Government to receive and possess such materials and utilize such services, subject to:

(a) The limitation in Article VIII;

(b) Applicable laws, regulations and license requirements of the Government of the United States and of the Government of Belgium;

(c) The approval of the Government to which the person is subject when the materials or services are classified or when the furnishing of such materials and services requires the communication of classified information.

ARTICLE VII—NON-RESEARCH QUANTITIES OF MATERIALS

A. 1. The Commission will sell to the Government of Belgium under such terms and conditions as may be agreed such quantities of uranium enriched in the isotope U–235 as Belgium may require during the period of this Agreement for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year, and subject to the limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of Belgium by reason of transfer under this Agreement shall not, in the opinion of the Commission, be of military significance. It is agreed that the uranium enriched in the isotope U–235 which the Commission will sell to Belgium under this Article will be limited

to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. It is understood and agreed that although Belgium will distribute uranium enriched in the isotope U–235 to authorized users in Belgium, the Belgian Congo, and Ruanda-Urundi, the Government of Belgium will retain title to any uranium enriched in the isotope U–235 which is purchased from the Commission until such time as private users in the United States are permitted to acquire title to uranium enriched in the isotope U–235.

2. It is agreed that when any fuel elements received from the United States or any fuel elements fabricated from uranium of normal isotopic composition or uranium enriched in the isotope U–235 received from the United States require reprocessing, such reprocessing shall be performed by the Commission on terms and conditions to be later agreed; and it is understood, except as may be agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission for reprocessing.

B. The Commission will sell to Belgium under such terms and conditions as may be agreed such quantities of uranium of normal isotopic composition as Belgium may require, and to the extent practical in such form as Belgium may request, during the period of this Agreement for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to the availability of supply and the needs of the United States program.

C. The Commission shall have an option to purchase any special nuclear materials produced in Belgium, the Belgian Congo, or Ruanda-Urundi, from materials sold in accordance with A and B of this Article and which are in excess of Belgium's need for such materials in its program for the peacetime use of atomic energy. Belgium agrees not to transfer to any country other than the United States or the United Kingdom any special nuclear materials produced in Belgium, the Belgian Congo, or Ruanda-Urundi unless the Government of Belgium is given assurance that the material will not be used for military purposes, and the Government of Belgium agrees to consult with the United States on the international significance of any proposed transfer of any uranium and thorium ores or special nuclear materials to any country other than the United Kingdom.

D. The Commission will sell to Belgium, under such terms and conditions as may be agreed, such quantities of heavy water as Belgium may require, during the period of this Agreement, for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to the availability of supply and the needs of the United States program.

E. 1. It is agreed that existing commercial contracts between the Combined Development Agency and the African Metals Corporation, acting for the producing company (Union Miniere du Haut Katanga), for the sale of uranium ores and concentrates to said Agency shall continue in effect until their expiration as provided in these contracts.

2. The Government of Belgium will use its best endeavors to see that the Combined Development Agency will have a first option to purchase:

(a) 90 percent of the uranium and thorium ores and concentrates produced in Belgium and the Belgian Congo during calendar years 1956 and 1957.

(b) 75 percent of the uranium and thorium ores and concentrates produced in Belgium and the Belgian Congo during calendar years 1958, 1959, and 1960.

3. In addition to the percentage stated in the foregoing schedule with respect to any calendar year, this option shall also extend to such additional quantities of uranium ores and concentrates to provide for the production of the materials sold to Belgium by the Commission in accordance with paragraphs A and B of this Article during any such year. The formulae for the purpose of making computations required to give effect to this provision are:

(a) 102 kilograms of contained elemental uranium in the form of ore or ore concentrates will provide for 100 kilograms of elemental uranium of natural isotopic composition in the form of purified metal or compounds.

(b) The preparation of uranium enriched in U–235 content will be assumed to be accomplished by the isotopic separation of uranium of natural isotopic composition into enriched material having the required U–235 content and depleted material having a U–235 content of 0.4 percent.

4. If the Belgian Government does not require for its own use all or part of the uranium and thorium ores produced in Belgium and the Belgian Congo during the foregoing period and which are not covered by the options in subparagraphs E 2 and E 3, it will consult with the Commission concerning the sale of such uranium and thorium ores to the Combined Development Agency.

5. Belgium will in due course evaluate its requirements of uranium and thorium ores and concentrates for the period of this Agreement remaining after calendar year 1960, and the Parties hereto will consult with each other for the purpose of establishing an agreed percentage of such materials which the Combined Development Agency shall have the first option to purchase.

6. It is agreed that the Government of Belgium shall be kept informed of the division, between the United States and the United Kingdom, of uranium and thorium ores and concentrates sold to the Combined Development Agency in accordance with this Agreement. Belgium agrees that if so requested by the Commission and the United Kingdom Atomic Energy Authority, the options to the Combined Development Agency in subparagraphs 2, 3, 4, and 5 of this paragraph may be exercised as follows:

(a) Through a contract or contracts with either the Commission or the United Kingdom Atomic Energy Authority; or

(b) Through a contract or contracts with the Commission and a contract or contracts with the United Kingdom Atomic Energy Authority.

7. (a) If before the termination of this Agreement (1) the diminution of available ore supply results in a decline in the rate of production of uranium ores and concentrates in Belgium and the Belgian Congo by as much as 80 (eighty) percent of the rate of production in 1955 and (2) if the strategic stockpiles of special nuclear material in the United States and the United Kingdom have been demilitarized or if the civilian needs in the United States and the United Kingdom are covered without limitation by means of production and current imports of uranium ores and uranium concentrates, the Government of Belgium shall have the right to purchase from the Commission on such terms as are agreed a total quantity of material, in the form and manner described in (b) of this subparagraph, as is equivalent to the total quantity of uranium ores and concentrates sold under and during the period of this Agreement (1) to the Combined Development Agency, and acquired by the Commission, and (2) directly to the Commission if uranium ores and concentrates are sold to the Commission in accordance with paragraph 6 of this Article.

(b) (1) At the election of the Combined Development Agency or the Commission, whichever is appropriate, the material so sold to the Government of Belgium may be in the form of ores and concentrates or uranium of normal isotopic composition in the form of purified metals or compounds or any combination of these.

(2) In determining that quantity of one of these materials which is equivalent to a given quantity of another, the formulae in paragraph E 3 (a) shall be used.

(3) The material shall be delivered within five years after this provision comes into effect in accordance with an agreed schedule of deliveries.

F. As may be necessary and as mutually agreed in connection with the subjects of agreed exchange of information as provided in Article III, and under the limitations set forth therein, specific arrangements may be made from time to time between the Parties for lease, or sale and purchase, of quantities of materials, other than special nuclear materials, greater than those required for research, under such terms and conditions as may be mutually agreed, except as provided in Article VIII.

ARTICLE VIII—MATERIALS AND FACILITIES PRIMARILY OF MILITARY SIGNIFICANCE

It is agreed that the Commission will not transfer any materials under Article IV or Article VII F and will not transfer or permit the export of any materials or equipment and devices under Articles V and VI if such materials or equipment and devices are in the opinion of the Commission primarily of military significance.

ARTICLE IX—PATENTS

The United States shall have all rights, title, and interest within its jurisdiction as to any inventions or discoveries made by any person under the jurisdiction of the Belgian Government as a result of such person's access to Restricted Data communicated to Belgium under this Agreement, provided such invention or discovery is made during the period of this Agreement or within three years thereafter.

ARTICLE X—SECURITY

A. The criteria of security classification established by the Commission shall be applicable to all information and material, including equipment and devices, exchanged under this Agreement. The Commission will keep the Government of Belgium informed concerning these criteria and any modifications thereof, and the Parties will consult with each other from time to time concerning the practical application of these criteria.

B. It is agreed that all information and material, including equipment and devices, which warrant a classification in accordance with paragraph A of this Article shall be safeguarded in accordance with the security safeguards and standards prescribed by the security arrangements between the Government of the United States, represented by the Commission, and the Government of Belgium in effect on June 15, 1955.

C. It is agreed that the recipient Party of any material, including equipment and devices, and of any classified information under this Agreement shall not further disseminate such information or transfer such material, including equipment and devices, to any other country without the written consent of the originating country. It is further agreed that neither Party to this Agreement will transfer to any other country any equipment or device, the transfer of which would involve the disclosure of any classified information received from the other Party, without the written consent of such other Party.

ARTICLE XI—GUARANTIES PRESCRIBED BY THE UNITED STATES ATOMIC ENERGY ACT OF 1954

The Government of Belgium guarantees that—

A. The security safeguards and standards prescribed by the security arrangements between the Government of the United States, represented by the Commission, and the Government of Belgium in effect on June 15,

1955, will be maintained with respect to all classified information and materials, including equipment and devices, exchanged under this Agreement.

B. No material, including equipment and devices, transferred to Belgium by purchase or otherwise pursuant to this Agreement will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose.

C. No material, including equipment and devices, or any Restricted Data transferred to Belgium pursuant to this Agreement will be transferred to unauthorized persons or beyond the jurisdiction of the Government of Belgium except as the Commission may agree to such a transfer to another nation, and then only if the transfer of the material or Restricted Data is within the scope of an agreement for cooperation between the United States and the other nation.

ARTICLE XII—DEFINITIONS

For purposes of this Agreement:

A. "Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

B. "Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

C. "Classified" means a security designation of "Confidential" or higher applied, under the laws and regulations of either the Government of Belgium or the Government of the United States, to any data, information, materials, services or any other matter, and includes "Restricted Data."

D. "Combined Development Agency" means the contracting Agency which acts on behalf of the United States and the United Kingdom with respect to the purchase of uranium and thorium ores and concentrates.

E. "Equipment and devices" and "equipment or device" means any instrument, apparatus, or facility and includes any facility, except an atomic weapon, capable of making use of or producing special nuclear material, and component parts thereof.

F. "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation but does not include the Parties to this Agreement.

G. "Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium, or any combination of uranium, plutonium, or thorium.

H. "Restricted Data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of Restricted Data by the appropriate authority.

I. "Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Government of Belgium or the Commission determines to be special nuclear material; or (2) any material artificially enriched by any of the foregoing.

ARTICLE XIII—EXISTING ARRANGEMENTS

This Agreement shall supersede all existing arrangements between the Parties concerning atomic energy matters (1) except insofar as these arrangements are reflected in commercial contracts, the continuation of which is provided for in Article VII E I, (2) except any contracts between the Commission and the Government of Belgium which by their terms provide otherwise, and (3) except any arrangements with regional defense organizations of which the Government of Belgium is a member.

In witness whereof, the parties hereto have caused this Agreement to be executed pursuant to duly constituted authority

Done at Washington in duplicate this 15th day of June 1955, in the English and French languages, but in any case in which divergence between the two versions results in different interpretations the English version shall be given preference.

For the Government of the United States of America:

ROBERT MURPHY.
LEWIS L. STRAUSS.

For the Government of Belgium:

SILVERCRUYS.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached Agreement for Cooperation Concerning the Civil Uses of Atomic Energy Between the Government of Belgium and the Government of the United States of America, and authorize its execution by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

There exists a special relationship between the Government of Belgium and the Government of the United States in the field of atomic energy, and beginning with discussions initiated in 1940 the two Governments have closely cooperated with each other in this field. Under an arrangement made in 1944, the Belgian Government agreed with the Governments of the United States and the United Kingdom that all uranium ores wherever located should be subject to effective control for the protection of civilization, and the Government of Belgium undertook to insure the effective control of such ores located in all territories subject to its authority. The Belgian Government also agreed that all uranium ores in the Belgian Congo, including ore from the rich Shinkolobwe Mine, should be made available to the United States and the United Kingdom through commercial contracts, and that it would use its best endeavors to supply such quantities of uranium ores as might be required by the Governments of the United States and the United Kingdom. The Governments of the United States and of the United Kingdom, on their part, agreed that the Belgian Government should participate on equitable terms in the utilization of these ores as a source of energy for commercial power at such time as the two Governments should decide to employ the ores for this purpose.

Since the 1944 arrangement, the Government of Belgium, through commercial contracts, has made available to the United States and to the United Kingdom a vitally important quantity of uranium produced in the Belgian Congo. This has constituted a unique contribution to the defense of the western world and to our strength as a nation dedicated to the preservation of peace and freedom.

In addition to being the principal foreign supplier of uranium, Belgium's interest in atomic energy is also evident in its strong scientific and technical community. This interest led in 1950 to the appointment of an Atomic Energy Commissioner to coordinate the country's atomic-energy programs, and current plans call for work in both the research and power fields. The United States now has the opportunity to assist Belgium in these programs, and thus materially express our gratitude for the great contribution the Belgians have made to our common defense and security.

The proposed agreement calls for an exchange of classified and unclassified information relating to the development of peaceful uses of atomic energy and, particularly, the development of atomic power, including general information in the overall progress and economics of power-reactor programs and technological information required for the construction of specific reactors for the Belgian program in Belgium, the Belgian Congo, and Ruanda-Urundi, and other specified reactor information. The agreement also provides for an exchange of research materials not available commercially, and for the transfer of equipment and devices. However, the parties will not exchange restricted data under the agreement relating to design or fabrication of atomic weapons or information which, in the opinion of the Commission, is primarily of military significance; and no restricted data concerning the production of special nuclear materials will be exchanged except that concerning the incidental production of special nuclear materials in a power reactor. Further, the Commission will not transfer any materials or equipment and devices which in the opinion of the Commission are primarily of military significance.

It is provided in the proposed agreement that the Commission will sell to the Government of Belgium such quantities of uranium enriched in the isotope U–235 as Belgium may require, during the period of this agreement, for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to any limitations in connection with quantities of such material available for such distribution by the Commission during any year, and subject to the further limitation that the quantity of uranium enriched in the isotope U–235 of weapon quality in the possession of Belgium by reason of transfer under the agreement shall not, in the opinion of the Commission, be of military significance. Enriched uranium to be sold under the agreement will be limited to uranium enriched in the isotope U–235 up to a maximum of 20 percent U–235. The Government of Belgium, on its part, will give to the Commission an option to purchase any special nuclear materials produced in Belgium, the Belgian Congo, or Ruandi-Urundi, from materials purchased from the Commission and which are in excess of Belgium's need in its program for the peacetime uses of atomic energy. The agreement also provides for the continuance of existing commercial contracts relating to the sale of uranium ores and concentrates; and the Government of Belgium undertakes to use its best endeavors to see that the Combined Development Agency (a contracting agency which acts on behalf of the United States and the United Kingdom with respect to the purchase of uranium and thorium ores and concentrates) will have a first option to purchase 90 percent of the uranium and thorium and concentrates produced in Belgium and the Belgian Congo during calendar years 1956 and 1957, and 75 percent of such ores and concentrates produced during the calendar years 1958, 1959, and 1960. Belgium also agrees to evaluate its requirements of uranium- and thorium-ore concentrates the period of the agreement remaining after calendar year 1960 and to consult with the United States for the purpose of establishing an agreed percentage of materials which thereafter the Combined Development Agency shall have the first option to purchase. Equitable consideration has led to incorporating in the agreement a formula whereby the Government of Belgium may repurchase material in the event the diminution of available ore supply results in a decline in the rate of production of uranium ores and concentrates in Belgium

and the Belgian Congo by as much as 80 percent of the rate of production in 1955 and if the strategic stockpiles of special nuclear material in the United States and the United Kingdom have been demilitarized.

The proposed agreement is in keeping with the previous undertaking of the United States that the Belgian Government should participate on equitable terms in the utilization of uranium ores as a source of energy for commercial power when the decision was made to employ the ores for this purpose. It represents, in the opinion of the Commission, an important step in advancing the development of the peaceful uses of atomic energy in Belgium, in accordance with the policy which you have established concerning such development in the free nations of the world. The consideration and benefit which will flow to the United States is very real, and the proposed agreement will further solidify the friendship we now enjoy with Belgium. Its performance will materially assist in assuring the continuance of peace and freedom in our countries and throughout the Western World.

Respectfully,

LEWIS L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable L. L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of June 15, 1955, the Atomic Energy Commission recommended that I approve a proposed agreement for cooperation concerning the civil uses of atomic energy between the Government of Belgium and the Government of the United States of America.

The Commission's letter of recommendation refers to the special relationship between Belgium and the United States in the atomic-energy field and to the arrangements which have been in effect since 1944 with respect to uranium ores from the Belgian Congo. The Commission's letter also states that the important quantity of uranium made available by the Government of Belgium has constituted a unique contribution to the defense of the free world and to our strength as a nation dedicated to the preservation of peace and freedom.

I am in complete accord with the Commission's view concerning the importance of the Belgian contribution, and take this opportunity to ask that you personally convey the gratitude of our people to the appropriate representatives of the Belgian Government.

I have examined the agreement recommended. It calls for an exchange of classified and unclassified information relating to the development of peaceful uses of atomic energy and particularly to the development of atomic power, for the exchange of research materials not available commercially, and for the transfer of equipment and devices. It is provided, however, that the parties to the agreement will not exchange restricted data relating to the design or fabrication of atomic weapons or information which, in the opinion of the Commission, is primarily of military significance. Further, no restricted data concerning the production of special nuclear material will be exchanged, except that concerning the incidental production of such material in a power reactor; nor will the Commission transfer any materials or equipment or devices which, in the opinion of the Commission, are primarily of military significance.

It is also provided in the recommended agreement that the Commission will sell special nuclear material to the Government of Belgium in such quantities as may be required during the term of the agreement for use in research and power reactors located in Belgium, the Belgian Congo, and Ruanda-Urundi, subject to any limitations in connection with quantities of such material available for distribution during any year and the further limitation that the quantity of material of weapons quality in possession of Belgium by reason of transfer under the agreement shall not be of military significance.

The benefits which the United States will receive in the performance of the proposed agreement are substantial. Belgium, on its part, will give the Commission an option to purchase special nuclear materials produced in Belgian reactors from materials purchased from the Commission which are in excess of Belgium's need in its program for the peacetime uses of atomic energy. The agreement also provides for the continuance of commercial contracts relating to the sale of uranium ores and concentrates, and Belgium undertakes to use its best endeavors to see that the Combined Development Agency will have a first option on a large percentage of ores and concentrates produced through calendar year 1960.

In addition to the benefits which the United States will receive, the proposed agreement responds to a previous undertaking by the United States that the Belgian Government should participate on equitable terms in the utilization of uranium ores as a source of energy for commercial power.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby—

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of Belgium concerning the civil uses of atomic energy.

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States, and

(3) Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT EISENHOWER.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Congress of the United States

DEAR SENATOR ANDERSON: Pursuant to section 123 (c) of the Atomic Energy Act of 1954 there is submitted with this letter:

(1) A proposed Agreement for Cooperation with the Government of Belgium;

(2) A letter dated June 15, 1955 from the Commission to the President recommending his approval of the proposed agreement;

(3) A letter dated June 15, 1955 from the President to the Commission approving the proposed agreement, authorizing its execution, and containing his determination that the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security.

This proposed agreement for cooperation calls for the exchange of classified and unclassified information and material, including restricted data, and is more extensive in scope than the unclassified research agreements which previously have been submitted to this session of the Congress.

The arrangement contained in the proposed agreement results from the special relationship which exists between Belgium and the United States in the atomic energy field.

Sincerely yours,

LEWIS L. STRAUSS,
Chairman.

AGREEMENT FOR COOPERATION ON THE CIVIL USES OF ATOMIC ENERGY BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

The Government of the United States of America (including the United States Atomic Energy Commission) and the Government of the United Kingdom of Great Britain and Northern Ireland, on its own behalf and on behalf of the United Kingdom Atomic Energy Authority;

Considering that they have for several years been engaged in atomic energy programs within their respective countries and from the inception of these programs have collaborated closely in certain fields;

Considering that the use of atomic energy for peaceful purposes is a major objective of each of these programs;

Believing that mutual benefit would result from further cooperation between them; and

Recognizing that for the present their main efforts in the field of atomic energy will be directed to defense but desiring also to promote the development of atomic energy for peaceful purposes;

Have agreed as follows:

ARTICLE I

Scope of agreement

A. Subject to the provisions of this Agreement, the availability of material and personnel, and the applicable laws, regulations and license requirements in force in their respective countries, the Parties shall assist each other in the achievement of the use of atomic energy for peaceful purposes. It is the intent of the Parties that such assistance shall be rendered on a reciprocal basis.

B. The disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of this Agreement.

C. The exchange of restricted data under this Agreement shall be subject to the following limitations:

(i) It shall extend only to that which is relevant to current or projected programs.

(ii) Restricted data which is primarily of military significance shall not be exchanged.

(iii) The development of submarine, ship, aircraft, and certain package power reactors is presently concerned primarily with their military uses. Accordingly, restricted data pertaining to such reactors will not be exchanged until such time as these types of reactors warrant peacetime application and the exchange of information on these types of reactors may be agreed. Information on the adaptation of these types of reactors to military use will not be exchanged. Likewise, restricted data pertaining primarily to any future reactor-types the development of which is concerned primarily with their military use will not be exchanged until such time as these types of reactors warrant civil application and exchange of information on these types of reactors may be agreed; and restricted data on the adaptation of these types of reactors to military use will not be exchanged.

(iv) Restricted data on specific experimental power, demonstration power, or power reactors will not be exchanged unless the reactor is currently in operation in the receiving country or is being considered seriously for construction by the receiving country as a source of power or as an intermediate step in a power production program. There shall, however, be exchanged such general information, including restricted data, on design and characteristics of various types of reactors as is required to permit evaluation and comparison of their potential use in a power production program.

D. This Agreement shall not require the exchange of any information which the Parties are not permitted to communicate because the information is privately developed and privately owned or has been received from another government.

E. The Parties will not transfer or export, or permit the transfer or export, under this Agreement of any material, equipment or device which is primarily of a military character.

ARTICLE II

Exchange of information between the Commission and the Authority

Subject to the provisions of Article I, classified information in the specific fields set out below and unclassified information shall be exchanged between the Commission and the Authority with respect to the application of atomic energy to peaceful uses, including research and development relating to such uses and problems of health and safety connected therewith. The exchange of information provided for in this Article shall be accomplished through the various means available, including reports, conferences and visits to facilities. The following are the fields in which classified information shall be exchanged:

A. Reactors

1. Fields of exchange:

(a) Reactor physics, including theory of and pertinent data relating to neutron bombardment reactions, neutron cross sections, criticality calculations, reactor kinetics, and shielding.

(b) Reactor engineering—theory of and data relating to such problems as reactor stress and heat transfer analysis insofar as these are pertinent to the over-all design and optimization of the retactor.

(c) Properties of reactor materials—effects of operating conditions on the properties of reactor materials, including fuel, moderator and coolant.

(d) Specification for reactor materials—final form specifications including composition, shape, and size, and special handling techniques of reactor materials including source material, special nuclear material, heavy water, reactor grade graphite, and zirconium.

(e) Reactor components—general performance specifications of reactor components.

(f) Over-all design and characteristics, and operational techniques and performance, of research, experimental power, demonstration power, and power reactors.

2. Detailed designs, detailed drawings and applied technology of reactors of the types referred to in subparagraph 1 (f) of this paragraph and of related components, equipment and devices in this field shall not be exchanged except as may be agreed.

3. The exchange of information under this paragraph shall include and be limited to information from the following sources and shall be accomplished in such a manner as to maintain a reciprocal basis of exchange:

(a) Information developed by and for the Commission and information developed by and for the public and private utility groups in the United States with the assistance of the Commission;

(b) Information developed by and for the Authority and information developed by and for the United Kingdom Electricity Supply Authorities with the assistance of the Authority.

B. Uranium and Thorium

Geology, exploration techniques, chemistry and technology of extracting uranium and thorium from their ores and concentrates, the chemistry, production technology and techniques of purification and fabrication of uranium and thorium compounds and metals, including design, construction, and operation of plants.

C. Properties of Materials

Physical, chemical, and nuclear properties of all elements, compounds, alloys, mixtures, special nuclear material, byproduct material, other radioisotopes, and stable isotopes and their behavior under all conditions.

D. Technology of Production and Utilization of Materials

1. Technology of production and utilization, from laboratory experimentation up to pilot plant operations but not including design and operation of pilot plants except as may be agreed, of all elements, compounds, alloys, mixtures, special nuclear material, byproduct material, other radioisotopes, and stable isotopes relevant to paragraphs A and E of this Article.

2. This paragraph shall not be construed as including:

(a) the exchange of restricted data pertaining to design, construction, and operation of production plants for the separation of U–235 from other uranium isotopes:

(b) the exchange of restricted data on the design, construction, and operation of specific production plants for the separation of deuterium from the other isotpe of hydrogen until such time as the Party wishing to receive the information shall determine that the construction of such plants is required; the Commission will, however, supply the Authority with heavy water as provided in Article III A and Article IV;

(c) the exchange of restricted data pertaining to design, construction, and operation of production plants for the separation of isotopes of any other element, except as may be agreed;

(d) the exchange of restricted data pertaining to the underlying principles, theory, design, construction, and operation of facilities, other than reactors, capable of producing significant quantities of isotopes by means of nuclear reactions, except as may be agreed.

E. Health and Safety

The entire field of health and safety as related to any of the fields within which information is to be exchanged in accordance with the provisions of this Article; in addition those problems of health and safety which affect the individual, his environment, and the civilian population as a whole and which arise from nuclear explosion (excluding such test data as woud permit the determination of the yield of any specific weapon or nuclear device and excluding any information relating to the design or fabrication of any weapon or nuclear device).

ARTICLE III

Research materials and research facilities

A. Research Materials

Materials of interest in connection with any subject of agreed exchange of information as provided in Article II subject to the provisions of Article I, including source material, special nuclear material, byproduct material, other radioisotopes, and stable isotopes shall, except as provided in paragraph E of Article I, be exchanged for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially to the Party wishing to receive them.

B. Research Facilities

Under such terms and conditions as may be agreed, specialized research facilities and reactor testing facilities shall be made available for mutual use consistent with the limits of space, facilities, and personnel conveniently available, except that it is understood that neither Party will be able to permit access by personnel of the other Party to facilities which are primarily of military significance.

ARTICLE IV

Materials for purposes other than research

In connection with any subject of agreed exchange of information as provided in Article II subject to the provisions of Article I, specific arrangements may be agreed between the Parties from time to time for the sale and purchase, under such terms and conditions as may be agreed, of quantities, greater than those required for research, of materials other than special nuclear materials.

ARTICLE V

Transfer of equipment and devices

With respect to any subject of agreed exchange of information as provided in Article II subject to the provisions of Article I, equipment and devices may be transferred from one Party to the other under such terms and conditions as may be agreed, except as provided in paragraph E of Article I. It is recognized that such transfers will be subject to limitations which may arise from shortages of supplies or other circumstances existing at the time.

ARTICLE VI

Permissive arrangements for materials, including equipment and devices, and services

A. Within the fields specified in paragraph B of this Article, persons under the jurisdiction of one Party shall be permitted to make arrangements to transfer and export materials, including equipment and devices and rights owned by them therein, to and perform services for the other Party and such persons under its jurisdiction as are authorized by it to receive and possess such materials and utilize such services, provided that any classified information the disclosure of which would be involved shall fall within the fields specified in paragraph B and subject to:

(1) the provisions of paragraph E of Article I;

(2) applicable laws, regulations and license requirements;

(3) approval of the Party to the jurisdiction of which the person making the arrangement is subject if the materials or services are classified or if the furnishing of such materials or services requires the communication of classified information.

B. To the extent necessary in carrying out the arrangements made under paragraph A of this Article, classified information in the following fields, subject in each case to the provisions of Article I, may be communicated by the person furnishing the material or services to the Party or person to whom such material or service is furnished:

(1) the subjects of agreed exchange of information as provided in Article II;

(2) the development, design, construction, operation, and use of research, experimental power, demonstration power, and power reactors;

(3) the development, design, manufacture, and use of equipment and devices of use in connection with the fields described in this paragraph.

ARTICLE VII

Patents

A. With respect to any invention or discovery employing information which has been communicated under this Agreement by one of the Parties to the other in accordance with Article II and made or conceived thereafter but during the period of this Agreement, and in which invention or discovery rights are owned by the Government of the United States or by the Government of the United Kingdom or any agency or corporation owned or controlled by either, each Party:

(1) agrees to transfer and assign to the other Party all right, title, and interest in and to any such invention, discovery, patent application or patent in the country of that other Party, to the extent owned, subject to a royalty-free, non-exclusive, irrevocable license for the governmental purposes of such other Party and for purposes of mutual defense;

(2) shall retain all right, title, and interest in and to any such invention, discovery, patent application or patent in its own or third countries but shall, upon request of the other Party, grant to that other Party a royalty-free, non-exclusive, irrevocable license for the governmental purposes of such other Party in such countries, including use in the production of materials in such countries for sale to the other Party by a contractor of such other Party; each Party may deal with any such invention, discovery, patent application or patent in its own country and all countries other than that of the other Party as it may desire, but in no event shall either Party discriminate against citizens of the country of the other Party in respect of granting any license under the patents owned by it in its own or any other country;

(3) waives any and all claims against the other Party for compensation, royalty or award as respects any such invention or discovery, patent application or patent and releases the other Party with respect to any such claim.

B. (1) No patent application with respect to any classified invention or discovery employing information which has been communicated under this Agreement may be filed by either Party or any person in the country of the other Party except in accordance with agreed conditions and procedures.

(2) No patent application with respect to any such classified invention or discovery may be filed in any country not a party to this Agreement except as may be agreed and subject to Article IX.

(3) Appropriate secrecy or prohibition orders shall be issued for the purpose of giving effect to this paragraph.

ARTICLE VIII

Classification policies

Agreed classification policies shall be maintained with respect to all information, materials, equipment and devices exchanged under this Agreement. The Parties intend to continue the present practice of consultation with each other on the classification of these matters.

ARTICLE IX

Guaranties

The Parties guarantee that:

A. All classified material, equipment, devices and classified information exchanged under this Agreement shall be safeguarded in accordance with the applicable security arrangements between the Commission and the Authority.

B. No material, equipment or device transferred pursuant to this Agreement shall be used for atomic weapons or for research on or development of atomic weapons, or for any other military purpose.

C. No material, equipment, device, or restricted data transferred pursuant to this Agreement, and no equipment or device which would disclose any restricted data transferred pursuant to this Agreement, shall be transferred to any unauthorized person or beyond the jurisdiction of the country receiving it, without the written consent of the Party to this Agreement from which or by permission of which it was received. Such consent will not be given on behalf of the Government of the United States unless the transfer in respect of which it is requested is within the scope of an agreement for cooperation made in accordance with Section 123 of the United States Atomic Energy Act of 1954.

ARTICLE X

Definitions

For the purposes of this Agreement:

"Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

"The Authority" means the United Kingdom Atomic Energy Authority.

"Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

"Classified" means a security designation of "Confidential" or higher applied under the laws and regulations of either the United Kingdom or the United States to any data, information, materials, services or any other matter, and includes "restricted data".

"The Commission" means the United States Atomic Energy Commission.

"Equipment and devices" and "equipment or device" means any instrument, apparatus, or facility and includes any facility, except an atomic weapon, capable of making use of or producing special nuclear material, and component parts thereof.

"Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation other than the Commission and the Authority.

"Pilot plant" means a device operated to acquire specific data for the design of a full-scale plant and which utilizes the process, or a portion thereof, and the type of equipment which would be used in the full-scale production plant.

"Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium or any combination of uranium, plutonium, or thorium.

"Restricted data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of restricted data by the appropriate authority.

"Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission or the authority determines to be special nuclear material; or (2) any material artificially enriched by any of the foregoing.

ARTICLE XI

Period of agreement

This agreement shall enter into force on the date on which each Government shall receive from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 10 years.

In witness whereof, the undersigned, duly authorized, have signed this agreement.

Done at Washington this 15th day of June 1955, in two original texts.

For the Government of the United States of America:

ROBERT MURPHY,
LEWIS STRAUSS.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

R. H. SCOTT.

UNITED STATES,
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached Agreement for Cooperation on the Civil Uses of Atomic Energy between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America, and authorize its execution by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

As you know, Great Britain has from the beginning been one of the leaders in the development of atomic energy. Her scientists include great names in nuclear research, and her research and experimental centers are among the finest and most advanced in the world. British endeavor in the field of atomic energy preceded World War II, but in 1943 all work in this field was suspended in the British Isles, and the leading English scientists came to the United States and to Canada to labor jointly with the scientists of those countries in the development of the atomic bomb. The immense contribution made by the United Kingdom in the great scientific achievement which resulted is a matter of recorded history. Since the war, the United Kingdom has developed and put into effect an impressive, comprehensive, and highly integrated atomic-energy program; but collaboration and the exchange of atomic-energy information between our two Governments was, until the passage of the Atomic Energy Act of 1954, severely limited by law. The proposed agreement, negotiated under the Atomic Energy Act of 1954, represents an important step toward achieving in the field of the peaceful uses of atomic energy the friendly tradition of cooperation which prevails in the other areas of our relationships with Her Majesty's Government and will result in mutual benefit.

The agreement calls for reciprocal assistance in the achievement of the use of atomic energy for peaceful purposes, for the exchange of information between the United States Atomic Energy Commission and the United Kingdom Atomic Energy Authority of classified and unclassified information relating to the application of atomic energy for peaceful uses (including such general information on design and characteristics of various types of reactors as is required to permit evaluation and comparison of their potential use in a power production program), for an exchange of research materials not available commercially, for the use of research and reactor testing facilities, and for the transfer of equipment and devices. However, of the information which is classified, only that relevant to current or projective programs will be exchanged. The parties to the agreement will not exchange restricted data under the agreement which is primarily of military significance nor will they grant access to facilities which are primarily of military significance. Further, it is specifically provided that the parties will not transport or export, or permit the transfer or export, under the agreement of any material, equipment, or device which is primarily of a military character; and, further, that the disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of the agreement.

Special nuclear material will be exchanged under the agreement only for research purposes and in such quantities and under such terms and conditions as may be agreed, subject to the general limitation that no material which is primarily of a military character will be transferred.

The reciprocal arrangement set forth in the proposed agreement will permit the scientists and technicians of the United States access to valuable atomic information developed in the United Kingdom and will make possible a close collaboration in investigating the effective peacetime uses of atomic energy and in advancing the frontiers of knowledge in the nuclear sciences. The limits of nuclear energy cannot now be predicted, but its promise for the more abundant life is infinite. Working together the scientists of these two great nations can contribute substantially to the fulfillment of

that promise. In this way, each Government will be promoting its own defense and security and substantially furthering the mutual security of the peoples of the free world.

It is, therefore, the opinion of the Commission that the proposed agreement not only is in accordance with the policy which you have established concerning the development of the peaceful uses of atomic energy in collaboration with friendly foreign nations but, also, that the cooperative effort which the proposed agreement will permit will further solidify the friendship we now enjoy with Her Majesty's Government and go far in assuring the continuance of peace and freedom in our countries.

Respectfully,

LEWIS L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable L. L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of June 15, 1955, the Atomic Energy Commission recommended that I approve a proposed agreement for cooperation concerning the civil uses of atomic energy by the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America.

The Commission's letter of recommendation refers to the close collaboration that existed between Great Britain and the United States in the development of the atomic bomb, and points out that since the war and until the passage of the Atomic Energy Act of 1954, further cooperation in atomic-energy development was severely limited by law. The Commission's letter also states that the United Kingdom has developed and put into effect a comprehensive atomic-energy program, and that the proposed agreement, negotiated under the Atomic Energy Act of 1954, represents an important step toward achieving in the atomic-energy field the friendly tradition of cooperation which prevails in the other areas of our relationships with Her Majesty's Government.

I have examined the agreement recommended. I share in the belief of the Commission that the performance of the agreement will result in mutual benefit to both Governments.

The agreement calls for an exchange of classified and unclassified information relating to the application of atomic energy for peaceful uses, for an exchange of research materials not available commercially, for the use of research and reactor testing facilities, and for the transfer of equipment and devices. It is provided, however, that classified information will be exchanged only when relevant to current or projected programs, and that the parties to the agreement will not exchange restricted data under the agreement which is primarily of military significance; nor will they grant access to facilities which are primarily of military significance. Further, it is specifically provided that the parties will not transfer or export, or permit the transfer or export, under the agreement, of any material, equipment, or device which is primarily of a military significance. It is specifically provided that the disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of the agreement.

Special nuclear material will be exchanged under the agreement only for research purposes and in such quantities and under such terms and conditions as may be agreed, subject to the general limitation that nuclear material which is primarily of a military character will not be transferred.

The extent of the progress of atomic energy development in Great Britain, particularly in the matter of the peaceful uses of atomic energy, makes it certain that the United States will gain materially from a mutual exchange of information and the mutual uses of facilities. The proposed agreement will permit our scientists to have access to valuable information which the eminent scientists of the United Kingdom have developed and will make possible a close collaboration in advancing the frontiers of knowledge in the nuclear sciences and the fulfillment of the promise which nuclear energy holds for all mankind. I share the opinion of the Commission that the activities called for in the agreement will promote the defense and security of the United States and will substantially further the mutual security of the peoples of the free world.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby—

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland concerning the civil uses of atomic energy;

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

(3) Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT EISENHOWER.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR ANDERSON: Pursuant to section 123 (c) of the Atomic Energy Act of 1954 there is submitted with this letter:

(1) A proposed Agreement for Cooperation with the Government of the United Kingdom and Northern Ireland;

(2) A letter dated June 15, 1955 from the Commission to the President recommending his approval of the proposed agreement;

(3) A letter dated June 15, 1955 from the President to the Commission approving the proposed agreement, authorizing its execution, and containing his determination that the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security.

This proposed agreement for cooperation calls for the exchange of classified and unclassified information and material, including restricted data, and is more extensive in scope than the unclassified research agreements which previously have been submitted to this session of the Congress.

The arrangement contained in the proposed agreement results from the special relationship which exists between the Government of the United Kingdom and Northern Ireland and the United States in the atomic energy field.

Sincerely yours,

LEWIS L. STRAUSS,
Chairman.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR COOPERATION REGARDING ATOMIC INFORMATION FOR MUTUAL DEFENSE PURPOSES

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland,

Recognizing that their mutual security and defense requires that they be prepared to meet the contingencies of atomic warfare,

Recognizing that their common interests will be advanced by the exchange of information pertinent thereto,

Believing that the exchange of such information can be undertaken without threat to the security of either country, and

Taking into consideration the United States Atomic Energy Act of 1954, which was prepared with these purposes in mind,

Agree as follows:

ARTICLE I

1. While the United States and the United Kingdom are participating in international arrangements for their mutual defense and security and making substantial and material contribution thereto, each Government will from time to time make available to the other Government atomic information which the Government making such information available deems necessary to:

(a) the development of defense plans;

(b) the training of personnel in the employment of and defense against atomic weapons; and

(c) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

2. Atomic information which is transferred by either Government pursuant to this Agreement shall be used by the other Government exclusively for the preparation and implementation of defense plans in the mutual interests of the two countries.

ARTICLE II

1. All transfers of atomic information to the United Kingdom by the United States pursuant to this Agreement will be made in compliance with the provisions of the United States Atomic Energy Act of 1954 and any subsequent applicable United States legislation. All transfers of atomic information to the United States by the United Kingdom pursuant to this Agreement will be made in compliance with the United Kingdom Official Secrets Acts, 1911–1939, and the United Kingdom Atomic Energy Act of 1946.

2. Under this Agreement there will be no transfers by the United States or the United Kingdom of atomic weapons or special nuclear material, as these terms are defined in Section 11d, and Section 11t, of the United States Atomic Energy Act of 1954.

ARTICLE III

1. Atomic information made available pursuant to this Agreement shall be accorded full security protection under applicable security arrangements between the United States and the United Kingdom and applicable national legislation and regulations of the two countries. In no case shall either Government maintain security standards for safeguarding atomic information made available pursuant to this Agreement lower than those set forth in the applicable security arrangements in effect on the date this Agreement comes into force.

2. Atomic information which is exchanged pursuant to this Agreement will be made available through channels existing or hereafter agreed for the exchange of classified defense information between the two Governments.

3. Atomic information received pursuant to this Agreement shall not be transferred by the recipient Government to any unauthorized person or, except as provided in Article V of this Agreement, beyond the jurisdiction of that Government. Each Government may stipulate the degree to which any of the categories of information made available to the other Government pursuant to this Agreement may be disseminated, may specify the categories of persons who may have access to such information, and may impose such other restrictions on the dissemination of such information as it deems necessary.

(2) shall retain all right, title, and interest in and to any such invention, discovery, patent application or patent in its own or third countries but shall, upon request of the other Party, grant to that other Party a royalty-free, non-exclusive, irrevocable license for the governmental purposes of such other Party in such countries, including use in the production of materials in such countries for sale to the other Party by a contractor of such other Party; each Party may deal with any such invention, discovery, patent application or patent in its own country and all countries other than that of the other Party as it may desire, but in no event shall either Party discriminate against citizens of the country of the other Party in respect of granting any license under the patents owned by it in its own or any other country;

(3) waives any and all claims against the other Party for compensation, royalty or award as respects any such invention or discovery, patent application or patent and releases the other Party with respect to any such claim.

B. (1) No patent application with respect to any classified invention or discovery employing information which has been communicated under this Agreement may be filed by either Party or any person in the country of the other Party except in accordance with agreed conditions and procedures.

(2) No patent application with respect to any such classified invention or discovery may be filed in any country not a party to this Agreement except as may be agreed and subject to Article IX.

(3) Appropriate secrecy or prohibition orders shall be issued for the purpose of giving effect to this paragraph.

ARTICLE VIII

Classification policies

Agreed classification policies shall be maintained with respect to all information, materials, equipment and devices exchanged under this Agreement. The Parties intend to continue the present practice of consultation with each other on the classification of these matters.

ARTICLE IX

Guaranties

The Parties guarantee that:

A. All classified material, equipment, devices and classified information exchanged under this Agreement shall be safeguarded in accordance with the applicable security arrangements between the Commission and the Authority.

B. No material, equipment or device transferred pursuant to this Agreement shall be used for atomic weapons or for research on or development of atomic weapons, or for any other military purpose.

C. No material, equipment, device, or restricted data transferred pursuant to this Agreement, and no equipment or device which would disclose any restricted data transferred pursuant to this Agreement, shall be transferred to any unauthorized person or beyond the jurisdiction of the country receiving it, without the written consent of the Party to this Agreement from which or by permission of which it was received. Such consent will not be given on behalf of the Government of the United States unless the transfer in respect of which it is requested is within the scope of an agreement for cooperation made in accordance with Section 123 of the United States Atomic Energy Act of 1954.

ARTICLE X

Definitions

For the purposes of this Agreement:

"Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

"The Authority" means the United Kingdom Atomic Energy Authority.

"Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

"Classified" means a security designation of "Confidential" or higher applied under the laws and regulations of either the United Kingdom or the United States to any data, information, materials, services or any other matter, and includes "restricted data".

"The Commission" means the United States Atomic Energy Commission.

"Equipment and devices" and "equipment or device" means any instrument, apparatus, or facility and includes any facility, except an atomic weapon, capable of making use of or producing special nuclear material, and component parts thereof.

"Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, government agency or government corporation other than the Commission and the Authority.

"Pilot plant" means a device operated to acquire specific data for the design of a full-scale plant and which utilizes the process, or a portion thereof, and the type of equipment which would be used in the full-scale production plant.

"Reactor" means an apparatus, other than an atomic weapon, in which a self-supporting fission chain reaction is maintained by utilizing uranium, plutonium, or thorium or any combination of uranium, plutonium, or thorium.

"Restricted data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the category of restricted data by the appropriate authority.

"Special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission or the authority determines to be special nuclear material; or (2) any material artificially enriched by any of the foregoing.

ARTICLE XI

Period of agreement

This agreement shall enter into force on the date on which each Government shall receive from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 10 years.

In witness whereof, the undersigned, duly authorized, have signed this agreement.

Done at Washington this 15th day of June 1955, in two original texts.

For the Government of the United States of America:

ROBERT MURPHY,
LEWIS STRAUSS.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

R. H. SCOTT.

UNITED STATES,
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached Agreement for Cooperation on the Civil Uses of Atomic Energy between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America, and authorize its execution by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

As you know, Great Britain has from the beginning been one of the leaders in the development of atomic energy. Her scientists include great names in nuclear research, and her research and experimental centers are among the finest and most advanced in the world. British endeavor in the field of atomic energy preceded World War II, but in 1943 all work in this field was suspended in the British Isles, and the leading English scientists came to the United States and to Canada to labor jointly with the scientists of those countries in the development of the atomic bomb. The immense contribution made by the United Kingdom in the great scientific achievement which resulted is a matter of recorded history. Since the war, the United Kingdom has developed and put into effect an impressive, comprehensive, and highly integrated atomic-energy program; but collaboration and the exchange of atomic-energy information between our two Governments was, until the passage of the Atomic Energy Act of 1954, severely limited by law. The proposed agreement, negotiated under the Atomic Energy Act of 1954, represents an important step toward achieving in the field of the peaceful uses of atomic energy the friendly tradition of cooperation which prevails in the other areas of our relationships with Her Majesty's Government and will result in mutual benefit.

The agreement calls for reciprocal assistance in the achievement of the use of atomic energy for peaceful purposes, for the exchange of information between the United States Atomic Energy Commission and the United Kingdom Atomic Energy Authority of classified and unclassified information relating to the application of atomic energy for peaceful uses (including such general information on design and characteristics of various types of reactors as is required to permit evaluation and comparison of their potential use in a power production program), for an exchange of research materials not available commercially, for the use of research and reactor testing facilities, and for the transfer of equipment and devices. However, of the information which is classified, only that relevant to current or projective programs will be exchanged. The parties to the agreement will not exchange restricted data under the agreement which is primarily of military significance nor will they grant access to facilities which are primarily of military significance. Further, it is specifically provided that the parties will not transport or export, or permit the transfer or export, under the agreement of any material, equipment, or device which is primarily of a military character; and, further, that the disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of the agreement.

Special nuclear material will be exchanged under the agreement only for research purposes and in such quantities and under such terms and conditions as may be agreed, subject to the general limitation that no material which is primarily of a military character will be transferred.

The reciprocal arrangement set forth in the proposed agreement will permit the scientists and technicians of the United States access to valuable atomic information developed in the United Kingdom and will make possible a close collaboration in investigating the effective peacetime uses of atomic energy and in advancing the frontiers of knowledge in the nuclear sciences. The limits of nuclear energy cannot now be predicted, but its promise for the more abundant life is infinite. Working together the scientists of these two great nations can contribute substantially to the fulfillment of

that promise. In this way, each Government will be promoting its own defense and security and substantially furthering the mutual security of the peoples of the free world.

It is, therefore, the opinion of the Commission that the proposed agreement not only is in accordance with the policy which you have established concerning the development of the peaceful uses of atomic energy in collaboration with friendly foreign nations but, also, that the cooperative effort which the proposed agreement will permit will further solidify the friendship we now enjoy with Her Majesty's Government and go far in assuring the continuance of peace and freedom in our countries.

Respectfully,

LEWIS L. STRAUSS,
Chairman.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable L. L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of June 15, 1955, the Atomic Energy Commission recommended that I approve a proposed agreement for cooperation concerning the civil uses of atomic energy by the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the United States of America.

The Commission's letter of recommendation refers to the close collaboration that existed between Great Britain and the United States in the development of the atomic bomb, and points out that since the war and until the passage of the Atomic Energy Act of 1954, further cooperation in atomic-energy development was severely limited by law. The Commission's letter also states that the United Kingdom has developed and put into effect a comprehensive atomic-energy program, and that the proposed agreement, negotiated under the Atomic Energy Act of 1954, represents an important step toward achieving in the atomic-energy field the friendly tradition of cooperation which prevails in the other areas of our relationships with Her Majesty's Government.

I have examined the agreement recommended. I share in the belief of the Commission that the performance of the agreement will result in mutual benefit to both Governments.

The agreement calls for an exchange of classified and unclassified information relating to the application of atomic energy for peaceful uses, for an exchange of research materials not available commercially, for the use of research and reactor testing facilities, and for the transfer of equipment and devices. It is provided, however, that classified information will be exchanged only when relevant to current or projected programs, and that the parties to the agreement will not exchange restricted data under the agreement which is primarily of military significance; nor will they grant access to facilities which are primarily of military significance. Further, it is specifically provided that the parties will not transfer or export, or permit the transfer or export, under the agreement, of any material, equipment, or device which is primarily of a military significance. It is specifically provided that the disposition and utilization of atomic weapons and the exchange of restricted data relating to the design or fabrication of atomic weapons shall be outside the scope of the agreement.

Special nuclear material will be exchanged under the agreement only for research purposes and in such quantities and under such terms and conditions as may be agreed, subject to the general limitation that nuclear material which is primarily of a military character will not be transferred.

The extent of the progress of atomic energy development in Great Britain, particularly in the matter of the peaceful uses of atomic energy, makes it certain that the United States will gain materially from a mutual exchange of information and the mutual uses of facilities. The proposed agreement will permit our scientists to have access to valuable information which the eminent scientists of the United Kingdom have developed and will make possible a close collaboration in advancing the frontiers of knowledge in the nuclear sciences and the fulfillment of the promise which nuclear energy holds for all mankind. I share the opinion of the Commission that the activities called for in the agreement will promote the defense and security of the United States and will substantially further the mutual security of the peoples of the free world.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby—

(1) Approve the within proposed agreement for cooperation between the Government of the United States and the Government of the United Kingdom of Great Britain and Northern Ireland concerning the civil uses of atomic energy;

(2) Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

(3) Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT EISENHOWER.

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., June 15, 1955.

Hon. CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR SENATOR ANDERSON: Pursuant to section 123 (c) of the Atomic Energy Act of 1954 there is submitted with this letter:

(1) A proposed Agreement for Cooperation with the Government of the United Kingdom and Northern Ireland;

(2) A letter dated June 15, 1955 from the Commission to the President recommending his approval of the proposed agreement;

(3) A letter dated June 15, 1955 from the President to the Commission approving the proposed agreement, authorizing its execution, and containing his determination that the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security.

This proposed agreement for cooperation calls for the exchange of classified and unclassified information and material, including restricted data, and is more extensive in scope than the unclassified research agreements which previously have been submitted to this session of the Congress.

The arrangement contained in the proposed agreement results from the special relationship which exists between the Government of the United Kingdom and Northern Ireland and the United States in the atomic energy field.

Sincerely yours,

LEWIS L. STRAUSS,
Chairman.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND FOR COOPERATION REGARDING ATOMIC INFORMATION FOR MUTUAL DEFENSE PURPOSES

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland,

Recognizing that their mutual security and defense requires that they be prepared to meet the contingencies of atomic warfare,

Recognizing that their common interests will be advanced by the exchange of information pertinent thereto,

Believing that the exchange of such information can be undertaken without threat to the security of either country, and

Taking into consideration the United States Atomic Energy Act of 1954, which was prepared with these purposes in mind,

Agree as follows:

ARTICLE I

1. While the United States and the United Kingdom are participating in international arrangements for their mutual defense and security and making substantial and material contribution thereto, each Government will from time to time make available to the other Government atomic information which the Government making such information available deems necessary to:

(a) the development of defense plans;

(b) the training of personnel in the employment of and defense against atomic weapons; and

(c) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

2. Atomic information which is transferred by either Government pursuant to this Agreement shall be used by the other Government exclusively for the preparation and implementation of defense plans in the mutual interests of the two countries.

ARTICLE II

1. All transfers of atomic information to the United Kingdom by the United States pursuant to this Agreement will be made in compliance with the provisions of the United States Atomic Energy Act of 1954 and any subsequent applicable United States legislation. All transfers of atomic information to the United States by the United Kingdom pursuant to this Agreement will be made in compliance with the United Kingdom Official Secrets Acts, 1911–1939, and the United Kingdom Atomic Energy Act of 1946.

2. Under this Agreement there will be no transfers by the United States or the United Kingdom of atomic weapons or special nuclear material, as these terms are defined in Section 11d, and Section 11t, of the United States Atomic Energy Act of 1954.

ARTICLE III

1. Atomic information made available pursuant to this Agreement shall be accorded full security protection under applicable security arrangements between the United States and the United Kingdom and applicable national legislation and regulations of the two countries. In no case shall either Government maintain security standards for safeguarding atomic information made available pursuant to this Agreement lower than those set forth in the applicable security arrangements in effect on the date this Agreement comes into force.

2. Atomic information which is exchanged pursuant to this Agreement will be made available through channels existing or hereafter agreed for the exchange of classified defense information between the two Governments.

3. Atomic information received pursuant to this Agreement shall not be transferred by the recipient Government to any unauthorized person or, except as provided in Article V of this Agreement, beyond the jurisdiction of that Government. Each Government may stipulate the degree to which any of the categories of information made available to the other Government pursuant to this Agreement may be disseminated, may specify the categories of persons who may have access to such information, and may impose such other restrictions on the dissemination of such information as it deems necessary.

ARTICLE IV

As used in this Agreement, "atomic information" means:

(a) so far as concerns the information provided by the United States, Restricted Data, as defined in Section 11 r. of the United States Atomic Energy Act of 1954, which is permitted to be communicated pursuant to the provisions of Section 144 b. of that Act, and information relating primarily to the military utilization of atomic weapons which has been removed from the Restricted Data category in accordance with the provisions of Section 142 d. of the United States Atomic Energy Act of 1954;

(b) so far as concerns the information provided by the United Kingdom, information exchanged under this Agreement which is either classified atomic energy information or other United Kingdom defense information which it is decided to transfer to the United States in pursuance of Article I of this Agreement.

ARTICLE V

Nothing herein shall be interpreted or operate as a bar or restriction to consultation and cooperation by the United States or the United Kingdom with other nations or regional organizations in any fields of defense. Neither Government, however, shall communicate atomic information made available by the other Government pursuant to this Agreement to any nation or regional organization unless the same information has been made available to that nation or regional organization by the other Government in accordance with its own legislative requirements and except to the extent that such communication is expressely authorized by such other Government.

ARTICLE VI

This Agreement shall enter into force on the date on which each Government shall receive from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such an Agreement, and shall remain in effect until terminated by mutual agreement of both Governments.

Done at Washington this Fifteenth day of June 1955 in two original texts.

For the United States of America:

C. BURKE ELBRICK.

For the United Kingdom of Great Britain and Northern Ireland:

R. H. SCOTT.

THE SECRETARY OF DEFENSE,
Washington, June 14, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Section 144 (b) of the Atomic Energy Act of 1954 empowers you to authorize the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with another nation or regional defense organization to which the United States is a party and to communicate to that nation or organization such atomic information as is necessary to the development of defense plans, the training of personnel in the employment of and defense against atomic weapons, and the evaluation of the capabilities of potential enemies in the employment of atomic weapons. This cooperation and communication, however, may be undertaken only in accordance with the limitations imposed by the act and under an agreement entered into pursuant to section 123 thereof.

The first of these agreements was with the North Atlantic Treaty Organization. It was approved by you on April 13, 1955, and has been before the Joint Committee on Atomic Energy for the required 30-day period. With the cooperation of the Department of State, a separate agreement has now been negotiated with the United Kingdom and recommended for signature. This proposed agreement is submitted herewith for your approval.

It is the view of this Department that this agreement is entirely in accord with the provision of the Atomic Energy Act of 1954. I am convinced that it will fully serve the best interests of the United States by making possible a further significant extension of the close cooperation in the field of mutual defense which has characterized our relationships with the United Kingdom for so many years. I therefore strongly recommend that you approve this proposed agreement as required by section 123 of the Atomic Energy Act and transmit the agreement to the Joint Committee on Atomic Energy together with your determinations and authorizations as to execution.

With great respect, I am
Faithfully yours,

C. E. WILSON.

JUNE 15, 1955.

The Honorable CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Washington, D. C.

DEAR SENATOR ANDERSON: Pursuant to section 123 of the Atomic Energy Act of 1954, I hereby submit to the Joint Committee on Atomic Energy a proposed agreement between the Governments of the United States and the United Kingdom for cooperation regarding communication of atomic information for mutual defense purposes under section 144 (b) of the act.

Under the terms of the proposed agreement, the United States may exchange with the United Kingdom, so long as the United Kingdom pursuant to an international arrangement continues to make substantial and material contributions to the mutual defense effort, atomic information which the United States considers necessary to (1) the development of defense plans; (2) the training of personnel in the employment of and defense against atomic weapons; and (3) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

The United Kingdom will make atomic information available to the United States on the same basis.

Atomic information made available pursuant to the proposed agreement will not be transferred to unauthorized persons, or beyond the jurisdiction of the recipient government except where that information is to be communicated to another nation or regional organization which has already been given the same information under an agreement similar to this and then only to the extent such transfer is specifically authorized by the originating government.

Transfers of atomic information by the United States under the proposed agreement will be made only in accordance with the Atomic Energy Act of 1954 and such information will be safeguarded by the stringent security arrangements in effect between the United States and the United Kingdom when this agreement comes into force.

The agreement will remain in effect until terminated by agreement between the two governments, but the actual exchange of atomic information is entirely discretionary.

The Department of Defense has strongly recommended approval of this agreement. It is my firm conviction that through the cooperative measures foreseen in this agreement we will have aided materially not only in strengthening our own defenses but also those of our British ally and will thereby contribute greatly to the mutual defense efforts which are of such vital importance to the maintenance of our common freedom.

Accordingly, I hereby determine that the performance of this proposed agreement will promote, and will not constitute an unreasonable risk to, the common defense and security, and approve this agreement. In addition, I hereby authorize, subject to the provisions of the Atomic Energy Act of 1954, the Secretary of State to execute the proposed agreement and the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with the United Kingdom and to communicate restricted data to the United Kingdom under the agreement.

Sincerely,

DWIGHT D. EISENHOWER.

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF CANADA FOR COOPERATION REGARDING ATOMIC INFORMATION FOR MUTUAL DEFENSE PURPOSES

The Government of the United States of America and the Government of Canada,

Recognizing that their mutual security and defense requires that they be prepared to meet the contingencies of atomic warfare,

Recognizing that their common interests will be advanced by the exchange of information pertinent thereto,

Believing that the exchange of such information can be undertaken without threat to the security of either country, and

Taking into consideration the United States Atomic Energy Act of 1954 and the Canadian Atomic Energy Control Act and Atomic Energy Regulations, which were prepared with these purposes in mind,

Agree as follows:

ARTICLE I

1. While the United States and Canada are participating in international arrangements for their mutual defense and security and making substantial and material contribution thereto, each Government will from time to time make available to the other Government atomic information which the Government making such information available deems necessary to:

(a) the development of defense plans;

(b) the training of personnel in the employment of and defense against atomic weapons; and

(c) the evaluation of the capabilities of potential enemies in the employment of atomic weapons.

2. Atomic information which is transferred by either Government pursuant to this Agreement shall be used by the other Government exclusively for the preparation and implementation of defense plans in the mutual interests of the two countries.

ARTICLE II

1. All transfers of atomic information to Canada by the United States pursuant to this Agreement will be made in compliance with the provisions of the United States Atomic Energy Act of 1954 and any subsequent applicable United States legislation. All transfers of atomic information to the United States by Canada pursuant to this Agreement will be made in compliance with the Atomic Energy Control Act and the Atomic Energy Regulations of Canada or subsequent applicable Canadian legislation and regulations.

2. Under this Agreement there will be no transfers by the United States or Canada of atomic weapons or special nuclear material, as these terms are defined in Section 11 d. and Section 11 t. of the United States Atomic Energy Act of 1954.

ARTICLE III

1. Atomic information made available pursuant to this Agreement shall be accorded full security protection under applicable security arrangements between the United States and Canada and applicable national legislation and regulations of the two countries. In no case shall either Government maintain security standards for safeguarding atomic information made available pursuant to this Agreement lower than those set forth in the applicable security arrangements in

effect on the date this Agreement comes into force.

2. Atomic information which is exchanged pursuant to this Agreement will be made available through channels existing or hereafter agreed for the exchange of classified defense information between the two Governments.

3. Atomic information received pursuant to this Agreement shall not be transferred by the recipient Government to any unauthorized person or, except as provided in Article V of this Agreement, beyond the jurisdiction of that Government. Each Government may stipulate the degree to which any of the categories of information made available to the other Government pursuant to this Agreement may be disseminated, may specify the categories of persons who may have access to such information, and may impose such other restrictions on the dissemination of such information as it deems necessary.

ARTICLE IV

As used in this Agreement, "atomic information" means:

(a) so far as concerns the information provided by the United States, Restricted Data, as defined in Section 11 r. of the United States Atomic Energy Act of 1954, which is permitted to be communicated pursuant to the provisions of Section 144 b. of that Act and information relating primarily to the military utilization of atomic weapons which has been removed from the Restricted Data category in accordance with the provisions of Section 142 d. of the United States Atomic Energy Act of 1954;

(b) so far as concerns the information provided by Canada, classified information relating to the military application of atomic energy.

ARTICLE V

Nothing herein shall be interpreted or operate as a bar or restriction to consultation and cooperation by the United States or Canada with other nations or regional organizations in any fields of defense. Neither Government, however, shall communicate atomic information made available by the other Government pursuant to this Agreement to any nation or regional organization unless the same information has been made available to that nation or regional organization by the other Government in accordance with its own legislative requirements and except to the extent that such communication is expressly authorized by such other Government.

ARTICLE VI

This Agreement shall enter into force on the date of receipt by the Government of Canada of a notification from the Government of the United States of America that the period of thirty days required by Section 123 c. of the U. S. Atomic Energy Act of 1954 has elapsed, and shall remain in effect until terminated by mutual agreement of both Governments.

Done at Washington this fifteenth day of June 1955 in two original texts.

For the United States of America:

C. BURKE ELBRICK.

For Canada:

A. D. P. HEENEY.

THE SECRETARY OF DEFENSE,
Washington, June 10, 1955.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: Section 144 (b) of the Atomic Energy Act of 1954 empowers you to authorize the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with another nation or regional defense organization to which the United States is a party and to communicate to that nation or organization such atomic information as is necessary to the development of defense plans, the training of personnel in the employment of and defense against atomic weapons, and the evaluation of the capabilities of potential enemies in the employment of atomic weapons. This cooperation and communication, however, may be undertaken only in accordance with the limitations imposed by the act and under an agreement entered into pursuant to section 123 thereof.

The first of these agreements was with the North Atlantic Treaty Organization. It was approved by you on April 13, 1955, and has been before the Joint Committee on Atomic Energy for the required 30-day period. With the cooperation of the Department of State, a separate agreement has now been negotiated with Canada and recommended for signature. This proposed agreement is submitted herewith for your approval.

It is the view of this Department that this agreement is entirely in accord with the provisions of the Atomic Energy Act of 1954. The execution of this agreement should do much to advance our mutual defense interests, especially the vital cause of North American defense in which we have long been working closely with our Canadian neighbors, and will thereby aid materially in the defense of the United States. I therefore strongly recommend that you approve this proposed agreement as required by section 123 of the Atomic Energy Act and transmit the agreement to the Joint Committee on Atomic Energy, together with your determinations and authorizations as to execution.

With great respect, I am,
Faithfully yours,

C. E. WILSON.

THE WHITE HOUSE,
Washington, June 15, 1955.

The Honorable CLINTON P. ANDERSON,
Chairman, Joint Committee on Atomic Energy, Washington, D. C.

DEAR SENATOR ANDERSON: Pursuant to section 123 of the Atomic Energy Act of 1954, I hereby submit to the Joint Committee on Atomic Energy a proposed agreement between the Governments of the United States and Canada for cooperation regarding communication of atomic information for mutual defense purposes under section 144 (b) of the act.

Under the terms of the proposed agreement, the United States may exchange with Canada, so long as Canada pursuant to an international arrangement continues to make substantial and material contributions to the mutual defense effort, atomic information which the United States considers necessary to (1) the development of defense plans; (2) the training of personnel in the employment of and defense against atomic weapons; and (3) the evaluation of the capabilities of potential enemies in the employment of atomic weapons. Canada will make atomic information available to the United States on the same basis.

Atomic information made available pursuant to the proposed agreement will not be transferred to unauthorized persons, or beyond the jurisdiction of the recipient government except where that information is to be communicated to another nation or regional organization which has already been given the same information under an agreement similar to this and then only to the extent such transfer is specifically authorized by the originating government.

Transfers of atomic information by the United States under the proposed agreement will be made only in accordance with the Atomic Energy Act of 1954 and such information will be safeguarded by the stringent security arrangements in effect between the United States and Canada when this agreement comes into force.

The agreement will remain in effect until terminated by agreement between the two governments, but the actual exchange of atomic information is entirely discretionary.

The Department of Defense has strongly recommended approval of this agreement. It is my firm conviction that through the cooperative measures foreseen in this agreement we will have aided materially not only in strengthening our own defenses but also those of our Canadian ally and will thereby contribute greatly to the mutual defense efforts which are of such vital importance to the maintenance of our common freedom.

Accordingly, I hereby determine that the performance of this proposed agreement will promote, and will not constitute an unreasonable risk to the common defense and security, and approve this agreement. In addition, I hereby authorize, subject to the provisions of the Atomic Energy Act of 1954, the Secretary of State to execute the proposed agreement and the Department of Defense, with the assistance of the Atomic Energy Commission, to cooperate with Canada and to communicate restricted data to Canada under the agreement.

Sincerely,

DWIGHT D. EISENHOWER.

SPECIAL ORDER GRANTED

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the special order granted me for today may be transferred to Thursday.

The SPEAKER. Is there objection?

There was no objection.

HELEN KELLER

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include an editorial.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, when Harvard University lifted its centuries-old ban and presented an honorary degree to a woman for the first time, it chose as the recipient of this great honor a woman who has been an inspiration to all who know her story, one who has shown how the human spirit can triumph over physical handicaps and whose life has been one of faith, trust, and helpfulness, Helen Keller.

In presenting her with a doctorate of laws, Dr. Pusey stated:

From a still, dark world she has brought us light and sound. Our lives are richer for her faith and her example.

I believe everyone will agree with his statement and rejoice that she has been so honored by this great university.

Mr. Speaker, I include as a part of my remarks the following stirring editorial by a very fine writer for the Boston Sunday Globe describing this award:

THE WOMAN HARVARD CHOSE TO HONOR

(By Frances Burns)

Nearly 10 years ago, on a dull November day, a stoutish, vivacious woman in a blue feather toque stood with a middle-aged friend beside a sailor in a high bed in Chelsea Naval Hospital.

Before she had moved confidently, guided by the gentle pressure of her companion's fingers, down the ward between the rows of beds, the sailor had been blank, uncommunicative. The war was over, but the shipboard explosion in the battle for Leyte still would keep his young body immobilized for many months. He was bored and rebellious.

Then Helen Keller smiled down at him. She felt for his hand and clasped it. She spoke to him in a rush of words, gutturally, with the uninflection of those who cannot hear what they say, but her words conveyed genuine sympathy and compassion.

And the sailor responded, as wounded men everywhere had responded, to the personality of this woman. Here she was, one of the best-known people in the world—honored everywhere, received by Presidents and Kings and Premiers—asking no favors of him for her affliction, but giving of herself for him and others who were afflicted.

(This dame couldn't see or hear—and she hadn't let it get her down. She made him think of his grandmother a little—kind and full of advice. She couldn't see or hear and she didn't talk too good. He still had his eyes and ears, spite of what had happened. Maybe.)

Outside the long windows nothing had changed in the monotones of dun grass, gray skies, cold gray mystic flowing past sooty buildings and dark mountains of coal under the gray green of the high, graceful bridge. But there in the ward there was a new warmth of spirit from a blind and deaf woman. All the sick and wounded felt it. Even the reporter, instinctively resisting the world's publicized and extolled, was caught up in it.

Now, a decade later, a few days before her 75th birthday, Harvard has chosen Helen Keller to be the first woman in 309 commencements ever to receive an honorary degree.

"SHE HAS BROUGHT US LIGHT"

When the university finally decided to take its ultimate step in recognizing women, it paid tribute to one who has shown the world that the human spirit can triumph over physical handicap.

"From a still, dark world, she has brought us light and sound," said Mr. Pusey, presenting her with a doctorate of laws. "Our lives are richer for her faith and her example."

Harvard had resisted women in education longest of all the institutions in the country. Only step by step has the university given ground. The medical school admitted the other sex in 1945 and has had 87 women as students since; the law school broke down in 1950, with some 60 enrolled in the years since.

But, though Helen Keller was graduated cum laude from Radcliffe in 1904, it was not to the intellectual, nor to the administrator, the politician or stateswoman, the leader in profession or education, that Harvard first doffed its hat.

Rather it was to the woman who has overcome self in conquering physical handicap, whose life has been lived in faith and trust and helpfulness.

AGE HAS NOT SLOWED HER

Age has not withered her, nor slowed her down, nor dampened her spirit. Indeed, as she approached her 75th birthday, she pledged herself to redouble her efforts in behalf of the American Foundation for the Blind and the American Foundation for Overseas Blind—"to bring the light of human dignity and usefulness into the darkened lives of the world's 14 million slightless."

She has lived to see herself become a legend. Unlike many legends hers is founded on fact and truth. Born a normal child, she was 19 months old when disease destroyed her hearing and sight. Too young to have stored the memory of color and sound, of flowers and the faces of those she loved, or the sound of voices or music, no longer now to be reached by admonition or displeasure, she became a half-wild little creature, babbling, savage, undisciplined.

It was out of this material that her own indomitable inheritance and two remarkable teachers and companions, Anne Sullivan (Macy)—"Teacher"—and Polly Thomson, have fashioned the woman that the world knows and honors.

Like Lazarus, bursting the bonds of the grave, like Schweitzer overcoming the blackness of Africa at Lamarene, Helen Keller has conquered the darkness and silence. She is not the only person to see without eyes, or hear without ears but it is nonetheless an achievement of the spirit that she has been able to bring about what seems to the ordinary normal human a miracle. Nor does it detract from her accomplishment to say that she could not have done what she did without the devotion and of teaching and patience contributed by Mrs. Macy and Miss Thomson.

Actually, the peculiar contribution of her genius is that, spurred, rather than deterred, by her physical and intellectual limitations she has been able to influence the attitudes of the people of this and other countries toward the deformed and handicapped.

For she has lifted from the area of pity and apartness the poor suffering, into the life that they want to share with the sighted and hearing and whole.

WE WANT WHAT OTHERS DO

Pity for the handicapped appeared comparatively recently in man's climb upward from the savage. It is one of the nobler instincts of the Christian religion. Yet it is, after all, only a conscious step from the dread and loathing which led the animals to destroy the weak and primitive man to leave the handicapped to die.

But is a man any less a man because he is missing one of his senses, or has suffered the handicap of being born the wrong color, or religion, or race? Has he any less capacity to love and hate, any poorer brain, or smaller heart, or fewer drives, or less ambition because he has lost sight, or limb, or beauty of face, is different?

Miss Keller herself has said that "too many of the more fortunate look upon a blind person as very different from themselves. But this is not true. Pain is pain, and joy, ambition, and love belong to us just as much as they do to those who can see. We want exactly what others do * * *."

As much as anyone living she has broken the barrier of prejudice and pity against the handicapped. By her own life, by her disregard of blindness and deafness, she has shown that the deformed are not half men, but may, indeed, like her be supermen.

She is a world symbol of those most admirable qualities of the human spirit, courage, determination, patience, sympathy, love.

And out of her own conquest of darkness and silence has come the living proof that she and other humans like her are no different from run of the mill men and women, except that more is demanded of them if they are to live to the fullest with the endowment which they share with their fellow man.

THE LATE HONORABLE DAVID WORTH CLARK

Mr. BUDGE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. BUDGE. Mr. Speaker, it is with the deepest feeling of regret that I announce the death of David Worth Clark, former distinguished Member of this body.

D. Worth, as he was known in the House and by his many friends, was born on April 2, 1902, at Idaho Falls, in Bonneville County, Idaho. He attended the public schools of Idaho and subsequently graduated from Notre Dame University at the age of 19. He then attended and graduated from the law department at Harvard University in 1925, and was admitted to practice his profession in the State of Idaho in that year.

D. Worth Clark had a very distinguished career as an attorney-at-law. He had a very distinguished career as a Member of this body during the 74th and 75th Congresses, at which time he was elected to the United States Senate, where he served with distinction from 1939 to 1945. He was a man of extremely friendly attributes, great capabilities and the fullest sincerity and devotion to duty. He leaves a lovely and devoted wife and a marvelous family. His friends will miss him, and I know that many Members of this body will feel very shocked at his early demise.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield.

Mr. HALLECK. Mr. Speaker, it has been a long, long time since I have been as shocked as I was at the news I received this morning of D. Worth Clark's passing. He and I came to Congress in the same year. Our first offices were in the New House Office Building adjacent to one another. Initially by reason of that, but later by reason of many other mutual interests, Worth and I came to be very close personal friends. He was a member of the Democratic Party. I am a member of the Republican Party. Through all the years, though we differed in many things that had to do with partisan activities, we found genuine pleasure in each other's companionship.

His wife, Virgil, who survives, likewise was and is a good friend of mine, as well as of Mrs. Halleck. The Worth children and ours, more or less, grew up together. I shall always remember Worth Clark as one of the ablest men of my time in this Congress. He had a wonderful mind. With it all he had a great sense of balance, together with sound judgment that made him an outstanding legislator. He was a courageous man, a man who was always ready to stand up and fight for his principles.

His was an integrity of character that commanded the respect of his colleagues on either side of the aisle.

I never knew Worth Clark to be other than kind and generous. Those who looked to him for help found a willing hand, ready to serve; those of us who were privileged, in our turn, to repay, in some measure, his thoughtful gestures, were assured of his sincere gratitude.

He was a great American, a devoted father, and a steadfast friend. I find it difficult to reconcile myself to the loss of this admirable man, and I mourn with his wife and three fine daughters the passing that has been so untimely.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from New York.

Mr. KEOGH. Mr. Speaker, I, too, should like to add my expression of sympathy to Virgil Clark and to the family of our late colleague with whom I was

privileged to serve since my arrival in Washington. While we were both of the same party, we too had our differences, especially in the difficult days of 1938 and 1939 when our late colleague in his fine, typical, intelligent, and gentle fashion took a position and recognized the right of others and respected them in that right of differing with him, but which he did always in his own inimitable and gracious way.

I am truly shocked at his sudden passing, for he was a young man and deserved a longer time to serve his country in the future as he did in the past.

My sympathy to his family is heartfelt.

Mr. BUDGE. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD on the life and public service of this fine man.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mrs. PFOST. Mr. Speaker, both my State of Idaho and the country at large lost a fine and dedicated citizen in the untimely death this week of David Worth Clark. A Member of the House of Representatives from 1935 to 1939, and of the United States Senate from 1939 to 1945, he distinguished himself for his courage, his integrity, and his willingness to fight for the things in which he believed.

Although his life was cut short in its prime—he was only 53—the years he lived were crowded ones. He was 33 when he first came to Washington as a Member of Congress. He had already practiced law for 7 years in his hometown of Pocatello, and had served for 2 years as Idaho's assistant attorney general. After leaving the United States Senate, he maintained law offices in both Washington, D. C., and the West, served as a management consultant, and took care of business interests scattered throughout this country and Hawaii.

D. Worth, as he was known, was a man of great personal charm. Few men have had more devoted friends. They loved him for his great heart and his understanding as well as for his keen mind and splendid judgment. I was not in Washington, of course, when he was here, but many Members have spoken to me about the deep affection and high regard in which they, his colleagues, held him.

My heart goes out to his wonderful wife, Virgil Irwin Clark, and his three lovely daughters in their loss. I hope they can find comfort in the legacy of accomplishment left by Senator Worth Clark to both his State and his Nation.

THE LATE HONORABLE BARTEL J. JONKMAN

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, it is my sad duty to report to the Members of the House of Representatives that funeral services were held last Thursday afternoon for the Honorable Bartel J. Jonkman, who served in this body from 1940 until 1948. Mr. Jonkman died on Monday, June 13, in Grand Rapids, Mich., at the age of 71.

Barney Jonkman unselfishly and sincerely gave most of his life to public service. Upon graduation from the University of Michigan Law School in 1914, he was appointed assistant prosecuting attorney for Kent County, Mich., in which capacity he served until 1920.

Mr. Jonkman was elected prosecuting attorney of his home county in 1929 and served until 1936. The Honorable Fred N. Searl, now circuit judge in Kent County, acted as Mr. Jonkman's chief assistant. Last Monday Mr. Searl said:

> It was my privilege to serve with Mr. Jonkman during the 5 years of his service as prosecuting attorney. He conducted that office with courage, integrity, and good judgment, and had the respect and affection of all who served with him.

In 1940 the voters of the Fifth District selected Barney Jonkman to represent them in Congress. This was at a special election called to fill the vacancy caused by the death of Representatives Carl E. Mapes. While in Congress Barney was an active member of the Committee on Foreign Affairs, and traveled extensively in Europe and South America. He went to Alaska in 1947 to inspect the Alcan Highway project.

At an early date Representative Jonkman was conscious of the dangers of communistic influence in our Government. As a one man subcommittee he was active in the investigation of Communists in the State Department. Speaking of these years of service, Judge Searl said:

> As Representative in Congress he served this district and the Nation well during the difficult war years. Bartel Jonkman was a fine citizen and public officer.

Mr. Jonkman was a charter member of the Sherman Street Christian Reformed Church where the funeral services were held on Thursday.

Mr. Speaker, to the widow and to Mr. Jonkman's three daughters, and to the other members of his devoted family, we extend our personal sympathy.

Michigan has lost a fine citizen.

Mr. Speaker, under leave to extend my remarks, I include editorials from three Fifth District newspapers on the passing of Bartel J. Jonkman. They are from the Holland Sentinel, the Grand Rapids Herald, and the Grand Rapids Press:

[From the Holland Sentinel]

CONGRESSMAN BARTEL J. JONKMAN

Bartel J. Jonkman, former Kent County prosecutor and our Congressman from the Fifth Congressional District of Michigan, died Monday at the age of 3 score and 11 years.

Congressman Jonkman served the Fifth Congressional District from 1940 to 1948. He was a member of the House Foreign Affairs Committee and began his public career in 1914 assistant Kent County prosecuting attorney. Entering private law practice in 1920, he was elected county prosecutor of Kent County in 1929, leaving this post in 1936. Then, in 1940, he was elected at a special election to fill a vacancy caused by the death of Representative Carl Mapes, whom thousands of citizens in the Fifth District remember, along with Bartel J. Jonkman.

We seem to have the habit of retaining our Congressmen in the Fifth District for more than a term. Bartel Jonkman served more than 40 years in public office, which was more than one-half of his entire life. This is quite a record for any man. The Congressman is survived by his wife, 5 brothers, and 2 sisters. The community will miss the Congressman.

[From the Grand Rapids Herald]

BARTEL JONKMAN

The passing of Bartel J. Jonkman takes from the community one who was an active figure in public life for many years.

As prosecuting attorney of Kent County, and later as a Member of Congress, serving the Fifth District for four terms, he was an earnest official servant, conservative in his viewpoint, steadfastly declining to embrace the political foibles of his time, but usually retaining an open mind before deciding what he deemed to be the best interests of his country and his district. In Washington he was respected by his colleagues.

At the close of his congressional career, in 1949, Mr. Jonkman returned to his native city of Grand Rapids and resumed his law practice. In failing health, he retired from active participation in politics but never lost his deep interest in public questions.

He will be missed by a large circle of friends and neighbors.

[From the Grand Rapids Press]

BARTEL J. JONKMAN

Bartel J. Jonkman, who died Monday at the age of 71, spent most of his adult life in public office. He first came to prominence in this community as Kent County prosecuting attorney, a position he held for 7 years.

The name he made for himself in this position assured his election as Representative from the Fifth District on the death of Representative Carl E. Mapes. Like his predecessor, Mr. Jonkman gave studious attention to the needs of his district. He sometimes complained, privately, that too much of his time was being taken up with the individual affairs of his constituents; too many of them made demands on his time with minor requests for services or favors. But he looked after all of them.

Despite these distractions, he still managed to handle a large volume of official work and was one of the first men in Washington to call attention to the dangers of Communist infiltration. He captured few headlines, but, nevertheless, laid the foundation for much of the work that was done later to expose the extent of the Communist menace throughout the Western Hemisphere.

Barney, as most persons around here knew him, served in Congress from 1939 to 1948. If he had remained longer he probably would have come to be classed as a Taft Republican, for he leaned definitely to the conservative side and was inclined to take the isolationist view.

He might have remained in Congress even longer if he had been willing to compromise his personal views. Perhaps he knew that he had fallen out of step with the voters of his district; but he wouldn't wear someone else's colors. His sincerity won him the respect of all who knew him, including those who often disagreed with him. It was that quality that made him both a good citizen and a firm friend.

Mrs. FRANCES P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentlewoman from Ohio.

Mrs. FRANCES P. BOLTON. Mr. Speaker, we of the Foreign Affairs Committee have missed Mr. Jonkman very

much since he left the committee. Now that he has gone beyond where we can confer with him, now that he has gone beyond where we can have his word, his counsel, we shall miss him even more.

I remember the wonderful times we used to have over the use of two words. As a result we used to call Bart Mr. Deems Jonkman. He was a lawyer and he maintained that the word "deems" meant that if "the President deems" such and such a thing is right it never comes back to the Congress but if he just finds it is right, we would get it back here for our O. K. again. So Bart tried over and over again to get the word "deems" out of our legislation and to substitute therefor the word "finds." Finally just before he left the committee we were considering a bill that came to us with the word "finds" in it. We had a real celebration.

He was so honest, so honorable, so true. His Dutch blood stood us and him in good stead and did much for all of us. He was steady, grim sometimes, determined always to get things done, if possible. His sense of what America meant to the world was deep. His love of country was so true, so constant, so unwavering. He worked always with a quiet, steady purpose giving himself unstintingly to the work in hand.

To the members of his family we of the Committee on Foreign Affairs of the House express our deep sympathy, our sense of deprivation that is theirs and ours in his going. I feel certain that a man who lived as he did, who did so much for his country, will surely be able to do even more in those larger areas to which he has gone.

Mr. FORD. Mr. Speaker, I am positive that the members of Mr. Jonkman's family will appreciate very much the kind words of the gentlewoman from Ohio.

Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD in reference to the passing of the late Bartel J. Jonkman.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RAYBURN. Mr. Speaker, Bartel Jonkman was a courtly gentleman. He was a capable and sane legislator, and really served his day and generation.

THE MARINE CORPS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I take this time to bring to the attention of the Members of the House that the other body just a short while ago on rollcall vote restored to the defense appropriation bill the cut we made in the funds for the Marine Corps. I hope indeed that when the bill comes back to the House after a conference that the House in its great and good judgment, as it always has, will accept this restoration of funds for the Marine Corps and will embrace the opportunity to concur with the other body in its action. This cut was totally unjustified and, in my opinion, totally inexplicable so far as the great United States Marine Corps is concerned.

I hope the other body sees fit to restore the cut that was made in connection with the Army as well. I shall watch with great interest the action now taking place in the other body; but at least we have restored in the other body funds for the Marine Corps. That is a good place to begin.

COMMUNISM—ITS METHOD

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, over 20 years ago I warned the people of America with reference to the threat of communism. A friend of mine sent me an article which appeared in the National Republic magazine of June 1936.

This article reads as follows:

COMMUNISM—ITS METHOD

(By JOHN W. McCORMACK)

At the outset it must be borne in mind that communism is not alone a school of political or economic science. In its fuller aspect it is a philosophy of man. It is materialistic in both its concept and operation. The purpose of communism is the establishment of a dictatorship of the so-called proletariat—through the medium of class appeal and class groupings. It seeks to obtain control of government and then through the medium of a dictator, to put into operation the principles and policies of communism.

It is unnecessary to discuss in detail the manner in which they are attempting to accomplish their objective. They openly admit the use of any and all means, legal or illegal, or a combination of both, to bring about their objective. Their efforts in this country are not confined to mere expression or academic discussion. Practical efforts are being made in every conceivable way to create dissatisfaction and discontent, to capitalize on it wherever it exists, in order to produce emotional results that will aid them in furthering their cause. They employ the "boring in" policy in labor, in education, in religion and in fraternal and other organizations, in order to obtain a position of advantage therein, so as to influence the policies of such organizations. They also employ the "united front" policy, by which they join with other organizations in the agitation of furtherance of some program. They are not interested in the program, except as a means of interesting such organizations in their cause. They join with others, not because they believe in what others fight for, but to use the strength of such organization for their advantage. To them, anything in which they engage is simply a means to the end they seek—the overthrow of government, not through the Constitution, but by force and violence. At the present time they have a school in New York City with over 2,000 students in attendance each night, receiving instructions in the philosophy of Marx and Engels, and particularly a training in acts of sabotage and in the exploitation of emotional situations. They are also trained in tactics which will prolong strikes that might properly be started in an effort to obtain higher wages or better working conditions or hours of labor. In such cases they step in, not to assist in a fair settlement, but to prolong as long as possible and they then step out, leaving behind them misery and suffering. They are not interested in settlement. They are interested only in prolongation of a strike, exploiting existing conditions, as a part of their means to an end. Their training is to enable them to induce others, who have nothing in common with them, to unconsciously play their game. They oppose all governments except Sovietism. They do not owe allegiance to any flag but the red flag of revolution. They are unscrupulous in their demands and in their consideration of the rights of others. They have been making a determined effort for years to bore in on the American Federation of Labor. In 1 or 2 cases they have been successful in obtaining control of a union. I have in mind a union in New York City. The leadership of the American Federation of Labor, under President Green, are militantly fighting such efforts. President Green realizes the danger. In the past little outside attention has been given to the great fight he and his colleagues have been waging. His great work should receive the attention and praise to which it is entitled. Business men should cooperate with President Green. It is to the advantage of business in dealing with unions to deal with men of the type of Green—men who stand for his kind of leadership in meeting this problem.

I have referred to a Communist union in New York City, originally affiliated with the American Federation of Labor. The special committee of which I was chairman investigated this union and found that it forced certain businessmen of New York to pay tribute to it in order to continue in business.

The union imposed a so-called unemployment tax of 3 percent of the total payroll of over 200 businessmen in the fur business; also exacting a similar amount from the employees, after forcing them to join the union, then using the money thus obtained for the purposes of communism. This evidence was the sworn testimony of businessmen who had paid the toll. We also received evidence that employees were forced to join this union, and when they resisted force was employed. American businessmen were forced to pay tribute to this un-American union, and the money obtained from them was and is being used in an effort to destroy the American Government, including the very business of these men. Some who had resisted testified that their goods were destroyed, their employees attacked and assaulted, forcing them to capitulate to the terms imposed. The evidence also showed that no employee had ever received a penny from this fund. The head of the Communist squad of the New York police department testified that this union maintained out of the funds received a gangster squad to intimidate employer and employees. Whenever any one of them was arrested the same attorney always represented them. The lieutenant testified about many attacks on employer and employees, and also that there are at least two murders, unsolved, of employees who were killed by the gangster squad of this Communist union for refusing to join this union. The police know who did it, but they cannot obtain the legal evidence.

Persons of this type should be shown no consideration. They know only the policy of force and violence. Their policy is to instill fear in the minds of others. Whenever such efforts are employed in any part of the country by Communists, with a disregard of the rights of others, action by the police and courts should be rapid. About a year ago, in a city just outside of Boston, similar methods were employed. The police acted quickly, arresting those involved, and the district attorney acted quickly, prosecuting the cases and sending the offenders to jail.

The raising of various funds for these lawbreakers is simply a part of their program.

They are not interested directly in such persons or their cases, but simply in using a particular situation as a medium of exploitation. They are not interested in legislation. They are interested only, as a means to an end, by attempting to agitate and induce good Americans to become confused, or to exploit them, and to have them unconsciously play their game. They are not interested in politics, except as a means to an end. The Communist movement is not a political party. That is where the Columbia Broadcasting Co. made its mistake recently allowing Earl Browder, head of the Communist Party of the United States, to use their facilities. If a Communist should be elected President of the United States, he could never take office.

I have noted their recent statements about a Farmer-Labor Party, urging others to join with them in this respect. There are persons in this country who believe in such a party, but who are opponents of communism. To them, such a party is intended as a means of obtaining changes in the Constitution, or new legislation in a constitutional manner. The purpose of the Communists is to use such a political party as a part of their revolutionary program. This fact should be borne in mind by Americans interested in the formation of such a party. They should not permit themselves to be deceived by the Communists. The Communists propose, so far as such a party is concerned, to obtain control of it as a means for furthering their objective. It is simply a part of their scheme. While under our law one can become a member of any political party that he desires to join, such action being voluntary on the part of the individual, nevertheless, the organizers and leaders of the Farmer-Labor Party, if one is organized nationally, either now or later, should not permit Communists to obtain control, or even to obtain a position of influence therein.

The American people are a patient people. We have been for years the fertile field of foreign propagandists, with their vicious propaganda. However, when we awaken, we act, and usually, effectively. I remember several years ago when a European country was engaging in propaganda in this country. We tolerated it for several years, and then became disgusted. An aroused public opinion asserted itself, in consequence of which the State Department acted. If it had not, a congressional committee would have been appointed to make an investigation. That kind of propoganda stopped.

Only a few years ago the committee of which I was chairman was appointed to investigate Nazi, communistic, and other un-American activities in this country. We obtained and gave to the American people such evidence that an aroused public opinion demanded that the efforts emanating from officials abroad cease. They have ceased.

For years we have listened to the prattle of these avowed haters of our country and its ideals, blasting the peace and quiet of our land with their advocacy of communism, by force and violence, as a panacea for all of our economic and social ills. We are getting sick and tired of it. It is about time that we passed legislation that will make these antisocial members of this movement respect the rights of American citizens. Its about time that we passed legislation making it a crime to knowingly and willfully advocate the overthrow of Government by force and violence. Such a bill is pending in the House of Representatives, having been reported from the Committee on the Judiciary. It is now before the Rules Committee. The Rules Committee should report a rule in order that this bill might be considered by the House. I have tried to obtain such a rule, but have not been successful to date. That bill will pass overwhelmingly if brought out on the floor. The people of the United States should demand of the Rules Committee that this bill be brought up in the House.

Legislation should also be passed this session providing for the deportation of alien Communists. Over 50 percent of the members of the Communist Party are aliens. They advocate the destruction of the Government, and at the same time claim its protection. They earn their living under the protection of the Government that they hate and would destroy. They are not entitled to any sympathy or consideration. Drastic legislation along such lines should be passed at once. The people of America should also demand of the Members of the Congress the immediate passage of such legislation. While this malignant theory can never find any substantial support among the liberty-loving people of our Nation, nevertheless we must work to eliminate the evil results which proceed from their doctrine of force and violence. I do not recognize the advocacy of force and violence as constituting freedom of speech. It is license. One might just as well argue that the offering of human sacrifice as a part of a religious belief constitutes freedom of religious conscience, as to argue that the right to advocate the overthrow of government by force and violence constitutes freedom of speech, or of the press.

I read a book recently, written by Earl Browder, secretary of the Communist Party of the United States, and who is the leader of the movement in this country, wherein he admitted that such conditions as would constitute a revolutionary situation do not exist in this country. Despite that fact, he urges his followers to direct their efforts toward effecting such a situation. That shows completely their insincerity, their duplicity, their hypocrisy, their antisocial state of mind. That shows their philosophy cannot stand up under the light of reason. That is why they appeal to the unfortunate who is distressed; to those who are discontented; to those who are emotionally moved. They are trying to use those who can be swayed through emotion to obtain their objective, after which every individual right and personal liberty will be destroyed. It is a sinister plot. They dare not resort to the constitutional method of obtaining changes. They have the opportunity under the Constitution to try to obtain their end. They can advocate communism if they want to, within the law, by appealing to the people to vote for candidates pledged to the changes they advocate. If they are successful in influencing the people and electing enough legislators, they can change the Constitution. That is the constitutional way. But they dare not employ the method created by the framers of the Constitution. By so doing they would have to appeal to reason. Lacking in the appeal to reason, they resort to the use of force and violence.

To again show their hypocrisy, and the insincerity of their position, the same author, in an attempt to defend the use of force and violence, very blissfully states that the Communist Party advocates such drastic action only when the existing government refuses peacefully to transfer to them control of its functions. He emphasizes the fact that force and violence are unavoidable in the United States, because the people of this Nation do not desire communism. Therefore, they must be forced to accept it. He admits that the Government cannot be made into a Soviet nation under the present constitutional processes which require the sanction of the people. Hence, the great majority of our people who are peace-loving citizens must endure the wild and irrational acts of a small anti-American, antisocial group.

Browder in his book What Is Communism? presents one of the best arguments against communism that I have ever read. In an attempt to further communism he exposes its hypocrisy—its weakness—he presents its true picture.

Of course, everyone knows that communism is opposed to every ideal that we stand for. It is opposed to the family life as it exists among religious people. It is opposed to religion in any form. It openly advocates the destruction of religion. It is opposed to religious freedom. It is opposed to freedom of speech and of the press. It is opposed to the right of trial by jury. It stands for the confiscation of property. It is opposed to personal liberty in every form.

Examine what he says with reference to religion. If there is one thing that Americans stand for, it is the right of religious freedom and of a free exercise thereof. Browder urges Communists to associate with religious groups, and to organize them under the guise of the united front. He states in no uncertain language that prospective Communists need not sever their religious affiliations before joining the movement, but after they join they will be subjected to a very rigorous educational process in which the author expects the novice to see as all Communists should that religion should be destroyed. He talks about liquidation if the objective should be attained. By liquidation he means what happened in Russia—the murder or imprisonment of all who do not agree. In his book he also boasts of certain ministers who are cooperating with them under the united front policy. He then scorns them. I wonder how those he had in mind feel after reading his book to realize that he boasts of their use and then scorns and condemns them for believing in God and a hereafter. If such men have any judgment at all they will at once withdraw from any united front alliances that they now have with the Communists. With them their efforts are to obtain the changes they advocate, and which they believe are for the best interests of the people, and to continue as ministers their work of God, as their religion dictates. That is not so with the Communists. With them their united front efforts with others are simply a means to an end, using others in any way that they can, and if successful, intending to suppress them as well as all others. How can they work with such men as Browder? Although I do not hold the same religious belief as these ministers, my respect for the freedom of religious worship urges me to warn them of the pitfalls to which their association with the Communists will inevitably lead. They are jeopardizing their own freedom of religious worship along with the freedom enjoyed by all others, by permitting these scoffers and enemies of all religions to masquerade under their banners.

What I have said also applies to a small but powerful group of professors. Browder admits that Communists owe no allegiance to the United States. He states that Communists will not serve in any conflict in which our country might be engaged. He attempts to justify such action by declaring that communism is opposed to all wars. However, he boasts of the allegiance of Communists to the Soviet Union, urging all to join with Russia if engaged in war in defense of the Soviet Union. In other words, Communists will not fight for the United States, but are willing to die in defense of Soviet Russia. His hypocrisy is exposed. This is a valuable lesson to real Americans who believe in peace and are doing all that they can to bring about permanent peace, but who will fight in the defense of our country not to become allied with Communists under another phase of the united-front policy of the Communists. I particularly refer to the League Against War and Fascism, a communistic organization, and to certain college students' organizations. They should have their own organizations. I am against war and I am opposed to fascism just as much as communism, but I am not joining any Communist organization in fighting isms and fascism. The name "League Against War and Fascism" is significant, showing its communistic origin and control. If it was otherwise, they would have designated the

organization as "the League Against War, Communism, and Fascism."

In his book Browder admits the Communist Party is committed to the policy of force and violence. He pleads guilty. There are no laws to impose punishment for such a crime against our Government. Such legislation should be passed.

The constitutional means exist in this country for any kind of a change that the people want. This movement is not content to proceed in the way provided by the Constitution. Its objective, if obtained, will result in the destruction of personal liberty. Personal liberty can only exist in a democracy. It cannot exist under a dictatorship. I call your attention to the countries of today wherein dictatorships exist. Personal liberty has been destroyed; persecution, fear, and force exist. The state is supreme. The individual has no rights. That is what communism stands for. It even goes farther than do most dictatorships in its destructiveness of human rights. It does not even tolerate the existence of religion in any form. It wars on religion and religious freedom, one of the great cornerstones of personal liberty.

Let the Communists renounce their advocacy of force and violence in trying to obtain their objective, a dictatorship of the proletariat, with its destruction of every ideal that America stands for. Let this movement advocate changes through the ballot box, and while I disagree with the objective sought, and will oppose their effort as it is my right, I will fight to preserve their constitutional rights. In doing this they will be acting within the Constitution and the law. However, I do not recognize the right of any movement to wilfully and deliberately advocate the overthrow of government by force and violence.

We have plenty of problems confronting us. Fortunately, we have the means of peacefully determining them. They will not be solved by a dictatorship of any kind, whether of communism, natzism, or fascism. I also call your attention to the new line of attack of the Communists and their allies. Anyone who attacks them or makes a speech along American lines, must expect to be called a Fascist.

The passage of legislation making it a crime to willfully and knowingly advocate the overthrow of government by force and violence, and the strengthening of the deportation laws relating to alien Communists will, from a legislative angle, meet their efforts. No American fears such legislation. Such legislation does not affect the right of anyone to advocate any change that they believe in, or want to, provided they do so within the law. Society is justified; in fact, it is its duty to protect itself and its law-abiding people against those who disregard the Constitution and the existing law.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE in three instances and to include extraneous matter.

Mr. REUSS in two instances and to include extraneous matter.

Mr. FASCELL and to include extraneous matter.

Mr. HILLINGS and to include extraneous material.

Mr. FOGARTY.

Mr. BURDICK in two instances and to include extraneous matter.

Mr. DAVIDSON and to include extraneous matter.

Mr. UDALL.

Mr. METCALF in two instances and to include extraneous matter.

Mr. STAGGERS, and to include a speech delivered by the Speaker of the House of Representatives at the commencement exercises at the University of West Virginia.

Mr. THOMPSON of New Jersey (at the request of Mr. FASCELL) and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. DIGGS (at the request of Mr. MACHROWICZ) for June 20, 21, and 22, 1955, on account of official duties.

Mr. HESS (at the request of Mr. SCHERER) for June 21, 22, and 23, 1955, on account of his being away from Washington on official business of the Congress.

Mr. BELL (at the request of Mr. KILGORE) for this week on account of illness.

Mr. TOLLEFSON (at the request of Mr. PELLY) for June 20 to 22, 1955, on account of official business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 847. An act to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 890. An act to strengthen the Water Pollution Control Act; to the Committee on Public Works.

S. 1400. An act to protect the integrity of grade certificates under the United States Grain Standards Act; to the Committee on Agriculture.

S. 1472. An act to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen; to the Committee on Agriculture.

S. 1550. An act authorizing the State Highway Commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Canada; to the Committee on Foreign Affairs.

S. 1757. An act to amend the act known as the Agricultural Marketing Act of 1946, approved August 14, 1946; to the Committee on Agriculture.

S. 1759. An act to consolidate the Hatch Act of 1887 and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico; to the Committee on Agriculture.

S. 1966. An act to amend the Interstate Commerce Act to provide for filing of documents evidencing the lease, mortgage, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act; to the Committee on Interstate and Foreign Commerce.

S. 2097. An act to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, Virgin Islands; to the Committee on the Interior and Insular Affairs.

S. 2098. An act to amend Public Law 83, 83d Congress; to the Committee on Agriculture.

S. 2237. An act to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes; to the Committee on Foreign Affairs.

S. J. Res. 77. Joint resolution to modify the authorized project for Ferrells Bridge Reservoir, Tex., and to provide for the local cash contribution for the water supply feature of that reservoir; to the Committee on Public Works.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 208. An act granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the appointment of, the waters of the Arkansas River and its tributaries as they affect such States;

H. R. 2984. An act authorizing E. B. Reyna, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Los Ebanos, Tex.;

H. R. 3878. An act to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work;

H. R. 4426. An act to amend section 7 of the act approved September 22, 1922, as amended;

H. R. 4573. An act authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.;

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices;

H. R. 5841. An act to repeal the fee stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended;

H. R. 5842. An act to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State;

H. R. 5860. An act to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms; and

H. R. 6410. An act to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

The SPEAKER announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 16, 1955 present to the President, for his approval a bill of the House of the following title:

H. R. 1. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

ADJOURNMENT

Mr. FASCELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 21, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

905. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956 in the amount of $35,200,000 for the Department of Health, Education, and Welfare (H. Doc. No. 190); to the Committee on Appropriations and ordered to be printed.

906. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to the fiscal year 1955 and proposed supplemental appropriations for the fiscal year 1956 in the amount of $156,500,000 for the Post Office Department, and a draft of a proposed provision pertaining to the fiscal year 1956 for the Federal Facilities Corporation (H. Doc. No. 191); to the Committee on Appropriations and ordered to be printed.

907. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting a report on budget and accounting, pursuant to Public Law 108, 83d Congress (H. Doc. No. 192); to the Committee on Government Operations and ordered to be printed.

908. A letter from the Under Secretary of the Navy, relative to a proposed loan by the Department of the Navy to the American Museum of Natural History of one 56-foot LCC, hull No. 22667 for use by the Department of Micropaleontology of the museum, pursuant to section 1 of the act of August 7, 1946 (60 Stat. 897, as amended; 34 U. S. C. 546f); to the Committee on Armed Services.

909. A letter from the Secretary of the Treasury, transmitting a report on the liquidation of the Reconstruction Finance Corporation for the quarter ended March 31, 1955, pursuant to the RFC Liquidation Act, as amended; to the Committee on Banking and Currency.

910. A letter from the clerk, United States Court of Claims, transmitting a copy of the court's order relative to the case of *Av-Equip Manufacturing Company* v. *The United States* (Congressional No. 3–53), pursuant to House Resolution 256, 83d Congress; to the Committee on the Judiciary.

911. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

912. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

913. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of persons involved, pursuant to the act of Congress approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

914. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

915. A letter from the Comptroller General of the United States, transmitting a report on the audit of the general supply fund, General Services Administration, for the period from July 1, 1949, through June 30, 1953, pursuant to section 109 (e) of the Federal Property and Administrative Services Act of 1949 (5 U. S. C. 630g (e)); to the Committee on Government Operations.

916. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the report of its Subcommittee on Research Activities, pursuant to Public Law 108, 83d Congress; to the Committee on Government Operations.

917. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the report of its Subcommittee on Transportation, pursuant to Public Law 108, 83d Congress; to the Committee on Government Operations.

918. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the report of its Task Force on Food and Clothing, pursuant to Public Law 108, 83d Congress; to the Committee on Government Operations.

919. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the report of its Task Force on Lending Agencies, pursuant to Public Law 108, 83d Congress; to the Committee on Government Operations.

920. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the report of its Task Force on Surplus Property, pursuant to Public Law 108, 83d Congress; to the Committee on Government Operations.

921. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting the report of its Task Force on Legal Services and Procedure, pursuant to Public Law 108, 83d Congress; to the Committee on the Judiciary.

922. A letter from the Assistant Secretary of the Interior, transmitting a report on the Wapinitia project, Juniper division, Oregon, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 193); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 16, 1955, the following bills were reported on June 18, 1955:

Mr. COOPER: Committee on Ways and Means. H. R. 6040. A bill to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws; with an amendment (Rept. No. 858). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 5560. A bill to make permanent the existing privilege of free importation of personal and household effects brought into the United States under Government orders, and for other purposes; without amendment (Rept. No. 859). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 5936. A bill to provide wage credits under title II of the Social Security Act for military service before July 1956, and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before July 1956; with an amendment (Rept. No. 860). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 20, 1955*]

Under clause 2 of rule XII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee of conference. H. R. 2126. A bill to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters (Rept. No. 861). Ordered to be printed.

Mr. ENGLE: Committee of conference. H. R. 103. A bill to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies (Rept. No. 862). Ordered to be printed.

Mr. COOLEY: Committee on Agriculture. H. R. 5168. A bill to provide for retirement of the Government capital in certain institutions operating under the supervision of the Farm Credit Administration; to increase borrower participation in the management and control of the Federal Farm Credit System; and for other purposes; with amendments (Rept. No. 863). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLE: Committee on Armed Services. H. R. 4717. A bill to authorize the Secretary of the Army to quitclaim all right, title, and interest of the United States to certain lands to the village of Sag Harbor, N. Y.; with an amendment (Rept. No. 864). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 6829. A bill to authorize certain construction at military, naval, and Air Force installations, and for other purposes; without amendment (Rept. No. 865). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURLESON: Committee on House Administration. House Resolution 204. Resolution to provide funds for the expenses of the studies, investigations, and inquiries authorized by House Resolution 203; with an amendment (Rept. No. 866). Ordered to be printed.

Mr. PRICE: Joint Committee on Atomic Energy. Proposed agreements for cooperation between the Turkish Republic and the United States, the United States of Brazil and the United States and the Republic of Colombia and the United States; without amendment (Rept. No. 867). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 6897. A bill to amend section 313 (b) of the Tariff Act of 1930, as amended, to permit the substitution, for drawback purposes, of domestic crude petroleum for imported crude petroleum; to the Committee on Ways and Means.

By Mr. CANFIELD:

H. R. 6898. A bill to amend title II of the Social Security Act to reduce retirement age

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for women from 65 to 60, to provide old-age insurance benefits for certain disabled individuals who have not reached retirement age, and to provide child's insurance benefits for certain disabled children over the age of 18; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 6899. A bill to prohibit the charging of a fee to view telecasts in the home; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON:

H. R. 6900. A bill to provide for the strengthening of the Reserve Forces, and for other purposes; to the Committee on Armed Services.

By Mr. COLE:

H. R. 6901. A bill to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States, of special nuclear material and atomic weapons; to the Joint Committee on Atomic Energy.

By Mr. DORN of New York:

H. R. 6902. A bill to amend title II of the Social Security Act so as to reduce from 65 to 60 years the age at which wives and widows may qualify for old-age and survivors insurance benefits and to provide for the payment of disability insurance benefits; to the Committee on Ways and Means.

By Mr. DOWDY:

H. R. 6903. A bill to amend the Federal Employees' Group Life Insurance Act of 1954; to the Committee on Post Office and Civil Service.

By Mr. ENGLE:

H. R. 6904. A bill to provide for the establishment of the Booker T. Washington National Monument; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (by request):

H. R. 6905. A bill to establish in the Executive Office of the President a National Freedom Board which shall direct the activities of the United States in promoting the cause of freedom; to the Committee on Foreign Affairs.

By Mr. KEOGH:

H. R. 6906. A bill relating to the computation of the invested capital credit for excess-profits-tax purposes in certain cases where property has been exchanged for stock and where the stock has been distributed as a taxable dividend; to the Committee on Ways and Means.

By Mr. LOVRE:

H. R. 6907. A bill to enable the State of South Dakota to enter into a modification of its agreement under section 218 of the Social Security Act which will enable the cities of Aberdeen and Sioux Falls to obtain old-age and survivors insurance coverage for their policemen and firemen; to the Committee on Ways and Means.

By Mr. PRIEST:

H. R. 6908. A bill to amend section 1 (6) of the Civil Aeronautics Act of 1938, defining the term "airman"; to the Committee on Interstate and Foreign Commerce.

By Mr. PRIEST (by request):

H. R. 6909. A bill to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941; to the Committee on Interstate and Foreign Commerce.

By Mr. SHEEHAN:

H. R. 6910. A bill to amend and extend the Sugar Act of 1948, as amended, with respect to determination of sugar quotas; to the Committee on Agriculture.

By Mr. WATTS:

H. R. 6911. A bill to amend the Internal Revenue Code of 1954 to provide an additional tax of $1.50 a proof gallon on neutral spirits used in blended whiskies or other beverages; to the Committee on Ways and Means.

By Mr. WILLIAMS of New Jersey:

H. R. 6912. A bill to amend the Internal Revenue Code of 1954 to provide a partial tax credit for certain payments made to a public or private educational institution of higher education; to the Committee on Ways and Means.

By Mr. CHELF:

H. R. 6913. A bill to make it unlawful for the Federal Communications Commission to decide the question of pay TV against the expressed will and desire of the great American public; to the Committee on Interstate and Foreign Commerce.

By Mr. COOLEY:

H. R. 6914. A bill to amend the Bankhead-Jones Farm Tenant Act, as amended, to modify, clarify, and provide additional authority for insurance of loans; to the Committee on Agriculture.

By Mr. FISHER:

H. R. 6915. A bill to establish a National Library of Medicine; to the Committee on House Administration.

By Mr. FORD:

H. R. 6916. A bill to assist the enforcement of State laws licensing insurance companies, by making it a Federal offense to use the mails to evade such laws; to the Committee on the Judiciary.

By Mr. GARMATZ (by request):

H. R. 6917. A bill to provide that certain expenses of the Panama Canal Company and the Canal Zone Government shall be paid from tolls, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GATHINGS:

H. R. 6918. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

By Mr. JENNINGS:

H. R. 6919. A bill to amend title II of the Social Security Act to reduce from 65 to 60 the age at which women may become entitled to benefits thereunder; to the Committee on Ways and Means.

H. R. 6920. A bill to amend title II of the Social Security Act to provide that a fully insured individual who becomes totally and permanently disabled shall be deemed to have reached retirement age; to the Committee on Ways and Means.

By Mr. LATHAM:

H. R. 6921. A bill to provide that the sale of narcotic drugs to a minor shall be a criminal offense punishable by death; to the Committee on the Judiciary.

By Mr. RICHARDS:

H. R. 6922. A bill to amend the Mutual Security Act of 1954, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CANNON:

H. J. Res. 346. Joint resolution to supplement control of the budget; to the Committee on Government Operations.

By Mr. BENNETT of Florida:

H. J. Res. 347. Joint resolution to establish a Joint Committee on a Just and Lasting Peace; to the Committee on Rules.

By Mr. BONNER:

H. J. Res. 348. Joint resolution to authorize the Secretary of Commerce to further extend certain charters of vessels to citizens of the Philippines and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. J. Res. 349. Joint resolution to establish an international university and for other purposes; to the Committee on Foreign Affairs.

By Mr. WICKERSHAM:

H. J. Res. 350. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. CRETELLA: Resolution of the General Assembly of the State of Connecticut, concerning conversion of the Newington Veterans' Administration Hospital; to the Committee on Veterans' Affairs.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the Federal soil-conservation program; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to H. R. 4927, amending the Immigration and Nationality Act relating to certain Mexican aliens; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States relative to directing attention to sound public policy with respect to division of taxing powers as between the Federal Government and the States and their subdivisions, and calling upon the Congress of the United States to institute appropriate action to reduce excessive Federal tax rates and limit the unrestricted taxing power of Congress in favor of the States and their subdivisions to the end that our form of government shall survive; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to highways, authorizing the issuance of $50 million in highway revenue bonds, and amending section 5260 of the Revised Laws of Hawaii 1945; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to waive certain restrictions with respect to exchanges of public lands for emergency relief to distressed persons in Puna, T. H.; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 6923. A bill for the relief of certain Polish sailors; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 6924. A bill for the relief of Joseph Williams; to the Committee on the Judiciary.

By Mr. BURLESON:

H. R. 6925. A bill for the relief of Connie R. Bly; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 6926. A bill for the relief of Jessie Antoinette Brown; to the Committee on the Judiciary.

By Mr. KRUEGER:

H. R. 6927. A bill providing for the conveyance to St. Louis Church of Dunseith, Dunseith, N. Dak., of certain lands on the Turtle Mountain Indian Reservation; to the Committee on Interior and Insular Affairs.

By Mr. MORANO:

H. R. 6928. A bill for the relief of Christos Constantinou Liosis; to the Committee on the Judiciary.

By Mr. PILLION:

H. R. 6929. A bill for the relief of Yvette Nedelec; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 6930. A bill for the relief of Stirley Louis Berutich; to the Committee on the Judiciary.

By Mr. SMITH of Wisconsin:

H. R. 6931. A bill for the relief of William W. Kelly; to the Committee on the Judiciary.

By Mr. THOMAS:

H. R. 6932. A bill for the relief of Sui Shuen Tang, Una Wong Tang, James Tang, and Lily Tang; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 6933. A bill for the relief of Jose Torres; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

320. By the SPEAKER: Petition of Oscar L. Chapman, Washington, D. C., relative to the Union Nacional de Productores de Azucar, S. A. de C. V., requesting an increased quota under the United States Sugar Act; to the Committee on Agriculture.

321. Also, petition of the city and county clerk, Honolulu, T. H., relative to requesting the Congress of the United States to amend section 55 of the Organic Act to authorize and vest in the secretary of Hawaii the power and duty to reconstitute and reapportion the representation in the Legislature of the Territory of Hawaii on the basis of population distribution within each of the electoral districts in the Territory; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Pan American World Airways

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1955

Mr. FASCELL. Mr. Speaker, a straightforward editorial of the Miami Herald, June 8, brings to mind the story of a great competitive enterprise, Pan American World Airways, which has contributed so much to aviation throughout the world.

Since 1927, Pan American has been operating with a Florida base. It was on an historic day in October of that year that Pan American flew from Key West to Habana—a distance of 80 miles—carrying passengers and United States mail. It was historic in that the flight marked the first time that a United States airline braved the uncertainties of scheduled overseas operations to indicate to the world that American aviation initiative was ready to take on all comers in this highly competitive field.

All of Pan American's competitors in the international field also have domestic operations. Across the Atlantic, across the Pacific, through Central and South America, the United States lines with which Pan American competes have extensive and profitable domestic routes.

Forty different air carriers operate in the Caribbean and Latin American fields. Eleven different carriers operate across the Atlantic, between the United States and Europe. Pan American is a private enterprise—owned not by a government but by more than 30,000 individual stockholders.

Pan American World Airways has been a leader in aviation because it has been a strong competitor.

Its effort to get into the thriving domestic business is in the American tradition, which has welcomed competition as a road to prosperity.

The editorial follows:

PAN AM WOULD CLOSE MIAMI-NEW YORK GAP

The highly important and strategic place of Miami in international aviation is highlighted in the hearings now under way before the Civil Aeronautics Board in Washington.

Pan American World Airways has made a bid to "bulwark air service between the most populous and fastest growing areas" in the country.

Should Pan American be granted the route, Miami and Florida would become the hub of a network liking Latin America, the United States and Europe for the first time by direct, one carrier route. The route between this city and Northeast United States is the busiest air trunk route in the country.

Oddly Pan American is able to fly around the world but not within its own country. The airline proposes to close the gap between its present gateway cities of Miami—to Latin America—and of New York—to Europe.

Pan American is not the only applicant. A dozen or more airlines are seeking either Boston or New York to Miami routes.

The local seers who confidently predict that greater Miami will have a population of more than 1 million by 1965 must be using the international airport as their crystal ball.

Bonded Canadians Take Jobs Away From New England Woodsmen

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following address which I delivered over several stations in New England on Saturday, June 18, 1955, on the subject of "Bonded Canadians Take Jobs Away from New England Woodsmen".

This business of bringing in workers from outside the United States mainland—for employment on seasonal jobs, like the harvesting of crops—is a threat to the standards of our own people.

First came the Puerto Ricans. Then the Mexican wetbacks. And now, Canadian bonded lumberjacks to work in the woods of Maine and New Hampshire.

In the case of the Mexicans—they become "lost" in the United States, to the detriment of their own health and well-being; victims of unscrupulous employers who work them long hours on short pay.

Insofar as the Canadians are concerned, it is a situation where Americans are being crowded out of jobs in their own country by "visiting" woodsmen.

We do not blame the Canadians as much as we condemn those employers who put profit above any consideration for their fellow-Americans. We also deplore the attitude of Federal agencies that look the other way, whenever efforts are made to bring this subject to their attention.

We hear much these days about the need for promoting reciprocal trade.

But I have never heard of any proposal to permit foreign workers to come to the United States; evict American workers from their jobs; and then leave the country with their earnings.

Such a recommendation could never be supported—out in the open—except in case of war, when millions of men in the Armed Forces would create a civilian labor shortage.

These conditions do not exist now.

In fact, there are unemployed American woodsmen in New Hampshire and Maine.

Which leads us to believe that there may be a conspiracy to sidestep the laws.

The importation of Canadian bonded woodsmen has had the following harmful effects:

1. Numerous violations of wage and hour regulations.

2. Evasion of withholding tax payments with resulting loss of revenue to the United States Government. This places an extra burden on our own citizens who are already paying heavy taxes.

3. Reduction in the prevailing wage rates in the lumber industry, thereby placing American labor in a difficult position where it cannot compete with the cheap workers who come over the border.

Canadians will work for cheap wages. As long as they are going to be in the United States only a few months of each year, they are not interested in American standards. They will put up with food and lodgings that one of our workers would not tolerate.

Unfortunately, there is always the minority among employers in our country who do not understand that the equal status of labor at the collective-bargaining table is an accomplished fact. Under one pretext or another, they will try to shift progress into reverse gear.

The importation of bonded Canadian workers is one of these devices. When one company "gets away with it," other enterprises are tempted to try it.

First, they found an excuse to bring in cooks. Then came bulldozer operators, and choppers. Now they are hauling in heavy equipment, as if the United States were a backward nation that had never seen a chain saw, a crane, or a truck.

The "cheap-labor virus" is spreading. Garages, hotels, taxicab companies have been infected by it. Perhaps factories in the towns will catch the weakening fever that is coming out of the forest factories and import bonded Canadian workmen who will drive Americans out of their jobs.

If this infiltration, financed and encouraged by employers who are betraying the best American traditions, is permitted to increase, unchecked, then the northern parts of New Hampshire and Maine will become colonies of Canada.

I do not hold the Canadian Government responsible for this.

The operation was conceived, and is being carried out by certain employers who masquerade as United States citizens.

Aided and abetted by the amazing indifference of our own Immigration and Naturalization Service, and the Office of Employment Security, United States Department of Labor.

Not to mention the Internal Revenue Department, which must be aware that income taxes are not being withheld from wages.

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As of January 18, 1955, there were 5,000 of these Canadian woodsmen in the New England and the New York areas.

According to the Pulp, Sulphite, and Paper Workers, American Federation of Labor, the advent of the bulldozer, the chain saw, the automobile, and mechanization in general, has changed wood operation considerably. Americans who left the woods are now anxious to go back. Americans are expert mechanics and are interested in conservation. Their roots are in the community. With good roads in and out of the woods, many of them are able to commute. They buy from the local merchants, and they pay taxes in the community. Of course, when they are compelled to remain in the woods, they require good camps and better food. The Canadians are understandably interested in going home to Canada with as much of their earnings as possible. They live in the woods during their entire stay (with occasional trips to neighboring cities or towns). They buy little or nothing in the community, and many of them do not pay their taxes.

As an official of the union has stated in part: "In the first place, it should always be borne in mind that the reason for bonded men being permitted to work in the United States of America was because of the war emergency in which we found ourselves short of certain skills. I refer specifically to the need for choppers in the woods, particularly in supplying pulp wood for our paper mills. We still recognize the fact that there is a limited need for choppers in this industry. However, with the unemployment problem as it now stands (in the North woods) the other skills can be very well supplied by American labor, and the Canadian bonded men should not, under any circumstances, be allowed to enter into competition with our own unemployed, either as to skills, or as to wage rates and working conditions. We cannot allow, nor will we permit the wage structure, which we have built up over the years through collective bargaining, to be depressed and chiseled away through the medium of competition for jobs by non-Americans, under any pretext whatsoever.

"We are now faced with the problem of garage owners and others applying for 'bonded men' to fill their alleged needs, ostensibly because there are no garage mechanics available, but actually because they do not want to pay the prevailing wage rate for garage mechanics. This condition could go on and on—store managers could ask for clerks on the pretext that no qualified labor was available for these trades. This situation could become more critical, and it is our intention to prevent it before it becomes too aggravated. * * * Manufacturers are protected by a tariff against the products of cheap labor from abroad. Our American workers should have some sort of protection, likewise, from the competition of bonded labor"—labor that is brought over the border and into our own backyard.

In case you might think this is a local, and isolated danger, let me remind you of the concern expressed by people living in the State of Iowa, which is not on any border, but is situated almost in the center of the United States. At the 1953 convention of the American Federation of Labor, the Iowa State Federation of Labor introduced a resolution objecting to the action taken by the United States Government in allowing the immigration of certain skilled nonagricultural workers. The Iowa Federation stated that these skilled workers were imported to work at substandard wages on jobs for which domestic workers were already available.

The Department of Labor has been alerted to the necessity of carefully checking all requests by employers to import workers, and of consulting with appropriate labor organizations in the United States, before approving any of these requests.

A hearing on the subject of Importation of Canadian Labor was held at the State house in Augusta, Maine, on February 28, 1955, presided over by Gov. Edmund S. Muskie.

One witness testified that: "The effect over the past 10 years following the war has been to set lumbering wage scales on a Canadian basis. The lower living costs and lower tax rates in Canada make work in Maine attractive indeed for the Canadian woodsmen. Glaring mismanagement of taxation allows bonded laborers to claim maximum dependency, and this circumvents our withholding taxes. Many persons with visas, so-called 'synthetic Americans,' have no intention of acquiring citizenship, but use this opportunity to collect employment insurance while residing in Canada. The understandable attitude of the Canadian, working in a foreign country, is one of exploitation. He works only for the weekly check to take home. He has no reason for loyalty to his employer; no particular respect for our laws or customs. He realizes he is tolerated only because of his ability to produce at the job. Usually accustomed to a somewhat lower living standard, he is content with living conditions which the average American would find intolerable."

Another stated that: "I would like to add this to what the boys have had to say. I have a crane which is not working at the present time. Why it is not is due to the fact that at the present time there are Canadian cranes in the Jackman (Maine) area, operating with jobbers. Where are the Americans? They are sitting with their cranes in the yard. They cannot work, due to the fact that they are hiring at lower prices than we can afford to work for."

Another described a Canadian outfit working in Maine: "They had a hovel, the horses in 1 end, a canvas in between, and 8 men living in that little place. All they had was logs on the floor, nothing but logs. Under these conditions Americans would not work. * * *"

In this brief broadcast I have just touched on some aspects of the problem.

I believe that there is enough prima facie evidence to warrant a thorough study of a situation that is closing the door to employment of Americans in their own country.

Because this is a problem that affects several States, and because it comes within the scope of certain Federal agencies, I think that the Congress should investigate the importation of Canadian bonded workmen.

Address by Hon. Barry M. Goldwater, of Arizona, at American Legion Convention at Tucson, Ariz.

EXTENSION OF REMARKS
OF
HON. BARRY M. GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Monday, June 20, 1955

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I made last Friday before the American Legion Convention at Tucson, Ariz.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR GOLDWATER BEFORE THE AMERICAN LEGION CONVENTION, TUCSON, ARIZ., ON FRIDAY, JUNE 17, 1955

Ever since he first walked on the face of the earth, man has been called upon to speculate on the future and his relationship with other men. War and the threat of war always seem to be an appalling prospect upon a never-ending succession of horizons. As each horizon and crisis was approached a new one would be disclosed. As each succeeding generation improved upon the military skills of his civilization, his defensive and offensive needs became more and more complex.

Then came Hiroshima. That was the day that man finally succeeded in his efforts of finding a way of wiping himself off the face of the earth; the day when he seemed to have reached what many believe to be the final horizon for human speculation.

This awesome weapon coupled with the modern long-range aircraft suddenly made time-honored and proven military concepts obsolete. Military planners and thinkers were stirred to their depths. Atomic and thermonuclear airpower became a force transcending geographical barriers.

Recently, on the floor of the Senate, I indicated that we as a people have never fully understood the complexities of modern war or this Nation's military responsibilities. Too often, and this is most unfortunate, the frightening experience of war and the means to prevent it have been for many of us a personal matter, an inconvenience, something only remotely connected with what was considered to be more pressing and personal domestic problems. That day has ceased to exist. We can no longer live in little worlds of our own.

Because power has become so important in modern international relationships it is necessary that we understand its complexion and composition. To avoid the war of the future, we must understand war.

For the past several months your Congress has been carefully evaluating the proposed military budget for the next fiscal year. All of you, I am sure, are aware of the magnitude of the amount of money that is involved. In its discussions and hearings your Congress has considered the requirements of each of the three services, not only in the light of how to insure the safety of this country against possible military aggression but also to make certain that our security will be achieved by the economic use of our resources: materiel and manpower.

Until recently our military forces could be and were designed and maintained in light of our geographical position. Our relatively isolated position on the face of this globe has always been in our favor and was a factor influencing American military thinking and planning. This isolation gave us time, and time in the past provided us with that element of security which spelled victory in our military ventures. Today, however, we can no longer afford the luxury of maintaining a position "just strong enough" in order to gain the time necessary to permit us to turn the spirit and capabilities of our people into actions in support of a war effort. With the advent of the thermonuclear air age it has now become necessary for us to have a force in being capable of forestalling or turning back any threat: a force that will determine the final outcome of a struggle the moment it begins. Mobilization drafts and sparring for time will be neither practical nor possible. If we understand this, we need have no fear of the future.

It is axiomatic that before we can arrive at a satisfactory solution to a problem, we must first understand what the problem is. In any modern day military planning it is essential that both our military planners and civilian population understand the nature of the threat.

Since the termination of World War II, the aggressive and evil designs of world communism have become increasingly evident. The past 10 years have been a visible expression of Marxist-Lenin teachings; communistic attempts to extend its influence over the free nations of the world have been alarmingly successful.

The military stature of the Soviets has shown a tremendous improvement. In the emergence of a truly productive aeronautical industry the Soviets have been most impressive. The Russians have developed an air force numerically second to none. Modern-type jet fighters and bombers are standard operating aircraft within the USSR. Even the satellite nations are expanding and modernizing their air fleets. Soviet and satellite aircraft developments not only represent a considerable technological gain for the Communists but have upset the timetable of our own military thinking. We seem to have consistently underestimated the ability of the Soviet Union to produce all types of weapons. For example, we thought they could not duplicate our B–29 in less than 6 or 7 years; the Soviets did it in 2 years. We believed they would have some difficulties in making a good copy of a jet engine. Production of a better one was launched in the Soviet Union in less than 1 year. Our best scientific analysts claimed the Reds would not develop an atomic bomb in less than 6 to 10 years. We all were dumfounded by a surprise Soviet nuclear explosion within 3 years after they first began developing the device. Most recently they have displayed supersonic day fighters in operational quantities, and all-weather fighters also in operational numbers. Most important, however, has been their development to the production stage of a long-range heavy bomber comparable to our B–52. Is it any wonder, therefore, that we have some cause for concern? Should we not then consider our military needs and structure in the light of these developments within the Soviet Union?

The margin of superiority that this Nation once held over the Communists has been narrowed and, in certain instances, has been equaled. Today the Red bloc possesses the capability of striking anywhere within the United States. There is little that we can do to prevent Soviet production of military weapons. There is no practical way to stop them from building intercontinental bombers. We can and should, however, maintain a force capable of dampening her visions of world domination. We can and must keep our guard up, for the best way to prevent a war is to be able to win it. If we falter in these efforts to hold and increase our lead then we throw away our best insurance for peace.

We have, therefore, a twofold issue before us: First, we have the problem of restraining the expansionistic desires of world communism; and, second, the all-important need of defeating Red forces should aggression be forced upon us. Since for us military power is peace power, I should like to devote consideration to the first of these tasks, namely, influencing the behavior of the Soviets in a manner satisfactory to our interests.

As I have already indicated, the extension or limitation of a nation's wills, inclinations, and desires are closely related to the military posture of that nation. Call it power diplomacy if you will, but it is, nevertheless, the fact of our times. I say this even with the full realization that superior military power is no all-embracing solution. Many factors, including spiritual and moral, are essential to the preservation of peace. Unfortunately, no reliable way—and I stress the word "reliable"—has yet been found to do away with the need for physical strength if one is to reach the minds of men such as found in the Kremlin. The futility of war can be demonstrated to these men only through a position of strength.

Many may wonder then as to whether it is necessary that we be armed to the teeth. The question also arises as to whether more money is required for our military budgets. To both of these questions my answer would be a categorical "no." It is not so much a question of making certain that more money should be provided for military expenditures. I believe that money will always be forthcoming. Rather, the issue is to make certain that the money is wisely spent and that we develop only those forces required and capable of fulfilling their required mission. This, today, more than ever before, must be understood if the money we do spend on military force is to give us a military organization tailored to fit future requirements.

We and our allies today face the full potential fury of an enemy in the early phases of any future war. Today modern aircraft and the weapons of mass destruction have telescoped both time and space. The composition, command, and structure of our military forces must be accomplished with this factor in mind.

Field Marshal Montgomery, Deputy NATO commander, vividly describes the war of the future in three phases. In the first phase he visualizes a worldwide struggle for mastery in the air. The second phase will be concerned with the destruction of enemy land forces, while the third or bargaining phase will be the period when the enemy's homeland and all it contains will be at the mercy of airpower. Both in his thinking and the thinking of the NATO staff, the dominant factor in a future war will be airpower. Field Marshal Montgomery cautions us, however, that like in so many things we do and say, we too often only pay lip service to this great truth. Too often many military thinkers, both civilian and military, accept airpower as the key weapons system but fail to apply this thinking to our military planning. Even in the NATO organization, representation of allied air forces is inadequate. It seems to me that too few air force officers are in command or policy positions in this defense organization.

Operating in the medium of space, unrestricted by the definitive boundaries of land or sea, air forces are inherently capable of operating anywhere and at any time. This potential exposes the entire structure of other nations—both the material and social components—to the influence of air operations.

The proper employment of air forces requires recognition of their versatility as a component of the military instrument of national policy.

Adherence to these principles will provide the maximum return for our investment, disregarding them involves a high degree of risk and possible defeat.

The medium in which air forces operate—space—is an indivisible field of activity. This medium, in combination with the characteristics of air vehicles, invests air forces with the great flexibility that is the basis of their strength. For this flexibility to be exploited fully, the air forces must be responsive at all levels of operation to employment as a single, aggregate instrument.

All command arrangements must be in accord with the precept that neither air forces nor their field of activity can be segmented and partitioned among different interests. Because air forces possess the inherent ability to concentrate effort at decisive times and places, they can be employed in a variety of tasks for the purpose of accomplishing a variety of effects. They can perform the tasks simultaneously or in rapid sequence, with all supporting a common objective. However, the versatility that makes this wide variety of employment possible has also led to demands on our Air Force of a divisive nature. The segmenting of our airpower potential and the diffusion of its effort in unrelated or secondary tasks is an infeasible and an excessively costly undertaking. The full advantages of flexibility of our airpower is being lost, the unity and integrity of our Air Force is being destroyed, and its strength has been dissipated in a piecemeal effort.

It is inconceivable to me that much of our military thinking still remains largely tied to surface strategies and looks at airpower in the light of a supporting force. Military concepts, and thus military budgets, are unnecessarily restricted by tradition. These prejudices of history must be overcome if the contribution of our airpower to national policy is to be decisive.

In the past the primary medium of power of a maritime nation was seapower. Within the past few years airpower has replaced seapower as the key to national strategy. Since it is a key, it must be the dominant force.

American airpower can and does vitally affect our relationships with the Soviet Union. Its effectiveness as an instrument of national policy must not be hampered either by parceling out its elements or by assigning to it tasks that do not contribute to securing or maintaining worldwide air domination.

Airpower has given us a new meaning for such principles of war as "economy, flexibility, security, surprise, and control." The factors that influenced the course of previous conflicts have become meaningless since the nature of the medium of space gives to the air force a versatility never known to service forces. I certainly do not suggest that we do away with surface forces merely because we are in a nuclear air age. It is incredible to me, though, that many still consider the military budget to be a pie that should be cut into three equal or near equal slices. This competition for a part of the tax dollar is bad enough but where such competition compromises our national security the result may well be disastrous.

It is my opinion that the problem here is simply one of a definition of the meaning of airpower. The tendency exists to paraphrase our historical definition of seapower to the extent that many consider airpower as the sum of military aviation—Air Force, Army, Navy, and Marine—civil aviation, civil air transport, the aircraft industry, and the aeronautical skills of the country. In other words, many hold that airpower comprises the entire portion of the national effort that expresses itself in aircraft, aircrews, and operational facilities. This is not airpower; it is air potential. Such a definition is inaccurate in that it omits the principal ingredient, namely, unity of command.

Far too many have failed to emphasize this element of unity which must be inherent in airpower. Today the administrative compartmentation of our Air Forces is creating an organization that is neither fish nor fowl. Too much thinking is in terms of either offensive atomic airpower, or air-defense measures, or tactical land support operations, or theater air operations, etc. To complicate matters, we have four Air Forces each busily engaged in or vying with each other to perform each of these tasks. Instead, we should be concerned with the unification of our entire airpower potential into a single force—an Air Force in being that can go anywhere to do what is necessary.

We have worked ourselves into the position of being so concerned with achieving a mechanical balance of force that we have ended up with an unbalanced offensive-defensive structure. Instead of balance we must be concerned with the establishment of a military force in harmony with our defense requirements.

Over the North Pole from Arctic bases of the Soviet Union, the Red Air Force has a massive bomber air fleet capable of striking at us with nuclear weapons. The defense against this attack and our ability to retaliate is completely dependent upon the power of our Air Force. If we lose the first phase, which is the struggle for mastery in the air, in this war of the future, the outcome of the last two phases as defined by Field Marshal Montgomery will not be in doubt—for the Soviet Union.

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Just as in the days past, seapower was the strategy whereby nations were controlled and was the measure of the strength of nations, so too in this modern day is the strategy of airpower the only logical and genuinely acceptable avenue of approach to the problem of creating and maintaining world peace.

Russia does not have to rely on the ocean for her lines of communication and supply. Russia is essentially self-sufficient, and even the satellites that now come under her vicious wings are approached by land or, more important, they are now easily approachable by air. Hence the real power of ocean offensive—blockade and strangulation—will not affect Russia's ability to exist during war, or even to wage to a successful conclusion. On the other hand, her submarines can roam the seas, where we used to feel safe, and apply the same strategy against us which we would apply against her were seapower a factor in our retaliation potential.

By an emphasis on airpower, we utilize our technological advantages, we lean upon our great productive ability, we exploit the basic weakness of the enemy, which is now interior communication, and we do so with a minimum of manpower and a considerably reduced burden upon the economy of our country. This latter consideration is of especial importance, for the proponents of Bolshevik communism have often stated that they will destroy the Western Powers from within by destroying their economic systems; and, if we continue the policy based on the illusion that the unlimited use of money will strengthen us, then we give concrete impetus to their mode of destruction. No economy, including that of the United States, can stand forever the pressures of maintaining full war production and full war manpower in periods of peace. We can, however, look carefully at our hole card, and then proceed in an intelligent and forceful manner to strengthen it.

Address by Senator Thye at Rice County Farmers Union Picnic

EXTENSION OF REMARKS
OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, June 20, 1955

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered yesterday at Faribault, Minn.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR EDWARD J. THYE, OF MINNESOTA, AT RICE COUNTY FARMERS UNION PICNIC, ON JUNE 19, 1955

I am delighted to be back in Minnesota and Rice County, and to be with you in this beautiful Alexander-Faribault Park. I have lived as a neighbor to Rice County and Faribault most of my adult life.

As you know, my farm home is just a mile from the Rice County line in Dakota County. Many of you are my neighbors. Some I have served with and have been associated with in farm and community activities over the years.

Serving you in the United States Senate, I am happy to be able to report to you that the affairs of our Nation are in good condition in almost all categories of our economy, agriculture being the weakest phase of our national economy. I will dwell more fully on this later.

Under the dynamic leadership of President Eisenhower and Secretary of State Dulles, we have seen great strides in the past year toward the hope, prayer, and objective of all freedom-loving people—the hope for permanent peace.

We have seen Austria regain its independence. We have noted that men from the Kremlin have gone to Yugoslavia to confer, instead of demanding and threatening, as they have done in the past.

We have seen the economic conditions of the countries of Western Europe improve month by month, thereby lessening the opportunities for the Communists in that area. That is the reason why Russia is today showing the conciliatory attitude it is, and opening its Iron Curtain to permit the free people to have an occasional glimpse beyond its borders.

The strength of the United States and her allies is such that the Soviet leaders know that what they prophesied—a depression and the failure of our free-enterprise system after the end of the Korean conflict—has not come to pass.

Russia had planned and laid all its strategies on the chaos such a depression would bring in the United States, but we are not in a depression.

The United States has the greatest economic strength ever in its peacetime history. The Communists had planned an infiltration into all of the countries of the world, expecting that when the depression hit there would be widespread unemployment.

It was the plan of the Russians to then take control of the different governments by getting a percentage of their people into the administrative as well as the legislative bodies of the governments.

Thus the Russian predictions and plans have failed. By strengthening the economy of countries of Western Europe and creating military strength through the Atlantic pact nations, we have destroyed Communist opportunities to work freely in the countries there. Western Germany, having become a free nation, in alining its economic as well as its future military strength with the free nations, has brought about a complete change in the tactics of the Russian leaders. Now they are endeavoring to negotiate and create friends and allies rather than to threaten nations with force.

We are rapidly gaining diplomatic control of the problems in the Pacific. But a few months ago we were threatened with what seemed to be an open conflict in the Formosa Straits. Pray God that we may continue to win, diplomatically.

We have noted a splendid reconstruction in the South Korean area and building of a good army by Syngman Rhee in Korea.

We have many problems in the Vietnam area. I was in the Hanoi region of North Vietnam, as well as other such areas, in 1953.

As precarious as the situation is in Indochina, more especially in the Veitnam area, I am confident that the patience and diplomatic understanding of President Eisenhower will lead us to a solution of the problem that will aid us in bringing to the Pacific area the opportunity for permanent peace.

Japan is confronted with an economic problem in the rebirth of its industrial activities, based upon a civilian rather than a military economy that was shattered at the conclusion of World War II. Japan has always traded with the mainland of China, and since Japan must have an industrial economy, in order to survive she must have a method of acquiring raw materials and an export market. That market must be either mainland China or the United States and Western Europe.

These are all diplomatic problems not easily resolved. I am confident that we in the United States are moving effectively in the right direction. As a member of the Appropriations Committee of the Senate I have participated in many long weeks of public and executive hearings. We have been getting information on all manner of military development, not only concerned with air strength but also in the atomic field—guided missiles, and so forth—and I know the dangers that would beset civilization if ever atomic warfare were set loose in a world-wide conflict.

Because everything possible must be done to maintain peace, I have done all in my power to assist in bringing about a rebirth of the economy of the nations of Western Europe, and to bring a technical assistance program to countries such as Korea and India, and to Pakistan, to help these people produce food and fiber to feed and clothe their people.

It is far cheaper to spend a few million dollars in this field than it is to spend the possible hundreds of billions for war preparations. Now, again, referring to the farm economy—What is wrong?

Why is our farm economy so weak? We have the greatest purchasing power, for food products, ever available in this Nation. Our businesses are at an extremely high and profitable level. We have the highest number of people employed that we have ever had. Wages are good and they are on the increase, as evidenced by recently negotiated wage contracts. However, farm prices are on the decline. Why are they?

Under normal conditions, present prosperity should mean good prices for the farmer. Let's examine the record. We have seen the net income of the farmer drop from nearly $17 billion down to $11.4 billion annually. We have seen the farmers' percentage of the consumers' dollar, the dollar spent for food, drop from 54 percent in the mid-forties down to 42 percent in April of this year. It is still on the downward trend and might well go to 41 percent. We have seen agricultural parity ratios drop from 115 percent of parity to 87 percent of parity. It is going lower.

The Secretary of Agriculture has just announced a drop to 76 percent in the parity price support on wheat for the coming year. Why? Why has the agricultural economy dropped in this drastic manner when our entire national economy has been expanding? I believe the attacks upon the farm support program, the denunciations of the farm support program, have brought about a fear psychology in our agricultural economy, which has depressed the farm economy more than any effect our surpluses should have had upon our markets. We need to reinstill confidence in our agricultural economy.

This fear psychology, as it weakens agricultural prices, has frightened the businessman out of the produce and commodity markets. They have not dared endeavor to revive our export markets. This fear psychology, as it has weakened the market, has caused a lowering of prices and the Commodity Credit Corporation has lost huge sums of money on its inventories. No one would deny the right of every phase of our economy to parity. In all my public service, whether it was in the Governor's office here in the State, or on a national level as your Senator, I have endeavored to maintain all segments of our national economy at parity, whether it be the Federal worker, laboring man, investor or farmer. I have endeavored at all times to maintain stability in our national economy.

We in the United States need to put forth all the ingenuity of our economists and business experts in our endeavors to resolve the problems of agriculture. If we cease to denounce the farm-support program, if we look upon it as the foundation under our produce and commodity prices, we can

give a rebirth to the true American confidence in our agricultural economy and reestablish and stabilize that economy.

Surpluses of food and fiber are a blessing we should always be thankful for, and we should not permit them to become an issue to be debated on every political platform.

Acceptance of Honorary Membership in Massachusetts Department of Italian-American World War Veterans of the United States, Inc.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the partial remarks I delivered in accepting the honorary membership in the Massachusetts Department of the Italian-American World War Veterans of the United States, Inc., at the convention banquet, held in Fall River, Mass., on Sunday, June 19, 1955:

I deeply appreciate your thoughtfulness and your hospitality.

It came as a very pleasant surprise when I was notified that you had considered me as being worthy of honorary membership in your fine organization of veterans.

In the 14 years during which I have served in the Congress of the United States it has been my sincere endeavor to work for legislation beneficial to the 20 million men and women who have loved our country even above life itself.

To dignify the memory of those who did not come back.

To protect their widows and orphans.

To care for those in veterans hospitals.

And to perpetuate those American principles to which your organization is devoted.

It was a happy circumstance for me that I was born and brought up in the city of Lawrence, where Irish and Italian neighbors predominate.

Our two peoples are very close together in their mutual reverence for God and their passionate faith in freedom of opportunity for all men.

While our parents worked hard in factory and in home to open the way to a better life for us, we learned the lessons of American partnership.

On the empty lots where we played baseball and football, and through the years of our schooling where we developed the courage, the skill, and the friendships that make faith in freedom so strong, we created a new relationship.

The brotherhood of American citizenship.

The vital, alternating current that passes from one to another, and back again, building respect, and confidence, and fellowship.

This is the reason why our Nation is great; a reason so simple and true that tyrants can never understand it.

The people of the United States generate a human power that produces abundance in time of peace, and fighting men of unsurpassed morale in time of danger.

No king, or dictator, or palace guard could ever order the advances we are making.

Because we are doing it on our own, as human beings who believe that the making of a man is the first and foremost production of all, releasing those talents in each that enrich the whole American scene.

The number of automobiles that can be observed on every thoroughfare in the Nation—Sunset Boulevard to Scollay Square—or the list of mechanical servants in every home is not the real measure of our progress.

We do not value friends by their credit rating.

Ours is the growing nation where the extremes of poverty and wealth are being absorbed into the general prosperity that promotes good will.

Our fathers and mothers worked long and hard, cheered by the certainty of a better future for their children.

When Mrs. Clancy was sick abed and Mrs. Deluca brought over some hot food for the children, a strangeness disappeared.

And when Mr. Pappalardo approached Mr. Sullivan, hat in hand, to ask for a job on the construction crew, Mr. Sullivan said: "Put your hat on and go to work and never forget that all men are equals here," a comradeship began that brought happiness to both.

Culminated when the daughter of one and the son of the other were married a few years later.

That is what we mean by the human power of trust and affection as people learn to understand and appreciate each other in freedom.

I remember the Verdi Band on the common; the fiestas.

The hospitality and the joy of living that made one feel right at home among friends of Italian descent.

That was many, formative years ago.

Today I feel that warmth of welcome—on a larger scale—as I am adopted for honorary membership in the Italian-American World War Veterans of the United States.

I humbly hope that I may be a credit to the family—living up to the patriotic ideals exemplified by my comrades in the department of Massachusetts.

For as we adopt one another—strengthening the ties of the larger American family—we are building a human power that will surely triumph over every evil and every danger that may threaten our unity.

Together we shall go on building a better America, day by day and in every way.

In liberty, equality, and fraternity.

Design for the New Air Force Academy

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. FOGARTY. Mr. Speaker, my office has received a number of protests concerning the design of the new Air Academy as made public by the Air Force several weeks ago. Investigation of the situation leads me to bring this matter before the House. Unless Congress calls a halt to the present plans of the executive department, it would appear that the Secretary of Air and the Air Force are about to make a serious mistake, one with which we would have to live for many years.

Establishment of a national Air Academy as the Air Force counterpart of West Point and Annapolis was the life-long dream of the late Gen. Billy Mitchell. This dream moved close to reality last year when Congress authorized an expenditure of $126 million for this purpose. Subsequently, the Air Force appointed as Air Academy architects a Chicago architectural firm which designed the Lever Brothers glass building in New York and a number of industrial structures throughout the country. The firm, Skidmore, Owings & Merrill, was appointed to design the Air Academy, coordinate the engineering services, and supervise construction. On May 14, models of the design were unveiled at Colorado Springs, Colo., the site of the new Academy.

What was seen by the congressional observers and the press caused considerable consternation. A spontaneous protest by churchmen throughout the Nation caused the Air Force to withdraw almost immediately the design for the chapel. This glass-and-metal creation was described variously as an accordion lying on its side and a line of telescoped Indian tepees. Outside this tin building, hanging from a metal rack in the fashion of the ice cream wagon we see in summer, were the church bells. The whole business sat on a terrace which one architect said was Egyptian and another said originated with the Incas.

The balance of the plan has not been altered, we are told. The overall plan consists of a number of glass, aluminum, and steel buildings on stilts. When he first saw the design, Representative HARDY, of Virginia, commented that it looked like a cigarette factory. Congressman HARDY proved to be something of a prophet, because only a few days later, Frank Lloyd Wright, the famous architect, declared flatly that the Air Academy design is a violation of nature. He predicted that the Air Academy, if built as planned, would become known—not as the national shrine it should and must be—but as Talbott's aviary and a factory for birdmen. Mr. Wright said in a letter which was published in the Colorado Springs Free Press of May 27:

The Air Force Academy looks to me as if another factory had moved in where it ought not to be.

Since that time, there seems to have been considerable confusion. According to the Air Force's Public Relations Department, work on the Air Academy is to begin this summer. Yet, Secretary of Air Talbott has been quoted in the press as saying the design is not yet in its final form.

My purpose in discussing this subject today is to urge its revision—in its entirety—for two basic and most important reasons. They are quite simple: First, the design is not American in conception and is unworthy of the tradition of this Nation; second, the taxpayers should not be saddled with an initial cost of $126 million for construction of the Academy and its supporting facilities, and heaven knows how much more for maintenance over the years, to build a monument to experimental materials.

Let us take these points one at a time.

The Air Academy should be a national shrine, as are the historic buildings of West Point, and the Naval Academy in Annapolis. Like its Army and Navy counterparts, the Air Academy should reflect our Nation's origins, its culture, represent its teachings, and symbolize its humanity. It should have warmth, and

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beauty, and an atmosphere of American history. The Air Force has stated publicly that, besides teaching our future airmen mechanical skills, its duty is to inculcate unimpeachable character, an unflagging sense of duty, and devotion to the best interest of the Nation.

Instead, we have a design and choice of materials reminiscent of a cafeteria. A knowledge of architecture is unnecessary in sensing the faults of this plan. It is difficult to find any trace of American heritage in the cold, impersonal, and mechanical appearance of these buildings. Several leading architects who studied the drawings and photographs of the models made several interesting observations. What they said can be compressed into two sentences. The design is not American. It is based on a hodgepodge of European and Near Eastern influences, and not even the best of those. When you examine the models, you find the Egyptian or Near Eastern terraces. The senseless elevation of everything on stilts, I am told, was popular in Europe—particularly in Germany—during the 1920's, but has since been discarded as outmoded.

The cold surfaces and lack of decoration follow the fad we have seen expressed principally in New York City. Last April, Bishop Fulton J. Sheen, commenting on so-called modern architecture, described the United Nations Building and the new glass and metal buildings on Park Avenue as—and I quote—"illuminated cracker boxes or elongated shoeboxes on stilts." One of the Air Academy designers stated in unveiling the models that his was a timeless design and will be good 100 years from now. He is a brave man, and a wise one, too, to look so far into the future and tell us what it holds.

I wonder if some of our so-called modern architects, back in the days of the Civil War, were not saying the same sort of thing about the jigsaw architecture which became a craze for a brief span. You may remember the jigsaw architecture—the odd-looking cutouts and scrolls of wood that cluttered up every building that was erected for a time. Today, the buildings which were victims of that architectural aberration are archaic curiosities.

Architectural styles are variable and fickle. Yet West Point and Annapolis are as in keeping with American tradition today as the day they were built. It is significant, too, that each of these great service Academies has found it desirable to tell its history—and the history of the United States—through statuary, busts of its heroes, murals, portraits, and other objects of art. Presumably, the Air Force has the same goals—to immortalize its pioneers, its leaders, and its generations of fighting men. It would seem strange, indeed, if the Air Force has not planned artistic representations of the history of aviation, murals depicting our great aerial victories, statues of Gen. Billy Mitchell, and our other heroes of the air. This is visual education. Thus is taught reverence for service and country. But how do you execute a mural on a glass wall? Where do you hang the portraits? Is there any place for tradition and a narration of the history of America amid glass walls and aluminum panels? I think not.

Now we come to the second point. The choice of materials. Glass and metal, of course, are alien to American monumental design—even to European. This is so obvious it needs no further comment. Let us then concern ourselves with the compatibility of the materials with their demands from the standpoint of structure and environment. The Weather Bureau reports that temperatures in Colorado Springs area range from 27 below zero in February to 97 above in June and July. There is intense sunlight. Yet the Academy instruction building has glass walls, floor to ceiling. Any engineer can provide information on the heating and air-conditioning problems of glass buildings. The problem is difficult; the costs, enormous. I understand the glass walls of the Air Academy buildings are to be tinted to reduce some of the glare. There seems little or no justification for this. There is an interesting—not to say fantastic—rationalization of it.

I will read one sentence from the current issue of the magazine, Architectural Forum. Commenting upon the glass walls and their effect on the airmen, the Forum states:

> Some days they will squint, but the basic Air Force expression is a cowboy squint, shrewd and appraising.

It is a fascinating rationalization—to make a virtue out of a structural fault which makes you squint to protect your vision.

Let us consider another factor. An 8-inch brick wall will easily withstand a 4-hour fire test during which the temperature applied rises to 2,300 degrees. Actually, many fire clays will resist up to 3,000 degrees. This 4-hour fire rating is mandatory in many parts of the country. Glass, on the other hand, provides little or no fire protection. It shatters easily under lateral force, pressure, and/or heat. Aluminum, of which a generous amount is contemplated in the Air Academy, melts at 1,200 degrees. This temperature is reached in less than 10 minutes of the fire-rating test. These fire test specifications are established by the American Society for Testing Materials.

Now let us come back to the aluminum panels recommended for exterior wall use on several Air Academy buildings. I have a letter written by the Sibbald Mason Constructing Co. to the Structural Clay Products Institute. The contractor, discussing the aluminum and steel construction of the new Statler Hotel in Hartford, Conn., has this to say—and I quote—

> I have observed and been informed by the architect and the vice president of the Statler chain of an existing condition that has caused considerable anxiety due to several facts as, namely, (1) it is difficult to hold caulking in place to stop leakage as vibration from wind is severe. (2) Shrinkage in aluminum on an 80-foot span is 1 inch. (3) Discoloration varies in panels in less than 1 year. (4) Dirt seems to be more noticeable on aluminum panel than on the white Hanley brick used on same building.

This information hints at the maintenance problems and costs which the Nation's taxpayers would face with the Air Academy. It would be interesting to have maintenance figures on the United Nations building in New York. The United Nations building is metal and glass. It is said in building circles that the building leaks like a sieve and repairs are constantly in progress. I have been told that approximately $360,000 was spent on repairs little more than a year following completion of the United Nations building. And, while we are discussing maintenance, let us give a thought to the Lever Bros. building. This is particularly interesting since the architects who designed it are the ones who originated this concept of the Air Academy. I have been told that the Lever building had to have special scaffolding equipment installed on its roof at a cost of $250,000. The purpose of this equipment was to allow continual washing of the building exterior with the Lever Bros. products—soap. I am told further that the building owners were required by insurance costs and the risks involved to hire scaffoldmen rather than ordinary window washers for the continual scrubbing of the glass walls.

It must be remembered that glass, like metal, requires constant cleaning, else it quickly takes on a dirty, unpleasant appearance. This is not true of brick, stone, granite, or any form of masonry. Masonry grows more beautiful with age. Architects say it would detract from the beauty of the Washington Monument to clean its stone sides. Recently, the National Press Building here in Washington had its first cleaning in 28 years. The renovation process, according to the newspaper stories, cost less than $10,000. So here you have it—$250,000 just to install the scaffolding equipment on the Lever Bros. building—$10,000 for a once-in-28-years cleaning job on the Press Building.

There is still another factor—that of cost. It is true that in monumental building the question of construction cost can be considered secondary. However, this should only apply, it seems to me, when it has been established that the building material in question is the finest, most suitable, and the most beautiful available. Since we have disposed of the question of beauty and suitability, let us, then, see if there is any argument to be made in behalf of these experimental materials on the basis of cost. You may remember an article which appeared in Life magazine last year in which it was alleged that the metal walls of a new building at Park Avenue between 49th and 50th Streets in New York City, were actually built in 1 day. Actually, one of the Nation's top contractors, John A. Mulligan, established that a crew of 20 men spent 5 months getting ready for that 1 day of slapping metal panels on the building.

And at least a week before the 1-day publicity stunt, all construction trades were laid off while special crews set all the panels in the proper positions for the blitz installation. This 22-story building was constructed with two walls of metal and two of glazed brick. Mr. Mulligan states, in a letter addressed to

President Harry C. Bates, of the Bricklayers Union, that all the masonry in the building, including labor and materials—and the masonry backing for the metal panels—cost less than $250,000. The metal walls cost more than $1 million.

In last January's issue of Architectural Form, there was an article on New York's new Socony-Vacuum building, a 42-story structure. I will quote but two paragraphs from the story. They state: "And what about the added cost?" asked Harrison and Horr, the architect and builder. Would not a stainless-steel skin cost half again as much as brick? But the steel industry wanted the building, and cost was not going to prevent them from getting it. To meet the competition, they were willing to write off any price differential as the cost of promoting steel. Result: New York's biggest skyscraper in 25 years will have a stainless steel skin. I will cite one other example—the Pennsylvania State Office Building in Pittsburgh's Golden Triangle.

Here, aluminum was selected as the exterior facing material. There were built 12-inch walls, 6 inches of aluminum, and 6 inches of block backup. For purposes of comparison, let us take a 10-inch cavity wall of brick and tile. This would provide a thinner wall and create more interior room. Now the 12-inch metal walls of the Pennsylvania State office building will pass a 2-hour fire test. The 10-inch brick-and-tile wall mentioned will pass a 4-hour fire test. The square-foot cost of the aluminum wall built in this Golden Triangle building was $6.73. This is a square-foot cost—in place. The square-foot cost of the brick-and-tile wall, using a glazed-face brick, is $4.31 in place, a saving of $2.42 per square foot. The time consumed in construction is the same for both materials—6 to 12 months—assuming, of course, that delivery of the metal is prompt.

I mention this because of the amusement created in building circles by the new Colgate-Palmolive-Peet Co. Building in New York. There a wall of glazed brick was built between January 28, 1955, and May 11. The adjacent metal walls were started November 12, 1954. The last I heard, the date of completion was set for some time in June.

I have singled out these few examples to make the point that purely from the structural standpoint, these materials have not proved themselves. They are experimental. This is not to say that all metal buildings are bad. Many of them may be good. But the overall question of worth must be decided many years hence. For they have not yet withstood the test of time. It is significant that in the Roman Coliseum, there are bricks and stone standing today in their original positions. The bricks are 1 inch thick and 24 inches long. They are relatively unwarped and in good condition after 2,200 years of exposure.

Today we see modern applications of these materials. In San Francisco, the new Equitable Life Insurance Building exterior is Vermont marble veneer. The Prudential Life Insurance Building, Chicago's biggest skyscraper, is limestone backed by brick. In New York, I am told, there is to be built a $20 million office building at Fifth Avenue and 53d Street whose walls will be fashioned of stone. Interestingly enough, the investment group which is paying for the building has switched from metal to masonry in planning this large project.

I have attempted here to cover some of the very important points involved in the design and construction of our National Air Academy. It is my understanding that a conference on the design has been set for June 20 at Colorado Springs. At that time, I hope, earnest thought will be given to a thorough reconsideration of the plans which have been formulated thus far. American art and architecture moved a great stride forward under the urging of a capable architect who became President of the United States. Let us follow the urging of Thomas Jefferson—to challenge the world in our building as we have challenged the world in our Constitution.

The Flag-Day Program in House Sets UNESCO Program Back on Its Heels

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. BURDICK. Mr. Speaker, the UNESCO, a branch of the United Nations, got a well-deserved setback in the House of Representatives on Flag Day, June 14.

It will be remembered that UNESCO means "United Nations Educational, Scientific, and Cultural Organization." Its principal work so far has been to try to destroy loyalty and devotion to the United States and patriotism for our country on the theory that such feelings interfere with world government, and that therefore all national devotion, loyalty and patriotism should be destroyed in all countries and the sentiment transferred to world government.

In the House of Representatives the Flag-Day program was carried out with beautiful ceremonies, as the following program will suggest:

FLAG DAY PROGRAM, UNITED STATES HOUSE OF REPRESENTATIVES, JUNE 14, 1955

1. Pursuant to the order of the House of June 9, the Speaker declares a recess.
2. United States Air Force Band (Capt. Robert L. Landers, commanding) enters door to left of Speaker and takes position in aisle to left of Speaker.
3. Doorkeeper announces "The Flag of the United States."

Members rise.

Air Force Band plays The Stars and Stripes Forever.

The flag is carried into the Chamber by Air Force colorbearer and a guard from each of the other branches of the Armed Forces (Maj. Robert L. Eaton, U. S. A., commanding).

The color guard salutes the Speaker, faces about, and salutes the House.

4. Mr. RABAUT is recognized.
5. The Official Air Force Choral Group (The Singing Sergeants), accompanied by the Air Force Band, sing the new song, The Pledge of Allegiance to the Flag, by Irving Caesar, ASCAP. Soloist, M. Sgt. Ivan Genuchi.
6. Mr. RABAUT is recognized.
7. Members rise and sing The National Anthem, accompanied by the Air Force Band and The Singing Sergeants.
8. Members remain standing while the Colors are retired from the Chamber, the Air Force Band playing The Stars and Stripes Forever.
9. The Air Force Band leaves the Chamber.

The applause was spontaneous and prolonged, and left no doubt that in the great legislative Chamber of the United States loyalty and devotion to our own institutions and our love of our country remains resplendent and vigorous in spite of all attacks by this sinister organization, UNESCO.

Just as long as the House of Representatives of this great Republic is composed of Members like those who today enthusiastically expressed an undivided loyalty to our own Government the people can feel that the world government being engineered by the United Nations has a rough and rugged road to travel before the citizens of the United States are willing to abandon their own form of government.

National Wildlife Refuges

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. METCALF. Mr. Speaker, sports columnist Bill Leetch of the Washington Star has called attention to bills, among them H. R. 2142 by the gentleman from Wisconsin [Mr. JOHNSON], to require that not less than 40 percent of the money raised by sale of duck stamps be used for the purpose for which it was intended—acquisition of land for migratory bird rearing and feeding areas.

As Mr. Leetch says, passage of this bill would put an end to diversion of duck-stamp funds away from acquisition and to maintenance and other administrative expenses.

Here is that part of Mr. Leetch's column in last night's Star which refers to this bill:

Duck hunters would do well to obtain a copy of the speech of Representative LESTER JOHNSON of Wisconsin on May 27, entitled "We Have Found What Is Happening to Your Duck-Stamp Money, Mr. Duck Hunter." It is most revealing, and we wish we had space to print all of it. The trouble seems to be that an economy-minded Congress, abetted by the Budget Bureau, has so crippled the appropriations for Fish and Wildlife Service that it in turn has been forced to dip into duck-stamp funds in order to keep going. Even the Post Office Department, which prints the duck stamps, jumped on these sportsmen's funds and raised the printing ante from $32,000 in 1953 to $154,462 in 1954.

This isn't what duck hunters voluntarily asked to be taxed for. When the Duck Stamp Act was passed in 1934 it was thought that the $1 price of each stamp might be sufficient. Subsequently, in 1949, duck hunters asked that the price be raised to $2 a stamp and legislation was enacted to

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do so. While the money from these stamps was primarily designed to acquire refuge lands for the wild waterfowl, out of the $44 million paid into the duck-stamp fund over the years, only $7.5 million, or about one-sixth of the total, has been used for this purpose. As against that, more than $25 million has been used for ordinary administrative expenses.

Mr. JOHNSON has put a bill in the hopper, H. R. 2142, which stipulates that 40 percent of duck-stamp revenues must be used for the purchase of waterfowl refuges. This bill is now pending before the House Committee on Merchant Marine and Fisheries. The Budget Bureau and other Federal bureaus are opposed to earmarking any of these funds. It has been suggested that the amount obtained would be entirely inadequate for the purpose anyway, and that the cost of the duck stamp might be raised to say $5, or even more. Without legislation to protect this duck-stamp money and insure at least a fair portion of it going for the purpose which the duck hunters intended it to be spent, this would be useless, certainly in the light of past experience.

If you want the full story, write Representative JOHNSON at 340 House Office Building, Washington, D. C., and he will mail you a copy of his full report. Then let's get busy and do what we can to get this bill reported out of the committee for action on the floor of the House.

H. R. 2142 and similar bills are a long step forward. But their passage only solves one phase of the problem.

Complete protection of the duck hunters' investment in duck stamps also involves amending the law under which the Secretary of the Interior can wipe out refuges, without hearings, without notice to sportsmen and conservationists, even without discussion with interested groups.

So, even if we pass pending legislation earmarking duck-stamp funds for the acquisition of refuges, we will run this risk that these funds can be diverted by administrative officials, for the Secretary of the Interior can declare the lands so acquired surplus and they can be taken over by another agency and used for any other purpose, including a military target range.

Pending legislation would prevent this. My H. R. 5306, cosponsored in the House by the gentleman from Wisconsin [Mr. REUSS] and in the Senate by the junior Senator from Minnesota, Senator HUMPHREY, declare it to be the policy of Congress that national wildlife refuges be maintained and preserved. These bills provide that the Secretary of the Interior cannot dispose of or relinquish any of the national wildlife refuges, or parts thereof, without the approval of Congress.

Address by Hon. Barry M. Goldwater, of Arizona, Before the Michigan Christian Endeavor Convention

EXTENSION OF REMARKS

OF

HON. BARRY M. GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Monday, June 20, 1955

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered last Saturday, June 18, before the Michigan Christian Endeavor Convention, at Grand Rapids, Mich.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR GOLDWATER BEFORE MICHIGAN CHRISTIAN ENDEAVOR CONVENTION, GRAND RAPIDS, MICH., JUNE 18, 1955

It is a pleasure and a privilege to be here tonight and to have this opportunity of discussing with you the problems of our time.

In that great and penetrating play, Gioconda Smile, Aldous Huxley observes that confession is a convenient device by which we can unburden our conscience without the necessity of repentance or reform.

Let me confess that I am not the Senate's expert on foreign affairs.

I am not an expert on Russia, China, India, or the Middle East. I have no easy answer for the dilemma of our day.

I have no great academic achievement with which to dazzle you.

I am, I think, an ordinary citizen of the United States of America approaching middle age, constantly preoccupied with the responsibilities of an exacting job, but not quite anesthetized by the furious pace of our times.

It is flattering to be invited to speak to a group such as this, and your invitation is doubly cherished because I believe you and the people you represent are the custodians of all our hopes for a free and lasting peaceful world.

I am really not quite sure why I am here. I am not quite sure why you invited me. I am reminded somewhat of the man with the slight cold.

This man was driving to his office one morning when he realized he had a slightly scratchy throat, possibly the indication of some slight illness which might interrupt his plans for the weekend.

This chap had a friend who was a doctor, so he decided to stop at the doctor's office and get a shot of penicillin or some of these new antibiotics and cure his sore throat before it became serious. He entered the doctor's waiting room and was greeted by an attractive and impressive receptionist. "What is your name, please?" she asked.

The man smiled and said: "Oh, this isn't necessary. I know the doctor very well. Just tell Bill that Jim Blake is out here."

The receptionist noted his name and said: "Where do you live, Mr. Blake?" and began going through the other routine questions.

Well, our friend reluctantly gave her the information she desired and was ushered into a second waiting room.

In a moment a nurse came in, jabbed a thermometer in his mouth, told him to stand on the scales and began to add her bits of information to his history.

When she removed the thermometer so that he could again speak, he said: "Look, I'm not sick. There is nothing really wrong with me. I just—well, I think maybe I am getting a sore throat. I know Bill and I thought I would stop and get a shot or a pill or something. All this isn't necessary, really."

The nurse smiled and continued writing, and then she ushered him into a third waiting room and left him.

In a moment a second nurse came in, handed him one of those ridiculous smocks they give you in some doctors' offices, pointed to a closet and said: "Put your clothes in there and put this on," and out she went.

Our friend had no opportunity to protest. He stared at the smock and he stared at the closet and finally he took off his clothes and hung them up in the closet and put on the smock. And after some delay the second nurse returned and ushered him into a fourth room.

Here there were three other men, all garbed in these same ridiculous short smocks and all looking somewhat embarrassed.

Our friend stood there first on one foot and then the other and finally said: "Look, fellows, I'm not sick. There is really nothing wrong with me. I—well, I've got a little scratchy throat and I know Bill and I thought I'd stop and get a shot or a pill or something and a—well, I'm kind of embarrassed to be in here with you."

One of the other men standing in the corner looked at him for a minute, smiled, and then said: "You're embarrassed. I just came in to deliver a telegram."

Perhaps that's my mission tonight, to deliver a telegram, a message from the past.

I remember the story of a famous Frenchman, a general of the army, who had some difficulty, as we all do, in remembering names and faces. But he always seemed to get along very well and everywhere he met people who greeted him warmly and he returned their greetings.

One evening a friend said to him: "How do you remember all those people? How do you know to ask the questions you ask about their welfare?"

The general smiled and said: "Do you know exactly what I say? Do you remember?"

And his friend said: "Well, not exactly."

The general said: "When I can't think of a man's name or his regiment or where I met him before, I always begin by saying, 'And how is the old complaint?' Of course, everyone has at least one complaint and they immediately conclude that I have a particular, distinct recollection of their problem."

So tonight I refer to the problem of our time in the singular form. I suppose that many of us give that problem different shapes and different names—taxes, bills, family health, job security, Democrat politics, Republican politics, communism.

There are many problems in the world. They have one thing in common. They are inescapably linked with the future.

We must, of course, add to that list the atom bomb and the hydrogen bomb and the cobalt bomb, atomic war.

All of these things concern us. But our concern is, primarily, linked with the future, with our children and their children. Most of us have fulfilled our purely biological purpose in life and half or two-thirds of our years lie behind us. Our concern is for mankind in general and for our children in particular.

It may be that we have come to the end of our time, that we have lived beyond our time, that our time actually ended on August 6, 1945, at Hiroshima. Looking beyond our purely local difficulties, we must be frighteningly aware of what is euphemistically referred to as a cold war, the worldwide struggle between the disciples of communism and the advocates of freedom.

Cold or hot, this issue is joined. It can have only one ultimate outcome, final victory for one side or the other.

Since the end of World War II, in this past decade, more than 500 million people have accepted, either willingly or as the result of force, the doctrine of communism.

The problem of our time is simple: Shall men be slave or free?

To you and to me and to all of us in America it is incredible that anyone could willingly commit themselves to the brutal tyranny that is communism. We are inclined to shrug it off as a mere manifestation of an upside-down world which inevitably must right itself.

We know that less than a million hard-core Communists rule and control the destiny of the Russian people. We wishfully believe that no more than 10 percent of the Chinese population are devotedly committed to the horrible brutality of Chou En-li.

In my home State of Arizona, an imposter named Peralta Rivas once laid claim to hun-

dreds of thousands of acres of fertile land in the central valleys of the State.

This swindler used the device of a forged Spanish land grant. And when his deception was discovered and the man who penetrated his trickery confronted him with it, Peralta Rivas said to his servant: "Oh, give the man some money."

Many of us in this Nation of ours today have adopted that attitude. And we say of the Communist menace: "Oh, give the men some money and be done with them."

Others place their reliance in superior force, in intercontinental bombers, in a great standing army. We behave something like the judge in a small midwestern town who was noted as a duck hunter.

The town's ne'er-do-well, a fellow named Dick, went out to the duckblinds one day without a dog, so Dick borrowed one from a nearby farmer. When he shot his first duck, he whistled for the dog and pointed to the bird, but the dog didn't plunge into the river. He walked out on top of the water, picked up the bird, and came back.

Dick shook his head 2 or 3 times and tried to remember how much he had had the night before. Then he went over and felt of the dog's belly and it was dry. The dog's legs were dry. So he concluded he really hadn't seen it at all.

Then Dick shot another duck and the same performance was repeated. And it was repeated again and again all through that day.

Dick returned the dog to his owner and made arrangements to borrow the same dog the next day. He knew that if he were to repeat the story in town, no one would believe it, so he invited the judge to accompany him the following day. They went out and borrowed the dog and went down to the blinds. Dick waited with ill-concealed impatience until the judge shot his first duck. And then Dick whistled for the dog and the dog walked out on top of the water, retrieved the bird, and came back. But the judge made no comment.

Dick concluded that perhaps the judge hadn't witnessed the recovery of that particular bird, so he waited until the judge shot his second bird and he called the dog and the dog walked out on the water and walked back with the bird. That went on all day, but the judge made no reference to it. They returned the dog to his owner and were on their way back to town when Dick, unable to contain himself any longer, turned to the judge and said: "Judge, didn't you notice something * * * well, unusual about that dog?"

To which the judge replied: "Well, I can tell you one thing. He can't swim a darned stroke."

So we see the Communist menace in all of its brutal manifestations and make little or no effort to understand it.

The appeal an idea has for a particular man frequently depends upon his point of departure, and there is one point of departure from which communism is most appealing, most logical. To understand this appeal, to be able to deal intelligently with it, we must explore first this point of departure. And for all its inconsistencies, the philosophy of communism does have an appeal when viewed from this perspective.

The basic premise of communism views man as an economic animal, a social animal, and a physical animal. And to all who accept this definition of man, communism speaks in different tongues.

To the millions of men, women, and children who go to bed every night of their lives hungry, who must spend every minute of every hour of every day to secure food and who, despite their devotion to this primary purpose, are never quite able to secure enough food to completely quiet the pangs of hunger, the Communist who says: "Accept my dictation and you will have all the food you can eat," is making a basic appeal, easily understood, and eagerly accepted.

To men and women in war-torn areas of the world where plunder and loot and rape have been the everyday occurrence, the Communist speaks of peace. He says: "Surrender your lives to my dictation and there will be no more bandit gangs or plunder or loot."

To the intellectual who is confused, concerned about the strife and the inequity of the world, the Communist says: "The welfare of the collective is the total goal. Surrender your talents and your abilities and your resources to us and we will bring peace and happiness and equal distribution of food and shelter to all mankind."

These promises all emphasize the material aspect of man. And why shouldn't they be appealing in our 20th century when man's ability to produce material things has increased a hundredfold?

The most obvious truth of the 20th century is this: Man has triumphed over his material surroundings. Science, engineering, the power of gasoline, coal, electricity, and now the atom, have all been unleashed to the end that we are now sometimes more fearful of our ability to consume than we are of our ability to produce.

For 175 years in this Nation, we have consistently emphasized the amazing benefits of man's collective effort. We have almost succeeded in making collectivism the end rather than the means.

We believe in free public education, and most States make school attendance compulsory up to a certain age.

We believe in the principle of trade unionism and collective bargaining.

We believe in collective compulsory social security.

We acknowledge that in many areas of human endeavor, combined action is necessary.

Some of our outstanding examples are in private ownership, such as the telephone combines, big business, General Motors, privately owned electric light and power companies. All of these things are basically a collective action. Private capital pools its resources, management's brains are joined together, and great labor forces are recruited.

The Chinese coolie can see very little real difference between Consolidated Edison and TVA.

Indeed, in the past 30 years, the social and economic structure of our country has embraced a great many programs which are collective in nature.

We say it is our purpose to accomplish the greatest good for the greatest number of people.

The Communist will tell you that is precisely what world communism proposes. And make no mistake about this. The masterminds of the Kremlin have never wavered for an instant in their basic objective, which is to conquer the entire world for communism.

This struggle must continue until one side or the other is total victor.

This is not a political contest, or a military contest, or an economic contest. It is, rather, a contest to establish by force or persuasion a philosophical definition of man himself.

World communism is dedicated to the task of accomplishing by whatever means available, treachery, treason, brutality, or warfare, the acceptance of Karl Marx's definition of man as a social, economic, physical animal whose existence can only be justified as he serves the all-powerful state.

What is the basic difference between their belief and ours? It is an ancient truth: That man is not merely a social, economic, and physical animal but a spiritual animal as well.

And you and I and too many of us are guilty of mere passive acquiescence to that ancient truth.

We regard freedom as the product of a political system, and nothing could be more dangerously false than that belief.

Freedom is the necessary state of man because man is the child of Almighty God with an important, immortal, individual soul, because man is a spiritual being as well as a physical being.

We have been quite willing to accept the benefits of the Judo-Christian civilization with its concept of individual freedom, with its cultural and economic advantages, and all the opportunities of the 20th century, but we have been unwilling to display that devotion, to make that passionate affirmation which is required of all of us if we are ever to solve man's basic problem.

We have more material advantages than any other people on earth. We know how to make refrigerators and ranges and automobiles and telephones.

And of all the nations of the world, we alone can produce more food than our population can possibly consume.

We are also the irreverent disbelievers, the cynical sophisticated products of a purely materialistic society.

We have made it fashionable to disbelieve, and in our business world and our professional life, and especially in our schools and our homes, we have classed faith with superstition.

Oh, we are successful all right. We have the richest nation on earth. We think we have self government. We even cherish the idea we have freedom.

We have all these things, material things. I suggest we have everything except that one thing without which all these things we do have are valueless and transitory.

And that one thing is a universal firm faith in Almighty God, faith to define and understand this basic struggle which must inevitably occupy the minds of all the world until total victory.

We must first of all penetrate the propaganda, the economic and military and social smokescreens and define the basic difference between what you and I call Communist slavery as opposed to American freedom.

Let me read you what Karl Marx had to say. He said: "The democratic concept of man is false because it is Christian. The democratic concept holds that each man is a sovereign being. This is the illusion, dream and postulate of Christianity."

Adolf Hitler, the slavemaster of the Third Reich, had something to say on this subject. He said: "To the Christian doctrine of the infinite significance of the individual human soul I oppose with icy clarity the saving doctrine of the nothingness and the insignificance of the human being."

There is no room on this earth for the existence of these two diametrically opposed concepts of man.

If we are to win the cold war or the hot war, if our way of life is to endure, we can only be victorious after we have all come to a clear understanding of the basic difference between these two adversaries.

I am sure that you, and the people you represent in this gathering of the Christian Endeavor Union, have been aware of this ancient conflict. I am sure you are aware of the only path we can follow to win ultimate peace and ultimate victory for the individual. It is our commission then to make this ancient truth known to all men, both free and slave.

To reject our society's passive acquiescence and to substitute for it a militant affirmation, to reject the idea of collectivism and man's significance only as a tool of the state, and to establish instead not only in our land but throughout the world an acceptance and understanding of man himself, which can

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only come when we raise our voices together to repeat with passionate affirmation:

"I believe in God the Father Almighty, maker of Heaven and earth."

If we want peace and freedom for the future, if we desire the defeat of the evil brutality of the philosophy of Marx and Engels, the way is open for us and the power is present for us to use.

But we will never achieve the victory until we stop mumbling about man's creation in politics, in economics and society, until we reject the idea of collectivism's philosophical aspects which require the surrender and subjugation of the individual.

Of course man is a physical and an economic and a social animal. But he is first and eternally a spiritual creation in whom their lives the divine spark of Almighty God. And there will be peace and prosperity and progress, and there will be an end to brutality and privation and exploitation, only when men recognize and accept the truth of their creation.

All of these evils will be defeated and disappear when the world on its knees says: "Oh God, who art the author of peace and lover of concord, in knowledge of whom standeth our eternal life, whose service is perfect freedom, defend us, Thy humble servants, from all assaults of our enemies, that we, surely trusting in thy defense, may not fear the power of any adversaries, through the might of Jesus Christ our Lord. Amen."

The United Nations

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. DAVIDSON. Mr. Speaker, today we commemorate the 10th anniversary of the founding of the United Nations. During those years the aggressive designs of the Soviet Union and their Chinese counterpart have made our search for an enduring peace increasingly difficult. Despite this cold war pressure, we have today arrived at a most significant juncture. The United Nations, 10 years after its formation is not only still in existence, but it is receiving increased respect and cooperation throughout the world. Nations not yet admitted clamor loudly for permission to join. The ideals for which Woodrow Wilson fought and died have survived the test of time. We can all agree too, that the United States has given up no cherished right nor turned over to the U. N. any constitutional privilege.

I hope that we will always have the courage and honesty to recognize the wisdom and greatness of President Harry Truman's decision to go into Korea after the Communist attack. That show of conviction and faith in the cause of free people and in the United Nations will prove the turning point in the history of the U. N. It marks the distinction between the success of the United Nations and the failure of the League of Nations.

We can be thankful today that because there is that U. N., we have peace and a forum in which to discuss the world's ills; we should be thankful too that we have a U. N. helping the poor and the backward of the world toward economic and social betterment. I pray that we shall continue to support the United Nations and its glowing promise of peace.

Tribute to North Andover, Mass.—A Famous American Town

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. LANE. Mr. Speaker, the strength of the United States is not measured by steel tonnage, millions of motor vehicles, or the mass production of cap-and-gowned June graduates.

They are the superstructure, visible to the eyes of 1955.

For the foundation, and the guiding spirit, we look back to the early settlements, where men and women were the most important facts of life.

Where courage, and character, and independence, were the pioneering virtues. That constitutes the vital life force at work on our mechanized farms and in our assembly-line cities of today; visible but dynamic.

There is something about a small town or village that gives folks elbowroom to develop to their full stature.

Before the cities summon them to leadership.

As one scans through "Who's Who"—or the pages of American history—one is impressed by the fact that our Nation is nourished by the big men who have their roots in small communities.

North Andover, in Massachusetts, which recently celebrated its 100th anniversary as a town, helped to blaze the trail that has led to greatness.

North Andover, where the first settler staked out his homestead in 1646.

Where the spinning wheels and the hand plows produced self-reliance and gave the richer yield of poets, preachers, and statesmen, to the Nation.

The Eagle-Tribune of Lawrence, Mass., has published a North Andover centennial edition to honor its next-door neighbor, dated Saturday, June 11, 1955.

The lead-off article titled "North Andover—A Town To Be Proud of," sets the stage and the mood in language that all will relish.

To give credit where credit is due, I request consent to open up a wider audience for this descriptive piece of writing, through insertion in the CONGRESSIONAL RECORD.

Credit to be shared by the Eagle-Tribune Publishing Co., and by the very competent newspaperman who authored the preface to the centennial edition, Chief Editorial Writer Joseph A. Reynolds, of Lawrence, Mass.

The preface to the centennial edition follows:

NORTH ANDOVER—A TOWN TO BE PROUD OF—1855–1955

Mapmakers have tedious jobs to do sometimes, as when they must measure and outline the conformations of a flat, dull region where there is nothing for the eye to exult in. Mapmakers love North Andover, upon which the great glacier exerted its vast creative pressure with surprising gentleness, and, sliding then into the sea, left North Andover all hollows and hills, and delightful.

And North Andover's spiritual topography is fully remarkable as its physical topography.

Spiritually, North Andover is bounded on the far side by such as Ann Bradstreet and her husband Simon (whom by history's caprice she now overshadows), and by such as Samuel Osgood and Phillips Brooks, all tradition makers. It is bounded on the near side by good citizens of the present day who take their lineal responsibilities as seriously as if the ancentral hand were present to beckon them to this duty. It is bounded on the east by the rising sun which symbolizes its awakening to new vistas of an almost blinding radiance. It is bounded on the west by a sunset which symbolizes the splendid fulfillment of a day of rich promise.

North Andover, observing its centennial, is, of course, taking particular note of its spiritual boundaries during these retrospective days which have been given over to celebration. It likes what it sees, as goes without saying. But, being sensible, it possibly mistrusts its own testimony as possibly having a weight of bias which possibly cants it to one side.

We therefore summon as impartial witnesses North Andover's closest friends and neighbors—Andover, Lawrence, and Methuen—and, polling them for their opinion as to whether North Andover has a right to be proud of what it has made out of its first 100 years as a town, discover that there is complete agreement that North Andover has every right to be proud.

It is a finding in which this newspaper concurs in most heartily.

Petition To Withdraw From the United Nations

EXTENSION OF REMARKS
OF
HON. USHER L. BURDICK
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. BURDICK. Mr. Speaker, 24 citizens of Santa Barbara, Calif., have petitioned Secretary of State John Foster Dulles, praying that the Charter of the United Nations be not revised and that the United States terminate its membership in that organization. The petition reads as follows:

PETITIONING SEPARATION FROM THE UNITED NATIONS

We, the undersigned, citizens of Santa Barbara, Calif., do hereby go on record that we are unalterably opposed to any revision of the United Nations Charter.

We also believe that the United States should terminate its membership in the United Nations, and that the United Nations should be forever removed from our shores.

We do not believe that the United Nations has kept the peace. On the contrary, we believe that it is plunging us down the road to one-world government, such a government to be held together by force, not peace.

Our forefathers, with the aid of God and His Son, our Lord Jesus Christ, carved forth a mighty land, these United States of America. Our Constitution was founded on the Holy Bible. Our inalienable rights were derived from our Creator, not from government. But now we are faced with a Godless

international setup that has grown to gigantic proportions, and that is working night and day to break down our walls of national sovereignty, to steal our precious blood-bought freedom from us, and to destroy forever our way of life. This petition is an open, free expression of the views of the undersigned.

Ann Gilbert, Edith Gilbert, Dr. Edward C. Bowlen, Mrs. Charles Mattei, Mrs. D. C. Reynolds, Baker L. Adams, Elizabeth Clay, Tina Todesca, Marion B. Phillips, Barbara S. Whittaker, Florence C. Sorensen, Mary M. Coulter, Roger C. Colburn, Cornelia B. Houier, Jessie J. Wieske, M. C. Brelita, Rusk Bawley, Anne E. Kermode, Doris W. Hopwood, Doris Caswell, L. Merle Berry, Joe W. Berry, Libau B. Stevens, Mrs. Warren E. Drewe.

These patriotic people are fully aware that the real purpose behind the present activities of the United Nations is to revise its charter in order to have it sponsor a world government.

It seems to me that the United Nations has already done enough in interfering with our laws and the Constitution to convince the people that "world peace" is not its aim, but its true object is to destroy the Constitution and laws of the only country on earth where it is demonstrated that the Government exists for the people, and not the reverse—of the people existing for the Government.

Results of 1955 Questionnaire

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1955

Mr. HILLINGS. Mr. Speaker, earlier this year, I mailed an opinion questionnaire to the Democrat and Republican voters in the 25th Congressional District. My purpose was to obtain the views of my constituents on some of the important issues facing our country. One questionnaire was mailed to each home in the district.

Following the procedure I established in previous years, I invited my constituents to write additional comments on the questionnaire form. The response to this invitation has been overwhelming—so overwhelming, in fact, that it is impossible to send individual replies to those who answered the questionnaire. To date, more than 27,000 answers have been received. This is a greater interest than has ever been shown before by the voters of the 25th Congressional District. I am extremely pleased at this interest in representative government because it is only through knowledge of what the people want that we as elected representatives can adequately follow their wishes.

Of particular significance was question No. 9, in which I asked for advice concerning President Eisenhower's legislative program. The fact that 84.1 percent advocated support is indicative of the high esteem in which our President is held. It is also indicative of the confidence which has been restored in the highest office of the land.

The following is the compilation of answers:

1. Should the United States use atomic weapons against the Chinese Communists if they attack Formosa? Yes, 62.6 percent; no, 25.2 percent; no opinion, 12.2 percent.

2. Should the United States continue membership in the United Nations? Yes, 80.6 percent; no, 14.4 percent; no opinion, 5 percent.

3. Should every male American be required to serve in the Armed Forces under a universal military training program? Yes, 73.3 percent; no, 20.4 percent; no opinion, 6.3 percent.

4. Do you favor medical treatment at taxpayers' expense for veterans whose illnesses or injuries are not caused by military service? Yes, 20.3 percent; no, 76.9 percent; no opinion, 2.8 percent.

5. Do you favor legislation to prevent a person from losing his job if he refuses to join a labor union? Yes, 72.1 percent; no, 24.5 percent; no opinion, 3.4 percent.

6. Should the postage rates on letters be increased from 3 cents to 4 cents in order to reduce the postal deficit? Yes, 64.6 percent; no, 28.5 percent; no opinion, 6.9 percent.

7. Do you favor a pay increase for Federal employees? Yes, 58 percent; no, 20.9 percent; no opinion, 21.1 percent.

8. Which should be admitted as States? Hawaii, 12.5 percent; Alaska, 5.8 percent; both, 70 percent; neither, 11.7 percent.

9. In general, what should I, as your elected Representative, do about President Eisenhower's legislative program? Support it, 84.1 percent; oppose it, 4.6 percent; no opinion, 11.3 percent.

Baiting: Ducks and Civil Servants

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1955

Mr. REUSS. Mr. Speaker, last Friday, June 17, the gentleman from Nebraska [Mr. MILLER] defended the Department of the Interior against what he called attacks "inspired by political motives and designed to impair public confidence in its activities."

Let me say, Mr. Speaker, that public confidence in the Interior Department has been rudely shaken long before I chose to level my attack on Secretary of the Interior Douglas McKay. If it is politics to protest what is happening to our conservation programs then I plead guilty. I consider it the proper function of a Democratic Congressman to keep a watchful eye on a Republican administration which seems bent on giving away our natural resources.

CONSERVATIONISTS HOPPING MAD

Conservationists prefer to spend their time in the out of doors. But the deterioration of this country's conservation standards has brought many of them hopping mad into congressional offices to save what is left of our timberland, our wildlife, our soil, our water, and our other natural resources.

Here is what Spencer Smith, secretary of the Citizens Committee on Natural Resources, has to say on the administration's performance in the field of conservation:

JUNE 18, 1955.

DEAR CONGRESSMAN REUSS: I noted with more than passing interest that Congressman MILLER cautioned conservationists to disassociate themselves from the critics of the administration. If not explicitly stated, Congressman MILLER certainly implies that you are leading us down the garden path and that we should beware. Though we are grateful for the solicitude of the Congressman, we are saddened by the thought that he apparently is oblivious of, or agrees with, the record this administration is making in the field of conservation. I hasten to add that conservationists are not oriented in any politically partisan fashion to the problems to which many of us are urging the Nation's attention.

NO POLITICAL INTRIGUE

Many of us feel our criticism is germane and warranted on the record that has been made and on the policies proclaimed by the administration. No political spokesman affected any intrigue to cause conservationists to oppose what has been called the Nation's biggest boondoggle and the unwarranted invasion of Echo Park. No duress was manifest in the overwhelming number of conservationists that opposed the grazing or multipurpose bill that sought to seriously handicap the proper management of the national forests. No political soothsayer mesmerized conservationists in supporting budgets well in excess of that requested by administration leaders for needed conservation. Unfortunately, this list could be considerably extended.

It is this record that has occasioned the criticism by conservationists. Dr. Ira N. Gabrielson, president of the Wildlife Management Institute, renowned conservationist, and the first director of the United States Fish and Wildlife Service, said, in a talk before the Citizens Planning Conference on Parks and Open Spaces for the American People in Washington on May 24: "There has, however, been a growing doubt in the minds of many conservationists as to whether the welfare of the resource is now being given sufficient consideration by those responsible for the administration of the Migratory Bird Treaty Act.

"Former Undersecretary of Interior Ralph Tudor, following his resignation, stated in an article in the Saturday Evening Post that the waterfowl administration had been set up to please the California duck hunters, and a review of the record provides some evidence to support this statement.

"Mr. Harold Titus, editor of the Field and Stream magazine, noted in the May issue that the United States Fish and Wildlife Service was hardly exemplary in its management of wildlife resources. Titus stated that never before in his years of contact with this Federal agency did he find such a disturbing lack of prompt and decisive response to his questions.

CANNOT BE BRUSHED ASIDE

"These men are hardly wide-eyed political partisans nor are they convenient and willing tools for those, who may view these problems solely from partisan vantage points. They cannot be brushed aside as unimportant nor can they be answered by a series of non sequiturs showing that many culprits have been caught in violation of conservation laws. Simply laying hands upon many violators does nothing to overcome other problems, which through administrative interpretation may be as great or greater than those they are so vigorously prosecuting.

Conservationists the country over are watching the management of the Nation's resources. They represent a variety of shades and differences of political faiths but their

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common interest is in the proper management of these resources and when, in their considered judgment, a serious lack of responsibility is evident in this management they will insist that those responsible face up to this lack—be he Republican or Democrat.

Here is what Mr. I. T. Quinn, executive director of the Virginia Commission of Game and Inland Fisheries, has to say in his letter to me of June 9, 1955:

I want to express my appreciation for the speech which you delivered on the floor of the House on June 8.

WAITING FOR STATES

At the meeting in March of the American Wildlife Conference in Montreal after Mr. John L. Farley, the present Director of the Fish and Wildlife Service of the United States Department of the Interior, had closed his address, I asked him from the floor if the United States Fish and Wildlife Service had any policy with reference to baiting waterfowl. His reply was "We do not have—we are waiting to see what the States are going to do."

Here is what Mrs. C. N. Edge, chairman of the Emergency Conservation Committee, 767 Lexington Avenue, New York City, says in her letter to me of June 13, 1955:

Many thanks for the speech of June 8 on the waterfowl situation. You doubtless remember that this committee, in cooperation with Dr. Hornaday, put an end to the baiting of waterfowl. Mr. Irving Brant's pamphlets on this subject are the historic record of that fight.

I am greatly impressed with the numbers and spirit of the conservationists who are aroused against the anti conservation philosophy of the present administration.

Here is what Les Woerpel, executive secretary of the Wisconsin Federation of Conservation Clubs, says in a letter to me of June 10, 1955:

We think you did a splendid job on a mess that needs to be brought out into the light so that it can dry out and lose some of the stink that has accumulated around it.

FARLEY'S WEAK ANSWER

The papers have carried John Farley's answer to your speech. However, it is a weak answer and includes material that is just as open to censure as any of the actions of the Fish and Wildlife Service or Department of Interior in other matters. That is the outright admission that local authorities have allowed baiting to divert the ducks from crops in the California rice fields.

While we sympathize with the loss these people sustain, we do not agree that State and Federal agencies have any right, or responsibility, to have to protect those producers. Concessions to those particular producers could conceivably boomerang in all other parts of the country and in many other fields of wildlife management.

It is no more right that sportsmen of California should bait the ducks away from rice fields, and incidentally into the range of the sportsmen's gun than it is for this State to allow sportsmen to put out salt licks near the muck farmer's lands to entice deer away from the vegetable crops that they love so well. Neither is it right to protect the fall crops of Californians while the winter wheat and rye farmers lose whole fields to migratory waterfowl returning to the north in the spring.

Certainly no one would suggest a spring season with baiting to entice the birds away from those fields, which would be just as sensible and justifiable. Migratory waterfowl, as well as deer and other species, are a part of the calculated risks that producers must take when entering into their field of endeavor.

The theory that the Government must protect them from wildlife or other hazards is invalid and preposterous. Concessions in this direction only make the practice more ridiculous and set precedents which may lead to unlimited destruction of species and breakdown of regulations.

Thanks again for helping us with this fight, we appreciate it a lot.

SPORTSMEN HEARTILY ENDORSE STAND

Here is what Jeff Whitehill, president of the Milwaukee Gun Club and past president of the Fin and Feather Club, says in his telegram to me of June 10, 1955:

Congratulations on your impressive fight against duck shooting over baited ponds and marshes. All sportsmen in this locality heartily endorse your stand in bringing this situation to the attention of the public at large. It is about time that the law regained some semblance of dignity by strict enforcement—too many fixers who are permitted to evade the law for their own selfish interests continue to promote disrespect for the law.

The charge I made against the Department of the Interior in this matter of duck-baiting is perfectly simple and straightforward. I charged that Ralph A. Tudor, until recently Undersecretary of Interior, announced in a national magazine, the Saturday Evening Post, that California bankers demanded a change in the Fish and Wildlife Service. These bankers told Tudor that they wanted John Farley, and Farley is now Fish and Wildlife Service Director. Albert M. Day, who had for 7 years been Director of the Fish and Wildlife Service, was eased out to make way for this candidate of the California bankers.

UNDER FARLEY GOVERNMENT WINKED AT VIOLATIONS

Since Farley's ascendancy, the Federal Government has winked at flagrant violations of the Federal ban on baiting by 140 duck-hunting clubs in California, where so-called "sportsmen" had been openly shooting ducks lured by grain placed as close as 200 yards from the guns. This disregard by the Department of the Interior of its own antibaiting law has infected enforcement of the antibaiting law elsewhere. High administrative officials have taken to browbeating Fish and Wildlife Service agents who are trying to enforce the antibaiting law in such areas as Ohio and Maryland.

Following my remarks on June 8 in which I made these charges, the Department of the Interior called a press conference the next day to reply to the charge that the Department is winking at the baiting of ducks.

FLAGRANT VIOLATIONS IN CALIFORNIA

The Department's defense No. 1 was that the basic antibaiting law has not been changed. I didn't say that it had been changed. What I said was that the Fish and Wildlife Service had for two seasons, under Director Farley, done nothing about the flagrant violations of the Federal law by 140 duck clubs in California, which are openly practicing baiting. It is no answer to say that an antibaiting law is on the books if that law can be violated with impunity.

The Department's defense No. 2 had to do with my assertion that in the last hunting season, despite the flagrant violations in California of the Federal antibaiting law, not a single arrest for violation of the Federal law had been made. At the press conference, Director Farley asserted that there had been 17 such arrests last season in California by Fish and Wildlife agents.

ARRESTS FOR STATE VIOLATION ONLY

I have asked for and received a breakdown of these 17 cases, and I find that not one of them was for violation of the Federal antibaiting law. All of the 17 were for violations, not of the Federal law, but of the California regulation which, far from forbidding baiting, actually encourages it. So I am going to stand on my original statement that not a single arrest for violation of the Federal antibaiting law was made in California during the 1954 season.

ADMINISTRATION'S NUMBERS GAME

Since baiting was going on right and left, this is not a very vigorous enforcement record. This is another example of the numbers game which this administration seems to delight in playing.

The gentleman from Nebraska [Mr. MILLER], after his plea to keep politics out of conservation, went on to accuse Mr. Albert M. Day of having been "caught redhanded shooting ducks in an area which had been baited with corn a day earlier" in 1949. After I had read this charge printed in the CONGRESSIONAL RECORD on Friday, June 17, I wrote the following letter to Mr. Day:

JUNE 17, 1955.

MY DEAR MR. DAY: In yesterday's CONGRESSIONAL RECORD (pp. 8222–8223) appears a statement by the gentleman from Nebraska [Mr. MILLER] in which he accuses you of having been "caught red-handed shooting ducks in an area which had been baited with corn a day earlier" in 1949. This is a serious criminal charge. Indeed, it charges that you committed the very offense that the Department of the Interior has been condoning ever since you were removed as Director of the Fish and Wildlife Service.

I wish to give you an opportunity to reply to this charge if you wish to do so.

Very truly yours,

HENRY S. REUSS,
Member of Congress.

I insert here Mr. Day's reply:

FIRST OPPORTUNITY TO DENY MALICIOUS ACCUSATIONS

JUNE 20, 1955.

DEAR MR. REUSS: I have your letter of June 17, and appreciate the opportunity to reply. It is the first opportunity that I have had to officially deny the malicious accusations presented to the subcommittee of the Interior and Insular Affairs Committee during the 83d Congress.

The charges against me were made in secret, closed sessions of the subcommittee by 2 or possibly 3 disgruntled former subordinate employees. I was denied the privilege of facing my accusers and, in fact, was not even given an opportunity to appear before the subcommittee, even though I requested it. Because the testimony of my accusers has been kept secret I have never had a chance to study it. Congressman MILLER'S statement in the June 16 issue of the CONGRESSIONAL RECORD containing portions of this still secret testimony is the first time that I have actually seen anything of what transpired at the hearings.

Secretary McKay told me many months ago that the Department had a copy of the subcommittee report, and I asked him to permit me to review it and prepare a reply. That privilege was never accorded to me.

DENY LIBELOUS CHARGES

It has thus seemed evident that the allegations lack substance. Otherwise, I am certain that either the Committee or the Department would have taken appropriate action long ago.

I categorically deny the libelous charges that I was ever caught red-handed shooting over bait. It is postively untrue. Furthermore, I would have been glad to appear before any fair-minded tribunal at any time to discuss this or any other alleged misdeeds, and I stand ready to do so now.

My administration of the Fish and Wildlife Service was characterized by vigorous enforcement of all protective laws and regulations which, in turn, were based upon the best scientific data obtainable. It is a matter of record that, during my term as Director, waterfowl populations steadily rose from a dangerously low level to one of relative abundance. I have been an outdoorsman since boyhood, have dedicated my life to the cause of conservation, and violating any of the laws and regulations established to protect the fish and wildlife resources of the Nation is the last thing I would ever consciously do.

Thanks for giving me an opportunity at long last to reply to these unfair and unfounded accusations.

Sincerely yours,

ALBERT M. DAY.

This House has quite recently expressed itself on the kind of treatment given Mr. Day by the Committee on Interior and Insular Affairs in the 83d Congress headed by the gentleman from Nebraska [Mr. MILLER].

HOUSE RULES ON EXECUTIVE SESSION

By House Resolution 151, passed by this House on March 23, 1955, which amends Rule XI (25), it is provided that—

(m) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade or incriminate any person, it shall—

(1) receive such evidence in executive session;

(2) afford such person an opportunity voluntarily to appear as a witness; and

(3) receive and dispose of requests from such person to subpena additional witnesses.

(o) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

Mr. Day was afforded no opportunity to appear and answer the criminal charges made against him.

ACCUSED IN KANGAROO COURT

Instead, he has been accused by obviously hearsay evidence in a secret session of a kangaroo court. And the gentleman from Nebraska [Mr. MILLER] has seen fit to use the evidence taken in executive session publicly in the RECORD. If there are criminal charges to be made against Mr. Day, let them be made publicly, and let him have an opportunity to know the charge and to defend himself openly in a court of law.

Meanwhile, the conservationists of this country are not going to be decoyed from their mission, which is to prevent the Department of the Interior from giving away our waterfowl to the duck-baiters.

District of Columbia Bar Association Deserves the Nation's Thanks and Appreciation

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, the Bar Association of the District of Columbia did honor to its own best traditions and served the country well when it created last January a special committee to provide legal counsel in security cases for Federal employees unable to obtain counsel of their own choice or to pay for legal aid. A recent report on the work of this special committee shows that in the succeeding 5 months it obtained clearances for employees in 13 of 22 cases which were set for hearings; and 9 cases are still to be decided.

This perfect record to date is a tribute to the care and conscientiousness with which the members of the special committee handled the cases assigned to them. As the Washington Post and Times Herald says editorially this morning, "They deserve the thanks of the country as well as of their individual clients for their promotion of justice—and the more so since these are nonremunerative cases. But the record is also in part a commentary on the sloppiness and emptiness of security charges. Most of these cases should never have arisen; most of the security risk charges should never have been made."

I introduced on January 20, 1955, House Joint Resolution 154, a companion measure to the resolution offered in the Senate by Senator HUBERT HUMPHREY and Senator JOHN STENNIS. This resolution has just been favorably reported to the Senate for its consideration.

There are increasing signs of doubt about the abrogation of the Bill of Rights by the Federal Government which effectively deprives millions of American citizens of the ancient protections of our Constitution. Hired informers and offically encouraged poison-pen letterwriters which have been the hallmarks of the totalitarian regimes of Hitler, Mussolini, and Stalin have no place in American life. Despite the reluctance of the present administration to face up to the problem it must prepare for careful reform of the present un-American activities or be prepared to face the consequences.

I am proud to include here the editorial tribute to the Bar Asosciation of the District of Columbia for a task magnificently conceived and executed.

[From the Washington Post and Times Herald of June 20, 1955]

TAKING "RISKS"

The Bar Association of the District of Columbia did honor to its own best traditions when it created a special committee last January to provide legal counsel in security cases for Government employees unable to obtain counsel of their own choice or to pay for regular legal aid. In the succeeding 5 months it obtained clearances for employees in 13 of 22 cases which were set for hearings; 9 cases are still to be decided. It appears, therefore, that the volunteer attorneys have thus far scored a perfect record.

The record is a tribute in part, of course, to the care and conscientiousness with which the committee members handled the cases assigned to them. They deserve the thanks of the country as well as of their individual clients for their promotion of justice—and the more so since these are nonremunerative cases. But the record is also in part a commentary on the sloppiness and emptiness of security charges. Most of these cases should never have arisen; most of the security risk charges should never have been made.

The report of the committee chairman, former Assistant Attorney General James M. McInerney, discloses how little the law has been able to do toward the elimination of injustice in the security program. After remarking that when it was first established, the committee was virtually inundated with inquiries, he said:

"A large number of these employees could not be helped because they had already forfeited their rights by submitting their resignations upon request, during or after a security investigation. Others had attempted to represent themselves without counsel and had been unsuccessful."

What a travesty this makes of the Civil Service Commission's security risk figures. We hope that the bar association's experience in dealing with this sample of security risk cases will lead it to champion the speedy revision of a program which in its present form too often serves the interests neither of security nor of justice.

Upper Colorado River Project

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 1955

Mr. METCALF. Mr. Speaker, among the claims being made about the proposed upper Colorado River project is that it would be high-cost development.

Editor Ken Byerly comments on this in a recent issue of his Lewistown (Mont.) Daily News.

Mr. Byerly is quick to point out that part of the opposition to development of the upper Colorado River comes from downstream water users and that part of the opposition comes from those who oppose any reclamation development in the West.

Irrigation projects, as Mr. Byerly says, "are our life blood, and we must continue to work toward the development of every feasible irrigation project possible."

The editorial follows:

BANANAS ON PIKES PEAK?

What is your reaction to the following from the CONGRESSIONAL RECORD, which is a quotation from Representative CRAIG HOSMER, of California?

"Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the LaBarge irrigation project in Wyoming.

"The LaBarge project is a part of the proposed multi-billion-dollar upper Colorado River project.

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"The cost to the Nation's taxpayers of the LaBarge project would be $1,250 an acre.

"The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool."

We don't know whether or not the California Congressman is right or wrong on his figures.

But we do know that southern California wants all the water from the Colorado River valley for its own use, and is opposed to any irrigation project in the upper valley which will benefit the people where the water comes from.

If the proposed LaBarge project would cost $1,250 an acre, we agree with Representative HOSMER that it is too expensive.

However, we have a deep suspicion of most people from other parts of the country who oppose irrigation projects anywhere in the West. Such projects are important to this country. They are our life blood, and we must continue to work toward the development of every feasible irrigation project possible.

Mr. Speaker, the Congress need not appropriate money to grow bananas on Pikes Peak. But it should appropriate funds for needed irrigation and reclamation projects in the West.

It is conservatively estimated that the food needs of this country in 1975 will be 40 percent higher than they were in 1950.

During these 25 years an estimated 15 million acres of farmland will be lost to expanding nonfarm facilities, and 25 million acres will be lost by soil erosion.

Irrigation and reclamation projects will help provide the 20 million to 30 million acres in new cropland needed by 1975, as well as the 20-percent increase in production per acre needed to meet our food requirements only 20 years from now.

These projects will produce agricultural products which would otherwise eventually be in short supply. Among these are grains, livestock, and dairy products.

Address by Hon. Sam Rayburn, Speaker of the House of Representatives, at the Commencement Exercises at West Virginia University, Morgantown, W. Va., May 30, 1955

EXTENSION OF REMARKS

OF

HON. HARLEY O. STAGGERS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1955

Mr. STAGGERS. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a speech given by the Honorable SAM RAYBURN at the commencement exercises at West Virginia University, Morgantown, and in the words of one of the members of the board of governors, it was one of the finest speeches ever delivered at the university and by one of America's outstanding statesmen. I recommend to every Member of the House the reading of this thought-provoking and informative message:

President Stewart, Congressman STAGGERS, members of the board, members of the graduating class, and friends, I am happy to be in West Virginia again, and especially to be at the University of West Virginia where my friend of many years, Dr. Irvin Stewart, is president.

I am also glad to meet here your very capable Congressman, HARLEY STAGGERS.

The University of West Virginia has been a great center of learning and inspiration to the youth, not only of West Virginia, but in many other parts of our country.

Before addressing myself to the subject that I have come here to discuss with you, I want to say a word about your generation, the so-called younger generation.

I have lived quite a while but I know that I shall be old, only when, some day, I find myself sitting around with others bewailing the younger generation and talking about how much better we did things in our day. Yet in every generation, some of the older people have sat around bemoaning the younger generation, and I suppose that some of you, too, in time, will do the same thing. However, I hope this blight will never descend upon you.

I have unbounded admiration for the younger generation.

Sometime before we entered the last world war, professional croakers were saying that the young men of our day were too soft to fight. They had had it too easy. I never shared these silly doubts. And we know, that when the time came, the young men of our armed services were as good as they ever had been in Andrew Jackson's day.

I am certain, if unhappily, the test on a great scale should come again, that again they will prove that no people excel us in patriotism, devotion to duty, courage, and the willingness to defend this great Nation of ours, whatever the cost.

What is true in this respect of young men is also true of our young women. Thousands of them entered the armed services and the Red Cross and saw service all over the world. Thousands of others of all ages toiled in munitions plants or did jobs of various kinds for the Government. There was no weakness among them, not even when their husbands or sons went off to war, leaving them lonely and waiting, as women are always left lonely and waiting in wartime. They did their duty; and they did it well. I admire them equally with the young men.

Since a country is, first of all, people, and no country is better than its people are, I do not tremble for the future of this country. Ever since Washington wrought, and Jefferson lead and taught, we have had moaners and groaners in this country that have been saying that our freedom is imperiled and that our Government is being changed. Some people have said that all of our leaders, from Washington, Jefferson, Jackson, and Lincoln, to now, have been incompetents. They said we couldn't possibly pay our debts. We couldn't expand any further. It was impossible to find markets for the things we produced, and since Congress was composed of incompetents, you couldn't depend upon them for anything. It didn't matter what political party was in power at any given time.

Well, the country hasn't been ruined yet, and I don't see any prospect of it being ruined. The more the croakers croaked, the more the country grew.

During the depression we were told that grass would soon be growing in the streets of our cities. That hasn't happened.

In my opinion, we're just getting underway in these United States. There is, indeed, little that Americans cannot do, if only they can imagine themselves wanting to do it. It matters not what mistakes any administration in Washington may make, I believe we can overcome them. The potentials of our resources, material and spiritual, have never yet been tapped to the utmost. We still do not know the limits of our strength. Let those beware, therefore, who think that they will find us easy prey.

Here in the United States we have grown both in bigness and greatness. This was a great country long before it became a big country.

It was a great country in the very beginning because the men who founded it breathed greatness into it. At the time of our Revolutionary War we were about 3 million people thinly scattered across the face of a huge and largely unknown continent. But small though we were, and weak, we shook 18th century Europe to the core. For at a period when absolutism prevailed nearly everywhere, and few men had rights, we announced the stupendous, earth-shaking doctrine of the rights of man, and so became the light of the world. The more so as the total darkness of communism casts its evil shadows upon larger and larger areas of the earth.

We founded upon this continent a nation without precedent in the history of man. The founders met at Philadelphia in May 1787, and in 4 short months, in September of the same year, they brought forth a document that the great English statesman, Gladstone, said was the greatest document ever struck off at one time by the hand and brain of man. This country was made up of members of all the racial stocks of the world. People of different religious and political faiths, many of them had never been able to live peacefully together in their native homes. But here the lion and the lamb lay down together. Out of unparalleled diversity we created an incomparable unity. Nor is this all. Our political-economic system has given more people more happiness and prosperity over a wider area for a longer period of time than any system ever created by men in their long history.

I do not say that it is a perfect system. I do not maintain that its blessings extend to all alike. I do not claim that it is without aberrations or inequities. But neither do I apologize for it. For this, I believe, is true. Men are not angels. It is not, therefore, criminal that inequities should exist among us. But it would be criminal if we should ignore them. This we will not do.

Farmers, for a long time, did not share in the general prosperity of the country. But by and large, some measure of prosperity has for some time been guaranteed them through various acts of the Government. Organized labor was long repressed in many sections of this Nation. But labor has now become a gigantic force of its own. Similarly, decade after decade, we have extended the boundaries of education; this great university and the splendid colleges and schools of West Virginia being proof of it in this State. We have made such strides in the field of preventive medicine that we have eradicated diseases that were a scourge but a little while ago. And the life expectancy of the average American is the highest in the world.

I could stand here all day reciting items of our progress, spiritual and material, but that is not necessary. Yet some of us are foolish enough to be put on the defensive by Communists when we have done so much for men and they have done so much evil to mankind.

There remains a great deal to do, and I believe there exists among us the will to do it. We are a highly competent people. But no American, worthy of the name, thinks that competence is enough. We are also, the Lord be praised, a humane people. And when you add humaneness to competence, you get the unique American civilization that we have created. It is a civilization in which men, remembering God, do not forget their suffering brothers, here or elsewhere.

We have also done well in international affairs in the last twenty-odd years. We have done especially well when you remember that for the greater part of the life of this Republic, we were outside the stream of history. We came into it only in 1917 with our entry into the First World War.

In a way, we were innocent of the world because we had led a sheltered life. For the span of a dynamic century—from Waterloo in 1815 to the outbreak of the First World War in 1914—we conquered the West, imported millions of people to build America, dug mines, harnessed rivers, cleared land, built factories, schools, churches, and firmly laid the foundations of our strength. We spent little on arms because we did not need them.

We were able to do so—let us remember—because during all of that century, Great Britain, then the world's leading power, patrolled the earth and largely kept the peace.

After coming into the stream of history in the period 1914–18, we tried to escape it and return to our isolationist past. We wanted to be in the world but not of it. We overlooked the fact that our power was so great that by its mere existence, we tremendously influenced the world. We did not want to lead. Neither did we want to follow.

During the days of isolationism, we rejected the advice and counsel of that great scholar-statesman, Woodrow Wilson, and rejected the League of Nations. When the Senate of the United States rejected the League of Nations, Wilson cried out in his anguish and said that within a quarter of a century the world would be shocked and torn by another and more destructive war. His prediction came tragically true.

We found out that we could no longer wrap two oceans around us and be safe or secure. It is better to have security and not need it, than to need it and not have it.

We also found that this giant of the West, the United States of America, if civilization were to survive, must do a man's part in the world's great work. We cannot stand alone. We and other democracies of the earth, yes, civilization itself, stand in the most terrible danger that has faced the world in 2,000 years.

Many of our people were again isolationist. In August 1941—only a few months before Pearl Harbor—the House of Representatives extended the Selective Service Act by a margin of only one vote. If we had not extended selective service, we would have been taking down our Army instead of having it and building it up when we were attacked at Pearl Harbor.

I am glad to say that West Virginia has never been subject to the blindness of isolationism. Its people have always known that we could not be in the world and at the same time not of it.

A moment ago I said that we have done well in international affairs. Let me explain. We who have only recently come into the stream of history are now the leaders of the free world. It is primarily our strength, however indispensible our allies may be to us, that prevents Russian communism from enslaving the world. It is we who, through the Marshall plan, kept Western Europe from falling prey to communism after the end of the last war.

It is we, who, by accepting the heavy responsibility of Korea, have kept communism from enguifing southeast Asia. It is we who, through various military and diplomatic moves, held back the enemy in Italy, Greece, and other points throughout the world. If it is not surprising that we have made mistakes, it is surprising that we made so few and emerged so quickly from our historical isolationism. For nations tend to move slowly in great matters, sometimes taking generations to change over from the past. Yet we have moved with a speed that must seem bewildering to our enemies.

This is a creditable performance, but it must not lull us into complacence, for to be complacent in our world is to court national catastrophe. We live, and we shall continue to live through the foreseeable future, in great peril. We still have much to do. No people can beat us in a short-distance run. But our enemy is a plodder, and he will not run our kind of race.

So, too, the Russian aim to dominate the world is not new. You will find, if you look into it, that Russian writers and thinkers have long held that it is Russia's mission to dominate the world, believing as the Germans believed a little while ago, that they are superior to all other peoples. In this respect the czar and the commissar are one.

We must understand something of the nature of the enemy if we are to stand firm against him. One part of his nature is that he is infinitely patient as he is infinitely crafty.

As a people we like to tackle a job, do it, and go on to the next job. It does not make sense in international affairs.

So it was that, once the war was over in 1945, we did not even stop to bring about an orderly demobilization of the mightiest fighting force the world has ever seen. On the contrary, as General Marshall reported to the Nation, we hysterically disbanded it.

Some people have said that Western Europe expects us to fight its battles for it. This absurd charge is demonstrably false. The population of Western Europe is just about twice our population. They, therefore, must and will supply most of the troops, although we may have to supply most of the arms. But—and this is the point—the deadly seriousness of Western Europe's intentions is proved by the fact that they ask us to send American troops at all. By so doing, they demonstrate two things. The first is that they do not intend to appease Russia, for the presence of our troops in Western Europe is notice of determined resistance to communism instead of appeasement. Second—and most important—by asking us to send troops, Europeans are inviting us to make their towns and cities and homes and countryside the primary battleground of the war if it should come.

I don't think that anyone here is foolish enough to ask if these allies are worthwhile. The population of Western Europe, I repeat, is twice our own and considerably more than that of Russia proper. Its gifted people contain thousands of scientists and technicians of the highest skill. Let us remember that we have no monopoly of brains, ideals, or love of freedom. They have a workshop second only to ours. They belong to our common western civilization; their religious and political faiths are akin to our own. They are, in short, indispensable to us as we are indispensable to them.

Naturally they don't always see eye-to-eye with us about everything, and we must not expect that.

The hallmark of being adult is that a man understands he must pay a price for everything he wants. Once he understands this, he is at peace with himself and the world. No price is too high to pay for freedom. Who can put a dollar mark on the life of a single American lost in battle? What price did our forefathers pay so that they might bequeath this great country to us? What price, then, are we willing to pay so that we may pass it on, great and free. A high standard of living is a desirable thing. But more desirable—and more enduring—is a high standard of life.

You young people who are being graduated here today will shortly for the first time, so to speak, go out into life. Its primary condition is struggle. It is also a great challenge and a great opportunity to live in a land that is so free that every man, woman, and child can do what he or she wants to do, say what they want to say, write what they want to write, so long as in the doing of these things they do not deprive others of exercising the same rights and prerogatives and the same privileges. You are free to choose your own course.

You know from your studies that many groups of men and many species of animals, birds, and plants, have disappeared from the earth because they could not adapt themselves to changing circumstances. This Nation, as I said before, has only recently gone out into life as it came for the first time into the turbulent stream of history. It, too, must understand that the first law of life is struggle; the second, the necessity to adapt itself to changing circumstances.

We have been an immensely fortunate people, and I do not think that we have been unworthy of our gifts. The incidents of geography and space and the fact that others kept the peace of the world so long enabled us to grow and spread and become in time the world's mightiest power.

Founding this country in freedom, and dedicating it to freedom, we have subscribed, and continue to subscribe, to the highest ideals of western civilization. Now this civilization is in imminent peril as it faces a very real threat to its existence at the hands of ruthless totalitarians.

The threat comes at a time when we are the world's mightiest power. Far from bewailing our fate, therefore, I think we should regard it as a high privilege that we have become the great defender of the faith; the best hope on earth. I have no doubt, God willing, that we shall prevail.

A Helping Hand for the South

EXTENSION OF REMARKS

OF

HON. STEWART L. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1955

Mr. UDALL. Mr. Speaker, on June 14, I introduced a bill to provide that Federal funds be provided to construct outright any new school facilities required by school districts which are carrying out, or are prepared to carry out, integration programs. This bill has received generous and favorable attention from many sources and I have been encouraged by the response.

However, I have found that some have not fully understood the spirit in which my proposal was conceived. Illustrative of such a lack of understanding is an editorial which appeared on June 16 in the Richmond (Va.) Times-Dispatch. I believe that my colleagues will find this editorial and the letter reply which I wrote to Mr. Virginius Dabney, the editor of the Times-Dispatch, most informative. An editorial in the St. Louis Post-Dispatch of the same day reveals a quite different reaction from another newspaper published in a State which is also confronted with this problem. In the interest of clarification, I present herewith the two editorials and my letter to the Richmond paper:

[From the Richmond (Va.) Times-Dispatch of June 16, 1955]

SILLY PLAN TO AID INTEGRATION

Illustrative of the profound and widespread misunderstanding in other sections

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of the issues involved in the South's segregation problem is the action of Representative UDALL, of Arizona, in introducing a bill in Congress providing for Federal appropriations of up to $150 million a year to build whatever new buildings are required to integrate pupils in the public schools.

Strange as it must appear to Mr. UDALL, the immensely difficult problems posed by the Supreme Court's recent ruling with respect to integration in the public schools are not primarily, or even secondarily, financial. They are mainly social and racial.

As a matter of fact, it has been argued by advocates of integration that a great deal of public money would be saved if the races were mixed in the schools. Actually, the saving would be much less than some of these persons claim, but there probably would be a certain amount of saving, at least at the outset.

Yet if the number of children in the schools were to remain about the same as before integration, there could not be any great difference in the number of school buildings, schoolrooms and schoolteachers required. As the school population mounted—which it is now doing more rapidly than in earlier years—the physical facilities and the teaching staffs would have to go up with it. This increase in staff and facilities will have to take place anyway, if the schools are to keep pace with mounting enrollments in the coming years.

True, there is the possibility that some such plan as separate schools for the two sexes might be adopted as one way of meeting the Court's integration order. There is also the proposal that 3 types of schools be maintained at each level—1 for white, 1 for colored, and 1 for members of both races who wish to attend a mixed school. Either of these plans would cost more than the system we now have.

But Representative UDALL is a wholesouled integrationist who wants to accelerate the process of mixing the races. When he introduced the bill for Federal aid, he was not thinking of financing expensive ways of reducing or avoiding the impact of integration.

It is impossible, therefore, to take him seriously. The Federal appropriations he proposes are not needed, even if the South were planning to integrate speedily—which it isn't.

Aside from everything else, Federal appropriations for schools are basically bad. They give the Federal Government a voice in the management of the schools, and they increase the already vastly excessive dependence of the States and localities on Washington. The sooner the Udall bill is forgotten the better.

JUNE 21, 1955.

Mr. VIRGINIUS DABNEY,
Editor, Richmond Times-Dispatch,
Richmond, Va.

DEAR SIR: I have read with interest your editorial of June 16, 1955, entitled "Silly Plan To Aid Integration." Since you have chosen to describe my bill to assist school districts which are carrying out, or are prepared to carry out, a program of integration as illustrative of the profound and widespread misunderstanding on other sections of the issues involved in the South's segregation problem, I feel impelled to call certain facts to your attention.

Your editorial asserts: "Strange as it must appear to Mr. UDALL, the immensely difficult problems posed by the Supreme Court's recent ruling with respect to integration in the public schools are not primarily, or even secondarily, financial. They are mainly social and racial." This statement does not appear strange to me; in fact, I expressed a similar belief when I introduced the bill, for I said:

"Without doubt, the main impediment to integration is the delicate and extremely complex human relations questions which are implicit in the Court's decision. This paramount problem is, of course, a local matter which must be worked out by the communities and individuals directly affected. It cannot be solved overnight by rulings of courts or by laws enacted in legislative bodies. Men of good will in these communities must wrestle with this problem and solve it as best they can, for admittedly any outside pressure or intrusion would only aggravate the situation."

I cannot agree with your statement that the financial effect of a program of integration probably would be a certain amount of saving, at least at the outset. Certainly, the people of the South have no inclination to lower the standard of education for any child as a result of integration. On the basis of findings by the Office of Education in its survey of school facilities throughout the country, it is indisputable that the South does face an excessive and unfair financial burden. Since I feel that this burden is partially a result of Federal action—the rulings of the Supreme Court—I have suggested that the Federal Government has a responsibility to assist in these terms: "This national obligation is emphasized, too, by the fact that under dual school systems many of the schools for Negro children have been markedly substandard. If we are really interested, then, in successfully implementing the Court's decision, we should guard against any program which would result in a leveling down of our schools. It is obvious that only under a substantial Federal-aid program such as I have outlined can we insure that the standard of the whole system will be raised, and thus protect the integrity of our educational enterprise."

The intention of my bill I described in these words:

"At the very least, such funds would help the areas concerned, begin the job which must be done. Most important, it would be warmhearted testimony to school districts facing this problem that the entire country is sympathetically interested and is willing to assist in the task ahead. No longer would the affected areas be justified in feeling that they are confronted by a Federal club, and are being ordered to integrate. Rather, they would realize that we all share their concern, and are prepared to help. Instead of self-righteous criticism, the rest of the country would hold out a helping hand; instead of threats, we would use understanding; in place of compulsion, we would offer cooperation."

If this qualifies as "silly" language, I plead guilty to your charge.

Inasmuch as I come from a State which has faced a similar integration problem in the recent past, I was somewhat distressed by your cavalier dismissal of my purposes. My own State in 1952 and 1953 faced and overcame problems no less serious than those which confront many Virginia communities today. As a school board member, I am thoroughly familiar with all of these attendant difficulties.

I am enclosing a copy of the statement which I made in the House of Representatives when I introduced the bill. I believe you will find when you read it that I have advanced a constructive proposal which deserves to be examined on its merits.

Sincerely,

STEWART L. UDALL.

[From the St. Louis Post-Dispatch of June 16, 1955]

AID FOR INTEGRATION

An Arizona Congressman has faced up to one of the real problems of ending racial segregation in the schools by proposing Federal aid during the transition.

Representative STEWART UDALL makes a persuasive case when he says that, just as the Federal Government grants funds for school construction where its defense projects create an impact on local facilities, so local districts which are put under a strain by the Supreme Court's mandate are entitled to claim some help in meeting extraordinary expenses that result.

In most States where segregation has been the rule, the myth of "separate but equal" has been exploded long since. Where separate schools fell short of equality, integrated schools cannot be brought up to equality without an increase in expenditures. That is what many southern districts will face, and there are reasons both of justice and expediency for Federal aid at least in limited areas, such as the construction of needed new schools, and raising the standards of teacher salaries.

Federal aid to education in the broader sense has been blockaded all too long by an unfortunate controversy over extending that aid to private church schools as well as public schools. There is no good reason why this controversy should enter into the consideration of the Udall bill. As the Supreme Court's opinion applied only to public schools, so by definition only public schools could be eligible for Federal aid in complying with it. Congress should lend a sympathetic ear to the proposal.

Duty of Christian Politician

EXTENSION OF REMARKS
OF
HON. HENRY S. REUSS
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, June 20, 1955

Mr. REUSS. Mr. Speaker, recently the National Council of Catholic Men began a series of radio addresses on current topics. The first speaker in the series was our colleague from Minnesota, Hon. EUGENE J. MCCARTHY. The Congressman's remarks were timely and significant, and might well serve as a guide to those of us who must make decisions for our Nation in these critical times. I should like to quote here some excerpts from Congressman MCCARTHY's talk, taken from an article in a recent issue of the Milwaukee Catholic Herald Citizen:

DUTY OF CHRISTIAN POLITICIAN CLEAR—MUST BE GUIDED BY MORAL LAW, SAYS SOLON IN CATHOLIC HOUR TALK

NEW YORK.—"The Christian politician must hold fast to the moral law," Representative EUGENE J. MCCARTHY, of Minnesota, declared Sunday in the first of a new series of radio addresses on current topics sponsored by the National Council of Catholic Men and featured on the Catholic Hour carried by the National Broadcasting Co. "In the course of history," he said, "we have learned something of the great danger in rendering to religion the things that are Caesar's, namely, political authority and political power, and of the danger of rendering to Caesar the things that are God's—faith, worship, and absolute obedience."

The legislator, who formerly taught sociology at St. Thomas College in St. Paul, declared that the power of the absolute state has been forcefully demonstrated and constitutes a lesson that should not soon be forgotten.

"We must at all times be alert to the danger of intrusion by the state into areas of culture and into areas in the social and private life of man which are beyond the

authority of the state. In our alertness and vigilance, however, we should not be led to accept unsound theories concerning the origin, nature, functions, and purposes of the state. What is called for is careful examination, distinction, and reordination."

McCARTHY said that while the state has the right to suppress certain moral teachings, such as forbidding the practice of bigamy by certain religious sects, it has no right to deny or interfere with man in his effort to attain moral perfection. On the contrary, he added, the state has the obligation to assist man in achieving this goal.

He reminded that recognition of Christianity by a state does not make that state Christian. He said that the calling of a Christian is not to judge the world, but rather to save it, and in approaching politics the Christian must be realistic since politics is part of the real world.

"The Christian in politics should be judged by the standards of whether through his decisions and actions he has advanced the cause of justice and helped, at least, to achieve the highest degree of perfection possible in the temporal order," McCARTHY said.

He pointed out that when a political problem can be reduced to the simple question of feeding the hungry or not feeding them, ransoming or refusing to ransom the captive, of harboring the harborless or leaving him homeless, there should be no uncertainty as to the Christian position.

But, McCARTHY reminded, problems of overpopulation, of displaced and expelled persons, of political refugees and the like are in reality not always reducible to simple choices. He added: "As a general rule the inclination of the Christian should be to liberality.

"His mistakes and failures on problems of this kind should be as a consequence of leniency rather than of a fearful self-interest; of excess of trust, rather than of excess of doubt and anxiety."

The Christian politician, McCARTHY said, "must, of course, hold fast to the moral law, remembering that the precepts of morality do not themselves change, even though the way in which they are applied to concrete acts may be modified as society regresses or is perverted." He said the Christian in politics should be distinguished by his alertness to protect the rights of individuals, of religious and other institutions from violations by the state or individuals.

SENATE

TUESDAY, JUNE 21, 1955

(Legislative day of Monday, June 20, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Herbert E. Richards, First Methodist Church, Boise, Idaho, offered the following prayer:

Almighty Father, as little children we press our ears against the doors of the future, listening for Thy return. In this hallowed place of government may we hear Thy fatherly admonitions of hope for the hopeless, comfort for the discouraged, courage for our leaders.

Grant our people a sense of unity amidst diversity, a sense of crusading achievement in a world of doubt. Help mankind, we pray, to conquer greed, that peace may come through peace in the human heart.

Inspire our Nation's officials to confidence born of faith, against which the gates of hell cannot prevail.

In the name of the God of our fathers. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 21, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBEN W. BARKLEY, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. BARKLEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On the request of Mr. SMATHERS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 20, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 35) to permit the transportation in the mails of live scorpions, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1464) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 692. An act to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for Peace";

H. R. 2972. An act to require the recordation of scrip, lieu selection, and similar rights;

H. R. 4001. An act to provide for the management and disposition of certain public domain lands in the State of Oklahoma;

H. R. 4585. An act to amend the act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations;

H. R. 4747. An act to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city;

H. R. 4802. An act to authorize the execution of mortgages and deeds of trust on individual Indian trust or restricted land;

H. R. 4808. An act to authorize the transmission through the mails of certain keys, identification devices, and small articles, and for other purposes;

H. R. 4915. An act to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen;

H. R. 5652. An act to provide for the relief of certain members of the Army and Air Force, and for other purposes;

H. R. 5891. An act to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes; and

H. R. 6295. An act to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 109) authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

H. R. 1062. An act for the relief of Luigi Cianci;

H. R. 1081. An act for the relief of Anna Tokatlian Gulezian;

H. R. 1086. An act for the relief of Mayer Rothbaum;

H. R. 1108. An act for the relief of Rose Mazur;

H. R. 1165. An act for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt; and

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 692. An act to authorize the Postmaster General to provide for the use in first- and second-class post offices of a special canceling stamp or postmarking die bearing the words "Pray for Peace";

H. R. 4585. An act to amend the act of August 24, 1912, to simplify the procedures governing the mailings of certain publications of churches and church organizations; and

H. R. 4808. An act to authorize the transmission through the mails of certain keys, identification devices, and small articles, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 2972. An act to require the recordation of scrip, lieu selection, and similar rights;

UNIVERSITY OF MICHIGAN LIBRARIES

H. R. 4001. An act to provide for the management and disposition of certain public domain lands in the State of Oklahoma;

H. R. 4747. An act to provide that reversionary interests of the United States in certain lands formerly conveyed to the city of Chandler, Okla., shall be quitclaimed to such city; and

H. R. 4802. An act to authorize the execution of mortgages and deeds of trust on individual Indian trust or restricted land; to the Committee on Interior and Insular Affairs.

H. R. 4915. An act to amend the act of April 6, 1949, to extend the period for emergency assistance to farmers and stockmen; to the Committee on Agriculture and Forestry.

H. R. 5652. An act to provide for the relief of certain members of the Army and Air Force, and for other purposes; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 109) authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, was referred to the Committee on Rules and Administration, as follows:

Whereas a Parliamentary Conference of the North Atlantic Treaty Organization will meet in Paris in July 1955; and

Whereas among other items it is planned to discuss at the Conference the question of future cooperation by the NATO members, including their parliamentary bodies; and

Whereas the Congress has taken a leading part in the formation of the Organization and in its support through the enactment of measures to strengthen its capacity to defend the North Atlantic area against Communist aggression; and

Whereas the presence of Members of the Congress at the Conference will be a tangible demonstration of the continuing desire of the American people to support the Organization and to promote closer relations with and between the members of the Organization; and

Whereas such a conference can contribute to the strength of the North Atlantic area in the maintenance of peace and security and the mutual interests of its members: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That not to exceed fourteen Members of Congress shall be appointed to meet jointly with the representative parliamentary groups from other NATO members meeting in conference in Paris in July 1955, for discussion of common problems in the interests of the maintenance of peace and security in the North Atlantic area. Of the Members of the Congress to be appointed for the purposes of this resolution, half shall be appointed by the Speaker of the House from Members of the House, and half shall be appointed by the President of the Senate from Members of the Senate. Not more than four of the appointees from the respective Houses shall be of the same political party.

The expenses incurred by Members of the House, the Senate, and by staff members appointed for the purpose of carrying out this concurrent resolution shall not exceed $15,000 for each House, respectively, and shall be paid from the contingent fund of the House of which they are Members. Payment shall be made upon the submission of vouchers approved by the chairman of the respective House or Senate delegation.

ENROLLED JOINT RESOLUTION SIGNED

The ACTING PRESIDENT pro tempore announced that on today, June 21, 1955, he signed the enrolled joint resolution (S. J. Res. 60) directing a study and report by the Secretary of Agriculture in burley tobacco marketing controls, which had previously been signed by the Speaker of the House of Representatives.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. SMATHERS, and by unanimous consent, the Committee on Foreign Relations was authorized to meet this afternoon during the session of the Senate.

On request of Mr. SMATHERS, and by unanimous consent, the Judiciary Committee was authorized to meet this afternoon, during the session of the Senate.

ATOMS FOR PEACE FILM

Mr. ANDERSON. Mr. President, the Joint Committee on Atomic Energy in cooperation with the Encyclopedia Britannica Films, Paramount News, and the United States Atomic Energy Commission has made arrangements for a 16-millimeter, black and white, sound film, entitled "Atoms for Peace," to be made available to all Members of Congress for use in their districts. The cost of the film is $22, and can be sold only to Members of Congress.

In compliance with requests from Members whose duties prevented their attendance at any of the three previous showings of the film, arrangements have been made for additional showings. It will be run at 11:30 a. m. on Wednesday and again on Thursday in room 160, Old House Office Building.

The response to the film is most gratifying to the Joint Committee on Atomic Energy.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. SMATHERS. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine matters, with statements limited to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the board of supervisors of Erie County, Buffalo, N. Y., favoring the enactment of legislation to reduce the age limits of persons who qualify for old-age and survivor's insurance benefits; to the Committee on Finance.

By Mr. ELLENDER:

A concurrent resolution of the Legislature of the State of Louisiana; to the Committee on Public Works:

"Senate Concurrent Resolution 15

"Whereas pursuant to section 11 of the Flood Control Act dated December 1944, Public Law 534, 78th Congress, 2d session, and section 6 of River and Harbor Act approved March 2, 1945, Public Law 14, 79th Congress, 1st session, the district engineer has been directed to make preliminary examinations and surveys of the Amite River and tributaries, La., in the interest of navigation and flood control; and

"Whereas under this authority the department of public works of the State of Louisiana requested an examination of lower Amite River and said tributaries in the interest of flood control with the view of securing a report on proposed improvements for possible adoption as a Federal project by a future act of Congress; and

"Whereas a public hearing was held for this purpose in Livingston Parish Courthouse, Livingston, La., at 10 a. m., on Wednesday, October 14, 1953, at which hearing both oral and written statements were received; and

"Whereas the State department of public works and the city-parish department of public works of the city of Baton Rouge and East Baton Rouge Parish submitted supporting briefs proposing these improvements and at which meeting resolutions adopted by the city-parish government of the city of Baton Rouge and East Baton Rouge Parish, the chamber of commerce of the city of Baton Rouge, and the city-parish planning commission of the city of Baton Rouge and East Baton Rouge Parish also in support of these proposed improvements were presented and made a part of the record; and

"Whereas numerous individuals at this hearing representing East Baton Rouge Parish, Livingston Parish, Iberville Parish, and Ascension Parish spoke in behalf of these proposed improvements and strongly endorsed early action by the Federal Government; and

"Whereas there was no opposition registered to these proposed improvements but, to the contrary, many landowners, in addition to the official representatives of the various areas voiced their sentiments strongly in favor of these improvements; and

"Whereas the Police Jurors Association of the State of Louisiana, in its annual convention, has heretofore gone on record as being in complete support of the proposed improvements of the lower Amite River and its tributaries by the Corps of Engineers of the United States Army; and

"Whereas the parishes affected by the inability of these ultimate outfall channels to carry off the surplus waters are spending vast sums of money for the construction of drainage systems to rid the areas of all surplus waters; and

"Whereas the State of Louisiana is spending vast sums of money annually to assist the various parishes in building parishwide drainage systems; and

"Whereas these improvements will remove from these areas the dangers and losses incurred by periodic floods; and

"Whereas planning money has been provided to the Corps of Engineers by the Chief of Engineers for planning surveys and reports on these proposed improvements; and

"Whereas these proposed improvements if made will be of substantial benefit to the State of Louisiana and to the citizens and property within the many parishes which will receive relief from floods and water damage, and it is in the interest of the State of Louisiana that the Congress of the United States, and particularly the representatives therein from the State of Louisiana, be memorialized to give their support to the securing of an early appropriation which will make possible flood-control improvements on the lower Amite River and its tributaries: Now, therefore, be it

"Resolved by the Senate of the State of Louisiana (the House of Representatives concurring), That it is the opinion of the Legislature of the State of Louisiana that the proposed flood-control improvements along

the lower Amite River and its tributaries are necessary for the protection of persons and property, and that such improvements should be made in the interest of the general welfare of the people of the State of Louisiana; be it further

"Resolved, That copies of this resolution shall be forwarded to all Louisiana Members of the United States Congress and to the Corps of Engineers of the United States Army requesting their support and assistance in securing an early appropriation of funds for the purpose of making needed flood-control improvements along the lower Amite River and its tributaries.

"C. E. BACHMAN,
"Lieutenant Governor and President of the Senate.
"J. M. DULANEY,
"Acting Speaker of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

S. 1287. A bill to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system; without amendment (Rept. No. 620).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 332. A bill for the relief of Hava Shpak, A. A. Shpak, and Sympcha Shpak (Rept. No. 585);

S. 501. A bill for the relief of Ki Young Kwan (Rept. No. 586);

S. 578. A bill for the relief of Edmund Lowe and Richard Lowe (Rept. No. 587);

S. 871. A bill for the relief of Dominic Gaetano Morin (Rept. No. 588);

S. 987. A bill to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary (Rept. No. 589);

S. 2171. A bill to amend the Subversive Activities Control Act so as to provide that upon the expiration of his term of office a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified (Rept. No. 590);

H. R. 880. A bill for the relief of Paul Y. Loong (Rept. No. 591);

H. R. 935. A bill for the relief of Mrs. Marion Josephine Monnell (Rept. No. 592);

H. R. 943. A bill for the relief of Luzie Biondo (Luzie M. Schmidt) (Rept. No. 593);

H. R. 968. A bill for the relief of Max Kozlowski (Rept. No. 594);

H. R. 973. A bill for the relief of Mrs. Elizabeth Dowds (Rept. No. 595);

H. R. 977. A bill for the relief of Mrs. Ellen Hillier (Rept. No. 596);

H. R. 988. A bill for the relief of Susanne Fellner (Rept. No. 597);

H. R. 995. A bill for the relief of Frieda Quiring and Tina Quiring (Rept. No. 598);

H. R. 997. A bill for the relief of Irmgard Emilie Krepps (Rept. No. 599);

H. R. 998. A bill for the relief of Meiko Shikibu (Rept. No. 600);

H. R. 1026. A bill for the relief of Melina Bonton (Rept. No. 601);

H. R. 1047. A bill for the relief of Armenouhi Assadour Artinian (Rept. No. 602);

H. R. 1083. A bill for the relief of Robert Shen-yen Hou-ming Lieu (Rept. No. 603);

H. R. 1157. A bill for the relief of Milad S. Isaac (Rept. No. 604);

H. R. 1158. A bill for the relief of Emanuel Frangeskos (Rept. No. 605);

H. R. 1205. A bill for the relief of Cynthia Jacob (Rept. No. 606);

H. R. 1299. A bill for the relief of Miss Toshiko Hozaka and her child, Roger (Rept. No. 607);

H. R. 1300. A bill for the relief of Luther Rose (Rept. No. 608);

H. R. 1337. A bill for the relief of Victorine May Donaldson (Rept. No. 609);

H. R. 3659. A bill to increase criminal penalties under the Sherman Antitrust Act (Rept. No. 618);

H. R. 4221. A bill to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions (Rept. No. 610);

H. R. 4549. A bill for the relief of John J. Braund (Rept. No. 611);

H. R. 4954. A bill to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes (Rept. No. 619); and

S. Con. Res. 39. Concurrent resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world (Rept. No. 616).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 288. A bill to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within such school district by the Department of the Interior (Rept. No. 612);

S. 1159. A bill for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling (Rept. No. 613);

S. 1522. A bill for the relief of Lieselotte Brodzinski Gettman (Rept. No. 614); and

H. R. 3359. A bill for the relief of Raymond George Palmer (Rept. No. 615).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 1644. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes (Rept. No. 617).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. KILGORE. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution favoring the suspension of deportation in the case of certain aliens, and I submit a report (No. 584) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 42) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-5981713, Dickel, Jr., Wiater.
E-078565, Fontes, Sebastiano De.
A-2553452, Garcia, Nicolas.
E-47368, Gasca-Sardina, Juan.
E-069249, Lozano, Jose Pascual.
A-5845821, Maniscalco, Giuseppe.
E-16323, Mercadante, Rocco.
E-69259, Sweedler, Hilda.
A-2266360, Triana-Aguilar, Lucas.
A-1116968, Watchinsky, Samuel.
A-1552531, Lopez-Chavez, Juan.
E-057379, Manouskos, James George.
E-89257, Ciaccia, Catello Charles.
E-069558, Lucio-Leon, Felipe.
A-5988306, Rudy, George.
E-078638, Capozzi, Francesco.
E-069474, Castaneda, Juana Ponce-Rosales de.
A-1894829, Slojkowski, John Anthony.
E-057816, Solano, Ramon.
E-077119, Garcia, Antonio Menendez.
A-4595749, Jakubiak, Frank Anthony.
A-2236659, Jarger, Jr., George.
A-4608159, Maniscalco, Samuel.
E-054983, Mayo, Walter John.
E-058681, Ortiz-Gonzalez, Faustino.
A-4747607, Schmidt, Karl.
A-5149973, Schmitt, Joseph Otto.
A-4793952, Wagner, Sam.
A-3167418, Dippner, Hermann.
A-2744439, Kuprashewithz, Wladimir.
A-1168565, Silverio, Caroline Lucca Di Pietro.
A-4100237, Woislaw, Stanislaw.
A-3939724, Woislaw, Felikca Anna.
A-5624707, Yen, Lok.
A-2590255, Bakovich, Nick.
E-053681, Barlow, Enid.
1200-43511, Chadwick, Ann Betancourt.
A-1339656, Doolittle, Immacolatina.
A-1437231, Mark, Zef.
E-076774, Porcello, Vincenzo.
A-4777524, Ramirez-Medel, Anastacio.
E-47358, Salazar-Aguilar, Jesse Robert.
E-89260, Shaw, Norman Howard.
A-1109526, Stephens, George Saunders.
A-5932871, Torowis, Jurko.
A-1644860, Wengorowski, Ignatz.
A-5914114, Wolck, Vladimir.
A-5844626, Firetto, Paolo.
A-4948601, Schmidt, Frederick.
A-1153640, Woishnis, Frances Victoria.
A-5339974, Bostrom, Iver August.
E-075816, Castro, Stephen.
A-3322617, Cromie, Thomas Wilfred.
E-076879, Dujuambi, Monte Alfonso Carmett.
A-4167829, Garbus, Abraham.
T-2682534, Mercier, Lucien Treffle.
A-5969128, Michelson, Robert.
A-3231388, Morgan, Charlotte.
A-3900018, Vicklund, Knut Oskar.
A-5753722, Lupino, Louis.
A-5849321, Rostowsky, Frances Catherine (nee Vaiciunas).
A-1595525, Sevagian, Avedis.
A-1604070, Bosky, Paul Adam.
A-2452366, Bungard, Leonard Joseph.
E-47592, Martinez-Luna, Hipolito.
A-1631944, Psaros, Speros.
A-3972039, Walker, Gerardo Verdugo.
A-2146407, Wineman, Sam.
E-131755, Wolfson, Abe Bernard.
A-2176896, Wood, James Archibald.
A-4348492, Badalmenti, Dominick.
A-3814987, Caldera-Roldan, Joaquin.
A-2303530, Fryza, George.
A-3554030, Gaytan-Ybarra, Angel.
A-4945116, Grossman, Carmelina.
A-3043634, Duchin, Abraham.
A-2544643, Lande, Ove John.
A-1745616, Litwak, Jake.
A-3042362, Luteron, Iiles.
A-5024257, Odder, Toufic.
A-5541581, Russell, Rose Agnes.
A-3774200, Weinstein, Catherine.
A-3433019, Weissman, Hyman.
A-4038929, Culotta, Vincent.
A-4091431, Francevich, Frank Marija.
A-3243585, Wasserman, Aron Harry.
A-4961731, Weirsch, Rose.
A-8280922, Bartnik, Andrew.
A-4402553, Calish, Ben.
A-8447000, Camiolo, Cristoforo.
A-4749433, Cooper, Benjamin.
A-2608947, Davitto, Bernardo Vercoglio.
A-7361922, Dobrovich, John.
E-080681, Galdikas, Anthony Constance.
A-4819163, Goldberg, Joseph Benjamin.
A-545825, Goldenberg, Scoocher.
A-1738912T, Greenfield, Philip.
A-1165031, Harishuk, James Frederick.
A-1953490, Jacob, Leo Carl.
A-1224861, Kubis, John Joseph.
A-5571019, Maciejewski Floryian.
A-4088212, Maloff, Carl.
A-1038887, Mordos, Aniela.

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A–3773694, Nockowitz, Charles.
E–078680, Paukstys, Vincent.
1415–3776, Paz-Lucio, Isaac De La.
A–2256143, Rojas-Guzman, Pedro.
A–3607468, Schwarz, John.
0402/8161, Smith, Walter.
A–3130901, Telles-Mejia, Tomas.
A–1011263, Valdez, Patricio.
A–5634530, Vito, Liborio.
A–5160088, Zech, John.
A–2390285, Zielinski, Frank.
T–303059, Bartolini, Alberto.
8511–A–1274, Caramaniau, Gheorghe.
E–053084, Cepeda-Teran, Aurelio.
A–3042474, Chaykowski, Michael.
A–1427387, Chervinski, Charles.
E–89265, Chillemi, Giovanni.
A–5934786, Cimino, Jean.
0800–106472, Cobos, Tomas.
A–1459543, Cowart, Harry Fuller.
E–069328, Dem, Louise.
A–2888771, Drewnowski, Czeslaw.
A–1847251, Elber, Isadore.
A–5524604, Feldman, Pal.
A–4724104, Ferro, Pete.
A–2174885, Figiolia, Louis Jack.
A–3740609, Grado, Luigi Di.
A–4705290, Gutstein, Albert.
A–5343594, Holody, Martin.
A–2194350, Honkamaa, Charles.
A–3155214, Irla, Anthony Stanley.
A–3237162, Kalinovik, Alexander Paul.
A–1028748, Kaplan, Abraham.
A–2518778, Kashigian, Artin.
A–5918920, Kauth, Kurt Max.
A–3132325, Knowles, Ann Eirwen.
A–7858221, Kryczka, John.
A–5402770, Lamars, Pete.
A–3623367, Latarski, Sigmund.
A–4963675, Lukac, John.
A–2941249, Maneniskis, Joseph.
A–5151675, Matheson, Wilfred Laurier (William Matheson).
A–3117074, Medoway, Sam.
E–070997, Novak, Bela.
A–5720885, Nowak, John.
A–3818026, Ostrashelski, Constantine.
E–083290, Pong, Soon.
A–8116357, Reed, John David.
A–4755643, Richter, Walter.
A–5753580, Rocco, Louis.
A–2671145, Rucienski, Aleksander.
2770–P–142631, Sandler, Josel David.
A–1853190, Sandor, Victor.
E–086512, Schwar, Klara.
0800–84629, Simon, Aurif.
A–5862381, Slater, Frank.
E–47365, Sosa-Paz, Luz.
A–1840646, Torres, Jose Buenaventura.
A–1815668, Tuchet, Frank.
A–4967148, Walonce, Stanley Francis.
A–2935138, Wilkas, Julius.
A–1704536, Ziegenhirt, Joseph Francisco.
A–3122325, Forsbacka, Johannes Alfred.
A–5967839, Hovanec, John.
A–1985254, Jurlin, Daniel D.
A–7485159, Keefe, Everett Vernon.
E–057815, Moreno-Aguilar, Conrado.
A–4727339, Proch, John Alexander.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Fifty-five postmasters; and

Merlin A. Hymel, to be postmaster at Edgard, La., vice B. J. Jacobs, retired; reported adversely.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, June 21, 1955, he presented to the President of the United States the following enrolled joint resolutions:

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture in burley tobacco marketing controls; and

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE of South Dakota (for himself and Mr. MUNDT):

S. 2277. A bill authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such land from the city; to the Committee on Government Operations.

(See the remarks of Mr. CASE when he introduced the above bill, which appear under a separate heading.)

S. 2278. A bill to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILEY:

S. 2279. A bill to authorize grants to the States for the development and improvement of programs for services for the aging and aged, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. MORSE, Mr. DOUGLAS, Mr. GREEN, Mr. HILL, Mr. HUMPHREY, Mr. JACKSON, Mr. KILGORE, Mr. LEHMAN, Mr. LONG, Mr. MANSFIELD, Mr. MCNAMARA, Mr. MURRAY, Mr. NEELY, Mr. NEUBERGER, and Mr. PASTORE):

S. 2280. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended, to provide increased benefits in case of disabling injuries, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. LANGER (for himself and Mr. KEFAUVER):

S. 2281. A bill to make unlawful certain commercial dealing in minor children; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2282. A bill to amend the Renegotiation Act of 1951 by providing for a review by courts of appeals; to the Committee on Finance.

S. 2283. A bill for the relief of the city of Coos Bay, Oreg.; to the Committee on the Judiciary.

By Mr. LEHMAN:

S. 2284. A bill for the relief of Domingo Lim (also known as Lim Eng Kok and Domingo Lim Chay Seng); to the Committee on the Judiciary.

By Mr. WILEY:

S. 2285. A bill authorizing the construction of certain public works for flood control on the Eau Galle River, Wis.; to the Committee on Public Works.

By Mr. MAGNUSON:

S. 2286. A bill to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HRUSKA:

S. 2287. A bill authorizing modification of the general comprehensive plan for flood control and other purposes in the Missouri River Basin to provide for improvement of Salt Creek and its tributaries, Nebraska; to the Committee on Public Works.

CONVEYANCE OF CERTAIN LAND TO CITY OF SIOUX FALLS, S. DAK.

Mr. CASE of South Dakota. Mr. President, on behalf of myself, and my colleague, the senior Senator from South Dakota [Mr. MUNDT], I introduce, for appropriate reference, a bill to reconvey to the city of Sioux Falls, S. Dak., 20 acres of land, which were once sold by the city to the Government, but have now been declared excess by the Veterans' Administration. The city would repay to the Government the amount it received for the land originally.

When the Government decided to establish the Veterans' Administration hospital in Sioux Falls, it procured 40 acres of land from the city. This land had been purchased by the city for park purposes.

The Veterans' Administration felt at the time that 40 acres would be needed for its present purposes and future expansion. Now the Veterans' Administration has determined that 20 acres will be sufficient for its current needs and any foreseeable expansion, and in line with the policy now in force, it has declared the other 20 acres excess to its needs.

Therefore, it seems to me that the land should be returned to the city of Sioux Falls, to be used for the purpose originally intended. This would rightfully preclude its coming into the hands of persons who never would have had a chance of getting it when the city owned it.

The need of the city for this excess land is acute. Within a 1-mile radius, there are some 16,000 people who do not have immediate access to recreational facilities. This bill would turn over the land to the city, for the express purpose, and only that purpose, of building a swimming pool and maintaining a public park. The Federal Government would receive from the city the same amount of money that the Government paid in obtaining the property from the city.

The city of Sioux Falls is a rapidly expanding metropolis. It is now the largest city in 5 northwest States, and has a population of some 60,000. The city has several parks, but they are filled to overflowing each summer with local residents and visitors. An additional park will alleviate this situation.

I commend this bill to the Senate's attention, and hope it may be considered soon.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2277) authorizing the Administrator of General Services to convey certain land to the city of Sioux

Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such land from the city, introduced by Mr. CASE, of South Dakota (for himself and Mr. MUNDT), was received, read twice by its title, and referred to the Committee on Government Operations.

GRANTS TO STATES FOR DEVELOPMENT AND IMPROVEMENT OF PROGRAMS FOR SERVICES TO THE AGED

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill to authorize grants to the States for the development and improvement of programs for services for the aging and aged, and for other purposes. I ask unanimous consent that I may speak on the bill in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the Senator from Wisconsin may proceed.

The bill (S. 2279) to authorize grants to the States for the development and improvement of programs for services for the aging and aged, and for other purposes, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on Finance.

Mr. WILEY. Mr. President, the bill which I have just introduced is designed to fill what I regard as one of the most significant gaps in the legislative program of the 84th Congress. It is to provide a system of 5-year, $10 million annual grants-in-aids to the States so as to expand services to America's aging and aged.

AIDING THE AGED MEANS MORE THAN PENSIONS

I should like to point out—and necessarily it will be in some detail—that this approach is much broader than the matter of liberalizing the old-age and survivors insurance program, as necessary as that is.

I personally am in favor not only of improving that OASI program, but of extending coverage under it. I am in favor of lowering the age of women's, including widows, eligibility for pensions from 65 to 60, and in favor of improved aid to the totally and permanently disabled. The latter program began in my own State of Wisconsin years ago.

However, on an overall basis, America's 14 million or more senior citizens need more than pensions; they need job opportunities; they need leisure-time facilities; they need improved health services; they need more housing facilities; and they have other needs as well.

STATES MUST FULFILL RESPONSIBILITIES

Of course, it is not my position that the Federal Government should attempt by itself to fulfill all these needs, for ours is a free-enterprise economy, and ours is a system of 48 sovereign States in a sovereign Nation.

I believe, however, that it is Uncle Sam's responsibility to spur the States to fulfill their share of the obligation. Thus, within the framework of our free economy, necessary services can be voluntarily made available for our older citizens.

LETTERS FROM WISCONSIN CONFIRM OLDSTERS' PLIGHT

My own State of Wisconsin, as I have already indicated, has often been in the forefront of enlightened efforts in the interest of older citizens, but I am convinced that Wisconsin, like the other States of the Union, could do far more along this line.

As proof of this fact, I need cite only the letters which I have received, and those which I am sure other members of the Wisconsin delegation in the Congress have likewise received, from innumerable old people. What do these letters say? These letters comment, "We cannot find jobs. Not only can we not find employment at the age of 65, but we are lucky to find employment even at the early ages of 45 or 50."

A great many industries have closed their doors to senior workers. As a matter of fact, the very system of industrial pensions which is now spreading all over American industry—and it is welcome indeed—may nonetheless serve somewhat to discourage some companies from hiring older workers, who would soon be eligible for industrial pension benefits.

It is perfectly true that with our ever-increasing productivity many of our people can look forward to a period of retirement. But when retirement comes, the vast majority want new kinds of activity, activity stimulating to themselves and useful to others. In short, they want purposeful and meaningful life in retirement. Complete idleness has neither purpose nor meaning.

Many of these people complain of bitter loneliness after their children have left home to set up their own families, after their jobs have gone, and when friends have died or moved away. They complain of drabness of life without someplace to go and something to do.

And, I submit, Mr. President, that their complaints are considerably justified. A period of 15 to 20 years of idleness and loneliness is certainly not a fitting reward to those who have spent their most productive years in rearing our fine children and in hard work on our farms, in our offices, and in our factories.

These are some of the elements of the problem. They must be met head-on and they must be met now.

CAPITALIZE THIS GREAT RESOURCE

America's senior citizens represent a priceless human resource which we must not continue to squander.

In this country, we have done a great deal to conserve our natural resources. We have launched programs to safeguard our lands, our forests, and our fisheries. If there is a threat to any of these, we have often acted quickly to protect them, with conservation programs and emergency measures. Yet, this resource, one of our most important natural resources, has, to a large extent, been ignored and wasted. I refer specifically to the accumulated wisdom, the skill, and the creative potential of senior Americans.

We have heard much, in recent years, of the rising cost of providing pensions for these citizens. Yet, far too many of our aged friends are barely managing to live on the pittances they receive each month.

We are proud of the fact that the miracles of modern medicine have increased our average lifespan by 21 years in the past half-century. At present the average life expectancy for a male child at birth is around 66 years, and women's life expectancy is even longer. Yet for far too many of the older people in our land the later years are filled with pain, loneliness, despair, and actual want. Many older people are literally asking why these years have been added to their lives.

MORE THAN PENSIONS NEEDED

It is true that we have made token gestures in the direction of meeting this situation. "All that was needed," some people said, "was to provide everyone 65 years of age and older with a small income to meet the minimum needs of living."

But that is only part of the need. The time has come when we must recognize that Americans approaching or in retirement are entitled to the cooperation of their Government in finding ways in which they can maintain the respect and affection of their communities and—most important—a sense of personal dignity.

IMPACT OF NEW TRENDS IN LIVING

Something new has happened to this particular group in our national community in the last half-century; and we are only beginning to understand what it is. When I was a boy in Wisconsin, the older members of the family were essential in the household. They could help with the mending or the cooking, or around the farm, up to the limit of their physical abilities. They had time to share their wisdom and philosophy of life with the young. They were key members of the family and the community. But in this era of mobility, of dependence upon wages, and of city or suburban life, that has changed.

Ironically enough, the very abundance brought about by the increased productivity of our times—which they themselves have so largely created—has radically altered their own status. City living, and a wage economy, tend to cut off the older folks at an arbitrary chronological age.

The result is that they have often been squeezed into an isolation which tends to narrow their world to the four walls of the room in which they live—and often stagnate. There, they sit and wait—often with a feeling of uselessness, bleakness, and despair. One day is like the next and tomorrow offers little to which to look forward.

STUDY OF OLD FOLKS' PROBLEMS ADVISABLE

Other Senators, I know, are aware of this situation and are as concerned with it, as I am. Early in this session, I was pleased to join in cosponsoring a bill, S. 693, to establish a Commission on the Aging and Aged, which was introduced by the able Senator from Michigan [Mr. POTTER]. I believe that such a Commission study should certainly be conducted without further delay.

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LET US GET BUSY NOW

But I also believe in action now by means of more than a mere study. Congress should act immediately to encourage the improvement of State and community programs.

These programs, in turn, can begin to create an environment in which the older people in our land can remain self-sufficient and active members of the community and find opportunity for enriched meaning in their later years.

There is abundant evidence that the need for such action exists. Moreover, it need not be merely exploratory action, because the patterns of solution are already appearing. What we need to do is to encourage their development. That is the purpose of this bill.

NEW UNIT TO BE SET UP IN HEALTH DEPARTMENT

Our Government has demonstrated its concern with the special problems of labor, of industry, and of the farmers, by creating special departments, with Cabinet status. We have a Federal agency to assist small-business men. We have a Women's Bureau concerned exclusively with the special problems of women in our society. We have a Children's Bureau which, for many years, has done an admirable job of assisting State and local communities with the special problems of their children. We are very proud—rightly proud—of these undertakings, for they demonstrate that ours is a Government which is concerned with the welfare of its people.

But we have failed so far to recognize that we have an equally important stake in preserving the well-being and usefulness of our senior citizens. The bill which I am introducing would create in the Department of Health, Education, and Welfare, a division to administer a grants-in-aid program and to expand the activities now being performed by the Department's Committee on Aging.

That committee is doing excellent work. My contact with it has been most pleasant, but I am convinced that through no fault of its own, it is only scratching the surface. The committee, believe it or not, has a grand total of only 3 employees—3 employees to help meet the problems of 14 million people. That is a shockingly small ratio. In pending appropriations legislation, only 6 more positions have been requested for the committee. The total salary budget would be a little over $50,000. What a ratio—$50,000 to look after the needs of 14 million people. What kind of results can be expected on that meager body? I say, the expert staff must be greatly expanded.

My own proposal for expanded action involves the use of an old and well-tested pattern of shared Federal and State responsibility to meet a new and challenging problem. It is a method which has proved its effectiveness in the activities of the Public Health Service, the Children's Bureau, and other agencies. It is also a method which allows for a maximum of imagination and flexibility at the State and local level.

FULFILLING RIGHTS OF OLDER CITIZENS

What it does, in effect, is to see to it that the Federal Government recognizes its stake in the potential service and productive power of our senior population, a great deal of which is now being wasted in callous disregard of the best interests of the Nation.

It is time that we begin to capitalize on the years which have been added to life by science. It is time that we begin to recognize the rights of the veterans of a magnificent half-century of progress. These rights of older citizens, as I see them, are these:

The right to self-respect.

The right to be useful.

The right to participate in group and community activities.

The right to accept and discharge responsibilities.

The right to fulfill their highest potentialities.

COMPULSORY RETIREMENT AT 65 OFTEN ABSURD

Before I proceed further, I should like to make one point perfectly clear. It is all too customary in these days to get into the habit of talking of retirement at the age of 65 or at some other specified age.

Although that may be a convenient yardstick to use for overall statistical purposes, I, for one, want to make it very clear that, in my judgment, the whole concept of forcing or expecting people to retire at some arbitrary age is utterly wrong.

A man's or woman's ability is not determined by chronological age alone. To my way of thinking, there are now literally millions of Americans who not only should not be retired at the age of 65, but who should be retained in jobs fitting their talents and abilities, long after that age. It is the spirit and the health of man and not the number of his chronological years that counts.

That does not, of course, mean that pension benefits should not be readily available; it does mean that they should be available, but their acceptance should not be regarded as closing the door to productive work thereafter.

GREAT MEN OF FOUR-SCORE YEARS

There are a vast number of instances in political life, in government, in business of men even of the proverbial "four-score" years who are not only enjoying their most constructive period, but are setting a pace for younger people.

Only last week here in Washington we welcomed a 79-year-old statesman—young in spirit, young in mind, young in outlook, superb in talent and achievement—the great Chancellor of the Federal Republic of Germany, Dr. Konrad Adenauer. He is but one of innumerable instances which could be cited, disproving the falsity that life need be at its sunset at 65, or that men or women must retire to the sidelines thereafter.

Winston Churchill of England, Syngman Rhee of Korea are other examples which come to mind. But in our own land there are abundant evidences as well. Here in this Chamber, some of our most distinguished colleagues are well past the 75-year mark and enjoying their most outstanding years. Outside this Chamber, the remarkable Mr. Bernard Baruch, among others, proves that age is not a handicap, a burden, but rather an asset.

Read through the pages of history, search back to the great authors, novelists, and others, and to musicians, scholars, teachers, such as Goethe, Sophocles, Cicero, and there will be found instance after instance of brilliant fruition in men's and women's later years.

Nor are the potentials for continuing contributions to our society restricted to a relatively few exceptional people. Indeed, thousands of our ordinary citizens are showing, when opportunity is provided, both capacity and zeal for rendering scores of important and useful services to their communities. And, we know that hundreds of thousands, if not millions more, are ready to give freely at their skills and energies once the way is open to them.

I do not believe, therefore, that senior citizens should get into the habit of mind of thinking that they must be forced to the sidelines at some arbitrary age. Compulsory retirement and setting older people aside can often not only be exceedingly unfair, but absolutely wasteful.

THE SPIRIT NEED NEVER GROW OLD

Scientists at the most recent convention of the American Medical Association predicted that, in the not too distant future, a normal span of 100 may be in the offing.

The miracles of medical science which will help make this possible are great, but even greater miracles are possible through acting on the discoveries of the spirit.

These discoveries were heralded and proclaimed thousands of years ago by the prophets, the seers, and the sages of the great religions of mankind. They taught that the spirit of man is never really old. It never need deteriorate. The spirit of man can ever be at noontime meridian, if man but wills it so and if he taps the source of all power, the all-knowing, all-seeing, all-present Creator of us all.

The body must not be our master, but rather the mind—the cheerful, hopeful, growing, aspiring mind. With such a mind, the ills of the body can be prevented and conquered.

BASIC FACTS FACED BY OLDSTERS TODAY

But now let us look at some of the background facts which suggest the conditions which too many of our old people unfortunately face today.

First. Average income for aged persons is decreasing proportionately at a time when living costs are increasing.

Five million families in this country are headed by persons aged 65 and over. Of these, 43 percent have yearly cash incomes of less than $1,500. Almost half of them are living on less than a thousand dollars a year.

JOBS HARD TO GET FOR OLD PEOPLE

Second. Job opportunities for older workers are decreasing. I repeat—decreasing. The percentage of men gainfully employed after age 65 had decreased from 68 percent in 1890 to 42 percent in 1950. While 1 out of 3 applicants for work is 45 and over, only 1 out of 7 placements are made in this age group.

POOR HOUSING AVAILABLE TO OLD

Third. Housing for the aged, both in homes and in institutions, is usually less

adequate than for other groups of the population.

Over one-third of persons aged 65 and over are living in dilapidated homes, usually without private toilets, bath, and running water.

Boarding and nursing homes serving the aged have long waiting lists. Hospitals, general and mental, are overcrowded with older patients who could be released if adequate housing arrangements could be made.

In my own State of Wisconsin, the county hospitals are overcrowded by 40.7 percent.

RECREATIONAL FACILITIES LACKING

Fourth. Recreation opportunities for older people are limited.

Although clubs and recreational programs are developing in some areas, the development is spotty and the number of people who benefit is very small in relation to the total age group. Many institutions for the aged provide no recreational facilities whatever.

Old folks at home have little avocational outlet. They may sit and listen to the radio or watch the television set all day, but that is hardly what may be called full living.

Fifth. Programs of research and adult education now give only limited attention to problems of older persons.

Most adult education programs are concerned with young and middle-aged adults, rather than with older people, while schools of medicine, nursing, and social work give little or no special training for work with older people.

OUR POPULATION IS AGING

We are concerned, too, with a growing problem. Every day approximately 3,000 more people reach their 65th birthday.

During the decade between 1940 and 1950, the number of people in our population aged 65 and over increased by 37 percent—8 percent of the population—14 million people are in this age group. By 1970, this figure will have increased to 21 million, and will include more than 12 percent of the population. Already, 400,000 elderly veterans are receiving compensation and pensions and this figure will be growing constantly.

THERE IS SOME CONSTRUCTIVE GRASSROOTS WORK

There is, fortunately, a bright side to the story of what is happening to the older folks in America. It is a development, firmly based in the grassroots of our country, and it suggests the rich potentials of a program such as I contemplate. For in community after community, local citizens are organizing committees to deal with this question. A visiting service for the aged here; a course in preparation for retirement there; an employment campaign; a medical program; a recreation center. In churches, in schoolrooms, in empty old houses, and in parks throughout the country there are evidences of a movement which is a true reflection of the conscience and intelligence of America.

In Hazleton, Pa., an empty building was converted into a training site where older workers could learn to become power sewing machine operators for the local needle trades industry.

In New York City, a private welfare agency demonstrated that older women can get and hold office jobs after they regain their self-confidence and have the opportunity to acquire necessary skills.

Old-age counseling centers have been established in Chicago, with the aim of promoting employment opportunities and giving special job counseling. In Pawtucket, R. I., a pilot project has been set up to train older persons in aiding the sick and others who find it difficult to maintain themselves in their own homes without help.

In Schenectady, N. Y., a group of older men, retired against their will because they had reached age 65, formed their own company and today are doing work not only for the big companies which once discarded them, but also for top-secret Army projects.

Golden Age Clubs, which have sprung up rapidly throughout the country, are beginning to develop their own kind of job opportunities to supplement the meager incomes on which most of the members must live.

One such activity which combines experience and the prospect of additional income is a baby-sitting service, organized by such clubs. Similarly, sitting during the day or at night with feeble old people often enables other family members to enjoy their own lives while still providing a home for aged parents.

In my own State of Wisconsin, two women took the initiative in setting up a Women's Service Exchange which locates older women who want work, obtains necessary training through our adult school programs, and then helps them find placement as salespeople, clerical workers in offices, housekeepers, and a variety of other occupations.

Our State rehabilitation service has organized a fine craft program for severely disabled people who are homebound—mainly older persons, but has lacked adequate facilities to enable these craftsmen to market what they produce.

Mr. President, I believe these illustrations and the countless others which could be cited, suggest the extent of the resources which exist in communities throughout the land for dealing with this question. But few communities are in a position to do, at least at the beginning, what they would like to do or what needs to be done.

My proposal would, I believe, furnish the impetus and experience required to put these programs into action.

It would furnish communities with experienced advice as to the best way to get their programs into operation. It would enable them to learn from similar experiences of others, so that pitfalls may be avoided.

Mr. President, 14 million or more Americans, who have lived and worked and earned and contributed through the years to the building of a big, healthy, and constructive America, under the practices, customs, and laws of their States, have been, or soon will be, practically forced to retire.

LET US USE RETIRED SCHOOLTEACHERS

An area which, in my mind, deserves particular exploration, is the possible use of retired schoolteachers.

I know of competent schoolteachers who, because they have reached 65 years of age, must retire, in many cases on meager pensions which are scarcely sufficient for the maintenance of life.

We hear much these days about the crying need for people to teach the young—and it is an urgent need indeed. Surely, there are many retired members of the teaching profession who would like to get back into harness. There ought to be some way of protecting their well-earned pension rights and at the same time making use of their special skills and long experience.

Some States are finding that mothers, formerly trained as teachers, whose children have grown up can return to teaching and help relieve the serious shortages which now exist in this field. And I suggest that they may be better teachers for having reared children of their own.

I come from a family of teachers. I know that the same vital spark which made a person enter and remain in teaching, does not flicker out simply because a person has reached 65.

GREAT POSSIBILITIES IN ARTS AND CRAFTS

There is also, I believe, a great potential market for the talents of our older citizens in the arts and crafts. The experience of a group in New Hampshire suggests the possibilities which exist in this area.

The town of Sandwich, N. H., is a small country place in the White Mountains. During the depression it revived the handicraft industry, which was part of its heritage, and developed it into a thriving business. Basketry weaving, silversmithing, spinning and dyeing, cabinetmaking, candlemaking, needlework, and many other crafts were encouraged from the start. As of today, the group has some 3,800 members of whom about 90 percent are in the older-age brackets and about 85 percent learned their skills after their 50th birthday. During the first week in August 30,000 people will attend the annual art and craft fair near Laconia and watch many of these craftsmen at work.

The establishment of similar projects elsewhere cannot depend entirely on local initiative. For if they are to get underway, they require technical knowledge as to the design of products, training of craftsmen, and marketing outlets.

Think of what it will mean, Mr. President, to people who have had to retire, if they are again given the challenge of earning and living and thinking that they are, as they certainly are, competent and worthwhile citizens.

Here, again, my proposal would make technical advice available, and could also provide, if necessary, a measure of financial support to put the project into operation, after which it would have a chance to become self-sustaining.

WISCONSIN'S PIONEERING IN ADULT EDUCATION

The field of adult education offers still another new horizon. In this area, my own State of Wisconsin is developing an outstanding program. Under C. L. Greiber, industrious director of the State board of vocational and adult education, courses have been offered in both day and evening schools for older citizens.

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In many cases, new skills acquired through this training have provided a means of supplementing pension income. Mr. Greiber states that:

Such classes are operated at the present time from 6 to 9 months a year, but they could well be operated for a minimum of 10 months. It has been found that such work gives these people a new outlook on life, keeps them occupied, and in many cases has a direct bearing on their health and well-being.

KEEP LEARNING AND YOU WILL STAY YOUNG

Experts agree that older citizens can not only learn, but are eager to learn. As Dr. George Lawton has said, at 80 one can be just as productive mentally as at 30—and should know a lot more.

Moreover, as Thomas C. Desmond, chairman of the New York State Joint Legislative Committee on Problems of the Aging wrote recently:

Education is an antiaging specific. It has definite therapeutic values, breathing new spirit and vigor into aging bodies and slowing down dramatically in many cases the outward manifestations of aging. Minds intent on absorbing new funds of knowledge are too busy to concentrate on aches and pains.

Without education of some type, the spirit perishes long before the heart ceases to beat.

The importance of developing more recreational facilities for Americans in retirement is another area which calls for the kind of encouragement my proposal would provide.

Numerous senior citizen groups have shown the variety of activities in which older men and women can participate. These recreation clubs are being used as a first step toward expanding services by the aged for the aged. The day care center idea—dramatized so effectively in the recent Robert Montgomery television show, Such a Busy Day Tomorrow—has proved its worth. Such centers are being expanded, particularly in large cities where so many of our older citizens are living in dreary boarding houses or crowded in with relatives. With nothing but time on their hands, these people are in urgent need of recreational facilities for their mental and physical health.

SOUND RECREATION REDUCES ILLNESS

For, aside from its important purposes of providing opportunities for new friendships and for enjoyable activity, recreation for older persons is a tax-saver.

At the Hodson Community Center in New York City, which has been in operation since 1943, only one case of mental illness has occurred in an age group where its incidence tends to be especially high.

There is every reason to think that encouragement of more recreational centers for the older people will contribute significantly to lessen the problems of mental illness which today are filling about half of the hospital beds in the Nation.

Typical of the kind of development which could take place throughout the country is Little House in Menlo Park, Calif., which is about to round out its seventh year of operation. Over 1,200 senior citizens use the center each month and membership continues to expand. Having outgrown two locations, the group has just completed construction of a model center, with a large recreation room for programs, meetings, and group dinners; craft rooms, a hobby shop, a lounge for friendly visiting, a modern kitchen; and outdoor space for gardening, barbecues, and athletics.

The new center has an advisory board of distinguished psychiatrists, doctors, educators, and business men. Members elect their own officers and council and are largely responsible for programing, projects, and policies of the group. And, as one member said recently, "Instead of waiting around to die, we're learning to live."

Given the impetus provided by my proposal, I am confident that well-planned and broadly conceived programs for the older citizens could be developed in every community throughout the land. The interest and ingenuity which has already been shown, can be shared and new ideas explored and tested.

EXPERIENCE, INC.

The possibilities of developing opportunities for these people to participate more fully in the life of their communities have hardly been tapped.

Not long ago, in a middle-western city, a group of 18 citizens, all retired, met to discuss ways and means by which they could be of service. One of them, a former civic leader accustomed to the difficulty of finding capable people to serve on committees, had conceived the idea of creating an organization which could serve as a sort of resource pool to meet the need for volunteer workers in community enterprises. From this meeting developed the club, Experience, Inc. Through it, the time made available by retirement is channeled into activities for the good of the community.

The title, "Experience, Inc.," seems to me a particularly appropriate one. For the experience and wisdom these citizens have gained through the years are the special contribution which they have to make.

I am convinced that my proposal is sound because it will help to uncover accumulated, untapped resources and put them to use. I believe that we have already demonstrated, in scattered communities, that we have the imagination and the creative ability to accomplish this purpose. With a little help from Federal and State government sources, years which have been added to our life span can be happy, useful, and productive years.

Instead of a lonely old age, haunted by poor health, inactivity, and poverty, millions of Americans can come to know an old age with loving children, devoted friends, useful work, and good health. "Life begins at 80," says a popular television program. Let this prove to be the case for millions of Americans.

FINE ACTIVITY AT STATE LEVEL

Desire to achieve this is already apparent at the State level. In New York, Massachusetts, and Pennsylvania, joint legislative committees have functioned to study the needs and problems of the aged and to make recommendations.

Governmental bodies have been used in Wisconsin, in Florida, and mixed commissions have been set up in Connecticut, Maine, Minnesota, Vermont, Illinois, Michigan, New Mexico, North Carolina, Oregon, Rhode Island, Washington, and West Virginia.

In California an interdepartmental coordinating committee on aging was established by the Governor in 1952; and in Colorado a State advisory committee on chronic illness, aging, and rehabilitation was formed in 1953.

In August 1954, the conference of governors adopted the following resolution:

Spectacular improvements in medical techniques and facilities are substantially extending the span of human life, with the result that older persons comprise an increasingly larger proportion of our population. Increased life expectancy should provide more meaningful rewards than mere prolongation of life itself. Our older citizens are entitled, in their advancing years, both to healthful living and to opportunities for useful and satisfying activity. In order that government at all levels may do its best to cooperate in dealing constructively with the problem of the chronically ill, aged, and infirm, it is essential that studies of the problem should reflect not only the existing situation but should provide a basis for intelligent planning of adequate care, treatment, and rehabilitation facilities to cope with the needs of the foreseeable future.

The Council of State Governments is proceeding with this study and it is anticipated that the report will be ready for the next annual meeting of governors in August 1955.

This study will form a valuable background for the type of action my proposal anticipates. Together with the studies which will be made at the national level, when the Commission on the Aging and Aged is created by the enactment of the proposal of the senior Senator from Michigan, we will have accumulated a valuable blueprint for action.

By 1957, when the first $10 million appropriation under my bill will be made available for State matching, we will be ready to go.

Mr. President, many problems come before this august body, but I know of none the solution of which would have more beneficial consequences to the future of America than that affecting 14 million idle hands and idle brains by putting them to work literally in the ranks where they can learn to live and think as respected citizens. I have seen persons retired from their jobs with nothing to do. Of course, deterioration sets in. As I have said, we have considered various other problems. Let us now look at this one, and consider this great resource of strength.

We know that in America expert manpower is often lacking. In case of an international crisis we may not have the necessary manpower. Our allies would have to contribute to the manpower supply.

NEW UNIT IN DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Under my proposal, the Secretary of the Department of Health, Education, and Welfare would establish an administrative unit which would function much as does the Children's Bureau to administer the grant program. It could

keep in touch with developments in the States and in other countries, and serve as a clearinghouse of information and advice. It could suggest coordinated approaches, provide the States with specialists in various areas, make grants for special demonstration projects, and maintain liaison with other agencies in the field.

My proposal recognizes the vital importance of the State governments in this field. The States would provide consultant service on techniques and problems of community organization. They would also provide the services of specialists in various fields as requested by local communities, help communities plan conferences and workshops, and coordinate activities within the State and with other States.

LOCAL COMMUNITIES MUST HAVE LARGEST ROLES

But the most important area of activity is, of course, the local community. In each community local committees, representatives of civic, business, fraternal, educational, religious, medical, social welfare, and women's groups will have the opportunity to participate actively in the planning and development stages of a broad community plan.

The older citizens themselves can also make their own unique contribution in these planning activities. In this fashion each community can develop a program uniquely suited to its own needs, drawing upon the experience of other groups throughout the country engaged in similar activities.

Without some concerted action on this matter, there is grave danger that the road down through the declining years will grow even rougher through neglect. But with such action as I propose we can find and use the best means of promoting the good of Americans in the twilight years and the good of the whole country at the same time.

THE REAL FOUNTAIN OF YOUTH

We can create environments that are favorable to continued growth, prolonged personal efficiency, and community usefulness.

We can demonstrate that the fountain of youth lies not in a far-off magical marshland, but in the proper regard for the health and recreation of Americans in retirement, and an understanding of the importance of their continued usefulness to the Nation.

"Grow old with me, the best is yet to be," said the poet. Let us make that a living reality for elderly city dweller and rural dweller alike. Let those whose hair has turned to silver know true peace of mind and true happiness.

SUMMARY OF WILEY BILL

There follows a summary of the Wiley bill.

I may say that this bill is not a handout bill; it is not a so-called do-good bill of starry-eyed dreaming. It is a practical down-to-earth grassroots-encouraging bill. It is 100 percent consistent with our free-enterprise system.

It is not a bill offered on the part of the Eisenhower Administration. But it is a bill which I regard as completely consistent with the broad objectives of the Eisenhower administration, and, in particular, of its Department of Health, Education, and Welfare.

The Department has, of course, been fully advised of my plans for this bill.

GRANTS FOR DEVELOPMENT OF RESOURCES AND OPPORTUNITIES FOR THE AGED

The bill would establish a 5-year program of grants to States.

The grants would assist in the development and improvement of State and community programs so as to create an environment in which aging persons can remain self-sufficient members of the community and can find new opportunities for utilizing their accumulated wisdom and skills and satisfying their other basic needs.

An appropriation of $2 million for 2 years would be provided for planning and coordination activities, and $10 million annually is authorized beginning in 1957 for purposes of strengthening and improving State programs.

For planning, coordination and training grants, an appropriation of $2 million would be authorized available for 2 years. Not less than 85 percent of this appropriation would be available for grants to States. Each State would receive a flat grant of $25,000 with no matching requirements. The remainder would be alloted on the basis of the population aged 65 and over and call for matching on a 50–50 basis.

The purpose of these grants would be to assist States to survey needs and potentialities of their aged people, to develop plans for establishing new programs or strengthening and improving existing programs, and to train personnel.

Not more than 15 percent, as determined by Congress, would be available for these grants—for the fiscal year 1956 only—to States and educational institutions of higher learning, a part of the cost of special training and traineeship projects holding promise of making a substantial contribution toward these purposes.

For strengthening and improvement grants, an appropriation of $10 million would be authorized, available for fiscal year 1957, and for each of the next 3 fiscal years such amounts as the Congress may determine.

Not less than 90 percent of each annual appropriation would be available for grants to States. To adjust these State allotments to the respective needs and resources of the different States, allotments would be made on the basis of the population age 65 and over within the States, and in direct proportion to the State's per capita income, with the State share ranging from 33⅓ to 66⅔ percent depending upon the above income and population factors.

PURPOSES OF GRANTS

The purpose of these grants would be to assist States to:

First. Provide leadership and guidance to various public and nonpublic agencies interested in serving the elderly.

Second. Stimulate and assist local communities to the need for serving their aged.

Third. Interpret to the aged some of the ways of dealing more satisfactorily with their problems.

Fourth. Create job opportunities and other means of providing adequate income for aged people.

Fifth. Encourage the development of recreational, educational, and community service programs for the older members of the community.

Sixth. Provide coordination and exchange of information services, on a continuing basis, of State and local programs for the aged and of plans for strengthening and improving these programs.

Seventh. Make available necessary technical advice and counseling on the problems of the aged and projects or programs to overcome these problems.

Eighth. Stimulate cooperation with State institutions, health agencies, schools, welfare agencies and other community groups in developing special programs.

Ninth. Promote community-wide planning for the welfare of the aged and furnish assistance in organizing for it.

Tenth. Stimulate technical training of various specialists who would be dealing with the aged.

Eleventh. Encourage research and investigations to assess the causes and extent of problems of the aging and development of improved methods for dealing with these problems.

Twelfth. Awaken public opinion to the need for constructive action in behalf of the aged.

CONDITIONS FOR APPROVAL OF GRANTS

To become eligible for such grants, States would submit plans of one or more State agencies, as designated by the State. The major conditions for approval would be that the State plan provide for, first, a coordinating body of the State and local agencies concerned; second, consulting with and securing advice for voluntary organizations; third, State financial participation; and fourth, carrying out the purposes for which the grant is made.

Within the Department of Health, Education, and Welfare, the Secretary would establish a unit to administer the program at the Federal level.

In addition to the responsibility for administering this program, this unit would continue to extend the activities now being carried on by the Committee on Aging, now functioning in the Department in an advisory capacity only. The Secretary of Health, Education, and Welfare would be required to submit to the President, for transmission to the Congress not later than January 1, 1959, a report of the experience of Federal, State, and local agencies in the administration of this law. The report would also include recommendations as to the expiration, continuance, or revision of the law.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article by Mr. Clark Tibbitts, able Chairman of the Committee on Aging of the United States Department of Health, Education, and Welfare. It was published in the Social World Year Book of 1954 and contains a documented summary of the problem from a technician's standpoint.

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There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AGING

(By Clark Tibbitts, Chairman, Committee on Aging and Geriatrics, United States Department of Health, Education, and Welfare)

The aging. General awareness of the gradual aging of the American population and of its broad implications is comparatively recent, much of the interest having developed since the first National Conference on Aging in 1950. Students of the situation agree that human aging is emerging as one of the foremost problems of the century in all industrialized countries.

THE NATURE OF AGING

Aging is a complex of physiological, psychological, and sociological changes. The concept gaining some currency sees aging as having its effective onset in the 45–55-year decade, with release from the responsibilities of procreation and gradual reduction of time devoted to making a living, and with corresponding readiness for acceptance of new social roles. Characteristically, these situational changes occur before there has been appreciable biological decline and prior to attainment of peak mental capacity. Thus, aging is viewed as a new phase of life with potential for continued development, broader self-expression, and continued social usefulness.

Human aging is not, however, as simple and one-sided as this picture suggests. Progressive loss of energy reserve and long-term illness, together with parallel decline of psychological capacities, gradually limit performance, and ultimately require the individual to seek assistance and protective services.

The core of the aging probem today, however, derives from a lag in the culture which has, thus far, failed to provide meaningful roles for many of the millions who are living beyond the traditional period of usefulness. The consequent feelings of bewilderment and frustration are aggravated by lack of need for older persons in the family economy (another consequence of industrialization and urbanization), by loss of the companionship of children, by widowhood, and by sharply reduced income.

To the extent that the aging individual maintains his health and financial security and finds new opportunities for usefulness and new sources of companionship, he appears to make the transition to the later years rather easily. There is growing evidence, however, that a large proportion of aging and older people are not finding their needs met. Results are seen in premature physical and mental deterioration, and in such personality changes as constriction of interests, withdrawal, irritability, submission, and paranoid tendencies.

The challenge of an aging population, the task before society, is two-fold. First, there is the problem of creating an environment in which the normally aging person can remain a self-sufficient member of the community, finding new opportunity for utilizing his accumulated experience and wisdom and for satisfying his other basic needs. A second challenge is that of providing facilities and services for those in whom the aging processes, disease and malnutrition, poverty, social isolation, and personality deterioration have made encroachments.

STATISTICS OF AGING

Numerically and proportionately, more and more Americans are living into older adulthood. In 1954, the age period 45 years and over acounts for nearly 47 million men and women—about 27 percent of the total population and about 41 percent of the adult population. Within this group some 15 million are retired mothers and some 6 million are retired gainful workers. The remainder are employed, many at part-time jobs.

The group 65 years of age and over is represented by approximately 13,600,000 persons and has a net increase of almost 900 a day or more than 300,000 annually. The population 75 years of age and over is showing the most striking increase—more than 50 percent since 1940—numbering now over 4 million.

Increase in the older population is a function of the long-time decline in the birth rate; more recent decline in the death rate, particularly at the younger ages; virtual cessation of immigration; and population growth. The influence of the declining death rate is striking, for it has extended average life expectancy at birth from 49 years in 1900 to 66 years for men and nearly 72 years for women.

Thus far there has been little increase in life expectancy for those who reach the middle or later years but there is every prospect that such increase will occur. Steady advances in control of infectious and chronic conditions among adults are reflected in declining death rates at the older ages. It has been predicted that average life expectancy will continue to increase and that by 1975 the number of persons 65 years and older will number 21 million, about 11 or 12 percent of the population.

The sex differential in life expectancy has produced a ratio of 84 men to 100 women, or a distribution of about 6,200,00 males and 7,400,00 females 65 years of age and over. The excess of older women over men in the year 1975 will exceed 3 million. Because of this factor and because women marry men older than themselves, the proportion of not married women, 60 percent now at age 65–74 years and 82 percent at ages 75 years and over, will also continue to increase.

ACTION PROGRAMS IN AGING

Action programs with respect to the aging are being developed rapidly in several fields; some designed to improve their social climate in the interest of permitting greater self-development and self-sufficiency, and others in the form of protective services. Many of the programs described below serve both ends.

FINANCIAL STATUS

Income from employment provides the principal means of support for about 3 million older workers and for wives of about 1 million of them, the number fluctuating with employment conditions. Several million, mainly over 65 years of age, are receiving pensions or assistance through public and private sources.

Old-age and survivors' insurance pays retirement benefits to about 3,500,000 persons and survivor benefits to more than 1,500,000 widows, children, and parents. Some 2,500,000 older persons are drawing old-age assistance. About a million persons are receiving retirement or survivor payments based on previous public employment. There are more than half a million current beneficiaries under railroad retirement and an equal number drawing benefits under private industrial or business pension systems. These figures do not reveal the total number of pensioners because there is considerable duplication.

Despite employment and the progress that has been made on pension programs, older persons are still a low-income group. According to the 1950 census, median income of family units in which the head was 65 years old or more stood at $1,903, compared with $3,258 for the 55–64 year group. Older persons living alone or with nonrelatives averaged $646 a year.

Other sources of income may include room, board, clothing, and gifts from relatives and produce from gardens. Fifty-four percent of older spending units own their own homes, which presumably reduces cash needs. Nevertheless, some 35 percent of the spending units reported net worth of less than $1,000; only 8 percent as much as $25,000.

Both social security and private pensions have been extended during recent years, but there is general agreement that financial provisions for retirement are still far from adequate. The 83d Congress and several private groups are engaged in exhaustive studies of the problem. (See Old-Age and Survivors Insurance in Social Insurance and Old-Age Assistance in Public Assistance.)

There is, of course, growing concern over the ability of the economy to support the aged. The ratio of persons 60 years of age and over to those in the so-called productive years has increased from 9 per 100 in 1850 to 23 per 100 in 1954. While there has been a decline from 121 to 64 children under 20 per 100 persons aged 20–59, the shifts are not regarded as compensatory.

EMPLOYMENT

Rising costs of supporting the aged have led to promotion of continuing employment of older workers. Two other factors are involved. Current occupational shortages are forcing utilization of older workers and encouraging women to return to work as family responsibilities wane. Also, recent researches into the meaning of work have demonstrated its role in giving the individual a sense of usefulness, prestige, and social contacts. This factor, along with low pensions and inflation, is believed to account for the pattern of tapering off (instead of ceasing) work among the self-employed and for the fact that few wage and salary workers retire voluntarily. Accordingly, the past several years have seen a rising movement to abandon retirement at fixed ages, to modify work conditions, and to encourage new hiring of unemployed older workers.

Opinion is accumulating that older workers have at least equal records in terms of efficiency, spoilage, absenteeism, loyalty, and frequency of accidents. On the other hand, there appears to be loss of speed and of recuperative capacity from accidents and illness and decline in readiness or ability to learn new processes. Consensus is, however, that much more research is needed on these questions.

Accurate prediction of the outcome of current developments is impossible. Among males 55 years of age and over there has been a 50-year downward trend in labor force participation. Among females the trend has been upward in ages below 65 years. Improved health should contribute to extension of the period of employability, but large increases in the 70-years-and-above group work in the opposite direction. For this reason, if for no other, a continuing downward trend is forecast in employment of workers over 65.

NEW OCCUPATIONAL INTERESTS

Regardless of the outcome of employment efforts, a majority of older people will not have work in the present job structure. Instead, new activities will have to be found that have the same significance as earlier tasks. Creative work in the fine arts and handicrafts is receiving the most attention thus far. Older people are being encouraged to work in handicraft guilds; some activity centers have handicraft shops; clubs (see below) are trying to introduce such activities. Some of these projects show promise of providing supplemental income.

Additional paid services are needed to meet the requirements of an aging population. These will include health, personal, and vocational counseling; special housing arrangements; recreation, educational, and activity centers; assistance with housekeeping and food preparation; physical restoration; and religious services. Some older adults will find employment opportunities in these fields.

Voluntary community service represents another means of finding useful and satisfying activity. It has been suggested that the normal behavior of the individual in the postreproductive period is to seek opportunity for broader service to the community, in an effort to preserve values and social stability for the oncoming generation. (See Volunteers in Social Work.)

COUNSELING AND CASEWORK

Evidence is compelling that aging people need counseling and, frequently, casework services regarding finances, living arrangements, health maintenance and services, occupations, activities, and religious problems. These and other services will have to arise as part of the normal environment of an aging population just as their counterparts have been developed for younger people. Many older persons can continue in self-sufficient status if they have information and guidance prior to or at the time problems become acute. (See Guidance and Counseling and Social Casework.)

In her previous review of this topic, Margaret Wagner stated that family agencies have been reluctant to extend their services to older persons. Pioneering developments in Boston, Cleveland, Hartford, New York and rather generally among Jewish agencies are paying off.[1]

Experience with vocational counseling has been similarly effective. The Bureau of Employment Security, Department of Labor; the Federation Employment Service in New York; vocational guidance bureaus in Cleveland and Toronto; and Jewish agencies in several cities such as Chicago and Detroit have reported marked success.

Preretirement preparation is another phase of counseling undergoing a good deal of exploration. Business and industrial establishments are experimenting with individual counseling and group discussions, in some cases drawing on the facilities of nearby universities.

LIVING ARRANGEMENTS

Most older people wish to remain in their own homes and in the communities into which they have sunk roots. At the same time, it is recognized that many will need other facilities which must be as varied in nature as are the circumstances of the people themselves.

Urban dwelling units suited to the financial, physical, and social needs of older people are still rare because the income status of older people precludes building many units on a profit-making basis. The New York State Housing Commissioner has decreed that all new public housing must contain units for older people. The Chicago Housing Authority is providing units and arranging for community services. Restrictions are being relaxed to permit survivors of couple-occupants to remain in public units. (See Housing and City Planning.)

Private industry and religious, fraternal, and labor groups have begun to create retirement villages, mainly in Florida and California. Trailer villages are growing.

There are about 3,000 public and voluntary nonprofit homes for the aged. While these homes are having to accept increasing numbers of infirm or chronically ill persons, leaders among them are stressing health maintenance, restoration, and activity. The Social Security Act amendment requiring States to have a standard-setting authority if homes are to accept public assistance clients is helping the States in their efforts to improve these institutions.

Some voluntary homes have begun to experiment with services for nonresident counseling, admission to activity programs and dining rooms, assistance in finding outside living arrangements and jobs. This and developments in the health field are causing some communities to provide housekeeping, occupational therapy, and friendly visiting services to persons in their own homes—a method which has proven effective in England.

Foster home placement is developing in some places. Central services to determine what type of living facility best suits the needs of the particular older person are leading to more efficient use of institutions and to better solutions to individual problems.

HEALTH PROBLEMS AND DEVELOPMENTS

Although human aging has been made possible by advances in the control of disease and by improved nutrition and sanitation, illness and disability are increasing. The explanation is, of course, that more people are being exposed for more years to the hazards of the environment and that more are living into the ages in which the long-term conditions have their greatest prevalence and when infirmity appears.

Medical adaptation to the aging population is of recent origin but certain lines of development are observable. (See Chronic Illness.) Maintenance of best health consistent with physiological age is being stressed through educational programs, geriatric clinics, an increasing number of physicians offering health counseling, and mass screening programs.

Postponement of severe disability is being achieved through continuing research on chronic disease and the aging process and through increased success with rehabilitative measures.

Long-term care for the severely disabled continues to be a problem because of the growing number of aging people and because of its costliness. Serious problems confront the hospitals, old-age homes, nursing and convalescent homes; the community; and the families and individuals who require services. National, State, and local agencies are giving a great deal of attention to varied aspects of the situation.

Older persons now account for 30 percent of the admissions to State mental hospitals, many suffering, of course, from deterioration based on organic changes. It has been estimated, however, that up to a third or more of the admissions are of persons who have become prematurely senile due to lack of opportunity for social participation. Community centers, family placements, and activity programs in old-age homes are showing that many aged persons (and their families) can be spared the experience of commitment and that public funds can be saved.

EDUCATION OF THE OLDER ADULT

Adult education has recognized responsibilities in an aging society to (a) give the individual information about the changes taking place in his organism and in his social situation; (b) provide new knowledge and skills that may afford a basis for continuing employment and creative expression; (c) offer a basis for enjoyment of the arts, citizenship participation, and maintenance of mental alertness; and (d) upset current stereotypes and individual self-concepts of aging and substitute constructive concepts and attitudes.

In the area of preparation for aging, New York has a statewide program, designed to encourage growth of interests in the later years. Michigan offers courses through the University of Michigan. In California several adult centers are offering similar programs.

There are no comprehensive data to indicate the extent of older-person interest in adult education. Scattered evidence, however, indicates that participation is relatively small. Some of the factors seem to be opinions of aging people themselves and of adult educators regarding the learning capacity of older persons, negative expectations regarding older-person roles, lack of understanding, of methods of presentation and environment for older people, and financial stringency under which most older people live.

Professional and adult education agencies have begun to provide instruction for those working with older people. A few medical schools offer courses on geriatrics, though the trend seems to be to incorporate appropriate materials into existing courses. Some schools of education, public health, and social work are offering work in aging in their regular programs while others are conducting institutes for professional persons already employed. (See Adult Education.)

RECREATION

Awareness of the need for social participation has led to a mushrooming of recreational facilities and clubs. Space and leadership are being provided by churches, community centers, women's clubs, parks, schools, and luncheon groups. Programs include lectures, discussions, games, singing, handicrafts, excursions, square dancing, parties, picnics, dramatics. Most are on a weekly or biweekly basis. Old-age homes have introduced similar activities with salutary effects on resident morale. Overnight camping has become a standard phase of recreational activity in Cleveland, New York, Pittsburgh, Chicago, Minneapolis, and elsewhere. Social and creative programs as devices to sustain interest and prevent breakdown are recognized to the extent that in some places they are being supported by public welfare agencies. (See Recreation.)

RELIGIOUS GROUPS

There is some evidence of an increased tendency to seek satisfying religious experience in the later years. It is apparent that the increasing numbers of aged who want pastoral services are placing a strain on religious personnel. Many churches and synagogues are making special efforts to meet the needs of the aged. Some have instituted organized friendly visiting and some sponsor social groups. About 40 percent of the homes for the aged and at least two retirement villages are operated by denominational groups.

ORGANIZATIONAL INTERESTS

Organized interest in the field of aging is spreading. The American Geriatrics Society was organized in 1942; the Gerontological Society, Inc., in 1944. The latter is open to social scientists and workers in applied fields. The American Psychological Association, General Federation of Women's Clubs, Adult Education Association, National Vocational Guidance Association (a division of the American Personnel and Guidance Association), and the American Public Welfare Association have committees on aging.

Following the National Conference on Aging held in Washington under Federal auspices in 1950, the Federal Security Agency, predecessor to the Department of Health, Education, and Welfare, reconstituted its earlier working group into a Committee on Aging and Geriatrics with liaison representation from other Federal agencies, for the purpose of exploring the entire field and noting the implications for governmental programs. In 1950 the National Social Welfare Assembly created a National Committee on the Aging which has interested itself in employment of older workers, standards for sheltered care, and community organization.

The two professional societies mentioned above publish journals, and there is a third one, Geriatrics. Lifetime Living and the Journal of Living are popular periodicals addressed to those in middle age and beyond. The Department of Health, Education, and Welfare publishes a news bulletin, Aging.

State governments have taken official cognizance of the field and several have set up commissions or committees. At the time of the 1952 Conference of State Commissions on Aging and Federal Agencies there were 15 State groups. In general, these groups are conducting across-the-board studies of aging,

[1] See Wagner, Margaret W., The Aged, Social Work Year Book 1951.

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promoting program adaptations of State departments, and encouraging the development of community action.

Several States have held conferences on aging; and professional groups, as in social work, adult education, medicine, public health, recreation, and management, are devoting major portions of regular meetings to aging. Conferences at the University of Michigan and the University of Florida are annual events. The Second International Gerontological Congress was held in St. Louis in 1951 with representation from 54 countries. The third congress has convened in Great Britain in July 1954.

ILLEGALITY OF CERTAIN COMMERCIAL DEALING IN MINOR CHILDREN

Mr. LANGER. Mr. President, on behalf of myself, and the Senator from Tennessee [Mr. KEFAUVER], I introduce, for appropriate reference, a bill to make unlawful certain commercial dealing in minor children. I may add that the bill involves runaway fathers who desert their families.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2281) to make unlawful certain commercial dealing in minor children, introduced by Mr. LANGER (for himself and (Mr. KEFAUVER), was received, read twice by its title, and referred to the Committee on the Judiciary.

AMENDMENT OF MERCHANT MARINE ACT RELATING TO UTILIZATION OF PRIVATELY OWNED SHIPPING SERVICES IN CERTAIN CASES

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense. I ask unanimous consent that a statement, prepared by me, pertaining to the bill, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. MAGNUSON is as follows:

STATEMENT BY SENATOR MAGNUSON

One of the reasons cited by Military Sea Transportation Service officials for maintenance of a large nucleus dry cargo fleet is the increasing demand for the carriage of private passenger automobiles for service personnel.

This traffic, which totaled 71,667 automobiles in the 1954 fiscal year, has resulted from the act enacted by Congress in October 1949, which allows private automobiles belonging to service personnel under permanent change-of-duty orders to be transported on Government-owned vessels.

The 1954 authorization has been interpreted by defense officials to mean that such automobiles can be carried only on Government-owned vessels. The bill which I now send to the desk would provide that such automobiles may be transported on Government vessels on an available space basis or on privately owned commercial vessels.

In providing for transportation by commercial ships the bill carries out one of the fundamental recommendations of the Hoover Commission. Hearings on this bill and my bill, S. 822, which will implement other recommendations of the Hoover Commission, will be held commencing on July 12, 1955.

ADMISSION OF SPAIN INTO NORTH ATLANTIC TREATY ORGANIZATION

Mr. WILEY. Mr. President, on behalf of myself, the Senator from Maine [Mrs. SMITH], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. BENDER], the Senator from Connecticut [Mr. BUSH], the Senator from Indiana [Mr. CAPEHART], and the Senator from Wyoming [Mr. O'MAHONEY], I submit, for reference to the Senate Foreign Relations Committee, a concurrent resolution for the purpose of securing the earliest possible participation by Spain in the North Atlantic Treaty Organization.

I may say, Mr. President, that I believe there will be additional cosponsors of this concurrent resolution. I had invited several of my colleagues to join with me in it, with the expectation that it would be offered in the Senate tomorrow, June 22.

Because of last-minute rearrangement of my travel schedule, I find that it is necessary for me to depart somewhat earlier on a long-standing speaking commitment in Wisconsin. So, I am submitting the concurrent resolution 1 day ahead of the time I had indicated to my colleagues it would be offered.

I may say, however, that already in informal talks with my colleagues, I have found the widest possible support of the purpose of the concurrent resolution.

Mr. President, last month, May 24, the distinguished senior Senator from New Hampshire [Mr. BRIDGES] submitted on behalf of himself and several other Senators Senate Concurrent Resolution 34, which has the same objective, namely, that of securing Spain's admission to NATO.

I wholeheartedly endorse the resolution offered by my colleagues.

The concurrent resolution submitted by me differs only slightly from the previous version.

The concurrent resolution which I am submitting today includes what I feel to be important and helpful additional references. One such reference cites the fact that Spain is already joined with a NATO member, Portugal, in an Iberian defense treaty. A second reference points up the fact that Spain and the United States are joined in an immensely significant agreement on bases for United States air and naval power in the defense of the West.

A third change, and one which I regard as likewise a significant improvement over the previous resolution, stresses the importance of "earliest possible participation" by Spain in NATO.

Mr. President, we are all well aware that admission into NATO requires unanimous action of the 15 member countries. We are aware of the fact that several of our allies in NATO have had their differences with Spain in the past, and Spain with several of our allies.

I will not attempt to go into these differences in detail.

So far as I am concerned, let the dead past bury its dead. So far as I am concerned—and, I believe, so far as the people of the United States are concerned—what counts is the present and the future.

I say that it is in the national self-interest of the United States that Spain be a member of NATO. I say that it is in the national self-interest of each and every one of the member nations of NATO.

With that in mind, I am submitting this concurrent resolution today.

To my way of thinking, there is too much of a tendency in too many quarters at home and abroad to rake over the dead coals of the past. There is too much of a tendency to indulge in recriminations based upon long obsolete issues.

I respect the opinion of Spain. I respect the opinion of members of NATO which have differed in recent years with Spain. But I say that the only thing that counts now is this question: Will we be adequate to the challenge of international communism; will we strengthen ourselves so that we will deter communism from triggering world war III?

The answers to those questions must be "Yes."

Spain in NATO would be a tremendous asset to the West and to the free world as a whole.

I commend to my colleagues an exceedingly important interview which was recorded in the May 20, 1955, issue of U. S. News & World Report. In this interview, David Lawrence, distinguished editor of that noted magazine, discussed impromptu with His Excellency, Generalissimo Francisco Franco, various aspects of Spanish-United States relations.

The article was entitled significantly, "Why Fear Russia?"

The very initial question offered by Mr. Lawrence to General Franco concerned Spain's absence from NATO. General Franco replied:

We now have the Iberian Defense Treaty with Portugal and the latter is, of course, in the North Atlantic Treaty Organization. In effect, we are in it through Portugal.

By linking ourselves subsequently through another treaty and other agreements with America, we find ourselves likewise bound to that very defensive alliance. And so the effect is the same.

The only thing we lack is a more intimate collaboration on our part with the major nations of the North Atlantic Treaty, be it directly or through the United States, which would permit us, for example, to explain our thinking regarding the necessities of the defense of the West.

Mr. President, the matter of Spain's admission into NATO is not a luxury, not a matter of casual interest. It is a matter of dire necessity. I need hardly remind my colleagues that Spain is unalterably opposed to international communism. There is not the slightest doubt in the mind of anyone that Spain can be counted on—inside or outside NATO—to resist the Kremlin to the fullest extent.

We, ourselves, whose sons have died at the hands of international communism—we, who lost 40,000 boys in Korea and 100,000 wounded—have nothing but respect for the vigorous anti-Communist stand of Spain.

The Kremlin likes few things better than to see estranged relations between Spain and any other member of NATO. The Kremlin prefers to continue her age-old policy of divide and conquer. But we must not permit the Kremlin to succeed further.

I remind my colleagues that Spain occupies an indispensable defensive position in Europe—the mighty Pyrenees offer a vital barrier against a Russian thrust. Spain represents the western anchor for the United States in the Mediterranean. The eastern anchor is, of course, represented in our good friends of Turkey. Thanks to these two anchors, the Mediterranean can be maintained as a vital artery of western defense.

I remind my friends that the Spanish Army, 22 divisions strong, has proven its valor in battle. It is a tough, resourceful army which, whatever its previous unavoidable deficiencies in modern equipment, can be counted on to give a splendid account of itself should there be a showdown with international communism.

I remind my colleagues, if any reminder be needed, that Spain has risen by her own bootstraps in the long years which followed the tragic civil conflict of the mid-1930's when a million of her citizens died, and when incalculable damage was done to her cities and countryside. Spain has rehabilitated herself.

From the end of World War II to the end of 1954, out of more than $25 billion in economic aid which the United States sent to Western Europe, a mere $78 million was allocated to Spain—the only such outside help which she received at all.

But she has risen, with energy, with industry, and with self-reliance.

Now, we look forward to ever-improved relations with the Spanish Government and people. We look forward to increased trade with her, to buying more Spanish goods and selling more goods to her. We look forward to increased voluntary American private investment in Spain, in furtherance of our mutual interest.

American defense planners are hard at work in implementing the agreement on bases which we signed with her. That agreement includes 4 big jet-bomber bases, a 485-mile pipeline to carry fuel from the seaboard to those bases, a major naval base and anchorage on the Mediterranean coast, and in the Balearic Islands.

It was not so long ago that my colleague, the distinguished Senator from Minnesota [Mr. HUMPHREY], in commenting upon the mutual-security bill of 1955, well stated, "I think the money which the United States is placing in the Iberian Peninsula as a part of the common defense of Europe is money well expended."

I agree with my colleague.

This is a bipartisan matter. There are no differences between the parties on this subject.

Earlier in my colleague's address he had mentioned the fact that for defense support in Europe $70 million was and is proposed under the Senate's version of the mutual-security bill. Of this amount, said the Senator from Minnesota, $28 million goes to Spain and $36½ million to Yugoslavia.

That, I point out, is an interesting contrast: $28 million to a vigorously anti-Communist, and $36½ million to a Communist country.

I pointed out, therefore, that those who profess to have ideological objections to improved relations with Spain should be asked whether they have ideological objections to relations with Marshal Tito's Communist government.

So far as I am concerned, the situation boils down to this: Are we serving the national interest of the United States in these various steps? So long as I am satisfied that the answer is "Yes" to these questions, I shall continue in the efforts along these lines.

I conclude with the thought that I earnestly hope this concurrent resolution will be reported favorably from the Senate Foreign Relations Committee with the kind cooperation of its esteemed chairman, the great senior Senator from Georgia [Mr. GEORGE], and the cooperation of other committee members.

I hope, moreover, that the State Department will continue its efforts—indeed, will intensify its efforts—to impress upon other NATO members how deeply we feel on this issue and how earnestly we desire that they forget past differences and concentrate on present and future needs by joining in extending unanimous invitation to Spain.

The wise policy of the United States Government has been to help bring about such admission. The State Department has been active toward this end, and I trust that its efforts will meet with success.

Meanwhile, I look forward to ever-improved relations between our 2 governments and our 2 peoples.

Last year, a fifth of a million Americans visited Spain. A quarter of a million tourists are expected there this year. I hope that these tourists, bearing the goodwill and friendship of the United States, are symbols of a still brighter era of Spanish-United States cooperation and Spanish cooperation with all other Western Powers.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 43) favoring the admission of Spain into the North Atlantic Treaty Organization was referred to the Committee on Foreign Relations, as follows:

Whereas the United States, Belgium, Canada, Denmark, Federal Republic of Germany, France, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Turkey, and the United Kingdom are parties to the North Atlantic Treaty; and

Whereas the primary objective of the treaty is to contribute to the maintenance of peace by making clear the determination of the parties collectively to resist armed attack upon any of them; and

Whereas the parties have joined, pursuant to the treaty, the North Atlantic Treaty Organization, a collective defense arrangement for the North Atlantic area established within the framework of the United Nations Charter and based upon the inherent right of individual or collective self-defense recognized by article 51 of the Charter; and

Whereas the United Nations and Spain, on September 26, 1953, signed bilateral agreements for the furtherance of their mutual security; and

Whereas Portugal, a member of NATO, is already joined with Spain in a treaty of mutual friendship; and

Whereas the membership of Spain would strengthen the strategic position of the North Atlantic Treaty Organization and of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the Department of State should continue to use its good offices toward the end of achieving the earliest possible participation by Spain in the North Atlantic Treaty and as a member of the North Atlantic Treaty Organization.

COMPACT RELATING TO APPORTIONMENT OF WATERS OF RED RIVER—ADDITIONAL COSPONSOR OF BILL

Mr. KERR. Mr. President, I ask unanimous consent that the name of the senior Senator from Texas [Mr. JOHNSON] may be added as an additional cosponsor of the bill (S. 2260) granting the consent of Congress to the States of Arkansas, Louisiana, Oklahoma, and Texas to negotiate and enter into a compact relating to their interests in, and the apportionment of, the waters of the Red River and its tributaries, the next time it is printed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR FOREIGN RELATIONS COMMITTEE TO REPORT BILLS AND FILE REPORTS DURING RECESS OR ADJOURNMENT OF THE SENATE

On request of Mr. SMATHERS, and by unanimous consent, the Foreign Relations Committee was authorized to report bills and file reports during the recess or adjournment of the Senate.

Subsequently, Mr. GREEN, from the Committee on Foreign Relations, to which was referred the resolution (S. Res. 116) favoring discussion at the coming Geneva conference of the status of nations under Communist control, reported it adversely, and submitted a report (No. 621) thereon.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc.,

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were ordered to be printed in the RECORD, as follows:

By Mr. CAPEHART:

Address entitled "Patriotism," delivered by Hon. John Foster Dulles, Secretary of State, at the baccalaureate ceremony of the University of Indiana, Bloomington, Ind., June 12, 1955.

Address on the subject of more and better housing for many people in many lands, delivered by Albert M. Cole, Administrator of the United States Housing and Home Finance Agency, before the International Real Estate Federation, in Geneva, Switzerland, June 16, 1955.

By Mr. GOLDWATER:

Article entitled "The Senator from Moscow (Idaho)," written by Howard Rushmore, and published in the American Mercury of July, 1955.

ATOMS FOR PEACE (S. DOC. NO. 55)

Mr. WILEY. Mr. President, yesterday the President of the United States, speaking for the 10th anniversay conference of the United Nations in San Francisco, delivered an historic address on harnessing the atom for the "most productive" service to mankind.

I believe that this address, like the previous remarks of the President on this same theme, will stand as great landmarks in man's age-old quest for a world of peace and plenty.

The address was most appropriate in time and location.

A little less than 2 months from now there will convene in Geneva, Switzerland, the United Nations Atoms-for-Peace Conference.

It is essential that, at this conference and preceding this conference, the world's peoples be further fully advised that the United States is unalterably dedicated to the peaceful application of atomic energy.

Great numbers of official materials attest to this fact—addresses by the President, by Adm. Lewis Strauss, of the Atomic Energy Commission, enactments by the Congress in the form of the atomic energy laws and revisions thereto, addresses by Secretary of State Dulles, by Ambassador Henry Cabot Lodge, and Ambassador Morehead Patterson, official statements and documents by the United States Department of State—these and other materials confirm the intentions of the United States to use atoms for peace.

However, so numerous have these various items become that I believe that their compilation now in the form of a single document would be most advisable and helpful.

There is now being completed such a compilation.

And so, as ranking minority member of the Senate Foreign Relations Committee, but speaking solely in my own right, I ask unanimous consent that the Senate publish as a document entitled "Atoms for Peace," the diverse materials now being readied in final form under my direction by the counsel for the committee.

I ask that this authority be granted today, since time is of the essence in getting this document printed and available for distribution prior to the start of the Geneva Conference in early August.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

Mr. WILEY. I ask that a supplementary statement on this document now be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

SUPPLEMENTARY STATEMENT BY SENATOR WILEY

In completing this document, it is, of course, my intention to secure the skilled cooperation of all of the interested congressional and executive sources having to do with atoms for peace.

This includes, of course, the State Department, the Atomic Energy Commission, the Joint Committee on Atomic Energy, and other groups which have worked on this problem.

TYPE OF ITEMS TO BE INCLUDED

Included in the document will be all relevant public, official statements bearing upon this subject.

Its basic purpose will, of course, be to inform the people of the United States and the people and leaders of foreign countries of the numerous steps taken to date in carrying out the President's historic address before the United Nations General Assembly in December 1953 when he first set forth the atoms-for-peace proposal.

Included also will be the text of the United Nations resolution on this subject, our exchange of correspondence with the Soviet Union, the Atomic Energy Commission's basic regulations for civilian atomic power, and related items.

BILATERAL ATOMIC AGREEMENT

In addition, included will be the text of representative bilateral agreements signed between the United States and more than 22 countries to date in which it has been agreed to make available nonrestricted technical know-how and fissionable material for purposes of constructing and operating peaceful nuclear reactors and conducting research in foreign lands. The texts of these various historic bilaterals have been published in sequence in the CONGRESSIONAL RECORD by the distinguished junior Senator from Rhode Island, Mr. PASTORE, on behalf of the able chairman of the full Joint Atomic Energy Committee, the senior Senator from New Mexico, Mr. ANDERSON, and their associates.

All in all, I believe that this atoms-for-peace document will be an important contribution to the cause of world understanding and peace.

Already my own office, and no doubt many other offices on Capitol Hill, has been flooded with inquiries on the atoms-for-peace plan. Businesses, schools, labor unions, scientists, and others have all asked: "Send us all available information."

Rather than send out a great variety of documents and/or tear sheets from the CONGRESSIONAL RECORD, I would like to be in a position, as I am sure my colleagues would like to be in a position, to be able to send a single document which would incorporate all of the official materials to date.

Foreign embassies will, I know, find the compilation particularly helpful.

SUMMARY OF SURVEY BY ATOMIC INDUSTRIAL FORUM

I may also say that by way of illustrating the implementing of peaceful private application in our own country, it is my plan to include in the document a handy digest of an outstanding survey report by the noted nonprofit organization, the Atomic Industrial Forum. This digest will set forth how United States free enterprise is carrying out this work, and will depict private companies' overall plans for the next decade.

I am especially hopeful that this document may serve, if only in small measure, to further impress upon American industry our Government's deep interest in flashing the green light for private work along this line. The pioneering achievements of the AEC, and of its able Chairman, Admiral Strauss, will, I feel, thereby be aided, if only in small measure, in their historic mission for peaceful application.

I know that I can count on the AEC, on the joint committee, the State Department, and all other sources to help make this document the finest possible instrument for the universally desired goals which I have stated.

HOUSING FOR THE AGING AND AGED—LETTER FROM FRATERNAL ORDER OF EAGLES

Mr. WILEY. Mr. President, I shall comment in detail in the Senate today on the subject of an improved Federal-State system of services to America's aging and aged.

I am pleased to note that the Fraternal Order of Eagles, among other great American organizations, has down through the years been dynamically in the forefront of this effort.

Recently I have been happy to hear from many members of that great body asking that certain steps be taken, particularly in the field of housing, in the interest of old folks. I am delighted that in the Housing Act of 1955, passed by the Senate on June 7, a new program is authorized for construction of units designed for occupancy by elderly persons.

I am pleased now to enclose a representative text of many of the Wisconsin messages for this objective. I ask unanimous consent that the text of this representative letter be printed at this point in the body of the RECORD.

Needless to say, I completely share the deep interest of the Eagles in actually achieving this objective and shall be in contact with my colleagues in the House of Representatives toward this end.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Senator ALEXANDER WILEY,
Washington, D. C.

HONORABLE DEAR SIR: The Fraternal Order of Eagles, who were pioneers in securing the passage of workmen's compensation laws, old-age pensions, and social-security legislation, have now endorsed a proposal that the Federal Housing Act be amended to provide for the construction of old-age rest homes for elderly men and women of America of limited income, or who may be living under social security or old-age pensions, so that they can live in low-cost rental homes within their means and ability to pay for their own maintenance and support.

We are asking that you support House bill No. 3919 introduced in the United States Congress on February 10, 1955, by the Honorable BARRETT O'HARA as H. R. 3919, together with any amendment or amendments made thereto for the purpose of amending the Federal Housing Act to provide for the building of old-age rest homes therefrom.

We are also urging you to support United States Senate bills S. 1412 and S. 1642,

amending the Federal Housing Act to provide for old-age rest homes for elderly men and women of limited income as low-cost housing units together with any amendment or amendments that may be made hereto.

We believe this is a needed social reform. We should not give our elderly men and women a mere pittance or small pension or social security and let them go on their own way and try to help themselves. We believe you, as a United States Senator, or Congressman, will be doing a great public service in passing this legislation to benefit our elderly men and women who may need help in their declining years to enjoy a home wherein they are welcome and able to pay their own way within their limited means.

Sincerely yours.

FREEDOM FOR ENSLAVED HUNGARY

Mr. WILEY. Mr. President, I was pleased to hear today from Rev. Kalman Csia, pastor of the Hungarian and Evangelical Reformed Church of Milwaukee, and from members of his parish, pleading that at the forthcoming meeting at the summit the plight of enslaved Hungary not be forgotten, and that every effort be made to secure the evacuation from Hungary of Soviet occupying forces.

Mr. President, I join in the earnest hope and prayer that every effort will be made to free the enslaved Magyar people and other enslaved peoples of Eastern Europe from the Soviet yoke.

America has the warmest regard for the people of Louis Kossuth, and for other peoples whose national, religious, and cultural rights have been trampled by atheistic Soviet enslavers.

We are realists; we know the hard facts of communism's diabolic intentions. But we hope and pray that the day of liberation of enslaved peoples will not be far off.

I ask unanimous consent that the text of Reverend Csia's letter be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HUNGARIAN EVANGELICAL
AND REFORMED CHURCH,
Milwaukee, Wis., June 19, 1955.

Hon. ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.:

On the eve of the coming conference between the heads of the leading nations of the world, we, the undersigned citizens of the United States of America of Hungarian origin, take the liberty to remind the Government of the United States of America of the pledges made by the Western Powers concerning Hungary in connection with the Austrian State Treaty.

The Austrian State Treaty declares that the Soviet troops will leave Austria at a certain date. As far as we know, the pledge was made by the Western Powers at the peace treaty with Hungary in Paris that after removal of the Soviet Army from Austria, the Soviet troops should leave Hungarian soil, too.

We sincerely hope that the pledge will not be forgotten at the coming conference, because the withdrawal of the Soviet Army from Hungary is the basic necessity for enabling the Hungarian nation to have a new and really free election.

Today the Hungarian nation is enslaved and oppressed by Soviet bayonets. The nation is not able to speak for itself; therefore, it is our duty and privilege to raise our voices in the behalf of our suffering homeland.

In our judgment the coming conference will be the best and may be the last chance to achieve freedom for our native country by peaceful means. Therefore, we hope that the President of the United States of America will not hesitate to enforce the given pledges.

Sir, we send our memorandum to you, representing our point of view recorded here, because your activities and your principles encourage us to do so.

Very sincerely yours,

Rev. Kalman Csia, Leslie Vanga, Charls Talloqi, Stefan Bartok Prek, Joseph Eken, Steve Huszti, Zoltian Ajahyl, Michael Pallage, Steve Bovos, Steve Reuez, Michael Avagy, Csire Soinolov, Laszlo Mihaly, Paul Kaergs, Steve Marki, Allan Stange.

A PLEA FOR THE AMERICAN TANNING INDUSTRY

Mr. WILEY. Mr. President, last week I was pleased to note that my distinguished colleague in the House of Representatives, the Honorable WILLIAM VAN PELT, Representative from the Sixth District of Wisconsin, spoke very eloquently on the plight of the American tanning industry.

He included in the CONGRESSIONAL RECORD, on page 8051, the text of a significant memorandum pointing out that the tanning industry has suffered from floods of foreign imports, at the same time that it has been the victim of a callous attitude of nonreciprocity on the part of foreign nations.

For years, various foreign countries, discriminating against the American tanning industry by a host of subterfuges, have justified their action on the basis of the so-called "dollar shortage" and other excuses.

The fact of the matter is that, if the principle reciprocity is to have any validity whatsoever, it must be a two-way street now, not in the nebulous future.

The United States cannot continue indefinitely to see its own vital industries harmed, at the same time that foreign countries ask us to open our doors wider and wider to the flood of their incoming goods.

As ranking Republican Member of the Senate Foreign Relations Committee, I am just as anxious as anyone else, indeed, far more so, to see world trade and development, and to see prosperity for our friends, neighbors, and ourselves.

But I am reminded of the injunction of St. Paul that if we do not "look after our own," we have "denied the faith" and "are worse than the infidel."

I should like to quote from a letter which I have received from a distinguished leader of the tanning industry in my State. He points out:

The great sovereign State of Wisconsin has within its confines a great many tanneries and shoe factories. It is considered one of the four largest tanning States of the Union and in shoe output it comes within the first 20 States.

In addition to the industrial side of the picture we have our farmers, who are rich in cow population. The price of hides affects the value of every cow owned by every farmer in our State.

For years the tanning industry has been getting the rawest kind of deal in foreign trade. Country after country, to which we once used to be able to ship some quantity of leather, has blocked and embargoed imports from the United States. The excuses for such discrimination have long since worn thin.

He goes on to point out that time after time the industry has appealed to the State Department and the Tariff Commission. But what was the response? "Every time that we have appeared before them, they have given us baskets of soft soap."

This Wisconsinite continues:

People are getting tired of a one-way street in foreign affairs. They would like to see American interests defended once in a while, and especially so, when all we ask is simple equity and reciprocity.

What I am saying today is not directed on behalf of businessmen alone. I am thinking of the workers in the leather industry and of their families and of the communities in which they work.

Here is the way another disinguished leader of the industry has written to me:

The tanning industry of the United States has been for years, and is now, the victim of the grossest discrimination and lack of reciprocity in foreign trade. Our own leather markets are free and open without restriction or hindrance against the import of foreign leather. However, foreign leather markets have been closed, controlled, embargoed, or restricted against shipments of leather from the United States. Our company, along with other United States tanners * * * have lost an essential market for grades, weights, and colors of leather normally absorbed abroad. Foreign tanners are progressively increasing their sales to American manufacturers, as with a subsidized raw material market and a labor cost of over 60 percent less than our industry average, it results in a hopeless task of competitive effort.

We earnestly seek your assistance in ending this unwarranted discrimination and insisting that our Government demand reciprocity.

I commend this matter to the earnest attention of all echelons of the Department of State and of the United States Tariff Commission. I ask for constructive action to relieve the grave plight of the American tanning industry, and I shall be in contact with these agencies toward this end.

I reiterate, what is needed is action, not more study, more consideration and more do-nothingness.

CONFERRING OF HONORARY DEGREE OF DOCTOR OF LAWS UPON SENATOR SMITH OF MAINE

Mr. ERVIN. Mr. President, on June 6, 1955, a great institution of learning in my State, the Woman's College of the University of North Carolina, honored itself by conferring the honorary degree of doctor of laws upon the wise and lovely Senator from Maine, Senator MARGARET CHASE SMITH. I ask unanimous consent to have printed in the RECORD at this point the citation which accompanied the award of this degree.

UNIVERSITY OF MICHIGAN LIBRARIES

were ordered to be printed in the RECORD, as follows:

By Mr. CAPEHART:

Address entitled "Patriotism," delivered by Hon. John Foster Dulles, Secretary of State, at the baccalaureate ceremony of the University of Indiana, Bloomington, Ind., June 12, 1955.

Address on the subject of more and better housing for many people in many lands, delivered by Albert M. Cole, Administrator of the United States Housing and Home Finance Agency, before the International Real Estate Federation, in Geneva, Switzerland, June 16, 1955.

By Mr. GOLDWATER:

Article entitled "The Senator from Moscow (Idaho)," written by Howard Rushmore, and published in the American Mercury of July, 1955.

ATOMS FOR PEACE (S. DOC. NO. 55)

Mr. WILEY. Mr. President, yesterday the President of the United States, speaking for the 10th anniversay conference of the United Nations in San Francisco, delivered an historic address on harnessing the atom for the "most productive" service to mankind.

I believe that this address, like the previous remarks of the President on this same theme, will stand as great landmarks in man's age-old quest for a world of peace and plenty.

The address was most appropriate in time and location.

A little less than 2 months from now there will convene in Geneva, Switzerland, the United Nations Atoms-for-Peace Conference.

It is essential that, at this conference and preceding this conference, the world's peoples be further fully advised that the United States is unalterably dedicated to the peaceful application of atomic energy.

Great numbers of official materials attest to this fact—addresses by the President, by Adm. Lewis Strauss, of the Atomic Energy Commission, enactments by the Congress in the form of the atomic energy laws and revisions thereto, addresses by Secretary of State Dulles, by Ambassador Henry Cabot Lodge, and Ambassador Morehead Patterson, official statements and documents by the United States Department of State—these and other materials confirm the intentions of the United States to use atoms for peace.

However, so numerous have these various items become that I believe that their compilation now in the form of a single document would be most advisable and helpful.

There is now being completed such a compilation.

And so, as ranking minority member of the Senate Foreign Relations Committee, but speaking solely in my own right, I ask unanimous consent that the Senate publish as a document entitled "Atoms for Peace," the diverse materials now being readied in final form under my direction by the counsel for the committee.

I ask that this authority be granted today, since time is of the essence in getting this document printed and available for distribution prior to the start of the Geneva Conference in early August.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

Mr. WILEY. I ask that a supplementary statement on this document now be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

SUPPLEMENTARY STATEMENT BY SENATOR WILEY

In completing this document, it is, of course, my intention to secure the skilled cooperation of all of the interested congressional and executive sources having to do with atoms for peace.

This includes, of course, the State Department, the Atomic Energy Commission, the Joint Committee on Atomic Energy, and other groups which have worked on this problem.

TYPE OF ITEMS TO BE INCLUDED

Included in the document will be all relevant public, official statements bearing upon this subject.

Its basic purpose will, of course, be to inform the people of the United States and the people and leaders of foreign countries of the numerous steps taken to date in carrying out the President's historic address before the United Nations General Assembly in December 1953 when he first set forth the atoms-for-peace proposal.

Included also will be the text of the United Nations resolution on this subject, our exchange of correspondence with the Soviet Union, the Atomic Energy Commission's basic regulations for civilian atomic power, and related items.

BILATERAL ATOMIC AGREEMENT

In addition, included will be the text of representative bilateral agreements signed between the United States and more than 22 countries to date in which it has been agreed to make available nonrestricted technical know-how and fissionable material for purposes of constructing and operating peaceful nuclear reactors and conducting research in foreign lands. The texts of these various historic bilaterals have been published in sequence in the CONGRESSIONAL RECORD by the distinguished junior Senator from Rhode Island, Mr. PASTORE, on behalf of the able chairman of the full Joint Atomic Energy Committee, the senior Senator from New Mexico, Mr. ANDERSON, and their associates.

All in all, I believe that this atoms-for-peace document will be an important contribution to the cause of world understanding and peace.

Already my own office, and no doubt many other offices on Capitol Hill, has been flooded with inquiries on the atoms-for-peace plan. Businesses, schools, labor unions, scientists, and others have all asked: "Send us all available information."

Rather than send out a great variety of documents and/or tear sheets from the CONGRESSIONAL RECORD, I would like to be in a position, as I am sure my colleagues would like to be in a position, to be able to send a single document which would incorporate all of the official materials to date.

Foreign embassies will, I know, find the compilation particularly helpful.

SUMMARY OF SURVEY BY ATOMIC INDUSTRIAL FORUM

I may also say that by way of illustrating the implementing of peaceful private application in our own country, it is my plan to include in the document a handy digest of an outstanding survey report by the noted nonprofit organization, the Atomic Industrial Forum. This digest will set forth how United States free enterprise is carrying out this work, and will depict private companies' overall plans for the next decade.

I am especially hopeful that this document may serve, if only in small measure, to further impress upon American industry our Government's deep interest in flashing the green light for private work along this line. The pioneering achievements of the AEC, and of its able Chairman, Admiral Strauss, will, I feel, thereby be aided, if only in small measure, in their historic mission for peaceful application.

I know that I can count on the AEC, on the joint committee, the State Department, and all other sources to help make this document the finest possible instrument for the universally desired goals which I have stated.

HOUSING FOR THE AGING AND AGED—LETTER FROM FRATERNAL ORDER OF EAGLES

Mr. WILEY. Mr. President, I shall comment in detail in the Senate today on the subject of an improved Federal-State system of services to America's aging and aged.

I am pleased to note that the Fraternal Order of Eagles, among other great American organizations, has down through the years been dynamically in the forefront of this effort.

Recently I have been happy to hear from many members of that great body asking that certain steps be taken, particularly in the field of housing, in the interest of old folks. I am delighted that in the Housing Act of 1955, passed by the Senate on June 7, a new program is authorized for construction of units designed for occupancy by elderly persons.

I am pleased now to enclose a representative text of many of the Wisconsin messages for this objective. I ask unanimous consent that the text of this representative letter be printed at this point in the body of the RECORD.

Needless to say, I completely share the deep interest of the Eagles in actually achieving this objective and shall be in contact with my colleagues in the House of Representatives toward this end.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Senator ALEXANDER WILEY,
Washington, D. C.

HONORABLE DEAR SIR: The Fraternal Order of Eagles, who were pioneers in securing the passage of workmen's compensation laws, old-age pensions, and social-security legislation, have now endorsed a proposal that the Federal Housing Act be amended to provide for the construction of old-age rest homes for elderly men and women of America of limited income, or who may be living under social security or old-age pensions, so that they can live in low-cost rental homes within their means and ability to pay for their own maintenance and support.

We are asking that you support House bill No. 3919 introduced in the United States Congress on February 10, 1955, by the Honorable BARRETT O'HARA as H. R. 3919, together with any amendment or amendments made thereto for the purpose of amending the Federal Housing Act to provide for the building of old-age rest homes therefrom.

We are also urging you to support United States Senate bills S. 1412 and S. 1642,

amending the Federal Housing Act to provide for old-age rest homes for elderly men and women of limited income as low-cost housing units together with any amendment or amendments that may be made hereto.

We believe this is a needed social reform. We should not give our elderly men and women a mere pittance or small pension or social security and let them go on their own way and try to help themselves. We believe you, as a United States Senator, or Congressman, will be doing a great public service in passing this legislation to benefit our elderly men and women who may need help in their declining years to enjoy a home wherein they are welcome and able to pay their own way within their limited means.

Sincerely yours.

FREEDOM FOR ENSLAVED HUNGARY

Mr. WILEY. Mr. President, I was pleased to hear today from Rev. Kalman Csia, pastor of the Hungarian and Evangelical Reformed Church of Milwaukee, and from members of his parish, pleading that at the forthcoming meeting at the summit the plight of enslaved Hungary not be forgotten, and that every effort be made to secure the evacuation from Hungary of Soviet occupying forces.

Mr. President, I join in the earnest hope and prayer that every effort will be made to free the enslaved Magyar people and other enslaved peoples of Eastern Europe from the Soviet yoke.

America has the warmest regard for the people of Louis Kossuth, and for other peoples whose national, religious, and cultural rights have been trampled by atheistic Soviet enslavers.

We are realists; we know the hard facts of communism's diabolic intentions. But we hope and pray that the day of liberation of enslaved peoples will not be far off.

I ask unanimous consent that the text of Reverend Csia's letter be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HUNGARIAN EVANGELICAL
AND REFORMED CHURCH,
Milwaukee, Wis., June 19, 1955.

Hon. ALEXANDER WILEY,
United States Senator,
Senate Office Building,
Washington, D. C.:

On the eve of the coming conference between the heads of the leading nations of the world, we, the undersigned citizens of the United States of America of Hungarian origin, take the liberty to remind the Government of the United States of America of the pledges made by the Western Powers concerning Hungary in connection with the Austrian State Treaty.

The Austrian State Treaty declares that the Soviet troops will leave Austria at a certain date. As far as we know, the pledge was made by the Western Powers at the peace treaty with Hungary in Paris that after removal of the Soviet Army from Austria, the Soviet troops should leave Hungarian soil, too.

We sincerely hope that the pledge will not be forgotten at the coming conference, because the withdrawal of the Soviet Army from Hungary is the basic necessity for enabling the Hungarian nation to have a new and really free election.

Today the Hungarian nation is enslaved and oppressed by Soviet bayonets. The nation is not able to speak for itself; therefore, it is our duty and privilege to raise our voices in the behalf of our suffering homeland.

In our judgment the coming conference will be the best and may be the last chance to achieve freedom for our native country by peaceful means. Therefore, we hope that the President of the United States of America will not hesitate to enforce the given pledges.

Sir, we send our memorandum to you, representing our point of view recorded here, because your activities and your principles encourage us to do so.

Very sincerely yours,

Rev. Kalman Csia, Leslie Vanga, Charls Talloqi, Stefan Bartok Prek, Joseph Eken, Steve Huszti, Zoltian Ajahyl, Michael Pallage, Steve Bovos, Steve Reuez, Michael Avagy, Csire Soinolov, Laszlo Mihaly, Paul Kaergs, Steve Marki, Allan Stange.

A PLEA FOR THE AMERICAN TANNING INDUSTRY

Mr. WILEY. Mr. President, last week I was pleased to note that my distinguished colleague in the House of Representatives, the Honorable WILLIAM VAN PELT, Representative from the Sixth District of Wisconsin, spoke very eloquently on the plight of the American tanning industry.

He included in the CONGRESSIONAL RECORD, on page 8051, the text of a significant memorandum pointing out that the tanning industry has suffered from floods of foreign imports, at the same time that it has been the victim of a callous attitude of nonreciprocity on the part of foreign nations.

For years, various foreign countries, discriminating against the American tanning industry by a host of subterfuges, have justified their action on the basis of the so-called "dollar shortage" and other excuses.

The fact of the matter is that, if the principle reciprocity is to have any validity whatsoever, it must be a two-way street now, not in the nebulous future.

The United States cannot continue indefinitely to see its own vital industries harmed, at the same time that foreign countries ask us to open our doors wider and wider to the flood of their incoming goods.

As ranking Republican Member of the Senate Foreign Relations Committee, I am just as anxious as anyone else, indeed, far more so, to see world trade and development, and to see prosperity for our friends, neighbors, and ourselves.

But I am reminded of the injunction of St. Paul that if we do not "look after our own," we have "denied the faith" and "are worse than the infidel."

I should like to quote from a letter which I have received from a distinguished leader of the tanning industry in my State. He points out:

The great sovereign State of Wisconsin has within its confines a great many tanneries and shoe factories. It is considered one of the four largest tanning States of the Union and in shoe output it comes within the first 20 States.

In addition to the industrial side of the picture we have our farmers, who are rich in cow population. The price of hides affects the value of every cow owned by every farmer in our State.

For years the tanning industry has been getting the rawest kind of deal in foreign trade. Country after country, to which we once used to be able to ship some quantity of leather, has blocked and embargoed imports from the United States. The excuses for such discrimination have long since worn thin.

He goes on to point out that time after time the industry has appealed to the State Department and the Tariff Commission. But what was the response? "Every time that we have appeared before them, they have given us baskets of soft soap."

This Wisconsinite continues:

People are getting tired of a one-way street in foreign affairs. They would like to see American interests defended once in a while, and especially so, when all we ask is simple equity and reciprocity.

What I am saying today is not directed on behalf of businessmen alone. I am thinking of the workers in the leather industry and of their families and of the communities in which they work.

Here is the way another disinguished leader of the industry has written to me:

The tanning industry of the United States has been for years, and is now, the victim of the grossest discrimination and lack of reciprocity in foreign trade. Our own leather markets are free and open without restriction or hindrance against the import of foreign leather. However, foreign leather markets have been closed, controlled, embargoed, or restricted against shipments of leather from the United States. Our company, along with other United States tanners * * * have lost an essential market for grades, weights, and colors of leather normally absorbed abroad. Foreign tanners are progressively increasing their sales to American manufacturers, as with a subsidized raw material market and a labor cost of over 60 percent less than our industry average, it results in a hopeless task of competitive effort.

We earnestly seek your assistance in ending this unwarranted discrimination and insisting that our Government demand reciprocity.

I commend this matter to the earnest attention of all echelons of the Department of State and of the United States Tariff Commission. I ask for constructive action to relieve the grave plight of the American tanning industry, and I shall be in contact with these agencies toward this end.

I reiterate, what is needed is action, not more study, more consideration and more do-nothingness.

CONFERRING OF HONORARY DEGREE OF DOCTOR OF LAWS UPON SENATOR SMITH OF MAINE

Mr. ERVIN. Mr. President, on June 6, 1955, a great institution of learning in my State, the Woman's College of the University of North Carolina, honored itself by conferring the honorary degree of doctor of laws upon the wise and lovely Senator from Maine, Senator MARGARET CHASE SMITH. I ask unanimous consent to have printed in the RECORD at this point the citation which accompanied the award of this degree.

UNIVERSITY OF MICHIGAN LIBRARIES

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

MARGARET CHASE SMITH—like William Shakespeare, a former school teacher; leader for many years in the councils of the Republican Party; from 1941 to 1948, Congresswoman from Maine; and since 1948, United States Senator.

In you are combined the elements which symbolize the State of Maine—the courage and the independence of her people, the vibrant strength of her tall pines and spruces, the clarity and serenity of all of her lakes from Mooselookmeguntic to Meddybemps, and, of course, the unspoiled beauty of Permaquid Point on a summer morning.

Your statesmanship and vision, transcending politics and considerations of personal advantage, lifted up the eyes of our Nation at a critical juncture to contemplate the state of our own soul, and with your colleagues in the famous declaration of conscience, you helped to light the way toward the integrity and decency which lie at the heart of the national interest.

And now by virtue of the authority vested in me by the board of trustees and the president of the University of North Carolina, I hereby confer upon you the degree of doctor of laws. Woman's College is honored that your name is to be inscribed forever in the roll of her daughters.

EDWARD K. GRAHAM,
Chancellor.

THE SALK ANTIPOLIO VACCINE—LOYALTY OF DEPARTMENT HEADS TO SUBORDINATES

Mr. NEUBERGER. Mr. President, the Secretary of Health, Education, and Welfare has laid full responsibility for the Salk antipolio vaccine on her subordinate, the Surgeon General. In other words, if defective vaccine has been administered to the children of America, it is the fault of Dr. Leonard A. Scheele, and not of Mrs. Oveta Culp Hobby.

Mr. President, loyalty is one of the highest of human attributes when it exists in a person. Down from Biblical times has come the immortal phrase, "Where thou goest I will go," and we honor the loyal woman who said it.

Loyalty to one's subordinates is more important in many cases than loyalty to one's superiors. It is easy for a person to be loyal to someone in a position of great authority who is over him in rank. It is a real test of a person's staying power, of a person's basic character, to be loyal to a subordinate.

Before coming to this body I wrote on many occasions of an organization which all the world respects, the Royal Canadian Mounted Police. One of the precepts of the illustrious Mounties is loyalty to subordinates. A commanding officer accepts responsibility for the deeds of the men under his command. What they do he stands by or falls by.

A Mountie patrol became lost in the terrible wilderness on the Yukon Divide between Fort McPherson and Dawson City. The guide had lost the way. Back across 300 miles of windswept barren lands they staggered without food, only to perish 25 miles from safety. In the diary of Inspector Fitzgerald, the commanding officer of the patrol, there is no criticism of the poor guide whose error cost them their lives. Until death he stood by the man who had failed him. He never shirked his subordinate, in life or in the throes of death.

Today, throughout the vast North country, rugged men take off their fur caps when mention is made of the name of Inspector Francis J. Fitzgerald.

Mr. President, I think loyalty to subordinates is a quality of which the national administration is in dire need. We have watched the Secretary of State abandoning subordinates in times of stress and trouble. Now we see the Secretary of Health, Education, and Welfare laying full blame and responsibility on a subordinate in a time of similar—or perhaps greater—stress and trouble.

I would counsel both Mr. Dulles and Mrs. Hobby that there are higher rewards in life than to remain in the seats of power and authority. To have measured up fully to the demands of being a courageous and indomitable human being is something to be desired, and honored, too.

One only can imagine what such desertions as these in two great departments must do to employee morale in the Federal service.

Mr. President, in conclusion I ask unanimous consent that a story from the Washington Post and Times-Herald of June 21, 1955, entitled "Mrs. Hobby Calls Scheele Responsible for Vaccine," be reprinted in the CONGRESSIONAL RECORD, as well as an editorial from the New York Herald-Tribune of June 20, 1955, on Canada's successful handling of the Salk antipolio serum.

There being no objection, the news story and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of June 21, 1955]

MRS. HOBBY CALLS SCHEELE RESPONSIBLE FOR VACCINE

Oveta Culp Hobby, Secretary of Health, Education, and Welfare, last night laid full legal responsibility for the safety of the Salk polio vaccine on Surgeon General Leonard A. Scheele.

Mrs. Hobby, who said, she was not "dissatisfied" with Dr. Scheele's activities in the Salk inoculation program so far, insisted that the law for control of biologicals "charges the Public Health Service, and not the Secretary," with responsibility for safety.

She made the statements on the broadcast "Reporters Roundup," carried here over Radio Station WWDC.

She said the responsibility of the Department of Health, Education, and Welfare under the law is one of licensing the companies to produce vaccine. Mrs. Hobby said she had "no apologies" to make for having licensed use of the vaccine on Dr. Scheele's recommendation.

She said lengthy field tests that preceded the frequently stalled program aimed at the vaccine's safety. She added that if there was "any negligence" in the Public Health Service it will not be known until the question about the Cutter vaccine is answered. (This product was withdrawn on United States order after vaccinated children developed polio.)

Asked whether anyone in the Public Health Service to her knowledge had been negligent in handling the program, Mrs. Hobby said, "I am not qualified to answer that question."

Although the health service is part of Mrs. Hobby's Department, she said that even had she wanted to, she could not "have ordered changes in the way Dr. Scheele's service handled the program."

The law "runs" to the Surgeon General and places the responsibility of the program on his Department, she explained.

A spokesman for Dr. Scheele told International News Service that the Surgeon General would have no comment to make on Mrs. Hobby's remarks.

Mrs. Hobby said after the program:

"My remarks with respect to the legal responsibilities of the Secretary and Public Health Service, should not be interpreted in any way as criticism of the Surgeon General, or the Public Health Service."

She added: "Everyone should know I have been backing them to the limit for the past 7 weeks. They are serving the public with all the scientific knowledge at their command."

Mrs. Hobby, who was asked why she had said "no one could have foreseen the great demand for the vaccine," replied:

"That's a good question. Why couldn't they anticipate the demand? The answer came back that there was never before any such demand. There was never in the history of the United States such a demand for a vaccine or antitoxin."

Touching on other areas of the Salk program controversy, Mrs. Hobby defended her charge that a Democratic plan to give free vaccine to all children would amount to "socialized medicine by the back door."

[From the New York Herald Tribune of June 20, 1955]

POLIO: THE CANADIAN LESSON

Canada's experience with the administration of the Salk vaccine has been so different from that of the United States that a comparison between the two methods of handling is inevitable. So far 800,000 Canadian children—the entire first and second grade school population—have been inoculated, and by the end of next year the total will have reached 3 million. Administration of the vaccine has been under the control of the Canadian Ministry of Health and Welfare, and all children have received the serum free. There has been no political dispute and no public controversy.

It may be argued, of course, that Canada, with a total population of only 15 million as against the 165 million of the United States, had a simpler and less demanding task. Yet the Canadian planning and direction were so thorough and effective that a decided impression is left that they might have achieved similar results in the United States. With little of the publicity and none of the improvisation of the American program, the Canadians went about their task in a scientific and detached manner, their paramount concern being to administer the vaccine to all who neded it as swiftly and as safety as possible.

Understandably, Canadian authorities are reluctant to become involved in the vaccine furore in the United States. But the fact remains that both in safety and distribution—the two key problems involved in the Salk vaccine—the Canadians have achieved remarkable success by dint of foresight and planning. There is still time for the lesson to be appplied in the United States.

WITHHOLDING OF NEWS BY EXECUTIVE DEPARTMENTS

Mr. NEUBERGER. Mr. President, many Members of the Senate have been disturbed over the tendency in executive departments to withhold news to which the people are entitled. The junior Senator from Missouri [Mr. SYMINGTON] has indicated to us how the Defense Department, for example, has minimized any

information of an adverse or unfavorable nature.

The American people are not children. They are mature and capable. They can analyze the facts for themselves. They do not need to be spoonfed. In this connection I believe the Senate should read an illuminating column from the Oregon Daily Statesman of Salem, Oreg., for June 15, 1955, by one of my State's illustrious residents, ex-Governor Charles A. Sprague.

One phrase in particular by Governor Sprague deserves attention. He writes:

One of the congenital diseases of public officials is the assumption of anointment. They quickly develop the conception which attends power, namely, that "the king can do no wrong."

I fear Governor Sprague is right. The Congress might police and patrol the executive departments of Government, no matter which party is in office, to see to it that the American public is given the full truth about matters which should be public property. Government is a trust in our country, it is not a divine right of kings.

I ask unanimous consent that the column by Charles A. Sprague from the Oregon Daily Statesman be printed in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT SEEMS TO ME

(By Charles A. Sprague)

Joseph and Stewart Alsop, whose Washington correspondence appears regularly in the Statesman, are competent and reliable reporters. They have shown remarkable ability not only in getting at the facts in the Washington political squirrel cage but also in getting at facts of greatest significance. They have also a high sense of public responsibility in their role of reporters of events and trends in national and international affairs. Hence their recent articles criticising Government censorship merit very respectful consideration.

Government officials have come in for rather severe criticism because of the surprising demonstration of Russian jet bombers on May Day in Moscow. They are accused either of ignorance of what the Russians were up to, or of underrating their capabilities in the field of mechanics, or of trying to cover up facts from the American people. Washington reporters have laid down quite a barrage on the administration over this affair.

What the Alsops have done in their column of Tuesday was to go farther and accuse Government officials not just of concealing facts from reporters but of harassing them, sicking FBI agents on them, and trying to cripple reporters in their legitimate work. The Alsops say they have been the subject of 5 or 6 security investigations, which seems to be motivated more for annoyance than from any prospect of uncovering subversive attitudes or connections.

One of the congenital diseases of public officials is the assumption of anointment. They quickly develop the conception which attends power, namely, that the king can do no wrong. It may be only a papa knows best attitude with respect to withholding news for the public. Or it may be the self-delusion which befalls nearly every executive, namely, to look on the work of his hands and declare it good. At any event it is quite common for an undeclared war to prevail between officials and reporters. That may be a good thing. At least it prevents reporters from being mere distributors of bureau press sheets and forces them to dig to get the news.

Without doubt officials have many occasions to get sore at reporters. The latter often get their facts twisted, or put twisted interpretations on such facts as they have. Reporters themselves are by no means free from bias, and none can get away with any claim to sainthood. But the public must depend on the diligence and integrity of reporters for news of the public business. Fortunately there are enough dependable reporters to give the people quite an accurate report of the kaleidoscope of events in Washington.

The administration errs if it thinks it can suppress damaging facts for very long, and the officials who try to penalize honest reporters are laying sin at their own door, which sooner or later may be exposed. The present issue over Russia's aviation development brings to mind he spirited attack of the Alsops on the military retrenchment policy of Louis Johnson, who succeeded James Forrestal as Secretary of Defense. That reporting wasn't relished in high circles; but its truth was painfully proven when the Korean war broke out and our military deficiencies came to light. Bureaucrats are bureaucrats and it doesn't make much difference which party label they wear.

A great deal of this peacetime censorship or suppression of news springs from the security complex. Out of fear that an enemy might learn something officials cover up facts which their own people ought to know—as the AEC did on facts from the 1953 H-bomb tests. This makes it all the more important for men and women who cover the news rounds in Washington to be diligent and courageous.

THE PHILADELPHIA ORCHESTRA

Mr. MARTIN of Pennsylvania. Mr. President, in Sunday's Philadelphia Inquirer there appeared a United Press story that 89-year-old Jean Sibelius had received Eugene Ormandy and the entire Philadelphia Orchestra at his home, thanking them, and thus the American people, for appreciation of his music.

The Philadelphia Orchestra, under the superb leadership of Mr. Ormandy, has been making an outstanding tour of Europe and has received great acclaim. This trip to Europe will strengthen friendship and understanding among freedom-loving people in every land. It will do much to advance the cause of peace.

Mr. President, every American should be proud of the Philadelphia Orchestra as one of the great cultural assets of the United States. It is recognized as one of the finest symphonic organizations in the world.

To be received by the distinguished Finnish composer is an honor of the highest degree. His music speaks a universal language. It voices the hopes and aspirations of all mankind for freedom under God. It breathes the spirit of a courageous people who have given the world an example of struggle and sacrifice in their devotion to liberty and human dignity.

Mr. President, I welcome this opportunity to congratulate the Philadelphia Orchestra and to thank its members for their splendid service to our country and the world as American ambassadors of good will.

I ask unanimous consent to have printed in the RECORD at this point in my remarks the article to which I have referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIBELIUS OPENS HOME TO PHILADELPHIA ORCHESTRA

JARVENPAA, FINLAND, June 18.—Eighty-nine-year-old Jean Sibelius dramatically broke his long isolation today and invited Eugene Ormandy and the entire Philadelphia Orchestra into his home as a thank-you salute to the American people for appreciating his music.

The great Finnish composer defied doctor's orders to stay in his warm study because of an ear infection.

WEARS LOOK OF MAJESTY

Wrapped in a gray woolen topcoat and an old-fashioned velvet hat, the man whose face was forgotten decades ago came out on his white-painted veranda to be among the American musicians whose Helsinki concert last night pleased him.

Tall and thin but still managing a look of majesty, the aged artist supported himself on a stick and peered warmly at Ormandy and the Philadelphia musicians. Many of them stood outside in a chill drizzle. All cheered, and the old man said, "I am very happy to see you. You are all great artists."

It was a rare honor that Sibelius paid the musicians. It was the first time in 20 years that he had received such an assemblage in his home.

LIVES IN ISOLATION

He has lived a retired and isolated life for years. He has insisted on privacy. Only members of his family and the most intimate of friends have been able to pierce the curtain the old man threw around himself in his last years.

Many internationally renowned orchestras and choirs such as the Wiener Saengerknaben have in the past years found the door of the six-room wooden house closed to them.

POSES FOR PICTURES

For 25 years Sibelius has stubbornly refused to admit photographers. Yet today he posed smilingly for 10 minutes while camera-carrying members of the Philadelphia Orchestra snapped scores of photographs of him.

The visit to Sibelius' Villa Ainola—named after his wife Aino—was arranging in a matter of hours this afternoon. Only a couple of newsmen and professional cameramen were present to capture what might well be Sibelius' last public appearance.

TOKEN OF GRATITUDE

"We had little hope we would get this wonderful opportunity," Ormandy said. "Sibelius never receives anybody, as you know.

"But he let us come as a special token of gratitude to the American people, who love his music."

Sibelius disregarded his doctor, who warned him this morning that his ear infection might get worse if he left his warm study.

WILL BE 90 DECEMBER 8

The composer, who will be 90 next December 8, told the orchestra members that he had listened over the radio to their performance of his music in Helsinki's Fair Hall last night.

He told the musicians he was "highly satisfied with your presentation of my music."

"It was grand, it was perfection," he said.

Ormandy, introducing his orchestra to the master, told Sibelius:

"There are many members of this orchestra who once played your music for the first time in the United States, who actually introduced you to American audiences."

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FACE LIGHTS UP

Sibelius' pale face lighted up.

He waived his thin hand again and repeated, "I am so glad to see you."

All the members of the orchestra went to the modest villa in this town 20 miles outside Helsinki.

Sibelius explained through Ormandy that he "regretted very much that my house is too small to have room for you all."

INVITED INTO GARDEN

But he invited the musicians to have a look at his garden of silver birch trees and the first blossoming flowers of the Finnish summer. Few of the musicians wandered far from the veranda where the old man held court, however.

Sibelius regretted that he was suffering from the infection and had some trouble hearing.

But the Swedish-speaking composer nodded smilingly when one of the musicians shouted "Tack, tack sa mycket," a Swedish phrase for "Thank you very much."

CAPT. MOSES M. RUDY—CONFERENCE REPORT

Mr. KILGORE. Mr. President, I submit a report of the committee of conference of the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

And the Senate agree to the same.

HARLEY M. KILGORE,
JOHN L. MCCLELLAN,
ALEXANDER WILEY,
Managers on the Part of the Senate.

THOMAS J. LANE,
E. L. FORRESTER,
CHAUNCEY W. REED,
Managers on the Part of the House.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

GENERAL GOVERNMENT MATTERS APPROPRIATIONS, 1956

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

Mr. SMATHERS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I have a brief explanation of the bill.

It is a new appropriation bill, under the title of "General Government Matters," covering agencies formerly provided for in the independent offices bill. Funds are included for the various parts of the Executive Office of the President, and for the American Battle Monuments Commission, Foreign Claims Settlement Commission, and Subversive Activities Control Board.

The Senate amendments add a new appropriation item on special projects for the White House Office, add requested language for the Rockefeller Committee and for expenses of management improvement, restore $4,200,000 for the payment of Korean claims and $100,000 for administrative expenses, and cut $1,400 from the Subversive Activities Control Board.

General provisions, formerly carried in supplemental bills, are provided in the bill for all Government agencies. The Senate amendment increases the maximum payment for passenger motor vehicles from $1,350 to $1,375, specifies $1,875 for station wagons, and allows for certain charges over the maximum payment.

The ACTING PRESIDENT pro tempore. The Secretary will proceed to state the committee amendments.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Executive Office of the President—The White House Office", on page 2, line 19, to strike out "$2,055,500" and insert "$1,882,500".

The amendment was agreed to.

The next amendment was, on page 2, after line 19, to insert:

SPECIAL PROJECTS

For expenses necessary to provide staff assistance for the President in connection with special projects, to be expended in his discretion and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, $1,250,000: *Provided,* That not to exceed 10 percent of this appropriation may be used to reimburse the appropriation for "Salaries and expenses", The White House Office, for administrative services.

The amendment was agreed to.

The next amendment was, under the subhead "President's Advisory Committee on Government Organization", on page 5, line 13, after the figures "$60,000", to insert a colon and "*Provided,* That the Committee is authorized, without regard to section 505 of the Classification Act of 1949, as amended, to place one position in grade GS–18 of the general schedule established by said act."

The amendment was agreed to.

The next amendment was, under the heading "Funds Appropriated to the President", on page 6, after line 10, to insert:

EXPENSES OF MANAGEMENT IMPROVEMENT

Funds heretofore appropriated under this head shall be available for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed $75 per diem.

The amendment was agreed to.

The next amendment was, under the heading "Foreign Claims Settlement Commission — Payment of Korean Claims", on page 8, line 7, after the numerals "1954", to strike out "$8,000,000" and insert "$12,200,000."

The amendment was agreed to.

The next amendment was, under the subhead "Administrative Expenses," on page 9, line 10, after the word "exceed", to strike out "$2,500" and insert "$10,000"; at the beginning of line 14, to strike out "$450,000" and insert "$550,000"; in the same line after the word "which", to strike out "$300,000" and insert "$350,000", and in line 18, after the word "and", to strike out "$150,000" and insert "$200,000."

The amendment was agreed to.

The next amendment was, under the heading "Subversive Activities Control Board," on page 10, line 3, after the word "periodicals", to strike out "$300,000" and insert "$298,600."

The amendment was agreed to.

The next amendment was, under the heading "Title II—General Provisions—Departments, Agencies, and Corporations," on page 10, line 9, after "(5 U. S. C. 78)", to strike out "for the purchase of any station wagon or other passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at $1,350" and insert "for the purchase of any station wagon is hereby fixed at $1,875, and for the purchase of any other passenger motor vehicle (exclusive of buses and ambulances) is hereby fixed at $1,375: *Provided,* That in addition to said maximum amount the contractor is authorized to charge the amount of the manufacturer's regular established charge to the public for transportation and delivery of such vehicle: *Provided further,* That the amount of any charge by the contractor to the Government for any special feature or equipment on said vehicle that is not required for the convenience and comfort of the operator or passengers but is necessary to permit the operator or passengers to carry out their official duties need not be included in said maximum amount."

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. That completes the committee amendments.

The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, I wish to state for the RECORD that the only increase carried in the Senate version of the bill, as compared with the amounts voted by the House of Representatives, involves the so-called War Claims Commission. The Senate Appropriations Committee voted to increase the amount from the Commission, on the testimony of the War Claims Commission that it could clear up, this year, many of the Korean war claims which have reached the Commission level, and

which the Commission already has passed upon, so that all it needs is the funds with which to clear them up. It is an obligated fund, anyway. So based upon that testimony, we added to the amount provided by the House.

Mr. KNOWLAND. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

Mr. MAGNUSON. I yield.

Mr. KNOWLAND. I suggest the absence of a quorum.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MAGNUSON. Have all the committee amendments been agreed to?

The ACTING PRESIDENT pro tempore. They have been agreed to.

Mr. KNOWLAND. I merely wished a quorum call before the Senator's explanation of the amendments which have been submitted.

Mr. MAGNUSON. Those are all the amendments.

Mr. KNOWLAND. Have all the committee amendment been disposed of?

Mr. MAGNUSON. Yes. The committee amendments are the only amendments. If there are no further amendments to be offered, I suggest that the amendments be ordered to be engrossed, and the bill to be read a third time.

The ACTING PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 6499) was read the third time and passed.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. DIRKSEN, Mr. SALTONSTALL, and Mr. KNOWLAND conferees on the part of the Senate.

LACK OF DIRECT AIR TRANSPORTATION BETWEEN NEW ORLEANS AND MEXICO CITY

Mr. ELLENDER. Mr. President, for almost 11 years, New Orleans and the great heartland of our United States have waited patiently for direct air service between the Crescent City, which we Louisianians proudly refer to as the Hub City of the Americas, and Mexico City. Nine years ago last month, President Truman approved a certificate for an American air carrier to engage in air transportation between New Orleans and Mexico City. The President's approval came 1 year and 8 months after the opening of the cases which included this route, the so-called Latin American cases.

Yet today I am forced to report to the Senate that it is still impossible for a traveler—whether he be a businessman or a tourist—to fly directly from New Orleans to Mexico City. Despite the fact that New Orleans is the center of our great Latin American trade, notwithstanding the fact that New Orleans and the growing Mississippi Valley are so important in our economic relationship with our neighbor to the south of us, New Orleans remains the only large city along the southern border of our Nation which is without direct air service to Mexico City.

I do not intend to go into the question of whether or not the subsequent cancellation of the original certificate of convenience and necessity, issued some 9 years ago, was valid. That is water over the dam. However, I raise my voice in protest against what is patently an unfair situation with respect to New Orleans, Atlanta, Birmingham, and other great southern cities which are presently denied direct, through air service to Mexico City. I feel, Mr. President, that it is time our Government got down to brass tacks in dealing with this situation, and that we laid our cards on the table.

It is my considered judgment that the only major obstacle in the way of initiating air service between New Orleans and Mexico City is the unreasonable and arbitrary attitude of the Government of Mexico. It pains me to say this about our good neighbor to the South, but I believe the facts will bear me out.

Air transportation between the United States and Mexico presents an extraordinary and sorry picture. Mexico refuses to permit any United States flag carrier to fly nonstop from any major United States city to Mexico City. Instead, this important and lucrative traffic is handled by foreign airlines.

Why is this? Because Mexico insists upon and has a monopoly on certain important United States-Mexico City nonstop runs. Further, it has permitted at least one other foreign airline flying nonstop from the United States to land in Mexico City, while denying similar rights to United States carriers.

The fact is that for more than 9 years the United States has been endeavoring to work out, on a reciprocal basis, a just and equitable bilateral air route agreement with Mexico. During this period there have been four formal intergovernmental negotiations and almost continuous conferences. All these efforts have failed.

They have failed, Mr. President, for a variety of reasons; but the most important of these boils down to the fact that the Mexican Government is not willing to meet our Government half way, or even a quarter of the way, in establishing an equitable pattern of air transportation between our two countries. Let me reiterate that since 1946, when the Civil Aeronautics Board certificated 5 United States carriers over 7 routes into Mexico, the United States has, through almost continuous negotiations, sought to negotiate a bilateral air route agreement with the Mexican Government. I am informed that as of today, the parties are further apart than ever. among the reasons for failure of these negotiations, four stand out.

First, the United States has refused to agree to a limitation of capacity or a division of traffic on the routes in question. Mexico has insisted upon a monopoly for CMA—Compania Mexicana Aviacion, the Mexican Government's airline—for the Los Angeles-Mexico City run.

Second, Mexico desires a monopoly on the San Antonio-Mexico City and New Orleans-Mexico City run. This, in effect, would mean that passengers from northern points would not be permitted to fly an American-flag carrier into Mexico City, and other Mexican points, but would be forced to change flights and board a Mexican carrier.

Third, I am informed that CMA has so far apparently so completely dominated the actions of the Mexican Government, with respect to the series of bilateral negotiations concerning air routes, that the Mexican Government will not agree to anything which is not agreed to by CMA.

Fourth, it is my information that the United States has not properly insisted upon general reciprocity, at least with respect to long hauls. This, in effect, covers Los Angeles-Mexico City, New Orleans-Mexico City, New York-Mexico City, and Chicago-Mexico City.

Mexico has based its insistence upon these special privileges on various grounds. Principally it has asserted that the Mexican lines cannot successfully compete with United States carriers on these routes. This is belied by the experience of the carriers of other countries with whom the United States has entered into bilateral air-route agreements.

One example will illustrate the problem with which the United States is faced. Prior to 1947 Compania-Mexicana Aviacion—CMA—was limited by its CAB permit to three flights per week from Los Angeles to Mexico City. In 1947, while negotiations for an overall bilateral agreement were pending, Mexico urged the United States to lift the three-flight limitation, with the assurance that Mexico would shortly execute a bilateral route agreement with the United States, giving the United States, among other things, reciprocal rights with respect to the Los Angeles-Mexico City air route.

The United States accepted this assurance and granted CMA unlimited flight service from Los Angeles. Mexico, however, refused, and has refused to this day, to enter into a bilateral route agreement with us or to grant reciprocal rights on a nonstop basis from Los Angeles to Mexico City. The result is that today CMA is flying from 14 to 20 round-trip flights a week, at 90 percent or more capacity, between Los Angeles and Mexico City.

During this period the only United States carrier serving Mexico City from the west coast was required to stop at El Paso. In 1951, after CMA placed DC–6 equipment in service, traffic of the United States carrier into Mexico City via El Paso dropped to practically nothing, with the result that the United States carrier was obliged to suspend its El Paso-Mexico City operations.

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Similar examples involving the east coast and the New Orleans area could be cited.

From the beginning, with respect to both domestic and foreign air travel, the United States has refused to sanction either limitations on capacity or agreements for division of traffic. Instead, it has properly insisted on reasonable competition and reciprocal rights so far as these air routes are concerned.

During the last 10 years the United States has successfully negotiated, on the basis stated, some 45 bilateral air-route agreements with various countries, including most of our Central and South American neighbors. For the reasons stated, Mexico represents our outstanding failure.

Let me emphasize, also, Mr. President, that while these negotiations have dragged on and on, foreign airlines are obtaining lucrative portions of the Latin American air traffic. It is estimated that CMA carries from 20 to 25 percent of all air traffic between the United States and Mexico. Air France obtained in 1946 a CAB certificate to fly nonstop from New York to Mexico City. This certificate was based upon an overall United States-France bilateral agreement. Air France also received a Mexican certificate for that same flight into Mexico City in 1953. Since that time, Air France has been flying nonstop from New York to Mexico City, with a very adverse affect upon the American flag carriers who fly from New York to Mexico City, with a compulsory stop at Dallas.

Recently, Lufthansa, the West German government airline, has received United States approval to fly several Latin American routes, further reducing the volume of traffic which is still available to United States flag carriers.

It is a puzzle to me that, excluding one flight from Dallas to Mexico City, no United States flag carrier is permitted to fly nonstop from any major United States city to Mexico City. Instead, two foreign carriers have a monopoly on this important traffic—CMA and Air France.

How long must our American cities and our American citizens wait before they are permitted to fly American flag carriers into Mexico? Already, New Orleans has waited 11 years, and the end of the waiting is not in sight. Must we continue to see this expanding air traffic flow to foreign carriers, because the flights of American airlines are blocked by the unreasonable attitude of the Mexican Government.

Mr. President, air commerce is an integral part of our foreign commerce. Our Nation is growing. The Latin American lands are being developed. Yet it is impossible for an American businessman to board an American carrier and fly direct to Mexico City. The growth of the great port of New Orleans, the gateway to the Mississippi Valley, is being hampered by the unreasonable attitude displayed by the government of Mexico with respect to air routes into that country. Meanwhile, the citizens of that city and of the Mississippi Valley must wait. We are told that negotiations are in progress. These negotiations have occupied nearly a decade. It is time they bore some fruit. We cannot forever await a change of heart in our Mexican neighbors. We cannot afford to sit by too long and see foreign air carriers gobble up the most attractive air routes, the biggest part of the traffic, and gain a stranglehold on air commerce between the United States and Mexico.

The time has come for some down-to-earth bargaining between the government of Mexico and the Government of the United States. Let us stop playing ring around the rosy with this important matter. We need these routes; we deserve these routes; and, Mr. President, it is high time we had them.

PARTICIPATION IN INTERNATIONAL FINANCE CORPORATION

Mr. SMATHERS. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 509, Senate bill 1894.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1894) to provide for the participation of the United States in the International Finance Corporation.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with amendments, on page 2, line 8, after the word "governor", to strike out "executive"; in line 9, after the word "and", to strike out "alternate" and insert "alternates"; and in line 12, after the numeral "4", to strike out "The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286b), with respect to the International Bank for Reconstruction and Development shall apply with respect to the Corporation." and insert "The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286b), shall apply with respect to the Corporation to the same extent as with respect to the International Bank for Reconstruction and Development." so as to make the bill read:

Be it enacted, etc.—

SHORT TITLE

SECTION 1. This act may be cited as the "International Finance Corporation Act."

ACCEPTANCE OF MEMBERSHIP

SEC. 2. The President is hereby authorized to accept membership for the United States in the International Finance Corporation (hereinafter referred to as the "Corporation"), provided for by the Articles of Agreement of the Corporation deposited in the archives of the International Bank for Reconstruction and Development.

GOVERNOR, EXECUTIVE DIRECTOR, AND ALTERNATES

SEC. 3. The governor and executive director of the International Bank for Reconstruction and Development, and the alternate for each of them, appointed under section 3 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286a), shall serve as governor, director, and alternates, respectively, of the Corporation.

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS

SEC. 4. The provisions of section 4 of the Bretton Woods Agreements Act, as amended (22 U. S. C. 286b), shall apply with respect to the Corporation to the same extent as with respect to the International Bank for Reconstruction and Development. Reports with respect to the Corporation under paragraphs 5 and 6 of subsection (b) of section 4 of said act, as amended, shall be included in the first report made thereunder after the establishment of the Corporation and in each succeeding report.

CERTAIN ACTS NOT TO BE TAKEN WITHOUT AUTHORIZATION

SEC. 5. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States (a) subscribe to additional shares of stock under article II, section 3, of the Articles of Agreement of the Corporation; (b) accept any amendment under article VII of the Articles of Agreement of the Corporation; (c) make any loan to the Corporation. Unless Congress by law authorizes such action, no governor or alternate representing the United States shall vote for an increase of capital stock of the Corporation under article II, section 2 (c) (ii), of the Articles of Agreement of the Corporation.

DEPOSITORIES

SEC. 6. Any Federal Reserve bank which is requested to do so by the Corporation shall act as its depository or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall supervise and direct the carrying out of these functions by the Federal Reserve banks.

PAYMENT OF SUBSCRIPTIONS

SEC. 7. (a) The Secretary of the Treasury is authorized to pay the subscription of the United States to the Corporation and for this purpose is authorized to use as a public-debt transaction not to exceed $35,168,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this subsection of the subscription of the United States to the Corporation and any repayment thereof shall be treated as public-debt transactions of the United States.

(b) Any payment of dividends made to the United States by the Corporation shall be covered into the Treasury as a miscellaneous receipt.

JURISDICTION AND VENUE OF ACTIONS

SEC. 8. For the purpose of any action which may be brought within the United States or its Territories or possessions by or against the Corporation in accordance with the Articles of Agreement of the Corporation, the Corporation shall be deemed to be an inhabitant of the Federal judicial district in which its principal office in the United States is located, and any such action at law or in equity to which the Corporation shall be a party shall be deemed to arise under the laws of the United States, and the district courts of the United States shall have original jurisdiction of any such action. When the Corporation is a defendant in any such action, it may, at any time before the trial thereof, remove such action from a State court into the district court of the United States for the proper district by following the procedure for removal of causes otherwise provided by law.

STATUS, IMMUNITIES AND PRIVILEGES

SEC. 9. The provisions of article V, section 5 (d), and article VI, sections 2 to 9, both inclusive, of the Articles of Agreement of the Corporation shall have full force and effect in the United States and its Territories and possessions upon acceptance of member-

ship by the United States in, and the establishment of, the Corporation.

Mr. FULBRIGHT. Mr. President, I am glad that the Senator from Connecticut [Mr. PURTELL] requested that S. 1894 not be passed on the consent calendar. United States participation in the International Finance Corporation is a matter of sufficient importance to warrant discussion on the floor of the Senate, even though I do not anticipate that it will be controversial.

The IFC would be an international organization, with about 50 members, closely affiliated with the International Bank. It would have a capital of $100 million, of which the United States would contribute $35,168,000. Its purpose would be to further economic development in its member countries, particularly the less well developed areas, by encouraging the growth of productive private enterprise—by investing its funds in private businesses, along with private investors, by serving as a clearinghouse to bring together investment opportunities, private capital, and experienced management, and by helping to create conditions conducive to the flow of private capital into productive private enterprises.

IFC would differ from the International Bank in two respects: First, its investments would partake of the nature of venture capital, though it could not invest in capital stock or manage the companies it had invested in; and second, a guarantee of the investment by the government of the member country would not be required or permitted, and, of course, IFC could not make loans direct to governments.

The less developed areas of the world suffer from low incomes, low standards of living, distressing conditions of health, sanitation, and education. The result is that many of the people in those areas are restless, discontented, and susceptible to unfriendly influences.

The need for increased development in these areas has long been recognized. The International Bank for Reconstruction and Development has had this as one of its functions since its establishment in 1945 and many of its loans have been directed to this purpose. The Act for International Development, enacted in 1950, contains congressional findings which specifically recognize this need, though the point 4 program authorized by that act involved only technical assistance.

The Export-Import Bank has also long been making loans for developmental purposes, many of which have been of great benefit to the country involved as well as to the United States suppliers and exporters who have directly benefited.

It has also been recognized for a long time that the many programs which have been set up to encourage development of this sort have not been directed with sufficient emphasis to the problem of private investment and private productive enterprises. Many of the programs, of course, are the kind that governments normally conduct—health and education programs or highway construction.

In some cases, however, the emphasis on public grants and loans has resulted in pushing the government of the country involved into projects which private enterprises should carry out or would carry out in this country.

The emphasis on grants and public loans has also resulted in not giving enough attention to the smaller commercial and industry type of enterprise, which in many cases is more suited to the area.

The first specific proposal for an organization of the sort of IFC was made in 1951 by the International Development Advisory Board, the so-called Rockefeller Report. Since that time the idea has been considered by the International Bank, the United Nations, and many other American and foreign groups.

The United States was not favorable to early versions of the proposal which would have authorized IFC to buy capital stock and to have engaged in managing the companies it invested in.

More recently, however, the proposal has been revised to eliminate these features. In December of 1954, the General Assembly of the United Nations adopted a resolution endorsing the concept of IFC and requesting the International Bank to take steps to bring IFC into being, and in April the Bank sent the proposed Articles of Agreement to its members.

On May 2 of this year the President sent a message to Congress recommending enactment of legislation to authorize United States participation in IFC.

The purpose and need for IFC are set forth clearly in the President's message, as follows:

> The entire free world needs capital to provide a sound basis for economic growth which will support rising standards of living and will fortify free social and political institutions. Action to that end by cooperating nations is essential.
>
> In its own enlightened self-interest, the United States is vitally concerned that capital should move into productive activities in free countries unable to finance development needs out of their own resources.
>
> Government funds cannot, and should not, be regarded as the basic sources of capital for international investment. The major purpose of the new institution, consequently, will be to help channel private capital and experienced and competent private management into productive investment opportunities that would not otherwise be developed. Through the corporation we can cooperate more effectively with other people for mutual prosperity and expanding international trade, thus contributing to the peace and the solidarity of the free world.

As I indicated earlier, IFC will carry out this needed purpose in several ways.

In the first place, it will participate in the financing of productive private enterprises, in association with private investors, without a Government guaranty, in cases where sufficient private capital is not available.

During the hearings there was considerable discussion of the kinds of investments IFC could make. The articles of agreement specifically prohibit it from buying capital stock or managing the enterprises it invests in. Other than this, IFC is given complete freedom as to the form of its investments. IFC could, of course, make ordinary fixed-interest loans with a definite repayment schedule. Such loans would differ from a loan of the International Bank to a private enterprise only in not having to be guaranteed by the Government.

This would not be the ordinary kind of investment which IFC would be expected to make. Ordinarily it would provide what Secretary Humphrey described as "intermediate money"—between the prior lien money of the lenders and the pure equity money of the holder of the capital stock.

The articles provide that the terms of the investments shall take into account the requirements of the enterprise, the risks being undertaken by the Corporation and the terms and conditions normally obtained by private investors for similar financing.

One specific kind of paper suggested would be a debenture, convertible by a subsequent private holder to capital stock. It would be possible to provide that the interest in such a debenture would be a share of the profits, if earned.

It might also be possible for IFC to devise some arrangement comparable to that of a special or limited partner in an unincorporated partnership, having a share in the profits or losses, and a share in the earnings.

It is probably fruitless to discuss whether such an investment should be called "equity capital," "risk capital," or "venture capital." IFC is free to make any arrangements it wishes, so long as is does not itself buy capital stock or engage in management.

It is expected that IFC will turn over its investments frequently, by sale to private investors, in some cases to private investors who have already invested in the enterprise.

The dollars invested by the United States in IFC can be expected to go a long way in encouraging private investment. In the first place there will be $2 of foreign money for each $1 of United States money in IFC. In the second place, IFC can only invest in association with private investors, and Secretary Waugh stated at the hearing that the present plan was to limit IFC to 25 percent of the money in any one enterprise. On this basis, our contribution to an enterprise would not be more than about 8 percent of the total financing.

These investments by IFC would be beneficial in themselves. But I think their value as examples of the benefits of such productive enterprises might be even more effective. There is a great deal of American, Canadian, Swiss, and other private money available for investment in less-developed areas. There is also a great deal of money in the less-developed areas, but most of it is either spent in unproductive ways or is invested in Europe or here.

If the owners of these private funds were shown examples of profitable productive enterprises in the less-developed areas, a substantial part of these private funds would undoubtedly be made available for similar enterprises.

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IFC would assist in private investment in other ways than by its own investments.

IFC would have, through the background of the International Bank experience, an intimate knowledge of the possibilities for investment in less developed areas, a close contact with the world's capital market, and a wide knowledge of where management know-how could be reached. With these assets, and its impartial status as an international organization with no particular ax to grind, it can serve as a clearing-house to bring together money, management, and opportunities, which might frequently be able to proceed without any financing from IFC.

In addition to this, IFC is directed to assist in improving the investment climates in its member countries, by improving the laws and practices which now impede foreign investment. Other agencies are now engaged in this effort, but not with such special emphasis on the needs of the private investor.

Any country which signs the articles of agreement makes a commitment to put its own house in order, to make such changes in its investment or tax or other laws and practices as may be needed to encourage foreign private investment. Furthermore, as a matter of ordinary human nature, it seems clear that a country will be more likely to take action to improve its laws and practices when an organization of which it is a member suggests it than when an agency of another nation suggests it.

This would be especially true if a businessman in a country wanted financing through IFC and was unable to get it because of his own country's laws. The businessman and the country's representatives to IFC could be expected to put a great deal of proper and effective pressure on the country to make the necessary changes.

I do not believe it is necessary to discuss the mechanics or structure of the IFC or the specific provisions of Senate bill 1894 at length. The report contains a full analysis of the articles of agreement and the bill.

The IFC has the same structure as the International Bank, and would have the same governors and directors. Like the Board, it would be able to borrow money in the capital markets, though it is not expected to do so at the start. It would have the same powers and immunities as the bank.

The United States representatives to IFC, Secretary Humphrey and Mr. Overby at the moment, would work through the National Advisory Council on International Monetary and Financial Problems, as do the representatives to the fund and the bank.

And, as in the case of the Bretton Woods Agreements Act, Senate bill 1894 provides that the executive branch cannot agree for the United States to major changes in the articles of agreement without the specific approval of the Congress.

Section 5 of S. 1894 provides that unless Congress by law authorizes such action, the executive branch shall not (a) subscribe to additional shares of stock, (b) accept any amendment to the articles, (c) make any loan to IFC, or (d) vote for an increase of capital stock.

United States participation in IFC has been strongly urged by the President and by Secretary Humphrey. Reasonable organizations, such as the American Bankers Association, and the Farm Bureau, have urged United States participation.

IFC is expected to strengthen the free world by promoting private enterprises in less developed areas. Such development would reduce the need for expensive foreign assistance through grants and public loans. It would also make these areas better customers for American agricultural and industrial products.

I urge that the Senate pass S. 1894, because I think it is one of the measures which holds the greatest hope for improvement in our international economic relations.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. PURTELL. I express to the Senator from Arkansas my appreciation for his comprehensive explanation of the bill. My objection was not to S. 1894, but rather to having it considered on the Consent Calendar. I appreciate the Senator's explanation.

Mr. FULBRIGHT. I thank the Senator from Connecticut. I agree with him that the bill is of sufficient importance that it should be considered aside from a call of the calendar, in connection with which the 5-minute rule prevails.

Mr. MORSE. Mr. President, unless there is further discussion of the pending measure, I respectfully urge that it be passed. I do not know of any other Senator who wishes to speak on the bill, unless the Senator from Indiana intends to do so.

Mr. CAPEHART. Yes; I do.

I simply wish to say that I am a coauthor of the bill, along with the able junior Senator from Arkansas [Mr. FULBRIGHT].

I had prepared an amendment which I intended to submit to the bill. However, I shall not submit it, but shall refer to it briefly.

Mr. President, we are now preparing to provide $35 million to be used, along with the contributions of other countries, to establish an International Finance Corporation, which for all practical purposes will be a subsidiary of the International Bank. The governors of the International Bank and the governors of the International Finance Corporation will be the same.

I desire to suggest to the Congress that we should at least give the Export-Import Bank, which is an international bank created by Congress, the right to do exactly what we are now proposing to give the International Bank the right to do, through the International Finance Corporation. I do not know why it would not be well for us to do so because then there would be two organizations doing the same thing, and thus a little competition would be afforded. Furthermore, in that event, we would be doing business through a 100-percent American-owned bank—a bank entirely owned by the taxpayers of the United States.

I cannot quite understand why there is greater interest in turning over $35 million to an international organization, in which we shall own only one-third of the stock, than there is in permitting our own wholly owned Export-Import Bank to engage in the same activities. Yet I find opposition to permitting our own organization to do that; in fact, so much opposition that I shall not even submit the amendment.

But I do not understand the reasoning of those who favor giving an international organization the right to do—in using 35 million United States dollars—something which we refuse to give our own institution the right to do. I think we shall live to see the day when we shall regret it. At the present time it is proposed that we invest $35 million in the International Finance Corporation although we do not know whether it will be successful. I presume the assumption is that, if the International Finance Corporation is successful, we shall put more money into it. I presume that the further assumption is that, if the International Finance Corporation is not successful, we shall have parted with the $35 million, although I do not assume that all of it will be a loss. However, I think someday we shall wonder why we did not set up a subsidiary of our own Export-Import Bank to do this work, instead of helping to establish the International Finance Corporation to do the same thing.

I am hopeful that the International Finance Corporation will be a success. I am not opposed to permitting the International Bank to have the International Finance Corporation as a subsidiary. I am merely calling to the attention of the Senate the fact that we should do the same thing as regards the Export-Import Bank. We should put that organization in a similar position, so as to enable it to make loans and invest in exactly the same sort of securities, under the same conditions, and in the same way, that it is now advocated that the International Finance Corporation be allowed to do.

Mr. MORSE. Mr. President, will the Senator from Indiana yield to me for a question?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Indiana yield to the Senator from Oregon?

Mr. CAPEHART. I yield.

Mr. MORSE. Does not the Senator from Indiana believe that if we can proceed with an arrangement similar to the one he is suggesting, whereby American investors will be backed up by the United States Government—which is what the present proposal amounts to, in the last analysis—we shall have an instrumentality for demonstrating to the rest of the world, where the fight has to be won, the superiority of our own system, as compared to the great dangers inherent in some form of economic totalitarian control?

Mr. CAPEHART. I think there is no question that it would do a great deal of good along that line. I am no more

opposed than is the Senator from Oregon to the creation of the International Finance Corporation; but I feel that we should permit our own International Bank, which is the Export-Import Bank, to do exactly the same thing.

Mr. MORSE. That is the point I am making. I am not opposed to having our Export-Import Bank do it, either, because I think we are paying entirely too much monopolistic attention, shall I say, to military defense, and too little attention to economic defense.

Mr. CAPEHART. I certainly agree with the able Senator from Oregon.

Mr. MORSE. In my opinion the greatest economic defense we can have is to be achieved by building up investment opportunities abroad, so that, through such investments, we can be instrumental in raising the standard of living of peoples in areas of the world where the fight for freedom must be won. I see no reason why we should not do so by means of a two-barreled approach. I see no reason why we should not do so both through the organization it is now proposed to set up and also—on the domestic front—by granting similar power to the Export-Import Bank, so that American investors will be encouraged to make investments abroad. By providing adequate safeguards, I think we can best avoid the danger of having American investors who make investments abroad adopt exploiting tactics, which all too frequently in the past have been characteristic of such investments.

Mr. CAPEHART. Mr. President, in my opinion the Export-Import Bank now has authority, under the law, to do what we are about to authorize the International Finance Corporation to do.

Mr. MORSE. Yes; but the Export-Import Bank does not seem to want to do it.

Mr. CAPEHART. Some members of the Export-Import Bank do. I think it is only necessary for the administration to make up its mind that the bank has the right to do it. In my opinion, there is no question at all that the bank now has such a right; and I think the bank should be doing more in that field.

A moment ago the Senator from Oregon referred to raising the standard of living in other countries. Certainly that cannot be done until a proper economic atmosphere is created, by means of the establishment of factories and processing plants where the people of other countries will be able to find employment, and then will be able to purchase the products of the factories. In other words, if we are to raise the standard of living in so-called backward countries, it will be necessary to establish in those countries factories and processing plants which will produce articles to be sold to the people of those countries themselves, and the same factories will provide employment for those people, who thus will have funds with which to make such purchases. In that way the products of those factories will be purchased by the people of the countries in which the factories are located, instead of being exported to other countries, to be sold there.

In short, the only way to raise the standard of living in a given country is to increase employment opportunities there and to make it possible for the people of the country to purchase the commodities they need to have in order to raise their standard of living. Certainly the standard of living in any country cannot be raised merely by giving employment to the people of that country and then loading the commodities produced there into ships to be taken to other countries and sold.

Mr. MORSE. Mr. President, as the Senator from Indiana has heard me say very often in the committee, what we must really do is make it possible to export American investments.

Mr. CAPEHART. Yes; to export American investments and American know-how and the American ability to produce goods in processing plants. That is the field in which we are most proficient, anyway.

Capital on the part of the peoples of other countries is also required. The International Finance Corporation will provide some capital. It will help the situation. I am not opposed to it, but I wonder why the administration has not advocated doing the same thing with our own institution, the Export-Import Bank.

Mr. MORSE. Mr. President, I congratulate the Senator from Indiana and the Senator from Arkansas [Mr. FULBRIGHT] for this bill. I suggest that we had better put our heads together and introduce an additional bill whereby we extend the same principle to the Export-Import Bank.

Mr. CAPEHART. I am hopeful that those responsible for the operation of the Export-Import Bank—both those making the policies and those who operate it from day to day—will read the RECORD of what has been said here today.

Mr. BARRETT obtained the floor.

Mr. MORSE. Mr. President, will the Senator from Wyoming yield long enough to dispose of the pending bill, with the understanding that he will retain the floor?

Mr. BARRETT. I yield with that understanding.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1894) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Wyoming may yield, with the understanding that as soon as action is concluded on 2 or 3 small measures, he will regain the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BARRETT. And with the further understanding that the proceedings with reference to the bills referred to will not interrupt the continuity of my speech.

Mr. JOHNSON of Texas. That is understood.

EXTENSION OF RENEGOTIATION ACT OF 1941

Mr. MORSE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 587, House bill 4904.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4904) to extend the Renegotiation Act of 1941 for 2 years.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments, on page 1, after line 6, to strike out:

SEC. 2. (a) Subsection (d) of section 102 of the Renegotiation Act of 1951 (50 U. S. C., App., sec. 1212 (d)) is hereby amended by inserting after "title" each place it appears "or would be subject to this title except for the provisions of section 106."

(b) The amendments made by subsection (a) shall apply to contracts with the Departments and subcontracts only to the extent of the amounts received or accrued by a contractor or subcontractor after December 31, 1953.

On page 2, after line 4, to insert:

SEC. 2. (a) Section 106 (a) (8) of such act (50 U. S. C., App., sec. 1216 (a) (8)) is hereby amended as follows:

(1) By inserting after "a standard commercial article" in the first sentence thereof "or a standard commercial service";

(2) By inserting after "such article" each place it appears in the first and second sentences thereof "or such service";

(3) By striking out "and" at the end of subparagraph (C);

(4) By redesignating subparagraph (D) to be subparagraph (G); and

(5) By inserting after subparagraph (C) the following:

"(D) the term 'service' means any processing or other operation performed by chemical, electrical, physical, or mechanical methods directly on materials owned by another person;

"(E) the term 'standard commercial service' means a service which is customarily performed by more than two persons for civilian, industrial, or commercial requirements, or is reasonably comparable with a service so performed;

"(F) the term 'reasonably comparable' means of the same or a similar kind, performed with the same or similar materials, and having the same or a similar result, without necessarily involving identical operations; and".

(b) The amendments made by subsection (a) shall apply to contracts with the departments and subcontracts only to the extent of the amounts received or accrued by a contractor or subcontractor after December 31, 1953.

SEC. 3. (a) Section 106 (a) of such act (50 U. S. C., App., sec. 1216 (a)) is hereby amended—

(1) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; or"; and

(2) by adding at the end thereof a new paragraph as follows:

"(9) any contract, awarded as a result of competitive bidding, for the construction of any building, structure, improvement, or facility, other than a contract for the construction of housing financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended."

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(b) The amendments made by subsection (a) shall apply to contracts with the departments and subcontracts only to the extent of the amounts received or accrued by a contractor or subcontractor after December 31, 1954.

SEC. 4. (a) Section 106 (c) (2) of such act (50 U. S. C., App., sec. 1216 (c) (2)) is hereby amended to read as follows:

"(2) Definitions: For the purpose of this subsection, the term 'durable productive equipment' means machinery, tools, or other productive equipment, which has an average useful life of more than 5 years."

(b) The amendment made by subsection (a) shall apply only with respect to fiscal years (as defined in section 103 (h) of the Renegotiation Act of 1951) ending on or after June 30, 1953.

SEC. 5. (a) The Joint Committee on Internal Revenue Taxation, or any duly authorized subcommittee thereof, is hereby authorized and directed to make a complete study in order to determine—

(1) whether there is any necessity of extending the Renegotiation Act of 1951 beyond December 31, 1956; and

(2) if any such further extension is found necessary, the extent to which renegotiation of Government contracts should apply after such date.

(b) The Joint Committee shall, not later than May 31, 1956, report to the Senate and the House of Representatives the results of the study conducted pursuant to this section, together with such recommendations as it deems necessary or desirable.

(c) For the purpose of making the study and report required by this section, the Joint Committee, and the Chief of Staff of the Joint Committee, may exercise any of the powers conferred upon the Joint Committee and the Chief of Staff of the Joint Committee by sections 8021 and 8023 of the Internal Revenue Code of 1954. The provisions of section 8023 (b) of such code shall apply to requests made under the authority of this subsection to the same extent as in the case of other requests made under the authority of section 8023 (a) of such code.

Mr. BYRD. Mr. President, I wish to discuss House bill 4904, to extend the Renegotiation Act of 1941 for 2 years, as amended by the Senate Committee on Finance.

The President, in his message to Congress, requested an extension of the Renegotiation Act of 1951 for 2 years, through December 31, 1956. Unless this act is extended, it will expire with respect to receipts or accruals attributable to performance, under contracts or subcontracts, after December 31, 1954.

The President in his message urged the 2-year extension for the following reasons:

In spite of major improvements, which we have achieved in our contracting and price redetermination operations, there nevertheless remains an area in which only renegotiations can be effective to assure that the United States gets what it needs for defense at fair prices. In addition, I believe that the entire period of defense expansion and rebuilding which the United States has undertaken since the beginning of the Korean hostilities should be considered as a whole insofar as renegotiation treatment is concerned.

Continuation of the renegotiation authority is necessary for several reasons. Because of the complex nature of modern military equipment, the lack of experience in producing it, and the frequent necessity for alterations during the life of a contract, it is impossible for the Government to determine, when the procurement contract is made, what constitutes a fair price and for the supplier to forecast accurately his costs. Moreover, because of limited sources of supply in many cases, there are situations in which the Government is unable to obtain the price benefits that accrue from normal competition.

Furthermore, in the interest of broadening and strengthening the mobilization base, we have encouraged the extensive use of subcontracting. Because the United States has no direct contractual relations with the subcontractors, the only protection against unreasonable prices by them is through the process of renegotiation.

All these factors become particularly important when it is recognized that expenditures by the Government during the next 2 calendar years will include paying the bills for the completion of the expansion of the Air Force to 137 wings. The next 2 years also will see an introduction into the Air Force program of the latest type of supersonic aircraft. New types of equipment also are being ordered for the Army and Navy and Marine Corps.

The House followed the recommendation of the President and voted to extend the renegotiation law to December 31, 1956. Our committee accepted the House bill with certain amendments. The House bill, in addition to extending the Renegotiation Act of 1951 for a period of 2 years, also amended the law to overcome a Treasury ruling which applied the profit limitations of the Vinson-Trammell Act and the Merchant Marine Act to contracts which are exempt from renegotiation under section 106 of the Renegotiation Act of 1951. The House provision exempted such contracts or subcontracts from the profit limitations of the Vinson-Trammell Act and the Merchant Marine Act. The Senate committee received letters from both the Budget Bureau and the Comptroller General objecting to the House provision. The Comptroller General, whose letter appears in the committee report, was of the opinion that the profits limitations of the Vinson-Trammell Act and the Merchant Marine Act should continue to apply to contracts or subcontracts which are exempted under section 106 of the Renegotiation Act. In view of the objections of the Comptroller General and the Bureau of the Budget, the Senate committee deemed it advisable to amend the House bill by striking out the section granting this exemption from the profit limitations of the Vinson-Trammell Act and the Merchant Marine Act.

The committee also amended the House bill to give a standard commercial service the same treatment as is accorded a standard commercial article under existing law. In testimony before the committee, it was pointed out that the standard commercial article exemption was limited to sales of goods and thus excluded contractors or subcontractors who performed processing services of a standard commercial character upon goods belonging to other persons. Examples of this are textile finishing, heat treating, and plating. The committee saw no sound reason for distinguishing a standard commercial service from a standard commercial article in this respect. The Renegotiation Board approved this amendment.

The committee also added an amendment providing for mandatory exemption of competitive bid construction contracts. A similar exemption was contained in the Renegotiation Act of 1943. The exemption is limited to contracts awarded in conformity with the requirements for procurement by formal advertising as set forth in the Armed Services Procurement Act of 1947. The chairman of the Senate Banking and Currency Committee advised the committee that the Banking and Currency Committee in preparing legislation for military housing had relied upon the fact that such contracts were subject to the Renegotiation Act. Accordingly, in providing an exemption for competitive bid construction contracts, the Senate committee excepted military housing construction contracts financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended. The Renegotiation Board approved of exempting competitive bid construction contractors.

The Senate committee also adopted an amendment correcting an inconsistency created by the previous amendment to the law which extended the partial mandatory exemption for new durable productive equipment to prime contracts. Under the prior law, the exemption was confined to subcontracts and related to items were not to be incorporated into equipment sold to the Government. Since under an amendment to the act last year contracts directly with the Government are now allowed the new durable productive equipment exemption, the continuance of the limitation that the exemption will not apply if the item is incorporated into equipment sold to the Government creates an unfair situation. If a manufacturer sells an item of new durable productive equipment directly to the Government, he is entitled to the exemption. However, because of the continuance of this limitation in existing law, a manufacturer will not be allowed the exemption if he sells the same item to another manufacturer who incorporates it in equipment which is sold to the Government. Since prime contracts are now entitled to the new durable productive equipment exemption, under a previous amendment, the committee sees no reason for not applying the exemption to both types of cases, and the committee amendment so provides. The Renegotiation Board approved the amendment.

The committee also adopted an amendment which directed the Joint Committee on Internal Revenue Taxation to make a complete study of and report on the Renegotiation Act of 1951. The purpose of the study is to determine whether there is any necessity for extending the Renegotiation Act beyond December 31, 1956, and if so, whether it should be limited to specific areas of procurement. The report of the Joint Committee on Internal Revenue Taxation showing the results of the study is required to be made to the Senate and House not later than May 31, 1956.

I feel that it is vitally important that such a study be made. The renegotiation law has been frequently called a rule of men rather than of law. It has been very necessary when competitive condi-

tions relating to Government contracts do not prevail. The President in his message urging extension of the Renegotiation Act stated that "we must also be careful not to interfere unnecessarily in the traditional commercial relationship between the Government and its suppliers."

In the testimony before the committee there was considerable opposition to continuing the Renegotiation Act even up to December 31, 1956. Among other things, it was claimed that renegotiation encourages careless procurement, impairs incentives, places great administrative burdens upon the contractor, and results in many arbitrary determinations.

The Renegotiation Act was instituted as a war measure. Many of the wartime restrictions, including the excess-profits tax, have been removed. I believe that normally we should rely upon competitive bidding to protect the Government against excessive prices. I hope the study will go into this question, and determine whether competitive bidding is a sufficient safeguard in the awarding of Government contracts.

Competitive bidding is the cornerstone of our free-enterprise system. I believe that so far as possible the Government ought to let its contracts in a manner to safeguard the Government properly by competition. I believe the study will be of great value to this committee on this point. It is required that the report be made by May 31, 1956, in order to give the Congress an opportunity to act upon the report before adjournment.

Mr. SPARKMAN. Mr. President, I wonder whether the Senator from Virginia will yield to me, without his losing the floor, in order that I may make a brief statement relating to the bill.

Mr. BYRD. I am very glad to yield with that understanding.

Mr. SPARKMAN. Mr. President, first I should like to say that I am certainly not in favor of exorbitant profits on military contracts. That stated, the question now reverts to something more complex: How is the Government of the United States going to protect its best interests and prevent excessive profits on goods being produced on its account?

I personally have always supported the Renegotiation Act as the only feasible method of achieving these ends. During my service in the House, I sat as a member of the Military Affairs Committee during the years of World War II, saw the demands that conflict made upon all our citizens, and observed that producers of war materiel were far too often able to seek and obtain high prices for their goods and services, since productive facilities were taxed to the limit and contracting personnel were unable to devote the necessary time to bring the quotations down to reasonable levels. In those days, recapture of excessive profits through the Renegotiation Act was the only way we saw to do a necessary job.

In 1955, however, the task seems to be radically different. Today there are tens and hundreds of firms ready, willing, and able to bid on all but the most intricate military contracts. I know from my 5 years as chairman and ranking minority member of the Senate Small Business Committee that competition for defense work is severe; as a matter of fact, literally thousands of small-business men have visited our committee offices in person during these 5 years, seeking our help in getting on bid lists at the various procurement offices. Other thousands have written to their Senators or to the committee directly applying for the same sort of information, and over 30,000 of them wrote to the Small Business Committee asking for copies of its publication entitled "Selling to Your Government."

Therefore, with regard to the items which small business is able to handle, there has been a surplus of competition, and from all my studies, I am convinced that competition has effectively maintained prices at resonable levels. Actually, far too many small firms have been so eager to get a start on government business that they have gone bankrupt because of their below-cost quotations.

For many of the smaller firms, there is relief under the act as it has operated for the past 2 years, and as it is written for the coming 2 years. The $500,000 exemption from coverage eliminates many small producers who do less than a half-million dollars' annual business with the Government.

On the other hand, there are many thousands of others who are forced to maintain all the records required by the Renegotiation Board, who are unable to compute their financial position for the 3 or 4 years it takes the Board to finalize its investigations, and who may be given incentives for inefficiency by the operations of the act.

Many businessmen have told our committee, and several testified before the Finance Committee, that the operation of the Renegotiation Act tended to reduce their incentives, for, once they had obtained a contract, any substantial savings effected by new techniques or equipment would be taken away both by high taxes and the Renegotiation Board. Furthermore, there is ample evidence that the effect of the Renegotiation Act is contrary to our policies of maximizing the participation of small business in defense procurement. I will explain. When a firm receives a large contract, it can expand its facilities so as to enable it to produce the finished product under its own roof, or it can subcontract parts of the item out to other firms who are able to utilize unused facilities and personnel. These subcontractors are, more often than not, small businesses. In addition, on civilian work, the prime contractor often finds it more economical to let out subcontracts to firms specializing in certain work. The Renegotiation Act causes a further complication. The prime contractor is allowed a certain percentage of profit on work done within his own plant and a much smaller percentage on work he has subcontracted, even though he can often get that work done somewhere else much cheaper. Therefore, every incentive is given to retain as much of the work as possible within the prime contractor's plant.

More importantly, in my opinion, should be considered the evidence presented to the Finance Committee for extending the act. Without exception, supporting witnesses cited B–52's, guided missiles, and the other various multimillion dollar apparatus of 1955 preparedness. It was said, and truly so, that competition was not a feasible mechanism for avoiding excessive profits on these items, since multiple sources could not be counted upon to keep the quotations "honest."

On the other hand, nothing was presented to demonstrate how the small firm turning out $500,000 worth of goods on Government orders, or as a supplier for a prime contractor, could make an unreasonable profit if he had to bid against 10 or 20 other firms "hungry" to get the orders. Naturally I except the occasional case of collusion or graft, which can well be handled under the criminal code.

Therefore, in regulating a relative handful of cases where alternate procedures are available, thousands of smaller firms are penalized. I feel that price redetermination in all negotiated contracts and a greater use of advertised competitive bidding would take care of the problem areas toward which the Renegotiation Act is directed.

Certain steps have been taken to try to rectify this obvious inequity in piecemeal fashion. Under the present law, and under the pending bill, standard commercial terms are exempted from coverage under the act. Thus, automobiles are excluded, even though competition is admittedly limited and the profit margin is apparently fairly sizable. Most common sizes of rubber tires are exempted, since they are also sold to civilian users; gasoline and other petroleum products are largely excluded on the same grounds, although probably everyone will agree that the competition for such defense contracts is no more active than for the bulk of items for which small businesses can compete.

There is, then, a situation in which General Motors, Ford, United States Rubber, Standard Oil of New Jersey, and others of our industrial leviathans, are exempted from the operation of the Renegotiation Act for a share of their output, while a small metal fabricator must comply with the act, since he is making a product which he does not also send to the civilian market. H. R. 4904 extends the exemption to independent finishers of textile goods who have been operating under severe inequalities during the past few years when contrasted with the vertically integrated giants of the textile industry. To try to bring equity into the operation of the Renegotiation Act through piecemeal revisions and exemptions at the present rate will take a hundred years. Certainly there is a better way.

Unfortunately, however, it appears that no one in the administration has given sufficient thought to this problem to be able to present facts and figures and analyses on these points. It is also regrettable that none of us in Congress have all the answers, either, so that we would not be forced to vote in favor of this extension because we have no ready alternative.

I wish to compliment the senior Senator from Virginia [Mr. BYRD], the chairman of the Finance Committee, for his

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statement that he has directed the staff of the Joint Committee on Internal Revenue Taxation to make a full study of the impact of this law as expeditiously as possible. At this time, I wish to announce that I have asked the staff of the Small Business Committee to collate the information in our files and to assist the joint committee staff in any way possible. I personally hope that such a study may be ready early next year, so that we may have an opportunity to reappraise the workings of the Renegotiation Act even before its scheduled demise on December 31, 1956.

I thank the Senator from Virginia.

Mr. BYRD. I thank the Senator from Alabama for his statement. The problem has engaged the attention of the Finance Committee to a very great degree in considering the bill. The bill provides, as the Senator from Alabama has stated, for a study committee, and I am delighted that the committee will have the benefit of assistance from the Small Business Committee.

Mr. President, I simply wish to invite attention to the fact that the Renegotiation Act of 1948, as amended in 1951, has resulted in a return to the Treasury of $514 million. I hope the study which is to be made will clarify the situation and enable Congress to act with more knowledge than we now possess when the act comes up for renewal.

Mr. MALONE. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

EXEMPTIONS CLARIFIED

Mr. MALONE. I think the chairman of the Senate Finance Committee and the senior Senator from Nevada agreed in the Senate Finance Committee that to subject contracts to renegotiation where real competitive bids have been asked for and received, on particles or materials that can be accurately described in specifications together with the number of amounts required would make a joke out of the principle of competitive bidding.

In war time no one objected to the renegotiation of practically any contract, because real competitive bidding is very difficult to establish.

The committee amendment which reads:

Any contract, awarded as a result of competitive bidding, for the construction of any building, structure, improvement, or facility, other than a contract for the construction of housing financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended.

Constitutes an exemption.

Mr. President, I made careful inquiry with reference to the exemption amendment as to whether or not contracts for dredging and earth moving on rivers and harbors improvement would be excluded from renegotiation.

I also made the inquiry of Frank L. Roberts, Chairman of the Renegotiation Board. I ask unanimous consent to include in the RECORD his letter to me dated June 20, 1955, and my reply to him.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE RENEGOTIATION BOARD,
Washington, D. C., June 20, 1955.

Hon. GEORGE W. MALONE,
United States Senate,
Washington, D. C.

DEAR SENATOR MALONE: In accordance with our telephone conservation of today, I give you my opinion that any contract for the dredging of a river or harbor, is if let in conformity with the formal advertising requirements set forth in the Armed Services Procurement Act of 1947, a construction contract within the meaning of section 3 of H. R. 4904 as amended by the Senate Committee on Finance. In the event, therefore, that section 3 becomes law, moneys received or accrued from any such contract on or after January 1, 1955, will be exempt from renegotiation.

In this connection it should be noted that, under certain conditions, section 1453.5 (b) (12) of the Board's regulations exempt contracts which obligate funds appropriated for the civil functions of the Army Corps of Engineers. Thus, under existing law, a contract let by the Army Corps of Engineers for the dredging of a river or harbor may, if it meets the conditions set forth in the regulations, be exempt from renegotiation, whether it was negotiated or awarded as a result of competitive bidding.

Very truly yours,

FRANK L. ROBERTS,
Chairman.

Mr. FRANK L. ROBERTS,
Chairman, the Renegotiation Board,
Washington, D. C.

DEAR MR. ROBERTS: Thanks for your letter of clarification and interpretation of the amended H. R. 4904 as reported by the Senate Finance Committee. You will note that the bill passed the Senate today without change or amendment.

Sincerely,

GEORGE W. MALONE,
United States Senate.

Mr. BYRD. Mr. President, I am very glad the Senator from Nevada has made that clarification.

Mr. MALONE. I am sure the committee wanted to exempt contracts for articles or work which could be definitely described, including the amount of work to be done, and for which specifications could definitely be written, concerning which contracts the committee was sure that real competitive bids were secured.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oregon.

The CHIEF CLERK. It is proposed to insert at the end of the bill the following new section:

SEC. 6. Title II of the Renegotiation Act of 1951 (50 U. S. C., App., secs. 1231–1233) is hereby amended by adding at the end thereof a new section as follows:

"SEC. 205. Review of injustices resulting from application of the Renegotiation Act.

"(a) Authority of the Renegotiation Board.—Notwithstanding any statute of limitations or any other provision of law, upon application made within 1 year from the date of enactment of this section, the Renegotiation Board—

"(1) may review the renegotiation of any contracts or subcontracts which were renegotiated under the Renegotiation Act in any case in which the Board finds (A) that an injustice or inequity has arisen with respect to any contractor or subcontractor as a result, in whole or in part, of such renegotiation, and (B) that any amount determined as excessive profits pursuant to such renegotiation remains uncollected on the date of enactment of this section; and

"(2) shall take such action and issue such orders (including orders discharging, in whole or in part, all liability for payment of any amount so remaining uncollected) as it deems necessary to remove such injustice or inequity.

"(b) Special Factors To Be Considered.—In the exercise of the authority conferred by this section, the Board shall take into consideration—

"(1) the profits or losses, irrespective of the year earned or incurred, derived from all contracts or subcontracts, which were subject to renegotiation under the Renegotiation Act, of the person applying for review;

"(2) the amount of net profit or net loss derived from all such contracts or subcontracts of such person after payment of taxes (including the taxes imposed by chapters 1 and 2E of the Internal Revenue Code of 1939); and

"(3) any factors which may have caused or contributed to the injustice or inequity alleged by such person.

"(c) Review by the Tax Court.—Upon the filing of a petition within 90 days (not counting Sunday or a legal holiday in the District of Columbia as the last day) from the date of the entering of a finding by the Board under subsection (a) (1) or of an order under subsection (a) (2) by a contractor or subcontractor aggrieved by such finding or order, the Tax Court of the United States—

"(1) may review de novo (A) any case which the Board has declined to review under the authority conferred by subsection (a) (1), or (B) any case in which the Board, under the authority conferred by subsection (a) (2), has entered an order discharging liability for payment of less than the entire amount remaining uncollected; and

"(2) shall take such action and issue such orders (including orders discharging, in whole or in part, all liability for payment of any amount so remaining uncollected) as it deems necessary to remove any injustice or inequity found by it to have arisen."

Mr. MORSE. Mr. President, I may say to the chairman of the committee that the bill came before the Senate so quickly today that I have had no opportunity to discuss this amendment with the chairman. I shall offer it and hope that it will be taken to conference. I had thought I would have adequate time in the days immediately ahead to discuss this and another amendment with the chairman.

The amendment under consideration is identical in principle with an amendment to which the Senate agreed in 1951; in fact, the 1951 amendment was one which the senior Senator from Georgia [Mr. GEORGE], then the chairman of the Committee on Finance, agreed to take to conference. The Senate supported the amendment in 1951, but it was dropped in conference. There is much new evidence since 1951 which makes the case for the amendment even stronger today than it was at that time.

I think I can give a thumbnail description of the amendment by stating that it seeks to permit the Renegotiation Board to do what the Board advised the Senate in 1951 it could not do without such an amendment. It permits the Renegotiation Board to take into account the operations of a given manufacturer over a period of years.

Let us take the hypothetical case of a manufacturer during the war period. For 5 years he manufactured for the Government. He took a loss during 4 years, and made a slight profit in 1 year of the 5.

The amendment would permit the Renegotiation Board to take into account all the operations of the manufacturer during the 5-year period, because under the present procedure, which the Board is forced to follow, many inequities result. The manufacturer must return to the Government some of the renegotiated profits for the 1 year in which he made a profit, although he had paid out of his pocket losses for the other 4 years.

The amendment permits the Renegotiation Board to take into account the manufacturer's total operations.

The amendment was drafted by the legislative counsel again this year, after consultation with members of the Renegotiation Board, and I hope the chairman will be willing to accept the amendment, examine it, and, if he finds it to be as meritorious as I know it is, have it acted upon in conference.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CAPEHART. I think this is an excellent amendment, if it does what the able Senator from Oregon has described as its purpose. I have not read the amendment, but I know the Senator from Oregon would not have offered it unless it would do what he has said it would do.

As I understand, the amendment enables a manufacturer or a businessman whose contract is being renegotiated, and who had 3 years of losses and 1 year of gain, to have his profit equalized, I presume, for the 4 years.

Mr. MORSE. That is the way it would work. The Senator will find a discussion of the amendment on page 125 of the hearings.

Mr. CAPEHART. The amendment certainly is equitable, and I strongly recommend that the chairman of the committee accept it.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CASE of South Dakota. Would the Senator from Oregon consent to changing the word "shall" to "may"?

Mr. MORSE. Yes. It should be "may." I accept the amendment.

Mr. CASE. It now reads "shall." It seems to me that "shall" would impose an extra burden upon the Board.

Mr. MORSE. I think the Senator's comment is correct. The Legislative Counsel drafted the amendment for me. I gave the instructions for the drafting, but I did not notice that point. I think the word should be "may" instead of "shall."

Mr. CASE of South Dakota. Otherwise, I feel that the Renegotiation Board would be required to examine every case in order to determine whether over a period of years the contractor had losses.

Mr. MORSE. I do not ask for that; I ask that the Board have the authority to do so if they decide the equities warrant it.

The PRESIDING OFFICER. Without objection, the amendment will be modified as suggested.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARLSON. I heard the amendment as it was read. It was not discussed in the committee. I wondered if I understood correctly that in the case of renegotiation, if a contractor's operations went back for 5 years, and in only 1 year there was a profit, the losses for 4 years would include losses other than those on Government contracts.

Mr. MORSE. No; only the losses on the contracts with the Government.

As a member of the subcommittee on small business of the Committee on Banking and Currency, and also as a member of the Select Committee on Small Business, I may say that a problem has been presented to us by various small-business men. As I said in 1951, the matter first came to my attention in a case which arose in Oregon. There are similar cases throughout the country. The Renegotiation Board has said it can do nothing unless the authority to take such action is placed in the law.

Mr. CAPEHART. The same principle exists in the matter of tax losses, when there is a carry forward and a carryback. Exactly the same principle is involved. I see no reason why it should not apply to renegotiation as well as to taxes.

Mr. MORSE. The RECORD will show that I discussed the matter at some length in 1951, when the bill was then under consideration. The Senate agreed to the amendment, and it was taken to conference; but the amendment was dropped in conference because at that time the House conferees did not favor it, although the Senate conferees did.

Mr. BYRD. The Senator from Oregon speaks of inequities. Does the amendment mean that amounts which have already been received in a case which has been settled can be reduced, as well as increased?

Mr. MORSE. No; only in cases which have not been settled.

Mr. BYRD. There would be an inequity in such a case as I have mentioned, would there not? Suppose the Board wanted to reopen a case in order to reduce an amount.

Mr. MORSE. If the Board thought an injustice had been done, the Board would have the authority to reopen the case.

Mr. BYRD. In other words, the Board could reopen for renegotiation any case which had been closed up to this time, if there were an inequity.

Mr. MORSE. If the Board decided an injustice had been done, it could reopen the case.

Mr. BYRD. Either as to the Government or as to the contractor. It would work both ways, I assume.

Mr. MORSE. I suppose it would work both ways. At least, I should like to have the Senator from Virginia consider the amendment and discuss it in conference with the conferees.

Mr. BYRD. It is a complicated matter. We have discussed it at some length. As chairman, I am willing to take the amendment to conference, but frankly it will have to be worked over carefully.

Mr. MORSE. I am perfectly willing to leave the amendment in the hands of the chairman.

Mr. BYRD. I would not like to have an order promulgated stating that all cases which have been closed may be reopened. There might have to be some other restriction.

Mr. MORSE. I shall rely on the judgment of the chairman.

Mr. BYRD. After having consulted with other members of the committee, I am willing to take the amendment to conference, with the understanding I have just stated.

The PRESIDING OFFICER. Without objection, the amendment, as modified, is agreed to.

The bill is open to further amendment.

Mr. MORSE. Mr. President, I offer another amendment, which I ask to have read.

The CHIEF CLERK. At the end of the bill to insert a new section, as follows:

SEC. —. (a) The Renegotiation Act of 1951 is hereby amended by inserting after section 108 a new section as follows:

"SEC. 108A. Review by Courts of Appeals.

"(a) Review of Tax Court Determinations: Any determination by the Tax Court under section 108 of the amount of excessive profits received or accrued by any contractor or subcontractor shall be subject to review by the United States Courts of Appeal and, in the manner provided by section 1254 of title 28 of the United States Code, by the Supreme Court of the United States. Except as provided in this section, any such review shall be heard and determined in the same manner as reviews of the decisions of the Tax Court under section 7482 of the Internal Revenue Code of 1954.

"(b) Venue: Any review of a determination of the Tax Court under this section shall be heard by the court of appeals for the circuit in which the contractor or subcontractor resides.

"(c) References in this act: Wherever in sections 103 (f), 103 (i), and 105 (b), and in the last sentence of section 108, reference is made to determination or redetermination by the Tax Court, such reference shall, with respect to any determination of excessive profits reviewed by a court of appeals or by the Supreme Court under this section, be to the decision of the court of appeals, or of the Supreme Court."

(b) Section 108 of such act (50 U. S. C., App., sec. 1218) is hereby amended—

(1) by striking out the second sentence and inserting in lieu thereof the following: "Upon such filing, such court shall have exclusive jurisdiction, by order, to determine the amount, if any, of such excessive profits received or accrued by the contractor or subcontractor, and, except as provided in section 108A, such determination shall not be reviewed or redetermined by any court or agency."; and

(2) by striking out "finally" in the fourth sentence.

(c) Section 105 of such act (50 U. S. C., App., sec. 1215) is hereby amended by adding

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at the end thereof a new subsection as follows:

"(g) Records of proceedings: The Board shall, subject to the provisions of this subsection, make a verbatim record of all renegotiation proceedings conducted by it or by any agency or person to whom it delegates any function under section 107. Such record shall be made only if requested by the contractor or subcontractor involved in the proceedings. The cost of making such record shall be paid for by the contractor or subcontractor requesting it, unless the Board desires to retain copies of such record, in which case one-half of the cost of making such record shall be paid for by such contractor or subcontractor."

(d) The amendments made by subsections (a) and (b) shall be effective as if they were a part of the Renegotiation Act of 1951 on the date of its enactment. For purposes of filing a petition for review of a determination of the Tax Court of the United States under section 108A of such act, any determination by the Tax Court prior to the date of enactment of this act shall be considered to have been made on the date of enactment of this act.

Mr. MORSE. Mr. President, my explanation of the amendment will be equally as brief as that which I made on the previous one. The pending amendment is also offered on the basis of a considerable number of complaints we have received from small-business men in regard to the handling of renegotiation cases before the Tax Court. They object to the fact that they have no appeal from the Tax Court. They seem to think that in many instances the Tax Court is inclined to act pro forma, and they believe the right to appeal to the circuit court of appeals ought to be given to a person whose contract has been subject to renegotiation.

I also entertain that view, Mr. President, because—and I stress the point—after all, our substantive rights are dependent upon our procedural rights. I am also concerned as a lawyer when there is vested in a lower court the right of finality, and particularly when finality is vested in cases which involve such important economic interests as many renegotiation proceedings do. The cases run into huge sums of money.

I do not think the present procedure, whereby finality rests with the Tax Court, should prevail. I believe the precious American right of appeal, whereby the judgment of a lower court can be reviewed by a higher court, is very essential to our liberties.

I am perfectly willing to have the amendment rewritten in any way in which the conferees think it needs to be rewritten, so long as the essence of the amendment is preserved, namely, assurance of the right to appeal from the Tax Court.

There is language in the amendment about the right to have a record made. Again, as a lawyer, I wish to say there is no substitute for an official record of a proceeding. I think that right ought to be granted. But the essence of the amendment is the right to appeal from the Tax Court.

There have been so many complaints from so many places against the handling of renegotiation cases by the Tax Court that Congress ought to grant the right of appeal to the circuit court of appeals.

I submit my amendment, and I respectfully urge upon the chairman of the committee that he take the amendment to conference.

The PRESIDING OFFICER (Mr. BENNETT in the chair). The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. BYRD. Mr. President, this is a very complicated amendment. I should like to ask the Senator from Oregon if it would be retroactive to the time when the Renegotiation Act went into effect, in 1951.

Mr. MORSE. Yes.

Mr. BYRD. That would mean that every one of the cases could be reopened and an appeal taken. The discretionary authority is vested in the Renegotiation Board. As a matter of fact, no records have been made. The cases have been settled. I am unable to see how the cases could go to the court of appeals with any hope of there being an understanding. The cases have already been settled. Contracts have been closed. Payments have been made. In my judgment, to reopen them would lead to the greatest possible confusion and would not be warranted in any way under the conditions which exist.

Mr. MORSE. I say to my friend from Virginia that certainly as to the cases which are going to arise and cases which are pending the right of appeal should be granted. Let us not make it retroactive to cases which have already been settled, but certainly the right of appeal should be granted as to cases arising from now on forward.

Mr. BYRD. The Senator knows this question has been before the Congress every time the question of extending the Renegotiation Act has arisen.

Mr. MORSE. I firmly believe we should continue to try to correct an injustice.

Mr. BYRD. I am told that former Senator Truman tried to do what the Senator from Oregon now proposes.

Mr. MORSE. I am glad to be in such distinguished company. Why cannot the question be given consideration?

Mr. BYRD. The proposal should have the consideration of the Finance Committee. I would be glad to consider it as a supplemental bill, but I could not accept offhand an amendment of this magnitude. The previous amendment offered by the Senator from Oregon has been discussed several times, and the Senator from Georgia [Mr. GEORGE] accepted a similar amendment and took it to conference. The pending amendment flies at the very heart of the whole procedure and would bring about the reopening of cases which have already been settled. If the Senator would offer the proposal as a bill, I am sure the Senate Finance Committee would give it consideration.

Mr. MORSE. I accept that suggestion. All I need to hear from the Senator from Virginia is that a proposal such as this will receive consideration from the committee, as I am sure it will. I recognize that it is a complicated amendment; but I desire to stress that it seeks to correct an injustice. Many businessmen have had an injustice done to them, because they have been denied what I think is a very elementary principle of jurisprudence in American procedure, and that is the right to appeal and have a superior court pass upon whether a lower court has committed error. The right of appeal has been denied in renegotiation cases. In the eyes of businessmen, we are penalizing some of them because they operate efficient plants and good shops, and have done good work for the Government. They are not asking for excess profits. When they are accused of having made unreasonable profits, they do not have the right of appeal, and the right of a court record on which to make an appeal.

I think the amendment which I have offered is a sound one. I am quite willing to write it in bill form and submit it to the Finance Committee for consideration.

Mr. BYRD. We shall be glad to hear from the Senator.

Mr. MORSE. I withdraw the amendment, with the understanding it will be reintroduced in bill form.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I am glad the Senator is withdrawing the amendment. Certainly it is quite involved and complicated. I wish to make one suggestion in connection with any consideration which may be given to the proposal. Merely from having heard it read on the Senate floor, it is difficult to know precisely what it proposes, but it occurs to me that it might be establishing a right of appeal from the Tax Court, which right does not exist in other matters before that court. In the very nature of things, the Tax Court serves as an appellate court for the Renegotiation Board. To do what I think the amendment proposes might establish appellate procedure with regard to the Tax Court over and above that which exists with reference to ordinary tax cases which come before the Tax Court.

Mr. MORSE. I am glad the Senator from South Dakota raised that point, because that is exactly what I wanted to do. I wish to point out that the Tax Court does not really function as an appellate court in relation to another court, because the Renegotiation Board is not a court. It does not follow procedural guarantees to which I think litigants are entitled. There does not exist even a record.

I wish to say that when we deal with legal rights so important as those involved in renegotiation cases, I think we ought to guarantee to the litigants all the safeguards which exist today in other types of litigation.

I have no objection to appeals from the Tax Court. I think we ought to have the procedure of appeal from the Tax Court.

I shall submit my amendment in bill form on the basis of the premise discussed, because I see no reason why in tax cases litigants involved should not be entitled to appeal protection. I am perfectly willing to have my proposal take that form. I have withdrawn my amendment.

I wish to thank the Senator from Virginia for both his actions, first in taking the first amendment to conference, and secondly in assuring me that my proposal will receive a hearing before this committee.

Mr. SMATHERS. Mr. President, I wish to take a moment to say that I think the suggestions made in connection with the amendments submitted by the Senator from Oregon [Mr. MORSE] and the remarks made by the able Senator from Indiana [Mr. CAPEHART] as well as the remarks make by the very competent chairman of the Senate Small Business Committee [Mr. SPARKMAN] indicate that there is some dissatisfaction with the way the entire Renegotiation Act has been operating in recent years. Therefore, it is testimony to the wisdom on the part of the Finance Committee and its chairman that this measure embodies a proposal requiring that a committee study be made of the entire Renegotiation Act, and that a report on the study be made not later than May 1956, having in mind the making of proposals on how best to deal with the various inequities which all of us find have developed under the Renegotiation Act.

At the meeting of the Finance Committee, I offered an amendment, which I believe was suggested by the Senator from Alabama, that some relief be given to small business. I offered the amendment because it had been clear that, under the Renegotiation Act, the requirement that small businesses must hold in escrow, so to speak, whatever profits they made from Government contracts worked a hardship on many small businesses which did not have sufficient funds to be able to hold those profits for a long period of time, inasmuch as the money was needed by them for operating expenses. Today, Mr. President, the Renegotiation Act operates to the considerable detriment of small businesses, in particular.

So, Mr. President, when the amendment was rejected, I did not feel too badly about it, especially when the chairman of the committee proposed that a study be made of the entire act, and that the committee report of the study by May 1956, in contemplation of a drastic revision of the Renegotiation Act.

I think most persons will be pleased by the progress which has been made by the committee.

The PRESIDING OFFICER. The Senator from Wyoming has the floor. He yielded to the Senator from Virginia, [Mr. BYRD], to permit the consideration of a conference report and three small bills. The Chair is desirous of recognizing only Senators who wish to discuss those measures.

Mr. BUSH. Mr. President, will the Senator from Wyoming yield briefly to me in connection with the pending measure?

Mr. BARRETT. I yield.

Mr. BUSH. I should like to ask the distinguished chairman of the committee a question about the possible exemption from renegotiation of firms having contracts which result from competitive bidding. I ask the question because a number of small companies located in my area seem to complain very bitterly about the necessity of renegotiating contracts they have obtained by competitive bids. For instance, possibly 7 or 8 companies bid against each other, and finally one company is awarded the bid, at a rather low price, but then is required to renegotiate the contract. Having won the contract by competitive bidding, it cannot understand why the contract then should be renegotiated by the Government.

The only ones who have spoken to me about this matter are the owners of small-business enterprises, and I am somewhat sympathetic with their impatience with the additional red tape imposed by the renegotiation process.

I wonder whether the Senator from Virginia will comment on how the committee considered such requests for exemption.

Mr. BYRD. The committee went fully into that matter, and was much impressed with the fact that we should gradually work toward the end of having all contracts let on a competitive-bid basis. But the Renegotiation Board thought that could not be done completely at this time.

As the Senator from Connecticut knows, a Government contract to supply a standard commercial article is exempt from renegotiation, and the same is true of a contract, awarded on the basis of competitive bidding, for improving an existing structure or facility.

Mr. CAPEHART. Mr. President, why should contracts for work in the construction business be exempted, rather than contracts for the manufacture of such an article as toothpicks, for instance?

Mr. BYRD. It was done on the advice of the Chairman of the Board, Mr. Roberts. He thought that in connection with the construction of buildings there could be competitive bidding, and in that event such contracts should not be subject to renegotiation.

Mr. CAPEHART. But suppose the Government requests competitive bids on any given article; and suppose 35 firms bid, and one bids 90 cents, and it is the lowest bidder, and is awarded the contract. Why should that contract be subject to renegotiation?

Mr. BYRD. Because a tremendous volume of such commodities is under contract.

Furthermore, an exemption in the amount of $500,000 applies not only to the original bidder, but to subcontractors. In short, if a subcontractor, as well as the original bidder, does a gross business not in excess of $500,000, his contract is not subject to renegotiation.

Mr. CAPEHART. Does the Senator from Virginia refer to the total business in 1 calendar year?

Mr. BYRD. Yes, that applies to the contractor's total gross business or the subcontractor's total gross business in any 1 calendar year.

Mr. CAPEHART. But why should contracts for construction work be exempt, although they are let on the basis of competitive bidding, whereas other contracts which are let on the basis of competitive bidding are not exempt?

Mr. BYRD. Because the construction jobs are much smaller.

Mr. CAPEHART. I disagree. In fact, they are often much more complicated.

Mr. BYRD. For instance, let us consider the manufacture of an airplane. It requires hundreds of thousands of different small articles.

Mr. CAPEHART. So does the construction of a building.

Mr. BUSH. Mr. President, I should like to finish my questions.

Let me say that my understanding is that the committee considered the plea for exemption from renegotiation in the case of contracts let on the basis of competitive bidding; and the committee rejected the plea at this time, pending receipt of the report which I understand the committee has ordered, and which will be submitted by May of 1956. Is that correct?

Mr. BYRD. That is correct.

Mr. BUSH. The committee was not divided on that issue, was it?

Mr. BYRD. It was not. I think I can say for the committee—in the committee we discussed the matter at great length—that if what the Senator from Connecticut has suggested can be done, while safeguarding the interests of the United States Government, we favor the exemption of contracts awarded on a competitive basis from the requirements of the Renegotiation Act. But we were advised that at the present time, by reason of the large volume of Government contracts, particularly in the case of the Department of Defense, we would be wise not to go further than we have already gone in the two exemptions we have made, and also because of the fact that a subcontractor is not required to renegotiate his contract unless he does a gross business of more than $500,000 in any one year.

Let me say that I was much impressed with the testimony of Mr. Roberts, the chairman of the Renegotiation Board. He was fair and frank. Personally, and as a member of the committee, and as chairman of the committee, I am anxious to see to it than when the act is renewed again it will contain all the exemptions we possibly can make, while at the same time safeguarding the interests of the United States Government.

Mr. BUSH. I thank the Senator from Virginia.

Mr. BYRD. Furthermore, the report is to be made by the Joint Committee on Internal Revenue Taxation, after consultation with the Small Business Committee and with the Renegotiation Board and with the various governmental departments. I think something very constructive will be worked out.

Mr. BUSH. I thank the Senator from Virginia.

Mr. CASE of South Dakota. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I yield.

Mr. CASE of South Dakota. I think some of the questions regarding the continued necessity or need for renegotiation are answered when one goes into the question of the financing of some of the contractors and the equipment they use. In many of the cases, when some

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of the new gadgets are made, the Government supplies the tools; and, relatively speaking, the capital investment of the contractors is very small.

In the hearings before the committee, I cited some such instances; and that material is set forth on page 73 of the hearings.

I ask unanimous consent that the portion of my statement beginning on page 73 with the words "One contractor whom I shall designate as contractor A," and continuing to the bottom of that page, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

One contractor whom I shall designate as contractor A designed and manufactured electronic connectors and adapters, largely for aircraft. Renegotiable sales were just under $2 million but the yielded profits of almost $1 million or actual 50.5 percent of the business.

This contractor's investment in machinery and equipment was only $14,000 when he began the year, and was only $48,000 at its end. Yet on that investment—an investment of $48,000—by the end of the year he had a profit of $1 million.

Over 90 percent of the work was subcontracted.

The return on the net worth of this manufacturer-contractor was 778.9 percent.

Under renegotiation a refund of $750,000 of the $1 million was determined.

Contractor B engineered and made oil filters for jet engines and tanks. His renegotiable sales of $4,500,000 produced profits of 24.1 percent on the business, but 115.9 percent of net worth.

A refund of $550,000 was determined in this case.

Contractor C illustrates a case where the Government supplies equipment. This was a plant making gears. Profits of approximately $4 million were being made on sales of $16 million—actually a little better than 24 percent on the business, but in this plant the Government had placed machinery valued at $1,375,000. The return on the net worth of the contractor would have been 89.28 percent on this gear business, except for the refund of $2,400,000 through renegotiation.

Contractor D manufactured tools, jigs, and dies. Sales would have returned 58.4 percent of the gross or 306.7 percent of the net worth of the partners in this business except for renegotiation.

Contractor E manufactures electrical relays. On sales to the Government of $5 million, he would have had a 32-percent profit on business, but a return of 301.4 percent on the investment.

Contractor F produces trailer undercarriages and other equipment. Sales of approximately $4 million would have given him 45.7 percent on the business, and a return of 568.8 percent on his net worth. Renegotiation yielded a refund of $1,100,000 on the $4 million worth of procurement.

It seems to me that examples of this sort clearly indicate the necessity for extending the Renegotiation Act.

Mr. CASE of South Dakota. I point out that in the first illustration I used the contractor had only a $14,000 investment in tools when he started his contract. Even at the end of the contract he had only $48,000 invested. Yet he was able to make a profit of $2 million. Without renegotiation he would have made a profit of 789 percent on the amount of his invested capital.

We cannot treat, under the ordinary tax laws, a situation like that where the Government is supplying the capital or the tools, or when a contractor is asked to build something with respect to which he has no price experience and the Government has no price history. Even if there is a competitive bid, if the bidders are not bidding on all fours, if one bidder is bidding on the basis of his equipment and his capital, against another bidder, who has Government capital and Government tools, they are not bidding on an equitable basis. Renegotiation is the only device that has been found thus far to deal with cases like that on a basis which is fair to the Government and to the taxpayer, as well as to the defense effort.

Therefore I think that before we rule out renegotiation, even when competitive bids are considered, we need to know the terms and the background of the bidding.

Mr. CARLSON. Mr. President, I do not think there is any division in the Senate Finance Committee as to the extension of the Renegotiation Act at this time. However, I believe I can safely state that there was a sincere hope on the part of every member that the time may arrive when we can leave these contracts to competitive bidding. It is for that reason that we supported the chairman unanimously on the question of the study which is to be undertaken by the joint committee.

I sincerely hope that a thorough study will be made and that a report will be forthcoming which will give us a further basis for the need for extending the act the next time it expires.

Personally I hope the time may come when we can eliminate renegotiation and award business to private industry upon the basis of competitive bidding, as it should operate in a free-enterprise system.

Mr. CAPEHART. Mr. President——

Mr. BARRETT. Mr. President, I decline to yield further.

Mr. CAPEHART. I wish to discuss the pending bill.

Mr. BARRETT. I yielded for 5 minutes, and not for an hour and 5 minutes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CAPEHART. Mr. President, I wish to speak for only 1 minute on the bill. If the able Senator from Wyoming does not wish to yield, I suggest that he proceed with his speech.

Mr. BARRETT. I yield 1 minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Wyoming has yielded 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I shall vote for the extension of the act, of course, but I wish to say that I know of nothing more unfair than to say to contractors, "If you bid on a competitive basis for the erection of a building, or the construction of a road or something else, you are exempt from renegotiation," and then to say to a small manufacturer, or a group of small manufacturers, "If 12 of you bid competitively on some item and contract is awarded to the low bidder, it will be subject to renegotiation."

I wish to go on record as saying that I know of nothing more unfair; and I am amazed that a thing like that could happen.

Why is a contractor any more entitled to be exempt because he erects a building, constructs a highway, a road or a bridge, than is the small manufacturer who produces 1,000 or 10,000 of certain articles? On what basis is that called fair? I am amazed that the Senate is about to do such a thing. I am sure I understand the able Senator from Virginia correctly.

Mr. BYRD. Let me read the language to the Senator. Among other exemptions is the following, as found on page 3 of the bill, beginning in line 17:

(9) any contract, awarded as a result of competitive bidding, for the construction of any building, structure, improvement, or facility, other than a contract for the construction of housing financed with a mortgage or mortgages insured under the provisions of title VIII of the National Housing Act, as now or hereafter amended.

That language was approved by the Renegotiation Board. They thought that greater competition existed today with respect to the items I have mentioned than with respect to many other contracts of the Government for defense purposes.

Mr. CAPEHART. I think I shall suggest the absence of a quorum. I think we should debate the bill a little longer. I cannot conceive of the Senate doing the sort of thing proposed here.

Mr. CASE of South Dakota. Mr. President, will the Senator yield to me for a very brief reply?

Mr. CAPEHART. I do not have the floor.

Mr. BARRETT. Mr. President, I decline to yield further.

Mr. CAPEHART. The able Senator from Wyoming has the floor, and he will not yield, so I shall take my seat.

I shall speak further on the bill after the Senator from Wyoming shall have concluded his speech. I cannot conceive of exempting contractors in America who build roads, highways, and houses, and then saying to the small manufacturers who build this, that, and the other thing, "You are subject to renegotiation." I think I shall stand here a little while longer and talk about the bill further at a later time.

Mr. ANDERSON. Mr. President, will the Senator from Wyoming yield to me in order that I may request the Chair to lay before the Senate the amendment of the House of Representatives to Senate bill 1747?

Mr. BARRETT. Mr. President, I have yielded for some time.

Mr. BYRD. The Senator yielded, as I understood, for the purpose of disposing of the pending bill.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from Wyoming yielded for the purpose of disposing of the pending bill, and also for the consideration of three other small measures on the calendar.

Mr. BARRETT. I did not understand that other measures were involved. However, I did yield with the understanding that the statements would require only a few moments, and not an hour or more.

May I inquire if the Senator from Indiana desires to take considerable more time on the bill?

Mr. MORSE. Mr. President, I think it is obvious that there has been a misunderstanding as to the nature of the yielding. Under those circumstances, I think the equities lie always on the side of the Senator who does the yielding. I think the Senator from Wyoming should be allowed to proceed, in case there is a misunderstanding between the Senator from Wyoming and the leadership of the Senate as to the nature of the yielding. I suggest that the Senator from Wyoming be allowed to proceed.

Mr. BYRD. Mr. President, I do not think there is any misunderstanding with regard to the passage of the pending bill.

Mr. BARRETT. Mr. President, there is no misunderstanding with respect to the passage of the pending bill, except that I was under the impression that it would not require more than 10 or 15 minutes.

Mr. BYRD. I think we are about ready to act upon the bill now.

Mr. BARRETT. In that case, I withdraw my objection.

Mr. CAPEHART. Mr. President, I have said all I can say, in as strong language as I know how to use. I think the action we are about to take is very unfair.

With that statement, I am ready to vote.

Mr. BARRETT. Mr. President, I yield further, in order that the bill may be disposed of.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4904) was read the third time, and passed.

INCREASED PUBLIC BENEFITS FROM NATIONAL PARK SYSTEM

Mr. ANDERSON. Mr. President, will the Senator from Wyoming yield to me for not to exceed 2 minutes, in order that the Chair may lay before the Senate the amendment of the House of Representatives to Senate bill 1747?

Mr. BARRETT. I yield, with the understanding that I do not lose the floor by yielding, and that whatever proceedings are had will not break up the continuity of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1747) to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, which was to strike out all after the enacting clause and insert:

That the purpose of this act shall be to increase the public benefits from museums established within the individual areas administered by the Secretary of the Interior through the National Park Service as a means of informing the public concerning the areas and preserving valuable objects and relics relating thereto. The Secretary of the Interior, notwithstanding other provisions or limitations of law, may perform the following functions in such manner as he shall consider to be in the public interest:

(a) Accept donations and bequests of money or other personal property, and hold, use, expend, and administer the same for purposes of this act;

(b) Purchase from such donations and bequests of money museum objects, museum collections, and other personal properties at prices he considers to be reasonable;

(c) Make exchanges by accepting museum objects, museum collections, and other personal properties, and by granting in exchange therefor museum property under the administrative jurisdiction of the Secretary which is no longer needed or which may be held in duplicate among the museum properties administered by the Secretary, such exchanges to be consummated on a basis which the Secretary considers to be equitable and in the public interest;

(d) Accept the loan of museum objects, museum collections, and other personal properties and pay transportation costs incidental thereto, such loans to be accepted upon terms and conditions which he shall consider necessary; and

(e) Loan to responsible public or private organizations, institutions, or agencies, without cost to the United States, such museum objects, museum collections, and other personal property as he shall consider advisable, such loans to be made upon terms and conditions which he shall consider necessary to protect the public interest in such properties.

Mr. ANDERSON. Mr. President, this subject has been considered by the entire Interior and Insular Affairs Committee, and I move that the Senate concur in the House amendment.

The motion was agreed to.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from Wyoming [Mr. BARRETT] had yielded for the consideration of Calendar No. 581, Senate Resolution 106; Calendar No. 582, Senate Resolution 103; and Calendar No. 584, House Joint Resolution 232.

Mr. BARRETT. Mr. President, I shall not object to the consideration of those measures, provided I do not lose the floor, and provided also that the proceedings in connection therewith shall not interrupt the continuity of my remarks.

Mr. MORSE. Mr. President, I thank the Senator from Wyoming very much.

The understanding is that the Senator from Wyoming yields long enough to dispose of the three measures which have been mentioned, and which are in charge of the distinguished senior Senator from Rhode Island [Mr. GREEN].

ADDITIONAL FUNDS FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. MORSE. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 581, Senate Resolution 106.

The PRESIDING OFFICER. The Secretary will state the resolution.

The resolution was read, as follows:

Resolved, That the Committee on Interior and Insular Affairs is authorized to expend from the contingent fund of the Senate, during the 84th Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 of the Legislative Reorganization Act of 1946.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GREEN. Mr. President, this is a routine resolution. It was referred to the Committee on Interior and Insular Affairs, which approved the resolution without amendment. It was then referred to the Committee on Rules and Administration, which reported it to the Senate without amendment. The resolution would authorize the expenditure by the Committee on Interior and Insular Affairs of an additional $10,000 to meet routine expenses. The committee recommends favorable action on the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

INCREASE IN LIMIT OF EXPENDITURES BY THE SELECT COMMITTEE ON SMALL BUSINESS

Mr. MORSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 582, Senate Resolution 103.

The PRESIDING OFFICER. The Secretary will state the resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 103) increasing the limit of expenditures by the Select Committee on Small Business.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with amendments, in line 3, to strike out "$100,000" and insert in lieu thereof "$50,000", and in lines 4 and 5 to strike out "prior to July 1, 1956", and insert in lieu thereof "through January 31, 1956," so as to make the resolution read:

Resolved, That the Select Committee on Small Business is authorized to expend from the contingent fund of the Senate the sum of $50,000 for the purpose of discharging obligations incurred by it through January 31, 1956, in carrying out the duties imposed upon it by Senate Resolution 58, 81st Congress. Such sum shall be in addition to any other moneys available to the committee for such purpose, and shall be disbursed upon vouchers approved by the chairman.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to.

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ERECTION OF MEMORIAL GIFT FROM THE GOVERNMENT OF VENEZUELA

Mr. MORSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 584, House Joint Resolution 232.

The PRESIDING OFFICER. The Secretary will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 232) authorizing the erection of a memorial gift from the Government of Venezuela.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 232) was considered, ordered to a third reading, read the third time, and passed.

MULTIPLE USE OF THE SURFACE OF THE SAME TRACTS OF PUBLIC LANDS

Mr. MORSE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 559, S. 1713. I make the request so that the bill may be the pending business before the Senate.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 29. An act for the relief of Rica, Lucy, and Salomon Breger;

S. 120. An act for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos;

S. 130. An act for the relief of Antonin Volejnicek;

S. 131. An act for the relief of Bohumil Suran;

S. 195. An act for the relief of Giuseppe Minardi;

S. 243. An act for the relief of Szjena Peison and David Peison;

S. 375. An act for the relief of Alexy W. Katyll and Ioanna Katyll;

S. 412. An act for the relief of Jan Hajdukiewicz;

S. 432. An act for the relief of Aniceto Sparagna;

S. 471. An act for the relief of Aina Brizga;

S. 574. An act for the relief of Martin P. Pavlov;

S. 587. An act for the relief of Hildegarde Hiller;

S. 604. An act for the relief of Alick Bhark;

S. 640. An act for the relief of Roger Ouellette;

S. 644. An act for the relief of Sandy Michael John Philp;

S. 650. An act for the relief of Antonios Vasilios Zarkadis;

S. 676. An act for the relief of Robert A. Borromeo;

S. 735. An act for the relief of Sarah Kabacznik;

S. 892. An act for the relief of Jose Perez Gomez;

S. 1197. An act for the relief of Slavoljub Djurovic and Goran Djurovic; and

S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 33) withdrawing suspension of deportation of Bernardino Canares Saclo.

GIVE THE AMERICAN SUGAR PRODUCERS A BREAK

Mr. BARRETT. Mr. President, to my way of thinking, the time has come for Congress to give the American sugar producers a break.

The United States has an enormous sweet tooth. We consume more sugar than any other nation on earth—over 8 million tons each year. If our annual consumption of sugar was hauled by one train, it would take 201,454 freight cars, each carrying 80,000 pounds, propelled by 1,967 triple unit diesel locomotives. The head engine, after traveling through the great beet sugar towns of Scottsbluff, Nebr., and Torrington, Wyo., would reach Worland, Wyo., the center of a thriving beet growing area, while the caboose of the train would still be in the Union Station at Washington, D. C. Our per capita consumption in 1954 was 94.4 pounds of refined sugar, just about one full bag for every man, woman, and child in the country.

Sugar is unquestionably our cheapest food on a calorie basis, and without equal as a source of energy. Our per capita consumption is considerably higher than in any of the more populous nations. Only Australia and New Zealand consistently consume more per capita, while Canada, Sweden, Denmark, and Ireland each have in some years consumed as much or more.

In the early years our per capita consumption was low. Back in 1822 only 9 pounds, on the average, was consumed, and in 1855 our consumption had reached only 33 pounds. Our consumption increased gradually, even though irregularly, through 1921. In most years since 1930 it has averaged between 90 and 100 pounds, except in those years when war conditions had their influence. It now appears that we have reached a plateau in consumption slightly under a hundred pounds. On the other hand, our population is increasing at the rate of 2½ million people each year and as a result the country's total consumption continues to increase.

From the housewife's standpoint, adequate supplies are indispensable in the preparation of daily menus. Nothing can take the place of sugar as a sweetener or as a preservative. One is compelled to use superlatives in discussing sugar—highest producer of human energy—cheapest—and purest of all foods.

Sugar is grown in nearly all countries—exceptions being Norway, Portugal and, of course, the Arctic countries. Sugarcane is produced in the tropics, and sugar beets in the temperate areas. It is truly an international commodity. While no doubt it was then a rather crude product, it is known that sugar was made from cane in India 400 years before Christ. Many authorities believe that sugarcane originated in India. The crusaders got their first taste of sugar when they marched through the sugarcane plantations of Tripoli. During the Middle Ages the Venetian merchants carried on a lucrative business in cane sugar throughout Europe. It is well documented that Columbus brought sugarcane to the Western Hemisphere on his second voyage to America in 1493.

Although sugar was crudely refined from sugarcane for centuries, it remained for Napoleon to introduce the sugar beet and its refining industry to Western Europe on a commercial basis in the early 1800's. While everyone knows that Napoleon was a master in military science, it is seldom recognized that this great genius by one bold stroke established a thriving and permanent sugar beet industry in his native land that greatly contributed to an adequate supply of food energies for his massive armies. From this early start, Europe and Russia today produce 86 percent of the world's supply of beet sugar. Napoleon issued a decree ordering the Minister of the Interior to plant 79,000 acres of beets, and it is recorded that within 1 year France had 40 thriving sugar factories producing over 3 million pounds of sugar annually. Napoleon has been credited with saying, rather crudely to be sure, that "an army travels on its belly," but many of his contemporaries credit much of his success to the energy supplied by the sugar beets produced in France. The concentrated food value of sugar was recognized as a tremendous asset to France in the Napoleonic wars. Yet the same idea led the Committee on Agriculture of the House of Representatives to write in its report on the Sugar Act of 1948 that "sugar is an essential food product and it has long been

the established policy of the United States Government—for defense and strategic reasons—to preserve within the United States the ability to produce at least a portion of this vital food product needed by American consumers."

Beet sugar was first mentioned prominently in the press of this country on the occasion of the organization of the Beet Sugar Society of Philadelphia, in 1836. David Child built the first beet-sugar factory in Northampton, Mass., in 1839, although it soon failed. In 1852, John Taylor, a European missionary for the Mormon Church, shipped machinery for a beet-sugar factory from Europe to New Orleans which was reshipped and set up at Provo, Utah. But the venture failed and the factory was sold to the Mormon Church, and was later moved to Salt Lake City.

No doubt Peter Magnus, a German immigrant, did not realize how truly he spoke when he prophesied in 1865, "If we had sugar-beet factories in Colorado, I imagine Colorado farmers would produce more gold than all the mines in the mountains." The output of refined sugar in Colorado in recent years has been valued at about eight times all the gold, silver, and precious metals produced annually.

As might have been expected, there were many failures in the early days of experiments in sugar refining, but credit for establishing the first profitable sugar factory is due E. H. Dyer, who established a plant in Alvarado, Calif., in 1870, and later put it on a profitable and sound basis by 1879. This factory is still operated.

Sugar played a significant role in the early days of our Republic when it was extremely difficult for the Congress to raise adequate funds to finance the struggling Union. Sugar was one of the important items in the first tariff under Washington, and during his administration the rates were increased on five different occasions. The tariff on sugar ranged from 1 cent a pound, under Washington, in 1789, to 3.4 cents under Grant in 1875, and now is one-half cent to Cuba, and five-eighth's of a cent to other foreign countries. The only source of revenue available to the Federal Government after the formation of the Union were import duties, excise taxes, and land sales. Although sugar tariffs have been in force throughout almost our entire history, their purposes and effects have changed greatly with the passage of time. From 1789 until 1890, when a 2-cent subsidy was inaugurated under the McKinley Tariff Act, the primary purpose of the sugar tariff was for revenue. Import duties in much of this earlier period constituted the principal source of ordinary revenues. Sugar duties were of first rank importance, and often constituted at least 20 percent of all duties collected. Changes in rates of duty largely reflected the Government's financial position. When Federal revenues exceeded expenditures, tariff reductions were in order.

I ask unanimous consent that a statement entitled "Raw Sugar: United States Tariff Rates, 1789–1951," be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Raw sugar: United States tariff rates, 1789–1951

Years	Tariff rate		Preferential Cuban rate, cents per pound
	Percent	Cents per pound	
1789–90		1	
1790–97		1.5	
1797–1800		2	
1800–16		2.5	
1816–32		3	
1832–46		2.5	
1846	30	2.15	
1847	30	1.76	
1848	30	1.79	
1849	30	1.43	
1850	30	1.50	
1851	30	1.50	
1852	30	1.30	
1853	30	1.43	
1854	30	1.30	
1855	30	1.56	
1856	30	1.82	
1857	30	2.21	
1858	30	1.56	
1859	30	1.50	
1860	30	1.56	
March 1861		.75	
August 1861–62		2.50	
1862–64		3.00	
1864–70		3.50	
1870–75		2.75	
1875–83		3.4375	
1883–90		2.75	
1890–94			
1894	40	.98	
1895	40	.87	
1896	40	.93	
1897	40	.80	
1897–1903		1.685	
1903–13		1.685	1.348
1914–21		1.256	1.0048
1921–22		2.00	1.60
1922–30		2.206	1.7648
1930–34		2.50	2.00
1934		1.875	1.50 .90
1934–39		1.875	.90
1939–42		1.875	.90
1942–47		.9375	.75
1948–51		.6875	.50
1951		.625	.50

Mr. BARRETT. During the first century of our country the tariff, incidentally, afforded substantial protection in two cases: After the Louisiana Purchase the sugar industry of that area fell heir to the existing tariff protection of 2½ cents per pound. Under the reciprocal treaty of 1876, Hawaii was permitted to ship raw sugar duty-free to this country. Production in Louisiana grew rather unsteadily at first, while Hawaiian production grew rapidly after tariff removal and before long it surpassed that of Louisiana. In 1890 the country was in a rather prosperous condition with a favorable position in the Treasury, and the Congress very liberally provided that for the next 16 years a bounty of 2 cents per pound be paid on refined sugar to domestic producers. However, a combination of circumstances brought about the repeal of the Sugar Bounty Act after 3 years. First, there was a severe drop in Treasury receipts brought about by a business depression; second, because of the large increase in production the mounting payments to producers became extremely burdensome; and third, the bounty system created new and insurmountable problems that adversely affected the Hawaiian economy.

After the repeal of the Bounty Act the Congress deliberately imposed sugar duties for protective purposes. Under Cleveland in 1894 a tariff of nearly a cent a pound was levied on sugar, and in 1897, under McKinley, the tariff was increased to 1.6 cents per pound. This rate remained in effect for 16 years, and during this period the production of beet sugar increased from 36,000 tons to a yearly average of 782,000 tons during 1914 to 1916. The cane sugar production in the continental United States reached a peak of 414,000 tons in 1909, a figure never again equaled until 1937. This growth was brought about by the high tariff and also by the substantial and steady increase in sugar consumption, which cleared the markets of increasing supplies. Consumption in the United States grew from 1,825,000 tons in 1897 to 4½ million in 1913, a gain of 146 percent, while our population during the same period increased from 63 million to 97 million, an increase of 54 percent. Per capita consumption, meanwhile, grew from 54 to 86 pounds. Growth in population and in per capita consumption accounted, about equally, for the great increase in total consumption. In passing it should be noted that sugar production has been encouraged by both our State and National Governments. Chemists of the Department of Agriculture, including Dr. William McMurtrie, and Dr. Harvey W. Wiley, began assisting farmers with beet culture and seed development, and processors in the technology of sugar manufacture as early as 1879. While Secretary of Agriculture from 1897–1913 James Wilson encouraged large investment in sugar factories, amounting to well over $30 million during this period.

During this growth in domestic production, other significant tariff changes profoundly affected our sources of supply of this commodity. Over the years Cuba has become our principal supplier. Cuban production of sugar amounted to only 347,000 tons in 1898, but by 1952 it had reached 8 million tons, by far the largest production in the world. Cuba's principal market has always been the United States. Under a reciprocity treaty concluded in 1903, Cuba was granted a 20 percent differential under the full duty on sugar. Thereafter, sugar shipments to the United States rose rapidly, from 891,000 tons in 1902 to 2,063,000 tons in 1915. Other changes in tariffs favoring offshore sugar-producing areas have been: Puerto Rico, duty free since March 1, 1902. Philippines (a) 75 percent of general rate, March 8, 1902; (b) free of duty up to 300,000 tons August 5, 1909; (c) duty free since March 1, 1914; (d) gradual reinstatement of duty, increasing at 5 percent of dutiable rate per year, beginning January 1, 1956. Virgin Islands, duty free since March 3, 1917.

The period from 1890 to World War I was a period of great growth in production in response to growing consumption in the United States. The bounty system, the protective tariff, the extension of preferential duty rates to Cuba and the free entry privileges to certain other

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countries, produced profound changes in the pattern of sugar-industry development, both in the United States and among our suppliers in offshore-producing areas. At the turn of the century more than half of our sugar came from foreign countries other than Cuba. However, by 1913, producers here and in our Territories together with those in Cuba practically took over our entire market. Sugar prices had remained quite stable from 1900 to 1914, ranging from 3½ to 4½ cents per pound for raw sugar, duty paid in New York. The two decades ending in 1914, on the whole, afforded general growth and prosperity as a result of tariff protection to domestic and other producers of sugar for consumption in our country. At the same time sugar was available to consumers at relatively reasonable prices. In contrast, the following two decades witnessed much greater disparity in production and consumption, in wide fluctuations in prices, with serious economic and social consequences in our country and in all producing areas. During those years a chronic national and international sugar problem developed which led to the passage of the Sugar Act of 1934.

During the period of tariff protection prior to World War I, there was considerable agitation to reduce the sugar duty or remove it altogether, resulting in the Underwood tariff of October 1913 which reduced the full duty rate from 1.68 cents to 1.25 cents effective March 1914. The Underwood Act also provided that sugar imports should be duty free 2 years later. However, only a few days before the duty was to be removed, a resolution continuing the 1.25-cent rate was passed by Congress and approved by President Wilson. This rate continued unchanged until May 27, 1921.

The effect of World War I was such as to upset the traditional tariff policy, which appeared so successful in a stable, though expanding market. During the war sugar was controlled under the Food Administration and later by the United States Sugar Equalization Board. Supplies during the war years were cut greatly because so much Cuban sugar was diverted to England, France, and Italy. During this period production in Cuba increased from 2,951,000 tons in 1914, to 4,554,000 tons in 1919. Later, it reached nearly 5,900,000 tons in 1925, and again in 1929. Much of the trouble of the industry in the post World War I period can be laid to the tremendous increase in sugar production in Cuba during those years. The war retarded the growth in domestic production, but it was again resumed in the postwar years, reaching new highs during the decade 1920–30.

World production climbed from about 13 million tons in 1901, to a peak of 21 million tons in 1914. In 1924 it jumped to 23.1 million tons and moved steadily upward until it reached a peak of 32,594,000 tons in 1931, which was higher than any succeeding year until 1951. After 1925, prices tumbled as demand failed to keep up with supply. This is shown in the following table, quoted from a letter of the Secretary of Agriculture to Congress in 1933:

World sugar production, carryover, and prices

[Short tons, raw value]

Crop year	Production	Carryover Sept. 1	Total supply	Average price per pound (cents)
1924–25	26,670,000	2,705,000	29,375,000	3.1
1929–30	30,607,000	5,842,000	36,449,000	1.7

World supplies increased about 7 million tons between 1925 and 1929, and prices decreased at the same time by nearly one-half.

While world production and prices were undergoing marked changes from 1913 to 1930, a similar growth of domestic production and comparable price effects were taking place in the United States. From 1913 to 1919, production from areas supplying the United States increased from 5 to 7 million tons, most of the expansion being in Cuban output. As might be expected, there was considerable apprehension that continuation of this trend in expansion would adversely affect American producers. Accordingly, action was taken to forestall flooding our markets with foreign imports. The Emergency Tariff Act became effective on May 27, 1921, and raised the full rate on sugar from 1.256 cents to 2 cents for all foreign producers except Cuba, with the increase from 1 cent to 1.60 cents for Cuba.

In September 1922 the Fordney-McCumber Act again raised rates to 2.2 cents, full-duty rate and to 1.7605 cents for Cuba. The next change was effected under the Smoot-Hawley Tariff of June 1930, which increased rates to 2.5 cents and 2 cents respectively. The experiences under these tariffs were quite unlike those prevailing before the First World War. Increased production during the war and in the postwar period created selling pressures on markets which had not grown as fast. Cuban production reached 5.9 million tons in 1925 and continental beet sugar reached its highest mark up to that time of 1,166,000 tons. The total production of all suppliers of the United States market at that time was 9,383,000 tons and although our consumption had reached an all-time high of 6,603,000 tons, this left a surplus of 2.78 million tons. Prices of Cuban raw sugar, duty paid in New York, dropped from 7 cents average for 1923 to 4⅓ cents in 1925. European countries stepped up their sugar-beet production during that same period in an effort, first, to become self-sufficient and, later, to become exporters, all of which cost Cuba a substantial portion of their world market. Production of our supplying areas lessened during the years 1926–28 but was still a great deal in excess of United States consumption and prices continued low. The total production of our supplying areas reached another peak of nearly 9.6 million tons in 1929 while our consumption that year was less than 7 million tons. The average price dropped to 3¾ cents, duty paid in New York.

In spite of increased tariff protection domestic sugar prices continued to fall in 1930 through 1931 and reached bottom in 1932. Cuban sugar averaged 2.93 cents per pound in 1932, duty paid in New York. Imports from Cuba dropped sharply, from 4.15 million tons in 1929 to less than 1.6 million tons in 1933. On the other hand, production of domestic beet sugar and duty-free Hawaiian, Puerto Rico, and Philippine cane sugar increased from 3.6 million in 1929 to 5.6 million tons in 1933. The rapid and continuous expansion in domestic production, as well as that from duty-free countries, resulting from tariff protection, offset the reduced imports from Cuba. The tremendous increase in the production of sugar during the 1920's brought about largely by improvements introduced in all segments of the industry made it apparent to nearly everyone that a system of tariffs was not the answer to the increasingly difficult sugar problem. It was inevitable that the continued low price of sugar would have a disastrous effect on our producers. This condition raised economic and social problems of gravest concern to our sugar-supplying countries and to us.

During the early months of 1933 the Tariff Commission made a careful study of the prevailing sugar situation and recommended to the President a program emphasizing supply controls in the place of the tariff protection system. The Commission's letter is a historic document in the annals of the American sugar industry, as it represents a new approach and a different course of action seeking to relieve the distress then prevailing in the industry. It foreshadowed action which the Congress took a year later by enacting the Sugar Act of 1934. The importance of that letter merits mention at this point, and I ask unanimous consent to have inserted in the body of the RECORD at this point a copy of a letter, under date of April 11, 1933, from the Chairman of the Tariff Commission, to the President of the United States.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 11, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: In view of the possibility of early action by our Government in regard to tariff bargaining, I venture to send you certain conclusions that have been reached by the Tariff Commission from our study of the sugar industry. We hope to have the complete report ready for submission within a few weeks, but we have thought that an earlier statement of certain facts might be helpful to the administration.

It is evident from our study that the duty on sugar cannot justly be based on a difference between domestic and foreign costs of production. The situation in Cuba, which is the chief competing foreign country, is such that the higher the American tariff may be, the lower are the costs of producing sugar in Cuba.

Cuba must fix the price at which she sells sugar at a point which will enable her product to enter the American market. The result is that the price has gone down to a point which is disastrous both for American and for Cuba producers. It is evident that no increase of the American tariff can relieve the resulting situation in this country or in Cuba.

For the reinstatement of comparative prosperity in the domestic industry, and also to

such an extent in Cuba as may enable her again to become a customer on a considerable scale for American exports, it is necessary that the price of sugar should be somewhat higher than has prevailed recently.

To raise the price it will be necessary to limit the supplies of sugar offered for sale in the United States. This cannot be done by an increase of the tariff, but must be done by limiting imports to this country. Such limitation should be imposed not only upon Cuba but likewise upon the Philippine Islands, and it might be extended, under the powers conferred upon the administration through the Farm Relief Act, to the production of sugar in Hawaii, in Puerto Rico, and, if necessary, in the continental United States.

Should some such quota system meet with the approval of the administration, the duty on Cuban sugar might be reduced on a limited importation by such amount as the Government might find expedient, with a view partly to revenue and partly to the restoration of the purchasing power of Cuba.

If it be desired, the Tariff Commission is prepared to render assistance in working out such quotas for the various sources of sugar supply as would appear to be most feasible.

ROBERT L. O'BRIEN,
Chairman.

Mr. BARRETT. I may say, Mr. President, that one paragraph of that letter reads as follows:

Should some such quota system meet with the approval of the administration, the duty on Cuban sugar might be reduced on a limited importation by such amount as the Government might find expedient, with a view partly to revenue and partly to the restoration of the purchasing power of Cuba.

In 1933 Congress passed the Agricultural Adjustment Act, the purpose of which was to raise prices and restore farmers' purchasing power by restricting production of "basic" farm commodities and making benefit payments in return for crop restriction, and through voluntary marketing agreements. Sugar crops were not included as a "basic" commodity, although the Secretary was empowered to assist sugar producers under the marketing agreements. A sugar stabilization plan was worked out by the various segments of the industry, in cooperation with Government officials. However, it was found that the agreed upon plan did not provide for adequate restriction of production, lacked means of enforcement, as well as incentives for compliance. The plan was not acceptable to the Secretary of Agriculture but it provided a basis for the Jones-Costigan Sugar Act of 1934. According to a press release of July 3, 1933, there would be then available at least 7,500,000 tons of sugar in this country and in Cuba to meet the needs of the market and that the estimate for the next year's consumption was 6,350,000 tons. The industry's original intention under the stabilization plan was to set aside the difference, 1,150,000 tons, as a reserve to be released to the market in subsequent years. However, the next year's crop was the largest on record for our continental and insular areas. It totaled about 5.8 million tons, or 976,000 tons more than the quotas which had been set for these areas under the 1934 act. Thus, the situation which developed during the year following the Tariff Commission's letter to the President not only confirmed, but pointed up the absolute necessity for control of production in the rapidly growing sugar industry.

THE SUGAR ACT OF 1934

The act required the Secretary of Agriculture to bring about an adjustment of supply and demand by:

First. Setting a yearly estimate of consumption of sugar in the United States.

Second. Fixing quotas of production for United States mainland, insular areas, and foreign countries that could be marketed in the United States.

Third. Providing allotments to producers of sugarcane and beets for domestic and insular areas within the quotas set for each area.

The estimate for consumption for 1934 was set at 6,476,000 short tons. The Secretary used deliveries in the years 1931, 1932, and 1933 as the basis for determining quotas for insular areas, except for Hawaii, the years 1930, 1931, and 1932 were used:

The resulting quotas were:

Set by Congress in the act

	Tons
United States beets	1,556,000
United States cane	260,000

Set by Secretary of Agriculture under the act

	Tons
Cuba	1,902,000
Philippine Islands	1,015,000
Puerto Rico	821,000
Territory of Hawaii	917,000
Virgin Islands	5,000
All other (foreign)	17,000

The act provided for a levy of one-half cent a pound processing tax on sugar, raw basis, on all floor stocks and all subsequent production. The funds so derived were used as benefits to domestic cane and beet producers and these payments served as the means of encouraging and effecting compliance with both the acreage allotments and labor provisions of the act.

As previously noted, the carryover of stocks from 1932 and the large domestic and insular production during the 1933–34 crop season made necessary drastic curtailment of production and marketing quotas under the new act. In the years, 1934–35, mainland and insular production was decreased by 1,785,000 tons, or 30 percent under the previous year. This was not entirely the result of restrictions but was in part due to the drought in our beet areas. A similar loss of beet production occurred in 1936 again because of drought conditions.

These adjustments were made possible and were financed from the processing tax of one-half cent a pound levied on raw cane and beet sugar. The benefit payments to cane and beet producers under the act from May 1934 to October 1936 were:

Area	Payments	Percent of total
Louisiana	$9,463,418	11.73
Florida	1,231,727	1.53
Beet	29,158,469	36.16
Territory of Hawaii	13,323,861	16.52
Puerto Rico	12,099,904	15.01
Philippine Islands	15,359,533	19.05
Total	80,636,912	100.00

Shortly after the passage of the Sugar Act two changes in duties were made on sugar imported from Cuba: First, on June 18, 1934, reducing the duty from 2 cents to 1.5 cents per pound; second, on September 4, 1934, reducing the duty from 1.5 to 0.9 cents per pound.

The early years of control of the sugar industry were difficult ones, but it must be said that the achievements were considerable. Foreign suppliers, especially Cuba, complained bitterly about the quotas established. But in view of the increased returns to growers and the resulting stability in production, the decisions made in those years were abundantly justified. By the end of 1936 and after 2½ years of experience under the act, the duty-paid price of raw sugar had increased by 27 percent, and the price of Cuban sugar in our market had increased by over 105 percent, part of which reflected the sharp reduction in duty rates. The average price of duty-paid raw sugar in New York was 3.594 in 1936 compared to 2.93 in 1932, while the Cuban net return increased from 0.93 cent to 2.69 cents from 1932 to 1936.

Excessive stocks and crops in Puerto Rico and the Philippines had been curtailed, permitting a larger export from Cuba to the United States, from 1,558,000 tons in 1933 to 1,996,000 tons in 1934. The value of total sugar exports from Cuba increased from $62,505,000 in 1933 to $126,913,000 in 1936, reflecting largely the higher net returns on shipments to this country.

Under the act, American producers of sugar beets and cane received better prices for their production. The average price for beets, including Government payments, increased from $5.36 per ton in 1933 to $6.96 in 1935. The average price received by producers of sugarcane increased from $3.17 in 1933 to $3.87 in 1935.

In the meantime, sugar prices for consumers remained relatively steady, within a range of 5.4 to 5.9 cents per pound from the beginning of the act through 1937.

THE SUGAR ACT OF 1937

On January 6, 1936, the Supreme Court decision invalidated the processing-tax phase of the Agricultural Adjustment Act and this decision destroyed the incentive and enforcement provisions of the Sugar Act. The quota sections of the act were not affected by the decision and the 74th Congress promptly ratified these provisions.

The Sugar Act of 1937 carried forward the general schemes of quotas and benefit payments as in the earlier act, though in somewhat different form, as follows:

First. Instead of setting quotas by tons, as in the 1934 act, each quota was represented as a percentage share of the Secretary's estimate of consumption and was thereafter to apply automatically. The percentages set in the 1937 act were:

	Percent of domestic area quota	Percent of total consumption requirements
Domestic beet sugar	41.72	23.19
Mainland cane sugar	11.31	6.29
Hawaii	25.25	14.04
Puerto Rico	21.48	11.94
Virgin Islands	.24	.13
Total	100.00	55.59

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The division of the quota for foreign countries and the Philippines was as follows:

	Percent of foreign countries quota	Percent of total consumption requirements
Philippine Islands	34.70	15.41
Cuba	64.41	28.60
Other foreign countries	.89	.40
Total	100.00	44.41

The 1937 act provided that a Philippine deficit should be awarded to foreign countries other than Cuba.

The act further provided that in no event should total quotas of domestic producing areas be less than 3,715,000 tons, distributed as follows:

	Tons
Domestic beet	1,550,000
Mainland cane	420,000
Hawaii	938,000
Puerto Rico	798,000
Virgin Islands	9,000
	3,715,000

An excise tax of one-half cent a pound was imposed on all domestic production and an equivalent import compensating tax was fixed on all imports.

It was intended that the Sugar Act of 1937 would remain in effect until the end of 1940, but it was extended several times, the last time being in 1946. Quota provisions were suspended from September to December 1939 and again on April 14, 1942, and remained suspended until the expiration of the act. In the meantime the bill revising the Sugar Act was passed and was approved by the President on August 8, 1947, and became effective the first day of the following year and was therefore designated as the Sugar Act of 1948.

That act made important changes in the method used in determining quotas among producing areas as compared with previous acts. Instead of percentage quotas applied to the Secretary's estimate of consumption, the new act provided fixed quotas for the mainland, insular and Philippine areas, the remainder being divided 98.64 percent to Cuba and 1.36 percent to other countries. The specific quotas were:

	Short tons (raw value)
Domestic beet	1,800,000
Mainland cane	500,000
Hawaii	1,052,000
Puerto Rico	910,000
Virgin Islands	6,000
Philippine Islands (set under Trade Act, 1943)	982,000
	5,250,000

The act provided that in no event should the Cuba quota be less than 28.6 percent of our consumption estimate, being identical with its share under the 1937 act. It was known that the Philippines would be unable to supply their quota as a result of the war, and the act provided that Cuba should be allocated 95 percent of any Philippine deficit. It should be noted that under the 1937 act such deficits were allocated to foreign countries other than Cuba.

Thus, the 1948 act took into account the operations under the 1937 act, the change in industry conditions as a result of the war, the prospective consumption in the years ahead, and necessary adjustments to be made to bring production somewhat into balance with demand, and promote stability within the industry.

Under the 1937 act, domestic and insular producers were allotted 55.59 percent of our market, with a minimum of 3,715,000 tons. Such a minimum would require a total estimate determination of 6,682,000 tons, which, in fact, was the initial estimate of 1938, made December 20, 1937. That act provided that when requirements went above that figure each area would share on the basis of the schedule of fixed percentages.

When the 1948 act was drafted in 1947, sugar quotas were again revised, after a lapse of over 5 years. By that time it appeared that a figure of 7,600,000 to 7,800,000 would be an appropriate estimate of consumption. The initial determination on January 2, 1948, was 7,800,000.

In establishing these quotas under the 1948 act, rigid ceilings were placed on production and marketings of the United States, the insular and Philippine areas contrasted with a floor or guaranteed minimum for Cuba of not less than 28.6 of our consumption estimate. Cuba was permitted to share in any deficits of United States domestic areas in proportion to its quota and in addition was to receive 95 percent of any Philippine deficits. These provisions, instead of fixed allotments, were considered at the time to be of great value to Cuba, inasmuch as the Philippine industry was practically destroyed during the war while United States production had suffered considerable fluctuations in those years due to war food requirements. In fact, the total Philippine production in 1947 was only 184,000 tons, although its set quota under the Trade Treaty of 1946 was 952,000 tons.

Only in the first year of the 1948 Act was the Cuban quota figure less than its 28.6 percent minimum share. But in that year, deficits awarded from the Philippine and domestic areas amounted to 1,017,000 tons, bringing Cuban total marketings to 40.8 percent of total United States quota. In fact, total deficits awarded Cuba during the 5 years the act was in effect amounted to 2,655,000 tons. In addition, Cuba has benefited to the extent of over 2½ million tons because of increased consumption in the United States while fixed quotas under the 1948 act with the 1951 amendment froze quotas of other supplying areas.

The 1948 act anticipated in a large degree the supply situation which ensued. Furthermore, Cuba's expansion during and after the war was also taken into account. In the 3 years 1939–41 production in Cuba averaged about 3 million tons while during 1944–46 it averaged 4.7 million and in 1947 and 1948 a little over 6½ million tons.

In a discussion of the quota provisions of the Sugar Act of 1948, the House Committee on Agriculture made certain significant statements in its report.

Mr. President, I ask unanimous consent that that portion of the House committee report be printed at this point in the RECORD.

There being no objection, the portion of the report was ordered to be printed in the RECORD, as follows:

It has been recognized for some time by people interested in sugar that the Sugar Act of 1937, as amended, would not be adequate should the reimposition of quotas become necessary because of certain conditions affecting the production and distribution of sugar which have been brought about by the war.

Under the Sugar Act of 1937 any deficit in the quota for the Republic of the Philippines is required to be allotted to foreign countries other than Cuba. This provision of law, which was included at a time when it was never contemplated that any Philippine deficit would be other than a nominal one, makes the Sugar Act of 1937 unworkable in view of the present situation, where for the next few years the probability is that the Philippine deficits will be substantial. During the war the supply of sugar from the Philippines was cut off entirely and greatly increased supplies were obtained from Cuba with the result that during this period Cuban production was greatly expanded. By permitting Cuba to supply the principal portion of the Philippine deficit at a time when its production is at an all-time high will, in effect, substantially continue the pattern established during the war and enable Cuba to gradually adjust its production downward to a sound level with a minimum of economic disruption.

It should be pointed out that this bill is a short-term measure designed to meet postwar adjustment problems in the production and distribution of sugar. For example, provision has been made for allotting to Cuba almost the entire deficit anticipated in the Philippine quota. Domestic areas have been given fixed quotas rather than percentage quotas for a temporary period of 5 years, which period is believed to be of sufficient duration to enable necessary postwar adjustments to be made in the foreign areas supplying the United States sugar market. The committee believes that it should be made abundantly clear that the distribution of the American sugar market among the producers of the United States and foreign countries and the provision for the establishment of quotas for the ensuing 5 years on the basis provided for in this bill is not intended to establish, and should not be construed as establishing, a permanent production and distribution pattern nor as waiving American producers' rights to such portions of the American market as they can supply at the conclusion of the 5-year period covered by the bill. On the contrary, it should be emphasized that this bill is designed to meet the problems of the temporary postwar transition period and is not to be regarded as the establishment of long-time national sugar policy.

Mr. BARRETT. Mr. President, I call attention particularly to this statement in the report:

It should be pointed out that this bill is a short-term measure designed to meet postwar adjustment problems in the production and distribution of sugar. For example, provision has been made for allotting to Cuba almost the entire deficit anticipated in the Philippine quota. Domestic areas have been given fixed quotas rather than percentage quotas for a temporary period of 5 years.

So the clear understanding at that time was that the 1948 quota system was

on purely a temporary basis. Of course, Congress reserved the right to change it at any time.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. WELKER. Will the Senator from Wyoming state the percentage which was allocated to Cuba under the 1948 act? I missed that figure, because I was called out of the Chamber. Was it still 28.6 percent?

Mr. BARRETT. It was the same minimum which was guaranteed to Cuba under the 1937 act, namely, 28.6 percent, and it was carried over into the act of 1948. It represented a minimum of 2,058,000 tons, but actually Cuba's quota plus deficits that year amounted to 2,940,000 tons.

Mr. WELKER. Was the provision made in the law that the quota could not go below 28.6 percent?

Mr. BARRETT. That is correct.

Mr. WELKER. I thank the Senator from Wyoming.

Mr. BARRETT. As a result of the deficits which I have just mentioned, and by reason of the quota which was assigned to Cuba, since the enactment of the 1948 Sugar Act Cuba has received from 33 percent to 41.2 percent of our total market during the years 1948 to 1954 under the 1948 Sugar Act.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. BARRETT. I yield to my distinguished colleague the Senator from Nebraska.

Mr. HRUSKA. Under the bill, will Cuba lose any of its present exports of sugar to the United States?

Mr. BARRETT. Cuba will not lose a single, solitary ton of its present quota. That quota will not be disturbed in any way, shape, or form under the bill introduced by the senior Senator from Louisiana [Mr. ELLENDER] and cosponsored by myself and 47 other Senators.

Mr. HRUSKA. Will the minimum of 28.6 percent for Cuba still obtain in the bill which has been introduced?

Mr. BARRETT. The minimum of 28.6 percent will be maintained in the bill which was introduced by the senior Senator from Louisiana.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

CUBA GAINS FROM PHILIPPINE DEFICITS

Mr. MALONE. Did I understand correctly that the latest sugar act includes a provision that any deficit from the Philippines or other areas shall be filled by Cuba?

Mr. BARRETT. That is true. The deficit in Philippine production was allocated 95 percent to Cuba and the balance to other foreign producers. The purpose of that provision was to give Cuba an opportunity to enable her to dispose of the tremendous supplies she had on hand after World War II.

It was intended only as a temporary provision.

Mr. MALONE. Was the importation of sugar from Cuba to the United States interrupted during World War II?

Mr. BARRETT. No; it was not interrupted during World War II, but a good deal of the Cuban production during World War II was diverted to England. During World War II we were, of course, required to reduce our consumption of sugar.

Mr. MALONE. Was the shipment of Cuban sugar to those European countries interrupted?

Mr. BARRETT. No; it was not interrupted except by reason of shipping difficulties. As I have outlined, during World War II there were no restrictions or quotas in this country, and Cuba was at liberty to ship in all the sugar she could, after supplying all other countries which needed sugar at that time.

Mr. MALONE. When was there set the percentage of our market that the Cubans were to have? When was the percentage now in effect set?

Mr. BARRETT. It was set in 1948.

Mr. MALONE. What was that percentage?

Mr. BARRETT. That percentage, fixed in 1948, was set on the basis of various amounts, of which the beet producers of this country obtained 1,800,000 tons, and the domestic cane producers obtained 500,000 tons. Hawaii, 1,052,000 tons; Puerto Rico, 910,000 tons; Virgin Islands, 6,000 tons; 982,000 tons to the Philippines; and practically all of the remainder went to Cuba.

Mr. MALONE. The purpose of my question is to ascertain whether the percentage which was allocated in 1948 still obtains in 1955.

Mr. BARRETT. Indeed, it does.

Mr. MALONE. Has there been any considerable increase in consumption percentagewise in the United States since 1948?

Mr. BARRETT. Yes. Consumption in this country has increased from 7,200,000 tons to 8,200,000 tons.

MILLION-TON SUGAR GAIN

Mr. MALONE. There has been an increase of about 1 million tons. Is that correct?

Mr. BARRETT. That is correct. About 1 million tons.

Mr. MALONE. What effect did that increase in consumption in the United States have on Cuban sugar?

Mr. BARRETT. The effect of that increase in consumption in this country from 1948 to 1955 has resulted in Cuba getting an additional quota in this country of about 745,000 tons. The balance was divided by an amendment in the 1951 act, in which Puerto Rico got 170,000 tons and the Virgin Islands got 6,000 tons, if I remember the figures correctly.

Mr. ELLENDER. Those are the correct figures.

Mr. BARRETT. I thank the Senator from Louisiana.

Mr. MALONE. Will the Senator yield further?

Mr. BARRETT. I yield.

WESTERN HEMISPHERE TRADE SECURE IN TIME OF WAR

Mr. MALONE. I am sure the distinguished Senator from Wyoming agrees with me that we are concerned with the Western Hemisphere, particularly since transportation could not be seriously disturbed in that area in the case of another war.

Mr. BARRETT. I am generally in agreement with the Senator on that theory.

AID UNITED STATES SUGAR PRODUCERS FIRST, THEN WESTERN HEMISPHERE NATIONS

Mr. MALONE. There are other nations in the Western Hemisphere that are very interested in the sugar market. I merely wished to leave with the Senator the suggestion that since there has been that increase in our market, and if it would not adversely affect exports from any of the other countries that have become dependent on our market, we could allow those countries a reasonable increase. If other nations in the Western Hemisphere which depend to a large extent on 2 or 3 or 4 articles of production, sugar being one of them, could be helped, it might be well to review the entire list, to be sure that our own producers are taken care of first; and, secondly, that the allocations of the countries which have become dependent on us should not be reduced, but if anything, should have a reasonable increase. However, before there is an unusual increase, like an increase of nearly 1 million tons a year, or three-fourths of a million tons a year——

Mr. BARRETT. I may say to my colleague that the increase of 1 million tons took place from 1948 to 1954, and there was no such increase as 1 million tons a year. It was an increase of 1 million tons over that period of time, which was about 6 years.

Mr. MALONE. I did not mean an increase in a year. I meant a gradual increase, but amounting to about three-quarters of a million tons.

Mr. BARRETT. The Senator is correct.

Mr. MALONE. Then it would be well, it seems to me, under those conditions, to review the situation to ascertain if some concessions could not be made to other nations where a relatively small amount, just a few thousand tons, means a great deal in their trade with this country.

Mr. BARRETT. I may say to the distinguished Senator from Nevada that I think there would be considerable difficulty with his suggestion. We are presently endeavoring to get an increase in the quota for our own domestic producers, and particularly for the thousands of veterans who have settled on the irrigated lands of the West, and many of whom at the present time are prohibited from growing sugar beets at all.

WESTERN HEMISPHERE SUGAR PRODUCTION REVIEW URGED

Mr. MALONE. Will the Senator yield for another question?

Mr. BARRETT. I will be pleased to yield to my colleague.

Mr. MALONE. I agree fully with the Senator from Wyoming that the United States of America should be considered first. It has been considered last, in about everything, for 22 years. The purpose of my questioning was that we should first establish that there was an increase in the market sufficient to take care of the United States, both in the cane and beet sugar field; but after that,

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without decreasing the original allotment for the countries which have become dependent upon the markets of the United States, it would be well to review the Western Hemisphere situation, and, if there be any increased consumption beyond the amount necessary for our own producers, take countries in the Western Hemisphere into account. The export of an additional very few thousand tons annually in those countries makes the difference between having and not having a stable economic situation, which makes for hemispheric solidarity, whereas quite a considerable amount of increased exports in 1 or 2 of the other countries which are located offshore, and which have become accustomed to depend on our markets, would make very little difference to them.

Mr. BARRETT. Mr. President, I may say to my friend from Nevada that his proposal would necessitate a reduction in the Cuban allotment in our market. I can say to him that the distinguished junior Senator from Utah [Mr. BENNETT], who is presently presiding over the Senate, has made great efforts during the past few months to increase the quotas of domestic producers of beet and cane sugar, so that our own people might get some relief in 1955 and 1956 and future years. But so far the Cuban producers have been sufficiently powerful to stymie such requests.

So, I assume that the distinguished Senator from Nevada would be obliged to contest with Cuba for a reduction in the Cuban quotas for importation into the United States, so that other countries to the south of us would have an opportunity to participate in our sugar market.

CONGRESS, NOT STATE DEPARTMENT, SHOULD MAKE SUGAR DECISION

Mr. MALONE. Mr. President, if the Senator from Wyoming will yield further to me, I should like to say that if we have reached the point where the Congress of the United States is not as powerful as the State Department—and that has been amply demonstrated a good many times at this session of Congress, although I refuse to believe it—and if in the matter of the division of the sugar market of the United States, the Congress cannot take care of the United States producers, I think it is time to have a showdown.

Mr. ALLOTT. Mr. President, will the Senator from Wyoming yield to me?

Mr. CURTIS. Mr. President——

Mr. CASE of South Dakota. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. BARRETT. I yield first to the Senator from Colorado, and thereafter I shall yield to the Senator from Nebraska, and then to the Senator from South Dakota.

Mr. ALLOTT. I thank the Senator from Wyoming for yielding to me.

Although I do not wish to belabor the point, I should like to ask the Senator from Wyoming whether it is true that under the present act, as it now is constituted, United States producers, including both the cane-sugar producers and the beet-sugar producers, are deprived of any opportunity to participate in the increased use of sugar in the United States, by reason of the growth of the population of our country and also by reason of the increased per capita use of sugar.

Mr. BARRETT. The Senator from Colorado is entirely correct. That has been the law since 1948.

Mr. ALLOTT. I do not know that many persons put the matter quite that bluntly, but I think perhaps it needs to be stated in that way.

Next, I should like to ask whether one of the purposes of the act, which has been sponsored by the Senator from Louisiana [Mr. ELLENDER] and the Senator from Wyoming and many other Senators, is that both the United States sugarcane growers and the United States sugar-beet growers should have an opportunity to participate in the increased and additional use of sugar in the United States occurring both by reason of our growth of population and by reason of the increased per capita use of sugar.

Mr. BARRETT. Yes; I think it is only fair, right, and proper that the domestic producers of beet sugar and the domestic producers of cane sugar should participate in the additional consumption in the United States occasioned by an increase in our population particularly the modest percentage provided by S. 1635, which is in accordance with the historic division under the 1937 act.

Mr. ALLOTT. Yes. I understand that the Senator from Wyoming will discuss later the specific provisions of the bill. However, I know he does not wish to say that is the only purpose of the bill, but is one of its purposes.

Mr. BARRETT. That is correct.

Mr. ALLOTT. I thank the Senator from Wyoming.

Mr. CURTIS. Mr. President——

Mr. BARRETT. I yield to the distinguished Senator from Nebraska.

Mr. CURTIS. Is it not true that the increased quotas have been allowed to Cuba in recent years largely by reason of the deficits in both domestic production and production in the Philippines?

Mr. BARRETT. That is correct.

Mr. CURTIS. Was there ever any Congressional intent, either express or implied, which could cause the Cuban Government to believe that was a permanent arrangement?

Mr. BARRETT. I may say to my colleague, the distinguished Senator from Nebraska, that, as he well knows, the reports of the various Congressional committees, which are submitted either to the House of Representatives or the Senate in connection with the reporting of bills, are regarded as indicating the intent of those committees in connection with the enactment of the legislation. In this case, the reports of both the House committee and the Senate committee under the 1948 act specifically stated that it was a temporary measure and that it was enacted solely to permit Cuba to work its way out of the difficulties confronting Cuba at that time.

Mr. CURTIS. As a matter of generosity to Cuba?

Mr. BARRETT. That is correct.

Mr. CURTIS. So the Cubans could have an orderly tapering-off period?

Mr. BARRETT. That is precisely correct.

Mr. CURTIS. Mention has been made of the veterans who need some of the newly irrigated lands. At the present time they are without sugar acreage, are they not?

Mr. BARRETT. That is correct. In most cases they have no sugar acreage allotments at all.

Mr. CURTIS. There are also newly irrigated areas where practically no one has a sugar-beet acreage allotment. Is it not in the interest of the economy of those particular sections that the production of sugar be allowed there?

Mr. BARRETT. That is correct. In all sections of the Nation the sugar acreage has been substantially cut.

Mr. CURTIS. I think we should also keep in mind that the increased cost of farming operations makes it necessary that a production unit be of considerable size, in order to be economically sound. So while more sugar beets per acre are being produced, the producers cannot stand a reduction in acreage; is not that correct?

Mr. BARRETT. The Senator from Nebraska is entirely correct.

Mr. CASE of South Dakota. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Does the Senator from Wyoming yield to the Senator from South Dakota?

Mr. BARRETT. I yield to my colleague from South Dakota.

Mr. CASE of South Dakota. I wish to commend the Senator from Wyoming for directing attention to this important problem.

Reference has been made to the veterans who have settled on newly irrigated projects, and do not have sugar-beet quotas. That situation exists on the Angostura project, in South Dakota. In the case of that project, this year some increased acreage was obtained by courtesy of the nearby Bellefourche project. But a shortage is in prospect this year, and an even greater shortage is in prospect next year, when more acreage will come under irrigation. That situation not only punishes the veterans, but also punishes the Government of the United States.

This particular irrigation project was developed with the expectation that those who settled on it would be able to grow sugar beets, and would have the cash benefits coming from that production, in order to make it possible for them to pay the Government for the land and for the water. Unless they are able to obtain quotas which will be adequate and will be in keeping with the size of the project, those settlers will find it difficult to make their payments. In that case, the loser will be the Treasury of the United States itself.

Mr. BARRETT. Mr. President, I thank the Senator from South Dakota for his contribution.

The Government has spent vast sums of money in constructing reclamation projects and in making it possible for veterans and others to establish homes

there. In several of the projects in my State, the veterans are unable to plant a single acre in sugar beets. In our part of the country, as the Senator from South Dakota well knows, the production of sugar beets is very important, not only because sugar beets are a good cash crop, but also because the production of sugar beets complements the livestock industry in an important way. So when the veterans who settle on these lands are deprived of an opportunity to raise sugar beets it presents a serious problem for them.

I thank the Senator from South Dakota for his contribution.

Mr. CASE of South Dakota. Of course, Mr. President, in the latter part of his remarks, the Senator from Wyoming has revealed how practical he is in his knowledge of agriculture.

The necessity for a livestock feeding operation in connection with new irrigation projects arises simply from the necessity of increasing the fertility of the soil. That is a very important factor which goes right along with the cash-crop idea.

I know that is one of the reasons why the advisers for the Angostura project, in my State, have advised the settlers there to go into the feeding of livestock, both as a complement for their cash crop and because of what it will do to improve the fertility of the soil.

Mr. BARRETT. I thank the Senator from South Dakota.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. BARRETT. I am delighted to yield to the distinguished junior Senator from Utah. Before doing so, I should like to pay tribute to him for the fine contribution he has made over the past several months by his efforts to have this proposed legislation considered by both the House and the Senate. I am sure that the beet sugar producers of the West, and also the cane producers of the South, are very grateful to him for his fine work in that regard.

Mr. BENNETT. The Senator from Utah is profoundly grateful for the remarks of his colleague from Wyoming.

I am interested in this particular part of the colloquy, which develops the collateral values of the sugar-beet industry to agriculture in the West.

Is it not true that, in addition to all its other values, the growing of sugar beets is an important step in the process of rotating crops on irrigated lands, and that farmers who are deprived of the privilege of putting a beet crop in rotation on their property are deprived of the opportunity to maintain the fertility of the soil?

Mr. BARRETT. The Senator is entirely correct. He is anticipating my speech a bit. I intended to take some time a little later to develop that point. I thank the Senator for his fine contribution.

Cuba was very fortunate, not only because of the expected deficits of the Philippines, but because of the fact that our domestic consumption returned again to higher levels after the restrictions under rationing were lifted. In addition, the 10-year increase in population added about 25 million to our consuming public. In 1948, the final determination of consumption was 7,200,000 tons, and for later years has been:

	Tons
1949	7,500,000
1950 (due to Korean war)	8,700,000
1951	7,900,000
1952	7,900,000
1953	8,100,000
1954	8,250,000

The only change in fixed quotas since establishment of the Sugar Act was by the 1951 amendment, effective January 1, 1953, making increases as follows: Puerto Rico from 910,000 tons to 1,080,000 tons; Virgin Islands from 6,000 tons to 12,000 tons.

The 170,000-ton increase to Puerto Rico put that country's quota back to the basis of its share under the Sugar Act of 1934, on the basis of a consumption estimate of 8,200,000 tons. With the expected increases in consumption demand in 1954 and 1955, which have now been confirmed, the Puerto Rican change has been justified.

In addition to fixed quota changes just cited, the 1951 amendment provided that the Cuban and other foreign countries share of the remainder, after fixed quota allocations, should be divided 96 percent to Cuba and 4 percent to the other foreign countries. In the 1948 act the proportions applicable to each were 98.64 and 1.36 percent, respectively. This change restores the full-duty countries to the relative position they occupied prior to the war. In the years 1937 through 1941, before sugar quotas were suspended, these countries provided 3.97 percent of our dutiable sugar imports and Cuba the balance of 96.03 percent.

With the statement of quota provisions in mind, it is now important to review the results which flowed from their operation. These are presented in tabular form.

I ask unanimous consent to have printed in the RECORD at this point a table showing the final consumption estimates, United States domestic producers' quotas, Cuban quotas, and deficits in the United States sugar market, for the period from 1948 to 1954.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Final consumption estimates, United States domestic producers [1] quotas, Cuba's quotas, and deficits in United States sugar market, 1948–54

[In thousands of short tons, raw value]

	Final consumption estimate	United States domestic producers [1]		Cuban basic United States quotas	Net total deficits awarded Cuba	Cuba's United States quota plus deficits	Percent, Cuban quota of total United States quotas	Percent, Cuban quota plus deficits of total United States quota
		Fixed basic quotas	Final adjusted quotas					
1948	7,200	4,268	3,956	{ [2] 2,058 / 1,923 }	1,017	2,940	26.7	40.8
1949	7,500	4,268	3,798	2,219	874	3,093	29.6	41.2
1950	8,700	4,268	4,669	3,403	28	3,431	39.1	39.4
1951	7,900	4,268	4,124	2,614	333	2,947	33.1	37.3
1952	7,900	4,268	4,054	2,622	403	3,025	33.2	38.3
1953	8,100	4,444	4,354	2,574	185	2,759	31.8	34.1
1954	8,250	4,444	4,436	2,719	5	2,723	33.0	33.0
1955	[3] 8,200	4,444	----------	2,668	----------	----------	32.5	[4] 32.5

[1] Includes United States, Hawaii, Puerto Rico, and Virgin Islands.
[2] Minimum.
[3] Initial consumption estimate.
[4] If no deficits added.

Mr. BARRETT. A short résumé of the operation of the Sugar Act of 1948 reveals an interesting pattern of the changes from time to time in the quotas awarded to the various supplying areas.

The final consumption estimate rose from 7,200,000 tons in 1948 to 8,250,000 tons in 1954, representing an increase of 1,050,000 tons. The final estimates of consumption made by the Secretary in any year have generally proved to be quite accurate. It is fortunate that such is the case, as these estimates serve as a controller on the quantities marketed and exert a marked effect upon prices, returns to growers, restriction of acreages farmed, wages paid, and other factors.

Of the increase of 1,050,000 tons above mentioned 796,000 tons went to Cuba, and beginning in 1951, Puerto Rico and the Virgin Islands received 176,000 tons, and the balance of 87,000 tons went to other foreign countries. The United States mainland, insular and Philippine producers did not share to the tune of a single solitary ton in this increase.

The sum of increases over 1948 for Cuba in the final quotas for the years 1948 through 1954 has been 2,813,000 tons, and that total will exceed 3,500,000 tons at the end of this year.

The quota for Cuba on the basis of an estimate of 8,350,000 tons for this year will be 2,812,000 tons. This is 424,000 tons more than the minimum of 28.6 percent guaranteed to Cuba under both the 1937 and 1948 acts. In fact, Cuba's actual quota this year totals 32.5 percent of our market, while the fixed quotas for United States mainland producers reflect a drop from 32 to 27.5 percent of the consumption estimates between 1948 to 1955.

But this is not all the story. In addition to quotas fixed in the law, the distribution of production deficits has been important, at least to Cuba. From 1948 through 1953 our own domestic areas failed to produce a total of 1,200,000 tons of our allotted quota and the Philippines were unable to produce 1,600,000 tons of its quota. These total deficits of 2,840,000 tons were assigned to Cuba in addition to its own quota.

Therefore, with quota increases plus deficits, Cuba's share of the total United

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States market has ranged from 32.5 percent to 41 percent under the act, and has averaged about 37 percent compared to the 28.6 percent minimum guaranteed under the act. On the other hand, only in the years 1950, 1953, and 1954, did the final adjusted quotas for mainland and insular areas equal the basic quotas, while the final quotas have fallen short by 1,126,000 tons in the other 4 years.

Mainland cane and Puerto Rico produced more than their quotas since 1952 and all domestic producing areas have exceeded their quotas since 1953 and accordingly, domestic deficits now appear to be replaced by surpluses, as set forth in the following table:

[In thousands of tons]

	Fixed quota	Production		
		1952	1953	1954
Beet sugar	1,800	1,519	1,872	1,975
Mainland cane	500	605	630	600
Hawaii	1,052	1,020	1,099	1,092
Puerto Rico	1,080	1,372	1,182	1,204
Virgin Islands	12	12	14	10
Total	4,444	4,528	4,797	4,881

A review of the production quota and marketing figures indicates that as of the first of January last, the mainland cane and beet sugar industry, divided on about an equal basis, held over 500,000 tons of above-quota sugar stocks. Puerto Rico also carries over several hundred thousand tons of above-quota stocks of sugar.

Are these surpluses the result of acreage expansion in the industry? The answer to that, of course, is "No." The acreage planted in these recent years are controlled by the Secretary of Agriculture under the act. The increased output has come about by reason of improved seed, better technology, application of research findings, improved farming methods and, of course, favorable growing conditions. The beet output per acre has increased rapidly since the war as shown by United States Department of Agriculture studies. The following figures are for the 3 years preceding the 1948 act and the last 3 years for which data are available for sugar-beet production.

	1945–47	1951–53
Average annual production (tons, sugar)	1,572,000	1,644,000
Average annual acreage planted (acres)	894,000	765,000
Average annual acreage harvested (acres)	808,000	707,000
Average annual beet yield per acre (planted), tons	11.9	14.4
Average annual beet yield per acre (harvested), tons	13.3	15.6

These figures reflect an increase of 21 percent in the average yeld of beets per acre planted during this period. Over the 15 years before the war, the yield per acre of beets harvested held to a fairly constant average of 11.2 tons compared with 15.6 tons during 1951 through 1953. There have been 6 years in which beet acreage planted has been greater than in 1954 since the passage of the Sugar Act of 1937. During the war years consumption was curtailed by the Government and, also, acreage was converted in response to Government urgings to expand other crops. Marked improvements have been made in productivity in both the sugar beet and cane industry. In 1954 southern cane farmers produced 615,000 tons of sugar on fewer acres, as against 477,000 tons produced in 1948. This improvement has occurred during the operation of the 1948 act, when our annual consumption has increased well over 1 million tons. Our cane and beet sugar producers were not permitted to supply any of this increase in consumption, but were obliged at the same time to pile up surplus stocks of a half million tons of sugar and now to cut acreage to be put in production.

The acreage fixed for 1955 for United States sugar cane producers is 294,000 acres compared with 315,000 acres for 1954, and an average of 340,000 acres for 1949–53. This represents a reduction of 8 percent in 1954 and a further drop of 6 percent in 1955. For beet growers the acreage was cut about 10 percent from 944,000 in 1954 to 850,000 acres in 1955. For Wyoming the reduction is even greater—from 39,707 acres in 1954 to 34,645 in 1955, a decrease of 13 percent. For Idaho, the decrease is nearly 15 percent and for Minnesota, 14 percent.

These reductions are extremely serious to small farmers, and particularly to thousands of war veterans now trying to establish homes in the new irrigated valleys of the West. The imperative need of a cash crop such as sugar beets to these men is obvious—and the denial unexplainable.

Up to this point I have discussed the main outlines of production and consumption of sugar and the efforts that have been made to bring about a reasonable balance, first through tariffs and since 1934 under the various Sugar Acts. I desire now to turn to some other aspects of the industry. I should like to discuss prices, returns to growers, and other factors.

Sugar is probably one of the cheapest of consumer commodities on the market today. Over the years the price of sugar has declined more than the prices of all foods, and under postwar inflation has increased less.

In 1870, the wholesale price of sugar in New York was 13½ cents per pound and in succeeding decades it has exceeded that figure only once and during half the time since it has been less than half that price:

1880	9.6
1890	7.6
1900	5.3
1910	5.0
1920	15.5
1930	4.6
1940	4.3
1950	7.8

Using 1935–39 average prices as base, wholesale sugar prices increased 83 percent by 1950 compared with 121 percent for all foods, and 205 percent for disposable per capita income. Since prewar times wholesale sugar prices have increased only 69 percent as much as all food prices. Sugar prices have not only increased less, but they have also been more stable than most commodities. In setting the estimate of consumption upon which quotas are based, the Secretary must take into account price effects and in this way price changes are held within a relatively narrow range for the benefit of the consuming public. Because of this, the domestic market is not affected to any large degree by the wide fluctuations in the world market. In this respect the Sugar Act with its production and marketing quotas have brought a measure of stability to the industry which tariff rates failed to accomplish after World War I.

As recently as 1951, prices on the so-called world market were above United States sugar prices. Since then, world market prices have been depressed and are lower than the United States prices. However, the term "world market" is somewhat misleading. Fully 90 percent of the world's sugar production is controlled by national legislation of one kind or another, and the so-called world market is in reality only a dumping ground for sugar that has no other place to go. The term "world price" is likewise misleading, because prices in 75 percent of the nations of the world are higher than in the United States. Nevertheless, the fact that prices in the United States are above prices on what is called, for want of a better name, the world market, has been of immense benefit to Cuba. During 1953 and 1954, for example, the Cuban producers received about 2 cents more per pound for sugar sold in this country than for sugar she sold on the world market. Cuba received about $220 million more for her sugar sold here during those 2 years than she would have received if she had sold the same quantity at prices prevailing in the world dumping ground.

The disparity between world and United States prices reflects the great increase in world production from 31.6 million tons in 1948 to 40.2 million in 1953 with an average of over 38.5 million tons for the years 1951–54. Cuba also greatly expanded its production from 5,763,000 tons in 1948 to nearly 8 million tons in 1951. A great deal of this increased tonnage still hangs over the world market and accounts largely for the low levels of world prices as compared to prices here.

It is now and always has been one of the principal purposes of the sugar acts to provide a fair and reasonable return to domestic growers of sugarcane and sugar beets. In this connection, one of the often-misunderstood and misinterpreted provisions of our sugar-quota legislation is the provision for conditional payments to sugar farmers who comply with all the restrictive requirements of the legislation. These payments actually have a double purpose—to enforce compliance by growers with the restrictive features of the law, and to assure a fair distribution of the sugar dollar among growers and labor and processors. The payments are part and parcel of the tax-quota-compliance provisions of the law, and they work like this:

The price of sugar is determined by the free play of the factors of competition and supply and demand. Part of the price which the processors and refiners receive for their sugar is collected by the Government in the form of an excise tax of one-half cent a pound.

The Government, in turn, pays farmers part of their expected return for their sugarbeets or sugarcane—if they comply with all the restrictive features of the law, such as wages paid to fieldworkers, planting within the number of acres prescribed by the Government, and so forth. No other segment of American agriculture has so many or so extensive restrictions placed upon it as do the producers of our sugar crops. The farmer who does not comply with all the restrictions does not receive the Government payment and, therefore, he does not receive full payment for his sugarbeets or sugarcane.

The payments are made on a graduated basis, ranging downward from 80 cents per 100 pounds of sugar for farmers whose cane or beet output yields less than 350 tons—raw value—to 30 cents per 100 pounds to farmers whose output yields more than 30,000 tons. In 1953 the average payment per 100 pounds of sugar produced in domestic areas was about 73 cents, while the payment per 100 pounds of sugar consumed amounted to about 40 cents. The total wholesale value of domestically produced refined sugar was about $750 million in 1953, and Sugar Act payments to producers amounted to only $66 million.

It is especially important to point out that the operations of the Sugar Act result in a net gain to the Treasury of the United States. As I shall detail later, the Government has collected excise taxes of some quarter of a billion dollars more than the total of payments made to producers, and the total net gain to the Government, including tariff collections, has been more than $300 million. Under the Sugar Act, the Government annually collects an average of $15 million to $20 million more than it pays out, including all payments to producers and the costs of administering the act. I know of no other Government program involving farm production which consistently results in a net gain or profit to the United States Treasury.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BARRETT. I am glad to yield to the distinguished Senator from Minnesota.

Mr. THYE. While the Government has participated in the program, the consumer has always been assured of an adequate supply of sugar at a very reasonable price.

Mr. BARRETT. The Senator from Minnesota is entirely correct.

Mr. THYE. If the Senator from Wyoming will yield further, I commend him for his very able remarks on this important question. I wish to associate myself with his remarks, because I am one of the cosponsors of the bill which proposes to establish sugar quotas in this calendar year, before the expiration of the present act.

Mr. BARRETT. I thank the Senator. He has taken an important part in this legislation, and has rendered great service, not only to the people of his own State, but to the sugar producers of the country generally.

Mr. THYE. Mr. President, if the Senator will further yield, I should like to state that the producers in the United States must share in the increased consumption of sugar in the United States. We have an increased population, as well as an increase in per capita consumption, and the producers of this Nation must share in the increased consumption. Otherwise we shall find a certain phase of our economy suffering because it is denied the right to produce what we domestically consume, or to produce commodities with respect to which the consumption has increased.

Mr. BARRETT. The Senator is entirely correct.

Since 1948 Cuba has not only received its own quota, as provided under the law, but it has inherited most of the deficits in production in this country and in the Philippines. In addition, our population has increased about 14 million, and Cuba gets the entire benefit, practically speaking, of the increase in population in this country since 1948.

Mr. THYE. It is nothing more than plain justice for the Senator and me, as Members of this legislative body, to protect our producers and make certain that they have an opportunity to increase their acreage planted in accordance with the increased consumption domestically.

Mr. BARRETT. They are entitled, by every rule of equity, to a fair share in their own markets here at home.

Mr. THYE. And we have not denied Cuba its share, because we have permitted Cuba to increase the amount exported to the United States by more than 700,000 tons, as I understand.

Mr. BARRETT. The Senator is correct.

Mr. THYE. During the life of the present Sugar Quota Act.

Mr. BARRETT. The Senator is entirely correct. There is no disposition to affect the quotas which Cuba has at the present time, and the bill does not contemplate it.

Mr. THYE. I thank the Senator.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. BARRETT. I am delighted to yield to my distinguished colleague from Colorado.

Mr. ALLOTT. As I understood the Senator's statement a few moments ago, in 1870 the price of sugar was 13½ cents a pound, and in 1950 it was 7.8 cents a pound. A part of the opposition argument which has been bandied about on the question of sugar is the great cost of the sugar program to the people of the United States.

I wish to associate myself with the remarks of the Senator from Wyoming, who is showing that this program has actually resulted in a profit to the Government of the United States. I should also like to inquire of the Senator if he knows of any other ordinary common commodity the unit price of which has decreased almost 50 percent between 1870 and the present time?

Mr. BARRETT. I may say to the Senator that I made a search on that particular point, and I found that the price of no other commodity has decreased so much as has the price of sugar. Furthermore, the price of sugar to the consumer in this country is much less than it is in most of the other countries of the world.

Mr. ALLOTT. With the general decline in the value of the dollar since 1870, and the fact that the price of sugar is about only 55 percent of the price in 1870, on a rough estimate, it would represent a price of about one-sixth of what the normal price of sugar would be if the price had increased at the same rate the prices of other commodities have increased.

Mr. BARRETT. The Senator is entirely correct. I believe he has made a valuable contribution to the debate.

The Government payments are not something extra the farmer receives for producing a sugar crop; they are part of his regular income for the crop if he meets all the strict requirements of the law. I want to emphasize that. Certainly the payments have not unduly increased the income of sugar farmers in relation to the income of other farmers. In fact, even including the conditional payments, the total average returns for sugar beets and sugarcane have advanced less than for most farm products. A comparison of prices during the whole decade of the 1930's with those since the war clearly indicates that over these years, prices received by farmers for sugar beets and sugarcane have advanced far less than prices received by farmers for all farm products.

I ask unanimous consent that the table showing a comparison of the prices be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of prices received by farmers for sugar beets and sugarcane with prices received for all farm products

[Index: 1930–39=100]

	Index of prices received for all farm products	Actual average prices received per ton for sugar beets	Index based on 1930–39 average price	Actual prices received per ton for sugar cane	Index based on 1930–39 average price
1930–39	100	$6.53	100	$3.63	100
1947	283	14.44	221	8.46	233
1948	296	12.94	183	6.91	190
1949	256	13.41	206	7.41	204
1950	264	13.70	210	9.00	248
1951	310	14.13	216	7.50	207
1952	297	14.48	222	8.07	222
1953	264	14.43	221	8.43	233

Mr. BARRETT. Mr. President, it should be noted that while prices paid for beets and cane include Sugar Act payments, the increases in beet and cane prices paid to the farmers are nevertheless much less than returns received by producers for all farm products.

Thus it is quite clear that in any comparison of prices—wholesale or retail for sugar, or prices received by farmers—our domestic sugar has been held on a reasonable price level compared with all other food and farm prices. The cane and beet growers only chance to keep abreast of economic improvement lies in greater productive efficiency, but the imposition of acreage restrictions removes that advantage in short order.

Prices for sugar beets, including Sugar Act payments, reached parity only in 1949 and for sugarcane only in 1950 and

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1953. For the other years beet prices have averaged 93 percent and cane prices only 84 percent of parity. These prices have prevailed since 1948 even though the net returns to growers have averaged 62½ percent of processors' sales of beet sugar and 67 percent of sales of cane sugar.

The results achieved under the sugar acts in reviving an ailing industry and promoting stability, efficiency, and growth are evident in its every phase. Today we hear very little of the criticism that the domestic sugar industry is uneconomic and should be permitted to languish, if indeed it should exist at all. The industry has developed an enviable record of performance under the sugar acts, contrary to the expectations and attitudes of those who have been hostile or indifferent to the interests of domestic producers, and who have favored greater or even total dependence on foreign sources of supply. As a nation, we are indeed fortunate that the philosophy of Henry Wallace, then Secretary of Agriculture, did not prevail, when he said in his book, published in 1934, America Must Choose:

> This will involve a radical reduction in tariffs. That might seriously hurt certain industries, and a few kinds of agricultural businesses, such as sugar beet growing and flax growing. It might also cause pain for a while to wool growers, and to farmers who supply material for various edible oils. I think we ought to face that fact. If we are going to lower tariffs radically, there may have to be some definite planning whereby certain industries or businesses will have to be retired. The Government might have to help furnish means for the orderly retirement of such businesses, and even select those which are thus to be retired.

One thing is certain, if we did not have a thriving domestic sugar industry, we would be entirely dependent upon foreign producers in crucial times and perhaps foreign cartels at all times. There is no doubt that our domestic production serves as a safety valve to protect against excessive increases in prices to our consumers.

Important as prices, taxes, tariffs, and quotas are in preserving stability and promoting development of the sugar industry in this country, there are other factors of equal importance to the beet growers of the West.

Sugar has been described as nothing more than "crystallized water and sunshine" or, simply, carbon, taken from the air, combined with hydrogen and oxygen in the proportion of water, taken from the soil. Certain it is that sugar beets do not rob the soil. As a matter of fact, the sugar beet returns almost everything it takes from the soil. The roots of the beet reach deep into the soil, enriching it every inch of the way. The growing of sugar beets figures importantly in any program of farming diversification in producing areas.

During the past 40 years, sugar beet production in the United States has utilized upward of 1 million acres. At times acreages have increased when new irrigation projects have been brought into production and acreage reductions have resulted from labor shortage, drought, or when marginal areas drop out of the producing picture.

For some years, the number of farms producing beets has declined while the acreage planted per farm has increased. In 1939, there were 57,600 farms, averaging 17.2 acres in beets, while in 1953 we had only 25,000 farms averaging 32.8 acres. The size of operation reflects the intensive nature of beet farming and its adaptability to a sound rotation program in the irrigated valleys of the West together with its close relation with the sheep and cattle feeding operations. It is probably true that no major agricultural activity creates more product per acre, directly and indirectly, than sugar beet farming.

The beet sugar industry produced only about 75,000 tons 50 years ago compared to over 1,800,000 tons today. The growing and processing of beets made greater headway much earlier in Europe than in our country. After years of study, Truman G. Parker prepared a private study which in 1912 became a Senate document on the subject "The Influence of Sugar-Beet Culture on Agriculture, and Its Importance in Relation to National Economics." In that document, Mr. Parker contended:

> Until recently, outside of strictly scientific agricultural circles, it was a generally accepted conclusion in the United States that sugar-beet culture injured the soil. Farmers so contended, and so universal was the contention that factory managements were compelled to concede that the farmers were right. Certain it was that after having been planted to beets 2 or 3 successive seasons, fields yielded a lower tonnage with each succeeding year.
>
> While the Department of Agriculture pointed out many advantages of sugar-beet culture and urged farmers to engage in it, various agricultural weeklies advised their readers that whatever might be the tonnage per acre and the price of beets per ton, they could not afford to engage in beet culture, as it soon would destroy the productivity of their fields and ruin the value of their farms.
>
> American farmers were growing beets on the same soil, year after year, their only thought being "so many tons of beets per acre at so much per ton," whereas, since learning of the indirect value of sugar-beet culture, European farmers use them as a means to increase the yield of other crops rather than for their direct money value, and in order to spread the benefits over as great an area as possible they plant beets on the same soil but 1 year in 3 to 5. From time to time, this information since has been placed before American sugar-beet farmers, and now, by practical experience, many have learned of the value of sugar-beet rotation and are enthusiastic over the results obtained.
>
> Such a discovery was made a century ago and was heralded and utilized by the leading nations of Europe, with the result that their wornout soils have been so rejuvenated that now they produce 2 bushels of grain where formerly they produced but 1. But for the fact that Europe learned to rotate her cereal crops with a hoed root crop and thereby doubled her acreage yield of cereals, European nations still would be encouraging and assisting emigration because of inability to feed their increasing population.
>
> Strange as it may seem, this important discovery has not been exploited in the United States. With few exceptions American writers on agricultural topics seem to have been totally oblivious both as to the cause and of the fact that the wornout soils of Europe have been so built up that they now produce 2 bushels of grain where the virgin soils of the United States produce but 1. In their ignorance, some American writers even advise our farmers against adopting the very method which has revolutionized agriculture in Europe. And so it follows that American farmers have not profited by it and their yields per acre remain practically stationary, while the crop yields of the balance of the world increase from year to year. During the past 30 years the combined average yield per acre of wheat, rye, barley, and oats in the United States has increased but 6.6 percent, while the acreage yield of the same crops in Germany has increased 80 percent during the same period.

In the interval since Parker's report was printed, the American beet farmer has not only become fully aware of the virtues of beet culture as a sound agricultural improvement practice but also in the development and use of beet by-products.

Where beets are grown in rotation with hay, grain, and grass, they promote soil equilibrium; in fact, improvement in soil fertility increases as rotation proceeds, instead of "mining" the soil as often occurs in single-crop areas.

Furthermore, sugar beets may be grown in the high altitudes, where it is impossible to grow such crops as corn and cotton, and beets are also adaptable to soil conditions unfavorable for other crops. It is in those areas where it is difficult if not impossible to grow other crops that sugar-beet culture is of tremendous importance.

The benefits of sugar-beet culture are well known on reclamation projects of the West. Dr. Elwood Mead, who, by the way, was first State engineer of Wyoming and who was also for many years United States Commissioner of Reclamation, has testified:

> The sugar-beet industry is the backbone of those Federal reclamation projects where the crop is grown. It is one crop that contributes more than anything else to a rounded-out, complete agricultural program, gives winter and summer employment, enables the farmer to make the largest and best use of the surrounding grazing land, largest and best use of alfalfa that is grown, and gives an unusual measure of continuous employment for the family on the farms, with more stable income than anything else.

The nature of the sugar beet and the rotation system make it abundantly clear why farm conditions improve where sugar beets are grown. As I indicated earlier, the root system of the beet penetrates the ground to a depth of 6 or 7 feet and when the beets are cut, thousands of roots are cut off and left in the soil to an estimated average of a ton per acre and this constitutes a valuable contribution to the richness of the soil. Furthermore, the root system loosens up the compact soil, permitting air to reach down below the surface and fertilizing the soil. When rotation is practiced, the roots of subsequent crops follow the channels of the beets and thereby draw nutriment from much greater depth, which promotes growth.

Refined sugar, itself, is nothing more than carbon and water. Thus, when sugar is extracted from the beet, the remainder is available for feeding livestock, converted into meat and milk, and also furnishes manures to be returned to the soil. No other crop pays back so much fertility to the soil from whence it came.

The byproducts of beet sugar, such as beet tops, molasses, and pulp, have built an enormous lamb- and cattle-feeding industry in the Western States. The tops from an acre of beets are considered to have the feeding value equivalent of one ton of alfalfa hay. It has been demonstrated that the byproducts of an average acre of sugar beets exceed in feeding value the entire product of an average acre of corn.

E. J. Maynard, formerly dean of the Utah State Agricultural College, has summarized years of experience in this field, as follows:

> Sugar-beet byproducts fed along with grain and alfalfa hay will produce cheaper beef and mutton or lamb than any ration available in the United States, not even excepting the grain and alfalfa combinations fed in the Corn Belt. * * * It is safe to say that there is no fattening ration for lambs that will produce as cheap or heavy a gain as a full feed of wet beet pulp, about a half pound of grain, and a full feed of alfalfa.

The average acre of sugar beet yields approximately 3,500 pounds of pure granulated sugar, and the byproducts from the same acre will produce at least 300 pounds of meat, when these byproducts are properly fed to livestock.

Millions of sheep and cattle from the ranges of 11 Western States are annually fattened on the feed lots of the beet-sugar regions. The growth in the production of sugar beets is followed immediately by a corresponding expansion in livestock-feeding operations. To many of our Western States this means that the livestock industry can carry on a complete operation—feeding and fattening as well as growing. In fact it means a wholly new industry for those areas.

Thus it is clear that growing beets means more than producing sugar. It has made possible the development of some of the most productive farming areas in the country. It has helped in a big way in crop rotation and farming diversification. It has made a great contribution to a well-rounded-out livestock operation in the Mountain States. No wonder, then, that beet growers and the Nation as a whole have a great stake in a thriving sugar-beet industry. Any reasonable man must agree that this great industry must be permitted to grow with the country and that it must be released from the shackles and chains of fixed quotas.

No one will deny that the tremendous progress in sugar-beet culture in the mountain west left its imprint on a sound and successful plan of diversification in our agricultural economy. By no means were these results accidental, in fact, they were achieved only after experimentation and research in the laboratories, and by trial and error application of the carefully screened theories in the year-to-year operations on the farm. This constant planning and endless effort to improve and refine farming methods runs on and on with increasing purpose with the process of the suns. I realize that it is often said that farmers love the soil and that agriculture is more a way of life than a vocation. While I do not hold to that philosophy, one must admit that there is considerable substance to the contention.

Some 4 years ago, while I was Governor of my State, I sensed that the shift from sugar beets to other crops promising better immediate cash returns might, in the long run, operate against the best interests of our agricultural community. Accordingly, I called a statewide conference jointly with Dr. G. D. Humphrey, the president of the University of Wyoming, at Worland, Wyo., in September 1951, for the purpose of centering the attention of our people on the wisdom of maintaining our sugar-beet industry on a sound and expanding basis.

The meeting was highly successful and was attended by upwards of 500 leaders among the beet producers, processors, cattlemen, woolgrowers, businessmen, bankers, agricultural experts, and leaders in Government. Frank Kemp, the president of Great Western Sugar, and Merrill Shoup, president of Holly Sugar, both attended the conference, and Mr. Kemp highlighted the discussion on that occasion as he does at most important discussions on the sugar problem anywhere in the country. Many important papers by eminently qualified speakers were read at the forum and the basic importance of the sugar-beet industry to the economy of our State was stressed time and again. To my way of thinking the meeting was quite successful.

In those days we were trying to encourage the farmers in our irrigated valleys to increase their acreage of sugar beets. Many leaders expressed the thought that sooner or later the growers would wish they had a good history of sugar-beet plantings. They did not know then how well they spoke. Many spoke of soil improvement, crop rotation, sound farming, better livestock feeding operations, and increased productivity on our irrigated farms. Our great objective in those days was to encourage our farmers to grow more sugar beets.

Pretty soon it was not plant more; it was plant less. The high degree of efficiency attained in beet culture brought about terrific increases in production, and soon we were confronted with production exceeding the rigid fixed marketing quotas, and then enforced acreage reductions. The repercussion cut deeply into every phase and segment of the industry—crop rotation, soil improvement, diversification, the fattening and feeding of our livestock. Try as we will, it is impossible to explain to a group of young struggling veterans that they just cannot plant any beets. Logic, reasons, explanations, excuses mean little to a young fellow thinking only of the desperate needs of his young family.

And so, Mr. President, that is the résumé of sugar from the first days of our Republic down to this very moment. I have spoken in considerable detail because I wanted to make crystal clear that the stand I take here and now is in accordance with our historical position. For 165 years our country has held steadfast to the policy of first nurturing and encouraging and later of protecting and sustaining a sound domestic sugar industry. Down through the years many of the great leaders of our country have taken an important part in molding that policy right here on the floor of the United States Senate.

The building of the industry enabled many of our farmers to produce a crop that provided attractive returns and improved the soil at the same time. The sugar industry has taken nothing out of the Treasury, but, on the other hand, has piled up a surplus of over 310 million over the years since the enactment of the Sugar Act, as shown by the following table:

Sugar Act tax collections and Sugar Act payments to growers

Tax collections (1938–54):	
Excise tax	$1,149,640,000
Import tax	67,500,000
Total	1,217,140,000
Sugar Act payments (1937–53)	906,508,000
Excess of tax over payments left in U. S. Treasury, total	310,532,000
Excess of excise tax over payments	243,032,000

More importantly, the Congress itself has declared that in order to promote the welfare of and to provide for the security of our country, we must have a sound, prosperous and growing domestic sugar industry.

For more than a half century we have assumed a certain measure of responsibility toward the people of Cuba. Our relations with Cuba have always been cordial and friendly. Their economy is built almost entirely on sugar. The ease of production on a tremendous scale has resulted on several occasions in building up stockpiles of sugar that the whole world could not absorb over a period of many years. That was precisely the fix which confronted Cuba in 1948. After disposing of all of that year's crop that it possibly could, Cuba still had a carryover of enough sugar to supply its quota in our markets for a full year.

In recognition of this deplorable situation and with a sincere desire to help a friend in distress, the Congress, in the Sugar Act of 1948, determined on a purely temporary basis to provide a way for Cuba to work out of its difficulty. In spite of the fact that the annual increase in consumption, arising largely by reason of increases in population, had been divided from the first day of our Sugar Acts on the basis of 55.59 to our domestic and insular producers and 44.41 to foreign producers, which to all intents and purposes means Cuba, the 80th Congress gave Cuba not only nearly 80 percent of the total increase in consumption which developed by 1954, but, in addition, Cuba was granted the right to export to the United States sufficient sugar to replace that part of the quotas which other producing areas were unable to supply.

While the concession was admittedly on a temporary basis, the additional tonnages given to Cuba were so enormous over a period of 7 years that it was given every opportunity to resolve its surplus problem. Now the shoe is on the other foot and our domestic producers find themselves in a similar predicament to that which confronted Cuba in 1948. We have built up such large stockpiles of sugar that our producers cannot sell.

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Thousands upon thousands of our veterans have been denied the opportunity to plant a single acre of beets or cane for sugar production. And so the spirit which animated the Congress to enact legislation for the relief of Cuban producers in 1948 impels similar action on behalf of our own people this year.

Mr. ELLENDER. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I am delighted to yield to the distinguished chairman of the Committee on Agriculture and Forestry who has introduced the bill which we are supporting here today.

Mr. ELLENDER. I thank the Senator.

Is it not a fact that when the Sugar Act was passed by Congress in 1948 it was with the express purpose of helping Cuba to get her sugar-production back on a peacetime basis?

Mr. BARRETT. The Senator from Louisiana is entirely correct.

Mr. ELLENDER. But instead of doing that, as the Senator pointed out a while ago, Cuba has greatly increased her production from prewar levels. In 1951 she produced nearly 8 million tons, compared with an average of 3,183,000 tons for the years 1935–39.

Mr. BARRETT. That is correct. That was done in spite of the fact that, as the Senator well knows, Cuba had not only a residual quota with a minimum but had the advantage of making up most of the deficits in production in this country and in the Philippines, which amounted approximately to 2,840,000 tons, if my recollection is correct.

Mr. ELLENDER. Is it not also a fact that the difference between the conditions in Cuba and in this country today, with respect to our increased production, has not been due to increased acreage, but to increased production on less acreage?

Mr. BARRETT. The Senator is entirely correct. We reduced our acreage, but production has increased because of more scientific methods applied in our farming communities.

Mr. ELLENDER. I am sure the same condition prevails in the beet sugar area as in the mainland sugar area where today the farmers are producing more sugar on approximately 18 or 20 percent less land than in 1948.

Mr. BARRETT. The Senator is correct. The domestic beet sugar producers and cane sugar producers have piled up a surplus of more than 500,000 tons. So today we find ourselves in the predicament of not being able to dispose of the surplus which has been produced in this country; and, furthermore, we have no hope of giving farmers any additional acreage, and, particularly, we cannot give new farmers any acreage at all. In fact, our producers are confronted with reductions of nearly 100,000 acres in 1955.

Mr. ELLENDER. I do not wish to divert the Senator from his speech, but——

Mr. BARRETT. I am delighted to have the Senator interrupt me.

Mr. ELLENDER. Is it not a fact that Cuba will obtain in 1955 the same proportionate share of our total consumption up to 8,200,000 tons that she received during 1954?

Mr. BARRETT. The Senator is entirely correct. Disregarding deficits, I may say that the percentage to which Cuba would be entitled would be 32.5 percent of our market, which is, roughly, about one-third of our domestic consumption.

Mr. ELLENDER. Is it not also true that the estimate of consumption for 1955, according to the latest reports, is approximately 8,400,000 tons, and if that be true, the extra 200,000 tons will be shared by the domestic and foreign producers as follows: 188,000 tons under the bill will be first allotted to domestic producers in the proportion of 85,000 tons for beet sugar; 80,000 tons for mainland cane sugar; 20,000 tons for Puerto Rico; 3,000 tons for the Virgin Islands, and the balance will be divided so that Cuba will receive 96 percent of 45 percent and the domestic producers will receive 55 percent?

Mr. BARRETT. That is correct; and I submit that such an arrangement is eminently fair.

Mr. ELLENDER. And that, in effect, as the Senator has pointed out on several occasions, is approximately the same basis as that which obtained prior to 1948.

Mr. BARRETT. The Senator is entirely correct.

Mr. ELLENDER. Mr. President, I wish to take this opportunity of congratulating the Senator from Wyoming for going into detail and giving us the benefit of the past history concerning the sugar situation.

Mr. BARRETT. I thank my distinguished colleague from Louisiana for his kind remarks.

Mr. President, in conformity with that same conciliatory spirit, we have drafted a bill dictated wholly by a sense of fairness to our own farmers. The bill does not take away one pound of existing quotas from Cuba or any other foreign producer. In order to permit our producers to sell a little of our surplus supplies in our own markets, we asked for a modest increase in domestic quotas amounting to 188,000 tons, to be divided between our mainland and insular producers out of increases in consumption on the following basis:

	Tons
Domestic beet	85,000
Mainland cane	80,000
Puerto Rico	20,000
Virgin Islands	3,000

After giving Cuba 7 years' monopoly in the increase in our domestic market, we ask now that our own producers be given a chance to share in our market to the extent of 55 percent and foreign producers 45 percent, of which 96 percent of the latter is awarded to Cuba. I have prepared a table, Mr. President, which will show the way our market is divided today, how it will be divided if we are allowed the 188,000 tons increase, and how it will be divided in 1962, when we hope our consumption will have increased by another million tons.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table showing the effects on quotas under the operation of Senate bill 1635.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Effects on quotas under operation of S. 1635

	Present quota at 8,200,000 tons	Percent of total	Proposed quota at 8,388,000 tons	Percent of total	Proposed quota at 9,200,000 tons	Percent of total
United States beet	1,800,000	22.0	1,885,000	22.47	2,066,768	22.46
Mainland cane	500,000	6.1	580,000	6.91	635,914	6.9
Puerto Rico	1,080,000	13.2	1,100,000	13.12	1,206,067	13.11
Hawaii	1,052,000	12.8	1,052,000	12.54	1,153,423	12.53
Virgin Islands	12,000	.15	15,000	.18	16,429	.18
Subtotal	4,444,000	54.25	4,632,000	55.22	5,078,601	55.18
Philippines	977,000	11.9	977,000	11.65	977,000	10.62
Cuba	2,668,000	32.5	2,668,000	31.81	3,018,784	32.8
Other foreign	111,000	1.35	111,000	1.32	125,616	1.37
Subtotal	3,756,000	45.75	3,756,000	44.78	4,121,400	44.79
Total	8,200,000		8,388,000		9,200,000	

Mr. WELKER. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I am delighted to yield to my colleague from Idaho.

Mr. WELKER. I should like to join the distinguished senior Senator from Louisiana [Mr. ELLENDER], in congratulating the great Senator from Wyoming for his knowledge of this subject matter. I will say by way of observation that it is too late indeed for us to think that any action will be taken on the sugar bill at this late hour. I have heard the distinguished Senator from Wyoming speak on this question on the floor of the Senate and in conferences, as I have heard the distinguished senior Senator from Louisiana and the distinguished senior Senator from Nevada, and other Senators speak on it. I should like to ask the Senator from Wyoming this question:

In view of the remarks made, is it not eminently clear to the Senator from Wyoming what we are doing to the domestic sugar industry at home?

Mr. BARRETT. It certainly is. I have taken the floor today to explain the effect of the 1948 act on the beet producers of Wyoming and other Western States as well as the cane producers of Louisiana and Florida, in the hope that some remedial legislation may be enacted.

I do not quite agree with the Senator that it is a rather hopeless situation; in fact, I think we have made some headway since the bill was introduced.

The administration has made some concessions, for which we are very thankful. It has been admitted that the

Sugar Act should be amended this year, that the domestic industry should share in the future growth of our own sugar market, and that the domestic industry needs an increase above the present fixed quotas. We hope that before this session of Congress is concluded, it will be possible to enact legislation which will be fair and reasonable. To my way of thinking, S. 1635 will do precisely what should be done.

Mr. WELKER. Mr. President, will the Senator further yield?

Mr. BARRETT. I yield.

Mr. WELKER. I am aware of the fact that the senior Senator from Wyoming feels that something can be done about the sugar situation. But the names of the Senators who have appeared and argued this question for months and months are well known to him. It seems to me that the only relief which will be afforded domestic producers in the watered-down version will be merely a few crumbs from the table. Cuba will be permitted to benefit, but our domestic users will look out the window and wonder what has been happening in Washington, D. C.

Mr. BARRETT. After all, Congress itself has the responsibility to enact legislation. I am very hopeful that the House, which under the Constitution must initiate legislation of this type, will send to the Senate a bill that will be substantially the same as the bill which many of us have joined with the senior Senator from Louisiana in introducing, one which will be fair so far as the domestic producers, as well as all other producers, are concerned.

Mr. WELKER. May I ask the Senator from Wyoming if it is not a fact that with respect to the bill which we have discussed so minutely, the Committee on Agriculture and Forestry, headed by the senior Senator from Louisiana, has been, in effect, practically ignored, because the agricultural experts at the State Department, on the Cuban desk, seem to have the ear of persons to whom we cannot get close?

In other words, I have felt that the committee on which I was honored to serve for the past 2 years, but on which I no longer serve, because of the change in the control of Congress, is making a dry run by asking the representatives of the United States sugarcane and sugar-beet industry from Louisiana, Wyoming, and Idaho to testify before the committee, when the powers of the committee have been taken away.

Those most interested in sugar production are farmers. They understand the problem. But the powers of the Committee on Agriculture and Forestry have been curtailed, and we listen, whether we like to do so or not, to the testimony of a representative of the State Department. I can state his name, if the Senator desires. The result is that the domestic sugar producers suffer.

Mr. BARRETT. Of course, that official in the State Department will not have a vote in either the Senate or the House. I am relying on the membership in both bodies to take care of this situation, and I am very hopeful they will do so.

I share the fears my distinguished colleague has expressed, but I am quite certain that in the long run the commonsense of the membership of the Congress on both sides of the aisle, will recognize the predicament in which the domestic producers find themselves today, and that they will support legislation which will give our producers a fair share of their own market.

Mr. WELKER. I appreciate the great efforts which have been made by the senior Senator from Wyoming. I hope and pray that his wishes will be fulfilled. But when I consider Idaho, I am worried, because I know of boys there who were maimed and injured in Korea, and who have been given valuable land on which to make a start in agriculture, but are unable, because our Government will not give them an allocation, to raise the only cash crop on which they can make a profit, namely, sugar beets. Yet we look out the window and pay our attention to Cuba.

As the Senator knows, I am fully in agreement with helping Cuba at all times; but I am not an "America-laster," and I know my colleague from Wyoming is not an "America-laster."

I think we can assure the war veterans and the producers who have had their acreage cut for the benefit of Cuban producers that this is a problem which their Representatives in Congress view with alarm. The gentleman from the State Department will not be here to vote, but he swings a very wicked bat, as the Senator from Wyoming well knows.

Mr. BARRETT. I appreciate the contribution to the discussion by my friend from Idaho. I still feel that in the long run it will be possible to make substantial progress in Congress this year. I believe that the provisions of our bill are quite modest and I am sure that any legislation will be substantially along the lines of our bill.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. BARRETT. I am delighted to yield to my distinguished colleague from Idaho, who, I may say, anticipated this situation perhaps a little earlier than any of the rest of us, because a year ago he introduced a bill which would have revised the 1948 act at that time. I think probably a mistake was made in not insisting upon revision of the act last year, instead of waiting for action this year.

Mr. DWORSHAK. I thank the Senator from Wyoming for his words of commendation. The Senator from Wyoming has rendered exceptional service today by reflecting the thinking of the leaders of the domestic sugar industry, both beet and cane.

I wish to ask him if there has not been unusual cooperation, harmony, and unity among all segments of the domestic sugar industry, in the efforts which have been made during the past year to make an equitable revision of the Sugar Act?

Mr. BARRETT. That certainly is the fact. The domestic beet and cane sugar producers have cooperated in splendid fashion. The processors of this country who use domestic beets and cane, as also the processors in the insular possessions, have, on the whole, cooperated. I think that all the industries in this country which are interested in sugar production generally have cooperated in splendid fashion in an effort to solve this very difficult problem. All the sugar producers in this country, in our Territories, and also in the Philippines, have endeavored to work out a program which would be fair to all concerned.

Mr. DWORSHAK. One of the most serious problems facing our country, and especially agriculture, is the accumulation of surplus commodities, which depress prices and make it difficult to effect a sane and constructive diversification of farm acreage.

Is it not true that when the country has the burdensome surpluses of commodities which are produced beyond current requirements, the farmers, particularly those of the irrigated sections of the West, want to know why they should not be permitted to extend their acreages gradually, so far as sugar beets are concerned, when less than 30 percent of the sugar consumed in our country is produced in the United States?

Mr. BARRETT. The Senator is entirely correct. I think the percentage actually produced in the United States is about 28 percent.

It seems only proper that the producers in the United States should be permitted to participate in increased consumption arising because of the growth of their country. I think it is most amazing that the producers of the Nation do not have the opportunity to participate in supplying the increasing demand for sugar, which arises from the increase in population, and that we are forced to give to Cuba practically the entire benefit of the increased demand.

Mr. DWORSHAK. Will the Senator yield for one more question?

Mr. BARRETT. I am delighted to yield.

Mr. DWORSHAK. The Senator from Wyoming has pointed out that more than a majority of the Members of this body have cosponsored the bill to revise the Sugar Act, in an effort to give our domestic producers an opportunity to participate in supplying the demand caused by the increased consumption of sugar in this country.

While I understand that hearings will be started in the other body later this week, is it not true, as has already been indicated, that the legislative responsibility rests upon the Congress—the Senate and the House—and if there is a majority sentiment in the two bodies, there is no logical reason why we should not pass the bill revising the Sugar Act at this session? If there should be some opposition to the bill from certain executive departments, we ought to have confidence and faith that the President, who is fully aware of the various aspects of the overall program, will, after he studies the bill which finally will come from the Senate and the House, if action is taken at this session, sign the proposed legislation.

Mr. BARRETT. I am very confident the President will approve any legislation Congress will write with reference to a new Sugar Act. I believe it is the purpose of every Member of both the House and the Senate to be perfectly fair about the entire problem; but we are bound and determined to see that the people of this country are accorded the

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same fair treatment the people of Cuba have been given under the 1948 act.

Mr. WELKER. Mr. President, will the Senator yield for a brief observation and a question?

Mr. BARRETT. I am glad to yield.

Mr. WELKER. I cannot leave the floor of the Senate, or leave the termination of the debate to someone else, without paying my profound respects to our Secretary of Agriculture, who was born in my State of Idaho, and who comes from the neighboring State of Utah, and who I understand has been firmly behind the domestic producers of sugar beets in this controversy. I wish to ask my friend, the senior Senator from Wyoming, why we have a Secretary of Agriculture and, if we are not to be governed by his advice and technical opinion in this connection, rather than quiver when someone in the State Department puts his foot down—a certain somebody who would not know a sugar beet from a football?

Mr. BARRETT. I may say to my distinguished colleague, the Senator from Idaho, that I share his respect for Mr. Benson, the distinguished Secretary of Agriculture. I may say the Secretary has contributed greatly to the efforts of a majority of the Members of this body and of the House in getting this proposed legislation before the Congress this year. I am sure that, because of his great knowledge of the situation in the Western States, and particularly in his native State of Idaho, and in Utah and Wyoming, he has fought the battle for fair play for the domestic producers. I am hopeful that with his aid we shall be able to get this type of legislation on the statute books before Congress adjourns this summer.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. ALLOTT. As this debate is drawing to a close, I should like to associate myself completely with the remarks the Senator from Wyoming has made this afternoon. It seems to me all of us present on the floor owe to him a debt of gratitude for his wonderful historical and factual presentation of the subject. It is a presentation which perhaps has been made many times, but one which perhaps should be made many times more. On my own behalf particularly, and I am sure I speak for other Senators, I extend to the Senator from Wyoming my thanks for the study, labor, and work which he and the other Senators who are sponsoring the proposed legislation have done on this subject.

Mr. BARRETT. I thank the Senator for his kind remarks.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. BARRETT. I am glad to yield to my colleague from California.

Mr. KUCHEL. I can truthfully say for the 13 million people of California whom I have the honor, in part, to represent in the Senate that they are most grateful for the manner in which the Senator has emblazoned on the RECORD of the Senate of the United States the history and the facts with respect to the production of sugar, and the increasingly urgent necessity for remedial action by the 84th Congress. I congratulate my friend for the manner in which he has discussed that subject today.

Mr. President, a number of years ago a great American said, across the length and breadth of this land: "Only the productive can be strong, and only the strong shall be free."

If I may, I should like to say to my friend from Wyoming that the strength of America is derived from a strong American economy, a strong industrial pattern, and a strong agriculture.

If my friend will permit me to say so, California produces more beet sugar than does any other American State. In 1954 California's total sugar output from more than 220,000 acres of sugarbeets exceeded 500,000 tons, the value of which was more than $80 million.

I listened with great interest to the statistical information which the Senator from Wyoming gave to the Senate with respect to the increase in sugar production, not alone in Cuba, but in other foreign states, at a time when, by reason of technological developments and the debilitating effects of the present law, production of sugar in America remained relatively static while acreage previously devoted to sugar went bare.

I could not help rising and joining with other Senators who, like my good friend the able chairman of the Committee on Agriculture and Forestry, the Senator from Louisiana [Mr. ELLENDER], have participated today in the building of a record which I believe will indicate to all fairminded Members of Congress the need for this type of legislation in the field which my able friend has outlined.

Mr. President, the United States is a leader in the world, and it needs to continue to lead toward freedom and toward peace. We shall trade, and continue to trade, with all the free nations of the world, but we shall not sit idly by here in the Senate of the United States and see continued the gross disparity which exists in the law, under which Americans are permitted to produce only a certain amount of sugar, while such friends of ours as Cuba can produce almost without limit.

I merely wish to say, as I conclude: Congratulations to FRANK BARRETT and let us keep fighting for the proposed legislation.

Mr. BARRETT. Mr. President, I thank my colleague, the junior Senator from California, for his splendid contribution. I have served for more than 2 years with him on the Committee on Interior and Insular Affairs. On many occasions I have had the opportunity to observe his fine work. I can say truthfully that in my judgment he is one of the outstanding Members of this body, and he has worked hard, day and night, in the best interests of the people of his great State and of our country.

In his remarks, Mr. President, the Senator from California stated that the production in California in 1954 was from 220,000 acres. I wish to call his attention to the fact that under the allotments made by the Secretary of Agriculture for 1955, California has been reduced to 182,410 acres. California is still the No. 1 producer of sugar beets in the United States. Under the regulations adopted by the Secretary of Agriculture, a sugar-beet total of 850,000 acres has been set for all States. Sugar beets are grown in 21 States, and cane sugar is grown in 2 States, Louisiana and Florida.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the proportionate share of each of those 21 States, insofar as sugar-beet acreage is concerned.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PROPORTIONATE SHARES FOR FARMS IN THE DOMESTIC BEET SUGAR AREA

(a) National acreage and State acreage allocations: A national acreage objective for 1955-crop sugar beets of 850,000 acres is hereby established and allocated to States as follows:

	Acres
California	182,410
Colorado	130,715
Michigan	81,420
Idaho	79,715
Minnesota	66,035
Nebraska	58,720
Montana	50,980
Wyoming	34,645
North Dakota	34,600
Washington	30,795
Utah	30,545
Ohio	20,220
Oregon	17,685
Wisconsin	12,865
Kansas	7,255
South Dakota	5,365
Illinois	2,095
Texas	1,590
Iowa	1,545
New Mexico	770
Indiana	30
Total	850,000

Mr. BARRETT. Mr. President, I have taken a great deal of the time of the Senate. I know that the distinguished senior Senator from Nevada [Mr. MALONE] is anxious to speak. But, Mr. President, in light of all the facts which have been developed, it seems to me the case of the American sugar producer is so clear, so convincing, and so eminently fair, that the conclusion is inescapable that the Congress can take but one course of action and that is to give the American sugar producers a break.

Mr. MALONE. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER (Mr. BENNETT in the chair). Does the Senator from Wyoming yield to the Senator from Nevada?

Mr. BARRETT. I am prepared to yield the floor but I will yield to my colleague, the senior Senator from Nevada.

Mr. MALONE. As the Senator from Wyoming concludes his remarks, I wish to say he has made a valuable contribution, not only to the discussion of sugar, but also to the discussion of the general welfare of the United States of America, provided the sugar producers will carry their thinking just one step further. In short, of course it is improper to deny to the sugar producers in the United States additional acreage in keeping with the increased consumption of sugar, and particularly so because most of the sugar production is in the arid areas, where large amounts of Federal funds have

been spent on reclamation projects. That money must be returned to the Treasury of the United States; and the people of those areas have counted on being able to engage in crop rotation, especially by having a cash crop. In view of that situation, and also in view of our increased population, and in view of the further fact that, after two recent world wars, many of the younger veterans are going into the farming business, it is clear that it is imperative that the course recommended by the Senator from Wyoming be followed.

Simply on the basis of economics, in regard to building up the communities in the Far West, in the Middle West—for, of course, great quantities of sugar beets are grown in the Middle West—and in the South, where cane sugar is grown, it is simply commonsense for the producers in those areas to be allowed to develop their operations in the way they must be developed, in the interest of the entire Nation.

Again I wish to commend the distinguished senior Senator from Wyoming for his well-thought-out remarks.

Mr. BARRETT. I thank the Senator from Nevada for his contribution.

ORDER FOR ADJOURNMENT

During the delivery of Mr. BARRETT'S speech,

Mr. JOHNSON of Texas. Mr. President, will the Senator from Wyoming yield briefly to me, to permit me to propound a unanimous-consent request for the Senate to stand in adjournment until tomorrow, at noon, following the end of today's session?

Mr. BARRETT. I yield for that purpose.

Mr. JOHNSON of Texas. I wish to make the request for the reason that in a few moments I must leave the Chamber, to attend to other business.

Mr. BARRETT. I understand.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business for today, it stand adjourned until tomorrow, at 12 o'clock noon. I also ask unanimous consent that this request appear in the RECORD at the conclusion of the remarks of the Senator from Wyoming.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 142. An act for the relief of Thomas Kunhyuk Kim; and

S. 284. An act for the relief of Margarita Oy Wan Chan.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 903. An act for the relief of Harold C. Nelson and Dewey L. Young;

H. R. 1069. An act for the relief of Hussein Kamel Moustafa;

H. R. 1202. An act for the relief of Robert H. Merritt;

H. R. 1400. An act for the relief of David R. Click;

H. R. 1409. An act for the relief of H. W. Robinson & Co.;

H. R. 1416. An act for the relief of J. B. Phipps;

H. R. 1640. An act for the relief of Constantine Nitsas;

H. R. 1643. An act for the relief of the estate of James F. Casey;

H. R. 2456. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 2529. An act for the relief of Albert Vincent, Sr.;

H. R. 2760. An act for the relief of the estate of William B. Rice;

H. R. 3045. An act for the relief of George L. F. Allen;

H. R. 3958. An act for the relief of Louis Elterman;

H. R. 4249. An act for the relief of Orrin J. Bishop;

H. R. 4714. An act for the relief of Theodore J. Harris;

H. R. 5196. An act for the relief of the Overseas Navigation Corp.; and

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. MILLER of New York were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. BOYLE, and Mr. MILLER of New York were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. SHEPPARD, Mr. SIKES, Mr. NORRELL, Mr. WHITTEN, Mr. ANDREWS, Mr. RILEY, Mr. DEANE, Mr. FLOOD, Mr. CANNON, Mr. WIGGLESWORTH, Mr. SCRIVNER, Mr. FORD, Mr. MILLER of Maryland, Mr. OSTERTAG, Mr. DAVIS of Wisconsin, and Mr. TABER were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H. R. 103. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies;

H. R. 1664. An act for the relief of Charles Chan;

H. R. 2126. An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; and

H. R. 4650. An act to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone.

GATT DIVIDES UNITED STATES MARKETS AMONG FOREIGN NATIONS

Mr. MALONE. Mr. President, under a measure recently passed by the Senate, an organization 3,000 miles from the United States—an organization called the General Agreement on Tariffs and Trade, at Geneva—commonly known as GATT—is allowed to divide the markets of the United States among 33 foreign nations, members of GATT.

I wish to call certain facts to the attention of the distinguished Senator from Wyoming, who has just concluded making a notable address to the Senate. Let me say that he served with me on a special committee engaged in a study of Western Hemisphere matters, the report of which committee was published last year.

Mr. BARRETT. That is correct.

Mr. MALONE. We agreed upon recommendations and findings which are entirely in conformity with the views expressed today by the distinguished Senator from Wyoming, and which would have the Nation proceed in a direction entirely opposite from the direction in which the Senate and House of Representatives have been traveling as regards dividing the markets of the United States among foreign producers, while refusing to permit the Senate to have anything to do with the making of trade agreements.

NEW GATT GO-AROUND PLOTTED IN GENEVA

Mr. President, I hold in my hand a special dispatch to the New York Times, published in today's issue of that newspaper, and coming from Geneva, Switzerland. The dispatch is by Michael L. Hoffman, is published in the business and finance section of the Times, and reads in part as follows:

PARLEY PROPOSED ON WORLD TARIFFS—MEETING THURSDAY IN GENEVA TO PLAN CONFERENCE IN 1956 ON FOURTH ROUND FOR GATT—EIGHTY PERCENT OF TRADE AFFECTED—RECIPROCAL ACT NOW GIVES UNITED STATES MORE LEEWAY TO NEGOTIATE ON REDUCING OF BARRIERS

(By Michael L. Hoffman)

GENEVA, July 20.—Plans for a world tariff conference next year will be drawn up at a meeting that will start here on Thursday.

UNITED STATES MARKETS TARGET OF FOREIGN GREED

So, Mr. President, we see that, according to the article, what the Senator from Wyoming has been talking about is a barrier in the view of foreign nations who wish to divide between themselves the sugar market of the United States.

Mr. BARRETT. I may say the barrier operates against our domestic producers by preventing them from having a fair share of their own market.

Mr. MALONE. But the barrier referred to in the article is against foreign

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nations who wish to divide among themselves practically all the markets of the United States—not only the United States sugar market, but practically all other United States markets.

Mr. BARRETT. That is correct.

Mr. MALONE. So I congratulate the Senator from Wyoming for the splendid presentation he has made today.

Mr. BARRETT. I thank the Senator from Nevada.

FIVE THOUSAND AMERICAN PRODUCTS AFFECTED BY FOREIGN DRIVE ON UNITED STATES MARKETS

Mr. MALONE. In my opinion, Mr. President, the Senator from Wyoming is entirely correct in the philosophy he has expressed. However, sugar is only 1 of 5,000 products of the United States which are affected by the barriers referred to in the dispatch from Geneva. That dispatch was written 3,000 miles from the United States.

At Geneva, the foreign producers are getting ready further to divide the United States markets, not only to prevent the United States producers from obtaining an increased share of their own markets, but also to take away the share the United States producers now have.

Mr. BARRETT. That is correct.

Mr. MALONE. So that goes a great deal further than the division of the United States sugar market.

Mr. BARRETT. There is no question that the Senator from Nevada is correct as to that, Mr. President.

Mr. MALONE. I wish to read further from the dispatch to which I have referred, because I know that the Senator from Wyoming is intensely interested in the welfare of the United States of America.

ONE-ECONOMIC-WORLDERS SCHEMED FOR UNITED STATES MARKETS WHILE TRADE ACT BEING CONSIDERED

At this point let me call his attention to the fact that while the Senate Finance Committee was considering House bill 1, to extend for 3 more years the 1934 Trade Agreements Act, the Geneva Conference was going on, and had been for 4 months. At this GATT session there was a proposal to include Japan as a member bringing the total of foreign members to 34. It was proposed there also to further divide among foreign nations participating in GATT the textile market of the United States, and to permit Japan to share in the division.

This was done; the announcement was made, and that action was taken immediately after the approval of H. R. 1 by the Senate committee, but prior to approval by the Senate and the House of Representatives of the conference report on House bill 1, which extends for 3 more years the 1934 Trade Agreements Act.

GATT PARTIES PEGGED CONGRESS ACTION IN ADVANCE

In other words, they seemed to know exactly what was going to happen. Anything they did in Geneva about the division of the markets already established here—not about increasing world markets—would hurry the procedure here. They were not talking about the increased markets. They were talking about dividing the ones they have already developed here, over the past 175 years.

UNITED STATES CONCESSIONS ESSENTIAL FOR NEW WORLD TRADE SHUFFLE

Reading further:

Final passage of the United States Reciprocal Trade Act, giving the President new powers to negotiate tariff redutcions with other countries, has created a situation under which, for the first time in 3 years, a new multilateral tariff conference is feasible.

The United States can now participate in such a conference with leeway to negotiate. And United States participation is essential to any extensive review of the world tariff picture.

UNCLE SAM "SUCKER" IN WORLD TRADE POKER GAME

The senior Senator from Nevada has upon many occasions called the game in Geneva a "sucker" poker game, in which there are 34 boosters.

The United States and 33 boosters are in the game. So, if we do not sit down, there is no game. If we sit down, as in any other sucker poker game, the game goes on. So it is said that—

United States participation is essential to any extensive review of the world tariff picture.

Reading further:

TARIFF TAXES FIXED BY GATT

The planned conference is already being referred to by tariff experts as the "fourth round." That is because on three previous occasions since World War II general multilateral tariff conferences have been held, at Geneva in 1947, at Annecy, France, in 1949 and at Torquay, England, in 1951–52.

Nearly 80 percent of world trade is taxed at national frontiers according to customs duties fixed as a result of these tariff conferences.

The organizers of the new conference are the governments that adhere to the General Agreement on Tariffs and Trade. A committee of the contracting parties to GATT (a name for the group of countries in their collective capacity as a governing body for the GATT trade system) will make the preliminary plans.

The conference will be conducted under the basic rules that have been worked out in the previous rounds, but there will be substantial differences in detail. A country may negotiate bilaterally with as many other countries as will agree to negotiate with it.

The results of all negotiations, with few exceptions, will be combined into one standard tariff for each country, the rates in which will be applied without discrimination to all the countries adhering to GATT.

GATT TO ADJUST TO PRESIDENT'S NEW TARIFF-CHOPPING POWERS

Japan is now a member of GATT. It was made so immediately upon the approval of the extension of the Trade Agreements Act.

One further paragraph is of interest:

The GATT secretariat intends to suggest a variation of this highly complex scheme adapted to fit the new powers of the President under the Reciprocal Trade Act.

The power to make a 5 percent reduction in each of three successive years and the power to reduce duties higher than 50 percent ad valorem to that level are the chief ones that could be utilized by the United States in any such scheme.

In other words, the "sucker" poker game is on, because we sat down. I call it to the attention of the distinguished Senator from Wyoming at this point because what is happening is, in reverse, what is happening to the increased market for sugar. It is happening not only to the increased consumption of American market for sugar, whereas it is happening to the already established markets in respect to every other product. The established American markets are being divided among the 33 "boosters" in the game.

Mr. BARRETT. I thank the distinguished Senator.

RESPONSIBILITY FOR POLIO VACCINE PROGRAM

Mr. PURTELL. Mr. President, will the Senator from Nevada yield to me for a period of 5 or 6 minutes?

Mr. MALONE. I am happy to yield to the Senator from Connecticut for that length of time.

Mr. PURTELL. I thank the distinguished Senator.

This afternoon the United Press—and other wire services, I am sure—carried bulletins relating to statements regarding the responsibility of Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, with respect to the polio vaccine program. I read a portion of the United Press bulletin:

Senator RICHARD L. NEUBERGER, Democrat, of Oregon, charged Secretary Oveta Culp Hobby with disloyalty today for assigning any faults in the polio vaccine program to the Public Health Service.

"Loyalty to subordinates is a quality this national administration is direly in need of," he told the Senate.

I may say that loyalty to facts which are presented to the American people is equally important. I intend to present some facts concerning the remarks of the Senator from Oregon and the facts as to the attitude of the Secretary of Health, Education, and Welfare, toward Dr. Scheele, and toward the other organizations, before the 6 minutes which the Senator from Nevada has allowed me have expired.

Continuing to quote from the news ticker item:

NEUBERGER's criticism was prompted by a remark Mrs. Hobby, Secretary of Health, Education, and Welfare, made last night in a radio interview. Administration officials said later she was backing the Public Health Service to the limit and was being technical rather than critical when she said it must bear responsibility for the vaccine program.

"We have seen the Secretary of State (John Foster Dulles) abandoning subordinates in time of stress and trouble," NEUBERGER said. "Now we see the Secretary of Health, Education, and Welfare laying full blame and responsibility on a subordinate in time of similar or perhaps greater stress and trouble. * * *

"I would counsel both Mr. Dulles and Mrs. Hobby that there are higher rewards in life than to remain in seats of power and authority. To have measured up fully to the demands of being a courageous and indomitable human being is something to be desired, too."

Let me say to the junior Senator from Oregon that there is no question about it. It is something very much to be desired, not only in two people, but in all people—even including the elected representatives of the people.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. PURTELL. Will the Senator permit me to complete the quotation? I shall be happy to yield later.

Continuing to quote from the news ticker item:

"One can only imagine what such desertions as these in two great departments must do to employee morale in the Federal service."

There is much being done to employee morale, and there is much being done to the morale of the people of America in regard to the Salk vaccine. It is being done by people who are not heads of departments, but are in the public eye, by reason of holding public office.

Reading further:

Mrs. Hobby's remark was interpreted by some as an implied effort to shift criticism from her to Surgeon General Leonard A. Scheele.

Mr. President, the American people are entitled not only to the opinions which Senators may express on the floor of the Senate, but to the facts as they really exist. I shall read some of the facts. What did Mrs. Hobby say? I have before me a transcript of her statement during her appearance on the Reporters' Roundup program, on Monday, June 20, 1955. I read:

Mr. LUCAS. You recently told a congressional committee—I think the word was that you had no apologies, or you are proud of the way your Department had handled this program. Could you expand on that? Looking back on what has transpired, is there anything that you now would do differently?

Mrs. HOBBY. Well, let me——

Mr. LUCAS. Rather broad.

Mrs. HOBBY. Let me say, to begin with, that there is nothing I could have done differently. The law charges the Public Health Service—not the Secretary of Health, Education, and Welfare. The only responsibility that the Secretary of Health, Education, and Welfare has in this program was the licensing, which the law says, and I think I am quoting almost verbatim, that the Secretary shall license, upon the recommendation of the Surgeon General. Now I have no apologies in any sense for licensing on the 12th. Let me show you the other side of the picture for the minute. There had been a great field test that the Public Health Service had worked with under the National Foundation for Infantile Paralysis. Two of these manufacturers had made vaccine for these field tests. On April 12, when this was regarded as a great discovery, we had nothing but joy, and I am sure the Public Health Service had nothing but certainty when they recommended to me that we license this and begin it right away. Sometimes it's useful to look at the other side of a coin.

I continue to quote from Mrs. Hobby.

Had the manufacturers not been licensed and had some of the children who have been given this perfection—protection, developed polio—one has to consider that side of the question. A great many children were given some protection. The so-called Cutter incident, which I am told the scientists do not yet know the answer to, was the thing which raised the questions in the minds of the scientists, and until we know the answer to the Cutter question, I don't think we know the answer to your question, Mr. Lucas. I don't.

Mr. LUCAS. Is your faith in the vaccine itself still unimpaired?

Mrs. HOBBY. Well, I have almost daily conversations with Dr. Scheele and the scientists, and I have read all of their papers, and I for one take the advice of scientists and medical people. I never tried to diagnose for my own children. I always took them to a doctor or to a scientist. So I am in the same position that you are in. I am taking the words of doctors and scientists.

Then Mr. Hurleigh, the moderator of the program said:

Mr. HURLEIGH. Madam Secretary, hasn't it in the past during this great avalanche of publicity that we have had on the Salk vaccine taken some of the personal responsibility away from that physician and that personal doctor of the Hobbys to whom you took your children? Today a physician is in a very indelicate position if he would refuse to give the vaccine to children, and yet on the other hand, if he gave it to children and it proved to trigger, as it has in some instances, he can say: "Well, there is no personal responsibility here because the Government licensed it and we had all this Foundation for Infantile Paralysis publicity behind it." Do you think that that has impaired the personal relationship of the physician with the patient?

Mrs. Hobby's reply was:

I think the thoughtful doctor—and I certainly think the great majority of them are—will take all factors into consideration before a shot is given. Now I noticed the report, and Dr. Scheele told the staff of the group called the National Foundation on whether or not shots should be conducted through the summer—this troubles many people, as to whether or not a shot may, to use your expression, trigger polio. Well now, what else can we do except take the advice of the best medical and scientific people we can put to work?

Then Mr. Mollenhoff, of Cowles Publications, said:

Mrs. Hobby, you seemed to draw some distinction a little while ago between the Public Health Service and your office with regard to any responsibility in this case, and I wondered if you felt that anyone in the Public Health Service as such had been negligent in any way in the way this was handled.

Mrs. HOBBY. I don't think I am qualified to answer that question, nor do I believe anyone will know where or if there was negligence in the Public Health Service until you know the answer to the Cutter problem. When you know the answer to the Cutter problem, then I think we may begin to say, Were we negligent? Was there something we should have done that we did not do?

In other words, Mrs. Hobby said that we may then begin to ask the question. She made no attempt to give an answer. In fact, there may not be any need for the question when all the facts are revealed.

Mr. Mollenhoff continued:

But wouldn't the Department now take the position that there were some faults in the way the vaccine was put to work and tested in the past?

Mrs. Hobby said:

I would like to make a continuing distinction here between the Department and the Public Health Service, and I would suggest to you that you look at Reorganization Plan No. 1, so that you might be familiar with it.

Mr. President, I would recommend to those who wish to pass opinions and judgments on this matter that perhaps a look at Reorganization Plan No. 1 might be helpful to them also.

Mrs. Hobby said:

I would suggest to you that you look at Reorganization Plan No. 1, so that you might be familiar with it.

Mr. MOLLENHOFF. Don't you feel you could do anything with the Public Health Service?

Mrs. HOBBY. Certainly not. The law runs to the Surgeon General.

Mr. MOLLENHOFF. I see.

Mrs. HOBBY. You read the law and you will——

She was interrupted by Mollenhoff, who said:

But if you were dissatisfied with Dr. Scheele's performance here, then you would not be able to move in and do anything about it if you wanted to, is that correct?

Mrs. Hobby replied:

Well, in the first place, let me say I am not dissatisfied with Dr. Scheele's performance, but let me——

Mollenhoff interrupted her:

Mr. MOLLENHOFF. Well, I——

Mrs. Hobby continued:

Mrs. HOBBY. Tell you what the law is. The Surgeon General is a Presidential appointee and a term appointee. The law governing the Public Health Service runs to the Surgeon General, not to the Secretary of Health, Education, and Welfare.

Mr. President, I trust that the junior Senator from Oregon will at least read that portion of the statement tomorrow, so that he will know exactly to whom the law runs.

Mr. MOLLENHOFF. What jurisdiction do you have over him in a case like this then?

Mrs. HOBBY. I would have none.

Mr. MOLLENHOFF. Suppose he would give you information and you would make a mistake in licensing, for example, in some case like this. What would your remedy be?

Mrs. HOBBY. I have no remedy under the law.

The law says that she shall give these licenses at the direction of the Surgeon General.

Mollenhoff said:

Have you suggested some change in the law?

Mrs. Hobby said:

I have not. The whole—the Public Health Service is now studying the whole Biologics Control Act and will make its own recommendations.

Then Mr. Mollenhoff said:

Do you think there was any mistake at all in the licensing of this under the circumstances?

Mrs. Hobby said:

No; I do not think so. I have asked that question repeatedly, and these six manufacturers had already made vaccine, were making it for the National Foundation. The Public Health Service, and I should say the National Biologics Control had complete confidence in these manufacturers.

She was interrupted by Mr. Lucas, who started to say "Mrs. Hobby—" and Mrs. Hobby continued:

So I go back again—until you know the answer to the Cutter problem you will not know wherein a mistake has been made.

Mr. Lucas asked:

Mrs. Hobby, you have been subjected to some criticism, some of it rather personal, in the press and in other forums. Has that—are you concerned about that?

Mrs. HOBBY. Well, of course, Mr. Lucas, I think any person is concerned about criticism. I suppose that is one of the occupational hazards of public life, that when you try to serve the people you are bound to be criticized. There are people who are bound to disagree with what you do. And I am

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sorry for much of it that has come. I think much of it has not been objective, but there are lots of people in the world who are not objective too.

Mr. President, I subscribe to the expression of Mrs. Hobby that there are too many people in the world who are not objective.

Mr. Mollenhoff said:

Mrs. Hobby, in planning—you do have budgetary control over the Public Health Service though, don't you?

Mrs. HOBBY. Yes.

Mr. MOLLENHOFF. Do you have—that's in your budget and so forth?

Mrs. HOBBY. We—I don't know whether we have what you say, budgetary control; we have budgetary conferences, and the Chiefs of Bureau, Dr. Scheele and I agree with what goes over to the Bureau of the Budget, and if you say in terms of control, that I cut something out, strike it out—I never have without conference with the Public Health Service.

Then Mr. Mollenhoff said:

Then any blame in that respect would fall on the Public Health Service itself, if there was blame?

Mrs. Hobby said:

I would be delighted to share it with them.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the complete text of the radio program, from which I have quoted excerpts.

There being no objection, the text of the radio program was ordered to be printed in the RECORD, as follows:

REPORTERS' ROUNDUP

Guest: Oveta Culp Hobby, Secretary of Health, Education, and Welfare.

Moderator: Robert F. Hurleigh.

Panel: Clark Mollenhoff, Cowles publications; Jim Lucas, Scripps-Howard newspapers.

Mr. FISKE. Reporters' Roundup, where bylines make headlines. In a moment hear United States Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, answer questions fired at her by a panel of veteran reporters.

Mr. HURLEIGH. What assurances can now be offered American parents that the Salk vaccine is safe enough to use in mass inoculations?

Mr. MOLLENHOFF. What age group of children would benefit from the vaccination program your Department has outlined?

Mr. LUCAS. Has there been any great evidence of incompetency in your Department in connection with the handling of the Salk vaccine program?

Mr. HURLEIGH. Almost daily since last April the antipolio vaccine has been headlined on radio newscasts and metropolitan front pages and newsreels and news magazines. An avalance of information concerning polio and the vaccine has been directed at the public. Inevitably a certain amount of confusion has resulted. To assist the American public to form an intelligent conclusion as to what actually has been transpiring in the United States Public Health Service, Reporters' Roundup has invited Mrs. Oveta Culp Hobby, Secretary of Health, Education, and Welfare, to answer some of the questions raised by American parents and authorities on the polio vaccine situation since its inauguration and as it exists tonight. Our guest, Mrs. Hobby, was appointed the Nation's first Secretary of Health, Education, and Welfare on April 11, 1953. Secretary Hobby, who directed the Women's Army Corps with the rank of colonel during World War II, is the only woman member of President Eisenhower's Cabinet. And now our guest is ready.

Mr. FISKE. Reporters' Roundup, which comes to you transcribed this evening from the office of the Secretary of Health, Education, and Welfare in your Nation's Capital, is presented by Mutual and Facts Forum as part of Facts Forum's effort to stimulate interest in current issues. Facts Forum—nationwide adult educational organization, is devoted to encouraging a desire in all Americans to listen, read, and think more about public affairs. Facts Forum has faith that if the American people will inform themselves from sources of their own choosing, they will make wise decisions. May the opinions you will now hear expressed by our guest prompt you to further thought. United States Secretary of Health, Education, and Welfare, Mrs. Oveta Culp Hobby, according to some experts, should not be completely blamed for all the confusion and delay in the large-scale polio vaccine inoculation program. Some say it was public anxiety plus the tragic incident of some manufacturers—licensed by Mrs. Hobby's Department—that threw the entire polio vaccine program into a turmoil and that the Government is now eliminating and correcting any shortcomings which showed up in the mishandling of the Salk polio vaccine program. And now Secretary Hobby is prepared to meet the challenging questions of this panel of well-known and able reporters: Mr. Clark Mollenhoff, Washington correspondent for Cowles publications, and Mr. Jim Lucas, newspaper columnist for Scripps-Howard newspapers. Your moderator—Robert F. Hurleigh, outspoken nationwide news editor, commentator, and director of Mutual's Washington operations.

Mr. HURLEIGH. And now, Mr. Lucas, let's have the first question for Secretary Hobby.

Mr. LUCAS. Mrs. Hobby, we are both competitors and compatriots—you own a paper in Houston and I write for one. I assume that establishes some sort of tenuous connection. I am curious to know, Mrs. Hobby, why is it socialized medicine to provide $135 million worth of vaccine, as the Democrats propose you can, and not socialized medicine to provide, to limit that to $34 million, as the President proposes?

Mrs. HOBBY. Mr. Lucas, the Public Health Service has long had a practice, and I think I can best describe this to you by describing a line in the appropriations bill, and it is called "Assistance to States, General," whereby the Federal Government makes an appropriation to each State. There is a great deal of flexibility in how the State uses this money. The State may, if it please, use some of that money for an antitoxin. I think there is a great difference between providing free vaccinations for all people in the United States and trying to arrive at a figure which would give reasonable assurance that all children who could—whose parents could not pay for vaccination—would be given by this. The proposal which we have suggested would provide free vaccinations for 22 percent of the children in the United States, and I must ask you to remember that with the national income at an all-time high, and the employment figures at a second all-time high in the United States, there is no reason to think that the rest of us cannot pay for vaccine for our children.

Mr. LUCAS. Well, who makes the determination of need?

Mrs. HOBBY. In the Public Health clinics they do that now, Mr. Lucas, and have been doing it for years.

Mr. LUCAS. Won't that prove rather unwieldy and time-consuming?

Mrs. HOBBY. No, it doesn't work that way now in all the other programs that they operate.

Mr. LUCAS. Well, what safeguards would there be? What, for instance, would prevent me going in and claiming that I am a needy person and can't pay for vaccine and obtaining free vaccine?

Mrs. HOBBY. They might give it to you. The programs operate differently in each of the 48 States. It would depend upon which State or which city or which town you went to.

Mr. LUCAS. Would any penalty attach to a person who obtained free vaccine under those circumstances?

Mrs. HOBBY. I am not familiar with all the State laws.

Mr. LUCAS. It would be a State matter then?

Mrs. HOBBY. Yes.

Mr. MOLLENHOFF. Well, Mrs. Hobby, this would be handled by the States regardless of whether it was 34 million or 134 million, wouldn't it? I thought you were drawing some distinction a little earlier that the program that you plan would be handled by the States, indicating the other would be more Federal direction, which is one of your complaints.

Mrs. HOBBY. I am not quite sure how the other plan would operate. There seems to be a difference of opinion as to exactly what the language means. We interpret it one way. The author of the bill interpreted it another way. So how much federalization of the plan would be in it I do not know. One thing I think you have to remember, and that the people of the United States have to remember—that whether you spend $34 million for vaccine or $134 million for vaccine does not get the shots into the children's arms. The shots must be given by doctors. Now it has long been the practice for the medical profession in all the States and communities to be as helpful and as useful as they can in working in Public Health clinics and in their own offices in assuring that no child is denied vaccine. Whether you ask the physicians of the country or not to provide free vaccination for people up to age 19—and I have forgotten what the total population is—I think you must first say how this is going to be done before you say you are simply going to give money to a State to do this, because this does not insure vaccination.

Mr. MOLLENHOFF. I think some of the Democrats were contending that it was a little easier to handle the whole program and get the maximum number vaccinated if you had what they call a captive audience that you would have where you had everyone under the program, as opposed to the one where you had only the needy families. Have you looked into that?

Mrs. HOBBY. Well, you know—no, when you say "looked into it" I simply want to say that I think people have a right to say whether they want to be a part of a captive program or not.

Mr. MOLLENHOFF. Well, on that point, Mrs. Hobby, under the program that was conducted before, the people would have that right, wouldn't they, and under your program the needy families would have that right?

Mrs. HOBBY. Of course. Under the——

Mr. MOLLENHOFF. In other words, if this was given at school the children would come to school with some kind of a certificate which says "My parents say I can have it"—regardless of the program, isn't that true?

Mrs. HOBBY. Or to a Public Health center. This necessarily need not go on in schools. I think that's where a great deal of the misunderstanding takes place, particularly when people talk about how are you going to see that this child gets it and this child doesn't. This doesn't have to take place in schools.

Mr. MOLLENHOFF. I think——

Mrs. HOBBY. None of the Public Health Service's practices as a rule do.

Mr. MOLLENHOFF. Mr. Basil O'Connor, I think, testified that it was a little easier——

Mrs. HOBBY. It is easier.

Mr. MOLLENHOFF. To give the vaccinations under those circumstances. Well, I wonder if you could give us your idea as to whether you could encompass everyone that should come under the program with your program

or whether it would be easier probably with this captive audience approach.

Mrs. HOBBY. Well, I basically don't like the idea of a captive approach, having a group of people in and saying that you must take this. We do not do that in the Public Health clinics anywhere now. A parent brings their child in and asks for it on consultation. From the standpoint of numbers, yes, surely, just the way you get any group together and run them through you will get more people.

Mr. MOLLENHOFF. I want to get that captive audience cleared up. It didn't mean—it was used loosely by the committee. They didn't mean bringing everyone in and forcing them to be vaccinated. It was a matter of going through in the same manner as under your program.

Mr. LUCAS. Mrs. Hobby, I think we are all in agreement that it's wise and best and fair that the children receive this vaccine first, but could you give us any estimate as to how long it might be before vaccine is available also to adults? I know of a number of cases in which mothers, for instance, have been stricken and have been placed in iron lungs for the rest of their lives.

Mrs. HOBBY. Well, I wish I knew the answer to that. I do not know the answer to that, and the scientists do not know the answer to that. Mr. Lucas, from the day this vaccine was announced, though the Public Health Service under the law operates it and has responsibility for it, and I as Secretary, had responsibility for licensing the manufacturers—I have taken the position from the beginning that the first obligation of the Federal Government is to be sure that the vaccine is a safe vaccine. Now under the revised testing standards it is impossible to say exactly at what point something comes off the line, and I am sure you are familiar with that. All of the scientists in the United States who are knowledgeable in this field are working with the Public Health Service in attempting to clear vaccine as soon as it comes out from the manufacturers.

Mr. LUCAS. I take it from the fact that we don't know that it probably will be some time more before it is available for the rest of us.

Mrs. HOBBY. I would think so, Mr. Lucas, yes.

Mr. LUCAS. You recently told a congressional committee—I think the word was that you had no apologies, or you are proud of the way your Department has handled this program. Could you expand on that. Looking back on what has transpired, is there anything that you now would do differently?

Mrs. HOBBY. Well, let me——

Mr. LUCAS. Rather broad.

Mrs. HOBBY. Let me say, to begin with, that there is nothing I could have done differently. The law charges the Public Health Service—not the Secretary of Health, Education, and Welfare. The only responsibility that the Secretary of Health, Education, and Welfare has in this program was the licensing, which the law says, and I think I am quoting almost verbatim, that the Secretary shall license, upon the recommendation of the Surgeon General. Now I have no apologies in any sense for licensing on the 12th. Let me show you the other side of the picture for the minute. There had been a great field test that the Public Health Service had worked with under the National Foundation for Infantile Paralysis. Two of these manufacturers had made vaccine for these field tests. On April 12 when this was regarded as a great discovery, we had nothing but joy, and I am sure the Public Health Service had nothing but certainty when they recommended to me that we license this and begin it right away. Sometimes it's useful to look at the other side of a coin. Had the manufacturers not been licensed and had some of the children who have been given this perfection—protection, developed polio—one has to consider that side of the question. A great many children were given some protection. The so-called Cutter incident, which I am told the scientists do not yet know the answer to, was the thing which raised the questions in the minds of the scientists, and until we know the answer to the Cutter question I don't think we know the answer to your question, Mr. Lucas. I don't.

Mr. LUCAS. Is your faith in the vaccine itself still unimpaired?

Mrs. HOBBY. Well, I have almost daily conversations with Dr. Scheele and the scientists, and I have read all of their papers, and I, for one, take the advice of scientists and medical people. I never tried to diagnose for my own children. I always took them to a doctor or to a scientist. So I am in the same position that you are in. I am taking the words of doctors and scientists.

Mr. HURLEIGH. Madam Secretary, hasn't it in the past, during this great avalanche of publicity that we have had on the Salk vaccine, taken some of the personal responsibility away from that physician and that personal doctor of the Hobbys to whom you took your children? Today a physician is in a very indelicate position if he would refuse to give the vaccine to children, and yet on the other hand, if he gave it to children and it proved to trigger, as it has in some instances, he can say, "Well, there is no personal responsibility here because the Government licensed it and we had all this Foundation for Infantile Paralysis publicity behind it." Do you think that that has impaired the personal relationship of the physician with the patient?

Mrs. HOBBY. I think the thoughtful doctor—and I certainly think the great majority of them are—will take all factors into consideration before a shot is given. Now I noticed the report, and Dr. Scheele told the staff of the group called by the National Foundation on whether or not shots should be conducted through the summer—this troubles many people, as to whether or not a shot may, to use your expression, trigger polio. Well, now, what else can we do except take the advice of the best medical and scientific people we can put to work?

Mr. MOLLENHOFF. Mrs. Hobby, you seemed to draw some distinction a little while ago between the Public Health Service and your office with regard to any responsibility in this case, and I wondered if you felt that anyone in the Public Health Service as such had been negligent in any way in the way this was handled.

Mrs. HOBBY. I don't think I am qualified to answer that question, nor do I believe anyone will know where or if there was negligence in the Public Health Service until you know the answer to the Cutter problem. When you know the answer to the Cutter problem, then I think we may begin to say, were we negligent? Was there something we should have done that we did not do?

Mr. MOLLENHOFF. But wouldn't the Department now take the position that there were some faults in the way the vaccine was put to work and tested in the past?

Mrs. HOBBY. I would like to make a continuing distinction here between the Department and the Public Health Service, and I would suggest to you that you look at Reorganization Plan No. 1 so that you might be familiar with it.

Mr. MOLLENHOFF. Don't you feel you could do anything with the Public Health Service?

Mrs. HOBBY. Certainly not. The law runs to the Surgeon General.

Mr. MOLLENHOFF. I see.

Mrs. HOBBY. You read the law and you will——

Mr. MOLLENHOFF. But if you were dissatisfied with Dr. Scheele's performance here, then you would not be able to move in and do anything about it if you wanted to; is that correct?

Mrs. HOBBY. Well, now, in the first place, let me say I am not dissatisfied with Dr. Scheele's performance, but let me——

Mr. MOLLENHOFF. Well, I——

Mrs. HOBBY. Tell you what the law is.

Mr. MOLLENHOFF. Um-hmm.

Mrs. HOBBY. The Surgeon General is a Presidential appointee and a term appointee. The law governing the Public Health Service runs to the Surgeon General, not to the Secretary of Health, Education, and Welfare.

Mr. MOLLENHOFF. What jurisdiction do you have over him in a case like this, then?

Mrs. HOBBY. I would have none.

Mr. MOLLENHOFF. Suppose he would give you information and you would make a mistake in licensing, for example, in some case like this. What would your remedy be?

Mrs. HOBBY. I have no remedy under the law.

Mr. MOLLENHOFF. Have you suggested some change in the law?

Mrs. HOBBY. I have not. The whole—the Public Health Service is now studying the whole Biologics Control Act and will make its own recommendations.

Mr. MOLLENHOFF. Do you think there was any mistake at all in the licensing of this under the circumstances?

Mrs. HOBBY. No; I do not think so. I have asked that question repeatedly, and these six manufacturers had already made vaccine, were making it for National Foundation. The Public Health Service, and I should say the National Biologics Control, had complete confidence in these manufacturers.

Mr. LUCAS. Mrs. Hobby——

Mrs. HOBBY. So I go back again—until you know the answer to the Cutter problem you will not know where a mistake has been made.

Mr. LUCAS. Mrs. Hobby, you have been subjected to some criticism, some of it rather personal, in the press and in other forums. Has that—are you concerned about that?

Mrs. HOBBY. Well, of course, Mr. Lucas, I think any person is concerned about criticism. I suppose that is one of the occupational hazards of public life, that when you try to serve the people you are bound to be criticized. There are people who are bound to disagree with what you do. And I am sorry for much of it that has come. I think much of it has not been objective, but then there are lots of people in the world who are not objective, too.

Mr. MOLLENHOFF. Mrs. Hobby, in planning—you do have budgetary control over the Public Health Service, don't you.

Mrs. HOBBY. Yes.

Mr. MOLLENHOFF. Do you have—that's in your budget and so forth?

Mrs. HOBBY. We—I don't know whether we have what you say, budgetary control; we have budgetary conferences, and the Chiefs of Bureau, Dr. Scheele and I agree with what goes over to the Bureau of the Budget, and if you say in terms of control, that I cut something out, strike it out—I never have without conference with the Public Health Service.

Mr. MOLLENHOFF. Then any blame in that respect would fall on the Public Health Service itself, if there was blame?

Mrs. HOBBY. I would be delighted to share it with them.

Mr. LUCAS. Mrs. Hobby, you said earlier that the actual distribution and control of this vaccine will be in the hands of State health departments, and that they will make the determination of need. Is there any assurance that all of the States will actually assume that responsibility and that they are——

Mrs. HOBBY. I am very glad you asked that question, because it's one I would like to answer. When the Governors were here—I think it was on May 3—we discussed the distribution of the vaccine and asked the Governors if they thought that the Department of Health, Education, and Welfare

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should assume responsibility for an equitable distribution among States. Their answer was yes. Then we asked the Governors to designate someone in their State to work with the Department of Health, Education, and Welfare in arriving at what was that State's fair share. Every Governor has done so, and I think it will please you and please the public to know that 41 of the States have appointed State Advisory Committees on the vaccine, just as we have here a National Advisory Committee on the vaccine, which goes into the priority age groups. So there is great awareness on the part of the Governors, great awareness on the part of the State and Territorial health officers, and I may say great awareness of many, many city health officers.

Mr. LUCAS. What about the other seven States that haven't appointed them?

Mrs. HOBBY. Well, they will, I am sure.

Mr. LUCAS. They are working up to that. Now that the vaccine is in short supply, what sort of rationing program have you developed?

Mrs. HOBBY. Well, the formula is a very simple one. The National Advisory on Poliomyelitis Vaccine, which met several weeks ago and established priorities, established ages 5 to 9 as the first priority group while the vaccine is in short supply. They are meeting again, I think, on Wednesday, to take up the next age group. And I am sure you have noticed since then that the American Medical Association and other medical groups have endorsed this first 5-to-9 group. They do it, Mr. Lucas, on a basis of the incidence of the disease.

Mr. LUCAS. Is there enough for all of the children between 5 and 9 in all of the States, or must each State limit that to a percentage of its children in that age group?

Mrs. HOBBY. Depends on how the supply becomes available. If, fortunately, enough becomes available so all States could have it, all 5 to 9, that would be simple. I doubt if it comes that way.

Mr. LUCAS. In New York, or say Texas, for instance, will there be enough?

Mrs. HOBBY. Well, each State will get its pro rata share, Mr. Lucas, of its children in the age 5 to 9, so every State will be treated exactly alike, depending on the 5-to-9 population in that group.

* * * * *

Mr. HURLEIGH. And now, Secretary Hobby, here are those prize-winning questions from our listeners.

Mr. FISKE. From Mrs. Tina Principato, of 201 Park Street, West Roxbury, Mass.

Mr. HURLEIGH. "Since polio has been the dread of mothers since its existence, I would like to know why you were quoted as saying that no one could have foreseen the great demand for the serum?"

Mrs. HOBBY. Well, I think that's a very good question. I myself ask why we could not anticipate that, and the best answer and I think it was a very good answer, came that there had never been such a demand for any other serum or antitoxin in the history of the United States. And I think this is one to learn from. It's a good question, and it was a unique situation.

Mr. FISKE. From Irwin Sherr, of Wilmington, Del.

Mr. HURLEIGH. "Secretary Hobby, what is the Federal Department of Health, Education, and Welfare doing in the field of mental health?"

Mrs. HOBBY. One of our legislative programs this year goes to mental health. We have asked for two pieces of legislation, and I am sure your questioner must know that almost 50 percent of the hospital beds in the United States are occupied by mental patients. I am sure they are also aware that we are very short of psychiatric medical personnel in the United States, and to alleviate the situation we must have more psychiatric medical workers and more research into the causes of mental illness, because it is now a serious national problem.

Mr. FISKE. From Richard Wagner, of New London, Conn.

Mr. HURLEIGH. "I wonder if you could give a short answer to this political question—do you think, Madam Secretary, Texas will back Eisenhower if he runs in 1956?"

Mrs. HOBBY. I wish all questions were that easy; yes.

Mr. PURTELL. Mr. President, desperate men at times take desperate measures. I know it is not unusual, out of sheer desperation to make men whipping boys. However, it is uncommonly common, I may say, to make whipping girls, too.

Mr. President, I wish to speak a little more about why, where, and how the responsibility for the Public Health Service rests. Let me say that I have a great admiration for and complete confidence in Dr. Scheele. As chairman of the Subcommittee on Health of the Committee on Labor and Public Welfare, last year, I had the opportunity of working with both Dr. Scheele and Mrs. Hobby, and I have the highest respect and the greatest admiration for both of those great public servants. Actually, what happened was that in order more efficiently to administer the affairs of Government, President Eisenhower submitted Reorganization Plan No. 1. Under this plan 3 independent agencies of Government, namely, Social Security, the Office of Education, and the Public Health Service, were placed in 1 department known as the Department of Health, Education, and Welfare. Because, Mr. President, this gave the head of the new Department a Cabinet status, it had the effect of bringing those three important branches of Government into the Cabinet.

The Public Health Service has existed for many years. It started, as a matter of fact, as an organization to inspect ships, and persons thereon. When the reorganization act became effective we did not amend the volumes of laws passed throughout the years, so we find ourselves today with a Public Health Service headed by a commissioned service. It is a uniformed service. The head of it is appointed by the President. As a matter of fact, Dr. Scheele was appointed in 1948 by President Truman, and he has served the public interest well. But it is a position to which a person is appointed by the President and then his nomination is confirmed by the Senate. The Department of Health, Education, and Welfare has nothing to do with it. Every member of the Public Health Service staff, all the Public Health Service doctors, must be appointed by the President and approved by this body. The Secretary of the Department of Health, Education, and Welfare has nothing to do with it.

What is the attitude of the Secretary of Health, Education, and Welfare toward the head of the Public Health Service, Surgeon General Scheele? Let me tell the Senate what she said about him. In spite of the misinformation given on the Senate floor today by the junior Senator from Oregon, on June 14, a week ago today, hearings were held before the Committee on Labor and Public Welfare, of which I am a member, and of which the distinguished Senator from Colorado [Mr. ALLOTT] is also a member. At the hearings the distinguished Senator from Ohio [Mr. BENDER], who is also a member of the committee, asked this question:

Has any effort been made to retard, on the part of the Department, in any way, the supply of this vaccine, or making it safe?

Secretary Hobby said:

Senator, on the contrary, every effort has been made to see that this vaccine is safe and to see that it is distributed equitably. As for your comment on an effort to embarrass the Department, let me say that as the Secretary of the Department, I am not embarrassed in the slightest. Never do I intend to inject politics into the health of the people of the United States.

Mr. President, I wish that attitude were taken by all, so that fewer sleepless nights would be spent by so many mothers and fathers in this land.

She continued:

And let me say for the Public Health Service, which, as you know, is a career Public Health Service, that after 2½ years, I have the greatest possible respect for these men, and I think this country owes them a debt of gratitude rather than a lack of understanding in what they have tried to do.

When the truth of this is known, and when people cease to play politics with polio, I have no doubt that the Public Health Service of the United States will stand.

Mr. President, that is the Secretary who has been accused of being disloyal. Those were the remarks she made about the head of the Public Health Service, the Surgeon General.

On June 7, in a broadcast, she said:

The Public Health Service of the United States, whose duty it is to protect the health of the Nation, is a corps of physicians, scientists, and other professional health workers. It has served us with integrity since 1798.

Yet, Mr. President, there are those who would try to tell us that she is disloyal.

She said, further:

It is my privilege to present a distinguished public servant, Dr. Leonard A. Scheele.

Later, she said:

Ladies and gentlemen, from Dr. Scheele's report to you, I know that you feel that the scientists, the Public Health Service, the doctors, and the manufacturers are working together to give our children a safe and effective vaccine.

Mr. President, those who make such charges could have gone back to the records if they had wished to, but I am inclined to think records and facts do not interest some people some times. At any rate in her report to the President on May 16 Mrs. Hobby said:

The safety of the vaccine released for use will continue to be the responsibility of the Public Health Service under the biologics control provisions of the Public Health Service Act, and is receiving the constant and diligent attention of the Public Health Service.

Was it because the Secretary was placing the responsibility there? No; it was because the law placed it there. She could not assume that responsibility if she wished to. She said:

The safety of the vaccine released for use will continue to be the responsibility of the

Public Health Service under the biologics control provisions of the Public Health Service Act, and is receiving the constant and diligent attention of the Public Health Service.

Mr. President, I have listened to Mrs. Hobby testify as a witness before our committee many times, and I have yet to hear her utter one word of criticism. She has nothing but praise for Dr. Scheele and for the organization which he heads, and for the Public Health Service in general.

Let me close by saying that times must be pitifully barren of political issues when some persons have to take the head of the Department of Health, Education, and Welfare and try to make a whipping girl of her and attribute to her motives, actions, and words which everything she has said and done belies.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a news article appearing in the Washington Daily News of this date.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MRS. HOBBY BACKS PHS

Administration officials said today that Health Secretary Oveta Culp Hobby is backing the Public Health Service "to the limit" in its handling of the polio vaccine problem.

They insisted she was being technical rather than critical last night when she told newsmen the service must bear the responsibility for operation of the Government's vaccine safety program.

The statement, made during a radio interview, was interpreted by some as an implied effort to shift criticism of the Government's vaccine policies from Mrs. Hobby to Surgeon General Leonard A. Scheele.

But Mrs. Hobby explained later that her remarks "should not be interpreted in any way as criticism of the Surgeon General or the Public Health Service."

"They are serving the public with all the scientific knowledge at their command," she said.

During the broadcast, Mrs. Hobby said she licensed the Salk vaccine April 12 on the recommendation of the Surgeon General. She said she has "no apologies" for the action.

But from a technical viewpoint, she said Dr. Scheele has the real responsibility for assuring the safety of vaccines under the biologics law. Even if she had wanted to order changes in the way things were being handled, she said she could not have done so legally.

"There is nothing I could have done differently," she said.

Mrs. Hobby said she personally "is not qualified" to say whether anyone in the Public Health has been negligent. In fact, she asserted no one will be able to decide this until the scientists figure out what went wrong with some vaccine made by Cutter Laboratories.

Mrs. Hobby said the President's Polio Vaccine Committee will meet here tomorrow to consider establishment of additional priorities for the distribution of vaccine.

Mr. ALLOTT. Mr. President, I cannot let this moment pass without associating myself with the remarks of my colleague from Connecticut. Having been through all the hearings on the Salk vaccine, I cannot help but recall that upon one occasion the junior Senator from Oregon made a bitter and critical speech on the floor of the Senate which he admitted was based upon articles he had read in periodicals, even though hearings were held the day before, upon the subject matter which he was discussing.

I also call the attention of the junior Senator from Connecticut to the fact that on the two occasions when the Secretary of Health, Education, and Welfare has appeared before the Committee on Labor and Public Welfare, at no time has she had anything but the highest praise for Surgeon General Scheele and all the members of his staff.

I thank the senior Senator from Nevada for his courtesy in permitting me this brief moment to associate myself with the remarks of the junior Senator from Connecticut.

CONSTITUTIONAL VERSUS PERSONAL GOVERNMENT, LEGISLATIVE AND EXECUTIVE FIELDS DETERMINED

LET THE COURTS DECIDE

Mr. MALONE. Mr. President, what I consider the most important case affecting the Nation's industries, investors, and wage earners since Schechter Poultry Corp. against United States is now pending in the Federal courts.

Schechter Poultry Corp. against the United States, as we all remember, was the famous blue-eagle case decided on May 27, 1935, in which the Supreme Court of the United States declared the National Industrial Recovery Act to be unconstitutional.

The Supreme Court held the act invalid as a grant of legislative power to the President. Article I, section 1, of the Constitution states that—

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Article I, section 8, grants to Congress the exclusive power to regulate interstate and foreign commerce, and the Supreme Court also held the NIRA Act invalid as not being within the commerce power.

COURT DECISION CURBED ONLY DOMESTIC POWER GRAB

The Supreme Court decision curbed a President's ambition to be an all-powerful arbiter over the Nation's domestic trade and economy.

The case did not, however, deal with the same President's urge to be the all-powerful dictator of the Nation's foreign trade and commerce, a power obtained by the President through passage of the 1934 Trade Agreements Act.

On February 28 of this year I reported the filing of a suit in the United States district court to test the constitutionality of the 1934 Trade Agreements Act and GATT, the Geneva General Agreement on Tariffs and Trade.

GATT LOADED AGAINST UNITED STATES

GATT is a 34-nation treaty organization loaded against this Nation's producers, wage earners, and investors, and miscalled a General Agreement on Tariffs and Trade. It has caused and is causing irreparable injury to thousands of American industries and their employees. It has never been acted on by Congress or ratified by the Senate.

The effects of the Trade Agreements Act are more dangerous, in my opinion, to workers and investors throughout the Nation than would have been the National Industrial Recovery Act, had it not been declared by the United States Supreme Court to be unconstitutional.

1934 TRADE ACT, LIKE NIRA, UNCONSTITUTIONAL

I think, and many others think, that the 1934 Trade Agreements Act is unconstitutional. It is unconstitutional for the same reason that the NIRA Act was unconstitutional. Both acts constituted attempts to delegate to the President legislative powers in contravention of the express language of the Constitution.

Furthermore, the 34-nation multilateral treaty known as GATT—the Geneva General Agreement on Tariffs and Trade—and the 29 bilateral trade treaties prior to GATT, which were entered into pursuant to the 1934 Trade Agreements Act, are, in my opinion, clear violations of article II, section 2, of the Constitution.

ARTICLE II, SECTION 2, OF CONSTITUTION IGNORED BY EXECUTIVE

Article II, section 2, grants to the President power to make treaties "by and with the advice and consent of the Senate" and "provided two-thirds of the Senators present concur."

In none of the above-mentioned treaties has the President sought the advice or consent of the Senate, and to none of them has two-thirds of the Senators present concurred. Nor has any Member of the Senate ever been afforded an opportunity to vote concurrence or rejection of any of the above treaties, a denial not only of constitutional authority to Senators, but to the sovereign States they represent.

It may be argued that the Senate yielded this constitutional responsibility of its own volition when it passed the 1934 Trade Agreements Act and subsequent extension acts. The Senate has no constitutional power, in my opinion, to yield such responsibility.

CONSTITUTION ILLEGALLY "AMENDED" WHEN TRADE ACT APPROVED

Article V of the Constitution sets out the procedures by which the Constitution may be amended. Mere passage of an act by a majority vote is not one of them. Yet, in the 1934 Trade Agreements Act the Congress sought to amend the Constitution by a simple enactment, as was ably pointed out in the minority report signed by 10 members of the House Ways and Means Committee in House Report No. 1000 of the 73d Congress.

Clearly, Mr. President, a constitutionality test of the Trade Agreements Act and GATT, which affect the lives and livelihood of millions of Americans and their fundamental rights under the Constitution, is long overdue.

CONSTITUTIONALITY TEST CASE FOUGHT BY EXECUTIVE BRANCH

The case of Morgantown Glassware Guild, Inc., against George M. Humphrey, Secretary of the Treasury, filed on February 28 of this year, affords the courts of the United States such an opportunity for a clear-cut test.

The Justice Department is attempting to block this test.

The Justice Department has filed a motion to dismiss the pending suit.

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In plain language, Mr. President, the Justice Department is attempting to thwart justice by having the case thrown out of court.

JUSTICE DEPARTMENT SEEKING TO THWART JUSTICE

Plaintiff states in its complaint that duty rates being assessed under GATT—the Geneva General Agreements on Tariffs and Trade—and under trade treaties growing out of the 1934 Trade Agreements Act are null and void. Plaintiff further states:

Said reduced rates deprive plaintiff of his statutory protection against destructive foreign competition, and have resulted in irreparable injury to his business * * * and thus deprive plaintiff of a valuable property right without just compensation and without due process of law.

GATT BRANDED "ILLEGAL, UNLAWFUL"

Plaintiff contends that GATT is illegal, unlawful, and of no effect, as it is, in its entirety, violative of the supreme taxing authority of Congress, the treaty-making powers of Congress, and of the foreign commerce regulating authority of Congress.

This was simply a triple play under the 1934 Trade Agreements Act. The Constitution of the United States delegates to the legislative branch the power to regulate foreign commerce in the national economy. The legislative branch transferred the power to the Executive in the 1934 Trade Agreements Act. The Executive has transferred it to the Geneva General Agreement on Tariffs and Trade.

JAPAN MADE NEW GATT MEMBER WHEN H. R. 1 PASSED

At Geneva, only lately, following the passage by the House and Senate of H. R. 1, extending the Trade Agreements Act of 1934 for 3 years, and while the bill was still in conference, action was taken to make Japan a full member of the General Agreement on Tariffs and Trade.

Then, immediately following the adoption of the conference report, the Geneva conference set up what is called a "fourth round" parley. A dispatch from Geneva, dated June 20, and published in today's New York Times, reads, in part, as follows:

FOURTH GATT GO-ROUND SCHEDULED

The planned conference is already being referred to by tariff experts as the "fourth round." That is because on three previous occasions since World War II general multilateral conferences have been held, at Geneva in 1947, at Annecy, France, in 1949, and at Torquay, England, in 1951–52.

In other words, Mr. President, the sucker game, which is played only when the sucker with the money sits down, is now starting in earnest. There are 35 members, counting Japan, we being 1, and there are now 34 boosters in the game.

COMPETENT COURTS SHOULD PASS ON CONSTITUTIONALITY OF TRADE ACT GATT

To return to the suit filed by the Morgantown Glassware Guild, plaintiff further alleges that GATT is an unconstitutional and unlawful attempt by the President to exercise power and authority not delegated to him in the Federal Constitution.

Mr. President, these are grave and vital questions. They are questions and issues which should be determined on their merits in courts of competent jurisdiction.

The Justice Department is trying to thwart such a determination.

SECRETARY DULLES NAMED AS PARTY TO "CONSPIRACY" IN AMENDED COMPLAINT

Plaintiff has met this motion of the Justice Department to dismiss the case with an amended complaint. The amended complaint retains all of the original presentation of facts and injury, and all of the original allegations, supplementing them with new charges that the Trade Agreements Act and GATT are in restraint of trade, and that Secretary of State John Foster Dulles is party to the conspiracy against them.

Mr. President, on February 28 I included in my remarks on the Senate floor the text of the original complaint. I shall now read the additional allegations in the amended complaint:

Said acts of defendant were and are undertaken in concert with, in conscious parallelism with, and in conspiracy with John Foster Dulles, Secretary of State of the United States, and other officials, as a result of mutual agreement and understanding among and between them to destroy and take away plaintiff's business and give and divert it to foreign producers whose countries or domiciles are signatories of GATT, and who do not have to meet the compulsory minimum wages, maximum hours, unemployment insurance, social security, and other mandatory production costs imposed by the Government on plaintiff. Said acts of defendant amount to an unreasonable restraint of trade and competition contrary to law.

The complaint concludes as follows:

PLAINTIFF DEMANDS ADJUDICATION ON THREE COUNTS

Wherefore, plaintiff demands that the court adjudge:

1. That the actions of defendant complained of hereinabove are unlawful and in violation of the Tariff Act of 1930, and

2. That said acts of defendant as hereinabove alleged are beyond his statutory and/or constitutional authority and power.

3. That said acts of defendant are in restraint of trade and competition.

Mr. President, the Justice Department attorneys handling this case do not want it tried on its merits.

They do not want a court determination of the constitutionality of the trade agreements act and the Geneva General Agreement on Tariffs and Trade.

They do not want the constitutional courts of the United States to even consider the grave constitutional questions involved in this most important case, but prefer to let stricken American industries, investors, producers and workingmen suffer and die without recourse to any court of competent jurisdiction.

INJURY TO AMERICAN FREE ENTERPRISE IGNORED BY EXECUTIVE BRANCH

They prefer to leave the American people groping in a black fog of doubt over the constitutionality of an act that is slowly but surely strangling free enterprise in America.

What the Justice Department attorneys in this case do want, and the record shows it, is that any constitutionality test of the trade act and GATT be stopped dead in its tracks, whatever injury there may be to America's industries, investors, and wage earners.

SUBTERFUGE EMPLOYED TO AVOID COURT TEST

It is a shocking spectacle, Mr. President, to witness the Justice Department, which is presumed to guard our liberties and our constitutional rights, ducking and dodging its responsibilities to the American people by a shameful subterfuge designed to avoid any constitutional test of this imperative question on its merits.

Why do the Department attorneys in this case want it killed before it may reach any court of competent jurisdiction? I think the answer is fear—sheer fear—or perhaps the certainty that the courts may upset this free-trade conspiracy hatched by and during the New Deal to control the Nation's economy and to remake the industrial map of America in its socialistic image.

GATT INTERNATIONAL SOCIALISM APPLIED TO TRADE

I say socialistic image because the trade act and GATT are international socialism, applying socialistic controls to all of our foreign trade. The essential feature of socialism, according to Webster's Dictionary, is governmental control of economic activities, a definition that fits both the 1934 Trade Agreements Act and GATT like twin gloves.

But why should the Justice Department fear a court determination that the Trade Act and GATT are unconstitutional? I think the answer to that question is equally apparent.

SOCIALIST CONCEPT OF WORLD TRADE CONTROLS ACCEPTED BY ADMINISTRATION

The present administration, at the insistence of the State Department and exbureaucrats of the old New Deal, has taken to its bosom the socialistic concept of Executive control over foreign commerce. It has endorsed and expanded that concept, regardless of what economic disaster it may lead to in America.

The Justice Department, as is obvious from its actions in this case, conceives it to be its mission to protect the administration from its own folly. For that reason it seeks to keep this constitutional test out of the courts of competent jurisdiction, and to avoid any consideration of this pressing issue on its merits.

ATTORNEY GENERAL URGED TO TAKE PERSONAL CHARGE IN CONSTITUTIONALITY TEST CASE

Mr. President, I call on the Attorney General of the United States to take the activities of the Justice Department in this case out of the hands of subordinates, several of whom are holdovers from previous administrations. I urge the Attorney General to take personal charge, to examine into the facts, to reverse the action of his subordinates, and to urge, instead, a determination of the constitutional issues involved, in our constitutional courts, and solely on the basis of the merits.

Mr. President, that is the American way, the constitutional way, the way of justice and fair dealing; and I challenge the Attorney General to accept it.

PRESIDENT SHOULD INSIST ON TRIAL OF CASE ON MERITS

The President of the United States should likewise insist on a proper trial of the case on its merits. The President has taken a solemn oath to "preserve, protect, and defend the Constitution of the United States." If as plaintiff contends the Constitution has been breached by the 1934 Trade Act and GATT, the President should be the first to welcome a final and conclusive court test.

The Justice Department motion would deny it.

Mr. President, I shall briefly review the case which the Justice Department adroitly seeks to sidetrack to a dead-end street.

Plaintiff, the Glassware Guild, Inc., of Morgantown, W. Va., is but one of many thousands of stricken plants, mills, and industries in the United States being driven toward bankruptcy and ruin by the 1934 Trade Agreements Act and GATT, by legislation and administrative actions which it—and many of us in Congress—deem and have deemed unconstitutional.

Plaintiff, fighting for its economic life, has had the guts to file suit in the courts, challenging the constitutionality of the New Deal acts which are killing it, as they are killing other American enterprises, large and small.

SENATOR DEMANDED CLEAR-CUT TEST AT TIME SUIT FILED

Mr. President, at the time this suit was filed I said on the floor of the Senate:

> The time is long past when we should have had such a clear-cut test as the suit being instituted today will afford.
>
> Under the Trade Agreements Act, Congress gave the President and State Department a license to commit daylight robbery on any labor group or industry in the United States.
>
> GATT is wholesale murder in the dark, committed by the State Department without even the pretext of a congressional license.
>
> I contend the Constitution gives Congress no authority to license a President or the State Department to destroy American industries, investors, and labor. This is being done under the Trade Agreements Act by importing cutrate foreign competition to take over American jobs and markets.

I further stated, Mr. President:

> The case being filed today to test the constitutionality of the Trade Agreements Act may well be the Magna Carta of free enterprise in America. It can be the most important case for the American people, for America's economy and America's security since the Blue Eagle and steel seizure cases denied to the executive branch powers beyond the Constitution.

PUBLIC ENTITLED TO FORTHRIGHT DECISION

In that address on the floor of the Senate, Mr. President, I called on the Federal courts to decide the constitutional question squarely and without avoidance or evasion. I said:

> Whatever the decision, the people are entitled to have it; and they have never had it either on the controversial Trade Agreements Act or GATT. If they are constitutional, then let the court tell the people.

The Justice Department, in its desperate effort to junk a constitutional test case in Federal courts of competent jurisdiction, would deny to the American people their right to a decision on this question. The Justice Department further has the effrontery to argue that the courts in which the suit was filed, and, therefore, the judicial courts of the land, have no right to decide it either for or against the plaintiff and the American people—a fantastic contention, Mr. President.

Mr. President, the plaintiff filed its suit in the United States district court under the Declaratory Judgment Act, an act intended to provide just such answers as the one the plaintiff in that case—and many of us who serve in the Congress—seek.

The purpose of the suit is clearly and simply to have a competent court of the United States pass upon the constitutionality of the tariff-cutting program, as it is being carried out under GATT and the extended Trade Agreements Act.

PLAINTIFF VICTIM OF TRADE ACT, GATT; PAYROLLS CHOPPED IN HALF, SALES CUT

Mr. President, the plaintiff is well qualified to bring this suit for redress of injury and the righting of a grievous wrong. The act and GATT, which the plaintiff in this case deems unconstitutional, have cut its payroll in half and have reduced its sales 40 percent in the past 5 years. The act and GATT are, to put it bluntly, bringing ruin to the industry.

In its complaint, the plaintiff charges that illegal actions by the Government are causing it irreparable injury. Of course, the losses suffered by plaintiff, and by all of the thousands of other industries and enterprises throughout America which are stricken by free trade, are irreparable. Lost jobs, lost sales, lost business can never be recovered unless the cause of these losses is removed; nor can the cause of such losses be corrected while the illegal actions and unconstitutional acts continue.

CONSTITUTIONALITY TEST SOLE PURPOSE OF SUIT

The company has asked the court to enter a declaratory judgment declaring that the Trade Agreements Act and GATT are illegal and unconstitutional delegations of the supreme taxing power of Congress, the foreign-commerce power of Congress, and the treatymaking responsibilities of the Senate. In other words, the whole purpose of the case is to test the constitutionality of the two major free-trade devices plotted during the New Deal by socialistic planners.

On February 28 of this year, Mr. President, I received unanimous consent to have the complaint printed in the CONGRESSIONAL RECORD, where it appeared in the body of my remarks. I challenge any fair-minded person who reads the complaint to place on it any construction other than that it calls for a constitutional test. It is such a case, and nothing else.

JUSTICE DEPARTMENT IGNORES CONSTITUTIONALITY ISSUE: ALLEGATIONS AGAINST GATT

But now comes the Justice Department with its motion to dismiss—a sly and cleverly worded subterfuge. Nowhere in the motion does the Justice Department undertake in any way to uphold or defend the constitutionality of the 1934 Trade Agreements Act. Nowhere does the Department of Justice deny plaintiff's contention that the act is a violation of the Constitution of the United States. Nowhere does the Department of Justice answer plaintiff's charge that the trade act is an unconstitutional delegation to the President of the legislative duty of Congress to regulate foreign commerce, or an unconstitutional delegation of the supreme taxing power of Congress, or an unconstitutional delegation of the congressional treatymaking power. Nowhere does the Justice Department meet the issue raised in the plaintiff's complaint, or weigh a single merit of it. Evade and avoid is the policy of the Department of Justice attorneys in this case—to me, a shocking example of misfeasance in a high office of public trust.

Nowhere in the motion filed by these Department of Justice attorneys is there any mention of GATT, the 34-power treaty to divide the markets of America with low-wage, low-standard-of-living foreign competitors—a treaty in which we surrendered in an economic Munich.

The name "GATT" simply does not appear anywhere in this strange motion. There is no reference, directly or indirectly, to GATT, or to any of the allegations of plaintiff concerning the illegality and unconstitutionality of GATT.

SENATOR SPECULATES ON WHY GATT IMMUNE FROM JUSTICE COMMENT

Why, Mr. President? Is it because GATT was such an unholy international conspiracy against American interests that the Justice Department dare not take cognizance of its existence? Is it because GATT is so indefensible, even by an administration enforcing its one-world dictates, that it dare not even contemplate whether it may be unconstitutional? Is it because GATT, which meets in secret, and always on foreign soil, is such a closed-door agency that the Justice Department shrinks from exposing it to the white light of justice in our Federal courts? Or is it because this international agency has attained such super-sovereignty over our Nation's trade and commerce, that the Justice Department feels impotent to discuss its illegitimate authority, or to even let this super-authority be challenged?

GATT NEVER SUBMITTED TO CONGRESS

Mr. President, GATT was not created by any law. Adherence to it by our Government was by proclamation of President Harry S. Truman. As a treaty, it has never been submitted to the Senate; and Congress has specifically stated in past and recent legislation that it neither approves nor disapproves GATT. Yet, from its international lair in Geneva, GATT affects the lives and fortunes of millions of Americans who are deserving of every constitutional protection.

In its motion to dismiss, the Justice Department, like Dickens' artful dodger, ignores GATT, evades and avoids that international monstrosity, and stops its ears to it.

DEPARTMENT NEITHER FAIR NOR HONEST IN IGNORING GATT

In ignoring the allegations against GATT in this suit, as they have, I say the Department of Justice attorneys have neither been fair, just, nor honest. They

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contend that the plaintiff, who has been driven to the verge of bankruptcy by the alleged unconstitutional and illegal acts, has no right to complain. As the Justice Department puts it:

> The plaintiff is without standing to sue.

The Department adds loftily that the injury upon which the action is based spring merely from—

> The competitive advantage obtained by importers of foreign glassware, of the type produced by plaintiff domestically.

What does this mean, Mr. President? It simply means that in the view of the Department of Justice, an American industry being destroyed by foreign imports brought in under concesisons made by the State Department, has no right to complain, even should these concessions be illegal or unconstitutional, as many believe them to be.

DEPARTMENT CONTENDS STRICKEN UNITED STATES INDUSTRIES HAVE NO RIGHT TO COMPLAIN

American industries stricken by the workings of proforeign trade policies have no right to complain according to the opinion of the Department of Justice, as expressed in the motion to dismiss. The attorneys of the Department of Justice contend that these United States industries cannot seek protection in a constitutional court when their constitutional rights are invaded by laws or administrative actions which many students of the Constitution consider to be clearly unconstitutional.

So the door will be closed—in fact, it will be slammed shut—against all American industries and enterprises which have been wrecked by proforeign trade deals if the motion of the Department of Justice prevails.

ATTORNEY GENERAL SHOULD TAKE CASE OUT OF HANDS OF SUBORDINATES

Mr. President, I think the Attorney General should personally interest himself in this case rather than to leave it in the hands of subordinates. He should review the activities of these subordinates in this case, overrule them, and direct them to proceed with trial of this case on its merits, and before a constitutional court of competent jurisdiction.

As the matter now stands, Mr. President, the motion to dismiss filed by the Justice Department subordinates proposes two alternative methods by which this constitutional test case be killed.

One method is to bludgeon it to immediate death by denial of plaintiff's right to sue. The other method is to kill the case by slow poison.

DEPARTMENT DODGES QUESTION OF CONSTITUTIONALITY

The Justice attorneys, relative to the first weapon, aver that plaintiff has failed to state a claim upon which relief may be granted. The second alleged lack of jurisdiction in the constitutional courts. In both applications for a death sentence, the Justice Department ignores completely any reference to the issue of constitutionality.

In other words, Mr. President, the Justice Department says that the United States district court has no jurisdiction to hear a case involving the basic constitutional question of whether the President has authority under the Federal Constitution to enter into a GATT treaty without the consent of the United States Senate, and whether the President can exercise the exclusive constitutional obligation of the Congress to fix tariff rates and duties.

CONTENTION OF JUSTICE DEPARTMENT PREPOSTEROUS

Mr. President, in all my life I have never heard such a preposterous and astounding proposition of American law.

Think of it, Mr. President. The Justice Department of the United States has the effrontery, if you please, to make the bald argument that a Federal court of the United States has no jurisdiction to pass upon a question arising under the Constitution of the United States.

The Justice Department argues that a court created under the Constitution must drop a case involving constitutionality of the Trade Act and GATT, or, in the alternative, turn it over to a purely administrative referee created for administrative purposes by the Congress as a Board of United States General Appraisers and, 36 years later, finally designated as a special court called the Customs Court with the same limited functions as before.

The Customs Court, Mr. President, as one might know, has no proper jurisdiction over constitutional questions. Constitutional questions are fundamental questions for our basic constitutional court—the United States district court—to determine.

REFERRAL OF SUIT TO CUSTOMS COURT WOULD ADD INSULT TO INJURY

The Customs Court is the last court in the world such a case as this should be referred to, and the Justice Department knows it.

The Customs Court is a special court for importers and waterfront brokers seeking reductions in duty rates on the foreign goods that they import.

> The Customs Court—

And I am quoting the latest United States Government organization manual which every Member of the Senate has—

> reviews appraisals of imported merchandise and all decisions of collectors of customs, including orders on rates of duty, exclusion of merchandise, and liquidation of entries.

What a travesty on justice, Mr. President, is this proposal that plaintiff be forced into a purely administrative court concerned with quibbling claims of importers seeking reclassifications downward or lower rates on imports of foreign goods pouring into the American market to compete with American industry and production.

DEPARTMENT RESORTS TO FANTASY, FICTION IN MOTION TO COURT

The Justice Department, in its frenzy to force an American producer into a court that offers neither relief, sympathy nor justice to any American producer has restorted to fantasy and fiction in its insidious motion.

Says the Department in its motion, this minor court "shall have exclusive jurisdiction to review on protest the decisions of any collector of customs."

The Justice Department knows full well that the suit filed by the Morgantown Glassware Guild in no way contests the decisions of any collector of customs as to the rate of duties.

The suit contests the constitutionality of the act of Congress under which the Collector and Secretary of the Treasury are delegated authority to make such decisions.

ARTICLE I. SECTION 8 OF CONSTITUTION CITED—BY SENATOR MALONE

Plaintiff is not protesting the rate of duty but is protesting the constitutionality of an act of Congress enabling, unconstitutionally, he contends, the executive branch of Government to establish such rate of duties.

Article I, section 8 of the Constitution, specifically directs the Congress, not the executive branch, to perform that governmental function, and there is no mystery about it; that is the way the Constitution reads.

Mr. President, the motion of the Justice Department is as phony as a $3 bill. It is designed to foreclose forever any American producer, employer, or labor union, or investor, from testing, in any competent and constitutional court of the land, the constitutionality of the laws and executive actions that are dooming him to economic death.

ARTICLE III OF CONSTITUTION QUOTED

The motion of the Justice Department ignores the Constitution itself. Article III of the Constitution makes it completely clear that regular Federal courts are the tribunal which must pass upon questions on constitutionality. Article III, section 2 reads:

> The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made, or which shall be made, under their authority.

It does not say that such cases may be shunted off by bureaucratic whim to some jackleg administrative body setup as a forum for importers and waterfront brokers seeking lower duties on the goods they bring in from foreign countries. It did not say that because the Constitution of the United States stands for equality of justice for all Americans.

The Justice Department, in an obviously strained effort to add supporting authority for its position, cites David L. Moss Co. against United States, and United States against Cottman, supra, both totally irrelevant to the pending litigation.

The Moss case held that the customs court has power "to relieve against illegality in the assessment of collection of duties."

The issue in Morgantown Glassware Guild, Inc., against the Secretary of the Treasury is not, as I previously stated, on the administration of the customs laws or on the assessment and collection of duties.

The issue is on the constitutionality of an act and on the constitutionality of a treaty, as Altman against United States defines and determines a treaty to be with respect to the jurisdiction of the Supreme Court in such cases.

United States against Cottman held that the customs court provided redress

for supposed wrong occurring in the operation of laws relating to the collection of customs revenues.

Again, the issue in Morgantown Glassware Guild, Inc., against the Secretary of the Treasury is not the collection of customs revenues, but the constitutionality of the act and treaty under which the Secretary acts.

JUSTICE DEPARTMENT MOTION AN INSULT TO AMERICAN PRODUCERS

Mr. President, it is silly for the Justice Department to argue that constitutional remedies may not be sought in the constitutional courts of the United States by citizens under the protection of the Constitution. To so argue is an insult to every American producer for the American market, and an insult to every citizen who believes ours is a government of laws and justice under the United States Constitution.

In my speech of February 28 I included a copy of the complaint in the Morgantown Glassware case because I wanted the basis of the suit to be known to all. Today I ask unanimous consent that the Justice Department's motion to dismiss be printed in the RECORD and at the point in my remarks at the conclusion of this paragraph. I do this because I want everyone to know just how weak and vascillating, how absurd, if you please, the Justice attorneys are in their efforts to prevent a Federal court from passing upon the constitutionality of the Trade Agreements Act and GATT.

There being no objection, the motion was ordered to be printed in the RECORD, as follows:

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—MORGANTOWN GLASSWARE GUILD, INC., PLAINTIFF, *v.* GEORGE M. HUMPHREY, SECRETARY OF THE TREASURY, DEFENDANT—CIVIL ACTION NO. 876–55

MOTION TO DISMISS

Comes now George M. Humphrey, Secretary of the Treasury, by his attorney, the United States Attorney, and moves this honorable Court to dismiss the complaint herein for lack of jurisdiction or, in the alternative, for failure to state a claim upon which relief may be granted.

LEO A. ROVER,
United States Attorney.
OLIVER GASCH,
Assistant United States Attorney.
FRANK H. STRICKLER,
Assistant United States Attorney.
GEORGE E. HAMILTON, III,
Assistant United States Attorney.

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO DISMISS

This is a suit brought by a domestic manufacturer of handblown and pressed glassware for a declaratory judgment that the action of the Secretary of the Treasury in assessing duties on such imported glassware under the terms of the General Agreement on Tariffs and Trade (Geneva Agreement), 1947, is unlawful and beyond his authority.

The complaint alleges that Congress, in section 218 (f) and (g) of the Tariff Act of 1930 (19 U. S. C. A. 1001), provided the proper duty to be assessed on imported glassware of the class or kind manufactured by plaintiff. Despite this, plaintiff avers, defendant is imposing reduced rates of duty under the terms of an international agreement which was entered into by the President of the United States under an unconstitutional grant of authority by Congress (Trade Agreements Act of 1934, as amended, 48 Stat. 943, 57 Stat. 125, 59 Stat. 410, 63 Stat. 698, 65 Stat. 72, 67 Stat. 472, 68 Stat. 360). The constitutionality of the Trade Agreements Act of 1934 is attacked on the ground that it attempts to delegate to the President the legislative duty of Congress to regulate foreign commerce, the supreme taxing power of Congress and the congressional treaty-making powers. Being thus in violation of the Constitution, the complaint continues, the plaintiff is deprived of a valuable property right without just compensation and without due process of law.

ARGUMENT

I. The United States Customs Court is vested with exclusive jurisdiction to entertain this action

It is settled beyond the necessity for citation of authority that where Congress has made available a remedy to correct governmental error the party challenging error must resort to the prescribed agency before he may look to the courts for redress of any nature. It is equally well established that where such relief is made exclusive the court may not interevene except in an extraordinary case where illegal action in the administration of the remedy acts to irreparably injure the plaintiff.

Congress has established the United States Customs Court and has provided that such court "shall have exclusive jurisdiction to review on protest the decisions of any collector of customs, * * * as to the rate and amount of duties chargeable and as to all exactions of whatever character within the jurisdiction of the Secretary of the Treasury" (28 U. S. C. A., sec. 1583). The procedures to be observed in protesting the rate of duty placed upon imported merchandise of the class manufactured by a protestant is set out in 19 United States Code Annotated, section 1516. The terms of that section show clearly that plaintiff comes within the class of those who can avail themselves of the administrative remedy provided and seek review of an adverse ruling in the United States Court of Customs. (Cf. *Feltex Corp.* v. *Dutchess Hat Works* (21 C. C. P. A. (Customs) 463), and *Neumann-Endler, Inc.* v. *United States* (27 C. C. P. A. (Customs) 53) wherein domestic manufacturers invoked the jurisdiction of the Customs Court to contest the rate and amount of duties imposed upon imported merchandise.) Included in plaintiff's remedy is the right of appeal to the Court of Customs and Patent Appeals and review thereof in the Supreme Court on petition for certiorari (28 U. S. C. A., sec. 2601).

In *David L. Moss Co.* v. *United States* (103 F. 2d 395 (C. C. P. A. 1939)), the petitioner sought to invoke the jurisdiction of the Customs Court to declare invalid the action of the President in raising the duty on goods imported by him as being without authority in law. The Customs Court denied relief on the ground that it was without jurisdiction to review the President's action. Judge Parker, sitting by designation, spoke for the Court of Customs and Patent Appeals and said, at page 397:

"The court is a court of law, and it is granted full power to relieve against illegality in the assessment or collection of duties. 19 U. S. C. A. §§ 1515, 1518. If relief may not be had before it against illegal action under the flexible tariff provisions, relief may not be had anywhere; for its jurisdiction in such matters is exclusive. It is the tribunal established by Congress in the provision of a complete system of corrective justice for the administration of the customs laws, and questions involving the validity of official action in the imposition and collection of duties are properly cognizable before it to the exclusion of other courts" (citing cases).

This reasoning has been adhered to by our court of appeals in *Boston Wool Trade Ass'n.* v. *Snyder* (82 U. S. App. D. C. 144, 161 F. 2d 648 (1947)) and *Calf Leather Tanners Ass'n.* v. *Morgenthau* (65 App. D. C. 93, 80 F. 2d 536 (1935)). For rulings in other circuits upholding the exclusive jurisdiction of the Customs Court in cases of this nature, see *United States* v. *Cottman Co., et al.* (190 F. 2d 805 (4th Cir. 1951), certiorari denied, 342 U. S. 903); *Patchogue-Plymouth Mills Corporation* v. *Durning* (101 F. 2d 41 (2d Cir. 1939)); *Cottman Co., et al.* v. *Dailey* (94 F. 2d 85 (4th Cir. 1938)); and *Riccanini* v. *United States* (69 F. 2d 480 (9th Cir. 1934)) where the constitutionality of the statute was sought to be tested. In he latter regard, see also *Cottman Co. et al.* v. *Dailey* (supra, at p. 89).

The most recent expression of the law is contained in *United States* v. *Cottman* (supra, at p. 808) where the Court said:

"Congress has provided a complete system of corrective justice with respect to matters arising under the customs laws, and clearly did not intend that resort should be had to other methods of redressing supposed wrong occurring in the operation of laws relating to the collection of customs revenues" (citing cases).

It being evident that the issues raised herein are only properly justifiable before another tribunal, namely, the Court of Customs, it is respectfully submitted that the complaint herein be dismissed for lack of jurisdiction. Compare *Allen* v. *Grand Central Aircraft Co.* (347 U. S. 745, 755).

II. The plaintiff is without standing to sue

It is clear from the allegations of the complaint, as briefly set out above, that the injury upon which this action for declaratory judgment is based springs from the competitive advantage obtained by importers of foreign glassware of the type produced by plaintiff domestically, by virtue of the alleged unlawful action of defendant in assessing reduced rate of duty on such importations. Plaintiff asserts no illegality in the action of his competitors nor any conspiracy, fraud, malice, or coercion on the part of the Secretary of the Treasury.

In circumstances identical to the alleged injury from competition complained of herein the court of appeals for this circuit has said as recently as April 28, 1955, in *Kansas City Power & Light Co., et al.*, v. *McKay, et al.* (No. 12,607, — F. 2d —), that:

"It is indisputable that the essence of plaintiff's complaint is the competition which they will suffer if the Government's contracts are carried out. They can claim no other interest or injury. The defendants have not undertaken to regulate them in any way. They have not been ordered to abandon any of their activities or to forego the expansion programs planned by them. They have not been subjected to any obligation or duty. Their sole interest and objective is to eliminate the competition which they fear. Controlling decisions of the Supreme Court, dealing with other electric power contracts of the Federal Government, establish that an interest of this kind is not sufficient to enable them to sue to enjoin execution of the power contracts and program of the Government" (p. 5, slip opinion).

In that case the plaintiffs contended that certain loans made to federated cooperatives in competition with plaintiffs were in violation of the Rural Electrification Act of 1936 and unconstitutional. The majority of the Court, in finding the plaintiffs to be without standing to sue, relied upon the following language in *Alabama Power Co.* v. *Ickes* (302 U. S. 464, 479–480 (1938)):

"The only pertinent inquiry, then, is what enforceable legal right of petitioner do the alleged wrongful agreements invade or threaten? If conspiracy or fraud or malice or coercion were involved, a different case would be presented, but in their absence, plainly enough, the mere consummation of the loans and grants will not constitute an actionable wrong. Nor will the subsequent application by the municipalities of the moneys derived therefrom give rise to an

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actionable wrong, since such application, being lawful, will invade no legal right of petitioner. The claim that petitioner will be injured, perhaps ruined, by the competition of the municipalities brought about by the use of the moneys, therefore, presents a clear case of damnum absque injuria. Stated in other words, these municipalities have the right under State law to engage in the business in competition with petitioner, since it has been given no exclusive franchise. If its business be curtailed or destroyed by the operations of the municipalities, it will be by lawful competition from which no legal wrong results." (*Kansas City Power & Light Co.* v. *McKay*, supra, p. 6 of slip opinion.)

Judge Prettyman, who dissented in *Kansas City Power & Light*, supra, relied upon an allegation of conspiracy in the complaint which he found to give plaintiffs the necessary standing to sue under the Alabama doctrine. Had the instant complaint been before the Court of Appeals in that case, there being no averment of conspiracy, the decision would of necessity have been unanimous.

In an attempt to avoid the impact of these decisions, plaintiff alleges a violation of its "statutory protection against destructive foreign competition," relying upon the higher duty imposed by the Tariff Act of 1930 and the protection it afforded. Justice Cardozo disposed of such a contention simply and concisely in *Norwegian Nitrogen Co.* v. *United States* (288 U. S. 294, 318) by ruling that "no one has a legal right to the maintenance of an existing rate or duty."

It appearing that the court is without jurisdiction to hear the cause and that no legal interest of plaintiff is at issue herein, the invocation of the Declaratory Judgment Act (28 U. S. C. A. 2201) will not serve to afford the court opportunity to hear the complaint. (*Skelly Oil Co.* v. *Phillips Petroleum Co.* (339 U. S. 667 (1950)); *Aetna Life Insurance Co.* v. *Haworth* (300 U. S. 227 (1936)).) "It is well settled that the Declaratory Judgment Act is not in itself a source of Federal jurisdiction and did not enlarge the pre-existing jurisdiction of the Federal courts." (*Miles Laboratories* v. *Federal Trade Commission* (50 F. Supp. 434, 437 (D. C. D. C. 1943), affirmed 140 F. 2d 683 (D. C. Cir. 1944), certiorari denied 322 U. S. 752 (1944)).)

For the foregoing reasons and upon the basis of the authorities cited, it is respectfully submitted that the complaint herein should be dismissed.

LEO A. ROVER,
United States Attorney.
OLIVER GASCH,
Assistant United States Attorney.
FRANK H. STRICKLER,
Assistant United States Attorney.
GEORGE E. HAMILTON III,
Assistant United States Attorney.

COMPARISON INVITED BETWEEN COMPLAINT AND JUSTICE MOTION

Mr. MALONE. Mr. President, I urge upon those who have read the Justice Department's motion above, to read also the complaint filed by the Morgantown Glassware Guild, Inc., and which was printed in the body of my remarks in the CONGRESSIONAL RECORD of February 28.

I invite comparison between these two documents the complaint of an American producer seeking a constitutional remedy in a constitutional court, and the Justice Department's motion seeking a denial of such a remedy.

I invite the Attorney General to join in the comparison, and the judges of our constitutional Federal courts, all of whom have jurisdiction over such constitutional issues.

I particularly enjoin the Attorney General, Mr. President, to study this motion of his own department, a motion he should be regretful and ashamed of. Let him reverse this motion and charge his subordinates in the Department to face the issue on its merits so that the courts may resolve this vital question once and for all.

PRESIDENT URGED TO STUDY OPPOSING LEGAL DOCUMENTS

I invite the President of the United States to study these two conflicting and opposing documents and to resolve in his own mind whether free enterprise is entitled to a day in court to test a questionable act and treaty, or whether such a day in court is to be denied.

If we have reached a point in our history where the executive and legislative branches of our Government are rolled into one, and when the Chief Executive can be all things—lawmaker, administrator, judge, and jury—let us know it from the courts, and courts of proper, competent jurisdiction.

If we have not reached that point, and the constitutional principle of equal and separate powers survives, let us have that knowledge also from courts of competent jurisdiction.

QUESTION OF CONSTITUTIONALITY OF TRADE ACT DODGED FOR TWO DECADES

Mr. President, for 20 years the executive branch of the Government has refused to face up to the question of the constitutionality of the Trade Agreements Act. Since 1947, when it entered into GATT, it has studiously evaded and avoided by every strategy and ruse that the mind of bureaucrats can devise, any constitutional test of the tariff-cutting powers it has exercised.

If the program is legal, if it is constitutional, if the Founding Fathers expected that the President should set the tariffs and enter into treaties without the consent of the Senate, then let the Attorney General have the courage to make that argument in court.

JUSTICE DEPARTMENT SHOULD END SHILLY-SHALLYING

Let us have done with this shilly-shallying, this fancy foot work that the Justice Department demonstrates each time the question of constitutionality comes up. Why should the Justice Department resort to subterfuge and spin cobwebs about jurisdiction? Why resort to such utter and nonsensical tomfoolery as arguing that a company which has been driven to the wall by the free-trade conspiracy has no standing to complain.

I say, Mr. President, that if this company has no standing to challenge the legality of the President's actions and the constitutionality of the laws and treaties under which he acts, then who in Heaven's name has?

Has tyranny established a beachhead in the Justice Department? Do these bureaucratic subordinates in the Nation's legal department really believe a point has been reached beyond any judicial review?

Mr. President, the maneuvers of the Justice Department in this case should have significant import for the Senate and the Congress. The Senate and the House have approved the Trade Agreements Extension Act, H. R. 1, continuing Congress' delegation of constitutional authority over tariffs and foreign trade for 3 more years.

NEW GATT TREATY HAS UNITED STATES INDUSTRIES AT MERCY OF FOREIGN NATIONS UNLESS COURTS ACT

GATT has just concluded a new trade treaty granting American tariff concessions and markets to Japan, Canada, Denmark, Finland, Italy, Norway, and Sweden, concessions which spell more trouble and disaster for American industries, investors, wage earners, and producers.

Both H. R. 1 and GATT put the working people of America, the small, independent businesses of America, the resource industries and the producers of America to the mercy of slave labor and low-wage and low-living standard foreign competition and to the mercies of 33 scheming foreign nations combined under GATT to extract the maximum take it can from our wealth, our economy, and our markets.

MORE DESTRUCTIVE TARIFF CUTS DUE IF STATE DEPARTMENT HAS FREE HAND

During the next 3 years the underlings in the State Department, few of whom ever performed a day's physical labor in their lives, will enter into more unconstitutional trade agreements. They will lower more tariffs so that even greater floods of glass, pottery, fur, metals, cutlery, bicycles, watches, chemicals, electric equipment, machine tools, textiles, minerals, and hundreds of other commodities can come into the United States closing the doors of plants, mines, and factories, and forcing their employees into destitution and onto the dole.

American stockholders in such companies will be defrauded of their investments, the workers will be defrauded of their jobs, and the Government will be harried by loss of tax revenues from income, business, and trade itself.

The public debt will increase and relief checks will flow out in ever increasing volume to the unfortunate victims of our unconstitutional policy of free trade.

For the unconstitutional free trade policy will be fixed in perpetuity if the Justice Department's motion prevails.

INDUSTRIES DENIED RECOURSE IF JUSTICE'S MOTION PREVAILS

No stricken industry, producer, labor union, or employer will be privileged to challenge in the Federal courts the policy that has driven him to ruin.

There will be no recourse to the Judicial Branch of our Government.

There will be no recourse anywhere to anyone except to the one man, whoever he may be, who is the Chief Executive of the United States.

All power over the Nation's foreign trade and the Nation's economy will rest solely in his hands. For if the Justice Department has its way there will be no appeal to the courts available to the producers of America producing for the American market and the families of America.

Mr. President, never in my lifetime did I ever expect to witness a department of the Government urging autocratic rule, yet that is precisely what the Justice Department's motion to dismiss does to all purposes and effect.

PRESIDENT, ATTORNEY GENERAL SHOULD REVERSE AUTOCRATIC TREND

Mr. President, I call upon the Attorney General, the President, and the courts to reverse this menacing trend.

I call upon the United States district court to uphold American tradition and accept jurisdiction in this case.

Let the case be heard on its merits, and the constitutional question, which is the whole basis of the suit, be decided in the way the Constitution provides, in the constitutional courts.

Let us return, Mr. President, to the just way, the American way, the constitutional way, with equal justice available to all Americans.

TRADE ACT DEEMED UNCONSTITUTIONAL BY MANY MEMBERS OF CONGRESS

Mr. President, for 21 years able and distinguished Members of the Senate and House of Representatives have contended that the Trade Agreements Act is unconstitutional.

Ten of the 23 members of the House Ways and Means Committee of the 73d Congress branded the legislation both unconstitutional and un-American when the bill was originally reported in 1934 by the New Deal majority on that committee.

Members of the legislative branch have declared the act unconstitutional each time it has come up for extension.

CONSTITUTIONALITY CHALLENGED DURING DEBATE ON H. R. 1

Members of the Senate and House at this session took the floor to express their view that the legislation is unconstitutional.

The State Department argues that the act is constitutional, but the executive branch has never dared let their contention be determined by the courts.

The Justice Department attorneys in their motion to dismiss, as I pointed out before, evade and avoid the issue of constitutionality of the trade act completely. They want the case shifted to a special court, not a constitutional court, but a court of limited jurisdiction, where, by the very nature of the court, the constitutionality or nonconstitutionality of the 1934 Trade Agreements Act cannot be judicially determined.

GOVERNMENT MANUAL QUOTED ON ROLE OF COURTS

Earlier in my remarks I referred to the United States Government Organization Manual, and to its description of the Customs Court, to which the Justice Department wants this case shunted, if it is to be tried at all.

I quote again from the Government manual, page 53:

> Special courts. The Supreme Court, the United States Courts of Appeals and the District Courts, created and organized under article III of the Constitution are known as "constitutional courts." Their judicial power is limited to the decision of "cases" and "controversies."
>
> Congress has found it necessary from time to time, in order to determine matters not within the scope of the judicial power described in article III, to create other tribunals known as legislative courts.

And among the legislative courts determining matters not within the scope of the judicial power described in article III, we of course find the customs court.

JUSTICE DEPARTMENT OPPOSES JUDICIAL DECISION BY CONSTITUTIONAL COURT

It is obvious that the Justice Department attorneys handling this case do not want the 1934 Trade Agreements Act to face any test of constitutionality and for that reason want any trials of the case at all to be in a court not within the scope of the judicial power described in article III of the Constitution.

The reason why they do not want a test of the constitutionality of the act is that the act is unconstitutional, and we have that on the authority of many eminent and distinguished Members of the legislative branch, including the 10 Members who weighed the act when it was first fathered by the State Department.

MEMBERS OF WAYS AND MEANS COMMITTEE WHO TERMED TRADE ACT UNCONSTITUTIONAL IN 1934 LISTED

Mr. President, I shall read the names of these 10 honorable gentlemen, 10 of the most able men who served in the House of Representatives in our generation. I shall read them in the order of their listing in House Report 1000 of the 73d Congress. They were: Allen T. Treadway; Isaac Bacharach; Frank Crowther; James A. Frear; Harold Knutson; Daniel A. Reed, who today is the ranking minority member of the Ways and Means Committee, and one of the soundest Members of Congress; Roy O. Woodruff; Thomas A. Jenkins, second ranking minority member of the committee; William E. Evans; Thomas C. Cochran.

All of them concurred in the report that the 1934 Trade Agreements Act is unconstitutional and also in the view that it is un-American.

MINORITY REPORT OF 73D CONGRESS QUOTED

Mr. President, I shall quote excerpts from the minority report on the Trade Agreements Act of the House Ways and Means Committee, 73d Congress, signed by the above 10 members of that committee, and I may at times intersperse my own comment with reference to the excerpts.

Point No. 1 of that report dealt with constitutionality:

> It (the original trade agreements bill which has not changed in concept in 21 years) delegates to the President discretionary legislative power in tariffmaking—not simply an administrative power to apply a definite formula laid down in advance by Congress, such as is given under the present flexible tariff provisions—and thereby provides for an unconstitutional delegation of the supreme taxing power of Congress, contrary to what a prominent Democrat has called "the plainest and most fundamental provisions of the Constitution."

TRADE ACT HAD NO PRECEDENT IN HISTORY

Point No. 2 also dealt with the matter of constitutionality:

> 2. It has no counterpart in past legislation, Republican or Democratic, since in each previous reciprocity measure Congress has either fixed in advance the concessions or retaliations the President might use as a basis of negotiations, or it has reserved the right to both the House and Senate to approve or reject any treaty or agreement entered into by him.

Point No. 3 continues this presentation:

> 3. Any previous legislation giving the President authority to put a prescribed legislative policy of Congress into effect upon the finding by him that a certain state of facts existed is no precedent for giving him the power under similar conditions to put into effect rates of duty which he himself prescribes.

STATE DEPARTMENT CONTRADICTS COMMITTEE MINORITY

Mr. President, what the report of 1934 stated is true in every particular today. Yet we find the State Department submitting a memorandum to the Senate Finance Committee stating:

> The Trade Agreements Act goes no further than numerous former enactments which have delegated discretionary power to the President and which have been upheld by our courts whenever questioned.

This is, of course, a flat contradiction of the statement of the 10 Members of Congress who signed the original minority report.

The report states that the Trade Agreements Act has no counterpart in previous legislation, and the State Department says it goes no further than previous legislation.

Both cannot be telling the truth.

WHO TOLD THE TRUTH?

The Members of the 73d Congress who signed the minority report, substantiate their statement, as I shall demonstrate further along in my remarks.

The State Department does not substantiate its statement.

Nor does it recommend or even condone any court test to determine which is telling the truth—Members of Congress or the State Department—and which is lying. Only a court test will do that, and the executive department is attempting to avoid and prevent such a test.

Mr. President, if I were to make a bald statement that an act was constitutional and not unconstitutional as many contend, I would be willing to have my position tested in the courts.

I would, that is, unless I knew I was wrong. Then I would want to evade a court test at all costs.

That is what the executive branch is trying to do—evade and avoid. I think it knows that it is wrong.

PLAINTIFF STAKES ECONOMIC LIFE ON COURT TEST

The plaintiff in this case believes the Trade Agreements Act to be unconstitutional. He is willing to stake his economic life on his belief. He has put himself to considerable expense and effort already to assert his belief. That is the brave and courageous thing to do if one has a belief or a conviction. He is willing to have a court tell him whether he is right in his conviction or whether he is wrong, and is willing to abide by the result.

But the executive branch is willing to stake nothing. It is not willing to back its own belief, if it has one, that the act is constitutional. I doubt that it believes its own statement, so magnanimously sent to the Senate Finance Committee. If it did believe it, in my opinion, it would be willing to go into court to back it up.

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The State Department tells us that "an examination of the question whether the Trade Agreement Act involves an unconstitutional delegation of power to the President has led to the conclusion that no such delegation is involved in the act." That is the State Department's statement.

STATE DEPARTMENT PRESUMES TO SIT AS COURT

In other words it has set itself up as its own high court to hand down pronouncements on constitutionality of acts passed by the Congress, a function which the Constitution reserves to the courts.

The State Department sets itself up as the supreme judicial authority to advise the Senate Finance Committee on the meaning of the Constitution. It has been doing that, as a matter of fact, ever since the 1934 Trade Agreements Act was passed, and Congress has accepted its pronouncements as ukases from a court.

The State Department says, and I repeat:

> An examination of the question whether the Trade Agreement Act involves an unconstitutional delegation of power to the President had led to the conclusion that no such delegation is involved in the act.

Whose examination? Why, an examination by the State Department, of course. Whose conclusion? Why, the conclusion of the State Department.

ARE EVEN THE COURTS NOW SUBORDINATE TO EXECUTIVE BRANCH?

Mr. President, has this Republic sunk to a status where constitutional questions may be determined by some appointive administrative branch of the Government serving its own interests, representing no State, district, or precinct of the country?

If it has, then not only Congress but also the courts and the Supreme Court itself have been subordinated to the executive.

If it has, then the laws we pass in Congress are to be interpreted not by the courts and the judicial branch as the Constitution provides, but by underlings in an executive department, elected by nobody, and responsible to nobody at the polls.

Congress recently passed H. R. 1, an extension of the trade agreements act, and the President has signed it.

I opposed it, as I have previously opposed this act, which I consider unconstitutional.

STATE DEPARTMENT EXPLAINS TRADE ACT TO CONGRESS—AFTER ACT APPROVED AND SIGNED

In my floor debates on the bill I voiced the opinion that few of my distinguished colleagues had studied it with any thoroughness or knew what it was all about.

The State Department appears to have the same opinion. In its memorandum, which I previously referred to, it proceeds to explain to the committee, to which the memorandum was sent, what the act is all about, according to the State Department's interpretation.

It is kind of the State Department to presume to tell us what is in the act, according to its interpretation, that Congress has just passed, as though members of the Senate Finance Committee and the Congress were a group of schoolboys down from the hills, without much education. But that is what the State Department does. Referring to the act, the Department said:

> It authorized the President, if he makes certain findings of fact, to "enter into foreign trade agreements," and to proclaim, subject to certain specified limitations, such modifications or continuances with regards to duties and other types of restrictions as are "required or appropriate to carry out any foreign trade agreement" entered into under the act.

ACT CLEARER THAN STATE DEPARTMENT'S EXPLANATION

Mr. President, that is quite a mouthful. It is State Department language attempting to convey to Members of Congress, and especially the Senate, what it considers is in the act we have just passed. Of course, any Member of the Senate can get a copy of the act and read it himself, and I am sure that any Member of the Senate who does this will have a much clearer understanding of the act than he will ever get from reading the memorandum from the State Department.

I continue to quote from the State Department memorandum:

> As a basis for such action, the President must find that existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States, and that the purpose of the act, expanding foreign markets for products of the United States by regulating the admission of foreign goods into the United States in accordance with the characteristics and moods of various branches of American production, will be furthered by such an agreement.

That is a masterpiece—"characteristics and moods of various branches of American production."

REAL PURPOSE OF ACT DISGUISED BY STATE DEPARTMENT

Of course, Mr. President, that is not the purpose of the act at all, as I have pointed out frequently on the floor of the Senate. It is not the effect, either. As I pointed out in my floor speech of June 15, foreign markets for products of the United States have contracted—not expanded—since the 1934 Trade Agreements Act was passed.

The only expansion under the act has been the expansion of American markets for foreign goods, an expansion of American markets which is rapidly putting many American industries out of business.

MOODS OF STATE DEPARTMENT GOVERN FOREIGN TRADE

When the State Department talks about regulating the admission of foreign goods into the United States in accordance with the characteristics and moods of various branches of American production, it is indulging in outright deception.

The State Department regulates the admission of foreign goods into the United States in accordance with its own moods and whimsies, and with no thought to the needs or characteristics of any of the various branches of American production. It is regulating them only from the standpoint of foreign policy and foreign preferences.

The Constitution declares, in article I, section 8, that it is the responsibility of Congress to lay and collect imposts and duties, meaning tariffs, and to regulate the foreign commerce.

STATE DEPARTMENT CONTENTION AN ADMISSION PART OF CONSTITUTION REPEALED

When the State Department says, and it does, as I have just quoted, that under the Trade Act the President regulates the admission of foreign goods into the United States, it admits, in substance, that article I, section 8, has been set aside and to all effects repealed by Congress, which has no power under the Constitution to, by itself, repeal the Constitution.

There is much more explanation in the State Department's memorandum which I will omit because it is self-serving and redundant, and because many of us in Congress are as familiar with our own act as are functionaries in the State Department, if not more so.

To get back to the discussion of the constitutionality of the Trade Act by the Ways and Means Committee minority in the 73d Congress, point 4 stated:

> 4. If the expansion of our foreign trade seems desirable, it should be accomplished by existing constitutional means.

Point 5 of the minority views stated:

> Although the bill (the trade bill) attempts to lend itself a color of constitutionality by a recitation that it is an emergency measure, yet by its own terms it has unlimited life, indicating that it is, and is intended to be, permanent legislation.

"EMERGENCY" TRADE ACT NOW VIEWED AS PERMANENT BY FREE TRADERS

Mr. President, no truer statement could be made than that in point 5. The 1934 Trade Agreements Act has become, to all intents and purposes, permanent legislation, and will continue as permanent legislation until the American people, the workingmen, industries, and investors awaken to what it is doing to them and elect a Congress that will meet its constitutional responsibilities and strike this destructive act from the statute books.

Mr. President, I predict that within 5 years, perhaps within 2 years, the workingmen of this Nation will instruct their wives to look for the American trade-mark before they buy. That is what I think will be the effect of the Trade Agreements Act if Congress does not come to its senses in the meantime.

It is understood, of course, that Congress can take up this matter at any time, regardless of the 3-year extension.

PROTECTION PRINCIPLE ABANDONED

Point No. 6 of the minority views states:

> It (the Trade Agreements Act) contemplates the abandonment of the principle of protection for domestic industry, agriculture, and labor by allowing existing duties to be modified without reference to the difference in cost of production of domestic and foreign articles.

Point No. 7 reads:

> It strikes at the very heart of the President's own recovery program, and is wholly inconsistent with it.

Mr. President, we all know that the depression continued for more than 5 years after the Trade Agreements Act was

passed, and until President Roosevelt maneuvered this Nation into a war economy, which has continued ever since.

OUR $32 BILLION WAR ECONOMY

We are living on a war economy now—about $32 billion of it annually. If we lose it, we shall be out like a light within 60 days.

LIFE AND DEATH POWERS OVER ECONOMY HANDED PRESIDENT IN TRADE ACT

Point 8 of the minority views of the Committee on Ways and Means reads:

8. It places in the hands of the President and those to whom he may delegate his authority the absolute power of life and death over every domestic industry dependent upon tariff protection, and permits the sacrifice of such industries in what undoubtedly will be a futile attempt to expand the export trade of other countries.

Mr. President, what the minority of the Committee on Ways and Means said in its 1934 report is all too true. I have made the same statement on the floor of the Senate many, many times. The Trade Agreements Act has placed in the hands of those to whom the President delegated his authority the power of life and death over every domestic industry dependent upon tariff protection.

The State Department can remake, and has remade, the industrial map of the United States in its own socialistic image.

TRADE ACT BARGAINING TASK TOO GREAT FOR ANY SINGLE EXECUTIVE

Some of these industries are virtually extinct, others are dying by degrees, and they have been sacrificed in a futile attempt to expand the export trade of other countries. The next point brought out in the minority report is equally true. I read:

9. While no one would question the good faith and high purpose of the President (that was in 1934) in any action he might take under the powers conferred, such as the determination that a particular industry was not entitled to tariff protection, the fact is that he will not be able personally to give his attention to negotiations incident to the conclusion of the contemplated trade agreements, but will be compelled to rely upon others whose opinions as to what is for the best interest of the country and the industries affected would not be entitled to the same measure of respect as his own.

Mr. President, that observation is as correct today as it was in 1934. No President, including the present occupant of the White House, has ever been able personally to give his attention to negotiations incident to the conclusion of a contemplated trade agreement. No President has ever attended such a negotiation.

CONCENTRATION OF ALL POWER IN EXECUTIVE LEADS TO DESTRUCTION

Mr. President, many times in discussion in committee and on this floor a Senator will say, "Why, you don't trust the President of the United States." Mr. President, I point out to you that the oldtimers who had been through the mill, and who wrote the Constitution of the United States, did not trust themselves. They wrote into the Constitution a principle to be carried out by law, not by Executive order. The history of every nation on earth is that the road to destruction started with the concentration of power in the Executive.

Every President has been compelled to rely upon others for opinions as to what is in the best interest of the country and the industries affected.

That statement emphasizes the argument that the Secretary of State could sacrifice any job or investment in the United States for what he considered an overall basic benefit to America. Does he consider 1 man or 1 group of men? That sacrifice can be carried out, not on a principle, not on the Constitution of the United States, but on the conclusion of 1 man, or 1 group of men. Because he may consider it for the good of the Nation, he can sell an industry down the river, and we would not know it until it was too late.

TRADE ACT NEGOTIATIONS CARRIED OUT BY UNDERLINGS

In fact, a President must rely on underlings below the rank of Secretary. The highest ranking Government official at any of the recent trade negotiations has been an Assistant Secretary of State.

The Secretary of State does not attend these sessions. The Under Secretary of States does not attend these sessions. They are too busy, and have too many other duties and concerns.

There are 8 or 9 Assistant Secretaries of State, and it is 1 of these assistants who head the delegations to GATT.

In the early days of the trade-agreements program, Assistant Secretary of State Francis Sayre was in charge of the trade-agreements program. He was the State Department's principal proponent of the act, in testimony before the 73d Congress.

ALGER HISS HAD HIGH ROLE IN EARLY TRADE AGREEMENT PROGRAM

Who was Mr. Francis Sayre? Mr. President, you will have trouble remembering who he was. He was never elected to any office, but he was designated by the President of the United States to represent the Congress of the United States—if you please, the representatives of the people—to sell down the river any industry he cared to trade.

Assistant Secretary of State Sayre, in charge of the trade agreements program, had an assistant. The Assistant to the Assistant Secretary from 1936 to 1939 was Alger Hiss.

MINORITY REPORT IN 73D CONGRESS LISTED 15 OTHER OBJECTIONS TO TRADE SELLOUT

Mr. President, the minority report I have referred to contained 15 other points, all of which were prophetic of the situation which exists today with respect to our foreign trade. I ask unanimous consent that these points be printed in the RECORD at this place in my remarks.

There being no objection, the remaining points were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM MINORITY REPORT TO HOUSE REPORT NO. 1000 OF THE 73D CONGRESS

10. The bill gives no indication as to what domestic industries may be put upon the auction block in the negotiation of foreign trade agreements, nor where any of the accredited representatives of the administration appearing before the committee willing to give such an indication except in the most general and meaningless terms.

11. It provides no opportunity for domestic industries to be informed or heard with reference to any proposed Presidential tariff changes, even though their very existence is at stake.

12. In view of the apprehension which will constantly exist in the minds of all domestic producers over the possibility that their respective industries may, without notice or hearings, be sacrificed overnight for some alleged or passing advantage to an export product, the bill is not calculated to aid in the restoration and rehabilitation of domestic industry at large, but does contain serious possibilities of disastrous consequences.

13. It presumes to give advance congressional approval to any trade agreements into which the President may enter, however injurious may be their effect upon any domestic industry or industries, thus making it impossible for Congress to rescind his authority except by passing new legislation over his veto, which would require a two-thirds vote of each House and would at the same time place the Nation in the position of violating a completed and binding international agreement.

14. Instead of promoting our export trade where possible by such methods as the imposition of countervailing or retaliatory duties on noncompetitive foreign articles now enjoying free entry into the domestic market, such as silk, coffee, tea, rubber, etc., the bill contemplates the granting of tariff concessions on dutiable foreign articles coming into competition with domestic products. The minority feel that instead of destroying branches of domestic agriculture and industry, the two-thirds of our imports now coming into this country duty free could well be used as a lever to secure favorable consideration for our exports in world markets.

15. The increased importation of competitive foreign goods will displace equal quantities of our own products, thus adding to the unemployment in the industries so affected and to overproduction.

16. Any hoped for increase in domestic exports as a result of permitting increased foreign imports will be largely illusory, since foreign countries will naturally buy in the cheapest market no matter how much of their goods we import, and unless we can meet world production costs and are prepared to sell at world prices we cannot compete in world markets. For this reason the export trade we might gain will not offset the domestic trade we are bound to lose.

17. Foreign countries in most instances have the advantage in reciprocal bargaining, because their rates are generally known to be padded for trading purposes.

18. The bill fails to take account of the changed economic conditions throughout the world as evidenced by the nationalistic policies of all nations and the tendency of the agricultural countries to develop home manufactures and the manufacturing countries to produce, so far as possible, their own foodstuffs, the result of which has been a drying up of the old world markets.

19. It holds out the forlorn hope of increased foreign markets for our surplus products in the face of the well-known fact that they can be exchanged only for agricultural and industrial products with which we are already abundantly supplied.

20. The bill overemphasizes the importance of our export trade, the value of which in 1929 was but one-tenth that of total domestic production of movable goods and one-seventeenth the amount of the national income. This clearly illustrates the fact that domestic prosperity is more dependent upon the home market than the foreign market, since it consumes 90 percent of what we produce and is responsible for approximately 95 percent of the national income.

21. It ignores the fact that this Nation is the world's richest market, with one-half

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the business of the world being done within its borders. Foreign countries, however, are not insensible to this fact and will be insistent upon participating in this great market with no appreciable return benefit to our own people of home industries.

22. It erroneously presupposed that foreign trade consists of dollar-for-dollar exchange between two nations, when as a matter of common knowledge it follows much the same course as domestic business, each nation selling its surpluses wherever it can find a demand for them, and buying in the cheapest market such articles as it does not produce, all without reference to the balance of trade with any country.

23. It is based upon the false premise that the decline in international trade is the cause, rather than the effect, of the depression. Our own experience shows us that the foreign trade of this country, both in imports and exports, was constantly on the increase up to the time of the 1929 crash.

24. To abandon our present policy of equal tariff treatment for nations in favor of bilateral concessions to individual countries is a backward step which can only serve to breed further tariff wars and thus result in retaliation and discrimination against our goods in many foreign markets.

UNCONSTITUTIONAL ASPECTS OF TRADE ACT STRESSED IN REPORT

Mr. MALONE. Mr. President, some of the latter points above are in reference to the anticipated economic effects of the 1934 Trade Agreements Act, effects that have been borne out during the 21 years' life of the act under State Department rule.

But by far the major portion of the minority views to House Report 1000 of the 73d Congress dealt with the legal or constitutional aspects of the program, which the 10 signers of the report considered clearly unconstitutional.

I ask unanimous consent that the part of this report, title "Legal Aspects," be printed in the RECORD at this point in my remarks.

There being no objection the portion of the report was ordered to be printed in the RECORD, as follows:

EXCERPT OF HOUSE REPORT 1000, OF THE 73D CONGRESS, MINORITY VIEWS RELATIVE TO CONSTITUTIONALITY OF THE 1934 TRADE AGREEMENTS ACT

1. The legal aspects: The Constitution of the United States provides in section 1 of article I that all legislative powers therein granted shall be vested in the Congress. Section 8 of the same article provides, among other things, that Congress shall have the power to "lay and collect taxes, duties, imposts, and excises" and to "regulate commerce with foreign nations." Article II lodges the executive power of the Government in the President, and the judicial power in the Supreme Court.

The Supreme Court has many times held that under this division of powers, it is a breach of the Constitution for Congress to delegate its legislative powers to the executive, or to invest itself with either executive or judicial power. This bill gives the President broad discretionary power in fixing tariff duties, and the minority submit that it is unconstitutional.

While the bill attempts to lend itself a color of constitutionality by a recitation that it is an emergency measure, yet by its own terms it has unlimited life, indicating that it is intended to be permanent legislation. Thus the contention that the bill gives the President only emergency powers is untenable.

Those sponsoring the bill attempt to argue that it is not a delegation of legislative power, but rather one of administrative power, against which there is of course no constitutional inhibition. They point to the fact that by the terms of the bill the President may not increase or decrease an existing duty by more than 50 percent, but this limitation only goes to prove the contention of the minority that it is the President who fixes tariff duties under the bill and not Congress. They also attempt to show that the bill lays down a rule of conduct to guide the President in fixing duties, but the minority submit that he is guided only by his own discretion.

At first blush, it might seem that the bill goes no further than the present flexible tariff provisions, which authorize the President to increase or decrease existing duties by not to exceed 50 percent in order to carry out the mandate of Congress that tariff rates shall be maintained at such a level as to equalize the difference in cost of production of domestic and foreign articles. However, the minority wish to point out that there is a wide difference between laying down a formula for ratemaking and directing the President to modify rates to conform thereto, and in doing what is proposed by the pending bill. Here no formula is provided. On the contrary, the President furnishes his own yardstick and makes his own rates, subject, of course, to the general limitation provided.

STATE DEPARTMENT CLAIM DISCOUNTED

The Assistant Secretary of State, Mr. Sayre, in his argument before the committee, contended that the bill did provide a yardstick. On this point, he said:

"In the present bill the language of the yardstick provides that 'the President, whenever he finds that any existing duties or other import restrictions are unduly burdening and restricting the foreign trade of the United States,' or that the purpose of the act 'will be promoted by the use of the powers' conferred by the act, is authorized to do specified things."

The minority respectfully submit that the language referred to by the Assistant Secretary of State is not a yardstick, or rule, or formula for ratemaking, but a condition precedent to the exercise of the President's power to enter into trade agreements and to proclaim such modifications of existing duties "as are required or appropriate" to carry out any foreign trade agreement which he has entered into. The rule of conduct, if any is present, must be found in the delegation of authority, not in the state of facts which must exist as a condition precedent to bringing that authority into operation. What rule of conduct is there laid down?

In delegating the President the power to enter into trade agreements and to modify existing duties, the bill lays down no rule such as is provided under the flexible tariff provisions that the rates fixed shall equalize the difference in foreign and domestic production costs, or that they shall be reduced by a particular amount. The only rule laid down at all is the limitation that no change in duty shall modify existing rates by more than 50 percent, but this provision is only a limitation to his discretion. The bill does provide that the duties shall be such as are required or appropriate to carry out the foreign-trade agreements, but in negotiating those agreements the President has a free hand, both as to the articles with respect to which concessions are to be made and the amount of the reduction in duties, and in carrying out the purposes of those agreements he is merely carrying out his own purposes.

DISTINCTIONS DRAWN BETWEEN TRADE ACT AND TARIFF ACTS

Inasmuch as the proponents of the bill do not rest their argument in favor of its constitutionality solely upon its alleged analogy to the present flexible tariff provisions, it will be necessary to discuss certain other contentions made by them. For example, the Assistant Secretary of State cited many instances where Congress in the past, as far back as 1794, had authorized the President under certain conditions to impose duties and to place restrictions upon foreign countries.

One of the first acts of this nature was that of June 4, 1794, under which President Washington was authorized to lay an embargo on ships and vessels in ports of the United States whenever in his opinion the public safety required. The distinction between that case and the present bill is that there the President had no legislative discretion. When he found certain facts to exist, he was required to place into effect the previously declared policy of Congress that an embargo be laid.

Under the bill, however, the state of facts which the President must find before making any change in duties is only a condition precedent to the exercise of his own discretion. This is a distinction which the Assistant Secretary of State either ignores or fails to understand.

The rule applicable to such cases as the act of 1794 has been well stated by Judge Ranney, of the Ohio Supreme Court, and his statement or the law has many times been quoted with approval by the United States Supreme Court. In the case of C. W. and Z. R. R. Co. v. Commissioners, Judge Ranney said:

"The true distinction, therefor, is between the delegation of power to make a law, which necessarily involves a discretion as to what it shall be, and conferring an authority or discretion as to its execution, to be exercised under and in pursuance of law. The first cannot be done: to the latter no valid objection can be made."

NO LEGISLATIVE POWER YIELDED IN MCKINLEY TARIFF ACT

The reciprocity provisions of the McKinley Tariff Act of 1890 were cited by the proponents as a precedent for the present bill. Under that act, sugar, molasses, tea, coffee and hides were placed upon the free list, with a provision that if any country producing and exporting any such articles to the United States imposed unequal or unreasonable duties on the products of the United States, the President might suspend the free entry of such articles and impose thereon certain rates of duty fixed by Congress in the act. In upholding this delegation of authority in a test case, the Supreme Court pointed out that there the legislative power of Congress was exercised when it declared that the free entry of the articles was to be suspended, and certain specified duties imposed, upon a certain contingency (Field V. Clark, 143 U. S. 649). The present bill, however, specifies no duties to be imposed upon the happening of any contingency, but leaves the fixing of these duties to the President.

The reciprocity provisions of the Dingley Tariff Act of 1897 were also cited as a precedent. There the President was given the authority (I) to lower the duties on certain named products to the amounts stated in the act in return for reciprocal concessions by foreign countries; (II) to impose certain fixed penalty duties upon certain other named articles when the countries from which they were exported discriminated against domestic products; and (III) to conclude reciprocity treaties with foreign countries by granting reductions in duty of not more than 20 percent in return for equivalent concessions from such countries, such treaties to be approved by both the House and Senate before they should become effective.

It seems clear that the first and second delegations of authority under the Dingley Act were more or less identical with that conferred by the McKinley Act, the President merely having the power to put certain rates previously fixed by Congress into effect upon

finding the existence of a specified state of facts. The third delegation of authority, however, is most nearly like that contained in the present bill, but there are two very clear distinctions. In the first place, a definite rule was there laid down for the guidance of the President in making concessions in tariff rates, namely, that they should be equivalent to concessions made by foreign countries. The second and most important distinction is that regardless of what rates of duty the President fixed under the act of 1897, there were required to be submitted to both the House and Senate for approval or rejection, thus preserving to Congress its full legislative powers. Under the present bill no such reservation is made.

The Tariff Act of 1909 was also cited as a precedent for presidential tariffmaking. Under that act Congress set up two sets of duties, a maximum schedule and a minimum schedule. The maximum schedule was made of general application, but power was given to the President to put the minimum schedule into effect with respect to all countries which he found did not discriminate against the products of this country. Here, again, the President had no power to fix duties such as he is given under the pending bill.

CONGRESS HAD VETO POWER OVER TRADE TREATIES IN EARLY PART OF CENTURY

Under the Tariff Act of 1913, the President was authorized to negotiate reciprocity treaties with foreign countries, but unlike the present bill it provided that any such treaty must be submitted to Congress for ratification or rejection. Also, the Collier bill (H. R. 6662) which was vetoed by President Hoover during the 72d Congress, provided that the reciprocal trade agreements which the President was thereby authorized and directed to negotiate should not become operative unless Congress by law approved them.

Section 337 of the present (1930) tariff law have been cited as delegations of tariffmaking powers to the President. Section 337 authorizes the President to exclude foreign articles from entry upon the existence of a certain state of facts, namely, unfair methods of competition and unfair acts in the importation of such articles. Section 338 authorizes the President to impose such new or additional duties as will offset certain foreign discriminations against our commerce. In both cases, Congress had declared in advance its legislative policy which the President is authorized to carry out under certain conditions. In the first instance, that policy is the exclusion of the foreign goods from importation. In the second, it is declared to be the imposition of such duties as are necessary to offset the burden or disadvantage to domestic commerce of the benefit to the commerce of a third country. The first is automatically applied when the conditions precedent are found to exist. The second must first be ascertained by applying the legislative rule laid down by Congress. These provisions, therefore, are no precedent for the pending bill.

1934 TRADE ACT FIRST TO GIVE PRESIDENT FREE HAND

So far as the precedents are concerned, the minority confidently assert that in no past legislation, whether Republican or Democratic, has Congress ever given the President a free hand in tariffmaking; in no past legislation has it authorized him under general powers to conclude reciprocal foreign trade treaties without also requiring that before becoming operative any such treaties should first be ratified by Congress; and in no past legislation has it given him specific powers to make reciprocal trade concessions without first providing the instruments he could use in tariff bargaining.

In connection with this discussion of the legal aspects of the President's tariff proposal, involving as it does the surrender of the tariffmaking power of Congress to the Executive, it seems proper to recall the position taken by the Democrats with reference to the existing flexible tariff provisions even after they had been upheld by the Supreme Court. While practically every leading Democrat expressed his opposition to these provisions, it will suffice to quote from the remarks of one who is rather closely connected with the present proposal, namely, the Secretary of State, Mr. Hull.

The present Secretary of State was a member of the Ways and Means Committee for many years, and in his minority report on the tariff bill of 1930 he stated that the flexible tariff provisions were "subversive of the plain functions of Congress."

Upon another occasion he declared that they constituted an "unjustifiable arrogance of power and authority to the President," and in a speech made on May 9, 1932, when he was a member of another legislative body, he asserted that these provisions practically vested in the President the "supreme taxing power of the Nation, contrary to the plainest and most fundamental provisions of the Constitution." He also referred to the power granted to the President thereunder as a "vast and uncontrolled power, larger than had been surrendered by one great coordinate department of the Government to another since the British House of Commons wrenched the taxing power from an autocratic King."

DEMOCRATS BEFORE NEW DEAL ASSAILED DELEGATION OF TARIFF POWERS TO PRESIDENT

Not only have individual members of the Democratic Party bitterly assailed the delegation of tariffmaking authority to the President, but the party itself has gone on record in its last platform as being opposed to executive interference with the tariff, and the present President of the United States has taken the same position in public utterances.

In view of this past record of the Democrats with reference to presidential tariffmaking, it appears to the minority that for them to be consistent they should be unequivocally opposed to the present bill, which goes far beyond the delegations of authority which in the past they have so bitterly opposed.

While the minority have no objection to endeavoring to expand the foreign trade of this country, they feel it should be accomplished by constitutional means. The President could either be given authority to negotiate reciprocal tariff agreements to be subsequently submitted to Congress for ratification, or Congress could lay down in advance certain concessions or retaliations which could be used by the executive in tariff bargaining with foreign countries. These have always been the methods pursued in the past.

Mr. MALONE. Mr. President, one of the arguments made in favor of presidential tariff bargaining is that in the past our attempts at reciprocity have largely been a failure, due to the difficulty of securing congressional ratification of the agreements entered into. However, this only goes to show the danger of allowing the Executive a free hand in foreign trade negotiations.

CONSTITUTION CHARGES CONGRESS WITH RESPONSIBILITY OF FIXING DUTIES

I would not picture, Mr. President, Senators or Representatives of the United States who were sitting in Congress and representing the people, trading one industry for another, or trading the jobs in one area of the country for a fancied foreign policy advantage. I could not possibly picture that situation, and the reason, no doubt—and the debate in the Congress bears it out—is that when the Constitution of the United States was being framed, the legislative branch was charged with the responsibility of fixing duties, which we call tariffs, regulating foreign commerce, and regulating the domestic commerce of the United States of America.

CONGRESS REPRESENTS EVERY PRECINCT

The reason that was done is that every precinct in the United States is represented in Congress, on the Senate floor and on the House floor.

My distinguished colleagues represent somebody, and if they were to start trading an industry or an area or a community for a fancied foreign policy advantage, they would hear from the Senator and Representative concerned. There would be a vote on the question. If the proposal was deemed for the good of the United States of America, perhaps the proposal would be carried, but the proposal would have to be carried before the representatives of the people of the United States of America, and not before someone like Mr. Francis Sayre, represented by Alger Hiss. And that is the record, Mr. President.

HARRY DEXTER WHITE ROLE RECALLED

I shall not go into who represented whom at that moment, because a little later we had a Mr. White in the Treasury Department directing Mr. Morgenthau in his organization. Mr. White is the one who made recommendations to Mr. Morgenthau, as shown in a memorandum which was published in a report of the Senate of the United States, No. 1627. That memorandum recommended a $10 million loan to Russia so that Russia might produce and furnish us with critical materials that Mr. White said we were running out of.

One of them is petroleum. Without going into detail, let me say that today we have more petroleum than we know what to do with. At the end of the period when he said we would be out of petroleum, we had perhaps twice as much known petroleum as we had had at the time when he sent the memorandum to Mr. Morgenthau. Mr. Morgenthau sent the memorandum in toto to the President, and the President anannounced to the people of the United States the policy of saving our own materials, and importing those materials from other countries.

Senators have referred to lists of critical materials being produced in prior years, although for 22 years we have had in effect a policy which depresses United States production.

TRADE ACT A BARRIER TO AMERICAN INVESTMENTS, DEVELOPMENT

Mr. President, no sane investor would dream of investing one dollar of his money in any of these industries which need the protection of a duty or tariff in order to equalize the wage-standard of living and taxes and cost of doing business in the United States with those of foreign countries, in the case of such products. How could such an investor do so when a State Department official, representing the President of the United States, but located 3,000 miles away from

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the United States, could make an agreement which at any time could "break" the producers of those products, and the Congress would be the last to know of it. In fact, the announcement would be made as a fact before the Congress would hear of it.

SUBSIDIES, FOREIGN AID NECESSARY TO SUSTAIN WORLD MARKET FOR OUR PRODUCTS

So, Mr. President, by action taken on the floor of the Senate and on the floor of the House, Congress approved this arrangement, which has made it impossible for American investors to invest even a thin dime in such United States industries. This arrangement, together with our high standard of living and the deflated or depressed price of the United States dollar, has forced American producers out of the world market, unless, in the case of wheat, corn, and cotton—particularly in the case of wheat and corn—the Congress provides appropriations to make up the difference between the world price and the fixed price in the United States; or unless Congress gives away $5 billion, $6 billion, or $7 billion in cash, in order to enable foreign nations to buy the American production.

Mr. President, I should like to see one of my colleagues try that on a banker sometime, when the businesses in a given community begin to go bad. I should be interested to see one of our colleagues try that, and have him see how far he would get. The result might be a good lesson in economics. I doubt, however, that it would have any effect on Congress, in view of the present state of mind of Congress, which at the present time is proceeding on the basis of a war economy, involving the appropriation of $33 billion or $34 billion of the money of the taxpayers of the United States. But that lesson just might have an effect upon Congress. In fact, it may not be very long before Congress will be more receptive to such suggestions and lessons.

Mr. President, to return to the minority views expressed on this act in the 73d Congress:

> Another argument made in favor of giving the President the extra-legal authority to change tariffs in his discretion is that the executive heads of other nations generally have this power, and that it is necessary for the President to have the authority, in order to protect our interests in international trade.

HEADS OF OTHER NATIONS EMPLOY MANY DEVICES TO BAR UNITED STATES PRODUCTS

Mr. President, the executive heads of other nations do have authority—or, at least, that is true in 90 percent of the cases—to fix the price of their money, in terms of the price of the American dollar, and to change it at their discretion. They also have authority to require exchange permits. In other words, in those countries it is necessary to have a permit from some government official, in order to obtain the money of that country at the fixed price, if one wishes to purchase a certain article. If the officials of that country do not want the article imported, the exchange permit is not issued. Import permits and export permits are required.

RECIPROCITY THEORY "HOGWASH"

So, Mr. President, the entire theory of reciprocity is just so much hogwash. If the Members of the Senate will stop and read a little, they will understand that.

Again quoting the minority views:

> The answer to the argument that it is necessary for the President of the United States to have such authority, in order to protect American interests in international trade, it is that if the administration wants to set up a cabinet from Government, with power in the Executive to legislate by Presidential decree, then he should first submit the proposition to the people, through a proposed constitutional amendment.

EXECUTIVE SHOULD RECOMMEND CONSTITUTIONAL AMENDMENT IF HE SEEKS LEGISLATIVE POWER

Mr. President, I am willing at any time to vote to have the President submit that proposal to the American people; but I also stand ready to vote against any proposal to have the President exercise such power until he is given it by the people of the United States.

Mr. President, that is exactly what the administration should do. If the administration seeks power to legislate by Presidential decree, it should request the Congress to submit to the people a proposed constitutional amendment. But no administration in the past 21 years has done so.

Instead, each administration has proceeded as though there were no doubt as to the constitutionality of the 1934 Trade Agreements Act, and has made every effort in its power to prevent a determination of constitutionality in the constitutional courts. The administration is doing that today.

In the pending case on the question of constitutionality of the 1934 Trade Agreements Act, the administration is attempting to avoid a court test. That case involves a test of the constitutionality of the 1934 Trade Agreements Act and the constitutionality of the Geneva General Agreement on Tariffs and Trade, which has been set up 3,000 miles away from Washington, D. C., the Capital of the United States. Under that arrangement, the President of the United States, by means of the authority granted him by a simple legislative act, namely, the 1934 Trade Agreements Act, has proceeded to take action which has been disastrous to American industries.

Mr. President, let me say that no one doubts that that act transferred to the President that authority, insofar as Congress is concerned. We simply doubt the constitutionality of the act.

CONGRESS GAVE PRESIDENT POWER IN TRADE ACT TO SET UP GATT

The Congress has told the President that he can set up such an organization—an organization at Geneva, Mr. President, 3,000 miles from the United States, and an organization with 34 members, although the membership now constitutes 35, since Japan has been included.

That organization will divide with the other nations of the world the markets of the United States. In effect, Mr. President, that is what the Congress has told the President he can do. No one doubts that the Congress has told him that.

When the Secretary of State testified before the Senate Finance Committee, he said the President could do that, and that there is no question about it. But when the Secretary of State said—inadvertently, I think, but his testimony was recorded, and can be seen by anyone—that they intended to bring GATT before the Congress, the chairman of the committee said, "Mr. Secretary, if you hope to get this bill out of the committee, you had better bring it"—or words to that effect. But on sober second thought—and, Mr. President, I wish the distinguished senior Senator from Virginia [Mr. BYRD] were in the Chamber at this time, to substantiate what I am saying; but I think the record is clear—he was in favor of bringing it out, without having GATT presented to the Congress.

1934 SUBTERFUGE REPEATED IN 1955

So what is before us now, Mr. President? It is one of the very clever pieces of proposed legislation, another attempt to continue the subterfuge begun in 1934. They have cooked up an organization which they call the Organization for Trade Cooperation, which is nothing more or less than a reorganized GATT, with an amended paragraph setting up the Geneva General Agreement on Tariffs and Trade, but so arranged and so written that if the Congress approves the Organization for Trade Cooperation, it will approve the Geneva General Agreement on Tariffs and Trade, whereas if the Congress turns down the Organization for Trade Cooperation, the Geneva General Agreement on Tariffs and Trade will not be molested in the slightest. The administration does not have to bring the General Agreement on Tariffs and Trade to the Congress. It is not bringing it, and it never will bring it. Naturally it would meet the same fate as the International Trade Organization. Did that affect GATT? If we had approved the International Trade Organization we would have approved GATT, but we did not approve it and did not touch GATT. The same question is before us today, and everyone goes blithely along.

STATE DEPARTMENT SETS UP "KANGAROO COURT" OVER TRADE ACT

Mr. President, in the pending case, on the question of the constitutionality of the 1934 Trade Agreements Act, the administration is attempting, first, to have the case dismissed, and, second, if not dismissed, shunted into an inferior and special court that could not pass on the constitutionality of the trade act if it wanted to.

Instead of submitting one of the most important issues confronting American industries, investors, and wage earners today to a constitutional court, the administration is putting out such propaganda pap to the Congress as the State Department memorandum I previously referred to, which states blandly that in an examination of the question by the State Department, sitting as a kangaroo court, the State Department court has concluded that the act does not involve an unconstitutional delegation of power to the President, and that the Trade Agreements Act goes no further than numerous previous enactments, a prem-

ise that has been debunked completely by the report I have had unanimous consent to insert in the RECORD.

Mr. President, I have contended throughout my 9 years in the service of the United States Senate that the 1934 Trade Agreements Act is unconstitutional.

Certainly if it is not unconstitutional, it is unwise for the Congress of the United States, including the great body of Senators, to transfer to the executive branch of the Government the constitutional responsibility of Congress to the people of the United States without going through the formality of amending the Constitution.

NO ADMINISTRATION HAS HAD COURAGE TO DEFEND CONSTITUTIONALITY OF TRADE ACT IN COURTS

I have contended that GATT is unconstitutional.

I still contend that the Trade Agreements Act and GATT are unconstitutional; and my belief is fortified by the fact that the executive branch has never had the courage to propose or condone a test of their constitutionality in the courts.

Mr. President, the people of the United States, the wage earners in stricken industries, the investors in these industries, and the industries themselves are entitled to an answer to the question of the constitutionality of the act that is destroying them, and they are entitled to that answer from the constitutional courts.

FLOOR SPEECH OF FEBRUARY 28, 1955, RECALLED

I stated in a floor speech in the Senate on February 28, 1955:

PEOPLE ENTITLED TO KNOW

Mr. President, whatever the Court's decision in the pending case, the people are entitled to have it, and soon. They have never had it either on the controversial Trade Agreements Act or on the General Agreement on Tariffs and Trade; that organization meets in Geneva. The idea of the organization is to divide the markets of the United States with the markets of the world. That is the goal toward which it works.

If the President's power under these two destructive devices is constitutional, then let the Court, and the Court alone, tell the people.

STATE DEPARTMENT REPRESENTS INTERESTS OF NO STATE, COUNTY, OR PRECINCT

If it is contended that GATT and the Trade Agreements Act are constitutional, then the people will have to be told that the President, whoever he may be, wields the commerce power, not the elected representatives of the people.

There was obviously a reason for the Constitution of the United States prescribing that the Congress should fix duties or tariffs and regulate foreign commerce and trade, because every precinct in the United States is represented in the Senate and the House of Representatives. What precincts are represented in the State Department, as it is now constituted, or as it has been constituted for 22 years? None, Mr. President; the people have no say in the present procedure.

If the Supreme Court should hold GATT and the Trade Agreements Act constitutional then the Court must tell the people that the President wields the taxing power, the tariff power, and the treatymaking power without any check or balance by the Congress.

It will have to say that the President wields supreme power over jobs, investments, industries, and business, and over the Nation's economy, national defense, and national security; and that he wields the power to destroy these jobs, investments, and economy for the benefit of foreign interests through trade treaties turning over American markets to low-wage, low-tax foreign competitors.

FOREFATHERS WROTE CONSTITUTION FOR AMERICANS, NOT FOREIGNERS

The Supreme Court will have to say that these powers may be exercised by the President with the advice and consent of the State Department and its free trade lobbyists; not with the advice and consent of Congress, as required by the Constitution.

I do not think the Supreme Court is going to say that.

The patriots and statesmen who wrote the Constitution wrote it for Americans, not foreigners.

They wrote it to preserve the independence of Americans from despotism, both foreign and domestic.

The Founding Fathers of our Government conceived and declared a separation of powers into legislative, executive, and judicial branches of our Government, and assigned to each its constitutional duties and responsibilities.

DELEGATION OF LEGISLATIVE POWERS TO PRESIDENT PROHIBITED

Under the Constitution they permitted no branch of Government to delegate its powers, as Congress has attempted to do under the Trade Agreements Act.

The New Deal Congress of 1934 sought to amend and repeal the Constitution of the United States when it passed the Trade Agreements Act.

It sought to transfer its duties and responsibilities under the Constitution to the President, who in turn shifted them to the State Department.

The State Department has used these powers, wrongfully delegated in my opinion, to remake the industrial map of America, destroy certain industries, and transfer the jobs of men and women working in these industries to foreign labor on foreign soil.

COURTS HOLD FINAL DECISION IN PENDING TEST CASE

Mr. President, that speech was made at the time the suit was filed in the United States district court, and when it was believed that the administration would be willing, if not eager, to sanction the case to proceed in the normal judicial way through the constitutional courts to the United States Supreme Court which could make the final and ultimate determination.

What the administration has done, instead, is to attempt to thwart any trial of the case on its merits, any test of the constitutional issue, any normal judicial procedure in a constitutional test case, a test case on which the economy and the security of the Nation may well depend.

They have turned the immediate question now from whether or not the 1934 Trade Agreements Act and GATT are constitutional, to whether or not the constitutionality issue may even be considered in our constitutional courts.

The administration, speaking through attorneys in the Justice Department, says not. The plaintiff says it can.

The courts have not yet spoken. It is my hope and belief, Mr. President, that the courts, the guardian of our legal rights and liberties and a separate and equal branch of our Government, will act in accordance with article III of the Constitution of the United States, and weigh the constitutional issues involved solely on their merits. In the interest of right and justice, it should unequivocally deny the Justice Department's motion to dismiss.

"THE YEAR OF DECISION"

Mr. President, I said further in my remarks on February 28, 1955:

This is the year of decision. The suit will break through the sound barrier and down by the State Department in cooperation with foreign nations with low-cost production, low wages, low taxes, and other trade advantages.

CONSPIRACY TO DESTROY AMERICAN WORKINGMEN AND SMALL INVESTORS

The 1934 Trade Agreements Act could be called a conspiracy to destroy the workingmen and the small investors of the Nation; and to destroy our ability to defend ourselves by making the United States dependent upon foreign nations, across the major oceans, for the critical materials without which we cannot fight a war or live in peace.

The time is long past when we should have had such a clear-cut court test as the suit being instituted today will afford.

EXCERPTS FROM MALONE ADDRESS OF APRIL 1, 1955

Mr. President, on April 1, 1955, I also discussed the constitutionality of the 1934 Trade Agreements Act on the floor of the United States Senate, and I said:

Mr. MALONE. Mr. President, on the subject of foreign trade, the Congress is so far away from the dog that bit it through the passage of the 1934 Trade Agreements Act that it does not recognize its own constitutional responsibility.

CONGRESS TRAINED IN SHIFTING RESPONSIBILITY

After 21 years, the habit of shifting congressional constitutional responsibility to the President whenever he so demands has become almost automatic.

A DOMINATED CONGRESS—1934

In 1934 a browbeaten Congress tied the regulation of the domestic economy to the foreign policy negotiations for the first time since the Constitution pointedly separated them in 1789.

SIT STILL AND REGAIN CONSTITUTIONAL RESPONSIBILITY

It seems almost impossible for Members of Congress to realize that if they would only sit still and not pass any extension of the 1934 Trade Agreements Act, the American workingman and investors would be back in business.

1934 TRADE AGREEMENTS ACT SET INDUSTRY AGAINST INDUSTRY

The Congress, through passage of the ill-fated Trade Agreements Act, set industry against industry, and workingmen's groups against other workingmen's groups, in a mad scramble to survive and save themselves from extinction through special dispensations or amendments excepting their own domestic product, while other products, industries, and workers were to be sacrificed on the altar of a one-economic-world foreign policy.

DICTATOR-CONTROLLED DOMESTIC ECONOMY AND FOREIGN POLICY

By 1776 George Washington, Thomas Jefferson, Benjamin Franklin, and others had been pushed around so long by kings and dictators, who by executive order could regulate both the domestic economy and the foreign policy, that they determined, through the Constitution of the new Republic, that it should never again happen to Americans.

Article I, section 8 of that immortal document says, in simple and direct language, that "the Congress shall have power to lay

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and collect taxes, duties, imposts, and excises"—which we know as tariffs and import fees—"to regulate commerce with foreign nations, and among the several States.

Article II, section 2, provides, in the same straightforward language, that the President "shall have power to make treaties."

And he "shall appoint ambassadors, other public ministers and consuls."

Treaties are made subject to ratification by vote of two-thirds of the Senators present and voting.

TIED DOMESTIC ECONOMY TO FOREIGN POLICY

Under the 1934 Trade Agreements Act, the constitutional responsibility of Congress to regulate the domestic economy through the laying of duties or tariffs and of regulating foreign commerce—trade—was transferred bodily to the executive branch of the Government. Under that act as amended, the President could lower the duties a total of 75 percent on any product, without regard to the difference in cost of production due to our wage-living standards and other costs here, as compared to low-wage foreign costs.

He is now asking for an additional 3 years' authority to lower the duties 15 percent more.

CONSTITUTION AMENDED BY SIMPLE ACT OF CONGRESS

The Constitution was thus amended through the simple act of Congress, and the President, thenceforth, was in a position to trade the domestic economy for foreign policy, which he has proceeded to do, thereby undertaking to remake the industrial map of this Nation, as the Chief Executive has done since 1934.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the distinguished Senator from Idaho.

Mr. WELKER. I am sorry that I did not hear all of the distinguished Senator's speech. On behalf of the people of Idaho, I congratulate him on the profound research that has gone into the preparation of his speech and on the great ability with which he is informing the American people on the great problem facing them today. It has been my great experience to have been associated with the Senator from Nevada ever since I have been a Member of this great body. I say to the distinguished Senator from Nevada that he has done a great job. I say to him, "Well done." Some Senators find it more convenient to be elsewhere. I, for one, am sorry that I could not have heard all of his masterful address, and I once again reiterate that I congratulate him on the truly great Americanism of his America First speech.

Mr. MALONE. I thank the Senator from Idaho.

CONSTITUTION SPECIFIED POWERS OF ALL THREE BRANCHES OF GOVERNMENT

I also said on the Senate floor in my speech of April 1, 1955:

WRITERS OF THE CONSTITUTION DID NOT TRUST ANYONE

There was a definite basis, in addition to the separation of powers, for lodging the regulation of the domestic economy in the legislative branch. Every precinct in the Nation is represented on the Senate and House floor, and they would accept no principle that would favor the development of one area of the country over another for any reason.

The writers of the Constitution did not trust any man or group of men, including themselves. They not only wrote the Constitution defining the powers of the three branches of Government, but they wrote a Bill of Rights specifically spelling out what it meant in important particulars.

Nowhere do we find in the Constitution or Bill of Rights a way to amend the Constitution of the United States without submitting it to the people. It belongs to them.

EVEN IF CONSTITUTIONAL IT WOULD BE UNWISE

Mr. President, even if it were constitutional, which many believe it is not, to transfer to the President the regulation of domestic economy and the regulation of foreign commerce, it would be unwise.

SUIT NOW PENDING IN UNITED STATES DISTRICT COURT

There is a suit now pending against the Secretary of the Treasury by Morgantown Glassware Guild, Inc., in the United States district court, alleging that it is unconstitutional. Also that participation in the General Agreements Tariffs and Trade is unconstitutional. I hope the Senate will refuse to extend the 1934 Trade Agreements Act and that the legislative branch of our three-branch Government will resume its constitutional responsibility to the people of the United States of America.

Mr. President, since these remarks were made on the Senate floor the Congress has extended the 1934 Trade Agreements Act which is the basic cause of these wrongs which the Morgantown Glassware Guild, Inc., complains of and which are injuring thousands of other industries throughout the United States.

COURTS SHOULD CORRECT MISTAKES OF PAST

My hope continues, however, that the courts will right these wrongs and that, as I stated on April 1, 1955, the legislative branch of our three-branch Government will resume its constitutional responsibility to the people of the United States of America.

JENNER-MALONE DEBATE CITED

Mr. President, on May 4 of this year during the course of the debate on H. R. 1, there was a very interesting interchange between the distinguished Senator from Indiana [Mr. JENNER] and myself. He said:

We took an oath as Senators. Can the Senator explain to me how we are living up to that oath when, by this piece of legislation, we are delegating to the executive branch of Government the authority given to us by the Constitution? Is not that an unconstitutional act? Is not that a violation of our oath as Senators and Representatives of the people of the United States?

In reply I stated:

I will say to the distinguished Senator from Indiana that this is the ninth year I have served in the Senate. I came here the same year as the distinguished Senator from Indiana arrived in the Senate. We were both freshmen together. Almost immediately we were plunged into this administration fight to continue the distribution of our markets among the foreign low-wage-standard-of-living nations.

The whole program is designed to distribute the wealth of this Nation among the countries of the world to average the living standards—which means materially lowering our own.

This is done first by distributing our markets throughout the world through the 1934 Trade Agreements Act, which has come up for extension every 3 years until 1951 when we cut the extension to 2 years, and then in 1953 to 1 year.

Second, it is taking from our taxpayers billions of dollars without any quid pro quo, without any return. The foreign nations will string along as long as we write the checks. When we run out of money they will back away. The whole thing has degenerated into a blackmail scheme. We are now at their mercy. They say "we will retaliate if you try to protect your own workingmen and investors."

Mr. WELKER. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield.

Mr. WELKER. Will the Senator inform me how it is humanly possible for them to retaliate? Is not that simply a bluff?

FOREIGN NATIONS RAISE TRADE, EXCHANGE BARRIERS AGAINST AMERICAN PRODUCTS

Mr. MALONE. I would say to the distinguished Senator that they have already retaliated. Practically every one of those countries, the record will show, manipulate their money, the prices of their money, in terms of the dollar. We have to have permits in order to get the exchange. We have to have permits for imports. We have to go on bended knee, and if there is one iota of production in the country involved we cannot get the exchange permit or the import permit. In order to get an automobile to Great Britain it costs half the price of the automobile to pay the duty, because they make automobiles. Even then they limit imports of American automobiles to a quota of only 650 cars annually.

A Chevrolet laid down in Britain, if it could be entered there at all, would cost the purchaser approximately $6,000, according to testimony presented at recent hearings.

I have said before, and I now repeat, that I am a great admirer of the British, on two counts, at least. First, they are brave. Second, they are for England. They sit down in a conference with those things well known by everyone, and if they do not win they do not sign. We think that when we go into a conference we have to sign something, regardless of what it is. Only recently when the Senate had before it the Austrian Treaty, it was stated that we must ratify the treaty, because it was the best we could obtain.

ITALIAN TREATY PROVISIONS AIDED COMMUNISTS

I go back to the Italian Treaty, in 1947. I stood on the floor for an hour, developing the treaty and showing what it would do to Italy and what it would do to us if we had to make up the deficit, because there would be 200,000 Italians working for years to process materials for Russia, Yugoslavia, and other nations, to the tune of several hundred million dollars. But the Senate went right ahead, because General Marshall said, "We must sign this treaty, because it is the best that Russia will let us have."

We are still saying the same thing.

Mr. WELKER. Has not the great Senator from Nevada, a man with whom I have ridden the range and whom I have known personally for many years, overlooked the fact that we can buy friendship abroad?

Mr. MALONE. If we can, it is not evident.

Mr. WELKER. Of course it is not. Name me how many friends we have bought abroad.

ALLIES SELLING GOODS PRODUCED IN PLANTS WE FINANCED TO THE COMMUNISTS

Mr. MALONE. What we are doing now is exactly what they have done since the close of World War II. All the nations of Europe which we financed built their industrial plants and are selling goods to Russia to build up for war against us or any other nation. They have recognized Communist China, practically every one of them, England being among the first.

Mr. WELKER. Tito is a great ally; is he not?

Mr. MALONE. Oh, yes. He is sitting there working Russia against the United States. As a matter of fact, he is not the only one.

Mr. WELKER. Does the Senator recall how many millions of dollars we appropriated a few weeks ago to Mr. Tito, who likes to be known as a Communist, but as a different kind of a Communist?

Mr. MALONE. I do not blame Mr. Tito so much. I blame ourselves for being so easy. Tito is right there under the gun. What could he do if war were declared? He would have to go with Russia, just as the other countries near Russia would have to do, and just as the ones who are near us would have to go with us. He could not be neutral.

UNITED STATES FINANCES POTENTIAL FOES

We finance our own opposition, just as we did in sending scrap iron and petroleum to Japan before World War II. In 1938 I had an office in San Francisco. I was consulting engineer on the Central Valley project before that time, and on other projects in California. I could see from my office window at 111 Sutter Street the scrap iron and petroleum going out in ships to Japan. The American Legion, Veterans of Foreign Wars, and others screamed to high heaven. But what did they get? Nothing.

When the war came, that same scrap iron was fired back at our boys, costing us many casualties.

So we built up our opposition, just as we always do; and when the time comes, we will find ourselves fighting alone, as we did in that monstrosity which was called a police action, in Korea, where a million soldiers went from the United States and probably 30,000, altogether, from all our allies.

Mr. President, I wish now to quote from another address:

THE WRITERS OF THE CONSTITUTION HAD BEEN THROUGH THE MILL

Now I come to the Senator's question. Those old patriarchs of Americanism, Washington, Jefferson, Benjamin Franklin, and others, had been through all that any human being could possibly go through and live. They had been pushed around by experts. They had been pushed around by the King of England and by the lords of England who owned land on this continent—kings and lords who had no restriction at all on their power, and who had at their fingertips the regulation of the domestic economy and the foreign trade and the fixing of the foreign policy. All power was vested in one executive.

Our Founding Fathers were so fed up with it, and so, covered by scars, they resolved that it would never again happen to this Nation.

DOMESTIC ECONOMY AND FOREIGN TRADE POINTEDLY SEPARATED FROM FOREIGN POLICY

They pointedly separated the regulation of the domestic economy and foreign trade from the fixing of the foreign policy; so that no one ever again could trade sectors of the country's domestic economy for some fancied foreign policy that some one man might conclude would be good for the Nation.

Therefore, article I, section 8, of the Constitution states specifically that the Congress of the United States, the legislative branch of the Government, shall adjust the duties, imposts, and excises, which we call tariffs or import fees. The Founding Fathers provided that the Congress shall regulate the national economy and that it shall regulate foreign trade. They then stipulated in article II, section 2, of the Constitution that the President must negotiate and fix foreign policy.

Abraham Lincoln said that those duties or tariffs, in addition to raising revenues, should be regulated on a basis of the development of the whole country. Those are not the exact words, but I have read the exact words into the RECORD earlier today. We have followed that policy, as a Republican Party, for more than a century of time. This is the first time that we have had a Republican President who advocates the abandonment of that policy—and advocates the remaking of the industrial map of the United States in the image of the one economic world.

I do not blame the President; I wish to say at this point he believes he is right, he has integrity. However, he has been wrongly advised. He is being advised by the economic one-worlders. The international lawyers and the American companies and corporations who are big enough and of such a nature that they can go behind the low-wage curtain and establish industries using the low-cost labor and send the stuff into the American markets.

THREE BRANCHES OF GOVERNMENT

We have three branches of Government set up by the Constitution.

The President, representing the executive branch, is not supposed to push the legislative branch around, and we are not supposed to push the Executive around. He is our President and we are his Congress—each should respect the other and discharge our duties in accordance with the Constitution.

Mr. JENNER. However, it is our constitutional duty not to delegate this power and authority to the Executive. Is that correct?

Mr. MALONE. That is correct. Congress amended the Constitution in 1934 by a simple act of Congress. Our Republican President is asking us to continue the violation.

Mr. JENNER. When we do that we violate our oath as Senators. Is that correct?

Mr. MALONE. That is absolutely correct. The executive branch of our Government as represented by Mr. Dulles showed utter contempt for the legislative branch in his testimony before the Senate Finance Committee.

Mr. JENNER. That is what I wanted to know.

Mr. MALONE. I want to say further that under article II, section 2, of the Constitution, the President is given the authority to regulate foreign policy, but under article I, section 8, Congress is charged with the responsibility of regulating the domestic economy and foreign trade.

In 1934 Congress deliberately and, by a simple act of Congress, amended the Constitution of the United States, and put the power in the hands of the Executive to trade any sector of the American economy or markets to foreign countries for a fancied political advantage. That is what that act does. He may remake the industrial map of the Nation in the image of one economic world, regardless of any unemployment and loss of investments it may cause.

Mr. JENNER. I thank the Senator.

EXCERPTS OF SENATOR MALONE'S ADDRESS OF MAY 2, 1955

Mr. President, I also discussed the constitutionality of the 1934 Trade Agreements Act in my floor speech of May 2, 1955, and in a minority view to H. R. 1 opposing extension of the 1934 Trade Agreements Act.

In the former I said:

Mr. President, the Constitution of the United States, recognizing the temptation to barter the domestic economy for foreign policy considerations, pointedly separated the responsibility for the regulation of the domestic economy and foreign trade from the fixing of foreign policy.

The first is delegated to the legislative branch under article I, section 8; and the second is definitely the responsibility of the executive branch, under article II, section 2.

DOMESTIC ECONOMY TIED TO FOREIGN POLICY

The 1934 Trade Agreements Act tied the two together under the President through the simple expedient of transferring the regulation of the domestic economy and foreign trade from the Congress to the President. It effectively amended the Constitution without submitting the amendment to the people, and constituted one more link in the 22-year chain of the transfer of the legislative power of Congress to the executive branch.

The act places in jeopardy every product or industry in this Nation needing protection to maintain our wage standard of living as compared to the lower wage standard of living of foreign nations.

Prior to the 1934 Trade Agreements Act the century-old principle of adjusting the duties or tariffs on the basis of fair and reasonable competition was to develop the whole country and industries alike. Now, under the principle of including international political considerations, the President may trade any sector of the American economy for an international political purpose if in his judgment the overall interests of this Nation are benefited.

NATIONAL ECONOMY—BASIC SECURITY

Mr. President, an amendment to H. R. 1 was accepted, in the Senate Finance Committee, providing that if the Office of Defense Mobilization, which Mr. Flemming heads, reports to the President that imports are endangering the security of the Nation, the President may investigate, and if he finds as a fact that the security is endangered, then he may arrange quotas or safeguards.

Mr. President, any imports from the nations of the Western Hemisphere will not seriously impair the security of our Nation, but such imports may seriously impair the national economy upon which the basic security of this Nation is founded.

FLEXIBLE DUTY—IMPORTS

Mr. President, a flexible duty or tariff, adjusted on the basis of fair and reasonable competition, does not prevent imports; it simply brings the imports in when they are needed on the basis of our own wage standard of living.

STATE OF NEVADA CHALLENGES CONSTITUTIONALITY OF TRADE ACT

Mr. President, the State of Nevada, through its legislature, has expressed itself vigorously on the subject of the constitutionality of the 1934 Trade Agreements Act. Other States have adopted similar resolutions on the subject, but I shall quote at this time only from the resolution of the great State which I have the honor to represent, in part.

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The resolution, adopted this year at the recent session of the legislature, states in part:

Whereas article I, section 8, of the Constitution of the United States requires that Congress should lay duties, imposts, and excises and regulate foreign commerce, but the Congress of the United States has abrogated its constitutional duties by virtue of the Trade Agreements Act of 1934 by transferring the duty of fixing tariffs to the executive department of the Government which has, in turn, carried out policies inconsistent with the welfare of American agriculture, industry, and commerce.

Mr. President, the resolution in its entirety is so pertinent to the entire issue that I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

TEXT OF NEVADA RESOLUTION

Assembly joint resolution memorializing the Congress of the United States to allow the 1934 Trade Agreements Act to expire on June 12, 1955, so that the regulation of foreign trade and the laying of tariffs and import fees will immediately vest in Congress as the Constitution requires and thereby stop the lowering of the American standard of living by the importation of foreign-made goods

Whereas the legislature of the State of Nevada is aware of the fact that the selective so-called free trade policy, adopted by the State Department of the United States under the provisions of the Trade Agreements Act of 1934, is lowering the American living standard through the lowering of wages and is causing unemployment and a subsequent decline of the demand for minerals, agricultural products and other commodities produced in the State of Nevada; and

Whereas the indiscriminate lowering of import fees and tariffs without regard to the differential between the costs of production, due largely to the difference in living standards of this Nation and foreign competitive nations, has a demoralizing effect on the mining and agricultural markets of this country and thereby causes unemployment and loss of labor; and

Whereas the State of Nevada is in a particularly vulnerable position in attempting to compete with foreign sweatshop labor because the products produced in Nevada, such as livestock, wool, tungsten, lead, zinc, copper, mangnesite, chemicals, manganese, mercury, silicon, and many others, are readily importable at a lower cost from sources outside of this country under the so-called Reciprocal Trade Act, all to the great detriment and economic hardship of this State; and

Whereas many mining companies in the State of Nevada are practically shut down and almost all of the zinc miners are out of work and the cattle industry is being endangered because our ranchers cannot compete with the importation of hides, beef, or live cattle from Argentina or Mexico; and

Whereas the haphazard lowering of the floor under wages and investments represented by the tariffs and import fees destroys American workingmen and shifts their jobs to foreign soil; and, as a result, many of our mines, mills, and factories have been closed and our farm production saved only by subsidies; and

Whereas those industries which depend upon the power of Hoover Dam and Davis Dam are in danger because similar products are being imported at a price less than production costs in this State; and

Whereas the Nevada wool industry has found it impossible to compete with the importation of wool from Australia, New Zealand and elsewhere; and, for the first time, the wool industry of Nevada is only being saved from destruction by the use of subsidies; and

Whereas it is essential to the protection of the American standard of living that world trade should only be on the basis of fair and reasonable competition and based on the principle that foreign products produced by underpaid labor should not be admitted to this country on terms which endanger the living standard of our workers, farmers, and miners; and

Whereas article I, section 8, of the Constitution of the United States requires that Congress should lay duties, imposts, and excises and regulate foreign commerce,. but the Congress of the United States has abrogated its constitutional duties by virtue of the Trade Agreements Act of 1934 by transferring the duty of fixing tariffs to the executive department of the Government which has, in turn, carried out policies inconsistent with the welfare of American agriculture, industry, and commerce; and

Whereas the free trade policies fostered by the State Department under the 1934 Trade Agreements Act have resulted in our dependence upon foreign nations across one or both major oceans for many of the materials and minerals which we would need to fight a war and to prepare our own defense and thus stifled the initiative to explore, develop and produce such needed materials in our own country; and after having become dependent on foreign sources for critical materials the foreign countries have been able to cause us great embarrassment by manipulation of export permits and fees so that we must bow to their demands and submit to international blackmail; and

Whereas the United States has in the last several decades only been able to prosper because of war or the threat of war and under this cover of war the industrially inexperienced State Department has been wrecking the national economy by the simple expedient of tampering with tariff or import fees so as to open the door to foreign commodities, which in turn prevents the flow of venture capital into the business stream of the Nation even in time of emergency since investors know that when the emergency is over their investment will be destroyed through foreign sweatshop labor competition; and

Whereas it is mandatory to the future economical growth and development of this country, and Nevada in particular, that the 1934 Trade Agreements Act be allowed to expire on June 12, 1955, so that Congress can immediately recover its constitutional responsibility to regulate foreign trade through the adjustment of tariffs and import fees, and with such an expiration of the act the so-called trade agreements already made and in effect will in no way be affected but will continue in effect for their full terms: Now, therefore, be it

Resolved by the assembly and senate of the State of Nevada (jointly), That the legislature of the State of Nevada most respectfully memorializes the Congress of the United States to stop the dreadful deterrent to American economic well-being and the lowering of our standard of living and that it return to its traditional and constitutional method of fixing tariffs based on the principle of protecting American industry, agriculture, and commerce by allowing the 1934 Trade Agreements Act to expire by its own force and limitation on June 12, 1955; and be it further

Resolved, That until the expiration of the agreement, the Department of State should exercise its powers in fixing tariffs only in accordance with the traditional principles of American policy as set forth in this resolution until such time as the responsibility for regulating foreign commerce be vested where it belongs, in the Congress of the United States; and be it further

Resolved, That the Congress of the United States after June 12, 1955, should set up a flexible import fee which would be based upon fair and reasonable competition administered by a reorganized and experienced tariff commission functioning much in the same manner as the long-established Interstate Commerce Commission so that the market for foreign goods in this country would be based on a fair and reasonable competition with our own agricultural, industrial and mining production; and be it further

Resolved, That copies of this resolution, duly certified by the secretary of state of the State of Nevada, be promptly transmitted by him to the President and Vice President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Secretary of State and the Secretary of Commerce, and to the United States Senators and Congressman from Nevada.

LEGISLATIVE POWERS OF CONGRESS WHITTLED FOR PAST 22 YEARS

Mr. MALONE. Mr. President, for 22 years the executive branch of our Government has attempted to scuttle the legislative powers of Congress and to deny the protection of the Constitution to investors, wage earners, and producers of America.

An early target was the constitutional power of Congress to lay and collect duties, meaning tariffs, and the power to regulate our commerce with foreign nations—powers specifically given to the Congress in article I, section 8.

These powers were surrendered to the Executive by Congress itself, at administrative request. They have been surrendered and resurrendered every 1 to 3 years, and were resurrendered again this year through H. R. 1.

The constitutional power of the United States Senate to participate in treatymaking was done away with also in the Trade Agreements Act with respect to trade treaties, although the Congress had forfeited its treatymaking powers in many matters previously.

RUSSIA RECOGNIZED BY EXECUTIVE AGREEMENT

For example, the late President Roosevelt recognized Soviet Russia in 1933 without seeking the advice and consent of the Senate or without submitting this fateful treaty to ratification by two-thirds of the Senate Members present.

Instead, President Roosevelt employed the simple but palpably dishonest device of calling a treaty an executive agreement. This was done to bypass the Senate of the United States and the 48 States it represents under our republican form of government.

The same deceptions have been used in all of the trade agreements since 1934, including those arranged at Annecy, Torquay, and Geneva, where American jobs and markets were surrendered to 33 foreign nations, including Communist Czechoslovakia.

TREATY POWERS ERASED—"AGREEMENT" SUBSTITUTED

Successive administrations, dedicated to remaking the Constitution in their own image and destroying such parts of it as may conflict with executive ambitions, have weaseled out of their obligations under article II, section 2, of the Constitution by pasting the word "agreement" over "treaty in all treaties with

foreign governments connected in any way with trade.

Trade treaties with 33 foreign nations under which more than 55,000 concessions have been made in the past 8 years are not called treaties at all but a general agreement on tariffs and trade, more commonly known as GATT.

GATT is, of course, a treaty by any and every definition except the one invented by the State Department to give it autocratic power over the economy of the Nation, and the administration knows it. Yet GATT has never been before Congress or the Senate for approval or rejection.

Nor were the 29 bilateral trade treaties negotiated by the State Department prior to GATT and under the 1934 Trade Agreements Act ever submitted to the Senate.

CONSTITUTION BYPASSED BY NEW DEAL

Mr President, in bypassing the Congress, the executive branch bypassed the Constitution. It is still seeking to bypass the Constitution by referring constitutional questions to a simple customs court.

The New Deal attempted to bypass the Constitution in the blue-eagle act of 1933, and an unpacked Supreme Court threw the act out. The New Deal attempted to bypass the Constitution in nine other acts or provisions of acts in its early years, and the Supreme Court of that day threw them out as unconstitutional.

The New Deal bypassed the Constitution in the 1934 Trade Agreements Act, but managed to avoid a test case in the courts.

Now, after 21 years, such a test is before the courts. The present administration is attempting to do what the New Deal and the Fair Deal succeeded in doing—prevent a constitutional test of the 1934 Trade Agreements Act from reaching a final determination in the courts.

CONSTITUTIONAL COURTS LAST RECOURSE OF PEOPLE

Mr. President, the constitutional courts are the last recourse of the people when another branch of Government, such as Congress, has abrogated its constitutional authority, and a third branch, the executive department, has seized it.

The constitutionality of the 1934 Trade Agreements Act affects the livelihood, jobs, investments, and security of millions of Americans. For 22 years it has been undecided, it has been debated, disputed, and discussed but never decided.

Now is the time for a decision before our trade policies and program and our national economy continue for more and more years in a legal vacuum.

COURTS SHOULD WELCOME OPPORTUNITY TO UPHOLD CONSTITUTION

The constitutional courts of the land, our third branch of Government, equal and coordinate with the other branches, should welcome an opportunity to decide, once and for all, this constitutional question. That is one of the reasons why our Founding Fathers created them.

They did not place the judicial power of the United States in the President.

They did not place it in the State Department or even in the Justice Department.

They did not place it in the Congress.

They placed it where it belongs, in the constitutional courts, separate from both the legislative and the executive, where it could safeguard the legal rights of our citizens without interference from either those who make the laws or those who execute them.

And that is where this vital case should be tried, where this constitutional test of acts of Congress and of acts of the executive department should be determined.

EXECUTIVE SESSION

Mr. GOLDWATER. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

The PRESIDING OFFICER. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

ARMY OF THE UNITED STATES

The Chief Clerk read the nomination of Lt. Gen. Isaac Davis White to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

REGULAR AIR FORCE

The Chief Clerk read the nomination of Francis Leonard Castillo for appointment in the Regular Air Force.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NOMINATIONS WHICH WERE FAVORABLY REPORTED AND PLACED ON THE VICE PRESIDENT'S DESK WITHOUT PRINTING

The Chief Clerk proceeded to read the nominations of Beal G. Dolven, Jr., and 1,921 other officers for appointment in the Navy.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. GOLDWATER. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Under the order previously entered, when the Senate concludes its business today, it will stand in adjournment until 12 o'clock tomorrow. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM FOR TOMORROW

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to state that as early as possible tomorrow Senators will have on their desks Senate Resolution 116 and a report thereon from the Foreign Relations Committee. The resolution is the one submitted by the junior Senator from Wisconsin [Mr. McCARTHY]. I have talked to the distinguished minority leader, and if the report is available, as we expect it to be, unless the Printing Office breaks down tonight, it is planned to consider the resolution, discuss it, and I shall ask for the yeas and nays on the disposition of the resolution. It is not planned to discuss the resolution this evening, or to take any further action this evening, but I should like to have the RECORD show, so that all Senators may be on notice, that it is planned to discuss it tomorrow.

Mr. President, the Senate will also consider on tomorrow Calendar No. 522, Senate bill 972, amending the Home Owners Loan Act of 1933; Calendar No. 363, Senate bill 922, amending the Domestic Minerals Program Extension Act of 1953, to which I call the attention of the Senator from Arizona [Mr. GOLDWATER]; Calendar No. 588, Senate bill 1585, providing for the return to the town of Hartford, Vt., of certain land which had been donated to the United States.

If the Senator from Delaware is agreeable, it is planned to proceed to the consideration of Calendar No. 363, Senate bill 922. The report will be available tomorrow. I assured the Senator from Delaware we would give him another day in order to enable him to get a reply to his inquiry. But I wish the Members of the Senate to be on notice, in case I choose to ask to have the Senate proceed to consider that bill tomorrow.

Mr. GOLDWATER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. GOLDWATER. It will be necessary for me to be absent late tomorrow afternoon, possibly from 4 o'clock on. So I suggest that consideration of the bill be held over until the following day. I have not heard from the Senator from

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Delaware that the report on the bill has been filed.

Mr. JOHNSON of Texas. I assure the Senator from Arizona that I shall not attempt to take advantage of him or to have legislative measures in which he is interested taken up in his absence.

Let me inquire when the Senator from Arizona will return?

Mr. GOLDWATER. Tomorrow night.

Mr. JOHNSON of Texas. I assure the Senator from Arizona that we shall wait on him.

However, I wish to state that these bills are ready for consideration by the Senate. I desire to make this statement, so that all Senators will have notice that these measures are ready to be taken up by the Senate.

I include in this announcement Calendar No. 361, Senate bill 51, to amend the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes"; and Calendar No. 243, Senate bill 256, to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association.

From time to time, additional announcements will be made, Mr. President, because I wish to give all Senators as much notice as possible.

The PRESIDING OFFICER. What is the pleasure of the Senate?

DISCUSSION AT THE GENEVA CONFERENCE OF THE STATUS OF NATIONS UNDER COMMUNIST CONTROL

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 116, favoring discussion at the coming Geneva Conference of the status of nations under Communist control. I wish to have that resolution made the unfinished business.

The PRESIDING OFFICER. The resolution will be read by title.

The CHIEF CLERK. A resolution (S. Res. 116) favoring discussion at the coming Geneva Conference of the status of nations under Communist control.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 116) favoring discussion at the coming Geneva Conference of the status of nations under Communist control, which, on June 20, 1955, had been submitted by Mr. MCCARTHY; and, on June 21, 1955, had been reported adversely from the Committee on Foreign Relations.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I now move that the Senate adjourn.

The motion was agreed to; and (at 7 o'clock and 11 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, June 22, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 21 (legislative day of June 20), 1955:

UNITED STATES CIRCUIT JUDGE

Warren E. Burger, of Minnesota, to be United States circuit judge, District of Columbia circuit, vice Harold M. Stephens, deceased.

UNITED STATES DISTRICT JUDGES

Hon. Thurmond Clarke, of California, to be United States district judge for the southern district of California, to fill a new position.

Ronald N. Davies, of North Dakota, to be United States district judge for the district of North Dakota, vice Charles J. Vogel, elevated.

George S. Register, of North Dakota, to be United States district judge for the district of North Dakota, to fill a new position.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 21 (legislative day of June 20), 1955:

ARMY OF THE UNITED STATES

GENERAL

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank of general:

Lt. Gen. Isaac Davis White, O15080, Army of the United States (major general, U. S. Army).

REGULAR AIR FORCE

The following-named graduate, United States Naval Academy, class of 1955, for appointment in the Regular Air Force, in the grade of second lieutenant, with date of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

Francis Leonard Castillo

IN THE NAVY

The nominations of Beal G. Dolven, Jr., and 1,921 other officers for appointment in the Navy, which were confirmed today, were received by the Senate on June 10, 1955, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Beal G. Dolven, which appears on page 8009, and ending with the name of John R. Johnson, which is shown on page 8014.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 21, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, may our morning prayer be one of praise and adoration, for Thy greatness is unsearchable and Thy faithfulness reaches unto the clouds.

We extoll Thee for Thou art gracious and full of compassion, slow to anger and of great mercy, righteous in all Thy ways and holy in all Thy works.

Thy kingdom is an everlasting kingdom and Thy dominion endureth throughout all generations.

Grant that daily we may be mindful of Thy divine providence and of Thy love which will not fail and never let us go.

Help us to believe that Thou wilt fulfill the desires of all who fear Thy name and not withhold from us any needed blessing if we do justly, love mercy, and walk humbly with the Lord.

Hear us in the name of the Christ, our Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1062. An act for the relief of Luigi Cianci;

H. R. 1081. An act for the relief of Anna Tokatlian Gulezian;

H. R. 1086. An act for the relief of Mayer Rothbaum;

H. R. 1108. An act for the relief of Rose Mazur;

H. R. 1165. An act for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt;

H. R. 1664. An act for the relief of Charles Chan; and

H. R. 4650. An act to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 947. An act for the relief of Carl E. Edwards;

H. R. 1085. An act for the relief of Moses Aaron Butterman; and

H. R. 4853. An act to authorize the sale of certain lands in Alaska to the Pacific Northern Timber Co.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 80. An act for the relief of Nicholas Neapolitakis;

S. 176. An act for the relief of Gerda Irmgard Kurella;

S. 186. An act for the relief of Spirodon Karousatos;

S. 561. An act for the relief of Feliciano C. Mendoza;

S. 562. An act for the relief of Charles F. Garriz;

S. 606. An act for the relief of Gisela Hofmeier;

S. 664. An act for the relief of Mecys Jauniskis;

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic);

S. 1571. An act to authorize voluntary extensions of enlistments in the Army, Navy, and Air Force for periods of less than 1 year;

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes;

S. 1725. An act to repeal two provisions of law requiring that certain military personnel shall be paid monthly;

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt, and her minor child, Rosanne Hitzelberger;

S. 1884. An act for the relief of Gertraut Hildegarde Marie Hubinger and Franz Hubinger;

S. 1993. An act authorizing the installation of additional elevators in the Senate wing of the Capitol;

S. 2135. An act to provide for the suspension of certain benefits in the case of members of the Reserve components of the Army, Navy, Air Force, and Marine Corps ordered to extended active duty in time of war or national emergency, or for other purposes; and

S. 2266. An act to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6042. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. HAYDEN, Mr. RUSSELL, Mr. HILL, Mr. BYRD, Mr. SALTONSTALL, Mr. BRIDGES, and Mr. FLANDERS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6499. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. DIRKSEN, Mr. SALTONSTALL, and Mr. KNOWLAND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) entitled "An act for the relief of Capt. Moses M. Rudy."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 67) entitled "An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes"; agrees to a conference with the House on the disagreeing votes of the two Houses thereon; and appoints Mr. JOHNSTON of South Carolina, Mr. NEELY, Mr. PASTORE, Mr. CARLSON, and Mr. JENNER to be the conferees on the part of the Senate.

TENTH ANNIVERSARY OF UNITED NATIONS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RICHARDS. Mr. Speaker, at the opening session commemorating the 10th anniversary of the birth of the United Nations, President Eisenhower made a great speech pledging the United States to continue to "leave no stone unturned" in the search for peace. I am sure that all members of both parties in the Congress applaud the President's statement and join with him in that determination.

Many of us have become weary with the frustrations of United Nations procedures. Some have even lost faith in its workability. But to my mind, if a just and lasting peace is to come to bless mankind, it must be through this great world organization or one like it—you may call it United Nations, League of Nations, community of nations, brotherhood of nations, or whatever you choose. Through such an organization—someday, somehow—men of good will will sit around a great international conference table and settle their differences. There is no other way to preserve in this atomic age civilization as we know it.

In the meantime, I believe that this Congress is determined to see that this country is defensively strong in order that our freedom may be preserved and to assure that the way of the aggressor is made hard.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the conferees on the disagreeing votes of the two Houses on the bill H. R. 5240, the independent offices appropriation bill, have until midnight tonight to file their report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

4–H CLUB CAMP

Mr. AVERY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. AVERY. Mr. Speaker, this week is the 25th anniversary of the National 4–H Club Camp. Nearly 200 delegates from every State in the Union are in the Capital City attending this 25th National 4–H Club Convention. Although I am sure most members are familiar with the principal phases of club work among our rural youth, there are two phases of 4–H Club activity that I want to mention here this morning.

I am personally convinced that because of the educational and constructive work among our rural youth we do not have a juvenile delinquency problem in these areas. This work could not be successful nor perpetuated without the dedication of the services of over 300,000 club leaders on the local level. These leaders serve without compensation and in many cases recognition, and their sincere interest in the youth of our Nation is the inspiration that has dedicated their service to this work. There are over 2 million active members of 4–H Clubs today.

Another phase of activity in these clubs that is not recognized in a measure commensurate with the contribution it is making is the international farm youth exchange program. This program has been an impetus toward spreading the idea of 4–H Club work to foreign lands. This is particularly commendable because it is financed entirely by private contributions and is sponsored by the National 4–H Club Foundation and State extension services. My own State of Kansas has been especially active in this phase of club work as we have sent more international farm youth exchange students to foreign countries than any other State. I am proud to say there are 10 of these students leaving by boat today for Europe. I would venture to say they will promote as much or more goodwill among our friends in Europe than any other emissary from this country. We are naturally proud of these 10 students leaving for Europe, but we are also proud of 31,172 other 4–H Club members who remain at home to carry on their club work.

The main reason for the success of club work has been that it brings new, scientific ideas on farming and home economics to the young men and women of our Nation. From this beginning the program has now developed into character building as well as developing responsibility, pride of ownership, thrift, and consideration of other youths, especially those in their respective age group.

Leadership training in club work has been valuable to many of its members and our leaders of today in most agricultural organizations first learned the role of leadership in their respective 4-H Clubs.

Here in the Capital City we not only welcome the annual National 4-H Club Convention but also view with considerable interest the building that the national foundation has obtained for the national headquarters. This building was originally purchased in 1951 and was formerly the Chevy Chase Junior College. The building not only has facilities for national office headquarters but also has dormitory facilities to provide lodging for the delegates to the annual convention. The money to purchase this building was obtained by assessing each member 10 cents. The building was wanted by the Army soon after it was purchased in 1951 and has been leased to them since that time. It is hoped that the Army will not have use for the building after 2 more years and that it can be occupied by the national foundation as was originally planned.

Mr. Speaker, I am proud of the 4-H Club members from my State as I know other members are proud of the 4-H Club members from their States. I hope the visiting delegates to Washington

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have enjoyed their stay with us and extend to them an invitation to visit us again at their first opportunity.

COMMITTEE ON RULES

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DEFENSE APPROPRIATIONS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I take this time to bring to the attention of the House the fact that the other body saw fit to restore to the appropriations for the Defense Department the cut the House made in the Marine Corps. I trust the action taken by the other body when the matter returns to the House for action again will meet with the approval of the House, because, while whatever cuts were made I personally opposed vehemently, of all of those cuts I could never see where remotely or under any circumstances there was justification for any cut in this great corps, the elite corps of our combat services, the Marine Corps. I trust and hope, Mr. Speaker, that the House will concur in the action of the other body.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield.

Mrs. ROGERS of Massachusetts. It seems strange that they always try to cut the Marine Corps. They did it even through unification and did their best to eliminate it. I heartily agree with the gentleman and I hope it will stay in the bill.

Mr. FLOOD. I thank the gentlewoman.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first individual bill on the Private Calendar.

JOSEPH RIGHETTI AND MARJORIE RIGHETTI

The Clerk called the bill (H. R. 1470) for the relief of Joseph Righetti and Marjorie Righetti.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Joseph Righetti and Marjorie Righetti, of Santa Rosa, Calif., are hereby relieved of all liability to refund to the United States the sum of $557.40. Such sum represents the amount of certain payments erroneously made by the Veterans' Administration to Joseph Righetti and Marjorie Righetti under the Servicemen's Indemnity Act of 1951, by reason of the death of their son, James Chatelain. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH ALFONSO

The Clerk called the bill (H. R. 2244) for the relief of the estate of Joseph Alfonso.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be and he is hereby authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the estate of Joseph Alfonso, care of Brown, Smith & Ferguson, 1305 Franklin Street, Oakland, Calif., the sum of $25,000, in full settlement of all claims against the United States Government for the death of Joseph Alfonso, sustained as the result of an accident involving a United States Post Office vehicle on February 22, 1943, at the intersection of Tegner Road and Bradbury Road, Hillmar, Calif.

With the following committee amendments:

On page 1, line 7, strike out "$25,000" and insert in lieu thereof "$15,000."

At the end of bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES S. YOUNGCOURT

The Clerk called the bill (H. R. 2349) for the relief of Charles S. Youngcourt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles S. Youngcourt, of 311 First Street, Weatherly, Pa., the sum of $300, in full settlement of all claims against the United States for mustering-out pay due him as a result of his service in the Navy of the United States during World War II: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, lines 8 and 9, strike out the words "World War II" and insert in lieu thereof "the Korean conflict."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GILES P. FREDELL AND WIFE

The Clerk called the bill (H. R. 2717) for the relief of Giles P. Fredell and wife.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the interest which accrued on a promissory note for $11,400 executed June 2, 1952, by Giles P. Fredell, of Cottonwood, Tehama County, Calif., and his wife, in favor of the United States of America, up to and including September 28, 1953, in the amount of $464.78 is hereby waived for the reason that the funds advanced for repairing and rehabilitating an existing irrigation facility could not be used by the borrower without the approval of the representatives of the Secretary of Agriculture, and that approval was withheld because it was subsequently demonstrated that the well would not produce a supply of water sufficient for the borrowers' needs, and the cost of any other satisfactory facility was economically unfeasible. The Secretary of Agriculture is authorized and directed to cause the proper entries to be made in the accounting records in the Department of Agriculture to effect such waiver.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES M. WILSON

The Clerk called the bill (H. R. 4640) for the relief of James M. Wilson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James M. Wilson, of Coytesville, N. J., the sum of $4,249.85 in full settlement of all claims against the United States for the loss of household goods in a fire in the warehouse of J. E. Murray, at Geneva, N. Y., on August 28, 1952. Said household goods were stored by United States Air Force officials at Sampson, N. Y.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out the figures and insert "1,354.95."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DUNCAN McQUAGGE

The Clerk called the bill (H. R. 4707) for the relief of Duncan McQuagge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (5 U. S. C. 765–770), are hereby waived in favor of Duncan McQuagge, for compensation for disability allegedly caused by his employment as a member of the Civilian Conservation Corps, in February 1937, and his claim is authorized and directed to be considered and acted upon under the remaining provisions of such act, as amended, if he files such claim with the Department of Labor (Bureau of Employees' Compensation) not later than 6 months after the date of enactment of this act: *Provided*, That no benefits except medical expenses shall accrue prior to the enactment of this act.

With the following committee amendments:

Page 2, line 1, after the word "amended,", insert "and as made applicable to enrollees in the Civilian Conservation Corps."

Page 2, line 4, after the word "act", strike out the colon and insert a period, and strike out the remainder of the bill.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. P. B. SAMPSON

The Clerk called the bill (H. R. 6184) for the relief of Lt. P. B. Sampson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to 1st Lt. P. B. Sampson (AO–2234561), Box 172, Army Post Office 334, care of Postmaster, San Francisco, Calif., the sum of $1,139.57, in full settlement of all claims against the United States for the damages sustained by him on account of damage to and destruction of his household goods and personal effects as the result of a crash of a B–29 bomber in Guam, Marianas Islands, on December 17, 1953, for which he has not heretofore been compensated: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 3, after the word "Act", insert "in excess of 10 per centum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICA, LUCY, AND SALOMON BREGER

The Clerk called the bill (S. 29) for the relief of Rica, Lucy, and Salomon Breger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rica, Lucy, and Salomon Breger shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VASILIOS DEMETRIOU KRETSOS, ET AL.

The Clerk called the bill (S. 120) for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONIN VOLEJNICEK

The Clerk called the bill (S. 130) for the relief of Antonin Volejnicek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Antonin Volejnicek shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOHUMIL SURAN

The Clerk called the bill (S. 131) for the relief of Bohumil Suran.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Bohumil Suran shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIUSEPPE MINARDI

The Clerk called the bill (S. 195) for the relief of Giuseppe Minardi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Giuseppe Minardi, who lost United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Giuseppe Minardi shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SZJENA PEISON AND DAVID PEISON

The Clerk called the bill (S. 243) for the relief of Szjena Peison and David Peison.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Szjena Peison and David Peison shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEXY W. KATYLL AND IOANNA KATYLL

The Clerk called the bill (S. 375) for the relief of Alexy Katyll and Ioanna Katyll.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act,

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Alexy W. Katyll and Ioanna Katyll shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAN HAJDUKIEWICZ

The Clerk called the bill (S. 412) for the relief of Jan Hajdukiewicz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jan Hajdukiewicz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANICETO SPARAGNA

The Clerk called the bill (S. 432) for the relief of Aniceto Sparagna.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Aniceto Sparagna shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AINA BRIZGA

The Clerk called the bill (S. 471) for the relief of Aina Brizga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Aina Brizga shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN P. PAVLOV

The Clerk called the bill (S. 574) for the relief of Martin P. Pavlov.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Martin P. Pavlov shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HILDEGARDE HILLER

The Clerk called the bill (S. 587) for the relief of Hildegarde Hiller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hildegarde Hiller shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICK BHARK

The Clerk called the bill (S. 604) for the relief of Alick Bhark.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alick Bhark shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROGER OUELLETTE

The Clerk called the bill (S. 640) for the relief of Roger Ouellette.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Roger Ouellette may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANDY MICHAEL JOHN PHILP

The Clerk called the bill (S. 644) for the relief of Sandy Michael John Philp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sandy Michael John Philp shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONIOS VASILLOS ZARKADIS

The Clerk called the bill (S. 650) for the relief of Antonios Vasillos Zarkadis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Antonios Vasillos Zarkadis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT A. BORROMEO

The Clerk called the bill (S. 676) for the relief of Robert A. Borromeo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Robert A. Borromeo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SARAH KABACZNIK

The Clerk called the bill (S. 735) for the relief of Sarah Kabacznik.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act,

Sarah Kabacznik shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSE PEREZ GOMEZ

The Clerk called the bill (S. 892) for the relief of Jose Perez Gomez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Jose Perez Gomez. From and after the date of enactment of this act, the said Jose Perez Gomez shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SLAVOLJUB DJUROVIC AND GORAN DJUROVIC

The Clerk called the bill (S. 1197) for the relief of Slavoljub Djurovic and Goran Djurovic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Slavoljub Djurovic and Goran Djurovic shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERNARDINO CANARES SACLO

The Clerk called the resolution (S. Con. Res. 33) withdrawing suspension of deportation of Bernardino Canares Saclo.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246 (a) of the Immigration and Nationality Act (8 U. S. C. A. 1256 (a)), withdraws the suspension of deportation in the case of Bernardino Canares Saclo (A-9799304) which was previously granted by the Attorney General and approved by the Congress under date of July 29, 1953, by Senate Concurrent Resolution 34, 83d Congress, second session.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KARLIS ABELE

The Clerk called the bill (H. R. 1301) for the relief of Karlis Abele.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Karlis Abele shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the period to a colon and insert the following: *"Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADELHEID WALLA SPRING

The Clerk called the bill (H. R. 1302) for the relief of Adelheid Walla Spring.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Adelheid Walla Spring may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RALPH MICHAEL OWENS

The Clerk called the bill (H. R. 1927) for the relief of Ralph Michael Owens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ralph Michael Owens shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD PATRICK CLOONAN

The Clerk called the bill (H. R. 2059) for the relief of Edward Patrick Cloonan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Edward Patrick Cloonan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, line 7, after the word "fee", change the period to a colon and add the following: *"Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. AGNETHE GUNDHIL SUNDBY

The Clerk read the bill (H. R. 2313) for the relief of Mrs. Agnethe Gundhil Sundby.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Agnethe Gundhil Sundby shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTONIO (OREJEL) CARDENAS

The Clerk called the bill (H. R. 2315) for the relief of Antonio (Orejel) Cardenas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Antonio (Orejel) Cardenas may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

Page 1, line 3, strike out "provision" and insert "provisions."

Page 1, line 8, strike out "this exemption" and insert "these exemptions."

Page 1, line 9, strike out "a ground" and insert "grounds."

Page 1, line 10, strike out "have" and insert "had."

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The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE RISTO DIVITKOS

The Clerk called the bill (H. R. 2749) for the relief of George Risto Divitkos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George Risto Divitkos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENJAMIN JOHNSON

The Clerk called the bill (H. R. 2755) for the relief of Benjamin Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Benjamin Johnson, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Robert H. Johnson, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMELDA ANN SCHALLMO

The Clerk called the bill (H. R. 2947) for the relief of Emelda Ann Schallmo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Emelda Ann Schallmo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 7, strike out "Upon the" and lines 8 to 11, inclusive.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUISE PEMPFER (NOW MRS. WILLIAM L. ADAMS)

The Clerk called the bill (H. R. 3507) for the relief of Luise Pempfer (now Mrs. William L. Adams).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (2) (9) of the Immigration and Nationality Act, Luise Pempfer (now Mrs. William L. Adams) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 10, strike out "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OLGA I. PAPADOPOULOU

The Clerk called the bill (H. R. 3624) for the relief of Olga I. Papadopoulou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Olga I. Papadopoulou, shall be held and considered to be the natural-born alien child of Mr. Adamos Pashoukos, citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIANNINA MONACO

The Clerk called the bill (H. R. 4284) for the relief of Mrs. Mariannina Monaco.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Mariannina Monaco shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DONALD HECTOR TAYLOR

The Clerk called the bill (S. 26) for the relief of Donald Hector Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Donald Hector Taylor shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, line 7, after "fee", insert a colon and the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUPE M. GONZALEZ

The Clerk called the bill (S. 36) for the relief of Lupe M. Gonzalez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lupe M. Gonzalez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, strike out lines 3 to 7 and insert: "That the Attorney General is authorized and directed to discontinue any deportation proceeding and to cancel any outstanding order and warrant of deportation, any warrant of arrest and bond which may have been issued in the case of Lupe M. Gonzalez, and the said Lupe M. Gonzalez shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants of arrest have issued."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA C. GIESE

The Clerk called the bill (S. 244) for the relief of Anna C. Giese.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anna C. Giese shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, line 7, after the word "fee", change the colon, to a comma and insert the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SHEEPHERDERS

The Clerk called the bill (S. 633) for the relief of certain alien sheepherders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Santiago Hormaechea, Jose Lecanda, Rufino Merino Jimenez, Panagiatis Demitreos Zeras, Fernando Macuaga Madariaga, Manuel Lopez Trabazo, Luis Uriarte Otaolea, and Antonio Yrigoyen Arrachea shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the requried numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Page 1, line 5, strike out "Panagiatis Demitreos Zeras."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARION S. QUIRK

The Clerk called the bill (S. 758) for the relief of Marion S. Quirk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Marion S. Quirk shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, line 7, after the word "fee", change the period to a comma and insert the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALIH HOUGI ET AL.

The Clerk called the bill (H. R. 1179) for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of this act, upon payment of the required visa fees. Upon the granting of permanent residence to the aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct five numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER GIOVINA ET AL.

The Clerk called the bill (H. R. 1304) for the relief of Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Giovina (Rosina Vitale) and Sister Olga (Calogera Zeffiro) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, line 4, after the word "Act," insert the names "Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa),".

On page 2, line 2, after the words "to deduct" strike out "two" and substitute in lieu thereof "four."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa), Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro)."

A motion to reconsider was laid on the table.

OY WAN LEUNG

The Clerk called the bill (H. R. 2240) for the relief of Oy Wan Leung, also known as Margarita Oy Wan Chan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Oy Wan Leung, also known as Margarita Oy Wan Chan, shall be held and considered to be the natural born alien child of Louis Chan and Marta Chan, citizens of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That, for the purposes of the Immigration and Nationality Act, Oy Wan Leung, also known as Margarita Oy Wan Chan, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMALIA BERTOLINO QUERIO

The Clerk called the bill (H. R. 2241) for the relief of Amalia Bertolino Querio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Amalia Bertolino Querio, shall be held and considered to be the natural-born alien child of Raymond D. Querio and Comenica Querio, citizens of the United States.

With the following committee amendment:

Beginning on line 7, after the words "United States.", add the following: "Upon the issuance of a visa to the alien as provided for in this act, the Secretary of State shall instruct the proper officer to deduct one number from the allocation of visas provided for issuance under section 5 (a) of the Refugee Relief Act of 1953, as amended."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIM JOONG YOON

The Clerk called the bill (H. R. 2242) for the relief of Kim Joong Yoon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kim Joong Yoon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALESSANDRA BARILE ALTOBELLI

The Clerk called the bill (H. R. 2259) for the relief of Alessandra Barile Altobelli.

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There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Alessandra Barile Altobelli, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Ettore Altobelli, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA DE REHBINDER

The Clerk called the bill (H. R. 2306) for the relief of Maria de Rehbinder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria de Rehbinder shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to the alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JULIUS, ILONA, AND HENRY FLEHNER

The Clerk called the bill (H. R. 2307) for the relief of Julius, Ilona, and Henry Flehner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Julius, Ilona, and Henry Flehner shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees. Upon the granting of permanent residence to the aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GERALDINE GEAN HUNT AND LINDA MARIE HUNT

The Clerk called the bill (H. R. 2753) for the relief of Geraldine Gean Hunt and Linda Marie Hunt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Geraldine Gean Hunt and Linda Marie Hunt shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Beginning on page 1, line 8, after the words "visa fees", change the colon to a period and strike out the proviso through and including the word "Act" on line 11.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE VOURDERIS

The Clerk called the bill (H. R. 3625) for the relief of George Vourderis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George Vourderis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ILSE WERNER

The Clerk called the bill (H. R. 3626) for the relief of Ilse Werner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Ilse Werner may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act, and if her marriage to her United States citizen fiance, Sgt. Vytautas Osteika, United States Army, takes place within 3 months following the enactment of this act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Ilse Werner, the fiance of Vytautas Osteika, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Ilse Werner is coming to the United States with a bona fide intention of being married to the said Vytautas Osteika and that she is found otherwise admissible under the immigration laws, except that the provisions of section 212 (a) (9) and (12) of the said act shall not be applicable to the said Ilse Werner: *Provided further*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Ilse Werner, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of section 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Ilse Werner, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Ilse Werner as of the date of the payment by her of the required visa fee."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. NIKA KIRIHARA

The Clerk called the bill (H. R. 3629) for the relief of Mrs. Nika Kirihara.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Nika Kirihara shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. UTO GINOZA

The Clerk called the bill (H. R. 3630) for the relief of Mrs. Uto Ginoza.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Uto Ginoza shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "For the purposes of the Immigration and Nationality Act, Mrs. Uto Ginoza shall be held to be classifiable as a nonquota immigrant as defined in section 101 (a) (27) (B) of that act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELIZABETH A. TRAUFIELD

The Clerk called the bill (H. R. 3864) for the relief of Mrs. Elizabeth A. Traufield.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Mrs. Elizabeth A. Traufield shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permament residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Beginning on page 1, line 7, after the words "visa fee.", strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTA HARKRADER

The Clerk called the bill (H. R. 4455) for the relief of Christa Harkrader.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Christa Harkrader shall be held and considered to have been lawfuly admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

On page 1, line 7, after words "visa fee", change the period to a comma and add the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconcider was laid on the table.

ELISEU JOAQUIM BOA

The Clerk called the bill (S. 1654) for the relief of Eliseu Joaquim Boa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Eliseu Joaquim Boa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available. The Attorney General is authorized and directed to cancel the deportation proceeding heretofore instituted against Eliseu Joaquim Boa as well as the order and warrant of deportation issued therein; and the said Eliseu Joaquim Boa shall not hereafter be subject to exclusion or deportation from the United States by reason of the same facts upon which the outstanding order and warrant of deportation were issued.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provisions of section 212 (a) (9) and (19) of the Immigration and Nationality Act, Eliseu Joaquim Boa may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided,* That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUDWIKA HEDY HANCOCK

The Clerk called the bill (H. R. 932) for the relief of Ludwika Hedy Hancock (nee Nikolajewicz).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9), (12) of the Immigration and Nationality Act, Ludwika Hedy Hancock (nee Nikolajewicz) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 3, strike out the word "provision" and substitute the word "provisions."

On page 1, line 3, after "212 (a) (9)", insert a comma.

On page 1, line 4, after "(12)", insert "and (19)."

On page 1, line 8, strike out the words "this exemption" and substitute the words "these exemptions."

On page 1, line 8, strike out the words "a ground" and substitute the word "grounds."

On page 1, line 10, strike out the word "have" and substitute the word "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIMIKO SUETA THOMPSON

The Clerk called the bill (H. R. 1180) for the relief of Kimiko Sueta Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kimiko Sueta Thompson shall be held and considered to have been lawfully admitted to the United States for permanent residence as o" the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

On page 1, line 7, after the word "fee", change the period to a comma and add the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL COMPAGNINO

The Clerk called the bill (H. R. 1435) for the relief of Paul Compagnino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Paul Compagnino shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, lines 6 and 7, strike out the following language: ", upon payment of the required visa fee."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERVIN BENEDIKT

The Clerk called the bill (H. R. 1436) for the relief of Ervin Benedikt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ervin Benedikt shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MENACHEM HERSZ KALISZ

The Clerk called the bill (H. R. 1439) for the relief of Menachem Hersz Kalisz.

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There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Menachem Hersz Kalisz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the period to a colon and add the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNE CHENG

The Clerk called the bill (H. R. 1698) for the relief of Anne Cheng.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anne Cheng shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLOTTE SCHWALM

The Clerk called the bill (H. R. 1911) for the relief of Charlotte Schwalm.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Charlotte Schwalm shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee," change the period to a colon and insert the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIMIE HAYASHI CRANDALL

The Clerk called the bill (H. R. 1987) for the relief of Kimie Hayashi Crandall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Kimie Hayashi Crandall shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the period to a comma and add the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. CARLOS RECIO AND FRANCISCA MARCO PALOMERO DE RECIO

The Clerk called the bill (H. R. 2070) for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS KUNHYUK KIM

The Clerk called the bill (H. R. 2708) for the relief of Thomas Kunhyuk Kim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Thomas Kunhyuk Kim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDREW WING-HUEN TSANG

The Clerk called the bill (H. R. 2783) for the relief of Andrew Wing-Huen Tsang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Andrew Wing-Huen Tsang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANZISKA LINDAUER BALL

The Clerk called the bill (H. R. 2944) for the relief of Franziska Lindauer Ball.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Imigration and Nationality Act, Franziska Lindauer Ball shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", change the colon to a comma and insert the following: "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOROTHY CLAIRE MAURICE

The Clerk called the bill (H. R. 3189) for the relief of Dorothy Claire Maurice.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dorothy Claire Maurice shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one

number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ORVILLE ENNIS

The Clerk called the bill (H. R. 3871) for the relief of Orville Ennis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That, for the purposes of the immigration and Nationality Act, the minor child, Orville Ennis, shall be held to be eligible for a preferential status under the provisions of section 203 (a) (3) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRIET L. BARCHET

The Clerk called the bill (H. R. 5021) for the relief of Harriet L. Barchet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Harriet L. Barchet shall be classified as a nonquota alien under the provisions of section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. (JG.) SVEND J. SKOU

The Clerk called the bill (H. R. 1151) for the relief of Lt. (jg.) Svend J. Skou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of Lt. (jg.) Svend J. Skou," approved March 14, 1944, is amended to read as follows: "That effective as of December 1, 1935, the retired pay of Lt. (jg.) Svend J. Skou, United States Navy, retired, shall be three-fourths of the highest pay of his grade."

SEC. 2. The additional retired pay for the period from December 1, 1935, to March 13, 1944, both dates inclusive, to which the said Lt. (jg.) Svend J. Skou is entitled by such act of March 14, 1944, as amended by the first section of this act, shall be paid to him in a lump sum, out of appropriations currently available for payment of retired pay of naval officers, within 60 days after the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE LATE SEYMOUR RICHARD BELINKY

The Clerk called the joint resolution (H. J. Res. 251) to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That the President is authorized to issue posthumously to the late Seymour Richard Belinky, late a flight officer, United States Army, a commission as second lieutenant, United States Army, as of December 27, 1944.

SEC. 2. The Secretary of the Army is authorized and directed to amend the records of the Department of the Army so as to carry the said Seymour Richard Belinky as a second lieutenant, United States Army, to rank from December 27, 1944.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REAR ADM. GEORGE JOHN DUFEK

The Clerk called the bill (S. 2078) for the relief of Rear Adm. George John Dufek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provisions of law, the Secretary of the Navy is authorized to employ Rear Adm. George John Dufek, United States Navy, retired, in a command status in connection with Antarctic expeditions.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JARMAN. Mr. Speaker, I move that the further call of the Private Calendar be dispensed with. The reports on Calendar Nos. 486 and 487 did not reach the committee of objectors in time for review.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON RECLAMATION PROJECTS

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 103) providing for construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 862)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment insert the following:

"That irrigation distribution systems authorized to be constructed under the Federal reclamation laws may, in lieu of construction by the Secretary of the Interior (referred to in this Act as the 'Secretary'), be constructed by irrigation districts or other public agencies according to plans and specifications approved by the Secretary as provided in this Act.

"SEC. 2. To assist financially in the construction of the aforesaid local irrigation distribution systems by irrigation districts and other public agencies the Secretary is authorized, on application therefor by such irrigation districts or other public agencies, to make funds available on a loan basis from moneys appropriated for the construction of such distribution systems to any irrigation district or other public agency in an amount equal to the estimated construction cost of such system, contingent upon a finding by the Secretary that the loan can be returned to the United States in accordance with the general repayment provisions of sections 2 (d) and 9 (d) of the Reclamation Project Act of August 4, 1939, and upon a showing that such district or agency already holds or can acquire all lands and interests in land (except public and other lands or interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) necessary for the construction, operation, and maintenance of the project. The Secretary shall, upon approval of the loan, enter into a repayment contract which includes such provisions as the Secretary shall deem necessary and proper to provide assurance of prompt repayment of the loan. The term 'irrigation district or other public agency' shall for the purposes of this Act mean any conservancy district, irrigation district, water users' organization, or other organization, which is organized under State law and which has capacity to enter into contracts with the United States pursuant to the Federal reclamation laws.

"SEC. 3. The Secretary shall require as a condition to any such loan, that the water users' organization contribute in money or materials, labor, lands, or interests in land, computed at their reasonable value, a portion, not in excess of ten per centum, of the construction cost of such project (including all costs of acquiring lands, and interests in land), and that the plans for the distribution system are in accord with sound engineering practices and will achieve the purposes for which the system was authorized. Organizations contracting for repayment of the loans shall operate and maintain such works in conformity with reasonable contractual requirements determined to be appropriate for the protection of the United States, and when full repayment has been made to the United States, the Secretary shall relinquish all claims under said contracts. Title to distribution works constructed pursuant to this Act shall at all times be in the contracting water users'

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organizations. In addition to any other authority the Secretary may have to grant rights-of-way, easements, flowage rights, or other interests in lands for project purposes, the Secretary or the head of any other executive department may sell and convey to any irrigation district or other public agency at fair value lands and rights-of-way owned by the United States (other than lands being administered for national park, national monument, or wildlife purposes) which are reasonably necessary to the construction, operation, and maintenance of an irrigation distribution system under the provisions of this Act. No benefits or privileges under reclamation laws including repayment provisions shall be denied an irrigation distribution system because such system has been constructed pursuant to this Act. The provisions of this Act shall apply only to irrigation purposes, including incidental domestic and stock water, and loans hereunder shall be interest free. Nothing in this Act shall be construed to repeal or limit the procedural and substantive requirements of section 8 of the Act of June 17, 1902.

"SEC. 4. Except as herein otherwise provided, the provisions of the Federal reclamation laws, and Acts amendatory thereto, are continued in full force and effect."

And the Senate agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOSEPH C. O'MAHONEY,
EUGENE D. MILLIKIN,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 103) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The language agreed upon in the conference does not alter or change the basic provisions of the bill as passed by the House. The language agreed upon sets out in more detail than the language of the House-passed bill the requirements of applicant organizations and the conditions under which the Secretary can make loans.

The conference committee considered whether, in the event that lands and rights-of-way costs amounted to more than 10 percent, the provision requiring a showing that the applicant organization "already holds or can acquire all lands and interests in land" would be in conflict with the provision "that the water users' organization contribute in money or materials, labor, lands, or interests in land, computed at their reasonable value, a portion, not in excess of ten per centum, of the construction cost of such project (including all costs of acquiring lands, and interests in land)." The conference committee agreed that the former provision is in the nature of a physical requirement whereby it is necessary to show that all lands and interests in land can physically be acquired whereas the latter provision is a financial requirement, and that, therefore, there can be no conflict between the two provisions.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

RESEARCH IN DEVELOPMENT AND UTILIZATION OF SALINE WATERS

Mr. ENGLE. Mr. Speaker, I call up the conference report on the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 861)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2126) to amend the Act of July 3, 1952, relating to research in the development and utilization of saline waters, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment insert the following:

"That the Act of July 3, 1952 (66 Stat. 328; 42 U. S. C., secs. 1951 ff.), is hereby amended as follows:

"(1) By modifying subsection (a) of section 2 of said Act so as to read: 'by means of research grants and contracts as set forth in subsection (d) of this section and by use of the facilities of existing Federal scientific laboratories within the monetary limits set forth in section 8 of this Act, to conduct research and technical development work, to make careful engineering studies to ascertain the lowest investment and operating costs, and to determine the best plant designs and conditions of operation.'

"(2) By modifying section 3 of said Act to add the following: 'Similarly, the fullest cooperation by and with the Atomic Energy Commission and the Civil Defense Administration in research shall be carried out in the interest of achieving the objectives of the program.'

"(3) By modifying section 8 of said Act so as to read: 'There are authorized to be appropriated such sums, but not more than $10,000,000 in all, as may be required (a) to carry out the provisions of this Act during the fiscal years 1953 to 1963, inclusive, (b) to finance for not more than two years beyond the end of said period such grants, contracts, cooperative agreements, and studies as may theretofore have been undertaken pursuant to this Act, and (c) during the same additional period plus one more year, to correlate, coordinate, and round out the results of studies and research undertaken pursuant to this Act. Departmental expenses for direction of the program authorized by this Act and for the correlation and coordination of information as provided in subsection (d) of its section 2 shall not exceed $2,000,000 and not more than $2,500,000 shall be expended for research and development in Federal laboratories. Both of said sums shall be scheduled for expenditure in equal annual amounts insofar as is practicable: *Provided*, That not to exceed 10 per centum of the funds available in any one year for research and development may be expended in cooperation with public or private agencies in foreign countries in the development of processes useful to the program in the United States: *And provided further*, That contracts or agreements made in pursuance of this proviso shall provide that the results or information developed in connection therewith shall be available without cost to the program in the United States herein authorized.'"

And the Senate agree to the same.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

CLINTON P. ANDERSON,
HENRY M. JACKSON,
JOSEPH C. O'MAHONEY,
EUGENE D. MILLIKIN,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2126) to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The language agreed upon in the conference does not alter or change the basic purposes or provisions of the bill as passed by the House. The changes are in the amounts authorized to be appropriated and used for various purposes. The managers for the House agreed with the Senate position that national and international conditions require that the program be expedited and, therefore, the amount ($10,000,000) proposed by the Senate for the research program over the 13-year period was retained in the bill.

The Nation's rapidly increasing population and expanding industry, with the corresponding rapidly increasing needs for water, the critical water situations that have developed in many areas in recent years, and national and international conditions in this atomic age all reflect the imperative need for speeding the objectives of this program. It may become necessary within the terms of this program for many areas to depend on salt or saline water conversion for a water supply. Ways and means must be found without undue delay for economically converting salt or saline water to fresh water. The program cannot be allowed to drift along without producing concrete results, and it is expected that with the expanded implementation of the saline water program authorized by this legislation results will be obtained.

The language agreed upon in the conference specifically requires close cooperation and coordination of the saline water research program with and by the Atomic Energy Commission and the Civil Defense Administration in the interest of achieving the objectives of the program. National and world conditions emphasize the desirability of tying the saline water program in directly with the Atomic Energy and the Civil Defense activities. Also, energy is a primary factor in the demineralization of saline water and atomic power may in the future be the answer to low-cost production of fresh water from salt or saline water.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEO W. O'BRIEN,
A. L. MILLER,
JOHN P. SAYLOR,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from West Virginia.

Mr. BAILEY. To what extent would this provide a remedy for our falling water level in the eastern and northeastern sections of the country? Does it deal just purely with saline water?

Mr. ENGLE. It deals strictly with saline water, but to the extent that this program is successful it will relieve the underground draft on present underground water supplies. In short, if this saline research program achieves the results that we think it is capable of achieving, then it will be unnecessary to reach deep into the ground as we are doing in many, many places to get underground water, and it will supply water for industrial uses, particularly along the coastal areas of the United States. It can be very beneficial by providing an alternate source of water for that which is now in decreasing supply from the underground.

Mr. BAILEY. I am not naive enough to believe that the drainage you are taking now of the underground sources on the Pacific coast would in any way affect the water level in the East, but I thought there might be some way by which we could get at this problem, which we know is a serious one for the future, and try to correct it.

Mr. ENGLE. This is a nationwide project. We hope sometime that they can run a pipeline right out into the ocean and secure water.

Mr. BAILEY. I thank the gentleman.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

TRINITY RIVER DIVISION, CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. ENGLE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4663, with Mr. MADDEN in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Under the rule, the gentleman from California [Mr. ENGLE] will be recognized for 1 hour and the gentleman from Nebraska [Mr. MILLER] for 1 hour.

The gentleman from California is recognized.

Mr. ENGLE. Mr. Chairman, I yield myself such time as I may require.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent to insert my remarks in the RECORD and include in connection therewith a prize-winning essay in the nationwide Soil Conservation contest.

The CHAIRMAN. The Chair will advise the gentleman from West Virginia that such requests should be made in the House rather than in the Committee of the Whole.

Mr. BAILEY. I thank the chairman for the information and will take advantage of his suggestion.

Mr. ENGLE. Mr. Chairman, the purpose of this legislation is to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division of the Central Valley project, Calif., under the reclamation laws.

This bill was reported by the committee without a dissenting vote. The rule was granted week before last.

In discussing this project I want first to deal with the background of the legislation and secondly with the factual basis for the project and third describe briefly the general project itself.

This project was initially authorized on January 2, 1953, by a finding of feasibility under section 9 (a) of the 1939 Reclamation Act, by Secretary Chapman. The reclamation law provides that irrigation and reclamation projects that fall within certain very specific findings of feasibility with reference to their economics, engineering, and payout, can be certified for construction by the Secretary of the Interior. Thereupon it is only necessary for the Appropriations Committee to proceed with appropriations for the project. That has been done in a great number of instances in the past.

In this case the Secretary of the Interior, Secretary Chapman, on January 2, 1953, so certified this project; and, as far as I am aware, it is the only project of its size in the United States which is capable of authorization in that fashion under the 1939 act.

On February 17, 1955, Secretary McKay approved the Trinity River project in a supplemental report, and recommended its immediate construction. The project, therefore, has the approval of both Secretary McKay and his predecessor, Secretary Chapman.

On April 13, 1955, the Commissioner of Reclamation, Mr. Dexheimer, appeared before our committee and testified in support of this legislation and recommended immediate construction of the project.

On April 9, 1953, the State engineer of California in his official comments on the Trinity River project approved the project for immediate authorization and construction.

On May 28, 1955, he filed a similar recommendation with reference to the supplemental report prepared and filed by the present Secretary of the Interior.

Gov. Goodwin Knight, the Governor of California, on April 14, 1955, wired our committee at the time of the hearings reaffirming the State's position and asking for immediate construction of the Trinity River project.

Both houses of our State legislature passed resolutions within the past 2 weeks urging the immediate construction of the Trinity River project.

The House Committee on Appropriations in the public works bill before this House last week recommended and earmarked $1 million to start construction on the Trinity River project when this bill is passed.

Senators KNOWLAND and KUCHEL both have legislation pending at the other end of the Capitol for authorization of the Trinity River project.

Since 1942 more than $572,000 has been spent on planning and engineering and the budget this year recommended an additional $400,000 for that purpose.

Mr. Chairman, the very wide and unanimous support that this project has received not only here but throughout the State of California is not an accident by any means. I want to deal now briefly with the factual basis upon which this project comes before you today.

In 1951 the House Committee on Interior and Insular Affairs sent a special subcommittee to California for the purpose of making an investigation to determine the status of the water supplies in the Central Valley project of California which had in the preceding year for the first time been put into operation as a multiple-purpose waterpower and flood-control project. That subcommittee held hearings in Sacramento, the State capital of California, on October 29, 30, and 31 of 1951. The members of that subcommittee were the gentleman who addresses you now, as chairman, the gentleman from Colorado [Mr. ASPINALL], the gentleman from California Mr. Yorty, the gentleman from Montana, Mr. D'Ewart, the gentleman from California, Mr. Poulson, and the gentleman from Ohio [Mr. BOW].

That special subcommittee met with the joint water problems committee of the State legislature during those days in Sacramento. The specific and announced purpose of the hearings there was to determine whether or not the developed water in the Sacramento River and in the Central Valley project had been oversubscribed. On that one issue and on all of the other issues with one exception the subcommittee made unanimous findings of fact and recommendations. The finding made by the committee appears on page 4 of the committee report filed at that time and is as follows:

> For all practical purposes the developed water supplies of the Sacramento River are overcommitted and oversubscribed. Increased uses of water from the Sacramento River from the beginning of project construction in 1935 to the present are about three times the expected increase of 300,000 acre-feet which was estimated by the State of California and the Bureau of Reclamation officials in the original plans for the operation of the Central Valley project.

It will be recalled that the Central Valley project in California is a project designed to take water surpluses from the north end of the Central Valley and distribute those surpluses in the San Joaquin or the southern part of the Central Valley of California. When the Central Valley project was set up it was anticipated that over a period of time the uses of water in the Sacramento Valley itself would increase about 300,000 acre-feet, but after the project was started in 1935 and during the World War that

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followed, the population and economy of California increased so rapidly that the uses of water in the Sacramento Valley increased 3 times what they were expected to increase when the project was originally designed.

It was as a consequence of that fact that our committee became disturbed over whether or not there was sufficient developed water in the Central Valley project actually to assure its operation; therefore, this subcommittee went out to find out about it and made the finding that for all practical purposes—that was in 1951—the developed water supplies on the Sacramento River are overcommitted and oversubscribed. They pointed out that the uses had increased three times what they were since the project was initially constructed in 1935. The committee report continues:

The testimony indicated diversions from the Sacramento River would have caused the river to be dry for about 40 miles in July 1951—

The year we were there—

if storage water had not been available from Shasta Reservoir for Sacramento Valley use and a large part of this water is destined for the San Joaquin Valley under this proposed Central Valley project operation. In short, the waters of the Sacramento Valley had decreased so substantially that had it not been for the 4.5 million acre-feet of water stored in Shasta Dam there would have been 40 miles of dry river between Shasta Dam and the city of Sacramento in 1951.

The committee report goes on to say:

Applications for use of American River water to be developed by Folsom Dam—

Which, I may add parenthetically, is to be completed this year—

an additional storage unit of the project now under construction, exceed by several times the probable supply that can be made available through this source.

Finally:

Construction of additional storage facilities to conserve water for use in the Central Valley should be commenced as soon as possible. The committee recommended that additional storage facilities be constructed as soon as possible to augment the deficient supply of water in northern California and to firm up the water supply for the Central Valley project if such facilities are required within the limits of economic feasibility.

Then the committee proceeded to discuss the matter in a little more detail on page 14 of that same report, and for the purpose of the record I am referring to the report of the Special Committee on Irrigation and Reclamation on Central Valley project, California, dated February 6, 1952:

Only one answer can be obtained from the foregoing testimony presented by the Bureau representatives. That one logical answer is—

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from New York.

Mr. MILLER of New York. As the gentleman may or may not know, I am, of course, one of those who is opposed to the subsidization by the Government of electric power. On the other hand, I am for anything in the way of irrigation, reclamation, flood control, and water supply which can be good for the people of California and my distinguished colleague's district. Do I understand that this bill does not provide for the immediate construction by the Government of any power facilities? Is that correct?

Mr. ENGLE. It authorizes the power facilities, but it directs that a study be made and a report be delivered to this Congress not later than 18 months with respect to the construction of those power facilities by other than a Federal agency.

Mr. MILLER of New York. In other words, if this bill is passed, it does not authorize the immediate construction by the Government of power facilities, pending the study?

Mr. ENGLE. It authorizes them to the extent that the whole project is in the bill, but it directs the Secretary of the Interior to return to the Congress with that study within 18 months with respect to the construction of power facilities by other than a Federal agency.

Mr. MILLER of New York. So, if the Department of the Interior recommended within 18 months to this Congress—as on page 5 of your report—the Pacific Gas & Electric Co., and their recommendations would be to the effect that they should construct the power facilities and pay to the Government a certain fee for falling waters, then the Congress at that time would have the authority to pass on that aspect of this problem?

Mr. ENGLE. That is correct.

Mr. MILLER of New York. In that event, would the gentleman from California now addressing the House be in favor of such a proposal by the Department of the Interior, if they should recommend that the facility be built by private industry and pay to the Government a certain fee for falling waters?

Mr. ENGLE. I am not willing to prejudge the particular proposal to come before the committee at that time. I would say in general I am not in favor of turning over the power facilities at major public projects for private construction. The gentleman must understand, however, that the language of this bill is broad enough so that the State of California itself—and I understand some interest has been expressed on that—could step in and build those power facilities, because it provides for the construction by other than a Federal agency.

It could be some other public agency, such as a local public agency, the State, or any other non-Federal agency, including the Pacific Gas & Electric Co.

Before yielding to the gentleman I was dealing with the question of the need for water. That is the basic issue behind this particular bill and why it is here today. I was reading from the committee report which I have just identified, on page 14, in which the committee said—and this is the special committee which made an investigation of this matter on the ground in California in 1951, and filed a unanimous report on this point:

The one logical answer is if diversions continue at the rate they were made in 1951, and there is no reason to believe they will be reduced, then the developed waters of the Sacramento River are overcommitted and oversubscribed.

What that statement means is simply that the Central Valley project constructed by the Federal Government would not operate as it is supposed to operate if those water supplies are overcommitted and oversubscribed because it would be impossible for the Bureau of Reclamation to meet its commitments in the San Joaquin Valley under the terms under which it has built the Central Valley project. And the report goes on to say:

The obvious result is that much less water is available for transfer to the San Joaquin Valley than was originally contemplated. This fact, considered together with the record of the increased uses in the delta area, makes construction of additional storage facilities as soon as possible a must if development of the Central Valley is to continue unretarded and unrestricted by lack of adequate water.

Instead of the situation getting any better in California, the situation, in fact, has gotten worse. Water shortages are even more apparent there now than they were before, to such an extent that the major problem before the California State legislature in this last session was the water problem in California. The State legislature, together with the support of our Governor, has authorized the State to look into the construction of a project that will cost very close to $2 billion to develop the water of the Feather River project, take that water down through the San Joaquin Valley in California, and finally over or around the Tehachapi Mountains into the southern part of our State.

This project was undertaken because it represents a stopgap between now and the time that something else can be done to meet these necessary water uses. This project, compared to the Feather River project to be constructed by the State, is only a very small project and it will fill the deficit between the water now available in the Central Valley of California and the claims upon that water. It will firm up the Central Valley project operations in our State. Whatever else is to be done will have to be done in connection with the Feather River project itself, which is a project of a size comparable to the Shasta Reservoir which stores 4½ million acre-feet.

In some areas of the San Joaquin Valley, as I believe my colleague [Mr. SISK] may tell you a little later here this afternoon, they are drilling as deep as 2,000 feet for water and the wells cost between $70,000 and $75,000.

So that is the factual basis behind this particular bill being here today and it explains I believe why when I recited the endorsements and support for this legislation and its unanimous consideration by our committee, it is here on the floor in its present status.

Now with reference to a brief physical description of the project itself, may I direct the attention of the members of the committee to the map which is before them? I shall describe very briefly the physical aspects of this project.

The map outlines in dark lines the existing features of the Central Valley project in California. That portion

which is shown in red indicates the Trinity River division which is in addition to the Central Valley project. The Trinity River, as you will note, is east of the Shasta Dam, almost due east of the Shasta Dam. The main storage facility of this project will be built on the Trinity River.

There is a series of foothills or mountains between the Trinity River and the Sacramento River, on which the Shasta Dam is located. The storage dam will store something like 2.5 million acre-feet of water, and then proceed to drop the water through the tunnels and powerhouses into the Sacramento River. There are four powerhouses on this project. That is one reason it is such a rich project. Finally the water that comes from the Trinity goes through the existing Keswick powerhouse, making a total of five powerhouses on the project.

The amount of water diverted easterly is 704,000 acre-feet out of the Trinity River, which flows westerly to the Klamath River. The total additional uses which will be made available to the people in the Central Valley of California will be 1,190,000 acre-feet, although only 704,000 acre-feet are diverted. The reason that is true is because they can use the water from reflows several times. Approximately 665,000 acre-feet of that water will be used in conjunction with the Sacramento Valley canals presently under construction, which you see indicated by dotted lines on the map. The balance of 525,000 acre-feet will go down into the San Joaquin area, the Delta-Mendota Canal which appears on the west side of the San Joaquin Valley on the map.

This project, as I have said, is one of the finest projects economically ever brought before this Congress. It has a benefit-to-cost ratio of 3.31 to 1, meaning that the Federal Government will get back $3.31 in value for every dollar it puts in. Because of the power development on this project—and this is true whether or not the power is developed by the Federal Government or someone else—the power features of this project will pay out in 26 years, and the balance of the project, the irrigation features, will pay out in 40 years with a 10-year development.

Mr. SAYLOR. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to my friend, the gentleman from Pennsylvania.

Mr. SAYLOR. By the gentleman's statement that the cost-benefit ratio is 3½ to 1, he does not mean to leave the impression with the House that Uncle Sam will get back $3.25 for every dollar he invests in this project?

Mr. ENGLE. The cost-to-benefit ratio reflects the benefits to the costs. If the gentleman is referring to the actual cash pay out, it does not do that. It is not a cash balance, if that is what the gentleman means, because figured in the cost-to-benefit ratio are the so-called indirect benefits which the Federal Government realizes through the improvements resulting from putting water on irrigated lands and in homes and on farms.

In conclusion, Mr. Chairman, this project has been endorsed and supported by every major public official who has had any connection with it in the State government, from the Governor through the State legislature. It has the authorship in this Congress of both United States Senators from California, Mr. KNOWLAND and Mr. KUCHEL, as well as myself and my colleagues, Mr. Moss and Mr. SISK. It has been endorsed by every Federal official that has had any connection with it, including Secretary Chapman, Secretary McKay, and the Commissioner of Reclamation, Mr. Dexheimer, and it has been repeatedly approved for funds by the Bureau of the Budget. It is here today because there is a shortage of water, a desperate shortage of water, in California. As a matter of fact, if this project is not built, the Central Valley project as originally contemplated cannot function because the water deliveries cannot be made to the San Joaquin Valley as contemplated under the Central Valley project program, or the Sacramento Valley will be left to dry up, which is more likely.

In addition, this is probably the best project of its size that has ever come before the Congress of the United States. It is certainly the best project I have had the privilege of presenting here on the floor either for California or as chairman of my committee, or preceding that as chairman of the Subcommittee on Irrigation and Reclamation.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I am delighted to yield to my friend from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, as a representative of one of the 48 States wherein water development is a very serious development, and where increased public attention is being given to the problem, I would like to express my appreciation and that of my State to the gentleman from California for the leadership which he has given to the Nation in the field of water development and water conservation and use. I think this bill is an excellent example of the kind of constructive legislation which the gentleman and the committee have brought to the Congress on this subject. It is a good bill and should be passed by the Congress.

Mr. ENGLE. I appreciate the gentleman's remarks.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I am delighted to yield to my friend from Iowa, a former member of our committee.

Mr. GROSS. Do I understand this bill has the support of the administration?

Mr. ENGLE. It does indeed. They appeared and testified in favor of it.

Mr. GROSS. This bill, I understand, would increase agricultural production, would it not?

Mr. ENGLE. This bill will provide supplemental water to prevent agricultural lands and home lands in California from losing present water supplies.

Mr. GROSS. In the event it will increase agricultural production, it will probably bring into production land now arid and it will make sure, perhaps, that land already under cultivation will receive a sufficient supply of water. Is that a correct statement?

Mr. ENGLE. Let me state the case correctly. It will do two things. It will maintain in agricultural production lands now in agricultural production. In addition to that, any new lands it brings in will be lands which will be producing different crops than those now in surplus, and which the gentleman is concerned about. In other words, dry-land crops, grains, and that sort of thing.

Mr. GROSS. How can we be certain that this is not going to bring into production competing crops, crops already in surplus?

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. MILLER of Nebraska. I think page 40 of the report contains the answer to that. With reference to the Delta Mendota project, the agricultural products produced in this area, that is irrigated area, are as follows: Almonds 2 percent, onions 15 percent, beans 7 percent, cotton 25 percent, sugar beets 2 percent, tomatoes 9 percent, alfalfa 21 percent, barley 21 percent, irrigated pasture 8 percent. So there is not a large amount of these crops presently in surplus.

Mr. GROSS. May I ask the gentleman this question, if he will yield further. These crops which the gentleman just enumerated, if they should become unprofitable, what is to prevent this land from being used to produce small-grain crops and crops that will be competing with surpluses already on hand.

Mr. ENGLE. Because you do not grow grain crops on that kind of irrigated land. Our problem in California is to find water to put on land so that people can live there. We are simply running out of places where people can put a house down and get on a piece of land. California, when it gets water, is a tree and vine crop State, and by and large we are not in the field of producing, at least in this area, crops that come into these surplus problems. The fact of the matter is that putting water on these lands takes them out of that kind of production, because it takes them out of grain and wheat and things of that sort and puts them into tree and vine crops and into the ladino clover and crops of that sort, which produce beef and livestock on which we are an import State.

Mr. GROSS. If the gentleman will permit me to make a further statement. I simply want to make my position clear. I will be opposed to this administration or any other administration that opposes a reasonable farm program, as this administration does, for the midwestern farmers and then comes in here and supports any legislation that will bring in new lands into production in competing crops. I am going to be opposed to any and every bill regardless of whether it is promoted by this administration or not.

Mr. ENGLE. Then the gentleman is going to quarrel rather frequently, I take it, with the folks downtown.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

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Mr. JOHNSON of California. As I understand it, the Trinity River is being diverted so that we can use the water down in the dry, arid region of the interior valley—that is correct, is it not?

Mr. ENGLE. The Trinity River is being diverted to make up the deficit which now exists in the Central Valley project due to the overcommitment of those supplies in the San Joaquin Valley and elsewhere.

Mr. JOHNSON of California. That Trinity River water, which would have gone to the Pacific Ocean, is not required in the area through which it flows and finally goes into the ocean.

Mr. ENGLE. No, about 13 million acre-feet of water goes out into the Pacific Ocean from Klamath and Trinity, which is one of its tributaries. The gentleman from California [Mr. SCUDDER] represents that area and will have something, I think, to say about that. But with reference to this project, it does not hurt him. It diverts about 17 percent of the total flow of the Trinity River, and these are flood waters.

Mr. JOHNSON of California. I realize how the water tables are falling in certain parts of the Central Valley, especially in my own country, San Joaquin County. I think the gentleman is doing a great service to our people by helping us to find a way to get water so that we can raise the crops he just described a moment ago as well as many other crops which are much more fabulous.

I want to point out to the gentleman from Iowa [Mr. GROSS] that the money they get from California customers makes up more than anything they might lose by reason of any competitive situation.

Furthermore, the gentleman did not mention to the gentleman from Iowa that we raise every possible kind of vegetable out there. All kinds of crops: fruit such as peaches, cherries, apricots, prunes, pears, plums, nectarines; large and numerous almond groves; also walnuts, including the largest walnut grove in California. Also table and wine grapes (several million tons). Also sugar beets, alfalfa. It is the richest valley in the world, and all that can hold it back is lack of water, which we fear due to declining underground levels and increased demand for more water from present river development.

I understand our Governor is heartily in favor of the development of this particular project, and that he wishes to see this bill passed. So that, in the last analysis, we may have enough water to give to that fertile valley in the central part of California, so it may reach its potential productive capacity. Most of the crops are specialty crops not raised in other parts of the Nation.

I would like to offer my congratulations and my support to the distinguished chairman of this committee for bringing out this bill. I shall be happy to do whatever I can do to help him get it through the House and have the bill understood by those in the House not familiar with our situation and our dire need for more water.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. RABAUT. Have you got a cost benefit on this project?

Mr. ENGLE. Yes. It is 3.1 to 1. It is the only project I know of, of this sort, that has such a cost-to-benefit ratio.

Mr. RABAUT. That is by the engineers?

Mr. ENGLE. Yes, sir; that is the official figure given by the Bureau of Reclamation. This project was good enough to be authorized under a finding of feasibility under the 1939 act. I made the statement some time ago that in my opinion there was no other project that would equal it. There is a very good project over in the Ventura area. Those are the only two that qualify under the present standards without any amendment or exception to the reclamation law.

Mr. MILLER of Nebraska. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the gentleman from California [Mr. ENGLE], has outlined in very clear fashion the physical outlines of the Trinity River project.

I am here today to speak mainly in favor of the Trinity River, but in general for irrigation. California needs to use all the water available. She needs to use it wisely and carefully in order to continue with their growth. They have about 13 million acre-feet of water that runs to the ocean without being used. You who have been worried about surplus crops and about irrigation being some kind of a giveaway should remember this: Of the $2.7 billion that has been invested in reclamation in the last 50 years, more than $600 million has been returned to the Treasury. There have been more than $4 billion of new wealth come in from these irrigation projects. Economists estimate that last year the harvest alone from reclamation projects was $785,939,000.

Much of this land that is now being irrigated was at one time desert, unproductive, whose only inhabitants were coyotes and rattlesnakes, no humans living there because there was no water. Water is the essence and the life of these areas.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Iowa.

Mr. GROSS. Yes; and the administration predicated its opposition to the 90-percent support of parity program on the basis largely of surplus farm commodities, did it not?

Mr. MILLER of Nebraska. Let me say to the gentleman——

Mr. GROSS. And many of the Members of the House voted against the 90-percent program because of the surpluses we have on hand.

Mr. MILLER of Nebraska. Let me say to the gentleman that during wartime surpluses are a blessing, but during peacetime they apparently become a curse. Yes; we have about $7½ or $8 billion surplus products, but I think that we ought to be very glad that we do have some surpluses stored in warehouses.

Let me say further to the gentleman, that if the people of Asia would eat as we eat we could not raise enough to feed them; or if the people of Europe and Asia together were to eat as the people of the United States of America, we could not raise enough upon our productive acres to feed them. The population increase will demand all the surplus and food the world can produce. When our population reaches 200 million, this country will be short of food.

Mr. GROSS. Yes; I think we ought to have a surplus, but I do not think the farmer should be knifed economically because we do have surpluses. Certain Members voted against the 90 percent of parity program because we did have surpluses, yet those same Members turn around and vote for irrigation projects to bring more land into production.

Mr. MILLER of Nebraska. That is true insofar as such projects bring into production more acres. This project brings additional water to land already irrigated.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from California.

Mr. JOHNSON of California. I just want to make one correction with reference to the agricultural picture. We do raise a lot of grain in the Central Valley and have since about the time of the Civil War and on down. But let me point out the difference between dry land where the grain is grown and land that produces vegetables and trees. The dry land was worth about $50 an acre, but as soon as an irrigation ditch came along that could serve that same land, it jumped up to $250 to $400 an acre.

Mr. MILLER of Nebraska. There is no question but what irrigation produces larger yields.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from New York.

Mr. KEATING. I do not think I want to let the remarks of the gentleman from Iowa pass without this comment: I take it from his remarks that he is opposed to this bill and that he voted for 90-percent rigid supports.

There are some of us who voted for the flexible program who also are disposed to oppose this legislation today, and I do not want the gentleman from Iowa to think that he alone is opposed to this legislation.

Mr. MILLER of Nebraska. Let me assure the gentlemen from New York and Iowa, both experts in farming, I am sure, that this project will pay back every penny to the United States Treasury, including interest.

Mr. KEATING. At what rate?

Mr. MILLER of Nebraska. I think the rate is 3 percent on the power features with no interest on the reclamation.

Mr. KEATING. We have to go out and borrow money these days at 3 percent.

Mr. MILLER of Nebraska. We are borrowing at less than that, now, less than 2½ percent in some instances.

This project will pay back every penny.

One thing I like about this project is that the water running through these dams is almost worn out before it gets down to being used for irrigation and before it flows into the ocean. One of the greatest wastes we have in this country is the waste of our water resources. I believe this is the area of California

where the greatest amount of water is to be found and that California has at her disposal only about 16 million acre-feet. Then I contrast that with Nebraska where we have over 600 million acre-feet of water in the sandhills that runs down under the soil and can be pumped out and stored in reservoirs and used for irrigation or used by pumps for irrigation. So there is that contrast between the State of Nebraska with its million and a quarter people and 600 million acre-feet of water with California with its immensely greater population and only 16 million acre-feet of water.

So I would urge my colleagues to consider this an investment in the resources of our country. Let me say that again: It is an investment in the United States of America because this water is used to produce power, it is used to aid irrigation and in that respect it helps to add security, it adds confidence and it adds to the growth of our country.

Mr. Chairman, if you will turn to page 2 of the bill there is a section beginning in line 21 that the committee very wisely provided as follows:

Provided, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress.

That means, Mr. Chairman, that in the next session of the Congress we may well be in here to determine whether this electric power shall be sold as public power or whether we shall permit a private agency or a non-Federal agency to develop the generating facilities and actually to sell the power.

There is one thing we ought to keep in mind. In Trinity County the Government owns about 90 percent of the land. Shasta County is largely owned by the Federal Government. These people need some taxes. An amendment will be proposed which will ask the Government to pay something in lieu of taxes; however, in my book we must study very carefully any proposal that comes in from the Pacific Gas & Electric Co., but if adopted they will pay a tremendous amount of taxes to the counties and to the Federal Government of the United States. While this is not a part of the fight here, we expect to come back before the Congress, I hope maybe next year or within 18 months, with a program that will outline and spell out how the electrical energy in this area shall be sold.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Michigan.

Mr. DONDERO. What is the total cost of this project?

Mr. MILLER of Nebraska. I think it is $225 million approximately.

Mr. ASPINALL. It is $225 million, all of it repayable, a great deal of it with interest at the rate of 3 percent. The money used for power construction will be at 3 percent.

Mr. DONDERO. What part is power?

Mr. MILLER of Nebraska. Power is the larger part of this bill, about $158 million. There is no flood control and very little nonreimbursable funds involved.

Mr. DONDERO. It will be returned to the Government?

Mr. MILLER of Nebraska. It will be returned to the Government. The part allocated to power will pay interest.

PACIFIC GAS & ELECTRIC CO. TAXES IN SHASTA AND TRINITY COUNTIES

Mr. Chairman, a good idea of the importance of Pacific Gas & Electric Co.'s offer to build power facilities at the Trinity River project in partnership with the Federal Government can be gained by looking at the taxes that the company is now paying in Trinity and Shasta Counties and what it would pay if its offer to build the power facilities was accepted.

As of now, about 90-odd percent of the total land in Trinity County is owned by the Federal Government. Therefore, any burden that would be placed on the people of that county as a result of a major Federal project such as the Trinity being constructed there might very well place a rather heavy burden on the schools, police force, fire department, and other services for the benefit of its people.

However, this picture would change considerably if the power facilities of the project were installed by a taxpaying electric company.

These are the facts: The company is now paying about $117,000 a year property taxes in Trinity County. Total tax collections in the county amount to a little over one-half million dollars. In other words, that company is now paying about 22 percent of the total property taxes. If it were permitted to install the power facilities, it would pay over $200,000 additional in taxes or would make total taxpayments, property taxes only, of over $320,000. This would be about 45 percent of the total property taxpayments in Trinity County. This certainly would be a sizable contribution to its schools, police force, fire department, and so forth.

Now take a look at Shasta County. Part of the power facilities in connection with the Trinity project would be located here. As of now, the Pacific Gas & Electric Co. is by far the largest taxpayer. It paid over $2,100,000 last year in property taxes. That is 45 percent of the total property tax collections in that county. If the company were permitted to build the power facilities in connection with the Trinity project, it would pay an additional $770,000 in property taxes. That would mean that the company would be paying almost $3 million a year in property taxes in this county alone. That would be 53 percent of its total property tax collections.

These figures are pertinent, and they are important to these counties and the State of California. In addition, there would be close to $2 million in payments to the Federal Government if the company built these facilities. This certainly needs to be taken into account when disciples of Federal power development talk about so-called cheap public power.

Mr. Chairman, the following California organizations have formally endorsed construction of Trinity power facilities by local enterprise in partnership with the Federal Government.

This list includes Statewide farm and business organizations, farm organizations, labor unions, taxpayers associations, boards of supervisors, city councils, local civic organizations, business groups, and others:

California Taxpayers Association.
California Farm Bureau Federation.
California State Chamber of Commerce.
Inter County Chambers of Commerce of Northern California, representing 17 chambers of commerce including Shasta, Trinity, and 4 other northern California counties.
Arboga Farm Bureau Center.
Byron Bethany Irrigation District.
Calaveras County Farm Bureau.
Colusa County Farm Bureau.
East Contra Costa Irrigation District.
Lake County Farm Bureau.
Lake Mountain Grange.
Linda Farm Center.
Live Oak Farm Bureau Center.
Mendocino County Farm Bureau.
Mount Pleasant Farm Bureau.
North Fork Grange.
Nuestro Farm Bureau Center.
Oakdale Farm Bureau Center.
Oakdale Irrigation District.
San Benito County Farm Bureau directors.
Sonoma Valley Soil Conservation District.
South San Joaquin Irrigation District.
Trinity County Farm Bureau.
Winship Farm Center.
International Brotherhood of Electrical Workers, Local 1245.
San Francisco Area Group of Professional Employees.
Santa Maria Carpenters Union, Local 2477, AFL.
Santa Maria Union, Local 1222, AFL.
Contra Costa County Taxpayers Association.
Sacramento County Taxpayers Association, Inc.
San Benito County Taxpayers Association.
San Mateo County Taxpayers Association.
Santa Clara County Taxpayers Association.
Alisal Chamber of Commerce.
Alleghany Development League.
Anderson Chamber of Commerce.
Appliance Dealers Association of San Joaquin County.
Arcata Chamber of Commerce.
Auburn Area Chamber of Commerce.
Benecia Chamber of Commerce.
Berkeley Chamber of Commerce.
Brentwood Chamber of Commerce.
Brisbane Chamber of Commerce.
Building Owners and Managers Association of San Francisco.
Burlingame Chamber of Commerce.
Burney Chamber of Commerce.
Calistoga Chamber of Commerce.
Central San Francisco Association.
Chico Chamber of Commerce.
Civic League of Improvement Clubs and Association, San Francisco.
Cloverdale Chamber of Commerce.
Colfax Area Chamber of Commerce.
Colusa Chamber of Commerce.
Colusa County Boat Club.
Colusa Lions Club.
Concord Area Chamber of Commerce.
Cotati Chamber of Commerce.
Cottonwood Chamber of Commerce.
Davis Chamber of Commerce.
Del Norte Board of Supervisors.
Dixon District Chamber of Commerce.
Downieville Civic Club.
Downieville Lions Club.
El Dorado Chamber of Commerce.
El Dorado County Appliance Dealers Association.
El Dorado County Council of Republican Women.

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El Sobrante Lions Club.
Emeryville Industries Association.
Eureka City Council.
Eureka Chamber of Commerce.
Escalon Chamber of Commerce.
Fairfield-Suisun Chamber of Commerce.
Fall River Valley Chamber of Commerce.
Ferndale Chamber of Commerce.
Fort Bragg Chamber of Commerce.
French Camp District Chamber of Commerce.
Grass Valley Chamber of Commerce.
Gridley Chamber of Commerce.
Guerneville Chamber of Commerce.
Hayfork Chamber of Commerce.
Hayward Lions Club.
Healdsburg Chamber of Commerce.
Humboldt County Board of Supervisors.
Humboldt County Chamber of Commerce.
Kings City Optimist Club.
LaFayette Chamber of Commerce.
Lake County Chamber of Commerce.
Lakeport Chamber of Commerce.
Lassen County Chamber of Commerce.
Lathrop Chamber of Commerce.
Lincoln Area Chamber of Commerce.
Linden-Peters Chamber of Commerce.
Linden Chamber of Commerce.
Live Oak Kiwanis Club.
Livermore Chamber of Commerce.
Lodi Board of Realtors.
Lodi District Chamber of Commerce.
Lodi Junior Chamber of Commerce.
Loleta Chamber of Commerce.
Los Altos Chamber of Commerce.
Los Gatos Chamber of Commerce.
Manteca District Chamber of Commerce.
Manteca Junior Chamber of Commerce.
Martinez Chamber of Commerce.
Martinez City Council.
Marysville Kiwanis Club.
Marysville Masonic Organization.
Marysville Realty Board.
Marysville-Yuba County Chamber of Commerce.
Maxwell Service Club.
Mendocino County Chamber of Commerce.
Mokelumne Hill Lions Club.
Monte Rio Chamber of Commerce.
Mountain View Chamber of Commerce.
National Electrical Contractors Association.
Napa Chamber of Commerce.
Newman Chamber of Commerce.
Niles Chamber of Commerce.
North Central Association (San Francisco).
Oakdale Chamber of Commerce.
Oakland Junior Chamber of Commerce.
Oakland Kiwanis Club.
Oakland Lions Club.
Oakland Service Club.
Orinda Chamber of Commerce.
Paso Robles Chamber of Commerce.
Peninsula Electrical Contractors Association.
Petaluma Chamber of Commerce.
Redwood City Chamber of Commerce.
Richmond Chamber of Commerce.
Richmond Kiwanis Club.
Rio Vista Chamber of Commerce.
Ripon Chamber of Commerce.
Ripon Junior Chamber of Commerce.
Sacramento Chamber of Commerce.
Sacramento Junior Chamber of Commerce.
Sacramento Luncheon Club.
Sacramento Power-Anne's Club.
San Benito Chamber of Commerce.
San Bruno Chamber of Commerce.
San Francisco Chamber of Commerce.
San Francisco Drygoods Association.
San Francisco Executives Association.
San Francisco Electrical Contractors Association, Inc.
San Francisco North Beach Merchants and Boosters.
San Francisco Retail Merchants Association.
San Joaquin County Chamber of Commerce.
San Jose Chamber of Commerce.
San Juan Chamber of Commerce.
San Leandro Chamber of Commerce.
San Leandro Downtown Merchants Association.
San Leandro Manufacturers Association.
San Lorenzo Chamber of Commerce.
San Luis Obispo Chamber of Commerce.
San Mateo Chamber of Commerce.
San Mateo County Manufacturers Association.
San Rafael Chamber of Commerce.
Santa Clara County Builders Exchange.
Santa Cruz Chamber of Commerce.
Santa Maria Chamber of Commerce.
Santa Maria Valley Chamber of Commerce.
Santa Rosa Chamber of Commerce.
Santa Rosa Junior Chamber of Commerce.
Sebastopol Chamber of Commerce.
Sheet Metal Contractors of San Francisco.
Solano County Board of Supervisors.
Sonoma Merchants Association.
Sonoma Valley Chamber of Commerce.
Soroptimist Club of Marysville.
South Oakland Market Central Improvement Association.
South San Francisco Chamber of Commerce.
Stanislaus County Chamber of Commerce.
Stockton Chamber of Commerce.
Stockton Junior Chamber of Commerce.
Stockton Optimist Club.
Sunnyvale Chamber of Commerce.
Sutter County—Yuba City Chamber of Commerce.
Taft Chamber of Commerce.
The Down Town Association of San Francisco.
Thornton District Chamber of Commerce.
Tracy Chamber of Commerce.
Tracy Junior Chamber of Commerce.
Trinity County Board of Supervisors.
Ukiah Chamber of Commerce.
Upper Trinity Citizens Council.
Vacaville Chamber of Commerce.
Walnut Creek Area Chamber of Commerce.
Walnut Creek City Council.
Weaverville Chamber of Commerce.
Willits Chamber of Commerce.
Woodland District Chamber of Commerce.
Yuba Sutter Boat Club.
Yuba-Sutter High Twelve Club.
Yolo County Appliance Dealers Association.
Yolo County Chambers of Commerce.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, the watershed of the Trinity River is mostly in my district. I might say that the best part of California is not shown on this map as my district extends from San Francisco to the Oregon line. The Trinity River flows through Humboldt and Del Norte County before it reaches the ocean some 85 miles north of the city of Eureka. It is true that the higher mountains in the Trinity Alps furnish most of the water of this basin; however, a good part of the mountain water in eastern Humboldt County does drain into the Trinity River.

The location where the first dam in Trinity County will be located is in the central part of that county. The river then flows from there northerly and westerly through Humboldt County and Del Norte to the ocean.

When this bill was first proposed, I was quite skeptical, and so were the people of my district, because we do have need for water in that area. Humboldt County is the second largest and possibly now the largest lumber producing county in the United States. It is the center of a great lumbering industry, and as the lumbering industry advances and the timber is cut, depleting our national forests, we must find new uses for by-products and the smaller timber. At the present time there is a large pulp mill operator in that area investigating the possibility of water to operate a pulp plant in the neighborhood of Eureka. So, naturally my people have become very much concerned regarding this legislation, not that we desire to take an attitude of dog in the manger, but we do realize that the great amount of water that is flowing into the Pacific Ocean should be used to the best advantage. I believe it has been stated by my colleague, the gentleman from California [Mr. ENGLE], that the Trinity River is one of the most feasible projects that has been advanced to this Congress because of the fact that in dropping from the high altitudes into the Sacramento Valley we are able to use that water four times for the generation of power.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from New York.

Mr. MILLER of New York. We have heard something here about the diversion of this water for purposes of irrigation of arid land and so forth, none of which I am opposed to, but we have also heard, as I understand, that this total sum of $225 million is going to be repaid to the Government. Is that correct?

Mr. SCUDDER. It will in time, I am sure.

Mr. MILLER of New York. Where are they going to get the money?

Mr. SCUDDER. Well, this is primarily a power project.

Mr. MILLER of New York. That is what I want to find out. Primarily and fundamentally this is a hydroelectric power development; is that correct?

Mr. SCUDDER. That is correct.

Mr. MILLER of New York. In other words, we are now before this Congress for an appropriation of $225 million to subsidize the people of California with hydroelectric power, the very thing that we refused to do in the Tennessee Valley here a few days ago.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. On page 5 of the report it points out that about $68 million is allocated to irrigation and about $156.5 million to power. As has been pointed out, the amount allocated to irrigation is all paid back without interest. The amount allocated to power is paid back with about 3 percent interest in less than 40 years to the United States Government.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield further?

Mr. SCUDDER. I yield.

Mr. MILLER of New York. As I understand, there is a provision in this bill that the Department of the Interior is to continue a study for 18 months to determine whether or not the recommendations of the Pacific Gas & Electric Co. should be followed to the extent that they shall build, at their own expense, at a money saving to the taxpayers of the

United States, the power facilities and that they will pay for the entire power facility aspects of this bill and also pay henceforth to the Federal Government sums of money for the falling water. Is that correct?

Mr. SCUDDER. That is true.

Mr. MILLER of New York. Why, then, do we not have a separate bill for irrigation purposes and forget the $200 million for hydro purposes?

Mr. SCUDDER. I realize that this project is very highly important from a power-development standpoint, but there is also use for all the water that can be impounded in any of the rivers in California.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield further?

Mr. SCUDDER. I yield.

Mr. MILLER of New York. Would it not be possible to hold this matter in abeyance until the recommendations of the Department of the Interior concerning the participation by the Pacific Gas & Electric Co. in the expense of the power aspects be determined and then come here with a bill authorizing the Congress to accept the recommendations of the Department of the Interior; so that instead of having a bill for $225 million, have a bill just for the irrigation aspects of the project as far as the Federal Government is concerned, and follow the recommendations of the Department of the Interior in accepting the proposal of the Pacific Gas & Electric Co. to pay for the power facilities themselves, instead of the Federal Government doing so? In other words, let us have just the one thing. Let us not permit them to get a foot in the door now and then have the gentleman from California [Mr. ENGLE] 18 months from now, when the recommendations of the Department of the Interior come in for the utility to do the job, not the Government, come in and oppose it, so that then the Government will be in the power business in California on the ground that we have already spent the money, anyway.

Mr. SCUDDER. I appreciate the gentleman's comments and I do desire to serve notice that if and when this matter comes before the Congress I shall most certainly support a program of partnership with the Pacific Gas & Electric Co. if reasonable arrangements can be made, so that they will construct the power facilities, which will amount to some $50 million, and they will buy from the Government falling water at a figure which they have offered of $3½ million a year; besides which they will pay the local, State, and Federal Government taxes to support our governmental operations.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman.

Mr. BEAMER. May I ask the gentleman from California whether in the appropriation bill for public works which was considered the other day this particular appropriation was included?

Mr. SCUDDER. I understand that is correct.

Mr. BEAMER. Was not that a bit premature, before this authorization was even passed?

Mr. SCUDDER. The wording in the recommendation of the report was such that it would not go into effect unless this proposal is authorized by the Congress. The provision, I believe, is quite fair, that the Bureau must make an investigation and report back to the Congress wthin 18 months. Then, of course, the issue will be squarely before us, whether we will accept the partnership program and sell them falling water.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from California.

Mr. ENGLE. It is a fact, is it not, that the private utility in California, the Pacific Gas & Electric Co., is for this bill? That is true, is it not?

Mr. SCUDDER. I understand so.

Mr. ENGLE. They have authorized me to say so and I do say so. I would like to call that to the attention of the gentleman from New York [Mr. MILLER] that the private utility in California which is currently negotiating with the Department of the Interior on this matter is for this bill.

Mr. SCUDDER. I thank the gentleman. The people in my district are not opposed to this bill providing an amendment is accepted, which I shall offer, and which has been approved by the chairman of the committee and the ranking minority member, to permit 50,000 acre-feet of water to be released from the reservoir for the people in Humboldt County and the lower reaches of the Trinity River. That will satisfy their needs according to the information I have from the best authorities possible and then I believe the bill will not be resisted by the people of my district. They have approved such an amendment.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, what I have to say will probably come as a distinct shock to some of the Members, but if they have to support a reclamation project or if they feel that reclamation is a necessary evil to be endured in these United States, this is the best reclamation project that they will ever be priviledged to vote upon.

The direct cost-benefit ratio in this bill is 1.86 to 1 even without considering the extracurricular benefits which the Department has had to seize upon to make other projects feasible. So that if you must support a reclamation project, I urge that you support this project.

Our good colleague from California [Mr. TEAGUE] has a small project down in the southern end of the State, in Ventura, Calif., which has a little better cost-benefit ratio, but then you must consider all the extracurricular benefits to get the increased cost benefit ratio.

The principal reason I am supporting this project is that the committee has taken cognizance of the fact that there has been proposed and fostered by the present administration a partnership power program, and that this bill will permit the Secretary of the Interior to negotiate with not only Pacific Gas & Electric but any agency of the State government, any agency that might be created in the State of California or elsewhere, to negotiate for the sale of falling water and for the erection of these power facilities.

Mr. MILLER of New York. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. MILLER of New York. That is not correct, is it? The bill provides that the Secretary is authorized to proceed with the study, but he only makes a recommendation on the question of entering into a partnership with the utility or agency, governmental or otherwise, and reports back to the Congress, who must eventually pass on it. Under this bill the Secretary of the Interior can negotiate no contract with a utility.

Mr. SAYLOR. That is correct. We on the Interior and Insular Affairs Committee have determined as a matter of policy we would not allow the Secretary to be given the power to negotiate the contract itself. That matter should be determined by the Congress. One of the reasons that this is in such a nebulous stage is that the offers of the Pacific Gas & Electric Co. were not made far enough in advance to permit the Secretary to come before our committee and offer us any definite contract.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. ENGLE. Is it not a fact that so far as this project is concerned, if they started the building now it would be 3 years before they got around to talking about the powerhouses, and we have instructed them to come back in 18 months?

Mr. SAYLOR. That is correct. The facilities which will be the subject of negotiation would not be erected for at least 3 years, if construction began today.

One of the things to which I would like to call the attention of this committee is the policy of the Bureau of Reclamation. I think if you will turn to section 5 of this bill you will find a shining example. This I believe is the best project the Bureau of Reclamation has ever had, and one of the witnesses so testified, to present to any Congress. Rather than being satisfied with the laws that are on the books at the present time, they thought they saw a horse that could carry a little more weight than any other horse they have brought up to the barrier in some time, so they would like to give it a little more. They would like to establish a little more precedent. So they asked that in this county where these facilities are going to be erected we build not only these dams but hospitals, recreational facilities, and a dozen and one other things that the Bureau would like to establish as a precedent.

I am happy to say that even though the majority of the committee overruled me and defeated an amendment to take that provision out of the bill, it has been my understanding that the chairman of the committee has seen the light. I congratulate the gentleman from California, the great chairman of our committee, who was designated as a "wildcat" in a very popular magazine some

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in the United States. It is the center of a money saving to the taxpayers of the

time ago. He is very eager to get for his district everything he can, and for that I congratulate him. But, when you push a good thing too far, you may even prejudice these good projects, and I say to the chairman that I think it is the better part of wisdom that he has seen fit to agree that this project should carry no greater burden than any other reclamation project places upon a community.

The people of California were defeated, I believe, some short time ago by people in the Bureau of Reclamation selling the excess power out of Shasta Dam to a municipality in California at a very low rate. The rate was so low it makes it impossible for a group of people in California to do what they intended. There was a movement on in California to come to the Federal Government and to pay back the Federal Government all the money they had invested in the central California project. The reason being that the central California project had been devised and originated by the people of California themselves, and it was only because the depression of the thirties came along that the people of California found out that they themselves were not able to sell the bonds which were necessary to finance this project, and they came to the Federal Government and offered their plans and asked the Bureau of Reclamation to build the central California project, which you have seen displayed on this map in back of me. There was a feeling in California that after the people out there had some dealings with the Bureau of Reclamation, many of which were not satisfactory, many of the people finding what they had considered to be the law of the land, the law of the water out in California, was being ignored by the bureaucrats in Washington. There grew up in the State of California a feeling that it would be very popular and probably very profitable to come to the Federal Government and buy it out, and pay back to the Federal Government the investment which they had made. One of the reasons they had for considering this was because there was a large power dam in connection with this, known as Shasta Dam, and Shasta produces more power than was apparently being used out there in California at that time, and several people in the Bureau of Reclamation saw the handwriting on the wall and they saw that the people out there were getting wise to the ways of the Bureau of Reclamation and they saw that this feeling which the people were developing was something which they would not be able to overcome as long as it was a paying proposition.

So they went to the people of Sacramento and offered them a very attractive rate to take all the remaining power at Shasta Dam. Now, I do not blame the people of the Sacramento Municipal Utility District, in fact, I congratulate them for having the foresight to go in and buy all of that power. But the rate at which they bought that power—anybody who comes from the East and anybody who comes from the South, and anybody who comes from the Midwest where Uncle Sam has not gone in and created this false low cost power would have loved to have the rate which the Sacramento Municipal Utility District was able to get from the Bureau of Reclamation. It was so low that the people of California, if they have to take it over, will find now that they will have to extend their payments over a great many more years. These are some of the ramifications which I think the Members of the Congress should be cognizant of.

It came to my attention the other day that the great Commissioner of Reclamation has taken to task several Members of the Congress because they have seen fit to question the Bureau of Reclamation. In fact, he even went so far in Denver to make the statement that the gentleman from California [Mr. HOSMER] and I did not deal in facts. I would like to call the attention of the members of this committee to this startling revelation which some of you will be apprised of within the next few weeks, that the commissioner had his attention drawn to certain figures which the Bureau had presented to the public, and when it was shown to him that his figures were in error, he came back with another set of figures. Then when those figures were checked by competent engineers and were shown to be in error, he admitted that they were incorrect. So that from the beginning right until the end, there was an error of a mere 600 percent. I might say that is the kind of facts the Commissioner of Reclamation deals in, and when you back him into a corner he finds some other nice place to run to, thinking he can hide from Members of Congress. I say this not only with regard to the present Commissioner of Reclamation, but it has been the history of the men who have been Commissioners of Reclamation. They have tried to build an empire and tried to hide from Members of Congress when they try to get the facts. That might be a little far-fetched from the Trinity River project, but I think it is something the Members of Congress should know when they are voting on these projects.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. SAYLOR] has expired.

Mr. ASPINALL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, I am very pleased to hear the support from both sides of the aisle for this project. It is indicative of the unanimous feeling of the people of my State for the need of this project. If we are to continue to grow we need this supplemental water supply. It is not designed to put into production new acres, nor to aggravate any surplus in agricultural problems which we might have facing us at this time. In fact, its effect would probably be just the contrary. Rather than contributing additional crops now in surplus, it would tend to change the land from the production of crops of that character to the production of crops not in surplus.

We have two important criteria for this project.

First, there is a very real need for it. Either we have to irrigate through surface irrigation in my part of the State—and the district I represent is a major area of use for this project—or we must pump water. The history of California in recent years shows rapidly receding water tables which increases the cost materially to the farmer in placing water on his land. We have a real need for the power that will be produced. We have no surplus of electric energy in California, whether generated by steam or hydroelectric. We can use, as we continue to grow, every bit that we have potential to produce. I am happy to hear from my distinguished colleague, the chairman of the committee, the fact that the utility itself is supporting the legislation. I realize it begs an important question which will be faced some 18 months hence, when all the facts are in—a proper evaluation of the offer which has been proposed by the utility. At that time the recommendations of the Department can be forwarded to the Congress for study by the committee.

The second important criterion in this project is that it is a feasible one. From every standpoint it will bear its own weight. It is a wise capital investment for this Nation to continue to aid an area needing help, that is not holding its own and meeting the demands upon it in the most rapidly growing State in the Union. We are not producing much in that area that is surplus. We must continue to produce on the land now in production if we are not to finally lose ground and have the land become less and less valuable and less and less productive.

California has changed in recent years from a State which exported many types of agricultural products, exported meat also, to the point where now she is an importing State. We have had a growth factor in the last 20 years that I think is without parallel in the history of this Nation, and that growth has not been just in the southern part of California; it is growth that has uniformly developed, it is growth in the north and in the central section of the State as well.

This project will be a part of the Central Valley project that was undertaken by the United States Government some 20 years ago. It will be a most logical part, because it brings water into the area to replace water which has been exported to the southern part of the Sacramento and San Joaquin Valleys. It is water which is vitally necessary if we are to realize the full potential of the Sacramento Valley Canals which were authorized by the Congress recently and which are presently under construction. It is through those canals that approximately 200,000 acres of land in my district will receive water to bring in new production.

I know of no opposition of a substantial nature to this project, as all of you know from the comments of the chairman and the ranking minority member. From every section of California where opposition can be expected—particularly from some of the northern coastal counties—that opposition does not deal with the project but rather with particular matters of policy or means of allocation.

I sincerely hope we can pass this bill unanimously.

Mr. ENGLE. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, in the course of consideration of H. R. 6766 on June 16, I offered an amendment to increase the amount appropriated for flood control on the Mississippi River and tributaries from $46,675,000 to $50,885,000. Apparently some confusion has developed concerning the intent of my amendment, and I would like to clarify the situation by stating here that the sole purpose of my amendment was to increase the amount of the funds available for flood control on the Mississippi River and tributaries. It was not intended to affect the language of the committee report on this item, nor did I intend that the amendment should in any way jeopardize the instructions in the report to spend $225,000 on the Reelfoot Lake project. Neither did I intend that the amendment should change the recommendation to provide for permanent or temporary work in the foothill areas of the Yazoo and Tallahatchie Basins.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MILLER].

Mr. MILLER of New York. Mr. Chairman, it seems to me that we in the Congress once and for all have got to resolve for ourselves the question of which way we are going in connection with this proposition of the subsidization of the electric light and power industry of this country.

In 1933 we authorized the construction of the TVA. I was not here at that time. I would have voted for it had I been here. As a matter of fact, Stanley Reed, who was the Solicitor General of the United States at the time the constitutionality of TVA was argued in the Supreme Court, and now a Justice of the Supreme Court, said:

> If TVA were solely a question of electric power I would not have a leg to stand on in appearing before you, but it is a matter of irrigation and reclamation which are governmental functions.

And, incidentally, as a matter of commonsense and good judgment, hydroelectric power developed from such dams should be utilized by the Government. Since that time we have seen the development of TVA to a point where only last week we were asked to appropriate $6½ million to build a steam plant to supply electric power for the southeastern part of the United States.

We are opening the door in this project to the identical situation; 85 percent practically of this entire appropriation is for power facilities when actually there is under study by the Department of the Interior a proposition to permit the Pacific Gas & Electric Co. at their own cost to take that 85 percent out of this controversy by building the power facility.

In addition thereto they will pay to the Government a price for the falling water. Do you not see what that would mean? If we in the Congress wait for the termination of that investigation, we can come in here with a bill, a partnership bill, which would permit the Government to pay for and build the irrigation and reclamation features of this bill which would amount to only about $20 million to $25 million and permit the Pacific Gas & Electric Co. to build the power facilities and pay rent for the falling water. We would then have a bill that would not cost the people anything because the power facilities will be built by the utilities and the rentals they pay would take care of the irrigation, reclamation, and navigation features and eventually we would not have to pay anything at all out of the Treasury of the United States. We can do that in the next session of this very Congress if we wait pending the study of the Department of the Interior and the proposal made by the Pacific Gas & Electric Co.

Why get the Corps of Army Engineers into the construction of power facilities which they will commence right away, then have the Department of the Interior make recommendations. We would be then burdened with the proposition of determining how much the Corps of Army Engineers have spent, how much the Pacific Gas & Electric would have to pay for what has been spent and what has been done by the Corps of Engineers and the private contractor under contract by the utility, which will result in a lot of confusion in paying back to the Government money it has already spent, taxpayers' money. Why can we not just wait until the next session of the Congress, wait for the termination of this study, then we will have a bill that will not be a $225 million bill, it will be a $20 million bill and there will be a provision in the bill that will automatically repay the Federal Government for all the money spent. It will be then a partnership operation, it will be what the 90 towns are for in California, as I understand it.

May I ask the gentleman from California, if the Department of the Interior recommends this partnership with the utility and recommends that they pay for the power facilities and pay the Government for the falling water, will the gentleman from California be for that recommendation of the Department of the Interior?

Mr. ENGLE. The gentleman asked that question, and I told him I did not propose to prejudge what they would come in here with. I do not know what they are coming in with.

Mr. MILLER of New York. Will the gentleman say now that if the Federal Government has spent this money he is for turning it over?

Mr. ENGLE. My personal disposition is not to favor turning over these powerhouses at federally constructed projects to private utilities.

Mr. MILLER of New York. They will not be federally constructed.

Mr. ENGLE. If the gentleman will yield, I would like to straighten him out on his figures. He talks about this project being 85 percent power.

Mr. MILLER of New York. The gentleman from Nebraska said it was mostly power. How are we going to pay this back?

Mr. ENGLE. The gentleman forgets you have to build a reservoir anyway.

Mr. MILLER of New York. Yes.

Mr. ENGLE. There are only $50 million of this project in powerhouses.

Mr. MILLER of New York. How are you going to pay back the $225 million? You cannot pay it out of irrigation, navigation, and reclamation. Only out of power are you going to be able to pay this back.

Mr. ENGLE. Mr. Chairman, I yield myself 3 minutes for the purpose of keeping the record straight.

The fact of the matter is, what we are after here is the water. We get the power incidentally. The Federal Government is going to have to build the Trinity Reservoir. The private power company proposal was to put up the $50 million to build the powerhouses. That is what they propose. It was not to put up 85 percent of the cost of this project at all because the Federal Government is going to have to put that up anyway in constructing the reservoir. The power company wants to put in the powerhouses and buy the falling water. The reason we put the provision we did in the bill is because the water and the power on this project is mixed up with the water and power of the Shasta and the Keswick projects. The Department of the Interior appeared before our committee and stated that on the basis of information they had they were not in a position to recommend one way or the other but that this project could go forward in the normal course of events. If you started to build the dam today it would be 3 years before you got around to the power features of it anyway. As a consequence, they stated we could proceed with the authorization of the project, work this out and bring it back later. As I told the gentleman from New York, who makes a great plea here for the private power industry, the Pacific Gas & Electric Co. itself is for this bill and is supporting it and is supporting the present provision in it.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. HOSMER. I understand the gentleman's position that he would not now want to prejudge any contract that the Secretary of the Interior might bring before the Congress and recommend be approved, but I would like to ask the gentleman if because and solely because whatever the Secretary of the Interior might bring up would be a power partnership policy, would he just oppose it because it were, or would he consider the contract on its merits?

Mr. ENGLE. The gentleman acts as if I am going to pass on this problem myself, alone and solely. This problem is going to be passed on by a committee of the Congress. And, let me tell the gentleman that this is not quite as simple a proposition as a simple partnership. This negotiation involves the disposition of the Trinity River power; it relates to the question, for instance, with reference to whether or not any power

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created this false low cost power would face irrigation in my part of the State— unanimously.

shall be made available to the San Luis project, if it is authorized and built and the question of water releases is involved. We have a partnership with the Pacific Gas & Electric Co. out there now on a firming contract and a wheeling contract. I cannot say what they are going to come back here with, and I do not propose to be put in a position as saying I am for it or against it. I have stated my general philosophy twice on this floor, and it seems to me that is enough. But, I want to make it clear to the gentleman from New York that he simply had his figures wrong. There is less than 20 percent of this project involved in actual powerhouse facilities in which the Pacific Gas & Electric Co. is interested, and which the Pacific Gas & Electric Co. offered to negotiate to build.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. MILLER of Nebraska. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HOSMER].

Mr. HOSMER. Mr. Chairman, I would like to ask the distinguished gentleman if he would consider any proposal that the Secretary brought up on its merits and would not reject it merely because it involved the power partnership principle.

Mr. ENGLE. Mr. Chairman, if the gentleman will yield, is the gentleman asking me a political question? Is that it?

Mr. HOSMER. No. I am asking a question about the gentleman's specific intention with respect to the provision that is now written into this bill, that instead of bringing the contract back and having it disapproved by Congress if Congress does not like it, the Secretary of the Interior brings it up here and it only goes into effect if, when, and as the House of Representatives and the other body actually approve it. What I am asking the gentleman, as the distinguished chairman of the Committee on Interior and Insular Affairs, is, will he oppose this on the basis of not liking the partnership in general, irrespective of what the Secretary of the Interior brings up, or will he consider whatever the Secretary of the Interior brings up on its own merits.

Mr. ENGLE. I am not going to get into a political discussion with the gentleman. But, I will tell him this, that I have assured the private utility, the Pacific Gas & Electric Co. representatives, that if they arrive at an agreement with the Secretary of the Interior and he recommends that legislation and the legislation is introduced, that legislation will be given a hearing on its merits before my committee.

Mr. HOSMER. In other words, will it come out of the committee to the floor, or would it be killed in committee?

Mr. ENGLE. I did not say that. I said it would be given a hearing on its merits. The gentleman does not know himself whether he will support it.

Mr. HOSMER. I want to ask the distinguished chairman, is it not a fact that if the Committee on Interior and Insular Affairs did not take favorable action on a bill and report it for consideration to the House, that then and there it would be killed by just one-half the 25 or 30 men who are on the committee and this Congress would never have the opportunity to take any action in approving or rejecting the contract; is that not right?

Mr. ENGLE. That is true of any bill, that it can be killed by a committee, and if the proposal is not good enough to get the support of the committee, I assume, unless it is petitioned out or some other way, it cannot get out. It is subject to the rules of the House, as is all other legislation. But they have assurance that they will have their day in court.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield to the gentleman.

Mr. CHRISTOPHER. I would like to observe, may I say to the gentleman from California [Mr. HOSMER], that life is very uncertain and politics is still more uncertain. The chairman of the committee might not be the chairman of the committee when this measure comes up 18 months from now. He might not even be in the Congress of the United States. I think we have plenty to do to take care of the present and the past without trying to project ourselves a year and a half to 2 years into the future and tie somebody down by asking him what he would do at that time. I have no idea what I will do a year and a half from now. I might be astonished myself if somebody were to tell me what I would be doing a year and a half from now.

Mr. HOSMER. I will say to the gentleman that it is quite possible that none of us will be here at that time, but I am quite sure that the Bureau of Reclamation will be here and they will be continuing in their effort to socialize the power industry of this country. That will still be going on. Those of us who do not want to see that happen must stand up now and make their views plain.

Mr. CHRISTOPHER. I hope the Bureau of Reclamation is here, and I hope that they will be still engaged in the prosecution of just such projects as are outlined here on the map.

Mr. ENGLE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SISK], a member of the committee.

Mr. SISK. Mr. Chairman, I feel that it is most unfortunate that we find ourselves involved in an argument here on public versus private power. It is my conviction that this is a good project, that it can stand on its own merits, that it is one of the finest projects ever brought before this House.

I feel that the distinguished gentleman, the chairman of the committee, has done an excellent job of explaining the benefits to be derived from this project.

I would like to comment for a moment on some of the statements made by the gentlemen from New York [Mr. MILLER] and some others regarding this power argument. I have heard some comment with reference to the fact that some Members of this House apparently believe the Government is building up a great public power monopoly in the State of California. I am here to tell you that that is just not true.

Under direct questioning before our committee, the attorney for the largest private power company in California testified that the total power in the 46-county area of northern California which is covered by his company is 13 percent Government power and that his company, which happens to be the Pacific Gas & Electric Co., is producing and furnishing 87 percent of all the power in that area. So certainly we do not have any giant monopoly of public power.

Getting away now from the power issue, there are other benefits, and very important benefits, in this project. They are of a nature that we are a great deal more interested in; that is, water for our farms. I happen to be situated in this area shown on the map here, near the end of this canal. I have about 500,000 acres of land down there, and we need water on it. The Trinity project is the first step toward putting water on that land.

I would like to say with reference to questions by the gentleman from Iowa that we are not putting new land into production, but we are simply attempting to keep land in production and to keep that land from returning to desert. A number of years ago we were pumping water at a comparatively small expense, from a rather shallow depth. Today it costs from $50,000 to $80,000 per well, to sink one in this area, to get water. The water table is falling at such a rapid rate that very shortly, 5 to 10 years from now in many cases, that land will go out of production and those landowners will lose their total investment. This is an area that is producing today about $50 million a year, and certainly a good proportion of that money is coming back into the Treasury of the United States in the form of income and other taxes. It is of vital concern to us in California and the Central Valley and I feel it certainly should be of vital concern to the people throughout this Nation that this land be kept in production.

Also, in cases where new land has been brought under irrigation, it has been taken out of producing dryland grain. We realize we have a surplus of grain today. What irrigation is doing in many cases is taking out of production dryland grain, which is in surplus, and making it possible to grow vegetables, fruits, nuts, and other things that certainly are not in surplus in the warehouses of the United States today.

So I urge each Member of the House today to support this bill, to support this project, strictly on its merits, on the fact that it has a very fine benefits-to-cost ratio, one of the best that has ever come before the House, that it is necessary and vital for those farmers in order to keep their land in production, and that the power which is produced, whether that power may ultimately be produced by a private power company or by the Federal Government, will go to make this one of the most feasible projects on which you have ever had an opportunity to cast a vote.

Mr. ENGLE. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Chairman, during this session of Congress the Committee on Irrigation and Reclamation will have considered, before we close, something like ten irrigation projects. During the last several years we have considered in the neighborhood of 10 or 15 others. Of all the projects which will have come before the committee during the 8 years I have been a member, this project in my opinion is one of the best.

I can join my energetic and able chairman in his statement that this is a gold-plated irrigation project. What we resolve today is simply a dispute between the friends of reclamation and those who oppose reclamation as such. This is the 53d year of reclamation in the United States. It came into being under the leadership of the great conservationist President, Theodore Roosevelt, who was helped at that time by one of the truly great conservationists of the Nation, the late Honorable Gifford Pinchot. We have had difficulty throughout these years, from the very beginning, in trying to impress upon different areas of the Nation the worthwhileness of reclamation programs. However, one need be only an unprejudiced person in order to measure the benefits that have come from the program and to see the innumerable benefits, which outbalance any of the costs or any of the criticisms that may be leveled at the record of reclamation.

Public power as such is not the main issue involved in this project. It is in the project, all right, but public power production has been present in the Central Valley of California right from the very beginning. Those of you who oppose the project simply because there is public power connected with it should keep in mind that if it were not for the development proposed in the bill now before the committee, there would be no power that would be produced in this particular area, at least for some time to come, because no one or no group, other than those interested in the legislation now being considered, plan any program for the production of power by use of the water involved in the Trinity project.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. JOHNSON of California. I am glad that the gentleman emphasized the water features of this problem rather than the electric features. One thing that has not been mentioned here, which I would like to point out, is that a great many of the crops of that great interior valley are vine crops or tree crops, and if you lose the water on this land, they will dry up and the land will go right back to desert because the cost of removing those vines and trees would be prohibitive. The result would be that the land would lie idle and be useless. The land is committed largely to tree and vine crops and to be profitable must continue producing such crops. Water is the one thing that will keep those crops growing and producing.

Mr. ASPINALL. The gentleman is correct. The authorization and construction of this project takes out of production some of those products now in oversupply. There is no question about that. And brings into production other products not in oversupply at the present time. What I am trying to impress on my colleagues is that this is a multiple-purpose project to be sure. But as irrigation has been considered to be the primary objective of reclamation projects throughout the period of federally authorized reclamation so in the bill now being debated the primary objective is irrigation and the production of power is incidental. Most certainly the people themselves of the area to be benefited should have the right to look to the development of those resources in their own area in order to firm up the development of their other resources.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. HOSMER. If in the course of events, 18 months hence, the gentleman is still chairman of the Irrigation and Reclamation Subcommittee, and the proposal from the Secretary should come before the committee, I would like to know if the gentleman would consider it on its merits or would not consider it on its merits because it involves the partnership policy.

Mr. ASPINALL. I have in my own area the operation of the partnership policy. It came into operation a long time before this administration and the present officers of the executive department had anything to do with it. The gentleman from Colorado is a friend of free enterprise and he is a friend of private initiative.

If at the time suggested by the gentleman the matter should come before my committee, and I should happen to be chairman, it will be given consideration. That is all I can say to my colleague. As far as my position at that time on these matters, it will have to depend on the legislation that is before the committee. The gentleman from Colorado never has buried, and does not intend to bury, legislation in committee.

Mr. HOSMER. As a matter of fact, however, if the subcommittee consisted of only 20 persons, it would take but 11 of those members to prevent the House hearing this question.

Mr. ASPINALL. The gentleman is correct. Of course, he is correct, and that is true as to any legislation being studied by a committee.

Mr. ENGLE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN. Mr. Chairman, I would like to add my voice in support of this proposal. I would first like to say that the very able gentleman from Pennsylvania [Mr. SAYLOR] placed his benediction on this project from the standpoint of economic feasibility, which is a most important consideration when you are spending Government money. I want to say to the gentleman from California [Mr. HOSMER] that we have the partnership policy in California in connection with every hydro project that I know about. The Central Valley project has, as one of its principal customers, the Pacific Gas & Electric Co. In connection with Boulder Dam, the Southern California Edison Co. is one of the principal customers. I would like to point out that the metropolitan water district which serves his home city is a public district which is as liable to the charge of socialism as is the Federal Government, and that district gets power from Boulder Dam. As a matter of fact, the development of the great city of Los Angeles and the aircraft industry there, which is so vital to our national defense, could not have taken place without Boulder Dam. Actually, today the Southern California Edison Co. would be a much smaller power corporation were it not for the fact that Boulder Dam was erected and that the city and the district as well as the company itself were permitted to get power generated at that site.

Mr. RHODES of Arizona. Mr. Chairman, will the gentleman yield?

Mr. HAGEN. I yield.

Mr. RHODES of Arizona. When the gentleman mentioned Boulder Dam, I presume he refers to Hoover Dam; is that not correct?

Mr. HAGEN. It is Hoover Dam. That is correct. The name has been changed but the results are identical although Hoover might want to dismantle it. But I would like to point out also that this is not a power project, it is not a power project because it will be an integral part of the central valley project and is necessary to make that huge Government investment work. The fact is that the study conducted at the time the central valley project was authorized indicated only a certain limited land utilization in the Sacramento River Valley which was the principal source of water for that project. Since that time land utilization has increased in that area, and there is a serious question whether the present supply of water flowing down the Sacramento River is adequate to take care of the needs of the Sacramento Valley and still serve those areas which are south thereof in my territory. So that if we want to guarantee that the existing Government investment will be returned completely, the best insurance we can have is this additional water supply made available to the Sacramento River through the Trinity River project. That is the principal purpose of this authorization.

Actually the power features can also serve, in connection with the existing project and with proposals made, to extend the transfer of water down into my area of the State of California. There are proposals on the drawing board for that purpose. I am certain, as in the case of the existing power companies, if the Pacific Gas & Electric, or any other power company, comes in with a feasible program for purchase of the power, that that proposal will receive the earnest consideration of the Members from California.

Mr. SAYLOR. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. SCHWENGEL].

Mr. SCHWENGEL. Mr. Chairman, I ask unanimous consent to speak out of order for 1 minute.

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The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SCHWENGEL. Mr. Chairman, I want to take this opportunity to pay tribute to the new United States open golf champion, Jack Fleck, of Davenport, Iowa.

Last Sunday the attention of the entire sports world was directed to the drama being enacted on the fairways of the Olympic Country Club in San Francisco. An unknown youngster was bidding for one of the greatest honors in the field of golf. The day before, he electrified the thousands in the gallery, as well as millions more on radio and television, by doing the impossible in fighting his way into a tie for the championship with the reputed master of the golf world.

In Jack Fleck's victory over Ben Hogan to become the United States open golf champion we have a feat which all America has taken to its heart as something which is typically American and typically in the American tradition of this great country.

Just as every American boy can dream of being President of the United States, so can every caddy on the golf links who totes the clubs for the duffer, the great, and the near great, dream of some day capturing the coveted crown of United States open champion.

Jack Fleck proved that it can be done. He proved that the qualities we prize as being typically American: persistence, hard work, courage, and the never-say-die attitude, when guided by a faith in a higher power, can work miracles. Anyone who saw that drama will attest the fact that all of these were on the side of Jack Fleck last weekend. This modest young man, unfamiliar in the role of supreme champion, accepted his accolades with the humility that marks him as a true champion. With all his ability, his courage, and his will to win, he acknowledged that it could not have been possible without the help of a supreme being in whom he had faith.

To my colleagues, to our leaders, to our ministers and teachers, to boys and girls everywhere, I commend to you Jack Fleck, of Davenport, Iowa. Here is the personification of the American dream. Here is living proof that this country which was founded, built and sustained by the same mastery over odds and adversity, does nuture in its people the courage to face up to any given situation, and in winning, acknowledge the real source of their power.

I am proud of Jack Fleck, not only because I know him personally and have been aware of his championship mold for a long time, but because he is a Christian gentleman, who stands as an example worthy of emulation. All of us, too, are proud of his good wife, Lynn, who encouraged him, helped him, and was a real partner in his rise to success and fame. I respectfully urge our native city, Davenport, Iowa, to award him permanent recognition by taking whatever steps are necessary to rename one of the golf courses to which he has brought so much honor in his name. I suggest that this course be called Fleck Fairways. All of the Iowa delegation join me in these felicitations to this great sportsman.

Mr. ENGLE. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Chairman, I take this time at the request of the gentleman from North Carolina [Mr. DURHAM], who is necessarily absent, to make an announcement regarding the Atoms for Peace film.

As you know, the Joint Committee on Atomic Energy, in cooperation with the Encyclopedia Britannica Films, Paramount News, and the United States Atomic Energy Commission, has made arrangements for a 16-millimeter black-and-white, sound film, Atoms for Peace, to be made available to all Members of Congress for use in their districts. The cost of the film is $22 and can be sold only to Members of Congress.

In compliance with requests from Members whose duties prevented their attendance at any of the three previous showings of the film, arrangements have been made for additional showings. It will be run at 11:30 on Wednesday and Thursday in room 160, Old House Office Building.

The response to the film is most gratifying to the Joint Committee on Atomic Energy.

The Clerk read as follows:

Be it enacted, etc., That, for the principal purpose of increasing the supply of water available for irrigation and other beneficial uses in the Central Valley of California, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain, as an addition to an integral part of the Central Valley project, California, the Trinity River division consisting of a major storage reservoir on the Trinity River with a capacity of 2,500,000 acre-feet, a conveyance system consisting of tunnels, dams, and appurtenant works to transport Trinity River water to the Sacramento River and provide, by means of storage as necessary, such control and conservation of Clear Creek flows as the Secretary determines proper to carry out the purposes of this act, hydroelectric powerplants with a total generating capacity of approximately 233,000 kilowatts, and such electric transmission facilities as may be required to deliver the output of said powerplants to other facilities of the Central Valley project and to furnish energy in Trinity County. The works authorized to be constructed shall also include a conduit or canal extending from the most practicable point on the Sacramento River near Redding in an easterly direction to intersect with Cow Creek, with such pumping plants, regulatory reservoirs, and other appurtenant works as may be necessary to bring about maximum beneficial use of project water supplies in the area.

SEC. 2. Subject to the provisions of this act, the operation of the Trinity River division shall be integrated and coordinated, from both a financial and an operational standpoint, with the operation of other features of the Central Valley project, as presently authorized and as may in the future be authorized by act of Congress, in such manner as will effectuate the fullest, most beneficial, and most economic utilization of the water resources hereby made available: *Provided*, That the Secretary is authorized and directed to adopt appropriate measures to insure the preservation and propagation of fish and wildlife, including, but not limited to, the maintenance of the flow of the Trinity River below the diversion point at not less than 150 cubic feet per second for the months of July through November and the flow of Clear Creek below the diversion point at not less than 15 cubic feet per second unless the Secretary and the California Fish and Game Commission determine and agree that lesser flows would be adequate for maintenance of fish life and propagation thereof; the Secretary shall also allocate to the preservation and propagation of fish and wildlife, as provided in the act of August 14, 1946 (60 Stat. 1080), an appropriate share of the costs of constructing the Trinity River development and of operating and maintaining the same, such costs to be nonreimbursable.

SEC. 3. Contracts for the sale and delivery of the additional electric energy available from the Central Valley project power system as a result of the construction of the plants herein authorized and their integration with that system shall be made in accordance with preferences expressed in the Federal reclamation laws: *Provided*, That a first preference, to the extent of 25 percent of such additional energy, shall be given, under reclamation law, to preference customers in Trinity County, Calif., for use in that county, who are ready, able and willing, within 12 months after notice of availability by the Secretary, to enter into contracts for the energy: *Provided further*, That Trinity County preference customers may exercise their option on the same date in each successive fifth year providing written notice of their intention to use the energy is given to the Secretary not less than 6 months prior to said date.

SEC. 4. The Secretary is authorized to make payments, from construction appropriations, to Trinity County, Calif., of such substantial additional costs of government as are incurred by it during the period of actual construction of the development and as are found by the Secretary to be properly attributable to and occasioned by said construction and to constitute an undue burden upon the county, including but not limited to (1) police, hospital, and welfare facilities, (2) the repair, maintenance, and replacement of existing roads, and (3) the establishment of new roads, meeting standards adopted by the American Association of State Highway Officials, which give access to the areas and communities adjacent to the project and reservoir sites, which roads shall include, though not be limited to, those giving the shortest practicable route from Weaverville to Lewiston, Weaverville to the vicinity of Trinity Center, and from the vicinity of Trinity Center to Tower House. Construction of said roads shall proceed and be completed expeditiously consistent with the construction and completion of said project. The Secretary is authorized to make such payments in advance based on the reasonable anticipated additional costs of county government, but the total payments over the construction period shall not exceed the total actual additional costs as heretofore provided. The Secretary is further authorized and directed to pay to Trinity County annually an in-lieu taxpayment out of the appropriations during construction and from the gross revenues of the project during operation an amount equal to the annual tax rate of the county applied to the value of the real property and improvements taken for project purposes in Trinity County, said value being determined as of the date such property and improvements are taken

growing and producing.

about. The Central Valley project has,

order for Pinnacle.

off the tax rolls. Payments to the public-school districts in the project area affected by construction activities shall be made pursuant to existing law.

SEC. 5. There are hereby authorized to be appropriated for construction of the Trinity River division $225 million, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in construction costs as indicated by engineering cost indexes applicable to the type of construction involved herein, and, in addition thereto, such sums as may be required to carry out the provisions of section 4 of this act and to operate and maintain the said development.

Mr. ENGLE (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 1, line 9, after the word "to", insert the word "and."

The committee amendment was agreed to.

Mr. ENGLE. Mr. Chairman, with respect to the next committee amendment, it was printed in the bill by error in the wrong line. I ask unanimous consent that the amendment be read as appearing on page 2, line 14, following the word "County.", so as to put it in the proper place.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as indicated.

The Clerk read as follows:

Page 2, line 14, following the word "County" change the period to a colon and insert the following: "*Provided*, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress."

The committee amendment was agreed to.

The Clerk read as follows:

Page 4, line 5, insert a new section to read as follows:

"SEC. 3. The Secretary is authorized to investigate, plan, construct, operate, and maintain minimum basic facilities for access, to and for the maintenance of public health and safety and the protection of public property on, lands withdrawn or acquired for the development of the Trinity River division, to conserve the scenery and the natural, historic, and archeologic objects, and to provide for public use and enjoyment of the same and of the water areas created by these developments by such means as are consistent with their primary purposes. The Secretary is authorized to withdraw from entry or other disposition under the public land laws such public lands as are necessary for the construction, operation, and maintenance of said minimum basic facilities and for the other purposes specified in this section and to dispose of such lands to Federal, State, and local governmental agencies by lease, transfer, exchange, or conveyance upon such terms and conditions as will best promote their development and operation in the public interest. The Secretary is further authorized to investigate the need for acquiring other lands for said purposes and to report thereon to the Committees on Interior and Insular Affairs of the Senate and House of Representatives, but no lands shall be acquired solely for any of these purposes other than access to project lands and the maintenance of public health and safety and the protection of public property thereon without further authorization by the Congress. All costs incurred pursuant to this section shall be nonreimbursable and nonreturnable."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, line 7, strike out "SEC. 3" and insert "SEC. 4."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, line 22, strike out "six" and insert "eighteen."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, line 23, strike out "SEC. 4." and insert "SEC. 5.".

The committee amendment was agreed to.

The Clerk read as follows:

Page 7, strike out "SEC. 5." and insert "SEC. 6."

The committee amendment was agreed to.

The Clerk read as follows:

Page 7, line 15, strike out "4" and insert "5".

The committee amendment was agreed to.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: Delete all of section 5 and substitute in lieu thereof the following:

"SEC. 5. The Secretary is authorized to make payments, from construction appropriations, to Trinity County, Calif., of such additional costs of repairing, maintaining, and constructing county roads as are incurred by it during the period of actual construction of the Trinity River Division and as are found by the Secretary to be properly attributable to and occasioned by said construction. The Secretary is further authorized and directed to pay to Trinity County annually an in-lieu tax payment out of the appropriations during construction and from the gross revenues of the project during operation an amount equal to the annual tax rate of the county applied to the value of the real property and improvements taken for project purposes in Trinity County, said value being determined as of the date such property and improvements are taken off the tax rolls. Payments to the public-school districts in the project area affected by construction activities shall be made pursuant to existing law."

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. ENGLE. As a result of previous discussions with the gentleman and some of my friends on the Rules Committee, I regret accepting this amendment.

I repeat that I have reluctantly agreed to this amendment, which limits the amount of assistance in lieu of taxes which will be given to Trinity County, Calif., the county in which this project is to be constructed. Less than 20 percent of Trinity County is in private ownership and subject to taxes.

The construction of this project will impose tremendous hardships on the school, welfare and police facilities of Trinity County.

The bill in its original form simply provides that the Secretary of Interior shall sit down with the county officials and make arrangements to assist the county in carrying these burdens. That precedent has been well established in aid to schools in federally impacted areas. In fact it is included in this bill and will remain in the bill after the amendment offered by the gentleman from Pennsylvania is adopted. It is hard to believe that it is proper for the Federal Government to aid county government in helping with its school problem where a huge Federal project with its thousands of workers are piled on top of a little county government and yet similar assistance will not be given to keep kids from dying from illnesses from which they may suffer, for which they cannot pay, and for which the county government is unable to provide adequate welfare facilities. The same thing is true with reference to police protection. There will be 2 or 3 thousand construction workers and their families dumped into this small mountain county. How is it going to provide ordinary police protection? The fact is that the County cannot do it. I would have been glad to agree to some formula limiting the amount of this aid if the members of the Rules Committee and the gentleman from Pennsylvania who insisted on this amendment, had been willing to consider it. But they are afraid of a precedent. I am never afraid of a precedent that does right. And any time where a local government is to be swamped with obligations because of a Federal project, whatever its long-range benefits, we should be willing to set up a formula which will enable that small county government to meet the normal obligations of government. That is especially true where, as in this case, the people who will finally pay the bill will be the water and power users who must repay the total capital cost of the project, of which these charges will be a part, the Federal Government only advancing the money as a part of construction appropriations. I emphasize that the water and power users of California have registered no objection whatever to the present provisions of this bill. They are willing to have these costs charged against them to be repaid—and it will be repaid with interest on the same proportions as the whole project itself is repaid with interest. I regret exceedingly that such hard conditions were laid down on the ground that a precedent might be established. The precedent, if any, is a precedent for doing what is right and what is fair.

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Under the circumstances I have accepted the amendment but I do so with great reluctance for the reasons that I have stated.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from New York.

Mr. KEATING. Will the gentleman state whether or not this is a fact, that the Bureau of the Budget recommended only $400,000 for planning for this project, or did they recommend the project itself?

Mr. SAYLOR. The Bureau of the Budget has recommended the project itself. They have approved this project.

Mr. KEATING. I note the statement on page 2 of the report that they have recommended $400,000 additional for continuing the advanced plans. I do not know exactly the significance of those words "advanced plans" but how does that tie into this project itself?

Mr. SAYLOR. May I inform the gentleman, the preliminary plans have been approved. After the Bureau of the Budget approves the preliminary plans it is then necessary to have your advanced planning. It is for this advanced planning the Bureau of the Budget has authorized an increased appropriation.

Mr. KEATING. In other words this project if approved here by a vote of this body and becomes law is only the beginning of a much larger project?

Mr. SAYLOR. No. This is the complete project. The plans that are called for there are the detailed plans for construction of the dams and the power plants.

Mr. KEATING. I thank the gentleman.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. BALDWIN. May I ask whether the provision for payment of the in lieu taxes is something that is now standard procedure for reclamation projects of this type?

Mr. SAYLOR. It is not now standard procedure. The amendment which has been agreed upon, and which the chairman indicated he would accept, is the regular procedure for every reclamation project.

Mr. MILLER of New York. That is the same formula followed by the TVA?

Mr. SAYLOR. That is correct.

Mr. MILLER of New York. It is about 10 percent of what corporations pay?

Mr. SAYLOR. That is more than I can tell the gentleman. It is a policy that has been set up. I have never tried to figure out what the exact amount is, but it is in lieu of the taxes paid if owned privately.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was agreed to.

Mr. SCUDDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCUDDER: Page 4, line 4, strike out the period and insert in lieu thereof a colon and the following: "*Provided further*, That not less than 50,000 acre-feet shall be released annually from the Trinity Reservoir and made available to Humboldt County and downstream water users."

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from California.

Mr. ENGLE. I am delighted to agree to and accept the amendment offered by the gentleman which will provide the assurance of water for people downstream from this reservoir in the gentleman's area.

Mr. SCUDDER. I thank the gentleman and appreciate his statement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SCUDDER].

The amendment was agreed to.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask some questions to clarify certain statements that have been made on the floor in regard to this bill. It seems one group says this is principally power and the other group tells us it is for irrigation. I would like to know what it is for. Will the chairman enlighten me on that phase?

Mr. ENGLE. The gentleman evidently was not on the floor——

Mr. JONES of Missouri. Yes; I have been on the floor during practically all of this debate.

Mr. ENGLE. I made the statement——

Mr. JONES of Missouri. The gentleman made the statement that it was not for power but on the other side they said it is for power.

Mr. ENGLE. I made the statement that what we are after is water. This project involves 704,000 acre-feet of water resulting in 1,192,000 acre-feet of usable water in the Central Valley project. Incident to that, and while the water is being brought over into the Central Valley area, bringing it through two layers of hills, it comes through in tunnels and is dropped through powerhouses and there are 4 powerhouses on the project—plus the water that goes through the current powerhouse at Keswick, and that results in about 223,000 kilowatts of installable electric energy.

Mr. JONES of Missouri. Why do you not just tell me, was the project designed originally to get water for reclamation purposes, or was it designed to provide water for power purposes?

Mr. ENGLE. It is designed for the purpose of filling the gap in the needed water in the Central Valley project between what is now available and what is needed to meet existing requirements.

Mr. JONES of Missouri. I keep reading here about such things as cost to be nonreimbursable, or "all costs incurred pursuant to this section shall be nonreimbursable and nonreturnable." I had always been under the impression that most of this reclamation was to be on a returnable basis, yet throughout the bill it says "nonreimbursable." Then when we get down here you talk about making all the payments to Trinity, Calif., and I think maybe the amendment that was offered as a substitute clarified that point. But, getting down to another point in the bill which seems a little out of the ordinary to me is in this last section when it says—

There are hereby authorized to be appropriated for construction of the Trinity River division $225 million, plus or minus such amounts.

Now, that does not tie down the thing very well, and I read in the report that Mr. Aandahl, Assistant Secretary, says that the estimate is $229 million. Well, of course, $4 million out of $229 million is not very much, but I would like to see this thing tied down a little bit, and I do not like the wording in here "plus or minus." In other words, do not let them go up as high as they want to go on this project.

Mr. ENGLE. That is the usual language we employ in the authorization of these projects in order to take care of the normal fluctuations, whatever is indicated in engineering costs indexes applicable to this type of construction. If you pin it down to a particular figure, then if it is running a little over, you could not do a thing about it; you would have to come back for another authorization. This allows a little bit of flexibility; not very much.

Mr. JONES of Missouri. I think we should allow them a sufficient amount but not leave it wide open, and I do not believe it is customary to do that. It may be customary in reclamation projects, but I do not think you will find that running true in most other authorizations of this House. I think many times you will find we have made authorizations, and then when the time comes and we have not set the authorization big enough, they have to come back. But, that is the purpose of putting an authorization limitation in a bill, so that it can come back to the Congress for further review and to show how much money they are spending. I do not intend to vote for a bill which will just put an authorization in here and say "plus or minus" or go as high as you want to or as low as you want to. I want to see that fixed down before I vote for such a bill.

Mr. ENGLE. This allows them to zero in on the figure they think is precise, and this language allowing for the fluctuations of the cost according to the engineering index gives just enough flexibility so that we do not have to come in here and lard these projects up in order to be safe. In the long run, it contributes to more efficient legislation. And, without knowing what they do on flood-control projects, in which the gentleman is interested, this is the common language in all our projects.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 4663) to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws, pursuant to House resolution 263, he reported the bill back to the House, with sundry amend-

ments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MASON. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 230, nays 153, answered "present" 1, not voting 50, as follows:

[Roll No. 91]

YEAS—230

Abbitt	Dolliver	Lankford
Abernethy	Doyle	Lesinski
Addonizio	Edmondson	Lipscomb
Albert	Elliott	Lovre
Allen, Calif.	Ellsworth	McCarthy
Andersen, H. Carl	Engle	McCormack
Andrews	Fascell	McDonough
Anfuso	Feighan	McDowell
Aspinall	Fenton	McIntire
Avery	Fernandez	McMillan
Ayres	Fine	Machrowicz
Bailey	Fjare	Mack, Ill.
Baker	Flood	Mack, Wash.
Baldwin	Forand	Madden
Bass, Tenn.	Ford	Magnuson
Belcher	Frazier	Marshall
Berry	Friedel	Martin
Blatnik	Gordon	Merrow
Blitch	Granahan	Metcalf
Boggs	Grant	Miller, Calif.
Boland	Gray	Miller, Nebr.
Bolling	Green, Oreg.	Mills
Bolton, Frances P.	Gregory	Minshall
Bow	Griffiths	Mollohan
Bowler	Hagen	Morgan
Boyle	Hale	Moss
Brooks, La.	Halleck	Multer
Brooks, Tex.	Harden	Murray, Ill.
Brown, Ga.	Hardy	Murray, Tenn.
Brown, Ohio	Harvey	Natcher
Broyhill	Hays, Ark.	Norblad
Buchanan	Hays, Ohio	O'Brien, Ill.
Budge	Hayworth	O'Brien, N. Y.
Burnside	Hill	O'Hara, Ill.
Byrd	Hinshaw	Passman
Byrne, Pa.	Holifield	Patman
Byrnes, Wis.	Holmes	Pelly
Carnahan	Holt	Perkins
Carrigg	Holtzman	Pfost
Cederberg	Hope	Phillips
Chelf	Horan	Pilcher
Chenoweth	Hosmer	Powell
Christopher	Huddleston	Preston
Chudoff	Hull	Price
Clark	Ikard	Priest
Colmer	Jackson	Quigley
Cooley	Jennings	Radwan
Coon	Johnson, Calif.	Rains
Cooper	Johnson, Wis.	Ray
Cramer	Jones, Ala.	Rees, Kans.
Crumpacker	Judd	Reuss
Davidson	Karsten	Rhodes, Ariz.
Dawson, Ill.	Kee	Rhodes, Pa.
Dawson, Utah	Kelley, Pa.	Richards
Delaney	Kelly, N. Y.	Rivers
Dempsey	Keogh	Roberts
Denton	Kilday	Robeson, Va.
Dixon	Kilgore	Rodino
Dodd	King, Calif.	Rogers, Colo.
Dollinger	Klein	Rogers, Fla.
	Knutson	Rogers, Mass.
	Lanham	Rogers, Tex.
Rooney	Staggers	Walter
Roosevelt	Steed	Watts
Rutherford	Sullivan	Weaver
Sadlak	Taber	Westland
Saylor	Teague, Calif.	Whitten
Scudder	Thomas	Wickersham
Selden	Thompson, Tex.	Willis
Sheehan	Thomson, Wyo.	Wilson, Calif.
Sheppard	Thornberry	Wilson, Ind.
Short	Trimble	Wright
Sieminski	Tumulty	Yates
Simpson, Pa.	Udall	Young
Sisk	Utt	Younger
Smith, Kans.	Vanik	Zablocki
Smith, Miss.	Vinson	
Spence	Wainwright	

NAYS—153

Adair	Fino	Matthews
Alexander	Fisher	Miller, Md.
Alger	Flynt	Miller, N. Y.
Allen, Ill.	Fogarty	Morano
Andresen, August H.	Forrester	Nelson
Ashley	Fountain	Nicholson
Ashmore	Frelinghuysen	Norrell
Auchincloss	Fulton	O'Hara, Minn.
Bates	Gamble	O'Konski
Baumhart	Gary	O'Neill
Beamer	Gathings	Osmers
Becker	Gavin	Ostertag
Bennett, Fla.	Gentry	Patterson
Bennett, Mich.	George	Philbin
Bentley	Gross	Pillion
Betts	Gwinn	Poage
Bonner	Haley	Poff
Bosch	Hand	Rabaut
Boykin	Harris	Reed, Ill.
Bray	Harrison, Nebr.	Riehlman
Brownson	Harrison, Va.	Riley
Burdick	Henderson	Robsion, Ky.
Burleson	Herlong	St. George
Bush	Hoeven	Schenck
Cannon	Hoffman, Ill.	Scherer
Carlyle	Hoffman, Mich.	Schwengel
Chiperfield	Hyde	Scott
Church	Jarman	Scrivner
Clevenger	Jenkins	Seely-Brown
Cole	Jenson	Shuford
Corbett	Johansen	Sikes
Coudert	Jonas	Simpson, Ill.
Cretella	Jones, Mo.	Smith, Wis.
Cunningham	Jones, N. C.	Springer
Curtis, Mass.	Kean	Talle
Curtis, Mo.	Keating	Thompson, Mich.
Dague	Kilburn	Thompson, N. J.
Davis, Ga.	King, Pa.	Tuck
Davis, Wis.	Kirwan	Van Pelt
Deane	Kluczynski	Van Zandt
Derounian	Knox	Vorys
Devereux	Laird	Vursell
Dies	Landrum	Wharton
Dondero	Lane	Wigglesworth
Donohue	Latham	Williams, Miss.
Donovan	LeCompte	Williams, N. J.
Dorn, N. Y.	Long	Williams, N. Y.
Dorn, S. C.	McConnell	Winstead
Dowdy	McCulloch	Withrow
Durham	Macdonald	Wolverton
Fallon	Mahon	
	Mason	

ANSWERED "PRESENT"—1

Arends

NOT VOTING—50

Barden	Green, Pa.	Mumma
Barrett	Gubser	Polk
Bass, N. H.	Hébert	Prouty
Bell	Heselton	Reece, Tenn.
Bolton, Oliver P.	Hess	Reed, N. Y.
Buckley	Hiestand	Shelley
Canfield	Hillings	Siler
Celler	James	Smith, Va.
Chase	Kearney	Taylor
Chatham	Kearns	Teague, Tex.
Davis, Tenn.	Krueger	Thompson, La.
Diggs	McGregor	Tollefson
Dingell	McVey	Velde
Eberharter	Mailliard	Widnall
Evins	Meader	Wier
Garmatz	Morrison	Wolcott
	Moulder	Zelenko

So the bill was passed.

On this vote:

Mr. Hébert for, with Mr. McVey against.

Mr. Hiestand for, with Mr. Arends against.

The Clerk announced the following pairs:

General pairs:

Mr. Morrison with Mr. Reed of New York.

Mr. Eberharter with Mr. Prouty.

Mr. Chatham with Mr. Taylor.

Mr. Polk with Mr. Heselton.

Mr. Buckley with Mr. Widnall.

Mr. Zelenko with Mr. Wolcott.

Mr. Barrett with Mr. Gubser.

Mr. Green of Pennsylvania with Mr. McGregor.

Mr. Shelley with Mr. Reece of Tennessee.

Mr. Smith of Virginia with Mr. Siler.

Mr. Thompson of Louisiana with Mr. Hillings.

Mr. Evins with Mr. Hess.

Mr. Garmatz with Mr. Chase.

Mr. Dingell with Mr. Bass of New Hampshire.

Mr. Diggs with Mr. Kearney.

Mr. Moulder with Mr. Kearns.

Mr. Davis of Tennessee with Mr. Tollefson.

Mr. Barden with Mr. Velde.

Mr. Celler with Mr. Meader.

Mr. Bell with Mr. Canfield.

Mr. Teague of Texas with Mr. Mailliard.

Mr. Wier with Mr. Krueger.

Mr. HAYS of Ohio changed his vote from "nay" to "yea."

Mr. ARENDS. Mr. Speaker, I have a live pair with the gentleman from California, Mr. HIESTAND. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

INTER-AMERICAN HIGHWAY

Mr. FALLON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the sum authorized in section 7 of the Federal-Aid Highway Act of 1954 (68 Stat. 70) for the Inter-American Highway for each of the fiscal years ending June 30, 1957, 1958, and 1959, is hereby authorized for appropriation immediately, to be available until expended, and the additional sum of $25,730,000 is hereby authorized for appropriation immediately, to be available until expended, for the purposes of and in accordance with the provisions of said section 7."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

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CAPT. MOSES M. RUDY

Mr. LANE submitted a conference report and statement on the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy.

MRS. LORENZA O'MALLEY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1003) for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui O'Malley, and the legal guardian of Ramon de Amusategui O'Malley, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LANE, FORRESTER, and MILLER of New York.

VICTOR HELFENBEIN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5078) for the relief of the estate of Victor Helfenbein, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN. Mr. Speaker, reserving the right to object, I understand the gentleman has a number of these bills and they have all been agreed to by the ranking minority member of the Committee on the Judiciary. Is that correct?

Mr. LANE. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LANE, BOYLE, and MILLER of New York.

HUSSEIN KAMEL MOUSTAFA

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1069) for the relief of Hussein Kamel Moustafa, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, lines 9 and 10, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ROBERT H. MERRITT

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1202) for the relief of Robert H. Merritt, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 12, after "act", insert ": *Provided*, That no benefit except hospital and medical expenses actually incurred shall accrue for any period of time prior to the date of enactment of this act."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

DAVID R. CLICK

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1400) for the relief of David R. Click, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 4, after "Click" insert ", of Woodville, Alabama."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

H. W. ROBINSON & CO.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1409) for the relief of H. W. Robinson & Co., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 4 and 5, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

HAROLD C. NELSON AND DEWEY L. YOUNG

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 903) for the relief of Harold C. Nelson and Dewey L. Young, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 1, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

J. B. PHIPPS

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1416) for the relief of J. B. Phipps, together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 11, after *"Provided,"* insert: "That no part of the amount provided for in this act shall be subject to any claim or reimbursement to any insurance company, or compensation insurance fund, which may have paid any amount to the claimant herein, by reason of the injuries incurred: *And provided further."*

Page 2, line 1, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

CONSTANTINE NITSAS

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1640) for the relief of Constantine Nitsas, together with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

JAMES F. CASEY

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1643) for the relief of the estate of James F. Casey, together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, after "Casey," insert "service No. 33317739, private, first class, deceased, late of 2603 Memphis Street, Philadelphia 25, Pa."

Page 2, line 1, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

MRS. DIANA P. KITTRELL

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2456) for the relief of Mrs. Diana P. Kittrell, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, lines 10 and 11, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ALBERT VINCENT, SR.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2529) for the relief of Albert Vincent, Sr., together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ESTATE OF WILLIAM B. RICE

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2760) for the relief of the estate of William B. Rice, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Sally Rice, of Rockaway Beach, N. Y., the sum of $2,000 in full settlement of all her claims against the United States arising out of the failure of the Department of the Army, Class E Allotment Section, to forward premiums to the Pioneer American Insurance Co., Houston, Tex., on a life-insurance policy issued by that company to her son, William B. Rice, RA-12296456 (George Rice, Jr.), deceased, prior to the last day of grace as authorized to do so under the law: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

The title was amended so as to read: "An act for the relief of Mrs. Sally Rice."

A motion to reconsider was laid on the table.

GEORGE L. F. ALLEN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3045) for the relief of George L. F. Allen, together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 4, strike out "reimburse" and insert "pay."

Page 2, line 7, strike out "which would have been paid him" and insert "allowable."

Page 2, line 11, after "Alien" insert ": *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

The Senate amendments were concurred in and a motion to reconsider was laid on the table.

LOUIS ELTERMAN

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3958) for the relief of Louis Elterman, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, and page 2, line 1, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ORRIN J. BISHOP

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4249) for the relief of Orrin J. Bishop, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 9, strike out "in excess of 10 per centum thereof".

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

THEODORE J. HARRIS

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4714) for the relief of Theodore J. Harris, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 8, after "refund" insert ": *Provided, however*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

OVERSEAS NAVIGATION CORP.

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5196) for the relief of the Overseas Navigation Corp., together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "$12,500" and insert "$10,000."

Page 2, line 2, strike out all after "delivery" down to and including "1955" in line 4.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

THOMAS KUNHYUK KIM

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 142) for the relief of Thomas Kunhyuk Kim, which is identical with the bill H. R. 2708, passed by the House this afternoon.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Thomas Kunhyuk Kim shall be held and considered to have been lawfully admitted to

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the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings by which the bill H. R. 2708 was passed were vacated, and that bill was laid on the table.

MARGARITA OY WAN CHAN

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 284) for the relief of Margarita Oy Wan Chan, which is similar to the bill H. R. 2240, passed today on the Private Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Margarita Oy Wan Chan (Oy Wan Leung) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings by which the bill H. R. 2240 was passed were vacated, and that bill was laid on the table.

SPECIAL ORDER GRANTED

Mr. JOHNSON of Wisconsin asked and was given permission to address the House for 20 minutes on Wednesday, June 22d, and Thursday, June 23d, following the legislative program and any special orders heretofore entered.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1956

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MAHON, SHEPPARD, SIKES, NORRELL, WHITTEN, ANDREWS, RILEY, DEANE, FLOOD, CANNON, WIGGLESWORTH, SCRIVNER, FORD, MILLER of Maryland, OSTERTAG, DAVIS of Wisconsin, and TABER.

THE CONGRESSIONAL SECRETARIES' ANNUAL VARIETY SHOW

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, the Congressional Secretaries' Club has been working for several months now on their annual variety show, which will be held tonight in the ballroom of the Sheraton Park Hotel. I hope all Members and their secretaries will take advantage of this opportunity to see a good play.

As you know, a few weeks ago the House took action on a bill that came out of our subcommittee on appropriations which this year for the first time appropriated $750,000 for research into the problems of the mentally retarded children of this country. About the same time the Secretaries' Club, that day or that week, I do not remember which now, agreed to offer all the returns of their play tonight to open up a diagnostic and treatment center for the mentally retarded in the District of Columbia, to which all families, regardless of race, creed, or color, might take their children sc afflicted. I think this is a worthwhile project, and I hope that they will have a good crowd there this evening.

Mental retardation is a great tragedy to a family, Mr. Speaker, and I, too, want to commend the Congressional Secretaries' Club for working like it has to put on this year's edition of Revisin' and Extendin' to help establish this critically needed diagnostic and treatment center, where parents of any retarded child can take him or her for attention. It is a wonderful cause, Mr. Speaker, and I do hope that the new ballroom at the Sheraton Park will be filled to overflowing tonight. I understand that there are 2,100 seats available and I hope every one of them will be taken.

PERSONAL ANNOUNCEMENT

Mr. ROOSEVELT. Mr. Speaker, on yesterday on rollcall No. 88, I was unavoidably absent from the Chamber at the time of the vote on the Federal employees salary increase bill of 1955. I had looked forward to being present and voting for it, and had I been present I would have voted for it.

PAY TV

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, yesterday I introduced H. R. 6913 that would seek to make it unlawful for the Federal Communications Commission to decide the question of so-called pay TV now pending before it against the expressed will and desire of the great American public. Since the public is primarily affected in this decision, the American people ought to have a right to a voice in the matter and thereby be permitted to say whether or not they want to endorse or to reject a so-called trial run of subscription television or pay TV. If it is good they will want it—if it is not—they will say so. The FCC would regulate the fee charged.

My feeling toward this particular situation is somewhat akin to my thinking and feeling with respect to our recent burley tobacco legislation that passed the House and the Senate. I fought very hard for the passage of that bill for several reasons—but the greatest motivating factor which prompted my several speeches and hard work was the feature in the bill which gave to my burley tobacco farmers, large and small, the opportunity to vote in a tobacco referendum on the question as to whether or not they wanted further tobacco acreage controls by the Federal Government, through the medium of the Department of Agriculture. When the referendum was held and my good Kentucky farmers had expressed themselves by the ballot, 96.8 voted for acreage controls. Could it be that those who oppose pay TV are afraid of a verdict at the hands of the people?

Mr. Speaker, let me make it clear that I do not advocate pay TV, or any other form of entertainment, for that matter, for the benefit of the 165 million of Americans. I am not in the entertaining business, the broadcasting business, the television set manufacturing business, nor does my law office represent any of these. Frankly, the only business that I have in this entire affair is trying to prevent the public from getting "the business." I am not concerned with the claims and interest of General Sarnoff, president of RCA, I want it clearly understood that the only general I am interested in is the "general public." What is good for the people should be good enough for all TV manufacturers and broadcasting companies. I feel that the American public should not be denied—by any stretch of the imagination—any form of free television such as they now can secure by listening to the advertisements of the various and sundry products. However, I am of the opinion that the American people ought to have the additional opportunity to make a choice as between the free TV and the ads of the sponsors on the one hand and a wholly new kind of television for a relatively small fee that would bring to their living room the latest movie such as the Silver Chalice; Clark Gable in Soldier of Fortune; the world's heavyweight championship boxing bout, or "live" opera being televised at that instant at the Metropolitan Opera in New York.

Up to the present time the public has been denied the right to view on television the heavyweight championship boxing bouts. All of these bouts have been funneled over a private outlet to various TV theaters located in cities the size of Washington, New York, Philadelphia, and elsewhere. I am informed that tickets to view the bouts are in the neighborhood of four-five dollars in order to see this simultaneous telecast. I find no fault with the charge that is made to see

this boxing bout but I do find fault with the fact that it is released to these TV theaters that can only accommodate a limited, select group of a few hundred people. This arrangement tends to deny the right of several million potential TV viewers in the metropolitan area of Washington, D. C., to pay a quarter, one-half dollar, or even a dollar to be able to witness the bout in their own homes. When the Washington area, with its several million potential viewers, is added to those of the other great metropolitan centers one can easily understand that the general public is actually being discriminated against under the present or existing so-called free system.

Without getting into the question as to whether or not free television encourages juvenile delinquency, I would like to say that I do not feel that it would be detrimental in the least for parents of a child to have the right—if they saw fit, for a small fee—to select a movie or an entertainment program that the parents felt would be fitting and proper for the enjoyment, relaxation, entertainment, and education of their child. I feel very deeply that any American parent should have the right to say whether or not they want to get free TV with any questionable or unsuitable ads that may accompany it or a program selected by the parent without benefit of advertisements of any kind.

Mr. Speaker, we are now entering into the summer months and, as a result, the better free television shows are taking their usual summer vacation. As a result thereof, sponsors will be digging into the old TV film supplies and we will be having playbacks over and over again. Frankly, I have seen so many repeats and replays of so-called television movies that I could almost recite the lines of the characters in the plays. On last Sunday, as a concrete example, I tuned in the Loretta Young show, and already, Mr. Speaker, they gave me for free a film of a previous show that I had seen. This is exactly what the American public is going to be subjected to time and time again during this summer and every summer yet to come unless the general public, the American people themselves, are given an opportunity to see on television for a nominal fee something better than the sponsors are now able to provide.

I am informed that at the present time there are applications of various companies before the Federal Communications Commission seeking permission or authority to give the American people an opportunity to personally view any advantages that there may be to "pay TV." I am of the opinion that the good people whom I represent in Kentucky are entitled to an opportunity to make up their own minds as to whether or not they want or do not want "pay as you see" television or "pay TV." I feel that my people are a true segment of the great American public. They are the salt of the earth. I sincerely believe that if they had an opportunity to see the advantages and disadvantages—as the case may be—of so-called "pay TV," that they would promptly make a clear-cut decision and that by so doing they would definitely reflect the sentiment and the thinking of the average American in the United States.

Mr. Speaker, in my humble judgment some form of "pay as you see" television is inevitable. Any attempt to block the people of an opportunity to speak their mind with respect to "pay TV" would be comparable to preferring an oxcart over a jet-propelled plane. It would be like burning candles instead of electricity, or viewing stereopticon pictures in the parlor instead of coast-to-coast live television in the living room. We simply cannot stop the clock, turn back its hands, yank out its works, and expect the tick of progress to go on. Frankly, these old free TV film playbacks that are now taking to the air really are in violation of the Constitution of the United States and the Bill of Rights, in that they are truly cruel and inhumane treatment. They are a mild form of mental horsewhipping. They are headache agitators, insomnia stimulators, and ulcer provokers.

The great Carl Sandburg has described progress as follows:

Sailboats to steamboats
Stagecoach to trains
Pony express to telegraph
Telegraph to telephone
Carriages to automobiles
Phonograph to radio
Theaters to movies
Movies to television.

Mr. Sandburg's beautiful description of progress is eloquent testimony as to why America is the greatest country on the face of the earth today. We are great because, in the past, any problem that ever affected the daily lives, the freedom, the happiness, contentment, and tranquillity of the people was submitted to the people for their final decision.

It is for the above reasons that I introduced H. R. 6913.

PUBLIC FACILITIES CONSTRUCTION

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, when the 84th Congress convened on January 5, 1955, I introduced H. R. 860, to provide for programs of public facilities construction which will stimulate employment in areas having a substantial surplus of labor, and for other purposes. The bill also authorizes an appropriation of $3 billion to finance the provisions of the bill.

In addition to H. R. 860, which is now pending before the House Committee on Public Works, several other bills have been introduced by other Members of Congress and are pending before the same committee.

These bills are H. R. 356, 385, 553, 820, 840, 1556, 2145, 3565, 5360, and 5885.

A study of all the bills pending before the House Committee on Public Works reveals the keen desire on the part of many of us who have unemployment in our congressional districts to alleviate conditions through a Federal program for public-facilities construction.

This program will provide for the planning and construction of useful public facilities and is designed to provide permanent capital improvements of a nature which will strengthen our national economy and increase the well-being of our citizens. The projects include bridges, dams, reservoirs, and other flood-control works.

In addition, the program provides for sewage disposal plants, water purification facilities, works of reclamation, facilities for research, and other works of public construction including post offices, schools, and hospitals which add to the well-being of our citizens in general.

Mr. Speaker, while most of the bills pending before the Committee on Public Works provide a general facilities construction program, my bill, H. R. 860, restricts such a program to areas having a substantial surplus of labor according to standards established by the Secretary of Labor under defense manpower policy No. 4 or any similar rule, regulation, order, or policy.

In this connection, such a program of public facilities construction would not only provide permanent capital improvements which will strengthen our national economy and increase the well-being of our citizens but also provide employment so badly needed in labor surplus areas where little has been done to date by the Federal Government to solve this perplexing and distressing economic problem.

According to the Bureau of Employment Security of the United States Department of Labor, among the 249 areas surveyed 144 are classified as being in group 4–A or 4–B, which means they have either a substantial or very substantial labor surplus.

It may be of interest to state that since 1949 my congressional district has been classified as an area having a substantial labor surplus and at the present time it is in group 4–B with a very substantial labor surplus since over 18 percent of the employables are unemployed.

These labor surplus areas, sometimes referred to as blighted areas, are not beneficiaries of the general prosperity that is reported to exist in the Nation as a whole.

They are the victims of economic dislocations over which they have no control. While they are working to bolster their sagging economy they need Federal assistance, not through a handout program but through useful public projects on a matching-fund basis where the political subdivision has the ability to pay its share.

Mr. Speaker, under the provisions of the Federal Disaster Act the President has authority to provide Federal assistance to States and local governments in areas declared by him to be major disaster areas.

To date millions of dollars have been spent in these major disaster areas where floods, snowstorms, droughts, and dust storms have brought economic ruin requiring Federal assistance.

Unfortunately, however, the provisions of the Federal Disaster Act do not permit

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the President to declare areas where unemployment prevails as major disaster areas and therefore no Federal assistance under the Federal Disaster Act is permissible.

These critical areas are unable to meet the economic problems they are faced with through unemployment because the Federal Disaster Act does not cover unemployment resulting from economic dislocations. Therefore, those of us who represent these labor-surplus areas must ask Congress to recognize their plight and render assistance through a public facilities construction program.

It is for that reason that I introduced H. R. 860 and I know other Members of Congress were motivated by the same reason when they introduced bills on the subject.

Therefore, Mr. Speaker, it is my sincere hope that the chairman of the House Committee on Public Works will find it possible to schedule hearings on the many bills now pending before his committee that are designed to alleviate unemployment conditions through a useful program of public facilities construction.

SPECIAL ORDER GRANTED

Mr. HINSHAW asked and was given permission to address the House for 15 minutes tomorrow, following the legislative program of the day and the conclusion of any special orders heretofore granted.

AN EXAMPLE OF ARMY PUBLIC RELATIONS WORK

Mr. BROWNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BROWNSON. Mr. Speaker, these days we are faced by new and dramatic crises almost every hour during the appropriations season. We receive emotion-packed requests for additional installations or manpower for the military almost daily. It is interesting to note, however, that public relations officers and their personnel in the Army are still functioning as usual grinding out their usual grade and kind of contributions.

In this time of organized and subsidized hysteria, I note with interest that the art of rhetoric still flourishes at Fort Lee, Va., and I ask unanimous consent to include with these remarks, a tender story of room key No. 21, written by Pvt. John J. Vlases, of Indianapolis, Ind., which was reproduced by the public information officer of Fort Lee, Va., and sent to the Indianapolis Times of Indianapolis, Ind., together with a letter from Mr. J. B. Stephens, managing editor of the Indianapolis Times, questioning the military necessity and importance of such artistic pursuits.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

[Public Information Office, Fort Lee, Va., June 10, 1955]

(By Pvt. John G. Vlases, Indianapolis, Ind.)

FORT LEE, VA.—My number is 21.

I open a door with the same number at the guesthouse here, but I'll bet that I've seen more of this crazy world than a lot of you humans have.

Most door keys are pretty stodgy and set in their ways. They never want to go any place or do anything but just keep opening the same old door for the rest of their lives, until someone either loses them down a drain or breaks them off in a lock.

I'm different, though. I like to go places and see things and just last month I got my big chance.

There was this lady that came in one night, see, and Frances Hiles, she's the manager here, gave me to her and her 2 children.

It started out just like any other assignment. I was to be with them for 2 days until they left, and then returned to the desk downstairs; but that was before I found out where they were going.

It didn't take me long to find out that this lady, the wife of a Captain McCoy, and her two children were going to cross the Atlantic Ocean to see the lady's aunt all the way over in England.

This was my big chance. When they were ready to leave I snuggled down deep in the lady's coat pocket and held my breath for fear her reaching fingers would find me there. My luck held and soon I was on my way.

We arrived in England and went to a place called Mitchum Surrey. I took in the sights and they were swell, but then I began to wish I was home, so one day when the lady reached into her coat pocket, I brushed myself against her fingers and she found me.

The lady and her aunt must have seen how homesick I was, because they took pity on me and sent me home with a nice little note explaining that I had been carried away by accident.

It's all right if they think that it was all an accident, but I know better. Humans are easy to fool.

THE INDIANAPOLIS TIMES,
June 15, 1955.

Lt. JACK P. JOHNSTON, QMC,
Public Information Officer,
Quartermaster Training Command,
Fort Lee, Va.

DEAR LIEUTENANT JOHNSTON: Thank you for sending me the article by Pvt. John G. Vlases of Indianapolis.

It gives me an opportunity to say to you, to your superiors, and to the military establishment in general that if you do not put a stop to this sort of nonsense, you will soon have us in the hands of the Russians or whoever shakes a stick at us.

The nonsense I refer to is the fantasy about a key No. 21 which went from Fort Lee, Va., to England and back, concluding, after some 350 or more words, "Humans are easy to fool."

I appreciate the need for a soldiers' newspaper at Fort Lee and/or any other Army post. I believe public relations experts have their place in the Army. But not to flood newspapers with material like this.

So, will you, please, under the authority vested in you by the Congress of the United States, quit wasting the time of Private Vlases, conserve on the official letterheads of your command, and stop bothering me as a newspaperman with fairy tales.

I do not doubt that Private Vlases is an asset to your command. I suggest, however, that after he completes his duties as a newswriter for the Fort Lee paper, you order him to study electronics, paint barracks, or read military history. If he wants to write for publication outside the post, allow him to do so after hours and on his own time.

I am convinced that this particular young man from Indianapolis did not know that national defense depended on the number of pages of trivia he could turn out on his typewriter. Otherwise, I am sure he would have headed for another branch of the service.

In any case, I want you to know that if you personally can help us civilians get more for our taxes than a piece of light prose from Private Vlases and the others on your staff, I will see to it that your efforts are recognized and rewarded with my written and public approval.

One more thing, Lieutenant Johnston. I suspect that this business of building up a great army of Ernest Hemingways is not altogether your own idea. I think it stems from fuzzy thinking on the Pentagon level.

Since I'm sending a copy of this letter to the Congressman from this district and to the Secretary of Defense in Washington, you may get your head handed to you on a platter.

If you should suddenly find yourself transferred to undesirable duty, let me know. I will make it my business to find out why and who issued the orders.

On the other hand they may promote you immediately. If so, let me know; both of us may then be able to get Private Vlases boosted to Pfc.

Sincerely,

J. B. STEPHENS,
Managing Editor.

DON HARDY

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, I wish to call attention to a press dispatch that states that Don Hardy, of Canon City, Colo., has been elected president of the National Editorial Association. This dispatch is of special significance to the Members of the House of Representatives since Mr. Hardy is a son of a former Member of the House, the Honorable Guy U. Hardy, who so ably represented the Third District of Colorado in this body from 1919 to 1933. This is the district I now have the honor to represent. I am sure we all wish Mr. Hardy a pleasant and successful term as president of this great organization. He is a very successful newspaperman in my district and publishes the Canon City Daily Record.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I am very happy to yield to the distinguished gentleman from New York.

Mr. TABER. I join with our colleague from Colorado in wishing the son of our former colleague every success as president of the National Editorial Association. I would like to point out that it was my privilege to know Guy Hardy and to work with him on the Committee on Appropriations. He was a fine Member who did his work well and he had the respect and confidence of all the Members.

Mr. CHENOWETH. I appreciate the gentleman's observation. I know that

former Congressman Hardy, the father of Don Hardy, greatly enjoyed his service on the Committee on Appropriations with the distinguished gentleman from New York. He referred to the same many times.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I yield to the distinguished minority leader.

Mr. MARTIN. Mr. Speaker, I join our colleagues in congratulating Don Hardy, the son of our former colleague, Guy U. Hardy, on his election as president of the National Editorial Association. The father of Don Hardy rendered a splendid service to his State and the Nation during the time he served as a Member of the Congress, and it is a pleasure to wish his son every success.

Mr. CHENOWETH. I thank the gentleman. The distinguished minority leader, the gentleman from Massachusetts, being a newspaperman, I am sure is especially interested in this announcement.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. CHENOWETH. I am very happy to yield to my colleague from Colorado.

Mr. ASPINALL. I join with my distinguished colleague from Colorado in giving recognition to Don Hardy, the distinguished son of a very distinguished father. It was my pleasure this afternoon to call this matter to my colleague's attention. The people of Colorado are honored by this recognition, which has come to our fellow citizen who has served our State long and well, and to his father before him.

Mr. CHENOWETH. I am sure Colorado is very proud to have this honor bestowed upon Don Hardy, the son of our former colleague. I might state that Mr. Hardy is successfully operating the same paper that his father published up to the time of his death.

I am very happy and honored to have Don Hardy as a constituent and I wish him continued success in the years ahead.

SPECIAL ORDER GRANTED

Mr. STAGGERS asked and was given permission to address the House for 5 minutes on Thursday, following the legislative business of the day and any special orders heretofore entered.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. KEARNEY (at the request of Mr. ARENDS) for 2 weeks, on account of official business (Veterans Affairs Committee).

Mr. DOYLE until about July 8 or 9, on account of attendance upon Armed Services Committee work in New Mexico and Un-American Activities Committee work in Los Angeles and San Diego, Calif.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday be dispensed with this week.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DAGUE and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. HOSMER in six instances and to include extraneous matter.

Mr. AYRES and to include a newspaper article.

Mr. O'BRIEN of New York.

Mr. LONG.

Mr. BOYKIN and to include an address he delivered on Jefferson Davis and also a story appearing in the Thomasville News.

Mr. LANE and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. JENKINS (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. SCHERER (at the request of Mr. MARTIN).

Mr. DOYLE and to include appropriate material on Flag Day.

Mr. ROOSEVELT and to include a statement.

Mr. WOLVERTON and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 80. An act for the relief of Nicholas Neapolitakis; to the Committee on the Judiciary.

S. 176. An act for the relief of Gerda Irmgard Kurella; to the Committee on the Judiciary.

S. 186. An act for the relief of Spirodon Karousatos; to the Committee on the Judiciary.

S. 561. An act for the relief of Feliciano C. Mendoza; to the Committee on the Judiciary.

S. 562. An act for the relief of Charles F. Garriz; to the Committee on the Judiciary.

S. 606. An act for the relief of Gisela Hofmeier; to the Committee on the Judiciary.

S. 664. An act for the relief of Mecys Jauniskis; to the Committee on the Judiciary.

S. 1155. An act for the relief of Iva Druzianich (Iva Druzianic); to the Committee on the Judiciary.

S. 1730. An act for the relief of Anna Marie Hitzelberger Scheidt and her minor child, Rosanne Hitzelberger; to the Committee on the Judiciary.

S. 1884. An act for the relief of Gertraut Hildegarde Marie Hubinger and Franz Hubinger; to the Committee on the Judiciary.

S. 1993. An act authorizing the installation of additional elevators in the Senate wing of the Capitol; to the Committee on Public Works.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 103. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies;

H. R. 1165. An act for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt;

H. R. 1108. An act for the relief of Rose Mazur;

H. R. 1086. An act for the relief of Mayer Rothbaum;

H. R. 1081. An act for the relief of Anna Tokatlian Gulezian;

H. R. 1062. An act for the relief of Luigi Cianci;

H. R. 1664. An act for the relief of Charles Chan;

H. R. 2126. An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; and

H. R. 4650. An act to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 62. Joint resolution dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 208. An act granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in, and the appointment of, the waters of the Arkansas River and its tributaries as they affect such States;

H. R. 2984. An act authorizing E. B. Reyna, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Los Ebanos, Tex.;

H. R. 3878. An act to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work;

H. R. 4426. An act to amend section 7 of the act approved September 22, 1922, as amended;

H. R. 4573. An act authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.;

H. R. 5188. An act to prohibit publication by the Government of the United States of any prediction with respect to apple prices;

H. R. 5841. An act to repeal the fee stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended;

H. R. 5842. An act to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State;

H. R. 5860. An act to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms; and

H. R. 6410. An act to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

UNIVERSITY OF MICHIGAN LIBRARIES

ADJOURNMENT

Mr. ASPINALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 22, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

923. Under clause 2 of rule XXIV, a letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated April 4, 1955, submitting a report, together with accompanying papers, on a review of reports on Yadkin-Pee Dee River and tributaries, North Carolina and South Carolina, with reference to substitution of the single Wilkesboro project for the presently authorized system of reservoirs. This investigation was requested by a resolution of the Committee on Public Works, House of Representatives, adopted on March 5, 1952. The letter was taken from the Speaker's table and referred to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS of Louisiana: Committee on Armed Services. H. R. 2109. A bill to authorize permanent appointments in the United States Navy and in the United States Marine Corps; with amendment (Rept. No. 868). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Armed Services. H. R. 2112. A bill to amend the act of February 21, 1946 (60 Stat. 26), to permit the retirement of temporary officers of the naval service after completion of more than 20 years of active service; with amendment (Rept. No. 869). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee of conference. H. R. 1142. A bill for the relief of Capt. Moses M. Rudy (Rept. No. 870). Ordered to be printed.

Mr. THOMAS: Committee of conference. H. R. 5240. A bill making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 871). Ordered to be printed.

Mr. O'NEILL: Committee on Rules. House Resolution 144. Resolution authorizing and directing the Committee on Public Works to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under clause 15 of rule XI of the Rules of the House of Representatives; with amendment (Rept. No. 872). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Agriculture. House Resolution 266. Resolution to authorize the Committee on Agriculture to make investigations into certain matters within its jurisdiction, and for other purposes; with amendment (Rept. No. 873). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 281. Resolution for consideration of H. R. 3253, a bill to amend section 6 of Public Law 874, 81st Congress, so as to provide for the continued operation of certain schools on Marine Corps installations; without amendment (Rept. No. 874). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 282. Resolution for consideration of H. R. 6040, a bill to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws; with amendment (Rept. No. 875). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY:

H. R. 6934. A bill adopting and authorizing a project for the improvement of the Tombigbee River and tributaries, Alabama and Mississippi, for flood control; to the Committee on Public Works.

By Mr. ALEXANDER:

H. R. 6935. A bill to amend title II of the Social Security Act to reduce retirement age from 65 to 62 in the case of women, and to provide that any fully insured individual who becomes permanently and totally disabled shall be deemed to have reached retirement age; to the Committee on Ways and Means.

H. R. 6936. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits to certain individuals who are over the age of 18 but who are unable to engage in any regular employment by reason of permanent physical or mental disability; to the Committee on Ways and Means.

By Mr. BOYKIN:

H. R. 6937. A bill to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service connected; to the Committee on Veterans' Affairs.

By Mr. HILLINGS:

H. R. 6938. A bill to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the Vice President-elect and to authorize Secret Service protection for the Vice President-elect; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 6939. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of the State of California; to the Committee on the Judiciary.

By Mr. UDALL:

H. R. 6940. A bill to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the valley division, Yuma reclamation project, Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VINSON:

H. R. 6941. A bill to authorize the Secretary of the Navy to take possession of and operate the naval oil shale reserves, and for other purposes; to the Committee on Armed Services.

By Mr. WEAVER:

H. R. 6942. A bill authorizing modification of the general comprehensive plan for flood control and other purposes in the Missouri River Basin to provide for improvement of Salt Creek, and its tributaries, Nebraska; to the Committee on Public Works.

By Mr. JENNINGS:

H. R. 6943. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits to certain individuals who are over the age of 18 but who are incapable of self-support by reason of physical or mental disability; to the Committee on Ways and Means.

By Mr. LOVRE:

H. R. 6944. A bill authorizing the Administrator of General Services to convey certain land to the city of Sioux Falls, S. Dak., for park and recreational purposes, for an amount equal to the cost to the United States of acquiring such land from the city; to the Committee on Government Operations.

By Mr. THOMSON of Wyoming:

H. R. 6945. A bill to amend the act of May 19, 1947 (ch. 80, 61 Stat. 102), as amended, so as to permit per capita payments to the individual members of the Shoshone Tribe and the Arapahoe Tribe of the Wind River Reservation in Wyoming, to be made quarterly; to the Committee on Interior and Insular Affairs.

By Mr. McCONNELL:

H. J. Res. 351. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. J. Res. 352. Joint resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world; to the Committee on Education and Labor.

By Mr. ELLIOTT:

H. Con. Res. 169. Concurrent resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world; to the Committee on Education and Labor.

By Mr. BURDICK:

H. Con. Res. 170. Concurrent resolution to authorize and direct the Secretary of Commerce to conduct a survey for the purpose of ascertaining the feasibility of establishing industrial plants near Indian reservations in North Dakota, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KRUEGER:

H. Con. Res. 171. Concurrent resolution to authorize and direct the Secretary of Commerce to conduct a survey for the purpose of ascertaining the feasibility of establishing industrial plants near Indian reservations in North Dakota; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLE:

H. R. 6946. A bill for the relief of Rosa Birger; to the Committee on the Judiciary.

By Mr. DOLLINGER:

H. R. 6947. A bill for the relief of Marie Veronique Tremblay; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 6948. A bill for the relief of Giovanni Delli Carpini; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 6949. A bill for the relief of Mrs. Elise T. Kirk; to the Committee on the Judiciary.

By Mr. KILBURN:

H. R. 6950. A bill for the relief of Max Luming; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 6951. A bill for the relief of Eero Mikael Siltanen, Airi Mirjami Siltanen, and

Heikki Erkki Siltanen; to the Committee on the Judiciary.

H. R. 6952. A bill for the relief of Cyprian Benedict Francis; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas:

H. R. 6953. A bill to authorize Maj. Gen. K. L. Berry, The Adjutant General of Texas, to accept the Philippine Legion of Honor and supporting documents conferred upon him by the Government of the Philippines; to the Committee on Armed Services.

H. R. 6954. A bill to authorize Lt. Col. Lee E. James, United States Army, to accept the Greek War Cross, Class III, and supporting documents conferred upon him by the Government of Greece; to the Committee on Armed Services.

By Mr. WALTER:

H. R. 6955. A bill for the relief of Chaim Grade and Inna Hekker Grade; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

322. By Mr. THOMSON of Wyoming: Petition of Mrs. Lucille Bales and 42 others, to get alcoholic beverage advertising off the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

323. Also, petition of Rev. W. E. Hoff, Church of Christ, Newcastle, Wyo., and 13 others, to get alcoholic beverage advertising off the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

324. Also, petition of Mrs. G. K. Halley and 385 others, to get alcoholic beverage advertising off the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

325. By the SPEAKER: Petition of Bertha Norwash and others, Ladies Auxiliary No. 45, United Rubber, Cork, Linoleum, and Plastic Workers of America, Naugatuck, Conn., petitioning consideration of their resolution with reference to requesting that Congress pass legislation to increase the minimum wage to $1.25 per hour, etc.; to the Committee on Education and Labor.

326. Also, petition of the deputy clerk of the board, Board of Supervisors, Buffalo, N. Y., petitioning consideration of their resolution with reference to requesting that the board of supervisors be recorded in favor of legislation for the purpose of reducing from 65 to 60 years of age at which women may qualify for old-age and survivors' insurance benefits and likewise reducing from 65 to 62 years of age at which men may qualify for such old-age and survivors' insurance benefits under the Social Security Act; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Housing in Many Lands

EXTENSION OF REMARKS

OF

HON. HOMER E. CAPEHART

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Tuesday, June 21, 1955

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by Mr. Albert M. Cole, Administrator of the United States Housing and Home Finance Agency, before the International Real Estate Federation in Geneva, Switzerland, on June 16, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY ALBERT M. COLE, ADMINISTRATOR, UNITED STATES HOUSING AND HOME FINANCE AGENCY, TO THE INTERNATIONAL REAL ESTATE FEDERATION, GENEVA, SWITZERLAND, JUNE 16, 1955.

I am happy to have this opportunity of speaking to this international gathering concerned with the provision of more and better housing for many people in many lands.

Here housing takes on a new dimension—a world dimension. Each of us, with our interest ahd attention largely fixed on our national problems at home, can take a new perspective in our work. We are reminded of the common purposes we seek to serve and the mutual advantage we can take by greater cooperation and understanding in the international field.

We have tried to promote such a cooperative interchange between the United States and other countries through the International Activities Staff of the Housing and Home Finance Agency, which I head. We have sought to develop a free trade of knowledge and techniques—a two-way exchange of housing experience as much for our benefit as for that of other lands.

I have also had some personal introduction to the housing economies of Europe. A few years ago, when I was in the United States Congress, I was a member of a special committee that spent several weeks observing housing activities and programs in Great Britain, Norway, Sweden, Denmark, the Netherlands, Belgium, Switzerland, and France. It was an enlightening and stimulating inspection.

But I do not put myself forward as an expert in your housing and real-estate affairs. I will not presume to tell you what measures you should undertake to serve your own needs. Instead, I will talk to you about some of our problems and efforts in the United States, a field in which I can speak with some authority, in the hope that our experience will be of some value to you.

Much of what we have done and are doing in the United States has its origins in our European heritage, both in tools and ideas. Our country was settled and developed with axes and plows brought over from Europe, and refashioned to serve the requirements of the New World. And our traditions of freedom stemmed from the roots implanted by freedom-loving peoples in this part of the world.

In return for what we borrowed from you, perhaps there are now some things in our own experience that you may find suited to your modern needs and helpful in your own economies. You, of course, will be the best judge of that.

Housing is an intensively individual commodity that varies within even a narrow geographic range; and much more so on a world basis. But its individuality of form is in itself an expression of its similarity of purpose in all lands where freedom is prized, wherever the family and the individual are the all-important end to be served.

In a free world the home is the heart of freedom. Deeply rooted in our beliefs and written unmistakably into the Bill of Rights of our American Constitution is the concept, which had its origins in Europe, that a man's home must be inviolate. No arm of government, no power of police may reach into a man's home against his will, except by due process of law established and sanctioned by the people themselves.

Today we value this individual right more than ever, as we see the tyrannies of our present era turn free homes into cell-blocks of the state and the citizens into its prisoners. We do not want to have loose in this modern world the surly power that strikes terror into the hearts of the people with a knock on the door in the dark of night.

This is a peril that we understand. When the free home is invaded by the steel voice and the iron boot in any free land, we understand that our own thresholds are endangered and our own freedom is at stake. This, more than anything in the American citizen's heart, has sent him to join you in your battles for the freedom of person and home. It impels him to stand with you today against the threats and enticements of modern despotism.

It has been said that war begins in the minds of men. And it is also true that devotion to peace and liberty begins in the homes of men. A man who has a home of his own, also has a family, a community, and a nation that are his own. He has a real stake in a stable, peaceful world, in which he can work out his life's pattern to its fullest.

The freedom of a people is only the multiplied product of the free citizen in a free home. Where the door of that home may be smashed in at will by the gun butt of the police state and the family dragged off to an untold fate, freedom has been submerged.

But freedom is not just something to have—it is something to use. And the home, in our beliefs, means more than security—more than a place of refuge or a place to hide. The home is also a place to live and grow and to develop the strength and talents of the people. It is the essential basic piece out of which the mosaic of national character, culture, and progress is made.

We forbid the Government to trespass on our homes and private lives. But we expect the Government to be concerned about our opportunities to have homes, better homes, and to enable us to share in the Nation's rising standard of living. Within its clearly defined sphere of authority and responsibility, we believe the Government can and should strengthen and support the opportunities of all people to better their housing; to improve their living conditions, within the framework of free communities and free enterprise.

This is the philosophy of housing and community growth that we have established in the United States. It has been firmly secured and implemented under the new and reorganized housing policies and programs put into effect, with the approval of the Congress, by President Eisenhower.

Let me tell you about some of the principal responsibilities that our Government has in housing and related fields, and their relationship to the people and to private enterprise.

Housing in the United States has traditionally been, and still remains, the function of the private-enterprise system. This is the system that we believe in because it serves us best and is consistent with our belief that Government must be the servant and the aide of the people—not their master, nor even the benefactor to whom they must look for the blessings of life.

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For the past quarter of a century, however, Government responsibility for the people's housing welfare has been recognized and accepted in various forms. Only in such an emergency as the war, however, has Government been granted the temporary power to control and direct the housing economy. And that power was quickly terminated when the war ended.

Many things have been tried, some discarded, some retained, most of them modified or revised. They have been shaped into what today is a basically consistent and well-defined set of limited aids, geared to private effort and local citizen decision.

In its supplementary role, the Government, with a few minor and special exceptions, does not build homes, does not make loans, and does not give subsidies to individuals to buy homes. Indirectly, however, through established private market channels, it helps to make adequate home financing available on terms that most people can afford. It also extends certain loans and subsidies to local governments for special needs, such as the clearance of slums and prevention of blight, and for the improvement of housing for low-income families.

In the limits of this talk, I cannot discuss all of our Government housing activities. I will, therefore, center on certain ones that I believe will be of most interest to you and of greatest value in terms of your own problems and responsibilities.

Let me first make clear, however, that while many of our Government programs developed separately over the years, they are today linked and coordinated in their administration and use, with common objectives. Nearly all of the major housing and related activities—except the GI home loan program under the Veterans' Administration—are embraced in the framework of the Housing and Home Finance Agency. As Administrator of this Agency, it is my primary task under the direction of the President, to coordinate and supervise the Agency's various programs.

The Federal Government first entered the housing field in a significant way through the financing field, and this still is the principal channel through which it undertakes to assist and maintain the housing market. Home financing through most of our history had been a kind of economic stepchild in our economy. Its particular requirements were largely ignored or neglected in the development of our financial practices.

Because of this, investment in homes was subject to violent fluctuation and the risk was high both to the lender and the borrower. The great dream of the average American family, as it still is today, to own its own home was constantly thwarted and endangered by the lack of adequate and assured low-risk financing. The housing industry itself, for the same reason, was an uncertain, in-and-out business that failed to keep pace with our other great productive advances.

The initial need, which became an urgent one after the mortgage market was demoralized following the 1929 depression, was for a stable, assured source of home mortgage financing. As a result, the Home Loan Bank System was created in 1932. It was designed to stabilize and encourage the growth of mutual savings and building groups which had existed, but often failed, for a century.

These savings and loan associations, as we call them, are local institutions. They derive their funds not in competition with other needs from the great centers of investment capital, but from the great mass of unassembled savings of the local citizens. They invest these savings in residential mortgages for the housing needs of the average citizen in the locality.

This assembling of relatively small investments from the local people has been eminently successful. It may suggest a source of mortgage capital to other countries for the financing of homes, and the encouragement of savings and thrift.

The individual investments can be and in most cases are small, even $100 or less, and the average individual account is less than $2,000.

Today, however, these institutions currently finance about 40 percent of new home construction and existing home purchase. Total investments are well over the $20 billion figure, and the number of individual investment accounts more than 8 million.

Here is what the Government, through the Home Loan Bank System, has done to make this source of mortgage capital secure and attractive both to the small investor and the average homebuyer.

Funds are made available through a reserve credit pool, independent of the commercial bank system, and extended through a system of 11 regional home loan banks under the supervision of the Home Loan Bank Board. They are advanced to members on terms up to 10 years. This provides a steady flow of capital and credit in line with mortgage market needs, and protection against sudden area or local contractions in economic and financing conditions.

In addition, through the Federal Savings and Loan Insurance Corporation, also operating under the Board, individual investors in these institutions are insured against loss up to $10,000.

Although the initial capital for the system was provided by the Government, this has now been largely paid off and replaced by capital from the participating institutions. The Government continues, however, to support the system by agreement to advance funds if necessary should conditions make this necessary.

No Government funds, however, are directly involved in the operations; the system is self-supporting.

Today there are 4,200 member institutions under the Home Loan Bank System. Their mortgage investments until a year ago were limited to a maximum of $20,000, but to reflect changing cost levels, this has now been increased to $35,000. Total assets of these institutions are now about $26 billion.

Up to the end of last year, cumulative advances made to members totaled $6 billion, of which more than $5 billion had been repaid. About 2,000 borrowing institutions had a balance owing to the Federal Home Loan Banks of $867 million at the end of 1954.

Some of these institutions are directly chartered by the Federal Government. Others are chartered by their respective States.

But a new, stable source of mortgage financing was only part of the need to encourage and secure the building of good homes and the opportunity for people to buy them. Mortgage financing practices in the past had been based not on long-term security, but on short-term, high-risk loans. The average mortgage in earlier days was for a short term, was not amortized, and carried a relatively high interest rate. When money became tight, forced foreclosures resulted in heavy losses both to borrowers and lenders.

To make mortgage lending for the average family sound and available and to improve housing standards and stimulate building, the Federal Housing Administration was established in 1934. This program provides Government insurance, under a mutual system, for private home loans. These include loans both for new and existing homes, as well as for rental and cooperative housing, and also short-term loans for the repair and modernization of homes.

This, too, is a self-supporting system, financed through premiums, but with Government credit behind it. Requiring a relatively small down payment, it underwrites private mortgages for terms up to 30 years at moderate interest rates. These are amortized mortgages which are paid off, both as to principal and interest, through moderate monthly payments. The FHA type of mortgage has proved so successful that it is now the standard for mortgages made for all types of home loans in the United States.

The general adoption of this type of financing has greatly stimulated home building and resulted in a rapid rise in home ownership in the country. Home ownership has now reached 56 percent of all housing compared to about 40 percent 15 years ago. The housing market demand has been greatly enlarged to embrace the great mass of American families, and the housing industry has become a large, well organized part of our economy. The handicraft methods of construction have been superseded by large-scale, mass operation in our urban centers.

Today the dominant force in mass building is the operative builder, who builds homes in large numbers, developing large tracts—sometimes entire communities—with the assurance that financing will be available for the homebuyer to buy his home and that this will be a profitable venture. Builders producing more than 100 homes a year accounted for more than one-third of the new homes built in 1949. This compares with only 11 percent for the same group 10 years earlier.

The FHA has been an important influence in this growth, both directly and indirectly. Since it started in 1934, the FHA has insured mortgages covering nearly 4 million sale and rental units, totaling nearly $23 billion. Losses have been negligible and repayments far in advance of schedule. About $13 billion of the mortgages insured are currently outstanding.

The veterans home-loan program, established in 1944, is basically similar to the FHA program. In this case, however, the Government directly guarantees private loans. It also pays administrative costs and losses, which thus far have been minor. The terms are in some respects more liberal. They permit the veterans to buy homes with no downpayment.

Under the veterans program a total of more than 3½ million home loans, amounting to nearly $26 billion, had been guaranteed through 1954. Almost $18 billion was still outstanding.

However, even though the Federal Housing Administration and the Veterans' Administration are important sources of financing for moderate and lower-cost homes, they still represent only 27 percent of total outstanding home mortgages. Conventional loans, which carry no Government insurance or guarantee, provide the majority of home financing. The principal types of home-mortgage lenders are savings and loan associations, mortgage companies, commercial banks, mutual savings banks, insurance companies, and individuals.

To assure a steady long-term market for FHA and VA home loans, the Federal National Mortgage Association operates as another agency within the Housing and Home Finance Agency. The FNMA buys and sells such mortgages, according to the capacity of the private investment market to absorb them. Last year Congress reorganized this operation, to make private capital its normal source of funds. However, Government support is permitted for special needs where private financing is not adequate.

We have achieved, I believe, what for our economy is a basically sound and successful approach to the production and marketing of homes in the United States for the benefit of the great mass of our people. Since 1949 we have been building new homes in our nonfarm areas at the rate of more than a million units a year, with as many as 1,300,000 possible this year. I believe we will continue to produce homes—good

homes—at approximately this rate, and even higher, for many years to come.

We haven't licked all our problems, however. We still have not found a satisfactory solution to our lowest-income housing needs. We have extended subsidies to local communities to provide about 450,000 units of locally owned housing for this purpose to date. We are continuing to do this on a restricted basis, not only because of the low-income problem but because of larger, community problems that are tied into it. We are developing, however, other means for meeting these needs through private effort. We hope that this will enable us to eventually remove Government substantially from the field of housing subsidy.

All of our efforts, however, are not concerned with the individual home and homeowner. We also have some very pressing problems involving the community of homes—the towns and the metropolitan cities which are the nerve centers of our modern economy and which create the environment in which most of our people must live.

The United States has long been a country in a hurry. You more patient people in Europe have often told us that. Like the white rabbit in Alice in Wonderland, we've been rushing along fearing that we were already late for the party, and having neither time nor patience to listen and to look behind or about us.

In recent years, however, we've been forced to stop and look around. We've been stopped by the very congestion that our rapid progress has piled up in the heart of our cities. We've been hindered by the financial dilemmas that have been saddled on our fast-growing but fast-deteriorating communities, and by the double burden of providing homes for our growing population and of correcting the blighted housing of much of our existing supply.

These are problems not unlike those in many of your European centers. In the United States they have grown too large, under our system, for local and private resources alone to deal with. We have concluded that Federal help is appropriate and necessary to supplement these resources; to correct our urban deficiencies and to assure the health and solvency of our modern economy.

After some earlier partial starts to meet this need, we developed last year, at the urging of the President, a full-scale program of cooperative Federal help with local communities and private enterprises. Our aim is not only to clear and redevelop the rundown, slum sections of our cities, but also to restore declining areas and prevent and seal off the future spread of blight.

It is one of the most imaginative and dynamic national efforts we have ever undertaken. And it has called forth an enthusiastic and active response from American communities and American industry.

The program itself, which we now call a program for urban renewal, begins and remains with the local community and private enterprise. They initiate the plans, undertake complete analysis and proposed treatments of their problems. These may require either full-scale clearance and redevelopment of parts of the city, a rehabilitation or preventive measures in less seriously affected areas, or a combination of both.

The Federal Government, at the community's request, then is authorized to make loans and grants to local agencies for the clearing and replanning. Special assistance is also provided for overall and specific planning, both in metropolitan areas and in smaller towns.

The reconstruction or rehabilitation of these areas, however, is undertaken by private enterprise, or by local bodies, depending on the type of redevelopment. Through the Federal Housing Administration, special insurance of private loans is provided for financing the redevelopment and rehabilitation of these renewal areas by private enterprise. Special insurance is also extended to underwrite low-cost new or rehabilitated private housing for the rehousing needs of lower-income families displaced by these and related activities. Public housing subsidies also are still available, on a limited basis, for rehousing low-income families who, as yet, cannot otherwise be adequately cared for.

Nearly 300 communities, from small towns of a few thousand to great cities like New York and Chicago, are actively participating under this and preceding programs. About 7,000 acres of urban blight and slums, involving nearly 100,000 dwelling units, are or soon will be under actual clearance.

But this, large as it is, is only the beginning, only a small part of all that has to be done. The greater effort, the communitywide attack, under the full program has only just started.

I want particularly to say that in this communitywide and nationwide movement to redeem and restore our urban areas, the real estate profession—the realtor as we know him—has been, for years, in the forefront of our leadership. Many of the most active community programs now underway have been spearheaded by the realtor group.

In much of this housing and community progress in our country, the real estate profession has been a powerful generating force. It has not only carried through on the programs that have been put into effect, but in many cases has led the way and generated the strength that brought these efforts into existence.

The realtor in our country stands at a strategic focal point in our housing economy—the point at which the lender, the seller, the buyer, and also the local official are brought together and their respective interests combined into an accomplished result. Without his skills and knowledge, the housing economy we have sought to shape would be likely a finely designed train with no track to run upon.

Our thinking has also broadened to recognize that housing is more than individual shelters—it is a whole community, a soundly planned community. The urban planner was, not too long ago, regarded with something like suspicion as a man who wanted to keep us from doing what we wanted to do. Today, however, he is a sought-after specialist, as our urban communities frantically ask him to come in and disentangle them from the unplanned results of some of our past speedy growth.

I do not mean to give you the idea that we have somehow waved a wand over the United States and made all our problems disappear. Come visit us, and while you will see a great deal that is modern and well planned, you will not be able to miss some of the problems and deficiencies I have talked about. But what you will find, in nearly all our communities, is that something is being done about them—active, positive undertakings are being developed to correct these conditions and solve these problems in the foreseeable future.

There are many reasons why the people of the United States are concerned, and have undertaken comprehensive action in the housing and community field. Housing is a very vital part of our whole economy, and represents one of the major fields of economic activity, employment, and income to our people. It is also an essential determining factor in our social structure; if neglected, it aggravates our problems of crime, delinquency, sanitation, and health.

But these considerations alone would not account for the widespread popular concern and support that the measures now underway have won among the American people. More fundamental is the American citizen's deep-seated belief that the home, the free home, is the nucleus of a free country and a free people. He will defend his home against the despoilers of freedom abroad in the world today, and he is now equally determined to protect the home and his way of life against the corrosive effect of neglect and inaction.

In the end, all our housing, all our community improvement efforts have one end purpose in mind—not the house, not the city, but rather the family and the citizen and their way of life.

It has been a distinct privilege for me to give you this very condensed, but I hope useful review of some of our major efforts and problems in the housing and community field in the United States. I hope it will serve as a small, part payment of a long-standing obligation we owe to the ideas and ideals that have come to us from your lands and have become a part of our free way of life in America.

In Support of Amendments to the Railroad Retirement Act of 1937

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. ROOSEVELT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement which I made before the Subcommittee on Transportation and Communications of the House Committee on Interstate and Foreign Commerce, on June 17, 1955:

Mr. Chairman and members of the subcommittee, I wish to thank the members of this committee for granting me the privilege to appear before you in support of H. R. 4744, a bill in which I am very interested, as I have introduced H. R. 5039, an identical bill. As a freshman Member of Congress, I am eager to do all that I can to assist any group of retired workers.

I represent a district where many railroad people live, and before being elected to Congress, as well as since then, I have had many opportunities to become acquainted with them and to learn their problems.

It is a pleasure for me to recommend that you give favorable consideration to H. R. 4744. This bill will eliminate the inequitable dual benefits prohibition as it applies to widows. I understand the last session of Congress eliminated this prohibition as it applied to the pensioners themselves. I feel this rectification is overdue and that the plight of widows affected by this provision can be alleviated by the passage of this bill.

This bill would also assure spouses receiving annuities under the Railroad Retirement Act a benefit that would be no less than the maximum benefit payable under the Social Security Act. The maximum benefit under social security has increased from time to time, and this provision would allow spouses under the railroad retirement system to receive similar increases in the case of maximum annuities.

I am also pleased to note that this legislation under sections 5 and 6 calls for the protection of employees of the Railroad Retirement Board who fall under civil service. I recall the attempted transfer last year of a number of positions on the Board to schedule C, making these positions subject to political whims, instead of retaining them in the respected caliber where they justly belong. To prevent the strictly politically minded from attempting a similar raid in the future,

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I feel it is proper to include them under the protection of law.

I have been deluged with letters from retired railroad constituents pleading for some increase in annuities. I, of course, favor as much relief for them as possible within the limitations of the railroad retirement fund. I wish to state at this point that I will be happy to support any future legislation of this kind that is actuarially sound. But for the moment, I understand H. R. 4744 is the extent to which changes in the act are desired. I am pleased to lend my support to this beneficial legislation, and urge members of the committee to approve it without delay.

Thank you for the opportunity to appear in behalf of this bill.

Jefferson Davis

EXTENSION OF REMARKS

OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. BOYKIN. Mr. Speaker, a few days ago I was asked by Mrs. W. C. Harllee, president of the District of Columbia Division of the United Daughters of the Confederacy, to make a speech on the life and character of our beloved Jefferson Davis. I said many things regarding our great President of the Confederacy that are not in the prepared speech. As a matter of fact, there is no way to tell of all the wonderful things this great man did during his lifetime.

I wish every man in this Congress could have met the wonderful women from practically every State in the Union who attended the ceremonies in Statuary Hall, right under the dome of our Capitol, with not only Jeff Davis, but also another great hero, Robert E. Lee, standing there side by side, like the Rock of Gibraltar; and it seems to me that Stonewall Jackson's statue should be right there side by side with these other great American heroes, but, of course, there is not room in this great Statuary Hall for all of our great heroes who have gone to their rewards. The only place I know that could hold them all is heaven itself, and, of course, that is where we will all meet them sooner or later. There is so much one could say that will never be said about Jeff Davis, because you could be talking about this marvelous man and his life and character as long as you live, but even in that length of time you could never properly present it.

I do remember so vividly when I was a small boy that my father had our family of 7 boys and 3 girls, along with my precious, marvelous mother, on the steps of the capitol at Montgomery, Ala., where there is a marker showing the spot where Jeff Davis was sworn in as President of the Confederacy. Then, just across the street there is the Confederate White House—such a beautiful building that my kinsman, Mary Boykin Chestnut, helped design. Her husband, like Jeff Davis, was a United States Senator, and like Jeff Davis, resigned from the United States Senate to go and fight for the "lost cause." Senator, or General Chestnut, our kinsman's husband, lost both eyes in one of the hundreds of battles that were fought during these long, terrible 4 years.

Mr. Speaker, under unanimous consent to revise and extend my remarks, I include herein a part of my speech made in Statuary Hall on June 3, 1955, and the invocation and benediction by Rev. Vladimir E. Hartman:

PRAYERS GIVEN AT THE 147TH BIRTHDAY ANNIVERSARY OF JEFFERSON DAVIS, STATUARY HALL, UNITED STATES CAPITOL, JUNE 3, 1955

INVOCATION

"Let us now praise famous men,
And our fathers that begat us."

Eternal God, our Father and our King in whom our fathers trusted and found their faith rewarded by Thy gracious care, bless us today as we commemorate the valor and sacrifices of Jefferson Davis.

We thank Thee for the brave men who in time of conflict were ready to lay down their lives if need be in the cause of liberty and righteousness. We thank Thee for what they did and suffered on our behalf, in unflinching loyalty in order that popular self-government might not perish from the earth. Unite all the people of this Nation in a holy purpose to defend the principles of freedom and brotherhood for which they lived and died. And may the Nation which they helped to establish on an enduring foundation be ever true to the great ideals of the founders, and gain increasing prosperity as it offers to all beneath its flag justice and equal rights.

We thank Thee for the United Daughters of the Confederacy, for the ideals they cherish and for the values they perpetuate.

Bless us and guide us in this service. We pray in the name of our Lord and Saviour Jesus Christ. Amen.

ADDRESS BY HON. FRANK W. BOYKIN

Madam President and members of the District of Columbia Division of the United Daughters of the Confederacy, we are gathered here today to commemorate the 147th birthday anniversary of Jefferson Davis, President of the Southern Confederacy and leader of the South's beloved Lost Cause.

This man, Jefferson Davis, was a unique, gallant figure in the most spectacular era of our Nation's history. Around this soldierly, graceful man from Mississippi swirled great, impelling drama. Under his leadership the South waged a 4-year struggle for independence that will eternally be part of the magnificent heritage of every man and woman born under southern skies.

Today Jefferson Davis is the symbol of a valorous, fiery past, of broken hopes and shattered dreams, of a would-be republic whose Stars and Bars once floated from the Potomac to the Rio Grande. The cause to which he and 15 million people dedicated their hearts and souls was a failure, though it perished in such a sea of glory that its memory will evoke the world's admiration to the end of time.

Jefferson Davis was statesman, soldier, political leader, planter and, above and in all things, a gentleman. His enemies have charged him with treason. If Jefferson Davis was guilty of treason, this same guilt must rest on peerless Robert E. Lee, dauntless Stonewall Jackson and hosts of immortal leaders who wore the gray of the Confederacy. Even the Father of his Country was charged with treason because he led a ragged, starving army of Americans fighting for freedom.

Blame Jefferson Davis as they will they can never take from him the glory that he was an American citizen, who shed his blood for his country and who captained his people in a revolution founded on principles the South had held sacred and inviolate for almost a century. Nor can they deny that though abused and maligned, cast into prison and crucified with indignities, he accepted his fate unflinchingly and bore his sufferings with the fortitude of the soldier and Christian that he was. He had fought the fight and lost. Defeated, he would abide by the decision as did Lee, Beauregard, Hampton, and that amazing galaxy of Confederate chieftains who followed the Southern Cross through the smoke and thunder of a thousand battles.

Never once in the years after the fall of the Confederacy did Jefferson Davis retreat from his fundamental belief in the basic right of secession. Nor would he accept a pardon from President Johnson for something he felt in his heart was not wrong.

"As for me," he said, "our cause was so just, so sacred, that had I known all that is come to pass, had I known what was to be inflicted upon me, all that my country was to suffer, all that our posterity was to endure, I would do it all over again."

Let me recall for you the last inspiring message that fell from the lips of Jefferson Davis. Unfortunately, it is known to too few today. It was 1888, the year before he died. He was asked for a message to the youth of the South. Standing in the bright Mississippi sunshine he gave this exhortation to the young men who would carry on the new South that had arisen from the ashes of the old. And I quote, these, his wondrous words:

"I feel no regret that I stand before you this afternoon a man without a country, for my ambition lies buried in the grave of the Confederacy.

"There has been consigned not only my ambition but the dogmas on which that government was based. The faces I see before me are those of young men; had I not known this I would not have appeared before you. Men in whose hands the destinies of the southland lie; for love of her I break my silence to speak to you a few words of respectful admonition.

"The past is dead, let it bury its dead, its hopes, its aspirations; before you lies the future—a future full of golden promise; a future of expanding national glory, before which all the world shall stand amazed. Let me beseech you to lay aside all rancor, all bitter, sectional feeling and to take your places in the ranks of those who will bring about 'a consummation devoutly to be wished'—a reunited country."

There spoke in eloquent words, Jefferson Davis, the American, the southerner, the patriot though "a man without a country" as he called himself, as he summoned the young generation of the South to pledge themselves anew on the altar of American freedom.

I stand here today to offer no apology for Jefferson Davis. He needs none. Honest posterity has made up the record of his fame that grows as the years roll by. I am here on his natal day to pay tribute to the great man that he was. He had faults, made mistakes. Greatest of them was his unquenchable love of the South and his unshakable belief in her invincibility and her destiny as a free and independent nation.

For a decade on the floor of the Senate, barely a stone's throw from his statue here in this hall, he fought the battles of the South against all comers with fire, logic, and eloquence. Few Americans realize that the war between the States began here on Capitol Hill long before the first Confederate shell broke blood red over Fort Sumter in 1861.

To Jefferson Davis, the dying John C. Calhoun tossed his political mantle when that great champion of southern rights ceased from wrangling to don the robe of immortality. There on the Senate floor, amid thunderous debates, stood Jefferson Davis, unmoved, courageous, erect, beating back every attack on the South, parrying every thrust of her enemies. Yet even in the heat and fire of debate there was in his voice and

manner such charm that even his bitterest opponents found it hard to resist them.

But the gods had willed that the issues and political strife between the North and the South must come to the final arbitrament of the sword. Forty years of debate and violent clamor had done their best—and their worst. The year 1861 found Jefferson Davis still standing in the breach beside his desk in the Senate.

Now another scene rises before me: a cold January day, 1861, and the Senate galleries were crowded as never before. Hundreds were thronging these corridors to hear Senator Jefferson Davis of Mississippi say farewell to the Senate where he had served so long. Fine drama it was and he the chief actor in this, perhaps, the saddest scene ever witnessed on Capitol Hill. Amid tense silence while hundreds literally held their breath Senator Jefferson Davis rose and in calm, grief-stricken words offered his historic valedictory to a spellbound audience. There was no bravado, no threats of fire and sword in his words, only the hope of peace before the issues were handed over to the God of battles. Tears ran down the cheeks of men and women as Jefferson Davis closed his eloquent goodby, bowed to his august associates and walked slowly out of the Senate Chamber forever.

That same night his wife heard him wrestling in prayer. To his Maker he said, "May God have us in his holy keeping, and grant that before it is too late peaceful counsels will prevail." The next day he hurried south to lead his people on their ill-fated flight toward independence.

Now let me quickly highlight this man's career. He was born in a log cabin in what is now Todd County, Ky., June 3, 1808—and how strange it is that, within the same 12-month, in another log cabin nearby, was born another baby whose name was Abraham Lincoln. When he was 5 years old his parents migrated to Mississippi. At 14, Jefferson Davis entered Transylvania University, at Lexington, Ky. He was 16 when he entered West Point where he graduated in 1828, 1 year ahead of another young soldier, Robert Edward Lee, of Virginia. At heart, Jefferson Davis was a soldier. It was bred in his bone. After serving in the Black Hawk war he resigned from the army in 1835. He had already met and married and lost his first love, Sarah Taylor Davis, daughter of Gen. Zachary Taylor, of Mexican War fame. In 1845 Davis married glamorous Varina Howell, the rose of Mississippi, who was to him for the rest of his life, sweetheart, stanch companion in triumph and disaster, his very lodestar. To his home on the Mississippi, Brierfield, he brought Varina to share with him his love of camellias and roses, which became the very symbols of their affection.

With the outbreak of the Mexican War, Jefferson Davis resigned from the House of Representatives to which he had been elected in 1844, and sailed for Mexico as colonel of the first regiment of Mississippi Rifles. At Buena Vista, with the issue of the battle in doubt, Colonel Jefferson Davis and Mississippi regiment covered themselves with glory in a charge that saved the day. At the moment of victory Davis was badly wounded, crippling him for months. Offered a brigadier-generalcy he declined it only to be appointed to the United States Senate to fill out the vacancy caused by the death of Mississippi's Senator Speight. Subsequently, he was elected to the Senate in his own right, serving until 1851, when he resigned to run unsuccessfully for governor of his State.

In 1853, President Pierce appointed Jefferson Davis to his Cabinet as Secretary of War, a post he administered with distinction and ability. Davis pioneered many improvements in the Nation's military establishment. An innovation of his was the importation of camels to be used on the western deserts where so much of the country's small Army was stationed. In 1857 he was again elected to the United States Senate, serving until January 21, 1861, when he resigned to become President of the Southern Confederacy. On February 18, 1861, at Montgomery, Ala., he was inaugurated for a 6-year term. It was here at Montgomery that the eloquent William Lowndes Yancy, in introducing Jefferson Davis to the enthusiastic throngs, proclaimed, "The hour and the man have met."

Jefferson Davis' courage never faltered through all the varying fortunes of the Confederacy. When Richmond, second capital of the Confederacy, fell before Grant's hammer blows, Davis sped south to rally the broken remnants of the collapsed republic. He was captured by Federal troops in Georgia, May 10, 1865. Imprisoned at Fortress Monroe, he was shackled and kept for a long while in a casemate room with a searchlight on him that was never dimmed. Charged with treason by a Federal indictment he was never tried, though he asked many times to be given his day in court. On May 13, 1867, after nearly 2 years of inhuman treatment, he was released. His $100,000 bond was signed mostly by northern citizens, who admired his fortitude and who felt he had been treated shabbily. Among these signers were Horace Greeley, powerful editor of the New York Tribune, and arch-abolitionist Gerrit Smith.

Leaving prison Davis went to Canada but found the climate too rigorous for his constitution weakened by incarceration. Returning south he was received with warmth and affection by his own people. Going to New Orleans he found his property gone, his friends impoverished, and his plantations up the Mississippi devastated by Federal occupation armies.

A severe accident sent him to Europe, again seeking health. In England he was lionized. Under the kindly influence of new surroundings and cheerful company his health improved. In Paris Napoleon III and the Empress Eugenie invited him to court, but Davis declined. A visit to Scotland brought partial restoration of his health, but he was never again to enjoy robust health, never again to be a strong man.

In the autumn of 1869, he was offered the presidency of a life insurance company at Memphis, which he was compelled to accept to earn a livelihood for himself and family. Leaving his family in London, he went to Memphis where he remained for some months and then returned to London to bring his family back to America.

On his arrival in Memphis, the citizens there offered him for a gift a handsome residence, as an expression of their good will, but he preferred to be the recipient of no donations, and gratefully declined to accept it. He applied himself diligently, though probably unsuccessfully, to learning the science and technicalities of the life-insurance business. But, his training and experience had not been along such lines, and he later discovered that his company was not organized and conducted on a safe basis. The ultimate failure of the company, which was probably hastened by a yellow fever risk in the South, caused Davis to lose the small remainder of his meager fortune, and his troubles multiplied. The death of his brother, the litigation in connection with both the plantations at Davis Bend, the death of his little son William from diphtheria, and the failure of his insurance company, caused his health to grow worse, and he was again ordered to England.

Out of the wreckage of the hurricane and Brierfield suits, a portion of his old plantation was saved to him and from the lands where he had started life as a planter after his 8 years' service in the United States Army he had hoped to support himself and his family.

After pleasant months spent in England and in Paris, he returned home somewhat improved in physical condition. Through all these vicissitudes his courage continued dauntless and unbroken. Bountiful gifts of houses and lands and money might have been his for the acceptance, but his pride was as fine edged as his courage. After the death of his son in 1874, the people of Texas invited him to visit that State, and he was met with welcoming acclaim and was offered a tract of land and stock enough to furnish it, but again he declined the gift. Under the General Amnesty bill passed in May 1872, it was necessary that application should be made for the removal of prescribed disabilities to become a beneficiary of this bill's provisions. Davis, while accepting in good faith the results of the war, declined to ask pardon for an offense of which he denied that he was guilty. To quote Davis from the concluding chapter of his "Short History of the Confederate States," which was published in the year following that of his death:

"In asserting the right of secession it has not been my wish to incite to its exercise. I recognize the fact that the war showed it to be impracticable, but this did not prove it to be wrong; and now that it may not be again attempted and that the Union may promote the general welfare, it is needful that the truth, the whole truth, should be known so that crimination and recrimination may forever cease; and then on the basis of fraternity and faithful regard for the rights of the States there may be written on the Arch of the Union, Esto perpetua—may it be eternal."

The last of his larger plans in life, the development of a trade between South America and the United States, through the organization of an international enterprise which might build up New Orleans and the cities of the lower South caused him to visit England, but this scheme came to naught, and he began to look about him for some quiet, though humble place where he might end his days in the peace and seclusion which had been denied him since his earliest years at Brierfield. He selected the lovely spot along the Mississippi coast, overlooking the beautiful waters of the Gulf of Mexico, halfway between New Orleans and Mobile, known as Beauvoir. In April 1878, Mrs. Davis, who had accompanied him to Europe on his last visit abroad, joined him at Beauvoir and with her assistance and that of Mrs. Dorsey, whose residence he was occupying, and the literary aid of his friend, Major Walthall, and of Judge Tenney, whom his publishers sent down to assist him, he completed his history of the Confederacy at the end of 3 years. During this time, he lost his sole surviving son, Jefferson, who died at Memphis of yellow fever, and later Mrs. Dorsey died of the same malady. She had asked Davis sometime before her death to agree to act as her executor. He finally consented. After her death the will disclosed that she had devised Beauvoir to him during his life with reversion to his youngest daughter, Winnie, who was then a minor. After the book's completion, he and Mrs. Davis went again to Europe and remained in Paris 3 months, after which he returned to again take up his life at Beauvoir. The publication of his history of the Confederacy developed a renewed confidence in him on the part of those for whom he had borne a great burden. In 1886 he made a number of public addresses in Mississippi, Alabama, and Georgia, and was met everywhere with expressions of kindness and affection such as no other speaker had ever received. His last visit to Macon, Ga., for one of these homecomings was too much for his weakened vitality. His physician forbade him further excitement, and he returned to Beauvoir to appear no more in public. In November 1889, he went to Brierfield and was taken ill there. His sickness prevented his

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reaching home before the end, and with his wife who had joined him on his way down the Mississippi, he could go no farther than New Orleans, where he died December 6, 1889. From all over the South representative men and women, including the Grand Army of the Republic, joined in the funeral ceremonies with the camps of Confederate veterans and the citizens of New Orleans thronged to his funeral in Metairie Cemetery. The Governors of nine States were his pallbearers and the legislatures of the Commonwealths which he had led in war held memorial sessions in his memory.

Four years after his death the people of Richmond asked that his body might be entombed in the company of many other soldiers and statesmen of the South, in Hollywood Cemetery. Jefferson Davis was borne back to the scene of his great adventure, the capital of what had once been the Confederate States of America. His body lay in state in the chief cities through which it passed, and tens of thousands came to gaze on the face that was still resolute and undaunted in death.

In reviewing the last years of Jefferson Davis' life, my admiration for this man which like all true southerners has always been high, if possible, has grown even greater. To meet with reverses of every kind and description and to still hold his head high and decline all the gifts which were offered him, and to rise above all the confusion of the times, proved this man to be one of our Nation's alltime greats, of whom we may be justly proud.

BENEDICTION

"May the God we trust as a nation,
Throw the light of his Peace and Grace,
On a flag with its stripes untarnished,
And with every star in place.
"Amen."

The Grace Weller Story: Bighearted America at Its Best

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. DAGUE. Mr. Speaker, it has always been my prideful boast that nowhere in this broad land will you find an area that encompasses a greater group of bighearted people than those who reside in Lancaster County, Pa. Indeed, their charity is the kind that leavens all who become exposed to it and makes us want to exclaim with the poet that "God is in his heaven and all's right with the world."

In support of this conviction I would like to relate briefly a warm and tender gesture of Christian fellowship and outstanding community service that occurred recently in my Ninth Congressional District in Pennsylvania.

Late in February a young woman from Ephrata, a small town in Lancaster County, woke up in a hospital following a horrible highway accident. Mrs. Grace Weller was told that her husband, Norman, aged 27, had been killed in the crash and that it was necessary to amputate one of her legs. She became despondent and despairing realizing that a bleak, dismal future faced her with no insurance, income, or means of a livelihood. She had little desire or spark to get well.

And then a wonderful thing happened. A group of citizens of Ephrata, led by Burgess Lloyd Gerhart and Mr. and Mrs. Henry Nissley, determined that Grace Weller deserved a better lot in life and decided to help. They organized a community drive that included parades, shows, and a tag day to try to relieve her of the tremendous burden of medical expenses that mounted daily.

Local clubs and civic groups cooperated, as did the town's weekly newspaper, the Ephrata Review. The Lancaster Intelligencer Journal and New Era, New Holland Clarion, Lititz Express, and Reading Eagle also publicized this worthy cause.

Several thousand dollars was raised, a sizable sum for this small community of only 6,000, but still not enough to meet Mrs. Weller's expenses, which had reached over $6,000.

A large metropolitan radio station learned of this tragic case and asked if it could help on this local level.

The Westinghouse-owned radio station KYW in Philadelphia reached out to thousands and thousands in its audience with the dramatic story of Mrs. Weller. Listeners from all over Pennsylvania, New Jersey, and Delaware, although they had never heard of this young Ephrata woman and her misfortune, responded magnificently, and over $3,000 was received in 2 weeks.

KYW decided to take it further and passed the story on to Warren Hull, of the radio and television program, Strike It Rich. As a result, he asked two KYW performers, Bill Givens and Vince Lee, to appear on his show in behalf of Grace Weller. Their appearance, in which they spread the Grace Weller story from coast to coast, both on the NBC radio network and the CBS television network, brought more money to Grace Weller. Nearly $800 in money and gifts were realized by the young men themselves on the show.

And so I would like to offer this humble tribute and praise to the townspeople of Ephrata and its newspapers, and to the thousands of generous folks reached by KYW who volunteered time, services, and money to make it possible to assist this young woman to get a fresh new start in life.

This is the heart of America responding. This is the American people taking care of their own. This is bighearted America at its best.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the San Juan-Chama irrigation project in New Mexico.

The San Juan-Chama project is a part of the proposed multibillion dollar upper Colorado River project.

The cost to the Nation's taxpayers of the San Juan-Chama project would be $4,250 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Highway Legislation

EXTENSION OF REMARKS
OF
HON. GORDON H. SCHERER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. SCHERER. Mr. Speaker, I am going to direct my remarks to what I consider to be the two most important phases of the highway legislation.

First, I shall attempt to show where the critical and primary need for highway improvement exists in the United States.

Secondly, how this Congress can meet that need by a proper allocation of Federal funds.

There are approximately 3⅓ million miles of roads in the United States. It is admitted that something could be done—some money could be spent to improve in varying degrees almost each and every mile of this gigantic system in order to bring all of this mileage up to a standard of highway perfection so as to meet present and future traffic demands.

The Clay Committee finds that such a program would cost more than a hundred thousand million dollars. If we adopt a plan calling for the expenditure of only a fourth of this amount, it will still be by far the biggest single public-works program, not only in the history of this country but in the history of the world.

It is further admitted that a hundred thousand million dollar program cannot possibly be considered. It is beyond our capabilities at this time. It, therefore, becomes obvious that the money available—the money we are willing to spend must be applied where it will do the most good—where the critical need exists—where it will do most toward relieving the traffic snarls that are gradually but surely strangling America's transportation. The available money must be applied to a highway program that will most effectively cut the tragic accidents and slaughter on the roads of this Nation with a resulting damage to our economy. Above all, the program must meet the defense requirements of this country. We must be able to move large heavy military equipment and personnel quickly across the Nation.

The question, therefore, is which program will do the job most effectively—the one fathered originally by Senator GORE, or the President's program resulting from the Clay Committee's studies and investigations.

If we are going to follow the overwhelming and almost uncontradictable evidence adduced in the 7-week hearing before the Public Works Committee—evidence from the most competent authorities in the country—we must adopt at least a modified version of the President's program. On the other hand, if we are to follow the theory of handling this problem conceived by Senator GORE in an effort to beat the gun we must ignore the mountains of evidence piled high in the record.

The President's program deals solely with the interstate system. Its very name indicates that it is the system with which the Federal Government should be primarily concerned. It is on this system that we find the large volume and extreme density of traffic between centers of population. It is on this system that we find the bottlenecks—the slowdowns, reduced to a snail's pace, just outside and in the big cities.

The reasons for these conditions can be understood when we realize that the interstate system which consists of only 37,600 miles represents approximately 1 percent of the total road mileage in this country. This 1 percent, however, carries one-seventh of all the traffic. It means, therefore, that the density of traffic on the interstate system is 14 times the average density on all other highways.

These conditions have resulted in tremendously increased automobile operating costs, such as gasoline and oil consumption waste, brake and tire wear, and, above all, an unbelievable man-hour loss. The loss to the trucking industry, which is eventually passed on to the consumer is incalculable.

The rebuilding of the interstate system to the standards required will save 1 cent a mile in operating costs or approximately 14 cents for every gallon of gasoline that is used in passenger cars.

The trucking industry will save 4 cents a mile in operating costs.

All this will result in a total savings to highway users and our economy of $1,475 million per year.

The evidence is conclusive that it is on the interstate system where we are having a disproportionate number of accidents and loss of life. The rebuilding of the interstate system will result in a reduction of monetary losses from accidents alone amounting to $725 million per year. The total savings, therefore, will reach the staggering sum of $2,100 million a year. These savings alone will offset about two-thirds of the cost of the program.

If the highway user realizes these savings he may even be willing to pay at least part of this amount in additional user charges in order to make the program a reality.

Furthermore, one of the principal advocates for the development of the interstate system is the Department of Defense. The Defense Department, like all of us, has no problem with its equipment reaching the main arteries of traffic from its installations. It points out that its difficulty, like yours and mine, begins when it attempts to transport large military equipment and personnel across the country on the interstate system. The Department of Defense without reservation recommends that the interstate system be developed as proposed by the administration and that it be given priority.

We all now know that the large industrial centers of the United States will be the frontline trenches of the next war which all of us, of course, hope and pray will never come. If war comes, however, then evacuation is the only defense against atomic attack.

Could any large city in the United States be evacuated? The answer is "No." because the main highways extending from the periphery of industrial areas cannot possibly handle mass evacuations.

All of us are familiar with traffic conditions in the city of Washington between 5 and 6 o'clock in the evening when the workers are being evacuated from the downtown area to the suburbs. We literally crawl southward to Virginia and northward on Connecticut Avenue and 16th Street to Maryland. One can well imagine what would happen if not only the workers but the entire population attempted to move from all the metropolitan area. The main or arterial highways beyond every city in the United States are not capable of handling the traffic that would be thrown into them as the result of mass evacuation. They cannot handle the congestion on an ordinary Sunday afternoon.

Now, of course, I admit that the improvement of all of the system of highways in the United States would be beneficial and would result in a reduction of accidents and some saving in operating costs. However, again the evidence is conclusive that the beneficial results from the improvement of these systems is so slight when compared with the needs of the interstate system that every cent of money available should be spent on the immediate rebuilding of the interstate system and that it should be given complete priority.

The testimony shows that the primary, secondary, and farm-to-market roads are generally capable of adequately doing the job that is demanded of them today.

I drive between Cincinnati and Washington quite often over the interstate system. In view of my service on the Subcommittee on Roads, I have made careful observation of conditions. Time and time again, I have driven in a long line of traffic, frequently crawling up steep grades with other vehicles behind big trucks. While impatiently waiting to move ahead more quickly, I have glanced down the intersecting secondary roads. Invariably they have been in good condition with little or no traffic on them. Usually vehicles, if any, on these intersecting thoroughfares would be stopped at the intersection waiting to enter the crowded arterial highway. I am certain each of you has had similar experiences. There are 100 million miles of such secondary roads in this country that carry only from 1 to 100 cars a day.

I am not saying these secondary roads are perfect—that they do not need improvement and that we should not spend any money on them. All I am trying to do is to point out the relative needs.

Last year this Congress almost doubled the amount of Federal funds allocated for these other systems. The fact is that none of this additional money has as yet been used for improvement of these roads. Some States are going to have difficulty in matching the new funds provided for in the 1954 act.

If the interstate system is improved as recommended by the President all other roads will have made available further additional funds in the nature of a hidden windfall. Because of the heavy demands on the interstate system States today are spending a large part of their own highway funds on the rebuilding and maintenance of the interstate system within their respective States. If the Federal Government takes over the cost of rebuilding these interstate roads the States then will be able to use the money they are now spending on the interstate system on their secondary highways. These roads are primarily the States responsibility anyhow.

Now in spite of what has been shown about relative needs it is now proposed to dump additional millions on these roads. The Gore bill calls for 900 million a year. Thirty States have said they will not be able to match these additional amounts. Why do we then in face of these facts and all of the evidence to the contrary and against the recommendations of 97 percent of the witnesses who appeared before our committee, insist on giving these additional Federal funds for the secondary systems. Why do we do this when the available money is limited. Why do we do this when this money could be used so much more profitably if it were used where it is actually needed. We do it because we cannot get away from "pork barrel" politics. An election year is just around the corner and roads on the secondary systems pass almost every voting booth in the country. And yet, this is not enough "pork." Some still are not satisfied. It is, therefore, proposed in the Gore bill to substitute more "pork" for a truly effective and uniform interstate system.

Let me demonstrate what I say.

A long list of highway experts and responsible organizations headed by the Association of State Highway officials proved by cogent evidence that the solution to our critical highway deficiencies was the immediate and uniform, and note I say uniform, rebuilding of our interstate system under modern scientific highway engineering standards in every State in the Union. The cost of doing this job will vary from State to State depending on the number of miles of the interstate system within the State—topography—land acquisition costs—width of highways—utility relocation costs—number of grade separations and interchanges.

Does the Gore bill propose to distribute the Federal funds for the interstate system on the basis of need? It does not. It completely ignores the evidence and the recommendations of 97 percent of the witnesses and distributes money on the basis of votes. Some States under the Gore bill will get far less than the Bureau of Public Roads finds is needed to rebuild the interstate system to proper standards. Other

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States for no reason except political considerations get much more money than is needed to do the job.

On the other hand, the President's bill proposes to build roads where the real and critical highway problem exists and to allocate funds necessary to accomplish the results on the basis of need.

Poland's Freedom Should Be Restored

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. ANFUSO. Mr. Speaker, in connection with the celebration of Polish Constitution Day several weeks ago, the Polish Allied Societies of Williamsburg, which is a part of my congressional district, sponsored a parade and a large public gathering.

I was privileged to be invited to this celebration, which took place on May 29, 1955, and to deliver an address on the occasion. Under leave to extend my remarks, I am inserting the text of my address into the RECORD:

SPEECH BY CONGRESSMAN VICTOR L. ANFUSO, POLISH CONSTITUTION DAY PARADE IN WILLIAMSBURG, MAY 29, 1955

My fellow Americans, I am very happy to be here with you on this occasion and to join with you in the celebration of Polish Constitution Day. I consider it an honor and a privilege to address this wonderful gathering sponsored by the Polish Allied Societies of Williamsburg, which is doing a swell job and is rendering patriotic services.

It is fitting and proper for you to celebrate this day on which you reaffirm your devotion to the great Polish heritage of freedom handed down by your people 164 years ago. Your celebration is part and parcel of the spirit of loyalty and devotion which you bear in your hearts to America and all that America stand for in the spheres of justice, freedom, and morality.

This great Polish national holiday, however, is also a sad day for all of us in the free world. We observe it as a day of remembrance and rededication. It is a day of renewed hope that Poland will soon be liberated from the yoke of Communist subjugation and oppression, and that it will once again join the nations of the free world as an independent and democratic nation.

The people of Polish descent are no newcomers to the struggle for liberty. The Polish Constitution of 1791 is today recognized by freedom-loving people everywhere as one of the great documents in the annals of human freedom—a document which has since become a landmark in the development of constitutional government. Poland in the 18th century was in desperate need of a strong government. Its elective king was helpless; its Diet (Parliament) was impotent. Because of these weaknesses, Poland's predatory neighbors—Russia, Prussia, and Austria—were able to appropriate large areas of Polish territory in 1772.

Stirred by the democratic ferment then sweeping France and also our own 13 colonies in America, the people of Poland demanded a constitution which would strengthen the nation and guarantee certain rights to the people. Finally, after a long struggle, the constitution of 1791 was adopted, enfranchising the citizens of Poland and establishing religious freedom in the country. Let me read to you just a few lines from that great document in which the following principle is set forth:

"All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, the civil liberty, and the good order of society, on an equal scale, and on a lasting foundation."

This is still one of the great objects of humanity. No wonder that Edmund Burke, the great British parliamentarian and fighter for liberty, said at the time, "Humanity must rejoice and glory, when it considers the change in Poland." Unfortunately, those gains were lost later in the turbulent events of Polish history, but the constitution remained and it became an important factor in man's long fight for freedom.

The desire for human freedom and social justice, for democracy and religious toleration, is perhaps stronger today than it has ever been in the history of mankind. And yet the great paradox of history is the fact that the Polish people, the same people who have brought forth this noble document more than a century and a half ago as a charter of liberty, cannot celebrate the occasion in a free Poland today.

The Polish nation, which has lived for nine centuries in spiritual, religious, and cultural relationship with the western nations, is now cut off from the West. Its homeland is sealed off behind the Iron Curtain, where freedom is not tolerated, where human rights are trampled upon, where social justice and religious toleration are unknown, and where democracy has been perverted in its meaning and purpose.

Those of us who are familiar with the story of Poland's struggle for national independence in our time, know that the American people have always supported Poland's just cause for national survival and sovereignty—and we always will. Human liberty everywhere suffered a severe blow when Poland's independence was wiped out so ruthlessly in 1939 by the Nazi aggressor from the west. Later, Nazi oppression was replaced by Communist slavery from the east. Today, the power of the state no longer originates with the people, or belongs to the people—the real master sits in the Kremlin in Moscow. Poland is a captive country under a Communist dictatorship.

My friends, let me assure you, however, that neither Poland nor its people are friendless or forgotten. We, in this country, and others in free countries throughout the world, are constantly striving to bring them encouragement and giving them the fullest moral and spiritual support in their hours of anguish. We are hoping and praying that this nightmare of Communist tyranny and oppression, their enslavement and degradation, will soon end, and Poland will again rise to its rightful place among the free nations.

At this point, I want to stress a particular development of recent months and to express my views in the matter. For a long time we, in this country, followed a policy of liberation of the enslaved nations of Eastern Europe: Poland, the Baltic States, Rumania, Hungary, Czechoslovakia, and the others. Of late, the Eisenhower administration is discarding this policy and is replacing it with a policy of coexistence.

I want to tell you just as clearly as I can make it that this is a fallacious policy. In fact, I consider it a dangerous policy because it will destroy every vestige of hope which is still lingering in the hearts of your kinsmen in Poland and the other enslaved people; it will end all their dreams and aspirations ever to become liberated from their Communist oppressors. Only the hope of attaining freedom in the future encourages the people of Poland today to continue their struggle against slavery. To them, coexistence means death, the end of all hope for national rebirth. As I see it, there can be no coexistence of any kind, in any way, between the free world and the Communist-dominated world so long as entire nations are enslaved.

I make a point of this, because this summer there will take place a Big Four conference in which our country will sit down with Communist Russia at the same table to discuss certain matters. I suggest that the question of the enslaved nations of Eastern Europe be made a part of the agenda at that conference, with the idea of obtaining their freedom—something to which Russia had consented 10 years ago when the United Nations was organized in San Francisco. Russia must be asked to live up to her international agreements. The despots of the Kremlin must be given to understand that they cannot succeed forever in subjugating human dignity and justice. Theirs is a negative approach to human progress and civilization, it is contrary to basic principles of life itself.

In conclusion, let me assure you that the people of the United States follow with great sympathy the tragic plight which has befallen the people of Poland, whom we shall always regard as our stanch friends and allies. On this occasion, I extend my greetings and good wishes to all of you, friends and neighbors, all of you loyal Americans of Polish descent. I join with you in your prayers for Poland and its people. As we pray together for Poland's restoration, as we pay tribute to the bravery of the Polish people, let their struggles for liberty of yesterday and today serve as a beacon of light for tomorrow.

I urge you to do everything possible to help your people in Poland to surmount the great national crisis that confronts them. In ways that you know best, you must not only maintain hope for the future, but you must help your kinsmen in Poland to survive that crisis. They must feel confidence in your devotion to the altar of God, at which you both pray in your hearts—you in freedom here, they in slavery over there.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the Gooseberry irrigation project in Utah.

The Gooseberry project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Gooseberry project would be $1,900 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Thirty-seventh Annual Department Convention—the American Legion

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include my statement to the members of the American Legion, Department of Massachusetts, at the 37th annual department convention held in Revere, Mass., on June 16, 17, and 18, 1955:

Some people think of the American Legion as an organization with a special interest; to forward the compensation, pension, medical, and hospital claims of all veterans.

While we proudly acknowledge this fact, because we know that veterans have made greater sacrifices in behalf of our Nation than any other single group, we also point to the great and comprehensive program of the Legion which is dedicated to the preservation of all that we hold dear to us—Americans.

The Legion advocates a strong defense establishment.

And a strong foreign policy.

The Legion is not fooled by the sudden switch to sweet talk by us somewhere and somehow.

At the moment, for various reasons, they are stalling for time.

It seems to me that this is precisely the right moment to press our advantage.

Not by military action.

Accelerating, instead, our campaign to win the minds of men.

By increasing psychological warfare, as recommended by the Legion at the Washington national convention.

The defense of the United States, including the maintenance of far-flung forces and bases overseas, is costing us over $34 billion a year. Of that sum we are only spending $88 million, or less than one-third of 1 percent, for the United States Information Agency and the Voice of America.

We must never forget that the cold war goes on, relentlessly, even when the Reds are making peaceful gestures.

We oppose the Communists with military power.

We counter with diplomatic moves.

And exert economic pressure.

In the field of public relations on a global scale, however, we are acting like scared sheep. While Communist propaganda works night and day to convince its present and future victims that communism is invincible.

We have the best produce—freedom.

We have the best salesmen in the world.

By a strange lack of understanding, and purpose, we are unable to team them up in a concerted drive to hit the Communists where they are weakest—the latent dissatisfaction of their own people.

Consider this one fact; the Communists have never conquered a single country by direct employment of military power. They didn't have to. Subversion, infiltration, propaganda, and blackmail did the trick.

Do we need any further evidence that psychological warfare is the trump card of the Communists?

Then consider their hideous brain-washing techniques that take a victim's mind away from him, and replace it with a soulless zombie Communist model.

Or the massive efforts being made to train an army of professional Soviet athletes that will go into the next Olympics disguised as amateurs in order to defeat the United States, and thus increase the prestige of communism.

This is being done on a cold and calculated basis * * * not in the interest of clean and wholesome sport * * * but to serve the ruthless ends of the Communist propaganda machine.

Words like "peaceful coexistence" "neutralism" are used to play upon human wishes, with dangerous cleverness, and as weapons against the mind.

Think of it, one-third of the people in this world have been enslaved by the cold-war methods of communism, which are far more profitable for the Reds than a hot war could ever be.

They will not risk a large-scale war because they know this would release revolutionary forces within their own empire. Even if they felt sure they could win such a war, they know that they too would suffer nuclear devastation.

Psychological warfare is the key to victory.

Of course we must maintain our lead in all categories of military power, for this gives us the insurance, the confidence, and the opportunity to wage psychological counter-offensive.

It may come as a shock to us to realize that we are not as modern or efficient as we think.

The United States, with all of its military and economic power, is asleep at the switch.

We have not yet awakened to the fact that the Reds are far ahead of us in the successful employment of cold-war techniques.

Every American wants peace and prosperity. The Presidential election of next year may hinge upon the real or fancied existence of both. But if the American people interpret the absence of bombs and casualty lists as a sign of peace, they will be falling into a habit of thought that could be fatal.

The Communists know when to give in—a little—just to deceive us into believing that peace is just around the corner, because that is a part of their cold-war technique, intended to throw us off balance.

Getting us into the mood of wishful thinking, and back to business as usual, as if the cold war could be turned off as conveniently as we turn off the light and go to sleep.

While strengthening ourselves with nuclear weapons and maintaining a defensive posture, we are neglecting the main front which communism has already breached, with a positive campaign to capture the minds of all men.

Day by day we see how Communist-inspired fears confuse, divide, and weaken the moral fiber of nations that are apparently free when there are much greater tensions within the Communist empire that we are failing to exploit.

Even now, almost 50 years after the Bolsheviks took over Russia, they must use more of their manpower and resources to keep their own people in subjection.

In other words, they have not convinced their own people that communism is the best way of life.

In fact, they are afraid of them.

Add to this the feelings of the people in the captive countries, and we have a situation made to order for effective psychological counteraction by the free world.

This attack upon the enemy's nerves should be total and unrelenting.

Time does not give me the opportunity to spell it out in detail.

As a guideline, I would suggest the following eight points from a program for a political offensive against world communism, recommended by David Sarnoff:

"1. To keep alive through the Soviet Empire the spirit of resistance and the hope of eventual freedom and sovereignty. If we allow that hope to expire, the Kremlin will have perpetuated its dominion over its victims.

"2. To break the awful sense of isolation in which the internal enemies of the Kremlin live * * * by making them aware that, like the revolutionists in Czarist times, they have devoted friends and powerful allies beyond their frontiers.

"3. To sharpen by every device we can develop, the fear of their own people that is already chronic in the Kremlin. The less certain the Soviets are of the allegiance of their people, the more they will hesitate to provoke adventures involving the risks of a major showdown.

"4. To provide moral and material aid, including trained leadership, to oppositions, undergrounds, resistance movements in satellite nations, and China and Russia proper.

"5. To make maximum use of the fugitives from the Soviet sphere, millions in the aggregate, now living in free parts of the world.

"6. To appeal to the simple personal yearnings of those under the Communist yoke: release from police terror, ownership of small farms and homes, free trade unions to defend their rights at the job, the right to worship as they please, the right to change residence and to travel, etc.

"7. To shatter the wave of the future aura around communism, displacing the assumption that communism is inevitable with a deepening certainty that the end of communism is inevitable.

"8. To inspire millions in the free countries with a feeling of moral dedication to the enlargement of the area of freedom, based on repugnance to slave labor, coerced atheism, purges, and the rest of the Soviet horrors."

As a legionnaire, I would like to see our organization enlist public opinion in support of its resolve that the United States should increase psychological warfare.

Here we can attack communism at its weakest point.

In this manner we can win a bloodless victory.

On this anniversary of the Battle of Bunker Hill we should remember the early patriots who quickly adapted themselves to the challenge of their times and devised bold and original tactics to confound and defeat the enemy.

Aided by the vigilance and resourcefulness of the American Legion * * * I believe that we can decisively win the cold war and bring about the complete and final collapse of communism.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the silt-irrigation project in Colorado.

The silt project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the silt project would be $2,600 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

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Amendments to Social Security Act

EXTENSION OF REMARKS
OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. JENKINS. Mr. Speaker, the Committee on Ways and Means began this morning to consider in executive session amendments to the Social Security Act which would lower the retirement age for women to 62 and provide cash disability payments. It is estimated that the average annual cost of these amendments would be in excess of $2 billion annually.

The nature of the proposed amendments was first announced last Friday, June 17, 1955, by our distinguished chairman, Mr. COOPER. On that same date, he transmitted a draft of the amendments to the Secretary of the Department of Health, Education, and Welfare with a letter requesting the views of the Department. The response of the Secretary to the chairman, under today's date, was presented to our committee this morning.

The Republican members of the committee supported a motion to hold public hearings upon the proposed amendments as well as on a number of other liberalizations in the social-security system which have wide public support. This motion was turned down by the Democratic majority.

Mr. Speaker, inasmuch as there will be no public hearings on this matter and no transcript and since it is vital that the membership of the House be kept acquainted with these proceedings of such tremendous significance to the American people, I am including at this point in the RECORD a copy of Chairman COOPER's letter of June 17 to the Secretary of Health, Education, and Welfare, a copy of the Secretary's reply of June 21, and a list of the subjects with respect to which the Republican members of the committee moved to hold public hearings:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 17, 1955.

Hon. OVETA CULP HOBBY,
Secretary of Health, Education and Welfare.

MY DEAR MRS. SECRETARY: I am enclosing herewith copies of a confidential draft of a bill which I plan to submit to the full committee next week. This committee print would provide disability insurance benefits, lower the age for all women beneficiaries from 65 to 62, and provide for child's benefits after age 18 where they are physically or mentally disabled.

I have scheduled executive sessions on this bill for Tuesday, Wednesday, and Thursday, June 21, 22, and 23. During these sessions it may be that other members of the committee will offer proposed amendments to the old-age and survivors insurance title of the social security laws.

I would sincerely appreciate your having your staff review the enclosed draft and be in a position to present to our committee the position of your Department on these proposed amendments by Tuesday.

I would like for your Department to be in a position to give us your policy on these provisions, actuarial estimates of the cost involved, including any offsetting estimates such as those due to an increase in payroll, and any other factors and considerations relevant to sound actuarial estimates. I would also like for your actuaries to be in a position to recommend any necessary adjustments in the social-security tax rates in order to keep the trust fund on an actuarially sound basis in the light of these proposed amendments, and other relevant factors.

I would also appreciate your Department being in a position at the executive sessions to present to the committee for determination any policy decisions that must be made in connection with giving effect to these proposed changes. In addition, I would like for your staff to be in a position to suggest to us any technical and administrative improvements which might be made in these proposals.

In the past, your staff has been most cooperative and helpful with Mr. Ed Craft of the legislative counsel's office in drafting proposed legislation and in perfecting such legislation. This assistance of your staff has been invaluable to our committee, and is most appreciated. I would be very grateful if you would again permit your staff to render any assistance to Mr. Craft which he may desire.

With my kindest personal regards and sincere best wishes, I am

Very cordially yours,

JERE COOPER.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D. C., June 21, 1955.

Hon. JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives.

DEAR MR. CHAIRMAN: Thank you very much for your letter of June 17, 1955, enclosing copies of a confidential draft of a bill you are submitting to the full Committee on Ways and Means. Our staff has made such review as is possible in the time available and will be happy to appear before your committee today to assist in whatever manner is possible. We wish to cooperate fully with you, the committee and the legislative counsel's office in carrying out the committee's wishes.

You have asked, also, that our staff be ready to present to the committee the position of the Department on these proposed amendments. I would like to take this opportunity to set forth our views.

It is hardly necessary for us to restate the administration's basic policy with respect to the old-age and survivors insurance system. In his first State of the Union message, and even prior thereto, President Eisenhower clearly and emphatically called for broad improvements in the contributory, self-supporting system of old-age and survivors insurance. In the spring of 1953, a group of expert consultants was called together by this Department to consider the extension of the protection of the OASI system to additional groups of workers and self-employed persons. Late in the first session of the 83d Congress a bill was introduced by Congressman DANIEL A. REED embodying the recommendations of this consultant group. During the fall of 1953 an intensive study was conducted within the Department of the benefit structure of the OASI system, and in January of 1954 President Eisenhower transmitted to the Congress, in his State of the Union and special social-security messages, a series of recommendations for the expansion and improvement of the OASI system. These recommendations were translated into a new bill introduced by Congressman REED.

As you will recall, your committee and the Committee on Finance of the Senate gave that bill the most careful and thorough scrutiny. Your committee conducted weeks of public hearings during 1954, even though many of the elements of the administration bill had, at one time or another, been considered previously by the committee. This Department regards the committee's action last year as a model of careful and thorough joint legislative effort, and we particularly valued the important contributions made by you personally and by other members of the committee to perfecting the administration bill.

The result of this effort was perhaps the most sweeping and broadening improvement of the OASI system since its inception 20 years ago. The 1954 amendments made the following important changes:

1. Extended coverage to about 10 million more workers, including 3½ million self-employed farmers and many additional farm workers.

2. Increased benefit payments substantially for all present and future retired workers and for other beneficiaries.

3. Adopted a more advantageous basis for calculating benefits by (a) permitting a worker to drop as many as 5 years of low or no earnings from his wage record, and (b) by increasing to $4,200 the amount of annual earnings that can be counted toward benefits.

4. Preserved the rights of totally disabled workers to any benefits they may have earned.

5. Liberalized the retirement test by (a) permitting employed and self-employed beneficiaries to have earnings up to $1,200 in a year without loss of benefits, and (b) by reducing from 75 to 72 the age at which a beneficiary will be able to receive the payments regardless of the amount he is earning.

6. Provided benefits for the families of workers who had credit for a year and a half in social-security jobs but who died uninsured prior to September, 1950.

In brief, Mr. Chairman, the 1954 amendments, which were adopted by an overwhelming bipartisan vote in both Houses of Congress, reflect in a way even more eloquent than a statement of principles the deep concern of this administration for improving the welfare of our people by strengthening and improving the OASI system.

We come now to consider how the administration policy for strengthening the OASI system applies in the situation presented by your stated intention to conduct 3 days of closed or executive sessions on a bill based on the confidential draft you transmitted to us with your letter.

It is our firm conviction that a thoroughgoing review and inquiry into the issues raised by the confidential draft are essential. We believe that this committee could best serve the American people in this particular instance by setting up the mechanism for an intensive study—as was done by this committee in 1946 and by the Senate Finance Committee in 1948. A study commission or advisory council, particularly if given a mandate to consider certain specified problem areas, could assure that no important consideration is overlooked and the views of all are taken into account. Either this committee or the study commission could conduct full and open hearings on measures of the type in the confidential draft, with an opportunity prior thereto for all interested persons and groups to study the measures carefully, to formulate their views and to prepare testimony.

We wish to emphasize particularly the willingness and desire of this Department, as it has done in similar situations in the past, to work in close cooperation with such a commission or council.

While it is true that testimony on related proposals was received by this committee in 1949, we are convinced that a full inquiry is needed with respect to the proposals con-

tained in the confidential draft for the following reasons:

1. The social-security system is a system of the people. It represents the source of security for many millions of Americans, and it has a tremendous significance for our economy. It has reached practically universality in coverage of employment. Legislation dealing with a structure of such universal impact and significance should be considered widely by employers, employees, the self-employed and other interested groups and discussed fully and openly.

2. Although the confidential draft is similar in many respects to parts of a bill considered by your committee in 1949, there are important differences. Just for example, the provisions of the 1949 bill dealing with cash disability benefits provided that a disability benefit could be terminated if the disabled person refused without good cause to accept available rehabilitation services.

3. There are many alternative approaches to even the proposals in the draft bill. For example, as to cash disability benefits, the terms of eligibility, the administrative provisions and the appropriate review of administrative determinations are all matters of key importance with respect to which we do not purport to be able to give the Congress our best counsel at this time.

4. The OASI system has changed significantly since 1949 from a system under which about 6 out of 10 jobs were covered to one under which 9 out of 10 jobs are covered. Millions of self-employed persons have now been brought within the system—paying social-security taxes at a rate of 150 percent of the rate paid by employees. Self-employed farmers will commence paying taxes for the first time on January 1, 1956. The benefit structure of the system has been completely revised since 1949. The overall costs of the system have increased substantially, and a substantially higher ultimate tax rate is projected than was the case in 1949.

5. Because the OASI system is becoming a more costly one (with an 8-percent combined employer-employee tax already projected at the end of 20 years), every additional item of cost must be considered with the greatest care. The system could lose its attractiveness, particularly for many self-employed persons, if additional cost items are added without the most careful evaluation of the benefits they confer.

6. There are many praiseworthy objectives which have taken the form of numerous proposals for amendment of the OASI system other than the 2 or 3 proposals included in the confidential draft. There should be full opportunity carefully to consider which of the many proposals have the highest priority.

7. Since 1949 there have been many developments outside the OASI system which call for a thorough consideration. For example, there has been a tremendous growth in private insurance, private pension plans and voluntary health insurance. These developments have an important bearing on the proposals contained in the confidential draft.

Within the administration, we have not had an opportunity to make a real study of the proposals contained in the confidential draft bill, and have particularly not had an opportunity to solicit the views of groups and individuals outside of the Government.

Furthermore, there has not been an opportunity to assess and evaluate the results of the 1954 amendments, nor will there be for some time yet. The first few State determinations of disability under the disability "freeze" provision enacted last year have just been received. We are convinced that best interests of the OASI system and the American people would be served by obtaining more experience under the "freeze" and having that experience evaluated carefully before coming to far-reaching decisions which have important implications for the OASI Trust Fund. Similarly, there has been no real opportunity to evaluate the effect of the Vocational Rehabilitation Act of 1954, expanding the Federal-State program of rehabilitation for the disabled, or the effect of the referral to State rehabilitation agencies under the disability "freeze" provision mentioned above. We regard all of these as matters of crucial significance in the development of sound legislation.

We wish to reemphasize that the Department strongly endorses all efforts to strengthen and improve the OASI system which are soundly financed, in a way not unfair to any group. However, we believe that any major amendments should be adopted only after they have been presented to the public with an opportunity for full expression of views and open debate, and have been the subject of full deliberation based on experience under recent basic changes in the law.

There are many issues which a commission of inquiry might fruitfully consider. For example, the following major questions are raised by the proposals in the confidential draft bill:

CASH DISABILITY BENEFITS

1. Recognizing that self-sufficiency and independence through rehabilitation are more important goals for the individual than dependence on cash payments: What are the implications of cash disability benefits with respect to rehabilitation efforts?

(a) Has experience under veterans' programs, workmen's compensation, or other programs indicated any lessening of incentive toward rehabilitation as a result of payments of cash benefits?

(b) Do we yet know the full potential of the expanding Federal-State vocational rehabilitation program?

(c) Could greater social gain be achieved by backing rehabilitation efforts with additional funds—whether from the OASI Trust Fund or other sources—rather than paying the same funds in cash benefits on the condition of continued disability?

(d) Could the desired objectives be better achieved by making more liberal maintenance payments during rehabilitation?

2. What are the actuarial problems involved in cash disability benefits? What is the recent experience of insurance companies, labor union funds, and the like? What experience is there with respect to disabilities of women in middle and upper age brackets?

3. Do we need a broad health census to better ascertain the incidence and scope of permanent and total disability in this country? See, for example, the recommendations in the 1955 report to the Congress entitled "Study of the Homebound."

4. Would a cash disability program be utilized by employers as a means for retiring disabled persons from the labor market, especially persons in upper age groups?

5. Is there in fact a changing concept of disability, as a result of developments which have broadened the extent to which handicapped persons may be restored to activity and gainful employment? Is it true, as stated in the 1952 report of the task force on the handicapped (Office of Defense Mobilization) that "The idea of disability itself is outmoded," and that the significance of medical and rehabilitation advances of the last 10 years have not yet been fully comprehended? How should long-range policy in our social insurance system toward disability be developed in the light of these factors, if they are found to be true?

6. What guidance to the administrative problems involved in determining disability can be derived from experience under the disability "freeze" which has just gone into effect?

7. What would be the relationship of a Federal cash disability program to—

(a) the program of aid to the permanently and totally disabled, enacted in 1950;

(b) "permanent and total disability" benefits provided under workmen's compensation;

(c) unemployment compensation;

(d) temporary disability programs in the States; and

(e) private disability programs and voluntary health insurance plans?

8. Could benefits for "permanent and total disability" be handled more effectively under any of the foregoing programs at the State level rather than at the Federal level?

9. Should cash disability benefits, if adopted, be paid at any age, or only at age 55 or 60?

REDUCTION IN RETIREMENT AGE FOR WOMEN

1. What is the particular rationale for a reduction in retirement age for—

(a) wives,

(b) working women, and

(c) widows?

2. Is a reduction in age inconsistent with—

(a) the lengthening life span for the entire population,

(b) the fact that women live longer than men on the average?

3. In meeting the challenge of an aging population, much public and private research is being conducted into the social significance of "retirement age" provisions in OASI and other retirement plans. For example, the Department of Labor is planning a broad research program with respect to employment of older workers, and the administration has endorsed the bills pending in Congress to establish a Commission on the Aging to consider, among other things, national policy with respect to employment of older persons. In view of these developments and the strong trend toward encouragement of continued employment for older workers who are physically healthy, should there be a general reduction in the retirement age for women at this time?

4. Would a reduction in age for working women make it more difficult for them to obtain and keep jobs on a fair basis with men?

5. Would a reduction of retirement age by only 3 years have any real significance in alleviating (for example) the problem of the woman who is widowed at age 45, 50 or later?

6. Would a reduction in age for women be merely a forerunner of a general reduction in retirement age for men, as well?

The foregoing questions, many of which involve issues of broad economic and social policy, are stated not to discourage action in further amending the OASI law, but rather to lend sincere encouragement to the soundest possible approach to strengthening our social-insurance system. It is because of these questions, Mr. Chairman, that we are anxious that your committee should exercise its traditional prerogatives with respect to the social-security system and conduct a full inquiry into these and the many other questions which might be raised.

In addition to stating these views as Secretary of Health, Education, and Welfare, I wish to express the same opinions in my capacity as a trustee of the Old-Age and Survivors Insurance Trust Fund. The integrity of the fund cannot, in my opinion, be protected if we are to commence now to deviate from the pattern of deliberate, full and careful consideration which has marked all prior major amendments of the OASI system. The actuarial status of the fund is too vital to the welfare of our people—the employed, the self-employed, and their families—to permit of even the possibility of hasty action without full understanding by all members of this committee, the Congress, and the American people of the implications of that action.

At the very minimum as a trustee of the fund, I feel compelled to call attention to the

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financial impact which the proposals in the confidential draft might have—as a result of their average annual cost in excess of $2 billion—and to stress the importance of full and forthright financing of any additional costs imposed.

We appreciate this opportunity to express our views, and will stand ready to cooperate with your committee in any way possible. We highly value the spirit of cooperative endeavor which has marked all our relationships in the past.

With warmest personal regards,

Sincerely yours,

OVETA CULP HOBBY,
Secretary.

The following is the list of subjects with respect to which the majority rejected my motion to hold public hearings:

1. The payment of disability benefits.
2. Reduction of the retirement age for women.
3. Reduction of the retirement age for men as well as for women.
4. Liberalization of the retirement test which permits a beneficiary to earn only up to $1,200 a year without loss of benefits.
5. Reducing to 70 the age at which a beneficiary can earn any amount without loss of benefits.
6. Increasing the present minimum benefit of $30 a month to $45 a month or some other figure.
7. Consideration of the plight of millions of Americans who have passed the age of 65 but who never have had an opportunity to achieve social-security protection.
8. Extension of coverage to those individuals who are still denied social-security protection, such as lawyers, dentists, and many State and local employees.
9. Increasing a wife's benefit to more than one-half her husband's benefit.
10. Increasing a widow's benefit to the full amount of her husband's benefit.
11. Paying benefits to the dependent children of a deceased worker beyond age 18.
12. Paying benefits to widows whose husbands died prior to 1940 when survivorship benefits were first instituted.
13. Increasing the maximum family benefit above the present $200.
14. Providing an increase in benefits for those who postpone retirement until after 65.
15. Liberalizing the definition of employment to assist those who are employed by relatives.

East Greenbush (N. Y.) Centennial Celebration

EXTENSION OF REMARKS
OF
HON. LEO W. O'BRIEN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. O'BRIEN of New York. Mr. Speaker, I should like, on this occasion, to extend the good wishes of the House of Representatives to the town of East Greenbush, N. Y., on the occasion of its centennial celebration, which will extend from June 30 through July 4.

July 1 will be called Citizen Genet Day in honor of the town's most illustrious resident, "Citizen" Edmond Charles Genet—1765 to 1834—first minister plenipotentiary from the French Republic to the United States, whom President Washington asked to have recalled because of Government intrigues. Genet never returned to France. He lived the rest of his life in the town of what is now East Greenbush, devoting himself to scientific research and literature.

July 2 will be "Greenbush Cantonment Day" in remembrance of the large United States Army cantonment situated in the town during the War of 1812. More than 4,000 troops were quartered in several buildings, one of which still stands. It was here that the name "Uncle Sam" originated, when the soldiers, noting that the beef shipped by Samuel Wilson of Troy, N. Y., was marked "U. S." jokingly called it Uncle Sam's beef.

The State of New York will dedicate markers to Citizen Genet and Greenbush Cantonment on these 2 days.

July 4 has been designated "Town of Clinton Day" to recall the forming of the town from the old town of Greenbush, Rensselaer County, by an act of the legislature on February 23, 1855. The town name was changed to East Greenbush by legislative act on April 14, 1858.

July 3 is to be "Day of Remembrance," with special mention of the centennial in all churches of the town and visits to the town's historic sites, of which there are 43 marked on the centennial map. They include the Greenbush Reformed Church, organized in 1787; Witbeck House, built about 1738; Greenbush and Schodack Academy, 1831; Lyman's Boarding School, 1851; Genet Gothic School, 1850; Gen. Henry Genet House and others.

Today the town has several hamlets and communities, all prosperous suburbs of Albany, the State capital, containing six churches; fine schools, homes and business places, and a nationally known chemical research laboratory.

I would that time would permit specific mention of the many fine citizens who have worked long and hard to make this celebration a success.

Mr. Speaker, I have ventured upon the patience of the House in this matter because I think East Greenbush typifies something precious in our way of life. Great bustling cities and rich farm acres are important to our Nation, but there is something very American about our towns.

They, like East Greenbush, have preserved the greatness of their yesterday and used it to season their calm approach to the problems of today and tomorrow.

By honoring the town of East Greenbush on this great occasion in its history, we are, in a sense, honoring similar towns throughout our great land.

Results of Questionnaire, First Congressional District, Wisconsin

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am inserting the following results of my May 1955 questionnaire:

Results of the May 1955 questionnaire from Congressman Lawrence H. Smith, 1st District, Wisconsin, June 17, 1955

[In percent]

	Yes	No	Don't know
1. Should the United States help defend Formosa?	79	14	7
2. If Red China attacks Matsu and Quemoy, should the United States defend these islands?	50	38	12
3. Should we use atomic weapons, if necessary, in repelling any Red Chinese attack upon Matsu and Quemoy?	50	39	11
4. Do you favor military training for 6 months, plus 7½ years in the Reserve?	32	58	10
5. Do you approve President Eisenhower's foreign policy?	50	36	14
6. Do you favor a constitutional amendment making treaties of no force and effect if they deny or abridge any right enumerated in the United States Constitution (the Bricker amendment)?	76	20	4
7. Do you favor foreign military aid?	47	42	11
8. Do you favor foreign economic aid?	43	47	10
9. Do you approve exchange of atom secrets between the United States and our allies?	24	70	6
10. Do you favor authorizing the development and use of atomic energy by private enterprise within our own country?	90	9	1
11. Do you favor trading American butter for Russian manganese?	57	43	------
12. Do you favor support levels for agriculture if such support requires the imposition of stricter marketing allocations, acreage allotments, and price controls?	22	73	5
13. Do you favor immediate balancing of the Federal budget by increasing Federal taxes?	24	71	5
14. Do you favor reduction of taxes before balancing the budget?	28	64	8
15. Do you favor immediate balancing of the Federal budget by reduction of Federal spending?	89	9	2
16. Do you approve President Eisenhower's 10-year construction program to modernize our primary roads?	66	28	6
17. Do you approve direct Federal grants to States to help build schools?	41	55	4
18. Do you approve an increase in the minimum wage?	44	51	5
19. Do you think management of money in welfare funds of labor unions should be regulated by law as insurance funds are regulated?	96	3	1
20. Do you favor reduction of Federal Government's competition with privately owned business and industry?	89	10	1
21. Do you approve extending social security old age insurance to all groups of workers not presently covered by social-security insurance or some equivalent plan?	71	25	4
22. Do you favor an increase in postal rates to meet Postal Department deficits?	65	30	5
23. Do you favor President Eisenhower's conducting personal talks with the heads of the Russian, British, and French Governments?	65	32	3
24. Do you approve of a questionnaire of this type as a means of helping a Congressman to know the thinking of his constituents?	98	1	1
25. Assuming the continuation of present economic conditions, do you favor an across-the-board lowering of the personal income tax?	63	35	2

More than 1,400 replies to the questionnaire have been received at this time. This represents better than a 15-percent return. Some of those who replied did not answer all the questions. I am greatly pleased with this fine response.

The Senator From Moscow (Idaho)

EXTENSION OF REMARKS
OF
HON. BARRY M. GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 21, 1955

Mr. GOLDWATER. Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD a very interesting article on our esteemed colleague from Idaho [Mr. WELKER], which was published in the July issue of American Mercury.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SENATOR FROM MOSCOW (IDAHO)

(By Howard Rushmore)

During the censure of JOE MCCARTHY, egg-heads of the liberal press overlooked the startling fact that the Senator who led the defense of the Wisconsin anti-Communist was a graduate of a university located in Moscow.

The name's the same, but pronounced differently by the good westerners who, in 1950, sent HERMAN WELKER to Washington.

Idaho is a rugged State, a stronghold of western individualism and conservative political thinking. It is no coincidence that WELKER asked for and received the same Senate seat occupied for more than 30 years by William E. Borah. The late Senator has always been an idol of WELKER's and among his most cherished letters is a recent one from Borah's widow which reads, "Every day I am grateful that we had you to represent our Idaho."

WELKER also represents a large segment of the American people to whom nationalism isn't an ugly word. Many patriotic organizations have honored the Idaho Senator for his unequivocal fight against the Communists and their camp followers, the Socialists, New Dealers, and one-worlders. He's in constant demand as a speaker by unreconstructed Republicans from coast to coast, yet on his office wall is a photograph with the inscription, "With devoted friendship, from HARRY F. BYRD."

To WELKER, the fight for America cuts across party lines. He has only warm praise for JAMES EASTLAND, the Mississippi Senator who chairs the Internal Security Subcommittee, of which the Idaho lawmaker is a member.

"Senator EASTLAND has been a real bulwark on our committee," WELKER says. "And for the past 2 years every report was signed by all Democrats and Republicans and I hope and trust this unanimous united front against the enemies of our Nation will continue."

As an illustration of WELKER's typically western characteristic of honesty before partisanship, he was the only one of the 22 Senators who voted against MCCARTHY's censureship to criticize President Eisenhower when the latter praised Utah's ARTHUR WATKINS following the vote. "I hardly think," WELKER told the press, "it is necessary for the Chief Executive to be warmly congratulating anyone."

A few weeks later, WELKER was leading the fight in the Senate for passage of Mr. Eisenhower's Formosan resolution. Friends who know the Idaho solon will say there was nothing erratic in this. Herman thought the President was wrong on MCCARTHY and said so. On Formosa, he thought Ike was right."

While praising Mr. Eisenhower in a Lincoln Day speech in San Diego, WELKER told the audience: "True, I have had my differences with the President, and I shall no doubt have them in the future. I have never advocated strict, lock-step political conformity as a principle upon which to base a democratic government."

Privately, WELKER yearns for a return "to the old GOP I grew up in. Our party of late has gone too far down the line of the New Deal trend. I'd like to see it united again and strong in the face of the Communist threat."

Unlike some bird-brain politicians and bemused commentators on the Russian scene, WELKER has never swallowed the theory of "getting along with the Communists." He says: "I would sooner pick up a rattlesnake from the Idaho sagebrush and embrace it than I would embrace the belief of coexistence with the Reds."

During his years on the Internal Security Subcommittee, WELKER has been an aggressive cross-examiner of Communist witnesses and has only contempt for the comrades who crawl behind the fifth amendment. "During my career as a lawyer, I defended many men, but I never had a client plead No. 5. Leave that to the Red rats who crawl behind the Constitution only to plan its destruction."

The Senator, whom Time magazine honored by calling "a four-square McCarthyite" is, like Joe, a farm boy who came up the hard way sans finishing schools and Harvard. One of eight children, he was born 49 years ago in Cambridge, Idaho, and worked his way through law school by herding sheep and mining during vacations. He knows the miners and, when elected in 1948 to the State legislature, introduced and fought for a bill to guard the hard-rock workers from silicosis.

At the age of 23, WELKER was appointed prosecuting attorney of Washington County and was reelected twice by the voters. He then launched his own law practice and became one of Idaho's great trial lawyers. To get around his massive State, WELKER bought a plane and learned to fly. It is still one of his hobbies and he's logged more than 3,000 hours.

"It's a quick way of getting around," he says, "and you sure get a good view of Idaho."

When World War II came, WELKER was offered a commission as an Army lawyer, but he turned it down and enlisted as an Air Corps private. A training accident sent him to the hospital for 3 months and he was honorably discharged. Then came his one term in the State Capitol and his subsequent election to the Senate.

A handsome, driving sort of guy, WELKER still demonstrates the catlike physical quickness that made him an outstanding baseball player during his youth. He still spends his spare time scouting all over Idaho. Several of his finds have wound up in major-league uniforms. "Never saw a ball player who was a Communist," says the Senator.

In Washington, he's a man who earns his pay. Usually heading one task force of the subcommittee, WELKER is also active in three other divisions of the Judiciary Committee. He's not a cocktail partygoer and lives quietly with his wife, Gladys, and his daughter, Nancy, in a home near that of Vice President NIXON.

This same home was stoned and several windows broken during WELKER's defense of MCCARTHY. "The rats did it while I was away," the Senator says. "They knew all they might hurt was my wife and my 12-year-old daughter."

WELKER's activities as an aggressive anti-Communist, long before the censure vote, stamped him as a foe of the American-last outfits. Undoubtedly Idaho will be flooded with "Herman must go" forces in 1956 when he comes up for reelection. WELKER ignores such threats and those who know him well realize such warning signals won't stop him. As for the Senator himself, "Whatever the results of my political career," he says, "I hope to be able to say I was an American in a country that has been wonderful to me. And I gave her my best."

Dry Cleaners and American Legion Cooperate on Flag Day, June 14

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent granted me heretofore so to do, I wish to present what appears to me as a most interesting and significant fact in connection with the recent observation of Flag Day on June 14, 1955.

Mr. Speaker, it happened this way. As I delivered a couple of my suits of clothing to the Progressive Dry Cleaners at Cherrydale, Va., close to our nice little home at Arlington, Va., I noted a beautiful flag of the United States on a staff out in front thereof. As I entered the attractive front entrance of this particular establishment I noticed in the window a large sign, approximately 18 by 24 inches on which there was neatly and attractively printed the following:

IN COOPERATION WITH THE AMERICAN LEGION, AMERICAN FLAGS CLEANED WITHOUT CHARGE, JUNE 1–12, FOR FLAG DAY, JUNE 14

SPEAK UP FOR AMERICA—INSURE NEW GLORY FOR OLD GLORY

"So proudly stand you straighter
Lift eyes and spirits high;
See the emblem of your Freedom
See Old Glory passing by."
—*Ernest Todd.*

Flag Day, June 14, is the day set aside each year for Americans to honor their flag. At home, at sea, in far corners of the world, civilians and members of our Armed Forces will play their respects to Old Glory.

This year, it is more fitting than ever that we do so. In many parts of the world freedom today, is but a catchword, an ideal trampled under the heels of men who hate its very meaning.

But in these United States, and in those parts of the world where it flies, the Stars and Stripes still tells its own story to all men who would walk upright—in freedom.

Here, it proudly proclaims, is the symbol of a glorious ideal that founded a new Nation. It flies because oppressed men sought freedom—in the right to speak boldly without fear—to vote at the dictates of their minds—to worship in the manner of their choice—and were willing to die for their beliefs.

At Valley Forge, at Chateau-Thierry and at Iwo Jima—wherever down through the years the need has arisen—Americans have said "I die but It lives."

Small wonder, then, that we as Americans, set one day aside as Flag Day. But in the expression of our respect let us fly worthy of the ideals for which Old Glory stands.

Flag etiquette, the rules which have been formulated over the years for proper display of the flag, forbids the flying of a flag that is tattered or torn. Flags that have achieved this condition should be destroyed by burning.

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Tradition also says that it is improper to fly a soiled flag—it should be restored, preferably by dry cleaning.

It is for this reason that the dry cleaners listed below have offered their services to their fellow citizens.

Help to insure new glory for Old Glory. Bring in your flag today. Speak up for America with the Stars and Stripes on Flag Day, June 14.

So, I naturally asked to see the manager and complimented him and his staff upon what I had seen and read in their shop windows. I learned he was a distinguished member of the American Legion and he cordially delivered to me for my inspection a copy of the following communication which he had received from the drycleaners of America.

IMPORTANT

(Please give to your local paper for release on or after June 1, 1955)

Drycleaners of America were asked today to join in a nationwide drive in which all American flags would be cleaned without charge in return for the owners' promise to display the colors on Flag Day, June 14.

The appeal was made jointly by Commander Seaborn Collins, of the American Legion, and the National Institute of Drycleaning.

Window posters identifying drycleaning stores as participating in the program have been provided to all such establishments by the Detrex Corporation of Detroit, a leading manufacturer of drycleaning equipment.

Post Comander ---------- urges everyone in ---------- (name of town) to make sure they "show their true colors—a bright and sparkling red, white, and blue."

I am sure, Mr. Speaker, and my distinguished colleagues, one and all of us desire to compliment the American Legion on this forthright and positively constructive and patriotic endeavor, and in like manner compliment the drycleaners of America who cooperated with the American Legion in this patriotic endeavor and action.

This endeavor, Mr. Speaker, is worthy of consideration by all American merchants in the forthcoming observation of Flag Day on June 14, 1956.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the Smith Fork irrigation project in Colorado.

The Smith Fork project is a part of the proposed multi-billion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Smith Fork project would be $1,800 an acre.

The project would grow agricultural products now supported by the taxpayers and in great surplus. Among these are grains and dairy products.

Unveiling of Statue of Chief Justice Edward Douglass White

EXTENSION OF REMARKS

OF

HON. GEORGE S. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. LONG. Mr. Speaker, on Friday, the 17th of June 1955, the statue of Chief Justice Edward Douglass White, a native of the State of Louisiana, was unveiled in Statuary Hall of the United States Capitol in Washington, D. C. Chief Justice White was one of Louisiana's most illustrious sons. The South gave tribute to one of its greatest men and the whole United States is taking note of a Chief Justice of the United States Supreme Court whose contributions to the growth of the Nation are of the highest order.

The very facts of Edward Douglass White's life placed him in the center of our Nation's history. Within his own days he spanned three different eras of existence in our country. When he was born in 1845 in Thibodaux, La., as son of the owner of one of the largest sugar plantations in LaFourche Parish, he entered into the period of the old, rich, plantation days that existed in Louisiana before the War Between the States. His family circle was distinguished. His father had been Governor of Louisiana, and his mother was a Ringgold of Maryland, whose family name is among those of the heroes mentioned in My Maryland. His knowledge of the second period of our Nation's history began in 1861 when he abruptly ended his schooldays at Georgetown College and volunteered for service in the Confederate Army at the age of 16. During the war he served as an enlisted man and as a lieutenant on the staff of General Beall. In 1863 he was taken prisoner in a battle just below Vicksburg. The privations that followed his capture had a marked effect on his health. After the war he studied law in the office of one of the great civilians of Louisiana, Edward Bermudez, and in 1868 he was admitted to the Louisiana bar. Thereafter, his early political life which paralleled his rise to preeminence at the bar knew the harsh tumult of the Reconstruction, and the efforts of the citizens of Louisiana to restore orderly government to the State. He entered into the full tide of the third period, when after his appointment as an Associate Justice of the Supreme Court in 1894, he aided in inaugurating the new federalism of the 20th century with his wise and profound decisions, particularly in those cases arising under the interstate commerce clause, and in his championship of unpopular issues such as the Federal income tax.

Familiar though he was with all these divergent eras, with their claim and counterclaim of State and Federal right, he himself was truly within the purest traditions of our Nation. This is readily evidenced by the fact that while half his critics complained loudly that White had turned from States right to nationalism, the other half equally strongly insisted that he was a reactionary advocate of dual federalism. Yet, if his decisions are examined closely, it will be seen that his balancing of interests between the power of the States and the power of the Federal Government paralleled that of the greatest men of the South, among whom must be reckoned in the first rank George Washington, of Virginia, who recognized that the very existence of the country required a central power and whose interest led to the Constitutional Convention. In serving his State and in serving the Federal Government, Edward Douglass White was but following in the footsteps of his grandfather, Dr. James White, a member of the Continental Congress from what is now Tennessee but was then the western frontier of North Carolina, who wrote in 1788 to Gov. Richard Caswell, of North Carolina:

I am writing to Your Excellency at a time that all minds, and all conversations are turned toward the interesting question of changing the Federal system * * * as those who have been the most conversant with the subject appear to me to be the most convinced of the necessity of an efficient Federal Government. * * * Whatever may be our wish in theory, we find in practice, by our own example, that States in confederacy, like individuals in society, must part with some of their privileges for the preservation of the rest.

Edward Douglass White served his State well. He was elected to the Louisiana State Senate in 1874 and was appointed from there to the Louisiana Supreme Court in 1878. His tenure there was brief, due to a constitutional amendment engineered by the opposing political party which limited his term to 15 months. This bitter rivalry between opposing factions arose from the deep-seated question of the Louisiana lottery which White had always opposed. In 1888, after several years in private practice, he returned to politics as campaign manager for Governor Nicholls, who opposed the lottery. It was a fierce contest, but Nicholls and those supporting him won, and White was elected to the United States Senate by the new legislature for the term to begin on March 4, 1891. Meanwhile the United States Government had taken a hand in the lottery scandal by making it a criminal act to send lottery tickets through the mail. When White came to Washington to take his seat several criminal prosecutions were in progress under this law. The Attorney General consulted him on the dismissal of several of these suits in Louisiana and it is characteristic of him that he should feel their dismissal was the preferable thing to do, on the ground that the "struggle is terminated and ended. To press the prosecution further would not redound to the benefit of the public service." Many years later, in 1915, when he was Chief Justice, this former Confederate soldier, in construing one of the post-Civil War amendments in Guinn against United States, exhibited the same attitude. The issue had been settled so far as he was concerned, and it would be disruptive of the public

good to allow the "Oklahoma grandfather clause" prohibition on voting to subvert the very essence of the supremacy of the Constitution and its amendments and thus the whole good of the United States.

White was appointed an Associate Justice of the Supreme Court by President Cleveland in 1894 and was elevated to the position of Chief Justice by President Taft in 1910. He has the unique distinction of being the first Associate Justice who attained to the eminence of Chief Justice. His career on the Supreme Court bench covered 27 years altogether, second only to Marshall's up to that time. His tenure was during a time of rapid social and economic change in the country, an era which also showed an increasing reliance on the Federal Government to solve the attendant problems.

There are three fields in which White's forward-looking thinking gave direction to American law. These are the fields of administrative law, interpretations under the antitrust acts, and the Federal income tax.

Justice White came to the Supreme Court bench during the years when administrative rulings under the Interstate Commerce Act were first coming up before the Court for interpretation. Beginning with the East Tennessee, Virginia and Georgia Railway decision in 1901, he steadfastly maintained the power of Congress to set up administrative agencies, provided proper limits to their authority were embodied in the law. One of the most notable decisions in this field was Oceanic Steam Navigation Company against Stranahan—1909—which permitted administrative officers to impose penalties set by Congress. In the child-labor and narcotics law cases which to him required the use of a power embodied in the Constitution to accomplish a regulatory effect not specifically denominated in the power, he dissented, for he did not believe the Federal Government had the right to assume the police powers of the several States for social welfare purposes.

Beginning with the dissent in the Trans-Missouri Freight Association case in 1897 and continuing through the Northern Securities Co. case in 1903 until he wrote the majority opinion in the Standard Oil and American Tobacco Co. cases in 1911, he carefully developed the "rule of reason" in determining whether contracts were in restraint of trade under the Sherman Antitrust Act.

Finally, with respect to the income tax, it may be stated that Chief Justice White never permitted economic theory to dominate his views of constitutional law. In the Pollock case (1895) he stood for the historic definition of the fathers of the country as to direct taxes rather than accept the definition given by the economists in 1895.

The work he accomplished was enormous. During his incumbency on the Supreme Court bench the Court disposed of, in one way or another, more than 14,000 cases and rendered opinions in more than 7,000. Chief Justice White wrote about 700 opinions for the Court, 10 concurring opinions, and 33 dissenting opinions. During his service as the Chief Justice he also bore the burden of the administrative details of the Court. His kindness and forbearance was memorable, and he added to the quiet dignity of the Court with the introduction of a formal method of greeting each morning. When all the Justices had donned their gowns in the robing room, Chief Justice White would step to the center and greet each one in order of seniority with a firm handshake and an affable good morning.

Chief Justice White was a credit to the old civil law of Louisiana—one of whom it was said in New Orleans that he was not merely a learned civilian but a veritable jurisconsult. He was conversant in English, Spanish, French, and Latin, and knew them not only as speaking languages but had consulted their legal works in the original. During his young manhood in New Orleans, in order to prepare himself for practice before the Federal courts, he became equally learned in the common law. This accumulation of wisdom he brought to the Supreme Court. He also brought a mind unbiased by the passions of the war in which he fought, an earnest consideration of every problem that came before him, and a logic and honesty that compelled him to try to balance the extremes represented by the contending parties before him. The State of Louisiana is proud to confess its debt to Chief Justice Edward Douglass White for the luster he has shed upon it and to dedicate this statue to him.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the Emery irrigation project in Utah.

The Emery project is a part of the proposed multibillion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Emery project would be $2,200 an acre.

The project would produce agricultural products now supported by the taxpayers and in great surplus. Among these are grains, dairy products, and wool.

Roll Call

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. AYRES. Mr. Speaker, I wish to add my congratulations to Sidney L. Yudain for conceiving the idea of publishing a Capitol Hill newspaper.

The first edition of Roll Call was well received. It had the touch of the old hometown paper. Washington editors take heed—Yudain is on the march. His Roll Call is one no Member of Congress need miss, and, like the best things in life, it's free.

Patriotism

EXTENSION OF REMARKS
OF
HON. HOMER E. CAPEHART
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 21, 1955

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by the Honorable John Foster Dulles, Secretary of State, at the baccalaureate ceremony of the University of Indiana, Bloomington, Ind., Sunday, June 12, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PATRIOTISM

(Address by the Honorable John Foster Dulles, Secretary of State, at the baccalaureate ceremony of the University of Indiana, Bloomington, Ind., June 12, 1955)

It is indeed a great privilege for me to be here and to have the opportunity of talking with you on an occasion which for me is full of sentiment. It was just 100 years ago that my grandfather, John W. Foster, was graduated from this university. It was just 50 years ago that he received from this university the honorary degree which, I understand, the university plans to confer upon me tomorrow. My grandfather, whose name I bear, exerted a great influence over my life and he had ideals and purposes which I have tried to make my own.

He was a deeply patriotic American. He belonged to the period which saw this country rapidly developing from a small Atlantic coast group into a Nation that spread across the continent. He fought to preserve the Union; and then on diplomatic missions and as Secretary of State he helped to spread the influence of this Nation throughout the world both in Europe and in Asia.

He deeply revered his forebears, who had been pioneers in settling this part of our Nation. He wrote a private booklet inscribed "Don't Let the Little Ones Forget," in which he told for his descendants the story of his own forebears, his grandfather, my great, great grandfather, on whose grave I laid a wreath today, and his father.

To me that story has symbolized the spirit of our Nation. I vividly recall being told of how my great grandfather, as a young boy of 17, had struck out into the West to get away from what seemed to him the overpopulated East. After a foot voyage of exploration, he had fixed upon a forest tract in southern Indiana, as a future homestead. He then brought his aged parents—his father was then 79 years old—from the East to settle here and gained a livelihood by hunting and by cutting hickory for hogshead hoops and floating them on a raft down the Ohio and Mississippi Rivers to New Orleans, where hogsheads were needed for molasses. Then he would walk back through the 1,200 miles of dangerous trails from New Orleans to his log-cabin home here in Indiana. Finally, he became a farmer, a merchant, and then a

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judge, in the growing community he had helped to create.

That spirit of enterprise, that vision, that industry, and that rugged independence have been characteristic of our Nation. There are indeed few Americans who cannot find in their family history similar stories of those who risked much and endured much to bring a dream into reality. It is those qualities which within the short span of 150 years have brought our people from national infancy into forming the greatest nation on earth.

In some quarters there has developed a tendency to scorn patriotism. Indeed, there are a few who find patriotism unfashionable and who go so far as to assume that institutions and ideas are better if only they bear a foreign label. Also, there is a theory that this mood is necessary if we are to develop international institutions and maintain international peace.

It seems to me that love of country is one of the great and indispensable virtues. No community is weaker because the members of the families which make it up—the mother, the father, the sons, the daughters, the brothers, and sisters—are bound together by distinctive ties of love, respect, and admiration. So I am convinced that the family of nations will not be the poorer or the more fragile because the peoples who form the different nations have a special affection and pride for their own people and for the nation they form.

I recall that St. Paul took great pride, which he did not attempt to conceal, in the achievements of his own people. To me, one of the most inspiring chapters in the Bible is the 11th chapter of Hebrews where St. Paul recalls, in epic words, the great deeds which had been wrought through faith by national heroes—men and women.

Recently I was asked to open an exhibit of the oldest known print of the Bible, in the Aramaic language, and in that connection to select one of my favorite verses. I selected that portion of the epistle to the Hebrews where St. Paul, after the historical recital to which I allude, concludes by saying, "Seeing that we are compassed about by so great a cloud of witnesses, let us run with endurance the race that is set before us."

If it was appropriate for St. Paul to entertain those sentiments, I think it is equally appropriate for us. We, too, of our Nation can look back with pride to the great figures which our Nation has produced, who through faith wrought much.

Surely, we, too, can feel that we are compassed about by a great cloud of witnesses who are observing our conduct and who by their spirit seek to inspire us to carry forward the great national and international tasks to which they dedicated their lives and to which they committed our Nation by their strivings and by their faith.

Our national course has to a unique degree been shaped by religious beliefs. Our people have in the main been God-fearing people. They believed in moral principles derived from a source above us. They were dedicated to human liberty because they believed that men had been endowed by their Creator with inalienable rights. So, they provided that those rights must at all times be respected, assuring the sovereignty of the individual against the dictatorship of the state. They were confident that the human liberty they thus assured would not be exercised recklessly and in disregard of fellow men because they were confident that our citizens would obey the moral law which prescribes the Ten Commandments of the Old Testament and the two great Commandments of the New Testament, "Thou shalt love thy neighbor as thyself" and "Whatsoever ye would that men would do to you, do you even so to them."

As George Washington pointed out in his Farewell Address, religion and morality are the two indispensable supports of a free society. "In vain," he said, "would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens." Indeed, a society which is not religious cannot tolerate much freedom. It is dangerous to give freedom to those who do not feel under moral compulsion to exercise self-control and who are unwilling to make sacrifices for the good of others.

It results that true patriotism, which vitalizes liberty and freedom for ourselves, can never be a purely selfish force. That has been ever evident so far as our Nation was concerned. Our people have always been endowed with a sense of mission in the world. They have believed that it was their duty to help men everywhere to get the opportunity to be and to do what God designed. They saw a great prospect and were filled with a great purpose. As said in the opening paragraph of the Federalist Papers, "It seems to have been reserved to the people of this country, by their conduct an example, to decide whether societies of men are capable of establishing good government." "Failure on their part," it continues, would be "the general misfortune of mankind."

Under the impulsion of that faith, there developed here an area of spiritual, intellectual, and economic vigor, the like of which the world had never seen. It was no exclusive preserve; indeed, sharing was the central theme. Millions were welcomed here from other lands, all to share equally the opportunities of the founders and their heirs. Through missionary activities and the establishment of schools and colleges abroad, American ideals were carried throughout the world. Our Government gave aid and comfort to those elsewhere who sought to increase human freedom.

These have been the characteristics of our Nation since its foundation and those characteristics have persisted. They today make our Nation the leader in the struggle to maintain liberty in the world. I believe we can say that in these times, when despotism menaces as never before, our Nation is playing a part worthy of our forebears and is imbued with the spirit of those who founded our Republic. We have availed of every opportunity, whether it be through the United Nations or through mutual security associations with other free nations, to make our influence felt in support of freedom. We have, as a matter of enlightened self-interest, contributed largely out of our vast productivity to others who, if left alone, could not sustain the freedom and independence for which they yearn.

All of that is in the American tradition. We can be happy that that tradition thrives and is vigorous and we can take pride in the fact that, inspired by our founders who saw a great vision, we are indeed with steadfastness pursuing the course upon which they embarked us.

There come times in the life of peoples when their work of creation ends. It is easy to diagnose the symptoms of that national decadence. It is seen when a people lose their sense of mission in the world, when they think only of themselves, when they forget the Biblical injunction that, although we have different offices, we are all members one of another and that those who are strong ought to bear the infirmities of the weak. No one, be he individual or nation, is truly great who does not have the will and the capacity to help others or who is without a sense of mission.

We can take pride in our Nation because since the day of its creation, and with but few lapses, its purposes have been large and its goals have been humane. We can rejoice that that spirit animates our Nation today, and makes us still young, still vital and still capable of great endeavor. Our youth, such as you who now enter into the larger world, are spirited, not selfish nor fearful. Our religious heritage and our national traditions are not forgotten. As we are faithful to their guidance, we can have the satisfaction which comes to those who, in fellowship, are embarked on the great adventure of building peacefully a Nation and a world of human liberty and justice.

Delaware River Deeper Channel Project Given the Go-Ahead Signal by Bureau of Budget and Approval of President Eisenhower

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EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 21, 1955

Mr. WOLVERTON. Mr. Speaker, it is most gratifying to learn that the Bureau of the Budget and the President approved an item of $6 million to initiate dredging and rock removal in a section of the Delaware River and for replacement of the Delair Bridge. This is part of the general project of deepening the Delaware River channel between Philadelphia, Pa., and Trenton, N. J., in accordance with the authorization contained in the River and Harbor Act of 1954.

As has been generally known, an appropriation up to this line has been withheld. This was because the Bureau of the Budget insisted that there should be a local participation in meeting the cost of the project by certain interests that would be benefited by a deepening of the channel. This was a new principle to be applied to river and harbor improvements. It had never been applied to any similar project in all the years of the past history of our Nation. It was opposed on principle, and furthermore, because there was no general legislation making local participation in the costs a policy of our Government. It was therefore argued that it should not apply to the Delaware River until there had been congressional action adopting it as a policy applicable to all river and harbor improvement projects.

It is now gratifying to learn, following a conference between the United States Senators from Pennsylvania and New Jersey, and interested Members of Congress from those States, what the Bureau of the Budget has recognized the merit of the arguments advanced for deeping the upper channel without requiring local participation in the cost until a uniform policy has been adopted and made applicable to all similar projects. It is equally gratifying that President Eisenhower concurs in this viewpoint.

The correspondence relating to the matter is herewith included as a part of our remarks. It reads as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., June 29, 1955.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemen-

tal appropriations for the fiscal year 1956 in the amount of $12,300,000 for the Department of Defense, civil functions, as follows:

Department of Defense, civil functions; Department of the Army, rivers and harbors and flood control, construction, general: For an additional amount for "Construction, general," $6 million, to remain available until expended.

The budget document for fiscal year 1956 included an item under the heading "Proposed for later transmission," for the initiation of the dredging of the authorized 40-foot channel in the Delaware River between Philadelphia, Pa., and Trenton, N. J., contingent upon reaching agreement with local interests on adequate cost sharing in some form.

This project was authorized by the River and Harbor Act of 1954, and is presently estimated by the Corps of Engineers to cost $95,100,000. The amount of $6 million is necessary to initiate dredging and rock removal in the section of the channel between Pennypacker Creek, Pa., and Delanco, N. J., and to initiate action toward replacement of the Delair Bridge.

Substantial benefits are derived by individual users of our waterways. The demand of many sections of the country for water-resources projects, involving large sums of money, focuses attention on the need for developing suitable arrangements to enable the beneficiaries to meet their fair share of the cost and to ease the burden on the general taxpayers of the Nation which results whenever an inordinate financial burden involved in such projects is imposed on the Federal Government. These arrangements should be consistent with an equitable general policy for sharing the cost of essential water-resources projects. We have been faced with the problem of developing a method which would be equitable with respect to the Delaware River project and yet would not discriminate against this project in relation to other water-resources projects. However, considerable time and effort will be required to develop a consistent overall policy and to work out arrangements for its application to individual projects.

Under the circumstances, and since no satisfactory proposal for bringing about an equitable sharing of the cost of the Delaware as a separate project has been found, it would seem fair not to further delay initiation of this project. We have in mind the importance of the Delaware River channel, not only to the continued economic development of the area but also to the Nation as a whole. Furthermore, local interests in the Delaware port area have made substantial investments in related harbor and terminal facilities to which an improved waterway is essential.

Initiation of work on the Delaware River does not change the basic objective of developing a satisfactory means for obtaining local contributions toward the cost of water development projects in line with the partnership policy of this administration, which would apply to the Delaware as well as other projects.

Federal contributions to partnership projects: For payment of contributions by the United States for flood storage in the Markham Ferry project, as authorized by the act of July 6, 1954 (68 Stat. 450), $6,300,000, to remain available until expended.

The 1956 budget message states that provision will be made for cooperation in authorized partnership projects such as the Markham Ferry project in Oklahoma. This project, under the terms of the authorization contained in Public Law 476, approved July 6, 1954, will be constructed for hydroelectric power production and flood control in accordance with the terms of the Federal Power Act, by the Grand River Dam Authority, an instrumentality of the State of Oklahoma. The project will involve a total cost of about $25 million, of which not to exceed $6,500,000 is authorized to be contributed by the United States for flood-control storage in the reservoir. This authorized Federal payment will be reduced by an amount for certain lands to be conveyed to the Grand River Dam Authority by the United States, presently estimated at $200,000.

On June 22, 1955, the Federal Power Commission issued a license to the Grand River Dam Authority to construct the Markham Ferry project (FPC Project No. 2183). The full amount of $6,300,000 is required to be appropriated at this time in order to enable the Authority to sell revenue bonds to finance its part of the cost of construction. The appropriated funds will be administered by the Chief of Engineers, and transferred periodically to the Authority in amounts commensurate with the construction work completed by the Authority.

In view of the above considerations, I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

Respectfully yours,

ROWLAND HUGHES,
Director of the Bureau of the Budget.

THE WHITE HOUSE,
Washington, June 29, 1955.

THE PRESIDENT OF THE SENATE.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1956 in the amount of $12,300,000 for the Department of Defense—Civil Functions.

The details of these proposed appropriations, the necessity therefor, and the reasons for their submission at this time are set further in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

DWIGHT D. EISENHOWER.

Bananas on Pikes Peak?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 21, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pike's Peak as to approve the Hammond irrigation project in New Mexico.

The Hammond project is a part of the proposed multibillion dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Hammond project would be $3,800 an acre.

The project would produce agricultural products now supported by the taxpayers and in great surplus. Among these are grains, beans, dairy products, and wool.

SENATE

WEDNESDAY, JUNE 22, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou whose throne is truth, frail creatures of dust serving out our brief day on the world's vast stage, we would set our little lives in the midst of Thine eternity and feel about us Thy greatness and Thy peace. Like flowers in June gardens uplifted to the sun, like still waters that mirror the eternal stars, so we would lift our yearning souls to Thee, our light and our life, our help and our hope.

We pray that the institutions of justice, of united endeavor, and mutual understanding, which are being set up in these anxious yet hopeful days, may be used as the instruments of Thy providence in bringing to fulfillment at last the prophet's dream: "Violence shall no more be heard in Thy land, wasting nor destruction within Thy borders." Give us hope which rises above frustration, patience which will bear the strain of waiting, good will which cannot be discouraged even by duplicity, and forgiveness for those who repent as we ourselves ask to be forgiven: In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 21, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 21, 1955, the President had approved and signed the following acts:

S. 89. An act for the relief of Margaret Isabel Byers;

S. 654. An act to amend the Servicemen's Readjustment Act of 1944 to extend the authority of the Administrator of Veterans' Affairs to make direct loans, and to authorize the Administrator to make additional types of direct loans thereunder, and for other purposes; and

S. 1419. An act to lower the age requirements with respect to optional retirement of persons serving in the Coast Guard who served in the former Lighthouse Service.

REPORT OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 194)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking and Currency:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the

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National Advisory Council on International Monetary and Financial Problems submitted to me through its Chairman, covering its operations from July 1 to December 31, 1954, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 22, 1955.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 26. An act for the relief of Donald Hector Taylor;

S. 36. An act for the relief of Lupe M. Gonzalez;

S. 244. An act for the relief of Anna C. Giese;

S. 633. An act for the relief of certain alien sheepherders;

S. 758. An act for the relief of Marion S. Quirk; and

S. 1654. An act for the relief of Eliseu Joaquim Boa.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 2755. An act for the relief of Benjamin Johnson;

H. R. 2783. An act for the relief of Andrew Wing-Huen Tsang;

H. R. 2944. An act for the relief of Franziska Lindauer Ball;

H. R. 2947. An act for the relief of Emelda Ann Schallmo;

H. R. 3189. An act for the relief of Dorothy Claire Maurice;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3624. An act for the relief of Olga I. Papadopoulou;

H. R. 3625. An act for the relief of George Vourderis;

H. R. 3626. An act for the relief of Ilse Werner;

H. R. 3629. An act for the relief of Mrs. Nika Kirihara;

H. R. 3630. An act for the relief of Mrs. Uto Ginoza;

H. R. 3864. An act for the relief of Mrs. Elizabeth A. Traufield;

H. R. 3871. An act for the relief of Orville Ennis;

H. R. 4284. An act for the relief of Mrs. Mariannina Monaco;

H. R. 4455. An act for the relief of Christa Harkrader;

H. R. 4640. An act for the relief of James M. Wilson;

H. R. 4663. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws;

H. R. 4707. An act for the relief of Duncan McQuagge;

H. R. 5021. An act for the relief of Harriet L. Barchet;

H. R. 6184. An act for the relief of Lt. P. B. Sampson; and

H. J. Res. 251. Joint resolution to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. PURTELL was excused from attendance on the session of the Senate tomorrow.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on the Judiciary was authorized to meet this afternoon in the office of the Secretary of the Senate during the session of the Senate.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, there will be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business. I ask unanimous consent that there be the usual 2-minute limitation on speeches made in connection therewith.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION WITH REPUBLIC OF HAITI—REMOVAL OF INJUNCTION OF SECRECY

The VICE PRESIDENT. The Chair lays before the Senate Executive H, 84th Congress, 1st session, a treaty of friendship, commerce and navigation between the United States of America and the Republic of Haiti, together with a protocol and an exchange of notes relating thereto, signed on March 3, 1955, and the notes on April 11 and 25, 1955, at Port-au-Prince, Haiti.

Mr. JOHNSON of Texas. I move that the injunction of secrecy be removed from the treaty, that the treaty, together with the President's message, be referred to the Committee on Foreign Relations, and that the message from the President be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a treaty of friendship, commerce, and navigation between the United States of America and the Republic of Haiti, together with a protocol and an exchange of notes relating thereto. The treaty and the protocol were signed on March 3, 1955, and the notes on April 11 and 25, 1955, at Port-au-Prince.

I transmit also, for the information of the Senate, the report by the Acting Secretary of State with respect to the treaty.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 22, 1955.*

(Enclosures: 1. Report of the Acting Secretary of State. 2. Treaty of friendship, commerce, and navigation, with protocol, signed at Port-au-Prince on March 3, 1955. 3. Exchange of notes, signed at Port-au-Prince on April 11 and 25, 1955, with translation of French language note.)

PROTOCOL SUPPLEMENTING CONVENTION WITH THE KINGDOM OF THE NETHERLANDS RELATING TO CERTAIN TAXES—REMOVAL OF INJUNCTION OF SECRECY

The VICE PRESIDENT. The Chair lays before the Senate Executive I, 84th Congress, 1st session, the protocol, signed on June 15, 1955, supplementing the convention between the United States of America and the Kingdom of the Netherlands with respect to taxes on income and certain other taxes for the purpose of facilitating extension to the Netherlands Antilles.

Mr. JOHNSON of Texas. I move that the injunction of secrecy be removed from the protocol, that the protocol, together with the President's message, be referred to the Committee on Foreign Relations, and that the message from the President be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit the protocol, signed on June 15, 1955, supplementing the convention between the United States of America and the Kingdom of the Netherlands with respect to taxes on income and certain other taxes for the purpose of facilitating extension to the Netherlands Antilles.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the protocol.

The protocol has the approval of the Department of State and the Department of the Treasury.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 22, 1955.*

(Enclosures: 1. Report of the Acting Secretary of State. 2. Protocol supplementing the income-tax convention with the Netherlands.)

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nominations of Leslie F. Augsbach and Frank

A. Bialas, to be postmasters at Spring Lake, Mich., and Wilmore, Pa., respectively, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

POSTMASTER NOMINATION ADVERSELY REPORTED

The Chief Clerk read the nomination of Merlin A. Hymel to be postmaster at Edgard, La.

Mr. JOHNSON of Texas. Mr. President, I ask that that nomination go over. I have not had an opportunity to confer with the minority leader about it. I expect to bring the nomination before the Senate at an early date, but I ask that it go over at this time.

The VICE PRESIDENT. The nomination will go over.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask that the remaining postmaster nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

NOTICE OF CONSIDERATION OF DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say, and I call this to the attention of the distinguished minority leader, that it is hoped the District of Columbia appropriation bill will be reported today. It is also the hope of the majority leader that we may have early consideration of that bill, always realizing that the Senate will not proceed until the hearings and the reports are available. In the event there is no great controversy involved, and the minority leader agrees with me about the procedure, I hope the District of Columbia appropriation bill can be called up and considered by unanimous consent, if the hearings and the report are available, and if it seems unlikely that any great controversy will develop.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Morning business is now in order.

INVITATION OF THE CITY OF PHILADELPHIA FOR MEMBERS OF THE SENATE TO ATTEND FOURTH OF JULY CELEBRATION AT INDEPENDENCE HALL—LETTER AND RESOLUTION

Mr. MARTIN of Pennsylvania. Mr. President, by appropriate resolution, the city of Philadelphia is inviting all Members of the Senate to attend a Fourth of July celebration in Independence Hall.

I may state to the Senate that the distinguished junior Senator from Kentucky [Mr. BARKLEY], formerly Vice President of the United States, will be the orator on that occasion.

I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a letter to the Vice President from James H. J. Tate, president of the City Council of Philadelphia, Pa., transmitting a resolution adopted by the city council, inviting the Members of the Senate to attend Philadelphia's observance of Independence Day on Monday, July 4, 1955.

There being no objection, the letter and resolution were referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

CITY COUNCIL,
Philadelphia, June 21, 1955.

Hon. RICHARD M. NIXON,
Vice President of the United States,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: I am enclosing herewith a resolution adopted by the council of the city of Philadelphia, inviting the Members of the United States Senate to attend Philadelphia's observance of Independence Day on Monday morning, July 4, 1955, which is to be held at Independence Hall in Independence Square, the birthplace of our Nation's liberty.

This is an annual observance and a cordial invitation is extended to you and the Members of the Senate who may be in the East at that time.

With all good wishes, I remain,

Sincerely yours,

JAMES H. J. TATE,
President, City Council.

Resolution requesting the Members of the Congress of the United States to participate in the observance of Independence Day at Independence Square in Philadelphia

Whereas the most inspirational holiday celebrated by the peoples of the United States is Independence Day each year; and

Whereas the most hallowed spot in the United States relating to that day is in Independence Hall, Philadelphia, Pa., where the Liberty Bell has its resting place; and

Whereas it is the purpose of the city of Philadelphia to make the observance of this holiday at Independence Square each year the most significant celebration in the United States of the signing of the Declaration of Independence; and

Whereas the Commonwealth of Pennsylvania will officially dedicate the Mall, adjacent to Independence Hall; and

Whereas this day offers a splendid opportunity for Members of the United States Congress to visit the shrine dedicated to the true significance of liberty, freedom, and equality: Therefore be it

Resolved by the Council of the City of Philadelphia, That Members of the United States Congress are hereby respectfully requested to accept the invitation of the city of Philadelphia to participate in the observance on Monday morning, July 4, 1955, and on each Independence Day observance thereafter, from Independence Square, in the city of Philadelphia.

Resolved, That a certified copy of this resolution be forwarded to the Members of the Congress of the United States.

CERTIFICATION

This is a true and correct copy of the original resolution passed by the city council on the 9th day of June 1955.

JAMES H. J. TATE,
President of City Council.

ENCOURAGEMENT OF THE ARTS—RESOLUTION OF NATIONAL MUSIC COUNCIL

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the National Music Council, of New York, N. Y., relating to the encouragement of the arts.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION UNANIMOUSLY PASSED BY THE NATIONAL MUSIC COUNCIL AT ITS ANNUAL MEETING OF MAY 25, 1955

Whereas the President of the United States, as well as many of the outstanding Members of both Houses of Congress of the United States, have evinced their interest in encouraging the arts; and

Whereas music is a form of communication which knows no international barriers of language; and

Whereas the National Music Council is desirous of expressing its appreciation to those selected officials who have shown a high regard for the encouragement of the arts: Now, therefore, be it

Resolved, That the National Music Council, on behalf of some 800,000 American citizens who compose the member organizations of the council hereby expresses to the President of the United States and to Messrs. GORDON ALLOTT, CLINTON P. ANDERSON, FRANK A. BARRETT, GEORGE H. BENDER, WALLACE F. BENNETT, ALAN BIBLE, JOHN W. BRICKER, HARRY FLOOD BYRD, EVERETT MCKINLEY DIRKSEN, PAUL H. DOUGLAS, WALTER F. GEORGE, THEODORE F. GREEN, HUBERT H. HUMPHREY, OLIN D. JOHNSTON, ESTES KEFAUVER, HARLEY M. KILGORE, WILLIAM F. KNOWLAND, THOMAS H. KUCHEL, WILLIAM LANGER, HERBERT H. LEHMAN, WAYNE MORSE, JAMES E. MURRAY, MATTHEW M. NEELY, JOSEPH C. O'MAHONEY, FREDERICK G. PAYNE, CHARLES E. POTTER, LEVERETT SALTONSTALL, H. ALEXANDER SMITH, STROM THURMOND, ARTHUR V. WATKINS, JOHN A. BLATNIK, EMANUEL CELLER, CHARLES R. HOWELL, CARROLL D. KEARNS, JOHN L. MCMILLAN, LEE METCALF, GEORGE P. MILLER, JAMES H. MORRISON, GEORGE M. RHODES, JOHN F. SHELLEY, FRANK THOMPSON, JR., STUYVESANT WAINWRIGHT, and ROY W. WIER, its appreciation of the steps taken by these elected representatives of our people to set a pattern for democratic encouragement of the arts and the cultural aspects of our civilization, of which music forms so great a part.

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REQUEST FOR RESIGNATION OF SECRETARY OF THE INTERIOR—RESOLUTION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Klamath Basin District Council No. 6, International Woodworkers of America, CIO, requesting the President of the United States to require the resignation of the Secretary of the Interior.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON RESIGNATION OF DOUGLAS MCKAY, SECRETARY OF THE INTERIOR

Whereas the Secretary of the Interior, Douglas McKay, used to sell Chevrolets to the State of Oregon while governor; and

Whereas President Eisenhower's Cabinet already has one representative of General Motors, Charles E. "Bird Dog" Wilson, on it; and

Whereas Secretary McKay seeks to either close down, or sell out to private monopoly, the Alaska Railroad in spite of its profitable operating record; and

Whereas Secretary McKay has, by his own appointment, become the errand boy for the Idaho Power Co., a Maine corporation which masquerades as a locally owned concern and has sought to give away the finest multiple-purpose dam site in North America—Hells Canyon on the Snake River—to this private utility; and

Whereas Secretary McKay has clearly demonstrated by his past and present record that he is not interested in the welfare of the people, but is interested, at the expense of the citizenry, in the welfare of friends in the utility and transportation field and is thus an official to whom the people can no longer look for the protection of their natural resource heritage: Be it therefore

Resolved, That the Klamath Basin District Council No. 6, International Woodworkers of America, CIO, petition the President of the United States to require Secretary McKay's resignation forthwith so as to prevent any further looting of the public domain; and be it further

Resolved, That a copy of this resolution be sent to Senator WAYNE L. MORSE with the request that it be read into the CONGRESSIONAL RECORD.

Adopted by Klamath Basin District Council No. 6 convention in session May 14 and 15, 1955.

TIM SULLIVAN,
President, K. B. D. C. No. 6.
H. E. GEIGER,
Secretary-Treasurer, K. B. D. C. No. 6.

USE OF WORD "EMPLOYABILITY" IN VETERANS' REGULATIONS—RESOLUTION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by Craig Mount Post, No. 4273, of the Veterans of Foreign Wars, Union, Oreg., relating to the elimination of the word "employability" from Veterans' Regulations KA1, part 3, of Public Laws 28, 149, and 698, 83d Congress.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the requirement of the word "employability" and the interpretations thereunder of Veterans Regulations KA1, part 3, of Public Laws 28, 149, and 698, 83d Congress, has caused and will cause great hardship and unreasonable denial of pensions to veterans; and

Whereas said interpretations relating to the employability have not been realistic and will cause the denial of pensions to veterans who should in all interest of social justice be entitled thereto: It is hereby

Resolved by Craig Mount Post, No. 4273, VFW, and we do request, That our national officers and State officers institute appropriate action to eliminate the requirement of the word "employability" from the above-stated regulation and that legislation be introduced at the next session of the Congress of the United States of America to effect such purpose.

JERRY WRIGHT,
Commander.
CLARENCE W. DODDS,
Chaplain.
VIRGIL SUDBROCK,
Adjutant.

COMMENCEMENT AND COMPLETION OF JOHN DAY PROJECT, OREGON—LETTER

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the City Council of West Linn, Oreg., signed by Andy Harila, city recorder, favoring the early commencement and completion of the John Day project, Oregon.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WEST LINN, OREG., *June 16, 1955.*

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

SIR: The West Linn City Council at its regular June meeting discussed the problem of a predicted power shortage in the Pacific Northwest and especially in the Willamette Valley area by the year 1960 unless immediate action is taken to start more hydroelectric development.

Recognizing the importance of electric power as a factor in the economy of the area in general and our city in particular, we urgently request that you use your influence toward the early commencement and completion of the John Day project either through Government financing or the proposed partnership plan.

Yours very truly,

CITY OF WEST LINN,
ANDY HARILA, *City Recorder.*

HELLS CANYON DAM—LETTER, PETITION, AND RESOLUTIONS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the International Association of Machinists, Bremerton, Wash.; a petition signed by Henry Pence, and sundry other citizens of the State of Ohio; a resolution adopted by Fort Rock Grange, No. 758, of Fort Rock, Oreg.; a resolution adopted by the Missouri State Council of Carpenters, United Brotherhood of Carpenters and Joiners of America; a resolution adopted by the New Mexico State Council of Carpenters, Hobbs, N. Mex.; a resolution adopted by Local Union No. 610, United Brotherhood of Carpenters and Joiners of America, Port Arthur, Tex.; and a resolution adopted by the Oregon State Grange, all favoring the enactment of Senate bill 1333, authorizing the construction of a high dam in Hells Canyon.

There being no objection, the letter, petition, and resolutions were ordered to be printed in the RECORD, as follows:

INTERNATIONAL ASSOCIATION OF MACHINISTS,
Bremerton, Wash., June 5, 1955.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: At the recent meeting of Nipsic Lodge, No. 282, International Association of Machinists, I was instructed to write you on behalf of our local to thank you for your support of Senate bill 1333, which authorizes the construction of the high dam at Hells Canyon.

The machinists have given wholehearted support both financially and morally to the Hells Canyon Association and we sincerely appreciate your efforts in this cause.

Sincerely yours,

NIPSIC LODGE, NO. 282, I. A. OF M.,
A. A. JUSTIN,
Recording Secretary.

PETITION

To the Congress of the United States:

We, the undersigned citizens of the United States, believing that construction of a high dam at Hells Canyon on the Snake River between Idaho and Oregon will assure maximum comprehensive multipurpose development of the Middle Snake, and will contribute materially to the economic growth of the region and the national economy and security, do respectfully petition that Senate bill 1333, authorizing a Federal multiple-purpose high dam at Hells Canyon, be passed by the Congress.

HELLS CANYON DAM VERSUS THREE LOW-HEAD DAMS

In order to acquaint our Congressmen of the stand of our grange regarding a high dam or three low-head dams on the Snake River in the Hells Canyon area, we, the Fort Rock Grange, No. 758, located at Fort Rock, propose the following resolution:

"Whereas the three proposed low-head dams are to be located in the area which would be the reservoir site of the Hells Canyon Dam, as located by the Army engineers and the Federal irrigation group; and

"Whereas the sites for the three low-head dams are requested by private utility companies; and

"Whereas the granting of these sites to the private companies would shut off construction of Hells Canyon dam without bargaining with the private companies for return of the sites; and

"Whereas the low-head dams make no provision for flood control, while Hells Canyon Dam would provide an exceptionally large reservoir in an ideal primitive area for water storage; and

"Whereas the low-head dams require water rights to assure sufficient river flow for maximum development of power, while Hells Canyon Dam would store great quantities of surplus water during the spring runoff, thus holding it from flooding the lower area and also providing power development even during the long dry periods, not only at the dam site, but to river flow dams below, only becoming a low-head dam when the stored water is used down to the river flow; and

"Whereas the low-head dams are of no value for wildlife, scenic, or recreational uses, while Hells Canyon Dam would provide all these benefits: Therefore be it

"*Resolved*, That this grange stands definitely for the construction of the Hells Canyon Dam and opposed to giving away the three sites in the Snake River which would obstruct the construction of the Hells Canyon Dam; and be it further

"*Resolved*, That we want the Hells Canyon Dam constructed and owned by the Fed-

eral Government, provided however, that in power development, the Federal Government share with the States concerned with such costs and benefits as may be for the best interests of the people of those States and of the Nation, and provided further that the Federal Government enter into such contracts with private companies, including cooperative companies, for the development, distribution, and sale of electric power as will be to the advantage and for the benefit of the whole population; and be it further

"*Resolved*, That a copy of this resolution be sent to each of our Congressmen and to our State secretary of the grange."

JESS MILES,
Master.
HELEN PARKS,
Secretary.

LAKE COUNTY, OREG.

RESOLUTION ADOPTED BY THE MISSOURI STATE COUNCIL OF CARPENTERS, UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

Whereas there is now a bill in the Senate of the United States for consideration, known as Senate bill 1333, introduced by Senator WAYNE MORSE, of Oregon, and 22 other Senators, including Senator SYMINGTON and Senator HENNINGS, of Missouri, for the purpose of constructing a federally financed high dam in Hells Canyon; and

Whereas similarly constructed dams, such as Grand Coulee, Bonneville, etc., have resulted in the greatest good for a greater number of people, and have improved the Nation's resources; and

Whereas the construction of a multipurpose high dam as set forth in Senate bill 1333 would preserve and protect the full potential value of the site for navigation, recreation, irrigation, and flood control: Therefore be it

Resolved, That the Missouri State Council of Carpenters, United Brotherhood of Carpenters and Joiners of America, at their 17th annual convention, go on record as recommending the support of Senate bill 1333.

NEW MEXICO STATE
COUNCIL OF CARPENTERS,
Hobbs, N. Mex., May 25, 1955.

NATIONAL HELLS CANYON ASSOCIATION,
Portland, Oreg.

DEAR SIRS: The following resolution has been adopted by the New Mexico State Council of Carpenters at a special meeting held in Santa Fe, N. Mex., April 30, 1955:

"Whereas the Hells Canyon is the last major hydroelectric multipurpose project in the Pacific Northwest; and

"Whereas the erection of a federally financed dam would develop the hydroelectric potential of the site by providing water for irrigation, navigation, and maximum amount of flood control; and

"Whereas much of the recent growth of the West is the result of the development of such sites and all parts of the Nation have benefited from the growth of the West by expansion of industries in these undeveloped areas: Now, therefore, be it

"*Resolved*, That we, the members of the New Mexico State Council of Carpenters in special meeting in Santa Fe, N. Mex., assembled, do hereby endorse the Hells Canyon Dam project and passage of Senate bill No. 1333 by Congress. Motion to adopt made and seconded. Motion carried by unanimous vote."

VERNON C. ROBERTS, *Secretary-Treasurer.*

LOCAL UNION, NO. 610,
UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA,
Port Arthur, Tex., May 19, 1955.

NATIONAL HELLS CANYON ASSOCIATION,
Portland, Oreg.

DEAR SIRS: We of Carpenters Local 610 of the United Brotherhood of Carpenters and Joiners of America, A. F. of L., of Port Arthur, Tex., at a special called meeting, voted unanimously to submit the following resolution. We hope you will give it much consideration.

RESOLUTION

Whereas it is a well-known fact that Hells Canyon represents the last great natural dam site in the Nation; and

Whereas it has long been expected that a big multipurpose dam was to be built with Federal funds, much as Grand Coulee Dam and other great Columbia River developments were built, which would develop the full hydroelectric potential of the site, as well as provide water for irrigation, navigation, and a maximum amount of flood control; and

Whereas now we are confronted with the fact that certain interests wish to turn over the Hells Canyon Dam site to private interests for the construction of a series of low dams that would provide electricity only; and

Whereas these low dams would not even produce the full hydroelectric potential of the site, much less use the full possibilities of the site for navigation, recreation, irrigation, or flood control; and

Whereas Senator WAYNE MORSE, of Oregon, along with 29 other Senators, has introduced Senate bill 1333, which will provide for the construction of the big multipurpose dam at Hells Canyon as originally proposed with Federal funds: Therefore be it

Resolved, That we, the members of Carpenters Union, A. F. of L., Local 610, of Port Arthur, Tex., go on record as being in favor of the big multipurpose dam as provided by Senate bill 1333 because we feel that this type of dam will best serve all the interests of our country.

Sincerely yours,

B. H. SHARP,
Recording Secretary,
Carpenters Local No. 610.

PORTLAND, OREG., *June 15, 1955.*

Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.:

The following resolution passed by Oregon State Grange in annual session June 6 to 10 submitted for your consideration;

"Whereas Senate bill 1333 authorizing the construction of a high Hells Canyon Dam has been introduced in Congress; and

"Whereas we believe that in order to have an integrated power system of maximum value that this dam be constructed as called for in this bill for the following reasons: First, that it will tie in with the Northwest power pool to insure needed power for this area and for national defense; second, that it will serve as a large storage basin, thereby helping to regulate an even flow of water right on down through the Columbia chain of power dams and proposed dams, serving to increase the output of each dam and make a steady and greater power supply that cannot be had by any other means; third, that it will help to supply cheap power for agriculture and industry and encourage industry and make jobs for thousands and thousands of people. These added industries, this added payroll, added homes, and other benefits all building a foundation on a substantial basis for securing added tax money for the operation of Federal, State, and county governments; fourth, that it will be developing a natural resource by the people and for the people who own it and will pay a return to all the people, eventually paying back the full cost of construction with interest, and thereafter be a source of income for governmental operations; and fifth, that we know from past experience the value of a liberal supply of power at a low cost, and realize the last war could have had a different ending for America had it not been for the speedy output of boats and war materials all of which was directly dependent on our supply of low-cost power in the Northwest; and

"Whereas we realize that our Congress will be under pressure and at the point of focus of the highest paid, most powerful lobby in America and feeling that our congressional delegation is in need of home support for this measure: Now, therefore, be it

"*Resolved*, That Oregon State Grange go on record as heartily supporting this Hells Canyon Dam bill as originally outlined in Army engineers report No. 308 and that we forward copies of this resolution to all Senators and Representatives of the Northwest States requesting their undivided support of Senate bill 1333.

ELMER MCCLURE,
Master, Oregon State Grange.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Joint Committee on Atomic Energy:

S. 609. A bill to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States, of special nuclear material and atomic weapons; with an amendment (Rept. No. 622).

By Mr. GREEN, from the Committee on Rules and Administration:

S. 636. A bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes; with amendments, together with minority views (Rept. No. 624).

By Mr. STENNIS, from the Committee on Appropriations:

H. R. 6239. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes; with amendments (Rept. No. 623).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. 1739. A bill to authorize the Commissioners of the District of Columbia to fix rates of compensation of members of certain examining and licensing boards and commissions, and for other purposes (Rept. No. 627);

S. 1741. A bill to exempt from taxation certain property of the Jewish War Veterans, U. S. A. National Memorial, Inc., in the District of Columbia (Rept. No. 628); and

S. 2176. A bill to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress (Rept. No. 629).

By Mr. BIBLE, from the Committee on the District of Columbia, with an amendment:

S. 2177. A bill to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia (Rept. No. 630).

By Mr. MCNAMARA, from the Committee on the District of Columbia, without amendment:

S. 665. A bill to revive section 3 of the District of Columbia Public School Food Services Act (Rept. No. 631); and

S. 666. A bill to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia (Rept. No. 632).

By Mr. MCNAMARA, from the Committee on the District of Columbia, without amendment:

H. R. 1825. A bill creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center (Rept. No. 626).

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By Mr. McNAMARA, from the Committee on the District of Columbia, with an amendment:

S. 1275. A bill to authorize the Commissioners of the District of Columbia to designate employees of the District to protect life and property in and on the buildings and grounds of any institution located upon property outside of the District of Columbia acquired by the United States for District sanatoriums, hospitals, training schools, and other institutions (Rept. No. 633).

By Mr. McNAMARA, from the Committee on the District of Columbia, with amendments:

S. 182. A bill to require a premarital examination of all applicants for marriage licenses in the District of Columbia (Rept. No. 634).

By Mr. BEALL, from the Committee on the District of Columbia:

S. 48. A bill to provide for the disqualifications of certain former officers and employees of the District of Columbia in matters connected with former duties; without amendment (Rept. No. 625).

AMENDMENT OF MINING LAWS RELATING TO MULTIPLE USE OF SURFACE OF SAME TRACTS OF PUBLIC LANDS—MINORITY VIEWS (PT. 2 OF REPT. 554)

Mr. MALONE submitted minority views on the bill (S. 1713) amending the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, which were ordered to be printed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GOLDWATER:

S. 2288. A bill to protect consumers and others against failure to identify misbranding and false advertising of the fiber content of textile fiber products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. GOLDWATER when he introduced the above bill, which appear under a separate heading.)

By Mr. LEHMAN:

S. 2289. A bill for the relief of David Hayes; to the Committee on the Judiciary.

By Mr. BRICKER:

S. 2290. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. BRICKER when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2291. A bill for the relief of Albino Braiuca; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2292. A bill for the relief of Cale P. Haun and Julia Fay Haun; to the Committee on Finance.

By Mr. KENNEDY:

S. 2293. A bill to amend title II of the Social Security Act to provide disability insurance benefits for totally disabled individuals, to provide benefits for the wives and minor children of such individuals, to reduce from 65 to 60 years the age at which women may qualify for old-age and survivors insurance benefits, and to provide extra credit for postponed retirement; to the Committee on Finance.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

By Mr. KNOWLAND:

S. 2294. A bill for the relief of Maria Veronica de Pataky, Coloman de Pataky, Oscar Beregi, Oscar Beregi, Jr., and Margreth Leiss von Laimburg; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 2295. A bill to amend section 313 of the Agricultural Adjustment Act of 1938 with respect to tobacco allotments;

S. 2296. A bill to amend section 313 of the Agricultural Adjustment Act of 1938 with respect to tobacco allotments; and

S. 2297. A bill to further amend the Agricultural Adjustment Act of 1938, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. DOUGLAS:

S. 2298. A bill authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.; to the Committee on Public Works.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. MANSFIELD (for himself and Mr. MURRAY):

S. J. Res. 82. Joint resolution to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana; to the Committee on Interior and Insular Affairs.

PROPOSED TEXTILE FIBER PRODUCTS REPRESENTATION ACT

Mr. GOLDWATER. Mr. President, I introduce, for appropriate reference, a bill to protect consumers and others against failure to identify, misbranding, and false advertising of the fiber content of textile fiber products, and for other purposes. I ask unanimous consent that an explanation of the bill, prepared by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2288) to protect consumers and others against failure to identify, misbranding, and false advertising of the fiber content of textile fiber products, and for other purposes, introduced by Mr. GOLDWATER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. GOLDWATER is as follows:

STATEMENT BY SENATOR GOLDWATER

The proposed Textile Fiber Products Representation Act requires the identification of the fiber content of fabrics used or intended for use in "articles of wearing apparel, costumes and accessories, upholsteries, draperies, floor coverings, furniture, furnishings and beddings, and other domestics." In addition the law requires that advertising set forth the fiber content of such articles.

The act's jurisdiction covers all transactions in commerce, from manufacturing to retailing. The act specifically exempts individuals who are merely transporters of such articles in commerce, processors, under contract, of such articles, and any person manufacturing or shipping such articles to foreign countries.

A textile fiber product is misbranded if it is falsely or deceptively identified; or if the identification does not show (1) the fiber or fibers in the product, by generic name or nondeceptive trademark in the order of predominance; (2) the percentages of all fibers present in an article when one fiber is 20 percent or less by weight of the total fiber content, exclusive of permissible ornamentation up to 5 percent. Mention of a fiber present in an amount of 5 percent or less is prohibited. This provision is designed to prevent the use of the name of a "miracle fiber" when the fiber is present in a negligible amount.

The advertising provision of the law requires that ads must show the fiber or fibers in a product in the order of predominance by weight; must set forth the percentages of all fibers, when one is present in an amount of 20 percent or less; and must not use the name of a fiber which is present in the amount of 5 percent or less; and generally prohibits any misrepresentation or deception with respect to the identification of the fiber content of a textile fiber product.

This law does not require the identification of a fabric or floor covering which is removed from a labeled bolt of fabric or floor covering. Textile products contained in a package need not be individually labeled, providing the package is labeled in accordance with the act.

The act is to be enforced by the Federal Trade Commission, and the Commission is given powers of injunction and to certify actions to the Justice Department when there is reason to believe that a misdemeanor has been committed. Guaranties are provided for which relieve an individual of liability. The types of guaranty provided for are the separate guaranty, the continuing guaranty filed with the Commission, and a continuing guaranty given to the buyer, but not filed with the Commission.

Exceptions to this act are headwear, footwear, handbags, luggage, brushes, lampshades, and toys. Further, the Commission is given the power to specifically exempt articles which in its discretion should not be covered by the act. This is in addition to the general authority of the Commission to exempt articles which are of an inconsequential and insignificant nature.

The Wool Products Labeling Act is specifically repealed.

AUTHORITY FOR NATIONAL BANKS TO UNDERWRITE CERTAIN LOCAL SECURITIES

Mr. BRICKER. Mr. President, I introduce, for appropriate reference, a bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes. I ask unanimous consent to have printed in the RECORD a statement, prepared by me, relating to the bill, and also a statement on State and Local Government Financing of Public Facilities and Improvements which has been prepared to indicate some of the major points which may be involved in the consideration of this bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statements will be printed in the RECORD.

The bill (S. 2290) to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes, introduced by

Mr. BRICKER, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statements presented by Mr. BRICKER are as follows:

STATEMENT BY SENATOR BRICKER

I have today introduced S. 2290, a bill designed to assist cities and States by helping to create the broadest possible market for the bonds which they must issue to finance needed public facilities and improvements, and thus permit cities and States to obtain the lowest possible interest costs.

This is a matter of important public concern—particularly to the public officials who are responsible for the management of our State and local governments. The United States Conference of Mayors at its recent session of the full Conference unanimously adopted a resolution supporting such legislation. The American Public Power Association also adopted such a resolution at its convention in May of this year. In recent testimony before the Banking and Currency Committee, it received the support of representatives of the American Municipal Association. I am informed that members of the Executive Committee of the Municipal Finance Officers Association of America have indicated their support of such legislation. The principle of this legislation is also supported by the American Bankers Association, having been approved by both the Legislative and Administrative Committees of that organization.

There is good reason for the interest and support of these public officials and organizations in this legislation. They are faced with an increasing volume of non-Federal public works construction which is required to meet the present and future needs of their States and communities. In 1950 the construction of such public facilities and improvements amounted to $6.6 billion. The official estimate of the United States Department of Commerce for 1955 is $10 billion.

This is a tremendous increase in the last 5-year period. But present and future needs are so large that the United States Department of Commerce estimates that in the 10-year period 1955 to 1964 a total of $204 billion would be required—a yearly average of $20.4. The 1955 estimate of $10 billion represents an increase of $1.4 billion over 1954. If that amount of increase continued each year over the next 10-year period, the total would rise to more than $15 billion a year in 1960, and the total for the entire 10-year period would be approximately $149 billion. Thus the State and local governments face an increase of from 50 to 100 percent over the 1955 $10-billion annual rate of public improvements to be financed.

The yearly average annual rate of about $20.4 billion expenditure by State and local governments for needed public facilities and improvements over the 10-year period 1955–64 would consist of approximately the following: roads, $9.2 billion; schools, $4.2 billion; hospital and other medical facilities, $2.2 billion; water and sewer facilities, $2.5 billion; and other public works (such as parks, prisons, auditoriums, offices, playgrounds, publicly owned gas, power, and transit systems, etc., $2.3 billion.

It is recognized that these data are not absolutes. They are estimates based on informed judgments, and they may vary upward or downward from actuality. But it is unlikely that such variations as may occur would significantly diminish the magnitude of the problem of necessary public improvement financing which our State and local governments face in the relatively immediate future.

The bill which I have introduced simply makes it clear that national banks may underwrite and deal in obligations issued by the States and political subdivisions thereof, or agencies thereof which are eligible for purchase by a bank for its own account. Except in the case of general obligation bonds of States and local governments (which the banks are now authorized to underwrite and deal in without regard to the 10-percent limitation), the bill would provide that no bank shall at any one time hold obligations as a result of underwriting, dealing, or purchasing for its own account in a total amount with respect to any one issuer in excess of 10 percent of its capital stock actually paid in and unimpaired and 10 percent of its unimpaired surplus fund. Thus, the only change in the present law is to make it clear that national banks can underwrite and deal in nongeneral obligation or revenue bond type of public securities which are of such quality that the banks could buy them for their own account. In the case of nongeneral obligation or revenue-type bonds, the banks would be subject to the 10-percent limitation which I referred to a moment ago. Consistently with the legislative history of the Glass-Steagall Act, obligations issued by State and local governments which are payable solely from special assessments against benefited property would not be included within the underwriting authority.

In view of these considerations, it might be expected that a bill relating to an area of such important public concern to our States and municipalities would be relatively noncontroversial. I do not understand that such is the case with respect to the bill which I have introduced. Under such circumstances, it would be unreasonable to expect action to be taken on the bill during this first session of the 84th Congress by the Committee on Banking and Currency or by the Senate. But this certainly does not mean that consideration of this matter should be permanently deferred. I am convinced that the important public issues which I believe are involved in this matter should be brought up on the table where they can be openly studied and freely discussed, pending the convening of the second session of this 84th Congress, by all who have an interest in this problem. Thereafter, early during the next session, the Committee on Banking and Currency can schedule open hearings on the bill, during which the merits of the proposed amendment can be subjected to democratic process of free and open discussion, and, on the basis of such discussion and the evidence presented to the committee in the course of the public hearings, the Committee on Banking and Currency can decide whether the proposed amendment should be recommended for favorable consideration by the Senate.

STATE AND LOCAL GOVERNMENT FINANCING OF PUBLIC FACILITIES AND IMPROVEMENTS

GENERAL

State and local governments must issue and sell in the competitive market public securities to obtain the capital funds to finance the construction of the various types of public facilities and improvements (such as schools, hospitals, roads, water and sewer systems, etc.) required to serve the needs of their citizens. The broader the market for such public securities, the more assurance there is that State and local governments will be able to obtain lower interest rates.

In the past, the vast majority of needed public facilities and improvements were financed by State and local governments through the issuance and sale of public securities known as "general obligation" bonds—principally bonds the payment of which is secured by ad valorem taxes levied on all the property within the jurisdiction of the issuing State or local government. As to such general obligation bonds, State and local governments have always had the benefit of commercial bank participation in the marketing of their bonds, since the banks have always had clear authority to underwrite and deal in this type of public security.

With the development of new forms of State and local government financing, however, the proportion of the total issues of public securities which are of the very highest grade but which are "nongeneral obligation" in form has been increasing at an accelerated rate. As a result State and local governments are being deprived of the benefit of commercial bank participation in the marketing of a constantly increasing proportion of their required financing because at present the banks are not authorized to underwrite and deal in nongeneral obligation or revenue bonds.

BENEFITS OF PRESENT COMMERCIAL BANK PARTICIPATION

Within the present statutory limitations imposed upon their authority, the commercial banks discharge an important public-interest function in helping to create the broadest possible market for bonds issued by State and local governments to finance needed public facilities and improvements.

While the number of commercial banks which engage in underwriting bonds issued by State and local governments is relatively small, these banks have more than 30 percent of the total banking capital of the Nation. Thus the commercial banks which do engage in underwriting these bonds can make a most important contribution toward supplying the funds required by State and local governments to finance necessary public facilities and improvements. During the years 1949 to 1953 it is estimated that commercial banks underwrote more than one-third of the total of all general obligation bonds issued by State and local governments. The availability of the capital power of the commercial banks for the underwriting of general obligation bonds issued by State and local governments broadens and strengthens the market for these public securities and materially benefits the States and their political subdivisions through lower interest rates obtainable through increased competition and also benefits the investing public by enhancing the liquidity and marketability of these bonds.

The participation of the banks in this field has been in the public interest in that—

1. It has broadened the market for State and local government securities and thus reduced the cost of public improvements.

2. In addition to their direct assumption of underwriting responsibilities, the banks have encouraged the organization and growth of small investment banking firms specializing in municipal securities, who have benefited from their favored treatment in underwriting syndicates under bank management.

3. It has enabled the banks to maintain departments capable of advising on local financing policies—advice for which State and local officials normally turn to the banks.

4. The policies and standards of State and local government finance thereby have been improved since the banks have a sense of responsibility to taxpayers and investors because of their own status as public instrumentalities. Further, the banks are subject to State banking departments, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation, all of which exercise supervision and regulation of the conduct of their business and the quality of their investments.

PRESENT LIMITATIONS

Section 5136 of the Revised Statutes (the National Bank Act as amended in 1933 and thereafter) defines the powers of banks to deal and invest in securities, providing generally that dealing shall be limited to purchasing and selling as agent for customers. This limitation however does not apply to certain exempted securities, principally the obligations of the United

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States Government and its agencies and the "general" obligations of any State or of any political subdivision thereof. Accordingly, banks may buy and sell these exempted securities as principals for their own accounts or for the account of others. These exemptions continued in effect the powers possessed by the banks prior to 1933, to underwrite and deal in public securities.

THE NEED FOR AMENDMENT

While the banks have always underwritten public securities, they have been limited to "general" obligations of the States and local governments. Since 1939, "general" obligations have been construed by the supervisory authorities as including only those obligations secured by ad valorem taxes on real property (notwithstanding that, prior to 1939 and consistently with the legislative history of the Glass-Steagall Act of 1933, the supervisory authorities had held since 1934 that banks were permitted to underwrite and deal in revenue bonds of the Port of New York Authority and the Triborough Bridge and Tunnel Authority which issued only one class of security to which all net revenues were pledged and which, therefore, were held to be general obligations of the issuer).

As a result, with the new forms of public borrowing which have developed, there are many high-grade revenue bonds issued by State and local governments for self-supporting public improvements or on the security of specifically pledged tax receipts. The banks cannot now underwrite these public securities. The change in methods of public financing is resulting in the loss of the availability of the capital power of commercial banks for underwriting a generally increasing proportion of financing required of State and local governments to carry out necessary public facilities and improvements, and the need for such underwriting power is increasing with the wider use of special purpose issues. This is clearly illustrated in the following table (using the totals compiled by the Daily Bond Buyer) which shows that during the most recent 3 year period 1952–54 the proportion of the total of all State and local government financing which was nongeneral obligation in form and therefore not eligible for bank underwriting was more than 35 percent. In 1954, the proportion of nongeneral obligation State and local government financing reached 46 percent of the total.

	Total new issues, State, municipal, and agency	General obligations	Nongeneral	Percent, nongeneral to total
1945	$818,781,000	$615,382,000	$203,399,000	24.8
1946	1,203,557,000	997,697,000	205,860,000	17.1
1947	2,353,771,000	1,968,081,000	385,690,000	16.4
1948	2,989,731,000	2,440,230,000	549,501,000	18.4
1949	2,995,425,000	2,312,472,000	682,953,000	22.8
1950	3,693,604,000	3,093,681,000	599,923,000	16.2
1951	3,278,153,000	2,548,058,000	730,095,000	22.3
1952	4,401,317,000	2,937,967,000	1,463,350,000	33.2
1953	5,557,887,000	3,990,641,000	1,567,246,000	28.2
1954	6,953,304,000	3,738,923,000	3,214,381,000	46.2

The 46.2 percent of the total of 1954 State and local government financing which was non-general obligation in character amounted to $3,214,381,000. Of this amount, 128 issues totaling $1,774,377,000—about 55 percent—were eligible for purchase by commercial bangs for their own account. Under the proposed amendment of section 5136 of the revised statutes, as amended, these obligations would also be eligible for bank underwriting, as well as for bank purchase. A list of these 1954 State and local government issues is attached hereto.

In this connection, it is to be noted that many of the revenue bond issues for new construction projects which, under the proposed amendment, would not be eligible either for bank purchase or bank underwriting at the time of original issue, would later become eligible as proven earnings records were established. As a result, bank underwriting would, in many cases, be available when it became desirable to refund or refinance the original bond issues.

These data evidence the great and constantly growing need for an amendment to afford State and local governments the assistance of bank underwriting of public securities of this type.

INCREASING USE OF PUBLIC AUTHORITIES

When the Glass-Steagall Act was enacted by Congress there were few public authorities in existence in this country. Since that time, however, the use of public authorities as a means of financing the construction or acquisition of public improvements has become widespread and many types of securities are now being issued by these authorities which were unknown in the year 1933. Many of these obligations are payable, indirectly, by the levy of ad valorem taxes levied throughout the State or throughout a political subdivision of the State. These obligations, while issued in the name of the authority, for all practical purposes are the obligations of the State or of the political subdivision for the benefit of which the bonds were issued. Obligations of this character are now being issued in many parts of the country. A few examples may be cited to show the character of the obligations and their intrinsic merit.

The State Bridge Building Authority of Georgia is authorized to build bridges and lease them to the State highway board for a rental sufficient to pay the cost of construction, operation, and maintenance of the bridges and the debt service requirements of the bonds issued for their construction. The security of these bonds, therefore, for all practical purposes is the cerdit of the State of Georgia. Similarly, the State School Building Authority of the State of Georgia is authorized to construct school buildings and to lease them to various political subdivisions at a rental sufficient to pay the cost of construction, operation, and maintenance of the buildings, and the debt service of the bonds issued to construct them. In addition to the obligation to pay the rental being a general obligation of the political subdivision which leases the school buildings, the law requires the State board of education to pay, directly, to the authority so much of the State aid which is allocated to such political subdivision as may be necessary to meet the rental payments, so that for practical purposes the bonds of the authority are secured by the general credit of the political subdivision which leases the buildings, as well as by moneys, raised by general taxation throughout the State of Georgia, which are allocated to such political subdivision.

In the same State, the State office building authority and the State hospital authority are authorized to construct office buildings and hospitals and to lease such buildings and hospitals to the State at a rental sufficient to pay the cost of operation and maintenance of the buildings and the debt service of the bonds issued for their construction. The credit of the State of Georgia is, therefore, indirectly pledged for the payment of these bonds.

In Kentucky, the State property and building commission is authorized to issue bonds for the purpose of constructing buildings to be leased to State agencies, and the Kentucky Highway Authority is authorized to issue bonds for highway purposes payable solely from rentals derived from leases of these properties to the State highway department. As the obligation of the State to pay these rentals is a general obligation of the State of Kentucky, it is evident that, indirectly, the credit of the State of Kentucky is the security for these bonds. In the State of Michigan, joint city-county building authorities are authorized to issue bonds for the purpose of erecting public buildings to be leased to joint governmental units. The obligation to pay the rentals is the general obligation of the governmental units which lease the buildings and, therefore, indirectly the general credit of these governmental units is the security for the payment of the bonds. In Pennsylvania, the general State authority, the State public school building authority, and the State highway bridge authority are authorized to issue bonds to finance the construction of bridges, tunnels, highways, school buildings, and many other types of public improvements, and to lease these improvements to the State or to political subdivisions at an annual rental sufficient to provide for the payment of the bonds.

The Florida State Improvement Commission is authorized to issue obligations for the construction of various types of public improvements and to lease such improvements to the State or to any political subdivision of the State at an annual rental sufficient to provide for payment of the principal and interest of the bonds.

There is attached hereto a summary statement of various types of public authorities which issue revenue bonds secured by leases, etc.

Many obligations of this type are securities of the very highest grade. For all practical purposes they are the obligations of the lessee of the improvement for which the bonds were issued, and were it not for the fact that the bonds are issued in the name of the lessor rather than in the name of the lessee, they would be eligible securities for bank underwriting and investment. Their exclusion from the class of eligible securities is due to form and not to substance.

Moreover, in recent years a number of the States have issued bonds which are not general obligations but for the payment of which are pledged the avails of a specific tax, such as the gasoline tax, sales tax, tobacco tax, and automobile license tax. The reliability and sufficiency of these taxes over a period of years is a matter of public record, and it is not necessary to make a further pledge of the general credit of the issuer in order to give these bonds a high investment quality. For a variety of reasons there is a persistent trend toward the issuance of such bonds. This type of governmental financing was not usually resorted to in the United States as early as the year 1933.

THE LEGISLATIVE HISTORY OF THE GLASS-STEAGALL ACT OF 1933 SHOWS THAT SUCH OBLIGATIONS WERE NOT INTENDED TO BE EXCLUDED FROM BANK UNDERWRITING

The debate upon the Glass-Steagall Banking Act in the Senate clearly demonstrates that Congress was willing to permit banks to underwrite and invest in bonds of the States and of their political subdivisions, with the exception of bonds which were payable, solely, from special assessments levied upon property located in the portion of the subdivision presumed to be specially benefited by the improvement to finance which the bonds were issued. Such bonds were not regarded as sufficiently safe and liquid to make them desirable securities for bank investment or underwriting, but there is nothing in the debate which would indicate that Congress was of the same opinion with respect to any

other type of public security. What Congress was concerned with as to public securities was whether the securities were sound and liquid, and not with the means provided for their payment. Consistently with this legislative intent of the Congress, the proposed amendment would not permit bank underwriting of bonds payable solely from special assessments levied upon specially benefited property.

THE INVESTMENT QUALITY OF REVENUE BONDS

Revenue bonds which banks would be permitted to underwrite pursuant to the proposed amendment (i. e., State and local government obligations which qualify for bank investment) would be generally comparable in investment quality to the general obligations of State and local governments which, under the present statutory limitation, banks are now permitted to underwrite.

It has been suggested by some that revenue bonds as a class are of a generally lower investment quality than general obligation bonds. In support of such suggestion, resort is made to a comparison of the ratings given by Moody's Investors Service to general obligation bond issues of $5 million or over issued over the 5-year period from 1949 to 1953 with revenue bonds issued during the same period. Such a comparison, however, does not accurately reflect the facts which are pertinent to forming a reasoned and intelligent judgment on this point.

The lack of a Moody's Investors Service rating of a bond issue is not evidence of poor quality. The proportion of revenue bonds not rated by Moody's is due to the fact that most of them were very large issues. The large unrated issues number only 2 percent of the number of loans financed during the years 1949–53, and emphasis on this small number of borrowers merely distracts attention from the fact that hundreds of small communities which borrow for improvement of their water, gas, electric, and sewer systems need the help of their local bankers far more than the major borrowers. Most of the unrated construction loans of the past 5 years have been for the construction of toll roads, but there is another large and growing classification of nongeneral obligations, particularly those secured by leases payable from general fund revenues of States and municipalities.

Further, during the period 1949 to 1953, a very large percentage of revenue bond issues of $5 million or over were issued for the construction of toll highways, toll bridges, and other construction projects. Moody's does not ordinarily rate such bonds. A much fairer comparison is obtained by considering the ratings given by Moody's Investors Service to the general obligation bonds and revenue bonds of the same issuers. Moody's 1954 Manual lists 131 municipalities which have issued both general obligation bonds and revenue bonds. For 29 of these municipalities all revenue bonds were rated higher than the general obligation bonds. For 79 municipalities many revenue bonds had the same rating as general obligations, others were given higher ratings, and a few were given lower ratings. In only 23 municipalities were the revenue bond issues all rated lower than the general obligations. Equally interesting is the fact that of the 178 various purpose groups of revenue bonds rated under the names of these 131 municipalities, 3 revenue credits are rated AAA, 47 are rated AA, 74 are rated A, 50 are rated BAA, all within the usually accepted standard of investment quality; and only 4 are rated BA.

This comparison refutes any suggestion that revenue bonds, as a class, are inferior in investment quality to general obligation bonds. There are, of course, differences in the investment quality of revenue bonds. The same is true of general obligation bonds. It is evident, however, from this comparison of Moody's ratings that the revenue bonds of any issuer may have an even higher investment quality than the general obligation bonds of that issuer.

RELATIONSHIP TO TRUST ACCOUNTS

During more than 20 years of major participation in the underwriting of general obligation bonds of State and local governments, the banks have scrupulously observed sound practices with respect to the investment of trust funds in State and local government bonds.

Throughout the United States it is a fundamental principle of common law as interpreted by the courts, that a trustee may not benefit itself or any affiliate in administering trust funds. In many States this rule is specifically stated in the statutes. For example, in New York State banking law, article 3, section 100-b, there appears this line: "But no corporate fiduciary shall purchase securities from itself." Regulation, F of the Board of Governors of the Federal Reserve System relating to trust powers of national banks contains in section 11, paragraph (a), "Funds received or held by a national bank as fiduciary shall not be invested in stock or obligations of, or property acquired from, the bank or its directors, officers or employees, or their interests, or in stock or obligations of, or property acquired from, affiliates of the bank."

Banks which have been active in dealing in State and local securities have followed the rule that they will not buy bonds of an issue underwritten by the same bank, or an affiliate, until the original distribution is completed so that the trustee bank has no further interest in the sale of bonds by the underwriting syndicate. As a rule, this abstinence does no harm to a trust or its beneficiaries since the unlisted market for State and local securities at any given time offers an extremely wide choice of credits running 1,000 or more in number, while any given trustee bank through its underwriting department would ordinarily be participating in not more than 5 percent of the number of different credits. For example, "The Blue List of Current Municipal Offerings" of January 14, 1955, included offerings of 1,028 different issuers totaling $279,387,038 in amount.

In specific cases in which the trust department of a given bank has a special interest in a forthcoming offering of bonds, the underwriting department of that bank refrains from participation. This is a matter of judgment just as in the case of any other conflict of interest. The record shows that in case of any conflict with customer relations, the commercial banks always subordinate their security sales business.

From the viewpoint of the investor, the approval of a municipal credit by a commercial bank underwriter is the greatest possible assurance of quality; first because the commercial bank is closely supervised and restricted by the Comptroller of the Currency and the Federal Reserve Board in its own judgment of quality; and second, because the underwriting commercial banks follow the criterion that they will offer to customers only those credits which they accept as satisfactory for their own investment.

THE AMENDMENT WOULD PROMOTE THE PUBLIC INTEREST

Amendment of the present statutory limitations to permit bank underwriting of nongeneral obligations issued by State and local governments which qualify for investment of their own capital funds would encourage increased competition. Such increased competition would facilitate State and local government financing of necessary public improvements on better terms.

It has been suggested that bank capital is not needed in revenue bond financing. In support of such suggestion it is said that there is no known instance where the lack of available dealer capital has been responsible for the abandoning of a project by a governmental authority.

This is not the basic point. The merits of the need for amendment cannot be fairly tested on the basis of whether bank capital is essential to any particular underwriting—the real test is whether bank participation would enable such loan to be made more advantageously—on better terms. The experience of States and municipalities in selling their general obligation bonds has proved that the broadest possible competition for such issues tends to lower financing costs. No matter who underwrites the bonds of a particular issue, its marketability is the better for having had the benefit of this broader interest. Assuming that one syndicate acts in complete good faith in appraising the value of a public-bond issue; if another syndicate can be organized to compete, its members because of a different approach or more confidence in the market, or greater capital power, may place a higher valuation on the issue and thus underwrite at lower cost to the borrower.

CONCLUSION

State and municipal finance is not static, and it is neither logical nor reasonable to regard as immutable congressional legislation affecting it. The Glass-Steagall Act, like any other law, should be constantly reexamined by Congress in the light of changing conditions, and there has been a remarkable change in conditions since the year 1933. The proposed amendment does not involve any drastic change in that act, nor any change in its fundamental purpose. On the contrary the proposed amendment would carry out the original purpose of the Glass-Steagall Act in the light of developments in the field of public finance since the year 1933.

STATE, STATE AGENCY, AND LOCAL GOVERNMENT REVENUE BONDS ISSUED IN 1954 WHICH ARE ACCEPTABLE FOR BANK INVESTMENT AND WOULD HAVE BEEN ELIGIBLE FOR BANK UNDERWRITING UNDER THE PROPOSED AMENDMENT OF SECTION 5136

Department water and power, city of Los Angeles, Calif., $9,000,000.

Salt River project agricultural bonds, $5,000,000.

Cedar Rapids, Iowa, sewer revenue bonds, $1,000,000.

Corpus Christi, Tex., water works revenue, $2,715,000.

Glendale, Calif., electric works revenue, $1,000,000.

Daytona Beach, Fla., water and sewer revenue, $5,330,000.

Carlisle Area Joint School Authority, Pennsylvania, $3,640,000.

Jefferson County, Ky., school revenue, $3,940,000.

Muncie, Ind., sewer revenue, $3,600,000.

McMinnville, Tenn., water and sewer revenue, $1,000,000.

Muskogee, Okla., water works improvement bonds, $2,000,000.

Lubbock, Tex., water works system revenue, $1,000,000.

Monroe, La., water and electric revenue, $1,620,000.

Jones Beach State Parkway Authority, $40,000,000.

Birmingham, Ala., water work board revenue, $4,000,000.

State school building authority of Georgia revenue, $32,512,000.

Lawrence, Kans., water and sewer system revenue, $3,000,000.

Corpus Christi, Tex., water works and sewer revenue bonds, $8,900,000.

Tacoma, Wash., light and power revenue, $5,000,000.

Upper Moreland School District Authority (Pa.), $1,000,000.

Tucson water revenue, Arizona, $3,110,000.

Falls Township School District Authority (Pa.), $3,450,000.

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Fort Worth, Tex., water and sewer revenue bonds, $3,000,000.
Detroit, Mich., sewage disposal system revenue bonds, $2,000,000.
Omaha public power district electric revenue, Nebraska, $12,000,000.
Bloomington, Ind., water works revenue, $1,500,000.
Austin, Tex., electric, water and sewer revenue bonds, $15,000,000.
Purdue University revenue, Indiana, $10,250,000.
Michigan highway revenue, $10,000,000.
Cleveland, Tenn., water and sewer revenue, $1,000,000.
New Chicago, Ind., water revenue, $1,100,000.
South Bend, Ind., sewerage works revenue, $17,000,000.
Lexington, N. C., natural gas system revenue, $1,035,000.
Board of Regents, University of Utah, $1,800,000.
Central Dauphin County Joint School Authority (Pa.), $2,520,000.
Board of Regents of Kansas building revenue, $2,000,000.
Portland, Maine, water district, $1,300,000.
Port of New York Authority, $20,000,000.
Atlanta water works revenue (Ga.), $2,200,000.
Livonia, Mich., water supply system revenue, $1,500,000.
Los Angeles department of water and power, $15,000,000.
New Jersey Turnpike Authority 3s (second series), $27,200,000.
Bowling Green State University, Ohio, $2,350,000.
Rome, Ga., water and sewerage revenue bonds, $1,000,000.
Lafayette, Ind., sewer revenue bonds, $4,550,000.
Chicago, Ill., parking facility, revenue bonds, $4,900,000.
Detroit, Mich., sewage disposal system revenue, $3,722,000.
Metropolitan Utilities District, Omaha, water revenue, $6,000,000.
Pennsylvania State Highway and Bridge Authority, $20,000,000.
Connecticut expressway revenue and motor fuel tax bonds, $100,000,000.
El Paso, Tex., water and sewer revenue, $3,000,000.
State Teachers College Board, Indiana, $2,856,000.
Florida State Improvement Commission Revenue, $6,000,000.
County of Jefferson, Ky., school building authority revenue, $1,385,000.
Jacksonville, Fla., municipal parking revenue, $4,000,000.
Rockville, Md., water and sewer revenue, $1,300,000.
Georgia State Bridge Building Authority, $10,250,000.
Erie Sewer Authority revenue (Pennsylvania), $5,300,000.
Palmyra Boro Authority sewer revenue (Pennsylvania), $2,150,000.
Knoxville, Tenn., water revenue, $1,000,000.
Pasadena, Calif., electric works revenue, $6,000,000.
Saginaw, Mich., sewer revenue, $5,000,000.
Des Moines, Iowa, sewer revenue, $1,000,000.
State Board of Education, Florida, $26-692,000.
San Francisco Harbor revenue (California), $5,600,000.
New York State Thruway Authority revenue, $300,000,000.
University of Texas dormitory revenue, $3,042,000.
State Roads Commission of Maryland, $1,290,000.
Board of Water and Sewer Commission Mobile Revenue, Alabama, $6,000,000.
Lakeland, Fla., light and water revenue, $3,500,000.
Kokomo, Ind., sewer revenue, $1,250,000.
General State Authority, Commonwealth of Pennsylvania, $30,000,000.
Jackson, Ohio, first mortgage water works revenue, $1,100,000.
Haverford Township (Pa.) School District Authority revenue, $3,525,000.
Granite City, Ill., sewerage bonds revenue, $1,335,000.
North Texas Municipal Water District revenue, $9,200,000.
Bradenton, Fla., utilities revenue, $2,200,000.
Salt Lake City Suburban District revenue, Utah, $6,000,000.
Consumers Public Power District revenue, Nebraska, $2,250,000.
Manitowac, Wis., electric bonds, $1,250,000.
Henderson, Ky., water and sewer revenue, $2,100,000.
Tampa, Fla., hospital revenue, $4,500,000.
Gainesville, Fla., public improvement revenue, $1,000,000.
Lower Colorado River Authority, Texas, $27,000,000.
Puyallup, Wash., sewer revenue, $1,000,000.
Kansas City, Mo., Broadway bridge revenue, $13,000,000.
State Roads Commission of Maryland, $25,000,000.
Elkhart, Ind., sewer revenue, $2,400,000.
Chelan County Public Utility District No. 1, Washington, $8,600,000.
St. John the Baptist Parish, La., gas and water revenue, $1,760,000.
St. James Parish, La., water revenue, $2,220,000.
Department of water and power of Los Angeles revenue, $19,500,000.
Jersey City Sewerage Authority revenue, New Jersey, $22,000,000.
Louisville and Jefferson County Metropolitan Sewer District, Kentucky, $8,000,000.
Bald Eagle Joint School Authority revenue, Pennsylvania, $2,050,000.
West Snyder County School Authority, Pennsylvania, $1,185,000.
Shelby, N. C., natural gas, $1,200,000.
Louisiana State Building Authority, $3,750,000.
Ohio major thoroughfare construction bonds, series "A" (fuel tax), $30,000,000.
Clarksburg, W. Va., Water Board, first lien water revenue, $1,776,000.
Lafayette, La., utility revenue, $3,000,000.
Wyoming Township, Mich., water revenue, $1,000,000.
Orlando, Fla., public-improvement revenue, $3,000,000.
Thomasville, Ga., gas revenue, $1,500,000.
Greenwood, S. C., public-utility revenue, $1,600,000.
Denton, Tex., electric revenue, $4,300,000.
Hollywood, Fla., sewer revenue, $4,150,000.
Kansas City, Mo., water revenue, $12,000,000.
Cleveland, Ohio, waterworks revenue, $6,000,000.
Cleveland, Ohio, electric revenue, $5,000,000.
Oklahoma Planning and Resources Board, $7,200,000.
Alexandria Sanitation Authority, Virginia, $8,200,000.
Holland, Mich., water-supply system revenue, $2,700,000.
Colorado Springs, Colo., water, electric, and power revenue, $10,000,000.
Wheeling, W. Va., sewer revenue, $2,500,000.
Florida State Board of Education, $16,542,000.
Maryland State Road Commission, $180,000,000.
Board of Water and Sewer Commission, Mobile, Ala., $4,000,000.
State Public School Building Authority, Pennsylvania, $23,610,000.
New York State Thruway Authority, $50,000,000.
Orlando Utilities Commission, Florida, $4,000,000.
San Jose, Calif., offstreet parking revenue, $2,450,000.
Louisiana State Building Authority, $2,500,000.
Florida State Improvement Commission revenue, $3,400,000.
Puerto Rico Water Resources Authority, $12,500,000.
Department of Waterworks of Hammond, Ind., $3,600,000.
New York State Power Authority, $335,000,000.
Corpus Christi, Tex., sewer-improvement revenue, $1,365,000.
Total, $1,774,377,000.
Issues, 128.

DESCRIPTION OF VARIOUS PUBLIC AUTHORITIES WHICH ISSUE REVENUE BONDS SECURED BY LEASES, ETC.

GEORGIA STATE SCHOOL BUILDING AUTHORITY

Bonds are secured by a prior lien on rentals received from county boards of education and governing bodies of independent school systems within the State pursuant to lease agreements. The rentals, payable each September 1, are sufficient to pay interest and retire bonds at maturity, to provide hazard reserve for insurance, maintenance reserve and operating funds. The State board of education, a party of all lease agreements between local units and the authority, pays the above rentals on behalf of local units directly to the authority.

GEORGIA STATE BRIDGE BUILDING AUTHORITY

Bonds are payable from pledge of rentals derived from lease to State highway department of certain bridges. Annual rentals cover debt service and cost of operating and maintenance costs of said bridges.

GEORGIA STATE OFFICE BUILDING AUTHORITY

Bonds secured by prior lien on revenues received from various State departments and State agencies. Rentals to be charged each lessee, $3.50 per square foot annually, subject to increase if inadequate, are payable quarterly until October 15, 1978 or retirement of bonds, whichever is later.

GEORGIA STATE HOSPITAL AUTHORITY

Bonds secured by revenues from rentals and income received under terms of leases to the State board of health. Lessee agrees to pay quarterly an amount equal to bond requirements and reserve therefor.

STATE HIGHWAY AND BRIDGE AUTHORITY OF PENNSYLVANIA

Bonds are secured by pledge of rentals payable by the Commonwealth of Pennsylvania covering projects leased by the authority to the Commonwealth at annual rentals sufficient to meet the annual principal and interest requirements.

GENERAL STATE AUTHORITY OF THE COMMONWEALTH OF PENNSYLVANIA

Bonds secured by pledge of all rentals payable by State of Pennsylvania from its current revenues under leases covering projects leased by the authority to the State, which leases are to provide for payments at annual rentals sufficient to meet annual principal and interest requirements.

PENNSYLVANIA STATE PUBLIC SCHOOL BUILDING AUTHORITY

Bonds secured by pledge of leases between authority and certain school districts and which the school districts are obligated to pay out of their current revenues including taxes and reimbursements from the State. Rentals on all leases pledged are sufficient to cover 122 percent of the principal and interest requirements on all such bonds.

MARYLAND STATE ROADS COMMISSION

Bonds are secured by an annual tax consisting of such amounts as may be necessary of—(a) the proceeds of the 2-percent excise tax on the issuance of certificate of title for motor vehicles, and (b) a 50-percent share of the gasoline-tax fund allocated to the commission.

LOUISIANA STATE BUILDING AUTHORITY

State law provides for servicing of authority's bonds and prior charges from proceeds of the 1.47-mill State ad valorem tax on all taxable property within the State after payment of principal and interest on certain bonds of the State.

OKLAHOMA PLANNING AND RESOURCES BOARD

Bonds are secured solely from pledge of revenues from park system earnings as follows:

1. Specified minimum lease rentals from concessionaires or specified percentages of lessees' gross revenues, whichever is greater.
2. Gross revenues of facilities operated directly by the State, and
3. Pledge of State to collect, to the extent when necessary when receipts from (1) and (2) are insufficient, admission fees to improved areas of each and every State park.

DETROIT-WAYNE JOINT BUILDING AUTHORITY

Bonds payable from proceeds of fixed annual rentals by the city of Detroit and by Wayne County in amounts sufficient to pay interest and principal.

ALABAMA AGRICULTURAL CENTER CORP.

Bonds secured by pledge of resources of special agricultural center fund into which are deposited rentals paid by agricultural center board. Bonds carry an additional pledge of amounts, if needed, from a special agricultural fund deposited in the State treasury.

ALABAMA BUILDING CORP.

Bonds secured by leases to various State departments and agencies. Current debt service constitutes a prior claim on rentals, ahead of all other claims.

ALABAMA STATE DOCKS BOARD

Bonds secured by pledge of lease agreements with the city of Mobile. There is provision for accrual and maintenance of a reserve fund sufficient to pay principal and interest for 24 months in advance and for use of part of earnings under certain conditions for retirement of bonds.

FLORIDA STATE BOARD OF ADMINISTRATION

Bonds issued on behalf of counties and special districts are secured by the unit's distributive share of a statewide 2-cent-per-gallon tax on gasoline and other motor fuels, and are further secured by full faith, credit, and taxing power of the local unit.

FLORIDA STATE ROAD DEPARTMENT

Bonds are secured by leases of the various properties to the State of Florida. In the majority of cases the rental obligations are equal to aggregate debt-service requirements on lessor bonds issued in acquisition of the projects. All rental contracts between the department and the various instrumentalities provide for purchase by payment of the rentals; title to vest in the State on completion of the payments.

ILLINOIS ARMORY BOARD

Bonds are secured by leases of armories and assigned to a trustee. All rentals under these leases are paid directly by the State to the trustee, to be used for payment of principal and interest.

LOUISIANA STATE BOARD OF EDUCATION

Bonds are secured as to payment solely by an irrevocable dedication of an amount sufficient to pay principal and interest on the bonds and any required reserves from the annual franchise tax on corporations levied by authority of the State legislature.

MAINE SCHOOL BUILDING AUTHORITY

Bonds secured by lease agreements with town and community school districts providing for rentals to be paid by the communities sufficient to pay principal and interest on certain administrative expenses. Further provision is made that if the municipality is delinquent in payments to the authority the State department of education "shall make payments to the authority in lieu of such town, city, or community school district from any amount properly payable to such town, city, or community school district by said department."

AMENDMENT OF SOCIAL SECURITY ACT, RELATING TO TOTAL DISABILITY INSURANCE BENEFITS

Mr. KENNEDY. Mr. President, I introduce, for appropriate reference, a bill to amend title II of the Social Security Act to provide disability-insurance benefits for totally disabled individuals, to provide benefits for the wives and minor children of such individuals, to reduce from 65 to 60 years the age at which women may qualify for old-age and survivors insurance benefits, and to provide extra credit for postponed retirement. I ask unanimous consent that a statement, prepared by me, relating to the bill, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2293) to amend title II of the Social Security Act to provide disability-insurance benefits for totally disabled individuals, to provide benefits for the wives and minor children of such individuals, to reduce from 65 to 60 years the age at which women may qualify for old-age and survivors insurance benefits, and to provide extra credit for postponed retirement, introduced by Mr. KENNEDY, was received, read twice by its title, and referred to the Committee on Finance.

The statement presented by Mr. KENNEDY is as follows:

STATEMENT BY SENATOR KENNEDY

I am introducing today a bill to amend the Social Security Act by providing for a system of flexible retirement. Specifically, my bill would amend the old-age and survivors insurance law in three ways:

1. To lower from 65 to 60 the age at which women—as workers, spouses, or widows—become eligible for social security benefits.
2. To enable workers forced to retire before age 65 due to a permanent and total disability to become eligible immediately for retirement benefits; and
3. To increase a worker's benefit by 2 percent for every year that he postpones his retirement past age 65.

FLEXIBLE RETIREMENT

Before discussing each of these parts individually, I would like to say a word about the age of 65 in our social security laws. Under the influence of these laws 65 has become institutionalized as the age of retirement in industry and elsewhere. A deplorable number of industries have established compulsory retirement systems which require withdrawal from the labor force at that age, no matter how able and willing a worker might be. Our statistical studies lump those in the age brackets above 65 under the single term "the aged." Yet there is no magic in the number 65, and to apply this single chronological age as a standard by which all individuals are to be measured, regardless of their physical and mental age, is unrealistic and impractical. Some must retire before age 65; others should be encouraged to postpone their retirement to a later date.

The three amendments I am introducing today—each of which I have proposed in previous years—are designed to meet this problem. The total level premium cost for this bill, in terms of a percentage of payroll, is considerably less than 2 percent, an increase which could be easily met once such a bill is enacted by adjusting the present schedule for increasing the contribution rate.

First, we must lower the social security eligibility age for women from 65 to 60, if we are to modernize the law on the basis of more up-to-date statistics. Both public and private studies have indicated that 60 is the retirement age for women under many of our industrial pension and compulsory retirement plans; and women forced to retire under such programs, or who become unemployed at that age, are generally unable to secure new employment, particularly with companies who establish age qualifications for employment. As a result, these women workers are forced to find other means of support for the 5-year period before their social-security payments will begin. Similarly, such studies indicate the tendency of American men to marry women several years younger than themselves; and to require women to be as old as their husbands in order to receive a spouses benefit is thus both unrealistic and discriminatory. The identical problem faces widows who must wait until age 65 before becoming eligible for social security survivors benefits. Many of them receive benefits while they have children under the age of 18. But these benefits end when the last child passes that age, and do not begin again until the widow reaches age 65, creating a gap in their income which appears capricious and arbitrary.

Secondly, we must enable workers forced to leave their jobs before the age of 65 because of a permanent and total disability to receive the retirement benefits for which they have paid at that time. Disability—which is included in practically every other social-security program in the world, including our own civil service, Armed Forces, veterans, railroad retirement, and many of our State and local public employees programs—is the most serious gap in our social-security laws today. If a worker is forced to retire because of old age, he receives benefits. If he loses his job before the age of 65, he gets unemployment benefits. If he dies before the age of 65, leaving an aged widow or dependent children, his survivors get benefits. But if he is forced to retire before the age of 65 because of disability, he gets nothing, even though he has contributed to social security since that system began.

I received a letter recently from a 60-year-old constituent, with a wife and young daughters, who was forced to retire because of a back injury. Although he had been assured for nearly 20 years that the social-security contribution deducted form his paycheck was like savings in the bank, he now finds himself unable to draw upon those savings for 5 years. Like 19 out of 20 disabled workers, his injury was not work connected and cannot qualify him for workmen's compensation. For the next 5 years, he will be forced to rely upon what few savings he has left, and then upon the charity of his community and friends. He needs his social-security benefits now far more than he would at age 65—for his children are still growing and his medical expenses are heavy. Ironically enough, if he had died as a result of his injuries, his family would have received benefits immediately—but his disability, which adds an extra dependent and extra expenses, brings them nothing.

For these reasons, I urged the Congress to adopt the recommendation made in 1938 by the Social Security Advisory Council (whose members included the present Under Secretary of the Treasury, Marion Folsom); the 1948 recommendation of the Social Security Advisory Council appointed by the Republican 80th Congress; and the 1955 recommendation of the Commission on Chronic

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Illness, in a report approved by representatives of the American Medical Association, the American Hospital Association, the American Public Health Association, and others, including insurance interests. Such legislation passed the House of Representatives in 1949; but was restricted by the Senate to the public assistance program, a program which will become continually more expensive to the taxpayers as the number of disabled in an increasingly aged population grows.

A program of disability insurance, as proposed in my bill, would be fairer to our disabled workers who now lack all protection; fairer to the taxpayers who must pay for a program that should be equally borne by the payments of the employees and employers themselves; and fairer to those employers now bearing the total cost of disability provisions in their pension and welfare plans. There is, moreover, the danger that failure to meet this problem will increase pressures for a general reduction in the retirement age for all persons, a proposal which, if adopted, would deplete the social-security trust fund and run counter to our social and economic needs.

Previous objections to such a program have been removed, first, by experience under the other Federal disability programs mentioned and most recently under the disability freeze provision adopted by Congress 1 year ago. Under this program, the Department of Health, Education, and Welfare, with the cooperation of the American Medical Association, has established a medical advisory committee to process the applications of those permanently and totally disabled individuals who wish to have their social-security benefits frozen—without reduction for years of idleness—until they reach age 65. The freeze, of course, does not provide any income for the disabled worker during those difficult years before he reaches age 65.

Once his own resources are totally exhausted, he may, if he wishes, seek public assistance or private charities; but this is hardly designed to encourage his rehabilitation and decent living standards. My amendment, building upon the medical certification provisions already in the law under the disability freeze, would fill this deplorable void.

Third, Congress should increase—by 2 percent under my bill—a worker's benefit for every year that he postpones retirement past age 65. Such an amendment would encourage a more flexible retirement age instead of institutionalizing the age of 65; and it would encourage those who have reached that eligible age to stay on the job. Those workers who postpone retirement after age 65—who are contributing to the fund instead of drawing from it are saving the system money. But by doing so they are reducing the level as well as the value of their own ultimate benefits, in view of census data indicating the sharp decline in average wages after age 65. If, by providing a slightly higher benefit, we can encourage more workers to stay on the job at advanced ages, we will reduce the burden on the trust fund, or the public-assistance programs and/or the families of older workers' burdens which have increased sharply in the 20th century as the life span increases while opportunities for older workers decline. The average worker today can anticipate nearly twice as many years in retirement as his 1900 counterpart, nonproductive years which must be paid for from his savings or from the savings of others. Surely it would be wiser to utilize the skills of these older workers—who constitute a large share of urgently needed craftsmen and foremen—than to force them into the lower living standards and purchasing power of retirement.

BRIDGE ACROSS THE MISSISSIPPI RIVER AT OR NEAR ROCK ISLAND, ILL.

Mr. DOUGLAS. Mr. President, I introduce for appropriate reference a bill authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill. I ask unanimous consent that the bill, together with a statement which I have prepared, relating to the bill, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2298) authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill., introduced by Mr. DOUGLAS, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the first section of the act entitled "An act authorizing the city of Rock Island, Ill., or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island Ill., and to a place at or near the city of Davenport, Iowa," approved March 18, 1938, is amended by inserting "(a)" immediately after "That" and by adding at the end thereof the following new subsection:

"(b) The city of Rock Island Ill., or any State or political subdivision thereof which may have acquired the bridge constructed pursuant to the subsection (a) of this section, is hereby authorized, subject to the prior approval of the plans by the Chief of Engineers and the Secretary of the Army, to reconstruct and enlarge such bridge, and to reconstruct, enlarge, and extend the approaches to such bridge including, but not limiting the generality of the foregoing the altering, widening, laying out, opening or constructing of any streets, avenues, or boulevards within or without any municipality deemed necessary by said city, or any State, public agency, or political subdivision that may take over or acquire said bridge in order to provide adequate traffic regulations and approach or approaches to said bridge."

SEC. 2. Section 2 of such act of March 18, 1938, is amended by inserting "(including reconstructing, enlarging, and extending such bridge and its approaches)" after "and its approaches."

SEC. 3. Section 4 of such act of March 18, 1938, is amended to read as follows:

"SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches (including the reasonable cost of reconstructing, enlarging, and extending such bridge and its approaches) under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 30 years from the completion of the reconstruction, enlargement, and extension of such bridge and its approaches as provided in subsection (b) of the first section of this act. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated in accordance with such arrangement as may be agreed upon by the city of Rock Island, Ill., or its assigns, and the State highway departments or other appropriate agencies of the States of Iowa and Illinois. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; the expenditures for reconstructing, enlarging, and extending the same; and all of the daily tolls collected shall be available for the information of all persons interested."

The statement presented by Mr. DOUGLAS is as follows:

STATEMENT BY SENATOR DOUGLAS

The great quad-city area composed of Rock Island, Moline, and East Moline, Ill., and Davenport, Iowa, is divided by the Mississippi River. More than 200,000 people reside within this area and cross and recross the Mississippi River in going to and from their employment and pursuits. There is a large volume of through traffic which goes through these cities. In 1938 the Congress passed legislation permitting the construction of a bridge across this river and permitting toll charges to pay for the bonded indebtedness. Since that date traffic along and upon the bridge has increased manyfold—and particularly truck traffic—to an estimated 414,000 trucks in 1954. Other vehicular traffic aproached 3,600,000 for 1954.

The area must meet the increased demand now made upon it, and I am therefore introducing a bill which will amend the 1938 act by permitting an additional widening of the approaches to the bridge and repairs upon the bridge to permit a free and uninterrupted flow of traffic through this area and to provide special routes around the city of Rock Island for the heavy truck traffic which uses the bridge.

Sufficient safeguards are incorporated within the bill to insure a reasonable toll charge and for the proper application of the funds received for the retirement of the bonds and the ultimate opening of the bridge for free usage.

PROBLEMS CONFRONTING THE AMERICAN SUGAR PRODUCERS (S. DOC. NO. 56)

Mr. BARRETT. Mr. President, I ask unanimous consent that the statements made yesterday on the floor of the Senate with reference to the sugar problem be printed as a Senate document.

Mr. JOHNSON of Texas. Mr. President, I have discussed this question with the able Senator from Wyoming, and I am informed that he has talked with the minority leader about it. The majority leader has no objection.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF WATERSHED PROTECTION AND FLOOD PREVENTION ACT—CHANGE OF REFERENCE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Public Works be discharged from the further consideration of the bill (S. 2188) to amend the Watershed Protection and Flood Prevention Act to provide that the Federal Government shall pay a portion of the costs of certain works of improvement constructed for purposes of water conservation, and that the bill be referred to the Senate Committee on Agriculture and Forestry. In explanation of this request, let me say, that I am informed by the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] that the bill comes appro-

priately within the jurisdiction of that committee. I am informed by the distinguished parliamentarian that he concurs, and that a mistake was made in the original reference.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

GENERAL GOVERNMENT MATTERS APPROPRIATIONS, 1956 — ADDITIONAL CONFEREE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Arizona [Mr. HAYDEN] be appointed an additional conferee on the part of the Senate on the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. CLEMENTS:

Address delivered by Senator ANDERSON, chairman of the Joint Committee on Atomic Energy, before the Interstate Oil Compact Commission, in Denver, Colo., on June 17, 1955.

By Mr. LEHMAN:

Statements by himself and Judge Samuel Rosenman, special counsel for the New York Power Authority, regarding contract between the Aluminum Company of America and New York Power Authority.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. KILGORE. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Ronald N. Davies, of North Dakota, to be United States district judge for the district of North Dakota, Vice Charles J. Vogel, elevated.

George S. Register, of North Dakota, to be United States district judge for the district of North Dakota, to fill a new position.

Notice is hereby given to all persons interested in these nominations to file with the committee on or before Wednesday, June 29, 1955, any representations or objections in writing they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

UNITED NATIONS ATOMIC RADIATION STUDY

Mr. PAYNE. Mr. President, it was gratifying to learn from the newspapers this morning that Ambassador Henry Cabot Lodge announced at the United Nations meeting in San Francisco, on yesterday, that at the General Assembly meeting in September, the United States will propose a U. N. study of the effects of radioactivity on living things.

As some Senators may recall, on April 13 I introduced Senate Concurrent Resolution 22, calling for such a study. Twenty-seven other Senators, including eight members of the Senate Foreign Relations Committee, cosponsored that resolution. The American Federation of Scientists, which is strongly in favor of such a U. N. study, also endorsed the resolution.

Although the Senate has not yet had an opportunity to act on the resolution, it is good to know that the administration has decided to go ahead with such a study. I feel that Ambassador Lodge's announcement will do much good. However, I would still like to see the Congress adopt Senate Concurrent Resolution 22. There then would be no possible doubt in the minds of neutral nations and our allies that the United States was solidly behind this proposal once again to exert our moral leadership in world affairs.

It is my firm belief that the proposal will give the United States an opportunity to alleviate much of the fear of nuclear devices and the suspicion of itself which are so common in many parts of the world today. Although many questions concerning the effects of radioactivity on living things are as yet unanswered, the work of the Atomic Energy Commission indicates that at the present time there is no reason for alarm.

But since many nations, particularly those of Asia, do not share this view, it is entirely proper that the United States should forthrightly declare itself in favor of making an international study. This is the best proof we can possibly give of our humanitarian motives and the fact that no nation need fear that the United States will ever, either intentionally or unintentionally, use its mighty atomic power for any purpose but to defend itself in time of war and to advance the welfare of mankind in time of peace.

Finally, cooperation among nations in meeting what could some day be a serious threat to all men can, perhaps, help pave the way to the solution of more complex political problems. If the Soviet Union refuses to cooperate fully and sincerely in this matter, that will be another indication to the entire world of her utter disregard for the peace and security of all mankind.

Since the text of Ambassador Lodge's remarks is not available today at the State Department, I ask unanimous consent that an article from the Washington Post and Times Herald of this morning be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES URGES FALLOUT DATA WORLD POOL—LODGE PROPOSES U. N. INVESTIGATE EFFECTS OF NUCLEAR TESTS ON HUMANITY

SAN FRANCISCO, June 21.—The United States announced here tonight it will propose that the United Nations assemble all the world's available information on the effects of nuclear radiation from atomic tests "so that all nations can be satisfied that humanity is not endangered by these tests."

Such accumulated data, said Henry Cabot Lodge, Jr., American Ambassador to the U. N., "could set at rest unjustified fears, combat sensational distortion in the light of truth, and lead to humanity's learning how to deal best with problems of atomic radiation."

Lodge declared "the best scientific information known to us shows that properly safeguarded nuclear testing, in contrast with nuclear warfare, is not a threat to human health."

The United States move came on the eve of Soviet Foreign Minister V. M. Molotov's scheduled address to the U. N. commemorative meeting here Wednesday morning. Diplomats have reported that Molotov, in private discussions here, has been talking about a ban on nuclear tests.

The American proposal had been approved in advance by Britain and several other nations, including Sweden, it was learned here. The proposal will be offered formally when the U. N. General Assembly meets next in September.

The United States has resisted both domestic and foreign pressures to call off further nuclear tests. Lodge's statement tonight made no mention of further American tests, but the idea of them was implicit.

Geneticists have been warning of the danger to human life, especially of the effect on future generations, if the world's atmosphere is further loaded with radioactive fallout from thermonuclear explosions.

The Atomic Energy Commission, however, regards these fears as exaggerated and Lodge reaffirmed this attitude. The U. N. conference on peaceful uses of atomic energy, to be held in August in Geneva, will also consider the effects of radiation on humanity.

Lodge said that while much scientific data on the question exists and the United States is "making intensive studies" of the problem, such material from all nations has "not been collated."

Therefore, he said, the United States proposed "that these data from all countries should be assembled so that all nations can be satisfied that humanity is not endangered by these tests.

"We believe that the United Nations can perform an important service in undertaking to bring this about. The best place to assemble all available information is the United Nations. We think that the next General Assembly should establish a procedure to receive and assemble radiological information collected by the various states as well as the results of national studies of radiation effects on human health and safety."

Some American and foreign scientists have suggested that the U. N. should set up a test monitoring unit so the world would know who was setting off explosions. Since it is scientifically possible to detect by a reading of the air the vital facts concerning all but the smallest of nuclear tests, it is argued that such a monitoring system would keep the world alerted.

Both the United States and Britain have given advance notices of their tests. But much of the world's knowledge of Soviet tests have come from scientists who have monitored Russian explosions.

FREE DISTRIBUTION OF THE SALK POLIO VACCINE

Mr. GOLDWATER. Mr. President, I wish to refer to an editorial which, at the request of the distinguished junior Senator from New York [Mr. LEHMAN], was printed in the CONGRESSIONAL RECORD of June 17, on page 8577. The editorial is entitled "Socialized Nonsense,"

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and was published in the Washington Post and Times Herald of June 16.

Mr. President, in direct contradiction of that editorial is an editorial entitled "Party Differences," which was published in the Arizona Republic, of Phoenix, Ariz., on June 18. I ask unanimous consent to have the latter editorial printed at this point in the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PARTY DIFFERENCES

The basic difference between Republican and Democratic economic philosophy was well illustrated, we believe, in this week's congressional debate over distribution of Salk vaccine. The Republicans, led by President Eisenhower, supported a bill that would appropriate $35 million to give free polio vaccine to every child who couldn't afford to pay for it. Many Democrats, led by Senator LISTER HILL, of Alabama, supported a bill that would appropriate $135 million to give free polio vaccine to every child, regardless of whether the child's family could pay for it or not.

We think President Eisenhower's plan is the one that will be adopted. For compelling as the "gimmie" philosophy may be, we don't believe the average Congressman wants to use public funds to give vaccine to those who can well afford to pay their own physicians for the shots. Such a step would obviously be in the direction of socialized medicine. It could lead to the Federal Government's assumption of all medical costs, not only those of Salk vaccine shots.

While the privately run National Foundation for Infantile Paralysis was administering the vaccine on a test basis, it was only natural that the inoculations be administered free. Now that the aim is to immunize everyone under 19 years of age, the job should be done by the Nation's doctors on a regular, professional basis, with the exception, of course, of those who cannot afford to pay for the shots. They should—and will—be taken care of.

There is another aspect of the Salk vaccine program that requires consideration. The United States Health Bureau has discussed the possibility of greatly enlarging its inspection facilities in order to be able to guarantee that all vaccine comes up to a prescribed level. This is not a proper function of government. The Bureau of Health should draw up the specifications, and should take proper action against manufacturers who ignore them. But it should not take on the job of inspecting every batch of vaccine made, any more than the Government should assume the task of inspecting every pound of meat sold in the Nation to be sure there is no violation of the pure-food laws. Government regulation is one thing. Direct control is another.

Government has its legitimate tasks to perform, and they don't include giving everyone in the country Salk inoculations, or inspecting every vial of vaccine that is manufactured. The Republicans understand this. The Democrats probably understand it also, but the urge to build ever larger bureaucracies is one the Democrats seem to have great difficulty in controlling.

Mr. GOLDWATER. Mr. President, there is a difference. I think the editorial in the Arizona Republic shows very clearly the difference in thinking which exists throughout the Nation, particularly between the West and the East.

I should like to read a portion of the editorial which appeared in the Washington Post and Times Herald, as follows:

But there is hardly anything subversive in a proposal for free vaccine under which the Government would pay private laboratories for the material and private doctors would continue to be paid for their services. To call this socialized medicine is to render that much abused term even more ridiculous than it has already become.

I should like to comment that there is nothing subversive about socialism. Many groups in this country are advocating it in one form or another. I do not recognize it as being subversive. I think we can recognize it on all hands for what it is.

On the other hand, commenting on the same subject, the Arizona Republic said:

Such a step would obviously be in the direction of socialized medicine.

Because there is that difference, I took the trouble to look up the definition of socialized medicine in the dictionary. In Webster's New Collegiate Dictionary the following definition is given for "socialized medicine":

Administration by an organized group, a state or a nation of medical and hospital services to suit the needs of all members of a class or classes or all members of the population, deriving funds from assessments, philanthropy, or other sources. Often identified with one particular form, state medicine (which see).

When we look up "state medicine" in the same dictionary, we find the following definition:

Administration and control by the National Government of medical and hospital services for the whole population, medical and hospital personnel being employed by the government and funds raised by taxation.

The purpose of the bill which caused these comments, Senate bill 2147, is stated as follows:

To provide all children an equal opportunity for vaccination against poliomyelitis.

The bill does not say who is to pay the cost, but it is to be inferred that the United States Government would have to do so, in order to stay within the meaning of the bill.

I make these remarks at this time because it is clearly evident that there is a misconception as to what the term "socialized medicine" or "socialism" means, as defined in the city of Washington by the Washington Post and Times Herald, and in the State of Arizona by the Arizona Republic.

Mr. LEHMAN subsequently said: Mr. President, millions of people in this country are deeply concerned over the confusion, the doubts, and the fears which have been aroused because of the unhappy situation which unfortunately has developed during the past 2 months in connection with the production, distribution, and use of the Salk vaccine. We still do not know where the responsibility for the disappointments and the failures with which we have been confronted lies. We still have not enacted legislation which would make this vaccine available to every child in the country between the ages of 1 and 19, free of charge, without invoking a means test, which would be both unworkable and socially evil.

We have failed to do many other things which we should have done weeks, and perhaps months, ago. On the other hand, Canada has proceeded in this field in a thoroughly orderly manner. It has made safe vaccine available free of charge. It has made it perfectly clear that the distribution and the use of vaccine does not in any way involve socialized medicine, as charged only 2 weeks ago by the Secretary of Health, Education, and Welfare Mrs. Hobby—a charge which called forth an editorial in the Washington Post and Times Herald accurately characterizing Mrs. Hobby's testimony as "socialized nonsense."

The Washington Post and Times Herald of June 19 carried another very illuminating and interesting article entitled "How Canadians Solved the Polio Vaccine Problem." I believe this statement should be carefully studied, not only by Members of Congress, but by the people of the United States generally. They will find it most informative. I therefore ask unanimous consent that this article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW CANADIANS SOLVED POLIO VACCINE PROBLEM

(By Earl Ubell)

OTTAWA, June 18.—Canada has met the problem of the Salk polio vaccine with foresight, readiness, and action.

But government officials who ran the program disclaimed any special aptitudes as they talked with this correspondent this week.

"Touch wood," said Paul Martin, Minister of Health and Welfare. "Nothing happened to our 800,000 vaccinations. It might have if we weren't careful. I've pounded our scientists with safety, safety, safety."

"We were lucky," said Dr. G. D. W. Cameron, Deputy Minister for Health. "We double-tested all our vaccine. We accepted some American-made stuff which, to our surprise, was not. We might have taken more."

"Please, I don't want any comparisons made between Americans and Canadians," said Dr. R. D. Defries, head of the University of Toronto's Connaught Laboratories that made all Canadian vaccine. "We did everything the Americans did, nothing more."

It developed, however, that the Canadians did do some things that the United States did not do in its vaccine program. Perhaps it is because they dealt with a total population of 15 million instead of the 165 million in the United States.

FREE TO ALL

They distributed the vaccine free to all children. They had 1 manufacturer instead of 6. They made the vaccine in small, easy to control batches. They were ready to move in with polio medical teams in case of a vaccine accident. They double safety-tested every batch. They made only 26 batches.

Probably the most important factor was the government's insistence on safety testing by its new $1 million virus laboratory here headed by Dr. Fred Nagler. It caught four batches with live virus that had slipped by Connaught Laboratories' safety tests.

"We figured it out," said Dr. Nagler, "our double check increased our safety factor 24 fold over what had been suggested by American regulations." In the United States the Government accepted manufacturers

safety tests and spot-checked samples submitted.

The Canadian virus laboratory has a staff of 30 working full or part time on the polio testing program. The United States Laboratory of Biologics Control had 45 persons on its staff as of April 30, 1955, when the Cutter incident broke and when most of the 6 million shots had moved out of the commercial factories.

FEWER BATCHES

The Canadian service could do the laborious and expensive double-testing because the number of batches was small and it was dealing with a single manufacturer whom it knew intimately. The Canadians also improved the test-tube tissue tests by a variation known as additional sub-culturing.

Furthermore, Connaught made its vaccine in small batches of about 120 quarts each, compared to the 1,500-quart batches of American commercial manufacturers. The mathematical probability of finding live virus in a small batch is greater than in a large one with a single test.

It is something like trying to fish 1 of 30 guppies out of a bathtub with a small net, or trying to get 1 of 5 out of a pail with the same net.

At present, the Canadians are undecided whether to adopt the new safety standards established by the United States Public Health Service. Mr. Martin said they are under consideration; Dr. Nagler said the present Canadian methods may be modified.

PLANS LAID EARLY

But aside from the extra scientific precautions the Canadians took, they laid their plans for manufacture and distribution 6 months before April 12, when Dr. Thomas Francis, Jr., brought in his report that the vaccine was safe and up to 90 percent effective.

In October Mr. Martin and Dr. Cameron met with the 10 provincial health ministers. They knew Connaught had been making live virus to be killed in the States by commercial manufacturers for the vaccine field trial.

Rather than let the Connaught operation lie fallow, the Governments decided to give the university laboratory $500,000 for enough vaccine for 750,000 children to be distributed free. Half the cost would be borne by the Provinces, the rest by the central ministry.

So Connaught (pronounced with the accent on the first syllable) tooled up and made the vaccine according to the formula set down by Dr. Jonas Salk, the developer, and followed the provisional requirements established by the United States Health Service.

With the care characteristic of a university laboratory, Connaught adhered strictly to Dr. Salk's formula. It "cooked" the live virus in formaldehyde an average of 9 days, although in the States commercial manufacturers have been known to "cook" for 15 days.

The United States Health Service contended recently that in the hands of the manufacturers, the vaccine does not follow the Salk mathematical equations. A Connaught scientist told me that generally the process, if carried out with precise measurement and control, did go by the formula. Dr. Nagler, however, showed me graphs in which there were slight departures.

COST IS LOW

Connaught made enough vaccine for 800,000 children at $1.25 for a series of three shots. The cost is expected to drop soon to 75 cents, and another laboratory at the University of Montreal will be in business by autumn.

Mr. Martin said that by the end of March 1956, 3 million Canadian children will have received either their full or primary vaccination. This is 60 percent of children under 16. All 800,000 children in Canada's first and second grades have aready received two shots.

At present the central government and the Provinces are considering whether to continue inoculations during the summer when polio is at its peak. In Canada, where there are between 2,500 and 8,500 cases a year, the disease characteristically concentrates in specific Provinces.

"I don't think we'll give the first shots during the summer," Dr. Cameron said. "We'll start up again in the fall with boosters and primary vaccination."

NOT STATE MEDICINE

Plans for the vaccination program were made both at the October meeting and again in January. The local and Federal ministers decided to go ahead with the vaccination even if Dr. Francis reported the vaccine as having a low effectiveness but high safety. They wanted to continue the scientific work.

The ministers also decided to set up flying teams of polio specialists to follow up any accidents from vaccination. This proved to be a good move. One case that followed vaccination was shown not to be polio; another postvaccination case was demonstrated to have begun before injection. "Public hysteria was averted," Mr. Martin said.

Mr. Martin vigorously defends his free-vaccine program.

"That is not State medicine," Mr. Martin, himself a recovered polio victim, said. "Polio is a communicable disease, and control of such diseases is a Government responsibility. Besides, we have in this country a long tradition of supplying certain drugs and vaccines free. We give streptomycin to TB victims."

So far, no public or medical opposition has developed in Canada against the vaccine program, probably because the Health and Welfare Ministry plays such a big part in Canadian life.

This Ministry spends $1,200,000,000 a year, including family allowances, and it is the biggest item next to defense in the Canadian budget. The United States spents $2,500,000,000 a year, the sixth highest agency budget.

Mr. MORSE subsequently said: Mr. President, I should like to make a brief comment, supplementing what the Senator from New York [Mr. LEHMAN] said earlier today, regarding an editorial on Secretary Hobby, which appeared in this morning's Washington Post and Times Herald.

As I announced the other day, before the week is over, I shall make a major speech on the polio vaccine question. However, I thought the observations made this morning by the Washington Post and Times Herald were particularly penetrating and that the editorial should be published in the body of the RECORD.

I do not believe this administration should be allowed to cover up what I think is the sad record it has made on the polio situation. I would suggest to Secretary Hobby and to the Surgeon General that if they do not know the facts which developed from an experience with a polio vaccine in 1931, they should acquaint themselves with them. In 1931 Dr. John Kolmer, of Temple University, produced a polio vaccine which did not have very desirable results. It was vaccine, I was informed by a prominent medical authority this morning, which made use of live virus, with some results which certainly were unfortunate.

In view of that experience, it seems to me that the American public had the right to expect Mrs. Hobby and the Surgeon General to use exceptional caution in making certain that not one batch of polio vaccine containing live virus would get into the channels of commerce.

As I was advised this morning, Dr. Kolmer's experiment with live virus produced exactly the disastrous results which followed the use of the Salk vaccine when it was not adequately tested so as to prevent any live virus vaccine from getting out of the laboratories.

I shall discuss the Kolmer experiment later in the week, and I shall also discuss other information which has been given to me by medical authorities and which leaves no room for doubt in my mind that Mrs. Hobby and the Surgeon General have much to answer for in connection with inexcusable mistakes which have been made in the antipolio program.

TRANSPORTATION IN THE MAILS OF LIVE SCORPIONS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 35) to permit the transportation in the mails of live scorpions, which were, to strike out all after the enacting clause and insert:

That section 1716 of title 18 of the United States Code is amended by inserting immediately after the second paragraph thereof the following new paragraph:

"The Postmaster General is authorized and directed to permit the transmission in the mails, under regulations to be prescribed by him, of live scorpions which are to be used for purposes of medical research or for the manufacture of antivenin. Such regulations shall include such provisions with respect to the packaging of such live scorpions for transmission in the mails as the Postmaster General deems necessary or advisable for the protection of Post Office Department personnel and of the public generally and for ease of handling by such personnel and by any individual connected with such research or manufacture. Nothing contained in this paragraph shall be construed to authorize the transmission in the mails of live scorpions by means of aircraft engaged in the carriage of passengers for compensation or hire."

And to amend the title so as to read: "An act to provide for the transmission in the mails of live scorpions."

Mr. JOHNSON of Texas. Mr. President, I move that the Senate concur in the House amendments.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

Mr. KNOWLAND. May I inquire of the Senator from Arizona whether or not the amendment of the House is purely a technical amendment?

Mr. GOLDWATER. Let me say to the distinguished minority leader that the House amendment prohibits the shipment of live scorpions by airline. The amendment is perfectly agreeable to me.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas [Mr. JOHNSON] to concur in the House amendments.

The motion was agreed to.

AMENDMENT OF TRAVEL EXPENSE ACT OF 1949

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent

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for the present consideration of House bill 6295, which has just come over from the House of Representatives, in order that it may be amended in certain particulars to correspond with a bill already passed by the Senate.

The VICE PRESIDENT. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes was read twice by its title.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendments offered by the Senator from South Carolina will be stated.

The LEGISLATIVE CLERK. On page 1, line 5, after the word "thereof", it is proposed to strike out "$13" and insert "$12", and on page 3, after line 18, to add the following new section:

SEC. 4. Section 4 of said act is amended by striking the figures "4 cents" and "7 cents" and inserting "6 cents" and "10 cents", respectively, in lieu thereof.

The VICE PRESIDENT. The question is on agreeing to the amendments offered by the Senator from South Carolina.

The amendments were agreed to.

Mr. KNOWLAND. Mr. President, I understand that these amendments merely restore the language contained in a similar bill already passed by the Senate, and are for the purpose of getting the bill into conference.

Mr. JOHNSTON of South Carolina. That is true. The House bill, as amended, is the same as the bill already passed by the Senate.

The VICE PRESIDENT. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6295) was read the third time and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate insist on its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. JOHNSTON of South Carolina, Mr. NEELY, and Mr. CARLSON conferees on the part of the Senate.

ADDRESS BY MAURINE NEUBERGER AT ANNUAL MEETING OF THE LIBERAL PARTY IN NEW YORK CITY

Mr. MORSE. Mr. President, on May 25, 1955, Oregon State Representative Maurine Neuberger made a speech at the annual dinner of the Liberal Party in New York City. I am particularly pleased that Mrs. Neuberger, who is the wife of the junior Senator from Oregon, on that occasion paid tribute to the illustrious junior Senator from New York [Mr. LEHMAN] and to his qualities of democracy, friendliness, and courage.

Mrs. Neuberger has made an exceptionally brilliant record in the Oregon State Legislature. As one reads her speech, one can well understand why she enjoys such a very fine reputation as a wonderful legislative leader in the State of Oregon.

Because I would like to associate myself with the remarks she made, not only with regard to the junior Senator from New York, but also in regard to the issues which she dealt with in her speech, I ask unanimous consent to have the speech printed in the body of the RECORD as a part of my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Mayor Wagner, Governor Harriman, Lieutenant Governor de Luca, and friends, it is bound to be a disappointment to you to come to this fine occasion expecting to hear a United States Senator and get in his place a lowly member of the lower house of the Oregon Legislature. It is sort of like ordering rare roast beef and getting plebeian hamburger—too well done.

I don't want you to consider me a substitute for my husband, and I don't speak for him. He is the member of the family who has the ideas, the know-how, and is the real politician.

However, many of the issues and problems which are of paramount interest to you are of equal importance to us in Oregon and to people everywhere. In fact, I had lunch with your own Senator LEHMAN from this State a few days ago and I was flattered when he asked me questions about my own work in the Oregon Legislature. I thought to myself, "This is the mark of a fine man, that he is trying to show some interest in my humble position." But, as we talked, we found that our experiences in working at the State level often dovetailed. He showed me a yearbook of some of his veto messages and I had to laugh when I saw that the New York Legislature had had a bill dealing with muskrats. We had one very similar just a few weeks ago.

I am especially pleased to be on the same program with Governor Harriman, because I have followed the Governor's defense of Niagara Falls for all the people of New York State rather than for private monopolies. That is our fight at Hells Canyon. Cheap electricity, as a result of the great Federal power development in our area, has contributed to our national defense, and to increased industry—that means our people are earning more and paying more into the Federal Treasury through income tax—and to our own material comforts. I have lived on a farm—all my girlhood. I know what it means not to have electricity. Not until F. D. R. and Senator Norris put through Bonneville Dam and the Rural Electrification Administration did we have electric lights. Can you recall what it is like to have no electric refrigerator, to cook over a wood stove, no hot water by merely turning a tap? Now we have all those things, all the usual electric appliances, and electric milking machines. Our farm electric bill runs between $6 and $8 a month.

One of my particular fields in the legislature is education. I was a teacher for many years before I was married. During this session we watched the National Congress with particular interest to see what aid they could give to our many distressed school districts. By distressed, I don't mean that they are poor. They are merely suffering—or profiting—from a 49-percent increase in population in the last 10 years and can't keep up with the need for school buildings. The President's program falls utterly to meet our needs. Great fanfare heralded the proposal, yet it added up to virtually nothing. Even our Republican-dominated legislature saw that the so-called Federal aid would be of no help to us. It seemed to propose aid to banks, rather than to schools, by making it easier to borrow money at banker's rates, which are higher than those we are already using.

Dick's criticism of the handling of the Salk vaccine program has been widely reported in your own papers. I join him in criticism and in calling attention to the contrast exemplified in the Canadian program. We have spent a great deal of time in Canada, gathering story material and have observed their political system with interest. We have no desire to leave the land of our birth and allegiance and go to Canada, but when a neighbor has "built a better mousetrap," so to speak, it doesn't hurt to take a look and see how it works. On April 12, 1955, the Minister of National Health and Welfare in Ottawa was able to announce a comprehensive national program which had been developed in advance, in contrast to our hit-and-miss approach.

RESOURCES OF THE WEST ARE A NATIONAL HERITAGE

There are many wonderful things to do and see in New York, but one of the advantages of living in the West is our accessibility to rugged mountain vistas and outdoor living. Such a memorable trip was one that Dick and I made a couple of years ago over the Lewis and Clark Trail in the rugged wilderness area of central Idaho. It was a thrilling experience to know that we were actually walking over the same trail that those intrepid explorers trudged 150 years ago. We knew where we were going, but they didn't. Many times on that trip I said to myself, "It's a wonder to me that the Oregon Country ever got discovered." But, as Dick has written in a story about that trip, a lesson could be learned. Did Lewis and Clark claim the resources of the West for all Americans, through the endless years to come, or for a handful of men to profit from as their own property? On the timbered summit of Lolo Pass, we were looking at some of the same resources seen by Lewis and Clark—although those men knew nothing of the mystery of hydroelectric power lurking in those swift moving waters that led to the Columbia River. They couldn't possibly have envisioned the importance of those vast stands of pine and fir and spruce to our national economy of this year of 1955, 150 years later, but it is for those very issues, among others, that my husband made his decision to run for the United States Senate, and I in my small way to run for the Oregon Legislature.

I am called upon a great deal to speak before women's groups. When I do, I make it a point to say "I'm a politician." They know me as a teacher, a housewife, a writer, and photographer. But I want them to think of me as a politician. Many of them have never seen one in the flesh before and they have the picture drawn by the cartoonist of a man with a large stomach, covered by a plaid vest, and smoking a fat cigar. They think of him as an ominous character. I hope that when they see me, an average person, they will understand that politics is the art of government. That our deliberations, either on the State or national level, affect their daily lives. Whether they will be able to buy colored margarine, have adequate schools for their children, have abundant cheap electricity, be sure of a supervised plan for polio control, or even musk-

rat control. This is the business of the politician and of the people. I am sorry that new duties in Washington force me to leave the active field because politics is important and politics is fun.

FACING NEW PROBLEMS ON FOREIGN POLICY—THE ROLE OF THE UNITED NATIONS

Mr. MORSE. Mr. President, I prepared for delivery in the Senate a speech on facing new problems on foreign policy and the role of the United Nations. However, I delivered the speech on Monday, June 13, at the Northwest Institute of National Relations in Portland, Oreg. I ask unanimous consent that the speech be printed in the body of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

FACING NEW PROBLEMS ON FOREIGN POLICY—THE ROLE OF THE UNITED NATIONS

(Speech by Senator WAYNE MORSE before Northwest Institute of International Relations, Monday, June 13, New Lincoln High School Auditorium, Portland, Oreg.)

It was 10 years ago on June 26, 1945, that the United Nations Charter was signed in San Francisco. Ten years is not a long span of time in history. But it is long enough to make the United Nations one-half as old as was the League of Nations at the outbreak of World War II. The time has come when we might appropriately consider whether the United Nations serves our national interest and promotes world peace.

When the General Assembly convenes this fall in New York, it must decide whether to call a conference to review the United Nations Charter. That will afford an opportunity to take a look backward to see where we have been and to look ahead to see where we are going. It is well for us to consider at this time what has happened to the United Nations in its first 10 years of life, especially with reference to the attitudes of the American public toward it.

American attitudes toward the United Nations have gone through three distinct phases.

First, immediately after the war, there was great hope for the future of the organization and tremendous emphasis on its potentialities as a device to preserve peace. This might be described as the period of the great illusion—the illusion that the United Nations was more than the sum of its parts—that is, as an institution, was capable of vastly greater achievement than the member states themselves.

The second phase was the period of great disillusionment. It was the period when Americans realized with a shock that the United Nations could not control the cold war, that atomic weapons could not be brought under international control, that international police forces were not to be established. It was during this period that the World Federalists were most vigorous in pressing their case. Some 20 State legislatures adopted resolutions calling for a strengthened United Nations, and the United States Senate by a 64-to-4 vote adopted the Vandenberg resolution which proposed strengthening the United Nations in several respects.

The third phase is the status into which we have moved in the last few years. This phase is characterized by generally rational attitudes toward the United Nations. Most Americans realize the capacities of the U. N. as well as its limitations. They realize that it bridges the cold war in some ways and may serve to lessen tensions in the world. Yet they realize that it cannot bring a definitive peace in a world split by the fundamental ideological conflict between democracy and communism.

The period is also characterized by the existence of fringe groups whose attitude toward the U. N. is characterized by irrationality. Strident voices of isolationism attack the United Nations. I propose to direct my remarks at the attacks these groups direct at the U. N.

One reason for recent attacks on the United Nations is that there has been too much emphasis on what the United Nations has not done and not enough emphasis on what it has done. Critics have resorted to the familiar technique of the wild charge, the unsupported allegation, the deliberate lie. Organized groups which attack the United Nations have created the impression that they are far more numerous than they are. They try to silence the rational people in a community by the techniques of slander and by declaring themselves the only true patriots.

It is time for the rational people of the community to meet these attacks head on. Before the attacks of these groups can be answered, however, we must understand them. Those who attack the U. N. cannot, of course, be put into one category. Some of them are unreconstructed isolationists. They still believe that all foreigners are bad and that internationalism is something dangerous. But some attack the United Nations today because they do not like to live in a troubled world and they are searching for a scapegoat, someone to blame for an uneasy peace. Strangely enough many of these people find two scapegoats. The first is communism, and the second is the United Nations. Some of those opposed to continued American participation in the United Nations as presently organized blindly lump the United Nations and communism together. They seem to believe that the United Nations is dominated by its Communist membership. Either the Communists must be kicked out of the United Nations or the United States should withdraw, they cry.

I do not believe that either of these approaches to the United Nations and to American participation in it are in our national interest. Those who back these positions promote misconceptions of all kinds. I propose to explore some of these misconceptions. I hope that one effect of my remarks to this group will be to encourage you to give battle to the half-truths and distortions which are the stock in trade of those who blindly attack the United Nations.

KOREA AND THE U. N.

First, there is the misconception about Korea. The charge is made that the war in Korea was a United Nations war and that the U. N. dragged the United States into that war.

The facts are just the opposite. If the war in Korea had not been fought under United Nations auspices, I have no doubt but what the United States would have been required to fight alone. Secretary of State Dulles is on record on this point. He recently told the Foreign Relations Committee, and I quote him, "I believe that the vital interests of the United States would have justified our taking this action alone, if we had had to."

It was United States forces in Japan that would have been outflanked by Communist control of South Korea. It was the United States defense line in the Far East that would have been breached if the war in Korea had moved southward. As a matter of fact, the President of the United States, with the tacit approvel of Congress ordered American troops into action in Korea prior to any decision by the U. N. to intervene. The fact is not that the United Nations dragged the United States into Korea, but that we brought the United Nations into the action in Korea.

The second misconception about the Korean action is that the United States was operating under the guidance and direction of Soviet officials in the United Nations. The charge is sometimes made that an assistant secretary general of the United Nations was a Russian and in that position it is claimed that he knew of every troop movement in Korea.

The fact is, of course, that the commanding general of United Nations forces in Korea was Gen. Douglas MacArthur. He reported to the United Nations but did not take orders on such matters as the movement of troops or their placement. The United Nations learned about MacArthur's military actions after the fact, not before. It is true, of course, that the U. N. advised against an attack across the Yalu River on the grounds that it would bring Communist China into the conflict. And interestingly enough it was only when MacArthur ignored this advice and his forces approached the Yalu River, that the Chinese Communists did enter the war. But let me answer here and now to any implication that the Russian Assistant Secretary General of the United Nations was privy to military secrets of the MacArthur command. He was not.

One final comment about Korea. It has been repeated over and over again that the United States provided more than 90 percent of the casualties. That is true. But let me remind you that this 90 percent figure does not take into account the casualties of the South Koreans which more than equalled the casualties of American soldiers. Furthermore, it ignores the fact that the United States would surely have fought alone in Korea had it not been for the U. N. Ambassador Lodge, chief of the United States Mission to the United Nations, has remarked that if it had not been for the help we received in Korea, the United States would have found it necessary to put two more divisions of its own in the field. While American casualties were high, they would have been much higher without U. N. help. Let's never forget that fact.

IS THE U. N. DOMINATED BY THE SOVIET?

A second misconception about the United Nations, which is promoted by those who attack it, is that the organization is dominated by the Soviet Union. The fact is, however, that the United States has never lost an important vote in the General Assembly, and the Soviet Union has never won an important vote. Time after time after time when the votes have been tallied, it is the Soviet Union that is on the short end of the vote. If anyone should be discouraged about participation in the United Nations, it should be the Soviet Union. It is the Communists who have been overwhelmed by votes in the General Assembly and who have had their motives exposed in debate.

COMMUNIST EMPLOYEES

A third fallacy promoted by U. N. opponents is that the Secretariat is riddled with Communist employees, many of whom are disloyal Americans. The fact is that more than one-half of the employees in the International Secretariat are Americans, and I for one do not operate on the theory that most Americans are disloyal.

The facts are that several years ago 17 Americans employed by the United Nations refused to answer McCarthy-type questions put to them by the Senate Internal Security Subcommittee. In line with the thinking of those days, the American public was led to believe that each and every one of those Americans was a Communist. The Secretary General of the United Nations forthwith fired these American employees despite the fact that their only alleged wrong-doing consisted of invoking the guaranty of the United States Constitution against self-incrimination.

At the present time all Americans employed by the United Nations are subject to a security check devised by the Department of Justice and if any of the American employees

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of the United Nations are Communists it is unknown to the FBI. Nevertheless, those who seek to destroy public confidence in the United Nations convey the impression that the U. N. continues today to employ Communists of American nationality.

U. N. A WORLD GOVERNMENT

A further misconception promoted by enemies of the United Nations is that it is a world government. They allege that since the charter is a treaty and hence the supreme law of the land it operates in derogation of the United States Constitution. They conveniently overlook the decision of the supreme court of California in the Sei-Fuji case which expressly denied that certain provisions of the charter are self-executing in character. They seek to create the impression that such conventions as the Genocide Convention (which has been pigeonholed by the Senate Foreign Relations Committee) and the Human Rights Convention (which has not even been signed) have somehow become the law of the land. They conveniently ignore the fact that the General Assembly can only pass recommendatory resolutions, that the United States can veto any substantive proposal in the Security Council and that no treaty can bind the United States unless approved by a two-thirds vote of the Senate.

THE COST OF THE U. N. AND ITS PUBLIC ACCEPTANCE

Another misconception encouraged by anti-U. N. forces is that it is an expensive venture for the United States. The fact is that the United Nations costs the United States $13 million a year. In addition we contribute about $12 million a year to specialized agencies of the United Nations. This means that the organization costs American citizens 16 cents each per year. The price of two quarts of gasoline.

Another impression promoted by those who seek to destroy the U. N. is that the vast majority of the American people are opposed to it. But again, what are the facts? A recent study of the University of Michigan indicates that only 5 percent of American adults want the United States to pull out of the United Nations, whereas some 80 percent believe that the U. N. and our participation in it is good for America.

I have also detected on the part of some critics of the United Nations the promotion of the idea that the United Nations is an institution conceived and promoted primarily by the Democrats. I do not want to inject any political overtones into these remarks, but I desire to call your attention to the fact that no Democrat has ever served as chief of the United States Mission to the United Nations. When President Truman appointed a representative to the United Nations, he selected Senator Warren Austin, a stanch Republican from Vermont. When Senator Austin resigned, his place was taken by former Senator Henry Cabot Lodge, Jr., a Republican from Massachusetts. Moreover, I hardly need remind this audience that probably the three most influential members of the United States delegation to the San Francisco Conference were members of the Republican Party—Senator Vandenberg, Mr. Dulles and Mr. Stassen.

The fact is that the cause of the United Nations has always had wide support from Republicans and Democrats alike and that support is likely to continue. The reason the United Nations has had wide support in both of our political parties is that most Americans are rational and objective in their analysis of what the U. N. is and what it may become. They are realistic in accepting the problems and responsibilities of the United States in the world today. They are not frustrated at the state of the world in which we live.

If we are to be rational in determining whether American participation in the United Nations is good for us or bad for us we must not base our analysis upon emotion and frustration. Instead, we must look at the U. N. to see what it has done and what it can do.

THE U. N. AND COLONIALISM

One of the great accomplishments of the United Nations in the past decade which is often overlooked is the tremendous impetus which it has given to the creation of new free states. Indonesia and Israel are two good examples. Neither of these states would be independent today were it not for the United Nations. Libya also owes its independence to the United Nations. Many other states such as India, Pakistan, Ceylon, Cambodia and others probably would not be free today had it not been for the impetus given self-government by the very existence of the United Nations.

SETTLING DISPUTES

It is hard to be objective in listing the disputes which the United Nations has settled because of the difficulty of analyzing the specific reasons why disputes are settled. We do know, however, that the United Nations was instrumental in getting Russian troops out of Iran, in keeping the Kashmir dispute from being settled by force, in bringing about an armistice between Israel and the Arab states, and in the support of Greece against Communist attack.

One trouble in getting popular understanding of U. N. successes in settling disputes is that peaceful settlements don't make headlines. It is the wars and crises that capture the news.

THE U. N. AND ECONOMICS

But aside from the political operations of the United Nations, it has also been instrumental in relieving starvation among the children of the world through the Children's Fund and in improving the health of millions of people through the operations of the World Health Organization.

One of the strongest anti-Communist instruments in the world today is the technical assistance program carried on under United Nations auspices. This program gives assistance to underdeveloped countries to enable them to improve living conditions. Experience has shown us that communism gets its best foothold in countries where living conditions can be exploited for political purposes. Thus, every contribution the United Nations makes to the improvement of living standards serves to create conditions which are the antithesis of those which nourish communism.

I could continue in this vein to describe some of the accomplishments of the United Nations. But I think I have said enough to make the point that if we are to assess the organization in terms of whether our participation promotes the national interest we must look to its positive aspects as well as to its negative aspects.

When one considers the fact that for 10 years the world has suffered from a bitter cold war, it is surprising to me—indeed it is remarkable—that the United Nations has worked as well as it has. The Charter has been an adaptable instrument to serve so well in the changing world situation.

When the Soviet veto stymied the development of the Security Council as an effective deterrent to aggression, the General Assembly was able to function in helping organize international force for use in Korea. The Assembly has now in being a Collective Measures Committee that has worked out an elaborate set of proposals that could be put into effect should there be another Korean-type attack on a free nation.

Furthermore, the Charter by authorizing the creation of regional defense arrangements inside the charter but outside the veto, has made it possible to set up a series of regional defense arrangements such as the North Atlantic Treaty Organization. These organizations have in a sense filled the vacuum resulting from the ineffectiveness of the Security Council in organizing international defense forces.

In addition to being an organization adaptable to changing world conditions the United Nations has provided a forum for almost daily contact between high-ranking officials from all over the world. When one considers that no President of the United States has talked with the head of the Soviet state since 1945, it is easy to see how important it is to maintain the contacts we have at the United Nations. It is certain that if the world is ever to live at peace that peace must rest either on a mutuality of tolerance or upon force. The United Nations gives us an opportunity to try settling by peaceful means the fundamental ideological conflict that splits the world.

In concluding my remarks, I suggest to those gathered here that you do your utmost to inject an element of realism in our attitudes toward foreign policy in general and the United Nations in particular.

There are only three possible courses of action open to us in this world. We could proceed on the theory that the only way of assuring peace and freedom would be for this Nation to dominate the world. That course is unthinkable. It embraces the doctrine of preventive war and would destroy the very peace and freedom essential to the continued development of this Nation.

A second course would be for us systematically to try to isolate ourselves from the rest of the world on the theory that we could build America into an impenetrable fortress. I know of no reputable military authority, scientist, economist, or responsible Government official who thinks this course is possible.

Finally, we can by persuasion, example, and the logic and strength of our democratic Government, encourage the development by peaceful means of the kind of world in which man's freedom can grow. This course of action involves our full-hearted participation in the United Nations. It means that we must work with as many nations as possible, and not against them.

I am opposed to any breaking off contact with the Communist or neutralist nations of this world. I am convinced that our form of government, our form of society, is in a sense the wave of the future. The more we have to do with other peoples, the more we have to do with other nations, the greater the likelihood that the march of man toward individual freedom will become worldwide. The superiority of economic and political freedom of choice for the individual constitute our greatest defense weapon against communism at home and abroad. No ideology of totalitarianism can win the minds of men and women abroad where the fight for freedom must be won in the century ahead if we in the United States through the United Nations give support to the ideal of a system of international justice through law. Disappointments will be many, and progress may be slow but the hope for peace offers no other alternative. Let us hope that the American people will close ranks and face these new problems of foreign policy with a united front.

HELLS CANYON DAM VERSUS IDAHO POWER CO. DAM

Mr. MORSE. Mr. President, the Idaho Farm Journal published a very interesting editorial by the editor, Ed Emerine on the subject "What's the Difference Between 6.69 and 2.8 Mills." In his comments on power costs in the Pacific Northwest, the editor points out—and I shall read only a sentence or two before

I ask unanimous consent to have the entire editorial printed in the RECORD as a part of my remarks—that:

We have yet to have any of those who advocate Idaho Power Co.'s dam, or dams, for Hells Canyon, come out in the open and discuss the costs as disclosed in Examiner Costello's recommendation to the Federal Power Commission.

The editor goes on to say:

Here is the examiner's analysis of power output and costs:

Three-dam plan: Total prime power, 505,000 kilowatts; power cost per kilowatt-hour, 6.69 mills. Total annual cost, $27,921,000.

High Hells Canyon Dam: Total prime power, 924,000 kilowatts; power cost per kilowatt-hour, 2.8 mills. Total annual cost, $28,567,000.

All of those who are seeking industry for Idaho and eastern Oregon had better take another look at the above figures. How will Idaho Power Co. attract industry from the Bonneville power area, which charges around 2 mills, when ITC would have to charge 6.69 mills. And what farmer, householder, or businessman wants to pay more than double just to have Idaho Power Co.?

That is a pertinent question, Mr. President. I ask unanimous consent to have the entire editorial inserted in the RECORD at this point as a part of my remarks bearing upon the issue of the Hells Canyon Dam.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

COMMENTS BY THE EDITOR

(By Ed Emerine)

What's the difference between 6.69 and 2.8 mills? We have yet to have any of those who advocate Idaho Power Co.'s dam, or dams, for Hells Canyon, come out in the open and discuss the costs as disclosed in Examiner Costello's recommendations to the Federal Power Commission.

Here is the examiner's analysis of power output and costs:

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All of those who are seeking industry for Idaho and eastern Oregon had better take another look at the above figures. How will Idaho Power Co. attract industry from the Bonneville power area, which charges around 2 mills, when IPC would have to charge 6.69 mills? And what farmer, householder, or businessman wants to pay more than double just to have Idaho Power Co.?

It's something to think about. But we'll bet that if you take up these facts with the three-dam advocates, you won't get an answer. All they'll do is start charging that the Journal is socialistic and trying to federalize the Northwest. And they'll say the only way to stop this vicious trend is to get the 6.69 mills electricity instead of 2.8.

After all, when you run out of facts to support your argument, about the only thing left is to try to scare the people with wild tales of socialism and loud and vicious name-calling.

But sometimes just the whisper of truth reaches a longer way than all this three-dam bluster.

RECOMMENDATIONS OF HOOVER COMMISSION THREAT TO COLUMBIA RIVER NAVIGATION

Mr. NEUBERGER. Mr. President, the Hoover Commission is making so many assaults upon urgent and important functions of Government that it is hard to keep pace with these attacks. However, I should like to voice some brief comments on the latest Hoover Commission proposal for wrecking imperative Federal services. Many of my constituents join in these comments.

Mr. Hoover and his aides have recommended that user charges be levied on waterways improved with Government funds. This would apply to water commerce passing through locks such as those at Bonneville and McNary Dams on the Columbia River, and, I presume, to water navigation made possible by channel deepening on such river systems as the Missouri and the Willamette.

Superficially, Mr. President, I imagine that the Hoover suggestions make sense to a great many people. Why should not barges, tugs, stern-wheelers, and freighters pay to pass through Government locks on great inland water routes like the Columbia and Mississippi?

Yet, we must remember that, since the era of George Washington, the Government has dredged, deepened, and marked with buoys our interior waterways. These were the first great routes of empire. It was the Missouri and then the Columbia River system which took Lewis and Clark westbound across the continent with our flag, 150 years ago.

Free access through Government locks has provided a yardstick to help bring down freight tolls on the railroads and the big trucklines. Where there has been water competition in the Pacific Northwest, for example, the charges to our farmers for transporting wheat, orchard fruits, and general produce are far cheaper than in areas where no water navigation exists.

Think of what Government improvements have meant in my region. In 1933, before construction of Bonneville Dam by the Corps of Army Engineers, only 85,715 tons of cargo passed into the upper Columbia at Cascade Rapids. By 1953, two decades later, this had soared to 1,343,575 tons—an increase of a phenomenal 1,600 percent. What had made the difference? It was the high-lift locks installed in Bonneville Dam, where also vast quantities of low-cost hydroelectric power have been generated for the farms, homes, and factories of our region.

Now, the Hoover Commission would rule out such gains, by applying heavy water-user tolls to use of the Bonneville locks. This is done in the name of that old Hoover cliché that those who receive Government services should pay for them.

How plausible this sounds, Mr. President. How logical it seems, Mr. President.

But, Mr. President, who would dare apply this doctrine to our daily lives? Would we say that only the people with children in the school ages should pay school taxes? Would we apply the cruel and grim rule that a man with 6 children would pay 6 times as heavy a school tax as a father with 1 child? Would we exempt families with no children from all payment of school taxes?

What a mockery this would make of our educational system in America.

Suppose a man had a fire in his house. Would we bill him $250 the next afternoon for turning out the hook-and-ladder truck to quell the fire? Is that not what the Hoover theories mean? Those who receive Government services should pay for them. Why should a man whose house is not on fire pay taxes to douse the flames in the house of another man?

Move on to the realm of law enforcement. If a family requires the protection of several policemen because the family has been invaded by some lawless marauder, should we bill that family for the patrolmen's wages? What possible good could come to a civilized society from such a harsh and savage doctrine?

Yet, Mr. President, this is what might occur if we follow through on the Hoover doctrine that those who receive Government services should be the only people to pay for them.

In this connection, I ask unanimous consent to include in the body of the RECORD three informative articles on the newest recommendations of the Hoover Commission, by Alan S. Emory, who is the Washington correspondent of a fearless and enlightened daily newspaper in upstate New York, the Watertown Daily Times.

Mr. Emory's articles were published June 10, 11, and 12, 1955.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Watertown (N. Y.) Daily Times of June 10, 1955]

USER CHARGES URGED ON UNITED STATES-AIDED WATERWAYS—HOOVER'S AND EISENHOWER'S GROUPS ALSO TO ADVOCATE SHARING OF COSTS

(By Alan S. Emory)

WASHINGTON, June 9.—Both the Hoover Commission and the President's Special Committee on Water Resources will recommend user charges on federally aided waterways, it was learned today.

WOULD SHARE COSTS

The two reports will also advocate strongly the sharing of costs on water projects, with the formula depending on the community's ability to pay, the size of the community or State and the scope of the project.

Both features are expected to provide heated debate in the Halls of Congress.

The user charge proposal is an outgrowth of a plan to charge tolls on waterways built with Federal funds. This plan, originally part of the report by the President's Committee on Transportation, was stricken after its premature release aroused substantial opposition.

The first draft, favored strongly by Secretary of Defense Charles E. Wilson, would have set the tolls sufficiently high to repay the Government for every penny it had ever invested in water projects. This was later modified.

Informed sources said the President wanted his Water Resources Committee report submitted before the Hoover Commission's so he would have a position from which to comment on proposals by the independent agency. This was the time for the transportation suggestions.

But controversy has postponed the President's committee project. At first it had been requested for use in the state of the Union address.

More recently it was presented to the President, but he reportedly rejected it as too vague in defining policy and demanded a more positive statement. Under Secretary

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of the Interior Clarence A. Davis was supposed to brief the report before the National Rivers and Harbors Congress last week, but he confessed that the subject of his speech "is the occasion of some little embarrassment." The report wasn't ready, although it is due soon.

The subject matter of the Hoover Commission's task force report on water resources—although part of the power section has leaked out—is so closely guarded that members slated to address the American Society of Civil Engineers in St. Louis June 15 do not yet know what they can say.

W. W. Horner, St. Louis consulting engineer and chairman of the flood-control task subgroup, feels that as of now he cannot say anything.

The Commission has set Saturday for a meeting, at which time the St. Louis speeches may be cleared.

Because of the complex and controversial nature of the water resources report—release of which has been demanded in Congress—Chairman Herbert Hoover has not selected the three Commissioners to draw up the unit's final water resources report.

* * * * *

The President's Cabinet Committee and Adm. Ben Moreell, chairman of the water resources task force of the Hoover Commission, have been in contact several times, and there have been conferences between the two staffs.

A pattern of policy will be set by the two reports and by the water resources regulations laid down by the Bureau of the Budget.

The main theme will be to get the Federal Government out of the water business—power, navigation, flood control, and reclamation—except in rare instances.

In this respect the Army engineers have split with the top echelon in the Pentagon. The split went so far that when the President's Committee—including the Assistant Secretaries of the Army, Interior, and Agriculture, plus, on occasion, representatives from the Commerce and Health, Education, and Welfare Departments, and the Federal Power Commission—never called in the Engineers for consultation.

Beyond the waterway-user charges and cost-sharing plans, both the President's Committee and the Hoover Commission report will go into:

1. Where to draw the line on activities of the Federal Government on water projects. For example, Amarillo, Tex., wants the United States to provide it with a community water supply. The reports will call for much more State and local activity than now exists.

2. What projects are economically feasible. Staff studies claim there are now too many ratholes caused by eager grasping for big projects.

The Hoover Commission has turned up evidence of one city that demanded—and got—a waterway just to drive down rail rates, a subject that normally would be handled by the Interstate Commerce Commission. Congressional pressure is a distinct advantage in getting Federal waterways built, the Commission found, though many do not pay off in benefits to the country as a whole.

One statement that may yet prove to be the most explosive of the whole task-force project may be the one by Charles D. Curran, staff director, before the rivers and harbors congress:

"The job the task force was called upon to do," he said, "was one of finding the weaknesses and faults in the Federal water resources and power-development activities. It was not called upon to find out and report on the good features of the program."

[From the Watertown (N. Y.) Daily Times of June 11, 1955]

UNITED STATES MISUSES WATER RESOURCES, IS CLAIM—HOOVER COMMISSION DRAFTS RECOMMENDATIONS WHICH MAY NOT BE APPROVED

(By Alan S. Emory)

WASHINGTON, June 10.—The Hoover Commission water resources task force, whose report is considered the hottest on the books, sums up its philosophy this way:

"The Federal Government has used water resources and power development projects, which should be undertaken exclusively for economic purposes, to accomplish indirect social and political ends."

Its controversial recommendations, not expected to be released to the public until next month, undoubtedly will be watered down by the Commission in its report. Much of the same thinking and policy will be reflected in the report of the President's Cabinet Committee on Water Resources.

Among the task force recommendations are these:

Eventual sale or disposal of Government hydroelectric power projects to States, localities or private enterprise. This presumably would strike at the heart of the Tennessee Valley Authority operation, although former TVA Administrator David E. Lilienthal said in a recent speech that the long-run benefits of TVA might turn out to result from waterway improvements, rather than low-cost power.

Relating power rates on Federal projects to the cost of production, with rates generally not falling below those set by private industry.

Payment by recipients of irrigation and flood control benefits of 50 percent or more of the benefit value.

Benefits from one phase of a project, like power, should not be used to pay for other phases, like irrigation and flood control.

Federal responsibility should be limited to national defense, regulation of interstate commerce, and preservation of the national domain."

In exceptional cases loans should be made on projects where revenues would assure repayment in a period not to exceed 50 years.

The United States should not assume responsibility for a project that can be discharged by a State or local government or private enterprise, except where the national interest might be affected.

All flood control work now being done by the soil conservation service of the Agriculture Department should be transferred to the Army engineers.

The present Interagency Water Resources Committee and the water resources section of the Bureau of the Budget should be reconstituted a Water Resources Board and Board of Review respectively. These two agencies would have to pass on all water improvements, making recommendations to Congress only if the project met tight standards. They would make periodic reports to the President and to Congress and would undertake regular reviews of all backlogs of authorized works.

The task force, headed by Adm. Ben Moreell, chairman of the board of the Jones & Laughlin Steel Corp., said current policy "fosters competition among its agencies, causes controversy, confusion, duplication, and waste, encourages, rather than curbs, bureaucratics ambitions."

* * * * *

One observer said that the Hoover Commission task force, while opposed to Government power projects as a matter of philosophy, was surprised to find those now in existence has proved so feasible economically.

Both the commission and the task force are headed by men who believe strongly in a minimum amound of government competition with private business. Staff members of both units say that they are run with an iron hand. In describing Admiral Moreell's operation, one worker said, "He got red and rumbled once and everybody ran for cover."

[From the Watertown (N. Y.) Daily Times of June 12, 1955]

GROUP TO BLAST POWER PROJECTS—HOOVER COMMISSION TO COME OUT WITH ATTACK ON PRESENT, PAST, AND FUTURE PLANS—MOREELL OPPOSES GOVERNMENT COMPETITION WITH BUSINESS—CRITICS HAVE CHARGED THAT TASK FORCE IS STACKED WITH 26 PRIVATE-POWER ADVOCATES

(By Alan S. Emory)

WASHINGTON, June 11.—The Hoover Commission, which meets today on its water resources report, is expected to come out with a blast against Federal power projects, present, past, and future.

NOT A SURPRISE

This will not surprise critics of the task force, who have argued bitterly that the task force, under Adm. Ben Moreell, chairman of the board of the Jones & Laughlin Steel Corp., was stacked with 26 private-power advocates.

Admiral Moreell favors getting the Government out of competition with private business. The man on the task force he listens to most closely is J. W. Reavis, a Jones & Laughlin director and director of the National City Bank, of Cleveland, the Industrial Rayon Corp., the Hershaw Chemical Co., the Electric Controller & Manufacturing Co., four other firms and the Cleveland Chamber of Commerce.

Of 10 engineers on the task force, 9 were on the action panel of the Engineers Joint Council. In 1951 this panel, headed by W. W. Horner, of St. Louis, chairman of the flood control sub-group of the task force, advocated:

1. "Sale of Federal power * * * in general * * * at the generating stations."

2. Federal, State, and local taxation of Federal-power projects.

3. "The Federal Government should not engage in the production or supply of power primarily in order to fill the power requirements of any community or region"—a crack at the Tennessee Valley Authority.

4. Except where Congress specifically reserves authority, local enterprise should not only be encouraged, but should have priority to make hydroelectric power development under proper governmental control and regulation.

5. The law should provide that States or other local agencies may acquire hydroelectric power developments or transmission lines constructed by the United States.

6. Federal hydroelectric projects cannot reasonably be used as measures of economic efficiency or of propriety of costs or rates for privately produced power.

The nine members of the council on the Task Force are Arthur B. Roberts, chairman of the waterpower subgroup; William D. Shannon, another member of the subgroup; Carey H. Brown, Julian Hinds, Mr. Horner, Frank H. Newmam, Jr., Malcolm Pirnie, Royce J. Tipton, and Lacey V. Murrow.

Mr. Roberts favors private companies' taking over control of all Government power projects and made a report along this line for Haskins and Sells, auditors for a number of private firms including Electric Bond & Share. The report also favored bus-bar sales. The Roberts report prepared in addition for the old Hoover Commission in 1949 was criticized by four old commission members, including Sen. GEORGE D. AIKEN, Republican, Vermont, as special pleading for the line taken by private utility companies.

Mr. Shannon is author of a letter to a Seattle newspaper in which he criticized public-power theories as socialistic.

Chairman of the reclamation and water-supply sub-group is former Wyoming Gov. L. A. Miller. He wrote a Saturday Evening Post article on power in 1949 called The Battle That Squandered Billions. It was reprinted by the Edison Electric Institute and many private companies.

Also on this panel is Harry E. Polk, former president of the National Reclamation Association, which said in 1952 that "sales of power from Federal developments should be made to public and private users at the bus bar where possible." In opposing the Federal Government plan for a high dam at Hells Canyon on the Snake River in Idaho, Mr. Polk said big industry in the Pacific Northwest may have been seduced with the bait of cheap power with the deliberate intent of overloading the capacity of existing installations so that Congress would appropriate more money to build more power dams.

R. W. Sawyer, another member of the power sub-group, is a former reclamation association chief and held the same post with the Oregon Reclamation Congress, which was financially backed by private utility firms.

William B. Bates, of the flood-control panel is a director of the East Texas Chamber of Commerce, which strongly opposed the renomination of Leland Olds to the Federal Power Commission. Mr. Olds is a strong public power man. In September, 1953, the chamber favored "sale to private owners of all Government-owned property not necessary for the legitimate functions of Government."

E. A. Kracke, accounting adviser to the task force, is a partner of Haskins & Sells. Carl Byoir, press relations counsel, has clients that have strongly opposed TVA. Harry W. Morrison of the flood control unit is head of Morrison-Knudsen, large contracting firm that has contracts with the Idaho Power Co., a bidder to construct dams in opposition to Hells Canyon.

When the Hoover Commission published a press release on the task force it omitted some details about the members.

The biographies did not say that:

Mr. Horner, as St. Louis city engineer, was for a while Admiral Moreell's employer.

Mr. Reavis was a Jones & Laughlin director.

James P. Growdon of the navigation subgroup is an engineering consultant to several utility companies.

Albert C. Mattei of the power subgroup is one of Chairman Hoover's closest associates.

Mr. Morrison is a friend of Interior Secretary Douglas McKay and a former employer of Ralph Tudor, who just quit as interior undersecretary.

Mr. Pirnie is a trustee of the Committee on Economical Development.

Nowhere does the press release show that any of the task force members, with the exception of Mr. Brown, was on the Engineers Joint Council.

Other outspoken Commission foes of public power include Utah's Gov. J. Bracken Lee, John Jirgal, Chicago utility finance specialist; Donald Richberg, general counsel to the task force and former New Deal braintruster, and Charles L. Andrews of the power subgroup, a Memphis cotton shipper who says he does not support TVA.

While a few task force members are not outright foes of public power, there is not a public power advocate in the 26. For this reason, the task force report, which advocates Federal disposal of all TVA properties and private enterprise construction of all atomic energy electric power plants, will not be a surprise—although it will cause lots of heated debate.

DISCUSSION AT THE FORTHCOMING GENEVA CONFERENCE OF THE STATUS OF NATIONS UNDER COMMUNIST CONTROL

Mr. JOHNSON of Texas. Mr. President, has the morning business been concluded?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Morning business is closed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the resolution (S. Res. 116) favoring discussion at the coming Geneva Conference of the status of nations under Communist control.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. JOHNSON of Texas. Mr. President, if the Senate will indulge me for a very few minutes, I should like to make a brief statement concerning the resolution.

Each Senator has on his desk a printed copy of the hearings on Senate Resolution 116. He also has a copy of the resolution and of the very excellent report on the resolution by 14 members of the Senate Foreign Relations Committee, all except one having been present at the time the resolution was considered in committee.

Mr. President, it is somewhat unusual to have a resolution submitted in the Senate late on Monday, to have a committee hold hearings and consider it almost into the evening of Tuesday, and to have the Senate debate it on Wednesday. But many unusual factors surround the resolution. First, it is somewhat unusual to ask unanimous consent to consider a foreign policy resolution between quorum calls in the Senate without advance notice to the Members. Second, it is very unusual to have any such resolution considered by the Senate without first having obtained recommendations from the Senate's agent—the Committee on Foreign Relations.

I hope I state the sentiment of the membership when I say that no committee of the Senate is composed of men of greater stature, greater intelligence, greater devotion to duty, or greater patriotism than the distinguished members of the Committee on Foreign Relations on both sides of the aisle, who are presided over by the dean of the Senate, the very able senior Senator from Georgia [Mr. GEORGE].

Like all the members of the Committee on Foreign Relations who voted last evening, I am opposed to the resolution. I am opposed to it not because I am unconcerned with the enslavement of free people who have been brought behind the Iron Curtain; but because, in my opinion, if the Senate does not fearlessly stand up and reject the resolution overwhelmingly, the Senate will no longer be a partner with the Executive in the conduct of foreign relations. It will become the dominant force.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Not at this point. I shall conclude my statement, and the junior Senator from Wisconsin then will have ample opportunity to present his views.

I ask the Senate not to be diverted from the primary issue involved: Shall the Senate in this critical hour—as our leader goes forward to represent the Nation in a conference with other great nations of the world—instruct, advise, and place that leader in a straitjacket? I have no doubt that attempts will be made to divert the Senate from that main issue. But I hope the Senate will refuse to be diverted.

For that reason, when the junior Senator from Wisconsin on Monday afternoon asked the Senate for permission to submit, out of order, the resolution, and when the junior Senator from Wisconsin on Monday afternoon asked the Senate to proceed immediately to consider the resolution, the majority leader was forced to object. I did not object to the sentiment, affection, and concern for enslaved peoples, which the resolution implied. I think every Member of the Senate, on this side of the aisle and on the other side of the aisle, has made a record well known to this body and to the country as to his feelings in this matter.

But I felt it was my duty, as the designated representative of the majority party, and the one who must be responsible for maintaining the dignity, the traditions, and the procedures of the Senate, to stand up and to counsel the Senators present not to take any action on a resolution of this character or any amendment to it unless an opportunity were first given our experts in that field, the members of the Committee on Foreign Relations, to digest the proposal; to evaluate it; to call in the experts from the Department of State; to counsel with the constitutional authority, the President; and then to make their recommendations.

I conferred with the distinguished minority leader [Mr. KNOWLAND]. He agreed to join with me in asking the Committee on Foreign Relations to take prompt action, because the junior Senator from Wisconsin had stated that he felt he should have action by Thursday; that he felt if the resolution were referred to the committee, prompt action could not be obtained; that he had previously sent a similar resolution to the committee, which the committee had not approved.

At that time I made a statement, and I should like to have every Member of the Senate follow it carefully, because more is involved in this matter than a desire on the part of the Senate to express its concern for the peoples of the nations who have been brought into the Communist

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orbit. In the question before the Senate there are involved the demand made by the junior Senator from Wisconsin and the assurances given by the majority leader of the Senate. I have spoken about the request of the junior Senator from Wisconsin. I said that he asked, first, for permission to submit the resolution, and second, for its immediate consideration.

I see present in the Chamber the senior Senator from Florida [Mr. HOLLAND], the Senator from Oregon [Mr. NEUBERGER], and perhaps one or two Senators on this side of the aisle who were present on Monday evening. There were also present perhaps half a dozen Senators on the other side of the aisle.

The acting minority leader, the able senior Senator from Minnesota [Mr. THYE] supported the position of the majority leader, which was that Senators must feel free to leave the Chamber to go to their committees, to their States, or to their homes, fully assured that the word of the leadership is a bond, and that there will be no dilly-dallying, shinnying, or weaseling out of responsibilities.

So I pleaded with the junior Senator from Wisconsin, to permit the resolution to be referred to the Committee on Foreign Relations, so that the recommendations of the committee could be obtained—not because I wanted to bury the resolution; not because I wanted to sweep it under the rug; not because the majority leader wanted to bottle it up; but because it was sound, orderly procedure.

I said on that occasion that we must never adopt a procedure in the Senate—because the Senate operates, so to speak, in a goldfish bowl—whereby action is taken on foreign policy between quorum calls, after sundown, and without advance notice.

I shall now quote from page 8722 of the RECORD of Monday, June 20, 1955. I had just finished saying that I hoped the resolution could be referred to the committee, thus following the regular procedure. The junior Senator from Wisconsin then asked:

How soon will that be?

I then said:

I have attempted to assure my friend from Wisconsin that if he will give me an opportunity to make a study of the resolution—I have been a busy man most of today—

Senators will remember that on Monday the military defense appropriation bill, with the Marine Corps amendment, was under consideration—

I shall try to study it tonight.

I think that was almost 7 o'clock.

I shall confer with the appropriate Members in the morning, and I shall be glad to discuss it with the Senator further.

I ask my colleagues to listen and to follow me carefully in this recital of events. I want every Member, on both sides of the aisle, to hear this statement, and to put himself in the position of the junior Senator from Wisconsin or the Senator from Texas, because, except for the grace of God, it might have been he.

The question before the Senate today has greater implications than merely the consideration of a resolution. The junior Senator from Wisconsin was asking on Monday evening for the consideration by the Senate of a resolution. The majority leader has responsibilities. I will say that the Senator from Wisconsin did not ask that the Senate vote on the resolution on Monday evening. He asked to submit it on Monday evening, and he would have followed that with a request for its immediate consideration, so that a vote could be had on the following day or at some other appropriate time.

I have no desire to mislead the Senate, I will say to the Senator from Wisconsin. But I will repeat what I said to the Senate when the Senator sought to submit the resolution late in the evening, long after the morning hour had passed. He wanted consideration of the resolution so the Senate could act on it without its going to the committee, and he said he did not want it buried in committee. He did not use that language, but he pointed out that he had other resolutions in the committee which had never seen the light of day. I knew what the Senator was talking about.

I had no desire whatever, nor do I have any desire now, as I made it clear to the Foreign Relations Committee yesterday, and as I make it clear to the Senate now, to prevent the Members of this body from expressing themselves in the strongest language they care to use, and by a yea-and-nay vote. I said to the Senate:

I have no desire to keep any Senator from expressing any view he may possess or to keep his view from being recorded. But the resolution would have a better chance of appealing to the intelligence of the Members of this body if it followed the orderly procedure.

I want to repeat that:

I have no desire to keep any Senator from expressing any view he may possess or to keep his view from being recorded.

On the basis of that and other statements, and the assurances of the acting minority and the majority leaders, the distinguished Senator from Wisconsin permitted the resolution to go to the committee.

In keeping with the letter of my statement and in keeping with the spirit of my statement, after full consultation with the chairman of the Committee on Foreign Relations at his hospital room yesterday morning, and with his knowledge and with his approval, I asked the committee to give every Senator the right to express his views and to be recorded. It has been said—and I do not want it truthfully to be said of the Senator from Texas—that Senators can maneuver and Senators can be clever and Senators can move that resolutions be referred to committees for the purpose of burial. That has never been my purpose and it was not my purpose in this specific instance.

When I make a statement to this body that I have no desire to prevent any Senator from expressing himself or being recorded, I mean just that. I hope the Senate will not be diverted, by any parliamentary tactic, from putting itself in position where it can say "Yes" or "No" to this resolution, just as the Foreign Relations Committee did yesterday.

I might say that a substantial number of the members of my party, and some members of the other party, have discussed with me the desirability of having an expression of the sense of the Senate, not as to the agenda of the Geneva Conference, not as to what the President should or can or must do, but of the concern of the Senate over the fate and the future of people who have been enslaved.

For myself, I shall be glad to join with the distinguished chairman of the Committee on Foreign Relations, the distinguished minority leader, the distinguished chairman of the minority policy committee, members of the Foreign Relations Committee, or any other Members of the Senate, in the submission of a Senate resolution. I shall be glad to have it referred to the appropriate committee, where it can be considered thoroughly—dotting all the i's and crossing all the t's, in consultation with all the career officers who serve the country in the State Department, the Secretary of State and the President. I shall be glad to cooperate in bringing something to this floor that will be interpreted not as a gun at anyone's head, but as an expression of genuine sentiment.

In my opinion, the issue before the Senate is a very simple one. It is whether the President of the United States shall be sent to the Big Four Conference in a straitjacket. I should like to point out that this issue is not confined merely to the present President. I recall, with some distress, and with some depression, that just before a certain spokesman for this Nation went away on one occasion to attend an important conference, some rather critical speeches were made about him.

I point out to the Senate that the President is not a member of my party. The Secretary of State is not a member of my party. On the occasion to which I have just referred the Secretary of State was a member of my party. I felt it was cruel to send that spokesman forward to speak for the greatest Nation in the world, when derogatory things were being said about him at home. But although the President is not a member of my party, he is the President of my country—the only President we have. I think we should stop, look, and listen before we leave any shadow of a doubt about how the Senate feels on the particular issue now before us.

There were some Senators who said, "If the resolution is tabled, or if it is voted down, such action will be interpreted by the Communists as throwing overboard all the peoples whom the Communists have engulfed. It will also be misunderstood by some of the minority groups in this country."

Mr. President, the position of the United States Senate must never be judged on the basis of what Communist propaganda may or may not say. The position of the Senate must be based on whether we are right or whether we are wrong, and, Mr. President, it is wrong to adopt a resolution such as that now before the Senate.

In our dealings with other nations, Members on both sides of the aisle must remember that only one man can speak for our country. Mr. President, he can-

not speak very clearly, and he cannot speak very effectively, if he has a congressional gag in his mouth before he speaks.

Stripped of all its verbiage and all its gimmicks, the adoption of the resolution would put the President in a straitjacket.

If the Senate wants to express itself, and if the Senate has any confidence in itself and in its committees—and the Foreign Relations Committee, as I have said, is a very able committee, one which is manned with a staff that is second to none—members can sit in consultation with the President and the Secretary of State, and draw upon the wealth of experience and the wisdom of some of the senior members of the committee, and with such support, a resolution can be adopted which will express the sense of the Senate. Only last week, the Senator from Alabama, in whom I have the greatest confidence, and for whom I have the greatest respect, asked the majority leader to permit him to call up for immediate consideration a resolution involving the distinguished Helen Keller, and expressing the good wishes of the Senate. I said, "That resolution can stand the scrutiny of tolerant and able men. Submit the resolution this afternoon. Send it to the committee tonight. You can get it back the day after tomorrow. The Senate operates efficiently and expeditiously; and you can have a hearing, if necessary; and you can have a committee report on the resolution." That procedure was followed.

But, Mr. President, is a different procedure to be followed when we deal with the foreign policy of our Nation? If the Senate is in favor of dealing with foreign policy without following the recommendations of its Foreign Relations Committee, what is to keep the House of Representatives and its 435 Members from doing likewise?

Mr. President, I hope no Member of this body will be diverted. I hope all Members of this body will understand the basic issue in the resolution as I understand it, namely—Shall the Senate, on the eve of the Big Four conference, express the sense of the Senate in such a way as, in effect, to dictate and direct and circumscribe the activities of our negotiators?

I wish to make it abundantly clear that if the Senate desires to go on record regarding the fate and future of the nations which have been taken behind the Iron Curtain, at an appropriate time, in an appropriate manner, and after an appropriate committee has considered such a resolution, I shall be glad to see that the Senate has an opportunity to record its position.

The junior Senator from Wisconsin [Mr. McCARTHY] asked the majority leader to have the committee consider the resolution, and he said he wanted the Senate to consider it. The majority leader assured him that he had no desire to prevent any Senator from expressing himself or recording himself.

I hope every Member of the Senate will help me make good that assurance. As I assured some Senators this morning, I now assure all Senators there has been no dilatory move on the part of the majority leader, nor was there any on the past Monday. If we can vote this resolution either up or down, rid our calendar of it, meet it as fearless men in a free country trying to preserve liberty, then, Mr. President, in the quietness of our committee room, with the counsel of our most experienced members, acting with the advice of our most trusted public servants, we can draft any statement which a majority of that great committee deems desirable.

I wish to appeal to the membership to support me in seeing to it that every Senator has an opportunity fully to express himself, and in seeing to it that every Member has a full opportunity to be recorded on the pending resolution. If Senators do that, Mr. President, I assure them that I will treat each Member just as I treated the junior Senator from Wisconsin. He demanded prompt action on his resolution in the committee, and he got it. He wanted prompt action taken on the floor of the Senate and he shall get it. Perhaps the earliest opportunity for taking such action was on yesterday; and I want him to get it no later than today.

Mr. President, on the question of agreeing to the resolution, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President——

Mr. JOHNSON of Texas. I yield to the Senator from California.

Mr. KNOWLAND. I wonder whether the Senator from Texas will permit me to make a statement at this time.

Mr. JOHNSON of Texas. Certainly.

Mr. KNOWLAND. Mr. President, I had not intended to make a statement to the Senate at this point in the debate; but, rather, I had planned to wait until after the opening statement by the distinguished acting chairman of the Foreign Relations Committee, the senior Senator from Rhode Island [Mr. GREEN], had been made. However, in view of the statement which has been made by the distinguished majority leader, I think I should make a statement at this time.

Up to a certain point, Mr. President, as regards the procedural situation confronting the Senate, I fully agree with the majority leader. In the field of legislation, except under most unusual circumstances, I think that any exceptions to the regular procedure should be very rare, indeed.

It seems to me that when a resolution or proposed legislation affecting the foreign policy of our Government or, indeed, affecting domestic policy, or even a proposal expressing the sense of the Senate on a particular question, is presented, the proper legislative procedure is for such a resolution or bill or other legislative proposal to be referred to the appropriate committee. On that point, the majority leader was sound; and in my earlier discussion with him, I agreed that that was the proper procedure, and I was prepared to support him fully regarding it.

I have very carefully read and reread the RECORD. I realize that there is always room for an honest difference of opinion. In this great deliberative body, we must recognize the fact that Members who have sincere convictions on a given subject may place somewhat different interpretations upon the facts.

I think that assurance was given to the junior Senator from Wisconsin [Mr. McCARTHY] that if he would not press for the taking of the action he requested—and for which, in fact, he could not press, because it was subject to objection; and I say quite frankly that if the majority leader had not been in his seat at the moment, but if the minority leader had been here, instead, I would have objected, even though the request had come from my side of the aisle—that if he would not press his request for the taking of immediate action on the resolution, without having it referred to the appropriate committee, then, if it was possible to work out the parliamentary difficulty which arose late in the afternoon, very prompt consideration would be recommended by the majority leader to the Foreign Relations Committee. In that recommendation he had the full concurrence of the minority leader.

Of course, what the committee did was a matter subject entirely to the determination of the Foreign Relations Committee itself. I do not believe there was any statement or any implication as to what the action of the committee would be.

Apparently the distinguished majority leader—and I can quite understand his position—felt that he had made a further commitment—perhaps an implied one, if not a direct one—that not only would action be taken by the committee, but that insofar as his recommendation could be followed, the resolution would be brought before the Senate itself, for a direct vote by the Senate.

On that point I do not differ with the distinguished majority leader, although I do not so interpret the language which appears in the RECORD; and neither do I so interpret the language when it is considered on the basis of the customary procedure in the Senate.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me at this point?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. How would the Senator from California interpret this language, if he received assurance from the Senator from Texas:

I have no desire to keep any Senator—

Not any member of the Foreign Relations Committee, but any Senator—

from expressing any view he may possess or from keeping his view from being recorded.

Mr. KNOWLAND. Again, I do not wish to quarrel on the basis of a difference of opinion. The Senator from Texas made his statement. He may have had one thing in mind. I may have misinterpreted his position. In this great forum, in which we all pride ourselves on freedom of debate, it has been customary not to attempt to foreclose a Senator from expressing his views on any subject. Only after the most prolonged discussion have some of us who have had grave doubt as to the advisability of further discussion after a subject matter

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has been thoroughly covered been willing to suggest parliamentary means of bringing debate to an end. Why? Because we feel that it is important that there be opportunity to discuss freely and amply any subject.

I interpret the remarks of the distinguished majority leader—and I think they are subject to such interpretation—to mean that he had no intention of foreclosing the Senator from Wisconsin from submitting his resolution, from discussing it on that day, if he desired to do so, or at any other time, on the floor of the Senate.

When the Senator from Wisconsin indicated that in the past he had submitted resolutions upon which, when referred to the Committee on Foreign Relations, there had been no hearings, the Senator from Texas was giving his assurance, insofar as he could give assurance, to the Senator from Wisconsin that he would recommend to the committee—and in that he was joined by the minority leader—that the committee afford a prompt hearing, because, as the Senator from Wisconsin pointed out, this is a subject with respect to which he, at least, felt that time was of the essence. The Foreign Ministers were meeting in San Francisco at the very time, and if the normal committee processes had been followed—which would not have been unreasonable—and we had waited until next week, the issue would have been a moot question, so far as the Senator from Wisconsin was concerned.

So I feel that the distinguished majority leader was giving assurances that the Senator from Wisconsin would have an opportunity to present his views to the committee, that the committee would be able to hear him in public session, or in executive session, as the case might be; that the committee would be able to call representatives from the State Department, and then would make its decision.

Up to that point, I think the majority leader and the minority leader have no difference whatever. I do not wish to labor this point, because it is water over the dam. Personally I believe that it would have been better procedure, after listening to the testimony and the very cogent reasons which were presented—and I think they were cogent reasons—why it was not in the best interests of our foreign policy to have such a resolution adopted at this time, to follow the normal committee procedure.

Of course, we all recognize that we have a deep interest in the captive peoples behind the iron curtain. Nevertheless, personally I believe that it would have been better procedure for the committee to do what committees normally do, that is, to take action; and if it did not believe the resolution should be adopted, a motion could be made to table it. I was prepared to support, and did support, a motion to table the resolution in the committee.

I think that would have been effective action. The Senator from Wisconsin would have had his day in court. The committee itself, which is primarily charged with foreign policy, would have acted. The Senator from Wisconsin would still not have been foreclosed. If he had desired to pursue the matter, he could have moved to discharge the committee. But at least the question would have been handled in consonance with the customary and normal procedure of the Senate.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. Let me finish.

After all, we live by majority government. Sometimes our views prevail, and sometimes we are on the short side of a vote. One important feature of our great American constitutional system, which is unlike many other systems of the world, is that we are prepared to achieve the will of the majority in a parliamentary body, and support the decision with good grace. The decision of the committee has been made. It determined to report the resolution adversely. So discussion of the subject will be carried on by the acting chairman of the committee. I am prepared to support the decision of the Foreign Relations Committee in that regard, even though I feel that the other procedure would have been better.

I regret that the distinguished Senator from Wisconsin [Mr. MCCARTHY] is not present in the Chamber. He told me that he was obliged to return to his office. He knew that I was about to discuss this subject, and the general procedures leading up to the present situation. I know that he has a very deep interest in this matter and a very deep conviction and concern with respect to the peoples behind the Iron Curtain.

Indeed, I think all 96 Members of the United States Senate have a very deep concern about those who, through no fault of their own, find themselves enslaved by the most godless tyranny the world has ever known. I do not want, and I do not believe the Senate wants, either before the Iron Curtain or behind the Iron Curtain, to get the impression from Communist propaganda or otherwise, that the defeat of this resolution—if it is the judgment of the Senate, for the reasons presented, that it should be defeated—means any lack of interest in the enslaved peoples behind the Iron Curtain. In my judgment that would not be the case. The record should be clear, and every Member of the Senate should clearly understand it.

I do not intend to take a great deal of the time of the Senate in placing material in the RECORD. I think the distinguished Senator from Wisconsin [Mr. MCCARTHY] was in error when he felt that, merely because Pravda, as he pointed out in one of his speeches the other day, had indicated that the Soviet Union would not, at the meeting at the summit, discuss the question of the peoples behind the Iron Curtain, that question could not be discussed at the summit. Certainly no Government of the United States—and certainly not the present Government—will permit the Soviet Union to say, by unilateral action, that a certain subject matter cannot be discussed, and that, ipso facto, it cannot be discussed. I think this was made very clear by Mr. Hoover, Acting Secretary of State, yesterday, when he said:

In the preliminary conversations that have already taken place regarding arrangements for the conference, it has been agreed that each of the participants would be free to take up any subject which it believed to be a contributory cause to world tensions.

Members of the Senate will find that statement on page 5 of the appendix, to the testimony in public session by the Acting Secretary of State, Mr. Herbert Hoover, Jr.

I have been authorized by the President of the United States, after conferring with him this morning, to state that the question of the enslaved peoples in the satellite countries has been and now is of interest to him and to the executive branch of the Government, and has been the subject of numerous conferences.

He further authorizes me to state to the Senate that this question has also been the subject of a considerable number of conversations between the President of the United States and the minority leader, over a considerable period of months.

I submit that the record of President Eisenhower, who has been in office now for only a little more than 2 years, has consistently shown a deep interest in the subject matter, a deep interest in peace with honor, a deep interest in the subject of human freedom. I shall not take the time of the Senate to read all the quotations, because I am sure that they are known to every Member of this body on both sides of the aisle. However, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an excerpt from the state of the Union address delivered by President Eisenhower on February 2, 1953, together with a letter from President Eisenhower to the President of the Senate, enclosing a draft of a proposed resolution.

There being no objection, the excerpts and draft of resolution were ordered to be printed in the RECORD, as follows:

A. STATE OF THE UNION ADDRESS OF PRESIDENT EISENHOWER FEBRUARY 2, 1953

[Excerpt [1]]

Third. Our policy, dedicated to making the free world secure, will envision all peaceful methods and devices—except breaking faith with our friends. We shall never acquiesce in the enslavement of any people in order to purchase fancied gain for ourselves. I shall ask the Congress at a later date to join in an appropriate resolution making clear that this Government recognizes no kind of commitment contained in secret understandings of the past with foreign governments which permit this kind of enslavement.

B. LETTER FROM PRESIDENT EISENHOWER TO THE PRESIDENT OF THE SENATE INCLUDING A DRAFT OF THE PROPOSED RESOLUTION

FEBRUARY 20, 1953.

DEAR MR. PRESIDENT: In my message to Congress of February 2, 1953, I stated that I would ask the Congress at a later date to join in an appropriate resolution, making clear that we would never acquiesce in the enslavement of any people in order to purchase fancied gain for ourselves, and that we would not feel that any past agreements committed us to any such enslavement.

In pursuance of that portion of the message to Congress, I now have the honor to inform you that I am concurrently informing the Speaker of the House that I invite the concurrence of the two branches of the Con-

[1] H. Doc. 75, 83d Cong., p. 2.

gress in a declaration, in which I would join as President, which would:

(1) Refer to World War II international agreements or understandings concerning other peoples;

(2) Point out that the leaders of the Soviet Communist Party who now control Russia, in violation of the clear intent of these agreements or understandings, subjected whole nations concerned to the domination of a totalitarian imperialism;

(3) Point out that such forceful absorption of free peoples into an aggressive despotism increases the threat against the security of all remaining free peoples, including our own;

(4) State that the people of the United States, true to their tradition and heritage of freedom, have never acquiesced in such enslavement of any peoples;

(5) Point out that it is appropriate that the Congress should join with the President to give expression to the desires and hopes of the American people;

(6) Conclude with a declaration that the Senate and the House join with the President in declaring that the United States rejects any interpretations or applications of any international agreements or understandings, made during the course of World War II, which have been perverted to bring about the subjugation of free peoples, and further join in proclaiming the hope that the peoples, who have been subjected to the captivity of Soviet despotism, shall again enjoy the right of self-determination within a frame-work which will sustain the peace; that they shall again have the right to choose the form of government under which they will live, and that sovereign rights of self-government shall be restored to them all in accordance with the pledge of the Atlantic Charter.

I am enclosing a form of draft resolution, which, in my opinion, carries out the purposes outlined above, and in which I am prepared to concur.

Sincerely,

DWIGHT D. EISENHOWER.

DRAFT RESOLUTION

Whereas during World War II, representatives of the United States, during the course of secret conferences, entered into various international agreements or understandings concerning other peoples; and

Whereas the leaders of the Soviet Communist Party, who now control Russia, have, in violation of the clear intent of these agreements or understandings, subjected the peoples concerned, including whole nations, to the domination of a totalitarian imperialism; and

Whereas such forcible absorption of free peoples into an aggressive despotism increases the threat against the security of all remaining free peoples including our own; and

Whereas the people of the United States, true to their tradition and heritage of freedom, are never acquiescent in such enslavement of any peoples; and

Whereas it is appropriate that the Congress join with the President in giving expression to the desires and hopes of the people of the United States: Therefore, be it

Resolved, That the Senate and House concurring,

Join with the President in declaring that the United States rejects any interpretations or applications of any international agreements or understandings, made during the course of World War II, which have been perverted to bring about the subjugation of free peoples, and further

Join in proclaiming the hope that the peoples who have been subjected to the captivity of Soviet despotism shall again enjoy the right of self-determination within a framework which will sustain the peace; that they shall again have the right to choose the form of government under which they will live, and that sovereign rights of self-government shall be restored to them all in accordance with the pledge of the Atlantic Charter.

Mr. KNOWLAND. Mr. President, I next call to the attention of the Senate a paragraph in the message which the President of the United States sent to the members of the United Nations Commission on Human Rights at the opening of its session on April 7, 1953, in Geneva. I read the pertinent paragraph in the message:

Unfortunately, in too many areas of the world today there is subjugation of peoples by totalitarian governments which have no respect for the dignity of the human person. This denial of the freedom of peoples, the continued disregard of human rights, is a basic cause of instability and discontent in the world today.

Mr. President, that fits in very closely and very fully with what the Acting Secretary of State said, that no subject is foreclosed from discussion at the meeting at the summit.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of a message which the President of the United States sent to Chancellor Conrad Adenauer, as released by the State Department on June 26, 1953.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

I have received with deep interest and sympathy your message of June 21. The latest events in East Berlin and Eastern Germany have stirred the hearts and hopes of people everywhere. This inspiring show of courage has reaffirmed our belief that years of oppression and attempted indoctrination cannot extinguish the spirit of freedom behind the Iron Curtain. It seems clear that the repercussions of these events will be felt throughout the Soviet satellite empire.

The United States Government is convinced that a way can and must be found to satisfy the justified aspirations of the German people for freedom and unity, and for the restoration of fundamental human rights in all parts of Germany. It is for the attainment of these purposes that the Government you head and the United States Government have been earnestly striving together. Although the Communists may be forced, as a result of these powerful demonstrations in East Germany to moderate their current policies, it seems clear that the safety and future of the people of Eastern Germany can only be assured when that region is unified with Western Germany on the basis of free elections, as we urged the Soviets to agree to in the notes of September 23, 1952, dispatched by the American, British, and French Governments. It is still our conviction that this represents the only realistic road to German unity, and I assure you that my Government will continue to strive for this goal.

In their hours of trial and sacrifice, I trust that the people of Eastern Germany will know that their call for freedom has been heard around the world.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a paragraph from the speech of the President of the United States at the Sixth National Assembly of the United Church Women, National Council of Churches of Christ, on October 6, 1953, which deals with the subject matter under discussion.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The mysteries of the atom are known to Russia. Russia's hostility to free government—and to the religious faith on which free government is built—is too well known to require recital here. It is enough for us to know that even before Russia had this awesome knowledge, she by force gained domination over 600 million peoples of the earth. She surrounded them with an Iron Curtain that is an effective obstacle to all intellectual, economic, and spiritual intercourse between the free world and the enslaved world. Now, of these two worlds, the one is compelled by its purpose of world domination, the other by its unbreakable will to preserve its freedom and security to devote these latest discoveries of science to increasing its stockpiles of destructive armaments.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the letter written by the President of the United States to one of the leaders of free Polish groups relative to the tyranny which exists within the confines of Communist Poland.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE.—The White House today made public the following letter from the President to the Honorable CLEMENT J. ZABLOCKI:

"DEAR MR. ZABLOCKI: I have your letter of October 14 regarding the action taken recently against a courageous leader of his church, Stefan Cardinal Wyszynski, Primate of Poland. The arrest and internment of Cardinal Wyszynski is profoundly discouraging to those of us who look for signs of Communist willingness to respect basic human rights of freedom of thought and conscience. Without evidence of such willingness, it is difficult to believe that the Communist governments intend to honor agreements which might be reached to reduce world tensions. You may recall that I spoke of this in connection with the arrest of Cardinal Wyszynski at my news conference of September 30.

"The calculated repression of all religious organization in the Communist states makes it apparent that wherever Communists are in position to use force and violence, they will do so in an effort to win domination not only over the body and mind of man, but over his soul as well. I share very strongly the conviction which was expressed in the condemnation of the action against Cardinal Wyszynski issued by the Department of State on September 30, that the religious spirit of man will never be subdued or extinguished, and that it will remain a sustaining force in Poland during the present tragic suffering of the Polish people. It is my intention that this Government continue to take all appropriate steps to see to it that Communist violations of the inalienable rights of man under God do not go unopposed, and that they are effectively exposed in every forum.

"Sincerely,

"DWIGHT D. EISENHOWER."

Mr. KNOWLAND. Mr. President, I next call to the attention of the Senate a paragraph from the informal address of the President of the United States in a radio broadcast on April 5, 1954, when the President said:

Moreover, there is a growing understanding in the world, of the decency and justice

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of the American position in opposing the slavery of any nation. We do not believe that any nation, no matter how great, has a right to take another people and subject them to its rule. We believe that every nation has a right to live its own life. Every bit of aid we give, every cooperative effort we undertake, is all based upon the theory that it is cooperation among equals.

Mr. President, I next call to the attention of the Members of the Senate an excerpt from the speech delivered by the President of the United States at the Columbia University national bicentennial dinner at the Waldorf-Astoria Hotel in New York City, on May 31, 1954, in which the President discussed the importance of negotiations in Germany for the unification of Germany and the freeing of the peoples behind the Iron Curtain in Eastern Germany. The President on that occasion said:

Negotiations to unify Germany have been, for the time being, at least, nullified by Soviet demands for a satellite climate in that country. With respect to Austria, the United States, Great Britain and France agreed to accept State Treaty terms which up to that moment had been acceptable to the Soviet Union. But once this acceptance was announced, the Soviet Union immediately invented new conditions which would enable it, for an indefinite period, to keep military occupation in Austria.

To such a plan we could not agree. Far better, this administration believes, that we end the discussion with the issue still unresolved than to compromise a principle or to accept an agreement whose price might be exacted in blood years hence.

I now call attention to an excerpt from an address delivered by the President at the American Newspaper Publishers Association dinner in New York City on April 22, 1954. The President said:

We cannot hope with a few speeches, a few conferences, a few agreements, to achieve the most difficult of all human goals—a cooperative peace for all mankind. Hear me, I say, my friends, that your representatives in the diplomatic world have no other thought or no other purpose than that which I have just stated: the achievement of a cooperative peace among the free nations and eventually to enlarge that by appealing to the commonsense, representing the facts of the world as they are today to all others, so that even the iron wall must crumble and all men can join together.

I call attention also to the remarks made by the President of the United States on May 31, 1954, at the Columbia University national bicentennial dinner, from which I have already read another excerpt. On that occasion the President also said:

In this situation, we, the American people, stand committed to two far-reaching policies:

First and foremost, we are dedicated to the building of a cooperative peace, based upon truth, justice, and fairness.

Second, to pursue this purpose effectively, we seek the strengthening of America—and her friends—in love of liberty, in knowledge and comprehension, in a dependable prosperity widely shared, and in a military posture adequate for security.

In these two policies, there is no iota of aggression, no intent to exploit others or to deny them their rightful place and space in the world. This consideration of others—this dedication to a world filled with peaceful, self-respecting nations—finds its only opposition in militant totalitarianism.

I next call the attention of the Senate to the speech of the President of the United States at the American Legion convention in Washington, D. C., on Monday, August 30, 1954, in which he said:

A third truth is this: The safety of any single nation in the free world depends directly upon the substantial unity of all nations in the free world. No nation outside the Iron Curtain can afford to be indifferent to the fate of any other nation devoted to freedom.

In the President's state of the Union message in January 1955, the President had this to say:

It is of the utmost importance, then, that each of us understand the true nature of the world struggle now taking place.

It is not a struggle merely of economic theories, or of forms of government, or of military power. The issue is the true nature of man. Either man is the creature whom the Psalmist describes as a "little lower than the angels," crowned with glory and honor, holding "dominion over the works" of his Creator; or, man is a soulless, animated machine to be enslaved, used and consumed by the state for its own glorification.

It is, therefore, a struggle which goes to the roots of the human spirit, and its shadow falls across the long sweep of man's destiny. This prize, so precious, so fraught with ultimate meaning, is the true object of the contending forces in the world.

In the past year, there has been progress justifying hope for the ultimate rule of freedom and justice in the world. Free nations are collectively stronger than at any time in recent years.

In a message delivered by the President of the United States in a closed circuit television to 35 meetings throughout the Nation in support of the campaign for Radio Free Europe, under the auspices of the American Heritage Foundation, the President said:

While we maintain our vigilance at home and abroad, we must help intensify the will for freedom in the satellite countries behind the iron curtain. These countries are in the Soviet backyard; and only so long as their people are reminded that the outside world has not forgotten them—only that long do they remain as potential deterrents to Soviet aggression.

The great majority of the 70 million captives in these satellite countries have known liberty in the past. They now need our constant friendship and help if they are to believe in their future.

Mr. President, I ask unanimous consent that an excerpt from the remarks which the President of the United States made at the 10th anniversary meeting of the United Nations at San Francisco on June 20, 1955, be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Within a month there will be a Four Power Conference of heads of government. Whether or not we shall then reach the initial decisions that will start dismantling the terrible apparatus of fear and mistrust and weapons erected since the end of World War II, I do not know.

The basis for success is simply put: It is that every individual at that meeting be loyal to the spirit of the United Nations and dedicated to the principles of its charter.

I can solemnly pledge to you here—and to all the men and women of the world who may hear or read my words—that those who represent the United States will strive to be thus loyal, thus dedicated. For us of the United States there is no alternative, because our devotion to the United Nations Charter is the outgrowth of a faith deeply rooted in our cultural, political, spiritual traditions.

Woven into the charter is the belief of its authors—

That man—a physical, intellectual, and spiritual being—has individual rights, divinely bestowed, limited only by the obligation to avoid infringement upon the equal rights of others;

That justice, decency, and liberty, in an orderly society, are concepts which have raised men above the beasts of the field: to deny any person the opportunity to live under their shelter is a crime against all humanity.

Our Republic was born, grew, stands firm today in a similar belief.

The charter assumes that every people has the inherent right to the kind of government under which it chooses to live and the right to select in full freedom the individuals who conduct that government.

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, the exchange of communications between the President of the United States and Mr. George Meany, the president of the American Federation of Labor, and Mr. Walter Reuther, president of the Congress of Industrial Organizations.

There being no objection, the exchange of communications was ordered to be printed in the RECORD, as follows:

The President's message to Mr. Meany and Mr. Reuther sent to them at the International Confederation of Free Trade Unions meeting at Stockholm, read as follows:

"Your message on behalf of the American Trade Union movement sent from the Third World Congress of the International Confederation of Trade Unions is a splendid example of the contributions that free-trade unionism is making to the cause of freedom and justice all over the world. The Government of the United States shares wholeheartedly with you and your associates your feelings about the workers of East Berlin, who by their heroism have demonstrated that totalitarianism has not extinguished the desire for freedom in the enslaved countries of Eastern Europe. I can assure you that this Government will study carefully the proposals you have outlined in your message, with a view to employing every peaceful means to lift the burdens of occupation from the German people."

The message from Mr. Meany and Mr. Reuther to the President sent from Stockholm, read as follows:

"On behalf of 16 million American workers whose representatives are in Stockholm, Sweden, today attending Third World Congress International Confederation of Free Trade Unions, we call upon the Government of the United States immediately to take initiative in aiding workers of Soviet-occupied Germany in their struggle against Soviet totalitarianism. Assembled delegates at ICFTU World Congress, who speak for more than 53 million workers throughout the world have unanimously and with American labor's uncompromising support voted to aid their fellow workers in East Germany in every manner possible. We ask that our Government press for immediate negotiations for free elections in a united Germany for establishment of free political parties and free trade unions and for the immediate liberation of German workers imprisoned by the Soviet occupation authorities for their resistance June 17. We further call for submission of formal complaint to United Na-

tions against the Soviet Union's violation of human rights and freedom of association in Soviet-occupied Germany. In the history of mankind's struggle for liberty, June 17 will go down as memorable moment during which heroic German workers fought not only for themselves, but also battle for all free peoples of the world. Their struggle must have unyielding support of all who cherish freedom. We ask your immediate consideration of our plea."

Mr. KNOWLAND. Mr. President, that has been the record of the President of the United States as to his philosophical beliefs, and, I believe, his very deep convictions.

As I pointed out earlier, this subject has been under discussion in the executive branch of the Government, and I know of my own personal knowledge—I did not make my statement to the Senate without having the approval of the President of the United States to do so—that it has also been under discussion with the majority leader and with others, showing the deep interest the President has had and does now have in this cause.

Mr. President, I wish to invite attention to a statement made by the Secretary of State in a speech he delivered on September 17, 1953. In that speech Secretary Dulles said:

The entire situation in Eastern and Central Europe is bound to be a cause of deep concern. The peoples there are essentially religious people, and they are essentially patriotic people. They have a spiritual faith that is enduring and great traditions which will never be forgotten.

It is not in the interest of peace, or the other goals of the charter, that the once independent peoples of Europe should feel that they can no longer live by their traditions and their faith.

It is charged that unrest only exists among them as it is artificially stimulated from without.

That is true only in the sense that faith is a contagious thing which penetrates even curtains of iron. The American people, like many others, hold to the belief which our founders expressed in the Declaration of Independence that governments derive their just powers from the consent of the governed. Also we believe, as Abraham Lincoln put it, that there is "something in that Declaration giving liberty, not alone to the people of this country, but hope to the world for all future time." No peace can be enduring which repudiates the concept that government should rest on free consent or which denies to others the opportunity to embrace that concept. We do not conceal that conviction, and no United States Government could contain it.

Mr. President, finally, I ask unanimous consent to have printed in the RECORD an excerpt from a radio-television broadcast by Secretary of State Dulles on November 29, 1954.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

THE CAPTIVE PEOPLES

There is one final aspect of our policies to which I would allude. We believe, as Abraham Lincoln said, that our Declaration of Independence promises "liberty, not alone to the people of this country, but hope for the world for all future time."

Today, a third of the human race is in fearful bondage to Communist dictatorships. But we do not regard that as immutable.

There is, we know, vast human discontent among the 800 million people whom international communism rules. That comes from the enslavement of labor, the suppression of religion, and of individual initiative and the national humiliation of the satellite countries.

Liberation normally comes from within. But it is more apt to come from within if hope is constantly sustained from without. That we are doing in many ways.

A significant recent development has been the Soviet change of policy toward Yugoslavia. In 1948, Yugoslavia broke free from the grip of international communism and reasserted its own nationalism.

Until recently, the Yugoslav Government and nation were threatened and reviled by the international Communists of neighboring Hungary, Rumania and Bulgaria. Now, however, the Soviet Union treats Yugoslavia with deference while it continues to treat with contempt the puppet Governments of Hungary, Rumania, and Bulgaria. That may embolden the satellites to demand a measure of independence.

Developments clearly portend the change, at some time, of the absolute rule which international communism asserts over the once-free nations of Europe and Asia.

(Source: U. S. News & World Report, Dec. 10, 1954, p. 106. Excerpt from radio-television broadcast by Secretary of State Dulles on Nov. 29, 1954.)

Mr. KNOWLAND. I wish to read one paargraph from the excerpt which has just been placed in the RECORD. It is as follows:

Liberation normally comes from within. But it is more apt to come from within if hope is constantly sustained from without. That we are doing in many ways.

Mr. President, I have been deeply concerned by the problem presented by the nations which have been forced within the Communist orbit. I was particularly concerned lest there be a misconception in the outside world and that the poor, desperate, enslaved people behind the Iron Curtain might interpret the action of the Senate as indicating that we have lost interest in them, and, therefore, I have made this statement today. I am glad the distinguished majority leader has made the statement he has made, because the people behind the Iron Curtain may rest assured that we have not lost interest in them.

Mr. President, the President of the United States is about to embark on some highly important conferences.

Mr. McCARTHY. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. In a moment.

These conferences are not meant to solve in 4 or 5 days all the problems of the world. As I understand them, they are more exploratory in nature, designed to find a way to relieve the tensions which exist. We are not foreclosed in raising the issue of the tensions in the satellite countries, any more than is the Soviet Union foreclosed from raising any points of tension which they may have in mind. But, at least, the Department of State and the President of the United States do have freedom of action to raise those issues, and they are not foreclosed, as the Senator from Wisconsin has feared, by the Pravda report. No one knows what may come from these meetings. We all hope that perhaps there has been some change in the Soviet attitude, although many of us who are skeptical that the Soviet leopard has changed its spots in the slightest. I have made no secret of my beliefs. I am frank to admit that I do not believe as of the present time that the Soviet Union has changed its long-term strategy. But I do admire and respect the President of the United States. I know him to be a great American, a man who has rendered magnificent service to his country in time of war and in time of peace. He has been charged by the American people with the most backbreaking task which has ever been created in any Nation at any time, and the heavy burdens of his office are never far from him.

The Secretary of State is now carrying on some preliminary discussions regarding the mechanics of the Geneva meeting, and, perhaps, of the foreign ministers meetings which will follow. Under those circumstances, Mr. President, anything we might do directly, or even indirectly, which would appear to be casting doubt as to whether the President of the United States meant what he said, when time after time, during the period of the past 2 years, he has made his position clear, as have many of us in this Chamber who have expressed our concern and interest in the people behind the Iron Curtain, would be a grave mistake.

I recognize that men may differ in their viewpoints on this subject, but I have felt, for very compelling and very cogent reasons, that the Members on this side of the aisle and on the other side of the aisle should vote against this resolution and, at the same time, make perfectly clear that we are not in any sense of the word losing one iota of interest in the captive peoples. I am sure the President recognizes the great difficulties which confront him.

Let me close by reminding the Senate of the old proverb that it is better to light a single candle than to curse the darkness.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, first, I wish to compliment the Senator on his very able speech and the very fine contribution he has made to the record. I think it is extremely important that all the Members of this body and the citizens of this country and of the world realize that in this resolution there is no real issue of the satellites involved. We all know that their control by the Soviet Union makes for one of the major tensions of our time. Every Member of the Congress, Mr. President, is aware of that. The President is aware of it. The Secretary of State is aware of it. I think the discussions on the subject yesterday in the committee, the discussions on the floor, and, particularly, the able speech by the distinguished minority leader, together with the insertions he has made in the CONGRESSIONAL RECORD, will serve a useful purpose.

Mr. President, I have confidence in the integrity and patriotism of the President of this Nation.

I want every Member of the Senate to know it. I want every citizen of the

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country, regardless of his party, to know it. I do not think it is necessary, in order to get the President and the Secretary of State to do their plain duty, to have Congress breathing down their necks with a resolution.

I am delighted that my friend from California differs with me only on the procedure in the committee. Of course, there are differences, as differences go, between the majority leader and the minority leader. I do not wish to haggle over this point.

The Senator from California may be in the same position, perhaps not tomorrow or the next day, but someday. Very few votes divide the membership on both sides of the aisle. The senior Senator from California may again be the majority leader. I hope that that will be, perhaps, after he walks across the aisle, rather than because of an increase in membership on the other side of the aisle.

The minority leader stood with me on another occasion in this body. I know how offensive it is to have one's remarks read back to him, because I had that happen to me recently when some of my former statements were read by the very able Senator from Connecticut.

But on August 2, 1954, the senior Senator from California, who was then the majority leader, stood side by side with me in this Chamber. The Senator was replying to inquiries of the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. FULBRIGHT], and various other Senators, about a substitute resolution to be offered in place of the Flanders resolution. The Senator from California did not then, as I did not on Monday, give assurances of what the Senate would do, because no living person can do that. But I think the Senator from California then felt, just as I felt on Monday, that he would not interpose any objection, and not only that but he was most anxious to do what he could to make certain that every Senator had an opportunity to record himself, but to record himself only after all the evidence had been presented to a select committee, which could study it, evaluate it, and then make a recommendation.

I stood with the Senator from California on that occasion. We made no firm commitment as to our action. But we stated, in response to questions from our colleagues, what we anticipated, and that in itself was an assurance.

Mr. McCARTHY. Mr. President, I call for the regular order.

Mr. JOHNSON of Texas. I hope the Senator from Wisconsin will permit me to finish my sentence. I shall be glad to yield to the Senator.

Mr. McCARTHY. I am waiting to get the floor, so I insist that only questions be asked.

Mr. GREEN. Mr. President, who has the floor?

Mr. JOHNSON of Texas. I hope the Senator from California will realize that when I made my statement I felt just as he did, when he believed the matter was one for the Senate to consider.

Mr. McCARTHY. I call for the regular order.

Mr. KNOWLAND. Mr. President, I have about concluded my remarks. I reaffirm now what I said at the opening. I think the Senator from Wisconsin was not in the Chamber at the time; he notified me that he had to go temporarily to his office. I may say to the Senator that I expressed my viewpoint.

I believe he has deep interest, conviction, and concern about the people behind the Communist Iron Curtain. I paid my respects to him for what I think is his sincerity of purpose in this matter. I gave what I believed to be not only my understanding and my differences with the distinguished majority leader on procedural matters, but also as to why I believe the President of the United States, over a period of years, has shown a deep interest in the matter.

Mr. McCARTHY. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. McCARTHY. Does the Senator know what is in the amendment to the resolution? Was he talking about the resolution as it was considered by the committee yesterday, or was he speaking about the resolution as it is proposed to be amended, to conform with the views of Mr. Herbert Hoover, Jr.?

Mr. KNOWLAND. My remarks were directed primarily to the resolution which the junior Senator from Wisconsin had submitted, and as to which he had asked the majority leader to obtain prompt consideration by the committee.

With respect to the resolution, the Senator from Wisconsin appeared before the Committee on Foreign Relations yesterday afternoon. I was present during the entire period of time the resolution was under consideration, which was more than 3½ hours. I do not mean to say that the Senator from Wisconsin took 3½ hours; but the committee met in continuous session. I was present and heard the testimony of the Senator from Wisconsin in support of the resolution which he had submitted, and his argument for his resolution was perfectly proper.

Today the junior Senator from Wisconsin has shown me a proposed amendment, in which he has made some changes from time to time, which is the right of any Senator. The amendment indicates it is intended that certain language be stricken. I understand also that certain language has been added.

But my remarks would apply to the substitute or the amendment, as well, because I think that at this particular time in our history, when the administration has laid a basis for its action, the President and the Secretary of State have a vital interest in the matter. The representatives of the administration have made certain representations before the Committee on Foreign Relations.

Since the Secretary of State is now in San Francisco, I think it would be a mistake for the Senate to adopt a resolution, however it might be modified here and there, and perhaps every 10 or 15 minutes, because of what might appear to be innocuous, or merely, as the Senator from Wisconsin said, because of a statement which would confirm what I have already said is the President's position, and what Mr. Hoover had indicated with respect to the general humanitarian background, which I think is what he had in mind, and the many consistent statements on the part of the President. It would be a mistake for the Senate to agree to such a resolution now.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. McCARTHY. I am not at all surprised at the position taken by the majority leader. It is in accord with the long record of the Democrat Party to whine and whimper whenever the red-hot stove of Communist aggression is touched. So I am not at all surprised at the position the Democrat leader took. It is in line with the position taken by his party over the last 20 years.

But I am surprised, shocked, and disappointed, I may say, at the position that the Republican leader takes. It is in complete opposition to the solemn pledges made in the Republican Party platform. It is not the role of the Republican Party to backtrack, to appease, to whine, to whimper. That is the position of the Democrat Party.

Mr. KNOWLAND. I may say to the junior Senator from Wisconsin——

Mr. McCARTHY. May I finish?

Mr. KNOWLAND. I have the floor at this time.

Mr. McCARTHY. May I finish my statement?

Mr. KNOWLAND. The junior Senator from Wisconsin is not going to rise on the floor of the Senate and say that the minority leader has been whining and whimpering. I will place my record in opposition to communism and in opposition to the enslavement of the peoples behind the Iron Curtain——

Mr. McCARTHY. Not today.

Mr. KNOWLAND. Against that of the junior Senator from Wisconsin. I respect the Senator for the interest he has taken in combating communism. I voted against the Senator's resolution in the committee because I felt it was not in accord with correct procedure.

The Senator has no right to say on the floor of the Senate that the senior Senator from California, the minority leader, is whining and whimpering in this regard. I have set forth, according to what I believe to be my best and my honest judgment, what I believe to be the position of the President of the United States, what I believe to be the position of the administration.

Mr. McCARTHY. Mr President, will the Senator yield?

Mr. KNOWLAND. I think I have demonstrated my own position, because I have been subjected to criticism for having differed with the administration on certain approaches in the field of foreign policy.

If I believed there would be anything in the nature of appeasement, or that appeasement would result from the forthcoming conference, I would be the first to rise in the Senate, despite the fact that I occupy the position of minority leader, and make my voice heard. The junior Senator from Wisconsin can make any statement he pleases, but certainly I do not have to accept it.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. McCARTHY. I said it was the position of the Democratic Party to whine and whimper whenever they touched the red-hot stove of Communist aggression. I did not say the minority leader whined and whimpered. I said I was surprised, shocked, and disappointed that the minority leader would not go along with the Republican platform, from which I quote:

> It will be made clear, on the highest authority of the President and the Congress, that United States policy, as one of its peaceful purposes, looks happily forward to the genuine independence of those captive peoples.

Our platform was that Congress, as well as the President, would make it clear.

The Senator from California campaigned on that platform. The American people elected us on that platform. They repudiated the Democrat leadership because of that party's appeasement and its retreat from victory.

So I cannot help being disappointed—extremely disappointed—that the Senator from California, who had been the leader in this fight against communism until very recently, is suddenly going back on our solemn contract with the American people. I did not say that the Senator from California whined and whimpered. I said it was the Democrat Party that whined and whimpered when they touched the red hot stove of Communist aggression.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The Senator from California has the floor.

Mr. KNOWLAND. The Senator from California has been trying to preserve some equanimity here. I shall continue to do so. I will say to the Senator I have expressed my honest judgments as the minority leader of the Senate. I have given my recommendation to the Senate. Each Member of this body, 96 in number, 47 on this side of the aisle, 49 on the other side of the aisle, can make his own decision, based on the facts and on the record.

Mr. McCARTHY. Will the Senator yield?

Mr. KNOWLAND. I yield the floor.

Mr. McCARTHY. Will the Senator yield before he yields the floor?

Mr. GREEN. Mr. President——

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. McCARTHY. Will the Senator yield while I offer my amendment so we may know what we are talking about?

Mr. GREEN. Mr. President, I have been waiting all afternoon, ever since the Senate convened, to present a report, which had been designated as very urgent, on which the Committee on Foreign Relations worked all day yesterday and until midnight, so the Senate could proceed and not lose time today. So far I have not been able to make the report. If the Senator will yield, I shall not take very long to make the report. Then the Senator from Wisconsin can have the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. GREEN. So, Mr. President, if we can get the train back on the rails, I should like to go ahead.

Mr. President, on behalf of a unanimous Committee on Foreign Relations, I presented to the Senate on yesterday an unfavorable report on Senate Resolution 116, which was submitted day before yesterday by the junior Senator from Wisconsin [Mr. McCARTHY]. Let me say at the outset that the distinguished chairman of the committee, the senior Senator from Georgia [Mr. GEORGE] has been consulted, and is in entire accord with what has been done.

The pending resolution, in its substantive part, would express the sense of the Senate to be that, prior to any Big Four meeting, the Secretary of State should secure the agreement of the other participants to include discussion of the status of Communist-dominated nations on the agenda of such a meeting. The practical effect of this resolution would be to scuttle the Big Four meeting before it begins.

The junior Senator from Wisconsin [Mr. McCARTHY] submitted the resolution under rather unusual circumstances late on Monday, when only a few Senators were present, and he asked for its immediate consideration at that time, without reference to any committee. The Senator stressed the need for haste, and expressed some doubt that his resolution would be considered if in fact it were referred to a committee. After some discussion, it was agreed that the resolution should be referred to the Committee on Foreign Relations, and the majority and minority leaders undertook to seek prompt consideration of the resolution by that committee.

The committee was glad to cooperate, and accordingly, a public hearing was held yesterday afternoon, at which the junior Senator from Wisconsin presented his arguments in favor of the resolution. The committee also heard Acting Secretary of State Herbert Hoover, Jr., who urged that the resolution not be approved.

Mr. Hoover pointed out, among other things, that

> In the preliminary conversations that have already taken place regarding arrangements for the conference, it has been agreed that each of the participants would be free to take up any subject which it believed to be a contributory cause of world tensions. The purpose of such an agreement was to eliminate possible arguments on the fixing of a rigid agenda.

The effect of the adoption of this resolution would be precisely the opposite—that is, it would precipitate endless arguments on the fixing of a rigid agenda.

Following the public hearing yesterday afternoon, the committee went into executive session for further consideration of the resolution. I emphasize, Mr. President, that from the first moment there was no disagreement among the members of the committee as to the substantive merits of the resolution. We were unanimous from the beginning that the resolution had no real merit, and that it should not be agreed to under any circumstances.

The only disagreement in the Foreign Relations Committee was as to the procedure which should be followed in disposing of the resolution.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. GREEN. I shall not be long. I prefer not to yield until I complete my statement, and then I shall yield in order to answer any questions which the Senator from Wisconsin may have in mind to ask.

Mr. McCARTHY. Will the Senator yield?

Mr. GREEN. No; I will not yield.

Some thought the resolution should be tabled by the committee; others felt it should be reported adversely so that the Senate itself could act.

There is much to be said for either point of view. I think the principal question which troubled members of the committee was whether unfavorable action by the Senate might be misinterpreted abroad as indicating lack of interest in the plight of the Soviet captive countries of eastern Europe and Asia. Of course, the Senate is not unmindful of the welfare of the people in these countries, and it has expressed that concern on a number of occasions. Nor is there any reason to believe that the President and the Secretary of State are any less concerned than are the Members of the Senate.

The resolution itself is not so much an expression of interest in the captive countries as it is an expression of lack of confidence in the President and the Secretary of State. An overwhelming vote by the Senate to reject the resolution will mean that the Senate is saying to the world that we trust the man who is President of the United States, and that we disavow efforts to put limitations and restrictions on him as he goes into these exceedingly delicate conferences.

Mr. President, I did not vote for the election of the man who occupies the office of President of the United States. I disapprove of some of the policies which he espouses. But when he sits down with the ruler of the Soviet Union I am going to do everything I can to see that he has every advantage he can possibly have. I am not going to be a party to increasing his difficulties, and I am sure the Senate and most of the American people feel the same way.

Mr. President, it was most unfortunate that this resolution was ever submitted. It is both unnecessary and undesirable and, if acted upon favorably would do incalculable harm, not only to the United States, but also to the cause of world peace. I urge the Senate to vote the resolution down, promptly and overwhelmingly, and thereby to undo, insofar as we can, the damage which has already been done.

I ask unanimous consent, that the report of the committee be printed in the body of the RECORD as a part of my remarks.

There being no objection, the report (No. 621) was ordered to be printed in the RECORD, as follows:

> The Committee on Foreign Relations, having had under consideraiton a resolution (S. Res. 116) expressing the sense of the Senate that the present and future status of the

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nations of Eastern Europe and Asia now under Communist control shall be a subject for discussion at any conference between the heads of state of the Soviet Union, the United Kingdom, France, and the United States, report the resolution adversely to the Senate by a vote of 14 to 0 and recommend that it not be agreed to.

GENERAL PURPOSE

This resolution, if adopted against the recommendation of the Committee on Foreign Relations, would express the sense of the Senate that prior to any conference between heads of state, the Secretary of State should secure the agreement of other parties at the conference—the Soviet Union, the United Kingdom, and France—that one of the subjects for discussion should be the present and future status of the nations of eastern Europe and Asia now under Communist control.

The Committee on Foreign Relations recommends against adoption of the resolution because, among other reasons, it would unduly restrict the freedom of the President of the United States in the conduct of international negotiations of vital interest to the security of this Nation, and it would have the effect of expressing a lack of confidence in the President at a critical juncture in world history when American unity in foreign affairs is particularly important.

TEXT OF RESOLUTION

The text of the resolution is as follows:

"[S. Res. 116, 84th Cong., 1st sess.]

"RESOLUTION

"Whereas under the Constitution of the United States, the Congress and more particularly the Senate, has concurrent responsibility with the executive branch for the formulation of the international policies of the United States; and

"Whereas the safety, peace, and independence of the United States are seriously threatened by the aggressive world Communist movement under the leadership of the Soviet Union; and

"Whereas the United States is pledged to seek the freedom of the millions of people who have already been enslaved by the world Communist movement; and

"Whereas the safety, peace, and independence of the United States can never be permanently secured, nor the goal of the United States to obtain the freedom of oppressed peoples realized, so long as certain areas of the world remain under Communist control; namely, Estonia; Latvia, Lithuania, Poland, Czechoslovakia, Hungary, Bulgaria, Rumania, Albania, Eastern Germany, Northern Korea, Northern Indochina, China, and the Soviet Union; and

"Whereas the President has determined to confer with the heads of state of the Soviet Union, the United Kingdom and France at Geneva, Switzerland, on July 18, 1955, with the objective of relieving world tensions and thus of attempting to make more secure the safety, peace, and independence of the United States; and

"Whereas the government of the Soviet Union announced on June 13, 1955, and on several occasions prior thereto, that the subject of areas under Communist control would not be discussed by the Soviet Union at said conference between the heads of state; and

"Whereas failure to discuss said areas under Communist control at said Geneva meeting implies dejure recognition of Communist domination of said areas and thus the establishment of a permanent threat to the safety, peace, and independence of the United States; and

"Whereas the Secretary of State is meeting with the Foreign Ministers of the Soviet Union, the United Kingdom, and France beginning June 20, 1955, at San Francisco, reportedly to discuss, inter alia, an agenda for the conference between the heads of state: Now therefore, be it

"*Resolved*, That it is the sense of the Senate that at said Foreign Ministers' meeting at San Francisco or at such other meeting or occasion as may be appropriate, prior to any such conference between the heads of state, the Secretary of State should secure the agreement of the Soviet Union, the United Kingdom, and France that the present and future status of the nations of Eastern Europe and Asia now under Communist control shall be a subject for discussion at such conference between the heads of state."

COMMITTEE ACTION

Senate Resolution 116 was introduced by Senator MCCARTHY on June 20, 1955. At the request of the majority and minority leaders of the Senate, the committee undertook to consider the resolution without delay.

Accordingly, on June 21, 1955, the committee held a public hearing on the resolution at which Senator MCCARTHY urged its favorable consideration and Hon. Herbert Hoover, Jr., Acting Secretary of State, expressed the administration's opposition. The prepared statement of Acting Secretary of State Hoover is appended to the report for the information of the Senate. The committee subsequently met in executive session and the resolution was discussed at length.

It was moved that the resolution be reported to the Senate and that the Committee on Foreign Relations recommend that it not be agreed to. A substitute motion was offered to table Senate Resolution 116 in the committee. The motion to table was defeated by a vote of 8 to 7. Thereupon the committee voted to report the resolution to the Senate and recommend that it not be agreed to.

REASONS FOR COMMITTEE RECOMMENDATION

During committee consideration of the pending resolution, the following principal reasons were offered against its adoption:

1. Approval of the resolution would imply a lack of confidence on the part of Members of the Senate in the ability of the President of the United States to carry out his constitutional role in the conduct of foreign policy and to represent our country effectively in the forthcoming top-level conference. Moreover, such an action taken now, on the eve of the conference, would raise grave doubts in the minds of the people of other countries as to the singleness of purpose with which this Nation pursues its objective of world peace.

2. The resolution would seem to be based on the assumption that the President and the Secretary of State are less mindful of the interests of the unfortunate people behind the Iron Curtain than is the Senate. The committee did not believe it was necessary for the Senate to remind the President and the Secretary of State of the deep concern which Americans have felt for more than a decade at the enslavement of people in Communist-dominated lands.

3. The committee believed it would be unwise to require agreement with the Soviet Union upon a specific agenda item as a condition precedent to United States participation in the forthcoming Big Four Conference. Assurances were received from the Acting Secretary of State, Herbert Hoover, Jr., in his testimony before the committee, to the effect that "in the preliminary conversations that have already taken place regarding arrangements for the Conference, it has been agreed that each of the participants would be free to take up any subject which it believed to be a contributory cause of world tensions."

Members of the committee agreed, therefore, that the pending resolution would be meaningless if not actually harmful. Its adoption would tend to give priority to discussion of one subject and by implication subordinate the discussion of other highly important matters such as disarmament and the future of Germany.

4. Under these circumstances, it was pointed out that in all probability the status of the people behind the Iron Curtain is a problem which will be considered at the forthcoming conference. It would be quite another matter, however, for the United States to insist in advance that this question should be the subject of discussion in any formal sense. In fact, there is a possibility that insistence on inclusion of this specific item might result in cancellation of the conference even before it becomes possible to explore Soviet intentions with respect to world peace.

5. Past experience in negotiating with the Soviet Union has indicated that considerable difficulty often arises in connection with determining items to be placed on the agenda. The committee believed there is a very real danger that the Soviet Union might seek some method of delaying or avoiding the meeting of the scheduled conference and blaming the United States for the breakdown of negotiations even prior to the agenda-fixing stage. Adoption of this resolution might provide such an excuse.

6. The committee believed it would be a serious mistake to require the President to attend a conference with his flexibility of negotiation restricted by the provisions of the pending resolution. The committee knows that the representative of the Soviet Union will not operate under a similar restriction and does not want the President of the United States to be unduly handicapped in these discussions.

7. Approval of this resolution could have the effect, in the event the conditions set forth are not agreed to by the Soviet Union, of preventing the United States from participating in the forthcoming conference. Furthermore, if the conference were canceled for this reason, world public opinion might be inclined to blame the United States for blocking progress in the direction of world peace.

8. While passage of this resolution might endanger the holding of the conference, failure to approve the resolution does not in any way foreclose the freedom of the President to raise such matters as he may find appropriate at the conference.

COMMITTEE CONCLUSIONS

The committee desires to have it clearly understood that its action in recommending against adoption of the pending resolution should not be construed as arising from any lack of interest in the welfare of the people of the nations now under Communist control. Indeed, the committee has on numerous occasions in past years approved resolutions enabling the Senate to go on record in support of the aspirations of these peoples for freedom and independence.

The committee hopes it will be possible for the representatives of the United States to bring the status of the people in the Soviet-dominated countries to the attention of the Conference. It is convinced that their status is one which is of the utmost concern to the President of the United States and to the Secretary of State as it is to the Members of the Senate. It may well be one of the subjects which would undoubtedly lead to a reduction of international tensions in the event of successful negotiations.

It is the purpose of the forthcoming Big Four meeting to delineate the areas of tension in the world. It cannot be expected that the conference will itself lead to immediate settlement of the vast range of areas of disagreement between the free world and the Communist world. Indeed, it may be years before some of the matters discussed at that meeting will be finally settled. Nevertheless, a start must be made In the opinion of the committee it would be a tragic mistake if precipitate action taken by the Senate now were to endanger in any way the possible success of this effort which may lead to a new era in international relations.

Any attempt by the Senate at this time to set forth specific matters to be discussed at the conference would unduly hamper and restrict the President in his negotiations. He must be as free as the other representatives at the conference to raise any questions which may possible be productive of a peaceful future in which the area of freedom in the world may be expanded.

The Committee on Foreign Relations takes this occasion to express its complete confidence in the President of the United States and in the Secretary of State. It has no doubt of their capacity and their ability to express effectively the views of the American people and to negotiate successfully with the representatives of the other powers which will meet in Geneva on next July 18.

For the reasons outlined above, the committee believes it would be in the national interest for the Senate to reject the pending resolution.

APPENDIX

STATEMENT OF ACTING SECRETARY OF STATE HERBERT HOOVER, JR., BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE CONCERNING SENATE RESOLUTION 116, JUNE 21, 1955

I refer to the request of the Foreign Relations Committee for the comments of the Department of State on Senate Resolution 116, which expresses the sense of the Senate that prior to any conference between the heads of government of the United States, the United Kingdom, France, and the Soviet Union, the Secretary of State secure the agreement of the representatives of the other three nations that the present and future status of the nations of Eastern Europe and Asia now under Communist control shall be a subject for discussion at such a conference between the heads of government.

The position of the United States on this subject is well known. The Congress, the President, and the Secretary of State have many times clearly and forcefully expressed the hope that all people, everywhere, may exercise their inalienable rights to a government of their own choice and a life in which the dignity of man is paramount.

In his television report to the President after his return from Vienna, the Secretary of State had this to say about the pending conference: "It may at least set up new processes for a solution of some of these great problems—problems like the unification of Germany, the problem of levels of armament, the problem of atomic weapons, the problem of the satellite countries, the problems created by international communism."

In the preliminary conversations that have already taken place regarding arrangements for the conference, it has been agreed that each of the participants would be free to take up any subject which it believed to be a contributory cause of world tensions. The purpose of such an agreement was to eliminate possible arguments on the fixing of a rigid agenda. It will be remembered that, at the Palais Rose Conference in 1951, 4 months of intense discussion failed to achieve agreement upon an agenda. There have been numerous repetitions of this same situation upon other occasions. The proposed resolution calls for a prior agreement on the subjects for discussion, as a prerequisite for the holding of the conference. Under the circumstances, I do not believe that a procedure such as suggested in this resolution would be advisable.

I feel certain that the President and the Secretary of State are in complete sympathy with the ultimate humanitarian objectives of Senate Resolution 116. I believe, however, that it is desirable and necessary to rely on the judgment and ability of the President and the Secretary of State to carry on this conference pursuant to their responsibilities. To adopt this or similar resolutions could suggest, and might be misinterpreted as, establishing preconditions to these important and delicate discussions.

Mr. GREEN. Now, Mr. President, I shall be glad to yield.

Mr. McCARTHY. No; I shall take the floor on my own time.

Mr. BENNETT. Mr. President, I believe that every American from the President down, would be happy if, as a result of the Big Four conference which is scheduled to be held in Geneva on July 18, an agreement could be reached with the Soviet Union which could give added freedom or hope for freedom to the citizens of all nations now under Communist domination. I am sure that if, after the conference opens, President Eisenhower sees any hope of furthering such a cause, he will take whatever action he thinks might bring that hope nearer to reality during the conference.

At the same time, however, I cannot agree that we should bind the President in advance, to making Russian agreement to such a discussion a firm condition precedent to the discussion of any other subject, and I think that is what adoption of Senate Resolution 116 would require.

I have faith in President Eisenhower in his understanding of the problems of satellite peoples and of the enslaved people of the Soviet Union itself and to his devotion to the principles of justice and freedom. I want to do anything I can to strengthen his hand at the conference and will not do anything which by the greatest stretch of the imagination could be interpreted anywhere in the world as a limitation on his power to negotiate or as an expression of lack of faith in his intentions or his ability.

I cannot accept the premise that failure to require the President to take this action is de jure recognition of the Russian position. This premise assumes that we agree with the Russian position on every subject not specifically included in the discussions, premise which is ridiculous on its face.

Therefore, I shall vote against the resolution, not because I do not agree with its objectives, but because I cannot ask the President to carry the burden of its implications.

Mr. CAPEHART. Mr. President, I should prefer to say what I have to say when the majority leader is present, because I wish to talk of the procedure and the way this whole matter was handled, rather than about the resolution itself. He will be present in a minute. I think I shall proceed——

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. CAPEHART. Yes.

Mr. SALTONSTALL. I have a statement which will take about 2 minutes. If the Senator is willing to yield, I shall be glad to make my statement now.

Mr. CAPEHART. I shall be glad to yield that much time, provided I do not lose the floor.

Mr. McCARTHY. I suggest that we are wasting a great deal of time discussing the resolution that was acted on yesterday by the Foreign Relations Committee, in view of the fact that I now wish to amend the resolution. If the Senator from Indiana will yield to me, let me say that it seems to me that the orderly procedure——

Mr. CAPEHART. Mr. President, if I may do so without losing the floor, I yield to the junior Senator from Wisconsin, to permit him to submit the amendment.

Mr. McCARTHY. And to have it read, please.

Mr. CAPEHART. Yes; and to have it read, but without making any comment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The suggested amendment will be read.

The CHIEF CLERK. In lieu of the present language of the resolution it is proposed to insert the following:

Whereas the Under Secretary of State, Mr. Herbert Hoover, Jr., on June 21, 1955, informed the Senate Committee on Foreign Relations as follows: "I feel certain that the President and the Secretary of State are in complete sympathy with the ultimate humanitarian objective of Senate Resolution 116": Now, therefore, be it

Resolved, That the Senate is also in sympathy with the ultimate humanitarian objective of Senate Resolution 116, and the Senate hopes that the ultimate humanitarian objective of Senate Resolution 116, namely, securing the freedom of the Communist-controlled satellite nations enumerated therein, will be pursued by the President at the forthcoming Geneva meeting between the heads of state.

Mr. SALTONSTALL. Mr. President, I have read the amendment of the Senator from Wisconsin. The brief remarks I have to make at this time apply both to the amendment and to the original resolution.

The PRESIDING OFFICER. The amendment has been read, but has not yet been offered.

Mr. SALTONSTALL. I so understand, Mr. President.

Mr. President, I come from one of the older sections of our country. It is on the Atlantic seaboard. In early days the people of that section came in contact with and negotiated with the older nations of Europe. Massachusetts was one of the 13 colonies which adopted the Constitution of the United States under which we live today. But that Constitution, the Chief Executive is necessarily given the power to negotiate agreements with other nations and, wide latitude is properly left to him, subject only to ratification by the Senate of the United States treaties before they can become binding upon our country.

It is with this background that I wish to make the following brief statement, which expresses my deep convictions on this occasion:

The peoples and the governments of the world dwell today in worried uncertainty; yet at the same time they entertain and nourish every possible hope for world peace, for greater security for all, and for ever larger opportunities for every individual.

In great degree as a result of this universal anxiety, there is now scheduled for the 18th of July, next, in the city of Geneva, Switzerland, a long-discussed and currently planned meeting of the heads of state and the foreign ministers of France, the United Kingdom, the Union of Soviet Socialist Republics, and

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the United States, to explore ways and means of lessening international tensions.

The announced purpose of the meeting is, not to arrive at final and irrevocable decisions, but, rather, to establish procedures for determining how existing international tensions may be relieved. It is the declared intention of the President of the United States and the Secretary of State to attend the meeting.

I should like to express to the President of the United States and to the Secretary of State my deeply sincere good wishes in this endeavor and my firm confidence that the President and the Secretary of State, serving, as they are, in the finest American tradition, will meet fully and firmly their personal and official responsibilities under our Constitution.

I wish to express equal confidence in the heartfelt determination of the President and the Secretary of State to urge the carrying forward of every possible enterprise which may lead ultimately to greater security for ourselves and for all peoples and to ever-wider opportunities for peace throughout the world.

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

The Senator from Indiana has the floor.

Mr. McCARTHY. Mr. President, will the Senator from Indiana yield to me, so that I may ask a question?

Mr. CAPEHART. Yes; if I may obtain unanimous consent to do so without losing the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCARTHY. Mr. President, I believe I am correct when I say that I understand that the senior Senator from Massachusetts [Mr. SALTONSTALL] campaigned for election to the Senate in 1952, and did so upon the Republican platform. I wish to ask whether the Senator from Massachusetts is aware of the fact that the Republican platform on which he campaigned contains the following provision:

> It will be made clear, on the highest authority of the President and the Congress, that United States policy, as one of its peaceful purposes, looks happily forward to the genuine independence of those captive peoples.
>
> We shall again make liberty into a beacon light of hope that will penetrate the dark places. That program will give the Voice of America a real function. It will mark the end of the negative, futile, and immoral policy of "containment" which abandons countless human beings to a despotism and Godless terrorism which in turn enables the rulers to forge the captives into a weapon for our destruction.

Keeping in mind that that was a part of the platform upon which the Senator from Massachusetts campaigned—namely, that the Congress would make clear its position on that subject—does not the Senator agree with me that any Republican Senator who now refuses to vote for a resolution saying we will make that clear, is doing a disservice to his party?

The Democratic Senators can vote against the resolution because they had no such campaign platform. But the Republican Senators made that campaign pledge, and it was a solemn contract with the American people; namely, that the Congress would make clear its position. Today, I am giving the Republican Senators a chance, to some extent at least, to live up to that campaign pledge.

Does not the Senator from Massachusetts agree with me that any Republican Senator who fails to live up to that campaign pledge is doing a disservice to the Republican Party?

Mr. CAPEHART. Mr. President, I request the regular order.

The PRESIDING OFFICER. The Senator from Indiana has the floor.

Mr. BARKLEY. Mr. President, will the Senator from Indiana yield to me, to permit me to propound a parliamentary inquiry?

Mr. CAPEHART. Yes.

Mr. SALTONSTALL. Mr. President, if the Senator from Indiana will permit me to do so, I shall be glad to answer the question of the Senator from Wisconsin.

Mr. CAPEHART. Mr. President, if I may do so without losing the floor, I yield 1 minute to the Senator from Massachusetts, to permit him to answer the question.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Chair wishes to inform the visitors who are in the galleries that they are here as the guests of the Senate, and must keep as quiet as possible while the proceedings are going on.

Mr. SALTONSTALL. Mr. President, I thank the Senator from Indiana for yielding to me.

My answer to the Senator from Wisconsin is that I believe I am doing my utmost to carry out the pledge of the Republican Party which he read, and on which I campaigned, when I give the President of the United States, the elected President of all the people, the widest possible latitude to negotiate in the best interests of the United States, and thus in the best interests of obtaining peace in the world, and when I vote against any resolution prior to the President's attendance at the conference. I reserve the right to vote as I see fit on any agreement which at a later time may come before the Senate. In that way, I believe I am living squarely up to the terms of the Constitution and to my oath as a United States Senator.

Mr. CAPEHART. Mr. President, the Senator from Kentucky wishes to propound a parliamentary inquiry. If I may do so without losing the floor, I yield for that purpose to the Senator from Kentucky.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kentucky will state it.

Mr. BARKLEY. The amendment to the resolution, which has just been read at the desk, was read merely for the information of the Senate, was it not? The amendment itself was not offered, was it?

The PRESIDING OFFICER. That is correct; the amendment was not offered.

Mr. BARKLEY. Mr. President, I rise to a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kentucky will state it.

Mr. BARKLEY. Inasmuch as the yeas and nays have been ordered on the question of agreeing to the resolution, is it now in order for any Senator to offer an amendment to the resolution, which including the preamble, was reported adversely? In other words, under the rules, is it in order to offer an amendment to any part of the resolution other than the text of the resolution itself, but not to the preamble, which must be agreed to after the resolution itself is adopted, if it is?

The PRESIDING OFFICER. The Chair understands that the preamble is not before the Senate, and that it cannot be acted upon by itself in any form until and unless the resolution is adopted.

Mr. BARKLEY. In other words, unless the resolving part of the document is adopted by the Senate, it will not be in order to offer an amendment to the preamble.

The PRESIDING OFFICER. The Senator is correct.

Mr. BARKLEY. Or an amendment which would include an amendment to the preamble.

The PRESIDING OFFICER. The Chair is informed that no amendment can be offered to the preamble at this stage.

Mr. BARKLEY. And none will be in order until and unless the resolution itself is adopted?

The PRESIDING OFFICER. The Senator is correct.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARTHY. I am not sure that I understand the Chair. Is it the position of the Chair that it is not in order to offer an amendment to the resolution at this time?

The PRESIDING OFFICER. No; but it is not in order to offer an amendment to the preamble.

Mr. McCARTHY. I think I understand. I thank the Chair.

Mr. CAPEHART. Mr. President, perhaps I am much concerned about the subject which I am about to discuss. Perhaps I am taking the question too seriously. However, I think I can say what I am about to say without fear of being misunderstood, for the reason that, prior to the time the Foreign Relations Committee, of which I am a member, voted on this question, I publicly stated, in the presence of representatives of the press and others, that I was opposed to the McCarthy resolution and would vote against it. I gave my reasons, in questioning the able junior Senator from Wisconsin. Therefore, no one can mistake my position. I voted against the resolution in the committee. I shall vote against it on the floor, because I do not believe it to be necessary.

However, that is not the purpose of my rising to speak at this time. I want

the record to show that I think the Foreign Relations Committee made a grave mistake yesterday. I think perhaps we have established a precedent which will return to haunt us. I want the RECORD to show that yesterday the Foreign Relations Committee, with every member being opposed to the resolution, and so stating, there being no question in the mind of any member of the committee as to where he stood, voted to report the resolution to the Senate adversely.

If we are to establish such a precedent, and if we are to permit a Senator to rise on the floor any time he cares to do so, and say, "I wish to introduce a bill," or "I wish to submit a resolution out of order," and demand that it be handled immediately and it is referred to a committee, and, even though the committee is unanimously opposed to it, insist that it come to the floor of the Senate for a vote, we shall get into a great deal of trouble, in my opinion.

I have been a Member of the United States Senate for 11 years. If my observation and memory serve me correctly, the only time in my experience in the Senate that a bill reported adversely, was when Senators were in doubt; when there was a division among members of a committee as to whether or not a certain measure should be reported, meaning that they could not make up their own minds as to whether they should vote for it or against it. But when the action of the committee is unanimous, as the action in the Committee on Foreign Relations yesterday was, the situation is a little different. A motion was made in committee to table the resolution. The vote was 8 to 7 against tabling; and it was demanded that the resolution be reported to the Senate adversely and be acted upon by the Senate. I say that we established a precedent yesterday which will return to haunt us.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. I yield.

Mr. BARKLEY. Let me say that I disagree with the Senator in his statement that the committee established a precedent by refusing to table a resolution, and by reporting it adversely. On numerous occasions in the past, committees of the Senate have reported adversely on bills, resolutions, nominations, and other matters submitted to them. But does not the Senator believe that, under the circumstances surrounding the submission of this resolution, and in view of the problems with which it deals, if the Committee on Foreign Relations had bottled up the resolution in the committee by adopting a motion to table, the charge would already have been made—and the committee would be on the defensive—that it had been unwilling to allow the Senate itself to vote on the resolution, and had bottled it up in committee by a motion to table?

Mr. CAPEHART. The same argument could be made with respect to every piece of legislation which is handled by a committee of the Senate.

Mr. BARKLEY. Not every bill which is introduced, or every resolution which is submitted to a committee, is submitted under the circumstances surrounding this resolution.

Mr. CAPEHART. We have established a precedent for each of the 96 Senators to do the same thing the junior Senator from Wisconsin did; namely, to rise on the floor of the Senate and say, "I want this measure handled immediately." Let me ask this question: Why was the resolution referred to the Foreign Relations Committee if it was intended to have the Senate vote upon it?

Mr. BARKLEY. All the committees are servants of the Senate. They are not masters of the Senate. They are agencies for the consideration of legislation. The resolution was referred to the committee, of course, for the purpose of allowing the committee to consider it and determine what to do with it. Theoretically, the Senate has a right to pass upon proposed legislation submitted to committees, whether they report favorably or adversely. As a matter of custom, the Senate usually follows the recommendations of its committees. However, frequently a committee takes no action on a bill, or votes not to report it in an affirmative way; or it may vote to table it. But theoretically, the object of getting a bill or resolution before a committee is to have the committee consider it and report back to the Senate one way or another, as to whether or not it should be enacted in the case of a bill, or adopted in the case of a resolution.

Mr. CAPEHART. There is no question that committees have the right to do so. But in this instance the action was unanimous. If the committee had voted unanimously to table the resolution, that would have meant that it did not even consider the resolution of sufficient importance to bring it to the floor of the Senate.

The only point I am trying to make is that what the junior Senator from Wisconsin did, 95 other Senators can do. If I rise in my place in the Senate tomorrow to introduce a bill or submit a resolution, and ask that I be permitted to do so out of order, will the able majority leader show me the same consideration in seeing that the proposed legislation is referred to a committee, and that the committee, even though it unanimously votes against the bill or resolution, reports it to the Senate? Will the majority leader show me the same courtesy in seeing that my piece of proposed legislation comes back to the floor of the Senate?

Mr. BARKLEY. I cannot speak for the majority leader, but I suggest that if a resolution submitted under the same circumstances were regarded as of the same importance as the resolution which we are considering, I am quite certain the same procedure would be followed.

Mr. CAPEHART. The Senator assumes that it would be regarded as of the same importance as the pending resolution. So far as I am concerned, there is no importance to the resolution, because every member of the committee voted against it. That should have ended the matter.

Mr. BARKLEY. It could not, because the Senator from Wisconsin could have risen in his place today and moved to discharge the committee.

Mr. CAPEHART. Of course he could have done so. That course can be followed with respect to any piece of proposed legislation which a committee considers, and which it decides not to report to the Senate.

Mr. BARKLEY. Tabling the resolution in the committee could not have settled the question at all, and it could not have deprived any Senator of the right to seek the opportunity to vote his own sentiments on it. If the committee were unanimously against it, theoretically it might be true that the Senate would be unanimously against it, though I doubt it. But every Senator has the same right to seek an opportunity to vote his own sentiments on any question.

Mr. CAPEHART. Mr. President, do Senators wish to break the precedents relating to committees? Perhaps I am taking this matter too seriously. Perhaps I ought not to be calling it to the attention of the Senate. However, I say to Senators that we are breaking down the committee system of the Senate. Why do Senators want to do that?

The members of the Committee on Foreign Relations knew yesterday that if they reported the resolution adversely probably no Senators, or, at any rate, very few would be in favor of it. Of course, I do not know how many Senators will vote against it. However, the resolution did not even warrant being referred to the Committee on Foreign Relations.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. I yield.

Mr. MORSE. I should like to ask a question for my own information. I understand that the position of the Senator from Indiana is that there are no precedents for the action taken in connection with this resolution.

Mr. CAPEHART. I said there was precedent, but in my experience of 11 years in the Senate when a bill or resolution is adversely reported by a committee, it means that the committee itself was unable to make up its mind whether it was right or wrong in voting for or against the measure.

Of course, it has been done in the past. However, I do not know whether it has ever been done in a case when every member of the committee was opposed to a measure, and when every member of the committee said he was opposed to it. What was the purpose of bringing the resolution before the Senate today, when not one bill or resolution out of thousands which are reported adversely by unanimous vote of a committee come before the Senate? What was the purpose? Was the purpose to have a field day?

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. CAPEHART. I yield.

Mr. MORSE. I first wish to find out what the Senator's position is with regard to the precedents. As I understand, there are dozens of precedents.

Mr. CAPEHART. I would say that in more than 160 years there probably are some, but very few.

Mr. MORSE. I do not believe we are breaking down the committee system, as the Senator has stated. The Senator

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cannot have it both ways. Either there are precedents or there are no precedents. I checked on the subject with the Parliamentarian, and I understand that there are dozens of precedents of committees having reported measures adversely to the Senate.

The Senator also raised the question as to the purpose the committee had in mind yesterday in reporting the resolution to the Senate. I can tell the purpose of my vote for reporting it adversely. It was because time was of the essence. I did not think the Senate should be put in such a position that it could be charged that we were unwilling to have the resolution voted on. I believe the entire Senate has an interest in the resolution and should be given an opportunity to vote on it. The Senator and I may disagree as to the question of policy, and he is certainly entitled to his point of view, but I do not want the RECORD to show that the committee followed a course of action for which there was no precedent in the Senate.

Mr. CAPEHART. I did not say it was without precedent. I do ask why it was done. I do know that in every prior instance it was done because a committee was unable to make up its mind. In this case the vote on the resolution in committee was unanimous. There was no question about the attitudes of members of the committee. A motion was made to table, and the vote on that motion was 7 to 8. My question is, When every Member, including every Republican and every Democrat, was against the resolution, why was it reported? I say the committee established a precedent; if not a precedent, at least it established an incident or situation yesterday which will plague the Senate in the years to come.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. I say most respectfully that I still hope majority rule prevails in the Senate. What happened yesterday was that the majority of the committee thought the Senate ought to have an opportunity to vote on the resolution. It is as simple as that.

Mr. CAPEHART. It is not quite so simple as that, because there exists the other situation also, in that the majority leader came to the committee and talked and talked to the committee and insisted that the resolution be handled as it finally was.

Mr. BARKLEY. The appearance of the majority leader before the committee was at the invitation of the committee.

Mr. CAPEHART. I have no objection to it. However, I do want the RECORD to show that I was against the resolution yesterday, and I am still against it. I said so. There was no hesitancy on my part in saying so. I also want the RECORD to show that there was an unusual handling of this resolution. I should like to know why. Is it to put somebody on the spot? Why?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HOLLAND. Does not the Senator from Indiana believe there was an unusual handling of the resolution because of its unusual subject matter? It appeals to the judgment and the conscience of every Senator. It is an effort to invoke the "advise" constitutional jurisdiction of the Senate. Even though 15 Members of the Senate, as members of one of its important committees, voted unanimously, as I understand they did, against the pending resolution, is it not still an important matter to each of the other Members of the Senate to have an opportunity to express his judgment and his conscience on this matter?

Is it not likewise important to the country and to the President and to all the representatives who will represent us in the forthcoming important conference in Geneva, to know whether the Senate as a whole, and by what majority, sustains the judgment of those 15 able Members who said that, so far as they were concerned, their judgment and their conscience were against the pending resolution?

Does not the Senator from Indiana believe it is important, likewise, and a matter of individual right to each Senator, to express for himself whether in his conscience and in his judgment he approves or disapproves of the resolution?

Mr. CAPEHART. The record speaks for itself, but let me say that in the Foreign Relations Committee—and I believe the record will speak almost as strongly, when a vote is taken this afternoon—only one Senator considered this resolution of any importance whatsoever, and that was the junior Senator from Wisconsin. I believe the record of the committee shows that, and that the vote in the Senate today will show it also. My question is, Why did the members of the committee break down the custom of the Senate? Why did they insist, when the resolution was unanimously opposed by every member of the Committee on Foreign Relations, that it be brought to the floor of the Senate and debated today, as it is being debated, instead of getting rid of it in a hurry? If every member of the committee was opposed to it, why so much credence put in it? Why was it even considered?

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. In my opinion, it is not worth considering. I am against it. I have confidence in the President and in Mr. Dulles. My question is, Why did the members of the committee want to have the resolution considered by the Senate?

Mr. BENDER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BENDER. I wish to say that I rather appreciate the comments of the distinguished senior Senator from Florida [Mr. HOLLAND]. Therefore, acting in all good faith, I should like to answer the question of the Senator from Indiana in my own way. I believe there is a little bit of political needling going on here.

Mr. CAPEHART. On the part of whom?

Mr. BENDER. The Senator can use his own judgment.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. There is no question that politics was played and is being played by those who insisted on bringing the pending resolution to the floor of the Senate.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. In a moment I shall yield. I wish to repeat what I said. If any politics was being played, it was being played by those who insisted on making a field day out of something that should have been thrown into the trash can last night.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HOLLAND. Does not the distinguished Senator from Indiana believe that every Member of the Senate wishes to express his conscience and his judgment on this important question?

Mr. CAPEHART. Perhaps that is a fact. But there have been many times when I would have liked to express an opinion and to vote on very controversial questions, some of which were very dear to the able Senator from Florida—civil rights legislation, for instance. But I was denied the right to vote because the bill was bottled up in committee. Senators did something yesterday which some day may come home to plague them.

Mr. HOLLAND. I note that in his preliminary remarks the distinguished Senator from Wisconsin said that time is of the essence in this matter. Is there any other way, except by a resounding vote, permanently to dispose of the matter, so that it will not be left to the Senator from Wisconsin or to anyone else to make a motion to bring out this resolution from the committee, tomorrow, or next month? Is there any other way to dispose of it except by having the Senate, as a whole, vote upon it?

Mr. CAPEHART. The Senator from Florida knows that the junior Senator from Wisconsin can tack his resolution onto every bill introduced in the Senate from now until we adjourn. We simply broke down the custom of committees.

Mr. HOLLAND. Mr. President, will the Senator from Indiana yield further?

Mr. CAPEHART. I yield.

Mr. HOLLAND. If I can read the RECORD correctly, what the Senator from Wisconsin wanted was for the Senate of the United States to have a chance to vote on the question.

Mr. CAPEHART. Why give the Senator from Wisconsin everything he wants? Why pay so much attention to the Senator from Wisconsin?

Mr. HOLLAND. I am glad to see that the Senate is giving the Senator what he wants in this matter. The Senator from Wisconsin wanted it, and every Senator has the right to say "yea" or "nay" upon it. I think the committee did a very wise thing in refusing to bottle up the resolution and insisting on bringing it to the floor where we shall be able to say "yea" or "nay" and finally to dispose of it.

Mr. CAPEHART. Is the able Senator willing this afternoon, or tomorrow, to

see the same procedure followed by any other Senator on any other subject?

Mr. HOLLAND. Of course not.

Mr. CAPEHART. Then why favor the junior Senator from Wisconsin, when practically every Member of the Senate is opposed to his resolution, and each of the 15 members of the Foreign Relations Committee is opposed to it?

Mr. HOLLAND. Mr. President, this matter is not an ordinary matter; it is not a usual matter. It is not a joint resolution or a bill or proposed statute which will have to go to the President for his signature. It calls solely for an expression of the judgment of the Senate. Even if the Senator from Indiana feels that he discharged his full duty by voting as he did yesterday, I think that with his usual generosity he should realize that other Senators want to vote on it, and this is the only way to do it——

Mr. CAPEHART. Of course, many Senators on many occasions would like to have a right to vote on proposed legislation.

Mr. BENDER. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. BENDER. I am sure it will be gratifying to know that all Senators may have an opportunity to express themselves on FEPC legislation.

Mr. CAPEHART. I presume that the majority party, with reference to civil rights and every other piece of legislation which may be proposed, will insist that even though a committee votes against it, it should be reported to the Senate and Senators should be given the right to vote on it.

Mr. HOLLAND. Mr. President, will the Senator from Indiana yield further?

Mr. CAPEHART. I yield.

Mr. HOLLAND. The FEPC measure has been reported and has been debated. I believe that I spent 6 hours on it on one occasion, and I am prepared to do so again. But there was no desire to bottle it up in committee, so that neither the Senator from Indiana nor I could be heard. Here is a matter having to do with an important question of national policy in foreign affairs, addressed solely to the judgment and consciences of Senators.

Mr. CAPEHART. There is no interest in this resolution, because practically every Senator will vote against it. Every member of the committee voted against it. So there is no interest in it on the part of Senators.

Mr. HOLLAND. I am glad to hear the Senator make that statement, but I think the country will be better satisfied to hear the Senators answer "yea" or "nay" when their names are called. I believe Senators wish to have their names called and to be recorded on the resolution.

Mr. CAPEHART. The point is that we established a new custom yesterday. If I rise on the floor and submit a resolution or introduce a bill and say that I wish it handled immediately—and I am just as sincere about my resolution or bill as is the junior Senator from Wisconsin—is the majority going to insist that even though every member of the committee to which it is referred votes against it, it must come to the floor so that Senators may have an opportunity to vote upon it?

Mr. BARKLEY. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. BARKLEY. Is not the Senator from Indiana afraid that by bringing up the FEPC he is injecting politics into the debate?

Mr. CAPEHART. No. Politics has already been injected into it.

Mr. President, I shall not take any more of the time of the Senate. It may be that I am not warranted in being serious about this question. Perhaps no harm has come from it. I hope not. But I did wish to make the record. I am not criticizing any Senator. I think the able majority leader has done very well in his handling of the situation.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. CAPEHART. But I am opposed, and I think every other Senator ought to be opposed, to the Senate taking action on a proposal to which a committee is unanimously opposed, and insisting on violating the precedents and rules of the Senate. I think it was unfortunate, and I think it was unnecessary.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. JOHNSON of Texas. If the Senator will look at the calendar which is on his desk he will see that the Committee on Post Office and Civil Service adversely reported a nomination which was before that committee for consideration. That is not infrequent in connection with a nomination, or in connection with matters of high national importance on which Senators feel they should be recorded. I refer to the case of the postmaster at Edgard, La. The committee felt it was sufficiently important to have the Senate act on the nomination. The committee acted on the nomination adversely. It was passed over this morning because there may be some debate concerning it.

Mr. CAPEHART. Is it customary for the majority leader to go before a committee and ask, when he knows every member of the committee is opposed to a resolution, that it be reported to the floor of the Senate unfavorably?

Mr. JOHNSON of Texas. Mr. President, first of all, the majority leader did not go before a committee. The majority leader was called and asked if he would come to the committee, by a unanimous vote, I am told by the Senator from North Dakota [Mr. LANGER]. I want to make that perfectly clear.

In the second place, it is not customary to submit a resolution in the evening, when it involves foreign policy, and demand action by Thursday, and then have the Senate do nothing about it.

The junior Senator from Wisconsin is able, astute, and versatile enough to get a yea-and-nay vote on his amendment at any time he chooses to do so; and no one understands that better than does the Senator from Indiana. The junior Senator from Wisconsin informed me that that was exactly what he expected to do.

I asked him to wait until we could get the recommendation of our experts in that field. He agreed to do so.

The majority leader would have been in this strange position if he had followed any course save the one he followed: The junior Senator from Wisconsin might have said, "On Monday evening the majority leader agreed that the resolution would be referred to the committee. He said he had no desire to prevent any Senator from recording himself on it. But as soon as he had got the resolution in to the safe habitat of the Committee on Foreign Relations, the 'striped pants' boys from the State Department lowered the boom on it. So the resolution is exactly where all the rest of my resolutions are. Senators do not have the right to vote on it, and the country does not have the right to see where their Senators stand."

Mr. President, I have been through the kindergarten. I knew what the Senator from Wisconsin might have said the next day if I had engaged in any maneuvering or in any clever tactics to take the broom and sweep the resolution under the rug.

I wanted to protect the President of the United States more than I wanted to protect any individual Senator. So far as I am informed, there are very few individual members who are not willing, with their chins up and chests out, to march down the line and say, "This is what I believe about the resolution."

Mr. CAPEHART. I stated that publicly to the press—every member of it—at the beginning of my talk.

Mr. JOHNSON of Texas. Does the Senator from Indiana object to every other Senator having the same right?

Mr. CAPEHART. I have no objection whatsoever, except that the majority leader broke the custom.

Mr. JOHNSON of Texas. Oh, no.

Mr. CAPEHART. Why does the Senator give the able junior Senator from Wisconsin all that he asks for? Will the Senator from Texas give me the same consideration? Will he do the same for me?

Mr. JOHNSON of Texas. It depends on what the Senator asks for.

Mr. CAPEHART. Why does the majority leader pay so much attention to the junior Senator from Wisconsin?

Mr. JOHNSON of Texas. It depends on what the Senator asks. I do not recall many instances when I have not gone along with the Senator from Indiana on purely procedural matters. He is a delightful person and a very progressive Senator. I was amazed last year at the fine work done by his committee, as I told him on several occasions. He and the late Senator Maybank, of South Carolina, one of my most beloved friends, were most cooperative.

Mr. CAPEHART. Mr. President, I have the floor.

Mr. JOHNSON of Texas. They achieved great accomplishments for the country. I should be inclined to go along with the Senator if his requests were fair.

Mr. CAPEHART. I like the majority leader, and I appreciate his compliments; but let us get back to the subject.

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Mr. JOHNSON of Texas. The subject was, Would the Senator from Texas do what the Senator from Indiana wanted him to do? Until the Senator from Texas is informed of the wishes of the Senator from Indiana, the Senator from Texas is unable to reply. But I simply wanted to say that I have a very high opinion of the able Senator.

Mr. CAPEHART. The able Senator from Texas knows he could not comply with the requests of 95 other Senators.

Mr. JOHNSON of Texas. That would depend upon the requests. I would try my best to do so.

Mr. CAPEHART. The majority leader knows that under the committee system, proposed legislation is referred to committees. The majority leader rightly insisted on the floor of the Senate, the night before last, that the resolution be referred to the Committee on Foreign Relations for its consideration.

Mr. JOHNSON of Texas. Does the Senator from Indiana know what the majority leader was told when he did so?

Mr. CAPEHART. Just a minute. I was not present on Monday evening, but I have read the RECORD. I think every Senator understood that if the committee voted unfavorably, that would end the matter; if the committee voted to table the resolution, that would end the matter.

Mr. JOHNSON of Texas. No; there was no statement to that effect. The Senator from Indiana has not read the RECORD carefully. When the Senator from Texas suggested that the resolution be referred to the committee, he was reminded by the distinguished author of the resolution that the Senator from Wisconsin had also had other measures referred to that committee, of which the Senator from Indiana is a member. The majority leader was reminded of the votes in that committee; and the reason the junior Senator from Wisconsin did not want his resolution to be referred to the committee was that he felt the committee would not take action.

I take a lot of criticism, but I never thought for a moment that the majority leader, who represents the Democratic Party, would be publicly criticized by Republicans for complying with a demand from the other side of the aisle for a yea-and-nay vote.

Mr. CAPEHART. There was no demand to be given a yea-and-nay vote. The majority leader insisted that the regular procedure or routine be followed, and that the resolution be referred to the committee. If it was not intended to have the Senate abide by the decision of the committee, when every member of the committee was opposed to the resolution, why was the resolution referred to the committee?

Mr. JOHNSON of Texas. Because the Senator from Texas said, then and there, that he wanted recommendations from the committee, whatever those recommendations might be.

Mr. CAPEHART. The committee made its recommendations. It said, "We are against the resolution."

Mr. JOHNSON of Texas. I express the hope that the Senate is prepared to follow those recommendations.

Mr. CAPEHART. I feel certain the Senate will. I know the senior Senator from Indiana will follow them.

Mr. JOHNSON of Texas. I cannot understand why the Senator from Indiana objects to following the recommendations of his own committee, and to permitting the entire Senate to give a great vote of confidence, not only to the Republican President and the Republican Secretary of State, but also to the Republican and Democratic members of the Committee on Foreign Relations, as well.

Mr. CAPEHART. It was the wish of the President that the resolution be tabled in committee. That fact was brought to the attention of the committee.

Mr. JOHNSON of Texas. I have had conversations with the President on an occasion or two, but I was not informed by the President that he desired to have the resolution tabled in the committee. I am glad to know that the Senator from Indiana feels that he can make that statement.

But I wish to remind the Senator, and recall to his vivid memory, a lecture which the Senator from Texas received one evening on the floor from the very able Senator from Colorado [Mr. MILLIKIN], when I asked him if the President felt the tax bill ought to pass.

In his own inimitable way, the Senator from Colorado left his desk, marched down the aisle, and said, "Thank God, I do not have to run to a telephone booth and call the White House to find out what the procedure in the Senate should be."

I simply feed those words of the Senator from Colorado back into the teeth of the Senator from Indiana. [Laughter.]

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. For the purpose of the record, and lest there be any misunderstanding, the minority leader reported to the committee on yesterday that he had discussed with the President the various alternatives which were under consideration by the committee. I gave the President what I felt were cogent reasons for handling the situation in a way which I though would cause the least damage to the country. I think I have already said that I happened to differ with the Senator from Indiana merely in the approach. I told both the Acting Secretary of State and the President that I intended to make a motion to table. My understanding was that it was their judgment that if it was the decision of the committee to proceed in that way, that would be entirely satisfactory to them. That is what I reported to the committee.

Mr. CAPEHART. The Senator from California so stated before the committee.

Mr. JOHNSON of Texas. I do not wish to be placed in the position of saying that the President, the Secretary of State, and the Acting Secretary of State did not make their views known on the proper method of procedure in voting in the Senate committee. I think I violate no confidence when I say that at 12:15 or 12:20 yesterday afternoon, after having attempted to reach the Acting Secretary of State for a considerable period of time on a very important matter, and after having been informed that he had an appointment that afternoon, and would be unable to appear before the committee on what I considered to be a vitally important matter, I insisted on talking to the Acting Secretary of State, and did so.

I was informed that the resolution was opposed by not only the Acting Secretary of State, but also by all the other assistant secretaries of State—Mr. Henderson, Mr. Murphy, Mr. Morton, and others.

I did not discuss with them the question of tabling the resolution, because no one had raised the question at that point. But I felt very much as the Senator from Colorado felt on another occasion.

At 12:20 p. m. yesterday I outlined my views to the President, as did the minority leader, evidently.

I said to the President, "The resolution is pending. Charges have been made that it will be buried; that it will be referred to the Committee on Foreign Relations"—of which the senior Senator from Indiana is a member—"and will stay there. I think that would be a mistake. Therefore, I have asked the minority leader to join with me, and he has joined with me, in having a very prompt hearing.

"I am going back to the Hill, and we are going to have that hearing. I hope it may be possible to get the record of the hearings and the report printed promptly, because the junior Senator from Wisconsin wants action before Thursday. I feel that I am morally bound and that the spirit of my assurance is to get that action."

That was my statement to the President. If the Senator from Indiana will cooperate we will get that action.

The President did not presume to say to me, "Senator, I think it would be a bad mistake if you moved adversely or favorably, or made a motion to table," because while the President is a man of great background and experience and long service in the Government, actually none of that experience, as far as I know, was in a legislative body, and certainly not in the Senate.

Mr. CAPEHART. The majority leader did exactly what he just stated. I think he did an excellent job in bringing the resolution to the attention of the Foreign Relations Committee. The committee held public hearings. It listened to all witnesses who cared to be heard. I remember the chairman of the committee asked in public, before the representatives of the press, "Does anybody else wish to be heard?" Then the committee went into executive session. It was the vote of every member of the committee that the resolution should be defeated.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. CAPEHART. I yield.

Mr. LANGER. I notice in the report that the distinguished Senator from Indiana himself voted to report the resolution to the Senate adversely.

Mr. CAPEHART. That is correct.

Mr. LANGER. Now he is "squawking" because the resolution is before the Senate.

Mr. CAPEHART. The able Senator knows that in the committee the minority leader made a motion to table the resolution. He knows the vote was 8 to 7 against tabling. He likewise knows the senior Senator from Indiana was opposed to the resolution, because he had said so publicly. He likewise knew no Senator would vote to report the resolution adversely unless he was against it. The Senator is simply being technical.

Mr. LANGER. The fact is that the distinguished Senator from Indiana himself voted to report the resolution to the Senate.

Mr. CAPEHART. All who were present so voted.

Mr. LANGER. Oh, no; I voted the other way. I was not there on the first vote.

Mr. CAPEHART. The Senator was not there.

Mr. LANGER. When it was all over, I voted against reporting the resolution adversely.

Mr. CAPEHART. The fact of the matter is the Senator from North Dakota was not present when the vote was taken. He did not vote one way or the other. Through the goodness of the Senator from Indiana, he was able to record his vote, because I made a motion, as the able chairman knows, that the Senator from North Dakota be permitted to record his vote at a later date. I am sure the Senator appreciates that.

Mr. MORSE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. ERVIN in the chair). Does the Senator from Indiana yield to the Senator from Oregon?

Mr. CAPEHART. I yield.

Mr. MORSE. I wish to clear up what may be a misunderstanding in my own recollection of the matter. Did I correctly understand the Senator from Indiana to say the President of the United States wanted the resolution tabled?

Mr. CAPEHART. No; I said the minority leader, who is a member of the Foreign Relations Committee, said the President would like to see the resolution tabled, or he used some such words. There is not a member of the committee who does not remember hearing that.

Mr. MORSE. I listened to the Senator from California, and I thought the language used by the Senator from California did not go nearly so far as did the language used by the Senator from Indiana. The Senator from California proceeded to report what he had said to the President of the United States, but I do not think that report is subject to the interpretation that the President of the United States wanted to have the resolution tabled or urged that that be done. I do not think the statement of the Senator from California—at least, what was said in my hearing—implied that the President of the United States rendered a judgment as to the procedure he would prefer to have the committee follow.

Mr. CAPEHART. The President of the United States is opposed to the resolution. The substance of the remarks of the able Senator from California was that the President would like to see the resolution tabled, or handled as quickly as possible, and gotten rid of. That was my position yesterday. It is my position today.

As I said a moment ago, the matter was handled properly by the majority leader. The resolution was referred to the committee. The committee held public hearings. The committee went into executive sessions. The committee was opposed to the resolution. All members were opposed to the resolution.

I have made these remarks only because I wish the RECORD to show that I do not think there should be any breakdown in our committee system, or any breakdown in the customs or the rules of the Senate, in order to take advantage of someone. That is my point.

Mr. MORSE. If the Senator from Indiana will permit me to say so, the Senator from California can speak for himself, but I do not think the Senator from California made a statement on the record which would be subject to the interpretation that the President passed judgment on the procedure which should be followed by the committee in handling the resolution.

Mr. CAPEHART. I did not intend to say he did. I cannot read the President's mind. My best judgment is that the President's thoughts were, "Get rid of it as quickly as possible." That is what we should have done yesterday afternoon.

Mr. MORSE. The Senator left me with the impression that the President expressed his judgment on the procedure which should be followed.

Mr. CAPEHART. I was referring only to what was said in the committee, which should have been reported.

Mr. HICKENLOOPER. Mr. President, I wish to take a few minutes on the resolution in order to express my views concerning it. As a member of the Foreign Relations Committee, I participated in the meeting of yesterday and voted to table the resolution because I thought that was, in the long run, the most effective and the least harmful method which presented itself to us of handling it.

I stated in committee that I was opposed to the resolution because I thought it was not timely, because, as I said, coming at this late date, on the eve of the exploratory conference at San Francisco, the resolution could do nothing but harm if it were adopted.

After the motion to table was rejected by a vote of 8 to 7 the vote came on reporting the resolution to the Senate adversely. I had no other course than to vote to report the resolution adversely, because that is the way I felt about the resolution, having been on the side that was defeated on the motion to table it.

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield for a question.

Mr. McCARTHY. I gather that the Senator felt yesterday that the resolution as worded would tie the President's hands too much. I have an amendment which I think meets the objections which the Senator had in mind. I wonder if he is aware of the terms of the amendment I have offered.

Mr. HICKENLOOPER. A copy of it has just been handed to me. I have not read it. I have not had a chance to study it. I shall look at it.

Mr. McCARTHY. I may say to the Senator that, to my mind, this is one of the most important actions this body will take for a long time. I know the resolution is slated for defeat because, knowing the history of the Democrat Party for the past 20 years, I know my friends on the Democrat side of the aisle will vote against anything other than appeasement and surrender. I know there will be a solid Democrat vote against the resolution.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McCARTHY. So I address my remarks principally to the Republicans. I should like to know if the Senator from Iowa does not feel that the resolution merely confirms what Under Secretary of State Hoover said the President favors. He said he felt the President and the Secretary of State were in complete sympathy with the ultimate objective of Senate Resolution 116. This resolution merely provides that the Senate shall express itself as being also in favor of the ultimate humanitarian objective of Senate Resolution 116.

Before the Senator answers the question, I should like to call attention to the Republican platform upon which we were elected, and which stated that the President and the Congress would make clear how the United States felt about the liberation of the countries behind the Iron Curtain. I wonder if the Senator will find in the amended resolution anything obnoxious to that provision of the Republican platform.

Mr. HICKENLOOPER. I shall discuss that in a moment. I have not had an opportunity to study the amendment to the resolution, especially the "whereases," which I wish to mention.

But, Mr. President, for fear that silence on my part might be interpreted as assent, I wish to say that I do not agree with the junior Senator from Wisconsin that, by and large, the Democratic Members of this body are in favor of appeasement in respect to communism. I do not desire to quarrel with the Senator from Wisconsin and I do not suppose he meant that what he said should be interpreted in quite the way it sounded. But I wish to say that I have the greatest confidence in and respect for my Democratic colleagues, and I would be the last to say that any Democratic Member of the Senate is an appeaser, insofar as communism is concerned. On occasion I disagree with my Democratic colleagues on matters of policy, but I believe the differences of opinion are honest ones.

Mr. McCARTHY. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. I said that over the past 20 years the Democratic Party has been a party of appeasement; and I think the Democratic Senators will go straight

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down the line, again, in opposing adoption of the resolution. That is a prediction which will be proven either true or false before the afternoon is over.

Mr. HICKENLOOPER. Mr. President, I do not intend to become involved in a discussion of political philosophy this afternoon. I believe the Democratic Members of the Senate are perfectly capable of presenting their own views, so I shall neither attack nor defend their position, because of their own well-known ability to speak for themselves.

Mr. President, if I have to vote on the resolution, I expect to vote against it; but I do not wish to be accused of being an appeaser of communism; I do not wish to be understood as taking any such position.

Mr. McCARTHY. Mr. President, will the Senator from Iowa yield further to me?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. I was a little surprised at what the Senator from Iowa said. First, he said he had not read the amended resolution. Now he says he will vote against it. How can the Senator from Iowa decide that he will vote against it before he reads it? Will he please read it before he announces his position?

Mr. HICKENLOOPER. Mr. President, I shall conduct my affairs in my own way, let me say for the information of the junior Senator from Wisconsin. I shall read the amendment in my own time; and I shall make up my own mind after I have read the amendment and after I know what is before the Senate.

I am speaking of the resolution which was submitted to the Senate, and was acted upon by the Senate Foreign Relations Committee; that is what I wish to discuss at the moment.

I understand that the resolution is one of emotion. By that, I mean it goes deeply into the political philosophies of the world—in particular, of the Iron Curtain countries—and of communism, and it includes our attitude toward free institutions. The resolution is an important one; but I feel that it proposes a rather unusual procedure and one which I do not believe will serve the best interests of the country.

I desire to state my reasons for making that statement. First of all, let me say that I do not believe any Member of the Senate disagrees with the objectives generally outlined in the resolution. In other words, all of us would like to see freedom obtained for the captive countries. We wish to see the present satellite countries attain the right of self-determination. We wish to see communism and the slavery it imposes eliminated from the world. We are consistent in that view, a view which I believe is unanimously entertained by the Senate. I have no idea that any Member of the Senate deviates from it or fails to endorse the ambitions of captive countries for freedom.

But, Mr. President, here is the situation in which we find ourselves: An exploratory series of conversations is either being held at the present time or will be begun tomorrow. Those exploratory conversations are for the purpose of outlining an area within which discussions can be held next month at Geneva.

I am frank to say, as I said yesterday in the Foreign Relations Committee, that if a resolution of this kind—perhaps not one in the same words, but a resolution expressing the sentiment or the sense of the Senate on this subject or on any other important subject which claims the attention of the country—had been submitted some months ago, before we were right up "against the gun," if you please, because of the imminence of a great international conference, I would have been perfectly willing at that time, before we were in a position in which we could be embarrassed, to have the Senate express its sentiments concerning political or international philosophy.

Mr. McCARTHY. Mr. President, will the Senator from Iowa yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. Is not the Senator from Iowa aware of the fact that the resolution could not have been presented months ago because, to begin with, it was unthinkable that such a conference would be held. The President said it would not be. Second, after the President decided that the conference could proceed, I am sure the Senator from Iowa will agree that it was unthinkable that we would consent not to discuss the satellite nations. It was only within the last week that those in the Kremlin said they would not discuss the satellite nations—in other words, anything which might benefit the free world. Therefore, it was impossible for me to present the resolution before the last 3 or 4 days; and I presented it as quickly as possible after that announcement by the Kremlin, and after the statement by Secretary Dulles.

Mr. HICKENLOOPER. I understand the reasoning of the Senator from Wisconsin on that score. If one accepts the premises of the Senator from Wisconsin, his reasoning has considerable merit to it. I do not necessarily accept all the premises upon which he bases his reasoning.

But, Mr. President, be that as it may, the resolution has been submitted. I feel that nothing would be accomplished if it were adopted by the Senate. Worthy as the sentiment may be, I feel that the resolution would do nothing but completely hamper, and probably throw a complete roadblock in the path of, the President of the United States and the Secretary of State, insofar as the latitude and the freedom of their ability to negotiate and discuss at the meeting or meetings are concerned.

Furthermore, we have the assurance of the Secretary of State that we can discuss, and that we are not precluded from discussing, and that we have the right to discuss, the matter of the Iron Curtain countries and their satellites and their freedom.

Mr. McCARTHY. Mr. President, will the Senator from Iowa yield again to me?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. Is the Senator from Iowa now discussing the resolution which he considered in the committee yesterday, or is he now discussing the amended resolution?

Mr. HICKENLOOPER. I am discussing the inadvisability of adopting at this time a resolution which would tend to circumscribe a great area of the negotiating opportunities or privileges or competence, for instance, of the President and the Secretary of State. In a moment I shall discuss the details, and then I shall be willing to try to discuss the amendment the Senator from Wisconsin proposes to offer.

Mr. McCARTHY. Let me suggest to the Senator from Iowa that the Under Secretary of State said the President was "in complete sympathy with the ultimate humanitarian objective of Senate Resolution 116."

I merely wish the Senate to go on record now as also being in sympathy with the objective of freeing the satellite nations, and to have the Senate go on record as agreeing with the President.

In what way shall we circumscribe the President's activities or tie his hands, if we go on record by adopting the resolution at this time, and if we thus show how the Senate feels in regard to this all-important subject?

If the Senate goes on record now as not being in sympathy with the objective of Senate Resolution 116, the Senate will be telling the satellite nations that it does not favor their ultimate freedom.

Will the Senator from Iowa please confine himself to the measure which will be before the Senate, namely, not the resolution which was before the Foreign Relations Committee on yesterday, but the amendment? I changed the resolution in order to try to meet the objections of the Senator from Iowa, the Senator from California, and other Senators. So we shall be wasting our time if we discuss the resolution which was considered yesterday by the committee because that measure will not be before the Senate for vote today.

Mr. HICKENLOOPER. Mr. President, at this time my objections go to the mechanical principle involved at this moment rather than to verbiage.

On yesterday I voted and did whatever else I could in the Foreign Relations Committee to try to get the committee—which was unanimously opposed to adoption of the resolution, at least at this time—to end the controversy right there and to table the resolution.

That would have been effective action and it would have been decisive. The unanimous vote of the Foreign Relations Committee to table the resolution in the committee would have been committee action in its ordinary and customary province and it would have ended the controversy.

I had certain reasons for my position. One might well ask, if I am opposed to the resolution, why I do not wish to vote "nay" on the resolution if it comes to a vote. I shall vote "nay" if I must vote on the resolution, but I would rather not. I think it would be ill-advised to bring it to a vote. I shall state my reasons.

I refer, first, to the "whereas" clauses of the resolution. I realize that there has been a modification and that the "whereas" clauses have been deleted, but I am giving my reasons for my vote of

yesterday. The first "whereas" clause reads as follows:

Whereas under the Constitution of the United States, the Congress and more particularly the Senate, has concurrent responsibility with the executive branch for the formulation of the international policies of the United States.

I do not agree with that "whereas" in full. I think we have responsibilities in the Senate in connection with many phases of foreign policy, but I could not support that "whereas" clause as thus stated.

The second "whereas" clause contained in the resolution of yesterday reads as follows:

Whereas the safety, peace, and independence of the United States are seriously threatened by the aggressive world Communist movement under the leadership of the Soviet Union.

I agree with that; but let me suggest that an overwhelming "nay" vote on this resolution by the Senate of the United States, with those words in the resolution, would put a propaganda weapon in the hands of every Communist country in the world. They would say, "Look at the great Senate of the United States. It votes 'nay' and denies that the safety, peace, and independence of the United States are seriously threatened by the aggressive world Communist movement under the leadership of the Soviet Union."

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. THYE. The statement of the distinguished Senator from Iowa answers the question as to the dangers with which we are faced propagandawise. The Russians could make use of this resolution in trying to prove that we are not honest, and that we are not endeavoring to reestablish the sovereignty of the satellite nations. The Senator is touching upon the question in a most important manner. I see all the dangers involved, and I am most unhappy that such a resolution is before the Senate.

Mr. HICKENLOOPER. I thank the Senator. I raised that very question yesterday in the Foreign Relations Committee with regard to these provisions. I expect to place my reasons in the RECORD, to explain my position today.

The third "whereas" clause reads as follows:

Whereas the United States is pledged to seek the freedom of the millions of people who have already been enslaved by the world Communist movement.

That "whereas" clause was in the resolution yesterday. A "nay" vote on the resolution on the floor of the Senate would place a propaganda weapon in the hands of every Communist nation and satellite. They would say, "The Senate of the United States voted 'nay' on the statement, 'Whereas the United States is pledged to seek the freedom of the millions of people who have already been enslaved by the world Communist movement'."

The fourth "whereas" clause reads as follows:

Whereas the safety, peace, and independence of the United States can never be permanently secured, nor the goal of the United States to obtain the freedom of oppressed peoples realized, so long as certain areas of the world remain under Communist control; namely, Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Hungary, Bulgaria, Rumania, Albania, Eastern Germany, Northern Korea, Northern Indochina, China, and the Soviet Union.

That is an affirmative declaration that the safety and peace of the world cannot be assured so long as certain areas of the world remain under Communist control. That declaration would be negated by a vote of "nay" in the Senate. If the great Senate of the United States votes "nay" overwhelmingly on that declaration, what a propaganda weapon will be placed in the hands of the most astute propaganda users the world has ever seen.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. HICKENLOOPER. Let me conclude with the "whereas" clauses.

Mr. McCARTHY. I have a point to make in that connection. I think the Senator from Iowa has made a very good point. He makes the point very well, and I agree with everything he has said about the propaganda weapon which would be placed in the hands of Communists if the Senate should vote "nay" on this resolution. I know what will happen today. I know that there will be a "nay" vote. I know that there will be a solid Democrat vote. I know that, following the leadership of the minority leader, the administration supporters will vote "nay." Therefore we shall be giving the Communists a great propaganda weapon. We shall be discouraging the peoples of the satellite countries. They will think we have abandoned them because of the vote in the Senate. For that reason, I ask unanimous consent to withdraw the resolution.

Mr. HICKENLOOPER. Mr. President, I did not yield for that purpose.

The PRESIDING OFFICER. Is there objection?

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HICKENLOOPER. Mr. President, I have the floor. I did not yield.

Mr. KNOWLAND. I withdraw the suggestion.

Mr. McCARTHY. I thought the Senator from Iowa had yielded.

Mr. HICKENLOOPER. I yielded for a question. I did not yield for the transaction of business.

Mr. McCARTHY. Will the Senator from Iowa yield so that I may make a unanimous consent request?

The PRESIDING OFFICER. The Chair rules that, inasmuch as the Senator from Iowa did not yield for the purpose of permitting the Senator from Wisconsin to make a unanimous-consent request, such unanimous-consent request is out of order.

Mr. McCARTHY. Mr. President, will the Senator yield for that purpose?

Mr. HICKENLOOPER. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. HICKENLOOPER. With all due respect, I should be glad to yield, except that I wish, in another 7 or 10 minutes, to make my position clear as to what I think the action of the Senate should be. I shall then yield the floor, or yield to the Senator from Wisconsin for the purpose for which he asks me to yield.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield for a question.

Mr. McCARTHY. I wholeheartedly agree with what the Senator says. If we vote "nay" we shall be giving the Communists a powerful propaganda weapon. There is no reason why we should vote "nay." We should have "guts" enough to stand up and vote "yea." But I know what is going on today. I know that there will be a solid vote on the other side of the aisle. The administration supporters on this side of the aisle will vote "nay." There is no question about that. Such a vote could be disastrous to the morale of the underground in the occupied countries. That is the reason why I asked the Senator from Iowa to yield to me for the purpose of permitting me to withdraw the resolution.

Mr. HICKENLOOPER. I desire to round out my statement for the RECORD.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield for a question.

Mr. THYE. I wish to make it crystal clear that I am not motivated to follow either the minority leader or the administration. My mind was made up on this question when the resolution was first submitted. I determined to vote "nay." I would have voted "nay" that night. I would vote "nay" today. My conscience dictates a vote of "nay" any time an attempt is made to tie the hands of the President and the Secretary of State.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. JOHNSON of Texas. I wish to confirm what the Senator from Minnesota said the other night when he was acting as minority leader.

I should like to observe, in passing, that if the prediction of the Senator from Wisconsin is correct, and if there is a substantially unanimous vote "nay" today, I know of no reason why a unanimous "nay" vote should be interpreted as being disastrous to the country, particularly when such unanimous vote expresses confidence in the constitutional authorities of the country.

Mr. HICKENLOOPER. I shall come to that point in just a moment.

I believe that if the resolution, even as modified by the Senator from Wisconsin earlier in the day, should come to a vote, I would be bound to vote against the resolution, as modified, or any other resolution of this kind at this stage in the negotiation proceedings. I am bound to vote "nay," because I think the resolution should not be approved.

However, the reason I think it should not be approved will never get behind the Iron Curtain. None of the explanations made on the floor of the Senate and appearing in the CONGRESSIONAL

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RECORD, including high-sounding, sincere, and complimentary terms which have been used about protecting the President of the United States and upholding his hand, the expressions in condemnation of Soviet slavery, and so forth, will ever get behind the Iron Curtain—not for one second.

The only thing that will get behind the Iron Curtain is the modified resolution which now states:

Whereas the Under Secretary of State, Mr. Herbert Hoover, Jr., on June 21, 1955, informed the Senate Committee on Foreign Relations as follows: "I feel certain that the President and the Secretary of State are in complete sympathy with the ultimate humanitarian objective of Senate Resolution 116": Now, therefore, be it

Resolved, That the Senate is also in sympathy with the ultimate humanitarian objectives of Senate Resolution 116.

That will get behind the Iron Curtain. The record vote of 85 to 1 or to 2, or 85 to 0, or whatever the vote may be, will get behind the Iron Curtain, and the propaganda mills will start grinding out: "This is what the real sentiment of the Senate of the United States is."

The people behind the Iron Curtain will never hear the eloquent words of the distinguished Senator from Texas or of the distinguished Senator from California, or of the other Members of the Senate who said, "I am against this resolution because it is procedurally wrong."

That will never get behind the Iron Curtain. A vote "nay" against the verbiage of the resolution will be a propaganda weapon, as I said a moment ago, and will be used by the greatest and most skilled propagandists the world has ever known.

That is why I voted yesterday, and I urged the Committee on Foreign Relations to vote, to table the resolution, so that there would not be a negative vote on the humanitarian principles announced in the resolution. That is why I hoped the committee would table it.

That is why I hope—although I have no intention at this moment to make a motion to table the resolution—the leadership in the Senate, if we must come to a final vote on the resolution, will support a motion to table it and thus keep a vote of "nay" from being used by the propaganda agencies of the Communist powers.

I think that is fundamental. If we fail to table the resolution—if we must act on the resolution at all—and if the Senate must vote, when most of us are impelled to vote "nay" on a procedural matter, we will be doing a disservice to the whole psychology of freedom in the places in the world where today the Communist propaganda is most effective. That is about all I wanted to say. I have practically concluded my remarks.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I shall yield in a moment. After we were defeated in the Foreign Relations Committee yesterday on a motion to solve the problem by settling it in committee—and I am not impressed by the argument that if we vote "nay" it will end the matter—someone pointed out that the Senator from Wisconsin could attach the resolution to every piece of legislation that comes before the Senate from now until adjournment day.

If we had voted to table the resolution in committee yesterday, and if thereafter a Senator had made a motion to discharge the Committee on Foreign Relations and to bring the resolution to the floor of the Senate, the matter could have been handled without debate by a motion being made on the floor of the Senate to table the motion to discharge the Committee, and the issue could have been met in that way.

However, the point I tried to get across yesterday, as did some other Senators, was that if we tabled the resolution in the Committee on Foreign Relations, we would not be committing the Senate to a misunderstood vote. I feel very deeply about it.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. I will say that it will not be a misunderstood vote. On the contrary, it will be understood. The resolution is very clear. I quote it:

Whereas the Under Secretary of State, Mr. Herbert Hoover, Jr., on June 21, 1955, informed the Senate Committee on Foreign Relations as follows: "I feel certain that the President and the Secretary of State are in complete sympathy with the ultimate humanitarian objective of Senate Resolution 116": Now, therefore, be it

Resolved, That the Senate is also in sympathy with the ultimate humanitarian objective of Senate Resolution 116.

The Senator from Iowa says he will vote "no" because of the procedure involved. I wonder what procedure he has in mind. When he ran for reelection he ran on the platform which had as one of its planks:

It will be made clear, on the highest authority of the President and the Congress, that United States policy, as one of its peaceful purposes, looks happily forward to the genuine independence of those captive peoples.

The Senator from Iowa ran on that platform. He has not repudiated it. Now he says he objects to the procedure. The procedure here is in complete line with all the rules of the Senate. The resolution was submitted. It was referred to the committee. It was adversely reported by the committee. I have modified the resolution to try to meet the objections of the committee. I wonder what the Senator from Iowa has in mind when he says he will vote "nay" because of procedure.

Mr. HICKENLOOPER. We have had every assurance as to how the President feels and as to how the Secretary of State feels. We know in general what their attitudes are. They feel just as keenly on this matter as does the Senate. I said at the outset—I do not know whether the Senator from Wisconsin was present at the time—that I thought it was largely the untimeliness of the resolution which caused concern. I said if prior to the calling of the conference the issue had been discussed and the Senate had desired to express itself as to its attitude, it would have been proper. We have voted before on resolutions expressing the sense of the Senate in advance of some happening in the future involving questions of policy. There is ample precedent for it. We have a right to do it. I do not deny that we have the right to do it. But at this moment, I feel we are right in the middle of the stream, so to speak. The program has already been launched. The negotiations are underway. People from all over the world are in San Francisco in connection with this program. I feel that any attempted direction at this time by the Senate would be a disservice in that it would hamper the negotiating ability and limit the latitude of the President and the Secretary of State.

I am about to keep my word to the Senator from Wisconsin. I said a moment ago that I had hoped this resolution would be tabled in the Committee on Foreign Relations. If it proceeds to a vote in the Senate, I hope very earnestly that the leadership will agree that the proper procedure—and it would be a procedure under which every Member of the Senate could express himself, and by a record vote, too—will be to take the route of tabling this measure. Every Member of the Senate could vote on it and he could express himself. His vote would not be misunderstood as a vote against the principles for which we generally stand and of which we approve. That is the procedure I had hoped we would take, and I still hope we will take it. It is one we could take in order to express ourselves on the procedural aspect, and it would not give to the Kremlin propaganda documents to be waved throughout the satellite countries.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. In a moment I shall be glad to yield. I said to the Senator from Wisconsin a moment ago that when I finished my feeble attempt to explain my position I would then be glad to yield to him for the purpose of having him ask unanimous consent to withdraw his resolution, as he mentioned a moment ago he desires to do, if he still desires to do so.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. I shall ask the Senator from Iowa to yield for that purpose in a moment. First I should like to ask the Senator a question. He said the resolution expresses sentiments which most of the Members of the Senate approve. I should like to know what there is in the resolution to which the Senator objects. What part of the resolution is objectionable?

Mr. HICKENLOOPER. It is the procedure.

Mr. McCARTHY. In the resolution we would say that we are in sympathy with freeing the satellite nations. If we are not in sympathy with that, we should vote "nay." If we are in sympathy with freeing them, we should vote "yea." We are in no way tying the President's hands. We are merely telling him how the Senate feels. Under Secretary of State Herbert Hoover, Jr., said that the President was in sympathy with the humanitarian objective of Senate Resolution 116. Why is this resolution so objectionable to the Senator from Iowa? The Senator says

it was untimely. I say to the Senator that I could not have submitted the resolution before the Big Four Conference was decided on, and it would not have been timely to have submitted it until after the Secretary of State, Mr. Dulles, had made his statement about the satellite countries and the Kremlin leaders had made their reply.

What the resolution seeks to do is what the Republicans in their platform said they would do. We made a solemn contract with the American people. We said we would make it clear how Congress felt—not how the President felt, but how Congress felt—about these international problems. What is there in this resolution that is objectionable? What is there in it against which the Senator feels he must vote?

Mr. HICKENLOOPER. We would be injecting ourselves into one phase of the negotiations, when we have the positive assurance of the State Department that these very matters can be and, no doubt, will be taken up in the discussion.

Mr. McCARTHY. What will a "nay" vote do to the satellite nations?

Mr. HICKENLOOPER. It will give them a propaganda weapon which I should not like to see them have. If I have the floor, and the Senator from Wisconsin asks unanimous consent to withdraw his resolution, I anticipate there is a fair chance his unanimous-consent request will be granted and there will be no vote on the resolution. I hope there will be no vote on it.

I think the question has been sufficiently aired. The sentiments of Senators on both sides of the aisle have been adequately expressed. I think the intense interest in this subject will be very well impressed upon the Secretary of State, if it has not been already impressed upon him by his own experience, as I have no doubt it has been. The Senator from Wisconsin may have done a service to the country by bringing it to the attention of the country. If we have to vote, I would rather vote on the question of tabling the resolution. But I earnestly hope the Senator from Wisconsin may see fit to withdraw the resolution.

Mr. McCARTHY. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. McCARTHY. Mr. President, I have been impressed by some of the remarks made by the Senator from Iowa, namely, his argument that a "nay" vote will supply a great propaganda weapon to the Communists. It will also dampen the spirit of the underground in the satellite nations.

I know there will be a "nay" vote, because I know the Democrats will vote as a party en bloc in line with 20 years of past history. I know that under the leadership of the Senator from California [Mr. KNOWLAND] a great many Republicans will vote against the resolution—but without any reason for so voting, as all of them agree that the resolution expresses the sentiments of the Senate. Yet, for some unknown reason, they will vote against it. We will be saying that the United States Senate does not have any sympathy for the underground in the satellite nations, and does not feel those nations should be free.

For that reason, Mr. President, I ask unanimous consent to withdraw the resolution.

Mr. FULBRIGHT. Mr. President, I object.

Mr. McCARTHY. Mr. President, in my book——

Mr. HICKENLOOPER. Mr. President, I think I still have the floor.

The PRESIDING OFFICER. The Chair understood the Senator from Iowa had yielded the floor.

Mr. HICKENLOOPER. I have a little more to say.

The PRESIDING OFFICER. The Senator from Wisconsin now has the floor.

Mr. McCARTHY. Mr. President, I will yield for whatever remarks the Senator from Iowa wishes to make.

Mr. HICKENLOOPER. No. I thank the Senator from Wisconsin.

Mr. McCARTHY. Mr. President, the Senator from Arkansas has rendered a very valuable service to the Communist Party. He knows that the Democrats are going to vote en bloc against the resolution. He knows there will be sufficient Republican votes to defeat it. He knows what a propaganda weapon it will give the Communists. The Senator from Iowa has explained this adequately. He knows what damage will be done to enslaved peoples. The Senator from Arkansas knows I have made the request to withdraw the resolution in order to avoid the propaganda damage. Nevertheless, for political reasons, he rises and objects. He has rendered a real service to the Communist Party today, and a real disservice to the people of the satellite nations.

He sits there and laughs, Mr. President. It is no laughing matter. He can grin and smirk, but the enslaved peoples will not grin and smirk about it when they are advised of what the Senator has done. I repeat, he has done a great service to the Communist cause.

Mr. President, in my book, a campaign promise is a solemn contract with the American people. I am not addressing myself now to the Democrat Members of this body, because they made no such campaign promise. In fact, the American people knew they stood for appeasement. They knew that for 20 years the Democrats whined and whimpered when they touched the red hot stove of Communist aggression. I am addressing the Republicans in this body and in the Nation. I campaigned from the Atlantic to the Pacific, from New Orleans to St. Paul, and I quoted this platform pledge. I asked Democrats throughout the Nation to vote for us, promising them that the days of appeasement were ended, that there was a new day really dawning.

Here is the part of the platform which I should like to quote for the benefit of my Republican colleagues in the Senate, especially the Republican leader [Mr. KNOWLAND]:

> It will be made clear, on the highest authority of the President and the Congress, that United States policy, as one of its peaceful purposes, looks happily forward to the genuine independence of those captive peoples.

We did not say "on the authority of the President only"; we said, "on the highest authority of the President and the Congress."

But today the Senate says, "Oh, no; we cannot do that. We would be interfering with the President if we made clear what our position is."

Let me quote further from our platform. Up until this time there has never been a resolution before the Senate through which we could show we were living up to that platform pledge. Today we have the opportunity, but we are turning it down.

I read further:

> We shall again make liberty into a beacon light of hope that will penetrate the dark places. That program will give the Voice of America a real function. It will mark the end of the negative, futile, and immoral policy of "containment" which abandons countless human beings to a despotism and godless terrorism which in turn enables the rulers to forge the captives into a weapon for our destruction.

We placed that particular section in the platform because we felt the Democrats had been following a contrarule up to that time, and we said we would make clear how the Congress felt about it. But now I hear Senators who campaigned upon that solemn contract with the American people saying on the floor of the Senate, "We cannot tell the President how we feel; we might be interfering with the President and State Department."

Mr. President, I was shocked by one statement made by the majority leader. He said that there is only one man who can speak for the country. He is wrong. This is not a dictatorship. The Senate also speaks for this country. There are 96 Members here who can speak for this country.

I was intrigued by the speech of the Senator from California. His whole speech was to the effect that the President felt as I do. He read from the President's speeches and had excerpts from them printed in the RECORD, proving that the President felt the way I do, as expressed in this resolution.

Then, for some unknown reason—the Senator from California again forgets the campaign pledge—he says we cannot let the country, we cannot let the world, know how the Senate feels.

Mr. President, I call up my amendment and ask that it be read; and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. FREAR in the chair). The clerk will state the amendment offered by the junior Senator from Wisconsin.

Mr. BARKLEY. Mr. President, is the amendment being offered or merely read?

Mr. McCARTHY. It is being offered now.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out all after the resolving clause and insert in lieu thereof:

> That the Senate is also in sympathy with the ultimate humanitarian objectives of Senate Resolution 116, and the Senate hopes that the ultimate humanitarian objective of Senate Resolution 116, namely, securing the

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freedom of the Communist-controlled satellites enumerated therein, will be pursued by the President at the forthcoming Geneva meeting between the heads of state.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

Mr. McCARTHY. With the understanding that I do not lose the floor——

Mr. JOHNSON of Texas. I thought the Senator had concluded. I beg the Senator's pardon.

Mr. McCARTHY. Does the Chair rule that the amendment is in order?

Mr. KNOWLAND. Mr. President, will the Senator from Wisconsin yield, with the understanding that he will not lose the floor, for the purpose of a quorum call? I thought that inasmuch as an entirely different approach, at least, is being presented, there should be a quorum call now.

Mr. McCARTHY. I shall be glad to yield with that understanding.

Mr. KNOWLAND. In the present situation, I understand the amendment is merely pending at the desk.

The PRESIDING OFFICER. The amendment has been offered. The question is on agreeing to the amendment.

Mr. KNOWLAND. With the understanding that the junior Senator from Wisconsin will not lose his right to the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there objection to the understanding proposed by the Senator from California? The Chair hears none, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allott	Fulbright	McCarthy
Anderson	Gore	McClellan
Barkley	Green	McNamara
Barrett	Hayden	Millikin
Beall	Hennings	Monroney
Bender	Hickenlooper	Morse
Bennett	Hill	Mundt
Bible	Holland	Neely
Bricker	Hruska	Neuberger
Bridges	Ives	O'Mahoney
Bush	Jackson	Pastore
Butler	Jenner	Payne
Byrd	Johnson, Tex.	Purtell
Capehart	Johnston, S. C.	Robertson
Carlson	Kefauver	Saltonstall
Case, N. J.	Kennedy	Schoeppel
Case, S. Dak.	Kerr	Scott
Chavez	Kilgore	Smathers
Clements	Knowland	Smith, Maine
Curtis	Kuchel	Sparkman
Daniel	Langer	Stennis
Douglas	Lehman	Symington
Duff	Long	Thye
Dworshak	Malone	Watkins
Ellender	Mansfield	Welker
Ervin	Martin, Iowa	Williams
Frear	Martin, Pa.	Young

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Washington [Mr. MAGNUSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from South Carolina [Mr. THURMOND] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senators from Vermont [Mr. AIKEN and Mr. FLANDERS], the Senator from New Hampshire [Mr. COTTON], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from New Jersey [Mr. SMITH] is necessarily absent.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the junior Senator from Wisconsin.

Mr. McCARTHY. On the amendment I ask for the yeas and nays. Senators should not be worried about standing up and being counted on the amendment.

The yeas and nays were not ordered.

Mr. McCARTHY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kentucky will state it.

Mr. BARKLEY. The Senate has just finished a quorum call which developed a quorum. Does the asking for and the refusal of the yeas and nays constitute business?

The PRESIDING OFFICER. In the opinion of the Chair, it does. The clerk will continue to call the roll.

The legislative clerk resumed the call of the roll.

Mr. McCARTHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCARTHY. I hope Senators will at least give me the yeas and nays on this amendment. In my book, it is extremely important, and there is no reason why any Senator should be reluctant to stand up and be counted on this amendment. It is an amendment to my resolution.

I again ask for the yeas and nays, and I sincerely hope Senators will give me enough seconds.

The yeas and nays were not ordered.

Mr. McCARTHY. Mr. President, in conclusion I may say I am not surprised at the position taken by my Democrat colleagues. I expected that from them. I did not expect it from the Republican side of the aisle, however.

I may say that the Senator from Arkansas [Mr. FULBRIGHT], after consultation with the majority leader, knew that they had a solid Democrat vote against the resolution. That is the reason he objected to the withdrawal. He knew, or should know—I assume he has enough intelligence to know what he was doing—that a vote by the Senate against the resolution, which merely says we are in favor of freeing the satellite nations—will aid the Communist cause tremendously for the reasons set forth by the Senator from Iowa. It will hurt the cause of the satellite nations, which had hoped we would stand behind them.

I feel that nothing can be gained by further discussion of the resolution.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. CAPEHART. I should like to ask the Senator from Wisconsin some questions, and I hope he will not in any way become excited or angry about them, because, as the Senator from Wisconsin knows, on the censure resolution which was proposed against him, I was for him, because I thought it was wrong.

On this occasion the Senator has accused Republican Members of the Senate and the minority leader of failing to live up to the platform of the Republican Party. My questions is wherein have President Eisenhower, the Secretary of State, or the Republican Congress at any time failed to live up to their obligations? In what respect have they appeased or done something which would give any comfort whatsoever to the Communists? Will the Senator name some of the cases?

Mr. McCARTHY. I am glad to answer the question. The Senator is doing that.

Mr. CAPEHART. Name them.

Mr. McCARTHY. I am answering the question. The Senator is doing it today when he refuses to support a resolution that merely says we are in favor of freeing the satellite nations. The platform upon which the Senator ran says that it will be made clear on the highest authority of the President and the Congress that we seek the freedom of the captive peoples. We had a reason for putting that in our platform. It was because we felt the Democrats had not been doing it.

Mr. CAPEHART. Senator, let me talk a minute. It is the President of the United States and the Secretary of State who will attend the conference at Geneva, not the Senator or I. The Acting Secretary of State said:

> In the preliminary conversations that have already taken place regarding arrangements for the conference, it has been agreed that each of the participants would be free to take up any subject which it believed to be a contributory cause of world tensions. The purpose of such an agreement was to eliminate possible arguments on the fixing of a rigid agenda.

Will the Senator answer my question? I ask him to name instances in which Members of this body on the Republican side, the President, or the Vice President, have in any way appeased or have given any comfort whatsoever to the Communists? We are entitled to an answer to that question, because the accusations of the Senator from Wisconsin today have been general with regard to voting against the resolution. The resolution which was before the Senate today when we met was the resolution which the committee acted on last night, which was different from the one now before the Senate.

Mr. McCARTHY. But the amended resolution is now before the Senate, and the Senator is urging the Senate to vote against it.

Mr. CAPEHART. Name one instance——

Mr. McCARTHY. Will the Senator be kind enough to let me finish?

Mr. CAPEHART. Wherein the President of the United States or the Congress have given comfort to the Communists?

Mr. McCARTHY. Senator, forgetting what is being done today, the Korean surrender was appeasement. Giving up the Tachen Islands was appeasement. Giving up northern Indochina was appeasement. But a further example of appeasement is what the Senate is encouraging today. The Senate has before it a resolution which simply says that the President has said he is in sympathy with the objectives of Senate Resolution 116, namely, freeing the satellite nations and that the Senate is, too. And we say we hope the President will pursue that objective at Geneva. When the Senator urges the Senate tc vote against it, he is violating the Republican campaign pledges.

Mr. CAPEHART. I thought the Under Secretary of State said the President was in sympathy with the objective of the resolution.

Mr. McCARTHY. That is correct. The Senator is urging the Senate to vote against it, when the President has said he is in sympathy with its objective.

Mr. CAPEHART. I have not talked on the subject at all. The resolution which was before the committee last night is entirely different from the one now before the Senate. Why did the Senator from Wisconsin not amend the resolution yesterday?

Mr. McCARTHY. I made the changes to try to meet the objections of Senators like the Senator from Indiana.

Mr. CAPEHART. No; the Senator did not.

Mr. McCARTHY. Do not tell me I did not. I am telling the Senator why I changed the resolution.

Mr. CAPEHART. Why did the Senator——

Mr. McCARTHY. Will the Senator listen to me and be quiet for a minute?

Mr. CAPEHART. All the Senator did was to take what Under Secretary of State Hoover said yesterday and make it a part of the resolution.

Mr. McCARTHY. Will the Senator wait while I answer his question?

Mr. CAPEHART. Yes.

Mr. McCARTHY. Please try to be quiet while I answer.

Mr. CAPEHART. I do not like to have the Senator accuse me and other Republican Senators.

Mr. McCARTHY. Will the Senator now be quiet?

Mr. CAPEHART. The Senator said he was not going to become excited.

Mr. JOHNSON of Texas. Mr. President, I ask for the regular order.

The PRESIDING OFFICER (Mr. FREAR in the chair). The regular order will be followed.

Mr. McCARTHY. The Senator asked why I changed the resolution. I changed it for this reason: Yesterday I appeared before the committee of which the Senator is a member and I heard the objections made to my resolution. It was said we were tying the President's hands.

Mr. CAPEHART. I did not say that.

Mr. McCARTHY. I meant the committee. The committee argued that my resolution would tie the President's hands before the negotiators met in Geneva. At that time I decided the resolution would have no chance of passing in the face of the objection that it would tie the President's hands. Therefore, I tried to meet the objections of the committee and I took the language of the Under Secretary of State, Herbert Hoover, Jr. I said in view of the fact that the President said he was in sympathy with the objectives of the resolution, therefore the Senate should also go on record as being in sympathy with the resolution, and express its hope that the President will pursue those objectives at Geneva. Now the Senator is saying he will vote against it.

Mr. CAPEHART. No.

Mr. McCARTHY. I thought the Senator was.

Mr. CAPEHART. I rose to ask the Senator a question. The Senator had said that Republicans, the President, and the Secretary of State were Communist appeasers.

Mr. McCARTHY. I said they were violating their campaign pledges.

Mr. CAPEHART. There are some of us who feel that our record of fighting Communists is as good as the record of any other man. There are some of us who feel the Senator from Wisconsin is not always right; that he is sometimes wrong. There are some of us who have the courage to be with the Senator from Wisconsin when we think he is right, and who will vote against him when we think he is wrong. In this instance I think the Senator from Wisconsin is wrong. Personally I have no particular knowledge of any facts which would show that the President or the Secretary of State have in any way appeased Communists. I can say that the Korean Treaty was a matter of judgment, as was the Indochina Treaty; but fortunately or unfortunately—I think fortunately—the President of the United States and the Secretary of State handle these matters with the advice and consent of the Senate. I am not here to defend or carp about anybody, but I do not like the blanket indictment the Senator has made against every Republican, and particularly the blanket indictment he has made against the minority leader. Just give us the facts.

Mr. McCARTHY. When Republican Senators vote that they are not in favor of freeing the satellite nations, that is a clear-cut violation of their campaign pledges. That is the question on which the vote will come. The Under Secretary of State said the President is in sympathy with that goal.

I have asked the Senate to go on record on this matter, so the President will know that the Senate also is in favor of freeing the satellite nations. That is all the resolution calls for; it has now been watered down much more than I should like. A vote of "nay" on the resolution will be interpreted to mean that a Senator who so votes is voting against the idea of freeing the satellite nations, and that will be notice to the Communists and to the satellite nations that Members of the United States Senate are not in favor of freeing the satellite nations. I think such a vote would be disastrous. I cannot conceive that any Republican Senator would vote "nay" on that question, although I know that many of them will. For that reason I asked to be allowed to withdraw the resolution—to prevent a propaganda disaster. The Senator from Arkansas objected.

Mr. CAPEHART. Mr. President, the junior Senator from Wisconsin is referring to the sentiments expressed for the President and for the Secretary of State by the Undersecretary of State. The President and the Secretary of State have said they are in favor of freeing the satellite nations; and they are in favor of that, and everyone knows it.

Mr. McCARTHY. Then why does not the Senator from Indiana vote for it?

Mr. CAPEHART. I have not had a chance to do so. But the Senator from Wisconsin is raising a general indictment against the minority leader and all other Republican Members of the Senate. The Senator from Wisconsin should not do so. He should not try to indict those of us who in the past have voted to uphold his hand. He should not attempt to beat out our brains. I, myself, am a fairly good fighter, and I do not like to have my brains beaten out. This may be the first time for that to happen, but I do not like to have it done.

Mr. McCARTHY. Let me say in all candor that all Republican Senators joined in the Republican Party's campaign pledge to aid the satellite nations. Any Republican Senator who votes "nay" on the question of agreeing to this resolution will be violating that campaign pledge. It is entirely possible that some Republican Senators did not agree to that part of the Republican Party's campaign platform, but I have not heard any Republican Senator say he did not agree to it. That part of the Republican Party's platform was included in it after long thought. In fact, I believe that the Senator from Indiana himself was a member of the Republican platform committee.

Mr. CAPEHART. No; I was not.

Mr. McCARTHY. I am sorry. I thought the Senator from Indiana was a member of the platform committee.

Mr. President, the campaign platform constitutes a solemn pledge. Some Republican Senators will say, today, "We do not favor freeing the satellite nations"; and that is the subject on which the vote will be taken.

Mr. CAPEHART. But I know of no action on the part of the President or the Secretary of State or the Congress which would indicate that they are not 100 percent in favor of freeing the satellite nations.

The junior Senator from Wisconsin is simply talking about words. Let us consider the record of the President and the Secretary of State, insofar as this

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matter is concerned, instead of simply making a blanket indictment.

When I am told that it was agreed at San Francisco that our representatives could take up any subject they might wish to take up at the conference—which includes what the Senator from Wisconsin suggests in his resolution—then, personally, I can see no necessity for the resolution. I see no necessity for it.

Mr. JENNER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. FREAR in the chair). The amendment will be stated.

The Chief Clerk read as follows:

Resolved, That the Senate hereby expresses its full support of any and all efforts of the President, at any meeting or conference with other nations, to state the deep interest of the American people in the present and future status of the nations of Eastern Europe and Asia now under Communist control.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kentucky will state it.

Mr. BARKLEY. Is the amendment which has just been read, offered as an amendment to the resolution which is the subject of the debate; or is the amendment offered as an amendment to the amendment of the Senator from Wisconsin to the resolution?

The PRESIDING OFFICER. The Chair understands it is an amendment in the nature of a substitute for the amendment of the Senator from Wisconsin.

Mr. JENNER. That is correct, Mr. President; it is offered as an amendment in the nature of a substitute for the amendment of the Senator from Wisconsin.

Mr. President, I do not care to speak on the amendment. If every Senator listened carefully to the reading of the amendment, I think it will be agreed to; and that will dispose of the present controversy. It will put the United States in the light in which it wishes to be put, and the hands of no representative of the United States will be tied.

My amendment to the amendment of the Senator from Wisconsin will merely affirm that our great Nation, which is the hope and light of freedom, has not lost faith in the people of the countries of Eastern Europe and Asia who are now under Communist control. I think my amendment to the amendment of the Senator from Wisconsin will clarify the matter, and will permit the sense of the Senate to be known, without hampering anyone in our Government.

Mr. MORSE. Mr. President, I have sought to be recognized ever since the junior Senator from Wisconsin attacked the junior Senator from Arkansas [Mr. FULBRIGHT]. Now that I have been recognized I rise to the defense of the Senator from Arkansas.

Mr. President, this afternoon we are writing pages of history which will be read and studied long after we become dust and ashes. I do not propose to have this RECORD closed today with the attack of the junior Senator from Wisconsin on the Senator from Arkansas [Mr. FULBRIGHT] unanswered.

I am satisfied that under the rules of the Senate, the junior Senator from Wisconsin could have been called to order for his unwarranted reflections upon the Senator from Arkansas [Mr. FULBRIGHT]. I did not call him to order, because I believe in unlimited, free debate in the Senate, subject, of course, to the reasonable limitations of the rules of decency and mutual respect which should prevail among Senators during debate. Also I had hoped that before the Senator from Wisconsin [Mr. MCCARTHY] finished his speech, he would upon reflection, withdraw his attack upon the Senator from Arkansas [Mr. FULBRIGHT].

I wish to say that I do not know of a Member of the Senate who is a more noble patriot than is the Senator from Arkansas [Mr. FULBRIGHT]; and I do not know of any Member of the Senate of the United States whose record excels that of the Senator from Arkansas, as regards opposition to communism.

I think it is most regrettable that the unfair statement that the junior Senator from Wisconsin made this afternoon about the Senator from Arkansas [Mr. FULBRIGHT] has been placed on the pages of the CONGRESSIONAL RECORD, for future generations to read.

Let us consider, for example, the record of the junior Senator from Arkansas [Mr. FULBRIGHT] in connection with the great piece of legislation which is known as the Fulbright scholarship bill. Let any Member of the Senate point to a piece of legislation which has caused a more effective series of blows to be struck against communism in the world, than those which have been struck against communism by the Fulbright scholarship bill.

Mr. President, one of the most effective ways to show up communism in the world is to export to all corners of the world the American system of freedom, as we are doing through the educational processes made possible by the Fulbright scholarships.

Mr. President, the Members of the Senate can have great differences of opinion; but certainly there is a code of personal ethics in debate which should be followed by Senators. That code of debate should be based upon the major premise that each Member of the Senate acts out of a sincerity of motivation in support of the flag which stands behind the Presiding Officer's chair. I, for one Senator, have for the last time in the Senate listened in silence to the junior Senator from Wisconsin cast reflection upon the integrity of colleagues in the Senate of the United States.

Mr. MCCARTHY. Mr. President, I ask that the Senator from Oregon be called to order.

The PRESIDING OFFICER. Under the rule, the Senator from Oregon is required to take his seat.

Mr. MORSE. Mr. President, I will not waste my time listening further to the junior Senator from Wisconsin. I wish to say that today, for the last time, have I sat in the Senate of the United States and listened in silence to the junior Senator from Wisconsin attempt to cast a reflection upon the integrity of a colleague in the Senate.

The PRESIDING OFFICER. Under the rule, the Senator from Oregon is required to take his seat.

Mr. JOHNSON of Texas. Mr. President, the Senator from Oregon has not violated any rule of the Senate. I move that the Senator from Oregon be allowed to proceed.

The PRESIDING OFFICER. Under the rule, the necessary motion is that the Senator from Oregon be allowed to proceed in order.

The question is on agreeing to the motion of the Senator from Texas.

Mr. MCCARTHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allott	Fulbright	McCarthy
Anderson	Gore	McClellan
Barkley	Green	McNamara
Barrett	Hayden	Millikin
Beall	Hennings	Monroney
Bender	Hickenlooper	Morse
Bennett	Hill	Mundt
Bible	Holland	Neely
Bricker	Hruska	Neuberger
Bridges	Ives	O'Mahoney
Bush	Jackson	Pastore
Butler	Jenner	Payne
Byrd	Johnson, Tex.	Purtell
Capehart	Johnston, S. C.	Robertson
Carlson	Kefauver	Saltonstall
Case, N. J.	Kennedy	Schoeppel
Case, S. Dak.	Kerr	Scott
Chavez	Kilgore	Smathers
Clements	Knowland	Smith, Maine
Curtis	Kuchel	Sparkman
Daniel	Langer	Stennis
Douglas	Lehman	Symington
Duff	Long	Thye
Dworshak	Malone	Watkins
Ellender	Mansfield	Welker
Ervin	Martin, Iowa	Williams
Frear	Martin, Pa.	Young

The PRESIDING OFFICER. A quorum is present.

The question in on agreeing to the motion of the Senator from Texas [Mr. JOHNSON] that the Senator from Oregon [Mr. MORSE] be permitted to proceed in order.

The motion was agreed to.

Mr. MORSE. Mr. President, as I said before I was interrupted by the Senator from Wisconsin, for the last time do I intend to sit in my place on the floor of the Senate in silence while the Senator from Wisconsin casts reflections upon the integrity of any of my colleagues in the Senate.

The time has come, in my judgment, in the history of this session of Congress, to make it perfectly clear to all our colleagues—each and every one of the 96 of us—that there is a code of ethics which should govern us in debate in the Senate. We can have great differences of opinion among us on the merits of issues, and at the same time conform to a code of fair debate. I think it is a pretty sad reflection on the Senate and its history to have any Member of this body impugn the patriotism and integrity of any other Member of this body.

There is no basis in fact for impugning the patriotism of the great Senator from Arkansas, BILL FULBRIGHT. I consider him not only one of the great scholars of the Senate, not only one of the great public servants of the Senate, but one of the great Americans living today.

That is my reply to the Senator from Wisconsin. When one reads the RECORD tomorrow he cannot, in fairness, reach any other conclusion than that the Senator from Wisconsin tried to brush all over the Senator from Arkansas a smear of appeasement of communism. I happen to be one Member of the Senate who resents that kind of tactic in debate in the Senate.

Now let me say something about the resolution of the Senator from Wisconsin. I believed that it ought to go to the Committee on Foreign Relations. I happened to believe that it ought to come back from the Foreign Relations Committee for action on the floor of the Senate, and that the Senator from Wisconsin was entitled to that consideration from the Foreign Relations Committee.

That is why I gave instructions, when I was obliged to leave after the first 45 minutes of the discussion yesterday afternoon, that my proxy should be voted to report the resolution unfavorably to the Senate. I thought the Senator from Wisconsin was entitled to that procedural consideration from the Foreign Relations Committee. Why? Because he represents a great sovereign State of the Union in the Senate of the United States, and the people of that State are entitled to effective representation, so long as he serves them in this body.

Procedurally the very essence of this resolution is time. We could not table the resolution in the committee without jeopardizing the time factor which confronted the Senator from Wisconsin. The Senator from Wisconsin was fighting against time, in order to have presented to the United States Senate a point of view with which I am not in agreement, so far as his resolution is concerned. I thought that, representing the people of the sovereign State of Wisconsin, he ought to have an opportunity to obtain a vote on the floor of the Senate. That is why I took the position in the Committee on Foreign Relations that his resolution should be reported unfavorably to the floor of the Senate.

Let me say a word or two further with respect to the resolution itself. I shall not talk about motivations. Who are we, as mere human beings, to pass judgment upon the motivations of any colleague? I leave the question of motivation to be settled between each colleague and his Creator. However, I think it is clear on the record that the Senator from Wisconsin has at least given the American people the impression that he has been against a conference at the summit.

I happen to be one who believes that a conference at the summit is very important, not because I think much is going to be solved by a conference at the summit, but because, as I have been heard to say on the floor of the Senate many times during the past 10 years, I think we must carry this cold war propaganda fight to the Russians at all times. I do not think we ought ever to let the Russians create the vicious, lying impression around the world that we are afraid to go into a conference with them at the summit—or, for that matter, at a lower level.

I think we must always demonstrate to the people of the world that we are a Nation of peace, and that Russia is a nation of war. We must demonstrate at all times that we are willing to sit down and listen, with our ears and eyes open, cognizant of the fact—I think it is a fact, because there has been no demonstration by Russia that it is not a fact—that there is no intention on the part of the Russians but to deceive. I believe Russia has no intention to do anything but maneuver and manipulate, in an endeavor to take behind the Iron Curtain those areas of the world not now behind the Iron Curtain. Through false propaganda Russia hopes to influence areas where there are millions of people still in doubt about the high purposes of the United States. Those millions must be won over to the side of freedom, if the heritage of freedom is to be left for future centuries of American boys and girls. We must never give the Russians a propaganda weapon to use against us. A failure to be willing to meet with them at the summit would play right into their false propaganda about us.

That is why I want a conference at the summit, so far as my major reason is concerned.

As a secondary reason, let me say that, as a Christian, I always live in hope of a lasting peace. I believe that the affairs and the fate of man are divinely guided. I am always hopeful that a Divine expression may manifest itself at some time at such a conference, and that as the result of the will of providence we may reach some accord with the Communists in the promotion of peace.

In other words, I believe that we should never give up hope and that we should never stop trying to negotiate an honorable peace with the Russians. It is our clear spiritual duty.

For those two reasons I was among the first in the Senate to publicly urge a conference at the summit, and I urge it now. For those reasons I do not believe that we ought to throw any roadblocks into the path of the President of the United States by seeking to instruct him in advance as to a precondition which he must lay down in order to negotiate at all with the Russians. Why do I say that? I say it because the resolution itself can be used by the Communists as a means of embarrassing the President of the United States.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MORSE. I refuse to yield at this time. Of course, the Russians, in my judgment, will not agree to any discussion of the satellite countries. If we want to break up the chances of having a conference at the summit, let us vote for the resolution of the Senator from Wisconsin. I think it would be used by the Russians as a vehicle and as an instrumentality and as a weapon to accomplish what I believe is probably their basic aim, namely, a disruption of the conference. I do not think the Russians want a conference at the summit any more than does the Senator from Wisconsin [Mr. MCCARTHY]. If we handle ourselves properly in this conference—and I believe the President and the Secretary of State are aware of the dangers—we can give the Russians a terrific shellacking so far as the propaganda war is concerned. By bringing them into the conference and sitting and listening to their propaganda, and then through our good-faith proposals showing the world who is on the side of peace and freedom, I think we win increasing millions to our cause. Therefore I am against the resolution of the Senator from Wisconsin [Mr. MCCARTHY] because I think its passage would help the Russians disrupt the conference at the summit.

Mr. THYE. Mr. President, the only reason I asked the Senator from Oregon to yield when I did was to commend him for pointing up the issues that are involved, and to say to him that he has stated the issues more clearly than they have been stated this afternoon. I want to say to the Senator from Oregon that he has done a very able job. That is why I wanted to interrupt him.

Mr. MORSE. The Senator from Minnesota is very kind.

Mr. LEHMAN subsequently said: Mr. President, I wish to make a few brief remarks in associating myself with the statement made earlier this afternoon by the distinguished senior Senator from Oregon [Mr. MORSE] concerning the attack made by the junior Senator from Wisconsin [Mr. MCCARTHY] on our colleague, the distinguished junior Senator from Arkansas [Mr. FULBRIGHT]. What the Senator from Oregon said in that connection needed to be said. The remarks of the Senator from Oregon were fully justified. Certainly what happened here this afternoon was a most unfortunate occurrence reflecting on the dignity and the good faith of the United States Senate.

I also wish to congratulate heartily the Senator from Arkansas [Mr. FULBRIGHT] on the action he took in objecting to the attempt by the junior Senator from Wisconsin to withdraw his original resolution. If the Senator from Arkansas had not objected, I myself would have done so. I am very happy, indeed, that the Senator from Arkansas objected, and that later he also objected to the proposal to withdraw the preamble of the resolution of the junior Senator from Wisconsin.

Mr. President, I wish to congratulate both the senior Senator from Oregon [Mr. MORSE] and the junior Senator from Arkansas [Mr. FULBRIGHT] on the position and the attitude they assumed this afternoon in the Senate.

Mr. FULBRIGHT. Mr. President, I desire to express my appreciation to the junior Senator from New York [Mr. LEHMAN] for his very kind words, and I also wish to express my appreciation to the senior Senator from Oregon [Mr. MORSE].

I thoroughly approve of the sentiments expressed by the Senator from Oregon regarding the procedure on the floor of the Senate. He has always contributed a great deal to orderly procedure in the Senate.

It is, of course, one of the outstanding characteristics of the junior Senator from Wisconsin [Mr. MCCARTHY] that

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he has a capacity to disrupt the orderly procedure of whatever body or whatever committee in which he happens to be involved. I, myself, hesitated to answer him, because I was afraid that to do so would further delay the action of the Senate in obtaining a vote on the resolution.

However, I think it is an extremely dangerous and bad practice, for one Member of the Senate to attack another. So far as I personally am concerned, I am not offended in the slightest by whatever opinion the junior Senator from Wisconsin [Mr. McCARTHY] may have of me, as a personal matter.

But I wish to say that I do very much appreciate the statements which have been made by the junior Senator from New York and the senior Senator from Oregon.

Mr. MORSE. Mr. President, I desire to thank the Senator from New York for his very courteous remarks. I can think of no higher compliment than one coming from him.

Mr. KNOWLAND. Mr. President, I respectfully suggest for the consideration of the distinguished Senator from Indiana [Mr. JENNER] that it would be more advisable—if he would be willing to do so and it met with the judgment of the Senate—to withdraw his amendment as it is presently constituted, and submit it as a new resolution and permit it to go to the Committee on Foreign Relations.

We are dealing with a very delicate matter. On the face of it there seems to be little that any Senator could object to in the amendment, but we have a complex situation today, and we are not in a position to amend the "whereas" clauses under the parliamentary situation as it presently exists.

If the Senator from Indiana on his own initiative would submit the amendment as a new resolution and have it referred to the Committee on Foreign Relations, and if the Secretary of State should complete the preliminary discussions which are now in progress in San Francisco within a day or two, we could have the Secretary of State come before the Committee on Foreign Relations to discuss the resolution with us.

I am sure no one in the Senate wishes to do any harm to our basic foreign policy. I believe we ought to make clear today that we have a deep interest in the people who find themselves enslaved behind the Iron Curtain. I have no doubt that after proper hearings and proper procedure a resolution could come from the committee which I hope would receive the vote of all 96 Senators.

Of course, all I can do is to make the suggestion. I realize there may be some differences of opinion as to procedure. However, it seems to me that if the Senator were to follow that course we would have a new resolution before the committee, which I believe we would be able to get out of the committee within a reasonably short time.

Mr. JENNER. I would be happy to do that provided both resolutions are referred back to the committee and a new resolution is brought forth. I so move to recommit, Mr. President.

The PRESIDING OFFICER. What is the Senator's motion?

Mr. JENNER. To recommit.

Mr. LEHMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair understands the Senator from Indiana to move to recommit the original resolution. Is that correct?

Mr. JENNER. Yes; that is the only way we can get both resolutions to the committee.

Mr. JOHNSON of Texas. Mr. President, many and various attempts have been made to prevent the Senate from expressing itself on the pending business. As I said earlier in the day, I hope the Senate will not allow itself to be diverted from passing on the resolution.

I see some merit in the suggestion of the minority leader, that the proposed substitute of the Senator from Indiana [Mr. JENNER] to the substitute offered by the Senator from Wisconsin [Mr. McCARTHY] be considered by the Committee on Foreign Relations and that testimony be taken on it.

As I said earlier today, I am prepared to support before the committee an expression of the sense of the Senate with regard to the people who have been gobbled up behind the Iron Curtain.

However, the issue today is not that issue. The issue is whether at this moment, at this hour, we are going to say to the President of the United States and to the Secretary of State that we, the Senate, will not face our responsibilities and give them an expression of confidence in line with their constitutional responsibilities.

Mr. President, I did not submit the resolution. I did not ask for its consideration. However, when it was submitted and when it was referred to the committee, and when the committee unanimously acted on it, I said to the committee, and I say to the Senate, that the issue had been joined, and the question had been raised with the American people. I said that no doubt we would be confronted with various diversionary moves, but that we must plow the furrow straight and go straight down the line, and let each Senator express himself on the resolution.

I can assure the Senator from Indiana and the minority leader that I will be glad to do everything within my power as an individual Senator to make certain that any resolution on which the President and the Secretary of State and the distinguished chairman of the Committee on Foreign Relations, who is not present today, and Members on both sides of the aisle could agree on, will be brought before the Senate so that it would have an opportunity to act.

However, the yeas and nays have been ordered on the resolution reported by the committee, and I believe a majority of the Senators are willing and ready to express themselves on that question. If the Senator from Indiana desires to withdraw his own amendment, that is his privilege, but we cannot withdraw the McCarthy resolution, unless we want to dodge it and sweep it under the rug and not face up to it—unless we want to say that the Senate is fearful and does not want to make a decision and that some Members have confidence in the President and some do not have confidence in him so the Senate just sent the resolution back to the committee.

We can do that, if we vote for a motion to recommit the McCarthy resolution. I hope the Senator will not ask us to do that. I hope he will withdraw his motion. I shall be glad to join with the minority leader in seeing that his proposal receives prompt consideration. I have been criticized today because I gave the same assurance to the Senator from Wisconsin, but I am pleased at the prospect of the Senator from Indiana making the proposal he has made, provided it follows the usual procedure. I have not studied it, but as I understand, he desires the Senate to express its full support of any and all efforts of the President at any meeting or conference with other nations to state and confirm the deep interest of the American people in the present and future status of the nations of eastern Europe and Asia now under Communist control.

I think the committee could take that, and I think it is somewhat encouraging to us and to all the Members of the Senate on both sides of the aisle that the Senator from Indiana feels that way about it. I see nothing in it, Mr. President, that would cause me to take issue. I should like to have the recommendations of my colleagues on both sides of the aisle, if they can give them shortly, and if the department concerned can give its acquiescence or approval, and if the constituted authorities express themselves on it. I would not necessarily go along with them, but I should like to have their advice before consideration. If Senators are willing to do that, we can vote on Resolution 116, upon which the yeas and nays have been ordered, and I would not anticipate any further business today.

Mr. JENNER. Mr. President, I was merely trying to do that which I thought would help my country and also would restate to the world the way the Senate feels about the problem. I came to the floor late last evening and found what the situation was. The McCarthy resolution was submitted, and he asked for immediate consideration and received it. If the majority leader is willing to accept my suggestion, I do not see why we cannot have a clean resolution disposing of the matter, at least, by tomorrow.

SEVERAL SENATORS. Vote! Vote!

Mr. JENNER. Mr. President, I ask for the yeas and nays on the motion to recommit.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana to recommit.

The motion was not agreed to.

Mr. JOHNSON of Texas. Mr. President, is the pending amendment the McCarthy amendment to the original resolution reported by the committee?

The PRESIDING OFFICER. The Senator from Indiana has not withdrawn his substitute amendment, in the opinion of the Chair.

Mr. McCARTHY. Mr. President, I accept the amendment of the Senator from Indiana.

SEVERAL SENATORS. Vote! Vote!

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Is it in order for the author of the McCarthy amendment to accept an amendment by the Senator from Indiana to his resolution?

The PRESIDING OFFICER. The Senator from Wisconsin can accept the substitute of the Senator from Indiana to his substitute, but not to his resolution.

Mr. WATKINS. Mr. President, if the McCarthy amendment should be accepted, how would the resolution then read?

The PRESIDING OFFICER. If the motion before the Senate is acted upon favorably, the motion on which the yeas and nays have been ordered, it would be a confirmation of the amendment offered by the Senator from Indiana.

Mr. WATKINS. Is the amendment of the Senator from Indiana in substitution for the entire resolution of the Senator from Wisconsin, or only of his amendment?

Mr. JOHNSON of Texas. The McCarthy resolution contains a series of "whereases." There is nothing we can do about amending any of the "whereases." They are there, and will be there as long as the resolution is before the Senate. The yeas and nays have been ordered on the resolution.

As the Senator from Kentucky brought out earlier today, we can amend, strike out, add to, or change anything after line 1 on page 2 of the resolution, in the resolving clause. That has been done. We have had a suggestion from the Senator from Indiana that he would be glad to recommit the whole thing. The Senator from Wisconsin has agreed to accept the suggestion of the Senator from Indiana. I do not know whether they have thought it through; but whether they have or not, it shows the wisdom of having the committee go into these things. I think it is very dangerous to start legislating foreign policy on the floor of the Senate under any circumstances, without the most careful scrutiny by the committee, the staff, and the Department.

The resolution now provides:

Resolved, That it is the sense of the Senate that at said foreign ministers' meeting at San Francisco or at such other meeting or occasion as may be appropriate, prior to any such conference between the heads of state, the Secretary of State should secure the agreement of the Soviet Union, the United Kingdom, and France that the present and future status of the nations of Eastern Europe and Asia now under Communist control shall be a subject for discussion at such conference between the heads of state.

Mr. WATKINS. Mr. President, is it planned to substitute the language of the proposal of the Senator from Indiana for the language now in the resolving clause?

Mr. JENNER. That is correct.

Mr. WATKINS. So that the language of the proposal of the Senator from Indiana is a substitute for the language of the proposal of the Senator from Wisconsin, and he has agreed to that language?

Mr. JENNER. That is correct.

Mr. WATKINS. I had understood that it was a substitute for the entire resolution.

Mr. JENNER. No; only for what follows the resolving clause.

Mr. JOHNSON of Texas. It is the voice of Jacob and the hand of Esau. I hope the Senate will not agree. I hope not many Members will agree to this shotgun procedure. On a question of such delicacy, with a conference going on at San Francisco and another big one coming up, we can trust the committee which has given the issue thoughtful study, and I hope the Senate will vote this proposition down.

Mr. WATKINS. I thank the Senator for his explanation. The thought I had in mind when I asked the question was that, while, so far as I was personally concerned, I understood the situation, I did not think the RECORD would show a clear statement of exactly what we were to vote upon. I thank the Senator for his explanation.

Mr. JOHNSON of Texas. The Senator, as usual, is thorough, and I appreciate his suggestion.

Mr. ALLOTT. Mr. President, it is with great reluctance that I rise to speak on this matter at this time. However, I should like first, to make a parliamentary inquiry in order to be certain that we are correct, namely, that none of the "whereas" clauses of the resolution may be stricken at this time.

The PRESIDING OFFICER. The Senator from Colorado is correct. May the Chair, for the information not only of the Senator from Colorado but of all Senators, invite attention to the fact that rule XXIIII on page 29 of the manual states as follows:

When a bill or resolution is accompanied by a preamble, the question shall first be put on the bill or resolution and then on the preamble.

Mr. ALLOTT. That being the case, I shall discuss the matter very briefly. The next to the last whereas clause in the resolution reads:

Whereas failure to discuss said areas under Communist control at said Geneva meeting implies de jure recognition of Communist domination of said areas, and thus the establishment of a permanent threat to the safety, peace, and independence of the United States.

Bouvier, and I think every other lawyer understands that de jure means by right, or by right of law, or lawfully, as distinguished from de facto, which means something which exists or is in existence, but not necessarily by right, or by right of law. De jure means rightfully, lawfully, or by legal title.

Therefore, if I were to vote for the resolution, it would mean that I would be voting for a statement that the failure to discuss the matter at the Geneva meeting implies the de jure recognition of Communist domination of certain areas. I am not willing to make such a statement myself, nor am I willing to vote for such a statement as is contained in the resolution.

Under the ruling of the Chair a few minutes ago, this may be later considered, after the resolving part of the resolution proper has been voted on; but then I would place myself in the position of having voted for a resolution, a part of which I cannot embrace and in which I do not believe.

Therefore, also embracing the general principle which has been stated innumerable times upon the floor this afternoon, I do not believe in hamstringing the executive of our Government when he attempts to negotiate with other countries. Nor should we try to write foreign policy upon the floor of the Senate.

I cannot and will not endorse the statement which is made in the "whereas" clause to which I have referred, and which I implore Senators to read. Let Senators ask themselves whether they are willing to say, by voting for it, that the failure to discuss that subject at the forthcoming conference implies de jure recognition of the Communist countries. I urge Senators to read that clause and to ask themselves whether they are willing, by voting for the resolution, to endorse such a statement.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. ALLOTT. Not at the moment.

Mr. McCARTHY. Will the Senator yield for 10 seconds?

Mr. ALLOTT. Very well; I yield.

Mr. McCARTHY. I call the Senator's attention to something which he may not have heard the Chair say; that is, that the Senate will vote first upon the resolution itself; and then, under the rule, the preamble will be voted upon. So the "whereas" clauses will not be voted on originally. The first vote will be upon the Jenner substitute. If that is agreed to, then the Senate will vote upon the "whereas" clauses. So the Senator will have two separate votes.

Mr. ALLOTT. I thank the Senator from Wisconsin. I believe I have the situation clear in my mind.

As I stated a few moments ago, if I vote for the resolution, I shall have to vote for it in the hope that this particular "whereas" clause will later be stricken. If it should not be stricken, then I would find myself in the position of having voted for a resolution, a part of which I believe to be false and which I cannot possibly endorse.

Therefore, I shall vote against the resolution. I am sorry the rules of the Senate make it necessary to do so in this way. But it is a fact that I might find myself in that position, as every other Senator on the floor might also.

Mr. JENNER. Mr. President, a parliamentary inquiry.

Mr. ALLOTT. I yield to the Senator from Indiana.

Mr. JENNER. I thought the Senator from Colorado had concluded.

The PRESIDING OFFICER. The Senator from Indiana will state his parliamentary inquiry.

Mr. JENNER. Is it not correct that the Senate vote first on the Jenner substitute?

The PRESIDING OFFICER. The JENNER amendment having been accepted as a modification, the vote will

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come on the McCarthy substitute, as modified by the Jenner amendment.

Mr. JENNER. If the Jenner substitute shall be approved, then the preamble will be subject to amendment.

The PRESIDING OFFICER. After the adoption of the resolution.

Mr. JENNER. Then the preamble will be subject to amendment. So any objections which Senators may have, such as the Senator from Colorado has raised, can be taken care of.

Mr. JOHNSON of Texas. If the Senate proceeds on the assumption that the preamble will be amended over the objections which have been raised, I do not think that is correct. I understand that the preamble cannot be touched until the Senate has adopted the resolution.

Mr. JENNER. Mr. President, in order to clarify the situation, I ask unanimous consent to strike the preamble of the resolution.

Mr. FULBRIGHT. I object.

Several Senators. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute, as modified, proposed by the Senator from Wisconsin [Mr. McCarthy].

Mr. JENNER. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute, as modified, proposed by the Senator from Indiana.

The amendment in the nature of a substitute, as modified, was rejected.

The PRESIDING OFFICER. The question now recurs on the original resolution. The yeas and nays having been ordered, the clerk will call the roll.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President I ask unanimous consent that the order for a quorum call may be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the resolution. A negative vote will carry out the recommendation of the committee. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. Eastland], the Senator from Washington [Mr. Magnuson], the Senator from Georgia [Mr. Russell], and the Senator from South Carolina [Mr. Thurmond] are absent on official business.

The Senator from Georgia [Mr. George] is unavoidably absent.

The Senator from Minnesota [Mr. Humphrey] is absent by leave of the Senate to attend the United Nations anniversary celebration in San Francisco as representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. Murray] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Montana [Mr. Murray] has a general pair with the Senator from Michigan [Mr. Potter].

I further announce that if present and voting, the Senator from Georgia [Mr. George], the Senator from Minnesota [Mr. Humphrey], the Senator from Washington [Mr. Magnuson], the Senator from Montana [Mr. Murray], and the Senator from Georgia [Mr. Russell] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senators from Vermont [Mr. Aiken and Mr. Flanders, the Senator from New Hampshire [Mr. Cotton], the Senator from Arizona [Mr. Goldwater], and the Senator from Wisconsin [Mr. Wiley] are absent on official business.

The Senator from Illinois [Mr. Dirksen] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. Potter] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from New Jersey [Mr. Smith] is necessarily absent.

The Senator from Michigan [Mr. Potter] has a general pair with the Senator from Montana [Mr. Murray].

If present and voting, the Senator from Vermont [Mr. Flanders], the Senator from Arizona [Mr. Goldwater], and the Senator from New Jersey [Mr. Smith] would each vote "nay."

The result was announced—yeas 4, nays 77, as follows:

YEAS—4

Jenner	Malone	McCarthy
Langer		

NAYS—77

Allott	Frear	McNamara
Anderson	Fulbright	Millikin
Barkley	Gore	Monroney
Barrett	Green	Morse
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Ives	Purtell
Butler	Jackson	Robertson
Byrd	Johnson, Tex.	Saltonstall
Capehart	Johnston, S. C.	Schoeppel
Carlson	Kefauver	Scott
Case, N. J.	Kennedy	Smathers
Case, S. Dak.	Kerr	Smith, Maine
Chavez	Kilgore	Sparkman
Clements	Knowland	Stennis
Curtis	Kuchel	Symington
Daniel	Lehman	Thye
Douglas	Long	Watkins
Duff	Mansfield	Welker
Dworshak	Martin, Iowa	Williams
Ellender	Martin, Pa.	Young
Ervin	McClellan	

NOT VOTING—15

Aiken	George	Potter
Cotton	Goldwater	Russell
Dirksen	Humphrey	Smith, N. J.
Eastland	Magnuson	Thurmond
Flanders	Murray	Wiley

So the resolution (S. Res. 116) was rejected.

The PRESIDING OFFICER. The preamble accompanying a resolution which is rejected by the Senate is not acted upon.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARTHY. In view of the fact that my amendment was not acted upon, but only the Jenner amendment to my amendment has been acted upon, what is the status of my amendment at the present time?

The PRESIDING OFFICER. All the amendments are dead.

Mr. McCARTHY. In other words, even though the amendment was not acted upon, it dies with the rejection of the resolution?

The PRESIDING OFFICER. It was acted upon, because action was taken on the substitute.

Mr. JOHNSON of Texas. The Senator accepted the substitute.

Mr. FULBRIGHT. Mr. President, I wish to add a few words to what has already been said regarding the action of the senior Senator from Texas [Mr. Johnson]. I desire to compliment him, and to say that I think his leadership, in connection with the action taken this afternoon by the Senate, shows statesmanship of the highest order. The rejection of the resolution which would have injected the Senate into the very delicate negotiations regarding the so-called meeting at the summit, was a very fine contribution to the dignity, the orderliness, and the security of this body and of our constitutional system. I wish to say that I think the senior Senator from Texas has made a very great contribution to the work of the Senate and to the security of the Nation.

Mr. JOHNSON of Texas. Mr. President, I can only say that there is no Member of the Senate whom I would rather have feel that way about me than my friend of long standing, the Senator from Arkansas [Mr. Fulbright]. I appreciate it very, very much.

Mr. SPARKMAN. Mr. President, I wish to second what the distinguished Senator from Arkansas [Mr. Fulbright] has said. In fact, I would go a little further, and would say that the magnificent work and leadership of the distinguished senior Senator from Texas [Mr. Johnson] have brought the Senate to an action which I believe serves notice to the rest of the world of our unity and our solidarity behind the President of the United States at the forthcoming conferences. I use advisedly the phrase "the forthcoming conferences," because I think the impending conference is only one of several which will be necessary.

In my opinion, the finest thing we could do was to serve notice on the entire world that, regardless of partisanship, the Members of the Senate are backing the President of the United States in whatever move he may make toward bringing about better understanding among the nations of the world.

So I desire to compliment the distinguished majority leader for the fine contribution he has made to that end.

Mr. JOHNSON of Texas. I thank the Senator from Alabama very much.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, requested the Senate to return to the House the message of the House

notifying the Senate that the House had concurred in the amendment of the Senate to the bill (H. R. 4249) for the relief of Orrin J. Bishop.

The message announced that the House had severally agreed to the amendments of the Senate to the following bills of the House.

H. R. 947. An act for the relief of Carl E. Edwards;

H. R. 1085. An act for the relief of Moses Aaron Butterman; and

H. R. 1660. An act for the relief of Wencenty Peter Winiarski.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5046) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FOGARTY, Mr. FERNANDEZ, Mr. LANHAM, Mr. DENTON, Mr. CANNON, Mr. TABER, Mr. HAND, and Mr. JENSEN were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 1 and 50 to the bill, and concurred therein, and that the House receded from its disagreement to the amendment of the Senate numbered 53 and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ANDREWS, Mr. MAHON, Mr. SHEPPARD, Mr. GARY, Mr. RABAUT, Mr. SHELLEY, Mr. CANNON, Mr. FENTON, Mr. COUDERT, Mr. WILSON of Indiana, Mr. JAMES, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 932. An act for the relief of Ludwika Hedy Hancock (nee Nikolajewicz);

H. R. 1151. An act for the relief of Lt. (jg.) Svend J. Skou;

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon;

H. R. 1180. An act for the relief of Kimiko Sueta Thompson;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1302. An act for the relief of Adelheid Walla Spring;

H. R. 1304. An act for the relief of Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa), Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro);

H. R. 1435. An act for the relief of Paul Compagnino;

H. R. 1436. An act for the relief of Ervin Benedikt;

H. R. 1439. An act for the relief of Menachem Hersz Kalisz;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1698. An act for the relief of Anne Cheng;

H. R. 1911. An act for the relief of Charlotte Schwalm;

H. R. 1927. An act for the relief of Ralph Michael Owens;

H. R. 1987. An act for the relief of Kimie Hayashi Crandall;

H. R. 2059. An act for the relief of Edward Patrick Cloonan;

H. R. 2070. An act for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio;

H. R. 2241. An act for the relief of Amalia Bertolino Querio;

H. R. 2242. An act for the relief of Kim Joong Yoon;

H. R. 2244. An act for the relief of the estate of Joseph Alfonso;

H. R. 2259. An act for the relief of Alessandra Barile Altobelli;

H. R. 2306. An act for the relief of Maria de Rehbinder;

H. R. 2307. An act for the relief of Julius, Ilona, and Henry Flehner;

H. R. 2313. An act for the relief of Mrs. Agnethe Gundhil Sundby;

H. R. 2315. An act for the relief of Antonio (Orejel) Cardenas;

H. R. 2349. An act for the relief of Charles S. Youngcourt;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2749. An act for the relief of George Risto Divitkos; and

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 903. An act for the relief of Harold C. Nelson and Dewey L. Young;

H. R. 1069. An act for the relief of Hussein Kamel Moustafa;

H. R. 1202. An act for the relief of Robert H. Merritt;

H. R. 1400. An act for the relief of David R. Click;

H. R. 1409. An act for the relief of W. H. Robinson & Co.;

H. R. 1416. An act for the relief of J. B. Phipps;

H. R. 1640. An act for the relief of Constantine Nitsas;

H. R. 1643. An act for the relief of the estate of James F. Casey;

H. R. 2456. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 2529. An act for the relief of Albert Vincent, Sr.;

H. R. 2760. An act for the relief of Mrs. Sally Rice;

H. R. 3045. An act for the relief of George L. F. Allen;

H. R. 3958. An act for the relief of Louis Elterman;

H. R. 4714. An act for the relief of Theodore J. Harris;

H. R. 5196. An act for the relief of the Overseas Navigation Corp.;

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway; and

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles, and referred, as indicated:

H. R. 932. An act for the relief of Ludwika Hedy Hancock (nee Nikolajewicz);

H. R. 1151. An act for the relief of Lt. (jg.) Svend J. Skou;

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon;

H. R. 1180. An act for the relief of Kimiko Sueta Thompson;

H. R. 1301. An act for the relief of Karlis Abele;

H. R. 1302. An act for the relief of Adelheid Walla Spring;

H. R. 1304. An act for the relief of Mother Amata (Maria Cartiglia), Sister Ottavia (Concetta Zisa), Sister Giovina (Rosina Vitale), and Sister Olga (Calogera Zeffiro);

H. R. 1435. An act for the relief of Paul Compagnino;

H. R. 1436. An act for the relief of Ervin Benedikt;

H. R. 1439. An act for the relief of Menachem Hersz Kalisz;

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H. R. 1698. An act for the relief of Anne Cheng;

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H. R. 1927. An act for the relief of Ralph Michael Owens;

H. R. 1987. An act for the relief of Kimie Hayashi Crandall;

H. R. 2059. An act for the relief of Edward Patrick Cloonan;

H. R. 2070. An act for the relief of Dr. Carlos Recio and his wife, Francisca Marco Palomero de Recio;

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H. R. 2307. An act for the relief of Julius, Ilona, and Henry Flehner;

H. R. 2313. An act for the relief of Mrs. Agnethe Gundhil Sundby;

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H. R. 2349. An act for the relief of Charles S. Youngcourt;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2749. An act for the relief of George Risto Divitkos;

H. R. 2753. An act for the relief of Geraldine Gean Hunt and Linda Marie Hunt;

H. R. 2755. An act for the relief of Benjamin Johnson;

H. R. 2783. An act for the relief of Andrew Wing-Huen Tsang;

H. R. 2944. An act for the relief of Franziska Lindauer Ball;

H. R. 2947. An act for the relief of Emelda Ann Schallmo;

H. R. 3189. An act for the relief of Dorothy Claire Maurice;

H. R. 3507. An act for the relief of Luise Pempfer (now Mrs. William L. Adams);

H. R. 3624. An act for the relief of Olga I. Papadopoulou;

H. R. 3625. An act for the relief of George Vourderis;

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H. R. 3626. An act for the relief of Ilse Werner;

H. R. 3629. An act for the relief of Mrs. Nika Kirihara;

H. R. 3630. An act for the relief of Mrs. Uto Ginoza;

H. R. 3864. An act for the relief of Mrs. Elizabeth A. Traufield;

H. R. 3871. An act for the relief of Orville Ennis;

H. R. 4284. An act for the relief of Mrs. Mariannina Monaco;

H. R. 4455. An act for the relief of Christa Harkrader;

H. R. 4640. An act for the relief of James M. Wilson;

H. R. 5021. An act for the relief of Harriet L. Barchet; and

H. R. 6184. An act for the relief of Lt. P. B. Sampson; to the Committee on the Judiciary.

H. R. 4663. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Trinity River division, Central Valley project, California, under Federal reclamation laws; to the Committee on Interior and Insular Affairs.

H. R. 4707. An act for the relief of Duncan McQuagge; to the Committee on Labor and Public Welfare.

H. J. Res. 251. Joint resolution to authorize the President to issue posthumously to the late Seymour Richard Belinky, a flight officer in the United States Army, a commission as second lieutenant, United States Army, and for other purposes; to the Committee on Armed Services.

ELIMINATION OF CUMULATIVE VOTING SHARES OF STOCK OF DIRECTORS OF NATIONAL BANKING ASSOCIATIONS

Mr. JOHNSON of Texas. Mr. President, may I have recognition?

The PRESIDING OFFICER. The Senator from Texas.

Mr. JOHNSON of Texas. I should like to have a bill made the unfinished business before the Senate. Then I shall yield to any Senator who desires to speak or make insertions in the RECORD.

I move that the Senate proceed to the consideration of Order No. 243, S. 256. I wish to state that if the motion is agreed to there will be no votes today on the bill.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The clerk will state the bill by title.

The CHIEF CLERK. A bill to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

VISIT TO THE SENATE BY HON. YUSUKE TSURUMI, MEMBER OF THE HOUSE OF COUNCILLORS OF JAPAN

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished minority leader.

Mr. KNOWLAND. Mr. President, I am pleased to have as my guest in the Senate today a member of the Japanese House of Councillors, a parliamentary body of Japan, Mr. Yusuke Tsurumi, who is a visitor in this country. I should like to have him stand so he may receive the greetings of the Senate.

(Mr. Tsurumi rose and was greeted by the Senate with applause.)

WEEKLY REPORT BY DEPARTMENT OF STATE ON THE REFUGEE RELIEF PROGRAM

Mr. LANGER. Mr. President, as chairman of the Subcommittee on Refugees, Escapees, and Expellees, of the Senate Committee on the Judiciary, I am presenting the weekly report furnished me by the Department of State. This report is dated June 17, 1955, and shows that under the Refugee Relief Act of 1953, Public Law 203, 83d Congress, a total of 35,096 visas has been issued. Last week, the figure representing the total number of visas was 33,959, and the number of visas issued that week was 1,020. This week, 1,137 visas were issued. The distribution by different countries, based on the report of June 17, is as follows:

Country:	*Total issued*
Italy	21,320
Greece	5,812
Netherlands	617
Germany	3,004
Austria	2,859
Far East	839
Others	68

As for the number of persons actually admitted to this country, I know the Senate will be interested to know that the total admissions on June 17 were 23,333. This figure represents refugees, relatives, and orphans; and the number for each category is as follows:

Refugees, escapees, and expellees	4,163
Relatives	18,392
Orphans	778

In order that the Senate may be kept informed of the actual work being done under this act, I shall continue to report on the status of visa applications under the refugee relief program.

Mr. President, I send forward the statistical statement on the refugee relief program, dated June 17, 1955, and ask that it be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Refugee relief program, status of visa applications, June 17, 1955

	Italy	Greece	Netherlands	Germany	Austria	France	Great Britain	Belgium	Far East	Others	Total
1. Applicants notified of documents required	68,421	19,079	1,417	22,942	12,010	2,124	905	1,513	2,682	436	131,529
2. Visas issued	21,320	5,812	617	3,004	2,859	131	139	257	889	68	35,096
3. Visas refused	1,646	765	32	2,067	945	152	120	24	622	22	6,395
4. Canceled action	563	140	140	1,114	674	96	126	118	74	43	3,088
5. Applicants still in process	44,892	12,362	628	16,757	7,532	1,745	520	1,114	1,097	303	86,950
6. Assurances received by Administrator	6,785	10,086	426	12,661	4,812	1,261	959	688	3,068	1,395	42,141
7. Assurances canceled, returned	688	737	117	805	166	86	132	13	426	370	3,540
8. Assurances verified and sent to field	5,816	8,990	264	11,386	4,493	1,100	752	623	2,478	902	36,804

NOTES

All figures cumulative.
Items 6, 7, and 8 reflect principal aliens only.

Items 1 through 5, status of applicants.
Items 6 through 8, status of assurances.

THE ADMINISTRATION'S SECURITY PROGRAM

Mr. LEHMAN. Mr. President, on June 9, the Honorable Philip B. Perlman, former solicitor general of the United States, and one of the most eminent and public-spirited men I know, testified before the Subcommittee on Government employees' security program headed by the distinguished senior Senator from South Carolina [Mr. JOHNSTON]. That testimony was one of the most compelling and effective presentations on the subject of the administration's security program that it has ever been my pleasure to read.

Although Mr. Perlman's testimony received widespread attention in the press, it was, of course, reported only in small part. I think this testimony makes such an effective argument against the security program that it deserves to be read by every Member of the Senate and to be made a permanent part of the RECORD.

I therefore ask unanimous consent that Mr. Perlman's remarks be printed in the body of the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I am here in response to your invitation to discuss the employee security program, as established and operated by the current national administration. You have been authorized by the Senate of the 84th Congress (1st sess.), under the provisions of Senate Resolution 20, adopted February 21, 1955, to make a full and complete study and investigation of that program, and then to report the results, together with such recommendation as you may deem advisable.

At least two other subcommittees of the 84th Congress have been giving consideration to the various phases of the employee security program. Criticism of that program has already been voiced in hearings held by the Subcommittee on Reorganization of the Senate Committee on Government Operations. The acting chairman of that subcommittee, Senator HUBERT HUMPHREY, of Minnesota, came to the conclusion that there is no security program, "but only a mass of security programs—as many programs as there are agencies." And Senator HUMPHREY, together with Senator STENNIS, of Mississippi, has sponsored a joint resolution, Senate Joint Resolution 21, to estab-

lish a Commission on Government Security, to study all phases of the Government security operations and procedures, and to make appropriate recommendations. The Humphrey subcommittee has approved the resolution for the appointment of a study commission, but there are persuasive reasons, discussed hereinafter, why the proposed resolution should not be adopted. The Constitutional Rights Subcommittee of the Senate Committee on the Judiciary has begun an investigation of abuses of civil rights, and it may be assumed that no inquiry into such a subject can be conducted without consideration of the impact of the employee security program upon the rights, express and implied, of Government employees; and also the effect of what is known as the industrial security program on the millions of employees of private industry engaged in work under Government contract.

It is to be regretted that this subcommittee's investigation is confined to the Government employee security program. The industrial security program is operated at the instance of the Department of Defense, and follows, in important features, the procedures established under the employee security program. Many of the evils and abuses which have characterized the administration of the employee security program occur in the administration of the industrial security program, but even if that program is not yet under investigation by the Congress there is a reasonable expectation that any improvements which may be made in the employee security program as the result of the investigation or recommendations of this committee may be incorporated into the industrial security program.

The great importance to the Nation of the security measures you are investigating is indicated by recent rough estimates of the number of those whose employment is subject to the security tests prescribed in various acts of Congress, Executive orders, and other official action. They are listed as follows: Government civil employees, 2,300,000; armed services, 3 million; Atomic Energy Commission and its contractors, 130,000; port security program, 500,000; industrial security program, more than 3 million. These great numbers omit those who have been or are being subjected to loyalty or security tests by State and municipal governments, and by unofficial systems of one kind or another in professions, and in private employments of all kinds and descriptions. What has been and is being done, good and bad, by the Federal Government in the name of national security is being imitated and even enlarged in many areas of employment where any connection with national security, as that word has come to be understood, is so remote as to be practically nonexistent. This state of affairs should not be surprising, in view of the fact that the employee security program, as established by President Eisenhower's Executive Order 10450, April 29, 1953, applies to all employees of all agencies of the Federal Government, whether or not engaged in employments involving national security consideration.

The deep interest shown by the 84th Congress in the operations of the employee security program is the result of the conclusion reached by many that the program, as now constituted, is itself the source of much of the insecurity felt by the American people; that its administration in too many, but fortunately not all, of the agencies has been delegated to incompetent, unqualified, biased, or politically motivated officials, and that, generally speaking, it is revealed as one of the most potent and ruthless weapons against the freedoms and liberties and rights of the people ever promulgated by a President of the United States. I do not believe I overstate what to me is a clear and present danger from this program to the principles of equal justice upon which the Constitution and Bill of Rights are founded. I am one of those outraged by the perversion of needed security laws and rules into instruments for the satisfaction of indefensible political ends, and private prejudices, grudges, and spleen.

I am reluctant to believe that President Eisenhower knows or understands the extent of the evils inherent in his security program. I prefer to believe that the truth has somehow escaped him, although the daily press, the magazines, and other publications have been emphasizing the need for revision, and giving wide publicity to cases which should never have been allowed to occur in our country. My faith in President Eisenhower's good intentions has been somewhat shattered by a number of incidents which have received nationwide attention. For instance, Wolf Ladejinsky, an expert on agricultural problems of vital import to the United States, especially in the conduct at this time of its foreign relations, was cleared for service in the State Department, but was declared a security risk and refused employment in the Department of Agriculture. He was then cleared by the Foreign Operations Administration, and sent abroad as this country's representative. So he remains a security risk and unfit for employment in the Department of Agriculture, but he is not a security risk and is available for employment in at least two other, perhaps all other, agencies of the Federal Government. What could be more ridiculous than such a situation as this—one that, it should be regretfully added, was expressly approved by the President of the United States? What greater indictment of the entire employee security program could be drawn than the bare statement of the facts of this case?

Incredible as it may seem, there are even worse cases which have been brought to the President's attention, and on which no corrective action has been taken by him or anyone else. I mention, for example, the case of Dr. Edward U. Condon, one of our greatest scientists and former Director of the Bureau of Standards. In that capacity his researches were so valuable to the Nation that Dr. Edward Teller, who is credited with leadership in the work through which the hydrogen bomb became available, has said that Dr. Condon advanced the completion of the project, upon which the safety of the entire Nation now so greatly depends, by many months, perhaps as much as a year. After being cleared at least three times under loyalty programs previously in force, Dr. Condon became the director of research for the Corning Glass Works, New York, and he was again investigated and given a hearing under the industrial security program. He was cleared for the fourth time in July 1954, but the fact of the clearance was not published until October 19, 1954—3 months later. Two days after the publication, the Secretary of the Navy, Mr. Charles S. Thomas, was announcing on radio and television that he had revoked Dr. Condon's clearance. The Vice President of the United States, from Butte, Mont., and from other western points, where he was engaged in making speeches in the political campaign then approaching a climax, was quoted as saying that he had intervened in the matter. Secretary Thomas gave no understandable reason for his belated revocation of the decision made by the board created for the purpose of taking the testimony and passing upon the merits of the case. Vice President Nixon had no official duties with respect to the employee security program or the industrial security program. His intervention in the Condon case, assuming he was correctly quoted in the New York Times, is inexplicable except, perhaps, on grounds of political expediency. It remains only to be pointed out that if the decisions of any of the Federal security boards or panels can be annulled at the pleasure or whim of the head of the agency, or through the intervention of outsiders to the proceedings, weeks and months after the decisions have been made and the parties notified, then there is no security program worthy of the name. Government by law, or regulation or rule adopted pursuant to law, ceases to exist under such circumstances.

With these and other deplorable instances of injustices before him, it can be understood why Dr. Vannevar Bush, president of the Carnegie Institution of Washington and one of our greatest scientists, was impelled to say in an address delivered in December 1954:

"The test in this country is whether we can truly maintain our freedoms and guard our way of life against threats from without, against subversion within, and against our own errors and aberrations. We have the evil practice of ruthless, ambitious men who use our loyalty procedures for political purposes. Suspicion and distrust are rampant in the land."

Perhaps it should be emphasized that I am not dealing with the question as to whether the accused persons I have named should be regarded as security risks. I have not read the records in the cases and I do not know of my own knowledge whether there was ever any reasonable basis for the proceedings. What I do know, however, is that any program or system under which a person can be solemnly declared to be a security risk in one agency of the Government of the United States, especially an agency concerned with agricultural problems, and at the same time hold a complete clearance from the Department of State and from the Foreign Operations Administration, lacks honest, intelligent and impartial administration, and is a national disgrace. And so I take this opportunity to call the attention of the subcommittee to the case of the renowned scientist, apparently entitled to the lasting gratitude of the Nation, persecuted while in public office and hounded while in private employment, his clearance approved by the tribunal charged with the responsibility and revoked at the instance of ruthless politicians to make a sensation during a political campaign.

President Eisenhower's Executive Order No. 10450, creating the Employee Security Program, subjects all Federal civilian officers and employees, concerning whom there may be unevaluated derogatory information, to the danger of being suspended without notice and without pay; and, further, to the permanent loss of public employment on allegations from undisclosed sources.

Executive Order No. 10450 abolished the loyalty program, established by President Truman under the provisions of Executive Order No. 9835, March 21, 1947, and adopted new procedures, applicable to all derelictions charged against civilian officers and employees—from actual disloyalty down to disagreeable or unsuitable behavior. It completely eliminated the preexisting distinction between loyalty and nonloyalty cases, and opened the way for the unfortunate effort by high officials of the present national administration to make it appear, for political purposes, that all separations from Federal employment involved subversion or disloyalty.

The distinction between loyalty and nonloyalty cases, previously so carefully preserved, except where specifically authorized by acts of Congress in agencies engaged in highly confidential and sensitive operations, was continued during the existence of the loyalty program. That program was adopted in accordance with recommendations made in a report to President Truman by his Temporary Commission on Employee Loyalty, created by Executive Order No. 9806, November 25, 1946. The Commission was composed of representatives from the Departments of Justice, State, Treasury, War,

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Navy, and by the President of the Civil Service Commission. The report contained a statement of the historical background of inquiries, beginning in 1939, into matters concerning the loyalty to the United States of employees and applicants for Federal employment. Before 1939 such inquiries were not made, except in emergency periods, such as during World War I, and, indeed, were regarded by the Civil Service Commission as prohibited under Civil Service Rule I, adopted in 1884, and which provided: "No question in any form or application in any examination shall be so framed as to elicit information concerning the political or religious opinions or affiliations of any applicant, nor shall any inquiry be made concerning such opinions, or affiliations, and all disclosures thereof shall be discountenanced." The original Hatch Act of August 2, 1939, prohibited Government employees from membership in any organization advocating the overthrow of the Government, and from that time there were a succession of acts, listed in the report, relating to the same subject. From 1941 through December 1946 there were a total number of 9,604,935 placements in Federal service, 392,889 completed investigations, and 1,307 persons found to be ineligible on loyalty grounds, a little more than three-tenths of 1 percent. Of all those found to be ineligible for employment, 43,537—3.3 percent—were barred on loyalty grounds.

The employee security program jumbled together in one program cases involving loyalty; security, as distinguished from loyalty; and unsuitability, as distinguished from loyalty. That mixture is supposed to have been authorized by the act of August 26, 1950 (5 U. S. C. 22–1 et seq.). The employee security program, however, is in direct violation of the intent of Congress, clearly expressed at the time of the passage of the act upon which it is claimed to be based. For that reason, and also because the employee security program is inconsistent with important provisions of the act, there is substantial ground upon which to doubt the validity of the entire Executive order. (The constitutionality of the loyalty program adopted in 1947 and revoked in 1953 was questioned but not decided in the Supreme Court in *Peters* v. *Hobby* (No. 376, October term, 1954, June 6, 1955); and the validity of the employee security program is challenged in *Cole* v. *Young* (No. 12,526, in the United States Court of Appeals for the District of Columbia Circuit)).

It should be noted that many of the safeguards against unfair and discriminatory treatment of Federal employees, existing under the previous program, were destroyed by Executive Order No. 10450, and the regulations subsequently adopted. An employee, once suspended without pay, may wait an indefinite length of time before his case is heard by a board appointed by his agency head, and he may never know what the hearing board decided. There is no appeal from the action of the agency head. A suspended employee labors under the handicap of a presumption of guilt, a concept foreign to the basic principles of our form of government and to the traditions inherited from Anglo-Saxon common law. Of course, no such presumption is written into the Executive order or into the agency regulations, but it is implicit in the procedures in the program. The employee, faced with charges as vague as his agency may choose, in the name of security, to make them, is forced to prove his innocence beyond any doubt to the satisfaction of those who started the proceedings against him. And that, because, among other reasons, most of the hearing boards are composed of employees from other agencies, conscious of the risk they run of having their conclusions questioned by congressional investigating committees, or by their own agency heads, is usually an exceedingly difficult task.

No good reason for this situation exists in the axiom, usually advanced in discussions of the subject, that nobody has a legal right to be a policeman, or to any other public employment. The rules or regulations applicable to applicants for a public job are one thing—the Government's conduct toward those it has accepted for permanent employment is quite another. Laws enacted by Congress over a long period of years, and regulations adopted in pursuance of those laws, were designed to vest certain rights in Government employees for the purpose of building a career service immune from invasions by politicians hoping to benefit from the spoils system, or lack of system.

There were, before the adoption of the employee security program, provisions in Federal laws granting certain departments and agencies, engaged in operations the disclosure of which would be detrimental to the United States, authority to suspend without pay, pending final determination on the merits, civilian officers and employees believed to be security risks. Before 1950, when the present law on that subject was enacted, such authority was vested in the Secretary of State, the Secretary of Defense, the Secretaries of the Army, Navy, and Air Force, the Secretary of Commerce, the Attorney General and the Atomic Energy Commission. The act of August 26, 1950 (5 U. S. C. 22–1 et seq.), added three additional groups of employees in three sensitive agencies—the National Advisory Committee for Aeronautics, the National Security Resources Board, and the Coast Guard (under the Treasury Department).

When the bill which finally became the act of August 26, 1950 (Public Law 733 of the 81st Cong. 2d sess.) was pending in the 2d session of the 81st Congress as H. R. 7439, the House Committee on Post Office and Civil Service made a report (No. 2330, June 26, 1950), in which it was stated:

"The bill does not deal with the suspension or removal of disloyal Federal employees. Executive Order 9835 of March 21, 1947, establishes procedures under which employees who are found to be disloyal are removed from the Federal Government. This bill is concerned with the all-important problem of dealing with those Federal employees who, although loyal to the United States, act in a manner which jeopardizes national security, either through wanton carelessness or general disregard for the public good. The committee believes it is impossible to treat security risks and disloyal employees in the same manner. Disloyal persons should not be employed in the Federal service, and where they are found and removed they are not entitled to Federal employmnt of any kind. On the other hand, if it is determined that a person separated as a security risk is qualified and suitable for other Federal employment, the committee believes that it is appropriate for such employee to work for the Government in nonsensitive Government agencies. The bill makes ample provision for the employment in nonsensitive agencies of certain of those employees who may be classified in sensitive departments and agencies as security risks."

After it had passed the House, the bill went to the Senate, and was referred to the Committee on Armed Services. In its report (No. 2158, July 25, 1950), the Senate committee said:

"It will be noticed that the bill, as amended, is not designed to set aside the President's loyalty program. It is intended that his program will be continued."

The Senate report repeated substantially the views of the House committee:

"Executive Order 9835 of March 21, 1947, established procedures under which employees found to be disloyal, as distinct from poor security risks, could be removed from the Federal Government."

"This bill is concerned primarily with the problem of dealing with those Federal employees who, although loyal, are so careless as to jeopardize the national security. Disloyal persons should not be permitted to be employed in the Federal service under any circumstances. They are not entitled to Federal employment of any kind. On the other hand, it is the opinion of the committee that if the Civil Service Commission so determines, a person separated as a security risk could be placed in another Federal job where the work is of such a nature as not to be jeopardized by his employment.

"The bill, as amended, provides that the individual concerned can ask the Civil Service Commission to review his case to determine whether or not he is suitable for reemployment in a nonsensitive agency. The bill does not provide an appeal from the decision of the head of the department whose action will be final and conclusive insofar as action affecting the individual in his own agency is concerned."

It seems beyond dispute, therefore, that (1) the act of 1950 contemplated the continuance of the Loyalty Program and not its abolition; that (2) the congressional committees envisioned a security risk as one not involving disloyalty, and believed it impossible to treat security risks and disloyal employees in the same manner; and that (3) it was intended that the sensitive agencies should be limited in number, and that a person found to be a security risk in a sensitive agency should be available for employment in a nonsensitive agency.

The heads of the few departments and agencies specifically named were the only ones given authority to suspend civilian officers and employees without notice and without pay, and, following such investigation and review as deemed necessary, to terminate the employment of any suspended officer or employee.

However, the act of August 26, 1950, contained a section which provided that in addition to the departments and agencies named in the act its provisions would apply to such other departments and agencies as the President may, from time to time, deem necessary in the best interests of national security. It should be noted that the President's authority to add departments and agencies was limited to the requirements of national security. That this restricted grant of power was never intended to be used as authority to extend the coverage of the act of 1950 to every department and agency of the Federal Government is made certain, not only by the statements in the reports of both the House and Senate committees but by the detailed provisions in the act itself for the employment in some other department or agency, with the approval of the Civil Service Commission, of persons whose services were terminated by a department or agency under the provisions of the act. This provision has now become obsolete. A security risk, except in the Ladejinsky case, is not transferred for the simple reason that no agencies employ persons already determined to be security risks.

President Truman used the power to add to the number of sensitive agencies only once. He added the Panama Canal and the Panama Railroad Company by Executive Order No. 10237, April 26, 1951.

Before President Eisenhower's Executive order of April 27, 1953, became effective, Federal civilian officers and employees could be separated from employment under the authority of the provisions of—

1. The Lloyd-La Follette Act (37 Stat. 555 (1912), as amended; 62 Stat. 354 (1948), 5 U. S. C. A. sec. 652 (a)), and various related laws, Executive orders and regulations, including especially the regulations adopted by the Civil Service Commission: The Lloyd-La Follette Act, as amended, provides that no person in the classified civil service shall be removed or suspended therefrom without pay except for such cause as will promote the efficiency of such service and for reasons

given in writing. It is provided that before any action can be taken the person whose removal or suspension without pay is sought shall have notice in writing of the charges against him, be furnished with a copy of the charges, be allowed a reasonable time to answer the charges, file affidavits, and be furnished with a written decision on his answer. The regulations provide that the employee shall be retained in an active duty or annual leave status until final decision. One of the main purposes of the Lloyd-La Follette Act and the regulations was to protect employees in the classified service from removal for purely political reasons.

2. The loyalty program, established by Executive Order No. 9835, March 21, 1947, as amended: Under that program, from December 1947, through December 1952, more than 6,600,000 persons had been checked for loyalty and security, and more than 25,500 persons had been given FBI full field investigations; 6,411 persons either had been dismissed, denied employment, resigned, or withdrew applications for employment. Under its provisions each Federal department and agency set up its own loyalty board to pass upon the merits of charges or derogatory information affecting its employees. These boards, armed with FBI and other reports, held hearings at which the person under accusation was present and was entitled to produce witnesses and to be represented by counsel. Each loyalty board made a recommendation on each case to the head of the agency in which the board functioned. If the action of the loyalty board was adverse to the employee, there was an appeal to or review by the head of the agency, and if the decision was still adverse, the employee had a right of appeal to the Loyalty Review Board, which reviewed all the proceedings, and made its independent recommendation. The cases of applicants for appointment, and all others except permanent employees were heard and determined by the Civil Service Commission's regional loyalty boards, and there also was provision for appeal to the Loyalty Review Board. This board, which reached 22 in number, was composed of eminent citizens, distinguished in the professions and industry, appointed by the Civil Service Commission without regard to political affiliation. In fact, the Loyalty Review Board, during President Truman's administration, was headed by persons who happened to belong to the opposite political party. The provision for successive appeals, the absence of secrecy in the conduct of the proceedings, the opportunity for public discussion of the cases, served, despite handicaps inherent in measures to protect confidential sources and methods of obtaining information, to provide what was believed by many to be a reasonably adequate program to shield innocent employees from injustice and discrimination. At the same time, the loyalty program helped to eliminate any communistic or other subversive elements in Government service, and, together with the Hatch and other related acts of Congress, to assure the employment of none but those completely loyal to the Government. The loyalty program was far from perfect. It was an experiment, thrust upon the Nation by the existence of a worldwide conspiracy to infiltrate, undermine, and weaken all democratic governments; to learn and exploit their secrets, and to sow dissension and fear and strife. Some mistakes were made in the administration of the loyalty program, and the way opened for abuses, the extent of which are now becoming apparent.

It has now been decided (June 6, 1955) by the Supreme Court of the United States, in the Peters case, that the Loyalty Review Board had no authority to post-audit cases, and to reverse, by its own motion, the findings of agency loyalty boards in favor of accused employees. The right of confrontation of accusers and the rights of cross-examination have been so generally breached under the security programs that there is a serious question as to whether the resulting injustice to suspected persons and the weakening of safeguards upon which all free citizens are accustomed to rely are necessary to promote the national security. The accused employees and even hearing boards are not informed as to whether it is actually necessary to withhold the identity of accusers for actual security reasons, or whether, as must be the situation in some cases, the informers prefer to remain secret in order better to perpetrate an injustice. The Government, I assume, would not deliberately protect such people but its officials do not seem to have any choice. Then, too, there has been a tendency, because of inexperience and because of pressure from those seeking political advantage, to place undue emphasis upon trivial incidents and circumstances, and to build up theories of guilt by association—theories under which nets could be woven of sufficient width to entrap almost everybody.

One glaring defect, inherited and enlarged by the security program, is the rehearing or retrial, time and again, of the same charges based on the same information. It seems impossible for any Government employee, once derogatory information of any character reaches his files, to obtain final and permanent clearance. Any charge or hearing, however innocent of wrongdoing the employee may be, produces a cloud which hangs permanently over the personnel record of the employee and militates against his chances of promotion or employment elsewhere, even in another place in the same government. In an effort to devise a plan under which duplication of investigations, of hearings and of successive clearances would be eliminated, the previous administration was at work on an employee fitness program when its tenure of office came to an end. That project was never completed.

It is worthy of the heaviest possible emphasis that under the loyalty program as established by Executive Order No. 9835, March 21, 1947, and as thereafter administered, no person was separated from Government service or was taken off the Government payrolls and his livelihood endangered or destroyed, until his case had been adjudicated, after opportunity to present his defenses either to the agency or the reviewing loyalty board. There were practically no exceptions to this rule. That is not the situation today.

3. The act of August 26, 1950 (ch. 803, Public Law 733, sec. 1, 64 Stat. 476, U. S. C. A. 5, sec. 22–1, and Executive Order No. 10237, April 26, 1951), which designated the particular sensitive departments and agencies, the heads of which, in the interests of national security, were given power of summary suspension of officers and employees without pay. The suspended employee is entitled to notice of the reasons for his suspension only to the extent that the agency head determines that the interests of national security permit. The employee is given an opportunity within 30 days to file statements or affidavits to show why he should be restored to duty. The agency head is given power to terminate completely the employment of a suspended civilian officer or employee whenever necessary or advisable in the interest of national security.

Congress intended, as the committee reports prove, that all three of these avenues for the removal of employees should remain in effect for use by the heads of departments and agencies—the Lloyd-La Follette Act for the suspension and removal of incompetent, unqualified, and otherwise undesirable employees; the loyalty program for the removal of the disloyal and the subversive, and the act of 1950 for the removal of security risks, as distinguished from those disloyal. The congressional committees said that they intended the act of 1950 to relate only to the problem of dealing with Federal employees who, although loyal to the United States, "act in a manner which jeopardizes national security, either through wanton carelessness or general disregard for the public good." The conclusion that it was impossible to treat disloyal persons and security risks in the same manner was based mainly on the ground that disloyal persons should not be employed anywhere in the Federal service, but that persons found to be security risks, where matters of a confidential or sensitive nature are handled, might be qualified and suitable for employment in a nonsensitive agency.

It may seem to be curious that final determinations in cases of subversion and disloyalty involved procedures for notice, hearing, and successive appeals, although employees charged with being security risks—and not with disloyalty—might be removed from sensitive agencies without notice and without pay, pending final action. On reflection, the reason seems obvious. As already stated, it was provided in the act of Congress that any official or employee deemed unsuitable as a security risk in sensitive agencies, which were comparatively few in number, would, if qualified for employment elsewhere in government, be eligible for such employment. Then, too, a determination of disloyalty to the United States, carries with it a permanent stigma, a judgment which may bar the accused from public employment anywhere in the United States, and which may close the door to opportunities for private employment as well. In addition, such a determination may invite criminal prosecutions. The offender, under any circumstances, is marked for life. Because, therefore, in cases involving such grave consequences to the accused, and where conclusions are reached without the aid of juries and without the rules of evidence observed in the courts, President Truman, on the recommendations of his Commission, in his Executive order establishing the loyalty program, attempted to minimize the danger of abuse through provisions for hearings, appeals, and for a full consideration by competent, disinterested persons unlikely to be subjected to or influenced by political or other extraneous influences.

Although the loyalty program contemplated that a person under charges might be suspended from the actual performance of duties pending a determination as to loyalty, the presumption of innocence until a determination otherwise was implicit in all the provisions of the loyalty program. Congress knew of the safeguards and approved them, as the committee reports indicate. In addition the statutory provisions for suspension and removal under the Lloyd-La Follette Act, the various other acts of Congress, and Executive orders, were intended to give the heads of departments ample authority to free the Government service of inefficient, incompetent, and sometimes corrupt employees who manage from time to time to obtain public employment, as they do also in private enterprise. No such suspensions or removals ordinarily, except where a crime is involved, carry a permanent stigma, nor the consequences incident to a determination of disloyalty.

The effect of President Eisenhower's order of April 27, 1953, was to make, for the purposes of the security program established by that order, every department and agency of the Federal Government a sensitive department or agency, whether handling confidential matters or not. The simultaneous abolition of the entire loyalty program, together with all of the machinery and procedures for handling loyalty cases, and the merging of all loyalty and security cases into one program and one set of general procedures with regulations of details left to each agency, contrary to the express intent of Congress, compels every civilian employee

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of the Federal Government to work under conditions where anonymous charges lacking any tangible basis may be used to deprive him of his livelihood temporarily and, perhaps permanently, to subject him to suspension without notice and without pay; and where, if any action is taken against him, there is a presumption of guilt which imposes upon him the heavy burden of establishing his innocence. This burden usually cannot be met without heavy expense for gathering witnesses, for the preparation of affidavits, for the employment of lawyers, for the cost of a stenographic transcript of testimony—and all this occurs during the period when the employee is under suspension without pay and therefore without the income upon which, in many cases, he is absolutely dependent.

Under the provisions of the Executive order establishing the employee security program, and the regulations prepared by Attorney General Brownell for the Justice Department, the authority conferred upon the head of the department to make summary suspensions without pay was delegated to the heads of divisions, bureaus, services, boards, and officers. The heads of other departments and agencies of Government have delegated authority to such officer or officers as have been selected by them. It is now evident that many such selections have not been carefully and prudently made, and it should be pointed out that neither the Executive order nor the sample regulations prepared by the Attorney General for use by all departments and agencies contain provisions specifying any particular qualifications for those entrusted with the heavy responsibility of evaluating information and of determining whether or not to initiate proceedings against other officials and employees. Upon the receipt of derogatory information relating to criteria set forth in the regulations the evaluation of such information takes place, and then there is a determination as to whether suspension is necessary. The criteria include, among more specific items, information concerning any behavior, activities, or associations which tend to show that the employee is not reliable or trustworthy. If suspension is ordered, it occurs immediately and there is a period not exceeding 30 days before the employee is advised in writing of the charges against him. It is provided in the sample regulations that the statement of charges "shall be as specific and detailed as security considerations, including the need for protection of confidential sources of information, permit and shall be subject to amendment within 30 days of issuance."

So that now all the employee is told about the charges against him is what a division head or other superior official, and the agency's security officer, decide to tell him. Important facts, needed for an adequate defense, may be withheld in the discretion of the security officer because of alleged security considerations and the need for protecting confidential sources of information, although the employee concerned may never know whether the reason was valid. Under the loyalty program measures for protecting the national security and the sources of confidential information were included, but it was also provided that the accused official or employee should be informed in writing of the nature of the charges against him in sufficient detail, "so that he will be enabled to prepare his defense." The Eisenhower-Brownell program, as embodied in the Executive order, contains no such provision. The Executive order does not require that an accused employee, whether it be on loyalty or any other charges, no matter how serious or how comparatively trivial, be told anything in particular. The regulations prepared by the Attorney General for the Justice Department merely provide that "said statement of charges shall be as specific as security considerations permit" (sec. 9 (c)).

Inasmuch as security, for the purposes of the program, includes all derelictions of duty, it may be wondered just what application such a general and vague formula can or should have to cases in which loyalty plays no part; and also how, in loyalty cases, a defense can be prepared if the charges are as general and vague as the formula itself. A statement of charges is analogous to an indictment, and in many instances, now that loyalty, and security, and everything else is scrambled together, the consequences of such charges may be just as severe on the accused as an indictment formally returned by a grand jury. But under the Eisenhower-Brownell employee security program, the employee, his means of livelihood at stake, is to be told only what his superiors decide security considerations may permit.

Except in those few departments and agencies where different security regulations have been adopted, a suspended employee is given 30 days to make his answer and file supporting affidavits, after which he is entitled to a hearing before a hearing board of not less than 3 civilian officers or employees of other departments and agencies of the Federal Government. The Atomic Energy Commission, for example, established a special board to hear the case of Dr. J. Robert Oppenheimer, naming three outstanding citizens not in Government employment; and the Department of the Navy, in addition to its security hearing boards, established under the act of August 26, 1950 (Public Law 733, 81st Cong.) and the Eisenhower Executive Order 10450, has created a security appeal board, which reviews the findings of the hearing boards for the guidance of the officer to whom authority to take final action was delegated by the Secretary of the Navy (the procedure followed in the much publicized case of Abraham Chasanow, an employee in the Navy Hydrographic Office).

The sample regulations prepared by the Attorney General provide that no person shall serve as a member of a security hearing board in the case of an employee with whom he is acquainted. There is no provision fixing the time within which, after the answer is filed, the hearing should take place. Presumably at least 2 months elapse from the date of suspension until the answer is filed, and thereafter there is no time limit on any of the prescribed procedures. The security hearing board will be selected and will sit whenever arrangements are made by the department or agency head, or by those to whom the authority is delegated. After the hearing is over, the board is required to make a decision in writing, and the department or agency head then makes the final determination. There is no provision for a time within which, after a hearing is held, a decision should be reached either by the hearing board or finally by the department or agency head. The employee may be held under suspension without pay for an indefinite period. If the final decision is favorable, he is reimbursed, if he is a permanent employee, for the salary withheld during the period of suspension, but he is not reimbursed for the costs he incurred, and they are certain to be substantial, in meeting the burden of proving his innocence. Moreover, any employee without permanent status who is suspended and thereafter reinstated may be deprived of all pay during the period he was mistakenly or wrongfully suspended. The Comptroller General has ruled that the act of August 26, 1950 (Public Law 733, 81st Cong.) providing for compensation does not apply in such cases, and litigation is pending.

The innocent employee, while awaiting the final decision, is forced into a dilemma. It is to his interest to wait, at whatever cost, and whatever deprivation. If he seeks employment elsewhere, he is handicapped by the fact that unresolved charges are pending against him. If his needs force him to apply elsewhere, and if he is successful in obtaining other employment, his case may never be adjudicated and the charges remain as a permanent cloud over his good name, a handicap to future employment in the Federal Government, and a serious obstacle to opportunities for position and promotion in private employment.

If, on the other hand, he waits and the decision is adverse to him, he is left without remedy, irreparably and permanently injured. There is no appeal. Moreover, he may never know what the hearing board decided, whether its decision was unanimous or whether there was a dissent. The hearings are private. The regulations provide that there shall be present at the hearing only the members of the hearing board, the stenographer, the employee, his counsel, the agency employees concerned, and the witnesses when actually giving testimony. As originally sent to the various department and agency heads, the proposed regulations drafted by the Attorney General provided that a copy of the decision of the hearing board should be sent to the employee. When he came to put the regulations into effect in his own Department—the Department of Justice—the Attorney General not only eliminated this provision but expressly provided (sec. 11 (N)) that "the employee shall not be advised of the decision of the board or of the dissenting opinion of any of its members." So, in the Department of Justice, and in such other departments and agencies as have adopted the same procedures, the suspended employee does not know whether the final decision which determines his fate follows the findings of the hearing board, or whether it overrules and ignores the conclusions of those who heard the testimony in the case. Because of the different regulations there is no uniform practice, and employees in one department or agency may be given information denied to employees elsewhere in Government.

It seems difficult to arrive at a sound reason for withholding such information from the accused employee, especially where the members of hearing boards are picked by the heads of the departments or agencies in which the charges against employees are issued from lists maintained by the Civil Service Commission. The lack of any right of appeal puts the employee at the mercy, if any, of those who formulate the charge against him. They are the subordinates of the head of the department or agency, and may be presumed to be abiding by and enforcing his policies as to employees as well as operations. In any event, most of the hearing boards are in a difficult situation. Its members are not usually heads of departments or agencies, or outside of the Government, as in the Oppenheimer case, and, therefore, their ability to hold their own positions may be endangered if they antagonize others possessing great power and authority. The demand made, from time to time, by congressional investigating committees for the names of those who gave clearance to or dismissed charges against officials and employees under attack is sufficient warning to every member of a security hearing board that conclusions reached by them may be the subject of investigation and criticism, if not in accord with the opinions of subsequent investigators. The widespread fears endangered by the character of investigations conducted by congressional committees, and the natural reluctance of any Government official or employee to become involved in any such procedures contribute to difficulties in arriving at entirely objective findings. In view of the present climate of opinion in this country, members of hearing boards can hardly be blamed for feeling that the well-publicized demagogs of the day are peering over their shoulders and breathing down their necks. And where, as in the Department of Justice, such findings are to be kept secret from the employee involved, the chances for injustice would seem to multiply.

The abolition of the loyalty program and the substitution of the new procedures for the adjudication of practically every conceivable kind of charge from simple bad behavior to treason has resulted in the equation of the term "security risk" with subversion or communism. The public impression that they are all one and the same thing has been fostered by recent events. For a period of time it was the practice of officials high in Government to announce the total number of persons suspended or dismissed or who had resigned, or who had for any reason or no reason been added to the number of security risks, together with statements relating to communism or subversion. For instance, when the Attorney General, under extremely dramatic circumstances, testified before the Senate Internal Security Subcommittee in an attempt to substantiate his assault on President Truman in the matter of the Harry Dexter White case, he suggested that the subcommittee should examine with great care the reasons given for keeping White in Government employment, and also examine the record of what had been done to protect the national security. And the Attorney General said:

"Despite difficulties stemming from past laxity, 1,456 employees have been separated from Federal Government payrolls since January 1953, on the grounds that they are security risks. More cases are still under consideration.

"Our work to date has clearly shown the need for at least two new laws to help the Government in the prosecution of espionage cases."

The Attorney General sandwiched the figure of 1,456 security risks between comments on the Harry Dexter White case and recommendations for new espionage laws. The unavoidable conclusion from this treatment of the employee security program was that the security risk cases, or most of them, were espionage cases, or involving disloyalty in some form. The Attorney General, at the same hearing, admitted, under questioning that some of the cases involved drunkenness and some involved sexual perversion, but the Attorney General was content to leave it at that, and never then or thereafter attempted to give a clear idea as to what the 1,456 cases really involved. The figure of 1,456, used by the Attorney General in November 1953, had already been given out at the White House during the latter part of October. On December 4, 1953, Governor Dewey of New York made the statement that the 1,456 alleged security risks had been planted in the Government of the United States under Democratic administrations, and coupled that statement with the observation that it is nice to have a government which is not infested with spies and traitors. Senator JOSEPH MCCARTHY said publicly that practically all of the 1,456 were removed because of Communist connections and activities. Postmaster General Summerfield made statements giving the same impression and Bernard Shanley, the President's legal adviser, who later made complete retraction, said that 1,456 subversives had been kicked out of the Government. And there are many other instances of similar statements by Cabinet officers and lesser officials of the national administration, as well as those contained in press releases issued under the auspices of the Republican National Committee.

Later on, the number of security separations, still practically indistinguishable from cases involving communism and subversion, was raised to 2,200, and then to 2,500. More recently the number generally used has increased to 8,008.

Due, however, to persistent inquiries made by the press and by members of congressional committees in the Senate and House, it has been learned that the number of security risk cases, so far as the departments and agencies in Washington are concerned, do not involve a single known Communist, and outside of Washington, and including all the nearly 2,500,000 Federal employees, there are indications that only 1 alleged Communist, and he an obscure person in an unimportant position, is supposed to have been found. Inasmuch as his identity and the place—somewhere in the Northwest—where he is supposed to have been employed have not been revealed, and there is no information that he has been prosecuted for violation of the Hatch Act or the Smith Act or any other act, that single vague exception seems on the verge of disappearance.

In the State Department, under attack for years, there have been several hundred security-risk cases, but these did not include the case of a single Communist; the Security Director there, at an early stage of congressional inquiry into what began to be called a numbers racket, said that only 11 cases involved loyalty charges, and of those only 4 cases were begun under the present administration. It may be assumed that the number is now larger. The Justice Department's security-risk cases at that time involved loyalty charges in only 8 cases, and there, as elsewhere, no known Communists were involved. But perhaps just as important information as the relatively few number of loyalty cases is the fact, finally uncovered with difficulty, that the number of security-risk cases publicized by the administration includes many cases of resignations, and even deaths, where no final determinations based on evidence were ever made or ever can be made. The number of alleged security-risk cases announced by the Chairman of the Civil Service Commission even includes many cases of transfers of employees from one department to another.

The chairman of this committee, Senator OLIN D. JOHNSTON, as far back as January 1954, when the alleged security risks numbered but 2,200, challenged Attorney General Brownell to support his charges of large numbers of subversives in Government. Senator JOHNSTON pointed out that every Federal employee must take an oath of office, and publicly demanded that the Attorney General disclose the number of indictments, if any, he obtained from among those dismissed as security risks. "If there are none, as I suspect," said Senator JOHNSTON, "then he should resign his office." If any of the original 1,456 security risks, or the later 2,200, 2,500, 8,008, or any number dismissed since the Eisenhower security program went into effect has been indicted or tried or convicted for obtaining governmental employment while holding membership in an organization advocating the overthrow of the Government, that fact has escaped my notice. I am under the impression that, despite all the propaganda about Communists and other subversives in Federal employment, no such cases have ever been brought, as I am sure that, if any, they are so few in number as to be unworthy of public attention.

There is no doubt, however, that every possible device has been used to make it appear that great numbers of subversives were in the Federal service when the present program went into effect, ignoring the results obtained under the previous program and the laws in effect since 1939. And there is no doubt that the programs adopted upon the abolition in 1953 of the loyalty program have inflicted untold hardship and misery and ruination upon many innocent Government employees and employees of private industries and the families of both public and private employees. Last February the Secretary of Defense issued a directive, to take effect in April, designed to eliminate unnecessary suspensions of defense-plant workers. The General Counsel of the Defense Department admitted there has been more than a desirable number of offhand suspensions by plant security officers, and cases dragged from 6 months to a year.

About 1 month later Attorney General Brownell wrote a letter to the President in which he advocated emphasis on 7 matters of procedure, in an attempt to improve the operation of the employee-security program. Those seven points have been discussed before this committee by former Senator Harry P. Cain, member of the Subversive Activities Control Board. As Senator Cain pointed out, the new improvements work no real change in program, but are simply methods of administration which should have been effective from the beginning. The Washington Post and Times Herald, in an editorial, March 9, 1955, said that "The major objection continues to be one that has plagued the loyalty program from the beginning—that there is no objective check on the veracity of the accusers."

This subcommittee has incorporated in the record the Attorney General's seven points, and his letter to the President and the President's reply. But the Executive order has not been amended on these points. They remain merely an advisory letter to agency heads, and they will be honored or not as subordinate security officials decide. Perhaps now there will be presuspension notice and conferences; and perhaps now security officials will be a little more careful in recommending suspensions on unevaluated information before an employee is given an opportunity to suggest that the information may be misleading or even false. Perhaps it may become as unpopular to suspend employees without reasonable basis as it has been popular to pile up figures of suspensions and dismissals for the edification of an uninformed public. This subcommittee, in the course of its investigation, should obtain, from every agency, the inexcusable cost to the Government of the suspensions which both before and after hearings resulted in reinstatements. It will be found that the Government has paid out, and will continue to pay out vast sums to employees who were not allowed to work during the period of suspension. The cost to the employees in money, as well as in anguish and worry and damage to reputation has already been mentioned, and this, despite the Attorney General's letter, will continue until definite, understandable standards are adopted by the administration and enforced by trained, qualified security officers.

Senator Cain recommends that the act of August 26, 1950 (Public Law 733 of the 81st Cong.) be amended so as to vest agency heads with discretion to retain Government employees on duty during the determination of security charges against them. Senator Cain has been misinformed as to the necessity to amend the law in this particular. It may be that the Justice Department construes the act of Congress as requiring suspensions without pay when charges are preferred, but I would not think such an interpretation is sound.

In the first place, even if the law now reads that way, there is nothing in it which prevents the agency head, or his security officers, from giving an employee against whom there is derogatory information such opportunity as may be deemed advisable to answer and submit proof in defense. There could be extended investigation and consideration, and the merits pro and con could be examined in detail before any charges are formally brought. Under these circumstances, there would be no suspensions unless the head of the agency or other responsible official is first satisfied that there is no adequate defense.

But I call your attention to the plain language of the act. It provides that the head of each of the sensitive agencies named by Congress (and presumably those added by the President) "may, in his absolute discretion, and when deemed necessary in the interest of national security, suspend, without

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pay, any civilian officer or employee" of the designated agencies. The act of Congress says "may, in his absolute discretion," and I don't know how anyone can torture that permissive language into a mandate to suspend summarily without pay. It should be remembered that one of the very purposes of the act was to authorize, when the necessity arose, suspensions which before then could be questioned. To amend the act to grant authority to retain the services of employees against whom derogatory information has been received is to attempt to reverse what Congress thought necessary in 1950. If there is any difficulty about the authority of the agencies to retain the services of those awaiting clearance or dismissal, the difficulty is due to the President's Executive Order No. 10450. Section 6 of that order provides that "Should there develop at any stage of investigation information indicating that the employment of any officer or employee of the Government may not be clearly consistent with the interests of the national security, the head of the department or agency concerned, or his representative, shall immediately suspend the employment of the person involved if he deems such suspension necessary in the interests of national security, * * *," so that, although the Executive order is couched in mandatory terms, the determination to suspend immediately prior to investigation and hearing is dependent in each case upon a finding that the suspension itself is necessary in the interests of national defense. The great mass of cases involving matters unrelated to loyalty, and the large number of so-called loyalty cases in which the derogatory information is flimsy and indefinite and vague should be sufficient proof that the policy of mandatory suspension prior to hearing is not warranted either by the act of Congress or by an accurate interpretation of the Executive order. Certainly whatever ambiguity there may be in the Executive order could be cleared up overnight by an appropriate amendment issued by the President. The Attorney General has already taken a halting quarter or maybe a half step in the proper direction by emphasizing the need for notice and conference with an employee before any action is taken against him. The Attorney General's action itself negates the idea that the act of Congress is mandatory in the matter of suspensions without notice and without pay—the source of much of the discrimination, misery, and injustice imposed by irresponsible, ignorant, and foolish public officials, unworthy to exercise the great authority and power with which they have been clothed as officials of the Government of the United States.

Executive Order No. 10450 has already been amended four times by President Eisenhower. Two of the amendments, Executive Order 10491 (18 F. R. 6583, October 16, 1953) and Executive Order 10531 (19 F. R. 3069, May 28, 1954) gave express authority to dismiss under the security program any employee who refuses, upon the ground of self-incrimination, to testify before a congressional committee regarding charges of disloyalty or other misconduct. This action was hailed at the time as an important security measure, but there can be no doubt that such authority already existed under various laws and regulations. It might be interesting to learn whether any employee of the executive branch of the Federal Government ever claimed the privilege against self-incrimination before a congressional committee. Another amendment of the program was contained in Executive Order No. 10550 (19 F. R. 4981, August 7, 1954) requiring the Civil Service Commission to report the results of its study of the program, and to make recommendations to the National Security Council at least semi-annually; and requiring the head of each agency to report to the Civil Service Commission the action taken on each full field investigation, so that the information could be included in the reports by the Civil Service Commission to the National Security Council. The other amendment, Executive Order 10548, 19 F. R. 4871, August 4, 1954, applied the security program to employees suffering any illness, including any mental condition, which may cause significant defect in their judgment or reliability.

The sole change made by President Truman in the Loyalty Program as adopted in 1947 occurred in Executive Order 10241 (16 F. R. 3690, April 28, 1951) when he changed the standard for dismissal from one that required a finding that "on all the evidence, reasonable grounds exist for belief that the person involved is disloyal to the Government of the United States," to a standard that "on all the evidence there is reasonable doubt as to the loyalty of the person involved to the Government of the United States."

The manner in which the Employee Security Program has been administered, and the effort to couple a comparatively few disloyalty cases with transfers, resignations and deaths, and with more or less routine derelictions of duty of the kind previously processed under laws and procedures long in effect, has been disastrous to the morale of the Government service. No more moving testimony has been given as to what the situation is in the Federal service as a result of continuous attacks, of investigations and trials of individuals under departmental security regulations, than that contained in the letter published in the New York Times January 17, 1954, by former distinguished ambassadors and diplomats Norman Armour, Robert Woods Bliss, Joseph C. Grew, William Phillips and G. Howland Shaw, in which it was said that:

"Fear is playing an important part in American life at the present time. As a result, the self-confidence, the confidence in others, the sense of fair play and the instinct to protect the rights of the nonconformist are—temporarily, it is to be hoped—in abeyance. But it would be tragic if this fear, expressing itself in an exaggerated emphasis on security, should lead us to cripple the Foreign Service, our first line of national defense, at the very time when its effectiveness is essential to our filling the place which history has assigned to us."

What is true of the Foreign Service of the State Department applies to the other great and vital departments and agencies of the Federal Government. The wholesale slanders and smears against the Federal service has damaged the departments and agencies, and injured the whole Nation. The most devastating effect, however, is suffered by individuals who may be driven, without just cause, from public service, their careers ruined; and who, as a result, may find it difficult to obtain suitable employment in private enterprise. No complete and satisfactory breakdown of the operations of the so-called employee security program will ever be made. Even if the exact number of actual loyalty cases, as distinguished from other security risk cases, could be ascertained, that number would not reveal the basis on which the determinations were made. Some statements indicate that the numbers of security risk cases include cases in which "derogatory loyalty information was in the files," whatever that may mean. Nobody without access to the files knows whether the alleged information is in fact information, or how much of it is unevaluated, unproved and unprovable libel, the fruit of the activities of the demagog, the crackpot, the malicious slanderer, the reckless and irresponsible purveyor of the entirely false and the half-truth, the evil generator of fear and prejudice. The confidential informants who supplied what is called information in the files may be one or more of these things, but the employee who is deprived of his livelihood may never know the character and source of the so-called information that may be kept from him but which may have influenced a final determination against him. The chairman of the Civil Service Commission, testifying sometime ago before the House Civil Service Committee on a total of 422 loyalty cases, in none of which, so far as he knew, there was proof of communism, said there was some derogatory information in the files concerning loyalty—and that is all that seems to be known publicly about the cases. So even where hearing boards under the employee security program make adverse findings there is no way in which such findings can be analyzed against the evidence, for there is no disclosure, in the Department of Justice and other departments and agencies, as to what the hearing board decided, and no appeal. The existence in all departments and agencies of fear of criticism, and the spreading of fear by the publication of unfounded claims of the number of security cases—as security was intended to be defined by Congress—militates against fair hearings and fair decisions on security risk cases. The spectacle, so familiar these days, of continuous repetition of accusations, sometimes after being frequently disproved, until confused with and accepted as proof of guilt; the dramatic performances, carried to the far corners of the Nation by radio and television, staged by high officials of Government; the vast amount of publicity on the subject in newspapers and magazines, all have contributed to the creation of a climate in which distrust, fear, and suspicion have become widespread, and begin to make it extremely doubtful whether any employee of Government, at any level, can obtain a fair and impartial determination of charges against him.

When the employee security program was put into effect in April 1953, it was advertised and received by many leading newspapers as a means of correcting the popular impression, resulting from years of unfavorable propaganda, that the Federal service contained substantial numbers of espionage agents, disloyalists, drunks, perverts, and incompetents. The new program was to remedy all that. "The practical effect of this change," said the New York Times (April 30, 1953) "is that henceforth an employee dismissed from Federal service under the security program does not necessarily bear the onus of disloyalty." He does not necessarily bear the onus of disloyalty. But in reality, he does. It was not generally understood that the program made every agency of the Government a sensitive agency; made every employee subject to suspension without notice, without pay, and without appeal, and subjected every employee, when charges are preferred, to a presumption of guilt which no criminal, no matter how long and how bad a record he may have, is required to face. Neither was it thought that separations from the Federal service under the so-called security program would be used so as to make it appear to the people of the Nation that all of them, or most of them, involved cases of disloyalty, and the balance drunkenness or perversion. So far, therefore, from removing the onus of disloyalty from Government employees who may leave the service for other reasons, the employee security program is the instrument through which they are endangered.

The March 1954 edition of the Annals of the American Academy of Political and Social Science is devoted to the subject of bureaucracy and democratic government. In an article entitled "Security of Tenure—Career or Sinecure," by O. Glenn Stahl, who is executive vice chairman, Interagency Advisory Group, United States Civil Service Commission, points out that Philip Young, Chairman of the Commission, has said that "the people who work for Government have even greater loyalty, more idealism, a stronger desire to get a job done and get it well done than employees of private industry." And Dr. Stahl wrote:

"Devastating, despairing, and ignorant criticism of public servants and of their effectiveness is in deadly contradiction to our

vital need to attract and to hold outstanding qualified people in the public service. It has in it the germs of destruction of all Government. No more subtle method of subversion exists and none plays more into the hands of the Communists than the recurrent campaigns of insidious, blanket derogation of public employees as a class. Nor is the situation helped by periodic forays into employee activities by demagogs, whether disguised in the name of national security or in the name of efficiency. It is high time that public servants were taken off the defensive and given recognition for their genuine achievements rather than notoriety for the misdeeds of a few."

The Attorney General informed the annual conference of the Civil Liberties Clearing House that "we will be the losers if, in our efforts to combat those who would destroy our civil liberties, we sacrifice them." There are those who believe that some liberties have already been infringed, if not sacrificed, by the program drafted by the Attorney General and signed by the President of the United States.

RECOMMENDATIONS

With the situation confronting this subcommittee, as I have attempted to outline it, it would seem to me that there is every reason why you should, as your investigation continues, draft a bill establishing a loyalty and security program, applicable to all agencies of the Federal Government.

In my opinion no commission such as is proposed by Senate Joint Resolution 21 is needed to investigate what you are already charged with investigating, although it may be advisable for you to seek an extension of your jurisdiction, so as to include consideration of such procedures as are provided by the industrial security program, and such subjects as are included in the special authority proposed for the President with respect to private employments in S. 681, introduced by Senator BUTLER, January 24, 1955.

The Government should have one overall security program, not a mass of programs, under which there are different regulations in different agencies, with no real uniformity throughout the executive branch of the Government. Suitable exceptions, as in the case of the Atomic Energy Commission, could be preserved.

This subcommittee could obtain any assistance it may need from its own staff and from any group of lawyers in private practice it may designate to prepare such a bill for your consideration. And it can be done promptly. The appointment of a commission would mean long and unnecessary delay before any real improvements are made or a new program adopted. But if it is determined, for any reason, to delay legislation at this time, then I would urge you not to approve a resolution giving the appointment of the commission to officials of the present administration. It is proposed to have a commission of 12, 4 to be appointed by President Eisenhower, 4 by Vice President NIXON, and 4 by Speaker RAYBURN. Under this proposal, eight of the commissioners would be named by the President and Vice President, both of whom seem satisfied with the existing program, and who, therefore, would be reluctant to sponsor any changes. If there is to be any commission, I would suggest that its members be named in the resolution itself, and not left to the officials who are responsible for the creation and administration of the existing program.

Any new program should contain whatever provisions are advisable and necessary to rid Government service of any subversives who may have infiltrated; and necessary to keep any subversives out. That is the prime purpose of any such program, and every good citizen will support any reasonable measure designed to achieve that desirable goal without opening the door to base political schemes, and the triumph of the defamer, and the irresponsible demagogue. While protecting sources of information where actual and bona fide security considerations are involved, it is certainly possible to observe to the fullest measure practicable the rights and the liberties and freedoms inherent in our institutions of government. We have strayed far from a government of law in the matter of national security. This subcommittee is in a position to guide the way back.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5559) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOPER, Mr. DINGELL, Mr. MILLS, Mr. JENKINS, and Mr. SIMPSON of Pennsylvania were appointed managers on the part of the House at the conference.

RETURN TO THE SENATE OF SENATOR CLEMENTS

Mr. JOHNSON of Texas. Mr. President, I am delighted, happy, and joyful to see that the able senior Senator from Kentucky [Mr. CLEMENTS] has returned to his duties in the Senate Chamber.

Mr. CLEMENTS. Mr. President, my friend from Texas is very kind. I want him to know that he is no happier to see me back than I am to be back.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I have talked with the minority leader about the subject I now mention. However, I should like to have a statement appear in the RECORD to the effect that, if the report is available—and we expect it to be available—the District of Columbia appropriation bill will probably be taken up for consideration after the morning hour tomorrow. I refer to House bill 6239.

I will say further, for the information of Senators and others who may read this portion of the RECORD, that I am informed that the bill was reported unanimously by the subcommittee and unanimously by the full committee. So far as I am aware, there will be no yea-and-nay votes. I am not in a position to say to the Senate what business will be taken up during the remainder of the week because the Senate itself is in a better situation than are some of its committees. It may be that after tomorrow the Senate may recess for a day or two in order to enable Senators to attend conference committee meetings and perform other committee work, so that there may be some business for the calendar.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. BARRETT. I may say to the distinguished majority leader that consideration of Senate bill 1713 was held up because the minority views had not been filed. They were filed only a few moments ago. While, as one of the cosponsors of the bill, I do not agree with the minority views, that bill might be added to the list of measures ready for consideration.

Mr. JOHNSON of Texas. I will ask the staff to make a check, and see if that bill can be scheduled for consideration at an early date.

Mr. BARRETT. Very well.

NOMINATION OF MERLIN A. HYMEL TO BE POSTMASTER AT EDGARD, LA.

Mr. JOHNSON of Texas. Mr. President, when the Executive Calendar was called earlier in the day I asked that the nomination of Merlin A. Hymel, to be postmaster at Edgard, La.—a nomination which had been reported adversely from the Committee on Post Office and Civil Service—be passed over, because the minority leader wished additional time to study it.

Since then I have conferred with the minority leader, and I am under the impression that it is agreeable to him to have the Senate act upon that nomination. I wish to confirm that impression. I serve notice that when the Executive Calendar is called tomorrow, action will be taken on that nomination. In the meantime, I shall check with the minority leader.

Mr. ELLENDER. I understand that the vote in committee was unanimous.

ORRIN J. BISHOP—RETURN OF MESSAGE TO THE HOUSE OF REPRESENTATIVES

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives requesting return of the message informing the Senate of the passage of House bill 4249, for the relief of Orrin J. Bishop.

Mr. JOHNSON of Texas. Mr. President, I ask that the Secretary be directed to return to the House, pursuant to its request, the message referred to.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. JOHNSON of Texas. Mr. President, if no Senators desire to make any further statements, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 23, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 22, 1955:

DEPARTMENT OF THE ARMY

Wilber Marion Brucker, of Michigan, to be Secretary of the Army.

JUDGE, UNITED STATES CUSTOMS COURT

Mary H. Donlon, of New York, to be judge of the United States Customs Court, vice Genevieve R. Cline, retired.

IN THE AIR FORCE

Maj. Gen. Elmer Joseph Rogers, Jr., 294A (major general, Regular Air Force), United States Air Force, for temporary appointment

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as lieutenant general, United States Air Force, under the provisions of section 504 of the Officer Personnel Act of 1947, to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504.

The following-named officers for temporary appointment in the United States Air Force under the provisions of section 515, Officer Personnel Act of 1947:

To be major general

Brig. Gen. Hugh Arthur Parker, 505A, Regular Air Force.
Brig. Gen. Walter Irwin Miller, AO913582, Air Force Reserve.
Brig. Gen. John Paul Doyle, 274A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Manning Eugene Tillery, 293A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Edward Pont Mechling, 327A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Frank Hamlet Robinson, 336A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Walter Robertson Agee, 413A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Harold Winfield Grant, 497A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Henry Keppler Mooney, 589A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Raymond Judson Reeves, 1082A (colonel, Regular Air Force), United States Air Force.
Brig. Gen. Thomas Patrick Gerrity, 1613A (colonel, Regular Air Force), United States Air Force.

To be brigadier general

Col. Leslie Granger Mulzer, AO138777, Air Force Reserve.
Col. John Caswell Crosthwaite, 295A, Regular Air Force.
Col. Robert Scott Israel, Jr., 354A, Regular Air Force.
Col. Edgar Alexander Sirmyer, Jr., 394A, Regular Air Force.
Col. Lawrence McIlroy Guyer, 454A, Regular Air Force.
Col. Donald Philip Graul, 455A, Regular Air Force.
Col. John Coleman Horton, 457A, Regular Air Force.
Col. Winslow Carroll Morse, 515A, Regular Air Force.
Col. William Leroy Kennedy, 517A, Regular Air Force.
Col. George Frank McGuire, 539A, Regular Air Force.
Col. Edward Bone Gallant, 577A, Regular Air Force.
Col. Julian Merritt Chappell, 583A, Regular Air Force.
Col. Edward Nolen Backus, 604A, Regular Air Force.
Col. Robert Lee Scott, Jr., 640A, Regular Air Force.
Col. James Simon Cathroe, 18821A, Regular Air Force.
Col. Robert Edward Lee, 19033A, Regular Air Force.
Col. William Charles Kingsbury, 923A, Regular Air Force.
Col. Charles Anthony Heim, 1033A, Regular Air Force.
Col. Haskell Erva Neal, 1047A, Regular Air Force.
Col. George Bernard Dany, 1061A, Regular Air Force.
Col. Perry Bruce Griffith, 1075A, Regular Air Force.
Col. William Harvey Wise, 1083A, Regular Air Force.
Col. John William White, 1087A, Regular Air Force.
Col. Robert Morris Stillman, 1114A, Regular Air Force.
Col. Thomas Joseph Gent, Jr., 1130A, Regular Air Force.
Col. Dolf Edward Muehleisen, 1144A, Regular Air Force.
Col. Harold Lee Neely, 1161A, Regular Air Force.
Col. John Edward Murray, AO372910, Air Force Reserve.
Col. Emmett Buckner Cassady, 1095A, Regular Air Force.
Col. Cecil Edward Combs, 1203A, Regular Air Force.
Col. Lawrence Clinton Coddington, 1275A, Regular Air Force.
Col. Avelin Paul Tacon, Jr., 1566A, Regular Air Force.
Col. Claude Edwin Putnam, Jr., 1593A, Regular Air Force.
Col. Frank Edwin Rouse, 1595A, Regular Air Force.
Col. William Kemp Martin, 1697A, Regular Air Force.
Col. Ralph Lowell Wassell, 1730A, Regular Air Force.
Col. Horace Milton Wade, 1872A, Regular Air Force.
Col. Joseph Randall Holzapple, 1897A, Regular Air Force.
Col. Joseph James Preston, 1966A, Regular Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 22, 1955:

POSTMASTERS

ALABAMA

Hobson J. Horton, Fort Payne.

ARIZONA

Clarence Mortimer Palmer, Jr., Tombstone.

CALIFORNIA

Owen J. Underwood, Placentia.
Ray F. Hawkins, Vallejo.

GEORGIA

William B. Haskins, Dudley.

IDAHO

Thomas M. Vaughn, Richfield.

INDIANA

Bonita M. Weimann, Laketon.
Lee H. Williamson, Rolling Prairie.

IOWA

Glenn O. Jones, Atlantic.
George R. Helble, Bettendorf.
Allan H. Rohwer, Dixon.
Clarence A. Norland, Marshalltown.
Thursa L. Hinchliff, Minburn.
Ila O. Benge, Pleasantville.
David L. Rundberg, Yale.

KANSAS

Gordon K. Ethridge, Ada.
Wayne E. Rinne, Gardner.
Richard A. Carpenter, Girard.
Everett J. Fritts, Gorham.
Jean D. Fretz, Liberal.
Harold H. Kneisel, Powhattan.

MAINE

Allan Joseph Wentworth, Kittery.

MASSACHUSETTS

Roger H. Hinds, Canton.

MISSISSIPPI

Lealon P. Yarber, Belmont.

NEBRASKA

Norris P. Sensel, Culbertson.
James L. Vrba, Howells.

NEW HAMPSHIRE

Gerald P. Merrill, Pittsburg.

NEW JERSEY

Helen B. Abbott, Alloway.
Helen A. Grod, Hackensack.

NEW MEXICO

Bill Foster, Portales.

NEW YORK

Ida Mae Hopkins, Cincinnatus.
Eva H. Chambers, Dresden.
Ignatius Fafinski, Dunkirk.
William F. Pfarrer, Hilton.
Henrietta B. Heitmann, South Kortright.
John L. Button, South New Berlin.
Leon P. Carey, Woodstock.
Richard M. Hunter, Wappingers Falls.

NORTH CAROLINA

James M. Armstrong, Belmont.

OHIO

Richard J. Phillips, Bowling Green.

OKLAHOMA

Bill M. Penwright, Calumet.

PENNSYLVANIA

William H. Strauch, Cressona.
Charles R. Root, Gillett.
Julia K. Hammond, Lima.

TENNESSEE

Norris Y. Brown, Bullsgap.
Sarah L. Graves, Louisville.
Fred Gentry McEwen.
Jesse F. Branson, Washburn.
Gettis H. Hudson, Whitwell.

VIRGINIA

Thornton S. Terry, Axton.
Dorothy M. Cliborne, McKenney.

WEST VIRGINIA

Richard L. McDowell, Burlington.

WISCONSIN

Robert R. Smith, Caroline.
David P. Berger, Port Edwards.
Terence P. Arseneau, Washburn.

WITHDRAWALS

Executive nominations withdrawn from the Senate June 22, 1955:

POSTMASTERS

MICHIGAN

Leslie F. Augsbach to be postmaster at Spring Lake in the State of Michigan.

PENNSYLVANIA

Frank A. Bialas to be postmaster at Wilmore in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 22, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, inspire us now with a more vivid sense of Thyself, in whom alone we may find strength for today and hope for tomorrow.

Grant that we may also have a conscience that is more sensitive and alert to the fact of human solidarity and the reality that mankind is one in origin and destiny.

Make us eager to minister to all the members of the human family in their struggles and longings for the blessings of health and happiness.

May it be the goal of all our aspirations to hasten the coming of that glorious day when there shall be peace on earth and good will among men.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communi-

cated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On June 8, 1955:

H. R. 625. An act to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near St. Francisville, Mo.;

H. R. 3879. An act to amend section 2 of the act of March 2, 1945, pertaining to the Columbia River at Bonneville, Oreg.;

H. R. 4646. An act to amend section 4421 of the Revised Statutes in order to remove the requirement as to verifying under oath certain certificates of inspection, and for other purposes;

H. R. 4817. An act relating to the payment of money orders;

H. R. 5223. An act to continue until the close of June 30, 1956, the suspension of duties and import taxes on metal scrap, and for other purposes; and

H. R. 5224. An act to amend title 14, United States Code, entitled "Coast Guard," to authorize certain early discharges of enlisted personnel, and preserve their rights, privileges, and benefits.

On June 15, 1955:

H. R. 3825. An act to make retrocession to the Commonwealth of Massachusetts of jurisdiction over certain land in the vicinity of Fort Devens, Mass.;

H. R. 4294. An act to amend section 640 of title 14, United States Code, concerning the interchange of supplies between the Armed Forces; and

H. R. 4725. An act to repeal sections 452 and 462 of the Internal Revenue Code of 1954.

On June 16, 1955:

H. R. 5085. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 5100. An act to amend Veterans Regulation No. 7 (a) to clarify the entitlement of veterans to outpatient dental care;

H. R. 5106. An act to amend the Servicemen's Readjustment Act of 1944 so as to authorize loans for farm housing to be guaranteed or insured under the same terms and conditions as apply to residential housing; and

H. R. 5177. An act to authorize the Administrator of Veterans' Affairs to reconvey to Richland County, S. C., a portion of the Veterans' Administration hospital reservation, Columbia, S. C.

On June 21, 1955:

H. R. 1. An act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes;

H. R. 891. An act for the relief of Alberto Cortez Cortez;

H. R. 970. An act for the relief of Kyung Ho Park (Syung Sil Park) and his wife, Mrs. Young Sil Lee;

H. R. 1002. An act for the relief of L. S. Goedeke;

H. R. 1401. An act for the relief of Ewing Choat;

H. R. 1487. An act for the relief of Rosa Maria Phillips;

H. R. 1656. An act for the relief of Chen Chih-Keui;

H. R. 1974. An act for the relief of Shirley W. Rothra;

H. R. 2236. An act for the relief of Mary Rose and Mrs. Alice Rose Spittler;

H. R. 3020. An act for the relief of Buonaventura Giannone;

H. R. 4659. An act to amend section 16 of the act entitled "An act to adjust the salaries of postmasters, supervisors, and employees in the field service of the Post Office Department," approved October 24, 1951 (65 Stat. 632; 39 U. S. C. 876c);

H. R. 5089. An act to extend the time for filing application by certain disabled veterans for payment on the purchase price of an automobile or other conveyance, and for other purposes;

H. R. 5398. An act to increase the efficiency of the Coast and Geodetic Survey, and for other purposes;

H. R. 5695. An act to continue until the close of June 30, 1958, the suspension of certain import taxes on copper; and

H. R. 5907. An act for the relief of Albert Woolson.

On June 22, 1955:

H. R. 4359. An act to amend the act of September 30, 1950 (64 Stat. 1096), to provide for the conveyance of certain real property to the city of Richmond, Calif.; and

H. R. 5146. An act to authorize the President to promote Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey on the retired list, to the grade of rear admiral (lower half) in the Coast and Geodetic Survey, with entitlement to all benefits pertaining to any officer retired in such grade.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela.

The message also announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4904. An act to extend the Renegotia- Act of 195! for 2 years.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1894. An act to provide for the participation of the United States in the International Finance Corporation.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1747. An act to increase the public benefits from the national park system by facilitating the management of museum properties relating thereto, and for other purposes.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1956

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5046) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. FOGARTY, FERNANDEZ, LANHAM, DENTON, CANNON, TABER, HAND, and JENSEN.

GENERAL GOVERNMENT AGENCIES APPROPRIATION BILL, 1956

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ANDREWS, MAHON, SHEPPARD, GARY, RABAUT, SHELLEY, CANNON, FENTON, COUDERT, WILSON of Indiana, JAMES, and TABER.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the conferees on the disagreeing votes of the two Houses may have until 12 o'clock tonight to file a conference report on the bill H. R. 6499.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MOSES AARON BUTTERMAN

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1085) for the relief of Moses Aaron Butterman, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 10, after "Act", insert ": *And provided further*, That the exemption granted herein shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

WENCENTY PETER WINIARSKI

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1660) for the relief of Wencenty Peter Winiarski, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Line 7, strike out all after "fee." down to and including "available." in line 11.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

UNIVERSITY OF MICHIGAN LIBRARIES

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ORRIN J. BISHOP

Mr. LANE. Mr. Speaker, I ask unanimous consent that the proceedings whereby the House concurred in the amendment of the Senate, to the bill H. R. 4249 for the relief of Orrin J. Bishop be vacated and that the Clerk of the House be authorized to request the return of the message to the Senate notifying them that the House had concurred in the said amendment.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CARL E. EDWARDS

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 947) for the relief of Carl E. Edwards, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 5, strike out all after "*Provided,*" down to and including "enactment" in line 7 and insert "That no benefits other than hospital and medical expense actually incurred shall accrue prior to the date of enactment of this act."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

IS "PRO" BOXING A SPORT OR A RACKET?

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, the best of fighters and managers will confide to you—off the record—that the boxing "business" would not look too good if it had to stand up to an investigation.

New talent has a hard time breaking into the "closed circuits" of the big cities.

So many people get to "own a piece of" a promising young fighter, that he begins to resemble a commodity, rather than an athlete.

Mobsters have muscled in on the game, to the detriment of clean sport. Ask the police departments of any large city, who are familiar with the ways and the hangouts of the criminal elements. Fighters and managers who are "on the level" don't like the setup, but what can they do about it? Only an aroused public opinion can save the sport for the boxers and the fans.

The most recent tipoff came with the action of Governor Leader, of Pennsylvania, who suspended boxing operations in his State for 90 days following the strange circumstances surrounding the Johnson-Mederos contest.

It is no secret that this popular sport is under the tight and all-powerful control of a few men who run the game to suit themselves, with little regard for the boxing commissions in the several States, as audiences, through the medium of radio and television, have become national instead of local, it would seem that this professional sport should be subject to Federal control since it has failed to regulate itself.

Monopolistic drives, to put it mildly, have "sewed up" the game.

For this and other reasons, I believe that professional boxing should answer to a searching investigation that will expose every hidden combination and influence.

I, therefore, request that a subcommittee of the Judiciary Committee of the House of Representatives be given specific instructions and adequate funds to conduct a far-reaching investigation of all phases of professional boxing.

INDEPENDENT OFFICES APPROPRIATION BILL, 1956

Mr. THOMAS. Mr. Speaker, I call up the conference report on the bill (H. R. 5240) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes and ask unanimous consent that the statement of the Managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 871)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5240) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1956, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 10, 17, 18, 20, 22, 37, 42, 47, 49, 51, 54, 58, 59, and 60.

That the House recede from its disagreement to the amendments of the Senate numbered 12, 28, and 52 and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$233,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$11,300,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: "$32,650,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,500,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$160,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,262,500"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$97,595,500"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$11,600,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$145,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$58,750"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,005,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,125,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,100,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$117,500"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amend-

ment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert "twenty-three passenger motor vehicles, of which twelve shall be"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$263,700"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,000,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,000,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$8,200,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$81,750,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"General expenses: For necessary expenses of the Interstate Commerce Commission not otherwise provided for, including not to exceed $5,000 for employment of special counsel; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; newspapers (not to exceed $200); purchase of not to exceed forty passenger motor vehicles, of which twenty shall be for replacement only; and not to exceed $330,000 for expenses of travel; $10,437,000, of which $125,000 shall be available for expenses necessary to carry out such defense mobilization functions as may be delegated pursuant to law: *Provided*, That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such.

"Railroad safety: For expenses necessary in performing functions authorized by law (45 U. S. C. 1–15, 17–21, 34–46, 61–64; 49 U. S. C. 26) to insure a maximum of safety in the operation of railroads, including authority to investigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, including those pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906, and the Sundry Civil Act of May 27, 1908 (45 U. S. C. 35–37), and to require carriers by railroad subject to the Act to install automatic train-stop or train-control devices as prescribed by the Commission (49 U. S. C. 26), including the employment of inspectors and engineers, and including not to exceed $163,050 for expenses of travel, $974,500.

"Locomotive inspection: For expenses necessary in the enforcement of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", as amended (45 U. S. C. 22–34), including not to exceed $112,620 for expenses of travel, $709,500."

And the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$330,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$60,135,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$12,565,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$120,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$16,000,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,150,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$132,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,955,000"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the number proposed by said amendment insert "thirty"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$72,500"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$145,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$75,800"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$27,216,000"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$158,002,000" and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$500,000"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,600,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert: "$10,750,000"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$8,200,000"; and the Senate agree to the same.

Amendment numbered 62: That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$530,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 50, and 53.

ALBERT THOMAS,
EDWARD P. BOLAND,
CLARENCE CANNON,
JOHN PHILLIPS,
C. W. VURSELL,
HAROLD C. OSTERTAG,
JOHN TABER,
Managers on the Part of the House.

WARREN G. MAGNUSON,
LISTER HILL,
ALLEN J. ELLENDER,
A. WILLIS ROBERTSON,
RICHARD B. RUSSELL,
JOHN L. MCCLELLAN,
EVERETT MCKINLEY DIRKSEN,
LEVERETT SALTONSTALL,
WILLIAM F. KNOWLAND,
JOSEPH R. MCCARTHY,
CHARLES E. POTTER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—INDEPENDENT OFFICES

Alexander Hamilton Bicentennial Commission

Amendment No. 1: Reported in disagreement.

UNIVERSITY OF MICHIGAN LIBRARIES

Civil Service Commission

Amendment No. 2—Payment to civil-service retirement and disability fund: Appropriates $233,000,000 instead of $250,000,000 as proposed by the House and $216,000,000 as proposed by the Senate.

Federal Civil Defense Administration

Amendments Nos. 3 and 4—Operations: Authorize the use of $5,000 for the purchase of newspapers, periodicals, and teletype news services instead of $1,000 as proposed by the House and $9,000 as proposed by the Senate; and appropriate $11,300,000 instead of $11,000,000 as proposed by the House and $11,600,000 as proposed by the Senate.

Amendment No. 5—Emergency supplies and equipment: Appropriates $32,650,000 instead of $30,000,000 as proposed by the House and $35,300,000 as proposed by the Senate.

Funds appropriated to the President

Amendment No. 6—Disaster relief: Appropriates $3,500,000 instead of $2,000,000 as proposed by the House and $5,000,000 as proposed by the Senate.

Federal Power Commission

Amendment No. 7—Salaries and expenses: Restores language proposed by the House.

In the language of the proviso pertaining to the furnishing of assistance and information relating to the electric power and gas industries, the committee of conference does not intend to restrict regulatory activities but just the dissemination of information related thereto.

Federal Trade Commission

Amendments Nos. 8 and 9—Salaries and expenses: Authorize the use of $160,000 for expenses of travel instead of $144,250 as proposed by the House and $175,000 as proposed by the Senate; and appropriate $4,262,500 instead of $4,225,000 as proposed by the House and $4,300,000 as proposed by the Senate.

General Accounting Office

Amendment No. 10—Salaries and expenses: Strikes out language proposed by the Senate.

General Services Administration

Amendments Nos. 11 and 12—Operating expenses, Public Building Service: Appropriate $97,595,500 instead of $95,960,000 as proposed by the House and $99,231,000 as proposed by the Senate; and earmark $7,000,000 for repair and improvement of buildings in the District of Columbia as proposed by the Senate instead of $7,500,000 as proposed by the House.

Amendment No. 13—Emergency operating expenses: Appropriates $11,600,000 instead of $10,000,000 as proposed by the House and $13,200,000 as proposed by the Senate.

Amendment No. 14—Repair, improvement, and equipment of federally owned buildings outside the District of Columbia: Authorizes the use of $145,000 for expenses of travel instead of $100,000 as proposed by the House and $190,000 as proposed by the Senate.

Amendments Nos. 15 and 16—Operating expenses, Federal Supply Service: Authorize the use of $58,750 for expenses of travel instead of $46,600 as proposed by the House and $70,900 as proposed by the Senate; and appropriate $3,005,000 instead of $2,890,000 as proposed by the House and $3,120,000 as proposed by the Senate.

Amendments Nos. 17, 18, and 20: Restore language proposed by the House limiting transfers between appropriations or funds in certain items of the General Services Administration.

Amendment No. 19—Administrative operations: Appropriates $4,125,000 instead of $4,000,000 as proposed by the House and $4,250,000 as proposed by the Senate.

Amendment No. 21—United States Post Office and Courthouse, Nome, Alaska: Appropriates $1,100,000 instead of $1,000,000 as proposed by the House and $1,200,000 as proposed by the Senate.

Amendment No. 22: Strikes out language proposed by the Senate. In striking the matter proposed by the Senate relating to tape operated recording and reproducing electric writing machines the committee of conference states that this is a matter subject to definition and the Bureau of the Budget should review the entire subject.

Amendment No. 23—Abaca fiber program: Authorizes the use of $117,500 for administrative expenses instead of $100,000 as proposed by the House and $135,000 as proposed by the Senate.

Housing and Home Finance Agency

Amendments Nos. 24, 25, and 26—Office of the Administrator, Salaries and expenses: Authorize the purchase of 23 passenger vehicles instead of 12 as proposed by the House and 33 as proposed by the Senate; authorize the use of $263,700 for expenses of travel instead of $169,325 as proposed by the House and $358,100 as proposed by the Senate; and appropriate $5,000,000 instead of $4,300,000 as proposed by the House and $6,050,000 as proposed by the Senate.

Amendment No. 27—Reserve of planned public works: Appropriates $3,000,000 instead of $2,500,000 as proposed by the House and $3,500,000 as proposed by the Senate.

Amendment No. 28—Capital grants for slum clearance and urban renewal: Appropriates $50,000,000 as proposed by the Senate instead of $60,000,000 as proposed by the House.

Amendment No. 29—Public Housing Administration, administrative expenses: Appropriates $8,200,000 instead of $8,000,000 as proposed by the House and $8,400,000 as proposed by the Senate.

Amendment No. 30—Annual contributions: Appropriates $81,750,000 instead of $80,000,000 as proposed by the House and $83,500,000 as proposed by the Senate.

Interstate Commerce Commission

Amendment No. 31: Strikes out language proposed by the House and inserts language proposed by the Senate making three separate appropriations for this agency. Item for general expenses as proposed by the Senate is amended to provide for the purchase of 40 passenger motor vehicles instead of 50 as proposed by the Senate, to authorize the use of $330,000 for expenses of travel instead of $358,880 as proposed by the Senate, and to appropriate $10,437,000 instead of $10,583,000 as proposed by the Senate. Appropriations provided total $12,121,000 instead of $11,975,000 as proposed by the House and $12,267,000 as proposed by the Senate.

National Advisory Committee for Aeronautics

Amendments Nos. 32 and 33—Salaries and expenses: Authorize the use of $330,000 for expenses of travel instead of $310,000 as proposed by the House and $350,000 as proposed by the Senate; and appropriate $60,135,000 instead of $56,000,000 as proposed by the House and $63,500,000 as proposed by the Senate.

Amendment No. 34—Construction and equipment: Appropriates $12,565,000 instead of $11,700,000 as proposed by the House and $13,000,000 as proposed by the Senate.

National Science Foundation

Amendments Nos. 35 and 36—Salaries and expenses: Authorize the use of $120,000 for expenses of travel instead of $89,500 as proposed by the House and $150,000 as proposed by the Senate; and appropriate $16,000,000 instead of $12,250,000 as proposed by the House and $20,000,000 as proposed by the Senate.

National Security Training Commission

Amendment No. 37—Salaries and expenses: Strikes out language proposed by the Senate.

Renegotiation Board

Amendment No. 38—Salaries and expenses: Appropriates $4,150,000 instead of $3,750,000 as proposed by the House and $4,250,000 as proposed by the Senate.

Securities and Exchange Commission

Amendments Nos. 39 and 40—Salaries and expenses: Authorize the use of $132,000 for expenses of travel instead of $125,000 as proposed by the House and $138,360 as proposed by the Senate; and appropriate $4,955,000 instead of $4,875,000 as proposed by the House and $4,997,000 as proposed by the Senate.

Selective Service System

Amendments Nos. 41, 42, 43, 44, 45, 46, and 47—Salaries and expenses: Authorize the purchase of 30 motor vehicles for replacement only instead of 20 as proposed by the House and 39 as proposed by the Senate; strike out language proposed by the Senate; authorize the use of $72,500 for expenses of travel, National Administration, Planning, Training, and Records Management instead of $70,000 as proposed by the House and $75,000 as proposed by the Senate; authorize the use of $145,000 for expenses of travel, State Administration, Planning, Training, and Records Servicing instead of $140,000 as proposed by the House and $150,000 as proposed by the Senate; earmark $75,800 for the National Selective Service Appeal Board instead of $75,000 as proposed by the House and $76,700 as proposed by the Senate; appropriate $27,216,000 instead of $26,958,875 as proposed by the House and $27,474,000 as proposed by the Senate; and restore language proposed by the House providing $20,963,700 for expenses of local boards.

Veterans Administration

Amendments Nos. 48 and 49—General operating expenses: Appropriate $158,002,000 instead of $155,000,000 as proposed by the House and $161,004,000 as proposed by the Senate; and strike out language proposed by the Senate.

Amendment No. 50: Reported in disagreement.

Amendment No. 51—Outpatient care: Strikes out language proposed by the Senate.

Amendment No. 52—Hospital and domiciliary facilities: Strikes out language proposed by the House and inserts language as proposed by the Senate.

Amendment No. 53: Reported in disagreement.

Amendment No. 54: Corrects section number.

TITLE II—CORPORATIONS

Housing and Home Finance Agency

Amendment No. 55—Office of the Administrator, housing loans to educational institutions: Authorizes the use of $500,000 for administrative expenses instead of $425,000 as proposed by the House and $575,000 as proposed by the Senate.

Amendments Nos. 56 and 57—Office of the Administrator, revolving fund (liquidating programs): Authorize the use of $2,600,000 for administrative expenses instead of $2,500,000 as proposed by the House and $2,700,000 as proposed by the Senate; and authorize $10,750,000 for nonadministrative expenses instead of $10,000,000 as proposed by the House and $11,500,000 as proposed by the Senate.

Amendment No. 58—Home Loan Bank Board: Authorizes $2,995,000 for nonadministrative expenses as proposed by the House instead of $2,870,000 as proposed by the Senate.

Amendments Nos. 59 and 60—Federal Savings and Loan Insurance Corporation: Authorize $985,000 for administrative expenses as proposed by the House instead of $500,000 as proposed by the Senate; and authorize $90,000 for expenses of travel as proposed by the House instead of $15,000 as proposed by the Senate. The committee of conference is agreed that the increase of $485,000 over the budget estimate shall be used only for making examinations of insured institutions on at least a 12-month basis, and no part

of the increase shall be used for reappraisals of property security underlying loans insured by the Corporation.

Amendments Nos. 61 and 62—Public Housing Administration: Authorize $8,200,000 for administrative expenses instead of $8,000,000 as proposed by the House and $8,400,000 as proposed by the Senate; and authorize the use of $530,000 for expenses of travel instead of $500,000 as proposed by the House and $560,000 as proposed by the Senate.

ALBERT THOMAS,
EDWARD P. BOLAND,
CLARENCE CANNON,
JOHN PHILLIPS,
C. W. VURSELL,
HAROLD C. OSTERTAG,
JOHN TABER,
Managers on the Part of the House.

Mr. THOMAS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

The THOMAS. I yield.

Mr. PHILLIPS. Very briefly, I see in a number of places we refer under the selective-service provisions to the local committees. I take it for granted that it is understood that all provisions include both local committees and appeal boards.

Mr. THOMAS. That is true.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 2 insert:

"ALEXANDER HAMILTON BICENTENNIAL COMMISSION

"For an additional amount for 'Alexander Hamilton Bicentennial Commission,' $15,000: *Provided*, That said appropriation shall be immediately available and remain available until expended."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The question is on the motion offered by the gentleman from Texas that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 31, line 11, insert: "*Provided further*, That no part of any appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of $1 per month for each eligible veteran enrolled in and attending such institution."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The question is on the motion offered by the gentleman from Texas that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 53: Page 41, line 1, strike out:

"SEC. 108. No part of any appropriation contained in this title shall be used to pay the compensation of any officers and employees who allocate positions in the classified civil service with a requirement of maximum age for such positions."

Mr. THOMAS. Mr. Speaker, I move that the House concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SEC. 108. No part of any appropriation contained in this title shall be used to pay the compensation of any officers and employees who allocate positions in the classified civil service with a requirement of maximum age for such positions: *Provided*, That (1) ability and (2) qualifications for employment to such positions shall be the governing considerations."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

(By unanimous consent, at the request of Mr. YATES, the following remarks, made by him later in the day under a special order previously granted him, were ordered to be printed at this point in the RECORD.)

Mr. YATES. Mr. Speaker, I want only to comment on the amendment I offered when this bill was before the House which, in effect, prohibited any agency in the executive branch from refusing employment in the Federal service to a person solely because of his age. The House accepted the amendment, but it was stricken from the Senate bill. The conference report which we bring back to the House today, restores it, and, in my judgment, is a significant and progressive step toward breaking down one of the most unfair and unreasonable employment evils confronting our aging citizens—and that is the much too prevalent practice of refusing to hire a person because his birth certificate says that he was born too long ago.

And what is too long ago? I stated that this is an evil confronting our aging citizens. Is a person an aging citizen at age 35 or 40? Is 36 years of age too ripe an age for a Federal tax collector? Is a woman 35 years of age too old to be a good secretary? The Civil Service Commission thinks so—it has refused to even consider applications of persons beyond these years for jobs of this type.

Early this year my attention was called to the case of a young machinist in St. Louis named Nick C. Mlinarich, who was laid off from his job. In order to qualify for unemployment compensation, he had to show that he had tried to get a job elsewhere. He happened to see a form announcement by the United States Civil Service Commission of an examination for tax collector GS–5. When he applied for the position his application was returned by the Commission with the statement that he did not qualify—that there were minimum and maximum age limits—from 18 to 35. He was prohibited from seeking this job only because he was 36 years old, even though he may have been completely qualified for it in all other respects. He was never given an opportunity to present his other qualifications.

In the New York Times of September 25, 1954, the story appeared of the recruitment of 100 stenographers and typists by the Federal Government, but they must be under 35 years of age. How many of our secretaries are under age 35? Their most valuable quality is experience and knowledge, which only come with years of work and training. And these are not the only cases of barring employment because of age.

Suppose maximum age were a barrier to election to Congress—imagine what would happen to this Congress if there were such a thing as maximum age to our election. Today, no Member of Congress is under 30. Thirteen percent of the Representatives and only 4 percent of the Senators are under 40. If the test used by the Civil Service Commission were used for congressional employment, almost all of us would be out of jobs.

We must face up to the fact that our country is growing older. While the Nation's total population has doubled since 1900, the age group from 45 to 64 has trebled. The number of persons over 64 has quadrupled.

Other figures show that one-third of the country's working force is now over 45; by 1975 about half the population of voting age will be past 45. Does it make sense to recognize as valid an employment practice which refuses to hire so many people solely on account of age?

A few months ago there were 2.8 million persons unemployed. Of these 2 million were age 45 and under; 800,000 were 46 and older. Shortly thereafter, 426,400 unemployed workers found jobs. Of these, 349,600 were 45 and under; 76,800 were 46 and older. What do these statistics show? They show that workers over 45 make up 29 percent of the total unemployed, and that when new jobs open up, only 18 percent of such persons get new jobs.

A man who finds himself out of a job after he has passed his middle forties, or a woman past 35, is in a very tough spot. Unless he has some special skill which happens to be in short supply, he has an exceedingly difficult time getting through the hiring gate. Many concerns have a fixed policy which forbids the hiring of any worker except under special circumstances, who is 45 years of age or over. For a woman, this discrimination is likely to set in some 10 years earlier.

Even when no such fixed policy exists, the prejudice against hiring a middle-aged or older worker is so general that he is more than likely to be turned down. The records show that depending on the kind and skill he possesses, it is from 2 to 6 times harder for a worker in these age brackets to get a job than for the younger man. His period of unemployment between jobs is likely to stretch into many anxious weeks and months. And when finally he does get back on a payroll—if he does—it may be at reduced wage or under circumstances that give him no real job security. For the rest, far too many, after repeated turndowns, give up the struggle and take themselves out of the labor market entirely.

Far too many of our older people are living frustrated and anxiety ridden lives, either dependent on others or

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struggling to make ends meet on inadequate incomes. Faced with problems relating to health and medical care, places to live, and the need for recreation, they find life increasingly difficult. We must not deny our fellow Americans a chance to earn their living and maintain their self-respect.

Difficult in employment is only one aspect of the problems of our aging citizens. As a Nation, our immediate task is to provide roles for our older people, which will make use efficiently of their admitted skills and experience, for the good of the community, the Nation, and their own self-respect. We must also determine how best we can aid the communities in providing more adequate health, housing, recreational, and educational facilities geared to the particular needs of our older people. This is a real problem which we must face up to now. Our aging citizens must not become America's displaced persons; and we must also make sure that the essential employability of these older workers is maintained in the event the needs of our defense programs should suddenly demand their services.

All this is imperative in the highest degree. For to the extent that we fail to find ways to remedy this present situation, these older people, and those now approaching their later years, will become an increasing social, medical, and financial burden on their children, their communities, and on the total economy.

In the Independent Offices Appropriations bill of 1952, I offered an amendment, which the Congress accepted, which was designed to take care of just this situation, to eliminate age as the sole test. The Civil Service Commission, even though it knew it was the intention of the Congress to remove its maximum age restrictions, nevertheless continued its frustrating practice on the ground that a person's age was a definite factor in job classification. It used a loophole in the language to avoid the congressional intent. We have corrected that loophole today. The language of this amendment has no loopholes. It states specifically that ability and qualifications are to govern employment to a given position—not age, and it is the specific intention of the amendment not to permit the known qualifications to be used by the Commission as a loophole to again use age as a barrier to Federal employment. We want cooperation, not evasion.

Mr. Speaker, the amendment in this report is a good one. It strikes a real blow at an unreasonable and unconscionable barrier to the right of a person to earn a living. It shatters the concept that a birth certificate should be the exclusive test of a person's ability to work. Ability and qualifications replace age as a test for a Federal job, which is as it should be. I hope that private industry will take note of the constructive measure taken in Federal employment today and will take steps too, to eliminate age as the exclusive test for employment.

The second matter in this conference report, which I want to discuss, relates to the appropriation for the Federal Power Commission. This bill contains every penny that the Federal Power Commission asked not only from the Congress but from the Bureau of the Budget. It is rare that the Bureau of the Budget does not cut the appropriation requests of an executive agency. It made no reduction this year for the Federal Power Commission because the Commission needed all of its funds to deal with the regulation of the natural-gas industry, including the so-called natural-gas producers. The House and the Senate gave the Commission the funds they requested to hire an additional 41 employees for that job of regulating the entire natural-gas industry. The Commission now has no excuse to hamper it. It has the money. It has the approval of the Congress to hire the necessary number of employees for the job. The Supreme Court of the United States has stated specifically that the independent producers of natural gas are subject to the regulations of the Federal Power Commission. I think that the refusal of the Federal Power Commission to take steps to make effective regulations for the natural-gas industry up to the present time is disgraceful. It is about time for it to end its sitdown strike against regulating the independent producers of natural gas and getting on with the job of protecting the public. If the task is too much for the present Commission, they ought to resign and let somebody handle the job who wants to do it and do it properly. If the Commission is waiting for the Congress to change the law to exempt the independent producers of natural gas from regulation, it has a long wait, because I predict that Congress is not going to do it. The public need which prompted the passage of the act in 1938 to protect the public from exorbitant rates is still present and will be recognized by the Congress.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. DIES. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Interstate and Foreign Commerce may be permitted to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may be permitted to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMITTEE ON EDUCATION AND LABOR

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Education and Labor may be permitted to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 266 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective from January 3, 1955, the Committee on Agriculture, acting as a whole or by subcommittee, is authorized and directed to make studies and investigations into the following matters:

(1) The restoration of foreign markets for American agricultural products, the development of international trade in agricultural products, and the disposal of agricultural surpluses pursuant to Public Law 480 and Public Law 665, 83d Congress;

(2) All matters relating to the establishment and development of an effective Foreign Agricultural Service pursuant to title VI of the Agricultural Act of 1954;

(3) All matters relating to the development, use, and administration of the national forests;

(4) Price spreads between producers and consumers;

(5) The formulation and development of improved price support and regulatory programs for agricultural commodities; matters relating to the inspection and grading of such commodities; and the effect of trading in futures contracts for such commodities;

(6) The administration and operation of agricultural programs through State and county ASC committees and the administrative policies and procedures relating to the selection, election, and operation of such committees;

(7) The development of the pilot plant watershed projects authorized by the 83d Congress and the administration and development of watershed programs pursuant to Public Law 566, 83d Congress;

(8) The administration, use, and disposition of lands acquired pursuant to title III of the Bankhead-Jones Farm Tenant Act: *Provided*, That the committee shall not undertake any investigation of any matter which is under investigation by another committee of the House.

For the purposes of such investigations and studies, the committee or any subcommittee thereof is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, to make such inspections or investigations, to use such governmental facilities without reimbursement therefor, and to require, by subpena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary: *Provided*, That hearings and investigations outside the United States shall be conducted only by subcommittees of not to exceed five members and shall be limited to matters enumerated in items (1) and (2) above. Subpenas may be issued over the signature of the chairman of the committee, or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths or affirmations to witnesses.

The committee may report to the House (or to the Clerk of the House if the House is not in session) at any time during the pres-

ent Congress the results of its investigation and study, together with such recommendations as it deems advisable.

With the following committee amendment:

Page 1, line 3, strike out "and directed."

The committee amendment was agreed to.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and yield myself such time as I may need.

Mr. Speaker, this is the usual resolution authorizing the Committee on Agriculture to make certain investigations. It is limited in accordance with the policy announced at the beginning of the session that a committee shall specify in the authorizing resolution the scope of its investigation and limited also in that investigations outside of the United States shall be only for two purposes, the first 2 named in the resolution, and provides that it shall be done by a subcommittee of 5. I know of no objection to the resolution.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. THORNBERRY. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. When the resolution was reported, I heard no termination date, no date for reporting to the Congress. Can the gentleman tell us how long this resolution would be in effect and what date is provided for reporting to the Congress?

Mr. THORNBERRY. It is the same as any other general resolution for a legislative committee, just like the one that the gentleman's own committee operates under. It says during this present Congress, the committee shall report the results of its investigation.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 92]

Andresen, August H.	Gathings	Norblad
Barden	Green, Pa.	Polk
Bass, N. H.	Gregory	Powell
Bell	Gubser	Prouty
Bolton, Oliver P.	Hébert	Reed, N. Y.
Canfield	Heselton	Rivers
Chatham	Holifield	Shelley
Chiperfield	Holt	Short
Coudert	Horan	Smith, Va.
Dawson, Ill.	James	Steed
Dempsey	Johansen	Taylor
Diggs	Judd	Thompson, N. J.
Dingell	Kearney	Tollefson
Doyle	Kearns	Velde
Eberharter	McCulloch	Vursell
Ellsworth	McDowell	Widnall
Evins	Mailliard	Wolcott
Fisher	Meader	Zelenko
	Morrison	
	Mumma	

The SPEAKER. On this rollcall 374 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REPORT OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 194)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed with illustrations:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the National Advisory Council on international monetary and financial problems submitted to me through its Chairman, covering its operations from July 1, to December 31, 1954, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 22, 1955.*

COMMITTEE ON AGRICULTURE

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, while the Cow Palace at San Francisco is ringing with praise for the United Nations, I should like to call attention to one important but little known fact concerning this organization.

In his book, In the Cause of Peace, Trygve Lie, former Secretary-General of the U. N. refers to the position of Assistant Secretary-General for Political and Security Council Affairs as the "premier" assistant secretaryship of the U. N.

Lie points out that the man holding that position is entrusted with directing the Secretariat department "most concerned with the preservation of international peace and security" which he (Lie) describes as the "organization's highest responsibility."

Among his many duties, this Assistant Secretary-General serves the Military Staff Committee of the U. N. Security Council. According to the U. N. Charter, the Military Committee advises and assists the Security Council on all questions relating to the Council's military requirements for the maintenance of international peace and security, the employment of and command of forces placed at its disposal, the regulation of armaments, and possible disarmament.

In view of the importance attached to the position by Lie, let us see who has served as the "premier" or top Assistant Secretary-General of the United Nations.

From 1946 to 1949, it was A. A. Sobolev, a Russian Communist. From 1949 to 1953—when Americans were being killed in Korea while fighting under the spider-web banner of the United Nations—it was C. E. Zinchenko, a Russian Communist. From 1953 to December 1954, it was I. S. Tchernychev, a Russian Communist. And now it is Dr. Dragoslav Protitch, a Yugoslav Communist.

In other words, the top official in the U. N. department "most concerned with the preservation of international peace and security"; the department which serves the Security Council in the "employment of and command of forces—military—placed at its disposal" is today, was during the Korean war, and always has been a Communist.

Let it be remembered that some 35,000 Americans gave up their lives during the Korean conflict; a war which never could have been waged by North Korean and Chinese Communists without the active support of Russia.

And yet all during that war, a Russian Communist sat as the Assistant Secretary-General heading the United Nations organization responsible for the employment and command of U. N. military forces.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, I would like to ask someone connected with the committee 2 or 3 questions about this investigation.

No. 1: I think the family-type farm should be given consideration, and I would just like to ask someone who will speak for the committee if the question of the family-type farm as distinguished from the factory-type farm will be given consideration in this investigation.

Mr. COOLEY. Mr. Speaker, if the gentleman will yield, I can assure the gentleman from Texas that consideration will be given to the matter he has mentioned.

Mr. PATMAN. Further, Mr. Speaker, I will ask the chairman if the question of whether or not efficiency on the farm is being pushed and urged and pressed so far that it is probably reacting against the general welfare of all the people.

Mr. COOLEY. Well, I would like to say to my friend that all of our agricultural experts and all the departments of agriculture in all the several States and Territories through all the years have cultivated the art of production and have increased production per unit almost 50 percent in the last few years. Now, efficiency is being emphasized, and the thought I have in mind that the gentleman has in mind is that we have been paying perhaps too much attention to the art of production and too little to the art of distribution and of marketing.

Mr. PATMAN. There is a question as to whether or not it will react against

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the family-type farm to the extent that the general welfare is harmed.

Mr. COOLEY. Naturally, if you mechanize all of the big farms of the country, you would plow under the small farms of the country. I might say to the gentleman that I represent a State that has more small farms than any other State in the Union. We have more people living on farms in my State than any other State in the Union. I can assure the gentleman that the chairman of the Committee on Agriculture is very vitally interested in the welfare of the small farmers.

Mr. PATMAN. There are a lot of Members of Congress I know that are interested in the support-price program. Many Members believe that the family-size farmer should be given 100 percent support price on his products, if he goes out in the field and he works and he produces. He is then enabled to go into the market and sell his products or get a guaranty of 100 percent up to a certain amount, enough to give that farm family a decent living; in other words, giving the farm family a decent wage that the farm family works for. That will be considered, I take it.

Mr. COOLEY. I am sure that the welfare of all the small-type farmers will be considered.

Mr. PATMAN. And particularly support prices as they operate against the family-type farm and the factory-type farm.

Mr. COOLEY. Yes.

Mr. PATMAN. I thank the gentleman.

Mr. THOMPSON of Texas. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. THOMPSON of Texas. I should like to assure the gentleman from Texas [Mr. PATMAN], whose interest in the family-size farm is parallel with my own, that the first order of business, the first instructions given to the subcommittee by the chairman of the committee, had to do with the family-sized farm. That will be taken care of over this coming week end.

Mr. PATMAN. I am very much encouraged. I know all Members are encouraged.

I certainly hope this resolution will pass.

Mr. THORNBERRY. Mr. Speaker, I have no further requests for time.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

BAR GRAFTERS FROM GOVERNMENT CONTRACTS

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, recent disclosures of irregularities in the purchase of Government uniform caps, although they occurred under a previous administration, indicate a corrective course of action that could well be taken today.

Firms which have been found to have engaged in bribery or other forms of fraud should be barred from Government contracts forthwith.

The investigations referred to have shown that some contractors used gifts and other forms of bribery to get business or make a higher profit. I think it is important to discourage practices of this kind. Dishonesty of this type can undermine our Government.

Recently a Federal court here in Washington ruled that the FHA is legally justified in refusing to grant mortgage insurance to a firm which previously reaped "windfall profits."

The court held that the FHA was not acting arbitrarily in declining to grant a hearing before denying the insurance. It ruled that the refusal was based on "previous unsatisfactory business experience in other transactions."

The same moral issue is involved in governmental contracts, such as the purchase of military supplies, and I believe we can eliminate, or at least, control this form of grafting by barring the grafters from future contracts.

CUSTOMS SIMPLIFICATION BILL OF 1955

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 282 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6040) to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], and now yield myself such time as I may desire.

Mr. Speaker, House Resolution 282 makes in order the consideration of the bill H. R. 6040, to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws.

House Resolution 282 provides a closed rule with 2 hours of general debate on the bill itself, and amendments may be offered only at the direction of the Committee on Ways and Means. Points of order are waived.

Mr. Speaker, according to the report on this bill, H. R. 6040 seeks to provide improved procedures for the valuation of imports and the conversion of foreign currency into dollars for the purpose of assessing customs duties.

The bill would change present law so that export value would be the preferred basis of valuation for the purpose of assessing duties. Under the present law either foreign value or export value is used as the preferred basis for valuation in assessing duties, depending upon whether the foreign value or the export value is higher. In other words, under the present law, the higher value is used as the basis for valuation.

H. R. 6040 also redefines certain terms used in the definitions of export value, United States value, constructed value, and American selling price.

The bill also proposes to authorize the Secretary of the Treasury to provide by regulations for the use of the foreign-exchange rate first certified for a particular quarter of a year as long as the rate certified for the day of exportation does not vary by 5 percent or more from the certified rate. This would eliminate the requirement, under present law, that the customs collector check the daily rate for each day's importations.

Section 5 of the bill, as reported from the Committee on Ways and Means, states that nothing in the bill is to be considered as repealing, modifying or superseding any provision of the Antidumping Act, 1921, and in addition requires the Secretary of the Treasury, after consulting with the Tariff Commission, to review the operation and effectiveness of the Antidumping Act and to report to the Congress on this subject within 1 year after the effective date of the bill.

Mr. Speaker, the Committee on Ways and Means asked for the usual type of rule which they feel they need on a bill of this type. The Committee on Rules felt that this was the only practicable method under which H. R. 6040 could be considered, and I urge the adoption of the rule.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 6 minutes to the gentleman from California [Mr. HINSHAW], and ask unanimous consent that he be permitted to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HINSHAW. Mr. Speaker, air transportation between the United States and Mexico presents an extraordinary and sorry picture. Mexico refuses to permit any United States flag carrier to fly nonstop from any major United States city to Mexico City. Instead, this important and lucrative traffic is handled by foreign airlines.

Why is this? Because Mexico insists upon and has a monopoly on certain important United States-Mexico City nonstop runs. Further, it has permitted at least one other foreign airline flying nonstop from the United States to land in Mexico City while denying similar rights to United States carriers.

The fact is that for more than 9 years the United States has been endeavoring to work out on a reciprocal basis a just and equitable bilateral air-route agreement with Mexico. During this period there have been four formal intergovernmental negotiations and almost continuous conferences. All these efforts have failed.

Mexico has based its insistence upon these special privileges on various grounds. Principally it has asserted that the Mexican lines cannot successfully compete with United States carriers on these routes. This is belied by the experience of the carriers of other countries with whom the United States has entered into bilateral air-route agreements.

Mexico has played a game which otherwise would be incredible were it not that governments are involved. They have played upon the sympathy of the United States for small nations to gain their end. Mexico has consistently taken advantage of our unwillingness to deal with her at arm's length, but now she has come to the end of her rope.

While Mexico and the United States have been negotiating for more than 9 years, as I have stated, Compania Mexicana Aviacion—CMA—which started out with the limitation of 3 flights per week from Los Angeles to Mexico City, has grown until today it is flying from 14 to 20 round-trip flights per week between Los Angeles and Mexico City at better than 90-percent load factor. Numbers of times Mexico has urged the United States to lift its limitations on capacity and that if the United States would only lift those limitations, Mexico has assured us that they would very shortly execute the bilateral agreement of the Bermuda type with the United States. Such an agreement would provide among other things reciprocal nonstop flights between Los Angeles and Mexico City. Each time, the United States has accepted the Mexican assurances that the agreement would soon be negotiated and has finally granted unlimited flight service from Mexico City to Los Angeles, but to this day no bilateral agreement has been executed between Mexico and the United States because each time, after our good will has been shown, Mexico has refused to enter upon the bilateral agreement as promised.

As a sop to the United States during this period, an American air carrier from the west coast was granted permission to enter Mexico at El Paso and proceed via Monterey to Mexico City. That is a very indirect route, but DC–6 equipment was used. In 1951 Compania Mexicana Aviacion started using DC–6 equipment on direct nonstop flights from Los Angeles to Mexico City and thereafter the American air carrier flying via El Paso suffered almost a complete loss in that its operation had been short-circuited and it was obliged to suspend operations. The story is practically the same between Middle West, east coast, and gulf coast points.

The CONGRESSIONAL RECORD of yesterday carries an important statement by the distinguished Senator from Louisiana, Mr. ELLENDER. I speak on behalf of the west coast of the United States, as chairman of the California delegation in the House of Representatives, and I am sure California's Members of the United States Senate will concur. California, and particularly southern California, is very close to Mexico in both things of the spirit and things of commerce. The total air traffic between Mexico City and southern California is far heavier than that between Mexico City and any other community in the United States, and, I believe, the foreign world.

It is well known that the United States in its negotiation of Bermuda-type agreements with other countries has refused to sanction either limitations on capacity or agreements for division of traffic. The United States believes and has insisted upon reasonable competition and reciprocal rights so far as air routes are concerned. We have negotiated some 45 Bermuda-type agreements with various countries including almost all of our Latin-American neighbors, but because we have felt so kindly toward Mexico and have wished to be of particular assistance to Mexico because indeed she is our next-door neighbor, we have failed utterly in establishing this very necessary arrangement.

At various times the suggestion has been made that air routes with Mexico should be negotiated on a piecemeal or individual-route basis instead of an overall approach. So to do is clearly unsound. First, it is contrary to the basic concepts of our many bilateral air-route agreements with other nations. Second, it could result in a sacrifice of the interests of one section of the United States in favor of those in another geographical area. Any such result would be intolerable.

The time for action has come. By some means, a fair, just, and equitable overall air-route agreement with Mexico must be negotiated, executed, and become operative, and now. Otherwise the United States can have no choice but to cease permitting Mexican air commerce entry into the United States. The time has come when I, for one, stand ready to recommend such action to our own Government in the event of further dilly-dallying and shilly-shallying by our neighbor to the south. The present situation is ridiculous, and it must not continue.

Mr. Speaker, I ask unanimous consent that the special order granted me for this afternoon be vacated.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, the reason I have taken this time is to call the attention of the membership to the remarks of the gentleman from Ohio [Mr. JENKINS], the ranking Republican member of the Committee on Ways and Means, which appeared in the CONGRESSIONAL RECORD, Tuesday, June 21, pages 8906–8909, in regard to certain proposed amendments to the Social Security Act and the letter which the gentleman from Ohio inserted, which letter was received from Mrs. Hobby, Secretary of Health, Education, and Welfare, wherein she set forth at quite some length the reason why it was inadvisable in her judgment, and certainly in my judgment, that we proceed in the Committee on Ways and Means without public hearings on this very important and very comprehensive subject which could cost us an additional $2 billion a year. I trust all Members will read this letter. The Committee on Ways and Means just began meeting yesterday, Tuesday, and the present plans apparently are to close up Friday without any hearings and then go before the Committee on Rules and request a closed rule. That is going to mean, of course, that the membership of the House is not going to be able to follow this matter with the intelligence they should because the Committee on Ways and Means itself will not have so considered it. The gentleman from Ohio [Mr. JENKINS] has stated it:

> Inasmuch as there will be no public hearings on this matter and no transcript, and since it is vital that the membership of the House be kept acquainted with these proceedings of such tremendous significance to the American people—

He is thereby including these matters in the RECORD.

Mr. Speaker, I am going to do the same thing in my extended remarks at this time to bring out further matters and to continue to do so until such time as this matter does come before the House. At the same time I intend to go before the Committee on Rules and ask them to protect the House against what I regard as highly dangerous procedure; to ask at least that there be an open rule on this proposed bill so that the House can debate and consider this matter with some intelligence, even though the Committee on Ways and Means has voted not to pursue the proper and adequate procedures necessary to carefully consider proposed legislation. Indeed, the House cannot with safety rely upon its Committee on Ways and Means in respect to the proposed amendments to the Social Security Act.

Mr. KEAN. Mr. Speaker, will the gentleman yield?

Mr. CURTIS of Missouri. I yield to the gentleman from New Jersey.

Mr. KEAN. The gentleman mentioned $2 billion to be taken out of the trust fund annually. That is an estimate made by the Social Security Administration, and a great many people feel that it would be at least $2½ billion.

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Mr. CURTIS of Missouri. I am glad the gentleman mentioned that. As a matter of fact, those giving the estimates we do have, have said that we do not know and that we cannot know without a great deal more study. That is one of the reasons why this procedure is so highly improper and not conducive to good legislation.

I would like to reemphasize certain points I made during the debate on the rather comprehensive extension of the social-security program in the 83d Congress. These remarks appear in the CONGRESSIONAL RECORD of June 1, 1954, beginning on page 7450.

I tried to point out the peculiarity of social-security legislation as it relates to the committee system of the Congress. Most programs as we all know go through two basic sifting processes before they become operative. The matter is first referred to the legislative committee which goes into the merits of the program and decides whether or not the program should be authorized. If the program is authorized, then the same program must go before an entirely different committee composed of different personnel for an appropriation. Finally, of course, all programs must have the money to pay for them and a third and entirely different committee is assigned to the job of determining ways and means of getting the money to pay for the programs.

In the case of social-security legislation one committee acts as legislative committee, appropriations committee, and ways and means committee. The basic committee system is bypassed.

It becomes doubly important that this single committee having been given the power of three committees on this basic piece of legislation, exercise great caution in its consideration of proposed changes to it.

Any committee which requests a closed rule of the Rules Committee should be able to truthfully state that in considering the proposed legislation upon which a closed rule is requested the greatest amount of study and care was taken. A closed rule will undoubtedly be asked for in the case of this proposed legislation. And how, indeed, can the Ways and Means Committee properly satisfy the Rules Committee or the House that it has taken proper care and made proper studies on a matter which will cost from two billion to two billion and one-half dollars annually for as many decades as we can see ahead in the future, when no public hearings were held? When the basic decision of what was to be done was made in a caucus of the members of one political party and the votes taken in committee from thence on were voted according to the binding of the political caucus?

I wish that pleas were of some value in the partisan atmosphere in which we seem to be trying to legislate. I would plead with the majority leadership of the House as well as of the Ways and Means Committee to desist from their present course of action. It is this kind of legislating which undermines the very structure of our Congress. It is extremely important in these days that we be building up rather than tearing down the power, the dignity and respect of the independent legislative body. As many political philosophers have pointed out time and again it is the strength of the independent legislative body responsive to the people which is the basic bulwark of any free society.

There are many issues of great importance where we can properly draw political lines, and in my judgment where we should draw political lines. In fact it is entirely possible that there are basic differences of opinion on how is the best way to adequately care for the old and disabled people of our society which could properly become political issues. However, at this stage of the proceedings what differences there may be cannot even be drawn out because of the procedures being followed in pushing out this legislation without proper study or consideration.

I suppose the political theory of those who conceived this movement is to try to make it appear that their political opponents are not interested in the welfare of the old people and the disabled. They count on the fact that it is hard to get across to the people of the country that the matter can be one of proper procedure calling for proper study and not one of whether substantively one is for or against the objectives of the proposals.

Yet, those who will courageously stand up for proper studies and considerations are truly the ones most concerned about the welfare of these peoples. Hasty legislation is apt to be bad legislation defeating the very objectives sought to be attained. This social-security program can be wrecked, if indeed it has not already got within it the very seeds of its own destruction. And what will wreck it for sure is just this kind of cheap politics. The social-security program is too much a vital part of our social structure to tamper with idly.

In this atmosphere charged with politics I want to remind my colleagues on the other side of the aisle that there are 15 different proposals for liberalizing the present social security program, each being pushed by the special groups concerned. I am going to set out one as an example with some reference to the Republican position on it. Under the present social security system, an individual below age 72 who is otherwise entitled to benefits suffers a loss of those benefits if he earns over $1,200 a year. This provision is the so-called "work clause". The limitation has come under frequent attack. Many believe that it operates to prevent our older people from continuing in gainful employment, and that it is directly contrary to the American tradition of encouraging our people to provide for their own security through their own efforts.

The Republican Party has played a major role over the years in liberalizing this restrictive provision. In 1952, the Republican members were largely responsible for increasing the allowable amount of earnings to $75 a month.

Last year, the new Republican social security law increased the amount to $1,200 a year. There are now about 20 bills which have been introduced on both sides of the House to provide further liberalization of the work clause.

I am sure that the membership of the House as well as millions of social security beneficiaries will be interested to know that yesterday, June 21, the Democratic majority of the Committee on Ways and Means rejected by a strict party vote a Republican motion to hold public hearings on liberalization of this discriminatory restriction as well as on 14 other aspects of liberalizing the social security program.

Now, indeed, how will we pay for the added $2 billion of annual cost which the 3 extensions being proposed will bring? By putting in a provision to increase the social security tax 20 years from now, as we did last year in the Social Security Extension Act? Indeed, let us remember that last Congress was the first Congress which had the courage to permit an increase of tax written into the social-security law to go into effect. All Congresses before had passed legislation to keep the tax increases from taking effect. How many Congresses in the future will have the courage to let the tax increases come about?

The test is here at hand. This Congress seems quite ready to vote for these increased benefits, which undoubtedly on their face are fine and desirable, but will this Congress pass a tax increase to go into effect in 1956 to pay for these benefits, or will it write into the law an increase which will face a future Congress in the hopes that that later Congress will let the increase be effective? I suggest that if the Congress which votes the benefits and has the political credit for doing that popular thing has not the courage to do that which will not be popular—increase the tax—then the Congress in the future which has only the unpleasantness facing it will not do it.

I do not want to appear melodramatic in my remarks, but I must remind everyone that the political philosophers of the 18th century argued that no democracy could long survive, because if you put into the hands of the people themselves (or their direct representatives) the purse strings of the society they will spend themselves out of existence. For a century and a half this Nation has stood up and proven these pessimists to be wrong. But as Abraham Lincoln said, and he was well aware of the predictions of these prophets of doom, in regard to a similar crisis, "We are testing whether this Nation or any nation so conceived and so dedicated can long survive." And 150 years is a short span in the history of mankind and its governments.

Of course, I think we will survive the test. I am not so certain that those persons presently making up this 84th Congress will meet the test, although I hope they will. The reason I think we will survive the test is because I believe the American people are way ahead of this shoddy thinking going on right now, and they will see to it sooner or later, 2 years, 4 years, or 10 years—I don't know how soon—but sooner or later they will see to it that they have representatives who can and will stand tests of this sort.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, little did I realize 2 months ago when I faced my colleagues in the House in their vehement protest against gag-rule procedures on H. R. 1, the extension and amendment of our Reciprocal Trade Agreements Act, that I would be here opposing a gag rule on this legislation. I am surprised to find the advocates of free trade, the proponents of selling American small industries down the river, back here again with a proposal to gag the Members of the House of Representatives by imposing a closed rule on the consideration of this legislation. Even the title to the legislation is misleading and an insult to the intelligence of the Members of this House, because the two things it says are the purposes of the bill are not the purposes at all.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Illinois.

Mr. MASON. Instead of a customs simplification bill, this should be called a customs complication bill.

Mr. BAILEY. I would say to the gentleman that it is going to be quite harmful to all of those foreign products that are brought into this country on which we have an ad valorem duty assessment. That will cover the glass industry, the pottery industry, and the chemical industry.

I would be remiss in my duty if I did not protest this kind of procedure to solve a question which, if it is passed by this House, will add to the misery of the State of West Virginia, where six of our products are already hit. Now the second largest industry is the chemical industry, and it is going to injure the chemical industry more than any other project subject to competition with foreign imports. Yet, they are trying to ram it through under a closed rule.

I appeared before the Committee on Rules yesterday and asked for a modified rule that would permit us to offer one amendment that would be to strike section 2 out of this bill. I think I can assure you that if we succeed in striking section 2 out of this bill they will not want to go ahead with the passage of the bill. They are not caring anything about simplification. That does not mean anything at all. It is another method to destroy the small industries of these United States, and I am opposed to it.

I do not know that I shall bother to delay the business of the House by demanding a rollcall on the rule, but I most certainly propose to take some of the time in debate, and I propose to support the motion of the gentleman from Pennsylvania to recommit this bill and strike out section 2. If you are in any way interested in protecting the pottery, glass, and textile industries, and the chemical industry, you will rally to the support of the gentleman from Pennsylvania to recommit this bill and take section 2 out of it.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I should be glad to yield.

Mr. MASON. Does not the gentleman think, with a bill as far reaching as this affecting so many industries in this Nation, we ought to have a quorum present when we discuss it?

Mr. BAILEY. We should have a quorum present, and we certainly should not suspend ordinary legislative procedures and ram a bill of this importance to the industry of America down the throats of some supposedly intelligent Members of Congress.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. HOFFMAN of Michigan. If we keep on having rollcalls and quorum calls how can we adjourn over Friday, Saturday, Sunday, maybe Monday, and not get back until Tuesday?

Mr. BAILEY. I do not know anybody responsible for more rollcalls and quorum calls than the gentleman from Michigan himself.

Mr. HOFFMAN of Michigan. Is the gentleman congratulating me?

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker, I rise in opposition to this rule. As I understand, it is a closed rule and, as my colleague from West Virginia well stated, this will prevent any amendment to strike out section 2 which is the heart of the bill.

Many of us must oppose this bill with section 2 in it, especially those of us coming from textile and rubber districts.

This starts an entirely new procedure in the fact that it establishes what is known as an export valuation. It interferes with some of our present legislation, and to me as the bill now stands, Mr. Speaker, it is bad legislation; and I am hopeful, knowing that the rule will be passed because there are not enough votes to change it in any way, that when a motion to recommit the bill with instructions is offered, we can have sufficient support against this bill so that it may be recommitted with instructions to strike out section 2. It is that section of the bill that continues to do harm and to injure our domestic industry.

This bill, Mr. Speaker, seeks to repeal certain obsolete provisions of the customs laws which, in of itself, is commendable, but the bill goes much further. It proposes changes in the methods of determining the dutiable value of products which is most brazen and drastic, the most flagrant of which would be the transferring of the power to determine the valuation of these items to foreign exporters. The proposal in this legislation to substitute export value for the present foreign value as a basis of assessing ad valorem rates of duty is objectionable for the reason that it invites discrimination in practices in international trade.

It will be an invitation of course to allow the exporter to set a price for exportation to the United States, which may not be the price to other nations. These prices might be much lower as offered to the United States than those offered to other countries and could be lower than the prices charged for the same products at home.

This legislation would run afoul of the present law in that it would interfere with the Antidumping Act of 1921 and the countervailing duty section of the Tariff Act of 1930. It would tend to nullify the provisions of both of those laws that have been on the statute books for so many years. It has been the general complaint of other countries doing business with the United States that there is a great deal of uncertainty in our custom laws and under the controversial section 2 of this present bill there is no doubt in my mind that this legal phraseology will add further to uncertainty.

In its present form, Mr. Speaker, H. R. 6040 would further lower tariffs on several items, which will affect severely our own domestic industries. With the passage of H. R. 1 that legislation will be most harmful to our domestic manufacturers and by passage of this bill the same industries will be further affected. I have in mind particularly those industries mentioned at the time of the hearings on this bill before the Committee on Ways and Means on May 23 and 24, 1955, when several statements were made in opposition primarily to section 2. The chemical industry, the crockery industry, the rubber industry, the textile industry, and countless other domestic industries are most fearful that the passage of this bill will subject these industries to damaging price pressure from imports through hidden effective tariff reductions. Since under the rule the bill cannot be amended to strike out this bad section; namely section 2, I am hopeful that the motion to recommit with instruction striking out this controversial section will prevail, so that our own domestic industries may be helped in their struggle for existence and that our people may have the opportunity to be retained on their jobs in those industries and not legislated out of employment by lower tariff rates which invite still competition.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. COOPER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6040), to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6040), with Mr. BURNSIDE in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Tennessee [Mr. COOPER] will be recognized for 1 hour and the gentleman from Ohio [Mr. JENKINS] for 1 hour.

The gentleman from Tennessee is recognized.

Mr. COOPER. Mr. Chairman, I yield myself 23 minutes.

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Mr. Chairman, H. R. 6040 is designed to provide improved procedures for the valuation of imports for the purpose of assessing duties and for the conversion of foreign currencies into dollars. In addition, the bill repeals several obsolete sections contained in the present customs laws.

I introduced this bill at the request of the administration. My distinguished friend and committee colleague the gentleman from Ohio, the Honorable THOMAS A. JENKINS, introduced a companion bill, H. R. 6041, to the one that is before us today. The President in his foreign economic policy message to the Congress of January 10 of this year stated, "the problems of tariff classification, of proper valuation of imported articles, and of procedures for administering the customs laws are complex and perplexing. Over the years these problems have grown to the point where they now constitute an unwarranted and unintended burden on trade."

The Committee on Ways and Means received favorable departmental reports from the Departments of State, Interior, Commerce, and Agriculture. In addition, representatives of the Department of the Treasury appeared before our committee in public hearings and executive session to urge enactment of H. R. 6040.

The State Department in its report urging enactment of this legislation stated:

> Representatives of foreign governments have indicated that uncertainty and delays created by United States valuation procedures are one of the most important single barriers which their businessmen face in trying to do business in the United States. Foreign exporters, as well as American importers, have indicated that improvements in valuation procedures are the most important and most-needed reforms in the whole area of simplification of United States customs administration.

The Department of Agriculture in urging the enactment of this legislation stated:

> The general effect of the present proposals we believe would be to reduce the possibility of overvaluation of imports, and consequently of assessment of duties at higher levels than necessary or intended under the Tariff Act, and to simplify the procedures for valuation.

This report further stated:

> The amendments proposed in H. R. 6040 and H. R. 6041 should liberalize our import trade procedures and thus make possible increased earnings of dollars by countries which we know can absorb more of our agricultural products.

Government experts have devoted years to studying ways in which our valuation procedures for the purposes of assessing duty could be revised so as to bring about greater speed in administration, increased certainty with respect to valuation, and more commercial realism in our customs laws. The Committee on Ways and Means has spent a considerable amount of time in this study and considered legislation along these lines in the 82d and 83d Congresses. In the 83d Congress our committee twice reported and the House twice passed a bill which would substantially have accomplished the same major purposes as the pending bill. When the first bill, the Customs Simplification Act of 1953, reached the Senate, the Senate Committee on Finance deleted the provisions contained in this bill due to the fact that it desired to hold public hearings and give more consideration to the proposed changes in our customs valuation bases and procedures for conversion of currency. The gentleman from Ohio [Mr. JENKINS] then introduced another bill which included substantially the same provisions which the Senate had deleted and the House passed the second bill as introduced by the gentleman from Ohio [Mr. JENKINS]. In this Congress our committee has again held full hearings on these amendments.

I will now comment briefly on the various sections of the bill.

SECTION 1—EFFECTIVE DATE

This act would be effective on and after the 30th day following the date of enactment.

SECTION 2—VALUE

Section 2 is the core of the bill. It deals with the valuation of imported merchandise for the purpose of assessing duties. It would make export value the primary basis for such valuation. The changes relating to valuation cover only imported merchandise which is subject to ad valorem rates of duty—that is, a determination of duty as a percent of the valuation of the goods. At the present time our primary method of valuation is either foreign value or export value, whichever is the higher. Foreign value is the going wholesale price in the country of origin for domestic consumption in that country. Export value is the going wholesale prices of goods for export to the United States.

The bill would eliminate foreign value and make export value the primary basis of valuation for customs purposes. The administration of foreign value as a basis for valuation has been difficult—a source of dissatisfaction to the Customs Bureau and to importers and a source of considerable annoyance to foreign countries. Foreign value is very difficult to establish in many cases because of the necessity for investigations in the foreign country involved in order to ascertain such value. In addition, the courts have given very restrictive interpretation to the statutory definition in present law of this method of valuation. It has often happened that appraisement of goods has been withheld for many months and sometimes for years awaiting the results of a foreign investigation. These investigations and delays have resulted in considerable cost to the Government, as well as considerable annoyance and financial loss to the importing trade.

The elimination of foreign value and the substitution of export value as the primary basis for customs valuation is expected to greatly expedite appraising imported merchandise and to considerably reduce costs of administration. The principal advantage of adopting export value as the primary basis of valuation is the elimination of a necessity for customs appraisers to make parallel investigations of export and foreign values to determine which is higher. In most cases all the information needed in order to determine export value can be found in the United States.

There are some who would lead you to believe that making export value the primary basis for valuation substantially reduces protection for domestic producers. This is not so. The whole purpose of this bill, as I have recited above, is to simplify and make more efficient our customs procedures which in themselves were never intended in any way to form a wall of protection against imports.

In the process of bringing about commercial realism in our valuation methods through the changes contemplated by this bill, there is only a very small reduction in dutiable value and revenues collected from duties. In 1954 our total imports were just under $10.5 billion. Of that amount, $5.8 billion were nondutiable and, of course, not affected in any way by this legislation. About $3.3 billion of our imports are dutiable on the basis of specific duties. These are not affected by H. R. 6040 since this bill relates only to those duties which are assessed on an ad valorem basis. Ad valorem imports in 1954 were $1.411 billion. This is the area to which the proposed changes in valuation bases relate, and the decrease in valuation of these imports proposed in this bill is only 2.5 percent, or a total valuation of $1.376 billion compared to $1.411 billion under present law in 1954. The effect on custom duties collections in 1954 would have been, had this legislation been law, a decrease of 2 percent in duties collected or a reduction from $259 million to $254 million. As I have already stated, there would have been some offsetting savings in the cost of administration and certainly much greater efficiency of administration.

It is true that the changes in the basis of valuation in the case of a few commodity groups affect their valuation in a rather substantial manner. For example, in the case of the commodity group including drugs and herbs, the appraised valuation in fiscal 1954 would have been decreased 16 percent. However, in this case, our total imports in 1954 were under $15 million. The effect runs from this high of 16 percent to a low of nothing for several commodity groups. The average effect on the valuation of all commodity groups is a percentage decrease in appraised value of 2.5.

The only concern which could have any basis in fact is not the figures of appraised value which I have been discussing but the measure of the extent to which this legislation would indirectly affect protection. On this basis the sample study made by the Treasury Department indicates that applying the percentage reductions in valuation to the average duty applicable to each of the commodity groups, the groups most affected—that is, those in which the effect on valuation would be 4 percent or more—the average effect on the duty-paid cost of the goods would be 1.1 percent. This would range down to an effect of two-tenths of 1 percent on duty-paid cost in the groups least affected. The average for the whole would be one-half of 1 percent of duty-paid cost. This

average indicates that the overall effect on duties is almost negligible.

Even though, as I have pointed out, there was never any intent that customs procedures should afford protection, to placate the concern which some persons have manifested about these proposed changes in the past, a safeguard provision was inserted in the bill. Section 2 (e) makes it mandatory that full consideration be given to any reduction in the level of tariff protection "which has resulted in or is likely to result from the amendment of section 402, the value section, of the Tariff Act of 1930 made by this act in any action relating to tariff adjustments by executive action." This means that in peril-point, escape-clause, and any other proceedings relating to tariff adjustments, the Congress would be directing that full consideration be given to any reduced protection as a result of enactment of this bill.

Having disposed of the so-called tariff impact of section 2, I would now like to discuss other import aspects of this valuation provision that will do much to simplify our customs procedures and lend certainty thereto.

Under present law where neither export value nor foreign value can be determined, subsidiary bases for valuation are provided with the next in order of preference being United States value followed by cost of production if United States value also cannot be determined. In certain specific cases goods are valued on the basis of American selling price. The bill retains all of these alternative bases. However, it does rename the "cost of production" basis by calling it "constructed value."

In addition, the bill redefines certain terms used in the value provisions of our customs laws.

In the definition of "export value," which follows substantially the definition in present law, an amendment is made so as to provide that actual sales as well as offers for sale might be considered. The present language reads, in prescribing how export value shall be determined, that the value shall be considered "at which such or similar merchandise is freely offered for sale." This would be changed to read "at which such or similar merchandise is freely sold or, in the absence of sales, offered for sale." In substance, this makes no change in present procedures, because actual sales are now considered.

The language "sold or, in the absence of sales," is also added in the definition of "United States value" for the same reason that it is inserted in the definition of "export value." The definition of "United States value" essentially follows the existing definition contained in present law. The present law provides arbitrary limits with respect to the percentages to be deducted for commissions, 6 percent; profits, 8 percent; and for general expenses, 8 percent. The new version provides for the following allowances: First, any commission usually paid or agreed to be paid or the addition for profit, and general expenses usually made in the principal market of the United States on imported merchandise of the same class or kind as the merchandise undergoing appraisement; second, the usual costs of transportation and insurance, and the other usual expenses incurred with respect to such or similar merchandise from the place of shipment to the place of delivery; and third, in addition to the present allowance for duty an allowance for other Federal taxes.

As I indicated earlier the "constructed value" basis would be substituted in H. R. 6040 for the "cost of production" basis provided in present law. The name of this method of valuation is properly changed to "constructed value" because this basis of valuation is not simply a matter of cost of production but is instead the method of valuation which has for its purpose the construction of a dutiable value beginning with the cost of materials and manufacturing processes and building up to the nearest equivalent of what the dutiable value would be if the primary basis of valuation were ascertainable. In determining the cost of materials there would be excluded any internal tax which was remitted or refunded upon the exportation of an article produced from the materials subject to such a tax. The unrealistic arbitrary percentages provided in present law for general expenses (not less than 10 percent of the cost of materials and fabrication of the article), and profit (not less than 8 percent of the sum of cost of materials and fabrication and of the usual general expenses) are abandoned. In lieu thereof it is provided that the usual general expenses and the usual profit with respect to the merchandise of the kind undergoing appraisement would be included in the determination of "constructed value."

The definition of "American selling price" as provided in H. R. 6040 follows generally the definition contained in existing law with certain minor changes. As in the case of "export value" and "United States value" the language "sold or, in the absence of sales" is inserted before "offered for sale" in the definition. The language "to all purchasers" contained in present law is deleted. The reason for this deletion is that the term "all purchasers" in the present statute has been interpreted as meaning "all" in a sweeping literal sense. These words have caused considerable trouble in administering the valuation statute and the meaning ascribed to them by the courts does not comport the actual conditions under which a large part of the commerce of the world is conducted. This judicial construction has caused the departure from the concept of valuation of the United States as being predicated on transactions at the wholesale level. The judicial construction is impractical in the face of actual business realities and would be corrected by this legislation.

In addition, the valuation section of H. R. 6040 would provide definitions of certain significant phrases used with respect to valuation which have been the subject of a century of litigation. Two of these definitions are designed to overcome the controlled market doctrine developed by the Customs Court, which has had the effect of precluding the use of the primary method of valuation in a great number of cases. As interpreted by the courts, our valuation laws have failed to keep abreast of the developments of modern commerce. The definitions prescribed in H. R. 6040 recognizes accepted modern-day conditions and practices in commerce and will greatly increase the opportunity for use of the primary method of valuation in determining dutiable value of imported merchandise.

Section 2 of H. R. 6040 is essential to our objectives of achieving customs efficiency, expedition and certainty. The changes proposed by this section will permit a speedier processing of customs entries because of the elimination of the need for many time-consuming investigations abroad. It will eliminate many of the uncertainties in valuation and the unexpected results which sometimes prove disastrous to importers. It will make the alternative valuation bases more nearly equal in money amounts and thus substantially remove both the incentive and the opportunity for the creation of special practices designed to obtain the most advantageous valuation standard.

SECTION 3—CONVERSION OF CURRENCY

Present law provides for a quarterly proclamation of the valuation of foreign coin on the basis of metal content. Conversion of foreign currency valuations for customs purposes is made at the gold coin parity unless such parity varies by more than 5 percent from the buying rate for the currency in the New York market as certified by the Federal Reserve Bank of New York. In cases where there is no proclaimed rate for the currency in question or if the proclaimed rate does vary by more than 5 percent from the New York buying rate, then customs collectors are required to convert foreign currencies at a certified daily rate. The result of present law is that in most cases the daily certified rates are used. As a consequence each collector is required to check the daily rate for each day's importations since those rates, which are certified to 6 to 8 decimal places, are subject to frequent although minor variations.

The changes proposed in H. R. 6040 to currency conversion procedures in our customs laws will permit more efficient currency conversion operations. The Secretary of the Treasury is given the authority to continue for a 3-month period to use the rate of exchange first certified by the Federal Reserve Bank of New York so long as the rate certified for any period does not vary by 5 percent or more from such first certified date. This change will eliminate the effect of present law which requires each customs collector to check the daily rate for each day's importations. In the committee report which accompanied H. R. 6040, the Committee on Ways and Means has specifically stated that this change in law should in no way be construed to indicate an approval of the use of multiple exchange rates.

SECTION 4—REPEAL OF OBSOLETE PROVISIONS

This section might be termed a "clean-up" provision in that it repeals a number of obsolete sections of the tariff laws. The Committee on Ways and Means was

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assured by Treasury representatives that these repeals do not affect any present operations, duties, or obligations of the Customs Bureau. This section will, however, make an important contribution to the simplification and clarification of the customs laws. A detailed description of the changes which will be made by section 4 of H. R. 6040 may be found in the record of the printed hearings of the Committee on Ways and Means and the committee report which accompanied this legislation.

As I previously indicated, H. R. 6040 embodies the recommendations of the President of the United States for simplification of our customs procedures. The departments of the executive branch of our Government have supported the enactment of this legislation. The Committee on Ways and Means has given careful study to this legislation in public hearings and in executive sessions. It is my personal view that the enactment of this bill will make an important contribution to easing trade relations with other countries. I respectfully urge my colleagues in the House to join me in voting for the enactment of the Customs Simplification Act of 1955.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not true that the saving in time and the saving in terms of facility for millions of people who deal in this kind of business would more than compensate for the decrease in appraised value?

Mr. COOPER. The gentleman is correct that the savings would tend to offset the loss in duty collections.

Mr. VORYS. Mr. Chairman will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Ohio.

Mr. VORYS. Is not this bill for customs simplification in line with the recommendations of the Randall Commission on which the gentleman and I served?

Mr. COOPER. The gentleman is correct.

Mr. VORYS. It seems to me it is decisively along the lines of our recommendations, and I am happy to support it.

Mr. COOPER. That is correct.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from West Virginia.

Mr. BAILEY. May I ask the distinguished gentleman from Tennessee, when you were drafting this legislation setting forth the objects of the legislation—and the title of the bill is, "A bill to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws"—why did you not take the Members of the House into the confidence of the committee and tell them you were proposing to change the valuation from the foreign value to the export value, and that it would probably affect the import duties on goods coming into this country?

Mr. COOPER. The gentleman is just mistaken as to the purpose of the bill. There are many provisions in the bill. It runs to 16 pages.

Mr. BAILEY. It does not settle the matter to say I am wrong. Maybe I am wrong sometimes. But I just recall the comments of the gentleman from Ohio as to how useful this legislation would be to importers and how much it would cut down the expense of Government. I am asking this question: Are we legislating for the importers of this country or are we legislating to cut down jobs in the Treasury Department or the State Department or other jobs? We are legislating for the welfare of the American people and to protect American industry.

Mr. COOPER. That is exactly what we are doing. We are legislating for the welfare of this Government and the people of this country.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. BONNER. With reference to the term "export value" to the United States; is there any difference between the export value to the United States and the export value to any other country.

Mr. COOPER. In general, no; that is true.

Mr. BONNER. Do I make my question clear to the gentleman?

Mr. COOPER. Yes, I understand.

Mr. BONNER. For example, if Czechoslovakia shipped goods to the United States and placed an export value on it and then Czechoslovakia shipped to South America, would there be a difference in the export value?

Mr. COOPER. Of course, the main thing we are interested in is the value of the goods coming in to this country.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. BONNER. Mr. Chairman, will the gentleman yield himself further time to answer my question?

Mr. COOPER. Mr. Chairman, I yield myself 1 more minute because the balance of the time has been promised to other Members.

Mr. BONNER. I certainly do not want to indulge too much on the gentleman's time, but I think I have a right to ask certainly a fair question. Is there a differential in the export value to this country and any other country?

Mr. COOPER. Rarely ever except where there are good reasons for a difference—sometimes there might be. As I stated we are interested in the export value to us. Good business practices, such as quantity purchases, may vary from country to country and affect the price.

Mr. BONNER. The gentleman says rarely, but is there? That is all I want to know.

Mr. COOPER. I do not know—some countries may have a two-price system. I invite your attention to page 5 of the report and the letter from the Department of State on this subject.

Mr. BONNER. Does the gentleman mean that the country that we are going to give this advantage to would have two prices? There is too much of that going on now, may I remind my dear friend.

Mr. COOPER. No, that is not the intention and it not the purpose of this legislation at all, as the report states.

Mr. BONNER. But the gentleman does not give us any assurance that there is a firm export value as to any particular country that we import from.

Mr. COOPER. In general, that is true. That is the true situation.

Mr. JENKINS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I appreciate that this bill comes before us under rather unusual circumstances and in a rather unusual atmosphere. We find this situation: That the leader of this debate on the Democratic side speaks my piece exactly and I speak his piece exactly. We agree fully because we both represent the position taken by the Committee on Ways and Means. This great committee recommended the passage of this bill by almost a total vote. Only two voted against reporting it out.

I would like to talk with you just a little with reference to the necessity for this legislation. I daresay that of the Members here, except those who come from the big coastal cities, very few have ever been in a customhouse. I daresay very few of us have ever had any direct business with a customhouse. It is a great and colossal business. I remember a little incident that happened in the Committee on Ways and Means a number of years ago, along about the time I became a member of the committee. You know the Committee on Ways and Means has never been on a junket anywhere. I am not condemning junkets; but the Ways and Means Committee, in spite of its thriftiness, once got up enough spirit to vote a junket for themselves. They realized just what I have already said, that none of them knew anything about customhouses. So they passed a resolution that provided a sum of money sufficient to pay their expenses if they would all go to Baltimore or Philadelphia to see a customhouse. The clerk of the committee spent $1.50 for something by way of preparation, and that was all that was spent, and the committee did not take that junket, and as far as I know they have never taken any trip yet.

This case really calls for action, because there are about 8,000 people working for the Government in the customs service in all parts of the world. There are many thousands of dollars invested in the facilities to carry on this work, and it produces millions of dollars of income for the Government. It is something that we should not neglect. It merits our best treatment.

We have no customhouses in my district. Naturally a lot of our products go out of the country and a lot of products come into our districts. I introduced two bills which passed the House in the last Congress. They went to the Senate and were stalled there for some reason or other. But the necessity for this legislation has remained and is still with us. For instance, the rate of exchange of currency used between purchasers and sells in different countries is an important subject. This bill facili-

tates the determination of currency rates and, thus, facilitates the job of the customs appraisers.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to my distinguished friend.

Mr. MASON. On the question of the necessity for this bill, we passed a customs simplification bill in 1953 and 1954. As a result of that, 700,000 backlog cases have been cleared from the docket, and the docket is practically clear now.

So the necessity for this has been practically wiped out by the previous bills we have passed.

Mr. JENKINS. In spite of what the gentleman says, that is just not the true situation.

Mr. MASON. Well, that is the testimony of Mr. Rose who carries this out.

Mr. JENKINS. No. That is not the case at all. I should invite the gentleman to look at the record.

Mr. MASON. The backlog of cases that were held up has disappeared.

Mr. JENKINS. The backlog has been greatly reduced.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to my distinguished colleague on the committee.

Mr. BYRNES of Wisconsin. I think we want the record clear. The testimony of the Secretary was that the backlog of 900,000 entries in 1953 has now been reduced to a backlog of 600,000 cases. So there has been a real reduction in the backlog, but we still have a backlog of 600,000 cases.

Mr. JENKINS. Yes. If the whole backlog had been reduced, the problem would still be there.

Some of you, I am afraid, have been misled with reference to the tariff aspects of this bill. There is no tariff aspect in this bill. Of course, in doing business one man will gain a little and another will lose, but that is not a legal tariff. Last week, when we passed H. R. 1, that was the time that we handled the tariff question. That was the bill that took care of tariff matters. This is a bill dealing with commodities, but it does not deal with tariffs.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. Not just now.

That bill—I mean H. R. 1—took care of the chemical people and some other people who are interested in tariff. That bill, in part, took care of the people in my district and the people of West Virginia—the coal-mining and pottery districts. We hope that the improvements in the escape-clause procedure which we enacted will help them a great deal.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. Yes; I shall be glad to yield to my friend from West Virginia.

Mr. BAILEY. Did we get that relief from the House of Representatives?

Mr. JENKINS. What does the gentleman mean?

Mr. BAILEY. I thought it came from the Senate.

Mr. JENKINS. Oh, well, the gentleman voted for it the other day, did he not? No; I guess the gentleman voted against it, while the rest of us voted for it.

Mr. BAILEY. Do not indirectly accuse me of being out of my mind.

Mr. JENKINS. No; I would not do that; I would not do that at all. I know the gentleman is very capable and always able to take care of himself.

Let us proceed a little further to see just what has been done by this legislation. We have tried to straighten out the situation in regard to tariffs; now, we are attempting to do the same thing for customs. We recently revamped tariff procedures and we are now trying to do the same thing in customs. May I say to my Republican friends, especially those who pride themselves upon voting with the party, that the administration is strong for this measure and takes a lot of pride in it. The Treasury Department has gone out and done its work well and has cooperated actively with our committee. Let me say to you right here that Mr. H. Chapman Rose, the Assistant Secretary of the Treasury, who is responsible for developing this legislation, is one of the most capable men in the Government. If I may say so, this matter has moved very smoothly, both in the Department and in the committee, and we think this legislation brings credit to the country and will stabilize our customs service and be to our financial advantage.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to my friend and colleague.

Mr. SIMPSON of Pennsylvania. The distinguished gentleman from Ohio who, in the absence of our beloved colleague from New York, is ranking minority member, has for many years been opposed to a reduction of duty. He has been in favor of protecting American business. No one has a better record. So I ask the gentleman now if he favors that part of this bill which allows indiscriminate cutting of the protection of American business people?

Mr. JENKINS. I believe the gentleman and I have always been together on this matter of protection for our industries. It is true that if you strike out section 2 of this bill, to which the gentleman refers, you are not going to have anything left in this bill. Section 2 is the heart of this bill.

What does section 2 do? It does not levy any duty at all. All it does is that it enables the customs authorities to function more to our credit and our profit.

I challenge him to show that in the end section 2 levies any duty at all. There is no question but what some commodities will suffer a little loss, but as the gentleman from Tennessee said, the average reduction in duty will amount to less than one half of one percent.

Mr. COOPER. That is correct. The overall average is one-half of 1 percent.

Mr. JENKINS. The greater economy and the savings in administration which this bill will promote have been brought out here. The figures given you by the gentleman from Tennessee [Mr. COOPER] are correct.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to my distinguished friend the gentleman from Arkansas.

Mr. MILLS. Is it not a fact that there is no assurance under existing law that the protection which is involved in this particular section will be continued? In other words, is it not a fact that we were told by Mr. Rose, Assistant Secretary of the Treasury, that these reductions that might occur under this different definition of value could occur under existing law should certain practices be followed abroad?

Mr. JENKINS. There is no question about that. Mr. Rose brought that out. He explained that the foreign producer, if he is smart, can circumvent the valuation provisions of existing law.

Mr. MILLS. When the gentleman from Pennsylvania speaks, should he not point out what it is that we would have that we do not have under this legislation if the motion to recommit which he is to offer is adopted?

Mr. JENKINS. I hope he does. I hope the gentleman will take note of what the distinguished gentleman from Arkansas stated and will follow his request.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from North Carolina.

Mr. JONAS. When we substitute export value for foreign value do we not in effect invite dumping?

Mr. JENKINS. No. This law provides specifically that it is to have no effect whatever on the protection afforded by the existing antidumping law.

Mr. JONAS. The first criterion is export value. That means the value of exports to the United States from the country by which exported.

Mr. JENKINS. There are several different kinds of value used today. I know one of the very able lawyers who has come before us for years stated that his main objection to the customs program has been the complex valuation provisions. He says that the export value is the proper value. That is what we ought to have. I think the great weight of the testimony before our committee favors export value.

Mr. JONAS. Might not the export value to the United States, which is the criterion under this bill, be different from the export value to other countries? There is no assurance they will be the same?

Mr. JENKINS. It might be, but it is the business of our people to find out about those things. The Antidumping Act will provide a safeguard. There is nothing in this bill which gives a blessing to a two-price system.

Mr. JONAS. If the ad valorem rate is based on the export value to the United States, there is no assurance that export prices to other countries might not be higher?

Mr. JENKINS. We can find that out pretty well. These people who work in the Customs Service and who do this job advocate export value. The men who do the work say that is the proper criterion.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

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Mr. JENKINS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. What does this last section mean?

Mr. JENKINS. To what does the gentleman refer?

Mr. NICHOLSON. I am talking about this antidumping provision.

Mr. JENKINS. It means that nothing in this law will infringe upon the antidumping law. That is what it means.

Mr. NICHOLSON. It says that at the top, but then it goes down and toward the bottom it says that the Secretary of the Treasury, after consulting with the United States Tariff Commission, shall review the operation and effectiveness of such Antidumping Act and report thereon to the Congress.

Mr. JENKINS. Yes; that is there and that is a double protection.

Mr. NICHOLSON. It is an admission that there must be some dumping in there.

Mr. JENKINS. Not at all. It simply provides that the Secretary must keep a close watch on the matter. He must do that under present law. In fact, I am satisfied that he does it.

Now, Mr. Chairman, I wish to say further and again that the substance of all three of the major provisions of this bill have been considered and adopted by this House on at least one occasion during the last Congress.

President Eisenhower, in his message of January 10, 1955, on foreign economic policy, stated that uncertainties and confusion arising from the complex system of valuation on imported articles causes unwarranted delays in the determination of customs duties, and he again urged Congress to give favorable consideration to legislation for remedying this situation. H. R. 6040 carries out this recommendation. Because of my continuing interest in the problem of customs simplification and in view of my previous sponsorship of substantially identical legislation, I introduced a companion bill, H. R. 6041.

The bill was developed in the Treasury Department where the responsible official was the Honorable H. Chapman Rose, Assistant Secretary of the Treasury. Mr. Rose is a fellow citizen of the great State of Ohio and I am certain that members on both sides of our committee will agree that he is one of the ablest representatives of the executive department with whom our committee has ever worked.

During the public hearings held by our committee on this legislation, representatives of a few industries testified as to their concern that adoption of the new valuation procedures would result in a lowering of their tariff protection. There is no question but that a lower duty will result in some areas by reason of the new valuation procedure. This effect has been analyzed carefully by the Treasury Department, and the facts were frankly laid before our committee. In all but a few cases, the reduction in duty would be very minor and insignificant in effect. For example, in the case of pottery and other clay products, the reduction in the value upon which the existing duty will be imposed will be about 1 percent. The actual reduction in duty will be far less than 1 percent.

I believe that I can say in all sincerity that I stand second to none in this House in my concern that American industry receive adequate tariff protection. This fact was amply demonstrated during our recent consideration of H. R. 1, the reciprocal trade extension act. I would not support the pending bill if I were convinced that it would result in any substantial increase in the tariff reductions already authorized in H. R. 1. In that regard, I should point out that section 2 of this bill provides that any possible effect on protection resulting from the amendment of the valuation provisions will be considered by the Tariff Commission in connection with tariff negotiations and peril point or escape clause proceedings. Therefore, it is clearly our express intention that in future reciprocal trade negotiations any tariff reduction resulting from the adoption of the new valuation procedure must be taken into account by our negotiators in arriving at any further tariff concessions. Moreover, if any domestic industry should be subjected to injury or the threat of injury as the result of the new valuation procedure, it will have the same escape clause protection as is available today under the Reciprocal Trade Agreements Act. Of course, I would be less than frank if I did not admit to some concern over the effectiveness of escape clause proceedings in safeguarding our domestic industries. On the other hand, I am hopeful that the recent amendments to the escape clause which have now become law will provide a more effective opportunity for relief in case of real injury.

Finally, Mr. Chairman, I would like to say that this bill is part of the continuing program of the Republican Party to bring greater efficiency and economy into Government operations. For this reason, the bill deserves our support.

Mr. COOPER. Mr. Chairman, I yield 6 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, after due study and review of the provisions of section 2 of H. R. 6040, customs simplification bill, as well as the amendment thereto as reported out of the Ways and Means Committee, I have no other choice than to register my opposition to this bill in its present form.

My principal objections are, first, that the export value proposed as the basis for assessment of import duties on an ad valorem basis is itself narrowed down in the bill to the price on goods "for exportation to the United States"; second, that the use of "foreign value" is completely eliminated as a basis for assessment of duty; third, that the amendment adopted by the Ways and Means Committee saying "nothing in this act shall be considered to repeal, modify, or supersede, directly or indirectly, any provision of the Antidumping Act of 1921, as amended" would not overcome the confusion of having 2 conflicting laws on the same subject; and fourth, that the amendment does not mention the countervailing duty provided for in section 303 of the Tariff Act of 1930 which section would also be in conflict with H. R. 6040.

Let us briefly analyze the provisions of this bill and the effect it would have on American industry as well as on those who would administer it, if enacted.

Customs simplification as applied to this bill is a deceptive term. The avowed purpose of the bill is to lighten unnecessary and unintended burdens on trade at present imposed by complex customs machinery.

Assistant Secretary of Treasury Rose in his testimony before the House Ways and Means Committee said in connection with this bill:

> The benefits of greater speed of administration, increased certainty, and commercial realism warrant these changes in valuation procedures.

It is probably true that by using exclusively the "export value," eliminating entirely the "foreign value," whichever is higher, as a basis for assessment of ad valorem duties would speed up the actual physical liquidation of the imported merchandise from the customs house.

On the other hand, what about the time consumed and clerical and administrative expenditures that would be necessary in order to determine whether a given "export value" was a "fair value" and was not in violation of the Antidumping Act? The same question arises with respect to levying of a countervailing duty to offset any bounty or grant that might have been bestowed by a foreign country on particular exports. Unless these checks were made there would be no way of knowing whether dumping or actionable subsidization was taking place.

The substitution of "export value" as defined in H. R. 6040 for "foreign value" and "export value" as now defined in the present law would not result in simplification of customs procedures, unless the gathering of information that now makes possible dumping and subsidy detection were dropped.

Let me turn now to another aspect of section 2 of this bill.

By substituting "export value" for "foreign value" tariffs would be lowered, not by the usual method of reducing rates under the Trade Agreements Act, but by lowering the values placed on ad valorem imports, that is to say, on imported products on which duties are imposed on a percentage of their appraised value. Using the export value exclusively would have the side effect—over and above trade agreement concessions—of reducing tariffs on thousands of United States imports. This fact is admitted by the Treasury Department.

Imports on which duties are assessed on an ad valorem basis amounted to approximately $1.4 billion during the fiscal year ending June 1954. This is equal to approximately 13 percent of all United States imports in that year and 25 percent of all dutiable imports. The remainder is collected on a specific basis, that is, so many cents or dollars per pound or per yard, and so forth.

These one-lump tariff cuts, coming on top of the selective 5 percent a year

reductions allowed under H. R. 1, the Trade Agreements Act of 1955, would be entirely too much for many industries already suffering or threatened by low-wage price competition to stand. Especially in view of the tariff reduction granted in the recently signed Japanese trade agreement, any further indirect reductions of duties would be adding insult to injury.

How would these so-called side tariff cuts work out? Let us take, for example, a product the appraised foreign value of which is $100 with an ad valorem duty of 20 percent. If, by using the export value instead of the foreign value, the appraised value were cut by 10 percent to $90, the duty to be paid would drop by 10 percent to $90. The duty-paid cost to the importer would be reduced from $120 to $118. This reduction of $2 could very well be the margin that would make it impossible for a domestic manufacturer of the same product to compete with the lower priced imported product. In this manner the payment of import duties would be reduced much in the same way as the tax bill on your property might drop if its assessment value were set at a lower figure.

I have already pointed out that the export value proposed in this bill is itself narrowed down to the price on goods for exportation to the United States. This is an open sesame for international cartels and countries engaged in state trading to enter the United States market with rigged prices tailored to meet our domestic competitive conditions. Under this bill they could do so without regard to the prevailing market prices in the country of origin.

What would prevent cartels or amtorgs in fixing prices for exportation to the United States? These prices could be lower than those offered to any other country in the world being specifically designed for penetration of the United States market or even for driving domestic producers out of business, looking toward higher prices thereafter. These prices could also be so definitely below those prevailing for home consumption in the exporting country that they would be unfair and would fall under the Antidumping Act. Or the low prices could be made possible by virtue of a subsidy, thus falling under the countervailing duty section of the Tariff Act of 1930.

Let us suppose that such a shipper were charged with dumping in our market. He could immediately reply that the price of his wares were the true export price for shipment to the United States as defined in our law; and this, let us say, were entirely true. If we then moved against him under the Antidumping Act or under section 303 of the Tariff Act of 1930 he would be outraged.

It would be only a matter of time before we would need another customs simplification bill to take the snare out of our customs law. We would be accused of having a diversity of laws covering the same subject. Such protests would be well founded. It would be bad legislation to lead us into such a situation.

I will vote to recommit this bill with instructions to strike out section 2.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Washington.

Mr. HOLMES. Will the gentleman show in the act where countervailing duties, however granted, are removed in any way, shape, or form by this legislation?

Mr. BAILEY. It would have a tendency to kill the effect of it. They actually agreed here during debate today that if the gentleman from Pennsylvania [Mr. SIMPSON], succeeds in striking section 2 from the bill, there will be no reason for passing it. So the main objective of the bill is to change from a foreign value to an export value on shipment of goods into this country.

They say it does not affect our tariff procedures. It does and they have so acknowledged by telling you how it will affect them.

Mr. Chairman, I want to say in conclusion that I propose to join the gentleman from Pennsylvania [Mr. SIMPSON] in his attempt to recommit this bill and strike out that dangerous section; and I trust I will have the assistance of a number of Members of the House.

The CHAIRMAN. The time of the gentleman from West Virginia [Mr. BAILEY] has expired.

Mr. JENKINS. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, this bill (H. R. 6040) is called a simplification bill. I tell you it is that in name only. It is not a simplification bill. We passed the major portion of this bill, which is section 2, at least three times in the past. It was connected with bills which truly were simplification bills for customs purposes. This was taken out of the bill over in the other body. I would think they will do the same thing this time because this has no relationship to true customs simplification.

As a matter of fact under the bills we passed in 1953 and 1954, we so drastically reversed the policies then prevailing under customs procedures, that a backlog of some 900,000 cases has been, as you have been told, reduced to around 600,000. And entirely without regard to this bill, at the rate at which they are being eliminated today, they will all be eliminated within a few months and by the end of this year, without regard to this bill, which would not help by way of speeding up the reduction in backlog, that backlog will have been eliminated.

Mr. GAVIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

Mr. SIMPSON of Pennsylvania. If we want to require any other proof that the purpose of this bill is not principally simplification, listen to this. We were told by Mr. Rose that if we gave him $750,000 or perhaps $800,000, in order to speed up, to do the things that the most optimistic might believe could take place under this bill, to accomplish the things that this bill looks forward to, he could do it for that amount. In the same breath, as you can see, the cost of this bill, based upon a sample that they took last year—by "they" I mean the Treasury—would be $5 million.

So I conclude there is some purpose for this bill other than mere simplification. And what is that purpose? Apparently it is to do away with that great policy we adopted the other day of reciprocity in making trade agreements. We make a concession to some foreign country tariffwise and that country makes a concession to us. That is the reciprocal trade agreement program, a program which most of us have supported in this body, and it passed here last week on the basis of the conferees' report by a very, very large vote.

This does complete injustice to that procedure because here we cut tariffs by the hundreds, yes, by the thousands, and we do it entirely without any concession on the part of any other country.

Second, we do it without ever refering to the peril point. The peril point was one of the provisions of law the distinguished gentleman from West Virginia suggested some years ago and which was adopted by the Congress then and since that time on several occasions. It was put in to protect the American businessman from unjust and unreasonable cuts in duties which were made by the negotiators who travel around over the world seeking, they say, the best bargains they can get for our country. But what did we do here in Congress because bad bargains were being made? We provided that a peril-point study should be made on each item they were empowered to cut, and they were denied the right to cut below that peril-point result which was reached by the Tariff Commission in determining the point below which any cuts might be injurious to American business. On that basis, unless the President saw fit to overrule that peril-point finding, no tariffs have been cut below the peril point.

In the pending bill, however, called a simplification, we cut hundreds, and I mean it, hundreds of the effective protective rates upon industries, and we do it with no reference whatever to the peril point. The peril point imposed by this Congress to protect American business is completely disregarded.

Is it important that we look to the peril point? Yes, because some of these cuts in some industries, some of which were studied by the Customs Bureau, and they have presented the findings here, they deem would result in a lowering of protection of as much as 12 percent, all the way from 0 to 12 percent. It is claimed by certain industries not the subject of the study that in their instances the loss is as high as a 20-percent reduction in the duty rate. All that is done without the peril point. All that is done without regard to the reciprocal-trade program. All is contrary to the way Congress authorized a tariff-reduction bill.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

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Mr. SIMPSON of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. BAILEY. It is not true that some of the wording contained in H. R. 6040 was picked up bodily from the report of the General Agreement on Tariffs and Trade and from the Randall report?

Mr. SIMPSON of Pennsylvania. The gentleman is correct. The gentleman refers to certain wording in this bill. If he asked me to point it out I could not do it here because I do not have the papers here, but some of the words are word-for-word excerpts of what is in the General Agreement on Tariffs and Trade.

Mr. BAILEY. Is it not also true that the other body before they approved H. R. 1 wrote into that a denial of responsibility for any connection whatever with GATT?

Mr. SIMPSON of Pennsylvania. The other body in considering H. R. 1 did provide that nothing therein should be construed as approval or disapproval of GATT, and this body right here in accepting the conferees' report made that same conclusion.

Mr. BAILEY. Is not this a back-door procedure to get in what they could not get in through a regular approval of GATT?

Mr. SIMPSON of Pennsylvania. I believe it is. This bill under section 2, and section 2 is the only part of the bill about which I am concerned, and to which my motion to recommit will be addressed, changes the method upon which the figure is reached to which the duty applies from what we today call the foreign value. But then it made that refer to the export value which is defined as export price, and not the export price to anybody else in the world but the place that that particular country wants to sell the goods, to Uncle Sam, to the United States, to the country that is the big market and the country where they want to get the dollars and where they give a preferential price, or may give a preferential price—and this is an invitation, too, to do that. That price would be the base upon which our duty rate will apply hereafter, if this becomes a law. So that if the foreign price or the foreign value is $100 in order to take our market over here, and every country abroad wants it, this will make our export price to the United States $80, and if the duty is 10 percent in the first instance, the duty would be $10 and in the second instance it would be $8. American business today is protected by the $10, and now it will be protected by only $8.

We have disregarded the peril point and we have encouraged them to have a two-price system as a result of which the American businessman is injured. Even though it be only a trivial injury percentagewise, it might be just enough to bring it below the peril point and wipe out or jeopardize the American business in question. I do not think we want that kind of legislation.

The Treasury made a study. There are many hundreds of thousands of items shipped in. They pick out a certain percentage. Five percent in the port of New York and 2½ percent in certain other ports. They made it a sample study to ascertain the effect of adopting this export-price valuation instead of the foreign value method. They did not get every item. They got some of the items. I do not know whether they got the item about which you are the most interested, and the item about which there will be or there may be some unemployment back in your district or not. I do not know whether they considered that. But I do know in those which they did consider as set forth on page 20 of the report, you will find some very interesting industries—chemicals, the great chemical industry, the great industry that grew up here after World War I when we were caught with no productive facilities for chemicals and the chemical products which are so essential to the conduct of war. We built that industry. This is without reference to the peril point and without reference to the injury or damage of any kind to that industry by changing the method of valuation which would still further injure that industry by cutting the protection that industry has today. Let us not forget that every American industry in this present calendar year has been and will be subject to not 1 but 2, 3, and maybe 4 threats against the security which it has as an American business. Most of them have had to face the cuts made in the Japanese agreements just recently. You recall, if you read the papers a couple of weeks ago, after they announced those cuts made at Geneva in the Japanese agreements, a most distinguished Member of the other body announced, in effect, that they had cut tariffs over there on textiles to such a point where they should not be cut any more and where, perhaps, irreparable damage had already been done. And then there were the negotiations with the Swiss. Our negotiators who had gone abroad in connection with the Swiss agreements made a bad bargain and they had cut the duty with respect to the importation of watches too low, and our industry was seriously hurt. Our men made a case and it was ordered that the duty should be raised and the American industry protected. And what do you think we had to do—this great sovereign country of ours—because of some of these international agreements and because a bad bargain had been made, because Congress had not passed upon it, but somebody representing us had made a bad bargain and made a deal which should not have been made—what did we do? Let us take the chemical industry as one example or the rubber cuts and a number of others. We gave concessions to the Swiss to make up for those bad deals that we had made. Instead of dealing at arm's length like Yankee traders and acting in the interest of this country, we now take another industry and make concessions to it, to which they have objected, in order to make the Swiss happy.

As I suggested a moment ago, it will be my privilege to offer a motion to recommit this bill and to strike from it section 2. There are remaining parts of the bill. The part remaining I think no one will seriously object to, yet it is important. One section provides that whereas today the Federal Reserve Bank must reach conclusions as to the relative value of the American dollar with the dollar of other countries on a daily basis, this bill provides that the Secretary of the Treasury need not announce the daily rate unless it differs by 5 percent or more over the previous rate. Under this they need do it only once a month, unless that relative value shifts as much as 5 percent. I think we will all agree that is desirable legislation.

Other parts of the bill strike from the law many sections which are obsolete, not being used, and have not been removed. The section to which I have been directing my remarks, section 2, will be the basis of the recommittal motion, and I hope it will be adopted.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. COLE. I understand the principal justification for eliminating the domestic price as being the basis for determining the tariff is because of the difficulty in determining what the domestic price is. I am curious to know why it is more difficult to determine the domestic price than the export price.

Mr. SIMPSON of Pennsylvania. Of course you will get a bill when you bring something into this country, and it will show the invoice price which, on the face of it, would be the export price. While they deny that they use that as the sole basis, it is fair to assume that the customs inspector will look at that and say that is the export price, and on this amount the duty would be levied.

The gentleman asks why it would not be just as easy to get the domestic price in the foreign country. They argue that we do not have to keep somebody over there to do that. Yet on that very point they say that the antidumping laws will be enforced, and they cannot be enforced unless you do know what the domestic price is in the country of origin. In fact, we will have to have our people abroad to learn what the domestic prices are.

Mr. COLE. I cannot understand why it should ever occur that the export price would be greater than the domestic price.

Mr. SIMPSON of Pennsylvania. I am told that the situation has arisen and may arise again where the export price may be higher than the price at which it is sold; maybe higher than the foreign value.

Mr. COLE. Is that not very unusual?

Mr. SIMPSON of Pennsylvania. Most unusual, yet I am told it could arise, and if it does it is contrary to GATT. But I think it is so negligible that little attention is being paid to it.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. JONAS. Did not the Secretary of the Treasury in his letter to the committee specifically state that the Treasury Department would continue to assemble information about foreign values, and therefore the argument that by making this change you would eliminate the necessity of making these foreign studies, does not hold, does it?

Mr. SIMPSON of Pennsylvania. The gentleman has made an important point.

They argue all the way through that the antidumping law will not be affected at all, and I think it would not be affected, because they go on and say: "We will continue to get information which would be necessary to the proper enforcement of the antidumping laws." I make the point, if they are going to get that information, then they must know what the foreign value is as compared with the price at which it is actually shipped to this country. I think every one of us who wants to make a record on behalf of the working people in our districts has a chance to say that the United States Congress is not going to do away with the protection we have without most carefully considering that protection and how to take care of the industries back home. I suggest that this method of completely doing away with the reciprocal trade agreements policy by making arbitrary tariff cuts without any hearing, by not selecting at all, by no selectivity, is the most dangerous policy to follow.

I suggest further that in passing over the peril point, in disregarding it, we are not only setting aside the policy which we in Congress adopted as necessary for the protection of American business, but we are also, by passing these hundreds of reductions without study, being unfair to American business. We are encouraging a double pricing method, a method which we have bitterly opposed with respect to foreign prices. We are endangering the whole area of our foreign relations. If we here in Congress do not let the American businessman and the worker know that there is a point below which his business will not be traded away, that there is a point below which the American workingman can be assured of support on the part of his Government, we are in a dangerous situation. So I suggest and I ask that when the motion to recommit is offered, it be given your support.

Mr. JENKINS. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, the gentleman from Pennsylvania [Mr. SIMPSON] says he expects to offer a motion to recommit to strike out section 2, the section which deals with the method of valuation. I will oppose that motion for the following reasons: If a businessman buys some merchandise abroad and then finds out that he has to wait months or even years before he knows how much duty he will have to pay on it; and then finds out that this duty is based on a valuation greater than the price he paid for the goods, he is not being treated fairly. This is often the situation under the present law.

It is most difficult for the customs authorities to get a true foreign value on some items. There are many in which the transactions in the country of origin are limited in quantity—so limited that manipulation for the purpose of securing a lower foreign value is possible. Thus there is often long delay in getting an honest and accurate figure.

And why in normal cases should an importer pay a duty based on a valuation higher than what he actually paid for the goods, unless there were dumping involved.

Passage of this bill would without question result in a more realistic valuation—a specific one. It is a fact that this bill would result in a lower valuation on a very limited number of imported items, as the gentleman from Pennsylvania says, but it is a truer valuation than that under present law.

What section 2 involves is only those items which are subject to ad valorem duty. These items represent only about one-third of our dutiable items, and only about one-fourth of the one-third would be affected in any way by passage of this bill.

The chart on page 26 of the hearings taken from a sample survey by the Treasury Department proves that the proposed change would result in duties being paid on these items based on a valuation only slightly higher than the invoice value instead of the present unrealistic figure.

Of course, the proposed change would require a strict enforcement of the Antidumping Act, and Assistant Secretary of the Treasury Rose has guaranteed that there would be such strict enforcement.

My friend from Pennsylvania argues that this bill would encourage double pricing by foreign countries.

The Committee on Ways and Means in its executive consideration of H. R. 6040 gave careful attention to the argument that the enactment of this bill and the elimination of foreign value as a basis for customs valuation would encourage a two-price system in trade with the United States. The committee received assurances from Treasury Department that the enactment of this bill would not be such an encouragement. In addition, the committee requested and received the views of the Department of State which were that the enactment of H. R. 6040 would not be inconsistent in any way with the policy of this Government toward two-price systems in international trade.

I believe a careful analysis of the logic of this situation should dispel any fear that the enactment of this bill would encourage the development of unfair trading practices with the United States. It is claimed that foreign countries will charge one price for a product for home consumption or for export to other countries and another substantially lower price for sale to the United States. Why would this be done? One reason might be that a foreign country desires to increase its dollar exchange earnings and therefore subsidizes its trade with the United States by giving of a grant or bounty to the exporters of certain merchandise to the United States. If this situation arises, the exports are now and will continue to be subject to a countervailing duty equal to the amount of the bounty or grant conferred upon the foreign export. The continued enforcement of this provision of law will discourage the development of such two-price systems.

Another reason for the development of a two-price system might be that the foreign exporter desires to capture a share of the United States market or to dispose of surplus production and therefore sells to the United States at a much lower figure than he charges for sales in other markets. If a foreign exporter sells to the United States at a differential below his going wholesale price in his home market, which is not justified by quantity, or similar commercial differences, his exports are subject to the application of a dumping duty equal to the difference in price if it is determined that the imports are likely to cause injury to a domestic industry in the United States.

The levying and collection of duties equal to the amount of any bounty or to the amount of dumping value is now the only effective discouragement to a two-price trading system based upon unfair trading practices. The enforcement of the Antidumping Act and the countervailing duty laws will continue to discourage the development of such unfair trading practices.

It was argued in committee that there would be no saving owing to the fact that in order to have the information available for antidumping questions, it is necessary for us to get the local wholesale prices anyway.

The Treasury Department has given us assurance that this act will not result in any lessening of enforcement of the Antidumping Act, 1921. The committee by its amendment contained in section 5, makes it clear that nothing in this bill repeals or modifies in any way the provisions of the Antidumping Act. The Secretary of the Treasury has written to the committee stating that under this bill the Treasury will continue to require information on customs invoices as to foreign value. This will mean that the Bureau of Customs will have current information on differences in prices in the foreign market and prices for exportation to the United States so that questions of dumping can be investigated before a complaint is made by a domestic industry.

Although there will be no reduction in the information obtained on customs invoices there will be a material saving in customs operations. This foreign value information will be recorded and maintained, but without the necessity for verification or foreign investigation until a possible dumping case arises. At the present time a determination of foreign value sufficiently well-founded to be defended in litigation must be made in connection with every entry subject to an ad valorem duty. These determinations naturally require numerous and extensive foreign investigation. The number of investigations will be substantially reduced if they need be made only where a possible dumping case requires investigation.

Some have said that we should change the wording in the bill by which valuations are based on the price "for export to the United States" and only leave the words "for export."

The committee also considered the possibility of defining "export value" as the price at which merchandise was sold for exportation to all countries. The Treasury Department advised us that this would increase rather than decrease the problems of administration of the

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valuation provisions of the Tariff Act. Value information on prices for export to the United States is ordinarily available in the United States. Information on current prices for exportation to third countries would be available only in the country of exportation or importation. Determination of these values would therefore continue to require a great number of inquiries by our agents in foreign countries.

Moreover, the Treasury Department advised us this determination of third country prices as proved in the past to be one of the most difficult and uncertain of standards to use. Prices in third country trade are affected by such things as bilateral trading agreements, and quantitative and exchange controls on on importations in third countries. Practices such as these and many others are not present in trade with United States and make such figures very unreliable. The Treasury pointed out that the existence of these difficulties in determining third-country prices in the enforcement of the antidumping law has recently led the Treasury Department to redefine "fair value" for antidumping purposes to permit them to use the going wholesale price in the home market rather than have to look to third-country transactions. The valuation provisions of the customs laws once were interpreted by the courts to require third-country information and the difficulties involved led the Congress in 1938 to discard this basis of valuation.

Reintroduction of the standard of export prices to countries other than the United States would be a retrogressive step which would ignore the administrative experience with that standard.

This is a good bill. It will simplify our customs procedures and encourage that foreign trade so necessary for the welfare of the workers in the United States. The recommittal motion should be defeated.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, the gentleman from Pennsylvania [Mr. SIMPSON], stressed the points I had expected to stress, but I do want to answer and clarify some things that have been brought up in this debate.

For instance, the gentleman from West Virginia [Mr. BAILEY], stated that the passage of this bill would tend to nullify the antidumping laws and the countervailing duty laws. I would not use the word "nullify," because I do not think the bill goes that far, but I do say without fear of contradiction that it would invite the violation of those two laws, and if that is what you want to do, why, pass the bill.

Now, the gentleman from Ohio [Mr. JENKINS], the genial substitute ranking member of our committee, challenged anyone to find one word in this bill that levied a duty. Well, that challenge cannot be accepted, because there is no word in this bill that would levy a duty. But the provisions of this bill, without any question whatever, provide for automatic and arbitrary cuts in our duties without any rhyme or reason. So, if you want to make arbitrary cuts or automatic cuts without any words in the bill specifying that duties shall be reduced, why, pass the bill as it is.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Ohio.

Mr. JENKINS. If the gentleman is an official and does not want to make those cuts and does not make them, then we do not lose anything, do we? I am still right.

Mr. MASON. If we pass this bill, we lose them, and not whether we want to or not. Of course, I said the gentleman was right in challenging us to find one word in the bill that would levy a duty. There is no word in the bill that specifically says we shall lower tariffs or duties, but the provisions of the bill and the effect of the bill will be automatic, arbitrary reductions in our duties.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MASON. I am glad to yield to the gentleman from North Carolina.

Mr. JONAS. Does not this bill violate the reciprocity principle that we talked about so much during this session in H. R. 1?

Mr. MASON. Oh, this bill provides that we shall give concessions to foreign countries.

Mr. JONAS. But is there anything in the bill that provides a balancing concession to us?

Mr. MASON. It does not provide for anything. We make concessions to these foreign countries but we get nothing in exchange whatever. In that respect it does violate the reciprocity principle. The gentleman from Pennsylvania [Mr. SIMPSON] brought that out very emphatically, I thought.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MASON. I am glad to yield.

Mr. BAILEY. Does not the gentleman think this is just a back-door arrangement to get the Congress to recognize some of the schemes of the General Agreement on Tariffs and Trade?

Mr. MASON. It is, in my opinion, just a back-door entrance to GATT.

Mr. BAILEY. I thank the gentleman.

Mr. MASON. I want to say this, that I am opposed to this bill, without any equivocation whatever. I am opposed to the whole bill and I shall certainly wholeheartedly and enthusiastically support the motion to recommit, to strike out the heart of the bill, section 2, which changes the valuation upon which we shall levy our duties.

That is about all I think I need to say to make my position clear.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MASON] has expired.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, the effect of section II of this bill upon the firearms industry in the State of Connecticut which I have the honor to represent is one of the compelling reasons why I shall support the motion to recommit which will be offered by the gentleman from Pennsylvania [Mr. SIMPSON] to strike section II.

From the statements by witnesses of those who administer the custom laws, we are told that the administrative difficulties have largely been overcome and the accumulated cases will be cleared by the end of this year. This disproves the necessity of the bill at this time.

Under the guise of simplification, H. R. 6040 is a tariff cutting proposal. The biggest cuts in order to make an overall feasible bill are inflicted on chemical, firearms, and rubber manufactures. Action is thereby being taken by way of the so-called back door because apparently the same could not be accomplished directly.

Mr. Chairman, there is also the possibility with the 15 percent effect on firearms that such, if it became a reality, would have an important bearing upon the know-how of the manufacture of firearms which is always of vital importance to the security of our Nation.

Because of these apparent reasons and those which have already been enumerated and emphasized by my colleagues who have preceded me, I shall support and vote for Mr. SIMPSON's recommittal motion.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. SADLAK. I yield.

Mr. BATES. Mr. Chairman, I am opposed to this bill in its present form and will vote to recommit it.

The major problems associated with customs simplification have already been alleviated by the Customs Simplification Acts of 1953 and 1954 which I supported. As a consequence of these two acts the tremendous backlog of custom cases have been reduced from approximately 700,000 in January, 1953 to the point where at the end of this year, according to Treasury officials, no backlog at all will be present.

While the purpose of this measure is purported to further simplify customs, the net result is a tariff reduction which will admittedly have an adverse effect upon domestic industries and cause unemployment. In addition, contrary to our reciprocal trade policy which is supposed to be a two-way street, this is a unilateral concession on the part of the United States.

Surveys of 1954 imports related to this bill, while interesting, are not a reflection of the many variations that could develop in the future and, particularly if the abnormal demand for goods throughout the world should decrease. It would be at that time that the true significance of this bill would be felt.

The Congress has already passed H. R. 1 this year which further liberalizes trade and the State Department has completed negotiations under prior law granting further concessions. This bill would permit three cuts in duties in a single year. It would appear to me that enough has been done in this area for 1 year, and, in my judgment, we should be cognizant of the effects of action already taken before we embark upon an additional program without getting any concessions in return.

Mr. JENKINS. Mr. Chairman I yield the gentleman from New York [Mr. MILLER] 3 minutes.

Mr. MILLS. Mr. Chairman, I yield the gentleman from New York [Mr. MILLER] 2 additional minutes.

Mr. MILLER of New York. Mr. Chairman, I am extremely grateful to my distinguished colleague from Arkansas [Mr. MILLS] for the additional time. I know that he will conclude the debate for the proponents of this proposed legislation on that side and I know what an excellent job he will do. I wonder whether or not I can adequately anticipate his arguments in the time that I have because, Mr. Chairman, I am specifically, dogmatically, and vehemently opposed to this proposed legislation.

I have voted for reciprocal trade agreements in previous Congresses and their extension. After the Senate safeguards were incorporated in H. R. 1 I voted for the conference report. But I have always felt that the Congress should deal with tariff legislation with reason, with care, and with safeguards.

Mr. Chairman, regardless of what may be stated on the floor today, section 2 of this bill is not a simplification provision. It is a straight out-and-out tariff reduction provision. That is supported by the Treasury itself in a chart which it submitted to the committee in which it listed, if this legislation pass, industry after industry which would have a tariff cut of, in some cases, almost up to 16 percent; other groups with decreases up to 4 percent and others up to 2 percent. There are other groups with decreases of up to 4 percent, and others up to 2 percent.

If this bill is passed, every single Member of this House who represents an industry will find that that industry has suffered a tariff reduction.

I want to say something about an industry in my district, a woolen felt industry making papermakers' felts, used in the production of all paper in this country. The tariff cut in their case would be from 10 to 20 percent automatically if this bill were passed. That is in addition to the fact that since 1930 the tariff reductions in that field have been 75 percent, and as a result of H. R. 1, will be 15 percent more.

The current price list published by the British Paper Machine Felt Association shows that today a papermaker's felt sold in England by this English cartel costs in England $3.09. They sell it in the Western Hemisphere, in Argentina, for $2.79. That would be the price at which they could sell it in the United States, and they would immediately if this bill were passed.

You talk about antidumping provisions. The antidumping provision is not a tariff or revenue measure, it is a penal statute. It would require complaint on the part of the industry affected and investigation on the part of the Revenue Bureau to ascertain whether or not an industry was being hurt. The cost of the investigation would be tremendous, and the weight would be onerous and unthinkable on industry, to invoke antidumping to take care of this proposition.

We now have the solution under our present tariff law, where the customs officials examine export prices as compared with foreign market values. If the foreign market value is higher, that is the value we take, and that is the value we should take. That is the only procedure we can utilize in order to protect the industries of our country.

There are no peril-point provisions in this bill. There is no escape-clause provision in this legislation. We are automatically and arbitrarily reducing our tariffs by from 10 to 20 percent with no reciprocity involved at all. If we are going to reduce the tariffs to that extent, let us hold them back as a leverage in order to get equal concessions from foreign countries. Let us not automatically bargain this away with no reciprocity provisions for America at all. These provisions are automatically tariff-reduction provisions. This is a tariff-reduction bill. It is a larger tariff-reduction bill than H. R. 1.

Mr. JENKINS. If the gentleman will yield, his figures are absolutely wrong.

Mr. MILLER of New York. They were not proven wrong by the gentleman's statement.

Mr. JENKINS. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, I do not know that I can add too much to the discussion on this bill. I think the controversial aspects have been thoroughly discussed on both sides. I would say that I think in many cases they have been exaggerated both by the proponents and by the opponents of this section. I am inclined, however, to think that so far as the issue is concerned, we have gotten a little off base. The issue involved here is not one of protection versus free trade. As I see it, this section has to do with the matter of administration and procedure of customs laws. The question is whether you should try to put your procedures on a reasonable basis and on a logical basis and on a businesslike basis.

Anybody who wants to study my record will certainly not come up with the conclusion that I am a free trader or that I do not believe in providing protection to our domestic producers against unfair competition from imports, but it seems to me if we are going to give protection that protection ought not to be on the basis of complicating customs' procedures so that everything that comes in gets tied up in redtape; or that we do it in fictitious ways or in ways that leave loopholes. The present method of determining valuations is encumbering trade between the countries. Now that does not affect just the trade where we have some competition. Let us remember that there are many items that we get from foreign countries which we need, and which we have to have, and on which there is no competition at all with domestic production. Yet, as long as our procedures are complicated, they have to bear this handicap and the handicap is passed on to the American consumers. Let me just ask this simple question. What is the advantage, really, in having a system where you say to the customs' processor, "Do not make just one appraisal for each item that comes in, but make two. And then on the basis of that, determine the duty."

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. SIMPSON of Pennsylvania. The advantage of that is to make certain that the foreign country is not taking advantage of our great American market, and dumping its product into the United States. Therefore, we require that the processor look to make certain he is levying his duty on a fair price, namely, the price at which the product sells abroad.

Mr. BYRNES of Wisconsin. Of course, if it is to prevent dumping, then what is the advantage of having on your statute books any antidumping law because the present dual determination would automatically, if the gentleman is correct, take care of any dumping situation, and yet we know that we have dumping from time to time under the present law.

Mr. SIMPSON of Pennsylvania. The gentleman has asked another question I am sure he will realize on second thought. The answer to the last question is that the antidumping law in order that it be enforced requires you to know whether the other country has been selling at less than the fair price abroad. Therefore, you have to find that fact out anyway.

Mr. BYRNES of Wisconsin. You find that out, certainly. You will still in some cases have to make determinations of the market value in the country of origin. But you should at least limit yourself to those cases where there is reason to believe there is dumping and where there is reason to make the dual calculation. But, under the bill you will not have to do that every time a commodity comes into this country and every time an appraisal is made.

Mr. SIMPSON of Pennsylvania. Mr. Rose testified he would in every instance have the foreign values of the items stated on the invoice.

Mr. COOPER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BYRNES of Wisconsin. Mr. Chairman, as I understood the testimony of Mr. Rose, it was that if they could be relieved of the responsibility of making dual calculation in every case of an entry, they would thus be fortified and be in a better position to really make an investigation in those cases where there was some evidence of dumping, and that the Dumping Act therefore would become much more effective.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. JONAS. The following is a quotation from the letter of the Secretary of the Treasury to the chairman of the committee, appearing on page 5 of the report:

> I wish to advise your committee that it is the firm intention of the Bureau of Customs and the Treasury Department to continue to require foreign value information as a part of the information contained in custom invoices.

The information would be available right there in the Customs House, would it not?

Mr. BYRNES of Wisconsin. But that is not what you use. Even under this bill you will not necessarily use the invoice price as the export value, any more than

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you will rely upon the invoice statement of what the market value is in the foreign country for the market value. At the present time they have to go way beyond the invoice figures to determine their foreign value or export value. The only point I wish to make is that if we are going to protect, let us do it in the area of duties. As far as the procedures and administration of our customs law is concerned, let us put them on as reasonable a basis as possible.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Michigan.

Mr. CEDERBERG. The gentleman admits there is a difference in the formula in figuring export value and a definite reduction in tariffs to some industries.

Mr. BYRNES of Wisconsin. Let us put it this way: In some instances the after duty cost of some items is going to be lower than it was before. If the gentleman will refer to the hearings, he will see tables showing the changes that will take place.

Mr. CEDERBERG. Your justification for that is simply because you are going to alleviate some of the paper work and the redtape that is required to do the job. Is that correct?

Mr. BYRNES of Wisconsin. And make it realistic.

Mr. CEDERBERG. In other words, the issue is, shall we make it more simple to carry out the act, and penalize certain industries in the process?

Mr. BYRNES of Wisconsin. I do not think we should look at it that way. I do not. Perhaps I am wrong, but I do not look at this act as an attempt to penalize any industry at all.

Mr. CEDERBERG. I have an industry in my district, a chemical industry, which is very much concerned about this. They say it will mean an increase of 8 or 9 percent in their particular case.

Mr. BYRNES of Wisconsin. Let me point out that some of the foreign exporters now recognize that our law today is such that they can so adjust their offering in their home market so as to eliminate the possibility of our applying the duty to the foreign valuation. In other words, at the present time domestic industry may have some protection by reason of dual valuations, but it is within the power of foreign industry itself to eliminate that protection.

Mr. CEDERBERG. If they cut their domestic price.

Mr. BYRNES of Wisconsin. No; it is not a matter of their cutting the domestic price, it is a matter of how they sell in their domestic market; it does not necessarily mean they have reduced the price one iota in their home country.

Mr. JENKINS. Mr. Chairman, I yield the balance of my time to the gentleman from Indiana [Mr. HALLECK].

The CHAIRMAN. The gentleman from Indiana is recognized for 5 minutes.

Mr. HALLECK. Mr. Chairman, I had not particularly planned to say anything in this matter. I do not claim to be an expert about it. I have sat here at least part of the afternoon and tried to read the report.

It is quite obvious, of course, that the fundamental issue here is the concern of some people about the lowering of tariffs. I can well understand that, and how it disturbs many people. I think, however, that we must also be concerned with the development of our foreign trade, for loss of foreign trade can be dangerous to us as well as to the people with whom we trade.

As I listened to the gentleman from Wisconsin [Mr. BYRNES], I think he laid before us the issue specifically as to this section 2 when he said that primarily it was a matter of using 1 system of valuation for purposes of determining tariffs instead of 2 systems.

I suppose as he indicates in some instances that could mean a reduction. But certainly the simplification would still be desirable. If it should result in an undue lowering of tariffs then certainly there must be and I am sure there are provisions in the law by which necessary readjustments can be made. And the escape clause and peril point would operate just that much more quickly.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield for a question?

Mr. HALLECK. I yield.

Mr. YOUNGER. In listening to the debate does it strike the gentleman as it strikes me that the opposition to this bill presupposes faulty administration rather than objecting to the main purposes of the bill?

Mr. HALLECK. I do not know whether I would characterize it quite that way or not. I am one of those who have argued through all of these controversies in the last and in this Congress that we could rely upon our administrators to carry out the law in such manner as would be proper.

In respect to the dumping possibilities, as I read the report, it is evident to me that there is specific provision which would require an examination of the whole matter of dumping that might be permitted by fixing the valuation at the foreign value which would be that of the goods exported as against the domestic price. As I read it, that would clearly mean that if this legislation is enacted and foreign prices or export prices are fixed measurably lower than the domestic price, then certainly it would be the responsibility of the Treasury and the Tariff Commission to make an investigation in respect to that. If they found that this method of determination of values of imports was being used to promote dumping, then there would be a responsibility to move against that and shut it off. It would seem to me, therefore, that while at the outset this sort of arrangement might be used by foreign exporters to cheapen their prices in export trade as against their domestic prices, as long as that was so to any considerable extent it would be very obvious and certainly susceptible to proof that the action being taken was to promote dumping and in violation of the statute which is already on the books.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. BAILEY. The proponents of this legislation insist that it is not necessary longer to continue some of the bureaus of the Government charged with the duty of collecting data on foreign costs of production. I am asking the gentleman, if they do not continue to collect such data how are they going to tell whether the Antidumping Act is being enforced? That is the danger to the antidumping legislation, for they will not have any facts from which they can determine whether some importation is a dumping operation or not, because under this bill they would not have to collect data on foreign costs of production.

Mr. HALLECK. If the gentleman will permit me to answer as best I can, dumping in foreign trade has always involved a situation where you sell abroad cheaper than you sell to your own people. That is my understanding of dumping. I have never thought that it had to do with the cost of production. Clearly the one-pricing arrangement here involved would not be such as to preclude the determination of a dumping situation if it became apparent, without regard to the cost of production, that the product was being sold domestically in the foreign country at a price considerably higher than it is being sold for export. Immediately that that appeared, then again, may I say, it is clear under the statutes presently on the books or language included in this act that the situation can be taken care of.

Mr. BAILEY. I would like the gentleman to point out those provisions. They are not in there.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, it has been suggested here this afternoon that Communist Poland is not dumping millions of pounds of canned ham into the United States each year because the price of this Polish import is a few cents a pound higher than ham produced in this country.

When the Polish Communists pour about $16 million worth of canned ham into this country each year and accept only about $1½ million worth of our products that is dumping in my book and it makes no difference how thick or thin the Communist ham is sliced.

To say that this legislation is necessary to strengthen the hand of the President at the forthcoming so-called Big Four Conference has no validity in fact unless it is admitted at the same time by those supporting the bill that it does what they have consistently denied this afternoon—provide further tariff concessions to foreigners to ship their cheap labor products into this country in competition with American agriculture, industry, and labor.

I shall certainly support the motion to recommit this bill and vote against it on final passage if that motion fails.

Mr. COOPER. Mr. Chairman, I yield the balance of my time to the gentleman from Arkansas [Mr. MILLS].

Mr. MASON. Mr. Chairman, before the gentleman begins will he yield?

Mr. MILLS. I yield to the gentleman from Illinois.

Mr. MASON. I just simply want to point out that the only way we can judge the future is by the past. In answer to the question that was raised about our doubts in reference to how this is going to be administered, we judge that for the last twenty-odd years it has not been administered efficiently or in the interests of the American producers. The State Department has engineered and run the whole show.

Mr. MILLS. May I say in answer to the gentleman's observation that we want also to judge the judger's accuracy about the interpretation of the past.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Iowa.

Mr. GROSS. Is there anything in this bill to stop the dumping of 20 million pounds of Polish Communist canned ham in this country each year?

Mr. MILLS. The gentleman from Iowa has raised a point that I had not intended to discuss, but I will go into it in a general way before I get through.

Mr. GROSS. That is the question I wanted to ask the gentleman from Indiana [Mr. HALLECK].

Mr. MILLS. I wish the gentleman had.

Mr. GROSS. Is there anything in this bill to stop dumping? He said it is not occurring except on a certain basis.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to say to my friend from Iowa that I have been as disturbed as he has been at the importation of Polish ham that apparently comes from back of the Iron Curtain. I have undertaken to do something about it. I have made inquiry, I have raised some question about that, and I do not think it has to do with dumping because, as I understand it, the hams that come in here are sold at a pretty high price, at a higher price than the price for American hams. Before the gentleman undertakes to contend with me further, may I say that apart from the whole matter of foreign trade, certainly I have the same concern that he has about any of these matters in trading with countries back of the Iron Curtain. However, such investigation as I have made demonstrates to me that at the moment there may be certain limitations upon what actually might be done in a legal way to deal with that matter. As I said to the gentleman, I am perfectly willing to explore it with him at any time, but if I may say so further, I do not think that has anything to do with the issue that is here being presented to the House.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Pennsylvania.

Mr. SIMPSON of Pennsylvania. It was suggested a moment ago there is nothing in here which has anything to do with Polish hams, whether from behind the Iron Curtain or not, but the fact is if they are not from behind the Iron Curtain there is a reduction effected in the protection of meat and meat products under this bill we are working on now, and I refer to section 2.

Mr. MILLS. Let me, if I may, get into a discussion of the provisions of the bill. The gentleman from Pennsylvania [Mr. SIMPSON] has served notice that he intends to offer a motion to recommit this bill to strike out section 2. One of our colleagues, I believe the gentleman from Illinois [Mr. MASON], referred to section 2 as being the heart or the core of the bill. Some of you to the left of me—I mean by location not by philosophy—will be interested, I am sure, in the fact that the very distinguished and able Assistant Secretary of the Treasury who administers this program, whom we affectionately refer to as "Chappie" Rose, made the statement before our committee that it was his thought, as I recall, that we need have no particular fear with respect to section 2. He frankly stated to the committee, as I remember, in accordance with the statement of the gentleman from Illinois, that without section 2 the administration would not be interested in the bill. I believe that is what he said.

Now let me apologize to my colleagues on the right over here for finding myself again in the position of advocating and trying to espouse the program that the President has laid down. Last year the House passed a provision, almost identical with this, if not identical, as a part of two bills reported from the Committee on Ways and Means. These bills were H. R. 5877 and H. R. 6584 of the 83d Congress.

Now, H. R. 6584, which included a section similar to section 2 of the bill before the House today, was reported by our committee unanimously last year. I do not know whether the gentleman from Illinois was present; I do not know whether the gentleman from Pennsylvania was present when the committee reported that bill, but the record of the proceedings in the committee specifically states that the bill with this provision in it last year was reported from our committee unanimously. The provision of the bill last year was deleted by the Senate Finance Committee. We were told that the reason for the deletion was because the Senate Finance Committee did not have time to conduct full hearings on this particular point. The session was about to close. They wanted to put through the other provisions in the bill.

Now the President comes back this year and requested in his foreign economic policy message to the Congress that we pass again the same provision that we passed last year. During our deliberations in committee on H. R. 6040 there did not appear to be too much opposition to the valuation section, as I remember. The distinguished gentleman from Ohio [Mr. JENKINS], the ranking Republican member on the committee present at this time, has spoken in favor of the bill. Certainly no one can accuse him of being a free trader or of desiring to do things here legislatively that will be injurious to American business.

Now let us look to some of the points that the gentleman from Pennsylvania makes as a reason why this bill should be recommitted and section 2 stricken from the bill. The gentleman says a lot about the fact that we do not make the peril point applicable to this determination. My friends, the peril point has no application whatsoever to this situation. The peril point applies to a particular point of time when a negotiation is being entered into to reduce a duty as of that time.

These statements expressing concern over the alleged absence of peril-point protection exaggerate the possible effect of the valuation provisions on imports into the United States. Taking 1954 as a typical year, total imports amounted to $10,491,000,000. The only part of this $10½ billion which could possibly be affected by the valuation changes is $1.4 billion of imports subject to ad valorem duties. In other words, in only slightly over 10 percent of our imports is valuation an element of duty determination. Moreover, out of this 10 percent of total imports which might be affected, the sample survey made by the Treasury indicated that only $366 million of imports would actually have been changed. It appears, therefore, that the effect of section 2 of this bill would probably be limited to approximately 3 percent of the imports into this country.

Moreover, it is important to remember that domestic industry has no assurance that under existing law it would continue to have the incidental protection resulting from a valuation higher than that placed on the goods in normal wholesale trade with the United States. To a great extent, foreign exporters have it within their power to so change commercial conditions that even under present law the value of the imported commodity would be determined by the going wholesale price to the United States. For example, the Treasury Department pointed out to the Ways and Means Committee that one particular item—synthetic fibers—in the sample survey showed quite a substantial decline in valuation under the proposed valuation standards. Investigation of the reasons for this change revealed that in 1954 valuation was being made on the basis of foreign value. This foreign value was based upon sales in smaller wholesale quantities in the home market and also included excise taxes which were remitted upon exportation. Since that time it has been brought to the attention of the Treasury Department that the home market price is subject to such restrictions on resale that under the present law it cannot be considered a freely offered price. Therefore, valuation of these commodities is now based upon export value to the United States, and this bill would not result in any material change in that valuation.

Valuation of imported goods depends upon commercial practices then in existence and may change from time to time. Accordingly, a change in valuation standards does not change a fixed condition such as is involved in the change of a tariff rate and is not appropriate for a peril-point proceeding. Since the Tariff Commission's determination of peril points are made only in connection

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with the economic condition of an industry at a particular time, past peril-point determinations could not be relied upon. Any attempt to introduce a peril-point type of operation as a condition precedent to a change in valuation standards would require such a determination by the Tariff Commission in connection with every importation subject to ad valorem rates of duty. It is obvious that such an undertaking would be administratively impossible, even if the Tariff Commission were free, as it is not, to devote its full time to such a proceeding. Peril-point determinations have no proper relation to customs administrative practices including valuation standards.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, if the gentleman will yield, I am sure the gentleman wants to make a clear statement. The time that the gentleman refers to is today when we pass the law. There is no method by which you know whether the cuts in the bill will endanger any business.

Mr. MILLS. My friend knows there is all the protection that could be written into H. R. 1, which was passed just recently.

Mr. SIMPSON of Pennsylvania. That is after the horse is stolen and after the damage is done.

Mr. MILLS. No, no; my friend knows that it is not after the horse is stolen and the damage is done. The provisions which we agreed to in H. R. 1 have reference not only to actual injury but have reference to the threat of injury. And we say that any time an industry feels itself threatened, it has the right to go to the Tariff Commission, to present its case. That applies just as well to this situation as it does to any other rate changes in effect.

My friend from Pennsylvania [Mr. SIMPSON] is concerned and asks you to be concerned because in some of these situations he finds that the value now assessed on an article may well be reduced by 16 percent. I am sure he intends to be accurate about it, but he says that that means a reduction of perhaps 12 percent to 16 percent in the duty. It does not mean that at all. That is the value on which the ad valorem duty is figured.

Let us see what the justification is for his concern. What are we talking about here? As I have said, we are talking about only approximately $1,400,000,000 of imports into the United States out of a total of $10.5 billion a year, on an ad valorem basis. And out of that figure of $1,400,000,000 the Treasury tells us that only $366 million of imports are involved in any actual change in after-duty cost—$366 million of goods. The average reduction in the after-duty cost of those goods is one-half of 1 percent.

There has been a lot said here about the effect on the chemical industry, a $20-billion industry which faces competition of about $300 million of imports a year. But do you know that out of the entire $300 million of imports involved in this change in valuation by 16 percent only $15 million worth of those imports falls within that category?

To me this sounds like a lot to do about nothing. Why? There is not a thing in the world that has been proposed under this section that cannot be accomplished with respect to any article involved merely by the foreign producer manipulating and regulating his domestic market.

What we are talking about from another point of view is the question of imports that come in at an ad valorem rate on a foreign value. Altogether only 29.07 percent of our imports into the United States come in on the basis of foreign value. We are talking about making all of those appraisements on imports that come into the United States either on the basis of export value, United States value, or some other subsidiary bases of valuation and deleting the foreign-value classification. At the present time 59 percent of all of our exports come in on the basis of export value. The following table indicates the changes in bases of appraisement that would result under H. R. 6040:

Changes in bases of appraisement under customs sample survey

[In percent]

Basis of appraisement	Present law	H. R. 6040
Foreign value	29.07	
Export value	59.12	91.76
United States value	1.11	1.49
Cost of production	10.37	
Constructed value		6.41
American selling price	.33	.34

I say again we are concerning ourselves a great deal about nothing. Then we raise the question about whether or not we are repealing or modifying the antidumping law. All in the world my colleagues have to do is to get the statute and they will readily determine that we are not. There is no place in this statute on antidumping where there is any reference whatsoever to foreign value. The statute specifically says that in consideration of the question of dumping we shall consider foreign market value, which is an entirely different concept from foreign value.

I am certain that we can rely upon this administration which we Democrats sometimes refer to in all seriousness as a "businessman's administration," to look after the interests of American business. I do not say you can do it any better than a Democratic administration can, but certainly you are going to try to do as well. What did the Secretary of the Treasury say about this matter of dumping? The Secretary said—and this is to be found on page 5 of the committee report:

MY DEAR MR. CHAIRMAN: It has come to my attention that in the course of your consideration of section 2 of H. R. 6040, which would amend the valuation standards set forth in section 402 of the Tariff Act of 1930, concern has been expressed that the elimination of a foreign value by this amendment would interfere with the enforcement of the Anti-Dumping Act, 1921.

I wish to advise your committee that it is the firm intention of the Bureau of Customs and the Treasury Department to continue to require foreign-value information—

That is the question raised by the gentleman from Pennsylvania—

as a part of the information contained in customs invoices. Consequently, the Treasury Department will continue to have available to it foreign value information upon which to initiate investigation of possible sales at a dumping price wherever the discrepancy between invoice price and foreign value appears to warrant it.

We say specifically in the bill before us that we do not intend, in fact, nothing is in the bill that in any way modifies or changes this.

Now we talk about the question of this bill itself changing the provisions on countervailing duty. Let us see what we have in the countervailing duty section of the statute. Are we concerned in countervailing duties about the value of something? No. We are not concerned about what its value is, whether it is the United States value, whether it is the foreign value, or whether it is the export value. What we are concerned with is this, and I read:

Whenever any country * * * shall pay or bestow, directly or indirectly, any bounty or grant upon the manufacture or production or export of any article or merchandise manufactured or produced in such country.

Then it follows along as to what shall be done. That is what we are talking about in countervailing duties. It has nothing whatsoever to do with valuation. It does not in any way change the authority that now exists in law for the Secretary to protect American industry from dumping and for the Secretary to protect American industry by applying countervailing duties when a country bestows a bounty or a grant.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman will recall my remark on the floor previously that in appearances before the Tariff Commission they claimed they had not sufficient funds to make investigations abroad on the foreign costs, wage scales, and what have you. Now you are removing responsibility from the Customs Bureau to have that information.

Mr. MILLS. We are not removing that responsibility. I wish the gentleman would permit those of us who are on the committee to explain this thing. As much as I love my friend, every time he mentions customs duties he closes his mind to the great appeal I try to make to convince him and enlighten him on these things. I do not believe he listens to me. I think he is predisposed a little bit before I get a chance to speak.

Mr. BAILEY. I do to a certain extent.

Mr. MILLS. As great a student as he is on these matters, the gentleman sometime or other is going to awaken to the fact that no State in the United States, West Virginia, Arkansas, or any other State, is going to improve from the condition in which the gentleman so ably describes his own State as being by the enforcement of provisions of law that do not permit the exportation of goods from the United States. How in the world can the State of West Virginia, which the gentleman so ably represents, improve from its present situation without our bringing about some improvement in the trade that exists between us and the rest of the world?

Mr. BAILEY. Now that the gentleman has mentioned my name, if he will

yield to me may I say that I listen to him as long as his talks are along the line of reason, but when they become propaganda I am not interested in them.

Mr. MILLS. I appreciate the gentleman's statement that I can effectively propagandize anybody. As to my reasoning, I will plead guilty to weakness in that respect.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. HARRISON of Virginia. I want to commend the gentleman on his very able, clear, and lucid explanation of this bill. I was impressed with the remark the gentleman made when he started. He apologized for again coming down to the well of the House and taking over the burden of carrying out the President's program. Does not the gentleman think it would be more generous or gracious on his part if he would let the Republican leaders on the committee make his speech for him?

Mr. MILLS. Actually I am not asking that they do that. I am perfectly willing to join them in whatever they want to do to implement this part of the President's program that is before us today. But I frankly am always pleased to recommend to the House those elements of the President's program on which I myself go along.

Mr. HARRISON of Virginia. The gentleman might well have yielded to them on this matter.

Mr. MILLS. I did that merely to call the attention of my colleagues here on the left, and again I say by reason of the fact that their President has asked for it, I think they can go along in this particular instance with the assurance that no serious injury is going to occur to any segment of American industry.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. GAVIN. The bill states its purpose is to amend certain administrative provisions of the tariff act and to repeal obsolete provisions of the customs laws. I have not heard anything at all about the administrative provisions and the obsolete provisions. This has degenerated into a debate on tariffs. I wonder if the gentleman could come back to telling us what this bill is all about and whether this is some new technique that has been conceived of, devised to reach its objectives in lowering the tariffs, without confusing the membership of the House as to the purpose of the bill. Will the gentleman tell us about it?

Mr. MILLS. The gentleman remembers I said I thought this was a whole lot of to do about nothing so far as these tariff matters are concerned that have been discussed. This legislation has been recommended to us, I will say to my friend, the gentleman from Pennsylvania, by members of his administration in whom I have great confidence. Frankly, I know of no man in whom I have any greater confidence than I do in Mr. Rose, Mr. Johnson and Mr. McNeill of the Treasury Department. They presented this legislation to us strictly and solely as a vehicle to bring simplification into the field of valuation which is so basically a part of the assessment of duties when duties are levied on an ad valorem basis.

Mr. GAVIN. Why do we not debate this simplification business and tell us something about it. How are you going to simplify these matters?

Mr. MILLS. I wish the gentleman had made his observation earlier when all these extraneous matters were thrown into the debate. I am merely trying to point out that they are extraneous. The gentleman is exactly right—this bill ought to be debated on the question of whether it is actually bringing about a simplification.

Mr. GAVIN. I have been here since 1:15 p. m. when the debate started, and I am more confused now than I have ever been, and it is quite evident that the committee is, too. Nobody seems to know what it is all about.

Mr. MILLS. I am satisfied that that is not the fault of the gentleman, and I want the RECORD to so reflect, that it is not the fault of the gentleman. But the gentleman from Wisconsin very ably discussed this matter from the point of view of improving customs administration and bringing simplification into the field. I trust the gentleman will read what the gentleman from Wisconsin said.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. SIMPSON of Pennsylvania. Under this bill, there is no question or no denial of the fact that existing protection for certain industries is decreased.

Mr. MILLS. Yes, to the extent on the average of one-half of 1 percent of the duty-paid cost which is computed by applying the percentage reductions in valuation to the average duty rate applicable.

Mr. SIMPSON of Pennsylvania. The gentleman will agree that that could conceivably be the straw that breaks the camel's back; would he not?

Mr. MILLS. Would the gentleman agree with me that if it is the straw that breaks the camel's back, or even threatens to break the camel's back, that he and others have fixed the way to bring about complete relief in that situation?

Mr. SIMPSON of Pennsylvania. We have done our best about it, and I am happy to say that the gentleman helped also to give that assurance this year.

Mr. MILLS. I signed the conference report. Certainly those provisions which we discussed are applicable in this situation.

Mr. SIMPSON of Pennsylvania. I just wish to say that it is unfair, in my opinion, not to give industry any opportunity whatever to appear to present their case and to force them to use the escape clause and relief measures in order to protect their industry and the jobs of American workingmen.

Mr. MILLS. I want to say in just this minute, if I have a minute left, that we should cast our eyes a little further than just on the horizon, which we see immediately ahead of us. The President of the United States is soon going into a four-power meeting of the leaders of four very large nations of the world. He has asked us to permit him the opportunity of going to that particular meeting with recognition on the part of the leaders of the other countries of the world that he speaks not just for a few people in the United States but that he speaks for all the people of the United States in their desire for peace. He has said repeatedly, and it has been stated here, that the cornerstone of his whole foreign policy is economic trade. You cannot rely always on the military. The President has said the cornerstone of the foreign policy is trade with the free world. Are we going to say to him a few days before July 14, just a few days before he goes to the meeting at the summit, that we take from him this weapon which he says is most important?

Let us not recommit the bill in these trying hours and days. Let us look at it in its proper perspective, recognizing that there is no inherent danger to any industry, and let us give the President the power which he seeks and the power which he needs.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. MILLS] has expired.

Under the rule the bill is considered as read. No amendments are in order except those by direction of the Committee on Ways and Means.

The Clerk will report the committee amendment as printed in the bill.

The Clerk read as follows:

Committee amendment: On page 16, line 13, insert:

"SEC. 5. Nothing in this act shall be considered to repeal, modify, or supersede, directly or indirectly, any provision of the Antidumping Act, 1921, as amended (U. S. C., 1952 edition, title 19, secs. 160–173). The Secretary of the Treasury, after consulting with the United States Tariff Commission, shall review the operation and effectiveness of such Antidumping Act and report thereon to the Congress within 1 year after the effective date of this act. In that report, the Secretary shall recommend to the Congress any amendment of such Antidumping Act which he considers desirable or necessary to provide for greater certainty, speed, and efficiency in the enforcement of such Antidumping Act."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Are there any further committee amendments?

Mr. COOPER. Mr. Chairman, there are no further committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BURNSIDE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6040) to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws, pursuant to House Resolution 282, he reported the bill back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I move to recommit the bill H. R. 6040.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SIMPSON of Pennsylvania. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SIMPSON of Pennsylvania moves to recommit the bill H. R. 6040 to the Committee on Ways and Means, with instructions to report it back forthwith, with the following amendment: Strike out all of section 2 and renumber the other sections accordingly.

Mr. COOPER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, on that motion I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 143, nays 232, not voting 59, as follows:

[Roll No. 93]

YEAS—143

Adair	Fjare	O'Neill
Alexander	Flynt	Osmers
Alger	Fogarty	Patterson
Andersen, H. Carl	Forand	Philbin
	Ford	Phillips
Andresen, August H.	Forrester	Pilcher
	Fountain	Poff
Andrews	Frazier	Preston
Ashmore	Garmatz	Rains
Bailey	Gavin	Richards
Barden	George	Riley
Bates	Grant	Roberts
Beamer	Gross	Robeson, Va.
Belcher	Gwinn	Rogers, Colo.
Bennett, Mich.	Haley	Rogers, Mass.
Berry	Hand	Sadlak
Betts	Harrison, Nebr.	Saylor
Blitch	Hays, Ohio	Schenck
Boland	Henderson	Scherer
Bonner	Hess	Scudder
Bosch	Hoffman, Mich.	Seely-Brown
Bow	Jensen	Selden
Bowler	Jonas	Shuford
Bray	Jones, N. C.	Sieminski
Brown, Ga.	Kee	Siler
Brown, Ohio	Kilburn	Simpson, Pa.
Budge	King, Pa.	Smith, Kans.
Burdick	Knox	Smith, Wis.
Burnside	Laird	Staggers
Bush	Landrum	Steed
Byrd	Lane	Taber
Carlyle	Lanham	Thompson, Mich.
Carnahan	Latham	
Cederberg	Long	Thompson, Tex.
Chenoweth	McConnell	Thomson, Wyo.
Chiperfield	McGregor	Tumulty
Clevenger	McIntire	Utt
Cole	McVey	Van Pelt
Coon	Macdonald	Van Zandt
Cretella	Mack, Wash.	Wharton
Dague	Mason	Whitten
Davis, Ga.	Merrow	Williams, N. Y.
Davis, Wis.	Miller, N. Y.	Willis
Dawson, Utah	Mollohan	Wilson, Calif.
Dies	Nelson	Wilson, Ind.
Donohue	Nicholson	Winstead
Dorn, S. C.	Norrell	Withrow
Durham	O'Hara, Minn.	Young
Fenton	O'Konski	

NAYS—232

Abbitt	Friedel	Morano
Abernethy	Fulton	Morgan
Addonizio	Gary	Moss
Albert	Gentry	Moulder
Allen, Calif.	Gordon	Multer
Allen, Ill.	Gray	Murray, Ill.
Anfuso	Green, Oreg.	Murray, Tenn.
Arends	Gregory	Natcher
Ashley	Griffiths	O'Brien, Ill.
Aspinall	Hagen	O'Brien, N. Y.
Auchincloss	Hale	O'Hara, Ill.
Avery	Halleck	Ostertag
Ayres	Harden	Passman
Baker	Hardy	Patman
Baldwin	Harris	Pelly
Barrett	Harrison, Va.	Perkins
Bass, Tenn.	Harvey	Pfost
Baumhart	Hays, Ark.	Pillion
Becker	Hayworth	Poage
Bennett, Fla.	Herlong	Powell
Bentley	Hiestand	Price
Blatnik	Hill	Priest
Boggs	Hillings	Quigley
Bolling	Hinshaw	Rabaut
Bolton, Frances P.	Hoeven	Radwan
	Holifield	Ray
Boyle	Holmes	Reece, Tenn.
Brooks, La.	Holtzman	Rees, Kans.
Brooks, Tex.	Hope	Reuss
Brownson	Hosmer	Rhodes, Pa.
Broyhill	Huddleston	Riehlman
Buchanan	Hull	Robsion, Ky.
Buckley	Hyde	Rodino
Burleson	Ikard	Rogers, Fla.
Byrne, Pa.	Jackson	Rogers, Tex.
Byrnes, Wis.	Jarman	Rooney
Cannon	Jenkins	Roosevelt
Chase	Jennings	Rutherford
Chelf	Johnson, Calif.	St. George
Christopher	Johnson, Wis.	Schwenkel
Chudoff	Jones, Ala.	Scott
Church	Jones, Mo.	Scrivner
Clark	Karsten	Sheehan
Colmer	Kean	Sheppard
Cooley	Keating	Sikes
Cooper	Kelley, Pa.	Simpson, Ill.
Corbett	Kelly, N. Y.	Sisk
Cramer	Keogh	Smith, Miss.
Crumpacker	Kilday	Spence
Cunningham	Kilgore	Springer
Curtis, Mass.	King, Calif.	Sullivan
Curtis, Mo.	Kirwan	Talle
Davidson	Kluczynski	Teague, Calif.
Dawson, Ill.	Knutson	Teague, Tex.
Deane	Lankford	Thomas
Delaney	LeCompte	Thompson, La.
Denton	Lesinski	Thompson, N. J.
Derounian	Lipscomb	Thornberry
Devereux	Lovre	Trimble
Dixon	McCarthy	Tuck
Dodd	McCormack	Udall
Dollinger	McDonough	Vanik
Dolliver	McDowell	Vinson
Dondero	McMillan	Vorys
Donovan	Machrowicz	Wainwright
Dorn, N. Y.	Mack, Ill.	Walter
Dowdy	Madden	Watts
Edmondson	Magnuson	Weaver
Elliott	Mahon	Wickersham
Engle	Marshall	Wier
Fallon	Martin	Wigglesworth
Fascell	Matthews	Williams, N. J.
Feighan	Metcalf	Wolverton
Fernandez	Miller, Calif.	Wright
Fine	Miller, Md.	Yates
Fino	Miller, Nebr.	Younger
Flood	Mills	Zablocki
Frelinghuysen	Minshall	

NOT VOTING—59

Bass, N. H.	Gathings	Mumma
Bell	Granahan	Norblad
Bolton, Oliver P.	Green, Pa.	Polk
	Gubser	Prouty
Boykin	Hébert	Reed, Ill.
Canfield	Heselton	Reed, N. Y.
Carrigg	Hoffman, Ill.	Rhodes, Ariz.
Celler	Holt	Rivers
Chatham	Horan	Shelley
Coudert	James	Short
Davis, Tenn.	Johansen	Smith, Va.
Dempsey	Judd	Taylor
Diggs	Kearney	Tollefson
Dingell	Kearns	Velde
Doyle	Klein	Vursell
Eberharter	Krueger	Westland
Ellsworth	McCulloch	Widnall
Evins	Mailliard	Williams, Miss.
Fisher	Meader	Wolcott
Gamble	Morrison	Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Carrigg for, with Mr. Coudert against.

Mr. Taylor for, with Mr. Westland against.

Mr. Reed of New York for, with Mr. Celler against.

Mr. Kearney for, with Mr. Hébert against.

Mr. Chatham for, with Mr. Klein against.

General pairs:

Mr. Boykin with Mr. Bass of New Hampshire.

Mr. Eberharter with Mr. Widnall.

Mr. Morrison with Mr. Heselton.

Mr. Williams of Mississippi with Mr. Judd.

Mr. Polk with Mr. Reed of Illinois.

Mr. Granahan with Mr. Prouty.

Mr. Green of Pennsylvania with Mr. Norblad.

Mr. Dempsey with Mr. McCulloch.

Mr. Evins with Mr. Canfield.

Mr. Doyle with Mr. Horan.

Mr. Shelley with Mr. Wolcott.

Mr. Dingell with Mr. Rhodes of Arizona.

Mr. Kluczynski with Mr. Gubser.

Mr. Rivers with Mr. Tollefson.

Mr. Smith of Virginia with Mr. Ellsworth.

Mr. Fisher with Mr. Hoffman of Illinois.

Mr. Gathings with Mr. Holt.

Mr. Davis of Tennessee with Mr. James.

Mr. Diggs with Mr. Johansen.

Mr. Bell with Mr. Kearns.

Mr. Zelenko with Mr. Gamble.

Mr. McDOWELL, Mr. CHUDOFF, Mr. MADDEN, Mr. BOYLE, Mr. LECOMPTE, and Mr. JACKSON changed their vote from "yea" to "nay."

Mr. BONNER changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed, and a motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTION

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Clerk be directed to correct the spelling of a word on page 2, line 11. The word is now spelled so as to read "important." It should be corrected to read "imported."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON RULES

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

INCREASING PENSIONS TO RECIPIENTS OF THE MEDAL OF HONOR

Mr. TRIMBLE. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 274) providing

for the consideration of H. R. 735, a bill to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 735) to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Veterans' Affairs now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

At this time I yield myself such time as I may require.

Mr. Speaker, this resolution makes in order consideration of the bill (H. R. 735), which has for its purpose increasing the amount paid to those having received the Congressional Medal of Honor from $10 per month to $100 per month. It is a closed rule, a modified rule waiving points of order.

I know of no opposition to the rule at all, and I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MARTIN] such time as he may require.

Mr. MARTIN. Mr. Speaker, I take this time to inquire of the majority leader as to the program for tomorrow.

Mr. McCORMACK. The intention is to meet tomorrow at 11 o'clock.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection?

There was no objection.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. McCORMACK. A resolution has been reported from the Committee on Foreign Affairs, which resolution I introduced. It is a resolution in relation to colonialization, stating the time-honored position of our country in relation to self-government and the ability of people to obtain self-government. It is felt that would be a very appropriate time to take this up. It will be brought up under a unanimous-consent request, with the understanding on the part of the leadership that different Members interested may reserve the right to object and make certain remarks. Then, if the unanimous-consent request is granted, I want to alert the Members that there will probably be a rollcall as an expression of this House, and it may have a good effect upon the minds of the people of the world at this time.

Mr. MARTIN. That will be first on the list tomorrow, aside from any conference reports?

Mr. McCORMACK. Yes. If the conference report on the pay-raise legislation is adopted in the other body, that will be taken up sometime during the day.

Then there is a bill on the program, reported out of the Committee on Foreign Affairs in relation to international claim settlements.

Then I shall ask the indulgence of the House; the Committee on Rules is now meeting in relation to a bill providing for the construction of some atomic vessels, which I understand is a matter of extreme importance. I am not prepared now to state whether it could be considered tomorrow, but if it can be I am going to ask the indulgence of the House that it may be considered.

Mr. MARTIN. Is there anything further today?

Mr. McCORMACK. No. The matter that I was referring to is H. R. 6795, to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

So my understanding perhaps is incorrect. May I ask the gentleman from North Carolina [Mr. DURHAM] if there is urgency for action on this bill?

Mr. DURHAM. Will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from North Carolina.

Mr. DURHAM. The necessity and the urgency for this arises from the fact that this year this authorizing legislation has to be passed and the Atomic Energy Commission must go before the Appropriations Committee.

Mr. McCORMACK. Is it a bill which can wait until next week?

Mr. DURHAM. It could.

Mr. McCORMACK. Then I shall not program it for tomorrow but will program it for next week.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from North Carolina.

Mr. BARDEN. I would just like to make this statement. I am not, of course, in position to appraise either the importance or the order in which the gentleman has programed bills for tomorrow, but I fail to see the necessity of meeting before 12 o'clock tomorrow.

I should like to call to the attention of the leadership that it is a rather difficult and embarrassing thing for a chairman to make arrangements for witnesses from far distant points all over the country to appear before legislative committees, and then for them to have to leave and fly home without having a minute's time before the committee. It is utterly impossible for a chairman to operate a committee unless he can know earlier than the evening before as to whether or not he will have a meeting of the committee the next morning.

There have been several occasions recently where this very difficult situation has been presented to chairmen, and they have to absorb justified criticism when they bring witnesses in and cannot let them be heard.

Mr. McCORMACK. The answer, of course, to the observation of the gentleman from North Carolina, that I do not challenge and with which I do not take issue except to this extent, is that it is very seldom this year that this request has been made, and whenever it was made it was always out of regard for the best interests of the membership of the House always having that purpose in mind.

Looking at the bills on the program, as to the Settlements bill I do not know whether there is going to be controversy or not, but from information I have it seems there might be some controversial provisions in the bill, and that it might take some time in debate and under the 5-minute rule.

I might say that if we get through this program tomorrow I shall ask that we go over until Monday. I want to assure the membership that the effort always is so to conduct the business of the House that Members will have an opportunity to do their work. Committees can work on Friday if they desire. Members have plenty of things to do. I know that from my own experience. Certainly, nobody should object to the leadership's trying to have such consideration for the membership of the House.

Mr. BARDEN. I am not questioning the gentleman's consideration for the membership of the House.

Mr. McCORMACK. I did not say the gentleman did. I was giving an explanation. I want the RECORD to show that I did not think for 1 minute the gentleman was questioning it. I simply wanted the RECORD to give the explanation.

Mr. BARDEN. I simply am bringing to the attention of the House something that every committee chairman of this House is confronted with. Occasionally chairmen like to have Friday off, maybe.

Mr. McCORMACK. Correct.

Mr. BARDEN. Now, sometime, somewhere, maybe that will come about.

Mr. MARTIN. Mr. Speaker, has the gentleman concluded his colloquy?

Mr. McCORMACK. The gentleman's committee can meet tomorrow.

Mr. BARDEN. The gentleman does not need to tell me when my committee can meet; I know when my committee can meet, as far as that is concerned. But just let me make this suggestion in all sincerity: If it is at all possible, let the chairmen know before 5 o'clock the day before when we are going to meet at 11 or 10 o'clock the next morning. It is unfair not to do so.

Mr. McCORMACK. May I suggest to the gentleman from North Carolina that

I am human and have certain human limitations.

Mr. BARDEN. Oh, well, now, that is not at issue.

Mr. MARTIN. Mr. Speaker, I remind the gentleman that this is my time.

Mr. GROSS. Mr. Speaker, I should like to ask the gentleman from Massachusetts, have we not progressed far enough in this session so that we can abandon the Thursday to Tuesday club and work once in a while on Friday, meeting at noon on each day? I hope the gentleman will give some consideration to those who live a thousand miles away from our homes and who are stuck here each weekend and cannot go home. I think the gentleman from North Carolina has made a very important point insofar as the chairmen of the committees are concerned.

Mr. McCORMACK. Mr. Speaker, when I make a unanimous-consent request, any Member can object, if he desires to do so, but they better assume that responsibility. I stated the reason. I apologize to no one. This talk about the Thursday to Tuesday club has no foundation, and there is no basis for any such statement, because when I draw up a program there is always legislation that is taken up under the rules that is not controversial. I put that down on a Monday rather than on a Tuesday, Wednesday, and Thursday. Any responsible leadership would do that. It has been done and should be done. There is no time lost.

Mr. GROSS. I may say to the gentleman from Massachusetts, that is usually accompanied by an understanding there will be no record vote on Monday, if something controversial is brought up.

Mr. McCORMACK. For example, a week from Monday will be the Fourth of July. If there is any legislation on Tuesday which I will program involving a rollcall, the gentleman from Iowa would not object to the rollcall going over to the next day, would he?

Mr. GROSS. The gentleman has not so far, but the gentleman from Iowa will begin to object to this business of going over from Thursday until Tuesday.

Mr. McCORMACK. The gentleman has a perfect right to do that and he better do it upon his own responsibility.

Mr. GROSS. The gentleman will be perfectly willing to do it on his own responsibility.

Mr. McCORMACK. If we finish this program tomorrow there is no more legislative program for the rest of the week.

Mr. GROSS. I shall not object at this time, but I shall feel constrained to object in the future.

Mr. McCORMACK. I suggest the gentleman better reconsider that statement.

Mr. ALLEN of Illinois. Mr. Speaker, I have no more requests for time on this side and reserve the balance of my time.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF THE ARMED FORCES OF THE UNITED STATES ON DUTY ABROAD

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5559) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, with Senate amendments thereto, disagree to the Senate amendments and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOPER, DINGELL, MILLS, JENKINS, and SIMPSON of Pennsylvania.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries of the House may have permission to sit tomorrow morning during general debate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

SPECIAL ORDER GRANTED

Mr. YATES asked and was given permission to address the House for 20 minutes today, following the legislative program and any special orders heretofore entered.

FEDERAL EMPLOYEES SALARY INCREASE ACT OF 1955

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the House conferees on the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes, may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittees on Health and Science, and Transportation of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PENSION FOR MEDAL OF HONOR HOLDERS

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 735) to increase the rate of special pension payable to certain persons awarded the Medal of Honor.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 735, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TEAGUE of Texas. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this is a very simple bill. In 1916 the Congress passed a bill which authorized or directed the Administrator of Veterans' Affairs to pay to each veteran who had been awarded the Congressional Medal of Honor $10 when he reached the age of 65, and who was separated from service. This bill does two things. This bill increases that $10 to $100 and removes the age limitation.

At the present time there are 394 Medal of Honor winners living. Under present law there are 26 of those 394 receiving $10 per month. It has come to the attention of the Committee on Veterans' Affairs that there were a few of our Congressional Medal of Honor winners who were destitute, and the committee recognized that you cannot put a price tag on honor or courage or things of that kind. But, the committee did not think it appropriate that a man who won the Congressional Medal of Honor by our Government should be destitute.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Does this mean that every Medal of Honor winner from this time on, regardless of circumstances, will draw $100 a month?

Mr. TEAGUE of Texas. This bill means every Medal of Honor winner who has been separated from the service. Retired officers would be excluded or any of those retired would be excluded from receiving this money. In other words, every man separated from the service would receive $100 a month. Of course, the great majority of Medal of Honor winners were badly wounded, and many of them have been retired.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Illinois.

Mr. YATES. Is there a right of survivorship to this benefit?

Mr. TEAGUE of Texas. There is nothing concerning survivors, but as far as Medal of Honor winners are concerned, they are treated the same as any other survivor.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I want to express my support of this bill to the gentleman from Texas. It is similar to a bill of the same nature which I introduced 4 or 5 years ago. I want to con-

gratulate the Committee on Veterans' Affairs for bringing forth this legislation.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. I would like to say that I think this is a very meritorious measure. Simply for the information of the House, would the gentleman advise us of the number of veterans to whom this benefit would apply?

Mr. TEAGUE of Texas. I cannot tell the House the exact number, but there are only 394 living. The Department of Defense advises that it would require a search of some 30,000 records to determine the exact number that it would apply to. There are 26 receiving $10 a month. Of course, the factor of age requirement is being taken off of this bill, and that would add some more, but I think it would affect very few.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from California.

Mr. PHILLIPS. I agree with my colleague from Pennsylvania who just called this meritorious legislation. But I did not understand what the gentleman from Texas [Mr. TEAGUE] said about retirement. Do I understand that if an officer has received the Congressional Medal of Honor and remains in the service and then retires and receives retirement pay, he does not get the amount of money provided in this bill?

Mr. TEAGUE of Texas. Under this bill and under present law, he would not get the money referred to, because the Attorney General of the United States has ruled—it was sometime back in the thirties, 1932 or 1937—that a person who had retired had not been separated from the service.

Mr. PHILLIPS. That would apply to anyone, whether or not he received retirement pay, would it not?

Mr. TEAGUE of Texas. It would apply to any person. If a person received retirement pay, he would not receive this $100.

Mr. PHILLIPS. I am just trying to think this out, if the gentleman will be good enough to yield further. What situations would there be in which a man left the service without getting retirement except for injury or at the end of the war? I suppose those are the two conditions.

Mr. TEAGUE of Texas. If he left the service at the end of the war and was not disabled and received no retirement, but he did receive the Congressional Medal of Honor, he would receive $100 a month.

Mr. PHILLIPS. I thank the gentleman.

Mr. TEAGUE of Texas. The bill is quite restrictive; in fact, probably too restrictive.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Do not those who are still in the service get the same benefit in the way of additional compensation?

Mr. TEAGUE of Texas. Those who are in the service receive no additional benefit.

Mr. ALBERT. I thought additional compensation was paid to enlisted men upon receiving the Congressional Medal of Honor.

Mr. TEAGUE of Texas. No, sir. The Congressional Medal of Honor winner today receives $10 per month when he reaches the age of 65, provided he is separated from the service and receives no retirement pay.

Mr. ALBERT. I think the gentleman has a good bill. I think it should be extended to those in the service, at least in part.

Mr. TEAGUE of Texas. I am inclined to agree with the gentleman.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Chairman, I wish to commend the distinguished gentleman from Texas, the able chairman of the Committee on Veterans' Affairs, for introducing this bill and standing back of it until a rule was obtained from the Rules Committee and the measure brought to the floor for action.

When I first came to the Congress in 1949 one of my constituents, Joseph J. McCarthy, was president of the Congressional Medal of Honor Society. He is supervisor of the ambulance service of the Chicago Fire Department and is a lieutenant-colonel in the Marine Corps Reserve. His outstanding bravery in World War II and the feats of sublime heroism that won him the Medal of Honor are a source of pride to every man, woman, and child in Chicago.

It is he who first informed me of the pitiful neglect of these national heroes upon whom had been bestowed the Congressional Medal of Honor, when the years had passed, youth had departed and sometimes with the passing of years had come adversity.

In the Congresses of which I have been a Member there has been some measure of the character of this before us today always on the Consent Calendar and every time it came up on that calendar it was passed over. Today at long last the measure is before us for a vote and I am certain it will be passed by this House without a dissenting vote. Too much credit cannot be given to the distinguished gentleman from Texas. Again he has proved himself the tried and true friend of the serviceman. Mr. Chairman, the passage of this bill today will reflect the highest and most glorious of patriotic credit upon this body.

Mr. TEAGUE of Texas. I thank the gentleman.

Mr. SIEMINSKI. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from New Jersey.

Mr. SIEMINSKI. Can the gentleman tell me what the reasons were for eliminating any benefits to survivors, such as children, who might, when of age, need this money for further education?

Mr. TEAGUE of Texas. I will say to the gentleman that at the moment there is a very, very exhaustive study being made of the subject of survivors and sometime next month perhaps there will be a bill brought to the floor that will provide considerable help to survivors of servicemen who have died.

Mr. SIEMINSKI. If the gentleman yields further, I was thinking of cases like that of Colin Kelly, who died in action; because of Colin Kelly's valor the President of the United States stated that when Colin's son reached an age when he would be eligible for admission to West Point, he could, if he desired, accept an appointment to West Point. During my campaign for office in the spring of 1950, I called for a Colin Kelly bill, a bill that would extend benefits to survivors of all who gave their lives in war. It seems to me, inasmuch as we are moving in the direction of a man giving his life not only for his country but for his family, we should move toward the survivor approach. I am happy to see that the gentleman contemplates not holding up that benefit too long. It seems to me that the generation coming up could use the pension as much as the man decorated for valor to whom life has dealt an unfortunate blow.

Mr. TEAGUE of Texas. That study has been going on during the past year.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield.

Mr. O'HARA of Minnesota. Will the gentleman tell me whether in the case of a boy who was a Medal of Honor winner in World War II and who was killed in that war and left survivors, his widow or his mother would be entitled to benefits under this bill?

Mr. TEAGUE of Texas. Not because of being a Congressional Medal of Honor winner; no.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from North Carolina.

Mr. JONAS. The survivors in those cases would be entitled to all of the survivors' benefits provided by other law?

Mr. TEAGUE of Texas. That is true. Those survivors would be entitled to a 6-month death gratuity, in some cases they would be entitled to some social security, in some cases they would be entitled to Federal employees' compensation, and all of them would be entitled to Veterans' Administration compensation and some kind of VA insurance.

Mr. JONAS. Do I understand correctly that eligibility for this new benefit is not dependent upon need at all?

Mr. TEAGUE of Texas. No; it is not, but it is written in such a way that it would certainly take care of those in need.

Mr. JONAS. I know; but how about those that are not in need?

Mr. TEAGUE of Texas. I certainly do not think there should be a need clause in this bill.

Mr. JONAS. Do I understand correctly, then, that the $100 per month is made available to all who have been awarded the medal, without regard to need?

Mr. TEAGUE of Texas. And who have been separated from the force. That

means when a man is retired he is drawing his retirement pay, and certainly he is not going to become destitute.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from California.

Mr. SISK. May I commend the gentleman on his statement. I am wholeheartedly in agreement with this legislation. I do feel I would like to see it enlarged to cover all Medal of Honor winners.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I just want to comment briefly as to my understanding of the question that was raised on the matter of need. As I understand, there is no change made in the existing regulation on that question. I do not think there is any distinction made between those in need and those not in need insofar as receiving this payment is concerned. That situation is continued under this legislation.

Mr. TEAGUE of Texas. That is exactly correct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no request for time, but I should like to make the statement that it would seem to me to be very horrible to put a need clause in any legislation concerning money or other appreciation given to a Medal of Honor winner. I have previously had bills similar to this introduced in the Congress. Now that this bill is reported from the Committee on Veterans' Affairs, I am delighted, there are several Medal of Honor men in my own district. It will be passed, I believe, without a dissenting voice.

Mr. JONAS. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from North Carolina.

Mr. JONAS. The reason I asked the question about need is that some of the statements made on the floor indicated, as indeed did the gentleman from Texas, that one of the reasons for the bill was to take care of Medal of Honor winners who are in need and to prevent suffering on their part. If the proposal is based upon the desire to relieve winners of the medal from need, then I thought it would be pertinent to inquire if the question of need is involved in determining eligibility for the money stipend.

Mrs. ROGERS of Massachusetts. I realize that the gentleman was not asking that the need clause be put in the bill. It was the fact that many of the men do need the money very badly that we hurried in getting the legislation passed. You do not give a medal to a man because he is in need. It is the principle of the thing that counts. Nor do you give this $100 only to those who need it.

Mr. SCOTT. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. The people of the United States have various ways in which we accord respect to those gallant wearers of the Congressional Medal of Honor, those who survived, and there were not too many of them. Perhaps the Members of the House know that among the honors we tender is the recognition, when a Congressional Medal of Honor man passes in uniform, which is accorded by a salute to him by all officers and enlisted men of all of the armed services from the General of the Army down, from the fleet admirals and the other admirals down. No matter what rank they may hold, a Congressional Medal of Honor wearer is entitled to the first salute. Recently, I traveled on a plane in which a Congressional Medal of Honor wearer was a passenger. He was entitled to leave that plane before everybody, including Cabinet officers and high-ranking military officers. He was entitled to board the plane first for the same reason. These are fine gestures, but what we plan to do here today is something more than a gentle gesture. It is simply a precaution in addition to recognition, but a precaution to make sure that no wearer of the Medal of Honor may ever become so completely destitute or so hard up as to cause bitterness to him or shame to the United States.

Mr. SIEMINSKI. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. SIEMINSKI. Merely to fill out the research data on this survivors bill, of which the gentleman from Texas [Mr. TEAGUE] spoke. I understand there are now 394 Medal of Honor recipients living.

Mrs. ROGERS of Massachusetts. I do not know, but according to the statement I have here, it says 395 living. One may have died since this was issued.

Mr. SIEMINSKI. The purpose of my observation is to learn how many survivors there are of those who earned the medal but did not live to get it in the generation covered by the 394 or 395; if we could have that in the RECORD, we might more clearly establish the need for taking care of the survivors of those who did not come back, but whose children were given the medal in the rose garden at the White House, then walked away, brushing away their tears.

Mrs. ROGERS of Massachusetts. I think that could be ascertained, perhaps not exactly, but very nearly, for the future. It is a fine suggestion.

Mr. SIEMINSKI. I thank the gentlewoman.

Mr. TEAGUE of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, it is indeed a pleasure for me to have the opportunity of supporting this worthwhile measure. I want to congratulate the distinguished chairman, the gentleman from Texas [Mr. TEAGUE], and the other fine members of the Veterans' Affairs Committee for their diligent efforts in reporting out this bill. I happen to have a Congressional Medal of Honor winner in my district who is a personal friend of mine. He is the Honorable Clyde L. Choate, of Anna, Ill. I have read the military record which lead to his receipt of this great Medal of Honor, and I can tell you here this afternoon that it goes far beyond the call of duty. The least I could do for him and the other winners of this great Medal of Honor would be to work for and to support this worthy bill. I hope my colleagues will join with me in displaying our appreciation by voting this bill out unanimously. Thank you very much.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no further requests for time.

Mr. TEAGUE of Texas. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the substitute committee amendment, printed in the bill as an original bill for the purpose of amendment.

The Clerk read as follows:

That section 1 of the act of April 27, 1916 (39 Stat. 53), as amended (38 U. S. C. 391), is hereby amended by striking out the following: "who has attained or shall attain the age of 65 years,".

SEC. 2. That the first sentence of section 3 of the act of April 27, 1916 (39 Stat. 54), as amended (38 U. S. C. 393), is hereby amended by striking out "$10" and inserting in lieu thereof "$100."

SEC. 3. This act shall take effect on the first day of the second calendar month after its enactment.

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 2, line 1, strike out "the following" and on line 2 strike out the period at the end thereof and insert the following: "and by striking out 'and who was' immediately after 'duty,' and inserting in lieu thereof 'and who served as a member of the military or naval service in any active or inactive status (including any retired status), or was'."

Mr. SAYLOR. Mr. Chairman, the amendment sounds very technical, but it is simply an amendment to the act of 1916. Its purpose is to allow any serviceman who received the Congressional Medal of Honor to receive $100 monthly whether he is on active duty or in a retired status.

Under rulings made in the early thirties by the Attorney General, it is impossible for anyone who is on active military duty or anyone in a retired military status to receive $10 when they attain the age of 65. What this amendment does is to allow those people to receive the $100 per month, whether or not they are 65 years of age, and whether they are continued in the service or are on the retired list.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. ALBERT. I want to commend the gentleman for his amendment, because if we penalize those who remain in the service, we are putting indirect needs tests on them, and nobody else, because others coming out of the service and en-

tering other professions have no test applied to them. I do not think we should penalize servicemen, and I commend the gentleman for his amendment.

Mr. SAYLOR. That is the reason I urge this amendment be adopted to treat everyone alike who had earned the Congressional Medal of Honor.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. SCOTT. I think in line with what has just been said, the gentleman's amendment accomplishes an important purpose, because otherwise we would say to those who remain on the retired list or those who remain in the service: "You were brave, but because you were tenacious and loyal and attentive to the needs of the service, you cannot receive recognition which might come to you otherwise."

Mr. SAYLOR. I thank the gentleman for his remarks.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am very happy to support the gentleman's amendment.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. EDMONDSON. I want to join my colleagues in expressing appreciation of the gentleman's amendment, which I think does something very constructive. I hope the committee will accept it as an amendment to the committee amendment.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield.

Mr. O'HARA of Minnesota. I do not understand the limitation on the age. Do they have to be 65?

Mr. SAYLOR. No. Under the present law they must be 65. This amendment would eliminate the 65-year age requirement.

Mr. TEAGUE of Texas. Mr. Chairman, when the bill was first introduced, it was introduced exactly as this amendment would make it. Our committee was very apprehensive about not placing a price tag on honor. I do not think there is a member of the committee who would object to this amendment, but after considerable discussion the committee finally reported the bill out as it is now before us. However, I do not intend to oppose the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR] to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 735) to increase the rate of special pension payable to certain persons awarded the Medal of Honor, pursuant to House Resolution 274, he reported the same back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time and passed.

The title was amended to read: "A bill to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

THE BOLD, NEW, DYNAMIC INFORMATION PROGRAM

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, under the bold, new, dynamic information program announced by the Secretary of Defense, the public can now get both a "Yes" and "No" answer to the same question. The outstanding thing about this program is that both the "Yes" and the "No" come out in the same breath.

To show how the information program operates, I am quoting the following two clippings from this morning's Washington Post and Times Herald:

> The White House denied published reports yesterday that Secretary of the Army Robert T. Stevens had submitted his resignation to President Eisenhower. Presidential Secretary Hagerty said there is no resignation before us at all. He said he knew of no reason to anticipate that Stevens had any plans to resign.

This was on page 40.

On page 47 of the same newspaper in the society column is the following item, entitled "Checking Out":

> Mrs. Robert T. Stevens, wife of the retiring Secretary of the Army, says she will spend the summer in Montana, where she hopes her husband can join her, providing he doesn't have to work beyond the date of his resignation, July 31.

As it turns out, Mrs. Stevens was right, for the Secretary has submitted his resignation.

If the bold, new, dynamic program is designed to confuse the American public, the administration is doing a good job at it.

PERMISSION TO COMMITTEES TO SIT DURING SESSION OF HOUSE TOMORROW

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may sit during general debate in the House tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit during general debate in the House tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SALE OF CERTAIN VESSELS TO CITIZENS OF THE REPUBLIC OF THE PHILIPPINES

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (S. J. Res. 67) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines, to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the resolution.

Mr. GROSS. Mr. Speaker, will the gentleman explain the bill very briefly? Does he include combat vessels? What kind of shipping is it?

Mr. BONNER. The gentleman is right in asking for an explanation inasmuch as there is a report accompanying the resolution.

Following the war and to enable them to resume their interisland commerce special provision was made with respect to the Philippines in the Ship Sales Act. We chartered five small vessels to the Philippines to rehabilitate their interisland commerce. These vessels have been operated under this charter agreement from year to year.

Last year there was a bill before Congress to do this identical thing, provide sale, but on account of certain inequities which were being practiced against American commerce by the Philippine Government this bill was not passed, but the charter was renewed to the extent of one additional year. In a letter dated June 18, 1955 addressed to me from General Romulo, accompanied by copy of a cablegram from President Magsaysay, I and others who object and have protested against these inequities, have been assured that every means would be used to correct same in the next session of the Philippines Congress. This charter and the privilege of buying expires the 30th of this month. Therefore the reason for asking that the bill be considered in this manner.

Mr. GROSS. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the request of gentleman from North Carolina?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That notwithstanding the provisions of section 14 of the Merchant Ship Sales Act of 1946 (Public Law 321, 79th Cong.), as amended, or any other provisions of law, the Secretary of Commerce is hereby authorized and directed to sell to citizens of the Republic of the Philippines in accordance with the Merchant Ship Sales Act of 1946, 5 vessels named herein: *Carrick Bend, Masthead Knot, Snug Hitch, Boatswains Hitch,* and *Turks Head,* which at present are in the Philippines: *Provided,* That with respect to each of the said vessels one-half of the charter line paid to the United States shall be subtracted from the sales price as additional depreciation for the period beginning July 1, 1954, and ending with the date of execution of the contract of sale of the respective vessel: *And provided further,* That the Secretary of Commerce after consultation with the National Advisory Council in International Monetary and Financial Problems, shall fix the terms of payment on unpaid balances, which terms shall in no event be more favorable than the terms applicable in the case of sales to citizens of the United States.

In determining the order of preference between applicants for the purchase of such vessels, first preference shall be given to the applicants who are charterers of such vessels under the terms of the aforesaid act of April 30, 1946, as amended, at the time of making application to purchase vessels under the terms of this act; second preference shall be given to applicants who suffered losses of interisland tonnage in the interests of the Allied war effort: *Provided,* That applications for the purchase of said vessels are received by the Secretary of Commerce within 1 year after the date of enactment of this act.

Except with the prior approval of the Secretary of Commerce, any vessel sold under this joint resolution shall, for a period of 10 years from the date of sale of the vessel, be operated only in the interisland commerce of the Philippines.

Delivery of the vessels for the purposes of sale shall be made at a port in the Philippines designated by the Secretary of Commerce.

Notwithstanding any other provision of law, the said vessels shall continue to operate in the Philippines under existing charters until such time as the agreements of sale are executed and deliveries of the vessels thereunder are accomplished.

For the purposes of this act, the term "citizen" includes any individual, corporation, partnership, association, or other form of business entity authorized to do business under the laws of the Republic of the Philippines.

With the following committee amendments:

Page 2, line 3, after the word "charter", strike out "line" and insert "hire."

Page 2, line 12, strike out "aforesaid act of April 30, 1946" and insert in lieu thereof "Philippine Rehabilitation Act of 1946."

The committee amendments were agreed to.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KEEPING THE RECORD STRAIGHT ON HOUSE RESOLUTION 210 TO INVESTIGATE THE FEDERAL OPEN MARKET COMMITTEE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, when House Resolution 210 was being considered June 15, the gentleman from Virginia, Hon. HOWARD SMITH, chairman of the Committee on Rules, spoke against it. The Republican Members of the House in conference the day preceding consideration of the resolution agreed to vote solidly against it.

Judge SMITH's standing in the House was sufficient to persuade enough Democrats to vote against the resolution to cause its defeat along with a solid Republican vote of opposition. It was disapproved by a rollcall vote of 214 to 178.

I have no desire to reflect on Judge SMITH; in fact I have served with him over a long period of years and I know that he is a man of high character and a very sincere, conscientious Representative in Congress. The fact that he is a successful and well-recognized commercial banker naturally causes more weight to be given to his views.

INCORRECT STATEMENTS

In the debate on House Resolution 210, there were, in all probability, many Members who were doubtful about the effect of this resolution and they certainly did not want to do anything that would upset the economy. Therefore, words of caution along with strong pleas of opposition coming from a distinguished Member like Judge SMITH had tremendous effect. I know Judge SMITH did not intend to deliberately misstate the facts; however, I desire to invite your attention to four statements made by him in his speech opposing the resolution and which are found on page 8313 of the CONGRESSIONAL RECORD for June 15, 1955. The excerpts are as follows:

First:

Anything that might tend to disturb the security market at this time is a thing that is too dangerous for us to take any chances with, and it is purely for that reason that I am opposed to this resolution, because I think it is dangerous. I think it has seeds in it that might with all the publicity that is usually attendant upon a public investigation, will disturb the security market that is too nervous already at this time.

Second:

But I am seriously disturbed by the chance that such an investigation, with the attendant publicity, might well disturb the delicate bond market and the delicate economy that is now resisting pretty successfully the terrific inflationary spiral that is upon us.

Third:

Let us see what could happen to this bond market: 61.7 percent of all bonds of the United States Government are held by your commercial banks. That means that about $180 billion worth of Government bonds are held by the banks of this country. Drop those bonds suddenly five points, let us say, through some disturbance in the present psychology of the country and what would happen to all of your national banks? When things begin to happen to your banking system, what happens to all the rest of the business interests of the country? What happens to the labor situation, for instance, when things begin to go bad? Those are the things I have been fearful of for many years. I am still fearful of them. I am fearful of this proposal to fool with this delicate situation at this time. I do not think it ought to be done.

Fourth:

Mr. MCDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from California.

Mr. MCDONOUGH. The resolution submitted by the gentleman's committee states that this committee shall not undertake any investigation of any matter which is now under active investigation by another committee of the House. From what the gentleman has said up to now, and from what Mr. WOLCOTT has said, the proposal would be a duplication of an active investigation now under consideration by the Joint Committee on the Economic Report; does the gentleman agree?

Mr. SMITH of Virginia. Yes.

These excerpts contain unintentional misrepresentations of fact.

I desire to answer these statements briefly, as follows:

CORRECTIONS

First. The commercial banks do not hold 61.7 percent of all of the bonds of the United States Government.

Second. The banks do not hold $180 billion worth of Government bonds.

FIVE HUNDRED PERCENT WRONG

The facts are that the banks hold about 40 percent, or $37 billion, out of the $87 billion of Government marketable bonds outstanding and less than 40 percent of all marketable Government securities outstanding. Judge SMITH was 500 percent wrong about the amount of bank ownership of Government bonds.

Third. The investigation proposed in House Resolution 210 is not now being duplicated by an investigation by the Joint Committee on the Economic Report.

REACTION TO DEFEAT OF RESOLUTION

Reaction to the negative vote by the House on House Resolution 210 was an encouraging sign to the speculators in Government securities. They immediately proceeded to drive down the prices of outstanding long-term Government bonds. In other words, the result Judge SMITH feared would follow from approval of House Resolution 210 was exactly what happened as a result of its defeat.

The only remaining long-term issue that had not slipped below its par price—the 40-year 3's—began a rapid slide-off on Wednesday shortly after the House vote. On Wednesday and Thursday, they were driven down drastically in price falling twenty-one thirty-seconds in 2 days.

The Humphrey 3¼'s fell off fourteen thirty-seconds on Thursday, the day fol-

lowing the House vote on House Resolution 210.

The Victory Loan 2½'s were off six thirty-seconds in Thursday's trading, closing at 96½.

Defeat of House Resolution 210 could not have had any other result except to undermine the market for United States Government securities. The Federal Open Market Committee, and the New York Federal Reserve Bank in particular, have, in effect, been given carte blanche by the House to continue to manipulate the money market and the prices of Federal debt issues without fear of study or criticism by the Congress.

No one charges these men with dishonesty or illegal acts. But then again, no one can blame bankers for basing their decisions upon their lifetime experience as bankers. And no one can expect bankers to act against their own economic interests. Banking is not a philanthropic institution yet. But who will protect the public interest? This responsibility rested and still rests with the Congress. By their vote against House Resolution 210, the Republican Members and the handful of Democrats, who joined them, abdicated their responsibility to safeguard the public interest.

The stage has now been set for a round of windfall profits in marketable United States Government securities that will make the $416 million earned by the commercial banks in 1954—966.7 percent increase over 1953—look small by comparison. Added impetus has been given to the movement for wider price fluctuations and more frequent price fluctuations in the Government securities market.

Increased price fluctuations will intensify interest and activity by the professional speculator. As a consequence, the United States Government securities market will no longer be viewed as safe by the conservative investor who was content to receive a rather modest rate of interest for his savings.

Because a new element of risk has been introduced into the Government securities market, and particularly because the Congress has let it be known that it will not interfere with the Federal Open Market Committee, the United States Treasury will now have to pay whatever interest on its securities the bankers decide they shall charge. This will put an added burden on the taxpayers. The computed annual interest charge on our direct Federal debt has just reached an alltime high of $6,500,000,000. It will climb rapidly in the next 6 months. Anticipation of higher interest rates is also bound to have a restraining effect upon lenders. This means that groups most dependent upon credit, such as farmers, small-business men, prospective home buyers, moderate- and lower-income consumers, will be facing the same credit squeeze they experienced in 1953. There is no assurance that such a credit squeeze could avert the same consequences that followed in 1953.

DEFEAT TEMPORARY

Defeat of House Resolution 210 has only temporarily deferred an investigation of the Federal Open Market Committee's operations. The fact that Federal Open Market Committee operations led to sharp gyrations in the Government securities market and enabled some to make huge windfall profits at the expense of losses to others makes such a study inevitable.

The issue of whether the public interest or whether the interest of the banking and speculating fraternity shall be served by the Federal Open Market Committee is not dead. Defeat of House Resolution 210 cannot eliminate such a crucial issue.

EDITORIALS FROM NEW YORK JOURNAL OF COMMERCE

Mr. Speaker, I am inserting two editorials from the New York Journal of Commerce. The first one which is entitled "Profits and Politics" appeared in the June 21 edition of the paper. It deals with the House action disapproving House Resolution 210 which would have authorized a study of the operations of the Federal Open Market Committee.

I have a high regard for the editors of this outstanding journal. They rarely fail to reflect accurately the prevailing sentiment in the world of industry and trade. This I have noted has been particularly true in connection with such questions as credit policy. I am naturally disappointed that the editor did not agree with the proposal to study the operations of the Federal Open Market Committee and suggested that the proposal might have been politically motivated. In calling for a study of the Federal Open Market Committee I did not impugn the motives of anyone on that Committee. Regardless of the motives of the policymakers however, I think it is impossible to separate credit policy decisions from their effect on the profitability of the commercial banking system. It was in this connection that I drew attention to the fact that as a result of recent credit policy moves there had been a very substantial rise in bank profits due largely to profits from the sale of government securities.

I am not against profits nor am I opposed to a profitable commercial banking system. I want to see banks profitable so that they can continue to perform their important function in our capitalistic economy. But my interest as a legislator does not end there. I want to see that the public interest and general welfare is safeguarded. Is it in the public interest to have a sharply fluctuating Government securities market? What advantages are gained by having the prices of United States Treasury bonds change as frequently and move as widely as they have recently? What advantage is there in having newly issued United States Treasury bonds fall below their par price? To be sure such fluctuations create the possibilty for large capital gains for some but do they add anything to the stability of the economy? Are they essential in promoting expansion of the economy?

The Open Market Committee is not perfect as the findings of its own ad hoc subcommittee showed.

As far as my ability to conduct an unbiased hearing is concerned, the same misgivings voiced in the Journal of Commerce editorial were printed widely at the beginning of the so-called Patman subcommittee hearings on debt-management and monetary policy. Yet the conduct of those hearings did not produce one shred of evidence that could substantiate the allegations of bias that were made at the start. Indeed, that study was the subject of unanimous approval in the leading journals.

There is one part of the editorial, Politics and Profits, that I will subscribe to and that is the admission that despite the defeat of House Resolution 210 the issue is still very much alive. I am confident that an exhaustive study of the operations of the Federal Open Market Committee, such as I proposed, will in fact be made. It has merely been temporarily postponed.

It is ironic that immediately following the criticism of House Resolution 210 the editors of the Journal of Commerce published a second editorial on June 22, The Credit Control Dilemma, wherein they criticize an important phase of the Open Market Committee's operations. One of the major aspects of Federal Open Market Committee operations which I had intended to scrutinize if the House had passed House Resolution 210 was the so-called bills-only policy which precludes open-market purchases of Government bonds and may thereby be contributing to the instability of Government bond prices.

Mr. Speaker, concerning the question of member banks' losses and chargeoffs on securities exceeding profits on securities in the period 1951–53, I noted that in my remarks in the RECORD on Wednesday, June 15. However, this does not alter the fact that member-bank profits on securities from 1948 to 1953 averaged $52 million a year and suddenly jumped to $375 million in 1954.

In addition, it is important to bear in mind that in 1951–53 certain banks in or near the excess-profits-tax bracket purposely incurred losses for tax purposes at the same time improving their portfolio position.

The Journal of Commerce editorial also suggests that I have exaggerated the return on stockholders' investment in commercial banks by computing after-tax profits on stockholders' capital minus undivided profits and surplus. I have merely sought to show that in terms of the equity contributed by the stockholders that the current rate of return in banking is rather high. A rate of return in a riskless business that will enable a stockholder to recover his equity contribution in a little over 3 years is rather high.

Mr. Speaker, in conclusion, I wish to call attention to the recent behavior of prices in the Government bond market. Up until last Wednesday the Government bond market had shown an underlying condition of strength, notwithstanding the Treasury's difficulty in its May refinancing. It is a paradox that following the defeat of House Resolution 210, which it was alleged would contribute to a weakening of the Government bond market if passed, a persistent decline in

Government bond prices has ensued. I am inserting the following table which shows the closing bid prices for certain United States Treasury long-term bonds from Tuesday, June 14, to Tuesday, June 21:

Issue	Closing bid prices, U. S. Treasury bonds						Total change
	June 14	June 15	June 16	June 17	June 19	June 20	
2½s 1972	96.20	96.18	96.12	96.10	96.10	96.6	14/32
3¼s 1983	107.4	107.2	106.20	106.16	106.16	106.12	24/32
3s 1995	101.9	101.2	100.20	100.14	100.16	100.13	25/32

[From the New York Journal of Commerce of June 21, 1955]

PROFITS AND POLITICS

Despite the colorful warning that the Federal Reserve Open Market Committee "has the power to move mountains if it so desires" along with controlling "the destinies of our economy and our Nation," Congress was not scared into voting broad subpena powers to investigate the Committee and its operations.

Sponsored by Representative WRIGHT PATMAN, Democrat, of Texas, a resolution for the probe was killed by the House after Members replied to his warnings that the monetary authorities were doing quite nicely. It could just be, too, that Mr. PATMAN's reference to bank profits and crapshooting, during the final debate, impressed some of them with the possibility that the inquiry might not be entirely scholarly and detached.

Bank profits being in some political circles more a subject for allegation than fact, it may be too much to hope that some of Mr. PATMAN's allegations will die with his resolution.

The fact that member banks of the Federal Reserve System reported net profits of some $1.1 billion after taxes in 1954, representing an increase of 27 percent over 1953, has Mr. PATMAN worried. He especially does not like the "sudden spectacular jump of commercial bank profits" that resulted from the sale of securities—mostly Governments—last year. This represented a gain of $377 million in profits from security sales over the year before—a gain of no less than 966.7 percent.

And Mr. PATMAN goes on to compute the ratio of net profits (after taxes) to capital, coming up with a 1954 result at 31.3 percent. "For a relatively risk-free business," he observes, "a return of 31.3 after taxes on stockholders' capital is a rather high return."

These unhappy results are all attributed to the Open Market Committee, which the Texan appears to view as occupied with juggling Government bond prices about in order to increase bank profits. One of the unfortunate results of impugning motives, of course, is that it tends to distract from the more fruitful inquiry as to whether conditions might have been improved by somewhat different techniques.

It does seem fair to ask, however, why, if the banking authorities are to be blamed for commercial bank profits on securities in 1954, they should not be credited with losses in 1953?

Restrictive monetary policies early in 1953, together with other factors, resulted in large-scale sales by the banks of Government security holdings. The liquidation was of the order of some $4 billion. Loss and chargeoff on securities was in fact high for the years 1951–53, rising to $174 million in 1953.

While much of the loss was offset by tax savings, profits on securities and recoveries were well under losses and chargeoffs on securities for 1953—representing a $129 million loss. In fact, 1954 was the first year since 1946 that the net of member banks' profits on securities, recoveries, losses, and chargeoffs was not a negative figure. These changes, of course, fitted right into Mr. PATMAN's scheme of things, for he was able to criticize the authorities for their restrictive policies in early 1953, and to complain about profits in 1954 when he got the easy money policies he so much wanted.

In addition to conducting open market operations so as to maximize bank profits, it is intimated that the Federal Reserve Open Market Committee enters the market to support Republican Treasury Departments when they want to float a new issue, but pulls the rug from under Democratic financing ventures. Evidence cited to support this is the fact that the Federal supplied reserves in May at the time of a Treasury financing, but left Treasury Secretary John Snyder stranded back in 1950 when he needed help.

It is not necessary, however, to go back as far as 1950 or to go back to the Democrats for a whopping big example of the Treasury being left stranded. The Republican administration's first long-term financing venture in March 1953 went sour and was left to flounder totally without Federal support.

That may have been a mistake, but it was scarcely political favoritism.

As for the comfortable return of 31.3 percent on capital which the commercial banks are said to have enjoyed in 1954, Mr. PATMAN has computed his profits ratio on the basis of capital, excluding surplus and undivided profits.

Corrected to take these into account, the ratio drops to 9.3 percent. If this figure is regarded as shocking, let it be recalled that it is lower than the ratios for 1944, 1945, and 1946 when the bond market was securely pegged, as Mr. PATMAN and some of his Democratic colleagues so much wish it were today.

[From the New York Journal of Commerce of June 22, 1955]

THE CREDIT CONTROL DILEMMA

An Independent Federal Reserve System, free to formulate credit control policy without political pressures, has often been held up as a supremely desirable objective.

Unfortunately, it is far easier to theorize about the independence of the Federal Reserve System than to realize it in practice, in the complex economy in which we live.

Federal Reserve policy cannot be formulated in a vacuum to pursue theoretically desirable objectives.

Rather, credit policy must take fully into account the administration's desire to maintain economic activity and employment at a high level. And it must also take into account the financing needs and preferences of the United States Treasury.

Right now, a conflict is developing between these not always consistent objectives.

Private demands for credit are increasing as both business and speculative activity expand.

Commercial banks face a growing demand for loans from both business and consumer borrowers. Security collateral loans creep up as the stock market continues to rise into new high ground. The demand for mortgage money tends to outrun the volume of savings, so that a considerable volume of home mortgages is being "warehoused" at commercial banks.

These conditions clearly call for a policy of credit restraint, and for a tightening of interest rates.

The arguments advanced for a restrictive credit policy early in 1953, right after the Eisenhower administration took office and insisted upon an independent Federal Reserve System, are applicable to the current situation. And there are additional arguments for restraint in the accelerated expansion of both consumer borrowing and speculative activity that has taken place in the interim.

Current discussion in financial circles, however, does not center around restrictive measures to restrain credit expansion.

Rather, it revolves around the relative desirability of a reduction in legal reserve requirements of member banks or open market purchases of Government securities by the Federal Reserve banks to aid the Treasury in raising $3 to $4 billion of new money to cover the deficit.

The need for more borrowings both by the private sector of the economy and by the Treasury thus takes precedence over the theoretical need for restraint to check further credit expansion in shaping Federal Reserve decisions.

And there is good reason to doubt whether any other course of action by the Federal Reserve authorities is practicable. Because the price of following a theoretically correct tight money policy at this time could well be a sharp business recession such as occurred last in 1937.

Because the credit needs of business, consumers and the United States Treasury must be taken fully into account, along with the broad desirability of a policy of restraint under existing economic conditions, the Federal Reserve authorities require a large measure of flexibility in their operations.

This they lack because of past decision to pursue theoretically desirable objectives, when practical difficulties were ignored because they did not exist at the time.

To provide new reserves to facilitate Treasury financing and refunding in the months to come, it would be far preferable to utilize open market purchases of Government securities by the Federal Reserve banks. But these may be difficult to effect because the Federal Reserve banks are limited to a bills only policy by the Federal Open Market Committee, while the supply of Treasury bills in the open market is scant due to active bidding for available issues by corporate and other investors.

True, a shortage of Treasury bills could be relieved by new offerings of these securities, but the Treasury is theoretically opposed to further expansion of the public debt and is wedded to the principle of lengthening the average maturity.

And if the Reserve System and Treasury refuse to remove these rigidities that hamper open market operations under present conditions, they could be forced to adopt the far less desirable alternative of a reduction in legal reserve requirements.

As Ed Tyng said in his news report on the front page of the Journal of Commerce yesterday, a lowering of reserve requirements "gives across-the-board relief to the money market, often making credit conditions too easy, whereas open market operations are more selective."

The quandry in which the Federal Reserve System is now finding itself points up the need for more flexibility in Federal Reserve operation.

The situation calls for a little less theory and a little more practical sense. The basically desirable objectives of an independent Federal Reserve System fostering a stable and healthy economy is more likely to be achieved if the system is free to adapt its measures to the needs of the moment, instead of being fenced in by taboos and prohibitions that finally force it to resort to less desirable alternatives.

THE STORY OF ROBERT M. LA FOLLETTE, SR., GREAT CHAMPION OF DEMOCRACY

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on June 14 a number of Members of this House and of the Senate paid tribute to the memory of Robert M. La Follette, Sr., on the 100th anniversary of his birth. I was one of those who paid my respects to this famous American on this date.

The name of La Follette played an important role in Wisconsin politics for nearly a half century. However, the La Follettes did not build a permanent party in the State. As a State movement, the Progressive Party was doomed to disintegrate and die as national domestic and international problems became more complex.

After the Progressive Party of Wisconsin was laid to rest, the liberal Progressives joined the Democratic Party. The reason for this is simple in that there was and is no other place for liberals in Wisconsin to go. At first the movement of Progressives into the Democratic Party was slow, but in more recent years the switch has been very marked. Thousands of former Progressives have joined the Wisconsin Democratic Party in order to carry on the liberal traditions inaugurated by Robert M. La Follette, Sr. As other thousands of former Progressives are getting their political bearings they are turning to the Democrats—and the Democratic Party of Wisconsin welcomes these former Progressives into its ranks.

Under leave to revise and extend my remarks, I wish to insert in the RECORD an editorial which appeared in the June 18 issue of the Capital Times of Madison, Wis. The editorial, which follows, summarizes some of the accomplishments of Robert M. La Follette, Sr.:

THE STORY OF ROBERT M. LA FOLLETTE, SR.; GREAT CHAMPION OF DEMOCRACY

Wisconsin and the Nation are honoring the memory of a man who was born in a humble log cabin in Dane County 100 years ago and who has become a monumental symbol of faith in the democratic way of life.

During this past week men have risen on the floor of the Congress of the United States to pay tribute to the memory of Robert Marion La Follette, Sr. Tomorrow, in ceremonies here in Wisconsin, the Chief Justice of the United States Supreme Court, will join with the people of Wisconsin in paying tribute to the State's most distinguished son.

There are many things for which Old Bob La Follette is remembered. The great social and economic reforms which he wrought have meant lasting material benefits for millions. His superb statesmanship, his brilliant oratorical artistry, his hatred of war and social injustice, his incorruptibility, his courage in facing adversity—all these things are remembered.

But the thing that marked his life and stands out over all the rest is the unflagging faith he had in democracy. It was a faith that grew out of his limitless confidence in the people and their right to be their own masters.

It was a faith that sustained him throughout his spectacular public career. It began with the first days that he entered politics when he was told by a local Dane County boss that he could not run for district attorney. He began then to take his case to the people and he hewed to that principle for the rest of his life. Out of it came his historic and successful struggle for the free primary in which the nominations of candidates was taken out of the boss-controlled conventions and put into the hands of the people.

In that struggle he learned of the heartache and punishment that can come to a man when the great powerful interests in our society can isolate him and loose a wave of hysteria and hate. In the dark years of World War I he saw old friends and neighbors turn against him in bitter hate. He was burned in effigy and condemned on the campus of the university he loved. The State legislature denounced him with a formal resolution. He was called a traitor and accused of disloyalty.

But he never lost faith that the people, though temporarily at the mercy of the torrents of hysteria that are periodically loosed upon the country, would return to the ancient moorings of calm reason and sound judgment. His faith was not misplaced. In 1922 he again submitted his name as a candidate for the United States Senate and was reelected by the greatest majority ever given to a candidate for public office up to that time. In 1924 he carried the State as an independent candidate for President.

If he were alive today he would again see his faith being sustained as the people emerge from the hysteria of McCarthyism. He would know the satisfaction that this newspaper knows today as we observe the people emerging from the storms of intolerance and returning to the moorings of reason and sanity, as we have so often predicted they would in the past years and months.

It is this faith that is and should be remembered above all else in the colorful career of the man who made Wisconsin known throughout the world as the ideal commonwealth. It is the faith without which the democratic way of life would wither and die.

Few men in the life of this Nation carried that faith more fervently than La Follette. None excels him as its symbol today.

In these days when the democratic way of life has disappeared in vast areas of the earth and is under attack here and abroad, it is fitting that we draw again from the example of La Follette to strengthen our own faith and hope to go back to the fight that the future will inevitably bring.

PERON VERSUS FREEDOM

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, the free world was shocked and stunned by recent events in Argentina. True Americans, who cherish freedom, were profoundly stirred and incensed.

After the blood baths of World War II and Korea, it is incredible that tyrannical dictatorial power should brazenly and cynically declare open warfare on the principle of free religious worship and visit indignity and torture upon eminent religious leaders. Many gallantly fought and died to banish the unspeakable frenzy of religious and racial hatred from the world.

Yet in a neighboring country—right in our own hemisphere—we witness the sad, sorrowful spectacle of a crazed zealot, obsessed by lust for personal power over the lives of men and women, conducting outrageous persecution against a great religious faith, its authorized representatives, its revered leaders, and devout communicants.

Hitler and Stalin could hardly do worse than Peron, who has added another chapter of degradation and infamy to the sordid history of religious persecution. He thereby disqualified himself and his Government from being worthy of the respect of freedom-loving peoples, in fact, by his conduct, he has forfeited the right to be recognized as the head of a state and a Government having relations with decent, honorable, free nations, devoted to democratic ideals.

Unless his scandalous persecution is promptly discontinued and full reparation, apologies, and acknowledgment of the principle of free worship promptly made, I urgently exhort the State Department to sever diplomatic relations with the Argentine Government. There is no place in the society of free nations for leaders or governments which are practicing cruelties and persecutions against organized religion, or against persons conscientiously exercising their religious beliefs. Not just one, but all religions, are seriously challenged by Peron's outrages. All religions should join to deprecate his practices and invoke proper penalties.

This great Nation of ours, which as a whole, is so fundamentally committed to belief in God and the protection of freedom of conscience and worship, should unequivocally and unconditionally renounce close association with a Government whose leadership openly flouts fundamental, human, God-given rights. We should immediately express our official disapproval and strong protests of Peron's infamous actions.

It may well be that the conduct of Dictator Peron has so outraged the conscience of the good and worthy Argentine people that they will be inspired and strengthened to remove this tyrant from leadership. The Argentine people are entitled to our sympathy and our affirmative assistance in throwing off their heavy yoke of bondage and terror.

This issue is: Peron versus freedom. Can our great free Nation afford to remain silent and supine in the presence of this frightful violation of one of our most precious political and spiritual tenets? Let us act now—with dispatch, with honest conviction, and with courage.

Under leave, I include as part of my remarks an excellent editorial from the New Bedford Standard-Times entitled "Person versus Freedom":

PERON VERSUS FREEDOM

Argentine President Juan D. Peron has been an enemy of freedom ever since his rise to power in 1944, but his most forceful assaults against human liberty in the past did not equal in cruelty his current war against the Catholic Church.

The revolt against the Peron regime that began yesterday is the justified action of a people who for more than a decade have seen their freedom steadily melt away in the

ever-tightening grip of the dictator's iron hand. Peron methodically and mercilessly has crushed all who dared to oppose or criticize him. Freedom of the press was one of the ear'y casualties.

In recent months Peron has subjected Catholic leaders to a wave of terrorism reminiscent of tactics employed by Communists against religious leaders in Soviet satellites. Last month the Peron-controlled Argentine Parliament passed a bill calling for election of a constituent assembly to disestablish catholicism as the state religion—a status constitutionally guaranteed the Catholic Church since Argentina won its independence from Spain in 1810.

Clergy and laymen who voiced protest against Peron's anti-Catholic drive have been imprisoned. Churches and parish houses have been entered and searched at will by Peron's troops. This week Peron expelled from Argentina Bishop Manuel Tato of the Buenos Aires Archdiocese and his associate, the Right Reverend Monsignor Ramon Pablo Novoa.

The revolution against Peron began a few hours after he and others in his government were excommunicated from the Catholic Church by the Vatican. Peron, who rose to power through an army-led revolt, depends upon loyalty of his army leaders to crush the revolutionists.

More than 90 percent of the Argentine people are Catholic. Peron's persecution of them and their church is motivated by an insatiable desire for unchallenged dictatorial power, with utter disregard for the wishes of the vast majority of his countrymen. It is the climax of Peron's long campaign to eradicate every vestige of individual liberty from Argentina.

Sympathies of all peoples who cherish religious freedom are with the persecuted millions in Argentina who are valiantly resisting the efforts of an irrational despot to complete their enslavement.

FARM ORGANIZATION STATEMENTS ON DAIRY PROGRAM

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. JOHNSON] is recognized for 20 minutes.

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include statements of the National Grange, by Gordon Zimmerman; the National Milk Producers Federation, by J. P. Mason; the American Farm Bureau Federation, by Kenneth Hood; the National Farmers Union, by John Baker; also statements by the Grange, the Farm Bureau, and the Farmers Union; also the National Milk Producers Association; also a statement by Otie M. Reed, Washington representative of the National Creameries Institute and the American Butter Institute; by C. M. DeGolier, president of the Wisconsin Creameries Association; and by George Paul, president of the National Creameries Association.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on June 8, I inserted in the RECORD one of the statements of the National Farmers Union which outlined their suggestions for a dairy program.

The House Dairy Subcommittee has been holding extensive hearings on the problems affecting more than 2 million dairy farmers in the Nation. Dairy farming accounts for approximately 20 percent of the farm income in the United States.

As the limited number of copies of the Dairy Subcommittee's hearings are exhausted, and a number of Members have requested copies, I have asked for this privilege to make some of the statements a part of the RECORD so that all of my colleagues can study the testimony at their leisure.

I wish to point out that my insertion of these statements in the RECORD does not mean that I subscribe fully to all of the ideas and suggestions contained in the statements. I do believe, however, that most of the statements—particularly of the national farm organizations—should be examined by my colleagues.

At this time I am inserting the statements of the National Grange, by Gordon Zimmerman; of the National Milk Producers Federation, by J. P. Mason; of the American Farm Bureau Federation, by Kenneth Hood; and of the National Farmers Union, by John Baker; by Otie M. Reed, Washington Representative of the National Creameries Institute; and the American Butter Institute; by C. M. DeGolier, president of the Wisconsin Creameries Association; and by George Paul, president of the National Creameries Association.

The statements by the Grange, the Farm Bureau, and the National Farmers Union were made on April 26, 1955. The National Milk Producers Association statement was made before the subcommittee on April 28, 1955. Following are the statements in full:

STATEMENT OF THE NATIONAL GRANGE TO THE DAIRY SUBCOMMITTEE OF THE HOUSE COMMITTEE ON AGRICULTURE BY GORDON K. ZIMMERMAN, APRIL 26, 1955

The National Grange welcomes the opportunity of presenting to this subcommittee some of its views on the dairy situation.

We recognize that total milk production, for a number of reasons, has increased to a record-breaking number of pounds. Production per capita, however, has dropped to an all-time low during the past 3½ years. Meanwhile, consumption of milk and dairy products has been lagging. The use of butter and fluid milk has declined seriously and this drop has not been offset by a sufficiently increased use of fluid milk, ice cream, cheese, and other milk products. As a result, the country has had a surplus of dairy products.

In this situation, the delegate body of the National Grange takes the position that action to increase consumption, especially of fluid milk, is far and away the most desirable of the possible remedies. We are pleased to notice that in recent months the trend of consumption has been upward.

More than a year ago, when surpluses were more acute than they are today, the National Grange began a study of barriers to increased milk consumption. The study was prompted by three positions held then, and now:

1. Increased consumption of fluid milk would be advantageous to all concerned. It would provide a higher blend price for producers. It would favorably influence the business of handlers. And it would be beneficial to consumers.

2. A high level of milk and dairy product consumption is an essential part of a healthy grassland agricultural marketing outlet in the United States.

3. Per capita consumption of fluid milk in the United States is too low—and should be increased. It has been increasing slowly, but on the average, Americans are still drinking less than the minimum nutritional requirements. Dollar for dollar, in terms of food value, milk is probably the least expensive of foods. Yet among the nations of the world, the United States ranks only eighth in milk consumption per capita.

We wanted to find out what was standing in the way of consumption—why we weren't drinking more milk. We found eight reasons:

1. Persistent weakness in milk merchandising over the years. In the judgment of many dairy leaders and marketing experts, milk simply has not been "sold" to the largest group of potential buyers in the Nation. Prof. Herrell DeGraff, of Cornell University, for example, finds that about half the adult population seldom or never drink milk.

2. Serious complacency and resistance to change in the ranks of the industry—including producers, handlers, labor, and others—have held back better merchandising. Immediately, however, it is necessary to say that this is not a universal condition. There are thousands in the industry who are bold and vigorous in their efforts to build milk sales.

3. The lack of a positive, coordinated effort by all the elements of the industry has continued as a block to expanded consumption possibilities. Most parts of the industry seem to be trying to go it alone.

4. Milk delivery labor unions have exerted influence, through contract negotiations and otherwise, to restrict price competition and marketing innovations.

5. Sanitary laws and ordinances, often excessively detailed, have been used in a number of places in a manner that has effectively restricted competition.

6. In 11 States price competition among retail and wholesale milk sellers has been legally eliminated by State laws.

7. Complications have developed from the interpretation of Federal laws. The Sherman Antitrust Act virtually enforces competition. In between, the industry operates in something of a shadowland. Milk sellers who joined forces to push milk sales might be suspected of violating the antitrust laws. On the other hand, sellers engaged in vigorous price competition run the risk of being charged with unfair competition.

8. In recent years many Americans have become weight and calorie conscious. Many apparently regard milk as a fattening food, and have cut down or eliminated altogether their consumption of whole milk, failing to take its sound dietary value into full account.

Copies of this Grange report were provided to all Members of the Congress early this year. The report goes into greater detail, of course, than the brief outline presented here.

In the main we believe that most of these barriers, all except one, can and will be resolved eventually by the industry itself with the aid of consumers. It is true that much more State and local marketing research and information are needed. A great deal of educational work will be required. And although this promises to be a time-consuming program, we believe it is the most promising route in the long run.

We doubt the wisdom of seeking a solution at this time through Federal legislation.

There are some Federal actions, however, that would be helpful. In connection with the Anti-Trust and Federal Trade Commission Acts, some official, advisory statement to the industry would be useful, in our opinion. For example, it would be helpful to get answers to these questions:

How far can producer, distributor, and labor organizations go in joining forces to increase dairy consumption?

What is the dividing line between acceptable competition and unfair competition?

The National Grange also believes that refinements are possible in the Federal milk marketing orders—especially in connection with the pricing formulas used. We believe an analysis of the reserve, or safety margin, factors would be helpful. If calculations are designed to bring forth an unnecessarily large reserve supply in the period of short production, this tends to multiply the size of the surplus during months of heavy production.

And finally, we would like to recommend that a careful study be made, perhaps by the Department of Agriculture, of the possible advantages and disadvantages of regional milk marketing orders. The number of individual marketing order areas has been steadily increasing. The time may not be far off when several of these areas will be bumping up against each other within the same State or region. Since the operation of nearby markets affect each other materially, there may be real merit in the expansion and consolidation of some of the present individual orders on a regional basis.

In all these considerations the prime objective should be increased consumption of fluid milk. Thus the health and well-being of American people will be served and we will augment the income of dairy producers—a highly important segment of agriculture, both economically and socially.

STATEMENT OF THE AMERICAN FARM BUREAU FEDERATION BEFORE THE HOUSE SUBCOMMITTEE ON FEDERAL MILK MARKETING ORDERS, PRESENTED BY KENNETH HOOD, ASSISTANT SECRETARY, APRIL 26, 1955

The American Farm Bureau Federation appreciates the opportunity to discuss with this committee Federal milk marketing orders and their effect on the dairy industry in various parts of the country.

We have had a long-continued interest in marketing agreements and orders and have supported the basic legislation authorizing this program.

Our 1955 policies adopted at the annual meeting in December 1954 state:

"We favor the use of marketing agreements and orders where producers develop feasible plans."

We believe that marketing agreements and orders are a means of providing a measure of protection to producers of perishable commodities which are difficult to support with loan and purchase programs.

As the committee knows, a number of questions arose during the past year regarding Federal milk marketing orders and their effect on producers outside the order markets. In order to evaluate these criticisms, a committee of American Farm Bureau Federation Board members, together with several members of our staff, early this year began a study of Federal milk marketing orders and their effect on the dairy industry.

Our study has not proceeded far enough for us to be in a position to make any definite recommendations at this time. We would, however, like to submit a brief summary of a preliminary statement which we are circulating among our State farm bureaus for comment and suggestions. While the statement does not contain final conclusions, we feel it may be of assistance to your committee in its study of the Federal milk order program.

We would like to reserve the right to file supplemental information and recommendations at a later date if further investigation discloses information that would be helpful to your committee in its deliberations.

The summary of our preliminary report is as follows:

A STUDY OF FEDERAL MILK MARKET ORDERS

Federal milk market orders, in one form or another, date back to 1933. They have become a recognized technique for determining the price to producers for milk sold for use in fluid-milk markets. In the 22-year period which has elapsed since the start, Federal milk orders have developed into a control program quite generally accepted by the industry as performing a permanent and justifiable Government function.

Although dairy farmers delivering to fluid-milk markets quite generally support Federal milk orders, some criticism has developed mostly from manufactured milk areas where no such procedure is available.

Those who criticize the operation of Federal milk orders do so in most instances on three grounds: First, that the class I pricing is too high and thus encourages overproduction which must go into additional manufactured milk products, thereby further depressing the price of all manufactured products; second, that class II or manufacturing milk prices are below those customarily paid in manufacturing milk plants so that the resulting margin permits handlers to offer the end products at prices below those quoted by midwestern plants; and third, that Federal orders create artificial barriers to the movement of milk.

This study is designed to be an objective, impartial analysis of Federal milk orders, including their operations and the results, with particular emphasis on the most controversial aspects. Although the study is made primarily from the standpoint of analyzing criticisms of Federal milk orders, it also includes some background of the history, development and conditions which brought about the Government's entry into the field of price determination in the fluid-milk industry. No effort has been made to include a study of administrative operations since they are quite generally noncontroversial.

History

Federal authority to regulate the handling of milk was first provided in the Agricultural Adjustment Act of 1933. The Federal milk orders of today, however, are based on the Agricultural Marketing Agreement Act of 1937 which reenacted the authority granted earlier and spelled it out in greater detail.

Under this authority the Secretary of Agriculture is empowered to help stabilize marketing conditions by using Federal orders (regulations enforceable by law) which apply to handlers and producers of milk.

Federal milk control began with a program of agreements and licenses rather than orders, and represented to some extent at least emergency legislation. The original agreements, which were three-way agreements between producers, milk handlers and the Secretary of Agriculture, dealt with retail prices as well as prices to producers. Fifteen such agreements were approved in 1933. Within a short time the retail price provisions were withdrawn and licenses were issued for the next few years.

During the same period, namely, the early 1930's, 29 of the 48 States enacted State milk control laws. These laws provided for price regulation which, in many cases, was on a statewide basis. Most of the State laws were emergency legislation and many were soon allowed to expire. Most of them contained provisions on resale pricing.

Because of the reluctance of milk handlers to enter into an agreement on price with producers, these agreements and licenses finally developed into orders which were signed by the President of the United States, without official approval by the handlers. The Presidential authority to sign on behalf of the Government has been delegated to the Secretary of Agriculture.

During the early years a number of court cases were brought to determine the constitutionality of the Federal law. Most of these problems were cleared up by 1940 through United States Supreme Court decisions. The legal basis for the present enlarged program began with the Agricultural Marketing Agreement Act of 1937, which was supported by Supreme Court decisions upholding its validity in cases involving the New York and Boston milk orders in 1939. The legal status of State milk control has also been clarified. The number of States with State control programs declined to about 15; however, there is a current trend toward more State control laws, although the Oregon milk-control law was repealed by referendum in November 1954.

At the present time there are 55 Federal milk orders in effect, with more in prospect, including some for which promulgation hearings have already been held or announced.

Basic conditions responsible for Federal milk orders

The need for Federal milk orders grew out of serious problems in pricing fluid milk, resulting to some extent from modern marketing methods. Perhaps the most aggravating and difficult problem with which the fluid-milk industry has struggled for many years is seasonal variation of production. Since the demand for fluid milk is relatively stable and the production is subject to wide variation, the problem of surplus and low surplus prices is one with which dairy farmers have been faced historically.

Some surplus milk is necessary to any well-supplied market. A market, to have an adequate supply, usually requires a daily surplus or standby reserve of 10 to 15 percent above average daily sale in order to take care of day-to-day fluctuations in supply and demand. Because of wide seasonal variations in production, the amount of surplus in excess of what is needed may become very substantial during the months of high production. Conversely, the market requirements may exceed production during the months of lowest production. As a result, handlers within the market seek additional producers to get enough milk for the short months, and thereby create a larger surplus in the next flush period. The perishability of milk, which makes it impossible to store supplies in periods of heavy production for needs in the following low-production period, is also a factor which tends toward instability of both milk prices and marketing conditions. Instability has characterized practically all fluid-milk markets historically.

Following World War I, farmers around most of the large cities formed cooperatives in an effort to stabilize prices through collective bargaining with handlers. Efforts of these producer cooperatives were reasonably successful for some years, even though they failed in some instances. During the depression of the early 1930's, many bargaining arrangements broke down and milk prices to producers declined to disastrous levels. As a result, farmers turned to government, either State or Federal, for help.

The response to such requests resulted in a much more completely regulated milk industry for various reasons. Milk is a product which lends itself to regulation because of its perishability and the fact that adequate supplies of milk and dairy products are necessary, not only for normal growth and development of children, but also for optimum health in consumer groups of all ages. The production of milk has been surrounded with requirements in the form of sanitary standards established in both local, State and National milk ordinances since milk generally is considered to be vested with public interest.

The existence of disrupted and disastrous marketing conditions during the early 1930's represents the basic reason why organized milk producers turned to State and local governments for help. It should be remembered that producer cooperatives turned to Government control only when they were unable to enjoy stability in their markets because of events beyond their own control. With the adoption of State and Federal legislation has come the gradual acceptance within the dairy industry of supervision in fluid-milk markets.

An additional occurrence of great significance which further influenced producer cooperatives to turn to Government control was an opinion from United States Attorney General Thurman Arnold about the year 1940.

In a letter to the president of a large milk cooperative, Mr. Arnold stated that in his opinion any discussion of price between representatives of milk handlers and producers meeting in a group would be considered a violation of the Anti-Trust Laws, and that the handlers would be subject to prosecution. Obviously this would render any effective bargaining by producer cooperatives exceedingly difficult, if not impossible.

Objectives and purposes

Federal orders are intended to stabilize market conditions for fluid milk by making the buying and selling and the distribution of fluid milk an orderly process on which dairy farmers, milk distributors and consumers can depend. These orders are designed to promote the interests of producers and to assure consumers of an adequate supply of milk. The basic purposes of Federal Milk Marketing Orders are clearly stated in the legislation authorizing the Secretary of Agriculture to issue such orders. The purposes as stated are to establish and maintain such orderly marketing conditions for milk and its products in interstate commerce as will establish parity prices to farmers; provided that whenever the Secretary finds from a public hearing that parity milk prices for a contemplated order are not reasonable in view of feed prices, feed supplies and other economic conditions affecting market supply and demand in the area, then he shall fix such milk prices in the orders as will (1) reflect such factors, (2) insure an adequate supply of pure and wholesome milk, and (3) be in the public interest.

The scope of the act is quite broad. No order can be made applicable until it has been submitted to a producers' referendum. At least two-thirds of the affected producers must vote in favor of a Federal order before it can be made effective. This applies in the case of a Federal order containing a "marketwide pool." When the contemplated order involves a "handler pool," approval of 75 percent of the producers is required. (In either case the percentage is based upon the number of producers voting.) It is also true that any Federal milk order must be terminated whenever more than 50 percent of the affected producers favor its termination. Approved cooperatives are permitted to cast the vote of all of their members en bloc.

Wide latitude is permitted the Secretary in the development and administration of milk marketing orders. There is no particular uniformity in the provisions of the orders themselves. Some contain a "handler pool" which results in different prices to different producers, based on the actual utilization by each handler. In other cases the "marketwide pool" is used, in which the average utilization of all milk among all dealers is determined and all producers who are the same distance from market receive the same price for milk of equal butterfat content and quality.

Terms and provisions

Provisions for pricing milk in a Federal order quite generally include: (1) a classified price plan based on the use to which the milk is put; (2) distribution of returns to producers on the basis of pooling, with either a marketwide or an individual handler pool; (3) authority for deductions from the payments due producers who are not members of a cooperative for market services similar to those performed by cooperatives, and (4) provisions for financing the administration of the order, auditing of distributors' reports, and dissemination of marketing information.

The authority in the act to prohibit unfair methods of competition and unfair trade practices in the handling of milk has not been used in milk orders. The original marketing agreements and licenses fixed resale prices as well as producer prices, but this practice was discontinued within a short time. The June 1937 legislation specifically prohibits the inclusion of any provision for price-fixing at the resale level in milk orders.

So far this discussion of terms and provisions has been confined to those which are permissive. There are certain actions which cannot be taken in a Federal milk order. One of the most important is covered by Section 608c (5) (G) of the act, which specifies that "no order applicable to milk and its products in any market area shall prohibit or in any manner limit, in the case of the products of milk, the marketing in that area of any milk or product thereof produced in any production area in the United States." This sentence presumably is designed to prevent milk orders from being used as trade barriers to the shipment of milk in interstate commerce. Other limitations include the following: Handling charges cannot be regulated; the price of milk sold between distributors is not regulated; production of milk is not regulated; new producers are not barred from coming onto the market; and a market is not guaranteed to farmers.

Determination of prices

Prices established in Federal milk orders are not rigid. Since the act in general requires that minimum farm prices for milk be established at levels which (1) reasonably reflect economic conditions affecting the supply and demand for milk, (2) assure an adequate supply of pure and wholesome milk for the market and (3) are in the public interest, pricing techniques have in general followed formulas which allow the minimum price to change automatically along with certain changes in the market conditions for fluid milk.

These formulas are of two general types: (1) those which are based on certain economic factors, as for example the Boston formula, which uses three factors (namely, certain costs of production including wages and the prices of grain feeds, changes in per capita disposable income, changes in the general level of wholesale prices for nearly 900 commodities); (2) in other markets, particularly in the Midwest, a basic type of price formula is quite generally used. This approach bases the price for class I milk on the value of milk for manufacturing purposes and adds to this figure premiums designed to compensate for the additional costs of meeting city inspection and reducing seasonal variations in production. Even though it is not specified, most milk marketing authorities consider that the premium includes a compensation for dependability.

Most of the orders include some form of "supply-demand adjustment" provision which is used when supplies become excessive or short in relation to market requirements. As the name indicates, this device operates automatically to adjust class I prices either up or down when supplies get out of line with market requirements. The principle is quite similar to the "variable support" provisions contained in the act of 1949. Use of the supply-demand adjustment provision is of comparatively recent origin.

Prices for milk in classes other than class I are fixed on a formula basis which relates the prices for such milk to prices for manufactured dairy products, or to prices paid at dairy manufacturing plants for milk used in manufacturing. Consequently, the price to producers is a blend price which depends on the prices set for each of the different classes and the amount of milk in each class. These blend prices may be computed separately for each handler or may be computed for all of the handlers in the market, depending upon whether the market has an individual handler pool or a marketwide pool.

Compensatory payments

Many of the Federal milk orders contain provisions commonly known as compensatory payments. (They are not included in orders which utilize the individual handler pool.) These are payments which regulated milk distributors under a given order must make to the market pool on the fluid milk they buy from nonregulated sources of supply. The amount of such payments is designed to insure that the cost of unregulated milk shall be equal to the cost of regulated milk, and insures uniform product cost between competing handlers. These provisions are among the most misunderstood and the most controversial of all the provisions included in Federal milk orders. They have been labeled trade barriers by some critics.

The use of compensatory payments is a comparatively new development in Federal milk orders. They have been referred to by some critics of Federal milk orders as a means whereby the fluid-milk price in a given order may be protected at an abnormally high level, in that they discourage importation of outside milk through the assessment of an additional payment on such milk. Proponents of the use of compensatory payments claim, among other things, that they are necessary in order to protect and make possible continued use of the classified price system.

Classified pricing

Classified pricing plans for milk are well understood and almost universally accepted in fluid-milk markets today. Classified pricing developed as an alternative to the old flat-price system of pricing milk. Pricing milk according to its utilization by the handler has proven over the years to be the most practical and equitable way in which to assure producers in a fluid-milk market that they will receive a fair return for their product, bearing in mind the generally accepted view that producers are entitled to receive a higher price for milk that is used as fluid milk to compensate them for the costs of meeting sanitary requirements and supplying market needs in the seasons when production is normally lower. This, of course, assumes the proper and adequate auditing of the records of all milk handlers.

Not only is a higher quality of milk required for bottling than for manufacturing purposes, but consumers require a constant year-round supply of fresh-bottled milk, while manufactured dairy products may be stored for relatively long periods. It is quite generally accepted by authorities on fluid-milk marketing that it would be very difficult, if not impossible, to maintain a dependable supply without the use of classified pricing. It is well recognized that it is to the best interest, not only of producers supplying fluid markets, but also to the interest of the markets as a whole to institute classified pricing.

It should be recognized that maintenance of classified pricing requires some type of regulation. If noncooperating buyers can purchase milk on a flat-price basis at a level only slightly higher than the blend price paid by cooperating handlers, the result is that the flat-price handler who buys only enough milk to meet his fluid requirements has a substantial competitive advantage due to his lower class I price.

The case for compensatory payments

The report of the Federal Milk Order Study Committee, appointed by the Secretary of Agriculture, includes a section on the movement of fluid milk and milk products into markets. Differences of opinion on compensatory payments among members proved to be irreconcilable, with the result that this section includes 2 statements, 1 favoring compensatory payments and the other in opposition to them.

An examination of the arguments both for and against the use of compensatory payments in Federal orders indicates that justification for the inclusion of compensatory payments is largely a matter of opinion and that it is an extremely controversial question.

Milk marketing authorities quite generally agree that dependability of supply is not only desirable in a fluid-milk market but is of definite value to handlers, and that recognition of this fact is a consideration in proper pricing of class I milk. Compensatory payments are not levied on such sources of supply as are willing to become a regular source of supply which is recognized under the order. From the evidence, it may be concluded that compensatory-payment provisions in some Federal orders constitute a deterrent to the interstate shipment of milk from a source which is willing to ship to a market only when the price is attractive but which reserves the right to play the field and withdraw its milk at any time that a more lucrative outlet beckons. Whether this represents a barrier is debatable.

Pricing of surplus milk

The second major criticism of Federal milk orders is that in some orders the price of milk used for manufactured products is set at a level which results in a margin wide enough to permit handlers to price the end products of such operations below prices determined by the narrower margins common to manufactured milk plants in the Middle West.

There is no conclusive evidence either to support or disprove this criticism. Differences in the volume of milk available to manufactured-milk plants in Federal order markets, seasonal variations in production, extended periods of time in which such plants are idle, or operating far below capacity because part or all of the milk supply is needed for class I purposes in the market, widely varying transportation costs, etc., all make it impossible to develop any formula for uniform pricing of milk going into manufactured products in the various Federal order markets throughout the country.

Admittedly, the proper pricing of milk used for manufactured products is a most difficult problem and one which must be watched very carefully.

A wide variation exists in prices being paid by manufactured-milk plants in unregulated areas in the United States. There are many examples of plants far removed from Federal order markets where prices paid for manufacturing milk appear to be unduly low.

The effects of Federal orders upon milk production

The third major criticism of Federal milk orders is that the price of class I milk in these orders has resulted in increased production in excess of production increases in nonregulated areas.

It might seem that a direct comparison between production in Federal order markets and production in nonregulated areas over a period of time would supply the answer, but data for such a comparison are both limited and inconclusive. There are very few such sources of information in nonregulated areas.

Receipts at plants included in a Federal marketing order do not necessarily accurately reflect changes in production by producers supplying the market. The report of the Federal Milk Order Study Committee includes the following statement with respect to this issue:

"There is little evidence that Federal orders have increased production more than has occurred in other markets or areas of the country. Due to shifting of plants and producers, the receipts of milk at plants subject to a Federal order do not necessarily reflect changes in area production. In the Northeast, which is the only area for which fairly comprehensive figures are available, total milk production in relation to class I utilization has not been as high as it was in the early forties."

Another approach by which to gage the fitness of Federal order pricing is a comparison of Federal order class I prices and nearby class I prices. The report of the Federal Milk Order Study Committee comments on this as follows:

"Boston and New York are Federal order markets. In the Northeast, Providence, Rochester, and Pittsburgh are markets in which class I prices are established by the respective State milk control agencies. The Boston and Providence milksheds overlap to some extent. The Rochester milkshed is contiguous to New York. In certain areas in western Pennsylvania and Pittsburgh and New York milksheds are contiguous.

"In 1941 the class I prices in the 3 State-regulated markets averaged $3.25, while the average for the 2 federally-regulated markets, Boston and New York, was $2.70. The State-regulated markets exceeded the Federal by $0.55. The absolute difference between the two is not of special significance in this analysis. In this case, part of the difference is due to the fact that in the State-regulated markets the price is an f. o. b. city price, while for the Federal markets it is a price applicable in the 201–202-mile zone. For the period 1940 to 1951 there was no persistent tendency for the margin between these two groups of markets to widen or to narrow. The State-regulated markets exceeded the Federal by a minimum of $0.23 and a maximum of $0.55. From 1951 to 1953 the average class I price in the State-regulated markets increased $0.12, while the average Federal class I price declined $0.41. In 1953 the State markets exceeded the Federal by $0.93. This was by far the widest margin on record, and more than double the average of the preceding 13 years, of $0.39."

A further comparison between class I prices in six non-Federal markets for the years 1940, 1945, and 1953 is included in the following table:

Fluid sales prices in 6 non-Federal markets, 3.5-percent butterfat basis, for the years 1940, 1945, and 1953

Market	1940	1945	1953
Baltimore	2.72	3.85	6.20
Des Moines	2.00	3.00	4.73
El Paso	2.04	3.70	6.65
Houston	2.65	3.72	6.71
Indianapolis	2.17	3.28	4.55
Washington, D. C	3.24	-------	6.60

Source: Fluid Milk and Cream Report, A. M. S.

Compiled by the Standardization and Program Development Branch, Dairy Division, A. M. S.

Class I prices in 6 Federal order markets

Market	1940	1945	1953
New York	2.61	3.70	5.23
Boston	2.59	3.56	5.03
Chicago	1.94	3.30	4.16
St. Louis	2.26	3.55	4.80
New Orleans	2.13	3.38	6.00
Omaha	2.36	3.05	4.73

Source: Federal Order Market Administration.

The effect of freight rates on interstate movement of milk from Midwest to the East presents some information with regard to the effect of transportation charges in establishing barriers. Here, again, it is interesting to refer to the report of the Federal Milk Order Study Committee:

"Ordinarily there is little fluid milk shipped from the Midwest to the East. In the late forties, when Boston was short of milk, an emergency was declared and handlers were permitted to bring milk into the Boston market from plants outside the Boston milkshed. A considerable part of this emergency milk came from the Midwest.

"In 1953 the Chicago class I price at Shawano, Wis., plus tank-car freight to Boston, averaged $5.73. At the same time, the Boston class I price in the 201–210 mile zone, plus freight to Boston, averaged $5.40. The Chicago order price in northern Wisconsin, plus freight to Boston, averaged 33 cents higher than the Boston price (table I).

"During the 2 years 1949 and 1950 the Boston price exceeded the Chicago price, plus freight, to Boston, by an average of 27 cents per hundredweight of 3.5 milk. In recent years the Chicago price, plus freight, has averaged higher than the Boston price, but there were individual months when the Boston price was the higher. These months were confined, generally, to the fall and winter (table I).

"In the above comparison it should be noted that Shawano, Wis., is on the northern edge of the Chicago milkshed and it carries a minus differential of 22 cents from the Chicago 70-mile zone price."

TABLE I.—*Chicago class I price at Shawano, Wis., plus tank-car freight to Boston, and Boston class I price (201–210-mile zone) plus tank-car freight to Boston—1940–54* [1]

[Dollars per 100 pounds 3.5 milk]

Year	Shawano f. o. b. Boston [2]	Boston f. o. b. Boston [3]	Shawano exceeds Boston	Year	Shawano f. o. b. Boston	Boston f. o. b. Boston	Shawano exceeds Boston
1940	$3.14	$2.86	$0.28	1947	$5.46	$5.25	$0.21
1941	3.57	2.94	.63	1948	6.34	6.02	.32
1942	3.96	3.42	.54	1949	5.42	5.67	−.25
1943	4.57	3.78	.79	1950	5.06	5.36	−.30
1944	4.58	3.84	.74	1951	5.77	5.81	−.04
1945	4.54	3.84	.70	1952	6.33	5.91	.42
1946	5.41	4.42	.99	1953	5.73	5.40	.33

[1] Data supplied by C. W. Swonger.
[2] Currently Chicago 70-mile price, less $0.22 to Shawano, plus $1.79 tank-car freight to Boston.
[3] Currently Boston 201–210-mile price, less 2 points butterfat, plus $0.38 tank-car freight to Boston.

TABLE I.—*Chicago class I price at Shawano, Wis., plus tank-car freight to Boston, and Boston class I price (201–210-mile zone) plus tank-car freight to Boston—1040–54*—Con.

SHAWANO PRICE F. O. B. BOSTON

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1951	$5.45	$5.71	$5.78	$5.85	$5.50	$5.44	$6.00	$5.96	$5.95	$5.89	$5.92	$5.83
1952	6.00	6.09	6.41	6.21	5.98	5.92	6.45	6.47	6.60	6.75	6.72	6.36
1953	6.08	5.88	5.83	5.77	5.42	5.34	5.81	5.77	5.78	5.79	5.83	5.47
1954	5.42	5.41	5.42	5.38	4.86							

BOSTON PRICE F. O. B. BOSTON

1951	$5.62	$5.62	$5.62	$5.63	$5.63	$5.41	$5.63	$5.85	$5.85	$6.29	$6.28	$6.27
1952	5.82	5.82	5.81	5.62	5.63	5.65	5.85	5.83	6.05	6.27	6.28	6.29
1953	5.86	5.86	5.42	4.77	4.77	4.77	4.99	5.20	5.64	5.86	5.86	5.87
1954	5.65	5.42	5.20	5.00	4.79							

MARGIN SHAWANO OVER BOSTON

1951	−$0.17	$0.09	$0.16	$0.22	−$0.13	$0.03	$0.37	$0.11	$0.10	−$0.40	−$0.36	−$0.44
1952	.18	.27	.60	.59	.35	.29	.60	.64	.55	.48	.44	.07
1953	.22	.02	.41	1.00	.65	.57	.82	.57	.14	−.07	−.03	−.40
1954	−.23	−.01	.22	.38	.07							

Summary

1. Milk is a product which lends itself to regulation. Because it is perishable, and has wide use as a nutritious and protective food, it is surrounded with regulations. The production, processing and distribution of milk is subjected to sanitary standards and other rigid controls. Such regulation is generally accepted as being in the public interest.

2. Federal milk orders have been developed over a 22-year period and have now reached the status of a control program quite generally accepted and looked upon as a permanent part of fluid-milk marketing.

3. Federal milk orders are authorized under the Agricultural Marketing Agreement Act of 1937. They grew out of demoralized conditions in milk markets occurring during the depression year when producer prices were completely unrealistic.

4. Classified milk pricing as an accepted method for providing the most satisfactory returns to producers on fluid-milk markets was developed before the institution of Federal milk orders.

5. Stability of prices within fluid-milk markets requires what might be termed some rules and an umpire in the interests of both producers and consumers.

6. Determination of prices, based on a record of testimony prescribed in public hearings presided over by a Government representative, has much to recommend it for a product such as milk which is characterized by perishability, seasonal fluctuations in supply, and the need for some kind of continuing arrangement between producers and handlers.

7. Federal orders are optional with producers operating in a market and must be terminated if a majority of the producers in a market favor termination.

8. No order applicable to milk in a market area may prohibit or in any manner limit the marketing in that area of any milk or product thereof produced in any production area in the United States.

9. Milk under regulation in a Federal order must be priced at levels which are determined to reasonably reflect economic conditions, to assure an adequate supply and be in the public interest.

10. Use of compensatory payments is based on the belief (1) that they are necessary to the maintenance of a classified pricing program in connection with market-wide pools, and (2) that a fluid-milk supply, because of the perishability of the product and the sanitary standards surrounding the production and distribution of fluid milk, and because it is in the public interest, should be an assured supply rather than an intermittent one.

11. Compensatory payments are not levied against sources which are willing to become a part of a regular market supply and to assume the responsibilities of such a supply. Federal orders contain no barriers against shipments of milk under the above-named conditions.

12. There is little evidence to show that production of milk in Federal order markets has increased more rapidly than production of milk in unregulated areas.

13. Prices are not rigid.

14. It seems doubtful that termination of all Federal orders would result in any appreciable increase in interstate shipments of milk.

15. The Federal order program is not perfect. Mistakes have been made which indicate a need for more careful consideration of the pricing provisions, but in general, Federal orders have served a useful purpose. Federal milk orders should be periodically reappraised from the standpoint of possible improvement rather than complete condemnation.

In closing, may we assure you that the American Farm Bureau Federation is interested in improving the operations of Federal milk marketing orders. If it can be demonstrated that changes are necessary in order to promote the welfare of dairymen and the general public, we will be happy to study the facts and make appropriate recommendations.

ROLE OF MILK MARKETING ORDER IN DAIRY FARM INCOME STABILIZATION

(Statement of National Farmers Union before Dairy Subcommittee of House Committee on Agriculture, April 26, 1955)

Mr. Chairman and members of the committee, for the record, I am John A. Baker, assistant to the president for legislative service.

We commend your committee for initiating these hearings and for your plan to make a detailed study of fundamentals instead of a superficial survey of surface semantics.

We appear today in the spirit of Chairman ABERNETHY's statement opening this hearing. Figuratively, he asked all participants in these first phases of your hearings to check their political and organizational guns at the door on the way in. And to confine our statements to matters of noncontroversial facts and reason. We are here today to give you a brief progress report on our dairy research project which is still underway.

The Board of Directors of National Farmers Union, composed of all the State presidents, authorized the initiation of a comprehensive scientific study of the economic problems of milk and their solutions. We went into this study realizing that it was a long-term venture. Our purpose was not to make a dramatic splash of sensational charges against the economic institutions that generations of dairy farmers and their leaders in cooperation with public spirited people have hammered out on the anvil of experience, negotiation, and the democratic spirit of conciliation and compromise. Nor do we believe that the economic problems of milk can be solved through reliance upon the theories and methods of classical economics and superficial statistics.

The problems of the dairy industry are problems of human institutions and involve the consideration of possible improvements in those institutions that have been built up over time as people sought to meet their needs and attain their aspirations through laws, organization, custom and cooperation. To move toward an understanding of possible improvements requires a great deal more than the accumulation of statistics and the application to them of the theoretical ideas used by emerging industrialists in their fight against the restrictions of merchantilism nearly 200 years ago.

Our study is still in progress. We do not have this morning a neat set of tables or list of conclusions to give you. Rather we shall outline for you some of the human and institutional factors that we are convinced must be given full consideration in such a study and to share with you tentative conclusions that we have derived from our study up to date.

First. Milk is unquestionably in politics and has been for over 100 years. Moreover, this has by and large generated good results, rather than bad, for the general public as well as for milk-producing family farmers. This is not surprising because in a democracy, politics includes everyone and deals with every facet of life. If the milk problems of the past had not been solved by political processes, consumers would not have the bountiful supply of sanitary milk at relatively reasonable retail prices they now enjoy. To know this one need only to compare the milk situation in western democracies such as the United States, Canada, Scandinavia, Switzerland with the dairy situation in countries run by dictatorial or imperial principles over the past 100 years. Or closer to home most of us can remember the time of milk strikes when many dairy producers, handlers and distributors traveled armed through the streets of Chicago in bulletproof cars.

Second. We are convinced that the current problems of milk must be solved politically, that is to say, legislatively. The iconoclasts and radicals who propose sensational propositions of returning to a free market in milk are almost surely wrong. Looked at from the consumer end, milk and its products are in the nature of a public utility. Milk and its distribution in sanitary condition is that important to the general public. Therefore, we cannot view with alarm nor point an accusing finger at consumers and their representatives in city and State government who, in the absence of Federal inspection and standards, have acted to protect their ability to insure a continuous supply of sanitary high quality milk, cream and products at reasonable prices. We feel that the general public has been correct in insisting that milk production and distribution not be left entirely to the free market. From the strictly consumer standpoint there are three factors here: obtaining disease-free milk and products, assuming continuous ample supply, and maintaining reasonable retail prices.

Third. Our studies today lead us to the tentative conclusion that local and State control over sanitation and disease prevention related to milk and its products may be outdated. Moreover, we have seen no conclusive evidence that the health of the American people would be endangered by the substitution of Federal milk purity standards

and inspection for existing varying local and State regulations. However, we do not want precipitous action to be taken that might endanger the Nation's health; we hope that your committee will obtain the expert testimony of recognized scientific authorities on this subject so the Nation can learn the factual situation in this regard.

Fourth. Dairy farmers, like farmers generally, are owners and managers of small competitive free private enterprises in a large industry where by its nature the processing and distribution of milk and its products is characterized by a small number of firms, both in local situations and nationally. This structure of the industry would in an otherwise unregulated free market provide the basis for a degree of monopolistic control by handlers as sellers and of monopolistic control as buyers through the medium of administered prices. This in turn means that dairy farmers, as sellers, in a market of monopolistic buyers find themselves at a distinct bargaining disadvantage. To overcome this bargaining disadvantage, milk farmers have used their State and Federal Governments to acquire what Professor Galbraith of Harvard University called countervailing bargaining power. These have taken the form of the economic aspects of city sanitary regulations, of State price regulatory laws, and the Federal milk marketing orders and dairy price support programs.

Fifth. Our study indicates that most, if not all, of the economic, or price and supply affecting, aspects of city milk sanitary regulations were adopted prior to and in the absence of State and Federal programs designed to even-up the bargaining power of milk producers. And, further, that these have been continued over recent years primarily because of milk producers' uncertainty and fears that the Federal programs may not be permanent or fully protective.

Sixth. Our study, also, indicates that the same observation is probably true with respect to State milk price and supply regulations.

Seventh. We have seen no conclusive evidence that indicates that all dairy farmers generally have benefited from State and local economic milk regulations. Many milk producers have benefited but many have not. The point here is that such local and State programs help some but not all dairy farmers. Tentatively, we can say that the local and State regulations appear to have resulted in somewhat restricted supplies of fluid milk to consumers at somewhat higher than necessary retail prices. How much of this is due to the effects of local and State government regulation and how much to the monopolistic character of the milk handling industry in local areas we have not yet been able to determine. We, also, have seen some evidence that indicates that these local and State regulations result in raising barriers against farmers who wish to become producers for the fluid market. They may, thus, have contributed to some extent to lower incomes of milk producers who have not been able to invade the fluid market.

Eighth. Federal milk market orders are designed to insert order and morality into fluid-milk handling and distribution to replace chaos and instability as well as to even-up the milk producers' bargaining position so as to raise his income. Our study already conclusively indicates that milk marketing orders have fulfilled the first function, that order and stability have been brought to the handling and distribution of fluid milk and cream. As to the other function, we have seen no conclusive evidence that, under the circumstances and considering all of them, that milk market orders have very greatly reduced the supply of fluid milk to city consumers nor appreciably raised the retail price. Moreover, we have seen no conclusive or impelling evidence that milk market orders have benefited some milk producers at the expense of others, either in the neighborhood or in more distant areas. We do not wish to add cumulative testimony to that presented by H. L. Forest of the Department of Agriculture on this specific point but to associate ourselves with it. Dr. John B. Black of Harvard University who has studied this carefully tells us, as Mr. Forest did, that the cost of freight and transportation are so high that they, and not Federal milk market orders, have prevented the large interstate shipment of fluid milk. We have not completed our own study on this score and wish to keep an open mind in relation to it.

Our study does indicate that a substantial effort has been made by political elements opposed to price supports to drive demagogic wedges between dairy farmers who live in one area and those who live in other areas. Our study indicates that this effort is designed to discredit the idea that farmers and consumers can use government to acquire countervailing bargaining or market power in relation to monopolistic-type middlemen.

In addition, we have specific evidence of several constructive efforts to work out this problem. To cite one, Governor Harriman of New York, and Freeman of Minnesota, have been in contact on this, and in early May will initiate a series of discussions designed to lead to a friendly accommodation and mutual solution to New York and Minnesota milk problems. Moreover, they have directed their respective commissioners of agriculture, Daniel J. Carey and Barney Allen, to work cooperatively in this direction.

Ninth. Our study already shows conclusively that the local and State regulations in combination with Federal milk orders, even if improved in various ways, provide only incomplete protection even to milk producers who participate in milk order markets and none at all to milk producers outside such areas. The former is true because only the class I milk price is protected by a Federal order. All milk produced in addition to the amount that handlers will buy at the class I price must be sold by producers at what in the absence of a Federal price-support program amounts to a free market price for butterfat and milk that goes into production of butter, cheese, non-fat dry milk, and other products. Many farmers, of course, sell all their milk and butterfat for these latter uses and many other milk producers sell milk for fluid use in markets still unprotected by a Federal market order. This means that both those milk producers outside market order areas and those inside them must for protection look to the Federal price-support programs, the former for all this countervailing market power and the latter for a critical marginal part. It is a matter of deep faith and conviction among Farmers Union members and officials that a gallon of good highly nutritious milk is worth every bit as much as the full parity price thereof and that the families who produce milk deserve and have a right to Government programs to protect a gross return on milk and butterfat equivalent to parity price. Our study of the situation indicates that market milk orders probably cannot in our lifetime, anyway, ever be an adequate complete substitute for an adequate milk and butterfat price-support program. Federal milk orders, however, do not detract from the social and economic usefulness of milk price supports and are in themselves useful.

Tenth, and this is the final point we want to make at this stage of your hearings, our study indicates that retail fluid market prices are higher than they need to be while at the same time the returns received for milk production by farmers both inside and outside Federal order areas is lower than is consistent with healthy farm family life and a continuous ample production of milk. This situation is true our study indicates because:

(a) The national economy is still stagnating in spite of recent increases in business activity and incomes (this indicates a need for further efforts to promote an expanding full employment economy);

(b) Not all potential fluid milk and milk product consumers are able to buy all the milk and products they need for good nutrition. This indicates the need for a national food allotment or stamp or certificate plan in addition to the expanded fluid milk for school programs and similar efforts;

(c) The retail prices of fluid milk and products are higher than the level which will allow the total production to clear the market at 100 percent of parity prices. This seems to indicate the need to authorize the production payment method of support as has been applied to sugar and wool; and

(d) Our inquiries among farmers and their families indicate a line of reasoning about as follows. After we've done everything we can to see to it that all the American people are able to obtain all the milk they need for good nutrition within their purchasing power, then when we have done all this, we do not believe that farmers should waste their time, energy, and resources to produce milk that cannot be sold at a price that will keep dairy-farm families from going bankrupt. Our tentative conclusion is that milk farmers would prefer production control of the marketing quota type combined with production payment price support program as a desirable alternative to disastrously low support levels.

Our study of the dairy problem has progressed along the lines stated in the beginning of this statement. We did not start out thinking we knew all the answers. We knew we didn't. One of our first actions was to ask milk producers from all over the country to meet with us and discuss their problems. This they did, about 1,200 of them, at Madison, Wis., a year ago in January. Most of those who attended were not Farmers Union members, and they were from both political parties. After 3 days of discussion among themselves they adopted the attached statement which I ask be made a part of the record of these hearings immediately following my oral statement. The statement adopted by about 1,200 dairy farmers from all sections of the United States formed the basis for the study we now have underway and do not expect to have completed for several years.

Mr. Chairman, again let me commend the committee for the scholarly manner and statesmanlike way in which you are going about these hearings. The information you are pulling together will help all of us to make more fully considered statements to you when you reach that stage in your hearings when you wish to have us present our specific recommendations for legislative action.

EXHIBIT A

ACTION PROGRAM STATEMENT ADOPTED BY THE NATIONAL FARMERS UNION DAIRY PRODUCERS CONFERENCE IN MADISON, WIS., JANUARY 22–23, 1954

A continuing increased production of milk and the food products manufactured from it must be maintained each year if the increasing population of the United States is to have a nutritionally adequate diet. Dairy farmers are willing and capable of producing a continuing abundance of milk and its products at reasonable prices for American consumers; provided educational research and other services, and income from production and sale of milk and butterfat, are sufficient to enable them to stay in business and earn farm-family incomes equivalent to those earned by other segments of the population.

We dairy farmers assembled at the National Dairy Producers Conference at Madison, Wis., on January 22 and 23, 1954, do hereby adopt the following program statement:

1. We urge enactment by Congress of an amendment to the Agricultural Act of 1949 that will direct the Secretary of Agriculture

to support the prices of milk, butterfat, and its products at 100 percent of parity and that will authorize the Secretary to utilize parity production payments to farmers, in combination with other approved methods of support.

2. We urge the Secretary of Agriculture to announce now his official and definite decision to extend the present dairy price-support program at a minimum of 90 percent of parity.

3. We urge the United States Department of Agriculture to revise the procedures currently utilized in the administration of the dairy price-support program so that the announced level of supports will be actually reflected to dairy farmers in all sections of the country rather than the less than 85-percent supports now received in many areas.

4. We urge that a revised parity formula be adopted so that the calculated parity price for milk producers in different areas will reflect an economic balance with the rest of the economy.

5. We are opposed to enactment of sliding-scale, variable, or flexible price-support levels for any farm commodity. We urge all dairy farmers to join forces with farmers who produce other commodities in the interest of enactment of a sound, fully adequate price-support program.

6. We favor the enactment of an expanded agricultural conservation practices program with sufficient funds to make payments to wheat, corn, cotton, and other producers who put their diverted acres into soil-building annual crops, developing a national soil fertility security reserve rather than using such land for commercial production.

7. We recognize that American consumers cannot maintain and increase their purchases of milk and its products unless they have adequate incomes. Therefore, we urge adoption by business, industry, and Government of economic policies that will promote and encourage national economic expansion at a rate sufficient to maintain prosperous full employment with increased productivity per man, and increased consumption at a rate sufficient to balance expanding production.

8. We urge adoption of special means and programs to enable low-income consumers and relief recipients to increase their purchases of milk and its products through regular channels of trade up to a desirable nutritional standard. Additionally, we urge increased use of milk and its products by the United States Armed Forces, in public welfare institutions, and in the school-lunch program.

9. We urge the establishment of a security stockpile of milk products under provisions of the critical and strategic Material Stockpile Act, such commodities to be purchased in the market, or from Commodity Credit Corporation, at prices provided for disposition of Government-held commodities in section 403 of the Agricultural Act of 1949, including provisions for adequate civil defense needs.

10. We urge the adoption of import and export policies under negotiated international agreements, so that imports of milk and its products will not reduce returns to American dairy farmers below 100 percent of the parity price, and that export markets for United States milk products will be expanded. To the extent that our Government believes that it is in the national interest to promote two-way trade by accepting imports of agricultural commodities that compete with commodities produced on American farms, farmers should not be required to bear the cost; rather this cost should be borne by the entire Nation.

11. Other suggestions recommended for increasing the consumption of milk and its products are:

A. A strengthened educational program to inform consumers of the dietary merits of dairy products, to be carried on through producer- and industry-financed advertising programs, educational courses in the public schools, improved grading procedures to make high quality more readily recognizable by consumers, and legal protection against false or misleading labeling or advertising of competitive and imitation products.

B. Inasmuch as it is clearly demonstrated that increasing the purchasing power of lower-income families results in their increased consumption of dairy products, while equal increases in incomes of higher-income groups does not, we recommend: That any tax reduction made by Federal or State Governments should be tailored to benefit low-income families, preferably by raising the personal exemption; that the legal minimum wage should be raised and extended to additional workers, including agricultural workers; that benefits should be increased, and coverage extended to additional workers, including agricultural workers, of unemployment insurance and workmen's disability programs, that social security benefits be increased and extended to additional workers, including agricultural workers and family-farm operators.

C. Intensified research on marketing and transportation procedures to develop more attractive and appealing products, lower-cost distribution methods, and more effective sales programs to move a greater volume of dairy products at fair prices.

D. Encouragement of action by consumers to achieve more efficient and lower-cost distribution of dairy products at prices fair both to farmers and to consumers through the development of consumer cooperatives able to join with producer cooperatives in establishing a nonprofit "yardstick" for the handling of milk and its products all the way from the producer to the consumer.

E. A broad public appeal to industry, business, and trade unions, to raise wages out of profits without increasing prices, so as to keep purchasing power rising fast enough to balance increasing productivity per man.

12. We urge adoption of Federal legislation to authorize accelerated depreciation for tax purposes and a capital credit program to enable dairy producers' cooperatives and other privately owned dairy processing plants to replace obsolescent plant facilities with modern flexible multiple-purpose dairy plants.

13. We urge enactment by Congress of a loan and service agency and program similar to the cooperative rural electrification program of REA, to assist in the establishment of a nationwide system of dairy marketing and processing cooperatives.

14. We urge dairy farmers to explore the possibilities of setting up national or regional dairy marketing organizations.

15. We urge increased appropriations for research in dairy merchandizing.

16. We urge the Congress to increase appropriations for the school-lunch program in order to increase the use of dairy products, and we recommend that purchases be made from local sources to insure better quality.

17. We urge that milk marketing orders be continued and since milk distribution is now regional instead of local, that Federal orders should be reexamined for their effect on the transfer of milk from one local market to another, and their effect on the locations of production.

18. We urge that costs of distributing dairy products be investigated and appropriate legislation be enacted to insure producers of receiving a fair share of the consumers' dollar.

19. We recommend the establishment of a national grading system for butter and cheese, and that such products be grade labeled in terms understandable to consumers.

20. We ask Congress to enact legislation directing the Armed Forces to use butter and milk products; that farmers and processors make every possible effort to see that such butter and other products are of high quality, and we urge that the Armed Forces use sufficient care in transportation and handling of such products that their high quality is preserved up to the point of consumption.

21. To facilitate product quality improvement, we recommend (a) better coordination of State standards of sanitation and quality inspection across State lines, and that the United States Department of Agriculture engage in activities to bring about this coordination; (b) that the Federal Government assume a greater responsibility in setting standards and promoting the eradication of Bangs disease and tuberculosis; (c) that the Federal appropriation required to support the $25 and $50 indemnity be restored; and (d) that the grade of milk be determined on the basis of flavor, sediment, and bacterial count in addition to the physical surroundings.

22. We recommend appropriation of greater funds for public and private, including cooperative, research, and educational activities designed to discover and encourage the adoption of improved dairy farm management techniques that will reduce the costs of milk production and improve the quality of milk when it leaves the farm. We urge every dairy farmer to avail himself fully of every such service and to adopt such of the improved practices as are adapted to his farm and within his financial resources.

23. In connection with use of parity production payments as a method of supporting the returns from the sale of milk, butterfat, and other perishables, we favor placing a maximum limitation upon the amount of such payments that can be earned by an individual farmer in a single year at the following level:

An individual farmer would be authorized to earn a production payment only upon each unit of the commodity he produces and sells up to a volume of sales so that the total received from sales plus payments would be not more than $25,000 for farms, with average farm-cost-gross-income ratios, or its net income equivalent for types of farms where the ratio of farm costs to farm gross income is greater than under average farm conditions.

24. We wish to express our appreciation to the National Farmers Union for sponsoring this conference which has given dairy farmers from all over the Nation an opportunity to meet together, discuss mutual problems, and to develop this statement of a practical and commonsense program of action in order to approach a solution for these problems.

STATEMENT OF J. P. MASON, DIRECTOR OF THE DIVISION OF ECONOMICS OF THE NATIONAL MILK PRODUCERS FEDERATION, BEFORE THE HOUSE AGRICULTURE DAIRY SUBCOMMITTEE, APRIL 28, 1955

My name is J. P. Mason. I am director of the division of economics of the National Milk Producers Federation with offices at 1731 I Street NW., Washington, D. C.

The National Milk Producers Federation is a nationwide farm organization, the oldest and largest of the agricultural commodity groups in the United States. It is comprised of some 105 dairy cooperative members and many hundred submembers. The federation represents, in total, almost 500,000 dairy farm families. The cooperatives, which these farmers own and control, market every major type of dairy product.

Our purpose in testifying is to provide factual background relating to factors which must be considered in any program involving prices paid farmers delivering milk to fluid milk markets.

Dairying accounts for approximately 20 percent of total cash farm income in the United States. More than 2 million farm families derive all or a major portion of their income from dairy farming. The industry has its roots in almost every county

in the 48 States. Farmers presently maintain a herd of 24½ million cows. Milk and dairy products constitute the greatest single food source toward making the United States the best fed nation on earth.

The dairy industry is large and extremely important to the welfare of the farmers and consumers alike. It is dynamic and is undergoing constant change.

Under these changing conditions many of the problems which come to the forefront—such as those being considered by this committee—involve consideration of economic factors underlying the price structure for fluid milk. The attention being given to the dairy problem is timely in view of the low prices being received by farmers for milk and cream. Chart I shows price movements and production changes over a 20-year period. Prices received by farmers for milk have dropped appreciably since 1952. While prices have been declining, the cost of producing milk has not dropped in proportion.

Consideration of the dairy problem also is significant, both as it concerns farmers supplying manufactured-milk outlets and fluid-milk markets, in view of the increasing portion of the total supply being used for fluid-milk purposes as shown in chart II.

Changes in consumer habits, the growth and movement of population, improved quality, and the progress in packaging and distribution, all play a part. The pricing of milk has become increasingly complicated as a result of these changes taking place within the industry.

The complications, however, do not alter the fundamental considerations necessary for price determination.

Since the price of milk is a matter of concern to producers and consumers alike, it seems desirable to review the basic problems of establishing prices to producers for fluid milk.

The establishment of a price for fluid milk involves many necessary considerations. The least understood is that identical milk, as received from the farm, has more than one value dependent upon the use made of it by the purchasing handler.

Milk used for fluid purposes commands a higher price than the same quality milk used in the production of manufactured dairy products for two reasons:

First, quality requirements for bottled milk are more exacting than for milk used to produce manufactured dairy products; and

Second, consumers require a year-round supply of fresh bottled milk, while manufactured dairy products may be stored from season to season.

Although all of the milk which each farm produces for a fluid-milk market must meet the quality standards for bottled milk, it cannot all be used for that purpose for three primary reasons:

1. Milk production varies from season to season, while consumer requirements do not. To illustrate this variance between milk production and fluid-milk sales, we have inserted chart III, which shows the 1954 experience for the St. Louis market. Chart IV shows the relationship of production and sales for the Chicago market.

2. It is impossible to produce an exact supply of milk to meet market requirements for bottling purposes during the months of short production, or for any other given period. Weather, crop conditions, alternative opportunities available to farmers, and other factors cause shifts in the supply of milk from year to year. Chart V illustrates the changes in total supply of milk for the St. Louis market over a 5-year period.

3. Milk production tends to remain the same on a day-to-day basis throughout the week, while consumer requirements vary considerably. We have analyzed production and sales for a typical week in the St. Louis market. Chart VI shows a straight-line production pattern, including Sunday. Class I sales, however, vary widely from day to day. Labor schedules, holidays, unusual weather conditions, delivery systems, and other factors account for these variations.

Chart VII shows the experience of one of the larger dairies whose business consists of both home delivery and sales through stores. The size and characteristics of this dairy are representative of the industry as a whole in that city. Chart VIII shows the experience of a second dairy, engaged exclusively in the distribution of milk through stores. In both cases there are no Sunday sales, and there are wide variations in daily requirements for the balance of the week. A growing percentage of milk is being distributed through stores and a lower percentage on home delivery routes. One result of this trend has been to widen the daily variations in milk requirements throughout the week. Similarly the introduction of every-other-day and, particularly, 3-times-a-week home delivery in place of the historical 7-day-a-week pattern, has had its effect.

It is enough to say that with yearly variations in production and sales, seasonal variation in production, and daily variation in sales, supplies of milk for a market cannot be geared precisely to its requirements. Furthermore, there must also be enough additional milk on every route and in every store to supply the housewife with that extra quart, whenever she wants it.

If consumers are to have a dependable supply of milk on a year-round basis, and of the quality necessary to meet local requirements and conditions, it follows that the fluid milk market must offer producers a higher price for their milk than that offered by the manufactured milk market.

These prices of necessity must also reflect the added cost of transporting milk from the farm to the city market. These costs are normally higher than for delivering milk from the farm to manufacturing plants because of location. The larger the city, or the milk supply area, the more consideration must be given to transportation costs in arriving at proper prices for fluid milk.

When farm to market transportation costs are deducted from prices received by farmers supplying fluid milk markets, and, similarly, when they are deducted from prices received by farmers supplying manufactured milk plants, it is evident that the difference in prices as between fluid milk markets and manufacturing milk markets are less than they are generally presumed to be.

Charts IX and X show how prices received by farmers at fluid milk markets are affected by transportation from country receiving stations to city markets. In chart IX it becomes evident that Chicago producers delivering grade-A milk to plants in the 220–235 milk zone lose a large share of the higher Chicago price through transportation charges. Similarly the higher prices quoted for St. Louis milk are lost to producers supplying country plants. Chart X shows a comparison of milk prices f. o. b. St. Louis and Lebanon, Mo., 150 miles southwest. Even though the St. Louis price at Lebanon is still somewhat higher than the condensery price, it is clear that producers are not receiving the quoted price for the St. Louis market.

In comparing prices received by producers for milk the cost of transportation should be kept firmly in mind. Transportation costs for milk are high in relation to value because of the bulkiness of the product. For this reason, also, producer prices vary widely from market to market, depending upon the relationship between the amount of milk available within trucking distance and the number of consumers being supplied.

Chart XI shows the density of milk production among the several States. Table No. 1 shows the percent of total milk production contributed by each of the several States and the percent of total population residing in each of the several States and the District of Columbia.

[Dollars per hundredweight]

	Blend prices paid producers for 3.5 percent milk		Prices paid by condenseries for 3.5 percent milk
	Chicago	Shawano	
January	3.73	3.41	3.215
February	3.72	3.40	3.073
March	3.69	3.37	3.022
April	3.48	3.16	2.865
May	3.15	2.83	2.790
June	3.16	2.84	2.773
July	3.49	3.17	2.868
August	3.53	3.21	2.948
September	3.69	3.37	3.005
October	3.74	3.42	3.107
November	3.80	3.48	3.154
December	3.64	3.32	3.140

[Dollars per hundredweight]

	Blend prices paid producers for 3.5 percent milk		Prices paid by selected Midwest condenseries for 3.5 percent milk
	St. Louis	Lebanon	
January	4.72	4.45	3.19
February	4.28	4.01	3.05
March	4.24	3.97	2.97
April	3.77	3.50	2.82
May	3.50	3.23	2.77
June	3.51	3.24	2.76
July	3.86	3.59	2.85
August	3.94	3.67	2.92
September	4.36	4.09	2.98
October	4.43	4.16	3.07
November	4.45	4.18	3.11
December	4.15	3.88	3.11

TABLE I.—*Percentage of total United States milk production in each State in 1954 and to civilian population as of July 1, 1954*

	Percentage of total milk production	Percentage of total civilian population
Maine	0.6	0.6
New Hampshire	.3	.3
Vermont	1.4	.2
Massachusetts	.7	3.1
Rhode Island	.1	.5
Connecticut	.6	1.4
New York	7.6	9.7
New Jersey	1.0	3.3
Pennsylvania	5.0	6.8
Ohio	4.7	5.4
Indiana	3.1	2.6
Illinois	4.2	5.7
Michigan	4.6	4.4
Wisconsin	13.4	2.2
Minnesota	7.0	1.9
Iowa	4.8	1.7
Missouri	3.6	2.6
North Dakota	1.4	.4
South Dakota	1.1	.4
Nebraska	1.8	.9
Kansas	2.0	1.2
Delaware	.2	.2
Maryland	1.2	1.6
District of Columbia		.5
Virginia	1.6	2.1
West Virginia	.6	1.2
North Carolina	1.4	2.6
South Carolina	.5	1.4
Georgia	1.0	2.2
Florida	.5	2.2
Kentucky	2.0	1.8
Tennessee	2.0	2.1
Alabama	1.1	1.9
Mississippi	1.3	1.4
Arkansas	1.1	1.2
Louisiana	.7	1.8
Oklahoma	1.5	1.4
Texas	2.6	5.2
Montana	.4	.4
Idaho	1.2	.4
Wyoming	.2	.2
Colorado	.7	.9
New Mexico	.2	.5
Arizona	.2	.6
Utah	.6	.5
Nevada	.1	.1
Washington	1.5	1.5
Oregon	1.0	1.0
California	5.7	7.7

Source: Calculated from: Farm Production, Disposition and Income From Milk, 1953–54; and Population Estimates, Bureau of the Census, U. S. Department of Commerce, Jan. 3, 1955.

Even though milk produced for a fluid milk market is priced at a higher level than the manufactured milk price, that portion of milk that is not used for bottling purposes is worth no more money than milk produced specifically for the manufactured milk market. This milk meets the quality standards for the fluid milk market and bears higher transporation costs. But it cannot be priced above the manufactured milk price level because it must be processed into dairy products and sold competitively with other products made from manufactured grade milk.

The higher prices that are necessary to assure a fluid milk market with an adequate and dependable supply, therefore, must be borne by that portion of the milk actually bottled.

Furthermore, since milk produced for a fluid milk market has more than one value, depending upon its use, it is logical that it should be priced to producers on the basis of its utilization.

The necessity of pricing milk on a classified basis was not generally understood by farmers when they first interested themselves as groups in the milk price problem. Attempts to sell milk to handlers by bargaining for a flat price contributed to unstable market conditions because it resulted in unequal costs to handlers for milk used for bottling purposes. This was true because of variations among handlers in the percentage of milk used by each for bottling purposes and for manufactured dairy products. The instability caused by lack of uniformity of cost to handlers for milk used for bottling purposes inevitably broke down the pricing system and led to low producer prices, low quality milk, and low milk consumption.

If a classified system of pricing milk to handlers is employed in a fluid milk market it follows that there must be marketwide participation to avoid penalizing the handlers who pay the full class I price for milk used for bottling purposes.

Milk marketing associations experienced their greatest operating difficulties in their attempts to price milk to handlers on a classified basis under voluntary agreements. Without public regulation, there is a temptation for certain handlers to underreport their bottled milk sales and to overreport their excess production as a means of gaining a competitive cost advantage over other handlers. It is also tempting to some minority of handlers to refuse to participate in a classified pricing agreement in order to gain a cost advantage over those handlers who do participate. Such handlers can take advantage of a classified pricing agreement by paying more for milk than the blend price of the market but less than the price established for class I milk. Supplies of milk which are surplus to adjacent or distant markets can disrupt classified pricing arrangements in the same manner.

When the dairy industry is faced with surplus conditions the classified pricing arrangements become more difficult to maintain, but it is under surplus conditions that the classified pricing system is vital to the interest of farmers.

The demoralized condition of fluid milk markets which followed the economic collapse in 1929 led to the enactment of Federal legislation to regulate producer prices.

If it is necessary to regulate the farm price of milk produced for the bottle-milk trade, the next question is, How should it be done? In light of certain criticisms presently being aimed at the Federal order program a single milk marketing order for the United States might be advanced as a possible solution. Producers have never favored this approach and a nationwide order has not been used or seriously considered for fluid milk. There are many peculiar problems in the fluid-milk industry primarily of a local nature. For example, a single price for class I milk which would be too high in areas of heavy production and low consumer population would be too low in areas where milk production is less favorable and where the urban population is greater. Adjustments to reconcile transportation costs and the supervision and maintenance of quality would immediately complicate such a proposition. A milk marketing order on a nationwide basis would necessarily apply to all milk produced for the fluid-milk industry, regardless of whether all producers needed the program or wanted it. Many groups of farmers do not need regulation nor do they look upon it with favor.

It seems sufficient to conclude that the Federal order program must be operated on a market basis, such as at present, rather than on a national scale. Federal orders have successfully regulated milk prices and maintained orderly marketing conditions in a growing number of our large, complex, cumbersome marketing areas and in many small ones. The advantages of the Federal order program to a large degree accrue from the fact that it can be suited to the local needs of individual marketing areas without regard to State lines. Chart XII shows the counties in the several States from which milk is supplied to the Federal order markets.

Since Federal orders must be applied on a marketing-area basis, it is clear that a definition of the scope of each regulation is necessary. This means that the extent of each "marketing area" must be determined and that "handlers" and "producers" be adequately defined so that the classification and pricing provisions will work to achieve market stability and an adequate supply of high quality milk. Since the milk-marketing orders do not limit the free flow of milk, displacement by lower-priced milk which is surplus to other areas could disrupt markets without such provisions as compensatory payments. Compensatory payments prohibit handlers from hammering down the class I price by picking up an occasional load of milk at the bargain counter.

The operations of Federal milk marketing orders have been satisfactory to producers supplying markets using the program, and the market stability created is in the public interest. The market statistics in themselves have been valuable for providing a basis upon which prices can be properly evaluated.

Any change in the legislation authorizing Federal orders could have a far-reaching effect on producers and the whole dairy economy. No one could argue that the legislation or that the administration of the program is perfect. By the same token the many criticisms which are from time to time aimed at the Federal order program should not be presumed to be valid without detailed investigation of the facts and of the consequences which might result from change.

In the National Milk Producers Federation we have been aware of the current criticisms of the order program. We have been working diligently with other industry groups in an effort to appraise each criticism of the program. Any suggestions that we have to make to improve the Federal order program at the present time can be implemented within the framework of present legislation.

It has been suggested to the committee by some of those who previously testified that one of the ways to solve the entire milk problem is to have large meetings of buyers, producers, consumers, suppliers, and labor so that everyone can express his opinion and secure mutual agreement on all matters pertaining to the dairy business.

While we commend the utopian objective of such a proposal, we would point out that in our experience the divergent points of views of buyers and sellers are impossible to reconcile to the complete satisfaction of either.

The National Milk Producers Federation has been intimately associated with Federal orders since their very inception. We have a Federal order committee which recommends the policy of the federation with respect to legislative action on any phase of Federal orders and with respect to their administration. We attempt to keep our members fully informed as to all provisions of all orders. Members of the Federation are operating under every Federal order in effect today. Therefore, we have not established a study group to find out what the orders are all about.

Our organization is in favor of Federal orders and against any change in the Agricultural Marketing Agreement Act. We believe that Federal orders are good. We continually strive to make them more effective for farmers.

Our organization stands for producers receiving the highest possible price for class I milk consistent with maximum consumption and other necessary considerations, regardless of what sanitary regulations are being enforced. A comparison of class I prices in all areas will sustain the position that freight and handling charges are the main barriers of intermarket shipment of milk. The other important barrier is in the minds of those who would tear down the results of 40 years' work in building high quality, high milk consumption, and at least a semblance of satisfactory class I prices.

In an earnest effort to eliminate confusion and misunderstanding about Federal orders, the federation has met and is meeting with other segments of the industry and the Government.

The following is a statement of policy agreed upon by a joint committee of the Milk Industry Foundation, the Evaporated Milk Association, and the National Milk Producers Federation. These organizations are the main groups that deal every day with the mechanics of Federal orders.

"There has been a substantial and rapid growth of the Federal milk marketing order program since the end of World War II. On December 7, 1941, there were 21 milk orders; and only one of those was issued in 1941. At the end of the war in 1945, there were 26 milk orders. In March 1955, with some orders having been consolidated with others, there were 56 milk orders; and hearings have been held on 7 others. There are requests for hearings on 12 orders and producers in a number of other markets are reported to be considering similar requests.

"From the viewpoint of fluid milk producers these Federal milk orders have undoubtedly achieved their objectives. Particularly in the older markets the orders are well understood, and although improvements can be made, that part of the industry operating under the program views it not only as permanent but also as generally constructive.

"Many of the recent milk orders, however, are applicable to areas without previous experience with milk control or cooperative milk producers' associations. Notwithstanding the years of Federal and State milk regulation, the demand for a Federal milk order finds some of the new markets in substantially the same position with respect to the problems and policies involved in the governmental regulation of milk as existed with the beginning of such regulation in the early 1930's. Apparently many markets have applied for promulgation hearings without an understanding of the responsibilities or limitations of the Federal milk marketing order program, and without exerting all efforts to solve marketing problems between distributors and producers without Federal regulation.

"The factors involved in establishing and maintaining Federal orders are exceedingly

complex. Each order must be geared to local conditions yet must maintain a proper inter-relation between order markets and the general dairy economy. Under these circumstances it is not unreasonable to have questions raised regarding the program. There is reason to believe that improvements could be made in the understanding and appreciation of the objectives and policies of Federal milk market orders as well as in the handling of many specific problems and provisions of such orders.

"It is in the interest of all phases of the dairy industry to eliminate unnecessary areas of confusion, suspicion, and misunderstanding regarding any dairy program. The milk order committees of the Milk Industry Foundation, the Evaporated Milk Association, and the National Milk Producers Federation have considered various phases of the Federal milk order program, including many of the questions that have been raised. These committees, mindful of their responsibility to the dairy industry, have discussed with the Dairy Division of Agricultural Marketing Services, several specific suggestions designed to clarify and improve the program—within the framework of existing law. It is the combined judgment of this group that most, if not all, of the problems can be solved in this way."

The suggestions which have been made cover such matters as the need for a comprehensive guide on practices and policies, improved communication, expediting actions, hearing notices, several basic policies on long-range pricing, compensatory payments, and other problems The detailed suggestions are being worked on, with further meetings scheduled.

STATEMENT OF OTIE M. REED, WASHINGTON REPRESENTATIVE, THE JOINT COMMITTEE OF THE NATIONAL CREAMERIES ASSOCIATION AND THE AMERICAN BUTTER INSTITUTE, BEFORE THE DAIRY SUBCOMMITTEE OF THE HOUSE COMMITTEE ON AGRICULTURE, JUNE 1, 1955

Chairman ABERNETHY and members of the committee, my name is Otie M. Reed, and I am Washington representative of the Joint Committee of the National Creameries Association and the American Butter Institute, with offices at 1107 19th Street NW., Washington 6, D. C.

The joint committee is composed of the National Creameries Association and the American Butter Institute, these organizations having joined together with regard to the conduct of their business before Government departments and the Congress here in Washington on September 1, 1954.

The National Creameries Association is composed of some 950 dairy processing plants, located in the States of Minnesota, Wisconsin, Iowa, North and South Dakota, Kansas, and Nebraska. About 85 percent of the plants that are members of the National Creameries Association are locally owned and operated cooperative associations and the remainder are private corporations.

The American Butter Institute is composed of both corporate firms and cooperative associations with membership in 43 States. The two organizations manufacture and sell most of the creamery butter produced in the United States, and many of the members operate fluid milk plants, cheese factories, nonfat dry milk solids plants, and produce and distribute a complete line of dairy products.

My testimony will be devoted to Federal fluid milk marketing agreements and orders, and the changes we think should be made in these regulations, as well as in the Agricultural Marketing Agreement Act of 1937.

I

Summary and conclusions

The somewhat voluminous statement attached hereto can be summarized briefly as follows:

1. It is the policy of the joint committee to work for improvements in the order system and the elimination of those features of orders which we think are inimical to the public interest and which operate to the disadvantage of producers of manufacturing milk.

2. The orders, while issued to provide an "adequate supply" of fluid milk in fluid milk markets, have as a matter of fact been instrumental in maintaining and increasing surpluses over fluid milk requirements.

3. The facts show that price structures in fluid milk markets are arbitrarily high, leading to the production of excess milk in fluid milk supply areas and in a reduction in consumption in these areas.

4. Compensatory payments operate to limit the movement of qualified milk into fluid milk markets operating under orders and tend to implement a high degree of local monopoly.

5. The practice of classifying "other source" milk in the lowest classes first tends to restrict the entry of qualified milk in fluid milk markets.

6. The arguments of the administrative officials of the Department of Agriculture and proponents of compensatory payments and down classification of "other source" milk, to the effect that these provisions are necessary in order for market pool orders to operate effectively, are unfounded.

7. For many years, orders operated without these provisions and we know of no reason why it should be necessary to include them in orders at this time.

8. If these devices are eliminated, we think such action will go far toward correcting the current inequities which orders now engender between fluid milk producers and manufacturing milk producers.

9. The Dairy Subcommittee can be of material benefit in correcting this situation by either 1 of the 2 following procedures:

(a) In making its formal report to the House Committee on Agriculture it could point up the current features of orders which we believe are improper and as a matter of fact in violation of the Agricultural Marketing Agreement Act of 1937, thereby giving guidance to administrative officials as to the provisions of orders which are not authorized by the act of 1937, or

(b) approve amendments to the Agricultural Marketing Agreement Act which we propose.

In case the subcommittee desires to go the route of recommended amendments, we have several proposed amendments which we will furnish the committee.

II

Policy of the joint committee regarding fluid milk marketing agreements and orders issued pursuant to the Agricultural Marketing Agreement Act of 1937

I want to emphasize to the subcommittee that the organizations I represent are not interested in destroying the marketing agreements and orders, nor in the repeal of the act of 1937.[1]

The policy of the joint committee is as follows:

1. Recognizing that fluid milk orders have exerted a stabilizing effect upon fluid milk markets, the joint committee believes that producers of milk for use in interstate fluid milk markets are entitled to receive the benefits of the stabilized marketing procedures embodied in the orders. To my knowledge, no single organization making up the membership of the joint committee or its member units would advocate revocation of the act of 1937, if the act were properly administered.

2. Our sole interest regarding fluid milk orders is to eliminate certain provisions of such orders which we think are inimical to the public interest, and which operate to the disadvantage of the manufacturing milk producer and to a sound, competitive milk industry in the United States.

To summarize: We do not want to destroy the orders—we wish to eliminate certain provisions which are being used to contribute to (1) a very high degree of local monopoly, (2) inhibit the entry of qualified milk into markets regulated by orders, (3) subsidize the production of vast surpluses over fluid milk needs in fluid milk markets by arbitrary pricing of milk used for fluid consumption.

III

Criteria for the issuance of Federal milk marketing orders, and price criteria used in establishing order prices

A. Criteria—act of 1937: The purpose of the Congress in granting the powers and authority for regulating the marketing of milk in fluid milk markets is found in the Agricultural Marketing Agreement Act of 1937, which reenacted, amended, and supplemented the marketing agreement and order provisions of the Agricultural Adjustment Act of 1935, which in turn represented a system of major amendments to the original Agricultural Adjustment Act of 1933.

The policy of the Congress was stated to be that—

1. Through conferring upon the Secretary the powers contained in the act, to establish and maintain such orderly marketing conditions for agricultural commodities in interstate commerce as will establish as prices to farmers, parity prices as defined; and

2. "To protect the interest of the consumer by—

"(a) approaching the level of prices which it is declared to be the policy of the Congress to establish in subsection (1) of this section by gradual correction of the current level at as rapid a rate as the Secretary of Agriculture deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and

"(b) authorizing no action under sections 601–608, 608a, 608b, 608c, 608d–12, 613, 614–619, 620, 623, 624 of this title which has for its purpose the maintenance of prices to farmers above the level which it is declared to be the policy of Congress to establish in subsection (1) of this section." (The quotation is taken from compilation of the Agricultural Marketing Agreement Act of 1937, issued by the United States Department of Agriculture, 1952.)

Thus the policy as stated was to improve marketing conditions so that parity prices for farmers could be achieved, to approach such parity levels gradually in view of the demand situation, and expressly prohibited any action under the marketing agreement and order provisions which would increase prices to farmers above the parity level. Such was the stated policy for agricultural commodities in general.

With regard to fluid milk, while presumably operating under the same general price policy as other agricultural commodities, special treatment was given with regard to permissible levels of fluid-milk prices to farmers that could be established under orders, that is, the specific policy of attainment of parity prices was modified with respect to price levels to be established under fluid-milk marketing agreements and orders. Thus, section 18 of the Agricultural Marketing Agreement Act of 1937 provides as follows:

"(18) Milk prices:

"The Secretary of Agriculture, prior to prescribing any term in any marketing agreement or order, or amendment thereto, relating to milk or its products, if such term is to fix minimum prices to be paid to producers or associations of producers, or prior to modifying the price fixed in any such term, shall ascertain the parity prices of

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[1] Hereafter the term "orders", and act of 1937 will be used to denote marketing agreements and orders, and the Agricultural Marketing Agreement Act of 1937, respectively.

such commodities. The prices which it is declared to be the policy of Congress to establish in section 602 of this title shall, for the purposes of such agreement, order, or amendment, be adjusted to reflect the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk or its products in the marketing area to which the contemplated marketing agreement, order, or amendment relates. Whenever the Secretary finds, upon the basis of the evidence adduced at the hearing required by section 608b of this title or this section, as the case may be, that the parity prices of such commodities are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk and its products in the marketing area to which the contemplated agreement, order, or amendment relates, he shall fix such prices as he finds will reflect such factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest. Thereafter, as the Secretary finds necessary on account of changed circumstances, he shall, after due notice and opportunity for hearing, make adjustments in such prices."

It would appear that there are several quite cogent reasons for the enactment of this special milk price section by the Congress. Some of these no doubt were as follows:

1. Control of production and restriction of the volume of marketings of milk and dairy products are not authorized by the act of 1937. Prices fixed by Government fiat in Federal marketing agreements and orders must therefore be related to the supply and demand position in the market.

2. The public interest demands that there be sufficient supplies of pure and wholesome milk to meet their needs. Parity prices, as such, might be either too high or too low to have the desired effect.

3. Parity prices for class I milk have not been established by the Department of Agriculture, and to my knowledge have not been computed. This arises largely from the fact that in many instances, an adequate series of class I prices did not exist, the items included in class I milk vary from market to market, and the like. The Department for many years has published a series of milk prices which represent the price received by farmers for milk sold wholesale from farms. This price does not relate to actual use—it includes prices for milk used in evaporated milk, fluid-milk markets, cheese, milk delivered to butter-dry-milk plants; in short, all outlets which require whole milk for their production plus milk delivered to butter-dry-milk plants. It is not a series that represents the average prices which farmers receive for milk used as fluid milk in fluid-milk markets. It is rather an average of all whole-milk prices, irrespective of use, and therefore cannot be used satisfactorily to determine the parity prices of class I milk.

In actual practice, therefore, the Department of Agriculture for many years has relied entirely upon section 18 quoted above as the section of the act of 1937 which contains the criteria upon which the prices in fluid-milk marketing agreements and orders are established. In practice, the Department makes a finding that parity prices are not reasonable in view of the price of feeds, supplies of feeds, and other economic conditions, and finds further that the prices established by the order or amendment thereto fulfill the requirements of section 18. A typical finding is to be found in order No. 13, as amended, regulating the handling of milk in the Greater Kansas City marketing area, quoted in the footnote below.[2]

I believe that the discussion herein is sufficient to show how the goal of price fixing under the orders is not parity prices per se, but a level of prices geared to economic conditions in the market, with most important criterion being that of securing a sufficient supply of pure and wholesome milk for the consuming public.

B. Other criteria for the issuance of orders: In addition to the specific criteria set forth in the act of 1937, there are other related criteria not specifically spelled out in the act. Some of the witnesses have stated that the orders are necessary to maintain the integrity of the classified price plan, in the sense that they believe a classified price plan will not work very well unless it is marketwide.

Classified price plans were first developed by cooperative associations of milk producers in bargaining for prices with handlers or distributors. Under this plan, milk entering the different uses, such as in fluid bottled milk, fluid cream, ice cream, and the like, was assigned different prices, according to use. Such plans did not develop until the character of milk markets had changed from one where there were relatively large numbers of producers selling their milk individually to handlers and where there were relatively few handlers, to a system where the supply had become organized to a greater or lesser degree by organization of a cooperative association of producers acting as the sales agent for large numbers of producers. Thus, the situation became one where greater or lesser control of the bargaining processes relative to supply was in the hands of one or more cooperative associations, and the buyers, in this case the handlers, were also few in number. Once having organized significant portions of the supply so that it could be bargained as a unit, it became necessary to find some plan of charging handlers the same price for milk they used. Inasmuch as handlers use varying proportions of milk in the different products, it was a practical impossibility to price milk to them on a flat-price basis, that is, a single price for all milk received by them. The classified price plan was developed to cure this sore spot.

However, very few milk markets are so completely organized that all of the supply is in the hands of the cooperative association. Many producers remain outside the association. Thus, with milk for fluid purposes commanding higher prices than milk for other uses, and with some milk outside the plan, some handlers preferred to be flat-price buyers and did not buy from the association, thereby getting their milk cheaper on a use basis than handlers who bought their supply from the association.

During the twenties this system worked fairly satisfactorily, but with the advent of the depression the competition of flat-price buying handlers with those buying from cooperatives became much more severe. Federal milk marketing legislation was enacted in the early thirties, and the pricing plans developed by the coopertives were included in the legislation, and through the power of the Federal Government are imposed on the markets as a whole through the issuance of orders.

From the foregoing, it would appear that one of the major reasons for the development of orders was to make marketwide the system of pricing followed by the cooperatives in the market, thereby eliminating the disrupting effects of there being available to handlers in the market milk which could be purchased on a flat-price basis and which gave the flat-price handlers their fluid milk at lower prices than those handlers who purchased their milk from the cooperative on a classified-price basis.

Here, I wish to call the attention of the subcommittee to the very vast difference between markets operating under price schedules bargained by the cooperative without full control of the supply, and markets operating under orders where all of the supply must be purchased by handlers under the classified-price plan. In the former type of market-price competition in the procurement of milk from farmers still existed. Therefore, the class prices of the cooperatives had to be kept well in line with competitive conditions, else handlers would shift from classified-price buyers to flat-price buyers. Under an order, with the full market supply priced on a classified basis and mandatory upon all handlers, price competition is eliminated in the procurement of milk from producers. In the place of competitive forces the only restraint upon prices under Federal orders is the judgment of Federal officials who administer the orders and the manner in which the act may impose certain restraints, depending on how the act is interpreted.

IV

General analysis of the criterion "sufficient supply" [3]

Throughout the course of these hearings, many witnesses have stated that the primary purpose of orders is to secure an adequate supply of pure and wholesome milk for consumers, and thereby contribute to the public interest. In none of the testimony has there been any very clear statement of what constitutes a sufficient supply, and there has been little if any discussion of the situation vis-a-vis order prices if the supply is more than sufficient.

It seems to be fairly well agreed among marketing specialists and persons engaged in the marketing of fluid milk that the market must have available during the season of short production a volume of milk in excess of actual fluid sales in order to meet day to day variations in demand and to a lesser extent day to day variations in production. This so-called operating reserve is considered to be about 15 percent of actual daily average sales during the season of short production. We fully recognize the need for this surplus, or operating reserve.

Since there is very little seasonal variation in the consumption of fluid milk, it would follow that a market which has a surplus over actual fluid sales of around 15 percent during the short season of production will necessarily have a larger surplus during the season of heavy production, depending upon the seasonal variation of production in the area.

We may conclude, therefore, that a market is sufficiently or adequately supplied, and the interest of the public fully protected, when the market has available a supply of 15 percent in excess of actual daily average sales during the short period. It should also be noted that the term "supply" does not mean supply from purely local production. If the market secures short-period supplies from areas distant from the local area of production, as a matter of course, then the term "sufficient supply" should involve supplies from all sources.

We now pose the fundamental question: Since assuring the consuming public, through the stabilization techniques of Federal orders, of an adequate supply of pure

[2] "The parity prices of milk as determined pursuant to No. 913.2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest." (Title 7, ch. IX, Code of Fed. Regs. Marketing Orders—Pt. 13, published in Federal Register, Apr. 30, 1955.)

[3] The term "sufficient supply" is used hereinafter interchangeably with the term "adequate supply."

and wholesome milk, is the major function of orders, what is the position when surpluses far in excess of the necessary operating reserve during the short season actually exist in order markets? Corollary questions are:

1. Is the public interest served by perpetuating a price structure under Federal orders which result in supplies far in excess of an adequate supply?

2. If it is concluded that the public interest is not served by price structures which encourage production far in excess of the market needs, then what is the reason for maintaining such price structures under Federal orders?

It would seem almost axiomatic that, with regard to the first question propounded above, the public interest is not served by perpetuating price structures which result in supplies far in excess of adequate supplies.

It is generally agreed that it costs somewhat more to produce milk meeting the sanitation regulations applicable to fluid milk markets than it costs to produce milk used for manufacturing milk. It is also fairly generally agreed, that prices charged handlers for milk used as fluid milk must be sufficient to furnish farmers a price differential over manufacturing milk values sufficient to enable them to meet the costs of producing higher quality fluid milk. From this it follows, if the so-called class I differential is spread over a volume of farm production far in excess of the market's needs, that the differential must be quite considerably higher than would be the case if the supply and demand for milk in the market were more closely in balance. In other words, in order to achieve a given "blend" price or average price, the class I price must be much higher where surpluses over fluid milk requirements are large than when such surpluses are small.

The reasons for this state of affairs are really quite simple:

1. Surpluses over actual fluid milk utilization are manufactured into dairy products such as butter, cheese, and the like, which must meet the competitive price levels established on nation-wide markets, and therefore cannot be over-priced relative to market returns from such commodities.

2. The fluid milk price paid by handlers indubitably affects the price of milk at retail. The higher the class I price to producers, the higher must be the retail price to consumers.

3. Therefore, in order to maintain supplies in a fluid milk market in excess of the requirements of such market, the prices paid by consumers for milk used as fluid milk must in the final analysis bear the burden. And, it takes a higher consumer price and (class I price to handlers) to maintain a given blend in a high surplus market than it does in a low surplus market, other factors being similar. Prices established for milk used for manufacturing milk under the orders also may operate to cause higher consumer prices. Thus, if prices for milk used for manufactured dairy products by the fluid milk handler are too high, in the sense he cannot manufacture the commodities and sell them on the nation-wide market for such commodities on a profit or at least a break even basis, he must make up any such losses through the prices he charges for fluid milk, or refuse to accept the milk. On the other hand, if manufacturing milk prices are set too low under an order, the fluid milk handler may have an advantage over the regular manufacturing milk processor, thereby undermining the market for manufactured dairy products.

4. From the foregoing, it follows that consumers pay for the maintenance of surpluses in excess of market requirements through the payments they make for milk at retail. They are in effect, through the payment of high retail prices, or let us say retail prices higher than they should have to pay, subsidizing the production of large volumes of surplus milk over and above the requirements of the market.

It also appears to us to be quite obvious that when the administrative officials in the Department of Agriculture establish prices that call forth an excessive supply for the fluid-milk market, section 18 of the act of 1937 is being violated. Section 18 refers to "sufficient supply"—not supply far in excess of the needs of the market for fluid milk.

We may conclude, therefore, that in order markets where the general tendency has been to maintain supplies in excess of market requirements as discussed and defined hereinbefore, the orders are not operating in the public interest.

Major restrictive devices in Federal milk marketing orders

Briefly, the manufacturing milk groups feel that three rather closely related provisions of the orders tend strongly to restrict the entry of qualified milk into fluid order markets, these being:

1. The practice of defining the scope of the orders so that some plants are excluded from the full price and pooling scheme. In this regard, "pool plants" that are subject to all the provisions of the orders are those plants which have a history of shipment of a certain percentage of their receipts to the market as fluid milk. Plants failing to ship the minimum percentage required by the pool plant definition become nonpool plants, even though milk received at such plants, and the plants also, are fully qualified by the appropriate health authorities in the particular market.

2. The practice of levying what is called a compensatory payment upon milk from non-pool plants which is shipped to the market, which payment is then added to the total pool value of pooled milk, as determined by the class prices and the volumes used in the several classes, and divided among the producers which deliver their milk to pool plants as defined.

3. The practice of "down-classification" of so-called other source milk. This practice involves classifying milk received from non-pool-plant sources in the lowest classes, the classification of such milk progressing upward to the higher classes only insofar as there is insufficient milk received from pool producers to meet the full requirements, or rather the sales of the handler in the higher classes. Thus, if receipts from pool producers are sufficient to fill all of a handler's class I sales, milk from other sources will be classified at the lower classes, irrespective of the use to which it was put by the handler.

The administrative officials justify the use of compensatory payment provisions in a milk order by starting with the quite obvious fact that, in the application of the order regulations, the subject of the regulation must be clearly defined, so that all may know the scope of the regulation, the milk to which it is to apply, and the like. Thus, there arises the definition of pool plants.

The officials then proceed to the proposition that in fixing prices in fluid-milk markets, the class I differential must be set as nearly as possible at the minimum levels which will encourage the necessary amount of milk production. There can be little criticism of this principle—that class I prices must be set at the level which will assure the market an adequate supply of qualified milk.

Having arrived at this conclusion, however, the officials then state that such class I price differentials should be only sufficient to assure an adequate supply from producers who are an essential and regular part of the market.

"Since the production of high-quality milk involves extra expense it is important that the amount of milk produced under class A standards be no more than the minimum necessary to provide the market with an adequate and dependable supply of quality milk. To encourage more than enough production of such milk would represent an economic waste since the expenditure involved in producing class A milk in an essential part of the milk supply would result in no extra value to consumers." (Decision with respect to a proposed marketing agreement and proposed order, as amended (St. Louis, Mo.).)

Here is the beginning wedge for the limitation of the pricing mechanism to certain categories of milk, and limiting the receipt of the higher class I values to certain categories of producers. It does not matter that there is other milk which is qualified by appropriate health authority for use as fluid milk in the market, nor that such milk was available for use of the market. What does matter in determining the milk and the producers that should be included in the pool is a matter of whether the producers are deemed to be an essential and regular part of the market.

In brief, this entire argument stems from the use of devices such as pool plant classification, compensatory payment provisions, and down classification of other source milk, which are in themselves made necessary by defining, in a restricted manner, the milk that will be included in the pool. This becomes quite clear from a study of the following statement taken from the decision of the Secretary in issuing an amendment to the New York milk order which reestablished compensatory payments in that order following ruling of the circuit court of appeals that the previous compensatory payment provision in said order was invalid under the act of 1937.

"Having defined producers and pooled milk as heretofore and herein found to be necessary, in a way which does not include all milk which may enter the marketing area, it automatically and inevitably follows that an opportunity exists for the sale of unpriced and pooled milk in the marketing area since the minimum class prices and pooling established under the order pursuant to sections 8c (5) (A) and (B) of the Agricultural Marketing Agreement Act of 1937, as amended, are applicable only to milk received from producers as defined in the order. Such minimum class prices and pooling do not and cannot apply to milk received from farmers who are not pool milk producers. If that milk which is available and eligible for sale in the marketing area from farmers who are not producers and which consequently is unpriced and unpooled under the order is not regulated in some manner, however, the minimum class pricing and equalization provisions of the order would be rendered ineffective. In the absence of some suitable form of regulation of such unpriced milk there is always an artificial economic incentive for milk from nonproducer sources to enter the marketing area and displace milk from producers. Such nonproducer milk would be milk which would not have entered the marketing area in the absence of a class price plan but would be induced to come in for use in the relatively high valued fluid outlets solely because of the competitive advantage created for it by the classified pricing and pooling of producers' milk. The exclusion of such milk from the marketing area is not authorized or desirable. The only alternative method or device which has been suggested or proposed for dealing with the situation is to impose a suitable charge on such unpriced milk in an amount sufficient to neutralize, compensate for, and eliminate the artificial economic advantage for nonpool milk which necessarily is created by the classified pricing and pooling of pool milk under the order."

If it were not so serious in terms of the public interest, maintenance of competition, and maintenance of nonarbitrary price levels in fluid milk markets, the reasoning set forth above in such positive terms would be laughable.

Why is there qualified but unpriced milk which must be subject to compensatory payments else the classified price and pooling plan will be rendered somewhat ineffective? Because the Department defines the scope of the regulation so that there is qualified, but unpriced milk available for use in the marketing area.

Why is there qualified but unpooled milk available? Because the Department does not include all eligible milk under the pool, but seeks to exclude milk which it does not deem necessary for the market even though available for the market and eligible under the health regulations.

What is the basic purpose of these gadgets? To limit the pool, and to prevent the entry of milk into the pool that the Department thinks does not belong in the pool, the basic idea, of course, being to curb an influx of milk which would take place if the prices established were too high. Once the pool is walled off from the entry of other milk, the stage is set for arbitrary pricing without any practicable restraint.

The same general statements apply with equal force to the practice of down classification of "other source" milk.

The Department rather definitely admits the purpose of compensatory payments is to limit a pool, in its decision with regard to the New York order previously quoted.

"Prior to 1945 all milk received from farmers at all plants approved by marketing area health authorities as sources of fluid milk for the marketing area was included in the pool and was therefore class priced at its source under the order. Under that plan there was no problem of unpriced milk, because all milk which was lawfully distributed in the marketing area for fluid purposes as well as all other milk at the plant from which it originated automatically was in the pool and subject to classified pricing at its source. Because of serious weakness which developed under this loose plan of pooling, the order was amended in 1945 to limit the pool, insofar as possible, to milk which was primarily associated with the New York fluid market either as regular or reserve supplies and to exclude from the pool milk which was primarily associated with some other fluid market or manufacturing outlet even though it had the health approval of one of the marketing area health authorities. This necessarily left out the pool, and not subject to class pricing at source, quantities of nonpool milk which could enter the marketing area for fluid use because of its health approval."

Here, attention is called to the language "the order was amended in 1945 to limit the pool, insofar as possible, to milk which was primarily associated with the New York fluid market either as regular or reserve supplies and to exclude from the pool milk which was primarily associated with some other fluid market or manufacturing outlet even though it had the health approval of one of the marketing area health authorities."

When the development of the practice of putting compensatory payment provisions in fluid milk orders is placed in its historical perspective, there are even stronger reasons to view them as a device designed to permit arbitrary pricing in order markets, and to grant local producers a high degree of local monopoly. The orders were started during the depth of the depression when prices were quite low and surpluses were heavy. At that time no effort was made to limit the amount of milk in the pool by definition of pool plants or other gadgets. All milk entering the market irrespective of whether it was qualified under health regulations was priced and pooled. While orders were generally applicable only to qualified milk, nevertheless, if unqualified milk was distributed in the market, it was also brought into the pool under the theory that it was not the Federal Government's function to enforce the sanitation regulations of the local area.

Similarly, today the Department, by changing its definitions and methods of classification so that the regulations applied to all milk entering the market, would eliminate the need for such gadgets as compensatory payments and down classification of other source milk. Obviously, however, with milk free to enter the market without penalty, class I prices must be kept very well in line with economic conditions and competing supplies of milk. Without compensatory payments, down classification of other source milk, and certain restrictive features of base rating plans, it would be practically impossible to develop very artificial price levels in fluid milk markets, but with these devices it is almost impossible to restrain the development of arbitrary price levels.

VI

Compensatory payments and down classification of other source milk violate the Agricultural Marketing Agreement Act of 1937

One of the avowed purposes of compensatory payments is to assure that the price paid for milk from nonpool sources used as class I milk, plus compensatory payments, is equal to the class I prices established for pool handlers under the order.

This matter of the uniformity of prices charged handlers for milk entering the same use is very important.

Section 8c (5) (A) of the Agricultural Marketing Agreement Act of 1937 provides as follows:

"(5) In the case of milk and its products, orders issued pursuant to this section shall contain one or more of the following terms and conditions and (except as provided in sec. (7)) no others:

"(A) Classifying milk in accordance with the form in which or the purpose for which it is used, and fixing, or providing a method for fixing, minimum prices for each such use classification which all handlers shall pay, and the time when payment shall be made, for milk purchased from producers or associations of producers. Such prices shall be uniform as to all handlers, subject only to adjustments for (1) volume, market, and production differentials customarily applied by the handlers subject to such orders, (2) the grade or quality of the milk purchased, and (3) the locations at which delivery of such milk or any use classification thereof is made to such handlers."

It is submitted that no general formula such as is used in determining the rate of compensatory payments in the various markets can assure that handlers will pay the same class I price for milk whether it be from pool or nonpool sources. There are a multitude of different markets for milk, particularly around the major markets and in many cases quite significant price variations between the markets. The only way that one could be sure that handlers were charged the same price for milk from nonpool as from pool sources would be to ascertain the actual price paid for such milk and then compute the differential between such prices and the class I price for each handler.

The same reasoning holds true with regard to the down classification of other source milk. From the foregoing it seems to us to be quite obvious that compensatory payments do not assure and as a matter of fact cannot assure uniform pricing among handlers. They are, therefore, illegal insofar as section 8c (5) (A) is concerned.

Compensatory payments and down classification of other source milk provisions in Federal milk orders directly violate section 8c (5) (G) of the Agricultural Marketing Agreement Act of 1937 which states:

"No marketing agreement or order applicable to milk and its products in any marketing area shall prohibit or in any manner limit in the case of products of milk the marketing in that area of any milk or product thereof produced in any production area of the United States."

During the period when I was Chief of the Dairy Branch, 1939–42, and in the years preceding that period, it was the opinion of those in charge of the administration of fluid milk orders that any device such as compensatory payments or any gadget which placed a burden upon the entry of milk into a market would violate section 8c (5) (G). This is one reason no restrictive devices were placed in the orders during that period. Other reasons pertained to the fact that we believed the act of 1937 was designed to be not only in the interest of producers but also in the interest of the general public, and we did not believe that devices that restricted the free flow of qualified milk between markets in this country were in the public interest, and that such restrictive devices operate to the disadvantage of producers of milk and butterfat used for manufactured dairy products.

The use of compensatory payments has not yet been adjudicated by the United States Supreme Court. In the only case brought against compensatory payments so far *Kass v. Brannan*, concerning compensatory payments under the New York order, the United States District Court for the Eastern District of New York ruled in favor of the Department of Agriculture. Upon appeal to the United States Court of Appeals, Second Circuit, the decision was reversed. The major point in the Court's reversal of the lower court was to the effect that under the compensatory-payment provision subject to the litigation, handlers were not charged the same price for milk entering the same use.

Of significance to the committee is the following language of the Court:

"* * * The total exactions required from the plaintiff were about $10,000. His brief describes them as 'penalty' payments, as did the witnesses at the promulgation hearings and the hearing examiner in his recommendations. Carefully avoiding the word 'penalty,' the Secretary's brief describes them as 'compensatory' payments, i. e., compensation for competition of nonpool milk with pool milk. We think 'penalty' is the more accurate description."

The committee will take note of the fact that at the hearing in which these compensatory payments were promulgated under the New York order, proponents of the provision called them "penalty" payments. Needless to say, since the decision of the circuit court and the development of a broad-gaged attack upon this particular provision of orders, proponents, and the Department of Agriculture, have exercised extraordinary care in discussing the payments. But there can be no gainsaying the fact that when they (compensatory payments) were promulgated, proponents looked upon them as a penalty levied upon milk from nonpool plants, but the word "penalty" having fallen into disrepute, the provision is now called by other names and justified on other than penalty grounds. Merely changing the name of the provision does not change its character, as I think the committee will agree. It was started as a penalty, it is a penalty, and in our view no devious language or method of nomenclature can change that fact. Further, producers who actually produced the milk subject to compensatory payments do not get the money represented by such payments. This money is distributed among the sheltered producers delivering to pool plants.

Our general points of opposition to such devices applicable to the generality of fluid milk orders, can now be summarized, as follows:

1. Compensatory payment provisions, and like provisions, violate section 8 (5) (A) of the act of 1937, by virtue of the fact that no general formula, such as is embodied in the current compensatory payment provisions, can assure that handlers will be

charged the same price for milk entering fluid uses from nonpool plants vis-a-vis pool plants.

2. We have the decision of the majority of the United States Court of Appeals, Second Circuit, that such payments are violative of the act of 1937.

3. We have shown that such payments, and down classification of "other source" milk, operates so that the entry of qualified milk into federally regulated markets is inhibited. In this respect, compensatory payment provisions, and similar provisions, violate section 8c (5) (G) of the act of 1937, and most certainly violate the intent of the Congress when the act was passed.

4. We have shown that compensatory payments have been one of the latest developments under fluid milk orders, and that prior to the development of such arbitrary, restrictive provisions, orders operated for many years in a very satisfactory manner without such provisions.

5. Compensatory payments and down classification make it possible to develop arbitrarily high prices for fluid milk in order markets, thereby reducing consumption, and increasing production and the surplus over fluid milk needs which finds its way into manufactured dairy products.

VII

Surplus production in fluid milk markets

One of the major criticisms of the structure of fluid milk prices, both in Federal order and nonorder markets, is that prices are maintained at such arbitrary high levels that consumption is reduced from levels it should attain, production is increased far beyond the needs of the market for fluid milk, and surpluses over fluid milk needs so caused must be used in manufactured dairy products, thereby increasing the volumes of manufactured dairy products seeking a market.

For the last couple of years, a Committee appointed by the Secretary called the Federal Order Study Committee, spent considerable time investigating these and related questions concerning the operation of Federal orders. A report was furnished to the Secretary by the Committee last August. The Committee reached the following conclusions:

"1. The primary purpose of Federal milk marketing orders is to maintain an adequate supply of milk and to achieve orderly marketing. This is being accomplished in fluid milk markets with Federal orders.

"2. During the post-war years the margin of class I prices over manufacturing prices has been wider on a dollars-and-cents basis than in former years. This has been true in all types of fluid milk markets including federally regulated, State regulated, and nonregulated markets.

"3. This situation resulted primarily from wartime shortages and the need to obtain additional supplies for many fluid markets. The committee has developed no adequate explanation for the continuance of the wide margins between prices of fluid milk relative to manufacturing milk prices in recent years.

"4. In recent years these shortages have been generally eliminated, and have been replaced in many instances by oversupply in relation to fluid needs.

"5. Formula pricing and particularly supply-demand price adjustments have served to reduce class I prices as supplies became more ample, but have not, in most markets, narrowed the spread between fluid milk prices and manufacturing milk prices.

"6. Lags occur in adjustments of production and consumption to price changes.

"7. There is little evidence that Federal orders have increased production more than has occurred in other markets or other areas of the country. Due to shifting plants and producers, the receipts of milk at plants subject to a Federal order do not necessarily reflect changes in area production. In the Northeast, which is the only area for which fairly comprehensive figures are available, total milk production in relation to class I utilization has not been as high as it was in the early forties."

There are two major benchmarks which are commonly used in determining whether a given level of class I prices is proper, these being:

1. Whether the market, under the level of prices established, is securing a sufficient volume of milk for fluid use. As was pointed out hereinbefore, a market is being sufficiently supplied when it has available during the season of short production a volume of supply of about 15 in excess of average daily fluid milk sales.

2. Whether the prices are in normal relation to the prices of milk used in other commodities than fluid milk, that is, the relationship between prices of milk for fluid use and prices of milk for use in manufactured dairy products.

A. The current position regarding sufficient supply: With regard to sufficient supply,[4] the Federal Order Committee states that orders have achieved an adequate supply for fluid-milk markets. It also states that in recent years, wartime shortages have been generally eliminated and have been replaced in many instances by oversupply in relation to fluid needs. From this, we must conclude that most of the markets are now in a position of over supply relative to market needs, which is merely another way of stating that the order price structures are now conducive to the production of more than a sufficient supply to meet market requirements. This means that class I differentials are being spread over more milk than is required, that as a general rule under such circumstances class I prices are higher than they would be if there were a better balance between supply and demand, and that as a result, consumers are paying higher prices than are necessary to meet their fluid-milk requirements.

In his testimony before this committee on April 19, 1955, Mr. H. L. Forest, director of the Dairy Branch, Agricultural Marketing Service, stated that during the short season of production, October-December, fluid sales in all Federal order markets amounted to 74.9 percent of producer deliveries in 1954 and 72.5 percent of such receipts in 1953. During the April-June period, fluid sales were 52.4 percent of producer deliveries in 1954 and 53.4 percent in 1953. Naturally, the markets show wide variations as to the percentage fluid sales bear to producer deliveries.

In the report of the Federal Order Committee referred to above, figures are shown for selected markets from 1940 through 1953. These figures are given in table 1. They show a marked increase in fluid use relative to producer receipts during the war years, and an equally striking decline in fluid use relative to producer deliveries since the war period.

"The rapid increase in the percentage of the supplies utilized for fluid requirements in the early forties was followed by equally rapid declines in the late forties and fifties. It is clear that during the period 1947–53 the supply of milk in these markets increased more rapidly than market requirements.[5]

From the foregoing facts and considerations, it must be concluded that, at least in recent years, the price structure in Federal order markets has been such that production has been encouraged far in excess of the volume necessary to supply the markets an adequate supply of milk. This has resulted in increasing surpluses over the fluid-milk needs of the markets, and has contributed materially to the surplus milk that has been used in the manufacture of dairy products. In this connection, Mr. Forest in his testimony pointed out that in 1953, 16 percent of the milk delivered under Federal orders was made into butter and Cheddar-type cheese. Production of butter and cheese from milk in excess of fluid-milk needs in these markets amounted to about 10 percent of the total United States production of these commodities in 1953, according to Mr. Forest. (Testimony of Mr. Forest before the Dairy Subcommittee, Apr. 19, 1955, p. 7.)

B. Validity of figures used in determining adequate supply: Heretofore in this statement I have used only figures quoted by Mr. Forest in his testimony before this subcommittee, or by the Federal Order Study Committee in its report to the Secretary. It is now appropriate to raise the question as to whether the figures used in either Mr. Forest's testimony, or the report of the Federal Order Study Committee, tell the true facts as to the volume of surplus milk in fluid milk markets operating under orders.

The committee will recognize that the percentages of fluid milk utilization represent the percentage class I or fluid milk sales in the marketing areas are of producer deliveries, and by producer deliveries is meant the amount of milk delivered by producers to pool plants as defined by the orders.

We have pointed out hereinbefore that, under the system of pool plant classification, down classification of other source milk, and compensatory payments, there may be a significant volume of milk qualified for distribution in Federal order markets that is excluded from the pool by the foregoing named devices. The question here is, are class I sales in the market being compared with the total available supply, or some other figure which is itself a result of the definition of pool plants under the respective orders?

All of the Government figures relate to total fluid uses, as compared to receipts from producers under the order. As a matter of fact, the volume of qualified milk in most markets is quite significantly in excess of deliveries of producers to pool plants as defined in the orders.

During the course of the deliberations of the Federal Order Study Committee, I endeavored to ascertain from the dairy branch the volume of qualified milk which was available in Federal order markets, but which was classified as other source milk and therefore not used in relating the supply from producers as defined in the orders to total class I sales in the market. In answer to my query, the dairy branch stated as follows:

"In accordance with your request we have determined the relative quantities of producer milk and other source milk handled in Federally regulated markets in June and November 1952. The computation is based on figures for all markets except New York, for which comparable data are not available. For markets in which orders were not in effect in November 1952 we substituted data for December 1952 and for orders not in effect in June 1952 we substituted data for June 1953. These substitutions apply to the markets of Fort Smith, San Antonio, Central West Texas, Sioux Falls, and Stark County. The total of milk received from producers and producer handlers in all Federally regulated markets, except New York, amounted to 1,576 million pounds in June 1952 and 1,211 million pounds in November 1952. Other source milk includes all milk which was received in the form of milk, cream, or skim milk at a regulated plant plus any other dairy product received at such plant which was used for reconstituting milk, cream, or

[4] In this statement the term "sufficient" supply is used interchangeably with the term "adequate" supply. The word "sufficient" is used in sec. 18 of the act of 1937.

[5] Report of the Federal Milk Order Study Committee on its review of the Federal Milk Marketing Order program, p. 26, October 1954.

skim milk subsequently disposed of in a fluid use. The total of other source milk handled at Federally regulated plants, excluding New York, was 102 million pounds in June 1952 and 105 million pounds in November 1952." [6]

Thus, these figures show that in June 1952 other source milk was 6.5 percent of total pooled milk and in November 1952 was 8.7 percent. To my knowledge, all figures submitted to this subcommittee heretofore have not taken account of "other source" milk, which means that the percentages of excess over fluid sales that have been given you have been understated.

I have endeavored to secure additional information as to the magnitude of "other source" milk, as reported under the orders. In a list of eight orders, taken practically at random, "other source" milk as reported by the market administrator ranged from a very small percentage of receipts from producers as defined under the order to as high as 20 percent. I have no way of determining precisely how much "other source" milk, there is in Federal markets that actually represents qualified milk available to the market. Such figures apparently have not been compiled in any systematic fashion. It is evident, however, that in many markets "other source" milk is a significant portion of the total supplies available to the market.

As stated before, these figures were selected more or less at random on the basis of reports sent to my office. I do not believe, however, that a complete analysis of the figures for all Federal order markets would show any different results, namely, from the point of view of principle, that the figures usually furnished the public and this committee tend to understate the actual proportions of surplus milk on the markets. It is to be noted that the figures available to the Federal Order Study Committee were subject to the same limitations. By the device of relating figures regarding fluid use to producer receipts, when demonstrably there are large volumes in addition to producer receipts which are not only qualified for the market but are included in the total utilization figures for the markets, the administrative officials are in fact understating the volume of surplus milk in fluid-milk markets. This practice on the part of the Department has two results, both inimical to the public interest, as follows:

1. By understating the supply position markets are indicated to be in a tighter supply position than is the actual fact, and this leads either to the maintenance of higher prices than would otherwise be justified or the failure to adjust prices in line with changes with the total available supply. In either event consumers pay higher prices than would be indicated if the full supply for the market were considered, rather than the supply by definition such as is involved in pool-plant definitions, down classification of excluded milk, and compensatory payments on qualified milk which is excluded from the pool by definition of pool plants.

2. Supply-demand formulas, which the Department holds do so much to hold prices of class I milk at reasonable levels, become meaningless when, by definition of pool plants and the other gadgets we have described hereinbefore, the figure used in computing supply is much less than the actual supply of qualified milk available for the market.

I would like to close this portion of my statement with a quotation from a paper by Dr. Leland Spencer, professor of marketing, Cornell University, which was published in the Metropolitan Milk Producers' News, April 1955. Dr. Spencer, who has spent most of his professional career in the study of milk-marketing problems, in an article published in the News, as noted above, entitled "Quota Plans To Regulate Milk Supplies," made these comments, which might be of interest to this committee:

"Where markets are free, milk supplies and consumption are kept in approximate balance through the influence of price. But in price-regulated markets milk production often is stimulated beyond market needs. That is the situation today in many markets that are regulated by Federal or State milk-control orders. Milk supplies are especially burdensome in some markets where the orders call for paying all producers a blended or uniform price which includes returns for surplus milk as well as returns for milk sold in fluid form.

"It is no doubt true that milk supplies and fluid sales could be kept in fair to good adjustment even in regulated markets with market-wide pools if the milk-control agencies fixed prices consistently with that object in view. In practice, other considerations, such as the demands of organized groups of producers and the reluctance of public officials to oppose their will, have an important bearing upon the price-making decisions. Thus it is often the case that the prices of fluid milk and cream are fixed at higher levels than would be necessary to obtain an adequate supply.

"In 1954 the supplies of approved milk exceeded the sales of fluid milk and cream by 81 percent in the New York milkshed, 78 percent in the Rochester milkshed, and 74 percent in the Niagara frontier (Buffalo) milkshed. About 50 percent excess over fluid sales in New York and 39 percent in Rochester would be sufficient to allow for seasonal changes and other fluctuations in production and consumption and to insure an adequate supply at all times."

VIII

Price differentials—Fluid milk and manufacturing milk

It is well recognized that due to the incidence of sanitation regulations the cost of producing milk for use in fluid-milk markets should be somewhat above the cost of producing manufacturing milk. One of the benchmarks in appraising fluid-milk prices is to compare changes that have taken place in such prices with manufacturing-milk prices.

The Federal Order Study Committee reported that the differential between fluid-milk and manufacturing-milk prices has widened markedly in recent years, and that the Committee had developed no adequate explanation for the continuation of these wide margins. (For details see table 2.)

On the basis of the usual supply-demand economics, it would be expected that, as supplies of fluid milk relative to sales increased, the differential between class I milk and manufacturing milk would be low. Conversely, when the markets are short of milk and class I utilization is high relative to production in the supply area, it would be expected that the differential would increase.

One of the most interesting features of the report of the Federal Order Study Committee is an analysis of the relationships between the differential of class I prices over manufacturing milk prices and the percentage of producers receipts utilized as class I. The analysis covered the period 1947–53, inasmuch as the war period is eliminated because of price controls. Seven markets were selected for the development of these relationships, these being Boston, Chicago, New York, Cincinnati, New Orleans, Cleveland, and Minneapolis-St. Paul.

"The relationship for the 7 selected Federal order markets is portrayed in graphic form in figure 2. The horizontal scale is the percentage of receipts in each market utilized for market requirements. The vertical scale is the premium of the class I price over the condensery price. The dot on the chart for each year shows the utilization percentage for the year and the premium of the class I over the condensery price for the same year. The straight line indicates the average relationship for the 7-year period.

"First, it is abundantly clear that there was very little relationship between these factors in any of the markets, with the possible exception of New Orleans. The variations in the class I premium over the condensery price seemed to vary almost independently of the percentage of supplies utilized for fluid requirements in the respective markets. Secondly, what little relationship there was seemed to indicate that, on the average, there was a slight tendency for the class I condensery price premium to be greatest when the utilization was below average.

"For example, for New York the 4 years with the largest proportion of receipts utilized to supply market requirements were 1947, 1948, 1949, and 1951. During these 4 years the percentage averaged 66.9 as compared to 59.1 percent for the 3 years with the lowest percentage utilization. In the years with the high utilization the New York class I–A price averaged $1.88 higher than the condensery price, compared with $1.92 in those years when the percentage was lowest. The margin of the I–A over the condensery price was slightly higher in those years when the utilization was lowest.

"The average percentage of receipts utilized for market requirement for the 4 years with the highest utilization and the 3 years with the lowest utilization, together with the premium of the class I price over the condensery price for the selected Federal order markets, are summarized as follows:

Market	Percent utilization			Premium of class I over condensery price		
	4 high years	3 low years	High exceeds low	4 high utilization years	3 low utilization years	Low exceeds high
Boston	61.2	54.4	6.8	$1.67	$2.09	$0.42
New York (I–A, I–B, I–C, II)	66.9	59.1	7.8	1.88	1.92	.04
Cleveland	76.5	68.8	7.7	1.17	1.36	.19
Cincinnati	71.8	65.4	6.4	1.39	1.49	.10
Chicago	79.4	69.3	10.1	.82	.85	.03
Minneapolis-St. Paul	61.5	58.9	2.6	.76	.80	.04
New Orleans	84.3	77.9	6.4	1.68	2.49	.81

"In each case the premium of the class I price over the condensery price averaged somewhat higher in those years when the utilization was lowest."

To summarize:

(1) The available evidence clearly indicates that class I prices, in spite of heavy surpluses in most of the markets, are being maintained at high levels as compared to manufacturing milk prices.

(2) The analysis of the relationship of the differential of class I prices over manufacturing milk prices clearly shows that these differentials have not behaved in the manner one would expect. Thus the differential tends to be high when the volume of milk is in heavy supply and it tends to be low when the volume of milk is closely related to market requirements for fluid milk. This pattern of differential strongly suggests that

[6] Letter to the undersigned from Howard Fedderson, Dairy Branch, and quoted by me in memorandum to Dr. E. W. Gaumnitz, Chairman, Federal Order Study Committee, dated October 6, 1954.

very arbitrary pricing policies are being followed and that class I prices sometimes are increased when as a matter of sound economics they should be reduced. The reason for the tendency for high differentials to be associated with high surpluses undoubtedly is that efforts have been made to maintain the blended price in the face of increasing surpluses by increasing class I prices relative to manufacturing milk prices.

IX

Remedial measures

The provisions of orders of which we have complained in this statement can be cured either through changes in the interpretation of the act of 1937 now current in administrative circles or by some minor amendments to the act of 1937 itself.

We think it highly unlikely that the administrative officials will correct this situation on their own account. A number of them do not think that their current operations are wrong, hence, how could we expect them to change? Also, producer groups regulated by orders are permitted to vote upon amendments to such orders prior to the time such amendments are placed in effect. It would be very difficult to secure approval of the sheltered fluid milk producers of any action that would open up their markets to competition from outside sources.

The amendments which we think should be made to the Agricultural Marketing Agreement Act of 1937 are set forth in the appendix. They provide for amending section 8c (5), section 8c (5) (G), and section 18. I will describe these briefly without repeating them here in this statement.

TABLE 1.—*Percentage of producer receipts utilized for fluid market requirements, selected Federal order markets,[1] 1938–53*

	Chicago class I and II	New York		Boston class I	New Orleans class I	Minnesota-St. Paul class I	Cincinnati class I and II	Cleveland class I
		Class I-A and II	Class I-A, I-B, I-C, and II					
1938				61.2				
1939				56.9				
1940	81.1	57.8	63.0	52.9	78.9			
1941	78.4	56.6	61.3	54.5	68.2			
1942	79.8	53.3	59.6	58.4	81.9			
1943	78.7	53.3	62.7	65.9	89.5		81.6	
1944	77.6	56.6	64.1	64.4	88.3		81.6	
1945	81.9	57.9	65.6	66.1	90.4		78.7	
1946	93.1	65.8	75.0	76.2	96.4	59.0	80.2	
1947	85.3	64.7	71.6	65.0	88.9	59.1	75.8	80.9
1948	82.5	65.3	72.1	65.8	86.7	61.6	74.1	77.3
1949	73.0	57.1	63.2	55.8	80.0	59.8	67.6	72.2
1950	71.7	53.8	60.8	54.7	76.8	59.0	65.4	71.9
1951	76.3	53.7	61.4	56.4	81.1	61.8	69.1	75.6
1952	73.4	52.5	60.0	57.6	80.4	62.8	68.2	68.4
1953	63.2	49.1	56.6	52.8	76.9	58.5	63.3	66.1
1954	64.2	48.2	55.1	54.4	71.9	63.7	62.1	63.3

[1] Data supplied by the Dairy Division, U. S. Department of Agriculture. In some markets emergency milk was used for fluid market requirements, but it was not included in the calculation of the above percentages.

Source: Report of the Federal Milk Order Study Committee, October 1954, p. 26.

TABLE 2.—*Class I prices selected Federal order markets and prices paid by 18 midwestern condenseries,[1] 1940–53*

[Dollars per hundredweight of 3.5 milk]

Year	Class I prices							Condensery [2]
	Boston	New York	Chicago	New Orleans	Cincinnati	Cleveland	Minneapolis-St. Paul	
1940	$2.59	$2.61	$1.94	$2.13				$1.35
1941	2.67	2.73	2.37	2.32				1.85
1942	3.15	3.14	2.74	2.74				2.07
1943	3.50	3.53	3.32	3.29	$3.27			2.62
1944	3.56	3.70	3.34	3.40	3.36			2.64
1945	3.56	3.70	3.30	3.38	3.52			2.60
1946	4.13	4.33	4.15	4.03	3.95		$4.04	3.45
1947	4.92	4.91	4.16	4.54	4.68	$4.50	4.16	3.49
1948	5.65	5.66	4.78	5.33	5.25	5.18	4.60	3.97
1949	5.30	5.26	3.77	5.13	4.34	4.14	3.79	2.86
1950	4.98	5.00	3.68	5.38	4.28	4.03	3.74	2.95
1951	5.43	5.64	4.39	5.68	5.08	4.81	4.30	3.62
1952	5.53	5.50	4.81	6.03	5.40	5.14	4.58	3.78
1953	5.03	5.23	4.16	6.00	4.90	4.87	4.18	3.24
1954	5.00	5.13	3.73	5.84	4.57	4.46	3.73	3.00
MARGIN OF CLASS I OVER CONDENSERY								
Average, 1940–46	$0.94	$1.02	$0.65	$0.67				
Average, 1947–53	1.85	1.90	.83	2.03	$1.43	$1.25	$0.78	
1940	1.24	1.26	.59	.78				
1941	.82	.88	.52	.47				
1942	1.08	1.07	.67	.67				
1943	.88	.91	.70	.67	.65			
1944	.92	1.06	.70	.76	.72			
1945	.96	1.10	.70	.78	.92			
1946	.68	.88	.70	.58	.50		.59	
1947	1.43	1.42	.67	1.05	1.19	1.01	.67	
1948	1.68	1.69	.81	1.36	1.28	1.21	.63	
1949	2.44	2.40	.91	2.27	1.48	1.28	.93	
1950	2.03	2.05	.73	2.43	1.33	1.08	.79	
1951	1.81	2.02	.77	2.06	1.46	1.19	.68	
1952	1.75	1.72	1.03	2.25	1.62	1.36	.80	
1953	1.79	1.99	.92	2.76	1.66	1.63	.94	
1954	2.00	2.13	.73	2.84	1.57	1.46	.73	

[1] Data supplied by the Dairy Division, U. S. Department of Agriculture.
[2] Originally 18 condenseries, in recent years a smaller number.

APPENDIX

[Matter in italics indicates suggested new language]

SUGGESTED AMENDMENTS TO THE AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

Proposed amendment to section 8c (5) of the Agricultural Marketing Agreement Act of 1937

Section 8c (5). In the case of milk and its products, orders issued pursuant to this section shall contain one or more of the following terms and conditions, and (except as provided in subsection (7) of this section) no others; *Provided, however, no order fixing the prices which handlers must pay producers or associations of producers shall be issued after the effective date of this amendment, unless and until the Secretary of Agriculture has exhausted all efforts to mediate and/or arbitrate disputes, as provided by section (3) of the Agricultural Marketing Agreement Act of 1937 (7 U. S. C. 71 D), and has published findings to that effect.*

Current provisions of section 8c (5)

Section 8c (5) as it now stands in the law, is the same as the above except for the underscored language, which is the proposed amendment.

Explanation of proposed amendment to section 8c (5)

Under this proposed amendment, the Secretary would be required to use the mediation and arbitration features of the act (now currently unused) to try to secure the settlement of disputes in a market, if possible, without the issuance of an order. As the matter now stands, a number of orders have been issued in the last few years which were due solely to disputes in the market, failure to bargain, and the like, which possibly could have been corrected without an order.

Proposed amendment to section 8c (5) (G) of the Agricultural Marketing Agreement Act of 1937

Amend section 8c of the Agricultural Marketing Agreement Act of 1937 by changing subsection (5) (G) thereof to read as follows:

(G) No marketing agreement or order applicable to milk or its products in any marketing area shall prohibit or in any manner limit *the marketing in that area of any milk or product thereof produced in any production area in the United States; nor shall any such marketing agreement or order impose any system of classification, fee, payment, or differential upon milk from any producing area not uniformly applied to all milk regulated by such marketing agreement or order.*

Current provision—Section 8c (5) (G)

Section 8c (5) (G): No marketing agreement or order applicable to milk and its products in any marketing area shall prohibit or in any manner limit, in the case of the products of milk, the marketing in that area of any milk or product thereof produced in any production area in the United States.

Explanation of proposed amendment to section 8c (5) (G)

The purpose of the proposed amendment is to tighten up the language of the current provision. Under the current provision the Department of Agriculture has initiated restrictive devices in fluid-milk orders, such as compensatory payments, using as justification the argument that the provision applies only to the "products of milk." This amendment would make it impossible to assess compensatory payments, or use other arbitrary devices to inhibit the free flow of milk from any production area to any marketing area regulated by an order.

Proposed amendment to section (18) of the Agricultural Marketing Agreement Act of 1937

Section (18). Milk prices: The Secretary of Agriculture, prior to prescribing any term in any marketing agreement or order, or amendment thereto, relating to milk or its products, if such term is to fix minimum prices to be paid to producers or associations of producers, or prior to modifying the price fixed in any such term, shall ascertain the parity prices of such commodities. The prices which it is declared to be the policy of Congress to establish in section 602 of this title shall, for the purposes of such agreement, order, or amendment, be adjusted to reflect the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk or its products in the marketing area to which the contemplated marketing agreement, order, or amendment relates. Whenever the Secretary finds, upon the basis of the evidence induced at the hearing required by section 608b of this title or section, as the case may be, that the parity prices of such commodities are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply and demand for milk and its products in the marketing area to which the contemplated agreement, order, or amendment relates, he shall fix such prices as he finds will reflect such factors, *assure a sufficient, but no more than sufficient,* quantity of pure and wholesome milk *needed to meet the requirements of consumers in the marketing area during the period of seasonally low production,* and be in the public interest. Thereafter, as the Secretary finds necessary on account of changed circumstances, he shall, after due notice and opportunity for hearing, make adjustments in such prices.

Current provisions of section (18)

The current provisions of section (18) are the same as those quoted above, except for the underscored language, which represents the proposed amendment.

Explanation of proposed amendment

The proposed amendment is designed to develop a benchmark which the Secretary must use in his determination of what constitutes a sufficient supply.

STATEMENT OF MR. C. M. DEGOLIER, DEERFIELD, WIS., BEFORE THE DAIRY SUBCOMMITTEE OF THE HOUSE COMMITTEE ON AGRICULTURE, JUNE 2, 1955

Chairman ABERNETHY and members of the subcommittee, my name is C. M. DeGolier. I am president and general manager of the Deerfield Creamery Co., Deerfield, Wis., president of the Madison Dairy Produce Co., of Madison, Wis., and president, Wisconsin Creameries Association.

I am making this statement on behalf of the joint committee of the National Creameries Association and the American Butter Institute. This committee, and its member units, has been described to you heretofore by other witnesses.

My purpose in asking the subcommittee for time to appear before you was in the belief that I may be able to give you information, developed from my own experience and my knowledge of the problem, which would add to the material already furnished this subcommittee by previous witnesses.

Let me say at the outset that I am not a dairy sanitarian. I operate a fluid milk (grade A) plant, which also manufactures dairy products, and am part owner of a plant at Madison engaged in large scale packaging and merchandising operations for butter. In view of my experience, it is not my purpose to pose as an expert able to tell you what features should be incorporated in a sanitation code for milk—this has been quite capably handled by Mr. Dahlberg and others, and there is a significant amount of technical information available in reports published by the National Research Council, which has conducted several very fine, technical studies of this subject, and from many other sources, rather, I desire to bring to you the experience and knowledge of a businessman who has had direct experience with this matter of sanitation regulations, and who, in the course of his business career, has had brought to his attention many examples of the manner in which these sanitation regulations operate.

I would like to state that the public is entitled to be fully safeguarded with regard to the sanitary qualities of its milk supply. No responsible person in the dairy industry would recommend the adoption of procedures which do not give the public this assurance. Milk, which we think is the finest natural food for human kind, also may be the very efficient carrier of bacteria which are inimical to the health of the people. This means that we in the industry, public officials, and all connected in any manner with the production and distribution of milk for human consumption, must be ever alert and in fact must demand that we be subject to regulations regarding the sanitation of milk which will assure that the milk supply of the consuming public is safe and pure.

SANITATION REGULATIONS—THEIR ORIGIN AND JUSTIFICATION

There is no need to launch into a lengthy discussion of the justification of sanitation regulations applicable to milk and its products. We take it for granted that anyone involved in the matter would agree that a clean, pure, and wholesome milk supply is a factor of paramount importance in the health and well-being of our people. Since milk, in addition to being one of our finest foods, also is a very fine medium for the growth of harmful bacteria, it follows without further argument that we must be sure our milk is produced and handled so that it is pure and wholesome.

Sanitation regulations, it would appear, first were developed by cities and municipalities in order to assure that the milk supply for consumers in such cities and municipalities was pure and wholesome, and that the milk-supply purity was so protected in both the farm production and the processing end that pure, wholesome milk reached the consumer, free from milk-borne diseases.

It is but natural that, due to the development of sanitation regulations by a multitude of cities and towns, looking largely to local conditions, there were and still are very material differences between sanitation regulations applicable throughout the country. For many years, the commerce in milk was very largely of a strictly local character. Techniques for the handling and shipment of milk long distances while still maintaining its purity and wholesomeness had not been developed. Therefore, it is not until comparatively recent years that variations between sanitation regulations, and the manner in which they were applied from market to market, have become factors of very great significance in impeding the flow of good-quality milk between markets in the United States.

We can take it for granted, I believe, that local sanitation regulations were conceived solely for the protection of the consuming public in cities and municipalities. Unfortunately, it is my belief that quite frequently, local producer groups and others have endeavored to use such regulations, and have them interpreted and enforced, as a tool for the protection of the local market supply of fluid milk against legitimate competition from qualified milk from producers and processors and other areas.

And here, I want to make it quite clear that, in those instances where it would appear beyond a reasonable doubt that sanitation regulations have been and are being used as trade barriers, it is not the fault of the local sanitarians. My experience with these officials is that they are primarily interested in seeing to it that the supply of milk in their area is pure and wholesome—not in seeing to it that their regulations have the effect of excluding pure and wholesome milk from other areas from their own areas. The fault for such use of sanitation regulations, I feel quite certain, is the fault of local producer and processor groups who desire to limit the competition of qualified milk from other producers and other areas. In this respect, the dairy industry, I think, is to be criticized for not getting its own house in order.

Of one thing we can be sure, and it should be a matter of pride to all of us, that the milk supply generally throughout the United States is safe and pure. Epidemics of disease traceable to the milk supply have, to my knowledge, ceased to exist. When one considers that one can travel from one end of this country to another, and always be able to secure a supply of pure milk which one does not hesitate to feed his children, in spite of the various conditions of production in this country, we can truly state that we have something to be proud of that is perhaps unique in the world.

To summarize to this point—we have a fine milk supply, and it is through the efforts of our technical people, the milk sanitarians, and through the cooperation of milk producers and processors that this is so. I wish to emphasize this so that the subcommittee will understand that the interest of the people I represent is not to complain of sanitation regulations as such, nor to recommend anything that will reduce in any way or by one iota the degree of effectiveness of our sanitary control of the milk supply in the United States. Nor do I complain of the actions of sanitarians which have been the subject of court controversies, some of which I will treat as examples for the subcommittee in the following pages of this statement. These controversies are understandable when taken in their historic perspective. My statement is pointed toward showing the subcommittee certain features of sanitation regulations which need to be corrected and at the same time to point out that some promising strides have been made in recent years toward a more uniform, more widely applicable sanitation system.

INCREASED MOBILITY OF MILK—ITS RELATION TO SANITATION REGULATIONS

Some years ago, when I first started in the dairy business, and particularly when my family developed the plant at Deerfield, Wis., milk was not very mobile. By this is meant the fact that techniques and equipment had not been developed which would permit the movement of milk for long distances and at the same time maintain its purity and quality so that it could be used by consumers as fluid milk.

In the dairy industry, we have made steady progress in sanitation practices through the development of better equipment, more research and better knowledge of the factors that cause the production of pure and wholesome milk, a more widespread understanding of the fact on the part of both producers and processors that the public, our customers, are entitled to purchase our commodity in the secure knowledge that it is pure and wholesome, and, last but perhaps of even greater importance, has been the development of our vast highway system and high speed refrigerated trucking industry which enables us to ship our milk longer and longer distances with the assurance that at destination the milk will be pure and wholesome, and entirely safe for consumption by the public.

The increased mobility of fluid milk was greatly encouraged by developments during the war. With the vast shift that took place

in the population—the development of large plants, with their large numbers of workers in areas previously relatively sparsely settled, it became necessary, if these people were to have milk, to develop techniques for the movement of such milk from areas of heavy supply to areas of deficit supply. When I first started this business, it was quite unusual for milk to move much farther than from my plant at Deerfield to Chicago. During the war and for some time thereafter, it became commonplace for milk which had originated in Wisconsin, or Minnesota, to be transported by refrigerated truck to southwestern markets such as Dallas and Fort Worth, there bottled and loaded on refrigerated trucks, and shipped as far west as Las Cruces, N. Mex. I might add that, when the consumers in Las Cruces drank such milk, they found it pure, palatable, and wholesome.

In addition to the foregoing, there has been a phenomenal improvement in the quality of milk on our farms. More and more of our farmers are equipping their farms and following production practices that meet the requirements for grade A milk, or milk that meets the sanitation requirements recommended in the United States Public Health Service Milk Code. In Wisconsin, for example, we now have a law under which milk which meets our grade A requirements, based on the United States Public Health Service Code, may be shipped from city to city within the State without hindrance from local regulations. So far, all but four cities in the State have accepted this code, and we fully expect the remaining four cities to come into the program in the near future.

But from the viewpoint of the interest of the subcommittee, I think it important to note that due to the greater mobility of milk previously described and the ever growing development of compliance of grade A ordinances which are based on the United States Public Health Service Milk Code, the existence of barriers to the free movement of qualified milk from one market to another is becoming more important, and the need for greater standardization of sanitation codes and practices of inspectors thereunder is becoming more and more necessary if sanitation regulations are to fulfill their primary and, I might say, their only function of assuring that the milk distributed in the various areas is pure and wholesome, rather than to assume a secondary function of standing as barriers to the movement of qualified milk. This movement is becoming more and more important every day as our techniques for handling milk, and shipping it long distances while still maintaining its purity and wholesomeness, improves with the many technological developments in the field. I think it would be a wonderful thing that we could look forward to the day when the milk supply for any town or city in this country would be of such assured purity and wholesomeness that it would be readily accepted for distribution as fluid milk in any other town or city in the country. It is in the interest of promoting the early realization of such a state of affairs that I am appearing before this subcommittee.

PROGRESS IN THE DEVELOPMENT OF UNIFORM SANITATION CODES AND INSPECTION THEREUNDER

There has been considerable progress in the development of more uniform sanitation codes and inspection practices thereunder in recent years.

Sanitarians have taken a leading role in recent years in this development. Each year there is held a national conference on interstate milk shipments, at which a great deal of attention is devoted to sanitation codes, methods of securing more uniformity in codes, inspection thereunder, and rules to be followed in developing a greater degree of reciprocal inspection, i. e., where a municipality accepts the inspection techniques of another municipality in determining the eligibility of milk from the latter municipality to be distributed as fluid milk in the former. There can be little doubt that these conferences, and the actions following thereafter, are exerting significant influence in developing a more uniform system of sanitation and inspection in this country.

I might state here that I think, and I believe that many, if not most, of the people in the processing end of the dairy business believe, that the activities of the national conference described briefly above are leading to more uniform codes, more uniform application of the codes, and are encouraging a higher degree of cooperation of local sanitarians with their colleagues throughout the country than has been the case heretofore. These efforts are to be highly commended. They will no doubt in time contribute materially to the public interest in assuring a milk supply throughout the country that is safe and pure, while at the same time tending to eliminate the features of local sanitation regulations which constitute barriers to the movement of milk, which are not related to securing a pure milk supply for the local municipality but rather constitute in effect barriers to the movement of sanitary milk into the municipalities involved.

TYPES OF SANITATION REGULATIONS THAT RESTRICT THE MOVEMENT OF MILK BETWEEN MARKETS

As I indicated heretofore, I do not claim to be an expert sanitarian. However, there are some features of sanitation regulations that I believe are restrictive in character, although the list of such restrictive types of sanitation set forth below may be far from complete. The list follows:

1. Many sanitation codes, or if not the codes then the health authorities, limit the area wherein they will inspect plants and farms. While it might appear that there could be good reasons for such restriction of inspection area, say on the ground of cost or some other factor, the fact remains that judging from the court cases filed to invalidate such restrictions, the area limitation is one of the most important barriers to the movement of qualified milk between markets.

2. Refusal to accept reciprocal inspection. This makes the area limitation really very effective as a barrier to milk movement.

3. Requirements that milk must be pasteurized within a certain distance of the city. Judging from the list of court cases which we have compiled, this is the restriction that has been involved in litigation more than any other. Obviously, in this day of good refrigeration and rapid transportation, a regulation that provides that milk must be pasteurized a small distance from the city is ridiculous, and most assuredly restrictive.

4. A number of ordinances levy inspection fees that are a very real roadblock to the movement of milk between markets. For example, it is not unusual for an ordinance to levy a fee on all milk moving over the weigh deck. For plants from which a small proportion of their total milk receipts at the plant are used in a town having such a fee, it should be obvious that a heavy burden is placed on the plant.

5. Ordinances vary regarding the requirements for tuberculosis, Bang's disease, and other tests.

6. Duplicate inspections. Some plants may sell milk in a number of markets. It is not infrequent for the farmers delivering to these plants to have to meet several different codes, leading to greater expense and more costly milk.

7. Some State authorities have tried to limit the entry of milk from out-of-State sources.

I have listed above a few of the important restrictive devices, although I have no doubt there are others.

ROUGH MEASURES OF GEOGRAPHIC SCOPE OF RESTRICTIVE DEVICES

I wish I could pinpoint for the committee the scope of these restrictive sanitation devices throughout the country, but researching the health codes in towns and cities of the United States is obviously beyond our powers.

It is my opinion restrictive devices such as those named above are a factor of paramount importance in slowing down or stopping completely the movement of milk from area to area and market to market. While no fully comprehensive research of this particular character has been done recently, the United States Department of Agriculture in a bulletin dated March 1939 entitled "Barriers to Internal Trade in Farm Products," found widespread evidence of the use of sanitation regulations as devices to restrict the entry of outside milk into milk markets. Both State Governments and local municipal governments were so using their sanitation regulations, and such restrictive practices were found to be very widely spread throughout the United States.

Although this bulletin is quite old, and may therefore be assumed to be out of date in some respects, I have taken certain excerpts from this bulletin and have included them in the Appendix. The findings are startling. We do not, however, have to rely entirely upon the bulletin just discussed for information concerning the current importance of the manner in which sanitation regulations are being used as devices to restrict the movement of milk between markets in this country.

Starting with the July 20, 1949, issue, I have had the weekly issues of the Dairy Record, a periodical devoted solely to news and information concerning the dairy business in this country, checked in order to list the cases brought before the courts regarding sanitation regulations. I do not claim that this list is a complete record of all the court cases regarding sanitation regulations that were started during the period since mid-1949, but in any event a number of them were reported in that magazine.

Since mid-1949, a total of 35 separate court actions were reported by the Dairy Record. These actions involved municipalities or States in 17 States and the District of Columbia. Other facts regarding these cases follow:

1. Eleven of the cases involved the refusal of the municipality to inspect plants and farms outside its usual area.

2. Thirteen of the cases involved suits brought to enjoin local health authorities from enforcing rules in their ordinances which provide that milk for use in the municipality must be pasteurized within a given distance, usually a very short distance, of the market. The most important of these, as far as establishing legal precedent is concerned, was that brought by the Dean Milk Co. of Chicago against the city of Madison, Wis. The Dean Co. was objecting to a provision of the Madison ordinance which required milk to be pasteurized within 25 miles of the city of Madison. This case finally came before the United States Supreme Court, and the Court ruled the provision invalid.

3. There were six cases involving the efforts of State Governments to limit the entry of milk from other States, ranging from such activities as providing that out-of-State milk must be in its original containers as received from the farm up to dyeing out-of-State milk some color.

4. Two of the cases involved unspecified discriminatory practices.

5. One case turned upon the failure of the local authorities to permit reciprocal inspection.

6. Two cases could only be classified on the basis of miscellaneous objections.

Practically all of these cases were won by the plants desiring to ship milk into the markets, previously forbidden them by the local health authorities.

In addition to the foregoing, the Dean Milk Co. gave us some information concerning suits it has brought against city and State authorities which had denied the Dean Co. permits to sell in the markets involved. The Dean Milk Co. secures the greater part of its milk supply from sources approved by the Chicago Board of Health.

The cases concerned a number of different complaints. Several of them were brought because the company considered the inspection fees levied against them were exhorbitant. The regulation generally in these instances provided for the payment of a certain fee per hundredweight for all milk going over the weigh deck of the Dean plant. When it is considered that in many of these instances the volume sold by Dean in the markets where these suits were brought was a small, sometimes almost an infinitesimal portion of the total volume of milk received at the plant or plants involved, yet the Dean Co. under the ordinance would have had to pay a fee on large volumes of milk not intended for use in the particular market involved, the restrictive nature of the fee as levied is obvious. Many of these cases have been settled on the basis of payment of a relatively small annual fee, such as $275 per year in one case, as compared to the thousands of dollars the company would have had to pay on the basis of the original provision of the ordinances.

Other cases brought by the Dean Milk Co. involved provisions of ordinances, or practices thereunder, whereby inspection was refused outside the usual inspection of the particular health authority involved. Still other cases involved refusal of health authorities to grant the company a permit because the local ordinances required the milk to be pasteurized in or only a short distance removed from the market. There were other bases of some of the suits mentioned, but the above reasons cover the majority of the cases brought by this company. I think the important fact for this subcommittee to bear in mind is that here is one fairly large milk company which, in its endeavor to expand its marketing system to a number of different markets, and when the quality of the milk supply of the company was not open to question, found itself stopped by capricious and restrictive local health codes and practices thereunder. The company advised me that they have instituted a number of suits in recent years, and that 16 of these complaints actually became the subject of court trials. I have mentioned before that one case went clear to the United States Supreme Court before being resolved in favor of the company.

There can be little doubt that the information I have furnished you here is incomplete. Further, since the decision of the United States Supreme Court in the *Dean* v. *City of Madison* case, disputes regarding mileage limitations on pasteurization and area of inspection have tended to be settled out of court on the basis of the Supreme Court's decision.

We have no way of ascertaining how many milk companies have tried to secure permits to ship milk into markets, and, when they were faced with restrictive devices such as we have discussed here, did not take the trouble to fight the adverse health authority ruling in the courts, but merely went elsewhere to look for business.

CONCLUSIONS

On the basis of the foregoing facts and considerations, I think we may well reach the following conclusions:

1. While much progress has been made in developing more uniform sanitation codes in this country and the practices under such codes, we still have far to go. Most assuredly, we should do our best to encourage the milk sanitarians to continue and accelerate their good work in this connection.

2. The evidence indicates quite clearly that many sanitation regulations serve no useful purpose as far as purity of the milk supply is concerned, but rather serve as devices to restrict the entry of pure and wholesome milk into markets from areas outside their usual sources of supply. Such regulations tend to wall off the local markets from the legitimate competition of other areas, and grant local producers a high degree of monopoly. This leads to arbitrary pricing, over-production within the milkshed, reduce consumption in the markets, and greater surpluses of milk which must be manufactured into dairy products such as butter, cheese, and the like.

It seems to me that the evidence is so conclusive that it warrants notice and action by the Congress. I do not know what the action should be, but the goal of any action by Congress, in my view, should be that of securing more uniformity in sanitation regulations throughout the country and more uniformity of application by inspectors. The United States Public Health Service, in cooperation with milk sanitarians and many other persons, has developed a standard ordinance or code which is recommended for use in municipalities. Many of the States and municipalities have adopted this code or codes based very largely upon it. I firmly believe that the USPHS code is gaining in scope, but am equally firmly convinced that we should endeavor to speed up its acceptance and application throughout the country. Once this is done, sanitation regulations will revert to their original purpose—that of assuring the public a pure and wholesome milk supply as far as sanitary practices are concerned, rather than being perverted to use as devices which restrict the movement of high-quality milk between areas and markets.

Whether the bills now before the Congress, which provide that the United States Public Health Service Code will be the determining factor in the quality of milk shipped in interstate commerce is the final answer, I do not know.

Most assuredly, however, this problem is of great importance, and we urge the Congress to take whatever action it deems advisable pointed toward its solution.

I wish to thank you for your courtesy in permitting me to make this statement.

APPENDIX A

There are listed below certain findings published in a bulletin of the United States Department of Agriculture entitled "Barriers to Internal Trade in Farm Products," March 1939. It is to be realized that this publication is very old but it serves to show that the question even at that date as to whether or not milk sanitation regulations were at that time being used as barriers to the movement of qualified milk between markets actually existed. This publication is replete with examples as to how, at that time, sanitation regulations were being used to restrict the movement of milk between markets.

We quote below from this bulletin certain excerpts.

"HEALTH AND SANITARY MEASURES

"Tremendous progress has been made during the last two decades toward the production of clean and wholesome milk. In part this has resulted from educational work, not only of the United States Public Health Service, but also of the health departments of States, counties, and cities. Chiefly, it has been achieved as a result of laws and regulations adopted by the States, counties, and cities, as well as by other subdivisions of the States. These measures prescribe, often in minute detail, the conditions under which dairy products shall be produced, processed, and distributed. To enforce the sanitary standards prescribed, official inspection is usually required. Farmers, processors, and distributors are typically granted licenses or permits to dispose of their product in a given market only after certification of satisfactory inspection by the officials of the city or State concerned.

"We are concerned here not with the details of these regulations, but rather with the extent to which they constitute an obstacle to the free movement of dairy products. Especially important are the market restrictions that have been placed on fluid milk and cream in certain parts of the country. These will be considered first and then some attention will be given to restrictions on other dairy products."

"MILK AND CREAM

"In a number of Eastern States (including Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Virginia, and Florida) all fluid milk (and in some cases cream) must come from farms that are licensed or inspected by officials of the State into which the milk is shipped. All of these States produce milk and cream, but they also bring in a part of their supply from outside their own boundaries. It is obvious, therefore, that should any of them wish to use their health- and sanitary-inspection requirements for the purpose of retaining a larger part of the State market for State producers, they could do so through limiting outside inspection and thus protecting home producers. Only a very thorough investigation would show the extent to which this has been either the purpose or the result of such legislation. The survey of the situation attempted here shows some of the existing tendencies toward market restriction."

The report treats regulations of Connecticut as follows:

"Apparently the State of Connecticut has followed the practice of limiting its out-of-State inspection of farms that produce fluid milk for the Connecticut market. In 1931 permits were withheld from a small group of producers in New York State, located near the Connecticut border, who had been sending milk into Connecticut. Public protest led to the revival of these permits, but with the provision that the New York producers must pay inspection costs. Despite the concession, relatively little milk has been permitted to come in from outside the State. In part, at least, as a result of this restrictive policy, Connecticut producers have been enabled to get relatively high prices for their fluid milk.

"This conclusion is supported by the study made by the Federal Trade Commission of the Connecticut milkshed. The Commission reports that—

" 'There are * * * indications that Connecticut has used its milk-inspection laws advantageously in keeping out milk from other States, although it does not admit this use of its powers.'

"Recent dairy legislation passed by the State of Connecticut directs the State commissioner to refuse to inspect farms outside the natural milkshed. Perusal of the pages of the Connecticut Milk Producers Association Bulletin strongly indicates that an important purpose of this legislation was to secure even more effective restriction of out-of-State milk."

With regard to the State of Rhode Island, the report has this to state:

"Rhode Island admits cream from outside the State on the basis of proper certification by the State of origin. Since 1931, however, this State has been one of the most active in passing health and sanitation laws with respect to fluid milk which, whether or not so designed, may be used for restrictive purposes. Inspection and registration is required of all farms shipping to Rhode Island markets and numerous regulations have

been adopted which put the distant producer at a disadvantage. By an amendment to its laws in 1936, Rhode Island required reregistration of all dairy farms. In this process, 62 registrations of farms were terminated in Massachusetts and Connecticut and only 1 distributor was reregistered in Vermont. The number of shipments of milk from Vermont have been nearly cut in half since 1931, they have entirely ceased from New Hampshire, and from Massachusetts and Connecticut they have been appreciably reduced."

With regard to inspection in the State of Pennsylvania, the report has this to state:

"Finally, two students of the dairy problem who have studied the Pennsylvania situation are here quoted. Leland Spencer found that regulations of the Pennsylvania State Department of Health 'cut down considerably the receipts of outside cream in Pennsylvania markets, particularly during the last 2 or 3 years.

" 'The Pennsylvania inspection movement also gives some indication of attempts to limit the milkshed through health regulations.' "

With regard to the New York City market the report states as follows:

"Market restriction through inspection requirements is promoted by cities and towns as well as by States. In fact, the regulations of certain large cities have been of equal importance with those of the States. Since 1906, New York City has maintained farm inspection of its sources of milk and cream supply, and since 1926 has definitely limited this inspection area. Thus it is practically impossible to ship fluid milk or cream to the New York City markets from points west of New York or Pennsylvania State lines. So far as fluid milk is concerned the restriction is not very important at present, for probably very little milk would move into New York City from beyond the inspected areas in any case. But cream, which as compared with milk combines greater value with less bulk, can be shipped for long distances. The effect, therefore, of the New York inspection requirements is to bar western cream and to raise the price of cream in the New York City market."

Frequently boards of health refuse to inspect producers located at some distance from the market:

"For many towns or cities the limitation of the inspection area is on an informal yet effective basis. The board of health, usually elected or appointed locally, may find it desirable to cooperate with local producers or distributors in restricting the inspection area. This limitation may take the form of refusal to inspect outside a certain radius. Thus, a local producers' association near a small New England town cooperates with the local health authorities to make sure there are no inspections at a greater distance than 3 miles from the town, but there is apparently no official ruling to this effect."

These are merely examples of the manner in which sanitation regulations were being used at the date of the report to restrict the movement of milk between markets.

STATEMENT OF GEORGE PAUL, PRESIDENT, NATIONAL CREAMERIES ASSOCIATION, BEFORE THE DAIRY SUBCOMMITTEE OF THE HOUSE COMMITTEE ON AGRICULTURE, JUNE 2, 1955

Mr. Chairman and members of the committee, my name is George Paul. I own and operate a general-purpose farm at Brooklyn, Iowa. I also serve in the legislature of the State of Iowa, and as president of the National Creameries Association and the State Brand Creameries, Inc. State Brand Creameries is a cooperative association located at Mason City, Iowa, and composed of over 100 local cooperative associations and proprietary concerns that produce butter, cheese, and nonfat dry-milk solids, handling packaging, sales, and the like for its members.

In this statement, I am speaking on behalf of the joint committee of the National Creameries Association and the American Butter Institute. The joint committee, as well as the two member organizations making up the joint committee, has been described to you by previous witnesses, so I shall not burden the record with repetitive description.

In this statement, I desire to discuss some of the self-help plans that have been proposed, and proposed marketing quota and production control plans for the dairy farmer. I also wish to submit a proposed self-help plan developed by the joint committee and its member organizations.

Before supporting any particular proposal, it would seem to me that the Congress should ascertain the degree of severity of the problem now confronting us. If, on the basis of current indications, it would appear that a very serious surplus situation confronts us, the program developed by the Congress would naturally be more drastic and far-reaching than if it appeared the dairy situation is showing considerable improvement.

THE CURRENT SITUATION AND OUTLOOK

I am happy to inform the Congress that the surplus situation in the dairy field has improved greatly since last year. Cow numbers are down somewhat and production for the first several months of this year has run 1 to 2 percent below the year previous. Butter and cheese production are down between 10 and 15 percent from the corresponding figures a year ago.

For details regarding cow numbers, production per cow, and other relevant production figures. (See table 1.)

Consumption of dairy products, on the other hand, has shown some increase from 1953. Fluid milk and cream consumption is up slightly. Butter consumption per capita is up four-tenths of a pound and cheese per capita consumption showed a slight increase. (See table 2.) We should also bear in mind that the population is increasing steadily at a rate somewhat in excess of 2 million persons per year.

The enormously heavy stocks of butter, cheese, and nonfat dry milk solids held by the Commodity Credit Corporation last year have shown significant reductions during the last half of 1954 and to date in 1955.

As you will recall, stocks of butter, cheese, and nonfat dry milk solids acquired by the Commodity Credit Corporation under the price-support program reached unprecedented heights during 1954. Last July 28, CCC stocks of butter reached a peak of 466 million pounds, cheese stocks reached their peak September 29 at 436 million pounds, and nonfat stocks of the CCC reached their peak April 28 at 599 million pounds. Stocks are still heavy, but through a combination of a lower volume of purchases in 1954 and to date in 1955, together with a markedly accelerated program of disposition of CCC stocks, they have been reduced considerably from the very high levels achieved in midsummer of 1954. Table 3 shows the purchases and utilization of dairy price support commodities from April 1, 1952 through April 30, 1955. During these marketing years, 753.4 million pounds of butter, 688.8 million pounds of cheese, and 1,467.6 million pounds of nonfat dry milk solids were purchased. Total disposition during the period amounted to 532.2 million pounds of butter, 371.6 million pounds of cheese, and 1,371.0 million pounds of nonfat dry milk solids.

Deducting dispositions from purchases shows an inventory in the hands of the Commodity Credit Corporation as of April 30, 1955, of 221.2 million pounds of butter, 317.1 million pounds of cheese, and 96.6 million pounds of nonfat dry milk solids.

To summarize:

1. Milk production appears to be down somewhat from the 1954 peak.

2. Per capita consumption has shown some increase and the accelerated expanded program of industry merchandising and promotion through the American Dairy Association and the National Dairy Council may be a significant factor in further increasing per capita consumption.

3. The population is increasing steadily.

4. Heavy stocks in the hands of the Commodity Credit Corporation have been diminished significantly during the last year.

The outlook, therefore, is considerably more favorable this year than last year and if we can continue to progress in increasing per capita consumption and in liquidating the heavy CCC stocks acquired in 1953 and 1954, the dairy production and demand position should show a reasonably good balance in another year or so.

It would appear that we should not at this time launch upon any drastic program for the control of production of milk and butterfat on farms or for the limitation of marketings of milk and butterfat from farms. Neither should we embark upon some plan whereby farmers themselves would finance a program for the continued purchase of dairy surpluses which must be given away, largely abroad. It would seem that under the circumstances which we apparently face that we should, for the time being at least, limit ourselves, as far as any program financed by the dairy farmer is concerned, to improvement and expansion of the current industry programs designed to increase the utilization of milk and butterfat by our population.

The dairy problem is not one historically of overproduction. If you will note in table 1, per capita production, that is production of milk per capita of the United States population, is running considerably below a decade ago. In 1942, for example, per capita production was 879 pounds. A low point of 733 pounds was reached in 1952 and in 1954 the figure was 762 pounds. The reasons for the dairy surpluses is shown up in significant fashion in table 2. You will note from the table that per capita consumption of butter on the average 1935–39 was 16.8 pounds. Due to wartime restrictions and diversion programs per capita consumption declined markedly. In recent years our position has been seriously affected by the action of Congress in fostering the expansion of the oleomargarine industry through permitting said industry to copy all of the major characteristics of butter.

PRODUCTION CONTROL AND MARKETING QUOTA PLANS

There have been an increasing number of suggestions in recent years that production or marketings of milk and butterfat from farms be limited. These suggestions were particularly prevalent in 1954 when CCC stocks reached such high levels.

The organizations which I represent do not believe it is feasible, or in the best long run interest of the producer or consumer, to attempt to limit production or marketings from farms in the United States. As I pointed out above, per capita production of milk is now considerably below previous years. It is our opinion that our major problem in the dairy industry is to expand consumption. For example, if per capita consumption of milk and cream had been maintained at the 1945 level, there would be no surplus of manufactured dairy products today. Similarly, the butter industry, through, I submit, no fault of its own, has lost a large share of its market. We are slowly but surely beating our way back to an increased level of demand for dairy products, and our farmers are contributing millions of dollars per year to accomplish this purpose.

There can be little doubt that, from the viewpoint of improving the health and well-being of our population, expanded consumption of milk and dairy products is a factor of paramount importance.

From the viewpoint of the dairy farmer, it is questionable whether restriction of production or marketings of milk and butterfat from farms would result in any increase in net income. Reductions in production or marketings usually result in less efficiency. Production controls inevitably tend to freeze the production pattern and to stultify improvements in production practices that otherwise take place.

Any production control or marketing quota scheme would inevitably be to the disadvantage of the efficient commercial milk and butterfat producer. This arises because of the nature of the distribution of milk production by size of herd in this country. To illustrate this point, I need only to quote the following figures:

1. In 1950, there were 3,681,627 farms in this country which reported cows kept for milk.

2. The majority of these farms kept very small herds. For example, there were 1,058,457 one-cow herds, 646,200 two-cow herds; and 603,616 farms reporting herds of 3 to 4 cows. Herds of 4 cows or less accounted for 62.8 percent of the farms reporting cows kept for milk. Herds of four cows or less accounted for 20.6 percent of the total number of cows kept for milk on farms of the United States. (See table 4.)

3. Sales of milk and the milk equivalent of cream sold from farms in 1950 accounted for 7.1 percent of total sales from all herds. When it is recalled that total CCC purchases under the price support programs have usually been quite low in terms of total production and sales of milk and cream from farms, and during the 1954 marketing year, the year of record purchases, represented about 10 percent of total production, it will be readily seen that the production on these very small farms is quite important when related to total CCC purchases of dairy products under the price support program.

It would seem to be quite reasonable to believe that administrative difficulties in accomplishing the vast amount of paperwork involved with the large number of small farms might well lead to exempting these farms from any production control or marketing quota plan. As a matter of fact, the Secretary has indicated this probability heretofore in regard to this matter. Yet these farms do produce significant volumes of milk and butterfat, and if they were to be exempted, a heavier cut would have to be made in production or marketings from the larger farms brought under the plans in order to achieve a given reduction in production and marketings. The larger farms tend to be the most efficient, and there can be little doubt that reduction in production and marketings from individual farms would bear heaviest on the more efficient farmers, increase their costs of production, freeze their production patterns, and in general inhibit the development of more efficient production and marketing techniques. Also, loss of volume would increase processing and marketing costs. I am sure that the creameries which make up State brand creameries would show significant increases in processing and marketing costs if volume were reduced, and this would further reduce farmer income.

Marketing quota plans, whereby the farmer would be given a quota representing his share of the national market, based on past sales from his farm and total commercial sales of milk and dairy products in the United States, seem to us to be subject to the same criticism from the administrative point of view as production control plans as such.

I shall not describe or attempt to evaluate in detail the many types of production control and marketing quota plans that have been advanced. The United States Department of Agriculture furnished the Congress a comprehensive description of such proposals in its Study of Alternative Methods for Controlling Farm Milk Production and Supporting Prices to Farmers for Milk and Butterfat, published as House Document No. 57, 84th Congress, 1st session.

Suffice it to say in summary regarding control and quota schemes that:

1. We do not think such proposals are administratively feasible, and probably would do far more harm than good to the dairy farmer over a period of time.

2. We do not think that any production control, price support, or marketing quota plan that would be financed by the dairy farmer is fair. By this we mean that the major difficulties now confronting the dairy farmer are due in quite large part to Government dairy programs during the war, and to the approval of the Congress in permitting oleomargarine to copy the major attributes of butter.

3. We think that the dairy situation shows very real signs of righting itself over the next few years. Consumption seems to be on the up-grade, production has apparently levelled off, and the CCC is moving with considerable speed in reducing its inventories of dairy products under the several programs approved last year by the Congress.

SELF-HELP PLANS

From time to time, proposals have been advanced whereby the farmer would finance his own program of price support or production and marketing control. This would be accomplished by levying a processing tax or stabilization fee at the point of first purchase of milk and butterfat delivered from farms.

Also, considerable attention has been developed regarding a marketing quota plan, also producer financed.

We do not believe that either of these plans should be enacted partly because of what we consider to be basic flaws in the proposals, and partly because we do not think the dairy situation at this time warrants launching a vast program such as each of these plans visualizes.

In view of improvement in the dairy supply and demand situation, we wish to recommend to the Sub-Committee at this time a self-help plan that is designed to permit a marked increase in the efforts of the dairy industry to increase the demand for its products and thereby contribute to bringing supply and demand into balance, without launching on a highly involved scheme of regimentation through production control or marketing quotas, or some plan under which producers would be taxed to buy up the surpluses and give them away, largely abroad.

THE SELF-HELP PLAN OF THE JOINT COMMITTEE

The major features of our proposal are as follows:

1. It would be the declared policy of the Congress to promote a more stable balance between demand for and supply of dairy products in the United States through an expanded program to (a) promote more effective merchandising of milk and dairy products, (b) expand the health and education work with consumer groups, (c) promote efficiency in marketing and utilization of milk and dairy products through an expanded program of marketing research, and (d) to provide the means whereby dairy farmers of the United States can finance the program designed to increase consumption of milk and butterfat and research in improved marketing and merchandising practices through the payment of a program fee levied at the point of first purchase of milk and butterfat.

2. A small program fee would be levied on all milk and butterfat sold from farms in the United States at the point of first purchase.

3. The money collected from this fee would be used to promote the sale of milk and dairy products, increase marketing research, and increase the health and educational work being carried on by the industry at this time.

4. The Secretary of Agriculture would administer the program with the advice of a Dairy Advisory Board. The Board would be appointed by the President and would be composed of 12 members, who shall be producers of milk or butterfat, except that 6 of the producer members of the Board may be officers or employees of cooperative associations meeting the requirements of the Capper-Volstead Act (7 U. S. C., secs. 291–292); 5 members shall be processors of milk and dairy products other than producers or cooperative associations of producers; and 3 members shall be appointed as public members representing the public at large.

The duties of the Board would be to advise the Secretary as to the agencies which he would use in carrying out the pomotion, merchandising, and research activities that would be authorized by the proposed law, advise as to the suspension or reduction of the program fee levied by the proposed law, and advise as to the allocation and expenditure of funds collected from the program fee.

5. The Secretary would be authorized to allocate the moneys collected from the program fee among the programs authorized by the proposed law and to contract with nongovernmental organizations or firms to carry out the programs.

It is at this point that the important provision of this proposal, insofar as it relates to the administration of the proposed bill, becomes apparent. The proposed bill is designed to give the Secretary, as recommended by the Board, general supervisory control of the allocation and expenditure of the money collected under the program fee. However, under the proposal the Secretary is supposed to use regularly organized nongovernmental firms and organizations in carrying out the programs authorized by the proposed bill, as for example the American Dairy Association and the National Dairy Council. It is not intended that the Department of Agriculture establish a new division and engage in the detailed operation of a promotion, merchandising, and research program.

6. The maximum program fee that could be levied pursuant to this proposed bill is 1 cent per pound of butterfat in cream delivered from farms to plants, and 4 cents per hundredweight of milk delivered from farms to plants in the form of milk.

At the maximum fee permissible under the proposed law, approximately $40 million would be collected each year for the conduct of the programs authorized by the law.

However, in case the advisory board and the industry thought that a sum such as $40 million could not be used effectively in any given year, the Secretary is authorized to suspend the program fee or to reduce it. Thus, if it was considered that only $10 million could be expended effectively for the purposes of this program, the Secretary would have the authority under our proposal to reduce the fee to 1 cent per hundredweight for milk and one-fourth cent per pound of butterfat at which rates approximately $10 million would be collected.

This program is designed to augment not to replace, the current program of the American Dairy Association and the National Dairy Council, which is now financed largely by voluntary deductions from producers. Of course, under this proposal, it would not longer be necessary to spend significant sums of money securing voluntary contributions from farmers, and all farmers would contribute equally. Under the voluntary program, of course, some farmers do not choose to cooperate, thereby avoiding paying any of the costs.

Under the recently expanded program of the American Dairy Association, somewhat over $4 million will be spent this year in promotion and merchandising. The available evidence seems to indicate rather clearly that the current program is a factor of importance in maintaining and in expanding the per capita consumption of milk and dairy products, and it is felt that the expansion of the program such as would be authorized by this law would permit doing an even more effective job.

It seems to the Joint Committee that a proposal of this nature is far superior to more drastic proposals which have been made such as proposals to control production, set up a quota system, or tax farmers for the very high costs of removing the heavy surpluses that we have encountered the last couple of years, particularly when it is recalled that the farmers themselves are not nearly as responsible as the Government for the development of such surpluses.

It is our considered judgment, as pointed out previously in this statement, that it is practically impossible to control production of milk on farms in the United States.

TABLE 1.—*Milk cows and milk production on farms, United States, 1940–54*

Year	Number of milk cows on farms	Production per total milk production			
		Milk cow		On farms [1]	
		Milk	Butterfat	Quantity	Amount per capita
	Thousands	*Pounds*	*Pounds*	*Million pounds*	*Pounds*
1940	24, 940	4, 622	184	109, 412	828
1941	25, 453	4, 738	188	115, 088	863
1942	26, 313	4, 736	188	118, 533	879
1943	27, 138	4, 598	183	117, 017	856
1944	27, 704	4, 572	182	117, 023	846
1945	27, 770	4, 787	190	119, 828	856
1946	26, 521	4, 886	194	117, 697	832
1947	25, 842	5, 007	199	116, 814	810
1948	24, 615	5, 044	200	112, 671	768
1949	23, 862	5, 272	209	116, 103	778
1950	23, 853	5, 314	210	116, 602	769
1951	23, 722	5, 313	210	114, 841	744
1952	23, 369	5, 328	211	115, 197	733
1953	24, 094	5, 447	213	121, 219	759
1954	24, 675	5, 500	217	123, 796	762
1955 [2]	24, 408				

[1] Excludes milk sucked by calves and milk produced by cows not on farms.
[2] Preliminary.

Source: Reports of the Agricultural Marketing Service, U. S. Department of Agriculture.

TABLE 2.—*Per capita consumption of major dairy products and oleomargarine, average 1935–39, and annual 1943–54*

[Pounds]

Year	Fluid milk and cream	Butter	Oleo	Cheese	Evaporated	Nonfat solids
Average 1935–39	330	16.8	2.8	5.5	14.9	1.9
1943	371	11.7	3.8	4.9	16.9	2.1
1944	381	11.8	3.8	4.8	13.6	1.5
1945	399	10.8	4.0	6.6	16.1	1.9
1946	389	10.4	3.8	6.6	16.8	3.2
1947	369	11.1	4.9	6.8	17.9	2.9
1948	355	9.9	6.0	6.8	18.1	3.3
1949	352	10.4	5.7	7.2	17.6	3.2
1950	349	10.6	6.0	7.6	17.9	3.6
1951	352	9.5	6.5	7.1	16.0	4.2
1952	352	8.6	7.8	7.5	15.5	4.6
1953	350	8.6	7.9	7.4	15.2	4.1
1954	352	9.0	8.0	7.6	14.5	4.0

Source: U. S. Department of Agriculture, Agricultural Marketing Service, the Dairy Situation, October 1954.

The proposal which we are submitting to you visualizes that the dairy industry would expand the demand for its products sufficiently to eliminate the surpluses. We think such a proposal is much more sound than drastic production-control programs and continued programs of purchasing our surpluses and giving them away, largely abroad. At the least, we think that a proposal of this nature should be given an opportunity to demonstrate whether or not it will solve or at least go a considerable distance toward solving the dairy surplus problem.

There is attached hereto as appendix A, a copy of a proposed bill designed to provide the legal authority for carrying out the program described herein. We recommend its acceptance by this committee.

TABLE 3.—*Status of dairy price-support purchases and utilizations, Apr. 1, 1952, through Apr. 30, 1955*

[Pounds]

	Butter	Cheddar cheese	Nonfat dry milk solids
Purchases:			
1952–53 (Apr. 1, 1952, to Mar. 31, 1953)	143, 348, 182	75, 236, 131	210, 410, 097
1953–54 (Apr. 1, 1953, to Mar. 31, 1954)	380, 184, 566	452, 485, 208	665, 871, 918
1954–55 (Apr. 1, 1954, to Mar. 31, 1955)	210, 709, 029	153, 341, 442	523, 207, 269
1955–56 (Apr. 1–30, 1955)	19, 156, 864	7, 705, 652	68, 068, 979
Total	753, 398, 641	688, 768, 433	1, 467, 558, 263
Uses:			
Commercial domestic sales	23, 609, 516	128, 185, 742	4, 462, 851
Animal and mixed feed sales			583, 600, 907
Sec. 32 outlets	107, 008, 703	37, 236, 449	21, 146, 130
Sec. 416 donations:			
Domestic	94, 195, 809	74, 439, 021	72, 604, 238
Foreign	[1] 202, 527, 330	121, 137, 592	393, 234, 746
Commercial export sales	2, 491, 059	576, 887	5, 413, 280
Noncommercial export sales	[1] 25, 551, 300	3, 306, 900	271, 695, 760
U. S. Army transfers	63, 089, 098	2, 229, 347	7, 131, 803
FOA transfers	[1] 9, 113, 000	4, 524, 000	11, 581, 708
Other	[2] 4, 631, 456		80, 000
Total	532, 217, 271	371, 635, 938	1, 370, 951, 423
Estimated uncommitted supplies as of Apr. 30, 1955	221, 181, 370	317, 132, 495	96, 606, 640

[1] Butter total includes the following quantities of butter programed for conversion to butter oil for distribution through the 3 following outlets 58,706,000 pounds for sec. 416; 18,937,500 pounds for noncommercial export, and 2,680,000 pounds for FOA.
[2] Other uses include butter salvage sale, cocoa butter extender sales, butter sales and donations to the Veterans' Administration, donations of dry milk for research, and butter sold for liquid milk recombining.

Source: Release 1127–55, U. S. Department of Agriculture, May 6, 1955.

TABLE 4.—*Number of farms reporting milk cows and number of milk cows, by size of herd, United States, 1950*

Size of herd	Milk cows, 1950		Percentage of total	
	Farms reporting	Number of milk cows	Farms reporting	Number of milk cows
United States, total	3, 681, 627	21, 367, 470	100.0	100.0
1 milk cow	1, 058, 457	1, 058, 457	28.8	4.9
2 milk cows	646, 200	1, 292, 400	17.6	6.0
3 or 4 milk cows	603, 616	2, 069, 811	16.4	9.7
5 to 9 milk cows	717, 196	4, 758, 496	19.4	22.3
10 to 14 milk cows	317, 275	3, 704, 832	8.6	17.4
15 to 19 milk cows	155, 820	2, 589, 705	4.2	12.2
20 to 29 milk cows	119, 308	2, 758, 128	3.2	12.9
30 to 49 milk cows	46, 940	1, 691, 594	1.3	8.0
50 milk cows and over	16, 815	1, 444, 047	.5	6.6

Source: Bureau of the Census, U. S. Department of Commerce.

TABLE 5.—*Sales of milk and milk equivalent of butterfat in cream sold from farms in the United States, by size of herd, 1950*

Size of herd	Milk		Milk equivalent in cream		Total milk and cream	
	Million pounds	Percent	Million pounds	Percent	Million pounds	Percent
United States total	69, 599		14, 835		84, 434	
1 cow	442	.6	354	2.4	796	.9
2 cows	591	.9	709	4.9	1, 300	1.6
3 to 4 cows	1, 850	2.7	1, 949	13.4	3, 799	4.6
5 to 9 cows	9, 182	13.4	5, 367	36.9	14, 549	17.5
10 to 14 cows	12, 260	17.8	3, 443	23.6	15, 703	18.9
15 to 19 cows	11, 458	16.7	1, 519	10.4	12, 977	15.6
20 to 29 cows	14, 229	20.7	861	5.9	15, 090	18.1
30 to 49 cows	9, 530	13.9	228	1.6	9, 758	11.7
50 cows and over	9, 126	13.3	126	.9	9, 252	11.1
Total	68, 668	100.0	14, 556	100.0	83, 224	100.0

NOTE.—United States total is larger than totals listed by size of herd because of deletion of item represented by sales from farms previous year which had no cows at time of census tabulation.

Source: Bureau of the Census, U. S. Department of Commerce.

APPENDIX A

SELF-HELP PROPOSAL OF THE JOINT COMMITTEE OF THE NATIONAL CREAMERIES ASSOCIATION AND THE AMERICAN BUTTER INSTITUTE

A producer-financed program for the expansion of consumption of milk and dairy products in the United States

A bill to provide for a nationwide program for the expansion of consumption of milk and dairy products; to improve the health and well-being of the population; to promote an expanded program of research in dairy marketing; to impose a program fee on the production for sale of milk or butterfat; and for other purposes

Be it enacted, etc.—

SECTION 1. This act may be cited as the Dairy Promotion, Marketing, and Research Act of 1955.

SEC. 2. Legislative finding: Milk and dairy products represent one of the most important sources of foods needed for a highly nutritious diet for the people of the United States. At present the people of the United States are lagging far behind the people of some other nations in their consumption per capita of milk and dairy products. It is in the national interest that farms of this country produce milk and dairy products in sufficient volume for the population to have available adequate supplies of milk and dairy products, and to aid in developing a pattern of use of agricultural resources designed to maintain the soil resources of the country. It is equally in the national interest that consumers have available full information as to the benefits to health and well-being to be derived from increased consumption of milk and dairy products, and that there be undertaken an expanded program of market research which will aid in improving quality of milk and dairy products and in making more efficient the system of processing and delivering milk and dairy products from farms and plants to consumers.

SEC. 3. Declaration of policy: It is hereby declared to be the policy of the Congress to promote a more stable balance between supply of and demand for dairy products in the United States through an expanded program designed to (a) promote more effective merchandising of milk and dairy products, (b) expand the health and education work with consumer groups, (c) promote efficiency in marketing and utilization of milk and dairy products through an expanded program of marketing research, and (d) to provide the means whereby dairy farmers of the United States can finance the program designed to increase consumption of milk and butterfat, and research in improved marketing and merchandising practices through the payment of a program fee levied at the point of first purchase of milk and butterfat.

SEC. 4. Definitions:

(a) "Milk," "butterfat," and "dairy products" mean milk, butterfat, and all products of milk and butterfat commercially produced and marketed in the United States.

(b) The term "Secretary" means the Secretary of Agriculture, and the term "Department" means the United States Department of Agriculture.

(c) The term "person" means any individual, partnership, corporation, association, or any other business entity duly organized and operating under the laws of the United States or the several States and Territories.

(d) "Milk producer," or "producer" means any person engaged in the production of milk or butterfat for sale.

(e) The term "Board" means the Dairy Advisory Board.

(f) "Program fee" means the excise tax levied on the sale of milk and butterfat and collected at the point of first purchase to finance the programs authorized by this act.

SEC. 5. Dairy Advisory Board: There is hereby established a Dairy Advisory Board consisting of 20 members, to be appointed by the President. Twelve members of the Board shall be producers of milk or butterfat except that six of the producer members of the Board may be officers or employees of cooperative associations meeting the requirements of the Capper-Volstead Act (7 U. S. C. A. secs. 291–292); five members shall be processors of milk and dairy products other than producers or cooperative associations of producers; and three members shall be appointed as public members representing the public at large: *Provided, however,* That no person shall have more than one representative on the Board. The Secretary, or his designated representative, shall be an ex-officio member of the Board. In appointing the producer and processor members of the Board, the President shall:

(a) Endeavor to secure appropriate regional representation from the several important dairy regions of the United States.

(b) Endeavor to secure appropriate representation of the several major products produced from milk and butterfat, including, but not limited to, fluid milk, butter, cheese, dry milk solids, frozen products, and condensed and evaporated milk products.

SEC. 6. Terms of Board members: Terms of Board members shall be 2 calendar years, and members may be reappointed for only one additional 2-year term at the discretion of the President.

SEC. 7. The Board shall meet at the call of the Secretary, or upon call of the Chairman. Each Board member shall be entitled to receive a per diem of $50 for each day's attendance at Board meetings and while traveling to and from such meetings, and travel, subsistence, and other expenses as incurred in discharging their duties as directed by the Board.

SEC. 8. Duties of the Board: The Board shall serve in an advisory capacity to the Secretary in the conduct of the Secretary's duties in administering the powers conferred upon him by this act, including but not limited to the following:

(a) Advice as to agencies with which the Secretary may contract in carrying out the promotion, merchandising, and research activities authorized by this act;

(b) Advice as to the suspension, in whole or in part, of the program fee levied under this act;

(c) Advice as to the allocation and expenditure of funds collected from the program fees among the several activities authorized by this act.

SEC. 9. Powers of the Secretary. The Secretary shall have the following powers under this act:

(a) To allocate the moneys collected from the program fee among the several program activities authorized by this act and recommended by the Board;

(b) To contract with nongovernmental organizations or firms which may include but are not limited to the American Dairy Association and the National Dairy Council, to carry out programs approved by the Board and the Secretary: *Provided, however,* That none of the funds collected pursuant to the provisions of this act shall be used to promote any brand of any person, or any other brand name that might be applied to milk or any of its products.

(c) In the conduct of the powers and duties conferred on the Secretary of Agriculture by this section, it is intended that he shall, with the advice and assistance of the Board, have general supervisory control over the allocation of program funds and expenditures thereof, to agencies selected by him to conduct the operational details of the several programs: *Provided,* That it is not the intent of this section that the Secretary or the Department assume the direction of operational details of authorized programs, such as the media or persons to be used in promotion campaigns, or the format, makeup, or production of promotional and merchandising material: *And provided further,* That none of the funds allocated to research programs hereunder shall be considered to be in replacement or in lieu of funds appropriated by the Congress for research under the Agricultural Marketing Act of 1946, as amended (7 U. S. C. A., secs. 1621–1629).

(d) To report and account fully to the President and the Congress the results of operations annually, together with an evaluation of the programs authorized and operated pursuant to this act.

SEC. 10. Program fee:

(a) There is hereby levied against all producers of milk and butterfat for sale, effective January 1, 1956, a program fee in the amount of 4 cents per hundredweight of milk delivered from farms to plants, and in the amount of 1 cent per pound of butterfat in cream delivered from farms to plants: *Provided, however,* That the Secretary may suspend the application and collection of said program fee, in whole or in part, for any calendar year, or part thereof, by determining and publishing on or before the first day of the month preceding the period for which such suspension is to be in effect, his finding that the full amount of the program fee will not be needed to finance and carry out the programs authorized by this act and approved by the Secretary, with the assistance and advice of the Board.

(b) In exercising his power of suspension under the proviso of paragraph (a) of this section, the Secretary shall take into consideration the unexpended balance available to him in the special fund created for the purposes of this act, the budgeted financial requirements to carry out the programs authorized under this act and the intent of the Congress that the funds collected under this act should be, as nearly as practicable, commensurate with the estimated costs of the programs to be administered during any calendar year.

(c) Every person purchasing milk, butterfat or any product of milk and butterfat from a producer (except purchases by consumers other than commercial processing) shall withhold from the purchase price an amount equal to the program fee levied herein, and shall remit the sums so withheld to the Commissioner of the Internal Revenue Service. For the purposes of this section, milk, butterfat, and dairy products delivered by a producer to a cooperative association of producers shall be subject upon such delivery to the program fee levied herein. Returns shall be filed and remittances made monthly by such purchasers in accordance with rules prescribed by the Commissioner of the Internal Revenue Service.

(d) Producers of milk, butterfat, or dairy products holding licenses or permits issued by Federal, State, or local agencies authorizing them to sell milk, butterfat, or dairy products directly to consumers shall file returns and pay the program fee on all sales made by them to consumers.

(e) In fluid milk markets operating under marketing orders issued by the Secretary pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, handlers subject to the minimum price provisions of such order shall withhold from the payments to producers required by such orders a sum equivalent to the volume of milk or butterfat received from producers delivering to them multiplied by the program fee levied herein, and shall file returns and make remittances monthly of the sums so withheld to the Commissioner of the Internal Revenue Service.

(f) The Internal Revenue Service shall collect the program fees levied herein and shall prescribe such rules and regulations as may be necessary to accomplish that purpose.

(g) The collection of the program fee levied herein shall be enforced in the same manner that the collection of Federal excise taxes are enforced, and the remedies, penalties, and punishments provided by law or regulation for enforcement of Federal ex-

cise taxes shall be applicable to the enforcement of the program fee.

SEC. 11. Appropriations: There is hereby appropriated for the fiscal year ending June 30, 1956, and for each fiscal year thereafter, an amount equal to the total program fee collected by the Commissioner of the Internal Revenue Service pursuant to this act. Such funds shall be maintained in a separate fund and shall remain available to the Secretary upon demand, to be used by the Secretary only for the purposes authorized and provided for in this act.

SEC. 12. No member of the Board may hold or acquire any fiscal interest in any agency or firm used by the Secretary in carrying out the powers and duties conferred upon him by this act.

SEC. 13. The activities and operations authorized by this act shall begin January 1, 1956; except that the Board may be organized within 3 months preceding the effective date of this act. The Secretary is authorized to expend from general funds available to him the amounts necessary for the conduct of the business of the Board during the period from the date of organization of the Board and the effective date of this act.

TWO HUNDRED AND FIFTIETH ANNIVERSARY OF THE BIRTH OF BENJAMIN FRANKLIN

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. O'BRIEN] is recognized for 20 minutes.

Mr. O'BRIEN of New York. Mr. Speaker, I have requested a few minutes of time today to call to the Members' attention and to the attention of the country to a celebration which may be unique in history. A national and international celebration is being planned for 1956 to honor the 250th anniversary of Benjamin Franklin's birth. I want to congratulate especially the Philadelphia committee, headed by Mr. C. L. Jordan, of the Franklin Institute, which is preparing this celebration to bring still greater recognition to the achievements of this great American.

The Members may wonder why I, a resident of New York State, should presume to discuss a celebration which is being arranged largely through the efforts of Pennsylvanians and, more particularly, Philadelphians.

I am doing so, Mr. Speaker, as an expression of gratitude to this House and to the Members from Pennsylvania.

On Friday next, June 24, we in Albany, N. Y., will mark the 201st anniversary of the First American Congress, at which Benjamin Franklin's plan of Union was adopted. A year ago, Congress passed and President Eisenhower signed a resolution honoring the 200th anniversary of that historic date. A delegation from the House and the Senate went to Albany to join in our celebration. A Member from Pennsylvania, the honorable JOSEPH L. CARRIGG, delivered a major talk.

When my resolution was before Congress, all of the Members from Pennsylvania and Philadelphia voted for it, generously sharing with us some of the greatness which was Franklin's. They were wise enough to realize that the magnitude of a Franklin was not diminished, but increased by sharing him with others.

That is the purpose of the celebration planned for next year. At that time, Pennsylvania and Philadelphia will not be sharing Franklin with Albany, or New York, or Washington, but with the whole world, a world which has been so much affected by what he did and said.

The international plan to honor Benjamin Franklin's 250th anniversary was started 3 years ago, at a meeting of 21 of the old societies and institutions with a Franklin tradition.

Those at the meeting were confronted by a major problem. Here was a man with such a broad contribution to so many fields that even a dozen celebrations could not cover fully what he gave to mankind and civilization. He was statesman, scientist, publisher, inventor. He was writer, educator, and diplomat. But, above all, he gave to the tired world a new horizon, dominated by a fresh, clean theory of free, individual enterprise at its best.

That is why the distinguished committee in charge of the celebration chose to make it one of voluntary, individual action all over the free world. There will be more than 500 sponsors in 40 countries, each planning its own celebration in its own individual way, in its own country and among its own peoples. From this will come a tremendous international ebb and flow of exchanged ideas, bringing closer the Franklin dream of a better understanding among peoples. These sponsors will include 25 famous old scientific and educational societies of which Franklin was a member, ranging from the Royal Society of Great Britain, to the American Philosophical Society which Franklin founded.

Colleges, schools, institutions, and governments will participate. The great publishing and broadcasting associations, representing more than 5,000 newspapers, magazines, radio and television stations, are cooperating. They will take the material originated in all countries and mail it to the 5,000 publishers and broadcasters, permitting millions to participate in their own countries, their own towns, their own homes. The committee has described this gigantic effort as "the first voluntary worldwide forum in history."

This is wise and good. A leading French scholar has said that if we, in America, had followed the teachings of Benjamin Franklin, there never would have been any communism in the world. That being so, perhaps this worldwide dissemination of what he taught may help turn back, even at this late date, the dark, creeping tides of communism.

Mr. Speaker, I have barely touched the surface of what will be done in 1956 to honor this great man. I sought here today to tell the patriotic people who envisioned this celebration that we are with them and will do all we can to make the torch lighted by Franklin gleam brighter.

The celebration we had in Albany a year ago brought a new surge of pride to the people of my city, who realized that, because of Franklin, their community was the place at which was taken the first formal step toward the establishment of the Federal Government. We have dusted off one page in the life and accomplishments of Benjamin Franklin. It is my earnest hope that hundreds of other pages will leap into life before the celebration of 1956 draws to a close.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. I would like to say that coming from Philadelphia, a green country town which Benjamin Franklin entered as a young man with 1 Dutch dollar and 3 loaves of bread, a town in which he lived and which came to know him as eventually the whole world came to know him as the protagonist of the well-rounded free individual, it is a great honor to join in saying to the gentleman that we in Philadelphia, along with some 500 groups around the world, intend to participate in the celebration of Mr. Franklin's birthday which comes on January 17, 1956. All over the world, wherever free people gather, the name of Benjamin Franklin is synonymous with the concept of freedom, of individuality, of strength of purpose and of the infinite variety of which human beings are capable in the adaptation of their own lives to the service and for the benefit of all humanity.

Mr. Speaker, I ask unanimous consent to include in the RECORD, following the statement of the gentleman from New York [Mr. O'BRIEN], a speech by Mr. C. L. Jordan, chairman of the International Celebration of the 250th Anniversary of the Birth of Benjamin Franklin, and a bulletin which outlines some of the activities planned for the International Celebration, as well as an excerpt from the general program or plan of the Celebration.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

TALK BEFORE THE 250TH ANNIVERSARY COMMITTEE OF NEW YORK BY C. L. JORDAN, CHAIRMAN, INTERNATIONAL CELEBRATION OF THE 250TH ANNIVERSARY OF THE BIRTH OF BENJAMIN FRANKLIN

Ladies and gentlemen, it is a very special privilege for me to meet with you here today. You folks in New York have made an inspiring start toward an outstanding Franklin celebration next year. I understand your batting average on acceptances to the committee was higher than the Brooklyn Dodgers' average—and that's going some.

Your chairman asked me to give you a little of the background on the international plan to honor Benjamin Franklin's 250th anniversary. I'd like to, because it has been more fun than anything I ever worked on before.

We started 3 years ago; 21 of the old societies and institutions with a Franklin tradition met at the Franklin Institute.

The first question we asked ourselves was: How do you honor the memory of a man like Benjamin Franklin? His life was so varied, his interests were so many—that a dozen celebrations might fail to cover the broad range of his contributions to mankind.

But the answer wasn't long in coming. The committee agreed that the best way was to try and create a program of the type that Poor Richard himself might suggest if he were with us, sitting in the chair.

Benjamin Franklin was one of the world's first great apostles of free, individual enterprise. The picture of a poor, lonely boy, with only 2 years of formal schooling—one Dutch dollar and three loaves of bread—rising rapidly to independent wealth as the foremost scientist, author, publisher, educator, and statesman of his day—electrified the imagination of the world. Mirabeau said he "poured a flood of light over all Europe" and did more than any other philosopher to "extend the rights of man across the earth."

Tired old countries, limited for centuries by autocratic government and favored classes, took heart and breathed deeply of a new freedom of opportunity for all men. They came by the thousands to Franklin's new country, or revised their own systems. The idea of free, individual enterprise, as Franklin taught it, became the most inspiring and dynamic force in 18th century civilization.

In the light of this record, there seemed to be only one thing our committee could do. We decided to make this celebration a typical example of voluntary, individual action all over the free world. We decided to invite 250 sponsors in 40 countries—societies, associations, institutions, governments, committees like yours. Each was to plan its own celebration in its own individual way—in its own country and among its own peoples. All were to combine in an international exchange of ideas to help the understanding between peoples that was Benjamin Franklin's life-long objective.

We took this idea first to the famous old scientific and educational societies of which Franklin was once a member. There were 25 of these—like the Royal Society of Great Britain, the French Academy, the Scientific Society of the Netherlands, the Gesellschaft of Germany, Arts and Science of Padua and our own American Philosophical Society which Franklin himself founded.

These famous old societies responded graciously, as they have for centuries, to any idea that broadens the field of knowledge and aids understanding among peoples.

We then invited the colleges, schools, institutions, and enterprises that Franklin founded or helped to found. They, too, responded enthusiastically—as did many governments which he served.

And as the news of the celebration spread, many, many more organizations and governments came to join the celebration. There are now more than twice the 250 we originally planned—in most of the countries with free and independent communications.

Free communications was a requirement because Franklin believed that man's greatest service to man was the free and voluntary exchange of ideas. Without such communications there could be no enduring wisdom, no real freedom, no international understanding or peace.

We took this plan to the great publishing and broadcasting associations representing more than 5,000 newspapers, magazines, radio and television stations. They said, "We'll be glad to help in memory of America's first great publisher."

So that's the plan. More than 5,000 groups like yours—in the major centers of the world—will originate their own programs. They will try to follow the rule that Franklin himself once wrote:

"Either write something worth the reading, or do something worth the writing."

Our central committee will take the material thus originated in all countries and mail it out to the 5,000 publishers and broadcasters—so that many millions of people, in their own homes, 'n their own countries, may share in the celebration. In effect, we are putting on what may be called the first voluntary worldwide forum in history.

Now, I expect you want to know what some of these sponsors, like yourselves, are doing. I'd like to tell you first about the most amazing experience we had in our trip to Europe to help organize this plan.

We were calling on the famous old societies of which Franklin was once a member. So far as we know, he was the only American ever elected to all of these great organizations which have led the cultural life and thought of Europe for centuries.

A leading French scholar said to me: "If you in America had always followed and explained the teachings of Benjamin Franklin, there never would have been any communism or even socialism in the world." I was startled—but I thought it might be just one man's opinion.

However, I was soon to find out my mistake. In other countries, many men were to repeat that observation in different ways. They told me that was one reason why they were so glad to cooperate in the celebration. They hoped people would talk about Franklin's kind of free enterprise. They felt it offered the only ideology in the world today that could still inspire millions of people and defeat the various "isms" that were tending to make the individual lose his dignity and personal drive.

I came back home very humble and determined to find out where we had failed to live up to the goals Benjamin Franklin had set for us.

It wasn't very hard to find. Our two early apostles of private enterprise were Benjamin Franklin and Alexander Hamilton. Both believed in the same basic system, but Hamilton believed that the right to achieve individual success was the supreme goal in itself alone.

Franklin believed that it carried an obligation to help others who were less fortunate.

As time went on, both beliefs were changed to fit the temper of different individuals. Some businesses changed Hamilton's theory into the fancied right to exploit labor, build monopolies, crush competition by any practical means—in fact, as it has been called, "the survival of the fittest in industry."

Other business men followed Franklin. But the headlines played up the "dollar barons" who put personal wealth above all other considerations.

I know this is not free enterprise today—but many people still believe it is. Strange—how few you meet can define clearly Franklin's system of private enterprise, yet as Turgot tells us, it "snatched the scepter from the hands of tyrants" as surely as it snatched the lightning from the skies. We are going to talk about that system in the celebration next year. It is a very simple one and one that I believe every person in this room follows.

Franklin taught that each basic freedom carried with it a clear and definite obligation:

Freedom of speech and the press carried with it the obligation not to say or print anything that would hurt our country or the rights of any innocent individual.

Freedom of religion required that every faith would recognize the right of others to believe in another faith if they so preferred.

Freedom of opportunity and education required that it should be made available to all, without regard to class, caste, race, color, creed, or sex.

Freedom of the individual to achieve success through private enterprise carried with it the obligation to aid in the security of others less fortunate through circumstances beyond their control.

It was this belief that caused Benjamin Franklin to found the insurance industry in this country where "the many could share the losses of the few." To recommend old age pensions, annuities, public drives for charity and medical research, crop insurance for farmers against storm, hurricane, and drought, and to help found the public hospital system for the care of the poor and needy.

Nearly 200 years passed before all of these things were done—but they are a part of free enterprise today—the inspiring heart of a system that, as Mirabeau said, has done most to extend the rights of man across the earth.

Many of our sponsors, as I said earlier, are going to tell this story again in 1956, in the belief that it has greater vitality and force than any other ideology in the world. Others will emphasize other teachings of Franklin. I have here today the paper prepared by Ezra Taft Benson, Secretary of Agriculture. It tells, in a democratic way, how Franklin's plan for the exchange of technical ideas in farming can help to feed the rapidly growing populations of the world and end the fear of hunger and famine that causes so much bitterness and war.

We have half-a-dozen papers by the great medical societies on Franklin's predictions of how medical research could lengthen our lives and ease our pain. Not many people remember that Benjamin Franklin was one of the great pioneer leaders of the medical profession—a member of the Medical Society of London and the Royal Medical Academy of France. He led the crusade for preventive medicine through research, and the average American now lives twice as long today as in 1776. He will live to be more than 100, Franklin said, if we do our job right.

The Congress of the United States has planned its individual program, too. It plans to present a Distinguished Service Medal to the famous old societies of which Franklin was a member—and which are now preparing carefully researched papers on the four basic fields in which Benjamin Franklin served: Science—man and matter; sociology—man and society; economics—man and his works; international relations—man and his ideals.

I doubt, if ever before in history, have so many brilliant minds in so many countries ever focused on such an orderly plan of spreading basic knowledge and ideas.

I wish there were time to tell you about all the individual plans—of how the sponsors in London already have arranged for 7 weeks of celebration; how those in Paris have arranged for 6 weeks; how the orchestras of many counrties will play in tribute to America's first great musicologist; how the scientific and engineering societies will combine in an effort to solve the shortage of scientists and engineers in memory of the man who first introduced such subjects into our schools and colleges.

The University of Hiroshima in Japan is one of our committee of sponsors, as is the University of San Marcos in Lima, Peru—oldest university in the Americas; and the Montreal, Canada, Gazette which Franklin helped to found and which is today the oldest, continuously published English-language newspaper in the British Commonwealth.

You would be thrilled, as I have been, at the way Benjamin Franklin lives in the memories of millions of people all over the world. In Argentina, where Sarmiento revised the school system and called himself "the little Franklin"—in Holland, where they told me that Benjamin Franklin helped to build their first great scientific society, one of our sponsors today—in almost all countries where they said Benjamin Franklin was the best salesman America ever had.

But I am in danger of overstaying my time. The one thought I would like to leave with you is this: The 1956 celebration is 100 percent individual in character. In this way, all of us can, perhaps, make a contribution to better understanding after the manner of Benjamin Franklin, himself.

BULLETIN NO. 2—SOME ACTIVITIES PLANNED FOR THE INTERNATIONAL CELEBRATION OF THE 250TH ANNIVERSARY OF THE BIRTH OF BENJAMIN FRANKLIN

The plan for this celebration has been for each of the cooperating societies, associations, and institutions to create its own pro-

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gram in memory of Franklin, in its own traditional manner in its own country.

News summaries of such papers, articles, and events will then be sent by our central committee to about 5,000 newspapers, magazines, radio and television stations—so that millions may share in the celebration.

As the program develops, more and more groups in allied fields are emphasizing related themes—in the belief, as Franklin put it, that "the same truths may be repeatedly enforced by placing them daily in different lights in different newspapers * * * which gives a great chance of establishing them."

A summary of some of these central themes follows:

1. EDUCATION AND THE NATURAL SCIENCES

A major theme developing in this section is the need for studying the broad field of knowledge and not just limited specialties. Benjamin Franklin was a great advocate of this principle. His famous "Proposals for the Education of Youth" emphasized the wisdom of teaching both classical and practical technical subjects. His own life as scientist, author, businessman, statesman, and philosopher is a shining example of the complete man—the type of scholar needed in this day of specialization.

Papers on this subject will be given very high and frequent visibility during the anniversary year.

2. INTERNATIONAL RELATIONS AND THE PUBLIC SERVICE

Benjamin Franklin was a public servant who believed sincerely in the power of an informed public. In an age when most diplomatic relations were determined in secret by court representatives, Franklin startled the world by carrying his program to the people.

John Adams said of his mission to France: "There (is) scarcely a peasant or citizen, a valet de chambre, coachman or footman, a lady's chambermaid or a scullion in the kitchen who * * * (does) not consider him as a friend to human kind * * * they (seem) to think he (is) to restore the golden age."

This plan of Franklin's to win the interest of all the people in better understanding and cooperation is the central theme of the entire anniversary celebration. All groups have been requested to observe this theme when practical.

3. PUBLISHING, BROADCASTING AND COMMUNICATIONS

Franklin believed that man's greatest service to man was the free and voluntary communication of ideas. His lifelong fight for freedom of speech, freedom of the press, freedom of religion, freedom in scientific exchange, in commerce and in opportunity poured a flood of light over the world of his day.

The great associations representing more than 5,000 newspapers, magazines, radio and television stations, which are cooperating in memory of Franklin, will do so in Franklin's own manner—publish or broadcast such news of the celebration as will interest the readers.

In this way, it is expected that many millions of people, in their own homes, in their own countries, may share in the celebration.

4. SCIENCE AND ENGINEERING

Benjamin Franklin's proposals brought the teaching of practical and technical subjects into American colleges for the first time.

Yet, despite the amazing progress of technology since then, one of the most critical needs in the world today is for more and more young technicians, engineers and scientists.

Many of the great scientific and engineering societies and institutions will combine in 1956 to provide the facts that will help encourage more young men and women to prepare for such careers.

Always, as in the pattern of Franklin, the engineer is urged also to study the humanities, that science may keep clear its goal as a servant to mankind.

5. MEDICINE AND THE PUBLIC HEALTH

Few people think of Benjamin Franklin as one of the pioneer leaders in the medical profession. Yet it was he who helped found America's first public hospital and devised a plan for public and State cooperation in the care of all who suffered. His vigorous championship of the public's responsibility for aiding medical research helped to lay the foundations on which this great profession has lengthened our lives and eased our pain.

One of the major themes in this section will be to emphasize the close cooperation that should exist always between the public and the profession—towards the end that millions of more lives can be saved and made more useful.

6. PRINTING, ADVERTISING AND THE GRAPHIC ARTS

Despite all the proud titles he won in a lifetime of service to humanity, Franklin described himself in his last will and testament—"I, Benjamin Franklin, printer."

He knew that printing, advertising and the graphic arts offered the means for communicating the ideas that could reshape the world. His theory of the "electric fluid" helped to pave the way for the later great media of communications—the telephone, telegraph, radio, and television. (A fascinating fact is that Marconi's antenna that picked up the first transatlantic signal was held aloft by a kite in Newfoundland—descendant of that storied kite with which Franklin first brough down the lightning from the skies.)

Many of the societies, associations, and institutions in this section will carry on Franklin's great fight for continued freedom in the communication of ideas, in publicity, advertising, publishing, and broadcasting.

"When men differ in opinion" Poor Richard wrote in his Apology for Printers, "both sides ought equally to have the advantage of being heard by the public; and when truth and error have fair play, the former is always an overmatch for the latter."

7. FINANCE—INSURANCE—PRIVATE ENTERPRISE

Many people have called Benjamin Franklin an apostle of private enterprise. Certainly, the rules and obligations he laid down for this type of system were the most enlightened in history.

After more than 200 years, the world is just beginning to appreciate fully and to understand these rules and obligations.

It was Franklin who pointed out that the gaining of wealth alone was not an end in itself. He believed that the privilege of the individual to become successful carried with it the obligation to help those who were less fortunate. He advocated old age pensions, help for the needy, all known types of insurance against loss by factors beyond control, crop insurance for farmers, public service as a public duty.

Had these principles been more widely understood and practiced, the system of private enterprise would have swept more irresistibly across the face of the world.

Many who are cooperating in this section will seek to present the true meaning of free enterprise, and how it serves all of the people, whatever their circumstance or fortune.

8. RELIGION, FRATERNAL AND THE HUMANITIES

Stung by the religious and social prejudices which still existed in a country settled by people who had fled from other persecutions, the Presbyterian Franklin recommended to the Pope the appointment of America's first Catholic bishop. His name headed the list of subscribers to the Jewish synagogue; and he lent his aid to buying ground and building a house "expressly for the use of any preacher of any religious persuasion who might desire to say something to the people."

The great Masonic fraternity credits him with having helped change their membership from a club for the wealthy to an order for people of every class.

A major theme for this section was best expressed by the famous French Ambassador, Jules Jusserand:

"He (Franklin) taught us something we have never forgotten * * * that no man should have a better chance in this world because he happened to be born in some certain caste or class."

9. AGRICULTURE, HORTICULTURE AND BOTANY

Ezra Taft Benson, United States Secretary of Agriculture, in his tribute to Benjamin Franklin as a pioneer in scientific farming, research and education, said:

"Today, we recognize that the agricultural scientists is as important to building permanent peace as even the greatest statesman * * * The world has the means through research to knock out starvation in every corner of the globe * * * and bring that security and prosperity to agriculture that would help to lay the real foundations for permanent peace * * * This is the kind of work that must be expanded today * * * and shared among all nations."

That, in the Secretary's words, is the theme which many in this section will emphasize during the anniversary.

10. MUSIC, ENTERTAINMENT AND SPECIAL EVENTS

During the past year, music composed by Benjamin Franklin has been played in Europe and America. These events attracted wide attention because so few people know that Poor Richard was America's first musicologist; music publisher, inventor of a musical instrument (the armonica); early composer and writer of popular songs.

Despite his thrift and industry, Franklin was a determined advocate of entertainment to lighten and pleasure the process of living. He was the first American to recommend organized college sports and recreation as a part of the school curriculum. It was at a picnic on the banks of the Schuylkill that he first demonstrated the practical use of electricity for cooking and entertainment. Many of his toughest battles were won by the sparkling wit that amused as well as influenced his listeners.

A large number of special events are scheduled during the anniversary year, paying tribute to the man who, Henry Butler Allen, Director of the Franklin Institute, has called "the philosopher with a twinkle in his eye."

These are a few of the themes that will run through activities planned for the international celebration. Additional copies of this bulletin No. 2 may be obtained by writing to: the 250th Anniversary Committee for the Franklin Institute, 20th and the Parkway, Philadelphia, Pa.

PLAN FOR THE CELEBRATION

Benjamin Franklin was born on January 17, 1706.

In his long and eventful life, he gave generously of himself in service to all mankind. He recognized no narrow boundaries of race, color, or creed.

To him, serving God meant "doing good to man."

So now, on January 17, 1956—250 years after his birth—many of the foremost societies and institutions of the world plan to honor his memory and his virtues.

They will do this after the traditional manner of Franklin himself—"Each to do his own part well, and all combine to make the parts a whole."

Briefly, that is the plan of the celebration.

More than 200 societies, associations, institutions, businesses, and public-service units with a Franklin tradition are invited to join the committee of sponsors.

Each sponsor will plan its own program in honor of Franklin, in its own country and in its branches in hundreds of cities. The highlights of these individual programs will be offered on a merit basis to the newspapers, magazines, radio, television, and pictures of all countries—so that many millions of people, in their own homes, may share in the celebration.

THEME

As scientist, inventor, publisher, author, printer, philosopher, stateman, and public servant, Franklin's service to man covered a wide range of activities.

Naturally, in their individual celebrations, many of the sponsors will pay tribute to Franklin's contributions in their own fields and in their traditional procedures and policies.

All are requested, wherever practical, to have a part of their program emphasize Franklin's great dream of a much closer and more cordial understanding between all the nations of the earth. "What vast additions to the conveniences and comforts of living might mankind have acquired," he wrote to Sir Joseph Banks from Passy in 1783, "if the money spent in wars had been employed in works of public utility."

The committee of sponsors will develop this theme in a very practical, nonpolitical manner. Franklin himself wrote: "Would you persuade, speak of interest, not of reason."

In recognition of this philosophy, many of the world's leading scientists, authors, educators, and statesmen are being invited by the sponsors to take a practical, human-interest part in the celebration. They are requested to look into the future of the kind of world described by Franklin, where better understanding between nations and peoples will permit more of the earth's rich resources to be devoted to the benefit of mankind.

These men and women will tell, in their own fields, of the improvements in standards of living, health, and happiness that could be thus achieved.

They will speak of great new scientific inventions, now in the laboratories of all countries, and which could benefit the people more rapidly under better conditions of international cooperation; of the challenging future of atomic energy once it may be harnessed for the service of man; of the miraculous strides of medicine which might save many lives that are now lost needlessly; of the progress in agriculture which could help to meet the needs of rapidly growing populations and reduce the haunting fear of famines; of the future aims in education which could aid so many more people to enjoy the fruits of progress; and of the philosophy of Franklin himself, who tirelessly fought for respect and equality among all races, colors, and creeds—to the end that, some day, there might be a deeper and more enduring kinship among mankind.

AS PRIVATE CITIZEN TO PRIVATE CITIZEN

Franklin believed that man's greatest service to man was in the communication of ideas, free and unfettered.

While he contacted many governments brilliantly—and all governments will be invited to cooperate in the celebration—the theme of better international understanding, and what it could mean to all peoples, will be presented without connection with the official foreign policies of any nation.

It is the Private Citizen Franklin whom we honor on this anniversary—the American philosopher who wrote to Joseph Priestly in England from his temporary home in Passy, France, in 1780, saying:

"The rapid progress true science now makes, occasions my regretting sometimes that I was born too soon. It is impossible to imagine the height to which may be carried, in a thousand years, the power of man over matter. We may perhaps learn to deprive large masses of their gravity, and give them absolute levity, for the sake of easy transport. Agriculture may diminish its labor and double its produce; all diseases may by sure means be prevented or cured, not excepting even that of old age, and our lives lengthened at pleasure even beyond the antediluvian standard.

"O that moral science were in a fair way of improvement, that men would cease to be wolves to one another, and that human beings would at length learn what they now improperly call humanity."

During the years that have passed since Franklin wrote that, great progress in true science has been made, even as he predicted. Large masses are now transported through the air with the greatest of ease. Agriculture has diminished its labor and more than doubled its produce. Our lives have been lengthened and many diseases prevented or cured. Magnificent media of communications have made it possible to spread ideas from nation to nation almost instantaneously.

Yet, even as Franklin feared, there has been much less progress toward real understanding and cooperation among the peoples of all nations. Reason has not persuaded as well as self-interest might.

FRANKLIN BELIEVED THIS

He always believed completely in the mission of the great scientific and educational societies to lead in the communication of ideas that would develop technology for the maximum benefit to mankind. He, himself, was an active and corresponding member of 24 such societies of his day.

How right he was in this belief is now a matter of history. The development of science in the 17th and 18th centuries, which Herbert Butterfield, professor of history, University of Cambridge, said "outshines everything since the rise of Christianity," was mainly due to the leadership of the scientific societies. (See Kenneth Mees, The Path of Science; Martha Ornstein, The Role of Scientific Societies in the 17th Century.)

Perhaps these societies now, together with the universities, associations, and institutions that would honor Franklin, may find a way to emphasize the practical self-interest of people everywhere in helping to bring about better understanding and cooperation among the peoples of all nations.

"We may make these times better, if we bestir ourselves," Poor Richard.

Mr. BYRNE of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. O'BRIEN of New York. I yield to the gentleman from Pennsylvania.

Mr. BYRNE of Pennsylvania. Mr. Speaker, I am pleased to join my distinguished colleague from New York in honoring the memory of that great American printer, scientist, and statesman, Benjamin Franklin, who was born nearly 250 years ago on January 17, 1706.

At an early age he became the sole owner and editor of the Pennsylvania Gazette which at one time had the largest circulation in the American Colonies. His fame was spread even more widely by Poor Richard's Almanack which he published annually from 1732 to 1757. His proverbs are still household sayings in this country.

Benjamin Franklin was Philadelphia's first bookseller and established the first circulating library.

Electricity, in its infancy, interested him, and his famous kite experiment proved the indentity of lightning and electricity.

Despite the lack of formal education, he learned several languages and assimilated the best in the works of European philosophers and scientists. His scientific research covered every field—electricity, ocean phenomena, medicine, chemistry, heat and cold. His great mind seemed to grasp all spheres of human knowledge.

His public life and private practice rang true to his motto that "the highest form of worship is service to man." He was instrumental in founding in Philadelphia the academy from which the University of Pennsylvania grew, just as later he went to Lancaster and helped lay the cornerstone of the Franklin and Marshall College. He was a member of the Second Continental Congress and organized the Post Office Department, of which he was the first Postmaster General.

Reared in Boston, a citizen of Philadelphia, residing for 16 years in London and for 9 in Paris, he was equally at home in 3 countries; knew Europe better than any other American, America better than any European, England better than most Frenchmen, France better than most Englishmen, and was acquainted personally or through correspondence with more men of eminence in letters, science, and politics than any other man of his time.

It was remarked by Thomas Jefferson that Franklin was the one exception to the rule that 7 years of diplomatic service abroad spoiled an American. Twenty-five years of almost continuous residence abroad did not spoil Benjamin Franklin. Acclaimed and decorated as no American had ever been, he returned to Philadelphia and was immediately at home again, easily recognizable by his neighbors as the man they had always known—Ben Franklin, printer.

After a long life of exceptional activity, his last public act was to sign a memorial to Congress for the abolition of slavery. He died April 17, 1790, at the age of 84. At his funeral 20,000 people assembled to do him honor, and he was buried in Christ Church Burial Ground at Fifth and Arch Streets, in Philadelphia, within the congressional district I now have the honor of representing.

As a further mark of respect and honor for this great American, I introduced in January a bill, H. R. 2381, to authorize the issuance of commemorative medals to certain societies of which Benjamin Franklin was a member in observance of the 250th anniversary of his birth. I am in hopes the Congress will act favorably on this proposal before the end of this session.

SUPPRESSION OF HUMAN RIGHTS BY DICTATOR PERON

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

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Mr. McCORMACK. Mr. Speaker, the journey of mankind toward a government of laws under which the inalienable rights of man can be enjoyed as a right, and the free exercise of which is guaranteed by law, and which government itself cannot deny or suppress, has been a long and painful one.

Among these rights are the right of freedom of religious conscience, freedom of speech, and of the press, the right of petition and of peaceful assembling, and many others.

Unfortunately, in a substantial part of the world, dictators of various types even today suppress and attempt to destroy these freedoms, and the free exercise thereof.

The first step of the dictator is usually to attack a free press and to suppress it. Then follows the usual pattern of attacking and suppressing a free educational system or institutions, and an attack on and suppression of religion as such, or some particular religion.

Where freedom of the press is curtailed and suppressed, then suppression of freedom of religion follows, as well as other rights recognized as the freedoms of the individual and of a people.

Our forefathers recognized in man certain God-given rights, possessed antecedently to, and independently of, any government—and that it was the government's duty and obligation to guarantee and protect them.

For dictatorial government may temporarily suppress but can never destroy those God-given rights.

And across the pages of history comes in Argentina another such dictator, Juan Peron, who with the recklessness of men of his type disregard the lessons of history.

For history shows that his type comes, causes suffering and distress, and when he passes, as he will, he does so quickly leaving only contempt for himself and what he stood for.

For Peron did not create the inherent desire of the people of Argentina to possess those freedoms which constitute the inalienable rights of man. And while he might temporarily suppress them, he cannot destroy them. And neither can any other dictator.

For the problem in Argentina is essentially one of human freedom.

In addition, Peron cannot withstand the voice and the power of an aroused world public opinion.

I am confident that the liberty-loving people of Argentina are deeply concerned over the loss of their freedoms, and the war on the Catholic Church that Peron deliberately started, and is waging.

For Peron may cause suffering, but he cannot win.

In the light of this attack upon the liberties of the people of a proud nation, our Government should reconsider its relationship with Peron, the one man dictator of Argentina, and see that no action on the part of our Government will strengthen Peron's hold on the Government of Argentina.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SCOTT. I would like to associate myself with the sentiments the gentleman has expressed and recall the fact that I was in Buenos Aires, Argentina, last December when some of these repressive measures were being initiated; when people gathered outside of their places of worship at the close of the service, the cry went up, "Viva Peron. Long live Peron." That cry arose from some 5,000 people. As such cries must always be answered throughout the world, they were answered in this fashion: "Viva Cristo el Rey"—"Long live Christ the King."

So I think that when people respond from their hearts and from their souls with an expression of spiritual leadership against temporal oppression, there is hope for Argentina, and hope for the people who are oppressed by dictatorship everywhere.

Mr. McCORMACK. I thank the gentleman very much.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may be permitted to sit tomorrow during general debate and special orders.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. CELLER in five instances and to include extraneous matter.

Mr. VAN ZANDT and to include extraneous matter.

Mr. WALTER.

Mrs. FRANCES P. BOLTON.

Mr. CHELF (at the request of Mr. CHRISTOPHER).

Mr. ROGERS of Texas in two instances and to include extraneous matter.

Mr. CUNNINGHAM and include an address.

Mr. RUTHERFORD.

Mr. THOMPSON of New Jersey in two instances and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. MERROW (at the request of Mr. ARENDS) for 2 days, June 23 and 24, on account of official business.

SENATE BILLS REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1894. An act to provide for the participation of the United States in the International Finance Corporation; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 903. An act for the relief of Harold C. Nelson and Dewey L. Young;

H. R. 1069. An act for the relief of Hussein Kamel Moustafa;

H. R. 1202. An act for the relief of Robert H. Merritt;

H. R. 1400. An act for the relief of David R. Click;

H. R. 1409. An act for the relief of W. H. Robinson & Co.;

H. R. 1416. An act for the relief of J. B. Phipps;

H. R. 1640. An act for the relief of Constantine Nitsas;

H. R. 1643. An act for the relief of the estate of James F. Casey;

H. R. 2456. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 2529. An act for the relief of Albert Vincent, Sr.;

H. R. 2760. An act for the relief of Mrs. Sally Rice;

H. R. 3045. An act for the relief of George L. F. Allen;

H. R. 3958. An act for the relief of Louis Elterman;

H. R. 4714. An act for the relief of Theodore J. Harris;

H. R. 5196. An act for the relief of the Overseas Navigation Corp.;

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway; and

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On June 21, 1955:

H. R. 1062. An act for the relief of Luigi Cianci;

H. R. 1081. An act for the relief of Anna Tokatlian Gulezian;

H. R. 1086. An act for the relief of Mayer Rothbaum;

H. R. 1108. An act for the relief of Rose Mazur; and

H. R. 1165. An act for the relief of Maria Theresia Reinhardt and her child, Maria Anastasia Reinhardt.

On June 22, 1955:

H. R. 103. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies;

H. R. 1664. An act for the relief of Charles Chan;

H. R. 2126. An act to amend the act of July 3, 1952, relating to research in the development and utilization of saline waters; and

H. R. 4650. An act to amend the Canal Zone Code by the addition of provisions authorizing regulation of the sale and use of fireworks in the Canal Zone.

ADJOURNMENT

Mr. YATES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 13 minutes p. m.),

under its previous order, the House adjourned until tomorrow, Thursday, June 23, 1955, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

924. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to increase the peacetime limitation on the number of lieutenant generals in the Marine Corps"; to the Committee on Armed Services.

925. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Agricultural Conservation Program Service, Department of Agriculture, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C.); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia: S. 391. An act to provide for the bonding of certain officers and employees of the government of the District of Columbia, for the payment of the premiums on such bonds by the District of Columbia, and for other purposes; without amendment (Rept. No. 876). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 1614. A bill to amend the veterans regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb; without amendment (Rept. No. 877). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 1617. A bill to amend section 622 of the National Service Life Insurance Act of 1940; without amendment (Rept. No. 878). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 1619. A bill to amend certain provisions of the Servicemen's Indemnity Act of 1951; with amendment (Rept. No. 879). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 1821. A bill to provide that checks for benefits provided by laws administered by the Administrator of Veterans' Affairs may be forwarded to the addressee in certain cases; without amendment (Rept. No. 880). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 4006. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to provide that education and training allowances paid to veterans pursuing institutional on-farm training shall not be reduced for 12 months after they have begun their training; without amendment (Rept. No. 881). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 4225. A bill authorizing the Administrator of Veterans' Affairs, to convey certain property of the United States to the city of North Little Rock, Ark.; with amendment (Rept. No. 882). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 4727. A bill to permit the issuance of a flag to a friend or associate of the deceased veteran where it is not claimed by the next of kin; with amendment (Rept. No. 883). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 4946. A bill to amend title IV of the Veterans' Readjustment Assistance Act; with amendment (Rept. No. 884). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 5792. A bill to amend the Veterans' Readjustment Assistance Act of 1952, to extend the time for filing claims for mustering-out payments; without amendment (Rept. No. 885). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 5852. A bill to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia; without amendment (Rept. No. 886). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 5892. A bill to authorize officers and members of the Metropolitan Police force and of the Fire Department of the District of Columbia voluntarily to perform certain services on their time off from regularly scheduled tours of duty and to receive compensation therefor, and for other purposes; with amendment (Rept No. 887). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 5893. A bill to amend paragraph I (a), part I, of Veterans Regulation No. 1 (a), as amended, to make its provisions applicable to active service on and after June 27, 1950, and prior to February 1, 1955, and for other purposes; without amendment (Rept. No. 888). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6259. A bill to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board, and for other purposes," approved June 4, 1948; without amendment (Rept. No. 889). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 6419. A bill to redefine the terms "stepchild" and "stepparent" for the purposes of the Servicemen's Indemnity Act of 1951, as amended; with amendment (Rept. No. 890). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6574. A bill to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended; without amendment (Rept. No. 891). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6585. A bill to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes; with amendment (Rept. No. 892). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 6727. A bill to authorize the Administrator of Veterans' Affairs to convey certain land to the city of Milwaukee, Wis.; with amendment (Rept. No. 893). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 6796. A bill to provide for the conveyance to the city of Clarksburg, W. Va., of certain property which was donated for use in connection with a veterans' hospital, and which is not being so used; without amendment (Rept. No. 894). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H. R. 6832. A bill to provide for payment of a reasonable attorney's fee by the insured in a suit brought by him or on his behalf during his lifetime for waiver of premiums on account of total disability; without amendment (Rept. No. 895). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 5853. A bill to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907; without amendment (Rept. No. 896). Referred to the House Calendar.

Mr. RICHARDS: Committee on Foreign Affairs. House Concurrent Resolution 149. Concurrent resolution expressing the sense of the Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism; without amendment (Rept. No. 897). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 283. Resolution for consideration of H. R. 6795, a bill to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; without amendment (Rept. No. 898). Referred to the House Calendar.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Senate Joint Resolution 67. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes; with amendment (Rept. No. 899). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDREWS: Committee of conference. H. R. 6499. A bill making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes. (Rept. No. 900). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 6956. A bill to permit a resident of Alaska employed by the Federal Government in Alaska to accumulate a maximum of 45 days a year annual leave; to the Committee on Post Office and Civil Service.

H. R. 6957. A bill to amend an act entitled "An act to provide for the refunding of the bonds of municipal corporations and public-utility districts in the Territory of Alaska, to validate bonds which have heretofore been issued by a municipal corporation or any public-utility district in the Territory of Alaska, and for other purposes" (54 Stat. 14), approved January 17, 1940; to the Committee on Interior and Insular Affairs.

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By Mr. FLOOD:

H. R. 6958. A bill to provide for procurement of property by the Federal Government from firms a large percentage of whose employees are disabled veterans; to the Committee on Government Operations.

By Mr. JOHNSON of Wisconsin:

H. R. 6959. A bill to provide for the improvement of Eau Galle River, Wis., for flood control; to the Committee on Public Works.

By Mrs. KEE:

H. R. 6960. A bill to establish the Federal Agency for Handicapped, to define its duties, and for other purposes; to the Committee on Education and Labor.

By Mr. LANDRUM:

H. R. 6961. A bill to designate the lake created by Buford Dam in the State of Georgia as "Lake Sidney Lanier"; to the Committee on Public Works.

By Mr. MERROW:

H. R. 6962. A bill to permit an individual who retired before September 1954 under the Federal old-age and survivors insurance program to have his benefit amount recomputed, without acquiring any additional coverage, to take advantage of the "drop-out" provisions in title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. MILLER of Nebraska:

H. R. 6963. A bill to provide for the establishment of the Booker T. Washington National Monument; to the Committee on Interior and Insular Affairs.

By Mr. POAGE:

H. R. 6964. A bill to amend section 344 of the Agricultural Adjustment Act of 1938, as amended, with respect to State reserves of cotton allotments; to the Committee on Agriculture.

By Mr. SIMPSON of Pennsylvania:

H. R. 6965. A bill to amend section 1016 of the Internal Revenue Code of 1954 with respect to the adjustment of the basis of property for carrying charges on unimproved and unproductive real property; to the Committee on Ways and Means.

H. R. 6966. A bill to amend section 115 of the Internal Revenue Code of 1939 in respect of distributions in kind; to the Committee on Ways and Means.

By Mr. WESTLAND:

H. R. 6967. A bill to provide for the creation of an 11th judicial circuit to be comprised of Alaska, Idaho, Montana, Oregon, and Washington, and for the circuit judges constituting the 9th and 11th circuits; to the Committee on the Judiciary.

By Mr. BEAMER:

H. R. 6968. A bill to amend the Communications Act of 1934 with respect to the application of that act to persons connected with any medium primarily engaged in the gathering and dissemination of information; to the Committee on Interstate and Foreign Commerce.

By Mrs. FRANCES P. BOLTON:

H. R. 6969. A bill to amend the Immigration and Nationality Act to permit children adopted by United States citizens to be naturalized in certain cases without satisfying the residence and physical presence requirements; to the Committee on the Judiciary.

By Mr. BOSCH:

H. R. 6970. A bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

H. R. 6971. A bill to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941; to the Committee on Interstate and Foreign Commerce.

By Mr. BURNSIDE:

H. R. 6972. A bill to amend paragraph 1513 of the Tariff Act of 1930 with respect to toy marbles; to the Committee on Ways and Means.

H. R. 6973. A bill to protect the public health by providing for grants to assist States in assuring that no child is deprived of an opportunity for immunization against poliomyelitis because of inability to pay the costs of vaccination, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 6974. A bill to amend title 28, United States Code, and the act of May 29, 1930, to provide for the payment of annuities to widows and dependent children of judges; to the Committee on the Judiciary.

By Mr. EDMONDSON:

H. R. 6975. A bill to amend the Servicemen's Readjustment Act of 1944, so as to extend the authority of the Administrator of Veterans' Affairs to restore entitlement used to acquire homes subsequently taken by condemnation, destroyed by natural hazard, or otherwise disposed of for compelling reasons without fault on the part of the veteran; to the Committee on Veterans' Affairs.

H. R. 6976. A bill relating to the affairs of the Osage Tribe of Indians in Oklahoma; to the Committee on Interior and Insular Affairs.

By Mr. HARRIS:

H. R. 6977. A bill to amend the Communications Act of 1934 with respect to the application of that act to persons connected with any medium primarily engaged in the gathering and dissemination of information; to the Committee on Interstate and Foreign Commerce.

By Mr. HILLINGS:

H. R. 6978. A bill to amend the Internal Revenue Code of 1954 to provide a partial tax credit for certain payments made to a public or private educational institution of higher education; to the Committee on Ways and Means.

By Mr. HOLTZMAN:

H. R. 6979. A bill to amend the Social Security Act to provide that, for the purpose of old-age and survivors insurance benefits, retirement age shall be 60 years; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. R. 6980. A bill providing for the conveyance of the Old Colony project to the Boston Housing Authority; to the Committee on Banking and Currency.

H. R. 6981. A bill to establish a Permanent Committee for the Oliver Wendell Holmes Devise, and for other purposes; to the Committee on House Administration.

By Mr. METCALF:

H. J. Res. 353. Joint resolution to authorize the Secretary of the Interior to execute a certain contract with the Toston Irrigation District, Montana; to the Committee on Interior and Insular Affairs.

By Mr. UTT:

H. J. Res. 354. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. SCOTT:

H. J. Res. 355. Joint resolution to establish a Commission on Government Security; to the Committee on the Judiciary.

By Mr. FULTON:

H. J. Res. 356. Joint resolution authorizing the creation of a Federal memorial commission to consider and formulate plans for the construction in the city of Washington, D. C., of an appropriate permanent memorial to the memory of the great Italian navigator and discoverer of America, Christopher Columbus; to the Committee on House Administration.

By Mr. LANE:

H. Res. 284. Resolution authorizing and directing the study and investigation of the national boxing sport by the House Committee on the Judiciary; to the Committee on Rules.

By Mr. OSTERTAG:

H. Res. 285. Resolution creating a select committee to conduct an investigation and study of international championship boxing and wrestling; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 6982. A bill for the relief of the F. and M. Schaefer Brewing Co.; to the Committee on the Judiciary.

By Mr. BATES (by request):

H. R. 6983. A bill for the relief of Gerald Seckl; to the Committee on the Judiciary.

By Mrs. FARRINGTON:

H. R. 6984. A bill for the relief of Rosalia Agmata; to the Committee on the Judiciary.

By Mr. FLOOD:

H. R. 6985. A bill for the relief of Mrs. Hildegard Savner; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 6986. A bill for the relief of Jose M. Fernandez; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 6987. A bill for the relief of the State House, Inc.; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 6988. A bill for the relief of Lucy Manus Daley; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 6989. A bill for the relief of Mrs. Gertrud Helene Erika Tiegs Krueger; to the Committee on the Judiciary.

By Mr. WESTLAND:

H. R. 6990. A bill to provide for the conveyance of certain lands by the United States to the Board of National Missions of the Presbyterian Church in the United States of America; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

327. By Mr. CANFIELD: Resolution of the New Jersey State Bar Association urging the Government of the United States to consider and to propose suitable amendments to the United Nations Charter providing for compulsory adjudication of all disputes; to the Committee on Foreign Affairs.

328. Also, resolution of the New Jersey State Bar Association that House Joint Resolution 200 and House Joint Resolution 201 introduced at the 1st session of the 84th Congress are not in the public interest and should not be adopted; to the Committee on the Judiciary.

329. By Mr. SHORT: Petition of Mrs. Utah Strong and other citizens of Ozark County, Mo., requesting that the United States Senate and the House of Representatives repeal the recently enacted law raising the pay of Senators and Representatives; to the Committee on the Judiciary.

330. By Mr. SMITH of Wisconsin: Resolution adopted at a mass meeting of Americans of Baltic descent of the city of Racine, Wis., held under the auspices of the Racine branch of the Lithuanian American Council, on June 18, 1955, to commemorate the 15th anniversary of Baltic States' enslavement by Communist Russia, and praying some day these small Baltic nations will be free from the domination of Communist Russia; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Address by Hon. Clinton P. Anderson, of New Mexico, Before Interstate Oil Compact Commission

EXTENSION OF REMARKS
OF
HON. EARLE C. CLEMENTS
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES
Wednesday, June 22, 1955

Mr. CLEMENTS. Mr. President, on June 17, the distinguished chairman of the Joint Committee on Atomic Energy, the junior Senator from New Mexico [Mr. ANDERSON], delivered a very interesting and enlightening address before the Interstate Oil Compact Commission, at Denver, Colo. I ask unanimous consent that the address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Governor Stratton, members of the Interstate Oil Compact Commission, ladies and gentlemen, this meeting here today affords me an opportunity to discuss with those who have responsibility for the conservation of the oil and gas resources of the United States what effect if any there will be upon your programs and policies if the atom becomes a fuel.

This Nation hears enough—sometimes, I think, too much—about the atom as a weapon. It is only 10 years since Alamogordo, 10 years since men of science lay silent behind bunkers in a cold New Mexico dawn and wondered if the monstrous thing would go off. I have talked with men who were there and know the tenseness of the moment. Then came the brilliant flash, a light that could be seen hundreds of miles, and a roar that rumbled and thundered against the mountain peaks of my home State. And then silence—very sober silence—again.

It was like the coming and going of our lives: "A little noise between two silences."

From that day on, men have talked of peace, but have experienced very little of it. Rather we have talked of our capability for war—of the 20,000-ton TNT equivalent of the bomb at Hiroshima, of improved yields from smaller devices, of a superbomb that might someday come, of its coming, of the measurement of its yield in megatons, and finally of how big the newest bomb might one day be built, so big that civilization itself could be its only target.

For nearly a month the Joint Committee on Atomic Energy has been holding hearings on the military application of the atom. Witnesses by the score have paraded their statistics before us: so many planes able to carry this or that bomb, so many storage sites, so many airfields; then the targets, the count of the possible defending force, the capabilities of his planes and bombs, and finally a war game to see how we came out.

Actually it is a relief to come away from it to the clearer air of this mile-high city and to discuss with you what role the atom may play in the future of oil.

Not that I know. But we are trying our best to find out and to pass on to the American people what the future may be.

A French writer has said, "Men prophesy, and the future makes fools of them." Yet the business of prophesy goes briskly along, and my only excuse for any excursion into the future is that I come by your invitation and I can ask you to deal gently with my shortcomings.

One thing about the future is definite: it will not suffer for a lack of statistics. The President's Materials Policy Committee published the so-called Paley Report, five volumes of excellent graphs and figures taking us up to midcentury. Palmer Putnam, under contract with the United States Atomic Energy Committee, published in 1953 a substantial volume entitled, "Energy in the Future." I could—and probably shall—draw heavily upon those works for any computations as to the future of oil in an atomic age, but I do it with assurances that I for one do not take these standard works as infallible, that I use them only to pose questions, the answers to which the joint committee is now earnestly searching.

With that, I take my first plunge: How fast and for how long will population in the United States and over the earth continue to grow?

There is some agreement among the many who have studied the past and projected the future. It comes down to something like this:

In the 700 years following the birth of Christ there was little or no gain in world population.

The first doubling of world population took 950 years after that, bringing us to 1650 A. D.

The second doubling required another 200 years, bringing us to the year 1850.

The third doubling took only 100 years—to 1950.

The next doubling should take even less—85 years—and we should reach it by the year 2035.

But Tuesday of this week, I got the latest returns. In 1940, world population was 2,170,000,000. In 1953, the United Nations placed it at 2,547,000,000—the fastest rate of increase ever experienced. Now the students of world population see the fourth doubling by 2010 and possibly by the year 2000, with a world total of 7 billion people by the year 2050.

Last Friday—a week ago—the population of the United States was 164,799,000.

The Paley Report, on a 1945 census figure, estimated United States' population by 1975 would reach between 180 million and 220 million, and used 193 million as a reasonable compromise. Already the later reports indicate that, barring a disastrous war, the upper limit was more nearly right.

I don't know, but the joint committee has appointed a special panel on the impact of the peaceful uses of atomic energy. It will have to weigh and measure and come up with many answers. Maybe in a year, through the endeavors of the members of the panel, I can give you a better answer, but the figure of 220 million people in the United States of America by 1975 seems reasonable to me today.

What would such a population worldwide and in this country do to fuel requirements?

Here we go again. In current magazines there is a full page advertisement by a New York bank which is headed, "How many barrels, how many gallons * * * in 1975?" The first paragraph of that advertisement reads, "The country's great thirst for petroleum products should grow from 2,375 million barrels in 1950 to 5,000 million barrels in 1975, an increase of 110 percent * * * according to an authoritative projection." The projection was taken from the Paley Report.

That's one man not afraid to prophesy. Now we will take another, Mr. Putnam, in Energy for the Future. He adopts a unit of measurement—10 to the 18th power in British Thermal Units—equivalent to 38 billion tons of bituminous coal or 180 billion barrels of oil—and measures past burn-up of energy in order to estimate future needs. He finds:

That from the beginning of time until the year 1850, about six units were used by the entire world.

In the next century—1850 to 1950—four units were used.

In this year of 1955, we will use about one-fifth of a unit.

From that, he predicts that by the year 2000, the world will be using a full unit a year, five times as much as we are using now. To get from this year 1955 to the year 2000 the world will need total energy resources equivalent to 2,000 billion barrels of oil.

Now let me hasten to say this: I know that all the crude oil we will ever recover from the earth is already laid down. It has not all been discovered, but it is in place and no more will be made in our generation or in the lives of our children or our children's children.

Further, I believe that the proved world reserve of oil today is about 115 billion barrels of oil. I have seen estimates that there may be 500 billion barrels of oil in undiscovered oil reserves.

In addition, there may be some additional undiscovered oil reserves in the beds of the oceans that encircle the earth, but recovery from these would be economically unsound if scientifically feasible.

Therefore, I assume that some fuel other than oil and more transportable than coal will be needed by the end of this century, if not long before.

Whether the calculations of the Paley report or Mr. Putnam's study are right or wrong is not vital. Our panel will study the problem anew and may get other and more persuasive answers. But the record shows that the use of petroleum increased 2½ times between 1925 and 1950. In this period use of waterpower increased 4 times and gas 5 times. Coal remained static.

Those figures suggest the speed with which the oil industry has expanded. Waterpower has grown also, but I am certain that we all understand that if there is a ceiling on the final recovery of crude oil, there is likewise a ceiling on waterpower. In fact, within the United States the best dam sites have already either been used or are engineered for early construction, making the end of waterpower expansion more nearly in sight.

The rapid expansion in the production and use of petroleum in America since the turn of the century has paralleled and been tied to the rise of the automobile industry.

Essentially, these are but accompanying features of the same picture, since with all the varied uses of petroleum, its use as a motor fuel has always been the dominant use and is most likely to continue in that position. The whole petroleum industry is so geared to the improved and expanded production of gasoline for automobiles, trucks, and buses that it is the center around which most of the technological developments have gravitated. The chief objective is still to secure from crude petroleum the maximum yield in motor fuels, especially in gasoline.

Today there are about 58 million motor-vehicle registrations in the United States. These cars and trucks consume 52 billion gallons of motor fuel each year. We are not able to project how rapidly motor registrations will grow, but the Bureau of Public Roads has estimated that by the year 1965 there will be 80 million motor-vehicle registrations. While no one attempts to estimate exactly how many cars we may have by 1985, the Bureau has assumed that even if the rate of growth does not keep pace with the record of the past, even if the 80-million registration figure of 1965 is taken as the top

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limit beyond which the number of cars in America will never go, then the Bureau still estimates that by 1985 we will be using 100 billion gallons of gasoline per year for motor-vehicle fuel—about double what we are using now.

That doubling in the requirement of motor fuel oil tells a story to the oil industry. Examination of the principal uses of petroleum from 1940 to 1954 shows that the percent of refined products coming from a barrel of crude oil has averaged about 44 percent. Early, it was as low as 19 percent. The fact that 43 or 44 percent of every barrel of crude oil, both domestic and foreign, that is processed in the United States goes into motor fuel indicates that whenever the motor fuel requirement of this country is doubled, then the supply of crude oil becoming available from domestic or foreign sources will need to be very substantially increased. That remains true even if by better cracking processes more of it is used in the shape of motor fuel than is now the case.

We should use the products of our petroleum reserves for their highest purpose. By that, I mean the purpose which they fill, in their most specialized and refined form, better than any other product. For example, during World War II, the highest form of commercial petroleum was commonly thought to be 100-octane aviation gasoline. This gave the Allies the edge over the Germans in air-to-air combat. This made petroleum as 100-octane gasoline more valuable than lower gasoline grades plus other by-products. There is a continuing need for high-octane aviation fuel today. In fact, automobiles today are using gasoline once thought suitable only for aircraft. Therefore, I say to you who are watching and attempting to conserve the oil resources of this country that it need come as no shock that there is a possibility that uranium may move in at some future date and take away the amount of petroleum used for heating homes and factories, may finally take away the market for bunker oil in the propulsion of merchant ships and submarines and finally may deprive the oil producers of this country of a market for their product in the shape of fuel for locomotives. But I am convinced from the figures at hand that as long as the automobile and the small truck remain customers of the oil industry, that industry will be as busy as it can be taking care of those demands.

I have been talking about needs for oil products which may grow faster than will the development of nuclear power. Actually, there is a big question if the atom will ever drive a passenger-type automobile. I will deal with huge trucks and transports later, but I am talking now about our private automobiles.

Fuel for them is a market of transcendent importance. We have become a Nation of two-car families and the third car is a necessity for families with several children. Right now the automobile buyer seems to desire bright colors, and even if that desire dies away we will probably continue to trade in our cars every few years. We like the new ones.

That one fact causes me to doubt if nuclear power will ever supplant or even supplement gasoline as a source of power in private cars. The nuclear plant might run forever. You would never be compelled to stop at the corner filling station to fill the gas tank or change the motor oil. Engineers might make a tiny reactor so safe that you could crash into another car and not be splashed with radioactive death from under the hood.

But is that what you really seek—steady driving without a stop for weeks, months, and years? The paint would wear off, the transmission would get loose, but most of all, the style would change. You would want something new. So you might not be willing to pay initially several thousand dollars for the nuclear power plant in your car when the cast iron one, using gasoline, would cost a few hundred.

Assume the engineers could find new ways of shielding you from radioactivity, assume they could cut the weight from 50 tons to 500 pounds, assume all the favorable factors you can. You would still face the probability that cost plus the desire for a new car every other year would work against the nuclear-powered vehicle. That's why for many generations to come, oil will find in America and around the world an expanding market.

Where, then, will oil lose out to atomic power? Our special panel will be looking for a good answer which will be available to you a year from now, but I think the series will go like this: first, electric generating stations; second, submarines and surface ships; third, central heating for apartments and factories; next, huge airplanes; and last, railroad locomotives. You make up your own list, filing in the items I have left out. My sole purpose is to say that the oil industry may lose some customers to a new fuel precisely as coal lost some customers to oil and gas; but the loss will not be fatal, and in one man's opinion, may be offset by the growing market developed by the transition from the 2-car to the 3-car family, by the steady drop in popularity of streetcar transportation, and by the increase in motor vehicle registrations in this country to eighty or a hundred million in the next 20 to 30 years.

Now for a brief look at the markets that oil may lose. There seems to be little doubt that large electric generating stations may be the first. Already five large reactors are ready for construction and another at Shippingport, Pa., is under way. Present processes are costly and the initial investment is high, possibly $250 to $500 per kilowatt of installed capacity for a nuclear reactor. Nobody has built a commercial power reactor, so these figures are only estimates. They were prepared, however, by experts in the field. This cost must be balanced against something in the neighborhood of $165 to $200 per kilowatt of installed steam plant capacity.

But the future is much more promising. It may enable us to eliminate the present steps of turning atomic reaction into steam and then using the steam to turn generators. Then the cost of fuel for power would be virtually zero.

It seems to me that the general direction of basic scientific research today is toward the elimination of this wasteful procedure—toward the direct conversion of atomic reaction to electric power. Electricity, though long used, has remained a relatively little-understood phenomenon. We will have to learn more about the atomic process before this step can be taken, but I am convinced it is on the way.

What effect would this knowledge have upon the world? We can only guess. But the guess is enough to stagger the imagination.

Throughout history engineers have based their design of machines and powerplants upon the premise that energy was expensive. Generators were built to hold costs down.

What if energy suddenly were as abundant and cheap as the air we breathe and just about as readily utilized? I think that is possible, once the direct conversion of atomic reaction to electricity is accomplished.

One of the reasons why I believe it will be accomplished lies in the history of atomic energy itself. Fifty years ago men of scientific background indulged in atomic research. If anyone had questions their formulae scrawled on blackboards and had been told, "I am going to split the atom," he probably would have dismissed the scientist as a day-dreamer of questionable intellect.

Albert Einstein indulged in just such day-dreaming and drew many a jeer. The effort he invested in such thought has resulted in the atomic age. Much money also was invested after 1900 in basic research in physics and chemistry on the so-called foolish assumption that man some day would release the tremendous energies of the sun which were bound up in a bit of matter also too small to comprehend, much less to measure.

Today we can comprehend the atom and can measure it scientifically and exactly. If you are interested, I will give you the figure, and if you doubt me, you can go home and measure it yourself. An atom is one ten-trillionth of an inch. If you would rather have it in fractions, write down 1 over 10 million millions.

Man himself is about midway in size between the atom and the solar system. He is about 10 billion times the size of an atom and the solar system is about 10 billion times bigger than man.

Man weighs about 30 billion billion billion times as much as the atom. If you want to write that down on the back of an envelope so you can remember it when you get home and tell it to your unsuspecting wife, put down the figure 3 and follow it by 28 ciphers. If she can't read it, she will at least be impressed with the size of the problems you are dealing with in this meeting.

Seriously, our investment today in basic research will result in discoveries as astonishing as those Einstein gave to the world. As our fathers invested in atomic research which came to benefit us today, our current investment will benefit our sons, their sons, and the generations to follow. It is this hope that a cheaper way will be found to generate energy that is leading some of the Nation's largest manufacturers into the atomic energy field.

We now know where to find a staggering amount of energy—inside the atom. The problem is, "How do we use it?"

We are like the men who dreamed of conquering the immense Congo River in Africa. There flows through the heart of that gigantic continent a river so incredibly vast that the energy of its onrushing waters has forever withstood the puny dreams of men who visualized dams spanning its brown waist. Men found an impossible task if they sought to dam it, much less to thrust its boiling, swirling, roaring water through turbines.

Unable to master this tremendous river—the job was just too big—engineers went 50 miles away along a tributary to build a dam. There, insignificant compared with the Congo, was a stream of the size and force that man could handle.

We may hope that the way will be found to provide power by reactors in the conventional way now contemplated. By that I mean the use of radiation to generate large amounts of heat, using the heat to generate steam, and using the steam to turn turbines as in ordinary steam plants.

How soon will these model-T reactors take over the functions of oil-fired plants? I say the transition will be slow. By 1975, in the opinion of men who have studied the subject, not more than one-fourth of our plants will be nuclear. Present plants will be allowed to wear out. By the year 2000 or by 2050, 90 to 100 percent of our power will come from splitting the atom.

One of the factors which will bring this about is the cost of getting fossil fuel to steam plants. It has been necessary in the past to locate power plants close to a low-cost source of energy—falling water, coal measures, or oil or gas fields. Where this could not be done, the fuel had to be transported.

Any product which can cut the cost of transportation probably will be sought to replace fossil fuels. One of the advantages of uranium is that a single pound of the fissionable variety U–235 equals in total energy 2,600,000 pounds of coal or 260,000 gallons of oil. Hence transportation is almost no problem with nuclear fuel. That

is why it threatens the use of oil in electric generating stations.

Now we should turn to the second category: submarines and surface ships. Oil now is used to propel them. Uranium reactors may some day replace the oil burners. Present technology in the use of oil may not match the theoretical performance of a nuclear reactor.

For example, a ship would have to carry 91,000 tons of oil to yield the same energy as a single pound of uranium. The turbines and other components of the propulsion unit might be roughly equivalent in weight to a reactor. But the cargo space used to carry the fuel would be available for payload with a nuclear power plant.

Yet the really startling thing about nuclear reactors is that they permit a submarine such as the *Nautilus* to cruise at top speed indefinitely. The power is many times greater than conventional at the start. Performance and endurance are virtually unlimited.

A comparison, although a poor one, might be this: Imagine yourself owner of a truck which could speed indefinitely under full load in high gear up and down the steepest grades at 80 miles per hour. Would it not add tremendously to the capabilities of the trucking firms? A single truck might do the work of several ordinary types because it could do more work faster.

Because a ship powered by uranium could operate without useful life for as long as 50 years, the high initial cost of uranium as opposed to oil would make the nuclear reactor feasible, and the extra cargo space thus made available also would help pay for the reactor. Thus oil use in submarines and surface ships seems likely to be ended in two or three more decades.

No time should be required to discuss the possibilities of the use of nuclear power for central heating in communities and its role in supplying the needs of office buildings, apartment houses, and factories. Every advantage that would flow from the use of this energy in a submarine or a merchant ship would seem to apply, of course, to its use in the office buildings where it could work through every month of the year producing a steady flow of easily regulated atmosphere not too hot or too cold, not too wet or too dry, and perpetually free from germs and dust particles. There is, however, the possibility that the nuclear-developed electric current from the generating station would be so cheap that a reactor would not be placed in each individual building, but, instead, cheap electricity would operate the devices by which we would heat and cool our homes, our offices, and our workshops. So count as a possible lost market for oil our space-heating systems.

Today both the Atomic Energy Commission and the Department of Defense are speeding up design for an atomic-powered airplane. The use of the atom in a plane raises problems not encountered in the building of a submarine. We on the joint committee have talked these over with Admiral Rickover, the designer of the *Nautilus*—in fact, I did it aboard the *Nautilus* far below the surface of the sea. We have been pressing the Secretary for Air and the Secretary for Defense to ask Congress for more money to speed up this new type of transportation. The future looks good—maybe not for nuclear power in a fighter the size of the Russian MIG or our F–86, but for a huge bomber where the weight of the reactor and its shielding will not be so important and where speed in flight can be sacrificed to size of the flying fortress and to its ability to patrol the skies above the atmosphere, out of reach of fighter planes, and to its power to cruise high in the air for a month at a time.

When such a ship is achieved oil may lose one of its most prized customers; but if the experts are right, that day is still many years away.

After aircraft in the order of transition might come railroad locomotives and possibly even huge trucks and transports. Today the oil consumed by rail locomotives requires only 3 percent of the total oil production. A great deal of this business has been won by the oil industry since the war when railroads made their great conversion from steam to diesel propulsion. While oil, having won so recent a victory from coal, could almost as quickly lose it to uranium, my guess would be that it will not come soon, although the locomotive is a logical place for a uranium reactor. Weight is not a critical factor in the locomotive. In fact, a certain amount of weight is desirable.

Thus we can run through the gamut of possible market losses of the oil industry but the entries are not all on the debit side. There are some credits to be written down—gains that the oil industry may make because of the atom. That is particularly true in the field of radioactive isotopes. Our committee has published pamphlets outlining the contribution of atomic energy to agriculture and to medicine. It could with almost equal propriety present a very interesting booklet showing the contributions now being made to the oil industry. That assistance like some social-security programs that are advocated, reaches from the cradle to the grave—from the very moment that a geologist starts to map and outline a structure to the day when the refined products of the producing oil wells are sent through pipelines to the tanks of their distributors.

Allen Johnson, manager of the AEC at the Idaho Testing Station, spoke before the American Petroleum Institute at Casper, Wyo., last April. You would do far better to get a copy of his speech and read it than to listen to me, but pending the time that you do that I want to quote briefly some of the points which he made.

He told his listeners that the oil industry is today the largest industrial user of atomic energy—energy utilized in the form of radioisotopes.

"The oil industry's use of these unique materials," said he, "dates back to 1939, 6 years before the atomic bomb became a reality. Importance of radioisotopes in the oil industry is underlined by the fact that one company, Tracerlab, announced early this year that it has put into operation at Houston, Tex., what it believes to be the first laboratory specifically designed to supply radioactive materials to the oil industry."

What are some of the benefits the oil industry is enjoying from atomic energy? Let us look at a few.

Sensitive instruments which record natural radioactivity from the ground are now being used to help locate oil deposits because such deposits have less natural radiation than other parts of the earth's crust. After the atom has helped find the oil it shows up in another way to help in the drilling. (I am trying to show that these are real benefits to oil in its race for markets against its benefactor.) As the mud comes out of the drill hole it is checked for radioactivity and when you get close to your hoped-for oil deposit the gamma ray log will tell you where you are. If you missed the productive sands, the log will also tell you that.

Another technique called neutron logging is being used to help reduce uncertainty in bringing in oil wells. As the oil flow starts, sometimes the well has to be acidized—a tricky operation. Now radioactive iodine is being added to the acid to insure detection when the acid arrives at the right level in the well.

Other applications of radioactive materials are to control water flooding of oil fields, test oil well casing cement for leaks, locate precisely the level of oil or gas bed in solid domes and thus control brine recovery, and tag cement to locate its level around a well casing. In the field, the driller can tag his bit with radioactive material so it can be found if it is lost or can quickly be located if it becomes stuck.

Radioactive tracers are being used to test the wells; used also in the pipelines carrying the oil from the fields to the refineries and from the refineries to the points of consumption. Radioactive tracers permit ready location of the go-devil in case it gets stuck as it moves along in old oil lines to keep them clean. Finally radioactive tracers are put in the oil itself at the head of the various columns as they are pumped through the pipelines, thereby permitting ready identification of the interfaces and providing a tremendous reduction of the waste that used to go to the slop tank for reprocessing.

And this isn't all.

Radioactive materials are being used in dozens of ways in the petroleum laboratories and in the refineries themselves. They are even being used to insure uniformity of blending and to check on pipe leakage.

You might want to measure the contribution of atomic energy to the oil industry against any possible competition the atom may offer it. It helps keep down the cost of energy from oil. Remember that oil won many markets from coal because the cost of coal kept going steadily higher until it lost its competitive advantage. The oil industry can safeguard its own future by keeping its costs in line.

What will have become of oil? Perhaps we can find a parallel in history.

How many of you have stopped to think of the role of wood in the energy picture? When our Pilgrim forefathers landed at Plymouth Rock, the eastern third of our Nation was covered by a dense woodland. Farther west, across the Great Plains, almost endless pine forests stretched from horizon to horizon in the immense mountain ranges of the Rockies, the Sierra Nevadas and majestic Northwest.

Wood in those days was so abundant that it was the principal source of energy. When steam engines came along, they were fired with wood. River boats and railroad locomotives carried wood, not coal or not oil.

Then came the time when great areas of the American forests were cleared. The wood was burned—just to get it out of the way. It was so abundant it had almost no value.

What is the case today? Wood no longer is cheap. Virtually no one uses it as a source of energy to generate electricity, propel river boats, or even heat homes. Lumber has become an expensive item in the building of a home. It is so valuable as wood that it is too costly to be burned as fuel.

So I would suggest that oil can take courage from what happened to wood. When many of its present markets are gone; it may be so valuable as a chemical that men will still search it out and find it in the remote corners of the earth.

The members of the Interstate Oil Compact Commission and the men and women of the oil industry as citizens should watch closely the development of peacetime uses of the atom. Representatives of this Government will join with those of other nations in a conference at Geneva next August 8, and spend 2 weeks discussing ways to share our skills and programs with any nation which seeks to help us in our search for peace.

When the establishment by the Joint Committee on Atomic Energy of a panel to study the impact of the peaceful atom was announced, I pointed out that the present highly industrialized nations (and therefore the most advanced and powerful) were those countries which won the 19th century industrial revolution because providence had put them on the top of large fuel deposits. It was costly to transport fuel, more costly than to transport cotton which the mills at Manchester could spin and, therefore, the fuel-owning nations were able to compel the

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rest of the world to deal with them on their own terms.

The age of nuclear power will have a different characteristic. It will be often less costly to export nuclear power plants to remote sections of the world than to import the raw materials. Future processing plants will grow around centers in broad lands like Africa where raw materials are abundant rather than on the sites of fuel deposits.

We are not the only industrialized nation which is pressing for nuclear power development. We will not be the only people able to display a reactor at Geneva nor the only one competent to offer one for sale to nations, such as Switzerland, which now stand ready to buy. Russia and England are making great headway. Belgium, Germany, and Italy have ambitious plans. Around the winner of this race, underdeveloped power-hungry nations may group themselves in new satellite orbits far different from present alliances.

The atom comes not to be ministered unto but to minister, to help preserve the well being and prosperity of this Nation. It needs the partnership and cooperation of every facet of our industrial life. My closing hope, therefore, is that our thoughts will rest not on the competition which the atom may seem to present, not on the elimination of one type of fuel in a particular operation, but upon the continued growth of an entire economy to which both the oil and the atom will make continued and outstanding contributions.

More Poisoned Liquor

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1955

Mr. CELLER. Mr. Speaker, symptomatic of conditions prevailing in the country is the disclosure of the death of eight men caused by drinking liquor containing wood alcohol poison. Six men died in Harlem Hospital after drinking a concoction called King Kong. Two persons were charged with homicide for selling the poisoned liquor for 50 cents a pint in Harlem, in New York City. Apparently this area is riddled with "juice joints." Undoubtedly there is more of this type of liquor floating around this Nation, not only in New York City but in many other places. There were two deaths of a similar nature under similar circumstances in New York.

From the reports received throughout the Nation by the Alcohol Tax Unit, we can readily see that the extent of illegal liquor operations is growing to an alarming degree. How often must the Congress, generally, and specifically the Ways and Means Committee in the House, be reeducated to the need for taking remedial steps. It is clear as spring water that the high liquor taxes provide a great incentive for these illegal operations. The seizure of stills indicates that the present illegal capacity is greater than the legal capacity for distillation of spirits. The bootleggers know you can make alcohol out of practically anything that grows and they do not limit or discriminate the type of rotgut they make. It is all poisonous, in one way or another.

The major contributing cause for this widespread evil is the internal revenue tax of $10.50 per proof gallon on legal liquor. And superimposed on this tax is State and municipal taxes. Small wonder, then, that the weight of these taxes supplies the motive for moonshining. We simply roll out the carpet or give an engraved invitation to moonshiners. My bill, H. R. 262 would reduce the present internal revenue tax of $10.50 to $6, where it was before the emergency. The passage of this bill would be a matter of common sense. The Government would not lose revenue. As a matter of fact, it would gain revenue. The loss of revenue from illegal operations would be offset, since the decrease in such taxes would contribute to the diminution of illegal operations. This business of prohibition by excessive taxes must cease.

"Mr. Sam" Serves the 4th and Country Well

EXTENSION OF REMARKS
OF
HON. WALTER ROGERS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1955

Mr. ROGERS of Texas. Mr. Speaker, I am highly honored this morning to place in the CONGRESSIONAL RECORD a short but excellent story about a great Texan. This story is the work of a very lovely and able journalist who hails from the wide open spaces of the Panhandle of Texas and who represents the Amarillo News and the Amarillo Globe-Times. Her outstanding journalistic ability is exemplified by the excellent manner in which she has verbally portrayed the life of one of America's all-time greats, none other than you, Mr. Speaker.

The article follows:

"MR. SAM" SERVES THE 4TH AND COUNTRY WELL

(By Louise Evans)

WASHINGTON, D. C.—The Fourth of Texas.

Six counties in the lush, rich blacklands of North Central Texas form the Fourth Congressional District.

It has produced a President, and "Mister Democrat"—Speaker of the House SAM RAYBURN. (Before you've met all of these Texans who are carrying such a major responsibility in Washington today, you'll find others who are tied to the Fourth, or were born within a whoop and a holler of its borders.)

Forty-two years ago a young man who had proved his political abilities by serving as the Speaker of the Texas House stood for election as the Congressman from the Fourth District. He took office on the day in 1913 that Woodrow Wilson became President.

He has served more than one-fourth of the years that the United States House of Representatives has been in existence. Compacted into his services have been two World Wars, a boom that crashed into a paralyzing depression, a cold war that has had at least one costly "police action," if none will concede the Korean incident to be war, and a spiralling inflation that threatened the internal prosperity of the country.

SAM RAYBURN is the second most powerful man in the United States of America, though some, assaying those 435 Representatives of the people who stand behind him, would call him the most powerful. (For instance, there's a bill in the Congress now that would set up a budget office in the Congress to take over the job of the President's Bureau of the Budget. Instead of taking the President's budget, tailored to fit his policy, the congressional budget office would get an estimate of income from taxes and cut spending requests to fit it. In the name of a balanced budget, the plan sounds good—and proponents point out that it would not interfere with the President's constitutional power to ask congressional permission to spend money but would only change the present method of so doing. But such a minor change—apparently—could pile up a massive power in the Congress.)

As Speaker of the House, RAYBURN would become President of the country if the President and Vice President lost their lives. Traditionally, the power of succession moved down through the Cabinet. Now, by congressional action a few years ago, the Speaker's chance to be President has increased immeasurably—in these atomic times.

"He is the man for whom all executive departments must feel the tenderest of emotions—financial," pointed out Life magazine recently.

And he is "Mister Democrat." Of that, make no mistake.

The title is compounded partly of his ranking term in the Congress—the longest in the House and making Senator WALTER GEORGE, ranking Member of the Senate and a half dozen years older than RAYBURN, look like a freshman. It is underlined by the fact that he has held the speakership longer than any person in the House history. Henry Clay's record between 1811 and 1825 was outstripped by RAYBURN back in 1951. He has been either majority or minority leader of the House Democrats for even longer—18 years of continuous service.

Though an expert at "passing laws and placating politicians," thereby adding stature to his size as Speaker, RAYBURN has never budged an inch from the Democratic deadcenter.

When Lee surrendered at Appomattox, General Grant decreed that the Southern soldiers could keep their horses. RAYBURN'S father was there with Lee, and he headed back to the family home in the Tennessee hills to make a corn crop. At Knoxville, the Federals took his horse away. The elder Rayburn hated the Yankees to the day of his death 50 years ago. A man that knows how much a horse means to a corn crop isn't apt to forget that sort of injustice. Neither will his son.

RAYBURN isn't fighting the War Between the States over again, but in 1948, when he is credited with much of President Truman's victory at the polls, he pulled the discouraged party leaders back together with a good fight talk. "We are the party of the common man and the American people know it," he declared. Evidently the American people stood with Mr. Sam that time.

He has been an honest, hard-working legislator. That he has become as cunning as a turkey gobbler in the Canadian River brakes does not belie the essential stanchness of his character. Several thousand Congressmen—and he has seen more than 3,000 come and go—do not so easily accede to leadership that RAYBURN can buy it with anything but the coin of ability.

He is willing to persuade Members of Congress personally to his way of thinking. In fact, he operates best in the cloakrooms and in the offices off the corridor. But when he speaks from the floor, he is heard because his words are to the point. On those occasions, the phrase "RAYBURN is up" runs

through the Capitol, and both Members and gallery listeners gather.

But if he must use every parliamentary device to gain his point, that he can do, too. On August 12, 1941, the selective service bill was up for extension. Shortly before rollcall, the Speaker stepped down from rostrum to point out the blindness of believing that this Nation could release a million men from its 1,400,000 Army. The rollcall brought 203 for, 202 against extension of the act. Before any Member could waver, change his mind, ask for the right to change his vote, the Speaker's gavel fell. A scant 4 months later, on December 7 when Pearl Harbor was struck by the Japanese, the Nation had at least the beginning of a million men more under arms.

RAYBURN could have been the first President from the fourth district if he had agreed to be a vice presidential nominee on the Democratic ticket of 1944. But Mr. Sam had a reelection campaign on his hands down in the fourth, and he wanted to win it. Truman got the nomination, and in a few months the Presidency. It is not unlikely that "Mister Democrat" still thinks he made the right decision. RAYBURN'S mighty fond of the House of Representatives.

The Speaker is short—5 feet, 7 inches—and as bald-pated as an apple. There is something of the tangy firmness of a Winesap in his thinking and talk, too. However, there is enough southern gentlemanliness about him that one has a distinct sense of surprise when the sharp-eyed glance from his heavily-hooded eyes pierces outward. And he uses what he calls a principle of "a little applied Christianity" in politics to good advantage.

He headed the Stevenson campaign in Texas in 1952, and seems surprisingly kind toward some of the opposition. Yet one's instincts seem to warn that his memory is long; the deserters from the Democratic fold will not be forgotten.

As for that matter, RAYBURN campaigned for another presidential loser. In 1928 he stumped the State for Al Smith, and that was the last time he has been in Amarillo for any length of time. "Coldest day I ever saw," he remembers. "Wasn't a blade of grass between me and the North Pole."

As he spoke, he was turning over in his hands an unbelievably beautiful piece of silver. It is the gift of the Peruvian Government and embossed with llamas and horns of plenty. He was admiring it in an absent-minded sort of a way.

In 1948 he received the Collier magazine congressional award for distinguished service, plus a check for $10,000 to be used for whatever public purposes he wished. RAYBURN donated the money to start a public library back in Bonham for the home folks of the fourth district.

The fourth district, therefore, is an unbelievably beautiful piece pretty likely to see something of silver.

SAM RAYBURN is willing to assume the welfare problems of the world. He's willing to fight for American leadership as he did Truman's successful attempt to keep Greece and Turkey out of the Russian sphere—the so-called Truman Doctrine. He's willing to speak out, "God help us, God help this world, if we do not accept our responsibility to help countries that do not want to be smothered by communism."

He's willing to keep the House in order, its nose to the grindstone for the back-breaking job of keeping up a national security program, within and without the boundaries.

He's going to keep the Democrat party together, come hell or high water.

But he's a 4th District fellow—and he never forgets that he gets his mandate from the people. Fifty years he's spent in the Texas Legislature and the United States House of Representatives—elected by the 4th District people.

It's men like SAM RAYBURN who have made the dream come true of a Government "of the people, by the people, for the people" by keeping a lengthened ear to the will of those he represents.

Vice President Truman was in RAYBURN'S office in the Capitol in the late afternoon of April 12, 1945, when word was brought of the death of President Roosevelt. In the office, too, was Miss Alla Clary, who has been secretary to the Speaker for more than 35 years. Many years before, Miss Alla had been working in Washington and had come by to say goodbye to the Member of Congress from her district (4th, naturally). RAYBURN offered her a job and she has been with him ever since.

Naturally, too, the rest of the staff in the Speaker's office are from the 4th. John W. Holton of Sherman is his administrative assistant. From Sherman, too, are Mrs. Lorraine Kimbrough and Don Bradshaw, H. G. Dulaney is from Ector, Mrs. Bernice Frazier from Leonard and Miss Martha Freeman is from the best spot of all—Bonham.

Much is made of the fact that RAYBURN kept his old office in the last switch of the Speakership with JOE MARTIN of Massachusetts, who has the Republican Speakership staked out as firmly as does RAYBURN on the opposition side of the House.

The two men—MARTIN is 70, RAYBURN 73—are hale and hearty chaps. They may keep up the shuffle to and from the Speaker's chair for some time to come. After all, the complexion of the House can change each 2 years. RAYBURN held the gavel from 1940 to 1947. MARTIN had the Chair in 1947–48, when the Democratic forces stood at their lowest ebb (except, of course, "Mister Democrat" pulled off the coup of 1948). RAYBURN got it back in 1949 relinquished it in 1952 took it back in 1955.

But they intend to keep their own personal offices. No more of that kind of moving.

And "Mister Democrat" is going to keep that Speaker's chair under him as much as possible. Remember he's the man who said "I'd rather be Speaker of the United States House of Representatives than any 10 Senators" and he proved it by rejecting a chance at the Presidency.

To Ease Naturalization Requirements for Children Adopted by United States Citizens Abroad

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1955

Mrs. FRANCES P. BOLTON. Mr. Speaker, I am introducing a bill today to amend the Immigration and Nationality Act to permit children adopted by United States citizens to be naturalized in certain cases without satisfying the residence and physical presence requirements. A large number of Americans serving as career employees of the United States Government, International organizations, and American business firms operating overseas are required by the nature of their jobs to remain abroad for a long period of time with only short trips home. Since the services of these people overseas are essential to the United States, it is in our national interest, both in regard to the Government employees and to those of the private firms furthering our foreign trade and commerce, to help them in their efforts to establish a happy family life comparable to that which the American families at home are privileged to lead.

Some of these Americans abroad have adopted alien infants. The present law makes it practically impossible for these Americans to obtain citizenship for their children without resigning their jobs and establishing residence within the United States of America for a considerable time.

The amendment I am proposing would afford such children a means of obtaining citizenship comparable to that under which alien wives may obtain citizenship without the residence requirements within the United States.

The proposed amendment will not change the provisions of the present law which requires that before the American parents of an adopted child can apply for naturalization, the child must be lawfully admitted to the United States and must satisfy all requirements for naturalization. The proposed amendment would only waive the residence requirements for those adopted children whose parents are residing abroad for reasons of their employment.

In an overwhelming majority of cases the American parents want their adopted children to be United States citizens. These children residing abroad as a part of an American family are trained to think and feel as Americans. When the child is lawfully admitted to the United States and is otherwise eligible for naturalization, yet is unable to obtain citizenship because his adoptive father cannot stay in this country for a long period of residence without losing his job, such family undergoes an undue hardship. The purpose of my amendment is to eliminate such hardships.

It is my hope that the Committee on the Judiciary will take favorable action on this matter without delay, and that it will be passed by the House and Senate.

Committee on Un-American Activities

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1955

Mr. WALTER. Mr. Speaker, several weeks ago the Committee on Un-American Activities held hearings in Newark, N. J. The day the committee arrived it was subjected to most disgraceful conduct on the part of demonstrators imported from New York by leaders who refused to answer the question as to whether or not the expenses of the demonstration were borne by the Communist Party on the grounds of self-incrimination. The entire atmosphere surrounding these hearings was very familiar to the committee because of its many experiences with subversives. Insolent lawyers advising the use of the same tactics employed in the Commu-

nist trials in New York were resorted to because some of the lawyers participated in those trials. However, one phase of the hearings disturbs your committee, and that is the failure of the Newark school board to take action against three teachers who are Communists. At the hearing each one of the three refused to answer the question as to whether or not he or she was a Communist on the grounds that to do so might make the witness liable to criminal prosecution. One of the reasons for asking the question was because of information furnished the committee by Dr. Bella Dodd, a former Communist, but now an ardent worker against the conspiracy to overthrow the Government of the United States. Dr. Dodd has been made the target of attacks from every Communist lawyer in the United States and apparently the Newark school board has been bluffed by Richard Green, the attorney for the teachers, into relying on an alleged technicality in order to avoid doing an unpleasant duty. While discharging an American schoolteacher may be unpleasant, it is not half as unpleasant as to be compelled to tolerate lack of cooperation in the fight to preserve our way of life.

United States Trade Exhibits' Value Told

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I include here an article from the Los Angeles Examiner of June 15, 1955, together with an article by Mrs. Franklin D. Roosevelt in the Washington Daily News. These important statements on the cultural exchange programs now going forward are included for the information of my colleagues who in committee and on the floor are considering ways to counter the Russian propaganda offensives in this cold war period.

Part of my statement in support of the President's Emergency Fund before the House Appropriations Subcommittee headed by my distinguished colleague the gentleman from New York [Mr. ROONEY] is included also.

Legislation is now before the Congress to make these programs a permanent part of the armament of the United States in this cold war period. Sponsors of this legislation, on which hearings will be held July 5, 6, 7, and 8 by the House Education and Labor Subcommittee, include the gentleman from Montana [Mr. METCALF], the gentleman from Massachusetts [Mr. MACDONALD], the gentleman from California [Mr. ROOSEVELT], the gentleman from Wisconsin [Mr. REUSS], the gentleman from New York [Mr. CELLER], the gentleman from Pennsylvania [Mr. RHODES], the gentleman from New York [Mr. POWELL], and myself.

The matters follow:

[From the Los Angeles Examiner of June 15, 1955]

UNITED STATES TRADE EXHIBITS' VALUE TOLD—COLD WAR'S NEW PHASE TOLD HOUSE BY CONNIFF—HEARST AIDE WARNS OF PERILS IN COMMUNIST SHIFT

(By David Sentner)

WASHINGTON, June 14.—Frank Conniff, editorial assistant to William Randolph Hearst, Jr., today told a House Appropriations Subcommittee that the world conflict with communism had entered a new phase which might be described as the "soft war."

Conniff, representing Hearst, editor in chief of the Hearst newspapers, who is in Europe, warned that the impending competitive coexistence struggle with Red Russia might be more difficult to win than a shooting war.

"Soft words instead of threats are the new Communist weapons," he said, "and we must be prepared to counter these different tactics. Even the terminology of recent years has been outmoded.

CAN BE HARD

"But just as the cold war was a continuation of the hot war by other means, the soft war will be a form of a hard war by means other than actual combat.

"The shooting has stopped for a while but the Communists will intensify their drive for world dominance in every field and on every front."

The subcommittee, headed by Representative JOHN J. ROONEY, Democrat, of New York, was told by the witness that Hearst, after his visit to Moscow where he interviewed the four new top Kremlin leaders, had concluded there should be a more dynamic presentation of the American way of life to the world.

Conniff, who accompanied the publisher to Russia, listed the following Hearst suggestions:

Creation of a competitive coexistence council to plan strategy and tactics in the forthcoming struggle against world communism which might last into the next generation.

Carrying to the youth of the world the story of democracy and dispelling the picture of America as a sheer materialistic power.

Having our athletes and artists abroad act as goodwill ambassadors with more direct availability to students and youth groups, thereby countering the blatant propaganda activities of touring Soviet athletes and artists.

Realization that the current Russian coexistence approach was influenced by domestic difficulties faced in the Soviet Union, including desperate problems of agriculture and transportation.

URGES FUND

Representative FRANK THOMPSON, JR., Democrat, of New Jersey, another witness, urged the subcommittee to approve the requested $5 million appropriation for the Presidential emergency fund being used to support cultural missions and psychological cold warfare.

He pointed out that in the past 5 years, the Soviet bloc exhibited at 122 trade fairs at which the United States was not represented.

However THOMPSON continued, the United States awakened in time to what was happening and last year put in a last-minute entry at Damascus with an official exhibit of the film Cinerama.

HOME EXHIBIT

The picture stole the entire show despite a $500,000 Red Russian exhibition, he said. And when the Communists heard this country was planning a repeat performance at Bangkok, they withdrew entirely.

At the recent Frankfurt fair, THOMPSON testified, American producers displayed over 300 products commonly used in the average American home.

He said:

"The exhibit, entitled 'America at Home,' featured a completely furnished full-scale five-room modern American home with actors impersonating an American family. Brand names that are household words in the United States were displayed.

"These fairs have given us an opportunity to refute Communist sneers at the myth of the American way of life. Communist goods exhibited at the trade fairs have often been of inferior quality but how are other peoples to know that if there are no United States exhibits to make the contrast clear?"

[From the Washington Daily News of June 17, 1955]

WE SHOULD BE FRANK ON EXCHANGE PROGRAM

(By Eleanor Roosevelt)

NEW YORK.—Last week I received a copy of the CONGRESSIONAL RECORD along with a statement by Representative FRANK THOMPSON, JR., Democrat, of New Jersey, on the appropriation for the division of the exchange of persons in the Department of State.

The House had made a cut of $10 million in the budget request but the Senate restored the full amount of $22 million when it voted on the bill last week. Now it will have to come up again in the House and I think the people should tell their Congressmen how they feel on this subject. They should be frank to say whether they are anxious to see this program carried through in its full amount of $22 million or even increased if possible.

CANCELLATION

Everyone will acknowledge that the way to better understanding is by meeting people from other countries, so it is well to consider what would happen to this program for the exchange of people if $10 million of the estimated appropriations fund were lopped off.

First of all, this change would entirely cancel the proposed expansion of the program in the Middle East, the Far East, southeast Asia, and Africa. New programs planned for Formosa and Korea also would be wiped out. These areas of the world—where we need to understand conditions and people far better than we do and where they need to understand us—would have no exchange at all except perhaps in Egypt, where we might have a small program left.

President Eisenhower has asked Congress for $40 billion for our own and foreign military defense in 1956. If we refuse to put any emphasis on our cultural exchange between people, how can we answer the charge that the Soviets make against us when they say that we rely for too much on military power for defending freedom and for increasing understanding in the world?

HEARST SPEECH

Young William Randolph Hearst, in a speech before the Press Club in February in Washington after his return from Russia, stated that in Russia and the satellite countries sports, ballet, and the theater and literature are all shaped toward aiding communism's long-range scheme of world domination. And he added:

"Preparedness alone will not win for us the battle of coexistence. The Western program of building armed strength should be widened into a more flexible and imaginative strategy for competitive coexistence with the Communists in every field and on every front."

This is a challenge which I think should make our people suggest to their Representatives in the House that an acceptance of the $22 million appropriation voted by the Senate on May 31 would be in the best interest

of our country. It would be in the interest of peace and that is the aim of all the exchange of persons and our main objective at the present time.

STATEMENT OF REPRESENTATIVE FRANK THOMPSON, JR., (DEMOCRAT, NEW JERSEY), BEFORE THE SUBCOMMITTEE ON STATE, JUSTICE, JUDICIARY, AND RELATED AGENCIES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, IN SUPPORT OF THE PRESIDENT'S EMERGENCY FUND, JUNE 14, 1955

Mr. Chairman and members of the subcommittee, with funds supplied by the President's emergency fund, the United States is fighting the cold war on two new fronts. Both are important. And on both the Communists have a head start on us.

The head start, however, need not discourage us. These are both fields in which the United States has no need to worry if we exert ourselves. The only danger is that we may let victory go to the Communists by default.

Let us take a look at the facts. In the 5 years prior to 1955, the Soviet bloc exhibited at 122 trade fairs at which the United States was not represented. Their first shock was at Damascus, last year, where they had a $500,000 exhibition. Awakening in time to what was happening, the United States was a last minute entry, presenting as one of its official exhibits the film Cinerama. The picture was the hit of the fair. It stole the entire show. The Communists protested violently, and when they heard the United States was planning a repeat performance at Bangkok, they withdrew entirely. They couldn't take the competition.

Since that date, the U. S. S. R. has withdrawn from at least five other fairs in which it was announced that the United States would exhibit, the Lyons International Fair and the Milan Sample Fair in April of this year, the Paris International Fair and the Tokyo International Fair in May, and the Canadian International Trade Fair in Toronto this month.

Under the program made possible during the current year by the President's $5 million emergency fund, the United States will have been represented at 15 fairs by July 1, 1955.

These fairs have given us opportunity to refute Communist sneers at the "myth" of the American way of life. The Frankfurt Fair, March 6–10, is a good example. Commenting, a Frankfurt English-language newspaper said: "the exhibition marked the first time that Uncle Sam has actually raised his window shades in Europe in an attempt to dispel myths and give substantial facts about how Americans live."

At Frankfurt, United States producers displayed over 300 products commonly used in the average American home. The exhibit, entitled "America at Home," featured a completely furnished full-scale 5-room modern American home with actors impersonating an American family. Brand names that are household words in the United States were displayed—Dupont, General Electric, Singer Sewing Machine, Congoleum-Nairn, Revere Ware, and a host of others. Over 65 firms exhibited. The products told a significant story of a nation's economy dedicated to production for peace and abundance. Over 70,000 visitors saw that exhibit.

The trade information center, manned by United States industry specialists and Department of Commerce representatives, gave over 275 personal interviews and answered inquiries by the thousands. Inquiries came in so fast that three receptionists were unable to take care of them.

The major responsibility for the exhibits in these fairs rests, of course, upon the exhibitors. The United States Government contribution is only "seed" money. But without that encouragement the participation of American business would be uncertain. And, in this cold war, we cannot afford uncertainties.

No less significant have been the results achieved under the cultural presentation program and for this, too, the President's emergency fund provides the "seed" money. It does not pay all expenses, but it assures American artists going overseas against too heavy losses.

That Americans are uncultured, crass, material-minded barbarians is a favorite Communist propaganda line. On the other hand, they try to present themselves as devoted to the arts, to the better things of life. For years troupes of artists from the U. S. S. R., and more recently from Communist China, have been sent abroad by their Governments to make friends and influence people for communism. That the Russian ballet, admittedly among the best in the world, has its roots in czarist Russia is ignored. The ballet is Communist, they say. It is a potent argument for the Marxian line. Music, art, sports—all are grist for the Communist mills. They exploit their artists and sportsmen as they exploit everything else, and they have been doing it effectively, make no mistake about that.

All of the projects undertaken in this program have been planned with the specific interests in mind of the areas to which the traveling artists and athletes are sent. The projects, handled in this country by the State Department, are publicized overseas by the United States Information Agency. In all cases the events are being used by all Agency posts in the various countries as the nucleus of a public information campaign to create recognition and appreciation of the cultural achievements of the United States.

In my own opinion, trade fairs and cultural activities are areas of the cold war which the United States cannot neglect. And, as I have said, both are fields in which we can have full confidence of success. It is only a question of taking advantage of the opportunities afforded us.

Communist goods exhibited at trade fairs have often been of inferior quality—but how are other peoples to know that if there are no United States exhibits to make the contrast clear? In the absence of first-rate Western participation, the Communists have been winning by default.

In the cultural field it is, again, only a question of giving these other peoples an opportunity to see, listen, and judge. Here, again, we have the goods. The best rebuttal of Communist charges is to produce them. In closing, may I refer once more to Mr. Hearst. In the speech from which I quoted earlier, he spoke words of great import to all of us here today: "One side or the other is going to win the battle of coexistence. It had better be our side. Everyone and everything we love and cherish is at stake."

I urge the committee to support these tremendously important activities and to grant the funds necessary to carry on and expand them during the coming fiscal year.

Arrival of 1,200 Immigrants Welcome, but Program Lags Behind

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. CELLER. Mr. Speaker, today 1,200 persons from Germany and Austria will arrive in New York under provisions of the Refugee Relief Act of 1953. This is good news for the 1,200. It is not good enough for the thousands left behind who, through maladministration of the act and the unnecessary restrictive provisions, may never be given the chance to find a new life and new hope in the United States.

The ceremonies on Tuesday are presumably to dramatize the success of the Refugee Relief Act, yet to me it appears to be like a man who, when climbing a hill, boasts he has scaled Mt. Everest. The refugee program is still far from a success.

I am pleased with the arrival of the 1,200 immigrants. There is no gainsaying the importance of these arrivals to them and to us. Lest we, however, conclude that all is well, let us examine the record.

As of July 1 only 37,642 visas had been granted out of the permitted total of 209,000. That is 17 percent of the authorized total, although two-thirds of the life of the act has gone by. Of these, only 11,567 visas went to refugees. The remainder went to aliens with relatives in the United States. The need for changes in the act is paramount. How much the administration of the act has improved with the arrival of Mr. Gerety remains to be seen. It took 2 years to issue visas up to 17 percent of the authorized total. There is only 1 year left to reach the remaining 83 percent, or five times the number of people issued visas in the 2-year period.

The record is not good. Unless changes are made, I see very little chance that the program can be completed.

The Railroad Retirement Act Is in Need of Immediate Amendment To Remove Inequities and To Increase Benefits

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. VAN ZANDT. Mr. Speaker, there is widespread interest among the railroad population of my congressional district regarding amendments to the Railroad Retirement Act. In this connection, I appeared before the House Committee on Interstate and Foreign Commerce last week and delivered the following remarks:

STATEMENT BY HON. JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, BEFORE THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, JUNE 17, 1955, IN SUPPORT OF H. R. 4744 AND SIMILAR BILLS DESIGNED TO AMEND THE RAILROAD RETIREMENT ACT

Mr. Chairman, I am grateful to you and the members of this committee for the opportunity to appear before you in support of several amendments to the Railroad Retirement Act, some of which I sponsored in this and previous Congresses.

It is my understanding that this hearing is restricted to H. R. 4744 and similar bills which provide in part for the repeal of the prohibition against the payment of dual benefits to widows under the Social Security and Railroad Retirement Acts.

Another provision specifies that the spouse of a retired railroader would in no instance receive less than the benefits he or she would be entitled to if covered by social security.

In effect this amendment would establish a new maximum of $51.80 a month for the remainder of 1955 and $54.30 beginning with January 1956 in lieu of the present $40 a month maximum spouse benefit. Further increases in the maximum would automatically take place if and when the Social Security Act is amended in the future to provide for higher benefits.

It is estimated that 82,000 wives now receiving maximum spouse benefits of $40 monthly under the Railroad Retirement Act would become eligible for an average increase of about $10.50 a month during the remainder of 1955 and that a further increase averaging between $1.50 and $2 a month would be given them starting January 1956.

It is my further understanding that while this particular hearing is restricted to H. R. 4744 and similar bills, hearings will be held on the general subject of amending the Railroad Retirement Act when the committee disposes of several other important bills being considered.

At that time those of us who have sponsored over 50 amendments to the Railroad Retirement Act will have the opportunity to appear before this committee in support of them.

Mr. Chairman, before discussing the legislation now under consideration I should like to mention briefly the five amendments I introduced which are pending before this committee.

These bills introduced by me at the request of the active and retired railroad population of my congressional district include:

H. R. 859 which provides for a 25-percent across-the-board increase in railroad retirement benefits.

H. R. 856 and H. R. 858 are designed to improve the provisions of the Railroad Retirement Act by permitting retirement at age 60 or after 30 or 35 years of service with the annuity to be computed based on the 5 years of highest earnings.

There is also H. R. 2443 which will remove from the Railroad Retirement Act a discriminating provision which requires a railroad employee before retiring to sever his connections with any other employer outside the railroad industry regardless of how insignificant the job is in which he may be engaged at the time of his retirement.

Finally, H. R. 857 will repeal the prohibition against the payment of dual benefits to widows of deceased railroad employees who are entitled to receive both a pension as a surviving widow, in addition to any benefits she may have earned in her own right as a retired employee of an industry covered by the Social Security Act. The provisions of H. R. 857 are incorporated in H. R. 4744 now being considered by this committee.

As mentioned previously these bills were introduced by me at the request of the active and retired railroaders of my congressional district whom I join in expressing the earnest hope that these measures will receive consideration by this committee at an early date.

As many of you know over a period of years I have been directing my efforts toward repeal of the provision in the 1951 amendments prohibiting the payment of dual benefits to persons entitled to social-security and railroad retirement benefits. When the 1951 amendments were approved I warned the membership of the House that the dual benefits provision was discriminatory and that sooner or later Congress would have to repeal it.

During the 83d Congress my bill H. R. 356 was enacted and is now known as Public Law 398. Under its provisions some 30,000 retired railroaders had their rights to social-security benefits restored.

As stated previously one of the provisions of H. R. 4744 now under consideration restores the rights of widows to receive social-security benefits to which they are entitled in their own right.

At present there are some 5,500 widows and should this provision of H. R. 4744 become a law it is estimated that these widows will receive an average increase in their survivor annuity of about $20 monthly.

Mr. Chairman, I should like to state that while the elimination of the prohibition against the payment of dual benefits to widows is meritorious legislation, if H. R. 4744 becomes a law the job of eliminating the prohibition against dual benefits is not complete. As you know there are still hundreds of spouses under the Railroad Retirement Act who are being denied social-security benefits which they earned in their own right and thus they are being penalized under the 1951 amendments to the Railroad Retirement Act.

You will recall that last year we repealed the prohibition against dual benefits as far as the retired railroader is concerned. H. R. 4744 now under consideration will remove the prohibition against dual benefits to widows. It is my earnest hope that during the next session of Congress we can complete the job by eliminating the prohibition against the payment of dual benefits to spouses who have earned social-security benefits in their own right.

Mr. Chairman, as I said in the beginning I am grateful to this committee for the opportunity of appearing before you and while this present hearing limits consideration of those amendments specified in H. R. 4744, I wish to emphasize that there is immediate and urgent need for an across-the-board increase in railroad retirement benefits, as well as action on my other bill to permit a retired railroader in certain instances, and where the salary is insignificant, to continue an employment relationship outside the railroad industry which began before his retirement.

It is my hope that these two bills as well as my other proposed amendments will receive your consideration when the hearings on amendments to the Railroad Retirement Act are reopened at a later date.

Senate Majority Leader Traveling Fast and Far

EXTENSION OF REMARKS

OF

HON. WALTER ROGERS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. ROGERS of Texas. Mr. Speaker, recently a lady of the press came to Washington from Amarillo, Tex., looking for Texans on the national scene. Being a reporter of great note and a feature story writer of the highest caliber, it was only a short time before she came forward with a basketful of Texans in high places in the Nation and enough material to fill many books. Among the top Texans in the world, she rightfully chose our good friend and able Senator, the majority leader of the Senate, Hon. LYNDON B. JOHNSON. It is with great pleasure and honor that I place in the CONGRESSIONAL RECORD this morning this outstanding story of a great American.

The article follows:

SENATE MAJORITY LEADER TRAVELING FAST AND FAR

(By Louise Evans)

WASHINGTON, D. C., June 8.—As John Snider, Amarillo's barbecue king, once remarked, "never has a man come to town so quick."

No truer words could be spoken of LYNDON B. JOHNSON, senior Senator from Texas—at the age of 46.

The phrase fits most aptly his title of majority leader of the Senate. In 1951, he became party whip while serving his first term in that most select club in the world, the United States Senate (even the English House of Lords can summon up more than 96 members—it has 26 spiritual, 224 temporal Lords).

Last winter, LYNDON B. JOHNSON moved into the majority leadership as the Democrats took a plurality of one vote in the Senate.

And he is the first Texan to hold this powerful post.

The man is typical of the young Texans, all in their forties, who are in positions of leadership in Washington. Personable, aggressive, and not afraid of 25-hour days, they hold powerful strategic salients in this town.

The 25-hour day is not a misprint. A slow-moving, slow-talking southerner up on the Hill coined the phrase the other day. "Sure, you'll find the Texans kicking up around the top. They're all willing to work 25 hours a day," he drawled.

A quick look at JOHNSON'S life would make even a Texan tired. After a rather slow start, he caught up by taking 7-league steps. Born on a farm near Johnson City, only a couple of districts away from the famous Fourth Congressional District of Texas, he liked the idea of a trip to California better than a college education. At 15, he went off with a bunch of other Texas boys and worked up and down the west coast doing such chores as he could pick up, and eating irregularly. "None of us had ever been off the farm farther than the nearest town," the Senator recalls.

On his return to Texas after 7 months of vagabonding, he still chose to work on the highway. He drove a truck, pushed a wheelbarrow, shoveled gravel. But there was a tradition of education in his family; a great-grandfather had been president of Baylor University for 2 years. Both his father and his grandfather had served in the Texas House of Representatives. One of his ancestors had been a signer of the Texas Declaration of Independence. So eventually his father persuaded him to enter Southwest Texas State Teachers College at San Marcos, where he was graduated in 1930.

He was teaching public speaking and debating in the Sam Houston High School in Houston when the late Richard M. Kleberg chose him for secretary on Kleberg's first trip to Congress in 1931.

You might say that from that day on, JOHNSON was struck with luck (that is, if you disregard the 25-hour days). He served in Texas as national youth administrator, and he campaigned against 10 others for the 10th district vacancy created by the death of Representative James P. Buchanan. President Roosevelt was fishing off Corpus Christi during the campaign and was attracted by the young man's platform. JOHNSON rode into Washington on the Presidential train to serve his first term.

Another as canny in political craft as Roosevelt watched over the young Representative. SAM RAYBURN, even then one of the most powerful members of the southern delegation, and soon to be the Democratic leader in the House, made practically a protege of JOHNSON. The young Congressman landed on the House Naval Affairs Committee, and from that vantage worked closely with President Roosevelt.

When Senator Morris Sheppard died in 1941, some say the President encouraged JOHNSON to run for the vacant post. Probably that streak of Baptist preacher, squirrel-gun-toting ancestry of Texas leaders pleaded, too. JOHNSON chose "Pappy" O'Daniel, and got licked in the primaries, though by a close margin of 1,311 votes. Since he was only barely past the needed 30 years for Senate seating, it wasn't too big a setback in his life. It had been a special election; he still had his seat in the House, and he came to Washington to serve three terms in the House.

Six more years in the rough-and-tumble House sharpened the would-be Senator. Recently Newspaper Columnist Stewart Alsop wrote, "Majority Leader LYNDON JOHNSON is no doubt the most thoroughly professional congressional leader of our times. But that's just the trouble. He slips legislation through so quickly and quietly that nobody notices, or even cares very much."

Everyone in Texas knows about the famous 87 votes that gave JOHNSON his seat in 1948, and by 1952 he didn't need to campaign. In 6 short years he had sold the Senate, the Nation, and Texas on his ability.

Holding the position of the majority leader of the Senate makes him the third most powerful man in the country. Some like to point out that the Vice President ought to get in the running somewhere with Eisenhower, RAYBURN, and JOHNSON. But a musical comedy of the thirties—Of Thee I Sing (which Billy Rose brought to the old Municipal Auditorium when the tin roof rattled)—clearly defined the duties of the Vice President of the United States of America. It is to the credit of another young man, RICHARD NIXON, of California, that the post is growing in stature, but presiding over the Chambers in which LYNDON JOHNSON is operating as majority leader is no position of power.

Freshman Senator JOHNSON took another 7-league step a year after he gained his objective. With proper humility he kept quiet that first year, as freshmen are supposed to do. But after the Korean conflict started he demanded creation of a Senate committee to examine a fumbling defense effort. In a few weeks of what is now known as the Johnson whirlwind, cloakroom-and-floor attack, the Senate found itself with an Armed Services Subcommittee authorized to investigate the whole preparedness program. Freshman JOHNSON was chairman.

But who could resist the words of JOHNSON on the Senate floor, December 12, 1950, when the painful retreat was underway in Korea: "This is not World War II all over again. This is a struggle without precedence in human experience. The military concepts and the domestic policies which won World War II are not applicable to this struggle in which we are now engaged. * * * The people of America who sent us here are patient, but they are not docile. * * * The American people have not lost faith in themselves or in their country or in the democratic institutions, but the American people are tired of and they are fed up with double-talk in Washington. * * * A great American patriot once fanned the fires of democracy into such a flame as to give us America. In debate, Patrick Henry cried in tones heard throughout the years, 'Why stand we here idle?' Can I say more today?"

The new subcommittee learned something of 25-hour days. The Government's rubber, nickel, and tin stockpiling programs got a combing; high officials found themselves called on the carpet to explain why the waste in materials, construction, and manpower. By 1951, with the help of the subcommittee, JOHNSON rammed through the universal military training bill, the first ever passed by either branch of Congress.

JOHNSON personally learned something of Sherman's "war is hell." He was the first Member of the House to enter World War II, leaving on the day after Pearl Harbor to assume a lieutenant-commandership in the Navy, in whose Reserve he had served for several years. General MacArthur personally decorated him with the Silver Star after bombing missions in the South Pacific. (There's no note of this honor in his Congressional Directory biography.)

He is still bucking for some kind of a more permanent peace. At a dinner last month for David Sarnoff of radio and TV fame, he exploited the idea of forming a general staff for a cold war that would launch the greatest political offensive in history against the Russian propagandists.

"Somewhere along the line we have forgotten a fundamental. It is that power ultimately rests with the people. Unless we win them to our side, we are lost. * * * Even when cold war turns hot—on a local scale—we find the terrifying weapons of modern science almost useless. Atomic bombs did not shield the free of the Republic of Korea. Hydrogen warfare did not save Northern Vietnam—and may not save the balance in Southeast Asia. And all the powers of nuclear physics will not recover for freedom the vast territory of China.

"This staff (for cold war) could direct and coordinate the weapons of cold war—diplomatic, economic, propaganda. * * * The prize is the goodwill of the vast multitude of people not only in Asia but throughout the world who are still uncommitted. They are the great jury who will decide the fate of this planet."

A short time later, President Eisenhower, addressing the National Association of Radio and Television Broadcasters, underlined the same approach. "Everybody has a right to think of himself as a man bearing a great responsibility as a crusader to help do this job of education, of ourselves and of others about us."

JOHNSON gets credit for bridging the gap between the northern and southern wings of his party in Congress—and even more credit for keeping the interests of his party in the foreground without giving sabotaging opposition to the Eisenhower program.

He is certainly a young man—the youngest ever to hold the Senate majority leadership—who has come to town fast—so fast that there is talk of his nomination for President in the Democratic convention of 1956; and if not then, in that of 1960.

When JOHNSON first came to Washington, the then foremost Texan of them all—Vice President John Garner—was presiding over the Senate Chamber. Today the famous Christy portrait of Garner hangs on the wall directly opposite JOHNSON'S desk in his office just off the Senate Chamber. In the outer office hangs the portrait of another Texan who gave long-time service to the United States Congress, Morris Sheppard. Naturally the Texas flag is there.

The Senator still keeps up 25-hour days—7 p. m. is not too late to see him; neither is 8 a. m. too early. He's there on Saturdays, too, when most of the Hill activity is as dormant as a prairie dog village with a hawk overhead.

Undoubtedly, he occasionally sees his family—Mrs. Johnson, the former Lady Bird Taylor, and his daughters, Lynda Bird, 11, and Lucy Baines, 7. (The Senator notes that traveling is easy: "We all have the same initials and can use the same baggage.")

He was in the Panhandle a year or so ago, so everyone knows he is still 6 feet, 3 inches tall and weighs a trim 200 pounds. He looks a little tired—probably should cut down to 23-hour days.

The Senator has always taken the lead in the battle for water in Texas. The big coastal canal is a special project of his, but he's for catching and saving every drop of water that hits the western side of the State, too.

"I'm ready to do anything to help with the Canadian River Dam as soon as you folks down there make up your mind what you want," he said.

Negotiations by GSA With Aluminum Producers To Alleviate Aluminum Shortage Commended

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. CELLER. Mr. Speaker, I have been informed that the General Services Administration is undertaking to reach an agreement with Aluminum Company of America, Reynolds Metals Co., and Kaiser Aluminum & Chemical Corp., whereby these producers will provide an additional amount of aluminum to independent users.

These negotiations which are now taking place have as their objective making available to the independents sufficient supplies to alleviate a distressing situation in the industry which has threatened many independents with business failure.

I understand that these negotiations with GSA have been entered into by Alcoa, Reynolds, and Kaiser on a voluntary basis. This is not only commendable but a manifestation of enlightened public interest. Especially commendable are the General Services Administration's positive efforts to resolve what has been a most serious situation in the aluminum industry. I hope the current negotiations will be concluded successfully and in a form fair to all segments of the industry.

On June 10, 1955, the Office of Defense Mobilization announced that there would be no Government stockpiling of aluminum during the third quarter of this year. As a result of this decision there will be approximately 400 million additional pounds of aluminum available to the three producers, Alcoa, Reynolds, and Kaiser. Pursuant to the Government's guaranteed market contracts with these producers, by which new facilities for producing aluminum were established, two-thirds of this amount must be sold to independent nonintegrated users of aluminum.

GSA and the aluminum producers are now examining methods to assure that independents will be appreciably benefited by the ODM decision not to stockpile during the third quarter. Previously Reynolds and Kaiser have taken the position that their obligation is to sell to the independents as a maximum, a quantity of aluminum not to exceed two-thirds of the output of the new facilities.

I have maintained the aluminum companies should sell to the independents these amounts in addition to what they would normally have sold to the independents. Otherwise, it is questionable whether the independents would be benefited by a stockpile cutback since their normal or historical pattern of sales might exceed the amounts made available by release from the ODM stockpile. In the past, only one producer, Alcoa, agreed to sell to the independents the two-thirds accruing to them by release from the stockpile in addition to the

amounts sold to them on a historical basis.

I have been much concerned with this problem because of the serious shortages in aluminum facing the independents. Therefore, it was most disappointing to hear at the time of the June 10 announcement by ODM that no action was being taken by that agency to resolve or alleviate the problem. On two different occasions I requested the Director of ODM to take action to protect the independents and to insure that they receive cutback amounts as additions to the general pattern of supplies they had been receiving. From ODM and its Director, Arthur Flemming, we received no action. They made no effort to help.

Instead the General Services Administration is now taking up the slack and is attempting to reach an arrangement with the Alcoa, Reynolds, and Kaiser Cos., whereby an equitable historical sales pattern will be agreed upon as a basis by which the two-thirds contract entitlements of the independents will be computed as additional sales to the independents. These negotiations now taking place have as an objective a reasonable industrywide average which in effect will serve as a protective floor for the independents in future stockpiling cutbacks or releases. If a fair and equitable arrangement can be reached along these lines, then an important consideration in the aluminum expansion program can be effectuated.

Tenth Anniversary of the United Nations

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, this week in San Francisco the nations of the world are meeting to pay tribute to an organization which has the primary responsibility for maintaining world peace and has done an excellent job of fulfilling this responsibility.

News reporting today tends to emphasize the difficulties the United Nations is having and has had. This, I suppose, is inevitable, because a record of steady success is not susceptible to dramatic news coverage. However, as we celebrate the 10th anniversary of the founding of the international body, it, perhaps, would not be inappropriate to review the successes which this organization has achieved.

Perhaps the most important success appearing in the record to date lies in the steps which the United Nations took to bar aggression in Korea. When war broke out in Korea the world was faced with a clear-cut attempt to gain, through force, what could not be gained by peaceful persuasion. Had the United Nations failed to act in this instance probably it would have suffered the same fate as befell its predecessor, the League of Nations, when that body refused to act against Mussolini's invasion of Ethiopia, Hitler's invasion of the Saar, and Japan's invasion of the Chinese mainland. Instead of following that bad example, the United Nations, following the initiative taken by President Truman and the United States, took prompt action to repel force in the only possible way—with force. Because there was no hesitation, the invasion was thrown back and the aggressors forced to give up their attempt at forcible seizure of land not properly theirs. The struggle was a long and a costly one, but it was both necessary and proper. The action served notice on all possible aggressor nations of the intention of this world body to block attempts at aggression by clear and decisive action. The prestige of the United Nations was greatly enhanced by this move, and the primary object of the organization—peace—was thereby made even more manifest.

Though the action in Korea was the most spectacular of all those engaged in by the United Nations, it is by no means the sole example of how this organization has promoted world peace. After the Jewish State of Israel was established with the consent of the United Nations, it was forced to fight for its very life against the attacks of the Arab nations surrounding it. This fight might well have become a great war but for the good offices of the United Nations in the person of Count Bernadotte. Instead, peace, however tenuous, was established. That peace has been maintained in spite of great provocations, by the United Nations.

In Indonesia, following World War II, a great struggle erupted between native Indonesians and the Dutch. Peace was established under the auspices of the United Nations, and there is now every prospect that this area will become once again one of the most productive regions in the world. Without the aid of the world body, it is not difficult to imagine the continuance of a great and destructive civil war, with all the attendant evils that such a situation inevitably entails.

Such are some of the vital steps the United Nations has taken to preserve world peace. This has not been its only function, however. Equally important to the peoples of the world has been the initiative taken by this organization in the fields of health, education, and welfare. We are all aware that, although poverty and sickness continue to exist in large areas of the world community, under the leadership of the United Nations, important steps have been taken to alleviate the ills of these unfortunates. Of particular consequence, and having great appeal to Americans, is the work undertaken by the United Nations International Children's Emergency Fund. In recent days I have had the very good fortune of seeing a movie starring that great comedian, Danny Kaye, which shows most vividly the significant work being undertaken by this organization. I recommend it both to my colleagues in the House and to all Americans. Once this movie has been seen, I think none of its viewers can fail to be grateful to the men and women who have devoted their lives to such a mission, even as it was most certainly apparent in the film how grateful were the people of other nations who were benefited by its actions.

We have all heard much in recent months about various technical-assistance programs. I hardly think it is necessary, therefore, for me to dwell on the value of such programs. The United Nations has done, and is continuing to do, much good in such fields, and the value of this work has been testified to over and over again by the spokesmen of the nations involved.

All steps taken in the fields of health, education, and welfare by the United Nations are good in and of themselves, but they also help to promote the primary aim of world peace. So long as poverty or sickness exists anywhere it is a potential threat to world peace. So long as men are ignorant they are easy prey of men bent on aggression. Thus, even those bodies within the United Nations not directly concerned with the peace of the world have great and continuing contributions to make to this end.

I think it is apparent from what I have said that we in the United States must be thankful for the existence of the United Nations, and we wish it well on this its 10th birthday.

Contract Between Aluminum Company of America and New York Power Authority

EXTENSION OF REMARKS

OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, June 22, 1955

Mr. LEHMAN. Mr. President, the State of New York, through its instrumentality, the New York Power Authority, is building a great power works in the international rapids section of the St. Lawrence River. With the consent of the Federal Government, the power authority will build, own and operate these works, which will have an annual output of 6 billion kilowatt-hours. The power authority has been negotiating contracts for the disposal of this power. Some differences of opinion have developed regarding the manner in which this power should be disposed. These differences have centered around a particular contract—a proposed contract with the Aluminum Company of America.

The proposed Alcoa contract, as all other similar contracts, must be approved by the Governor of New York. He now has the Alcoa contract before him, and has recently held public hearings with regard to it.

As one who has fought for many years for the St. Lawrence project, and as one who is deeply committed to the use of public resources for the benefit of all the people, I have disagreed with some aspects of the proposed Alcoa contract. I so advised the New York Power Authority; I have so advised the Governor of New York, having set forth my views at some length. I feel strongly that

every contract for the disposal of public power must be consistent with fundamental public power principles developed in this country over the past 50 years. The decision in the matter of the Alcoa contract involves not only the policy of the State of New York but also has a direct bearing on national public power policy.

Recently, Mr. President, my old and good friend, Judge Samuel Rosenman, who is special counsel for the New York Power Authority, submitted a long statement of views justifying the Alcoa contract, to the editor of the New York Post, a newspaper which has been opposing the Alcoa contract. The New York Post asked me to write a parallel article, setting forth my views on public power policy and on the Alcoa contract.

Because I feel that this issue has a vital significance for the power policy of the entire Nation, I ask that my statement of views, and, to be perfectly fair, the statement also of views of Judge Rosenman, be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TWO VIEWS OF THE ALCOA POWER PACT

(By Senator HERBERT LEHMAN)

I shall not enter into detailed controversy with Sam Rosenman, my old friend and associate in many a good fight for the public interest. As special counsel for the New York Power Authority, he has an advocate's job; he is an eminent and effective advocate.

I want to emphasize, however, that the public power principles to which I adhere, and on which my attitude toward the proposed Alcoa contract are based, bear, even today, the clear imprint of Sam Rosenman's contribution.

As an adviser and then counsel to Franklin D. Roosevelt, Judge Rosenman helped to phrase and define the public power principles repeatedly enunciated by Roosevelt during his terms as Governor of New York and in his campaign speeches as a candidate for that office. These views culminated finally in the New York Power Authority Act of 1931.

These public power principles did not, of course, originate with Franklin Roosevelt. An earlier Roosevelt, a Republican Roosevelt—Theodore—as President of the United States, helped to frame these principles at the turn of the century. Another Republican, Charles Evans Hughes, as Governor of New York, helped give them substance. And another Governor of New York, a Democrat, Al Smith, performed historic service in educating the people of New York and of the Nation to the importance of public power, and to the inalienable right of the people to the public development of hydroelectric power.

I sketch this background to put the public power issue in its proper historical perspective. This is not a new issue nor a radical idea spawned by the New Deal. It is a truly conservative idea which grew out of the conservation movement of the late 19th century—to conserve the people's resources and the national heritage, and to reclaim the portions of those resources which had been plundered and seized by predatory private interests.

FIGHT FOR PUBLIC POWER HAS A VERY LONG HISTORY

This cause enlisted my interest as far back as I can remember. It was more than 30 years ago that I became an active advocate of the development of hydroelectric potential of the St. Lawrence, under public auspices, and a strong opponent of the move underway at that time—in the early twenties—to turn the St. Lawrence potential over to private interests.

Yet, the public power fight has a long history—and a proud tradition. I firmly believe that those today opposing various aspects of the Alcoa contract are trying to safeguard the public power principles established in the course of that fight, in the tradition of Theodore Roosevelt, Charles Evans Hughes, Al Smith, and Franklin D. Roosevelt—Judge Rosenman to the contrary.

What are those principles? First and foremost is the principle that the hydroelectric power from the publicly owned waters of the St. Lawrence belongs to the people.

Franklin D. Roosevelt, in his first inaugural address as Governor of New York, put it this way:

"The waterpower of the State should belong to all the people. * * * The title to this power must vest forever in the people of this State. No commission, no, not the legislature itself has any right to give, for any consideration whatever, a single potential kilowatt in virtual perpetuity to any person or corporation whatsoever."

The second principle of public power is that its disposal, under public auspices, should be for the benefit of all the people of the State. Not just a few people, or some of the people, but all of the people.

This resource is not to be disposed of for the primary benefit of private utilities or industrial corporations, regardless of the importance of such utilities or corporations to the area in which they operate. This resource does not belong to any one area, but to all the people of the entire State. And when I say "all the people," I mean not only those now living, but also the generations still unborn.

This principle means that the power must be kept available for the disposal and use of the next generation, as well as the present one.

This is one of the chief differences between a privately owned resource and a publicly owned one: privately owned assets or resources can be freely and permanently sold or given away. A publicly owned resource must not, and cannot, be so disposed, regardless of how good a deal is offered.

A further principle of public power is that the people themselves, through their various public and nonprofit entities such as municipalities and rural electrification cooperatives—must have, if they so desire it, first access to the public power. They must have first call on it, to acquire it, as nearly as possible at cost, from the State—ahead of industries, private utilities, and other private entities organized for profit-making purposes.

Still another public-power principle is that the power should be disposed of to the consumers at the lowest possible rate so as to encourage the widest possible use of labor-saving electricity, in homes and on farms.

These public-power principles were given their most definitive legislative form, in New York State, in the New York Power Authority Act, in 1931. That law states explicitly that the power developed from the St. Lawrence should be primarily "for the benefit of the people of the State as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly * * * sale (of power) to and use by industry shall be a secondary purpose."

These principles as enunciated in New York State were further developed and refined in successive pieces of Federal legislation—the TVA Act, the Bonneville Power Act, the Flood Control Act—and many others. They continued to be developed by experience and refined, as well as tested, in actual practice.

WOULD TENNESSEE VALLEY WANT TO GIVE UP TVA?

In the final analysis, it is in the practical testing of these principles that their validity must be, and has been, demonstrated.

Ask the people of the Tennessee Valley whether they are willing to abandon these principles. Ask the people of Oregon and Washington.

The Tennessee Valley, for instance, once an exhausted, rundown and poverty-stricken area, has become one of the great workshops and breadbaskets of America. The people and industries of the Tennessee Valley now pay in Federal taxes many times the amount the same area contributed before TVA.

The Northwest has been transformed from a wilderness into an industrial heartland.

No, the people who have come to know, and to live by these public-power principles, swear by them. They are deeply concerned and frightened by the concerted drive, inspired by the public utility lobby, to undermine and destroy those principles.

The Representatives of these areas in the Congress are fighting and will fight to the last ditch against any attempt to subvert these principles * * * either by a Dixon-Yates contract, or by a Niagara Power giveaway. They realize that the cause of one area is the cause of all areas.

I have described my public power principles, and the attachment which the people who have had experience with these principles feel for them.

But how do these principles work out in practice? How do the people actually benefit from them? What do these principles mean, in terms of the issues confronting us in New York State? How does all this affect the question of the Alcoa contract?

In practice, public power means "yardstick" competition. It means that municipally owned utilities and rural co-ops are assured a chance to fill their needs for power from the State-owned supply—the St. Lawrence project power, in the present case. * * *

These municipally owned utilities and rural electric co-ops, in supplying low-cost power to the residents of the municipalities in the one case, and to the members of the co-op in the other, provide a yardstick by which rates charged by private utilities in neighboring areas can be measured.

"YARDSTICK" WORKS WONDERS WHEREVER IT IS TRIED

Private utilities must necessarily continue to supply the vast bulk of electric power needed by the citizens of New York State. But each private utility must know that unless it provides its customers with good service at the lowest possible rates, the municipality it serves can, if it wishes, set up its own utility system and get low-cost power from the State's hydroelectric system.

The proof of the pudding is in the eating. The simple fact is that this "yardstick" system has worked. It has worked wonders everywhere it has been tried. It has brought down rates on every side and flank of the Tennessee Valley area, throughout the Northwest and the Southwest. Private utilities, fearing public competition, have cut their rates, already approved as "fair" by State public service commissions. And the fact is that in every case, these same private utilities have prospered as a result of cutting rates. New industries have come in. People have vastly increased their consumption of electricity.

In the Northwest and in the Tennessee Valley, the per capita consumption of electricity is twice, three, and four times what it is in New York State. The private utilities have expanded right along with the public-power systems. Everybody has benefited.

In the present instance, in New York State, the St. Lawrence project, with a capacity of 700,000 kilowatts, is expected to produce about 6 billion kilowatt-hours of power an-

nually. This is but a fraction of the present consumption of electric power in New York State.

If the St. Lawrence power is contracted for and disposed of entirely in the immediate vicinity of the project site, the benefit will accrue to the people, industries, utilities and individuals in that area. And it will be a small benefit. The saving to the consumers will not be significant. Some industries will benefit. There will be some trickle-down benefit to the entire State.

But that is not what is meant by a public development "primarily for the benefit of the people and the State as a whole and particularly the domestic and rural consumers." That is not making the maximum possible use of this public power, for the public benefit.

That brings me to the heart of the difference between the viewpoint on public power I espouse, and that held by the chairman of the New York Power Authority, Mr. Robert Moses.

Before going into the difference of viewpoint between Commissioner Moses, speaking, I assume, for the New York Power Authority, and myself, representing, I expect, the "fundamentalist" view of public power policy, I would like to point out the similarities in our viewpoints.

We both subscribe firmly to the principle that hydroelectric resources are an inalienable part of the public heritage, and must be publicly developed. We are united in our opposition to a "giveaway" of these resources to private interests, whether the resources in question be the hydroelectric potential of the St. Lawrence or of the Niagara.

Our difference lies in the concept which Commissioner Moses has evolved for the disposal of public power—a concept I deem to be unduly limited and parochial. The Moses concept would turn the clock back 50 years by reviving the practice of selling the power at the project site.

Commissioner Moses wants the customers to "come and get it."

He is convinced—and justifiably so—that this power is such an excellent "buy" that industries and private utilities would be delighted to build transmission lines to the project site and contract for all the power offered for sale, without putting the power authority to the expense of building a network of transmission lines to the power marketing centers in central New York.

BOB MOSES' CONCEPT FAILS TO PROTECT THE CONSUMER

The Moses concept certainly represents the easiest way to dispose of this power. It makes sense from the point of view of the bondholders who bought the revenue bonds issued by the power authority to finance this project. It represents a method of disposing of the power at the lowest possible expense and with the surest possible return.

But such a procedure would not satisfy the major demands of the public interest. It does not secure from the public resource the maximum public benefit—"for the people of the State as a whole." It would not insure that the benefits would flow "particularly to rural and domestic consumers."

Under the Moses concept, the primary beneficiaries would be select industries in the north country and, I assume, some private utilities * * * and, of course, the bondholders.

This is not only a violation of sound public power principle; it is also, in my judgment, violative of the New York Power Authority Act which specifies that the industrial use of the power shall be secondary.

The disposal of the St. Lawrence project power—and that from the Niagara, too—for the true public use and benefit requires that it be made available first of all to public bodies and rural co-ops for use as a yardstick.

It should not matter whether these public bodies and rural co-ops are in the immediate vicinity of the project site or at some considerable distance—as long as they are within economic transmission distance of the site.

Only if these public bodies and rural co-ops are able to get their share of the public power supply can they function as a yardstick to drive private power rates down throughout the State, with a resultant saving of many millions of dollars annually to the consumers of New York State.

Every city in New York State, including New York City, should have the right to acquire some of this power, if it has a need for some of it, or should develop a need for it in the future.

If this bloc of publicly developed hydroelectric power is disposed of constructively, in full conformity with the principles of public power policy, this public power will not displace a single kilowatt of privately developed power.

On the contrary, the result will be to increase greatly the total need and consumption of power. Private utilities, by lowering their rates, will find the demand greatly increased. They will prosper, along with the people. New industries will be attracted not only to the north country, but throughout the State.

HARRIMAN HAS THE CHANCE TO SAVE THE DAY FOR US

The public development of the hydroelectric potential of the St. Lawrence and the Niagara can usher in a new era of expansion for New York State—not only industrial expansion, but also, and even primarily, the expansion of the welfare and well being of all the people of our State.

This concept is a far cry from the narrow concept envisioned by the Moses plan.

I trust and hope that Governor Harriman will prevail upon the power authority to reject this limited concept and return to the broader, larger concept for the use of this power envisioned by Al Smith and Franklin Roosevelt.

Of course, this would be a much more difficult and complex undertaking than that envisioned by the Moses plan. It would require imagination, courage, and statesmanship. But it constitutes a real opportunity and a great challenge.

I have not had an opportunity to study all the terms of the Alcoa contract. I do know, however, that to enter into a 50-year contract for the disposal of one-fourth of the total output of the St. Lawrence project to the Aluminum Company of America is contrary to public power policy as I understand it.

The power authority does not have a right to contract away such a substantial bloc of public power for such a long term of years, regardless of what the State gets in return for this unprecedented concession.

It is, of course, desirable to keep the aluminum company in Massena. The State officials have an obligation to assist the aluminum company in meeting this company's power needs. The Aluminum Company of America at Massena is an integral part of the economy of New York State. It has been so for many years. I hope Alcoa continues to thrive and prosper in New York State.

I do not believe, however, that it is necessary, in order to meet the reasonable needs of Alcoa, for public power policy to be sacrificed and violated. I do not think the Aluminum Company of America should be allowed to insist—I do not think it will insist—on contract terms which are so extravagantly at variance with the contract terms entered into by hundreds of industrial concerns, including aluminum companies, with public power authorities in other parts of the country.

In the Northwest, and in the TVA area, aluminum companies, and other great industrial concerns, have been very glad to secure publicly developed hydroelectric power on a 15-year term basis. They have invested vast amounts of money in construction and equipment to build plants in the vicinity of these power sites. I see no justification for setting, in the case of Alcoa, a precedent that would plague not only the Power Authority of New York State but other public power authorities throughout this country.

There are other terms of the contract which, according to information given me, likewise call for review and reconsideration. I am sure that Governor Harriman will give all these provisions full and thoughtful study, keeping very much in mind the necessity for preserving the principles of public power policy.

(By Judge Samuel Rosenman)

As special counsel to the New York Power Authority, I am writing you with respect to a series of articles which have appeared recently in the Post attacking the proposed contract between the authority and the Aluminum Company of America (Alcoa) for the sale of power which is to be developed on the St. Lawrence River.

I have been shocked by some of the false, reckless, and misleading statements contained in these articles.

The power authority, after 24 years of frustration, failure and inaction, has at last begun to accomplish what it was set up to do in 1931. It has obtained a license from the Federal Power Commission to build, in partnership with the Hydroelectric Power Commission of Ontario, the necessary dams, powerhouse, and other facilities to turn the waterpower of the St. Lawrence River into electricity.

Under the vigorous leadership of its new chairman, Robert Moses, it has raised the necessary $335 million for the United States half of the job. It has raised this sum not from the treasury of the State or Federal Government, not by having the State or Federal Government pledge its credit, but by selling its own bonds in the open market. These bonds have to be paid off by 1995—solely from the income the authority gets from the sale of electricity.

ALCOA LONG ON THE SCENE—AND THERE IS THE RUB

It has acquired land and let major contracts for construction. It has reduced the proposed construction period from 7 to 5 years.

The power authority, in its vigorous efforts to carry out its functions, has run into several very difficult problems. One of the most difficult was Alcoa. This was no theoretical problem. It was a very practical one. Alcoa has been engaged in business in northern New York for over 50 years.

With the consent of the State, it has been using the waters of the St. Lawrence to develop cheap electricity for its own use.

The construction of the power project by the authority will, of necessity, deprive Alcoa for all time of the waterpower it has been using for 50 years. Unless Alcoa can get an equal amount of power on terms which permit it to engage competitively in business it cannot continue to remain in the State of New York.

In this situation, the authority could have done only 1 of 2 things: (1) It could have told Alcoa that Alcoa was no longer going to get any power produced by the water of the St. Lawrence and that it would have to move out of New York, or (2) it could have negotiated with Alcoa to sell it enough electricity on terms which would enable it to stay in business.

While the authority could have taken the first alternative on its own accord, it could have adopted the second only on terms which Alcoa was ready to accept.

What would have happened if the authority had taken the first alternative?

1. Sixty-six hundred persons in northern New York now employed by Alcoa would have lost their jobs. These employees and their dependents form about 25 percent of the entire population of St. Lawrence County. Some 750 of them have worked for Alcoa for 25 years or longer. The position of Alcoa in the economy of this part of the country is highlighted by the fact that it now pays 50 percent of all the taxes in the town of Massena and about 13 percent of all the taxes of the whole county of St. Lawrence.

There are no industries in this locality which can take up any substantial number of these employees. On the contrary, as you know, northern New York is presently going through a very difficult period of unemployment. I know you will agree that this is no time to add 6,600 to the unemployed in this area, or to deprive the local government of its principal taxpayer.

2. Alcoa would have claimed a stupendous sum as compensation for the destruction of its right to take St. Lawrence water to develop the electricity which it needs to make aluminum—a right which it had exercised for 50 years. It has an investment in this locality of over $91 million. Naturally, it would have stubbornly fought the authority through all the courts in order to save this investment and to continue its right to draw water—or to obtain vast sums of money in compensation for these rights. Although the authority was advised by counsel that Alcoa would not have been successful in such litigation, the expense of the lawsuits and, above all, the delay which they would have caused—and the bare possibility that they might be successful—were formidable considerations against adopting this alternative.

3. Alcoa owns a great amount of land in this area which will be flooded by the new dam being built by the authority. Much of this land would be very valuable as possible sites for power dams. In addition to its other claims for waterpower rights, Alcoa could have demanded large sums in compensation for these possible power sites and for other consequential damages.

All of these considerations were before the authority when it had to decide between the two alternatives. It realized that the first alternative might lead to disastrous results, not only to itself but to the economy of the northern part of New York. It therefore started negotiating with Alcoa to see on what terms it could sell Alcoa enough power to enable it to remain in business in the State of New York, continue to pay taxes, and employ people.

Over a period of 8 months these negotiations were carried on. There was give and take on both sides. No fairminded person can say that either side got more than it gave up or gave up less than it got. Every business contract is a result of this kind of negotiation.

Alcoa had been developing St. Lawrence power for itself—64,500 kilowatts of it—for only 1.56 mills per kilowatt-hour. The authority, in order to be able to pay off its bonds by 1995, had to ask all its buyers for much more than that. In fact, Alcoa will be paying approximately 4.2 mills per kilowatt-hour.

In addition, in order for Alcoa to use the alternating current, the authority will develop instead of the direct current it has been generating itself, it will have to spend another $25 million in construction and in changing equipment, etc.

Under another contemporaneous contract, Alcoa gives up all its claims to its water rights it has exercised for 50 years and its claims for consequential damages and other claims which would have run into millions of dollars. Litigation—with its expense and its delays—has been eliminated.

In view of the greatly increased price which Alcoa will have to pay for its firm power commitment until the bonds are paid off, in view of the additional expenditure of $25 million to enable it to use the power, in view of what Alcoa is giving up in the way of claims for water rights, consequential damages, etc., was Alcoa not justified in insisting on a long-term contract? Was not the authority justified in granting a long-term contract in order to keep Alcoa in the State and prevent the distress which would have resulted if it moved out?

ALCOA ASSURED OF ONLY 8 YEARS AT CHEAP RATE

It was only by a long-term contract, extending beyond the date of payment of the authority bonds, that Alcoa could ever get down to a rate which would be anywhere near the cheap rate at which it now generates electricity for itself. Although it is confidently expected that the bond issue will be paid off before 1995, under the contract Alcoa has assurance of only 8 years of this cheaper rate after paying the higher rate for the period of the bond issue.

And as additional protection to the authority, the contract now provides that if the rates are reduced by reason of pooling Niagara power with St. Lawrence power, then before reducing the rate to Alcoa the authority can change any of the terms of the present contract, including the length of it.

This was not a case of a new industry applying for a contract—as was the case where other public power developments in other parts of the country have sold their electricity to private industry. Examples of the length of contracts in other developments are therefore wholly irrelevant.

Here was a case of a company which was actually using the flow of the river, employing 6,600 people, having a great investment and certain definite fixed rights which it was being asked to relinquish.

The chairman of the authority seems to be selected by these articles for particular denunciation and abuse. Robert Moses needs no defense from me. He has done as much for the physical betterment of this State and this city as any man alive, and will be gratefully remembered for his accomplishments. He has been a fighting advocate of public development of waterpower in the interests of the people and a bitter opponent of private utility development of waterpower for over 30 years—beginning back in the days of Alfred E. Smith.

To accuse him—directly or by innuendo—of selling out to the power interests or of making a giveaway to such interests is not only shameless—it is ridiculous. And the public of the city and State who have benefited by his years of public service can only laugh at such reckless charges.

The articles in your paper have been increasingly abusive and increasingly incorrect. I take as an example one of them—dated May 9, 1955—and point out to you seriatim how patently false and absurd some of the accusations are:

FACTS NOT CONCEALED—GIVEN OUT IN RELEASE

Statement by the Post: "Robert Moses, chairman of the New York State Power Authority, has negotiated a 48-year contract with the Aluminum Co. of America, the Post learned today."

Comment: There is here an insinuation of some effort of concealment, whereas the Post actually learned about the Alcoa contract on April 8 from a press release delivered to them by messenger. In addition, the authority advertised the power contracts in 15 papers scattered over New York State. (The law requires advertisement in six papers.) Six advertisements were run in the New York Post, beginning April 10.

Statement: "Power experts foresaw the possibility that the Moses-Alcoa agreement would set a precedent which would divert the cheap power to private industry rather than residential consumers in New York and other northeastern States.

"Olds noted that the New York Power Act directs the authority to give first consideration to the electric needs of domestic and rural consumers. The act says that 'sale to and use by industry shall be a secondary purpose.'"

Comment: The Authority is directed by the Power Authority Act to erect "such transmission lines as may be necessary to conduct electricity to industrial users located at or near the site" and to study the desirability and means of attracting industry to the State in order to effectuate the policy of the act.

While the Power Authority Act provides that the sale of power to industry shall be a secondary purpose, it also says that the sale of power to industry shall be utilized principally "to secure a sufficiently high-load factor and revenue returns to permit domestic and rural use at lowest possible rates." The manufacture of aluminum produces a higher load factor than practically any other industrial process. Besides, as you know, other contracts already announced show that this is no precedent at all. The Authority expects to comply fully with the policy stated in the act with respect to "domestic and rural consumers."

Statement: "He (Olds) urged that Moses develop a comprehensive 'marketing plan' so the public can get some notion of how the Authority plans to distribute the St. Lawrence hydroelectric power and opposed approval of contracts 'on a piecemeal basis.'"

Comment: The Alcoa contract had to be made now if Alcoa was to stay in business in Massena. It went there originally because it was able to produce cheap power. The Authority must charge it a much higher rate. Many matters had to be settled between the Authority and the company, several of them on one basis if the company remained and on another if it left. The construction schedule requires that both spend many millions of dollars on related construction work. Obviously Alcoa would not undertake to spend such sums or to waive claimed water rights unless it first obtained a contract for the purchase of power from the Authority. It could not wait upon the sale of the balance of the Authority's power.

Statement: "There was a possibility that a group of Pennsylvania Rural Electrification Cooperatives would protest the Moses-Alcoa deal directly to Harriman.

"Representatives of the group have said privately that power Authority representatives won't allow them to be heard at Tuesday's session (the hearing on the contract). Whether this is Moses' final decision was uncertain."

Comment: As you know, everybody who wanted to speak at the hearing was given an opportunity to do so. There was never any suggestion to the contrary, and no basis for this reckless insinuation that they would not get a hearing.

QUESTION OF THE RATES ALCOA WILL HAVE TO PAY

Statement: "The base rate for the firm power would be $1 per killowatt and 2.67 mills per kilowatt-hour, for secondary power, totaling 65,000 kilowatts."

Comment: For firm power Alcoa must pay a so-called capacity charge of $1 per month for each kilowatt it contracts to buy, whether it uses it or not, and must also pay 2.67 mills per kilowatt-hour for all the energy it uses. There is a prescribed minimum amount of energy for which it must pay in any event.

As to secondary power, Alcoa, like other customers, will pay an energy charge only—the initial charge being 2.67 mills—but unlike the others, Alcoa must pay for all the energy it contracts to buy whether it uses it or not.

Statement: "If the Authority finds it must charge more than $1.10 per kilowatt Alcoa has the option of increasing the amount of the cheaper 'secondary' power it consumes or 'terminating the taking of power

and energy under this contract in whole or in part'."

Comment: The general contract provisions adopted by the Authority, which apply to its contracts generally with all purchasers, allow a customer to cancel for any increase in rates no matter how small. The language in the Alcoa contract on this subject limits its right to terminate to an increase of 10 cents or more per kilowatt. The option given to Alcoa to take more "secondary power" by its terms is limited to situations where the Authority has the power available for sale and it is not subject to contract with others.

Statement: "Power analysts maintain that terms of the Alcoa contract are far more generous than those of the public agencies."

Comment: This is not so. Alcoa pays the same rates as everybody else, but is required to pay a higher minimum charge and is actually paying for power at a higher load factor than anybody else. See also the immediately preceding comment. Furthermore, while other customers, pursuant to the general contract provisions adopted by the Authority, are not required to pay for any power when closed down because of a strike, lockout or labor dispute, Alcoa under such circumstances must pay for half the firm power it contracts to buy.

Statement: "The language in these contracts also reserves to the Authority rights it appears to have surrendered in the Alcoa contract. In the Plattsburg contract, the Authority 'may discontinue furnishing electric service' if the city's operation of its power system 'interferes' with the Authority's operations."

Comment: There is no provision in the Alcoa contract for the discontinuance of service in case of conditions on the contractor's power system which interfere with the power system of the Authority for the reason that Alcoa does not have a power system.

In Opposition to Pay TV

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith the following letter I sent to the New York Herald Tribune as it was printed in that newspaper:

REPRESENTATIVE CELLER EXPLAINS WHY HE IS OPPOSED TO FEE TV

To the New York Herald Tribune:

Permit me to congratulate the New York Herald Tribune on its recent wide coverage of the pro and con of subscription television. This was, indeed, a public service. I have written to the heads of the three large broadcasting and television chains in New York City urging that they program debates and discussions on both media to bring before their vast audience all facets of this far-reaching proposal.

The proponents of pay TV continuously reassure that they have no designs on the present free TV programs. How can we be sure? How can we prevent it? On March 7 of this year it is reported that some 65 million people watched Peter Pan and that the reaction from the public and industry was most favorable.

It has been stated that it cost $600,000 to put this spectacular on the coaxials and it is presented as an example of the type of program that could be brought into our homes more frequently through subscription TV. You don't need to be a statistician to figure out that if this program were viewed by so many millions it cost less than 1 cent per viewer. This is a very low price to pay to reach so many people with direct advertising.

Assuming that on subscription such a program would cost less than the price of a good movie—which varies geographically—you don't have to be a mathematician to figure out the astronomical box office for the slot machines on each set. With such a jackpot, how can the purveyors of pay TV resist moving on to more territory?

It should also be forcefully brought to the attention of the public that there will not be just one company sponsoring subscription TV. Each subscriber will have to buy a gadget or a meter for his set. Present estimates of the cost of such equipment run from $10 to $50. Let's say Mr. John Q. Public buys a meter. He may then run into the unexpected problem of wanting to view a program which is not carried by his particular service. Competition in the United States being what it is, is he going to have to acquire 3, 4, or more gadgets or slot machines or billing machines?

It is rumored that the gadget may be installed free by some companies. With the present estimate of $10 to $50 for the cost thereof, how can any company afford this tremendous outlay? Based on a recent Federal Communications Commission survey, there are an estimated 36 million sets in the United States.

Other rumor has it that if the gadget is free, installation costs will be charged, and same could amount to $30 a set. Under this arrangement, the subscriber could very well pay for both gadget and installation without realizing it. Totaling this up, the figure is staggering, on the basis of 36 million sets.

It is further advocated that fee TV cannot affect free TV. How can 1 station carry 2 programs simultaneously? In the words of the currently popular song, Something's Gotta Give, my guess is that it will be free TV.

As a Federal legislator, expected to consider carefully the overall results of any innovation such as this, I am dismayed at the probable effects of fee TV on our tax structure, employment, those in low-income brackets, transportation, and other industries. Will our movie houses, theaters, sports arenas, etc., be thrown into the discard? What happens to the tremendous investments in such real estate?

Television has been doing a satisfactory job to date and under present conditions. A great variety of entertainment and programs in the public interest have been presented, some of them of very high caliber. True, higher standards could be expected in a number of instances, but industry replies that they cater to the taste of the general public.

It should be reiterated that the American public does pay for this service now. I am confident that an analysis of the sales figures of the sponsoring companies would prove that there has been a tremendous increase in the sales of their products since the inception of TV. These huge financial outlays would have been discontinued long ago if the medium had not produced the most desirable results.

Free broadcasting and free television have been undisputed boons to the industry of this country. I shouldn't think the sponsors would be happy at the prospect of killing the goose that laid their golden eggs, but they are strangely reticent at this time on this subject.

In closing, may I say I shall continue to oppose all efforts to foist fee TV on the American public.

EMANUEL CELLER,
Member of Congress.

WASHINGTON, D. C., *June 14, 1955.*

A Bill To Create the Office of Senator at Large for Former Presidents

EXTENSION OF REMARKS
OF
HON. FRANK L. CHELF
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. CHELF. Mr. Speaker, the following is a statement that I made before Subcommittee No. 4 of the House Judiciary Committee at 10 o'clock, Tuesday, June 21, 1955 with respect to my bill H. R. 3886, which seeks to create the office of Senator at Large in the United States Senate for former Presidents of the United States of America:

Mr. Chairman and my colleagues of the committee, I want to thank you for giving me this opportunity to appear before you today in the interest of H. R. 3886 which seeks to create the office of Senator at Large in the Senate of the United States for former Presidents. In the future, under this legislation, there will always be the possibility of one or more ex-Presidents in the Senate, no matter what his political beliefs may be. Gentlemen, if there ever was a time during the history of our Nation that the combined talents, "know-how," experience, and training of our two living former Presidents were needed to help us solve the many complex problems with which we are presently confronted—this is that time. Let us make no mistake about it or lull ourselves to sleep over the international situation because, quite frankly, our relationship, at the present time, with the various countries of the world is most precarious.

At this time, our country is particularly blessed in having two splendid gentlemen who have served as Presidents of the United States of America. One of these distinguished gentlemen is a Republican, a conservative, and truly an elder statesman; while the other outstanding gentleman is a Democrat, inclined to be liberal, and is a real American.

The Honorable Herbert Hoover has had long and varied experience as a public servant. In addition to his having served as the President of the United States, he has served in various capacities throughout the years both prior to his term as President and since that time as chairman of various boards and commissions which have added additional luster to his good name. You will recall that during World War I, President Wilson designated Mr. Hoover to adequately, efficiently, and humanely distribute food, clothing, medical supplies, and other aid to stricken peoples, scarred and marked by the ravages of war. Mr. Hoover presently is serving as active chairman of the Commission on Organization of the Executive Branch of the Government and is, as usual, making a most valuable contribution to his Government and to his country.

No doubt, at this juncture, you are asking yourself the question—well this all may be very true, but what does Mr. Hoover think of this legislation? This is a good question. Although I wrote Mr. Hoover a letter asking for his comments, I must confess he replied that while he appreciated my sentiments and remarks, he asked that I do him the "kindness of leaving him out of the discussion." In other words, Mr. Hoover quite clearly takes the attitude that since he is involved in the legislation, he ought not to be embarrassed by being requested to make a statement. While I am unable to give you Mr. Hoover's reaction, I am informed that a similar plan, such as I propose in the House and Senator KILGORE proposes in the Senate, "received

the weighty endorsement of former President Hoover in 1949." It is my sincere belief that Mr. Truman is not averse to the plan.

The Honorable Harry S. Truman served as United States Senator from the great State of Missouri for approximately 10 years. He gained national stature and prominence by serving as chairman of the Truman Investigating Committee. In 1944, he was nominated and elected by the people of this country to serve as Vice President under President Roosevelt. He had hardly settled down into his office as Vice President when President Roosevelt was summoned to his reward by the "Master of all nations, lodges, and men" and suddenly and without warning, Mr. Truman found himself being sworn in as President of the United States.

Whether we agreed with Mr. Truman's politics, his policies, his methods, or his achievements, there is one thing that I feel that all of us will be bound to admit, he served at a most crucial time in our history.

In my opinion, no man ever was confronted with the decisions that he had to make as Commander in Chief of approximately 12 million men to successfully conclude World War II and to help lead our country and the world, for that matter, which was tottering on the brink of destruction and despair, back to a sound, sane, postwar status.

My colleagues, it was President Harry S. Truman who had to make the decision as to whether or not the atom bomb would be dropped on Hiroshima and on Nagasaki. I know and you know that this good man had to take decisions of such magnitude to the good Lord in prayer. Frankly, I do not think that any person could make such a momentous decision without calling on Almighty God for help and guidance.

Mr. Chairman, I feel very deeply about this particular situation. Down in my heart, I know full well that there are tens of thousands of our young men who are living in happiness today due to the decision made by President Truman to drop these bombs, each carrying death and destruction equivalent to 50,000 tons of TNT.

It took real courage to issue that order that acted as a certain death warrant to thousands of civilians. Nevertheless, we were at war, a horrible bloody war and it was either the Japanese or our soldiers who had to die. Had not Mr. Truman made the decision at the time, place, and manner in which he did, World War II would have continued and the million casualties in blood and the billions in gold and treasure that we lost might conceivably have been doubled.

Mr. Chairman, I know there will be some objection to this legislation but I sincerely trust that that objection will stem from an honest disagreement with the object, intent, and purpose of this bill rather than from any prejudices that any Member of Congress may have against either one of our two former Presidents. I have spoken to several of my colleagues about this legislation. I have urged their support of this bill. I am happy to report that 4 out of 5 favor it overwhelmingly because they agree with me that unless this legislation is enacted now during the time in which both former Presidents are active and alive, it will never be done.

The small amount of opposition that I have encountered to the legislation is, unfortunately, due to prejudice against one or the other of the two former Presidents. Such attitude is strictly unfair because you and I know that we cannot legislate by prejudice.

Any man who has served his country in as many capacities as these two distinguished men and, in addition, has served as President of the United States is highly qualified to serve as an ex officio Member of the United States Senate. Their advice, counsel, suggestions, and ideas on domestic and foreign policies ought to be made readily available to our legislators on Capitol Hill. As ex officio Members of the United States Senate, without a vote, our two former Presidents would have daily contact with the people through the medium of press, radio, and television and it would afford them a forum for their thinking on national and international problems.

At the present time, our former Presidents are somewhat reluctant to visit Washington, offer advice, or to speak out on matters of foreign and domestic interest unless they are invited to do so.

As a Senator at Large in the Senate, the country would have the full benefit of their services, talents, and their vast experience without any embarrassment to themselves.

In addition, I think it would be a healthy thing for the country to have at least 1 or 2 Senators, or for that matter, a couple of Representatives of the House, who could sound off on any issue that might come before the Congress without having to worry about his constant campaign for reelection or any voter repercussions. Truly it would be refreshing to have these elder statesmen serving as Senators-at-Large. It would be America at her best and in her finest tradition. As a democracy we either come up with new ideas occasionally or we wither on the vine of progress.

On April 15, 1955, the Louisville Courier-Journal printed an editorial entitled "A Senate Seat for Hoover and Truman." Later, on April 25, 1955, that splendid newspaper printed another editorial entitled "A Forum Is Needed, Not Just a Pension."

The editorial dated April 15, 1955, among other things, had the following to say:

"But they (Truman and Hoover) would hold positions of recognized distinction instead of being relegated to relative oblivion. They would be, in every case, men inclined by training and circumstance to think in national rather than in more local or regional terms. Freed of all thought of elective harassment, and representing the people at large, they could at their best provide the country with a continuous wealth of experienced statesmanship. It is an asset that should not go begging. Congress could make this a memorable session, indeed, by reintroducing us all to Senator Hoover and Senator Truman, and preparing us, in time, to meet Senator Eisenhower."

From the editorial dated April 25, 1955, I quote the following excerpt:

"It is politically improbable that Congress ever would pass a bill affecting former Presidents of the United States except at a time when ex-Presidents of the two political parties were alive. The 84th Congress has such an opportunity now while Herbert Hoover and Harry Truman are active and alert. * * * Bills introduced by West Virginia's HARLEY KILGORE and Kentucky's Representative FRANK CHELF, would make all ex-Presidents nonvoting Members of the Senate for life terms. * * * It seems to this newspaper that making our former Presidents' experience and wisdom officially useful in the United States is more important than method. * * * But of the two plans (the civil-service pension plan) the Kilgore-Chelf proposal appeals to us more. It imposes no inflexibility on the pattern of service. It gives official and active status to those former Presidents who desire to use it. It removes any suggestion that the old gentlemen have been pensioned off to pasture—which is quite the opposite of what is intended."

There is a great deal more that I could say with respect to the qualification of these outstanding Americans and why they ought to serve in the Senate, but since I realize I am speaking to men who understand and appreciate the accomplishments of our former Presidents, it would, therefore, waste your valuable time to go into further detail.

Once again, I want to thank you for your kindness in hearing me and I sincerely trust that you will favorably report this legislation.

Moral Values and American Achievement

EXTENSION OF REMARKS
OF
HON. PAUL CUNNINGHAM
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 1955

Mr. CUNNINGHAM. Mr. Speaker, under permission to extend my remarks in the CONGRESSIONAL RECORD, I include an address by the Honorable FRED SCHWENGEL, who represents the First Congressional District of Iowa, as it was delivered on the east steps of the United States Capitol on Flag Day, June 14, 1955:

MORAL VALUES AND AMERICAN ACHIEVEMENT

The audience that made it a point to come here today must have an exalted sense of the American tradition.

Flag Day is a patriotic day and I incline to view that it is patriots who gather to celebrate it.

We stand on the steps of a Capitol of the people, therefore the greatest Capitol in the world.

It is impossible not to sense and to quicken to the aura of the greatest history of mankind that crowds in upon us in this almost holy place.

Here, almost on this spot, spoke a whole succession of presidents.

Their inaugural addresses present an insight into the history of our country.

If what they talked about and campaigned for, and the ideals that some of them died for, were wrong, or impractical, or composed of dream stuff, then this ceremony, this audience, this exalted sense of the American tradition that you feel with me, could not have happened.

There would be no United States of America.

The proof of the solid substance they builded for their own time and for the generation to follow is our survival as a great Nation at this hour in this place.

This place which has become the seat of the most important power in the world in the long and often melancholy history of the human race.

This our Government achieved its eminence in a world noted for savage rivalries, harsh racial, and national hates, and the persistent and sometimes brilliant drive of despots who want to enslave the world.

Here, on this soil we are pleased to call America, tyranny in all its forms met its first, tremendous, and enduring defeat at the hands of pure reason and moral principle.

What was created here of lasting value is the complete frustration of the philosophy of the brutal use of force for selfish ends and its replacement by a republican form or a representative government of the people.

History shows that at the very inception we put our trust in moral values. Moral values backed by valor and by sacrifice. The reward—as we can see—is without parallel in the annals of progress and prosperity of a nation.

The reward that is ours is in a clear national conscience.

It is these moral values that essentially encompass the meaning of the day we honor.

It is these moral values that is represented in the bit of color and bunting which we memorialize on this occasion.

It is this that we mean by Flag Day.

Our flag flies constantly over this spot. It is one of many shrines where that proud symbol flies continually.

Since we have had a national flag, it has been present at all the important events in our history and if it could speak out to us

today, those moments and words would be relived with an eloquence that would stir the patriotism in all of us and of all the freedom loving people everywhere.

It would amplify for us the words of Thomas Paine, the great crusader for Americanism in its early hours of desperation before we had a flag. He was among the first of America's adopted sons, to give flame, and inspiration to the ideals for which this flag is the symbol.

Paine addressed himself to the greatest source of power in nation, the people. To him, the people listened. They lent their ears and responded with a devotion that did much to give us victory when victory was so hard to come by, and cost so dearly, and looked so remote.

Among his associates were not only men of words but men who were shaping a doctrine and a system of government. They had a faith and were men of deliberate and determined action.

This doctrine of faith was remarkably geared with words and action in those days and went into battle joining knowledge and mind with muscle. For if you think of 1776 you must think of Paine's pamphlet, Common Sense, which was published that year.

Paine deplored the summertime patriots of whom there were some in 1776 just as there are some in our time.

But Valley Forge a year or so later put to the test whether George Washington had an army of real, or merely summertime, patriots.

And the times that try men's souls tried every generation of our country long after Paine coined the phrase and long after he had been gathered to his ancestors.

Can't we in this hour boast that we have proved ourselves a nation of more than Flag Day eulogists and enthusiasts, out for emotional patriotism on a fine day? I think so.

For we proved our stamina, our resilience, and our faith in the fight we put against economic panics and political upheaval of our own making.

We proved it in recessions and depressions. And we proved it in disasters and near-disasters forced upon us from the outside, whether in the sinking of the *Maine*, the German U-boat attacks before World War I, or the assault on Pearl Harbor. We proved it within the walls of our majestic Capitol and its Chambers that give voice to the will and the vision of the people through their elected representatives.

Sometimes the words the flag speaks sound hortatory to modern ears—as perhaps mine do today—but immortal words of our past have rung down through the decades and have moved and stirred our Nation to unity and to greatness. Language such as: "Liberty and union, now and forever, one and inseperable." Worn, sometimes tired, words that never lose their deep moral meaning such as: "with malice toward none, with charity toward all"—heard right from these steps. And these words follow almost as a matter of course from such phrases as "all men are created equal" and "equal justice under law."

For that is exactly what this flag is all about.

Our flag heard the words of Washington when he said in his famous farewell address, "Religion and morality lead to political prosperity." To many of the sophisticated and the cynics in his audience that day, as to perhaps a good many today, that statement must have sounded a little too pious, a little too grand and a little too absurd. Yet at this hour you and I have the facts, the figures if you like, the living reality. Did religion and morality bring about prosperity? We have the answer not only in the kind of dollars and cents that can be calculated to enormously impress brilliant folk inclined to be cynical about God and virtue, but in the real worth of freedom, liberty, and justice.

If we had eliminated religion and morality from our people this growth would not have been so phenomenal—and, speaking for myself—I doubt we would have survived at all. For us moral values represent the basis of our Government. Moreover had we not moved along the moral and religious paths of our Founding Father and progressed regularly upward to higher goals morally, from our beginnings this vastly powerful Nation that we are today would not have been. We know the mistakes we made and they were grave, mistakes by ourselves as a government, mistakes as a people, mistakes we made as individuals. But in the summation of it all, it cannot be denied that the keel upon which this ship of state was constructed was basicly morality and religion, taught originally and principally by the church. While the church is completely separate from the Government and should remain so, yet morality and religion it taught filled the mind of the Father of our Country.

They breathe in the Constitution of the United States.

They are the heart of the thinking in our state papers.

They invest the language of our presidential inaugurals.

They determine the outposts of right in our economic system, our labor and business laws, our debates over immigration laws, our bureaus and regulatory commissions.

They render lofty, noble, and practical the decisions of our courts.

We even engrave them in stone on our most hallowed buildings. Should you have occasion to go to the Supreme Court you will note the language of the pediment: "Equal justice under the law." This is the foundation of true religion which gave us high morals on which our Nation rests today and it is this that is our greatest security today.

If our flag and democracy stand for anything they stand for that.

And that is the kind of system and ideals given our resources that makes possible the growth of a nation from two-thirds of a billion dollars in income for a year to $300 billion in 165 years.

How could Washington's words have been more right? "Religion and morality lead to political prosperity."

A flag of 15 stripes and 15 stars on a blue field flew at Fort McHenry on September 13 and 14, 1814 when Francis Scott Key, seeing it in the "rockets red glare" wrote The Star-Spangled Banner. That very flag, incidentally, is now in the Smithsonian Institution here in Washington (a banner 30 feet by 40 feet). I visited there and was inspired by this historic emblem.

Up to 1912 there were some 20 changes made in the flag.

In 1918 the Congress ruled that the number of stripes remain 13 in honor of the States first ratifying the Constitution. It stipulated that also "on the admission of every State into the Union, one star be added to the Union of the Flag." President Taft, by an Executive order prescribed uniformity on the blue field. He directed 6 rows of 8 stars each. Another regulation provides that the stars must have five points, and that they must be placed with one point upward. Still another regulation calls for 7 red and 6 white stripes, with the red stripes placed on the outside edges to increase visibility as the flag flies against the sky.

This very briefly is the physical and chronological story of the flag we honor today.

To 165 million people of the United States that flag speaks the language of the Constitution of the United States guaranteeing the dignity of the individual: Freedom of speech, of worship, or assembly, trial by jury, security of the person and the home, no unusual punishment.

Yes; the Constitution has kept the faith.

It has formed a more perfect union, established justice, insured domestic tranquility, provided for the common defense, promoted the general welfare, and secured the blessing of liberty. It has given us the Bill of Rights. And up to this hour the people of the United States in all generations have met these inalienable rights with the due regard of a citizen for his responsibilities.

We must always remember that this Nation was not created to destroy the tyranny of the despot only to replace it by the tyranny of the mob and/or the mob leader. The flag as it flies, reminds that we must not condemn people until they are proved guilty, because the story of this flag is rich in the language of justice. This flag is a symbol for high and noble virtues but they have no meaning unless we translate our faith and our doctrines into results.

Of all the symbols that stir our people, there is none that denotes action quite so much as the flag we honor today. Ever since Valley Forge on through Gettysburg, the Argonne, Iwo Jima, and the Bulge, it has stood for action in a cause that is just; a cause of the people.

Tom Paine demonstrated the power of the written word when it was commonsense. In saying "give me liberty or give me death," Patrick Henry stirred the hearts of a people and started to forge the loose links of a mighty Nation. Then came the words of the Declaration of Independence which some think is the greatest of all declarations. It gave us ideals and character for which to fight. And we did fight. Then a Captain Parker made a statement some 180 years ago which came to be our war policy in the first major war and all the wars to follow: "Stand your ground. Don't fire unless fired upon, but if they mean to have war, let it begin here." Always the accent is on: Let them begin it.

These and many others were calls to patriotism to save a nation yet unborn. It was followed by a whole panorama of battles for a cause, yet to be understood. The names of those battles have a revered place in the struggle for freedom—Ticonderoga, Valley Forge, Yorktown. Then came the struggle for union to preserve this Nation for a place among the world family of nations. And in the battles that followed we struggled to keep freedom and justice alive and meaningful in that family of nations, and above all, to have for all time on this continent, "one nation indivisible with liberty and justice for all."

We are not, and must never be, a Nation of merely Flag Day enthusiasts and summertime patriots. This Government has given us so much and has so much coming from us. In the past, we have responded with heroism in battle and with legislation to meet crisis after crisis in the domestic disasters of this country.

If need be we can prove our mettle again, staking for this flag what our forebearers staked for it—our lives, our fortunes, and our sacred honor.

Let us then as we commenorate this Flag Day promise to live each day so as to honor its rich heritage and thereby add to its greatness.

Let us, too, as we see it flying atop this Capitol and all the 48 State capitols of our Nation remind ourselves often of the dedication and sacrifice of our forebears that brought our Nation into being and then rededicate ourselves to the ever unfinished task of maintaining a good Government that is truly of, by, and for all of the people.

Let us too keep it flying above or in the area of all our institutions of learning—private and public. There to be to us ever a reminder that without true and free education an enlightened people cannot grow or continue long as a republican form of government.

And wherever we see this our flag flying let us remember that it is becoming to each of us to be better citizens in peace as well as in war.

To religious leaders it looks with confidence to help and to lead in keeping and strengthening the spiritual and moral values upon which our whole system rests.

To the elected and appointed leaders in government it is calling for the Nation to Give Us Men:

"God, give us men. A time like this demands
Strong minds, great hearts, true faith and ready hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who can stand before a demagog
And damn his treacherous flatteries without winking
Tall men, suncrowned, who live above the fog."

To the world our flag is a constant invitation to adopt our way of life and join with us to hasten the day when we shall have peace on earth and good will toward all men everywhere.

And to all mankind everywhere it is reminding us of words of a great seer when he said: "No doctrine, faith or knowledge is of value to man except as it bears fruit in action."

Let us then harken onto these things and to all of the true patriots of old and conduct ourselves according to the great fundamental truths expounded by them. Then we will be blessed by Him from on high and all together we can sing with greater devotion: God Bless America.

Who Is the Villain?

EXTENSION OF REMARKS

OF

HON. J. T. RUTHERFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. RUTHERFORD. Mr. Speaker, since the Supreme Court rendered its now-infamous decision of June 7, 1954, in what is now commonly known as the Phillips case, there has been a harsh and immediate reaction by a goodly number of so-called city fathers throughout this land. Backed by financial, spiritual, and moral support of the gas distributors, they have hailed this verdict as a great decision in the interest of the gas consumer.

And, inevitably, as always in such contentions, the consumer has been portrayed as a widow woman who is getting a great blessing by being able to pay what is termed "a fair price" for her gas at the burner-tip by the alleged generosity and kindness of the distributor and the Supreme Court.

In keeping with this fable, the distributor and the city fathers have painted the picture of the "rich producer" for all to see. It is always popular in our complex society to represent the so-called rich interests as the villain. Now, the producers of the Southwest—and especially in my home State of Texas—are being tagged with this big rich villain label.

It is time the people from the gas-producing States, who know the true facts, meet this challenge.

First, Mr. Speaker, may I say that there is a principle involved. As a result of the Supreme Court decision, we find the Federal Power Commission regulating the price of gas at the wellhead. Yet the hog in Iowa is fattened for the kill and shipped across the State line without any agency regulating the price it will bring. The automobile is made in the East and sold throughout the country, but there is no Federal regulation as to price on this product. Then, why is it that the Federal Power Commission regulates the commodity of gas? Is it because gas is a form of energy? No, Mr. Speaker. Wood is used for power, for fuel, for burning, yet the price of wood is not regulated simply through the fact that it is shipped across the State line.

Mr. Speaker, as I said earlier, in any drama, and especially in that type of theater known as the melodrama, it is popular to applaud the hero and hiss the villain. And the oil and gas producer is being tabbed the villain in this case.

Let me point out here that we do have some prima donnas in the petroleum industry. These individuals—and I assure you they constitute a very, very small minority—have been at times a source of embarrassment to our State and to the industry which has made them successful and sometimes wealthy individuals.

I speak not for these few.

I speak instead for the sincere majority of our producers who are sick and tired of the unfair and villainous role into which they have unwillingly been thrust.

The leaders in the move to allow the Federal Government to control the price of gas at the well, have climbed aboard a white charger, donned a cloak of armor and have sallied forth to slay the villain; the dragon, the "rich producer," if you will, Mr. Speaker.

And all in the fair name of the lily-white maiden that is the consumer. Shining knights in armor indeed.

Just who is the villain? Who is the true villain? Let us examine the facts. And let me say first that I am a consumer of natural gas, but from a gas-producing State and a gas-producing section of that State.

The only activity I have ever personally had in the oil fields and gas fields came while I was wearing a tin hat, steel-toed shoes, cotton gloves, and greasy coveralls.

I do not own a dime's worth of oil or gas, other than what I buy from the distributor for home consumption.

I would like to also point out that I have been consistently and uniformly opposed by the gas producers in my district.

So, to those who say I have a selfish interest, Mr. Speaker, I say, yes, my interest is selfish if a principle can so be termed.

Hiss the villain, hiss him loud and hiss him long. But first find who the villain really is. There may not be a hero in this drama but I intend to point out the facts and then, I think without a doubt, you will know whom to hiss—and possibly to cheer.

Let us consider for a moment both the transmission and distribution of gas—including the rates charged by the transmission and distribution companies—and we will see that both have been under governmental regulation for many years. As I am sure you are aware, Mr. Speaker, the Federal Power Commission regulates the interstate transmission lines, and State or local utility commissions oversee the distributing companies. May I point out that only in recent years, at their request, have the distributors requested Congress, and they concurred that they themselves be removed from Federal regulation through the FPC.

As consumer prices began to increase, consumer groups began protesting to the various regulatory bodies. They overlooked the fact that the price of natural gas by the producer at the wellhead had defied the rapidly rising trend in the cost of living for several years. They failed to realize that this same upward cost of living trend eventually was bound to have some effect on the cost of operations of the natural gas industry and that prices would have to move upward also. Each phase of the natural gas industry attempted to justify and rationalize its own price position, unfortunately inferring in doing so, that perhaps the other segments of the industry were the causative factors behind the price increases.

I am concerned that the continued Federal regulation will affect both adequate supplies and reasonable prices. In the first place, I know that regulation of natural gas production by the Federal Government cannot possibly result in lower prices over any extended period. On the contrary, I am confident that regulation will result in higher prices than would otherwise prevail. As an example, let me point out that the existence of regulation of the carriers and distributors has not prevented such firms seeking rate increases caused by increased steel, labor, and tax costs.

Actually, my concern is directed more to future supply than to prices. I am convinced that adequate supplies will be made available under continued competitive conditions. I am not convinced that such supplies will be adequate if regulatory effort deprives the producer of a proper incentive to seek out and develop new reserves.

Now, Mr. Speaker, let us consider particular cases in point and keep in mind, if you will, the fact that we are looking for the villain.

Consider, for instance, Providence, R. I. The producer is paid 10.1 cents per thousand cubic feet for his gas at the well. To transport the gas to the city gates of Providence costs 42.2 cents per thousand cubic feet. Now let us stop and do some simple addition: This is a total of 52.3 to buy the gas and deliver it to the gates of Providence, R. I., from Texas; but then the consumer is charged $3.64 for this same gas. Yes; the widow woman is paying a steep price to her protectors.

In New York City, Mr. Speaker, the consumer pays $2.76 for gas for which the producer received 7.8, and which cost only 23.5 to transport—that's from Texas to New York. And the State of New York at the same time it is yelling

about "the rich Texas producer," has tagged a 3 percent tax on our Texas product for sale in New York. This tax alone represents almost the price the producer received at the well—the tax 7.2.

Elizabeth, N. J., where the city fathers are looking after the interest of that "pore ole widder woman," pays the producer 7.6 cents for his gas at the well, transports it for 26.4 cents more, and sells it for $2.76.

Cambridge, Mass., pays 0.101 cent per thousand cubic feet to the producer, then 54.9 cents to transport it to the city gate. And that consumer pays $2.58 for literally 4 bits' worth of gas.

Mr. Speaker, some will allege that the natural-gas producers are few in number; that they create a monopoly; that a few of them, a mere handful, hold the industry in the palm of their hand.

I submit, Mr. Speaker, that the top 4 companies in this industry comprise only 17 percent of the business; the top 8, 28 percent; the top 20 a total of 46 percent. If those among us think that this is in contrast to my contention that this is not a monopoly business, then let them consider comparative figures for other industries. The top 4 companies in the copper business control 80 percent of the production, the top 4 companies in the iron-ore business make up 62 percent of that industry; the top 4 companies in the cigarette industry control 90.4 percent; and the top 4 companies engaged in automotive work and parts control 55.7 percent of the total business. In fact, more than 6,000 producers are furnishing gas to interstate transmission lines.

Therefore, it is clearly not true that a mere handful of rich producers control this vital industry.

In fact, production widely held presents an ideal ground for competitive activity. This condition gives rise to competitively economic strength.

Who really is concerned and involved is the landowner and producer. He is a man who, if you will listen, will probably tell you a story that begins with his grandfather coming to the Southwest in a covered wagon in 1850, or 1860, or 1870. He came to settle. He settled, and he perhaps fought the Indians, and without a doubt, he fought the elements. He scratched out a living out of the barren soil; then a company drilled on that land, and beneath that barren exterior, they found gas. And now the little farmer or rancher, as the case may be, found himself able to buy not only the necessary things of life, but perhaps a few luxuries. Still he was not a wealthy man. In most cases he is not wealthy today.

There are hundreds of these individuals. It is their land. They have a product to sell. Just as the man who sells sheep, corn, wood, or automobiles has a product to sell, he is trying to get a fair market price for his product. And now the FPC, with the sanction of the Supreme Court, jumps up to tell him how much he can get for his product—if it is natural gas—but not on the other products.

Mark my words, Mr. Speaker, if this is accomplished the man who states that he is "protecting" the consumer today by approval of the regulation of this commodity by the FPC, some day will find his product regulated by some Government agency. And oh, there will be weeping, and wailing, and gnashing of teeth. He will pray—but his prayers are too late.

Mr. Speaker, I am ready to hiss the villain. Who is he? He certainly is not the consumer. He is not the producer. Then, could he be the one who pays a nickel for a thousand feet of gas and sells it for $3?

I urge the House to give favorable consideration to H. R. 6645.

Desegregation

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1955

Mr. CELLER. Mr. Speaker, the precedent for desegregation handed down in last year's Supreme Court decision, plus its reaffirmation the other day, are landmarks in the history of the United States. These are the most encouraging beacons set out along the path to equality which the Negro has so long sought. Further inspiration and guidance will be given those who have made every effort to further interracial goodwill.

Recently, at Bandung, the world watched the Conference of Asiatic leaders. I am confident that the desegregation decision penetrated every echelon of the conclave there assembled, and undoubtedly left its imprint of inspiration. In Indonesia, site of the assemblage, there is the caste system. In India, presided over by Nehru and Krishna Menon, the untouchables have been liberated by law but not in fact; they have the Brahmins and the Khatriyas and many other gradations between. Similarly, in China, despite the propaganda boasts of communism, there is segregation of all sorts. Happily, in the United States, these decisions will do much to dispel the doubt and fog involving our attitudes.

Decisions of this type do not come down as manna from heaven. They do not spring from vacuums. It is not comparable to opening a box and finding a valuable jewel. It has been the result of painstaking, backbreaking, heartbreaking work of organizations such as the Association for the Advancement of Colored People, the Urban League, and leaders like Rev. Thomas C. Harten. We are tremendously indebted to men like Walter White, for many years secretary of NAACP, and women like Mary McLeod Bethune, educator and civic leader, whose deaths within the past year have given the whole country a sense of loss.

I hope this will prove to be the last bend in the long road that has been beset by obstacles of prejudice, bias, and the inhumanity of man to man. In a way, this decision is as great as Magna Carta and the Declaration of Independence, because it implements the freedoms so gloriously set forth in those famous documents. It echoes the voice of Leviticus, whose stirring command is inscribed on the Liberty Bell: "Proclaim liberty throughout all the land unto all the inhabitants thereof." It reminds us of Washington's reverent greeting to the members of the Portuguese synagogue in which he quoted the prophet, Micah: "They shall sit every man under his vine and under his fig tree; and none shall make them afraid."

It is to be expected, I suppose, that some southern leaders will make every effort to balk the carrying out of this judgment and advocate interminable litigation. Certain States in the deep South have already announced their inflexible opposition to the principle and practice of desegregation in the schools. They may not openly disregard the Court's order, but they can flout and oppose it by subterfuge. The Court requires that the defendant in last year's case "make a prompt and reasonable start toward full compliance" with the ruling of May 17, 1954. Let us see to it that there will be no undue delay, no pettifogging of a clearly determined issue.

I like the way Alan Paton, author of Cry the Beloved Country, has said this:

> The history of the Negro * * * has been the history of hope and despair, of acceptance and rejection, of justice and terror, a story so noble and tragic that it is one of the greatest of the epics of mankind.

The American Negro is on the march. His star is rising. He is to come into his own. He must come into his own. He has a firm grip on a good beginning. He is protected by the minimum-wage law; we have a State fair employment practices act; his living standards have greatly improved. Certainly there is much more to be done; but the first few steps have been taken and there will be no retreat.

As in the fields of education, music, and medicine, so in the political world the Negro has embraced one more means of self-respect. For example, from 1940–1952, southern Negro voters have risen from 250,000 to 1,250,000 despite the decrease of Negro population in that region.

No one people in the United States has been called upon more to bear the burdens placed upon it by the immoral principle of exclusion. No one people more than the Negro has been called upon to exercise self-restraint to try to live a normal life within the cyclones of prejudice around them. No one people in the United States has moved so rapidly through such magnificent achievements to meet the responsibility and challenge its history has placed before it. The work is far from done but in the midst of this labor, it is right that we pause to rejoice in the achievements of the people who are part of this America, who have helped to make this America, and who until recently have been brutally, and I say criminally, denied the fruits thereof. The Negro people know in their hearts that bitterness cannot win for them equality of opportunity and have put white America to shame by their practice and belief in God's love and mercy.

Five years ago there were few, if any, fair employment practice laws. Today 12 States and 32 cities have such laws. Three States have fair education laws. Five States have public accommodation laws.

Five years ago there was only 1 Negro officeholder in the South, 1 Negro doctor on the staff of a general hospital, and only 1 Negro college professor appointed. Today such appointments will fill the pages of an entire book.

Today, in Washington, property segregation is gone, school segregation is gone, the theaters and motion-picture houses have been desegregated, as have been restaurants. Today some 2,000 Negro students attend integrated college classrooms in the South, and on May 17, 1954, the United States Supreme Court's historic decision banned segregation in the Nation's public schools.

I mention these as some of the highlights, and there are many others, in the closing of the gap of equality of opportunities between the white people and the colored. This does not call for a feeling of smugness or complacent satisfaction that all is well. I repeat there is much more to be done. We are only at the beginning, but we must remember that that beginning has been made, and that America's promise of a right to equality of opportunity for all must be fulfilled. The Negro people of the country have accepted the challenge and the responsibility and have made a record of which all of us, since we are the citizens of the land, are rightly proud.

Today there are approximately 15 million Negroes in the United States. It is important for us to know, for example, the population shifts of the Negro. The South which was more than one-third Negro in 1900, was less than one-fourth Negro in 1950, and if this migration continues, the population of the South will be only one-fifth colored in 1960.

More than 2½ million Negroes born in the South were living outside it in 1950. To put it more dramatically, let me state that the Pacific coast States had an increase in Negro population of 275 percent. In New York City, which has always had a high percentage of colored population, there was a jump of 60 percent between 1940 and 1950.

One further fact—the Negro has become a city dweller, and this is true even in the South.

These figures are important because the intermingling of the white and the colored populations has spread throughout the land, and equality of opportunity has been more completely divorced from the problem which had been mainly regional before.

The Negro people have reason to be proud. A Negro was world heavyweight champion boxer for over 10 years. None of us will ever forget Joe Louis. During the war years 3 of the 10 highest paid concert artists were Negroes. Negro athletes helped the United States win the International Olympics. A Negro has won the Nobel peace prize, Dr. Ralph Bunche. A Negro is now serving as chairman of a powerful committee in Congress.

It is not commonly known that the greatest artist in America and abroad around the turn of the century was Harry C. Tanner. He was born here in 1859 and died in 1907. He was the greatest painter of Scriptural subjects of his age.

Among the Negro painters today we find such famous names as William Edouard Scott, painter; William M. Farrow, painter and etcher; Selma Burke, sculptress; Aaron Douglas, a New York painter; and Hale Woodruff, a painter and ceramist, also of New York. Lois Mailou Jones, the painter of Washington, D. C., is sometimes considered one of the greatest artists of the present time, as also is Richmond Barthe, a sculptor of New York, whose works are widely recognized in Washington and on the east coast. Barthe's bust of Booker T. Washington is a masterpiece which has been placed in the Hall of Fame on the campus of New York University.

One of the youngest of the outstanding artists is Jacob Lawrence, of New York City, whose works have been exhibited in the Museum of Modern Art and in the prominent museums over the country.

Dr. Russell Wilfred Brown has achieved recognition in the field of bacteriology, in addition to holding the directorship of the George Washington Carver Foundation, Tuskegee Institute. Dr. Hildrus A. Poindexter, head of the department of bacteriology at Howard University, has also made significant contributions in that field.

Dr. Ernest E. Just, a world-famed authority on marine biology, was also on the faculty of Howard University in Washington until his death in 1941.

One of the greatest scientists of modern times was George Washington Carver, famous for his work in agricultural development. The foundation which bears his name, and which was established from his own savings, stands as a living memorial to the great scientist.

Dr. Robert Percy Barnes is widely known as an organic chemist.

Dr. Lloyd A. Hall, Chief Chemist and Research Director of Griffith's Laboratories in Chicago since 1929, has made numerous contributions in the field, holding 75 patents in the United States, Canada and Great Britain, on his discoveries.

Dr. Percy L. Julian has a long-standing reputation in industrial chemistry, having held many prominent positions in major universities before becoming director of research of the Glidden Co., in Chicago, where he has developed numerous innovations in paint compounds.

In American medical circles, the name of Dr. Charles Richard Drew stands out. His great contribution to modern medicine was the preserving of blood plasma for emergency transfusions during the war. For this he was awarded the Spingarn Medal. Dr. Drew, who is staff director and chief surgeon of Freedman's Hospital in Washington, is an authority on blood plasma and the author of many articles on this subject.

The contribution of the colored people to the field of music is hailed throughout the world as unique. The names of Marian Anderson, Todd Duncan, Paul Robeson, and Roland Hayes are familiar to everyone. Among the most popular concert artists of today are William Warfield and Leontyne Price, who traveled throughout the United States and Canada with the company of Porgy and Bess.

Singers, bandleaders, and composers who have enriched our popular music number among them many Negroes: Hazel Scott, Mary Lou Williams, Duke Ellington, Fats Waller, Louis Armstrong, Nat "King" Cole, Pearl Bailey—to mention but a few. And not to be forgotten is W. C. Handy who composed the perennial favorite, St. Louis Blues.

In folksong and in spiritual, Negroes have left a mark on the musical history of our times. Harry T. Burleigh and R. Nathaniel Dett, through their arrangements of spirituals, did much to advance the popularity of the spiritual in concert repertoires.

Various Negro choirs have gone on world tours and won high praise: notably, the Tuskegee, Hampton, Howard, Fisk, and Talledega University choirs, and the Hall Johnson and Eva Jessye choirs. On the radio, the Southernaires and the Wings Over Jordan Choir have maintained prolonged popularity.

Throughout World War II, Negroes were to be found on every battlefront, and many individuals as well as units distinguished themselves in combat. The 92d Infantry alone, which engaged in combat in the Mediterranean theater, received 12,096 decorations. The famed 99th Pursuit Squadron won its reputation in Italy. Outstanding records were made by the 332d Fighter Group, the 477th Composite Group and the 553d Pursuit Squadron—all Negro units.

In August, 1954, more than 880,000 Negroes were enlisted in the armed services of this country.

Booker T. Washington was primarily responsible for introducing industrial arts into public secondary and higher education curricula. The establishment of Tuskegee Institute was a big step in educational progress.

Dr. Mordecai W. Johnson, president of Howard University, and Dr. Charles S. Johnson of Fisk, have done much to further progress of higher education among Negroes.

Other well-known names in the field of education are Dr. Ambrose Caliver of the United States Office of Education; Dr. Charles H. Thompson, editor of the Journal of Negro Education; and Dr. Carter G. Woodson, editor of Journal of Negro History.

In the field of sports we have had Joe Louis, heavyweight champion; also boxers Henry Armstrong, Ray Robinson, Ike Williams, and "Beau Jack."

In baseball we have Jackie Robinson, Roy Campanella, Dodgers, and Leroy Satchel Paige, Cleveland Indians.

In the Olympics, Ralph Metcalfe and Jesse Owens were track stars in 1936 Olympic Games in Berlin. The names of Herbert McKenley, Alice Coachman, Harrison Dillard, John Borican, Archie Harris, Barney Ewell are well known.

In football, Buddy Young, Paul Patterson, Illinois, and Kenny Washington, of the Los Angeles Rams.

From 1901 to 1931 there were no Negroes in Congress. At the present time

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there are three—ADAM C. POWELL, of New York; WILLIAM L. DAWSON, of Chicago; and CHARLES C. DIGGS, JR., of Detroit, Mich.

Other Negroes of achievement are William H. Hastie, Governor of the Virgin Islands; Eugene Kinckle Jones, secretary of the National Urban League; Dr. Frederick D. Patterson, president of Tuskegee Institute.

In closing I would like to quote from one of the famed books of my own religion, the Talmud, which says:

All men are equal. One man alone, Adam, was brought forth at the time of creation in order that thereafter none shall have the right to say to another, "My father was greater than yours."

The book further queries:

Why was man created a solitary human being without a companion? So that it might not be said that some races are better than others.

SENATE

THURSDAY, JUNE 23, 1955

(Legislative day of Wednesday, June 22, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, by whose word man goeth forth unto his work and to his labor until the evening, through the fear and tumult of this tragic day may we discern the shining path which is leading upward to the city of God. Set our feet, we pray Thee, with steadfast purpose, day by day, upon the glowing pathways of righteous duty and selfless service. In spite of suspicions, betrayals, animosities, and disillusionments which plague the councils of men because of those who have not Thee in awe, still gird our hearts to seek peace and pursue it, a just peace that scorns all thought of expediency or appeasement of evil, that the sadly sundered family of mankind may at last be bound by golden cords of understanding fellowship around the feet of the one God who is the Father of all. We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 23, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBEN W. BARKLEY, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. BARKLEY thereupon took the Chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 22, 1955, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the joint resolution (S. J. Res. 67) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 735. An act to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes; and

H. R. 6040. An act to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 29. An act for the relief of Rica, Lucy, and Salomon Breger;

S. 35. An act to provide for the transmission in the mails of live scorpions;

S. 120. An act for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos;

S. 130. An act for the relief of Antonin Volejnicek;

S. 131. An act for the relief of Bohumil Suran;

S. 142. An act for the relief of Thomas Kunhyuk Kim;

S. 195. An act for the relief of Giuseppe Minardi;

S. 243. An act for the relief of Szjena Peison and David Peison;

S. 284. An act for the relief of Margarita Oy Wan Chan;

S. 375. An act for the relief of Alexy W. Katyll and Ioanna Katyll;

S. 412. An act for the relief of Jan Hajdukiewicz;

S. 432. An act for the relief of Aniceto Sparagna;

S. 471. An act for the relief of Aina Brizga;

S. 574. An act for the relief of Martin P. Pavlov;

S. 587. An act for the relief of Hildegarde Hiller;

S. 604. An act for the relief of Alick Bhark;

S. 640. An act for the relief of Roger Ouellette;

S. 644. An act for the relief of Sandy Michael John Philp;

S. 650. An act for the relief of Antonios Vasilios Zarkadis;

S. 676. An act for the relief of Robert A. Borromeo;

S. 735. An act for the relief of Sarah Kabacznik;

S. 892. An act for the relief of Jose Perez Gomez;

S. 1197. An act for the relief of Slavoljub Djurovic and Goran Djurovic;

S. 1747. An act to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, and for other purposes;

S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions;

H. R. 947. An act for the relief of Carl E. Edwards;

H. R. 1085. An act for the relief of Moses Aaron Butterman; and

H. R. 1660. An act for the relief of Wencenty Peter Winiarski.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on Finance:

H. R. 735. An act to increase the rate of special pension payable to certain persons awarded the Medal of Honor, and for other purposes; and

H. R. 6040. An act to amend certain administrative provisions of the Tariff Act of 1930 and to repeal obsolete provisions of the customs laws.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

INCREASED PEACETIME LIMITATION ON NUMBER OF LIEUTENANT GENERALS IN MARINE CORPS

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to increase the peacetime limitation

on the number of lieutenant generals in the Marine Corps (with an accompanying paper); to the Committee on Armed Services.

PROPOSED CONCESSION CONTRACT, HOT SPRINGS NATIONAL PARK

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract in the Hot Springs National Park (with accompanying papers); to the Committee on Interior and Insular Affairs.

AUDIT REPORT ON AGRICULTURAL CONSERVATION PROGRAM SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Agricultural Conservation Program Service, Department of Agriculture (with an accompanying report); to the Committee on Government Operations.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 7

"Joint resolution relative to the Federal soil conservation program

"Whereas the soil-conservation program in the State of California is operated by and for farmers at the local level with each soil-conservation district being a local unit of State government voluntarily organized by the people; and

"Whereas soil-conservation districts are formed and operated on the democratic principle of government, and are the most impressive example of decentralization of government in the country today; and

"Whereas the program of the United States Department of Agriculture assigns the necessary technicians of the Soil Conservation Service to work with the farmers in soil conservation farming and ranching systems; and

"Whereas this program, which has met with great success, has been placed in jeopardy by a proposal which would place soil conservation technical advice on a Federal-State grant-in-aid basis and would transfer technicians of the Soil Conservation Service from Federal to State payrolls: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to retain the present soil-conservation program of the Federal Government and to reject any proposals which would drastically change the program as it is being carried out by the Soil Conservation Service of the United States Department of Agriculture; and be it further

"*Resolved*, That the Secretary of the Senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the United States Secretary of Agriculture."

A resolution adopted by the Hawaii Junior Chamber of Commerce, at Lihue, Kauai, T. H., relating to the abolition of the 10-percent tax on transportation; to the Committee on Finance.

Two resolutions adopted by the Workmen's Benefit Fund of the United States of America, Brooklyn, N. Y., relating to social-security benefits, and a reduction of the retirement age to 60 years; to the Committee on Finance.

A resolution adopted by the Workmen's Benefit Fund of the United States of America, Brooklyn, N. Y., favoring the enactment of legislation providing for a comprehensive health-insurance program; to the Committee on Labor and Public Welfare.

A resolution adopted at a mass meeting of American Citizens of Baltic Descent, at Racine, Wis., relating to a settlement by the forthcoming four-power meeting which will recognize the right of individuals to be free, and nations to be independent and free from aggression; to the Committee on Foreign Relations.

A resolution adopted by the Bar Association of Stanislaus County, Modesto, Calif., favoring the enactment of legislation to provide an additional department of the district court of the northern division of the northern district of California, with personnel therefor; to the Committee on the Judiciary.

A petition, signed by Dorothy A. Murphy and sundry other citizens of the State of New York, praying for the enactment of the so-called Bricker amendment, relating to the treatymaking power; to the Committee on the Judiciary.

A petition, signed by Elizabeth S. Richer and sundry other citizens of the State of North Carolina, praying for the enactment of the so-called Bricker amendment relating to the treatymaking power; to the Committee on the Judiciary.

A resolution adopted by the board of directors of the Associated Chambers of Commerce of Orange County, Calif., relating to the interstate system of highways; to the Committee on Public Works.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs:

S. 1391. A bill granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States; with amendments (Rept. No. 635).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 23, 1955, he presented to the President of the United States the following enrolled bills:

S. 29. An act for the relief of Rica, Lucy, and Salomon Breger;

S. 35. An act to provide for the transmission in the mails of live scorpions;

S. 120. An act for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos;

S. 130. An act for the relief of Antonin Volejnicek;

S. 131. An act for the relief of Bohumil Suran;

S. 142. An act for the relief of Thomas Kunhyuk Kim;

S. 195. An act for the relief of Giuseppe Minardi;

S. 243. An act for the relief of Szjena Peison and David Peison;

S. 284. An act for the relief of Margarita Oy Wan Chan;

S. 375. An act for the relief of Alexy W. Katyll and Ioanna Katyll;

S. 412. An act for the relief of Jan Hajdukiewicz;

S. 432. An act for the relief of Aniceto Sparagna;

S. 471. An act for the relief of Aina Brizga;

S. 574. An act for the relief of Martin P. Pavlov;

S. 587. An act for the relief of Hildegarde Hiller;

S. 604. An act for the relief of Alick Bhark;

S. 640. An act for the relief of Roger Ouellette;

S. 644. An act for the relief of Sandy Michael John Philp;

S. 650. An act for the relief of Antonios Vasilios Zarkadis;

S. 676. An act for the relief of Robert A. Borromeo;

S. 735. An act for the relief of Sarah Kabacznik;

S. 892. An act for the relief of Jose Perez Gomez;

S. 1197. An act for the relief of Slavoljub Djurovic and Goran Djurovic;

S. 1747. An act to increase the public benefits from the national park system by facilitating the management of museum properties relating thereto, and for other purposes; and

S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. WELKER:

S. 2299. A bill to provide for broad research and training in the prevention, control, and cure of silicosis and other industrial diseases; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. WELKER when he introduced the above bill, which appear under a separate heading.)

By Mr. SCOTT:

S. 2300. A bill for the relief of Federico Paez and his wife, Adelaida Paez; to the Committee on the Judiciary.

By Mr. SCOTT (for himself and Mr. ERVIN):

S. 2301. A bill to prohibit hunting, trapping, and fishing on public lands in violation of State or Territorial laws; to the Committee on Interior and Insular Affairs.

By Mr. CLEMENTS (for Mr. HENNINGS):

S. 2302. A bill to allow individuals to deduct for Federal income tax purposes not to exceed $100 each year of political contributions made to candidates for elective Federal offices; to the Committee on Finance.

(See the remarks of Mr. CLEMENTS when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 2303. A bill for the relief of M. F. Comer Bridge & Foundation Co.; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2304. A bill for the relief of Mary Tarlich Goldstein; to the Committee on the Judiciary.

By Mr. YOUNG:

S. J. Res. 83. Joint resolution to direct the Secretary of Commerce to conduct a particular survey in order to assist in promoting the economic welfare of Indians living on Indian reservations in North Dakota; to the Committee on Interstate and Foreign Commerce.

PREVENTION, CURE, AND CONTROL OF SILICOSIS

Mr. WELKER. Mr. President, I introduce a bill to provide for broad research and training in the prevention, control, and cure of silicosis and other industrial diseases.

I come from a State that is recognized for its mining industry and the many men who work in the bowels of the earth to provide the materials for our national defense. These men share a common fear of the dreaded disease commonly known as silicosis. Many things have been done to help in the treatment of and to cure silicosis, but as we know, we have not even scratched the surface.

The purpose of this bill is to establish another health institute following the pattern of the eight great national institutes that have been established in Bethesda, Md.

There is nothing quite so discouraging as when a young man who has learned the profession of a miner, and who goes down into the bowels of the earth—yes, a mile down into the bowels of the earth—to bring forth the minerals and metals which our country so urgently needs, incurs the disease, silicosis. As a result, his life is taken and his family is broken up when he is still a young man. I have seen that happen. I know the distinguished Senator from Montana [Mr. MANSFIELD] who is present in the Chamber at this time, knows the facts as well as I do, or perhaps better. He has seen the dread results of silicosis. We as a Nation have been derelict in not establishing a health center for the prevention, cure, and the control of the disease of silicosis, as well as other preventable diseases. We owe it to the miners and their families to extend every effort to stamp out this killer. The men who have died spitting and coughing up their life's blood, gave their lives for their country just as those on the front lines in battle.

Our obligation to them can be no less than it is to our veterans.

Mr. President, my bill is quite lengthy. It is patterned after the measures heretofore enacted by the Congress of the United States in the case of the existing eight health institutes.

Therefore, Mr. President, I introduce the bill and ask that it be printed and appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2299) to provide for broad research and training in the prevention, control, and cure of silicosis and other industrial diseases, introduced by Mr. WELKER, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. MANSFIELD. Mr. President, I wish to concur in the remarks made by the distinguished Senator from Idaho [Mr. WELKER] regarding the necessity for national legislation to combat silicosis, or, as it is called in Montana and Idaho, miners' cough. Too many of our good miners die at the age of 40 or 45 because this terrible disease eats away their lungs and makes them unfit for continued work.

DEDUCTION FOR INCOME-TAX PURPOSES OF NOT TO EXCEED $100 A YEAR FOR POLITICAL CONTRIBUTIONS

Mr. CLEMENTS. Mr. President, at the request of the Senator from Missouri [Mr. HENNINGS], I introduce, for appropriate reference, a bill to allow individuals to deduct for Federal income-tax purposes not to exceed $100 each year of political contributions made to candidates for elective Federal offices. I ask unanimous consent that the bill, together with a statement, prepared by the Senator from Missouri [Mr. HENNINGS], in explanation of the bill, may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2302) to allow individuals to deduct for Federal income-tax purposes not to exceed $100 each year of political contributions made to candidates for elective Federal offices, introduced by Mr. CLEMENTS (for Mr. HENNINGS), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is hereby amended by adding at the end thereof a new section as follows:

"SEC. 218. Contributions to candidates for elective Federal office.

"(a) Allowance of deduction: In the case of an individual, there shall be allowed as a deduction any political contribution (as defined in subsection (c)) payment of which is made within the taxable year. A political contribution shall be allowable as a deduction only if verified under regulations prescribed by the Secretary or his delegate.

"(b) Limitation: The deduction under subsection (a) shall not exceed $100 for any taxable year.

"(c) Definition of political contribution: For purposes of this section, the term 'political contribution' means a contribution or gift to—

"(1) an individual whose name is presented for election as President of the United States, Vice President of the United States, an elector for President or Vice President of the United States, a Member of the Senate, or a Member of the House of Representatives (including a Delegate to the House of Representatives) in a general or special election, in a primary election, or in a convention of a political party, for use by such individual to further his candidacy for any such office; or

"(2) to a committee acting in behalf of an individual described in paragraph (1) for use by such committee to further the candidacy of such individual."

(b) The table of sections to part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is hereby amended by adding at the end thereof the following:

"SEC. 218. Contributions to candidates for elective Federal office."

SEC. 2. The amendments made by this act shall apply only to taxable years beginning after December 31, 1955.

The statement of Mr. HENNINGS, presented by Mr. CLEMENTS, is as follows:

STATEMENT BY SENATOR HENNINGS

On January 21 of this year I introduced a bill (S. 636) to repeal the Federal Corrupt Practices Act of 1925, to amend certain provisions of the Hatch Act of 1940, and to enact a new Federal Elections Act of 1955. This bill was referred to the Committee on Rules and Administration, and was assigned by that committee to its Subcommittee on Privileges and Elections, of which I am chairman. The subcommittee began public hearings on the bill on April 12; the hearings continued through May 19. A total of 18 witnesses of diverse interests and background appeared personally before the subcommittee and testified concerning the merits of S. 636. In addition, statements concerning the bill were submitted for the record by a substantial number of interested citizens. Almost without exception, the witnesses and those submitting statements agreed with the purposes and principles of S. 636. Some reservations and doubts about certain features of the bill were expressed, and some of these reservations were well-founded. The subcommittee proposed amendments to the bill to correct the weaknesses which had appeared. Throughout the hearings one salient fact was established and repeatedly confirmed—virtually every individual and every organization expressing an opinion on the subject agreed that our present laws are grossly and seriously deficient.

The Subcommittee on Privileges and Elections reported to the Committee on Rules and Administration on S. 636 on Monday, Rules and Administration voted to report S. 636 favorably to the Senate. It is my hope and my belief that in the near future, the Senate and the entire Congress will have an opportunity to take positive action to adopt more realistic laws concerning corrupt practices in elections to Federal office. When S. 636 comes before the Senate, I will discuss its provisions in some detail. Accordingly, I will not, at this time, go into explicit detail concerning the bill.

I would like to point out, however, to my colleagues in the Senate that we are facing a most urgent problem. The fate of this country truly depends primarily on the activity and the integrity of the persons elected to operate our Government and the governments of the various States and subdivisions thereof. Since this is so, we must make every effort to assure that the profession of politics (and I think that all of us, with all due modesty, regard it as an honorable profession) is restored to a condition where the people of this land will have full faith and confidence in the men whom they elect to public office. Other problems of this atomic age may seem more urgent but I do not believe that any are more serious. I feel that we have a responsibility to restore the dignity and prestige of Federal elective office—to erase the suspicion and distrust which all too many of our people view a political career—to make the field of politics the "master science" of which Aristotle spoke. The task will not be an easy one.

I am encouraged, however, by a growing realization that this entire matter is receiving increasing attention. I find that more and more of our citizens in positions of influence and responsibility are thinking profoundly about the present status of politics.

S. 636, if enacted, will do much to elevate the status of the field of politics, but it alone will not correct all of the evils which have appeared. Another major task which confronts us is devising some system or program to broaden the base of political participation in this country—to encourage an increasing number of our citizens to take an active part in politics and the affairs of Government. This is a difficult task, and we will not succeed overnight. One thing can be done immediately, however. We can encourage more of the people of this country to make financial contributions to the party of their choice, and in this way, we can reduce the reliance of political committees on contributions derived from special interests.

Why are political contributions derived largely from vested interests? Why do so few of the general public contribute to political campaigns? The answer, I believe, is to be found partly in the present status of such contributions. Under existing laws,

contributions to all charitable and religious causes are tax exempt. Under existing law, we can contribute money to a veterans' organization, which, in turn, can use it for the purpose of holding a party, perhaps with an abundance of alcoholic beverages and so on, and we can deduct such a contribution from our income for tax purposes. But if we give money to a political party or a candidate for office, we cannot claim it as a legitimate tax deduction. Thus, the very nature of the income-tax laws places political contributions on a suspect base.

To correct this defect, and to improve the public attitude toward political contributions, I am introducing a bill to allow for the deduction from gross income for tax purposes of political contributions up to the amount of $100. I believe that such a provision would indeed broaden the base of political finance, since it would encourage the average person to contribute, both because he would be able to claim a tax credit, and because such contributions would be placed on a par with religious and charitable contributions. I hope that his bill will be given favorable consideration at an early date.

CONTROL OF NARCOTIC DRUGS—CHANGE OF REFERENCE

On motion of Mr. BYRD, the Committee on Finance was discharged from the further consideration of the joint resolution (S. J. Res. 19) to provide for a more effective control of narcotic drugs, and for other purposes, and it was referred to the Committee on the Judiciary.

ROBERT A. TAFT MEMORIAL

Mr. KNOWLAND. Mr. President, I submit a concurrent resolution to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft. I ask that the concurrent resolution be read for the information of the Senate, and then that it be appropriately referred.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The legislative clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That the Robert A. Taft Memorial Foundation is authorized to erect on the Capitol Grounds, and present to the Congress of the United States, a memorial bell tower of appropriate design dedicated to the memory of Robert A. Taft. Such memorial shall be equipped with bells and shall be erected on the site described as square 633 on the drawing of the Architect of the Capitol. Such site is located just below the Fountain Plaza area, and lies between New Jersey Avenue on the east, Constitution Avenue on the south, Louisiana Avenue diagonally on the northwest, and First Street on the west.

SEC. 2. The design and plans for the erection of such memorial shall be subject to the approval of the Architect of the Capitol, with the advice of the Commission of Fine Arts, and such memorial shall be erected without expense to the United States.

SEC. 3. The authority granted by the first section of this act shall cease to exist unless (a) within 1 year after the passage of this concurrent resolution the plans for such memorial have been presented for the approval of the Architect of the Capitol, and within 3 years after such approval, the erection of such memorial has commenced, and (b) the Architect of the Capitol finds that, prior to the commencement of the erection of such memorial, sufficient funds are available to insure its completion.

SEC. 4. After the completion of the memorial according to the approved plans and specifications, it shall be accepted on behalf of the people of the United States by the Congress and thereafter shall be maintained by the Congress as part of the Capitol grounds.

Mr. KNOWLAND. Mr. President, the concurrent resolution is submitted on behalf of 56 Members of the Senate, including the distinguished majority leader, and also a number of Senators, from both sides of the aisle, who have served on the committee which has been working on the matter.

I ask unanimous consent that the resolution may remain at the desk during the day, so that the Senators who have not yet had an opportunity to have their names attached to the concurrent resolution, and who might desire to become cosponsors, may be permitted to do so.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President, I wish to read into the RECORD one letter, and then to ask unanimous consent that some additional material may be made a part of my remarks in the body of the RECORD. The letter I shall read is from the President of the United States, under date of June 21, 1955, and is as follows:

THE WHITE HOUSE,
Washington, June 21, 1955.

The Honorable RICHARD M. NIXON,
The Vice President,
Washington, D. C.

DEAR MR. VICE PRESIDENT: I understand that Mr. Herbert Hoover has written you on behalf of the board of trustees of the Robert A. Taft Memorial Foundation, Inc., offering to the Congress and to the people of the United States a monument to be erected on the Capitol Grounds to commemorate the late Senator Taft.

I realize that the Congress has exclusive jurisdiction over the Capitol and its Grounds, but I do hope that the Congress will be favorably disposed to the acceptance of this memorial. I believe that a monument to Senator Taft would do much to help perpetuate the high ideals, sound principles, and dedicated service which he exemplified throughout his public career.

With cordial regard,

Sincerely,

DWIGHT D. EISENHOWER.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated June 20, 1955, from former President Herbert Hoover, who is chairman of the Robert A. Taft Memorial Foundation, Inc., and a resolution adopted by the executive committee of the Robert A. Taft Memorial Foundation, Inc., dated May 25, 1955.

There being no objection, the letter and resolution were ordered to be printed, as follows:

JUNE 20, 1955.

The Honorable RICHARD M. NIXON,
Vice President of the United States,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: The Robert A. Taft Memorial Foundation, Inc., was formed on July 13, 1954, as a nonprofit organization to perpetuate the high standards and ideals and public service exemplified by the late Senator from Ohio. It has a board of trustees of 100 men and women in the various walks of life, and is representative of the entire Nation.

The foundation has a three-point program:

1. A physical memorial to be erected on the Capitol Grounds in Washington.

2. A Robert A. Taft Institute of Government.

3. A program of scholarships, fellowships, and research grants.

The necessary action has been taken by the board of trustees in connection with the erection of a bell tower or carrillon which the board desires to give to the Congress of the United States and to the people. The foundation will bear all expenses connected with this project. We have seen the preliminary plans and sketches of this proposed memorial and the board of trustees of the foundation feels that the form of the design endeavors to interpret the man whom it commemorates in that it is a monument of simplicity, yet of dignity and strength. The trustees feel that the monument will be in keeping with the dignity and beauty of the existing monuments in Washington.

The trustees of the foundation have taken their action on the recommendation of a subcommittee on the physical memorial consisting of Representative Clarence J. Brown, chairman, Senator John W. Bricker, Senator Styles Bridges, Mrs. Katharine Kennedy Brown, Senator Harry F. Byrd, Senator Everett M. Dirksen, Ambassador Homer Ferguson, Senator Walter George, Senator William F. Knowland, Senator Eugene D. Millikin, Senator Leverett Saltonstall, and Senator H. Alexander Smith. The cost of this monument would be met by the foundation, which plans to solicit general contributions from the public at large. It is the foundation's wish that Congress accept this monument as a gift and that it arrange for a suitable site on the Capitol Grounds.

Throughout his career Senator Taft exemplified the highest standards of integrity and probity in public life. He was a champion of American ideals and traditions, while at the same time he was a supercraftsman in the application of principles in the practical operation of government. His living example, consequently, was a tremendous influence for good citizenship and good government. This foundation seeks to keep alive his memory as an enduring inspiration for generations to come, and this monument will serve as a visible reminder of the simplicity and greatness of the man.

The above-mentioned subcommittee, after viewing several sites and consulting with the Architect of the Capitol and a member of the Commission of Fine Arts, has recommended the following site: Square 633 on the drawing of the Architect of the Capitol, located just below the Fountain Plaza area, lies between New Jersey Avenue on the east, Constitution Avenue on the south, Louisiana Avenue diagonally on the northwest, and First Street on the west.

We enclose a certified copy of the resolution of the executive committee formally offering to the Congress this monument to be erected on the Capitol Grounds at no expense to the United States Government. Authority was given by the board of trustees to the executive committee to take this action at a meeting of the board of trustees on January 8, 1955. We also enclose a photograph of the architect's sketch of the memorial which portrays the monument on the recommended site.

It is our hope that the Congress of the United States will take the appropriate steps to accept the gift from the foundation.

Sincerely,

HERBERT HOOVER,
Chairman.

RESOLUTION ADOPTED BY THE EXECUTIVE COMMITTEE OF THE ROBERT A. TAFT MEMORIAL FOUNDATION, INC., MAY 25, 1955

Resolved, That pursuant to the resolution of the board of trustees adopted January 8, 1955, the executive committee determines that the conditions set forth in said resolution have been fully complied with, and that it is the unanimous opinion of the executive committee that the foundation proceed to erect the memorial according to the sketches submitted, using the materials and having the description and dimensions as follows: Base 55 by 45 feet surrounded by water basin, shaft 11 by 32 by 100 feet. On the base low relief sculpture of Robert A. Taft and scroll. Shaft and sculpture to be constructed of Tennessee pink marble, walls supporting platform and the basin to be constructed of carnelian Minnesota granite. Twenty-five bells to be placed in upper part of the shaft; that the estimated cost of between $1 million and $1,200,000 is hereby established as the approximate budget for the erection of the memorial; that Ben E. Tate, chairman of the ways and means committee of the foundation be and he is hereby authorized to formulate plans to secure the necessary funds to erect said memorial; that the president be and he is hereby authorized to appoint other members of the board of trustees to serve as members of a finance committee to execute said fund-raising program, and shall designate one as chairman; that pursuant to said resolution of the board of trustees that the subcommittee for the physical memorial continue to supervise all the necessary actions in connection with the erection of the physical memorial; that said subcommittee is hereby authorized to secure definite plans and specifications and contracts, and is further authorized to modify the above description, dimensions, and materials as may be necessary to carry out the intent of the resolution for the erection of said memorial.

Resolved further, That no later than June 25, 1955, the chairman of the foundation be requested to transmit to the Congress of the United States the offer of a gift to it of the physical memorial to be erected on the Capitol Grounds without cost to the United States Government, substantially in the form as described herein, and to recommend that it be located on the following described site: Square 633 on the drawing of the Architect of the Capitol, located just below the Fountain Plaza area, lies between New Jersey Avenue on the east, Constitution Avenue on the south, Louisiana Avenue diagonally on the northwest, and First Street on the west; that said offer shall be made in the form of a letter to the President of the Senate and Speaker of the House of Representatives and attached thereto shall be a copy of this resolution and a photograph of the architect's sketch of the memorial.

Resolved further, That if and when the Congress accepts said offer of the foundation and upon the approval by the subcommittee of the plans and specifications, and the Architect of the Capitol, or by whomever person or persons required by the Congress to do so, the finance committee shall proceed to secure the necessary funds for the erection of said memorial and upon certification that sufficient funds have been either collected or pledged, and certification that all conditions set forth by the Congress have been complied with, B. CARROLL REECE, president of the foundation, on behalf of the foundation, shall enter into the necessary contracts and agreements for the erection of said memorial.

Resolved further, That anything in this resolution to the contrary notwithstanding, the wording of the scroll and the sculpture which is to be a part of said memorial shall be submitted to the executive committee for approval before submitting said sculpture and scroll to the designated representatives of the Congress for final approval.

Resolved further, That, in accordance with the statements made by the president the substance of these resolutions shall be transmitted to the board of trustees as soon as possible.

Mr. KNOWLAND. Mr. President, I hope there may be early and favorable consideration of the concurrent resolution by the committee, and that it will be reported to the Senate for prompt action.

For the benefit of Senators who may be interested in the subject, two architects' drawings of the proposed memorial are available for inspection. They show the location relative to the Capitol. Senators may desire to examine them. I shall leave them at the front of the desk.

The ACTING PRESIDENT pro tempore. Following the period referred to by the Senator, the concurrent resolution will be referred to the Committee on Rules and Administration.

The concurrent resolution (S. Con. Res. 44) submitted by Mr. KNOWLAND (for himself, Mr. JOHNSON of Texas, Mr. BRIDGES, Mr. BYRD, Mr. MILLIKIN, Mr. GEORGE, Mr. SALTONSTALL, Mr. ROBERTSON, Mr. SMITH of New Jersey, Mr. EASTLAND, Mr. BRICKER, Mr. FREAR, Mr. DIRKSEN, Mr. KENNEDY, Mr. BARRETT, Mr. PASTORE, Mr. WELKER, Mr. MANSFIELD, Mr. CARLSON, Mr. HUMPHREY, Mr. BENDER, Mr. HOLLAND, Mr. BENNETT, Mr. RUSSELL, Mr. CAPEHART, Mr. HILL, Mr. BUTLER, Mr. ELLENDER, Mr. WILLIAMS, Mr. ALLOTT, Mr. CASE of South Dakota, Mr. CURTIS, Mr. DUFF, Mr. DWORSHAK, Mr. FLANDERS, Mr. HRUSKA, Mr. IVES, Mr. JENNER, Mr. MALONE, Mr. MARTIN of Iowa, Mr. MARTIN of Pennsylvania, Mr. MUNDT, Mr. PAYNE, Mr. POTTER, Mr. SCHOEPPEL, Mrs. SMITH of Maine, Mr. WATKINS, Mr. WILEY, Mr. YOUNG, Mr. PURTELL, Mr. GOLDWATER, Mr. BEALL, Mr. KUCHEL, Mr. MCCLELLAN, Mr. CASE of New Jersey, Mr. THYE, Mr. KEFAUVER, Mr. BUSH, Mr. ANDERSON, Mr. O'MAHONEY, Mr. COTTON, and Mr. HICKENLOOPER) was referred to the Committee on Rules and Administration.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Address delivered by him at the Rotary celebration of the 100th anniversary of Robesonia, Pa., on June 21, 1955.

By Mr. KILGORE:

Statement prepared by him regarding the conservation of natural gas.

NEWSPAPER COMMENT ON SENATE ACTION ON SO-CALLED McCARTHY RESOLUTION AND LEADERSHIP OF SENATOR JOHNSON OF TEXAS

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article by Arthur Krock, published this morning in the New York Times, relative to our distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON]; and also an editorial, published this morning in the Washington Post and Times Herald, regarding the action taken yesterday by this body.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times of June 23, 1955]

THE SENATE LEADER AS A POLITICAL STRATEGIST

(By Arthur Krock)

WASHINGTON, June 22.—LYNDON BAINES JOHNSON, of Johnson City Tex., today as usual was the busiest man in the Senate, of which he is the majority leader. He was staging one of his parliamentary spectacles, and presenting it effectively as a political morality play.

The moral of the dramatic performance was: The Senate is a responsible partner of the President in foreign affairs; the country owes the proof of this to the Democrats, and the locus of irresponsibility is the Republican side of the chamber.

Senator JOHNSON was made a present of this plot by Senator JOSEPH R. MCCARTHY of Wisconsin. The gift was in the form of a resolution recording the Senate as opposed to the forthcoming Big Four Conference at Geneva unless discussion of the status of the Soviet satellite nations was accepted by the Kremlin as a topic and in advance. In effect, the Senate was to advise the President not to attend the "meeting at the summit" set for July.

The Republican as well as the Democratic spokesmen in the Senate, and those of the administration also, recognized this proposal as a register of distrust in the President, an attempt to limit his freedom of action at the meeting and an assertion by the Senate of the role of the President's senior partner in foreign affairs. Therefore, when the McCarthy resolution came before the Committee on Foreign Relations it was unanimously opposed.

The ordinary procedure was to kill the proposal in committee, not even dignifying it by an unfavorable report. By voting solidly against reporting the resolution at all, the committee Republicans would have made plain the party opposition. But incidentally this would have spared them a vote on the floor, in which they had reason to believe that several of their number would shatter their committee record of unity by voting with MCCARTHY for his project.

Senator JOHNSON, however, advised the committee Democrats that here was an opportunity to dispel any belief the McCarthy resolution might have evoked in other nations that the Senate would not support the President in any course he might choose to pursue. No room for doubt of this, he insisted, must be left for Soviet exploitation at Geneva. In the nature of politics he viewed it as a minor circumstance that whatever partisan embarrassment ensued from the course he recommended would be visited on the Republican Party. And a minor circumstance it proved, even to that party, only their "Four Mule Men" voting aye.

THE VULNERABLE POINT

Under his influence, therefore, the committee Democrats voted down a motion by the Republican leader, Senator KNOWLAND, to table the McCarthy resolution. And when that motion failed the inevitable sequel was that the resolution was unfavorably reported by a unanimous committee vote.

But in executing this strategy JOHNSON conceded one vulnerable point—that the procedure could be distorted as abandonment by the United States of its long-maintained position that independence must be restored to the captive peoples in the Soviet hegemony. So he said on the floor today he would support an "appropriate" resolution reiterating that position, "appropriateness" to be a matter of consultation with the State Department.

Once again the Democrats without exception approved a tactic supplied by the leader who has brought about a remarkable show of unity among them at this session. Nor was this approval shaken by Republican statements in the debate that the President would have preferred to have the McCarthy resolution killed by tabling in committee. Senator KNOWLAND reported that the President indicated "satisfaction" with this procedure when the Republican leader talked it over with him beforehand. This, at least, certainly implied no Presidential enthusiasm for JOHNSON'S strategy.

But it also implied no resistance by the President, with whom JOHNSON told the Senate he, too, had conferred. Clearly the majority leader concluded that, since that was the situation, it was a matter for the Senate to resolve according to its concept of the most effective course in the premise as the constitutional partner of the Executive in foreign affairs.

There will be two opinions as to this. The ultimate wisdom of strategy like JOHNSON'S, involving as it did complex international problems and partisan considerations, must inevitably be a subject for dispute. But viewed as an example of his leadership methods it is an enlightening instance of how he dramatizes the Democratic championship of the President in foreign policy as contrasted with the division among the Republicans in that area. It is an instance also of how he handles the general Senate problem of MCCARTHY—with an ax.

[From the Washington Post and Times Herald of June 23, 1955]

MCCARTHY'S BOOMERANG

If the Senate's 77-to-4 vote against the latest McCarthy resolution had merely handed the disgruntled Wisconsinite another defeat, it would scarcely be significant news. In recent months Senator MCCARTHY has maneuvered himself into the unenviable position of a minority of one. He must have realized that he would have no chance of winning majority support for his attempt to tie the hands of the President at the Big Four Conference. What he apparently did not foresee was that his attempt to exploit his nuisance value would result in an impressive demonstration of solidarity behind the President as final preparations for the conference at Geneva are being made.

There is no need to speculate as to Senator MCCARTHY'S purpose in offering his resolution. His testimony before the Senate Foreign Relations Committee left no doubt that, in asking the Senate to declare that no conference should be held unless Moscow would agree to discuss the status of the Soviet satellites, he was trying to torpedo the conference. While he tried to change the language of his resolution yesterday and then finally to withdraw it, the Senate insisted on knocking down his original proposal to show its contempt for the whole business. Of course, the Senate cannot tell the President when he may or may not participate in an international gathering. Under the Constitution the initiative in the conduct of foreign affairs remains wholly in his hands. However, if the Senate had adopted any such hostile resolution, it would have given notice to the President that no treaty coming out of the conference would have a chance of ratification. Indeed, the effect would have been to express no confidence in the President on the eve of the great attempt to curtail international tension.

Not only did Senator MCCARTHY fail miserably in that attempt. His resolution actually became a vehicle for the demonstration of overwhelming congressional support for the President's peace efforts. For this the administration has Majority Leader LYNDON JOHNSON to thank. The Republicans on the Foreign Relations Committee attempted to kill the McCarthy resolution quietly in a closed session. Senator JOHNSON and the Democratic members insisted on taking the issue to the floor of the Senate where it could be rejected with a record vote and with all the world looking on. That strategy was sound in principle, and it has resulted in transforming SENATOR MCCARTHY'S proposed stab in the back into a booming vote of confidence in the President's venture into the easing of international tension.

Mr. MANSFIELD. Mr. President, I wish to say that I think the distinguished majority leader acted in the great tradition of Democratic majority leaders of the past, in the way he handled the resolution which the Senate acted on yesterday, and in the quick and expeditious manner in which he brought it to a conclusion.

I also wish to say that the distinguished minority leader followed in the footsteps of his predecessor, the late Senator Robert A. Taft, and performed his duties efficiently and well. Together, the minority leader and the majority leader are to be complimented for the very effective work they did in this Chamber yesterday.

WINDFALL TO BANNER MINING CO. BY GENERAL SERVICES ADMINISTRATION

Mr. WILLIAMS. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the Senator from Delaware may proceed.

Mr. WILLIAMS. Mr. President, on May 27, 1955, I called to the attention of the Senate how the Office of Defense Mobilization had agreed to the cancellation of a certain contract, which cancellation resulted in an unwarranted windfall of approximately $250,000 to three copper companies.

Today, I shall point out an instance wherein the General Services Administration, in return for a $30,000 concession, gave another company a windfall which the General Accounting Office estimates as approximating $250,000. This case deals with a contract between the General Services Administration and the Banner Mining Co., Tucson, Ariz.

On May 26, 1953, the General Services Administration negotiated with the Banner Mining Co. a contract providing for the development of certain mining properties and the delivery by May 1, 1957, of 12,960,000 pounds of refined copper to the Government at a fixed above-the-market price of 31 cents per pound.

The top price of copper during the period of the negotiation of this contract was 29.65 cents per pound.

To assist this company in starting production, the Government also made advance payments against production—for development and mining expenses—in the amount of $473,665. An additional exploration loan was made by the DMPA, totaling $55,529.81.

In late 1954 and early 1955, the price of copper advanced, the domestic price reaching 33 cents, and ultimately going to 36 cents per pound, while world market prices averaged 6 cents to 8 cents higher than this.

On January 21, 1955, the Government released 6 million pounds of copper being produced by this company under the contract with the Government, and upon which advances had already been made, thereby allowing the company to sell it at the higher price in the open market.

There seems to be a dispute between the General Services Administration and the General Accounting Office as to the extent of windfall involved in this cancellation.

Mr. A. J. Walsh, Commissioner, Emergency Procurement Service, General Services Administration, defends the transaction, claiming that the domestic price of copper at the time was only about 30 cents.

The General Accounting Office, however, which has audited this transaction, refutes this claim. In a letter dated May 6, 1955, it criticized the Emergency Procurement Service for what it described as not protecting the interest of the Government, and pointed out that the prevailing price of copper at the time the cancellation was agreed upon was 33 cents per pound. It claims that the Government, in exchange for a $30,000 price concession on future deliveries of copper, allowed the company to receive an estimated windfall of $250,000. I quote the exact language of the letter from Mr. Philip Charam, Audit Manager, General Accounting Office, in which he summed up this case:

> Through waiver of its rights to receive immediate deliveries of copper at the fixed contract price of 31 cents, the Government has obtained price concessions under which it could save about $30,000 on future deliveries of about 9,900,000 pounds of copper. On the other hand, had deliveries been made in accordance with the original contract terms, this copper could have been sold at a profit which we estimate at $250,000, assuming that the present market price remains steady. In addition, through deferment of deliveries GSA has assumed a risk that there might be a pronounced drop in the market at the time of future deliveries, which would result in payment of substantial subsidies.

As in the similar case which I discussed on May 27, this manipulation does not result in any savings to the American consumers, since in each instance copper could have been released directly by the Government for domestic consumption. There would have been this vast difference: The United States Government, which had in effect underwritten the operations of this company at the expense of the American taxpayers, would have received the $250,000 profit.

This case further emphasizes the great danger of having our stockpiling program converted into a mere support program or subsidy for the mining industry.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letters to which I have referred.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, May 26, 1955.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: Reference is made to your letter dated May 24, 1955, requesting to be advised if the General Ac-

counting Office has a report on the activities of the Defense Production Administration with reference to the stockpiling of copper. We have not prepared a report of the activities which you mention. However, we have had communications with the General Services Administration on the subject. For your information we are enclosing a copy of a letter dated May 6, 1955, from the General Accounting Office to the Commissioner, Emergency Procurement Service, General Services Administration, dealing with a contract with Banner Mining Co., Tucson, Ariz., providing for the development of properties and delivery by May 1, 1957, of some 12 million pounds of refined copper to the Government at a fixed above-the-market price of 31 cents per pound. To date no reply has been received from this letter.

Also, we are enclosing copy of a letter dated April 18, 1955, concerning the diversion of copper deliveries from the Government to consuming industries, pursuant to authorization by the Director of Office of Defense Mobilization dated April 1, 1955. There is also enclosed a copy of reply of the Comptroller, General Services Administration, dated May 3, 1955.

It is believed that the questions raised in your letter of May 24, 1955, are answered in the copies of correspondence that are enclosed.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

GENERAL ACCOUNTING OFFICE,
Washington, May 6, 1955.

Mr. A. J. WALSH,
Commissioner, Emergency Procurement Service, General Services Administration.

DEAR MR. WALSH: In our audit of Defense Production Activities of GSA we have reviewed Contract No. DMP-83 with Banner Mining Co., Tucson, Ariz. This contract, executed May 26, 1953, provided for development of mining properties and delivery by May 1, 1957, of 12,960,000 pounds of refined copper to the Government at a fixed, above-the-market price of 31 cents per pound. The contract also authorized advances to be repaid from production.

By letter dated January 10, 1955, the contractor requested authority to sell not more than 6 million pounds of copper on the open market, with the understanding that this quantity would be ultimately delivered to the Government by May 1, 1957. He further proposed that repayment of the advances would continue during the period of diversion, that a minor concession in pricing would be granted to the Government, and that the contractor would reserve the right to make deliveries to the Government instead of to industry at any time that market prices were at such a level as to make such deliveries more profitable to him. In other words, the contractor proposed that floor-price protection be continued, but that he be permitted to profit through sales to industry in the event of a rise in the market.

On January 21, 1955, your office informed the contractor that his proposal did not provide sufficient consideration for the Government, and proposed a reduction of one-half cent per pound in the price of certain shapes of copper and of three-eighths cent per pound in cathodes, for the remaining quantity to be delivered. These conditions were accepted by the contractor and amendment No. 2 was executed on March 4, 1955, effective January 25, 1955.

At the time that amendment No. 2 was executed the market price of copper had risen to 33 cents per pound, so that it should have been apparent that the contractor would make a windfall. Moreover, although the present market price of 36 cents could not have been forecast, there were strong indications of a continued rise which would have enabled GSA to more than offset the costs of supporting the contract price of 31 cents in the past.

Through waiver of its rights to receive immediate deliveries of copper at the fixed contract price of 31 cents, the Government has obtained price concessions under which it could save about $30,000 on future deliveries of about 9.9 million pounds of copper. On the other hand, had deliveries been made in accordance with the original contract terms, this copper could have been sold at a profit which we estimate at $250,000, assuming that the present market price remains steady. In addition, through deferment of deliveries GSA has assumed a risk that there might be a pronounced drop in the market at the time of future deliveries, which would result in payment of substantial subsidies.

On the basis of the facts available to us, we consider that amendment No. 2 was decidedly advantageous to the contractor and disadvantageous to the Government. We would appreciate receiving your explanation as to the basis upon which it was determined that the execution of contract amendment No. 2 was in the best interests of the Government.

Sincerely yours,

PHILIP CHARAM,
Audit Manager.

GENERAL SERVICES ADMINISTRATION,
EMERGENCY PROCUREMENT SERVICE,
Washington, D. C., June 10, 1955.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: In accordance with your request of May 27, 1955, the following information is furnished relative to this contract:

1. The prevailing market price of similar copper on the date of the contract, May 26, 1953, was 29.65 cents per pound, f. o. b. refinery, subject to a discount on cathodes of one-eighth cent per pound.

2. The total amount of copper delivered to the Government under the contract up to this time, with dates of delivery, is listed on the enclosed sheet.

3. The total amount of advance payments against production made to this company by DMPA for development and mining expenses was $473,665. We have no knowledge of any other Government advances or loans except an exploration loan made by DMEA on June 30, 1951, which, reportedly, totaled $55,529.81.

4. Enclosed are copies of two balance sheets of Banner Mining Co., one dated September 30, 1952, which accompanied the application for the contract, and the other, dated September 30, 1953. The first advance of moneys under this contract was authorized on January 13, 1954.

5. (a) As a result of negotiations Banner Mining Co., on January 21, 1955, was authorized, commencing January 16, 1955 (this date later was changed to January 25, 1955), to deliver up to 6 million pounds of copper to its commercial customers, provided that the total amount of copper deliverable to the Government of 12,960,000 pounds and the termination date of the contract remained unchanged; provided further that the remaining copper deliverable to the Government after January 25, 1955, be reduced in price one-quarter cent per pound, plus an additional one-eighth cent per pound on cathodes; and again further than the 3½ cents per pound of copper repayment of the advance be made on all copper sold.

(b) The market price of copper on January 21, 1955, was 29.7 cents per pound, f. o. b. refinery, subject to a discount on cathodes of one-eighth cent per pound.

If you desire any further information relating to this contract, we shall be glad to furnish it to you.

Very truly yours,

A. J. WALSH,
Commissioner.

Copper shipments, DMP-83, June 3, 1955

Releases	Date shipped	Wire bars	Cathodes
		Pounds	*Pounds*
1	June 28 and 29, 1954	138,508	
2	Aug. 3, 1954	95,561	
3	Aug. 7, 1954	128,085	
4	Oct. 12-14, 1954	170,975	
5	Oct. 21-22, 1954	369,106	
6	Oct. 1, 1954		103,711
7	Oct. 28-29, 1954		332,482
8	Oct. 29, 1954		122,483
9	Nov. 30, 1954	223,825	
10	Nov. 29, 1954		75,903
11	Dec. 7, 1954		145,950
12	Dec. 10, 1954		143,772
13	Dec. 27, 1954		124,362
14	Jan. 12, 1955		453,271
15	Jan. 4, 1955		149,079
16	Jan. 18 and 19, 1955		291,703
	Totals	1,126,060	1,942,916

ADDRESS BY CHIEF JUSTICE WARREN AT CENTENNIAL CELEBRATION FOR ROBERT M. LA FOLLETTE, SR.

Mr. MORSE. Mr. President, on Sunday, June 19, 1955, the Chief Justice of the United States, the Honorable Earl Warren, delivered at Madison, Wis., an address at the centennial celebration for Robert M. La Follette, Sr. The address is a brilliant one, Mr. President, doing honor to the memory of a great American liberal. I ask unanimous consent to have the address printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY CHIEF JUSTICE EARL WARREN AT THE CENTENNIAL CELEBRATION FOR ROBERT M. LA FOLLETTE, SR., MADISON, WIS., JUNE 19, 1955

You do me great honor in permitting me to speak at this official centennial of the birth of your most distinguished citizen. I appreciate your hospitality the more because of the intimacy of the meeting in the presence of members of the La Follette family, old companions, and lifelong believers in his principles of public morality; and because the meeting is sponsored by this learned and patriotic Wisconsin Historical Society. Lastly I appreciate it because it is being held in your capital city, where as Governor, many of his great accomplishments were made and because here at your great university he received not only his intellectual inspiration but he met and married his mate, companion, and lifelong source of inspiration.

In such surroundings and under such auspices, one who did not have even the privilege of a personal acquaintance with the honored must be doubly conscious of the hospitality that is being shown him in permitting him to participate.

I am not here to recount the life and works of Bob La Follette. I take it that none of us are here for that purpose. The people of Wisconsin, and particularly those who are here, know his life, chapter and verse.

It was so inseparable from the growth and the development of your State that his good works are everywhere around us today; your great university, the majesty of the law as represented by your stately capitol; the institutions under which you live as contained in the journals of the legislature; and above all, the abiding affection that people still have for his memory.

What I do believe we are here for is to rekindle the flame of his memory in gratitude for his long and distinguished public services and because his dynamic principles and his fighting spirit are as needed today as they were in his heyday.

It was not my pleasure to have known him. I saw him on the platform on occasions, and

while still a college student I once heard him from the gallery pour out his heart from the floor of the Senate.

But I feel I knew Bob La Follette. I acquired something from him as did other Americans who perhaps never saw him, but who believe that the substance of our Government is not to be found in its form but in the eternal principles upon which it is based, and which if preserved must be fought for by courageous men and women in every generation.

"Let fools for forms of government contest; that which is administered best is best."

It has been my great privilege to serve the public most of my adult life. I too had the responsibility as Governor of my State to make our institutions serve the best interests of all the people. I know the pressures that Bob La Follette found it necessary to resist and overcome in order to give our democratic process the broad base it must have to serve its purpose. Every governor knows those pressures because they are in every State capital. And they will probably always be there because as long as we have free government, of necessity we will have pressures of selfishness, greed, and intolerance as well as those for the common weal.

There are times in the life of every public servant when the feeling of frustration becomes almost overwhelming. It is at such times that we come to know and appreciate the indomitable spirit of souls like that of Bob La Follette. It was in that way I came to know him, although I assumed my first public office almost at the precise time of his death 30 years ago.

Some historian has referred to our State governments as 48 laboratories for the development of our institutions. I believe that to be true. The older States, of course, built the foundation for our system, but it remained for Bob La Follette, one of the last of our log-cabin statesmen, to turn the searchlight upon our social problems and to grind out with mortar and pestle the answers to them. And he suffered the same treatment that courageous men of vision in all ages have suffered. He was called a radical, a disrupter, a socialist, a subverter, and perhaps the only reason he was not called a Communist was because that term had not then been popularized as a term of opprobrium. But he was a lifelong Republican, steeped in the tradition of that party which was born in this State the year after his birth. He believed in the party system.

But he believed in parties and his party in particular as a party of the people—farmers, workmen, small-business men; not as an oligarchy of dominant interests.

He believed in private property:

"Property, whether the modest home of the artisan or farmer, or the great fortune of the masters of finance, if it be honorably acquired and lawfully used, is a contribution to the stability of government, as well as to material progress."

He believed in the private ownership of utilities, but he believed in regulating them for the public good:

"The owners of railroads and the holders of railroad securities must be protected in all of their rights. They must not be wronged in any way. They are entitled to such remuneration as will enable them to maintain their roads in perfect condition, pay the best of wages to employees, meet all other expenses incident to operation, and in addition thereto enough more to make a reasonable profit upon every dollar invested in the business. To preserve all these rights, they are entitled to the strongest protection which the law can afford."

He believed implicitly in our system, but he believed it belonged to the people, that it should not be shackled and that every hindrance should be removed from it in order to enable it to progress so that it might produce a better life for every man and woman and their children. This is the way he stated the issue:

"The supreme issue, involving all others, is the encroachment of the powerful few upon the rights of the many."

These were the undergirding principles of the Wisconsin idea of which he was the father. These were the motive power in his laboratory of human problems.

How detestable those experiments of his were to some people of his day. How commonplace they are now. How much a part of American life they are:

The direct primary giving control over government to the people instead of to bossism.

The Corrupt Practices Act preventing the pollution of the election process.

The establishment of a comprehensive civil service to destroy the spoils system.

The Registration of Lobbyists Act—not to prevent them from functioning but to bring them out in the open because as he said: "Evil and corruption thrive best in the dark."

The equalization of taxation between the individual citizen and the powerful corporate interest. "Equal and just taxation," he said, "is a fundamental principle of republican government."

An inheritance tax and a graduated income tax based on the ability to pay.

The regulation of utilities to prevent indirect and unjust taxation from burdening the people.

The right of working men to join unions and bargain for their rights. He was determined there should be no submerged class of industrial workers.

The health and safety of the people through pure food laws and compensation for industrial accidents.

The development of the university and a sound system of general education.

These were the ingredients of the Wisconsin Idea. It is for these things Bob La Follette was called a "dangerous radical." Was it a radical program? Is it radical today?

While it has found acceptance in the hearts and minds of most Americans, I am sure there are those who still believe it is radical, and are nostalgic for the so-called "good old days." There are still among us those who would call it socialism; those who refuse to make any distinction between socialism and social progress; those whom Lincoln described as being unable to distinguish a horse chestnut from a chestnut horse. There will be such in every generation. That is why under our system every generation must fight for the kind of society and economy it desires to have, and the standards of the government it is to live under.

If the Wisconsin idea was radical it was so only in the sense that freedom itself is radical. And it was so considered when the founding fathers brought our Nation into existence. It was radical only if the idea of government "of the people, by the people, for the people * * *" is radical.

But also it must be remembered that the party of Bob La Follette—the Republican Party—was considered radical when it was founded. Think of it. It proposed to prevent the spread of slavery; to open up the great public lands of this western country to settlement by families, and to give the average man a greater stake in society and in his government. That was radicalism when Bob was born.

Bob's difficulty came from the fact that he took the principles and platforms of his party at face value. He believed it was a party of the people and he determined to make it serve that purpose. But he realized that these things could not be done overnight. He wanted it done through reform. He wanted it all to come by peaceful means. He was not in a hurry to push the Nation into reforms for which it was not prepared. On the contrary, he said:

"Everything worth while takes time, and the years teach us all patience."

Again he was squarely in the American tradition, with its reliance on the idealism and innate reasonableness of men. He had an old-fashioned faith in the sovereign power of reason in human affairs.

But preeminently, Bob La Follette was a dissenter—a dissenter in the finest sense of the word.

He did not dissent through mere obstinacy. He dissented in righteous indignation when he thought the objectives of our Government were being subverted. He satisfied what is said to be the acid test of dissent, namely, the ability to get itself accepted finally as the truth. In this respect no statesman in our history has succeeded better. I have often wondered if he, as a boy, heard of the advice given by Disraeli to a young politician. When asked what he could best do to serve the public well, Disraeli replied: "Associate yourself with a just, but unpopular cause." Often his voice sounded as one in the wilderness because the most successful and most respectable in the Nation were carried away with the doctrine of laissez faire. They believed that our new industrial society, if not interfered with by government, would lead to Utopia. Bob reminded them that merely an abundance of materials did not represent true progress; that progress implied the progressive enlightenment of the people, the humanization of our institutions and the free application of intelligence in the evolution of society. He reminded them that in their enthusiasm for material gains they were breaking with the ideals of an earlier day. It was often a thankless task. But it needed to be said, and he said it. He was called wrong, shortsighted and unfair. But no one ever called Bob La Follette dishonest. And when he died in 1925 he enjoyed the respect of everyone.

How important it is that we keep alive this type of dissent in America. It is as important now as it was then. We must test all of our public actions by dissent. The majority does not always discover the right answer until it is so tested.

The term Fighting Bob to the uninformed might connote a man in uniform, a general or perhaps an admiral. Particularly would that have been true in days gone by when the history of nations was written in terms of their wars, their most glorious achievements in terms of battles won and their heroes in terms of conquerors of other people. Not so with Bob La Follette. He was a man of peace; not a pacifist but a fighter for peace. He fought for peace with the same steadfastness of purpose that he fought for other things. He was not cowed by the majority view. He was satisfied to live with his own conscience.

Yes, he was scathed for it, but he died with the respect of everyone.

The day before yesterday I participated in the unveiling of a statue of a former Chief Justice in the rotunda of our National Capitol. There were the images—two from each State—of the most beloved men and women of American history. I noticed that the vast majority of them were civilians rather than military men—statesmen, social workers, philanthropists, scientists, and humanitarians of various description. They were citizens of peace. In the forefront of these was the statue of Fighting Bob La Follette, most beloved son of Wisconsin. Instantly my thoughts flew back to the turbulent days of his career, and then it occurred to me how understanding Americans are on sober second thought, how willing they are to make amends for harsh appraisals made in times of crisis, and how the objects of their lasting affection are those who have tried to make life more rewarding for everyone. I

UNIVERSITY OF WISCONSIN LIBRARIES

could not help noticing how stalwart Bob La Follette appeared in that company.

And today to see the affectionate regard in which he is held in his own State, 30 years after his death, produces a thrill of pride and a feeling of well-being.

I trust that 100 years from today the people of Wisconsin will gather in this same spot to rekindle the flame of his memory. His accomplishments should then stand out in even bolder relief. The need for his understanding of people, his devotion to their interests, his fighting faith in our free institutions, will be equally as great as it is now.

It will give the people of Wisconsin then the same feeling of well-being that we have today.

THE FEDERAL DEBT LIMIT

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, a statement prepared by me relative to the Federal debt limit.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

I cannot approve the increase in the Federal debt limit as requested by the President in his January budget message to Congress. Careful study of the Government's fiscal situation convinces me that with due economy it is not necessary to increase the debt limit above the present ceiling of $275 billion, plus the temporary authorization of an additional $6 billion.

This $6 billion temporary authorization was provided a year ago and it expires a week from today on June 30. I shall support another extension for one year in the same amount of $6 billion on a temporary basis to expire on June 30, 1956, but I shall do so with reluctance because the deficit in the coming year is largely the result of tax reductions which I opposed. It is the height of fiscal folly to reduce taxes and add the loss to the public debt.

In fact, the Federal fiscal situation has worsened since the temporary increase was granted a year ago, and to this extent continuation of the temporary $6 billion increase will be a tighter limitation on expenditures than it has been in the past year.

We should balance the budget by retrenchment in expenditures. If we cannot do this now when we are at peace, with the highest prosperity in our history, when can we balance the budget?

Continual increase in the public debt means ultimate disaster. The fact that we have lost half of the purchasing power of the American dollar since 1940 is attributable in large measure to deficit spending. Secretary of the Treasury George M. Humphrey has testified before the Senate Finance Committee that deficit spending certainly is the main factor in depreciation of the currency.

It will be recalled that the administration 2 years ago requested a permanent increase of $15 billion in the statutory debt limit to lift the ceiling on Federal debt from $275 billion to $290 billion.

Congress at that time was told that if this increase was not granted the Government in fiscal year 1954 could not pay its bills and panic would result. The House of Representatives approved the request but the Senate Finance Committee rejected it completely. The administration reduced its expenses, lived within the $275 billion debt ceiling and no evil consequences occurred.

Last year the administration requested a permanent increase of $10 billion in the statutory debt limit to lift the ceiling on Federal debt from $275 billion to $285 billion. The Senate Finance Committee rejected the request for permanent increase again, and under the circumstances recommended a temporary increase of $6 billion for 1 year expiring June 30, 1955, and the committee's recommendation was enacted by Congress.

If we had not reduced taxes and if proper economies had been effected, it would not now be necessary again to extend this temporary increase for another year.

By all means, the increase must be on a temporary basis to provide an annual review of our dangerous fiscal situation. In my opinion the temporary increase should not exceed the $6 billion allowed in the current year and this should not be allowed beyond June 30, 1956, when the $275 billion statutory limit again should prevail.

It will be with reluctance that I shall vote for this temporary increase not to exceed $6 billion and not to extend more than 1 year. In this connection:

I submit that the administration has made this necessary by reducing taxes while still operating on a deficit financing basis;

I urge the administration and the Congress to get better control of expenditures within the coming year by reducing the unexpended balances which the President in his budget document estimated at $82 billion as of July 1, next week; and

I point out that action by Congress in the 1954 Revenue Act requiring a more even distribution of corporation tax payments throughout the year will eliminate some of the peaks and valleys in revenues collections.

Because of the tremendous unexpended balances, over which there is little annual expenditure control, the debt ceiling at present is the only real control which Congress can exercise over expenditures. Under current circumstances the debt ceiling is not a fiscal gadget to be taken lightly; it is a significant safeguard for the protection of the financial stability of this Nation.

If this temporary increase should be granted, I think it should be regarded by the administration as an indication of congressional notice that it will not be repeated again. In fact, a direct Federal debt of $275 billion is more than we should owe.

In consideration of the direct Federal debt ceiling, it should not be overlooked that there are additional contingent liabilities on the Federal Government in the form of guaranteed loans and insured loans, etc., totaling approximately $250 billion.

There is nothing more important today than balancing the Federal budget, avoiding additional debt and provision for ultimate reduction of the debt. This Nation grew great under fiscally sound policies, but we have now been exploiting our good credit for a quarter of a century.

Fiscal soundness today is more imperative than ever in view of the worldwide obligations which have been assumed by the Federal Government of the United States.

The ACTING PRESIDENT pro tempore. Is there further morning business?

If not, morning business is closed.

ELIMINATION OF CUMULATIVE VOTING SHARES OF STOCK OF DIRECTORS OF NATIONAL BANKING ASSOCIATIONS

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 256) to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association.

INDEPENDENT OFFICES APPROPRIATION BILL, 1956—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5240) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 21, 1955, pp. 8972–8975, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, I should like to ask if the distinguished Senator from Arizona can inform me what happened in the conference to the item of $25,000 for the national training program.

Mr. SALTONSTALL. Mr. President, I think I can answer that question, if the Senator from Arizona will yield to me.

Mr. HAYDEN. Certainly.

Mr. SALTONSTALL. There was a Budget Bureau estimate of $55,000 for continuing the National Security Commission. The House eliminated it entirely. The Senate provided $25,000 to keep the activity going. The House conferees were insistent that that appropriation should be deleted. It was my personal feeling, as one of the conferees, that if the Reserve training bill which is now pending in Congress should become a law we could straighten out that situation in connection with that bill, and in the supplementary budget. In the meantime, if the National Security Commission must maintain an office, I hope it can obtain some money from the President's emergency fund, or from some of the White House services.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. I express the hope that some way will be found by the executive branch to continue this activity until the question is definitely settled and the Congress has an opportunity finally to act upon it. I hope that in the meantime sufficient funds will be found to maintain the office.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. JOHNSON of Texas. I share the hope of the distinguished minority leader. I think this is false economy. It is evident that the Congress will shortly be considering a Reserve bill. At that time we shall expect the distinguished members of this Commission and

their staff to present to us, in the hearings, the results of their months of labors and years of findings.

I think it is false economy to cut off the appropriation and not give the Commission a penny, when members of the Commission and staff are entitled to their accumulated leave, and are needed on the job now perhaps more than ever before. I am sorry to see that the bill itself does not contain an appropriation for that purpose. However, I do not wish to have the Senate's action interpreted in such a way as to preclude the Executive or the Departments from using some special fund to continue with this activity until we can utilize the Commission in connection with the Reserve bill, and have the benefit of the testimony of its members.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. I join in the remarks of the distinguished majority leader. If the situation cannot be handled by the executive department with existing funds, I think we should give consideration to this need in connection with any supplemental appropriation bill which may come before the Senate.

Mr. SALTONSTALL. Mr. President, I concur in the views of the distinguished majority leader and the distinguished minority leader. I think the chairman of the Appropriations Committee will agree with me that the Senate conferees tried to retain this item; but the House conferees were insistent that this appropriation be eliminated.

Mr. HAYDEN. It could not be retained in the bill. I am sure the Committee on Appropriations will be glad to give consideration to an item for this purpose in a supplemental bill.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5240, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 22, 1955.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 1 and 50 to the bill (H. R. 5240) titled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SEC. 108. No part of any appropriation contained in this title shall be used to pay the compensation of any officers and employees who allocate positions in the classified civil service with a requirement of maximum age for such positions: *Provided*, That (1) ability and (2) qualifications for employment to such positions shall be the governing considerations."

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 53.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a table indicating the various appropriations in the independent offices appropriation bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Independent offices appropriation bill for the fiscal year ending June 30, 1956

Appropriation title	Appropriations, 1955	Budget estimates, 1956	House allowance	Senate allowance	Conference allowance
TITLE I—INDEPENDENT OFFICES					
Alexander Hamilton Bicentennial Commission: Expenses	$10,000	[a]	0	$15,000	$15,000
Civil Service Commission:					
Salaries and expenses	15,575,600	$16,825,000	$16,217,500	16,217,500	16,217,500
Investigations of United States citizens for employment by international organizations	[1] 400,000	500,000	[2]		
Annuities, Panama Canal construction employees and Lighthouse Service widows	2,354,000	2,170,000	2,170,000	2,170,000	2,170,000
Payment to the civil-service retirement and disability fund		[3]	250,000,000	216,000,000	233,000,000
Payment to the civil-service retirement and disability fund for increases in annuities	29,623,000	0	0		
Administrative expenses, Federal Employees Life Insurance		[4]	[5]		
Total, Civil Service Commission	47,952,600	19,495,000	268,387,500	234,387,500	251,387,500
Federal Civil Defense Administration:					
Operations	10,025,000	11,600,000	11,000,000	11,600,000	11,300,000
Federal contributions	[6] 12,000,000	12,400,000	12,400,000	12,400,000	12,400,000
Emergency supplies and equipment	26,000,000	35,300,000	30,000,000	35,300,000	32,650,000
Total, Federal Civil Defense Administration	48,025,000	59,300,000	53,400,000	59,300,000	56,350,000
Funds appropriated to the President: Disaster relief		10,000,000	2,000,000	5,000,000	3,500,000
Federal Communications Commission: Salaries and expenses	[7] $6,629,400	6,700,000	6,870,000	6,870,000	6,870,000
Federal Power Commission: Salaries and expenses	[8] 4,250,000	4,650,000	4,650,000	4,650,000	4,650,000
Federal Trade Commission: Salaries and expenses	4,045,000	4,300,000	4,225,000	4,300,000	4,262,500
General Accounting Office: Salaries and expenses	31,981,000	32,100,000	31,981,000	31,981,000	31,981,000
General Services Administration:					
Operating expenses, Public Buildings Service	95,960,000	[9] 99,231,000	95,960,000	99,231,000	97,595,500
Emergency operating expenses	15,647,000	13,400,000	10,000,000	13,200,000	11,600,000
Repair, improvement, and equipment of federally owned buildings outside the District of Columbia	12,000,000	20,000,000	25,000,000	25,000,000	25,000,000
Operating expenses, Federal Supply Service	2,660,000	3,120,000	2,890,000	3,120,000	3,005,000
Expenses, general supply fund	12,066,800	12,000,000	12,000,000	12,000,000	12,000,000
Operating expenses, National Archives and Records Service	5,000,000	5,650,000	5,550,000	5,550,000	5,550,000
Administrative operations	3,789,500	4,450,000	4,000,000	4,250,000	4,125,000
Refunds under Renegotiation Act	[10]	[11]	[11]		
Strategic and critical materials	380,000,000	521,500,000	521,500,000	521,500,000	521,500,000
Strategic and critical materials (liquidation of contract authorization)	[12]	27,400,000	27,400,000	27,400,000	27,400,000
Hospital facilities in the District of Columbia	0	1,610,000	1,610,000	1,610,000	1,610,000
Hospital facilities in the District of Columbia (liquidation of contract authorization)	4,500,000	9,700,000	9,700,000	9,700,000	9,700,000
United States Post Office and Courthouse, Nome, Alaska	0	1,200,000	1,000,000	1,200,000	1,100,000
Additional court facilities	2,970,600	0			
Survey of Government Records	300,000	0			

[a] Estimate for 1955 of $15,000 in H. Doc. 151.
[1] And not to exceed $500,000 of unobligated funds continued available.
[2] Unobligated balance of prior year appropriations continued available until June 30, 1956.
[3] Estimate of $216,000,000 was proposed for later transmission, following proposed legislation for financing Government's share.
[4] Not to exceed $140,000 from the "Employees' Life Insurance Fund."
[5] Not to exceed $80,000 from the "Employees' Life Insurance Fund."
[6] And in addition, reappropriation of not to exceed $1,300,000.
[7] And not to exceed $150,000 of unobligated funds continued available; and includes $84,000 in 2d supplemental appropriation bill, 1955.
[8] Includes $100,000 in 2d supplemental appropriation bill, 1955.
[9] Estimate reduced $169,000 in H. Doc. 95.
[10] Unobligated balance of prior year appropriations continued available until June 30, 1956.
[11] Unobligated balance of prior year appropriations continued available until expended.
[12] Not to exceed $27,600,000 of prior year appropriations made available.

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Independent offices appropriation bill for the fiscal year ending June 30, 1956—Continued

Appropriation title	Appropriations, 1955	Budget estimates, 1956	House allowance	Senate allowance	Conference allowance
TITLE I.—INDEPENDENT OFFICES—Con.					
General Services Administration—Con.					
Abaca fiber program		[13]			
Administrative expenses	[14]	[14]	[15]		
Buildings management fund	$500,000	0			
Total, General Services Administration	535,393,900	$719,261,000	$716,610,000	$723,761,000	$720,185,500
Housing and Home Finance Agency:					
Office of the Administrator:					
Salaries and expenses	3,968,500	[16] 6,050,000	4,300,000	6,050,000	5,000,000
Defense planning activities	0	100,000	0		
Reserve of planned public works	1,500,000	8,500,000	2,500,000	3,500,000	3,000,000
Urban planning grants	1,000,000	4,000,000	2,000,000	2,000,000	2,000,000
Capital grants for slum clearance and urban renewal	39,000,000	60,000,000	60,000,000	50,000,000	50,000,000
Reimbursement to Federal Bureau of Investigation	500,000	0			
Public facility loans, revolving fund	[15] 2,000,000	[17]	[18]		
Total, Office of the Administrator	47,968,500	78,650,000	68,800,000	61,550,000	60,000,000
Public Housing Administration:					
Administrative expenses	[19] 7,350,000	8,800,000	8,000,000	8,400,000	8,200,000
Annual contributions	63,950,000	87,000,000	80,000,000	83,500,000	81,750,000
Total, Public Housing Administration	71,300,000	95,800,000	88,000,000	91,900,000	89,950,000
Total, Housing and Home Finance Agency	119,268,500	174,450,000	156,800,000	153,450,000	149,950,000
Interstate Commerce Commission:					
Salaries and expenses	0	11,975,000	11,975,000		
General expenses	9,816,000	[20]	[20]	10,583,000	10,437,000
Defense transport activities	170,000	[20]	[20]		
Railroad safety	974,500	[20]	[20]	974,500	974,500
Locomotive inspection	709,500	[20]	[20]	709,500	709,500
Total, Interstate Commerce Commission	11,670,000	11,975,000	11,975,000	12,267,000	12,121,000
National Advisory Committee for Aeronautics:					
Salaries and expenses	[21] 51,240,000	63,500,000	56,000,000	63,500,000	60,135,000
Construction and equipment	4,620,000	13,000,000	11,700,000	13,000,000	12,565,000
Total, National Advisory Committee for Aeronautics	55,860,000	76,500,000	67,700,000	76,500,000	72,700,000
National Capital Housing Authority: Maintenance and operation of properties	43,000	37,000	37,000	37,000	37,000
National Science Foundation:					
Salaries and expenses	12,250,000	20,000,000	12,250,000	20,000,000	16,000,000
International Geophysical Year	2,000,000	11,000,000	10,000,000	10,000,000	10,000,000
Total, National Science Foundation	14,250,000	31,000,000	22,250,000	30,000,000	26,000,000
National Security Training Commission: Salaries and expenses	55,000	55,000	0	25,000	0
Renegotiation Board: Salaries and expenses	4,500,000	4,250,000	3,750,000	4,250,000	4,150,000
Securities and Exchange Commission: Salaries and expenses	4,750,000	4,997,000	4,875,000	4,997,000	4,955,000
Selective Service System: Salaries and expenses	29,003,063	28,700,000	[22] 26,958,875	27,474,000	27,216,000
Veterans' Administration:					
General operating expenses	167,672,300	160,300,000	155,000,000	161,004,000	158,002,000
Medical administration and miscellaneous operating expenses	14,654,000	15,294,000	15,294,000	15,294,000	15,294,000
Inpatient care	[23] 593,992,500	[24] 619,000,000	[24] 619,000,000	[24] 619,000,000	[24] 619,000,000
Outpatient care	82,134,000	82,089,000	82,089,000	82,089,000	82,089,000
Maintenance and operation of supply depots	1,654,000	1,578,000	1,578,000	1,578,000	1,578,000
Compensation and pensions	[25] 2,675,000,000	2,800,000,000	2,800,000,000	2,800,000,000	2,800,000,000
Readjustment benefits	[25] 567,000,000	627,097,000	627,097,000	627,097,000	627,097,000
Military and naval insurance	4,932,000	4,868,000	4,868,000	4,868,000	4,868,000
National service life insurance	30,570,000	81,300,000	81,300,000	81,300,000	81,300,000
Servicemen's indemnities	30,000,000	40,500,000	40,500,000	40,500,000	40,500,000
Grants to the Republic of the Philippines	2,175,000	2,629,000	2,500,000	2,500,000	2,500,000
Hospital and domiciliary facilities	47,000,000	13,815,000	30,000,000	30,000,000	30,000,000
Major alterations, improvements, and repairs	3,480,000	3,900,000	3,900,000	3,900,000	3,900,000
Total, Veterans' Administration	4,220,263,800	4,452,370,000	4,463,126,000	4,469,130,000	4,466,128,000
Total, title I	5,137,940,263	5,640,140,000	5,845,595,375	5,848,394,500	5,842,458,500

[13] Estimate of $3,500,000 withdrawn by H. Doc. 91.
[14] Administrative expense limitation of $135,000.
[15] Administrative expense limitation of $100,000.
[16] Estimate increased $350,000 in S. Doc. 41.
[17] Administrative expense limitation of $75,000.
[18] Administrative expense limitation of $40,000.
[19] Includes $400,000 contained in the Supplemental Appropriation Act, 1955.
[20] Consolidated in above amount.
[21] And not to exceed $1,000,000 of unobligated funds continued available; and includes $240,000 in 2d supplemental appropriation bill, 1955.
[22] And not to exceed $1,226,000 of unobligated funds continued available.
[23] And in addition $7,134,500 from reimbursements for services performed for other Government agencies and individuals.
[24] And in addition $7,229,600 from reimbursements for services performed for other Government agencies and individuals.
[25] Includes amounts in 2d supplemental appropriation bill, 1955, and second urgent deficiency, 1956.

ADMINISTRATIVE EXPENSES

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorizations, 1955	Budget estimates, 1956	House allowance	Senate allowance	Conference allowance
TITLE II—CORPORATIONS					
Housing and Home Finance Agency:					
Housing loans to educational institutions	$375,000	$575,000	$425,000	$575,000	$500,000
Public facility loans	75,000	75,000	40,000	40,000	40,000
Revolving fund (liquidating programs)	3,940,000	2,800,000	2,500,000	2,700,000	2,600,000
Federal National Mortgage Association	3,238,000	3,950,000	3,950,000	3,950,000	3,950,000
Home Loan Bank Board	775,000	920,000	920,000	920,000	920,000
Federal Savings and Loan Insurance Corporation	455,000	500,000	985,000	500,000	985,000
Federal Housing Administration	5,625,000	6,650,000	5,900,000	5,900,000	5,900,000
Public Housing Administration	[1] 7,350,000	[1] 8,800,000	[1] 8,000,000	8,400,000	8,200,000
Total, administrative expenses	21,833,000	24,270,000	22,720,000	22,985,000	23,095,000

[1] Included in title I.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 628, House bill 6239, the District of Columbia appropriation bill.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 6239) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. STENNIS. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill, as thus amended, be considered, for purposes of amendment, as original text, provided, however, that no point of order against any amendment shall be deemed to have been waived by the adoption of this agreement.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

Under the heading "Federal Payment to District of Columbia," on page 2, line 4, after the word "and" to strike out "$16,000,000" and insert "$20,000,000"; and in line 7, after the word "which", to strike out "$5,500,000" and insert "$7,000,000."

Under the heading "Operating Expenses—Executive Office," on page 3, at the beginning of line 23, to strike out "$300,000" and insert "$364,900, of which $50,000 shall be available only upon enactment into law of H. R. 191 for regulating the election of delegates representing the District of Columbia to national political conventions."

Under the subhead "Department of General Administration," on page 4, line 9, after the word "Incorporated", to strike out "$3,021,850" and insert "$3,135,560."

Under the subhead "Office of Corporation Counsel," on page 5, line 12, after the name "Columbia", to strike out "$427,000" and insert "$442,900."

Under the subhead "Compensation and Retirement Fund Expenses," on page 6, at the beginning of line 3, to strike out "$9,936,000" and insert "$10,036,000."

Under the subhead "Regulatory Agencies," on page 6, line 13, after the word "employees", to strike out "$958,000" and insert "$991,420."

Under the subhead "Department of Occupations and Professions," on page 7, line 11, after the word "Committee", to strike out "$240,000" and insert "$253,030."

Under the subhead "Public Schools," on page 8, line 16, after the word "vehicles", to strike out "$27,996,810" and insert "$28,285,968."

Under the subhead "Public Library," on page 9, line 16, to strike out "$1,620,000" and insert $"1,641,000."

Under the subhead "Recreation Department," on page 9, line 20, to strike out "$1,678,000'" and insert "$1,694,000."

Under the subhead "Metropolitan Police," on page 11, line 20, after the word "otherwise", to strike out "$12,781,000" and insert "$12,826,000."

Under the subhead "Veterans' Service Center," on page 12, line 17, after the word "services", to strike out "$90,000" and insert "$92,200."

Under the subhead "Office of Civil Defense," on page 12, line 21, after the word "vehicles", to strike out "$75,000" and insert "$100,000."

Under the subhead "Courts," on page 13, line 17, after the word "Justice", to strike out "$3,300,000" and insert "$3,374,000."

Under the subhead "Department of Public Health," on page 16, line 7, after the word "Home", to strike out "$23,492,000" and insert "$23,687,564."

Under the subhead "Department of Corrections," on page 17, line 15, after the word "sentence", to strike out "$4,520,000" and insert "$4,533,640."

Under the subhead "Office of Surveyor," on page 21, line 9, after the word "Surveyor", to strike out "$148,920" and insert "$158,920."

Under the subhead "Department of Licenses and Inspections," on page 21, line 19, after the word "measure", to strike out "$1,482,000" and insert "$1,589,276."

Under the subhead "Department of Highways," on page 22, line 7, after the word "spaces", to strike out the comma and "to be expended in accordance with the provisions of sections 7 and 8 of the District of Columbia Appropriation Act for the fiscal year 1912 (36 Stat. 1008), and with the provisions of the District of Columbia Appropriation Act for the fiscal year 1913 (37 Stat. 181), and other laws applicable thereto;"; in line 18, after the word "vehicles", to strike out "$5,876,000", and insert "$6,057,981", and in line 19, after the word "which", to strike out "$3,850,000" and insert "$3,859,981."

Under the subhead "Department of Vehicles and Traffic," on page 23, line 9, after the word "examiners", to strike out "$1,094,000" and insert "$1,119,500."

Under the subhead "Department of Sanitary Engineering," on page 25, line 18, after the word "dumps", to strike out "$10,255,000" and insert "$10,291,890"; in line 21, after the word "Commissioners", to strike out "$2,720,000'" and insert "$2,703,928"; and in line 22, after the word "and", to strike out "$1,445,000" and insert "$1,415,122."

Under the subhead "National Guard," on page 27, line 19, after the word "purposes", to strike out "$114,800" and insert "$122,300."

Under the subhead "National Zoological Park," on page 29, line 16, after the word "keepers", to strike out "$645,000" and insert "$669,300."

Under the heading "Capital Outlay—Public Building Construction," on page 31, line 11, after the word "expended", to strike out "$6,235,400" and insert "$7,544,400"; in line 12, after the word "which", to strike out "$2,459,900" and insert "$3,091,900"; and in line 13, after the word "and", to strike out "$405,050" and insert "$439,050."

Under the subhead "Capital Outlay, Miscellaneous," on page 32, line 11, after the word "expended", to strike out "$3,760,300" and insert "$1,260,300", and in line 12, after the word "which", to strike out "$2,419,000" and insert "$360,000."

Under the subhead "Department of Highways," on page 34, line 12, after the word "expended", to strike out "$11,205,000" and insert "$13,535,000"; at the beginning of line 13, to strike out "$10,805,000" and insert "$13,135,000"; and on page 36, line 9, after the word "Commerce", to insert a colon and *"Provided further,* That no part of the $1,500,000 provided for the construction of a new bridge across the Potomac River shall be available for the construction of any mechanism, lift, drawbridge, swingspan or other device designed to interrupt a continuous flow of traffic over said bridge."

Under the heading "General Provisions," on page 45, after line 18, to strike out:

"SEC. 11. Appropriations in this act shall not be available for the payment of rates for electric street lighting in excess of those authorized to be paid in the fiscal year 1927, and payment for electric current for new forms of street lighting shall not exceed 2 cents per kilowatt-hour for current consumed."

On page 46, line 1, to change the section number from "12", to "11."

On page 46, line 18, to change the section number from "13" to "12."

On page 46, line 22, to change the section number from "14" to "13."

On page 47, line 5, to change the section number from "15" to "14."

Mr. STENNIS. Mr. President, I have a very few brief remarks to make in connection with the District of Columbia appropriation bill.

First of all, the bill was reported to the Senate unanimously from the Senate Committee on Appropriations, which, of course, included the subcommittee which considered the bill.

The total amount of the bill, as reported to the Senate, is $169,456,749, which is an increase over the House version of $2,554,969, but is under the budget estimates by $6,005,271, and also below the 1955 appropriations by the sum of $1,316,050.

As to the $2.5 million increase recommended by the committee, about $1.1 million relates to capital outlay items, including the construction of the new Woodridge Library in Northeast Washington, a fire house in the Southeast section, a building for the Women's Bureau, and $1.5 million to begin construction of the new Potomac River bridge, which the Congress authorized last year to be constructed in the vicinity of Constitution Avenue.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. FULBRIGHT. Has that bridge been approved by the Fine Arts Commission?

Mr. STENNIS. No. This site has not been approved by the Fine Arts Commission. It is a statutory site, selected last year.

This subject has been thoroughly reviewed in the past 2 weeks by the District Commissioners, the Planning Commission, the Budget Bureau, the Fine Arts Commission, and the Theodore Roosevelt Memorial Island Foundation. Other sites have been proposed. There can be no unanimous agreement as to any site

Mr. FULBRIGHT. What was wrong with the tunnel which was proposed?

Mr. STENNIS. A tunnel was being talked about. I do not know that anyone ever proposed a tunnel, unless it was the Park Service. The enomous cost involved, I believe, was the thing which tossed the tunnel idea out before it got started.

Mr. FULBRIGHT. Is it the objection of the Fine Arts Commission that the proposed bridge would be an unsightly structure which would mar the beauty of the river around the Lincoln Memorial?

Mr. STENNIS. The objection of the Fine Arts Commission is that this location for the bridge would cause it to be so close to the Memorial Bridge that there would be a marring of the monumental beauty of the Lincoln Memorial and the Memorial Bridge.

Mr. FULBRIGHT. Also, there would be great congestion of traffic, would there not? Was that also an objection?

Mr. STENNIS. I do not know that that objection was raised by the Fine Arts Commission.

Mr. FULBRIGHT. For the information of the Senator, the Chairman of the Fine Arts Commission wrote to me and expressed very strong disapproval of that site. He made a rather persuasive case.

Since this bridge will be a permanent structure, its construction should not be approached with any pique, merely because an agreement cannot be reached on the location. It might well be delayed until some agreement is worked out. I say that because it is proposed to locate it at one of the most important sites, not only in the city of Washington, but in the whole country. Millions of people from all over the United States visit the Lincoln Memorial every year. Nothing should be done to destroy the beauty which has been so carefully preserved at that location. Certainly, we should not erect an ugly or unsightly bridge, and increase the traffic hazards around the Memorial.

Mr. STENNIS. I do not believe that this will be an unsightly bridge. It will be a bridge which will be in many ways a companion bridge to the present Arlington Memorial Bridge. Its construction will follow the ornamental lines of the Memorial Bridge. There is a difference of opinion as to how much, if at all, it will mar the ornamental beauty of the location.

Personally, I would have preferred to have the bridge built farther up the river.

Mr. FULBRIGHT. That is what I thought.

Mr. STENNIS. I personally believe that the best location would be one which would bring the bridge over the middle of what is called Theodore Roosevelt Island. However, there we were met with the unyielding opposition of the Theodore Roosevelt Island Memorial Association, which will not agree under any circumstances to let the bridge touch the island, except at the northern end. The association consented to that location about 10 days or 2 weeks ago.

However, that project would involve a $43 million outlay, or approximately that, and about $10 million of it would fall on the State of Virginia. The location was not approved by anyone except by the Theodore Roosevelt Island Association, and perhaps by one other agency. An enormous amount of money would be involved.

In addition, some engineering objections were made to it, from the standpoint that it would not take care of the traffic as well.

Another point with respect to the bridge at the site now proposed is the Gore amendment to the pending bill, which provides that the new bridge cannot have a movable span, but shall be rigid in construction. That is said to be sound from an engineering standpoint. The new bridge would have a clearance of 30 feet or less, which would be sufficient to take care of water traffic. The Memorial Bridge has a clearance of 30 feet, as I understand. Therefore the new bridge would not be an arch-back structure or a very high structure. It would be more or less a companion structure to the present Memorial Bridge, or a sister bridge, so to speak.

If the Theodore Roosevelt Island Memorial Association would agree to let the bridge be built a little farther up the river, I believe that would improve the situation.

Mr. FULBRIGHT. I do not want to delay the Senator any longer——

Mr. STENNIS. I believe everyone is entitled to an explanation.

Mr. FULBRIGHT. However, I should like to urge the Senator not to move too rapidly. A Fine Arts Commission has been established for the purpose of making recommendations on matters of this kind. It seems to me that there is no urgency which requires a decision to be made until an agreement can be worked out.

Mr. STENNIS. The Senator makes a very good point. That was my attitude when I went into the matter, and when the subcommittee went into it. The various interested groups were given their day in court. We were looking for some kind of one-package deal on which all could agree. I was firmly convinced that the Fine Arts Commission would not yield on this point, and I was equally convinced that the Theodore Roosevelt Memorial Association would not yield on their point. Therefore, we were back to where we had started.

A new bridge is necessary. The demands of traffic are becoming greater all the time. The matter was thoroughly considered last year. The Senator from South Dakota [Mr. CASE] who was chairman of the Committee on the District of Columbia, went into it very fully. He conferred with all interested groups. I believe he is somewhat of an engineer himself. He looked over the island, and he went to New York to confer with some members of the Association. After a great deal of discussion and full consideration, he proposed the bill which Congress passed last year.

Mr. FULBRIGHT. Did the committee consider a tunnel, to be paid for by tolls? Since Virginia is so hard up that it cannot pay for its share, I wonder whether a tunnel, to be paid for by tolls, would meet the situation.

Mr. STENNIS. The committee did not consider a tunnel, because the cost was so great, and no one charged with any responsibility in the matter favored a tunnel.

Mr. FULBRIGHT. I am sorry the committee must go against the recommendation of the Fine Arts Commission.

Mr. STENNIS. It seems to have resolved itself into a question of having to go against the recommendation of someone. I believe the farther up the river the bridge can be located the better it will be.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Let me say first of all that the distinguished Senator from Mississippi has certainly shown a great deal of patience and understanding and statesmanship of the highest order in attempting to bring the bridge matter to a successful conclusion. We have now reached the point of making an appropriation for the proposed bridge.

I believe there is a great deal of merit in what he said about the desirability of having a bridge as far north as possible. The best crossing would be one which would lead traffic into E Street. However, such a crossing would mean a crossing of the main Theodore Roosevelt Island. When we were considering the matter last year I thought it would be possible to cross South Island, which is the very small island south of the main Theodore Roosevelt Island, and which for a part of the time is under water. By crossing South Island it would be possible to bring the bridge in at about E Street without touching the main Theodore Roosevelt Island.

I made such a proposal at the time. However, the Memorial Association had in mind that no part of the main island and no part of the small island to the south should be touched by the bridge.

Since that time they have modified their position, and have adopted a resolution authorizing a crossing of the main island at the northern end. In view of that fact, it has occurred to me that it might be possible that the association would reconsider its position with respect to a bridge touching South Island.

I had in mind suggesting to the Senator from Mississippi that a proviso be inserted on page 3, after the committee amendment, making the appropriation for the bridge, which proviso might read something like this:

Provided further, That the authorized bridge for the central area may touch or cross the small island south of the main Theodore Roosevelt Island if an agreement to that effect is reached with the Theodore Roosevelt Memorial Association prior to August 1, 1955.

That would allow substantially the month of July for reaching an agreement which might result in locating the bridge farther up the river, as the Senator from Mississippi has suggested.

In support of that proposal, it might be said that the artists and architects who object to the Constitution Avenue crossing say that the distance between the new bridge and the Memorial Bridge would be less than the width of the river. If the bridge could be located a little farther up the river, it would meet the requirement of having the width between the bridges equal to or a little greater than the width of the river. I believe the kind of amendment I suggest would make it possible to consider putting the bridge at such location. At the same time, the adoption of the amendment would not delay the matter beyond the first of August, in any event.

Mr. STENNIS. Because of the time limitation in the Senator's amendment,

I believe it would be well to take the amendment to conference. The matter will be in conference, in any event, because the House left out any money for the bridge, inasmuch as there had been no agreement with reference to the construction.

I think it would help the situation to locate the bridge somewhat farther to the north. The amendment would, at least, afford a last chance to make some modification in the plan.

Mr. President, I will take the amendment to conference with the understanding that it will not tie up the matter. The amendment will expire by August 1. If nothing is done by that time, the law will be left as it is now. I shall be glad to accept the amendment, although there has been no opportunity to submit it to the committee.

Mr. CASE of South Dakota. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The ACTING PRESIDENT pro tempore. The clerk will state the amendment offered by the Senator from South Dakota.

The LEGISLATIVE CLERK. On page 36, after the colon in line 14, it is proposed to insert the following:

Provided further, That the authorized bridge for the central area may touch or cross the small island south of the main Theodore Roosevelt Island if an agreement to that effect is reached with the Theodore Roosevelt Memorial Association prior to August 1, 1955.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. YOUNG. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. YOUNG. Mr. President, I think the amendment is a good one, in line with a great many other suggestions made by the able Senator from South Dakota.

As a Republican member of the subcommittee, I should like to say that a District appropriation bill never has received closer attention and better consideration than the pending bill has received, under the able chairmanship of my friend from Mississippi [Mr. STENNIS]. I wish to commend him for the great amount of time he devoted to the matter.

Mr. STENNIS. I thank the Senator from North Dakota. I feel, Mr. President, that I was merely plowing ground this year which the Senator from South Dakota and the Senator from North Dakota had been plowing years before. The amendment does not lessen the effect of the provision one bit. We think there should be action and that the bridge should be started forthwith.

Of the $1.4 million added for operating expenses, this sum was considered essential to enable many activities properly to function. For example, funds were added for repairs, equipment, and supplies needed in the public schools, courts, and other departments; also for grade changes in existing positions.

Mr. President, let me say a few words concerning the Federal contribution of $20 million which the committee proposed for the general funds of the District of Columbia. Under the bill which is before the Senate, the Federal contribution would be approximately 15 percent of the amount payable from general funds. This percentage compares with the high Federal payment of 40 percent in 1922 and a low of 8.5 percent in 1954.

I should also like to point out that the area of tax-exempt property in the District has been increasing from year to year. The records show that 52.5 percent of the land area, exclusive of streets and avenues, was tax exempt in the fiscal year 1955; 49.7 percent in 1945, and but 43.1 percent in 1935. The expenses of the District have increased approximately $41 million since 1946 because of the enactment of certain legislation—and they constitute annually recurring obligations—and there are pending salary increases which will add about $6 million more to operating costs of the District. These increased obligations have been met, in the main, by additional tax legislation enacted in 1947, 1949, and 1954.

At the present time the Commissioners of the District of Columbia are busily engaged in hearings with the proper legislative committees and others concerned with a view to obtaining the additional revenue needed to offset the increasing costs for operation of the District of Columbia government.

I will say on my own responsibility that I think the tax structure of the District should have a thorough going over, and in view of the increased demands on the city government, it seems to me there must be an increase in revenue from some source for the District government. The burdens are not going to become less; they are going to become greater.

I feel that the grade school system of the District of Columbia is already being neglected by failure to meet the increased demand that is imposed from year to year on the system. The District is behind in its repair program; it is behind in the extension of facilities program; and it is behind in meeting the problem with reference to teachers.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the Senator from Mississippi for the statement he has just made with regard to the District of Columbia schools. I think funds are needed in practically every department. I also wish to commend the Senator for the increase in contrbution to the District government by the Federal Government. Even with the additional appropriation, the funds are not adequate. I think it is the duty of the Congress to investigate and determine how much the Federal Government should contribute to make this city the Capital it should be.

Mr. STENNIS. Mr. President, I appreciate the remarks of the Senator from South Carolina. I know he has done very fine work over the years as a member of the District of Columbia Committee. Everyone who becomes familiar with the problems of the District is impressed with the necessity of properly meeting them.

Mr. HILL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. HILL. I had the privilege of serving 4 years as chairman of the subcommittee on the District of Columbia of the Appropriations Committee, and I wish to commend the Senator from Mississippi for his very fine and painstaking work on this bill, and to express my appreciation to him for the bill which has been brought to the floor of the Senate.

As the Senator from Mississippi has so well emphasized, there are many crying needs in the District of Columbia, and we have a very definite responsibility to help in meeting them.

I think the Senator from Mississippi is entitled to the thanks of all of us for the splendid work he has done on the bill and for the fine shape in which the bill is brought to the floor.

Mr. STENNIS. Mr. President, on behalf of the subcommittee and the full committee, I wish to thank the Senator for his very generous remarks. In connection with many things we found his tracks, indicating the good work he had done on the subcommittee in previous years.

I wish to thank the Senator from Nevada [Mr. BIBLE], the Senator from Maryland [Mr. BEALL], who are ex-officio members of the subcommittee, as well as the Senator from Tennessee [Mr. GORE], for the very fine work and assistance they gave. They are familiar with District problems, and they devoted a great deal of time to the bill.

I wish to thank the highly efficient clerk, Mr. Harold Merrick, who handled every item in the bill with great familiarity and great dispatch, and who was assisted by Mrs. Mamie Mizen, to whom thanks are also due.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 6239) was read the third time and passed.

Mr. STENNIS. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. STENNIS, Mr. MCCLELLAN, Mr. HOLLAND, Mr. BIBLE, Mr. GORE, Mr. DIRKSEN, Mr. YOUNG, and Mr. BEALL conferees on the part of the Senate.

FEDERAL EMPLOYEES SALARY INCREASE ACT OF 1955—CONFERENCE REPORT

Mr. JOHNSTON of South Carolina. Mr. President, I submit a report of the committee of conference on the dis-

agreeing votes of the two Houses on the amendment of the House to the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings for today, pp. 9120–9124.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report,

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSTON of South Carolina. Mr. President, the conferees for the Senate and the House have just agreed to a compromise pay bill under which over 1 million Federal civil service, judicial, and legislative employees will receive an increase in their pay of not less than 7½ percent retroactive to last March 1.

Only a few minor changes were adopted to the pay schedule which was approved in the House of Representatives on Monday of this week.

The conference agreement represents a compromise almost halfway between my bill, S. 67, which the Senate overwhelmingly approved, providing for a 10-percent increase in the salaries of these employees, and the proposal recommended by the administration last January, which, in effect, said the President could not agree to anything more than a 4.9-percent increase.

I remind the Senate and the Federal employees that they have gained immeasurably from the long fight put up by the Members of Congress. The President only last August vetoed a 5-percent pay increase for Federal civil service employees. Yet now we have high hopes that he will accept this 7½-percent compromise agreement which is before the Senate today. We are not certain that we have provided for Federal civil-service employees an adjustment in pay equal to that provided for the Nation's postal workers. We cannot be sure until after the Postmaster General submits the reclassification plan to Congress in January of next year. It is true the Federal civil-service employees will get a somewhat larger retroactive increase, but in some cases a slightly lesser amount for the future. However, we have tried to the best of our ability to equalize the pay granted to both groups.

This bill also provides or paves the way for an equitable adjustment in pay long sought and very much overdue for the legislative employees on Capitol Hill.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

SALE OF CERTAIN VESSELS TO CITIZENS OF THE PHILIPPINES

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 67) to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes, which were, on page 2, line 3, strike out "line" and insert "hire", and on page 2, line 17, strike out "aforesaid act of April 30, 1946," and insert "Philippine Rehabilitation Act of 1946."

Mr. PASTORE. Mr. President, the purpose of the joint resolution is to authorize the Secretary of Commerce to sell, in accordance with the Merchant Ship Sales Act of 1946, to citizens of the Republic of the Philippines five vessels which are presently under charter to shipping companies in the Philippines. These ships have been under charter for a number of years.

The joint resolution has the approval of all Government agencies affected, including the Maritime Administration. It passed the Senate without objection, and yesterday was approved by the House with two minor amendments. The amendments are perfecting amendments and do not change the purpose of the joint resolution in anyway.

One amendment corrects a typographical error, namely, on page 2, to change the word "line" to "hire."

The other amendment, on page 2, line 17, changes the words "aforesaid act of April 30, 1946", to read "Philippine Rehabilitation Act of 1946."

I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5502) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROONEY, Mr. PRESTON, Mr. SIKES, Mr. MAGNUSON, Mr. CANNON, Mr. COUDERT, Mr. BOW, Mr. CLEVENGER, and Mr. TABER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6499) making appropriations for the executive office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, and that the House receded from its disagreement to the amendment of the Senate numbered 2, to the bill, and concurred therein.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 149) expressing the sense of the Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism, in which it requested the concurrence of the Senate.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 149) expressing the sense of the Congress that the United States in its international relations should maintain its traditional policy in opposition to colonialism and Communist imperialism, was referred to the Committee on Foreign Relations, as follows:

Whereas Communist imperialism and other forms of colonialism constitute a denial of the inalienable rights of man; and

Whereas the people of the United States have traditionally supported other peoples in their aspirations to achieve self-government or independence and in their struggle against tyranny or domination: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should administer its foreign policies and programs and exercise its influence through its membership in the United Nations and in other international organizations so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

ELIMINATION OF CUMULATIVE VOTING SHARES OF STOCK OF DIRECTORS OF NATIONAL BANKING ASSOCIATIONS

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 256) to eliminate the cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERTSON. Mr. President, S. 256 is a very short bill, and has a very simple purpose. It would amend the Banking Act to make cumulative voting of shares of stock in the election of directors of national banking associations permissible, but not compulsory.

Cumulative voting means that a shareholder is allowed to cast as many votes as are represented by the total number of his voting shares, multiplied by the number of directors to be elected, concentrating them, if he chooses, on a single candidate instead of voting for enough candidates to fill all the places on the board. Without cumulative voting a director of a national bank could be elected only with the approval of a majority of the shareholders. The purpose of cumulative voting is to permit minority representation. How small that minority may be is illustrated by testimony at our committee hearing of an instance in which a director elected himself by accumulating, mostly from

members of his family, a total of only 3.6 percent of the voting shares outstanding.

From the time the National Bank Act was enacted in 1864 until 1933 there was no requirements for cumulative voting, but since 1933 it has been compulsory. Our committee heard testimony that the 1933 amendment on this point was adopted, not because of any demand that minority interests in smaller banks be protected, but on the plea of the head of what was then, and still is, the largest bank holding company in the Nation. The late A. P. Giannini, who headed Transamerica Corp., had a minority interest in the National City Bank of New York, and wanted a place on its board in connection with his plans for expansion of his operations from the west to the east coast.

Other bankers at that time seemed indifferent to the provision for cumulative voting, but many have since learned from bitter experience its possible disadvantages, with the result that S. 256 has the formal endorsement, not only of the American Bankers Association, but also the Independent Bankers Association and several State bankers associations, as well as numerous individual bankers.

Only one witness appeared at our hearing in opposition to the bill, and most of the individuals who have since written me in opposition to the bill have indicated they had only a theoretical interest in what they thought was a sound principle, but that they lacked the testing of practical banking experience.

On the other hand, those who testified and those who have written letters since the hearing in support of the bill have cited concrete examples of such occurrences as election of a young lawyer to a bank board because his father-in-law wanted to build up his prestige in the community, use of a board membership to obtain confidential information for use in outside business deals or which might be of value to a rival institution in which the minority director held an interest, or forcing on the board a member for the purpose of promoting larger dividend payments or to encourage sale or merger of a bank.

Recognizing these dangers, the Treasury Department endorsed the bill in a statement, saying the Department "is aware of no instances in which cumulative voting has proved to be a beneficial force in the affairs of national banks," and that continuation of the mandatory provision is "unwise and unnecessary." The Federal Deposit Insurance Corporation reported it had found instances where cumulative voting "brought dissension and disunity into the corporate affairs and has been contrary to the best interests of the particular bank." This agency said neither the present statute, requiring cumulative voting, nor the proposal which was originally made to eliminate it entirely, was completely without fault, but that "there is considerable merit to making the right to cumulative voting a voluntary matter." The Federal Reserve Board alone, among the national bank regulatory agencies, took a neutral position, pointing out that it has not had direct supervision of the statute, and suggesting it should not be amended unless our committee and the Congress were satisfied that results of actual operation have been so unfavorable as to warrant such action.

The proof here suggested was provided, however, in such evidence as that presented by the American Bankers Association, which said:

> Situations have arisen where such minority shareholder elected as a director has conducted himself in a manner which has obstructed the orderly conduct of business of the board, or which has resulted in the divulging to outsiders of confidential information about the business of the bank and its customers.
>
> It is our belief—

The American Bankers Association witness testified—

> that the existing law relating to cumulative voting is not conducive to harmonious and successful operation of national banking associations.

And the representative of the Independent Bankers Association said the cumulative voting provisions "have been employed as a means to further the ambitions of a minority seeking to bring about the sale or consolidation of a bank in which they have no real interest other than to make a profit on such a sale or merger."

The heart of the matter, Mr. President, was summarized in a letter which the Comptroller of the Currency submitted to our committee last year, when a bill similar to S. 256 was under consideration.

Mr. Ray M. Gidney wrote:

> The successful operation of any bank depends upon confidence—confidence of stockholders in the management; confidence of different members of the management body in each other; and confidence of the depositors and the community in the bank as an organization. Confidence is not engendered by having a minority group force itself on the directorate of a bank by the use of the cumulative voting provision.

It should not be overlooked that a national bank is different from an industrial corporation, in which minority stockholders, without representation in the management have no one to protect their interests.

Banks are subject to special regulation and supervision to protect not only the interests of the stockholders, but also the depositors. Directors of national banks must represent not merely the interests of those who own stock, but also must be trustees of the persons whose funds are on deposit. They must be men of integrity and character, who are held in high esteem by the entire community, and if they lack those qualifications the prestige of the institution will suffer and its usefulness will be diminished.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. ROBERTSON. Yes.

Mr. FULBRIGHT. Will the Senator from Virginia agree with me that the last point he mentioned, the reference to what I think is properly regarded as a fiduciary relationship with depositors, distinguishes banks from all other financial organizations, and that favoring cumulative voting in a corporation such as Montgomery Ward has no relation to the particular question now under consideration?

Mr. ROBERTSON. It absolutely has not, and that was one of the cogent reasons that caused a large majority of our committee to report the bill last year. It could not be acted upon then because it was too late in the session. A bank represents many interests besides those of a stockholder who is looking for a return on his investment. It is an institution which is available to meet credit demands. It has a trusteeship over all the money which is deposited in the bank.

Mr. FULBRIGHT. Mr. President, will the Senator from Virginia yield further?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Virginia yield to the Senator from Arkansas?

Mr. ROBERTSON. I yield.

Mr. FULBRIGHT. I think of the following analogy: We have, for instance, laws relating to the confidential nature of income-tax returns. The accounts of the business one does with a bank and the accounts of a bank are of a very similar nature. Therefore, I think the two situations are analogous; and certainly it is intolerable to have persons who are not in agreement with those whom I think are generally agreed to be of the highest integrity and character, serve with them on a bank board, because they would have access to records relating to other fields than the one in which the bank is operating.

Mr. ROBERTSON. I agree with the Senator from Arkansas; and I have in mind the instance of a man who got on a bank board, over the protests of the other members, and who sought to find what persons had deposits in the bank, and how large their deposits were, his intention being to put their names on a so-called sucker list, and to try to sell them all kinds of stock. That is the sort of thing I meant, and that is why I believe cumulative voting is not proper. It appears to be a very poor arrangement for protecting the rights of the minority. For many years we have gone along with it, until we have found so many instances of its being abused, as the Senator from Arkansas has pointed out, that, in view of the necessarily broad scope of the business of these institutions, it certainly should be permissible at this time for the stockholders to say, "We want those who come on the board to come there by majority vote of those who own the bank."

A man of the type who ought to be the director of a national bank should have a chance of election by vote of a majority of the stock, whether or not his nomination originates with a minority group or even with an individual. On the other hand, if the only ones who want a candidate on the board are the holders of a small proportion of the stock who have selfish interests to promote, it is bad public policy to have a provision of the law which will insure his election.

If Senate bill 256 becomes law, any national banking association which wants to continue to permit cumulative voting will be privileged to do so, but it

will not be compulsory. By passage of this bill, we shall have removed a provision of the law which originally was inserted under conditions raising doubts as to its merit, and which an overwhelming majority of practical bankers now believe is harmful or, at best, serves no useful purpose.

Mr. LEHMAN. Mr. President, I would regret very much to see the Senate pass Senate bill 256.

I think I have had some experience with banking operations and bank boards. Mr. President, a bank board is, at best, more or less of a self-perpetuating body. If this bill were to be enacted, every bank, or almost every bank, would become completely self-perpetuating.

Today, bank boards are picked by the bank management, who select those whom the management knows will be in complete sympathy with, and under the direction of, the management. The management will not put on a bank board anyone whom it fears might differ with the philosophy or policies of the management.

Mr. ROBERTSON. Mr. President, will the Senator from New York yield at this point?

Mr. LEHMAN. I am very glad to yield, of course.

Mr. ROBERTSON. Of course, the Senator from New York does not mean to imply that anyone can become a member of a bank board without being voted for by the stockholders.

Mr. LEHMAN. I realize that perfectly well.

Mr. ROBERTSON. I understood the Senator from New York to imply that the management and the members of the board can be self-perpetuating, by putting themselves or their friends on the board. I want the Senator from New York to be perfectly clear on that point: that no one can be on a bank board unless he receives sufficient votes of the stockholders.

Mr. LEHMAN. That is correct; and in a moment I shall refer to that point.

Of course, the method by which the stockholders vote in a bank-board election is quite different from the method followed in the case of railroad companies or the larger industrial concerns.

Mr. President, at the present time, under existing law, there is authority for cumulative voting, so that minority stockholders can, if they have sufficient interest or determination, under certain circumstances and in certain cases elect one or more minority directors to represent them. But I can say to the distinguished Senator from Virginia that, today, those who become candidates for election as bank directors are exclusively those who are hand picked, and they are only those who are in sympathy with the policies and plans of the bank management.

It seems to me that my very distinguished colleague on the committee, the junior Senator from Virginia [Mr. ROBERTSON] has virtually acknowledged that, by saying that it might be a calamity or it might be very harmful if there came on the board of a bank a person who had views divergent from those of the management, or one who differed with the management. I do not agree at all that such a situation would be a calamity. In a few minutes I shall enlarge on that point.

Mr. President, I wish to emphasize that what I am saying now does not constitute any general reflection on the directors of banks. In my earlier days I have been a director of a number of banks. I am intimately acquainted with many bank directors. By and large, I believe they are a fine group of men—patriotic, loyal, honest. But we simply cannot overlook the fact that they are hand-picked. What emphasizes the fact that they are hand-picked is that these men are not only associated with one another in various commercial interests, but generally they have very close social ties. In many instances they belong to the same clubs—certainly the same luncheon clubs in New York City, where I used to see them. Many of them are fellow directors of civic organizations. In the case of the banks in the smaller communities, many of them are directors of the same country clubs.

Mr. FULBRIGHT. Mr. President, will the Senator from New York yield to me, to enable me to ask a question on a matter on which I seek clarification?

Mr. LEHMAN. Certainly.

Mr. FULBRIGHT. Is the Senator from New York speaking of national banks in New York State, or of State banks, or of investment banks?

Mr. LEHMAN. I am speaking of national banks in New York State. Some very fine men are on the boards of those banks.

Mr. FULBRIGHT. What puzzles me very much is the statement of the Senator from New York that they are hand-picked, although this provision of the law has been in effect since 1933. With this compulsory provision in effect since that time, I cannot understand how the directors could be hand-picked, as the Senator from New York has said. So I am seeking clarification on this point, about which I am confused, as a result of what the Senator from New York has said. Did not I correctly understand him to say that the directors are hand-picked?

Mr. LEHMAN. The Senator from Arkansas is correct.

Mr. FULBRIGHT. As I say, I am confused. I am seeking light on the question as to why they are hand-picked, in the face of the fact that there is a compulsory provision in the law. If it is so useless as that, why does the Senator care if we eliminate it?

Mr. LEHMAN. I care very much. I emphasized that in the remarks I made a few minutes ago. There is no way of obtaining minority representation, and no disposition to grant it, and possibly no need for it. But if this bill were passed, the door would be closed. There would be no possibility of anyone who has less than a majority of the stock obtaining representation on the board, regardless of the qualifications of the particular individual.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. BENNETT. Does the Senator believe, then, that the permissive feature of the bill has no validity?

Mr. LEHMAN. I believe the permissive feature of the bill has very little, if any, validity, for this reason: If this bill is enacted, in order to permit minority cumulative voting, there would have to be a change in the charter or in the articles of association, and that would have to be obtained by the directors of the banks. Certainly, in view of the attitude of the banks on this question, and the fears they entertain—and they may be very sincere fears in some cases—there is very little likelihood that they are going to agree to a change in the charter or articles of association.

Mr. BENNETT. Is it the understanding of the Senator from New York that, after 23 years during which this provision has been the law, all the charters of national banks still prohibit cumulative voting and require majority voting?

Mr. LEHMAN. No. That is not the case, I may say to the Senator; but if this bill passes, there will have to be affirmative action on the part of the directors of the banks themselves to give a permissive right to elect by minority cumulative voting.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. Is it not true that under the terms of the bill it would be possible to obtain cumulative voting and minority representation only if the majority decided to permit it?

Mr. LEHMAN. That is quite true.

Mr. DOUGLAS. And is it not true that generally a majority wants to rule, and does not want minority representation?

Mr. LEHMAN. In this case I think it is very clear that they do not want minority representation, and I think my distinguished colleague on the committee has admitted that they do not want minority representation, because there might be a divergence of opinion over policy.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. ROBERTSON. The Senator from New York has—unintentionally, I hope—quite misconstrued the position of the Senator from Virginia. The Senator from Virginia is glad to have minority representation, if the minority representatives are of the type they should be, and of the type that would help to carry on the proper functions of the bank. But the Senator from Virginia challenges the viewpoint just expressed by the Senator from New York and concurred in by the Senator from Illinois, because they put the proposition absolutely in reverse of the provisions of the bill.

In order to prohibit cumulative voting a majority must vote to change the charter and take advantage of the permissive feature of the bill. Otherwise cumulative voting continues. The bill merely gives permission to the banks to change their charters and get out from under a situation in which they have had a very unhappy experience. I know

from personal experience, without anyone telling me how beautiful the theory is, that we do not want this situation to exist any longer.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. Is it not true that some groups, when they are in the minority, want cumulative voting, but when they become a majority and take over a company, they lose their enthusiasm for cumulative voting?

Mr. LEHMAN. That is quite true.

Mr. DOUGLAS. Has not that happened in the case of the New York Central?

Mr. LEHMAN. The Senator from Illinois is quite correct. I shall refer to some of the things which were disclosed in our hearings, in that connection.

Mr. DOUGLAS. Is it not true that we cannot depend on the majority to protect the rights of a minority, even though the past position of the majority may have been favorable?

Mr. LEHMAN. I think in many cases we can depend on the majority——

Mr. DOUGLAS. That is not invariably true.

Mr. LEHMAN. It is not invariably true. I think there should be some protection of the minority—some provision so that the minority can protect themselves if the majority are unwilling to protect them.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield.

Mr. ROBERTSON. Other than the first bank, which was the Bank of America, I believe, which Alexander Hamilton started, is it not a fact that all the early banks were State banks?

Mr. LEHMAN. I am not quite certain. Let me put it this way——

Mr. ROBERTSON. Andrew Jackson abolished the Bank of America, located in Philadelphia, which had a hammerlock on all credit. All the State banks had to get their money from the Bank of America, and the Bank of America got its money from the Federal Treasury. Andrew Jackson abolished it and then, for a long time, we had only State banks. Is not that true?

Mr. LEHMAN. I assume it is true. I do not know enough about the history to say definitely.

Mr. ROBERTSON. I want my distinguished friend to recognize that fact because in the beginning Virginia was the most populous State. I do not know that it had more banks than New York, but it had many banks. Virginia has never had cumulative voting for State banks and we have never heard a single complaint to the effect that in our State banks the minorities want more protection.

Mr. LEHMAN. I was unable to answer the Senator's question about the history from the time of Andrew Jackson until the present time, in relation to banks, State and national, but if the Senator is correct in saying that there has been no trouble in Virginia, New York, or elsewhere, why is there such anxiety to change the law which has been on our statute books since 1933?

Mr. ROBERTSON. We have had trouble with national banks, but they have cumulative voting. State banks do not have cumulative voting. They never have had cumulative voting. They never asked the legislature to require or permit cumulative voting.

Mr. LEHMAN. Can the distinguished Senator from Virginia cite any examples to show that any bank has been seriously hurt by putting minority representation on its board?

Mr. ROBERTSON. The Senator from Virginia has in mind three very glaring examples, but he does not feel that it would be altogether appropriate to hold up three specific institutions in Virginia for criticism. The trouble started with three of them; and all of them now say, "We want the law changed." With all due deference, the Senator from Virginia knows about three instances, but he does not feel that it would be quite appropriate for him to single them out.

Mr. LEHMAN. I will not press the Senator.

Mr. President, I wish to correct one statement made by the distinguished Senator from Utah [Mr. BENNETT] or the Senator from Virginia [Mr. ROBERTSON], to the effect that it would require affirmative prohibition before cumulative voting could be done away with. Let me read from the report:

> This bill would further amend the National Bank Act to permit cumulative voting of shares in the election of directors only in the event the articles of association of the individual associations provide for cumulative voting.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. BENNETT. The question of the Senator from Utah—and I am asking it sincerely, out of my ignorance on the situation—is this: When the law was changed in 1933, were the national banks permitted to continue in their charters provision for majority voting only, or were they required to change their charters to permit cumulative voting?

Mr. LEHMAN. I do not know. I suppose they were controlled by the amendment which was passed in 1933. Whether there was any actual formal change, I do not know; but I assume there was.

Mr. BENNETT. In that case, in order to return to a situation of majority voting, they would again be required to change their charters.

Mr. LEHMAN. I doubt that. I think it will probably be found that a change was made.

What I should like to know is why there is so much excitement about the whole question. Why should we make a change? I am told no harm has been done by the present provision that it has been perfectly satisfactory, and no abuse has come from it. Certainly I do not know of any case of abuse in the State of New York, although, of course, there may have been. Why all this excitement? Why scrap a law which has been on the statute books and of great benefit since 1933, when there are no examples I can find, and no examples have been quoted, which would prove that there is any harm in continuing with the present law?

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. BENNETT. The Senator from Virginia [Mr. ROBERTSON], in his remarks made what I assume is an accurate statement of the history of the law. The law was passed not because there was any objection to the system of majority voting, but because a particular individual, a man with great ambition, saw in the cumulative voting device a chance to force his way onto a bank board where he was not welcome. It seems to me that is one very glaring example of abuse.

Mr. LEHMAN. The Senator says a man tried to force his way onto a bank board where he was not welcome. Who is there to welcome him? Does that not prove my point that membership on the board is a matter of being hand-picked? In other words, the president of a bank, the vice president, and 8 or 10 directors, may say to Mr. Smith, "We are delighted to have you on the board," but they will say to Mr. Brown or Mr. Black or Mr. White, "We do not want you on the board."

Mr. BENNETT. Does the Senator from New York believe the system of cumulative voting is to be preferred over the system of majority voting in all situations in which there may be an advantage?

Mr. LEHMAN. Let me put it this way: I am chairman of the subcommittee which is following the proxy contest matter, and I am very happy to be associated with the Senator from Utah on that subcommittee. I have the feeling that where a demand can be enforced to give minority stockholders the right to minority representation, even though they may not have a sufficient number of shares to gain complete and exclusive control of the company, it is in the interest of the company—without mentioning names, because we are still carrying on the hearings, of course, as the Senator knows—to give minority stockholders such recognition. In that way costly and disastrous and unfortunate proxy fights could be prevented.

Mr. BENNETT. The Senator from Utah should like to state a case and ask the Senator from New York if he believes it is analogous to the situation now being discussed. The basis of our labor law is that as soon as a group in a labor organization can acquire 51 percent of the votes of its members it has the right to represent all the members. Does the Senator from New York feel that that situation would be improved by a system of cumulative voting and the minority of 49 percent were entitled to representation?

Mr. LEHMAN. I may point out to the distinguished Senator from Utah that we have exactly that system on many of the boards and commissions created by Congress. We provide for representation not of one political party alone, but of both parties. That is true of the National Labor Relations Board, the Federal Trade Commission, the Federal Communications Commission, and

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many other governmental agencies. That is exactly the way it is.

Mr. BENNETT. The Senator from New York has misunderstood my question. I did not refer to Government boards. I referred to the basic labor law, which gives bargaining rights exclusively to an agency which can acquire 51 percent of the votes of the group. Does the Senator from New York believe the system of cumulative voting should be enforced in that situation, so that a minority might have a voice in what is probably more important to them than membership on a bank board is to an individual?

Mr. LEHMAN. I will say to the distinguished Senator from Utah that under our democratic rule, so far as the actual result of a vote is concerned, we recognize the rights and authority of a majority. However, we do have means by which a minority can be converted into a majority. As a result of elections at any time the minority can become the majority. The minority are not stopped from voting.

Mr. BENNETT. In other words, in this particular case does the Senator from New York feel that the rights of a majority in voting for membership on a bank board should not be recognized, and that there should be a system of cumulative voting?

Mr. LEHMAN. I certainly believe that there should be cumulative voting. If any stockholders do not have the votes, they cannot get any representation. If they have the votes, they can. They can always vote. Under the present law they have that right.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. MORSE. I should like to refer to the analogy made by the Senator from Utah. I am quite surprised that the Senator from Utah should suggest such a false analogy. However, let us discuss it for a moment. Under the so-called labor analogy which has been used by the Senator from Utah, the majority continues to represent the membership. Under the cumulative voting plan the majority continues to represent the management. What the Senator from Utah overlooks, however, is that under the labor setup the minority members of the union have representation by the good old democratic processes within the union, and freqeuntly they have minority officers within the union. What the Senator from Utah wants to do is to go along with a program which denies the right of representation to the depositors, who happen to correspond to the membership of the union in his argument by analogy. It is the depositors we ought to be talking about in this debate. I have listened for that word to be mentioned in the debate, and thus far it has not been mentioned. The depositors are entitled to have minority representation on the board of directors of a bank.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. The Senator from Virginia stated that his State had not prescribed cumulative voting for State banks, and that of course is true. All of us like the State of Virginia and its Representatives. However, is it not true that in a large number of States the right to vote cumulatively is guaranteed, in some cases by State constitutions and in other cases by statute? For example, I hold in my hand Stevens' text on corporations, and I read from page 464, as follows:

> In a number of States, the right to vote cumulatively is guaranteed by constitutional provision. In several other States the right is unalterably conferred by statute.

Footnotes 40 and 41, respectively, seem to indicate that the following States require cumulative voting by constitutional provision. The State of Pennsylvania, which is certainly equal in prestige to the State of Virginia. The State of Michigan, the State of Missouri. Those are three States. There may be others. There are other States, apparently, in which statutes require cumulative voting.

Mr. ROBERTSON. The Senator is referring to corporations, not banks.

Mr. DOUGLAS. That is true. Are not banks also corporations?

Mr. ROBERTSON. They are corporations. But we are dealing with banks, not industrial corporations. We never had such a law in Virginia even for industrial corporations.

Mr. DOUGLAS. May I finish? Cumulative voting is required in the State of Arkansas, the State of California, the State of Idaho, the State of Illinois, and the State of Washington. There is a good deal of State authority, therefore, for the cumulative voting principle. In my own State of Illinois, not only are all corporations subject to the cumulative voting practice; but we elect our State legislature by cumulative voting in three-member districts. So that the minority in those districts always has representation. This cumulative voting provision was adopted in Illinois after the Civil War. On the whole, it has worked extremely well. No one proposes to change it. It is firmly imbedded in the principles and thoughts of the people of my State.

Mr. ROBERTSON. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. ROBERTSON. I recognize that some States have found it desirable to permit cumulative voting in industrial corporations. We have pointed out that there is no full analogy between that and such voting in a bank. But I think it is conceded in this body that the distinguished Senators from Illinois and New York yield to no one in their loyalty to the Democratic Party, and I want to know if those distinguished gentlemen have any criticism of the policy followed by the Democratic Party in the House ever since they broke the stranglehold of the distinguished Speaker Cannon, who did not recognize any minority rights, but appointed all committees, and those whom he did not like did not get appointed. Then the rule was established that the Democratic members of the Ways and Means Committee should be nominated in a Democratic caucus, where they voted on all vacancies, or their ballots were not counted. That has been the practice since the days of Speaker Joseph Cannon.

Mr. DOUGLAS. I do not quite know what the relationship is.

Mr. ROBERTSON. The relationship is that they did not like someone being appointed on the Ways and Means Committee, the most powerful committee in the House, by a minority vote. They thought it was more democratic and better legislative procedure to make everyone in the caucus vote on every vacancy to be filled on the committee, or else his secret ballot was thrown out and not counted. That has been the rule in the House ever since the House has been electing members of standing committees.

Mr. LEHMAN. I fail to see any connection. I should be very glad indeed to yield further to permit the Senator from Virginia to enlarge on his views. I simply do not understand what the analogy is.

Mr. ROBERTSON. We cannot establish a universal principle merely by saying that we believe in the protection of the minority. That sounds well, but when it is applied in the House to the election of members of the most powerful committee, they say, "Make everybody vote for every member to be elected."

Reference has been made to Pennsylvania. Year before last the first complaint came from Pennsylvania. A banker pleaded with me to introduce a bill to relieve them of the difficulties growing out of the existing situation. However pleasing and plausible the theory may sound, our experience indicates the necessity of giving the banks permission to decide—and that means a majority of the stockholders—whether they wish to continue cumulative voting or do away with it.

Mr. LEHMAN. I do not care to get into a long debate with the Senator from Virginia on this point, because I see no connection, but I do not believe in the caucus rule. It has never been followed in the Senate. When the Senator from Virginia, the Senator from Illinois, the Senator from New York, or Senators from other States vote, they are not bound in voting by what the majority has said.

I am sorry the Senator from Arkansas [Mr. FULBRIGHT] is not on the floor at this time, because he referred to corporations other than banks. There is a great difference in the procedure which is followed. Save in a few instances, banks whose securities are listed on one of the exchanges are not bound by rules which are provided by the New York Stock Exchange, the Chicago Stock Exchange, or the San Francisco Stock Exchange. Our committee is going into the matter within a week. There is no compulsion that I know of, save in the case of banks whose securities are listed on the exchanges, to disclose salaries or compensation paid to officers and directors. The stockholders are really making their decisions in a complete vacuum.

Much has been said about the disadvantage of conflicting or divergent views. I wish to make it very clear that, in my opinion, instead of its being a disadvantage, it is a great advantage.

I think every organization, every group of people, is better off where there is a broad exchange of views and a free discussion, and, equally, a conflict. So long as the choice of directors is entirely in the hands of management and all the directors are picked because they are agreeable to the management and will work according to the policies of the management, I do not think bank boards will ever have any really honest and useful discussion or even a useful exchange of views.

The Senator from Arkansas also referred to the fiduciary relations of banks with their depositors and those who are represented by trustees. Banks have many functions. They exist to serve the public, which is entitled to get credit. Sometimes banks are very choosy as to the people to whom they are willing to extend credit. I believe there would be a great improvement if there were a divergency of viewpoint and someone would express the viewpoints of the great mass of depositors as well as the views of the management of the bank.

The question has been raised that someone might wish to have his prestige increased and wish to obtain valuable information by becoming a bank director. That is always possible. I do not deny it. But I do not believe the Senator from Virginia will deny that many persons go on bank boards and other boards for self-interest, and also because they think that to be on the board of a great bank increases their prestige and gives them certain commercial and social standing. There are also persons who may want to obtain information by having places on a board concerning other persons with broad interests. I do not think that is confined to a person who might be elected as a minority director. I think it has unquestionably been the case regarding many who are on the boards of big banks today.

Mr. President, I very much hope this bill will be defeated. I have not heard a single complaint from any of my banking friends that they have been seriously hurt by the existence of the law which has been in effect for the past 22 years. They have been able to operate their business without hindrance and without conflict, and properly to represent themselves to the stockholders in their departments. I do not understand why we should at this late date, after 22 years of useful experience, suddenly take the law off the books and close the door to the possibility of minority representation.

I very much hope the bill will be defeated when it comes to a vote.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, the National Bank Act was amended in 1933, so as to provide, among other things, that there should be cumulative voting for the boards of directors of national banks. This amendment was designed to cure some of the defects experienced under the old straight vote system.

The pending bill, S. 256, would amend the present law to allow cumulative voting only in those cases in which the articles of association allow that practice. I am opposed to the bill.

I may say that I think the so-called permissive voting section in the bill is absolutely worthless. I take a position on this matter which is even more emphatic than that taken by the junior Senator from New York [Mr. LEHMAN]. It becomes a worthless device or provision because, under the bill, the majority will control. We should be trying to protect the minority interests and rights. If we merely say that cumulative voting is permitted, we give no guaranty of protection to the minority. I happen to believe that the provision for cumulative voting adopted in 1933 was very sound. I think it is still sorely needed.

The provision that the decision as to cumulative voting shall be left to the individual associations is a sop. It is hollow, as testified to by Mr. Fred Walker, director of the First National Bank of Arlington, Arlington, Va. I shall discuss Mr. Walker's testimony in greater detail toward the end of my remarks.

Its hollowness, as he ably pointed out, lies in the fact that the majority could amend or refuse to amend articles of association as it pleased, thus defeating the very purpose for which cumulative voting was designed in the first instance.

I would ask the majority to point to any testimony in the hearings, outside the one citation given—thus making a case for their bill—of one example of cumulative voting having been misused.

The gist of the testimony of those appearing in favor of the bill—and I might interpolate that only about six persons appeared before the committee on this matter—was that the American Bankers Association was in favor of the bill. That proves nothing to me, because they did not make a case for the bill.

I am aware of the fact that banking reforms in the United States have had to be rammed down the throats of the bankers in the years gone by. I think it is an interesting commentary on the Senate that a banking issue can be under consideration by the Senate today with apparently little interest in it, as can be seen. That is because the banking reforms which were adopted in the early days of the New Deal, when Congress saved the bankers from themselves, and saved the depositors from the bankers, have worked so well, and have provided safeguards to the depositors which were needed for so long.

But now, Mr. President, after a lapse of time, when things have been going well, so far as the regulating of the banking industry of the Nation is concerned, what do we see? We see the beginning of a new move to weaken the protection of the depositors.

I say, Mr. President, that if we start with this bill, we shall find, in the years immediately ahead, that the bankers, having had a little taste of legislation which they think serves their interest, will be asking for more and more.

A clear case ought to be made for this proposal. Let Senators read the limited hearings and apply to them the test of the preponderance of the evidence and the test of the burden of proof. The proponents of the bill simply have not sustained the burden of proof, because they have made practically no record in support of their position. The contrary is true, as I shall show before I close, when I come to the testimony of a director of a bank in Virginia, who understands the problem. He presented arguments which the majority have not even touched in the report.

The question is: Is not this an attempt by the representatives of the majority to squelch the minority? That is, is it not an attempt to get rid of the minority, which may well serve as a necessary thorn in the side and a check on the practices of the officials of national banks? Understand, I cast no reflection on the members of the American Bankers Association, but I only point out that bank officials, by and large, would like to work under friendly boards of directors and to be free of the criticisms of minority representatives. That is only human nature. It is only human nature to want to go into a board of directors meeting and have everyone around the table function as a rubberstamp.

It is not pleasant at a board of directors meeting to have some persons present ask embarrassing questions; to have some persons representing the minority ask, "Why don't you do it this way?"

It is a very good practice to protect democracy in economic institutions, just as it is vitally important that democracy be protected in public institutions.

Let us not forget that we are dealing with an institution which is vested in large degree with public interest. We are dealing with an institution which functions under a national charter, so to speak. We, as legislators, have some very important responsibilities to the depositors and the borrowers of the national banks, with which the bill deals.

To my mind we need more, not less, democracy in our corporate management. The fact that democracy may allow minorities to disrupt orderly process is not sufficient grounds to say that democracy is a failure. I would much rather put up with these troublesome instances than to allow entrenched interests, political or economic, to run the show unmolested. Passage of the bill would give sanction to the argument that democracy is inefficient and wasteful. With a little research, I feel certain I can produce hundreds of cases of abuse by corporate boards which led to the adoption of cumulative voting. If abuses are to be the test of our approach, and we are to give no consideration to successes, then what we should do today is to add up the abuses on each side and adopt the policy which leads to fewer abuses.

We all recognize that this approach is not sound, and we would not recommend it. Let us then dispense with talk of the abuses of the cumulative system, unless it be shown that the abuses outweigh its advantages and that the straight voting system is better than the cumulative.

That burden is on the majority, and it has not produced the evidence to sustain its contention. The hearings did not show this to be true, and the report of the majority does not cure that defect. It seems to me that they should bring forth the facts if they are to ask us to change what has been a sound policy.

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What we have to face is this question: Are we going to return to a system which allows the handpicking of directors by those on the inside, with all the advantages that implies, and take away from the minority the right to be represented on the board of a bank corporation? And never forget that the minority own a part of the assets of the corporation, and owning a part of the assets of the corporation, they are entitled to be represented on the board of directors.

I oppose this retrogressive move. It is unsound to say that the proxy fight infuses democracy into the corporate-governing process. We all know that the advantage is with the insider, who has the opportunity, because he is on the inside, to know when to strike and how to strike, and because he has control of the proxy machinery. Let the majority show us how many proxy fights have been successful. They know that it takes vast accumulations of capital, by and large, to be successful in a proxy fight.

I think the majority should answer these questions:

First. Should not the minority be entitled to a voice in how a national bank is to be run?

Second. Is it not a matter of justice that the minority should be represented on the board?

Third. Would not the interchange of ideas tend to produce better management, even though in certain cases it may produce disruption?

Let us hope that bank directors are not stuffed shirts. Let us hope bank directors, if they have the merits of an issue on their side, have brains enough to answer the arguments of a minority. I do not know of any substitute for the good old democratic process of an exchange of ideas. You and I, Mr. President, have sat on many boards and committees and organizations and thought we knew the answer to some problem, but we listened to a minority point of view, and as we listened, sometimes, in all intellectual honesty, we had to admit that the minority was right.

What have we done, Mr. President? We have changed our viewpoint. No one has the right to sit on the board of directors of a national bank with a closed mind. He has no right to sit on the board of directors of a national bank in such a mental state that he is not going to welcome a minority point of view, and accept the minority point of view if the minority can show that the previously held opinion was a mistaken one.

I am at a loss to understand why we should want a bill passed that is not going to protect the majority from itself. That is what passage of the bill would mean. I happen to believe, in view of the public interest in national banks, that we should continue the procedure of cumulative voting whereby the rights of the minority are protected.

Mr. President, the majority in support of the bill should answer an additional question.

Fourth. Does not minority representation stand as a roadblock in the way of one-man dictatorship of boards of directors? I can ask many other questions on this matter, but there is one last one that I should like to pose.

Fifth. What has happened since 1933 to prove that we need to make this change? I say that on the record of the hearings, no preponderance of evidence was submitted which would justify a change.

Let me also warn the Senate today that if it passes the bill, in my judgment, it will be paving the way for another type of bill which will be coming along some of these days in the not-too-distant future, one which will seek to eliminate proxy voting in the whole corporate field. That would be disruptive. It would make it difficult for the minority to answer the majority. Of course, vested business interests would like to eliminate proxy voting.

I believe that, as a legislative body, we have the duty to protect economic democracy within the business structure of the Nation. So I would have my colleagues pay some attention to the testimony of Mr. Fred Walker, director of the First National Bank of Arlington, Arlington, Va., because I think he made a powerful case in opposition to the bill. I want his testimony to be in the CONGRESSIONAL RECORD, because I desire the voters of the country to know what was available to the Senate before it passed on the bill. I now read from Mr. Walker's testimony:

Mr. WALKER. Mr. Chairman and gentlemen of the committee, I am Fred Walker, a small merchant of Arlington, Va. I am also associated with a national bank—First National Bank of Arlington, Arlington, Va.—as a stockholder and director.

I appear before this committee in respectful opposition to S. 256, a bill to eliminate cumulative voting of shares of stock in the election of directors of national banking associations, unless provided for in the articles of association. In the light of my careful study, observation, and experience, I oppose this bill for the following reasons:

1. A national bank no less than any other corporation is the property of all its stockholder owners—a 49-percent minority ownership is justly entitled to a voice in the management of their investment by the same token as the 51-percent majority ownership.

I think he is right in that statement. I continue reading from his testimony:

2. The voice of this 49-percent ownership on the board of directors of its bank is demanded by simple justice, equity, and fair play. Also it is wise and prudent (a) to exercise security and firsthand knowledge through representation on the board of how their money and that of the depositors is being used, (b) in order to provide an exchange of ideas through a friendly discussion forum for each to weigh and consider, and out of which to forge a wiser policy than would a board all of one mind.

I think he is right in that argument, too. I continue to read:

3. Minority representation acts as a check and balance and does not permit one-man dictatorship of a board of directors.

Mr. President, that bears out the argument of the Senator from New York [Mr. LEHMAN] which was based on his own great banking experience. In my judgment, there sits in the Senate of the United States one of the most expert witnesses in this whole country, whom we could call upon in regard to banking practices. The Senator from New York was known for years as one of the great bankers of America. He has joined the Senator from Illinois and the Senator from Oregon in submitting minority views in opposition to the bill. He speaks from a wealth of great banking experience, and he warns the Senate it is making a mistake. He makes the same argument which was made in the third point of Mr. Walker's testimony, namely, that minority representation acts as a check and balance and precludes one-man dictatorship of a board of directors.

We heard the Senator from New York, a great banker, say that directors are often handpicked. Mr. President, we need a check on handpicked men, when they have the responsibility and the care of funds of depositors, as well as of transacting business with borrowers.

I continue to read from the testimony of Mr. Walker:

4. Enactment of S. 256 removing or repealing the existing cumulative voting provision and denying minority ownership a voice in the control of their investment would cause more discord, not less as has been inferred by some proponents of this bill. It would cause more discord in the form of widespread, all-out proxy fights for complete control, because if S. 256 is enacted a 49-percent minority could have no voice whatsoever in the management, protection, and safeguarding of its investment short of an all-out proxy fight. Such a proxy fight would itself tend to create far more discord or force the minority to resort to possibly harmful litigation in order to protect its investment since S. 256 would remove the minority's only other alternative.

Mr. President, I think there is much merit in that argument.

I read further from Mr. Walker's statement:

5. Moreover, the arguments advanced by some proponents of this bill that minority representation on the board of directors will obstruct the orderly conduct of the business of that board is as invalid and unsound as to argue that the greatest and best legislative body on earth—the Congress of the United States—should contain no minority-party members whatsoever lest there be discord and obstruction of its orderly processes. A one-party system can only exist in one-man dictatorship in a bank board of directors no less than in a great legislative body.

That is a very interesting argument by analogy.

I read further from the statement:

6. A minority director, contrary to what has been inferred, is no more likely to improperly disclose confidential information that might tend to be imprudent or detrimental to the best interests of the bank than would a majority director.

I think that is a sound observation.

I read further:

7. Now enactment of S. 256 eliminating cumulative voting would make possible the self-perpetuations of entrenched majorities and their dictatorship control, even though exercise of this control may no longer be serving the best interests of the bank, its stockholders, or the public, but quite the contrary it may be doing just the opposite. A dictatorship controlled rubberstamp board of directors is a board that does not properly fulfill a director's oath nor does it fulfill such responsibilities as directors. This self-perpetuation of control by the majority may be accomplished in the following ways:

Intensive solicitation of stock proxies from stockholders including those stockholders

who do business with the bank. Also including the sending out well in advance of each annual stockholders' meeting, on the bank's stationery and letterhead, already filled out proxy forms to vote for the incumbent majority slate of director candidates and accompanied by a letter over the signature of the president of the bank instructing the stockholders to sign on the dotted line and return promptly to the bank. In the overwhelming majority of cases the stockowner does so largely because he is not usually conversant with such matters and obediently and unquestioningly signs the proxy forms where the X appears and returns it as directed.

This is just another example of some of the advantages accruing to such majority in power and further illustrates how difficult it is for such a group to be replaced no matter how justified or desirable in the best interest of the bank.

Often, not only the president but the other officers and employees may utilize the bank's time, facilities, stationery, postage as well as the bank's goodwill and prestige to intensively solicit proxies by letter, phone, and in person.

By expenditure of the bank's funds and therefore of the stockholders' money to employ public relations firms, proxy solicitation firms, or law firms to freeze directors in entrenched control.

Mr. President, Mr. Walker proceeded to develop that point, and he cited more instances in support of what I regard as his very keen observations. I ask unanimous consent that the entire statement by Mr. Walker be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF FRED WALKER, DIRECTOR, FIRST NATIONAL BANK OF ARLINGTON, ARLINGTON, VA.

Mr. WALKER. Mr. Chairman and gentlemen of the committee, I am Fred Walker, a small merchant of Arlington, Va. I am also associated with a national bank—First National Bank of Arlington, Arlington, Va.—as a stockholder and director.

I appear before this committee in respectful opposition to S. 256, a bill to eliminate cumulative voting of shares of stock in the election of directors of national banking associations, unless provided for in the articles of association. In the light of my careful study, observation, and experience, I oppose this bill for the following reasons:

1. A national bank no less than any other corporation is the property of all its stockholder owners—a 49-percent minority ownership is justly entitled to a voice in the management of their investment by the same token as the 51-percent majority ownership.

2. The voice of this 49-percent ownership on the board of directors of its bank is demanded by simple justice, equity, and fair play. Also it is wise and prudent (a) to exercise scrutiny and firsthand knowledge through representation on the board of how their money and that of the depositors is being used, (b) in order to provide an exchange of ideas through a friendly discussion forum for each to weigh and consider, and out of which to forge a wiser policy than would a board all of one mind.

3. Minority representation acts as a check and balance and does not permit complete one-man dictatorship of a board of directors.

4. Enactment of S. 256 removing or repealing the existing cumulative voting provision and denying minority ownership a voice in the control of their investment would cause more discord, not less as has been inferred by some proponents of this bill. It would cause more discord in the form of widespread, all-out proxy fights for complete control, because if S. 256 is enacted a 49-percent minority could have no voice whatsoever in the management, protection, and safeguarding of its investment short of an all-out proxy fight. Such a proxy fight would itself tend to create far more discord or force the minority to resort to possibly harmful litigation in order to protect its investment since S. 256 would remove the minority's only other alternative.

5. Moreover, the arguments advanced by some proponents of this bill that minority representation on the board of directors will obstruct the orderly conduct of the business of that board is as invalid and unsound as to argue that the greatest and best legislative body on earth—the Congress of the United States—should contain no minority party members whatsoever lest there be discord and obstruction of its orderly processes. A one-party system can only exist in one-man dictatorship in a bank board of directors no less than in a great legislative body.

6. A minority director, contrary to what has been inferred, is no more likely to improperly disclose confidential information that might tend to be imprudent or detrimental to the best interests of the bank than would a majority director.

7. Now enactment of S. 256 eliminating cumulative voting would make possible the self-perpetuation of entrenched majorities and their dictatorship control, even though exercise of this control may no longer be serving the best interests of the bank, its stockholders, or the public, but quite the contrary it may be doing just the opposite. A dictatorship controlled rubberstamp board of directors is a board that does not properly fulfill a director's oath nor does it fulfill such responsibilities as directors. This self-perpetuation of control by the majority may be accomplished in the following ways:

Intensive solicitation of stock proxies from stockholders including those stockholders who do business with the bank. Also including the sending out well in advance of each annual stockholders' meeting, on the bank's stationery and letterhead, already filled out proxy forms to vote for the incumbent majority slate of director candidates and accompanied by a letter over the signature of the president of the bank instructing the stockholders to sign on the dotted line and return promptly to the bank. In the overwhelming majority of cases the stockowner does so largely because he is not usually conversant with such matters and obediently and unquestioningly signs the proxy forms where the X appears and returns it as directed.

This is just another example of some of the advantages accruing to such majority in power and further illustrates how difficult it is for such a group to be replaced no matter how justified or desirable in the best interest of the bank.

Often, not only the president but the other officers and employees may utilize the bank's time, facilities, stationery, postage as well as the bank's goodwill and prestige to intensively solicit proxies by letter, phone, and in person.

By expenditure of the bank's funds and therefore of the stockholders' money to employ public relations firms, proxy solicitation firms, or law firms to freeze directors in entrenched control. By combating any efforts minority stockholders may make to replace any or all of an entrenched inefficient, incompetent board of directors or those who may be found to have become inactive or who may have lost interest. They may desire to remain entrenched in monopolistic power and control solely in order to use the bank as an instrument for their own selfish personal and private financial gain rather than as an instrumentality or institution to serve the public banking convenience and necessity and as a trustee of the public's money as well as the sound, wise, and prudent management of the investment of the bank's stockholders.

In many instances these entrenched directors may own only the minimum number of shares required of directors and be solely concerned with the power and prestige of a national bank directorship.

8. The passage of this bill would discourage investment in national bank stock by eliminating the minority director or directors from a multitude of national bank boards from coast to coast. Such vigilant minority would act as a most effective deterring factor and prevent majority board management for example from adopting a supercilious and contemptuous attitude toward conventional sound loan policies and practices generally in practice today throughout the field of banking which policies are based on a wealth of cumulative loan experience gained over the years by the banking business in this country. Thus eschewing experience and substituting so-called progressive liberalized unsound loan policies instead.

Lester A. Pratt, an eminent and nationally recognized authority in the examining of State and national banks for 32 years, author of Bank Frauds, Their Detection and Prevention, among other books, has frequently addressed State banking associations on the subject of bank frauds. During the past 3 years he has conducted the surveys of all the banks in the States of Iowa and Pennsylvania; the results of both these surveys were distributed to all insured banks by the FDIC.

This authority wrote an article appearing in a banking publication, United States Investor, on April 3, 1954, entitled "Bankers Never Die—They Just Lose Interest," from which I quote in part as follows:

"Recently there has been a suggestion made that there should be a rotation of directors as well as a rotation in the executive management. We rotate maturities in investments—why not in management? It is conceivable that a board, the individual members of which are not changed over a period of years, might avail themselves of their 'enemies' and in the event of things going wrong withhold that fact from the stockholders; whereas a periodic change in the membership of the board would render this form of reticence less probable * * *.

"* * * Unhappily, there have been some instances in the course of the past few years in which directors of banks have been guilty of conduct which would be difficult to denounce in language of sufficient emphasis * * *. A board which never changes except by death or by voluntary retirement becomes self-elective, with a tendency to intellectual stagnation and impairment of business vigor.

"If a director becomes incompetent or ineligible by reason of age or infirmity, or any other cause, it is not only the right but the duty of the shareholders to replace him * * *.

"Where the board has become moribund, the result is usually the creation of a one-man bank. In such a situation the principal active officer, either president or cashier, steps into the picture to dominate the situation. In other instances it may be a director who owns a controlling stock interest.

"Now, one-man banks are particularly susceptible to fatal consequences as past experience has demonstrated. By reason of having uncontrolled authority and inadequate supervision by the directors, a dishonest official has uncontrolled disposition of the bank's assets over such long periods of time that the abstractions attain considerable size before they are discovered.

"But it should not be inferred from this that these dominating officials are dishonest as a class. As a rule, they have rendered years of conscientious and faithful service in acquiring their position of control. But experience has shown that the most reliable of men, when exposed to the coincidence of extreme temptation and unopposed op-

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portunity to misapply funds, may go astray, without any intention of ultimately defrauding the bank. The first step may be merely an unwise speculation with bank funds, with the object of ultimate profit to the bank rather than to the individual. Because of this risk element, the transaction is concealed from the directors. Possibly the board is so supine that no active concealment is necessary until the speculation fails. But now there is a loss to be concealed until restitution can be made from another honest speculation; also, the bank examiner must be deceived. False entries are made. Our normally honest official has become a criminal. To the moralist there will be some difficulty in determining whether the burden of guilt rests more heavily on the officer or on his careless board of directors.

"In many instances the chief executive officer has attempted to inject new blood into the veins of the board members to revive the dying energy with new ideas; such efforts, while very laudable, are not usually successful, for as the Good Book states, "You cannot fill old bottles with new wine." As a result, there is stagnation on the part of both the administrative and executive management, which eventually results in a merger, voluntary liquidation, or disaster of the worst consequence from dishonest acts. There are many cases where the directors have left everything in the hands of the chief executive and have awakened one morning to find their bank wrecked. But it does not usually end there. As a result of their negligence, they may be charged with losses which may wipe out not only their stockholding but also their personal fortunes."

Enactment of this bill S. 256 would remove cumulative voting for directors, which is the only method of voting that assures minority stockholder ownership any representation whatsoever on boards of directors and someone representing their ownership to exercise scrutiny and firsthand knowledge of how their money and that of depositors is being used.

As has been pointed out, the proviso clause "unless provided for in the articles of association" is hollow and of no real significance, inasmuch as minority ownership could not be represented on the board of directors in the management of their investment without acquiescence of the majority to the amendment of the articles of association, which amendment itself requires a favorable vote by a majority of the stock voted and therefore this, ipso facto, would automatically preclude minority ownership from a voice or representation on the board of directors.

Even in case of some of the national banks whose articles of association do already contain such a provision, majority ownership, by very reason of the fact that they are a majority, can, of course, vote such a provision out of existence at any time and thus readily render it an impossibility for a 49-percent minority to elect a single representative on even a 25-man board of directors.

Thank you, gentlemen of the committee, for the privilege of appearing.

Senator ROBERTSON. Are there any questions?

Senator MONRONEY. Just one question.

Mr. Walker, can you give us any cases of banks now operating where this has served as a protection and safeguard for minority stockholders?

Mr. WALKER. That is rather hard to answer, Senator. It might be construed by one or the other of the groups. That is the reason I would hesitate unless I am required to answer that. It might be misinterpreted, was my thought, sir.

Senator MONRONEY. The general statement being made is that this is a way of policing the integrity and performance and ability of a board of directors of a national bank. I wondered if you could pinpoint that, not necessarily to protect a bank's integrity, but where we have seen the end result of this applied in some other larger banks, maybe in New York or in Los Angeles. I wondered if you had any in mind. You apparently have studied this thing pretty thoroughly.

Mr. WALKER. I have.

Senator MONRONEY. You are perhaps familiar with more banks where this was done and where the minority stockholders have put new blood on the bank board.

Mr. WALKER. I would like to beg off, unless I am required to answer, lest I be misunderstood or misinterpreted.

Senator MONRONEY. We appreciate your testimony. This is not asked in any way to embarrass you. I was merely looking for information as to where this has worked as you feel it would continue to work.

Mr. WALKER. Lest it be misunderstood and offense caused, I would like to beg off, if I may. I might add, if I may, that I am elected—I was elected to the bank, a very small bank, as a majority, not as a minority.

Senator MONRONEY. But you still feel the minority should be able to single-shot?

Mr. WALKER. I feel that very strongly, in all fairness and equity, that the minority should be represented. I drew an analogy, or attempted to, in this great Congress, in which you gentlemen are a part. Because there is a change of administration is no reason why we should not have a two-party system. One is a business institution and the other is governmental. Nevertheless, in my humble opinion, it is no less important that there be checks and balances in our representation and consultation.

Senator MONRONEY. Of course, you are assuming that you could not have that unless you had cumulative voting. I would assume that there is probably minority representation on many banks as there is on many corporations. There are a lot of different people with a lot of different views on who should be members of the board. They choose to vote for their friends or their people even though they don't enjoy the privilege of cumulative voting.

Mr. WALKER. It is quite possible there may be. I do not happen to know of any instances where they are elected. Furthermore, it appears to me that when they are elected they are no longer a minority. If they are elected by the majority, they become a part of the majority, it appears to me.

Senator MONRONEY. You believe that they would be too regimented if they serve year in and year out with a board. That they automatically become a part of the majority. Certainly in Congress we never seem to amalgamate under a one-party system although we serve together for years. I do not see how you can automatically interpret the fact from the lack of cumulative voting rights that these boards will suddenly become one-party boards.

Mr. WALKER. There is abundant exception of course. But that has been my observation in a great majority of cases. There are exceptions undoubtedly.

Senator MONRONEY. That is all that I have.

Senator ROBERTSON. Mr. Walker, is it not true that in order to change the charter of the bank the directors must call a stockholders meeting? And then all stockholders have a right to vote on whether the charter shall be changed or not? It will not be changed unless there is a majority vote for a change in the charter?

Mr. WALKER. That is right, sir.

Senator ROBERTSON. If we insert that provision in the present bill is that not an improvement on the bill that the chairman introduced last year when they proposed to wipe out the privilege of cumulative voting?

Mr. WALKER. If I understand your question, Senator, the same majority could exercise their majority to preclude the passage of that amendment to the articles of association by reason of the fact that they are a majority.

Senator ROBERTSON. So you do not think that the optional provision is any better than the previous one?

Mr. WALKER. Frankly, with all respect and admiration—I have a great deal of admiration for you, sir, my Senator from my State, a fellow Virginian—I feel that "advisable" is a rather hollow meaning, if I may be forgiven for saying so. That is my humble opinion.

Mr. MORSE. Mr. President, I close by pointing out that this provision of the law has not been subject to any grave abuse. It was needed in 1933, at the time of the bank crisis. It has worked well. This provision should be continued in effect, in order to give assurance that minority rights will be protected, and, lastly, in order to maintain the confidence of depositors in national banks, for, in my judgment, if we eliminate minority representation, many depositors in banks will—and with justification, in my opinion—lose confidence in the directors of national banks and question the policies followed by their management.

Mr. President, my colleagues, the junior Senator from New York [Mr. LEHMAN], the senior Senator from Illinois [Mr. DOUGLAS], and I have attempted to set forth in brief form our objections to the bill and our opposition to the majority report; and I ask unanimous consent that our minority views be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the minority views on Senate bill 256 were ordered to be printed in the RECORD, as follows:

MINORITY VIEWS OF MR. DOUGLAS, MR. LEHMAN, AND MR. MORSE

The National Bank Act was amended in 1933 to provide for cumulative voting by shareholders in the election of directors of national banking associations. A series of amendments were enacted that year to correct deficiencies in the act that had permitted excesses and bad practices to be indulged in by some banking institutions. Among the various strengthening devices adopted were the provisions for the insurance of deposits and the cumulative voting for the election of directors. Since that time, national banking associations have successfully operated and prospered with this provision in effect.

This bill would eliminate the present mandatory requirement for cumulative voting and make cumulative voting permissible only if the articles of association of each individual institution so provide. In order to amend the articles of association to permit cumulative voting, a favorable vote by the majority of shareholders would be required. This affords no protection to the minority as the majority will be very reluctant to approve any such amendment to the articles. Moreover, if the cumulative voting privilege is included in the articles, it is elementary that it may be voted out at any time by the majority. The practical effect of this bill would be to eliminate entirely the privilege of cumulative voting.

The advocates of this bill in their testimony before the committee made no case for the restriction of cumulative voting. Naturally, there have been cases where the election of a director by the cumulative method has introduced divergent ideas and possibly discord into a board of directors. Most often this is all to the good. Too often

the directors are handpicked, favorable to management, and possess no tendency to assert real direction or policy. The testimony fails to reveal any real abuses or bad effects emanating from the right of cumulative voting.

There is a need in this country for more democracy in our corporate structure rather than less. Those controlling a corporation at any one time have through their inside position a strong headstart in perpetuating their control even though this may not be efficient or wise. Cumulative voting for directors is the only method of voting which assures minority stockholders some representation on boards of directors and some firsthand knowledge of what is going on. It does not enable the minority stockholders to take control, but only to have a voice in and to be apprised of the decisions that affect not only the stockholders but depositors and the community as well. Directors of banks must be considered as trustees and as such there should be no hesitancy on the part of management and the majority shareholders to have the close and careful scrutiny provided by directors elected by minority shareholders.

The adoption of this bill would mean less democracy in our banking system, the perpetuation of management and the exclusion of minority interests. It is bad legislation and should not be adopted.

Mr. MORSE. The Senate should not, because of lethargy, or for any other reason, reduce the effectiveness of the banking laws which were enacted in 1933. In my judgment, they should be continued in full force, including the cumulative-voting provision.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. MORSE. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Louisiana [Mr. ELLENDER], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Missouri [Mr. SYMINGTON], and the Senator from South Carolina [Mr. THURMOND] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

The Senator from Minnesota [Mr. HUMPHREY] is absent by leave of the Senate to attend the United Nations Anniversary Celebration in San Francisco as representative of the Senate Foreign Relations Committee.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote the senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I also announce that if present and voting the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Washington [Mr. MAGNUSON] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senators from Vermont [Mr. AIKEN and Mr. FLANDERS], the Senators from New Hampshire [Mr. BRIDGES and Mr. COTTON], the Senator from Pennsylvania [Mr. DUFF], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Maryland [Mr. BEALL] and the Senator from New Jersey [Mr. SMITH] are necessarily absent.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Connecticut [Mr. PURTELL] is absent by leave of the Senate.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senator from New Jersey [Mr. SMITH] would vote "yea."

The result was announced—yeas 53, nays 21, as follows:

YEAS—53

Allott	Dworshak	Martin, Pa.
Anderson	Eastland	McCarthy
Barkley	Ervin	McClellan
Barrett	Frear	Millikin
Bender	Fulbright	Monroney
Bennett	Goldwater	Mundt
Bible	Hayden	Payne
Bricker	Hickenlooper	Robertson
Bush	Holland	Saltonstall
Butler	Hruska	Schoeppel
Byrd	Ives	Smith, Maine
Capehart	Jenner	Stennis
Carlson	Johnson, Tex.	Thye
Case, N. J.	Knowland	Watkins
Case, S. Dak.	Kuchel	Welker
Chavez	Long	Williams
Curtis	Malone	Young
Daniel	Martin, Iowa	

NAYS—21

Green	Johnston, S. C.	Morse
Hennings	Kerr	Neely
Hill	Kilgore	Neuberger
Clements	Langer	O'Mahoney
Douglas	Lehman	Pastore
Gore	Mansfield	Scott
Jackson	McNamara	Sparkman

NOT VOTING—22

Aiken	George	Russell
Beall	Humphrey	Smathers
Bridges	Kefauver	Smith, N. J.
Cotton	Kennedy	Symington
Dirksen	Magnuson	Thurmond
Duff	Murray	Wiley
Ellender	Potter	
Flanders	Purtell	

So the bill (S. 256) was passed, as follows:

Be it enacted, etc., That the first sentence of section 5144 of the Revised Statutes, as amended (12 U. S. C. 61) is amended by adding after the first "or" a comma and the following: "if the articles of association so provide."

GENERAL GOVERNMENT MATTERS APPROPRIATION BILL—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of June 22, 1955, p. 7772, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table indicating the various appropriations in the general Government matters appropriation bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

General Government matters appropriation bill for the period ending June 30, 1956

Appropriation title	Appropriations, 1955 (1)	Budget estimates, 1956 (2)	House allowance (3)	Senate allowance (4)	Conference allowance (5)
Executive Office of the President:					
Compensation of the President	$150,000	$150,000	$150,000	$150,000	$150,000
The White House Office	1,895,000	1,882,500	2,055,500	1,882,500	1,882,500
Special projects		[1] 1,250,000		1,250,000	1,250,000
Executive Mansion and Grounds	366,200	366,200	366,200	366,200	366,200
Bureau of the Budget	3,382,500	3,349,000	3,349,000	3,349,000	3,349,000
Council of Economic Advisers	[2] 285,000	[2] 340,000	325,000	325,000	325,000
National Security Council	215,000	240,000	240,000	240,000	240,000
Office of Defense Mobilization	2,161,000	2,220,000	2,125,000	2,125,000	2,125,000
President's Advisory Committee on Government Organization	(4)	60,000	60,000	60,000	60,000
Total, Executive Office of the President	8,454,700	9,857,700	8,670,700	9,747,700	9,747,700

[1] Estimate contained in S. Doc. No. 48, which canceled $173,000 addition to White House Office in H. Doc. No. 126.
[2] And unobligated funds continued available.
[3] Includes decrease of $45,000 contained in H. Doc. No. 126.
[4] $60,000 appropriated in Second Supplemental Appropriation Act, 1954, to remain available until June 30, 1955.

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General Government Matters appropriation bill for the period ending June 30, 1956—Con.

Appropriation title	Appropriations, 1955 (1)	Budget estimates, 1956 (2)	House allowance (3)	Senate allowance (4)	Conference allowance (5)
Funds appropriated to the President:					
Emergency fund for the President	[6] $150,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Expenses of management improvement	300,000	[6]			
Total, funds appropriated to the President	450,000	1,000,000	1,000,000	1,000,000	1,000,000
American Battle Monuments Commission:					
Salaries and expenses	775,000	[7] 920,000	920,000	920,000	920,000
Construction of memorials and cemeteries	3,500,000	4,500,000	3,000,000	3,000,000	3,000,000
Total, American Battle Monuments Commission	4,275,000	5,420,000	3,920,000	3,920,000	3,920,000
Commission on Intergovernmental Relations	574,000				
Commission on Organization of the Executive Branch of the Government	653,150				
Foreign Claims Settlement Commission:					
Payment of Korean claims		12,200,000	8,000,000	12,200,000	12,200,000
Payment of World War II claims	[8]	[8]	[8]	[8]	[8]
Administrative expenses	[9] (1,045,000)	[10] (550,000)	[11] (450,000)	(550,000)	(500,000)
Total, Foreign Claims Settlement Commission		12,200,000	8,000,000	12,200,000	12,200,000
Subversive Activities Control Board	[12] 170,000	300,000	300,000	298,600	298,600
Total	14,576,850	28,777,700	21,890,700	27,166,300	27,166,300

[6] And not to exceed $600,000 of unobligated funds continued available.
[6] Language.
[7] Includes $40,000 contained in H. Doc. No. 126.
[8] Funds deposited in the Treasury to the credit of the war claims fund available for payment of claims.
[9] Amount of $1,045,000 available from war claims fund for administrative expenses.
[10] Amount of $550,000 to be composed of transfers of $350,000 from war claims fund and $200,000 of appropriated funds.
[11] Amount of $450,000 to be composed of transfers of $300,000 from war claims fund and $150,000 of appropriated funds.
[12] And not to exceed $115,000 of unobligated funds continued available.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6499, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 23, 1955.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the bill (H. R. 6499) entitled "An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes," and concur therein.

AUTHORIZATION TO FILE REPORT DURING RECESS OR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be permitted to file a report during the recess or adjournment of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

GERMANY AND THE INITIATIVE FOR PEACE

Mr. MANSFIELD. Mr. President, several days ago I shared with the Senate some reflections on the Big Four Conference which is soon to open in Geneva. In substance I said that the President and the Secretary of State would be able to negotiate with strength and conviction if they went into the Geneva meetings with the united support of the Nation.

There is no reason why the President and the Secretary of State should not have that support. Our participation in the Conference does not bear a party label. It is a logical development of policies going back many years. They began with a Republican Congress and a Democratic administration. They are bearing fruit with a Democratic Congress and a Republican administration.

Should the Geneva Conference move the world closer to a desirable peace, it will be largely because the sacrifices which all Americans have made over the past decade will have helped to lay the groundwork for a successful conference. It will be because for 10 years this Nation has worked patiently and cooperatively with other nations to build the conditions of peace.

No small part of the success, I may add, will be due to the distinguished chairman of the Committee on Foreign Relations, the senior Senator from Georgia and dean of the Senate [Mr. GEORGE]. Some weeks ago he had the wisdom and the initiative to suggest that the moment might be ripe to explore the prospects for relieving world tensions. He had the courage to speak some honest words on the realities of international life. And in so doing he has reawakened our faith in ourselves and in our leadership. He has reminded us of our enormous capacity, when we are united, to deal with the problems of peace no less than with those of war.

In the Austrian Treaty we have had the first evidence that conditions of peace may now be coming into being, at least in Europe. The Austrian settlement is a tangible indication that the shadow of totalitarianism can be made to recede without bombs when the will to freedom is unyielding and the strength to sustain it is adequate. Under the treaty an advanced position of Russian military power in Western Europe will be moved back toward the East in what may be a prelude to further withdrawals.

The Austrian Treaty is a compromise, as are all bloodless settlements. For our part, the treaty is satisfactory because in the judgment of the President, the Secretary of State, and the Senate it serves the peaceful purposes of the Nation and is acceptable to the Austrian people.

If the Austrian treaty serves our ends, however, we must face the fact that the Russians believe it serves theirs as well. If they did not, it would not have been signed. Viewed in that perspective, the Austrian treaty becomes one of a series of highly significant moves which have characterized Soviet diplomacy in recent months. Why, we may well ask ourselves, have the Russians renounced their treaties of reciprocal assistance with France and the United Kingdom, which were directed against German militarism? Why have they shown a more amenable attitude on disarmament? Why did the leaders of the Soviet Union pay homage to Marshall Tito in Belgrade? How are we to explain their fabulous welcome for Prime Minister Nehru when just 2 or 3 years ago he was being denounced as a tool of the western nations? Most significant, why have they invited Chancellor Adenauer to establish diplomatic relations and commercial agreements between the Soviet Union and Western Germany?

I think it is now generally recognized that each of these actions and others elsewhere are part of a tremendous Soviet diplomatic offensive which began at least as far back as the death of Stalin in 1953. In August 1954 in remarks in the Senate I referred to this drive in these terms:

> There are great stakes involved in the diplomatic struggle. * * * However, it is not a matter of a few resources, a few strategic positions, and a reluctant people being seized by the Communists and dragged into their camp. In this diplomatic struggle, the willing allegiance or the benevolent neutrality of entire nations is involved.
>
> The Communists are striving by a combination of diplomacy and economic enticements to drive the free nations further and further apart and to draw as many of them as possible into their orbit or into an intermediate stage of neutralism.

What we have seen of the Soviet diplomatic offensive so far, in my judgment, is mere prelude. The real drive is now only beginning to unfold. It will probe for weaknesses in every part of the structure of peace which together with other nations we have built over the past decade and on which rests the future of western civilization and the security of this country. The great test of the Soviet diplomatic drive is coming in Germany.

For many years it has been apparent that Germany would recover and would become once again the decisive power in Europe, the pivot on which the questions of war or peace and freedom or totalitarianism would turn. In 1949, 6 years ago, I visited Germany and reported to the House Foreign Affairs Committee that "although Germany is at the present time in a very weak position, with

two separate governments, it is potentially the strongest nation in Western Europe—Germany is the big prize."

Even in those days the Soviet Union was attempting to draw the whole of Germany away from Western Europe. The Soviet Union had already recognized that unification was the one great temptation it could offer to the German people. The Russian efforts then were based on German unification on Soviet terms. Their demands were for a united Germany that would fit into the Communist bloc of Eastern Europe. The people of West Germany were immunized against Soviet demands of that kind to subvert them. They were exhausted by the war. They had seen the excesses of the Soviet occupation in the Eastern Zone which had driven millions of refugees into the West. And they were protected by the Allied armies of occupation, as evidenced by the success of the Berlin airlift. The Russian demands for German unification on Soviet terms got nowhere.

The situation now has changed. Western Germany has made a remarkable recovery from the war. It is independent once again, and it already has the power to act as a separate factor, like France or the United Kingdom, in the affairs of Europe. It is now more than ever immune to the appeal of unification on Soviet terms.

But as Germany has changed, so has Russian policy. That policy has gradually been shifting from German unification on Soviet terms to German unification on terms more acceptable to the Germans. Although this shift has long been in the making, it has taken the shock of the sudden Russian reversal on the Austrian treaty and the Soviet invitation to Chancellor Adenauer to visit Moscow to bring the reality of it home to this country.

Until these two events occurred, our policy on Germany appears to have been based on two assumptions. The first was that the Soviet Union would never permit German unification except on Soviet terms, and the German people would never accept it on Soviet terms. The second was that Chancellor Adenauer could keep Western Germany with Western Europe no matter what else happened. Just a year ago, or even a few months ago, the air was filled with an incredible optimism about the German situation which stemmed from these two assumptions.

Now, however, the assumptions seem to have been reduced to one: That Chancellor Adenauer will not let us down. The unwarranted optimism on the German situation has been shaken, even if it has not been entirely dispelled.

The assumption that Chancellor Adenauer will not let us down is a safe assumption. I have a deep admiration and respect for the understanding, integrity, and humanity which characterize the German Prime Minister. He is a great statesman in the finest traditions of Western Europe. He knows, perhaps as few other men do, how vital it is that Germany remain linked with the western nations.

Chancellor Adenauer will not let us down. The full faith which President Eisenhower expressed in him a few weeks ago was not misplaced. I know that I speak the thoughts of many other Members of the Senate who are acquainted with Adenauer when I say that I share the President's faith.

Because I do, however, I am disturbed by an American policy respecting Germany which is allowed to rest in so many essentials on his shoulders alone. It is not only unfair to Adenauer; it is a dangerous way of dealing with the tremendous forces that are at work in Germany and Europe today. Those forces have historical roots that go back decades and centuries. They will be in operation long after the Chancellor and every Member of this Chamber have gone.

If our policies on Germany are to be effective, they must not be built solely around one man, however great he may be, but largely on the basis of the historical and other forces that are at work in the situation. Chancellor Adenauer has given unparalleled leadership to his people and to the development of Western European unity. He has done a great deal and he can do more, but he cannot be expected, nor should he be asked, to perform miracles.

The danger in our present course, as I see it, is that it perpetuates the optimistic and unsound belief that Germany, or at least Western Germany, is with us no matter what happens, that the Germans are now linked inextricably with the other nations of Western Europe. It is true that we have moved a long way in that direction in the past decade. Economic bonds have been developed under the European Coal and Steel Community, the European Payments Union, and other cooperative arrangements. The London-Paris accords have provided a framework for military integration and the dim outlines of political collaboration in Western Europe.

These measures, however important they may be, constitute a promise that Germany will remain with the western nations. They are not a guaranty.

Twice in this century, our civilization has skirted the edge of doom because the western nations assumed that the Western World would hold together largely of its own accord. Twice our heritage has been tossed recklessly into the fires of war because of unwarranted optimism and sheer political inertia on that score. Both conflicts which began within Western Europe spread great damage in that region, but both reached out to engulf this Nation in their tragedy.

Communism fed on these conflagrations. After the wars had burned themselves out, the Communists tore down nations and ideals which had been severely weakened by the conflicts. That is the destructive role which communism occupies in the contemporary world, and we must not lose sight of it. By the same token, however, it is essential not to permit this destructiveness to obscure the fact that the greatest damage to the free nations has been largely self-inflicted. It has resulted from their own inner disunity, and particularly the disunity of the Western European region.

Both great wars of this century, in the first instance, were attempted suicides on the part of Western Europe. The critical danger of communism came after, not before, these massive assaults which the region launched upon itself. And only as a way is found to cope with tendencies of this kind will the free nations develop real security against communism and other forms of totalitarianism.

Let us face the fact that the most dangerous of these tendencies is associated with the inability of modern Germany to find a stable place in the common destiny of Western Europe. Many explanations have been offered for this phenomenon. Regardless of the door or doors at which responsibility is laid, however, there can be little doubt that this failure more than any other has gnawed at the vitals of our civilization during the last half century.

The failure need not be repeated a third time. But can we say now that it will not be repeated? Can we say with assurance that the Soviet drive to destroy the developing integration of Germany and Western Europe and thereby establish the conditions for a third war in the West will not succeed?

The Russians are not without extensive resources to make a powerful attempt in that direction. They can combine an offer of German unification on German nationalist terms with numerous concessions to the force of neutralism. That force is strong and is spreading not only in Germany but on the continent of Europe as a whole.

In remarks which I made last December and inserted in the RECORD I suggested the following possibility:

> The Russians may risk the resurgence of German militarism rather than face the inevitable prospect of a unified Germany integrated with Western Europe. If they choose this course they are in a position to make important economic, territorial, and other concessions to the Germans. Moreover, they could withdraw their occupation forces and expand the nucleous of German militarism which already exists in the East German Communist Army. They could in other words, offer Germany a unification with real nationalistic inducements and ask in return only that the Germans separate themselves from Western Europe.

There are now signs that they may be prepared to go even further. It is possible that the Russians will consider abandoning the puppet government in East Germany and relaxing their monolithic control over the satellite countries of Eastern Europe. These nations lie along the road from Berlin to Istanbul, a traditional line of German commercial and political interest. A two-pronged diplomatic drive of this kind may create almost irresistible pressures in Germany towards neutralism, pressures which may be beyond even the capacity of Adenauer to control.

I do not know how far the Russians will go. I believe, however, that they will go to great lengths to dissolve the bonds which hold together the free nations, from Greece and Turkey to Scandinavia, and to reduce the influence of the United States on the European continent and in surrounding areas.

They will not succeed, regardless of how far they go, provided the United States and other Western nations do not

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sit on the sidelines as dispassionate spectators while the Russians go about these destructive tasks. As it is now, they hold the diplomatic offensive on the two most important fronts in Europe. By their invitation to Chancellor Adenauer, they have gained a real advantage on the question of German unification. By their sudden shifts on disarmaments and the Austrian treaty, their long-time championing of a Big Four meeting, and the play on the neutralist theme, they have touched the deepest emotion that affects all Europe today—the fear of war.

The need for the Western nations is to act, but to act not simply in reaction to what the Soviet Union does; too many of our actions in the past suggest that they are performed under the hypnotic spell of Russian policy. We follow instead of leading. We become so fascinated by the enigmatic twists of Soviet policy that we forget the potentialities of our own policy and the policies of the Western European nations.

The need is to act, not in reaction to what the Soviet Union does, but to act because it is right and desirable to do so.

In the case of German unification, we have paid lip service to the idea, but we have been disposed to think of it primarily as a Big Four problem. It seems to me that unification is also a unique German problem, and the time is overripe for the German people as a whole to examine this question. I hope, therefore, that the West German Government will give serious consideration to convening a conference of political, labor, religious, and commercial leaders from all Germany, both East and West, to consider the problems of unification. After all, it is the Germans themselves who must live together in peace in a unified country; and it is they who must be satisfied with the political conditions which will make that possible.

With respect to the appeal of peace in Europe, I think that the President by curbing warlike talk in his own administration, and by his public statements in the field of atomic energy, has made an important contribution in clarifying to the world the pacific intentions of this country. There is one matter, however, which requires special consideration insofar as it applies to Europe. That is the problem of German rearmament. In the London-Paris accords, Western Europe has accepted the necessity for German rearmament. We would be closing our eyes to reality, however, if we believe that it has been accepted other than with fear and uncertainty in every country in that region, including Western Germany. The fear and uncertainty are not Communist-inspired, although the Communists undoubtedly profit by them. They are the fears of ordinary Europeans who twice in a generation have had to live in the wreckage left by the marching boots.

German rearmament must proceed according to the formula of the London-Paris accords. There must be no retreat from that principle, because a disarmed Western Germany, in the context of the present distribution of power in Europe, is a greater danger to peace than an armed Germany. However, the size of the German army as stipulated in the London-Paris accords need not be sacrosanct. If at any time the Soviet Union is prepared to deal realistically with disarmament, then there is no reason why the contemplated size of the German army cannot be adjusted downward as other nations, including Russia, and the satellites reduce their military potential. That approach would put to rest any genuine fears the Russians may have of Germany, and it will also relieve the uncertainty on the same score in Western Europe.

Finally, there is one great area in which the nations of the western world can and must act now, instead of waiting placidly for Soviet policies to drive wedges between them. They can act to fulfill the deeper promise of the London-Paris accords. The real meaning of those agreements is not simply the addition of 12 German divisions to the defense of the free nations, however important that might be. The real meaning lies in their promise of greater unity among the free nations.

That promise means more than integrated military defense. It means a drawing together of the Western European nations in the economic field, in the political field, in all matters in which governments can better serve their citizens by working together rather than separately. It means, above all, a willingness to face common problems together and to work with national restraint in their solution. The need for an approach of this kind is urgent in Western Europe; it is necessary throughout the Western World; it is desirable with all nations free to cooperate, wherever they may be on the globe.

If we can maintain and perfect that kind of an approach, it will matter far less to us and to others what the Soviet leaders may think or do in any given situation. For that kind of an approach could bring a vast growth in the strength of free nations, built not only on a military base, but on the power of their creative accomplishments and the power of their ideals to inspire the faith of mankind.

Mr. President, I yield the floor.

RETURN OF CERTAIN LAND TO THE TOWN OF HARTFORD, VT.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 588, S. 1585.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The CHIEF CLERK. A bill (S. 1585) to provide for the return to the town of Hartford, Vt., of certain land which was donated by such town to the United States as a site for a veterans hospital, and which is no longer needed for such purpose.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to authorize and direct the Administrator of General Services to reconvey to the town of Hartford, Vt., all right, title, and interest of the United States in about 53 acres of surplus land, which constitutes part of a larger tract of land originally donated by the town of Hartford to the United States as a site for a veterans hospital. This portion of the original tract of land was declared excess to the needs of the Veterans' Administration and referred to the General Services Administration for disposal as surplus property.

Mr. MORSE. Mr. President, I wish to make a very brief statement in regard to Calendar No. 588, Senate bill 1585, so that the question can never be raised as to whether I remained silent concerning the applicability or nonapplicability of the Morse formula to this land transfer.

I may say, good naturedly, that what I think the donors of this piece of property needed in the first instance was a good lawyer. If they had had a good lawyer they would not have muddied up the transfer as they did. Nevertheless, as legislators, it is our duty to see that equity is done.

I made a very thorough investigation of the bill, and I think the equities can be summarized as follows:

There is no doubt about the fact that the town of Hartford, Vt., dedicated this property to the United States Government as a site for a veterans hospital.

There is no question about the fact that it was their intention that only so much of the land as would be needed by the United States Government for hospital purposes was to be given to the United States Government.

At that time the Veterans' Administration thought the total acreage of land they were asking for would be needed for hospital facilities.

When I say the donors of the property needed a good lawyer at the time, I mean they certainly should have had someone who would write into the transfer a reversion clause. That was not done. But as we go into the case record of this matter there is no doubt about the fact, in my mind, that that is what all the parties intended. All the parties assumed at the time the United States Government would need this entire parcel of land for a veterans' hospital site. It happens, Mr. President, that the Veterans' Administration does not need all the property; it does not wish all the property for veterans purposes.

So the question which confronts us is whether we are going to insist that the Federal Government be really the unintended beneficiary of a grant of a part of this land simply because title was vested in the Federal Government, when the parties understood that the town of Hartford was dedicating that amount of land which was needed for a veterans hospital.

I also wish to point out, Mr. President, that the original transfer was prior to the practice in the Senate, in the overwhelming number of instances of following the Morse formula, and of applying it always except when by way of motion I have been defeated in the effort to apply it.

I am satisfied, Mr. President, that this bill conforms to the spirit and the intent

of the Morse formula, and I shall not raise an objection to it. But I wish to emphasize for the record that it does conform to the Morse formula, because it was the clear intention of the parties at the time of the transfer that the Federal Government was to take for hospital site purposes only the amount of land which was needed. There happened to be included in the conveyance an amount of land which the Government subsequently decided it did not need. I think, in all equity, it should, therefore, go back to the town of Hartford, and I raise no objection.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1585) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Administrator of General Services is authorized and directed to convey by quitclaim deed to the town of Hartford, Vt., all of the right, title, and interest of the United States in and to that portion, consisting of approximately 53⁹⁄₁₀ acres, of the tract of land heretofore donated by such town to the United States for the purpose of providing a site for a veterans hospital, which has been determined to be in excess of the amount needed for the purposes of such hospital and transferred to the General Services Administration for disposition as surplus property.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4249) for the relief of Orrin J. Bishop; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. MILLER of New York were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy.

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5240) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes, and it was signed by the Acting President pro tempore.

AMENDMENT OF HOME OWNERS' LOAN ACT OF 1933

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 522, Senate bill 972.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 972) to amend the Home Onwers' Loan Act of 1933, as amended.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That subsection (e) of section 5 of the Home Owners' Loan Act of 1933, as amended, is hereby amended by inserting "(1)" after "(e)" and by adding the following paragraph at the end thereof:

"(2) An association may retain or establish and operate a branch or branches under the following conditions:

"(A) An association may retain and operate such branch or branches as it may have in operation on the effective date of this paragraph, the establishment and operation of which had been approved by the Board.

"(B) If, after the effective date of this paragraph, a State savings and loan association is converted into or consolidated with a Federal savings and loan association, or if two or more Federal savings and loan associations are consolidated, such converted or consolidated association may, with respect to any of the associations, retain and operate any of their branches which are in lawful operation on the date of such conversion or consolidation.

"(C) An association may, with the approval of the Board, establish and operate new branches within the State in which the home office of such association is situated, if such establishment and operation are at the time expressly authorized to State savings and loan associations or mutual savings banks by the law of the State in question, or, in the absence of any such law, if such establishment and operation are at the time in conformity with the practice within the State with respect to branches of State savings and loan associations or mutual savings banks; except that no approval of the State authority having supervision over State savings and loan associations or mutual savings banks shall be required, and such new branches shall be subject to the least onerous restrictions with respect to number and location as may be imposed by the law of the State or the practice within the State with respect to branches of State savings and loan associations or mutual savings banks. No branch of any Federal savings and loan association shall be established outside the State in which its home office is located. The Board shall, before approving or disapproving an application of a Federal savings and loan association to establish and operate a branch, give consideration to the same requirements as are set forth in this subsection with respect to the granting of charters of Federal savings and loan associations.

"(D) No branch of any Federal savings and loan association shall be established or moved from one location to another without the prior consent and approval of the Board.

"(E) The term 'branch' as used in this subsection shall be held to include any branch savings and loan association, branch office, branch agency, additional office, or any branch place of business located in any State or Territory of the United States or in the District of Columbia at which shares are issued, sold, withdrawn, repaid or repurchased, or money is lent, or dues or dividends are paid or credited, or any other savings and loan business is carried on.

"(F) The words 'State savings and loan association' or 'State savings and loan associations', as used in this subsection, shall be held to include savings and loan associations, building and loan associations, cooperative banks, and homestead associations organized and operated according to the laws of the State, District, or Territory, in which they are chartered or organized."

Mr. FREAR obtained the floor.

Mr. SPARKMAN. Mr. President, will the Senator yield for the purpose of my suggesting the absence of a quorum?

Mr. FREAR. I yield for that purpose.

Mr. SPARKMAN. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. FREAR. Mr. President, Senate bill 972 was introduced by myself and the senior Senator from Indiana [Mr. CAPEHART] to establish a statutory policy concerning the authorization of branch offices of Federal savings and loan associations. The bill provides that the Home Loan Bank Board may authorize branch privileges for Federal savings and loan associations only in States where branches are permitted for State savings and loan associations and mutual savings banks by State law. The provisions of S. 972 are identical with the provisions of S. 975, 83d Congress, which was passed by the Senate on May 20, 1954.

The Home Owners' Loan Act of 1933 provides for the incorporation, operation, and regulation of Federal savings and loan associations, but contains no explicit authority for the Home Loan Bank Board to authorize Federal savings and loan associations to operate branch offices. However, such authority has been exercised by the Home Loan Bank Board, on the theory that this power is implied in the general statutory authority of the Board to charter and regulate Federal savings and loan associations. Thus, in considering applications for branch offices, the Home Loan Bank Board applies the same statutory test that is applied to applications for charters.

These statutory requirements make no reference to the consideration of the law or practice of the State where the branch is to be established. Consequently, in 58 cases, branches have been authorized to Federal savings and loan associations in States where the same privileges is denied to State savings and loan associations.

The Board has recently reconsidered this policy, and has proposed the adoption of a new regulation on the subject. I shall not read to the Senate the new regulation, but its effect is to permit branches for Federal savings and loan associations in any State which permits branches of any type of financial institution—including State savings and loan associations, mutual savings banks, commercial banks, or bank holding companies. Consequently, in 20 States the proposed regulation would permit Federal savings and loan associations to have branching privileges which are denied to their State-chartered counterparts.

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The language of the bill follows closely that of the McFadden Act, which relates to the establishment of branches for national banks. This act permits national banks to have branches only in States where branches are permitted for State banks. The McFadden Act established the cornerstone of our dual system of State and national banks. S. 972 similarly places Federal and State savings and loan associations on a like and equal footing. The dual system of savings and loan associations will be better protected and maintained through definitive legislation, rather than by policy pronouncements by a three-man board.

Mr. President, the proposed amending legislation is simple and noncomplex. It merely recognizes the rights of the States to set forth the rules and regulations under which branches of financial institutions may be set up in their States. S. 972 is designed to maintain the local nature of these institutions, and to encourage their outstanding features of local ownership, local management, and local participation.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

Mr. DOUGLAS. Mr. President, I desire to commend the Senator from Delaware [Mr. FREAR] for the energy and ability with which he conducted the hearings.

In a moment I shall submit an amendment which I think will protect the legitimate rights of the savings and loan institutions.

Although I am sure it is not the intent of the Senator from Delaware, the present draft of the bill would restrict to approximately 24 States the ability of savings and loan institutions to establish branches, thus ruling out approximately 24 other States.

The point is that what we really have in this field is competition between the banking institutions—notably, the commercial banks, but to some degree the mutual savings banks—on the one hand, and the building and loan associations, on the other.

The commercial banks are engaged, among their other activities and functions, in the financing of home construction and in the general real-estate field. In a number of States, commercial banks are able to have branches. But under the provisions of the bill, in some 10 States their competitors, the savings and loan institutions, would not be able to have branches. Those States are Alabama, Georgia, Idaho, Michigan, Mississippi, Nevada, New Mexico, North Carolina, South Carolina, and Tennessee—or a total of 10 States.

The amendment I wish to offer—and I should like to submit it to the Senator from Delaware—would permit the savings and loan institutions to have branches in the States in which the commercial banks and the mutual savings institutions can have branches—thus putting them on a basis of equality with each other. The principle which the amendment establishes is that Federal savings and loan associations are to have branching privileges on a parity with the branching privileges of the commercial banks. This is important and necessary, for these two types of institutions are in direct competition with each other and the amendment would have the effect of promoting competition between them rather than diminishing competition as does S. 972 in its original form.

I may say that we do not find the State savings and loan institutions wishing to restrict the branch facilities of the Federal savings and loan institutions. The desire to restrict them has come chiefly from the commercial banks and, to some degree, from the mutual savings banks.

Mr. President, I offer, and send to the desk, an amendment designed to accomplish the objective I have indicated. I may say the amendment is virtually identical with one offered last year, in committee, by the eminent Senator from Connecticut [Mr. BUSH], which amendment was printed, and which I had the privilege of offering in a somewhat altered form on the floor of the Senate.

It is my understanding that the Senator from Connecticut has examined this amendment. Although I am not certain that he has checked every detail of the amendment, my general impression is that it is satisfactory to him. If it is, and if he would care to serve as a cosponsor of the amendment, of course I shall be delighted to have him do so.

Mr. FULBRIGHT. Mr. President, will the Senator from Illinois yield for a question?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. On page 8 of the report, at the top of the page, there is a list of 14 States. Am I correct in assuming that, under the amendment of the Senator from Illinois, those 14 States would not be affected? In other words, in all the other States, there is branch banking by commercial banks, and therefore there would be branch banking by Federal savings and loan banks; is not that correct?

The ACTING PRESIDENT pro tempore. The amendment submitted by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 2, line 14, after the word "are", it is proposed to insert "(i)."

On page 2, line 16, after the word "banks", it is proposed to insert a comma and "or (ii), after June 30, 1957, expressly authorized to State banks or trust companies."

On page 2, line 20, after the word "banks", it is proposed to strike out the semicolon and insert "or, after June 30, 1957, in conformity with the practice within the State with respect to branches of State banks or trust companies."

On page 2, line 22, after the word "banks", it is proposed to strike out "shall be required, and such new branches shall be subject to the least onerous restrictions with respect to number and location as may be imposed by the law of the State or the practice within the State with respect to branches of State savings and loans associations or mutual savings banks", and insert "or banks and trust companies shall be required, and such new branches shall be subject to the least onerous restrictions with respect to number and location as may be imposed by the law of the State or the practice therein with respect to branches of State savings and loan associations, mutual savings banks, or State banks and trust companies."

On page 3, after line 12, it is proposed to strike out:

"(E) The term 'branch' as used in this subsection shall be held to include any branch savings and loan association, branch office, branch agency, additional office, or any branch place of business located in any State or Territory of the United States or in the District of Columbia at which shares are issued, sold, withdrawn, repaid or repurchased, or money is lent, or dues or dividends are paid or credited, or any other savings and loan business is carried on.

And in lieu thereof to insert the following:

"(E) The term 'branch' as used in this subsection shall be held to include any branch savings and loan association, branch office, branch bank, branch agency, additional office, or any branch place of business located in any State or Territory of the United States or in the District of Columbia or in Guam, Puerto Rico or the Virgin Islands at which shares are issued, sold, withdrawn, repaid, or repurchased, or at which deposits are received, checks paid, or money is lent, or dues or dividends are paid or credited."

On page 4, line 3, after the word "organized," it is proposed to strike out the quotation mark and insert the following new paragraphs:

"(G) The words 'State banks and trust companies' as used in this subsection include all banks and trust companies organized under the laws of any State or Territory, or the District of Columbia, or in Guam, Puerto Rico, or the Virgin Islands, which have among their powers the power to accept thrift deposits and to engage in home financing.

"(H) The term 'State' includes the District of Columbia, Guam, Puerto Rico, the Virgin Islands of the United States, and the Territories of Alaska and Hawaii."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. FULBRIGHT. Mr. President, for the RECORD, I wish to clarify the effect of this amendment. If I correctly understand it, the effect is described at the bottom of page 7 and the top of page 8 of the report. There are 14 States named. If this amendment were adopted, those 14 States, under their law and under the terms of the amendment, would still not permit branching of Federal savings and loan associations.

Mr. DOUGLAS. That is correct. It would, however, add 10 States to the list permitted by the bill in its present form, namely, Alabama, Georgia, Idaho, Michigan, Mississippi, Nevada, New Mexico, North Carolina, South Carolina, and Tennessee. But it would not permit branches in Arkansas, Florida, Illinois, Iowa, Kansas, Kentucky, Montana, Nebraska, New Hampshire, North Dakota, South Dakota, West Virginia, Wyoming, or Wisconsin.

Mr. FULBRIGHT. I wanted the RECORD to show the effect of it. Certainly that is the effect intended by the Senator's amendment, as it was just stated.

As I stated in the committee, my State is not actually affected. My State has rather stringent laws against branch banking, either by commercial banks or by savings and loans associations. We

had a very sad experience in banking back in 1928 and 1929. So it is not a matter of major importance in Arkansas. I simply wish to make clear what the effect of the amendment would be.

Mr. BUSH rose.

Mr. FULBRIGHT. Was the Senator from Connecticut about to make an observation? I had intended to say something further.

Mr. BUSH. I had intended to wait until my turn came. I wish to make an observation before the vote on the pending amendment.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut is recognized.

Mr. BUSH. Mr. President, this question arose last year, and I spent some time in recording my views at that time. I should like very briefly to record them now, because the situation has not changed, and the amendment is quite the same amendment as failed of adoption last year, although I believe it rallied a vote of about 37 or 38 to its support.

It is my firm conviction that there should be legislation establishing policy to be followed by the Home Loan Bank Board in authorizing branches of Federal savings and loan associations. The policies followed in the past by the Board are not free from criticism. However, generally speaking, branches have not been allowed indiscriminately. On the whole, the Board has had a good record of making public interest the major test.

With these factors in mind, last year I supported Senate bill 975, which is practically the same as Senate bill 972, which is now pending. I voted for the enactment of the bill last year, but I had some reservations because I would have preferred to see an amended bill reported by the committee.

Therefore I shall support the amendment offered by the Senator from Illinois, which conforms to the amendment I offered last year; and in any case I shall support the bill.

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Illinois contains 4 or 5 amendments to the bill. Without objection, they will be considered en bloc.

Mr. FULBRIGHT. Mr. President, I wish to make 1 or 2 observations to make the RECORD clear. First, this bill does not prohibit branches in certain States in an absolute fashion. It permits the continuation of any which now exist. It merely prohibits the creation of new ones in certain States.

This question arose in the committee. As I said, it does not affect my State one way or the other. The real question is whether or not there is substantial competition between the commercial banks and the savings and loan associations in the mortgage field. I have since heard considerable discussion of the question. It seems that there is perhaps more to it than I had realized.

I do not wish to be placed in the position of even appearing to be against any legitimate competition with commercial banks. I have discussed this question since the bill came from the committee. I am disposed, and I believe the Senator from Delaware [Mr. FREAR] is disposed, to accept this amendment, take it to conference, and see if it will be satisfactory to the House. Its effect would not be very great. However, I still think that the local people are better judges of the need of branches. It is very easy to handle the situation. If the local people allow branches to their own people, we will get the benefit in national branches. So I have no very strong feeling on the subject.

Mr. BUSH. Under the amendment, a period of 2 years is granted before it becomes effective, to give an opportunity to State legislatures to meet and to review their legislation and to determine whether they wish to make any changes.

Mr. FULBRIGHT. Yes; I do not believe it is a disastrous amendment by any means. It might be beneficial if it would result in competition between commercial banks and Federal savings and loan institutions on this class of loans, and I can see some justification for the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I believe the record should be clear that the Senator from Connecticut proposed an identical amendment in committee last year, which I supported. I wish to thank the Senator from Connecticut for his cooperation in this matter. In my judgment, he deserves a great deal of credit, as does the chairman of the subcommittee and the chairman of the full committee.

Mr. BUSH. I thank the Senator for his very generous comments.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time and passed.

Mr. MORSE. Mr. President, I wish to compliment the Senator from Connecticut and the Senator from Illinois and the Senator from Delaware for the way in which they handled the bill which has just been passed. As they know, I was one of the members of the minority in the committee. The amendment which has been agreed to removes much of the objection of the minority as set forth in the minority views. The chairman of the subcommittee, the Senator from Delaware [Mr. FREAR] and the Senator from Connecticut [Mr. BUSH], and the Senator from Illinois [Mr. DOUGLAS] are deserving of the expression of appreciation of the Senate for the way in which they handled the bill on the floor.

As the Senator from Illinois pointed out, the amendment which the Senate has adopted is identical in principle with the amendment which the Senator from Connecticut [Mr. BUSH] offered last year.

Knowing the legislative processes as I do, I am aware, of course, that the bill is still not yet law and that there is still a conference to be had on the bill.

Therefore, for the RECORD, I have a few brief remarks to make, which I had intended to make on the bill prior to the adoption of the amendment. I wish to make the remarks because I want them in the RECORD as terms of reference for the Senate conferees when the conference is held.

Mr. BUSH. Mr. President, I wish gratefully to acknowledge the Senator's generous comments with reference to my part in this matter.

Mr. MORSE. They are very highly deserved.

Mr. President, the bill which we have passed, S. 972, originally would have restricted the branch privileges of Federal savings and loan associations to those States which permit branches for State savings and loan associations and mutual savings banks. The amendment has changed that provision. Because the amendment was adopted, I find it possible to support the bill. However, because I have worked long and hard on the bill, and because many representations were made to me by financial institutions in my State and building and loan groups, on the one hand, and by commercial banks on the other, I believe the proponents and the opponents of the bill are entitled to have me make an unequivocal record of my position, as I do on all issues.

Therefore, I wish to point out the objections I had to the bill in its original form. I do so because I hope these arguments will be heeded when our conferees go into conference, in case there is an attempt to return the bill to its original form.

I respectfully submit that in the position taken by the majority of the committee there is an unwarranted basic assumption that must be dealt with before we can discuss the merits of S. 972 in the form in which it came from the committee. My reference is to the assumption that the doctrine of States rights makes it imperative that we pass the bill as recommended by the majority of the committee.

I cannot imagine a more loose and inaccurate application of the States rights doctrine. I digress for a moment to say that the inaccurate application of broad legal concepts is never justified, and can be very dangerous. It is dangerous for many reasons, but mainly because it establishes a precedent and the possibility of compounded error.

I believe my observation to be particularly true in the case of the doctrine of States rights. The doctrine has been used increasingly of late to thwart legitimate policy goal instances wherein it had no application. When I say that I speak advisedly and with the thought in mind that I have often defended States rights on the floor of the Senate, and I will do so again when the occasion for me to do so arises on sound legal questions.

I wish to stress that there is no room ever for an argument about States rights in connection with legislation unless a constitutional issue is involved. Yet in debate on the floor of the Senate we hear, I do not know how many times a month, that someone is opposed to proposed legislation because he believes it violates the principle of States rights.

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It has become an emotional sanction in political debate in America. No one can possibly argue accurately on the doctrine of States rights unless one argues on constitutional grounds. The political argument advanced by some persons that they do not want the Federal Government to do something as a matter of Federal legislative policy, is one thing, and let us face it on the question of whether it should be established as public policy by way of Federal legislation; but let us not continue to muddy the waters of debate whenever it is proposed that the Federal Government exercise its right by suggesting the emotional sanction and saying it interferes with States rights. That is exactly what the majority of the committee did in its report on the pending bill.

Not one word is found in the majority report dealing with constitutional grounds, because the majority of the committee could not make such an argument on constitutional grounds.

Therefore, I repeat that the only time the States rights argument has any justifiable defense on the floor of the Senate is when someone wants to argue that a proposal by way of Federal legislation is unconstitutional because of interference with States rights.

If States rights were really at issue here, and if this were truly a case in which the Federal Government was transgressing in an area in which it had no jurisdiction, I would suggest that the majority should have reported a bill completely removing the Federal Government from this field on the ground that Federal operations were unconstitutional.

That is the only ground on which the majority could advance a legal argument which would be sound, if it could back it up with constitutional doctrine. But the majority did not do that in its report. Why? Because there is no question at all about the constitutionality of legislation which involves the Federal Government in this field. Therefore, in this instance there is no basis for the argument about States rights.

The majority knows that this program is not unconstitutional. It knows that Congress has long considered providing adequate thrift and home financing facilities as a proper function of the Federal Government. I cite the Federal Housing Administration, the Home Owners Loan Corporation, the insurance of bank deposits, and I could add many other examples to the list, all of which have been sustained by the courts of the land as involving a constitutional exercise of power by the Federal Government.

What the majority meant to say, but did not, in its report, was that we have a political policy question here.

I am willing to meet them on the political policy question, Mr. President, but I do not like to have them use as a political sanction, as an emotional appeal, the States rights doctrine when no legal question of States rights can possibly be involved in the legislation.

The policy question is this: Should the Federal Government exercise its constitutional powers to encourage savings and thrift or should it give deference to State policies in this area. I cannot overstress the fact that Federal operations, simply because they may affect affairs within a State, are not unconstitutional and are not interfering with States rights.

That is the law handed down by the Supreme Court time and time again.

When two policies are in conflict, the issue then is which will we choose. The answer must be that we will choose the one best supported by the facts of the case we are trying to decide.

And what are the facts? Let me tell you what they are. Let me quote to you from the majority report:

> It is not contended that the branching privileges have been abused by the Home Loan Bank Board nor that branches for Federal savings and loan associations are in themselves evil. With the recent phenomena of movement to the suburbs of cities and the development of suburban shopping and business areas, public necessity may require that branch offices be organized. In instances it would be better to establish a branch of a flourishing organization in an area that would not be able to support a new institution.

Note that the majority says these Federal loan associations have done a good job and are necessary, even though it says so grudgingly. It did not say their operations were unconstitutional. It did not say the Federal Government did not have a constitutional right to have these institutions located in various communities of our country. The majority knows, Mr. President, that this is a constitutional function of the Federal Government, as it is also the right of the State governments to function in the same economic sphere.

Let me quote more of the majority report:

> The importance of savings and loan associations, both Federal and State, to the economy is emphasized by the fact that these organizations are now the largest single source of home owners' credit in this country. Their encouragement of thrift and their aid in providing homes for the people of this country has been a tremendous factor in the well-being of our country.

The majority of the members of these savings and loan associations are working people. The average savings account is a small one.

Let us, as Senators, never forget that fact, Mr. President. We are dealing with the so-called little people of America, with people whose savings are small in amount.

Another important advantage of the branch practice is that it makes more likely the establishment of institutions in areas where they are accessible to our citizens. It is simply commonsense to conclude that savings will be encouraged by accessibility of the savings institutions. Branch banking rests on this commonsense observation.

I happen to be one, Mr. President, who believes it is good public policy to encourage savings. In fact, I would that the American people were saving more and more rather than what I am afraid is true, that the little people are saving less and less.

There are many reasons why the little people are saving less and less, but I think branch savings facilities close to their home communities will at least help to interest them in saving more.

The hearings and the success history of the savings and loan associations also demonstrate that the associations are a vital force in our society. The facts therefore dictate that our policy should be one favoring branch privileges for Federal savings and loan associations.

Now, Mr. President, a word about restricting competition.

Another policy consideration which this legislation raises is whether or not the Congress should enact legislation which will restrict competition. Many of those who testified in favor of the bill were in large part representatives of commercial institutions. A wire that I received from one of my constituents hit this matter of competition squarely on the head when he wrote:

> Howard T. Hardie, of Pennsylvania, vice president of the Bankers Association, recently states: "Savings and loan associations are the No. 1 problem of the ABA."

What we have to face is that commercial banks are seeking to gain ascendancy in this field by congressional legislation. Some of them have found the competition too stiff.

When the majority states that the Federal Government is sanctioning unfair competition by allowing branch operations to Federal savings and loan associations it only speaks of half the case. All through its report the majority has attempted to put State savings and loan associations and State mutual banks up as the standard against which we must judge Federal savings and loan associations. They have refused to bring in the other category of savings institutions and use them as the standard. I refer, of course, to the fact that many States which do not allow branch privileges to savings and loan associations and mutual banks do allow these privileges to commercial banks. One of the very reasons that we have Federal savings and loan association legislation is that commercial banking houses used their political influence to stop the development of savings and loan associations and mutual banking on the State level. In those instances where they could not stop this development they struck hard at a very important aspect of it, and that is the privilege to establish branches.

The majority of the committee may well say that it does not intend to "unduly restrict or inhibit the growth and development of the splendid Federal-chartered thrift gathering institutions." I say that this is not a realistic appraisal of the situation and the majority knows that when it points out, as I have already quoted, that there are certainly occasions where branch privileges are very important. The majority adds another line of reasoning to its defense of this bill when they say:

> The institutions are mutual in nature and owned by the persons that use their facilities. The institutions should not lose their local nature, but should be encouraged to make every effort to retain their local ownership, local management, and participation.

My answer to this argument implying possible monopoly is, quoting the minority report:

> Federal savings and loan associations are limited in their lending to a radius of 50 miles from their home office. They cannot become a giant monopoly or dominate the financial field in any community or area. They are mutuals owned by the persons who use their facilites [as the majority has said] and when a mutual institution takes in branches the investors in the branches are equal owners along with the regional group.

In fact, rather than permitting monopoly, the branching operations of Federal Savings and Loan Associations widens the area of service and spreads out the power.

Again, the facts dictate that we should do what we can to protect the right of the Federal home loan and building associations to engage in branching operations.

I close, Mr. President, by making clear that my vote for the amendment and my vote for the bill as amended on the floor of the Senate, whereas I voted against the bill in committee, is because I think the amendment establishes a sound public policy. The amendment completely eliminates the States' rights argument. The amendment cannot be reconciled with the States' rights argument on the basis of which the majority, for the most part, premised its case.

I am delighted that the Senator from Illinois [Mr. DOUGLAS] was so successful in his parliamentary persuasion in a series of conferences off the floor of the Senate in getting the leadership of the majority of the committee to go along with an amendment, the principle of which will constitute the main purpose of the bill.

I congratulate the Senator from Illinois, and I think we have made some subtantial progress in the Senate in protecting small investors in what I think is their clear right to have branch privileges accorded to our building and loan associations.

Mr. DOUGLAS. Mr. President, I commend the senior Senator from Oregon for the very able constitutional and economic argument which he has made. I think it should be studied by all who are interested in this subject.

The Senator from Oregon was a tower of strength in the whole battle, as he is in all battles which affect what we believe to be the public welfare.

To his efforts, both in the committee, on the floor, and off the floor, a very large share of the credit for the adoption of the amendment must necessarily go.

Also, Mr. President, the distinguished majority leader continues his extraordinary record of having good legislation passed by the Senate with a minimum of friction. In baseball parlance, he seems to be "batting 1,000 percent."

Mr. MORSE. I thank the Senator from Illinois sincerely for his comments.

DISQUALIFICATION OF CERTAIN FORMER OFFICERS AND EMPLOYEES OF THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 630, S. 48.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 48) to provide for the disqualification of certain former officers and employees of the District of Columbia in matters connected with former duties.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

THE UNITED NATIONS AND MAN'S DEEP YEARNING FOR PEACE

Mr. SPARKMAN. Mr. President—

> I believe that had we not had the United Nations, the events of the past 10 years would again have plunged the world into unlimited international warfare. The fact that we have not had such a war is attributable in considerable measure to the existence of the United Nations.

This statement was made a few days ago by former President Truman in testimony before the Senate Foreign Relations Committee, of which I am a member.

Mr. Truman, a moving force in the establishment of the United Nations, expresses a fact quite appropriate for us to remember as we approach the close of the United Nations 10th anniversary ceremonies.

During the entire week, the newspapers, radio and television, and all other media of information have related the origin and purpose of the United Nations, and its shortcomings as well as its accomplishments.

Throughout the millions of words spoken and written about the United Nations, there runs one unmistakable theme: Man's deep yearning for peace.

Another theme, not so unanimous but still overwhelming, is that in the search for peace, the United Nations, with all its imperfections, is still our best hope.

The term "United Nations" was suggested by President Franklin D. Roosevelt. It was first used by the 26 nations that met in Washington in 1942 to draft a pledge that their governments would continue to fight together against the Axis powers.

Foundations for the United Nations were laid at the Dumbarton Oaks Conference held in Washington in 1944. From the basis of proposals outlined at this conference, representatives of the various countries drew up a charter which was put in final form and signed in San Francisco on June 26, 1945.

Down through the ages mankind has dreamed of and worked toward the establishment of an international organization designed to stop aggression and to promote world peace and progress.

In the lifetime of most of us there have been two attempts to establish such an organization. One attempt resulted in the League of Nations, and the other in the United Nations.

Our own country, by rejecting membership in the League of Nations, unintentionally contributed greatly to its downfall.

As the strongest democratic nation of the world, and as perhaps the only powerful world power not interested in exploitation of other peoples, our refusal to participate fully in the league meant from the very beginning its eventual failure.

As I look back to the period immediately following the First World War, I think we missed the best opportunity of a century to participate in establishing universal peace.

There was not a single powerful totalitarian power in or out of the League of Nations. Germany had been defeated, and so had Russia. Both were struggling for government stability. No single strong country wanted to wreck the league or to use it for her own selfish gain.

These conditions are not true of today's world organization, and as a result the task of building peace is more difficult and much more costly. In addition, the democracies have relatively much less power than in the 1920's.

The people also came to understand that while participation in world affairs might not prevent war, a policy of isolation certainly could not assure peace. Two world wars within a quarter of a century of trying to live as isolationists attest to that fact.

Thus the great majority of us approved of our leaders' efforts even before the end of World War II to create a truly effective world organization aimed at building a world of peace and progress.

From their efforts evolved the United Nations.

Perhaps these words from the charter constitute the source of its principal inspiration:

> We, the peoples of the United Nations—

Reads the charter—

> have resolved to combine our efforts to accomplish the following aims:
>
> 1. To unite our strength to maintain international peace and security.
>
> 2. To insure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest.
>
> 3. To reaffirm faith in fundamental human rights.
>
> 4. To establish conditions under which justice can be maintained.
>
> 5. To promote social programs and better standards of life in larger freedom.

The similarity with our Constitution is immediately apparent. The Constitution reads:

> We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

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The charter is more wordy than the Constitution, but the objectives are the same: Collective defense, liberty, justice, promotion of the general welfare.

The resemblance is no coincidence. Indeed in its principal aspects the United Nations Charter is a product of American conceptions of democracy and freedom, blended into an American vision of an international order to establish peace. It is a projection of the philosophy, ideals, and objectives of the American people into the sphere of the relations between peoples.

Perhaps it could validly be asserted that one of the most important diplomatic victories in the annals of our foreign relations occurred when, 10 years ago, 50 nations at San Francisco adopted, as their own, a far-reaching strategy for peace formulated in all essentials in accordance with basic American political philosophy.

Although the principles which animated the American Revolution and were laid down in its Constitution are finding new growth and vitality in the United Nations, the world in which they now flourish is a radically different world from that of the 18th and 19th centuries.

No longer is it possible to cling to a proud isolationism and offer only friendship to all nations.

At the present time, when some are criticising the United Nations because it has not performed exactly as they think it should, it might be useful to recall why we have gone to such great lengths to devise and enter into what at times seems to be an extremely entangling and irritating alliance with the majority of the other nations of the world.

The fundamental reason is relatively simple.

The revolutionary discoveries of the 19th century and later have transformed the environment in which we live to such an extent that we now find ourselves in one immense and uneasy neighborhood.

Not only have developments in transportation shrunk distances; but instruments of warfare have been developed and refined to the point of threatening a near extinction of the human species in the event of another war.

This situation creates the compelling necessity for an unswerving and concentrated attempt to prevent, and if not to prevent to suppress, and if not to suppress to limit and mitigate the waging of war. This is what we are trying to do through the United Nations.

Let me illustrate this point by an example. During the period when George Washington was formulating the policy of the States newly united to form the Republic a traveler penned the following description of a journey from Boston to New York, a distance of around 220 miles.

> I set out from Boston in the line of stages (stagecoaches) of an enterprising Yankee, considered a method of transportation of wonderful expedition. * * * We reached our resting place for the night, if no accident intervened, at 10 o'clock, and * * * went to bed with the notice that we should be called at 3 which generally proved to be half-past 2 * * * then the traveler must arise and make ready * * * and proceed on his way over bad roads, and arrive in New York after a week's hard traveling, wondering at the ease, as well as the expedition, with which our journey was effected.

Compare that narrative with the cryptic account of a journey by Howard Hughes in 1938.

> Howard Hughes, accompanied by four technical assistants, left New York at 7:26 p. m. July 10, and flew around the world via Paris, France; Moscow, Omsk, and Yakutsk, Soviet Union; Fairbanks, Alaska; Minneapolis, Minn.; and landed in New York City at 2:34 p. m., completeing the trip of 14,824 miles in 3 days, 19 hours, 8 minutes and 10 seconds.

Even this miracle with jet planes now in use could be repeated in a fraction of the time.

Two hundred years ago Boston and New York were separated by a week's hard journey. Today Moscow and New York are separated by only a few hours.

The revolution in transportation has removed isolationism from the realm of the physically possible. We see multiplying proofs of that around us every day.

Isolationism is no longer a matter of choice.

Now no city is as far away from Washington, D. C., as a week's flight by plane; and even that time will shrink as jets and rockets are further improved.

In these circumstances it must be emphasized, again and again, in that world war is now not only an evil; it is chaos, unlimited and irretrievable. The visionaries of the 20th century are those who do not recognize these facts and retreat into isolationism. The attempt to help keep the peace is an attempt to which there is no alternative.

In keeping with this attempt, the United Nations has been established in principle. To what extent has it been established in practice?

I should like to preface my remarks along these lines with the reminder that the United Nations does not exist apart from its members. It is not an independent entity suspended in a vacuum.

The United Nations acts as its members collectively will it to act. When its members are disunited and lack resolution and courage, the United Nations disintegrates and takes on an appearance of weakness.

When they agree as to purpose and work together in carrying out that purpose, the organization is clothed with strength and authority.

That was the case in Korea, an action which demonstrated that there can be effected an international organization which can move firmly and rapidly if there is the will to do so.

Never have so many nations acted in unity and voluntarily to repel military aggression.

I shall not take the time to relate in detail the many other successes of the United Nations; but they are numerous.

There was the success of stopping the war between the Dutch and the Indonesians, and of working out an agreement whereby Indonesia became a free and independent country. Another was that of persuading the Russians to withdraw their troops from Iran after the end of World War II, and of persuading the French and English to withdraw their troops from Syria.

Still another was the help given in preventing Communist agitators and armed Communist fighters from depriving the people of Greece of their liberty.

The United Nations also played a part in lifting the blockade of Berlin, and in the cessation of hostilities between India and Pakistan over Kashmir.

Any one of those disputes could have led to widespread fighting and perhaps to a new world war.

Some of the most heartwarming operations carried on by the United Nations are those of its specialized agencies.

The International Children's Emergency Fund has tested or vaccinated millions of children in Europe alone in a vigorous antituberculosis campaign; it has supplied clothing for millions of others all over the world.

The International Refugee Organization has helped to feed and clothe and house tens of thousands of persons since it was set up; it has brought together tens of thousands of separated families; and it has furnished relief and inaugurated a constructive program for approximately three-quarters of a million Palestine refugees.

The World Health Organization has conducted specific-aid projects in the health programs of scores of countries and territories; it maintains an epidemic-alerting service through the use of worldwide broadcasting facilities in order to give health warning to nations which may be threatened by epidemics in other nations; and in some countries it has reduced the malaria rate from 80 percent of the population to 5 percent.

I could go on and on in telling of the specific and positive accomplishments of the United Nations in helping to relieve the sufferings of mankind and in helping to build conditions of world peace.

It is extremely doubtful if any of these great achievements would have been possible without such an organization as the United Nations.

It has earned the recognition that we, this week, are joining with other nations in according it.

The greatest reason why the United Nations has not been more successful in its endeavors, and the greatest existing threat to its effective performance in the future, is the Soviet Union.

In order to gain some degree of understanding of this problem, it is necessary to be aware of the relationship between the Soviet Union and the United Nations.

Communist ideology envisages a future world order made up of Communist-dominated states.

It has never adhered unequivocally to the principle that aggressive war is the scourage of humanity. On the contrary, it has espoused, as just, any war having as its motive, or one of its motives, the extension of Communist authority, whether such a war is a civil war or a war across national boundaries.

Events have proved that the Soviet Union became a member of the United Nations, not from any desire to participate sincerely in a system of collective security, but with the view of extending

its own influence and power to areas not under its control.

The fact that the United Nations would concern itself with problems all over the world, combined with the dominant position allotted to the Soviet Union as well as the other great powers in the Security Council, were irresistible inducements to participate.

Allied to this purpose was Russia's determination to prevent any strengthening of the United Nations which would present an obstacle to the furtherance of her plans for expansion.

During the history of the United Nations, these Soviet objectives have become plain for all to see.

But the Soviet Union has not been able to bend the United Nations to its will. Apart from that, the role of the Soviet Union has been characterized by slander, obstruction, and boycott. The veto has been employed frequently in the Security Council in attempts to block constructive effort. Every device has been used to stunt the influence of the Assembly.

Far more serious has been the Soviet record of aggressive acts committed since the ratification of the charter.

In 1946, the Soviet Union attempted to maintain its troops in Iran, threatening the territorial integrity of that country. A public airing of the issue in the United Nations induced it to withdraw.

In the period following World War II, the U. S. S. R. sought to extend its power into Greece, using the Communist ideology and civil war as the long arm of imperialism. American aid and United Nations investigations, combined with the defection of Yugoslavia from the Soviet camp, were effective in thwarting this aim.

In 1948, with the Soviet Army at its borders, Czechoslovakia succumbed to a coup d'etat carried out by its Soviet-dominated Communist Party.

Also in 1948 a Soviet blockade of Berlin was imposed which was only lifted under strong United States pressure combined with a public investigation by the United Nations.

Soviet support of the Chinese Communists, added to the internal weaknesses of that country, led continental China in its entirety to fall behind the Iron Curtain.

Nor was this all. On June 25, 1950, another date that will live in the black book of infamy, the Republic of South Korea was invaded by Soviet-controlled troops from North Korea, later joined by Chinese Communist troops.

The invasion of South Korea was the first instance of direct armed aggression since the end of World War II.

It was a fundamental challenge to the whole collective security system of the United Nations, which embraces not only the Far East but every other region within the reach of Communist power.

It was an attempt to break the collective will to resist and to shatter any possibility that the United Nations might grow strong enough to raise a sure shield against aggression in the future.

It was an endeavor to supplant the principle that "armed force shall not be used save in the common interest" for the Soviet slogan "submit to Communist imperialism."

We can speculate on some of the consequences if this challenge had not been met. It is not enough to write a charter and found an institution based upon valid fundamental principles. An institution will survive only if decisions are made which will enable it to survive.

It is doubtful if the United Nations would have lived on as a potential instrument of collective security if it had been allowed to become impotent before the aggression in Korea.

Other factors weighed in the minds of our policymakers on that fateful June 25.

If the challenge were not met, what would be the effect on the peoples of Asia, on the governments of its newly independent states, weak and struggling to establish internal stability? Perhaps they would turn in the direction of Soviet communism in an effort to seek insurance against aggression.

What would be the impact of indifference on Mao Tse-tung and his Chinese Communist regime? The aggressive nature of this regime is now plain. Perhaps an easy victory by the North Koreans would have encouraged an all-out Chinese aggression in southeast Asia. Perhaps the effect in Europe would have been an ascendency of the spirit of neutralism and defeatism and the paralyzing of North Atlantic defense.

Then there was the history of events leading to World War II—the history of unresisted small aggressions preparing the stage for the general onslaught.

Our most informed political and military advisors pondered these and other questions, and arrived at the unanimous conclusion that the aggression must be resisted. History will, I believe, write correctly that this decision was more fruitful in its long-range effects of preventing world war III than was any single decision of the last half of the 20th century.

Some ask why, on the face of the record, there has been no attempt to expel the Soviet Union from the United Nations. There are several reasons which point to the wisdom of not undertaking such a step at this time.

First, it is not part of the strategy of peace to shut the door to even a faint opportunity for the settlement of issues, large or small. In the United Nations, as long as the Soviet Union participates, the opportunity for settling differences without war is constantly at hand.

It is with the enemy of peace that every effort must be made to explore the possibilities of peace, and we are continually making that effort in the United Nations.

We can also hope that in some degree the United Nations will afford the Soviet representatives a salutary contact with reality, which must be rare in the halls of the Kremlin.

Awareness of the steady purpose of United Nations members, gained through direct participation, may be a factor weighing a trembling balance to the side of peace.

Moreover, the United Nations has served as a platform for the exposure of Soviet policies and methods. No delegate who has ever attended a session of the General Assembly can be under any illusions as to Soviet designs to force communism on the world.

The unity among the free nations that has been developed in the United Nations is in some measure the result of this perpetual object lesson of Soviet duplicity. Viewed in the whole, the disadvantages of Soviet obstruction do not outweigh the present usefulness of its participation.

Although the advisability of trying to expel Russia from the United Nations is arguable, the assault in Korea made it imperative that the United Nations be organized so that it would never be in danger of being paralyzed through the Soviet veto power in the Security Council.

Accordingly, the General Assembly, under the leadership of the United States, adopted a resolution during its 1951 session which would bypass the veto.

As Americans, we are deeply interested in what, specifically, the United Nations is contributing to American security.

It is illuminating in this connection to realize that the major purpose of Soviet strategy in relation to the United States appears to be to weaken our ties with other nations, and, if possible, isolate us. Every device is employed toward this end.

Soviet policy attempts to sow distrust between us and our allies. It seeks to magnify our difference with them. Then again it uses threats and persuasion and promises. If the Soviet leaders could succeed in their plans, if we and other nations decided to "go it alone," which some people even in this country advise us to do, the way would be open to Communist imperialism to take over the world, nation by nation.

Mr. President, I shall not try to relate all the good that we have derived from membership in the United Nations. Neither shall I attempt to anticipate the numerous advantages that our membership will bring us in the future.

However, when one thinks of the many problems existing in the world today, world problems impossible of unilateral solution, it takes no great imagination to envision the worth of an effective international organization.

Such momentous problems as how to promote atoms for peace; how to prevent hydrogen and atomic warfare, and thus save civilization; how to settle the Formosan dispute; how to solve the colonial problem that still exists in many parts of the world; how to settle the dispute on Kashmir; how to bring about eventual unification of North and South Korea; how to remove the impasse of the Soviet veto that deprives other worthy nations of membership in the United Nations; how to build sound and stable trade policies; how to combat the virus of war which thrives on ignorance, hunger, and so on—these and other serious problems that know no boundary lines give indisputable proof that true world peace can be attained only through an organization of nations such as the United Nations.

It is true that we cannot rely for our national safety solely upon the United Nations. It would, however, be a grave

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mistake to underestimate the strength derived from the common purpose of the 60 nations making up the United Nations, and certainly of the 55 members supporting the free-world side in the United Nations.

The strength engendered by that unity contributes to our strength.

Any weakening of the United Nations increases the dangers which confront us.

A peaceful world order has long been a cherished dream of decent human beings everywhere. Since the time of Christ, mankind has moved haltingly toward this goal. Progress has never been measured in miles. Sometimes it is as though it were measured in inches.

We cannot be certain just how much further along the road to peace the United Nations has taken us. That will be clear only in the light of history. What we do know, however, is that it is moving us in the right direction.

THE MAN AND THE MOMENT

Mr. MARTIN of Iowa. Mr. President, I wish to commend the Ladies Auxiliary to the Veterans of Foreign Wars of the United States for the contribution they have made to the Nation's 30 million school children through their dramatic radio series entitled "The Man and the Moment." These 13 stirring episodes from American history have offered abundant proof that in moments of crisis—when our freedoms are threatened—there is always a man for the moment, prepared to make whatever sacrifice is called for to keep those freedoms safe.

I personally was privileged to hear some of these programs on radio station WTOP here in Washington; and I am extremely proud that among the stations throughout the 48 States, Alaska, and Hawaii which gave public service time for broadcasting The Man and the Moment were the following from my own State of Iowa: WOI, Ames; KCRI, Cedar Rapids; WOC, Davenport; KWLC, Decorah; KDPS, Des Moines; WHO, Des Moines; WDBQ, Dubuque; WSUI, Iowa City; KMNS, Sioux City; KXEL, Waterloo; and KGLO, Mason City.

SECRETARY HOBBY'S ABANDONMENT OF SURGEON GENERAL SCHEELE

Mr. NEUBERGER. Mr. President, on Tuesday I was criticized on the floor of the Senate for taking from periodicals and newspapers the information on which I based my criticism of the Secretary of Health, Education, and Welfare for her abandonment of the Surgeon-General in a time of crisis.

It is significant, I think, that some Senators in the Republican Party question the use of press sources for information, when it is a fact that a vast majority of the press backs the Republican Party editorially. Is there some psychic significance to this lack of faith which my Republican critics have in the press?

However, Mr. President, in full support of what I said Tuesday concerning the desertion of a major subordinate by the Secretary of Health, Education, and Welfare, I wish to read from an editorial of June 22, 1955, from the Washington Post and Times Herald, a newspaper which, incidentally, supported Mr. Eisenhower for President in the national campaign of 1952. I ask unanimous consent to have the editorial appear at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PASSING THE NEEDLE

Whatever Secretary Hobby may have intended when she remarked on a radio program Monday that responsibility for the polio vaccine program rested with the Surgeon General, she gave the impression that she was trying to shift the blame to a subordinate. The incident did nothing to polish up the luster of her reputation as a public official. Nor was its impact diminished by her following observation that "I want to make clear that I am not dissatisfied with the Surgeon General." This was a somewhat less hearty endorsement than the accolade "magnificent" which she received from her own boss, the President of the United States, when she was under fire a few weeks ago.

No doubt Mrs. Hobby is correct in saying that the law charges the Surgeon General, rather than the Secretary of Health, Education, and Welfare, with responsibility for licensing the manufacture of vaccine. But a frightening complacency is revealed in her assertion that she has no apologies for the handling of the vaccination program and that "there is nothing I could have done differently." We think that hindsight makes it apparent that much could have been done differently—and to the great benefit of the public. There have been, as we observed once before, enough reproaches based upon hindsight. And we would offer no more if Mrs. Hobby herself could only bring herself to leave bad enough alone. In truth, the lady doth protest too much.

A Cabinet officer is not without influence in determining policy within his or her particular domain. Apart from any question respecting the safety of the vaccine or of the manufacturing processes used in connection with its mass production, Mrs. Hobby might have done a great deal to foster a fairer and more orderly distribution of the scarce supply. She need only look at the record of distribution in Canada to find a blueprint. She could have been a good deal less doctrinaire, in any case, about States rights and socialized medicine. The situation called for a program, rather than for an economic theory.

Mr. NEUBERGER. Mr. President, one phrase in the editorial merits special attention. I draw it to the attention of the Senator from Connecticut, who Tuesday made much of a reorganization plan, and of where laws run or do not run. The Washington Post and Times Herald correctly points out that:

A Cabinet officer is not without influence within his or her particular domain. Apart from any question respecting the safety of the vaccine, or of the manufacturing processes used in connection with its mass production, Mrs. Hobby might have done a great deal to foster a fairer and more orderly distribution of the scarce supply. She need only look at the record of distribution in Canada to find a blueprint.

Cabinet members generally do not mind getting the credit for a successful program. I do not believe, Mr. President, that the average man and woman is very favorably impressed with any effort by high responsible officials to pass the buck to their subordinates when a program is somewhat less than perfect.

EXECUTIVE SESSION

Mr. SPARKMAN. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. KILGORE, from the Committee on the Judiciary:

Gerald E. Murch, of Maine, to be a member of the Board of Parole, vice James A. Johnston, deceased; and

William F. Howland, Jr., of Virginia, to be a member of the Board of Parole, vice Richard A. Chappell, term expired.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). If there be no further reports of committees, the nomination on the Executive Calendar will be stated.

POSTMASTER

The legislative clerk read the nomination of Merlin A. Hymel, to be postmaster for Edgard, La., which nomination had been reported adversely and previously passed over.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination? A negative vote will carry out the recommendations of the committee. [Putting the question.] The "nays" have it, and the nomination is rejected.

Without objection, the President will be notified of the action of the Senate.

LEGISLATIVE SESSION

Mr. SPARKMAN. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. SPARKMAN. Mr. President, it seems that there may be one other item taken up. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that I may withdraw the suggestion of the absence of a quorum.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment until 12 o'clock tomorrow.

The motion was agreed to; and (at 4 o'clock and 10 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Friday, June 24, 1955, at 12 o'clock meridian.

REJECTION

Executive nomination rejected by the Senate June 23 (legislative day, June 22), 1955:

POSTMASTER

Merlin A. Hymel to be postmaster at Edgard in the State of Louisiana.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 23, 1955

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, may this moment of the upward look toward Thee, in faith and aspiration, inspire us to reach out toward needed humanity in sympathy and service.

We humbly confess that we so frequently allow our upward look toward Thee to become eclipsed and distorted by feelings of doubt and self-suffering.

We likewise penitently acknowledge that again and again we limit and repress our outward reach by our selfish desires.

May we understand more clearly that we will only be blind leaders of the blind if we do not cultivate the upward look and that our life will fall into a narrow and dwarfing individualism and egoism if it does not reach out to all mankind.

Hear us in the name of our blessed Lord, who went about doing good.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3295. An act to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. NEELY, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6239. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. MCCLELLAN, Mr. HOLLAND, Mr. BIBLE, Mr. GORE, Mr. DIRKSEN, Mr. YOUNG, and Mr. BEALL to be conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 35. An act to permit the transportation in the mails of live scorpions.

The message also announced that the Senate had—

Ordered, That the message from the House of Representatives announcing its agreement to the amendment of the Senate to the bill H. R. 4249, entitled "An act for the relief of Orrin J. Bishop," be returned to the House in compliance with its request.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5240) entitled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House of Representatives to Senate amendment No. 53 to the above-entitled bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 67) entitled "An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes."

COMMITTEE ON FOREIGN AFFAIRS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tomorrow night, Friday, June 24, to file a report on the bill S. 2090 to amend the Mutual Security Act of 1954.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

SPECIAL ORDER GRANTED

Mr. KELLEY of Pennsylvania asked and was given permission to address the House for 15 minutes on Tuesday, June 28, following the legislative business of the day and previously entered special orders.

OPPOSITION TO COLONIALISM AND COMMUNIST IMPERIALISM

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 149.

The Clerk read the resolution, as follows:

Whereas Communist imperialism and other forms of colonialism constitute a denial of the inalienable rights of man; and

Whereas the people of the United States have traditionally supported other peoples in their aspirations to achieve self-government or independence and in their struggle against tyranny or domination: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should administer its foreign policies and programs and exercise its influence through its membership in the United Nations and in other international organizations so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Speaker, at the outset of my remarks I desire to extend congratulations and appreciation to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from South Carolina [Mr. RICHARDS], for his fine cooperation in connection with the drafting and offering for early consideration by his committee of this resolution. I also desire to congratulate all of the members of the Committee on Foreign Affairs for the prompt consideration given this matter because they all cooperated in unanimously reporting from that committee this resolution.

Mr. Speaker, this resolution is a very important one, particularly at this time in world history. Its passage at this time will have a significant effect throughout the world. It restates and redeclares the faith of America of today in the truths embodied in the Declaration of Independence and that those truths always live in the minds of Americans, and that statement in the Declaration of Independence recognizing the rights of all peoples to self-government and to attain their national destiny in accordance with their culture, their customs, and their national desires.

The Declaration of Independence was of great significance to the people of the Thirteen Colonies. It is of equal significance today to the peoples of many countries of the world, those under some form of colonialism and also those dominated by Communist imperialism.

This resolution is a declaration, a restatement, of faith on our part of the ideals of the founders of our country. Throughout the world there are countless millions of persons in various countries who believe in what is contained in our Declaration of Independence and in our Constitution just as thoroughly as we do and just as enthusiastically as did those who signed the Declaration of Independence. They look to us with hope and encouragement in their efforts to obtain their just national aspirations. This living declaration of the right of self-government has inspired

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subjected people ever since. What the signers stated in 1776 is just as much alive today in the minds of millions of persons throughout the world as it was in 1776 and during the days of the Revolutionary War. A basic policy of our country since its inception has been the right of a people, the recognition of the right of a people, to determine their own form of Government. The dramatic position taken by the signers of the Declaration of Independence electrified the people of the Original Thirteen Colonies into dynamic action which resulted in the establishment of our country.

Only a few months ago there was a meeting at Bandung. Out of that meeting will come many results, but one of the most important actions that took place during that conference was the courage of the representatives of the small countries in that area of the world who are on the battleline of the cold war in speaking out against and into the face of the No. 1 dictator of Red China. To me that was evidence of courage of an inspiring nature.

For many months I have been considering what contribution I might make and my colleagues might make in an affirmative manner toward meeting the test and the challenge of today. For many months I have felt there was no greater contribution we could make than to rededicate ourselves to the faith of the fathers of our country.

Mr. ALBERT. Mr. Speaker, will the distinguished majority leader yield?

Mr. McCORMACK. I am very happy to.

Mr. ALBERT. I am certain that I speak the sentiments of all the Members on both sides of the aisle in paying tribute to the majority leader for bringing this resolution to the House. In submitting this resolution, the gentleman has restated a principle that is as basically American as the hills and the valleys of this country and the people that inhabit them. We recall, as the gentleman discusses this resolution, the time nearly two centuries ago when the people who lived in the area that he now represents fired the first shot in the war that ended colonialism among our own people. We recall, of course, that our people, the Thirteen Original States and the territories adjacent thereto, had experienced colonialism and they did not like it and they overthrew it, and in the fundamental charter of their liberty they wrote the classic challenge to the theory of dictatorship and colonialism. The gentleman, of course, observing, as he does, the importance of the 10th anniversary of the United Nations Charter and also the situation in the world today recognizes that behind the Iron Curtain most nations, both European and Asiatic, other than the Soviet Union itself, now experience a status which is de facto, if not de jure, colonialism.

The gentleman in calling this matter to the attention of the House and in submitting this resolution, which I hope and trust and believe will be adopted unanimously by this body as an expression of the feeling of the people of the United States through their chosen Representatives, has made a great contribution to the cause of those principles upon which this country was founded and to the cause of mankind and its higher aspirations throughout the world.

I want personally to commend my distinguished leader for this action which he brings to this Chamber today.

Mr. McCORMACK. I appreciate very much the remarks made by my distinguished friend, the Democratic whip.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, I rise to congratulate the gentleman from Massachusetts and to join him in urging support for this resolution.

I think its passage may be a great deal more important than the average one of us might assume upon superficial examination.

Its real significance can be appreciated only by reading it carefully against the backdrop of present world conditions:

Whereas Communist imperialism and other forms of colonialism constitute a denial of the inalienable rights of man; and

Whereas the people of the United States have traditionally supported other peoples in their aspirations to achieve self-government or independence and in their struggle against tyranny or domination: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should administer its foreign policies and programs and exercise its influence through its membership in the United Nations and in other international organizations so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

This resolution provides an answer to the critics who have said that our national foreign policy has been one of expediency and temporizing, of meeting each new crisis as it arises with no clear-cut statement of our eventual objectives.

It bespeaks an answer to the Communist world which has sought to distort our aims and portray us as a Nation with imperialistic designs.

It affords at least a glimmer of hope in eventual freedom to millions now enslaved in satellite countries behind the Iron Curtain.

Perhaps most important of all, it supplies in one simple sentence an answer to that lingering question, expressed so recently at Bandung, which has haunted the minds of those submerged peoples of Asia and Africa who today constitute a majority of the world's population, churning in one of history's greatest upheavals.

The most important fact of the contemporary scene is the worldwide struggle for the minds of men and women. Upon its outcome may depend the future and the fate of our children.

Assuming we can achieve a state of nonviolent coexistence in which overt military aggression will be stilled, this ideological contest between two diametrically opposed ways of life will continue. The two great powers, and the governmental systems they represent, will continue to vie for the allegiance and following of the uncommitted millions who hold the balance of eventual world power and the key to tomorrow.

It is disturbing that we have frequently allowed the Communists to seize and hold the initiative in this conflict of ideologies. I am convinced that we have the answer to the yearnings of the world's peoples and that communism could win this competition of ideas only by our default.

Our Nation for 165 years has been in the process of perfecting the most dynamic, the most appealing, and the most practical political idea ever conceived by the mind of man. The world is today a vast, yawning market groping for many of the answers we have found. Yet in much of the world we find ourselves in conflict with a competing philosophy which supplies none of the answers.

Lincoln spoke of the destiny of all men, everywhere, to be free. By our silence, we would make this a passive, rather than an active, goal, and freedom a static rather than a dynamic thing.

For generations, the United States was the shining beacon, the inspiration, and the pattern for popular people's movements all over the earth. Whenever people wanted to create a new government, we were the model.

A hundred years ago, Latin America was undergoing the same upheaval Asia is experiencing today. Then it was men like Bolivar and O'Higgins, and San Martin who sought to create in their infant republics an imitation of the United States.

Fifty years ago, when Cuba felt the irresistable urge of self-government and national self-expression, it was the United Statse of America who became their friend, their inspiration, and their sponsor in the world. It was in this same period that the proud and independent people of Hawaii, having originally embraced constitutional government under the influence of Christian missionaries, requested the privilege of becoming a part of our Nation and sharing our responsibilities, and our perils.

During the First World War, we were viewed as the friend of the unprivileged, the champion of independence for all peoples everywhere. The magnificent idealism of Woodrow Wilson warmed hearts with hope in every land on the face of the globe.

Even as late as the 1920's, when China first threw off the yoke of an outmoded feudal system, it was the United States to which Sun Yat-sen looked for spiritual inspiration and political leadership.

This moral and political leadership can be ours again, if we will but claim it intelligently. It rightfully falls to us by virtue of our own historic position.

Let us remind the new countries of Asia that we too were once a struggling republic with all the problems that beset the newborn. Let us assure these peoples now teetering between our way and Russia's that we are much closer to their legitimate aspirations than Russia is or ever can be.

If anyone should question the importance of this worldwide ideological struggle, let him look briefly at tomorrow's world. There are 710 million people in the world between the ages of 5

and 20—in other words, the "next generation."

If we were to take a representative cross section of 100 of these, 56 would be from Asia, 15 would be from Western Europe, 9 would be from Africa, 8 would be from Latin America, 6 would be from Russia, and only 5 would be from the United States.

The great preponderance of these people, like the awakening of a sleeping giant, are stirring and stretching, bursting the bonds of colonialism and crying out for self-expression.

We could not hold them in subjection, even if we wished. To try it would be to ignore the lessons of history, to betray the founding premises of our own Nation, and to repeat the tragic follies discredited in the mistakes of every aspiring empire from Rome to Great Britain. It would be utterly and unthinkably inconsistent with our own tradition.

And we dare not ignore them, for to do so would be to invite our own peril. Our competitor in this competition of ideologies is making a supreme effort to capture their minds and their future.

In every far corner of the earth—in the ancient Middle Eastern desert, in the far-off mountain region of Tibet, in the smoldering, teeming cities of the Orient, in every village on the war-ravaged face of Europe, this competition between two diametrically opposed ways of life is being waged in the minds of men. And how they choose may well determine the fate of our children.

Thomas Jefferson said that truth is the sufficient adversary of falsehood. I believe that. But this truth must be effectively enunciated. In this resolution, Congress would give it unmistakable expression.

Should anyone doubt that a free people comparing freedom with totalitarianism in the sunlight of an open contrast will surely select freedom, he has but to look at the elections last March in the Indian state of Andhra, where the Communists went down to a decisive and drastic defeat, in spite of their most unrelenting efforts to twist the mind and torment the truth.

Bishop Fulton J. Sheen has said that the great tragedy of our age is the fact that Russia has zeal but no truth, while we have truth but no zeal.

We, of all the peoples in the history of mankind, should be aflame with the vision of an ideal. For there is in all men an innate sense of the sacredness of life and the destiny of man to freedom and dignity because nothing less than that is worthy of man as a creature fashioned in the image of God.

The opportunity and the responsibility for this leadership is ours if we will but accept it.

I congratulate our distinguished majority leader upon the thought and work which has produced this resolution, and I join with him in urging its unanimous adoption by the Members of this House.

Mr. McCORMACK. I thank the gentleman very much for his eloquent remarks.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to my distinguished friend, the gentleman from South Carolina [Mr. RICHARDS], the very able chairman of the Committee on Foreign Affairs.

Mr. RICHARDS. Mr. Speaker, I want to commend the gentleman from Massachusetts, the distinguished majority leader, on his resolution. I also wish to state that the Committee on Foreign Affairs, including Republicans and Democrats, reported out this resolution unanimously, for more reasons than one. We thought it particularly timely for this resolution to come before the House by unanimous vote at this time while the commemoration of the Tenth Anniversary of the United Nations is being held in San Francisco. At the Bandung conference we found that we had many friends in that area of the world who are not only concerned with Western colonialism, but also Russia's more extreme form of colonialism, and those friends did not hesitate to say so. I think it is particularly timely that we definitely and emphatically reiterate here the sentiments of the Declaration of Independence and the Constitution of the United States, as expressed by our forefathers.

Mr. Speaker, sometimes the United States in this worldwide battle against communism has been accused by some of our friends of being procolonial. The facts are to the contrary. It has so happened, however, that sometimes and in some places our representatives have been forced into a position of supporting governments in instances which they considered to be the lesser of the evils among colonial powers. As a matter of fact, all of the legislation that has been passed in this House to help foreign powers in this battle against communism has sometimes involved the choice of the lesser of the evils when it came to the question of deciding what government to support because we have to deal with those governments. We have had to bear in mind that our failure to support some of these so-called historical colonial powers, could have produced a more extreme form of colonialism and a more extreme form of despotism than would be the case if we did support them. That is the case today. We hope that the day will come when the issue will be so clear as between freedom and slavery, and as between colonialism as opposed to anticolonialism, that this Government and this House of Representatives can take a definite, clear-cut position that will be known and honored throughout the nations of the world.

Mr. Speaker, again I commend the gentleman and again I say that this resolution is timely; that this resolution is right; and this resolution will clarify, I think, certainly from the standpoint of the legislative branch of this Government, that the United States is now and forevermore against colonialism in any form.

Mr. McCORMACK. Mr. Speaker, I appreciate very much the remarks made by the distinguished gentleman from South Carolina [Mr. RICHARDS].

Mr. McCORMACK. Mr. Speaker, I yield to the distinguished gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Speaker, I wish to join in congratulating the gentleman from Massachusetts [Mr. McCORMACK] on the timely presentation of this resolution, and upon its wording.

Our committee gave careful thought and study to the wording of this resolution. Although we are a great committee for making amendments, we felt that no amendments to this resolution were necessary or desirable or helpful.

I want to remind our brethren that this refers not only to additional colonialism, but to Communist imperialism as a form of colonialism.

I am sure that the gentleman from Massachusetts in presenting this resolution, which states the sense of Congress as the foreign policy of the United States in opposition to colonialism and Communist imperialism, intended to uphold the hand, and not tie the hands, of our President in any meetings that are to come along this summer.

Mr. McCORMACK. Absolutely.

Mr. VORYS. I am confident of that. I thought I could speak for the gentleman. The same high principles so eloquently and accurately expressed in this resolution have been expressed before. In fact, during our committee deliberations, in considering the last line of the resolution: "To enable those peoples to assume an equal station among the free nations of the world," the members of our committee realized the similarity of these words to those in the preamble to the Declaration of Independence, in which our forefathers declared as a matter of principle the right of peoples to "assume among the powers of the earth the separate and equal station to which the laws of nature and nature's God entitle them."

Similar thoughts were mentioned by our President in his historic address in San Francisco June 20, where he said:

> The charter assumes: That every people has the inherent right to the kind of government under which it chooses to live and the right to select in full freedom the individuals who conduct that government.

Then he said:

Our long history as a Republic manifests a self-imposed compulsion to practice the same principles.

So I believe that this expression of high principle will be helpful at this time, for the inspiration of our own people, and it will have a resounding effect not only in San Francisco but for the people who are under colonialism or Communist imperialism all over the world.

Mr. McCORMACK. The gentleman will remember when I appeared before the committee that I quoted what President Eisenhower so eloquently said a few days ago at San Francisco.

Mr. VORYS. The gentleman brought the text of the President's speech to our committee.

Mr. McCORMACK. And the gentleman, I know, agrees with me that this is a living truth. Some may suppress it, but it can never be destroyed in the hearts and minds of people who want to be free under the law.

This resolution will enable these great leaders in other countries who have man-

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ifested their courage at Bandung and elsewhere to go to their people and in turn say: "America has not forgotten us. America has not departed from the faith of its fathers, because the people's representatives in the Congress of the United States have adopted this resolution and it has been concurred in by the executive branch." Is that not correct?

Mr. VORYS. That is correct.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. WIER. Mr. Speaker, I do not take second place to any Member of this House in my opposition to colonialism any place in the world, in any shape in which it shows its head, and I would like to support this resolution of the gentleman from Masachusetts. But I have to look ahead a couple of weeks to convince my conscience that I am on sound ground, for the simple reason that this resolution coming out of the Committee on Foreign Affairs was reported unanimously; but following this resolution I can assume that in a couple of weeks we will have their recommendations for funds for military hardware for the nations under the so-called mutual aid bill.

I hope I do not find myself in the inconsistent position of supporting wholeheartedly and believing in this policy of anticolonialism and then having to support funds in the millions for hardware for the very countries that will be in that bill who carry out this policy of colonialism.

I hope I do not find myself compelled to answer the question: How could you vote against colonialism and then turn around and vote funds for munitions of war for those countries who practice colonialism?

Mr. McCORMACK. My friend should not find himself in great difficulty at that time because we must be guided in our actions by the national interest of our own country. Certainly the passage of this resolution is in the national interest of our country, and the passage of the bill that will come before us for mutual aid will also be for the national interest of our country; so having in mind the national interest of our country I am sure my friend from Minnesota will not have much difficulty in reconciling action today with action which might come later. But if the gentleman does not, in disagreement we always profoundly respect his views.

Mr. WIER. Would the gentleman mind giving me the answer to the question which might arise after supporting and believing in this resolution, and I believe in its principles with all my heart; being against colonialism how am I going to answer someone who asks me: "Then why did you support $30 million for a country that is up to its neck in colonialism?"

Mr. McCORMACK. I say the question of national interest always comes first. Today we are discussing a truth; when we discuss the mutual aid bill we will be discussing a policy. Truth never dies, and this is an American truth established by the fathers of our country which all mankind in all lands without regard to race, color, or creed, who want to be free under the law also believe in.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I desire to commend the gentleman from Massachusetts for this resolution. It is further notice to the world that the Congress is opposed to colonialism and exploitation under world communism. But implicit in this resolution as the gentleman from Minnesota has just stated, implicit in this resolution is our opposition to colonialism, under British or French—I name them—under the British and the French or any other so-called free world government; and, as the gentleman from Minnesota has said, we will probably be confronted here next week with a multibillion dollar bill for the purpose of providing so-called aid to a variety of nations throughout the world, some of whom have long exploited millions of people.

Mr. McCORMACK. I know my friend strongly supports this bill.

Mr. GROSS. If the gentleman will yield further, let those who support the foreign give-away program remember that they have here today voted for this resolution which opposes colonial exploitation in all of its forms and by every government. To support this resolution here today and then provide funds for the support of French colonial exploitation in North Africa, for instance, will constitute the worst kind of double-talk.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. BENTLEY. Mr. Speaker, I wish to join my colleagues of the House in support of House Concurrent Resolution 149 offered by the gentleman from Massachusetts, our able and distinguished majority leader, and to commend the gentleman for his timeliness in presenting it here. House Concurrent Resolution 149 declares it to be the sense of the Congress that the United States should administer its foreign policies and programs and should also exercise its influence in the United Nations and other international organizations of which it may be a member so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

Mr. Speaker, it is most fitting and timely that the House should adopt such a statement of policy at this time. We have recently witnessed the Afro-Asian Conference at Bandung, Indonesia, where we learned to our pleasant surprise of the large number of friends we had among the nations of Asia and Africa, friends who share our belief in the principles of democratic freedom and who were not afraid to stand up and be counted on our side in debate with the Communist and neutralist countries of that part of the world. Our friends at Bandung also correctly pointed out that Communist imperialism is the most dangerous form at present of all forms of colonialism which constitute a denial of the inalienable rights of man.

Since the United States has, ever since the adoption of the Declaration of Independence, traditionally supported other peoples in their aspirations to achieve self-government or independence and in their struggle against tyranny or domination, it is eminently correct that the House express itself in the sense of House Concurrent Resolution 149. At this time when the United Nations is celebrating its 10th anniversary at San Francisco, such a time when we are nearing the so-called summit meeting of the Big Four at Switzerland it is indeed more than ever essential that the elected Representatives of the American people record themselves as reaffirming these principles which have been a traditional keystone of our foreign policy since the inception of our country.

Mr. Speaker, I believe that the House should, however, go further in its implementation of such glorious principles. Yesterday the Foreign Affairs Committee reported out H. R. 6922 better known as the Mutual Security Act of 1955. I attempted, in committee, to secure the passage of an amendment which would have limited our military and economic assistance to those nations which likewise endorse the principles contained in House Concurrent Resolution 149. My amendment was defeated by the substitution of a watered-down version which merely stated that our mutual-security legislation should be administered in accordance with the sense of the resolution now under consideration. I do not regard this as genuine or sufficient implementation by the House of the sense of House Concurrent Resolution 149 and I hereby serve notice that, when H. R. 6922 comes up for consideration, I shall reintroduce my original amendment which, in effect, provides that no country shall qualify for our foreign aid unless it, too, conform to the principles which we are espousing so enthusiastically here today.

Mr. Speaker, I hope that the House will unanimously support House Con-Current Resolution 149 which, I believe, will prove of tremendous encouragement to peoples throughout the world who are struggling against foreign domination and for self-government and independence that the United States is firmly on their side in their efforts and aspirations.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. VORYS. I do not think it would be helpful to attempt to debate in advance legislation that has not yet reached the floor. However, I want to say that the principle expressed in this resolution is already written into the mutual security legislation that will reach the floor next week. Therefore, we can all feel confident that we are not going to express one principle today and a contrary principle later on.

Mr. McCORMACK. I am sure that we will be able to discuss that at the proper time.

Mr. CARNAHAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Missouri and want to say that I appreciate very much his contribution in having this resolution so promptly reported out of committee.

Mr. CARNAHAN. Mr. Speaker, I want to join with the distinguished majority leader in urging unanimous adoption of House Concurrent Resolution 149. It is timely. I want to compliment the gentleman on the thought and effort he has put forth in bringing to us this resolution. I think it is timely that the legislative body is saying at this time that it is the policy and the aim of the people of the United States to support other peoples in their effort to achieve self-government and independence under circumstances which will enable them to assume an equal station among the free nations of the world. In these trying days for the free world if the free world is to be successful in combating international communism and thus survive, we must actually have and implement a zeal for humanity's individual welfare and progress which communism professes to have but which it never intends to either attain or implement.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I thank the gentleman for yielding, and I thank him in particular for having introduced this resolution—a resolution which states so strongly and so clearly a belief that not only is stated in words in our Constitution but lies deep in every American heart. I am also reminded that "faith without works is dead." We can only hope that from now on we will make this resolution the guiding star of American policy, and thus prove to the world that what we publicly advocate, we not only do believe in but actually have the courage to act upon.

I hope that the gentleman will ask for a rollcall on this resolution so that we may show to the world that every one of the 435 Members of the House stands for the faith and determination therein expressed.

Mr. McCORMACK. I appreciate the gentlewoman's remarks.

Mr. DODD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Connecticut.

Mr. DODD. I wish to join my colleagues in words of commendation and praise for our distinguished majority leader for having introduced this resolution. With others of the Foreign Affairs Committee I was happy to vote for this resolution in committee. It expresses the will of the American people. Not the will of the American people today only, but their will ever since the foundation of this Republic.

Reference has been made to the fact that this is a timely resolution. I agree that it is. However, I suggest that it is more than timely. It is actually timeless because it is truthful.

Now I have no desire to detract in any way from the merits of this great resolution. But I must say I wish it had gone further. I believe that we should go further and tell the whole truth to the whole world about the total infamy of Soviet Russia. We should denounce the forced occupation of the captive satellite nations as the major cause of world tension.

This is the real cause of the uneasiness, the apprehension, and the fear of war which exists in the world. And until these once-free nations are released from Soviet bondage, there can be no peace and no foundation for peace.

Now, there are those who feel that it is unwise for the Congress to say these things at this particular time because it is feared that if the Congress should speak in this manner the so-called summit conference would be less likely to succeed.

And there are some others who feel that one should not speak out about these great injustices and aggressions because it is feared that to so speak aggravates the present situation.

For my own part, I feel that those who have these fears are mistaken. This, however, is a matter of judgment. And since there is a difference of judgment and because this is no time for division among us, I do not press my viewpoint at this time.

Certainly I do not have any desire to aggravate an already bad situation, and certainly I do not want to do or say anything which will in anywise adversely affect the so-called summit conference.

Perhaps at a later time the Congress can speak on this question.

However that may be, this resolution is a right step, and the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK], has made a great contribution that can only help the people of this country to better understand the world situation, and it can only help the people of the world to better understand the true attitude of the Government and of the people of the United States.

Mr. McCORMACK. I thank my friend very much.

Mr. THOMSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wyoming.

Mr. THOMSON of Wyoming. Mr. Speaker, I would like to join with the distinguished majority leader from Massachusetts in regard to this resolution that I think is so timely and so important a subject in the world today. This action is real evidence of the leadership for which we are, to a large measure, responsible in the world. However, I would like to also point out that I hope the Congress will be consistent with the principles set forth in this resolution in dealing with American "western colonies." And by "western colonies," I mean the 11 western public-land States. Fifty-two percent of the land in my State, that is 52 percent of the surface, and over 70 percent of the minerals are claimed by the Federal Government and we are denied equal status as a State with the rest of the 48 States of the Union. Supreme Court decisions have recognized this.

I want to thank the gentleman from Massachusetts for yielding this time. Again, I compliment him for sponsoring this resolution, and particularly at this time. My last remarks in no way detract from my wholehearted support and endorsement of the resolution. I am confident that when our problem is presented at the proper time, and in the proper manner, that we will have the support of our sister States in solving it in a fair manner consistent with the principles of this resolution.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Speaker, I would like to commend the gentleman from Massachusetts [Mr. McCORMACK] for this timely and splendid resolution. Of course, I commend the distinguished chairman of the Committee on Foreign Affairs, my colleague, the gentleman from South Carolina [Mr. RICHARDS]. I think this is one of several timely resolutions that have come before this House lately. One was the Formosa resolution. I particularly commend the gentleman from Massachusetts for including in the resolution Communist imperial colonialism. It has been my observation, however, that we here in America are prone to commit ourselves to a great ideal, and this is an ideal, but I think we must consider a practical problem in the implementation of this ideal set forth in this resolution. I remember the Atlantic Charter, a beautiful ideal. I remember all of these declarations about the freedom of Poland and the states of central Europe, and today they are behind the Iron Curtain. I think it is pertinent and timely while we are considering this resolution to also consider the fact that where colonialism passes out of the picture, so often communism walks in. The people in many of these areas do not have television sets in their sitting rooms; they do not have radios; they do not have daily newspapers; they do not know colonialism from communism or democracy. Ninety percent of the people in many of these areas cannot read or write. They do not have a place to sleep, many of them, and they do not have food and clothing. So, while we are opposing colonialism and adopting this timely resolution, for which I am going to vote, let us consider also the practical problem involved, that is, of putting into practical operation such an ideal.

I was in India not long ago and found out that 83 percent of the people cannot read or write. They did not know about the grain-to-India bill. They know nothing about "self-determination" or how to form and operate a "government of the people." And so, when colonialism moves out, as was the case last year in the Rice Bowl of Indochina, too often communism takes its place. India was not ready for a strong democratic government when the British moved out so therefore today they are on the brink of communism. The United States indirectly helped to destroy years

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of progress in the Dutch East Indies when the Dutch were forced out with the people unprepared to govern themselves. Indonesia is in a state of anarchy this very minute and headed straight for submission to Communist colonialism. On the other hand America prepared and educated the Philippine people for democracy and freedom. Their government is a great success. Their present day leaders were prepared and trained for leadership in a republic years ago.

When America became free from England we were ready for freedom. We had years of experience in the Colonial legislatures. We had our Washingtons, Jeffersons, Masons, Franklins, Lees, Pinckneys, and Hamiltons to lead our people. We had men trained and educated to write a Declaration of Independence and to write a Constitution and Bill of Rights. But I must remind you, Mr. Speaker, that we did not advocate self-government for American Indians. That would have been absurd. The same is true today of many peoples in Africa and southern Asia. Let us help prepare these people for self-government and then colonialism will fade away.

I want the world to know we are passing this resolution, but let us not give up any vital areas in the world in the name of fighting colonialism or abandoning the policy of colonialism and then let communism or something worse take over, as has often been the case, Mr. Speaker, in the last 10 years.

I again commend the gentleman from Massachusetts, and I think all of us should join in the proper implementation of this timely and great resolution.

Mr. McCORMACK. I appreciate the remarks of my friend from South Carolina.

Mr. RABAUT. Mr. Speaker, this is another indication of the policy of America. The keynote of our national foreign policy has traditionally been: "Do unto others as you would wish them to do unto you." I am certain that the history of our relations with the nations of the world will attest to that general concept of good-neighborliness and fair play.

Of more recent instance is the manner in which our country gave of its resources after World War II through the instrument of the Marshall plan, which was later followed by President Truman's point 4 program affording technical assistance to the backward areas of the world. To this we can proudly add the work of our American Red Cross which has been on the scene of all major disaster areas in the world. I am sure that no one can say, without distorting history, that our great country has practiced well the Christian principles that it preaches.

This action today by the majority leader, the gentleman from Massachusetts [Mr. McCORMACK] and approved by the committee of the distinguished gentleman from South Carolina [Mr. RICHARDS] shows again the unity of the House of Representatives when the causes of humanity are at stake. I hope that this resolution will be heralded to the whole world in order that they may know of the unity of the House of Representatives and of the Congress of the United States as regards the interest of our body in the peoples of the world. This resolution comes at a most propitious moment, the 10th anniversary of the formation of the United Nations which at this very time is meeting to reaffirm the intentions to which they subscribed a decade ago. This resolution will add immeasurably to the much-needed responsible thinking that is necessary at this critical time in world relations.

I commend the distinguished gentleman from Massachusetts [Mr. McCORMACK], for introducing his resolution.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Wisconsin [Mr. ZABLOCKI], a member of the Committee on Foreign Affairs.

Mr. ZABLOCKI. I wish to join the majority leader and my colleagues of the Committee on Foreign Affairs in urging the unanimous adoption of House Concurrent Resolution 149. I also commend the majority leader and the others who have sponsored like resolutions.

In my humble opinion, this resolution will serve as a beacon to disperse the haze of misunderstanding of our position on colonialism. I think it will serve to clarify our position to the nations in the Far East, particularly in southeast Asia, who are in doubt as to just where we stand on this issue.

The resolution expresses principles for which the United States has fought and bled, principles which it has constantly proclaimed throughout the world, and principles which the United States has always supported wholeheartedly in international organizations and conferences in which the United States participated. The principles have been proclaimed not as a matter of selfish interest for the United States. The pages of history amply demonstrate that the heart and conscience of the United States have spoken on behalf of all peoples everywhere to achieve "self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world."

This is the language of the resolution and this is the American tradition.

Under the terms of the resolution, the media for exercising United States leadership in achieving these principles are the United Nations and other international organizations. This is entirely fitting, for the United Nations is the cornerstone of American foreign policy. It is recognized as such in all of our deliberations with other nations and peoples and in the mutual security program. Section 101 of the Mutual Security Act of 1954 states that—

> the Congress of the United States reaffirms the policy of the United States to achieve international peace and security through the United Nations.

Further in that section the Congress "reaffirms its previous expressions favoring the creation by the free peoples of the Far East and the Pacific of a joint organization, consistent with the Charter of the United Nations, to establish a program of self-help and mutual cooperation designed to develop an economic and social well-being, to safeguard basic rights and liberties and to protect their security and independence."

One of the cardinal principles of the United Nations is to develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples.

It is especially fitting that the United States leadership be exercised throughout the United Nations at a time when the 10th anniversary of its founding is being celebrated in San Francisco. This resolution is exceptionally timely, therefore.

Statements proclaiming our traditional principles in opposition to Communist imperialism and other forms of colonialism have been made by members of the Foreign Affairs Committee and of the Congress with constant regularity, evidencing the great concern which the American people have for the cause of freedom everywhere. In 1953, on two occasions it was my privilege to be a member of a special study mission of the Committee on Foreign Affairs to Southeast Asia and the Pacific. In April, the study mission to Pakistan, India, Thailand, and Indochina, under the chairmanship of the Honorable CHESTER E. MERROW and including Hon. WALTER H. JUDD, Hon. A. S. J. CARNAHAN, and myself returned from that area convinced that colonialism was the great festering sore in the heart of Southeast Asia. We reported that it was essential to make clear United States traditional policy to the peoples of this area on all forms of colonialism, the Communist kind and the other brands as well. The necessity for such action was borne out by a subsequent study mission to that area undertaken by a special group from the committee in November-December 1953, comprising Hon. WALTER H. JUDD, chairman, Hon MARGUERITE STITT CHURCH, Hon. E. ROSS ADAIR, and myself.

This is a traditionally American resolution, but it is important that the principles which the resolution embodies should be shared by all peoples which will enable them, in the language of the resolution "to assume an equal station among the free nations of the world." This must be the core of American foreign policies and programs particularly through the exercise of United States influence and leadership in the United Nations and in all other international organizations in which the United States participates, in keeping with the resolution.

The record of Communist imperialism is amply documented. It is recognized for what it is: A sinister form of ruthless colonialism for the sole overriding purpose of subjugating the mind and conscience of man to the dictates of a godless tyranny. The whole impetus of Communist imperialism is to enslave man and keep him enslaved. Other forms of colonialism have had a varying history, but no form of colonialism is good despite the incidental benefits which at times it has brought to the people under its domination. Both the Communist form of colonialism and other forms of colonialism constitute a

denial of the inalienable rights of man. So much is clear.

Therefore, true to our tradition of principles the United States must exercise its leadership to support other peoples in their efforts to rid themselves of the shackles of colonialism under circumstances which will enable them to assume an equal station among the free nations of the world. Toward this goal our foreign policy and our legislative programs buttressing the foreign policy of the United States and the mutual security legislation are directed. Toward this goal our Nation is dedicated.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members who have spoken may have permission to revise and extend their remarks, that any Members desiring to do so may extend their remarks in the RECORD at the close of the debate on this resolution, and that all Members may have 5 legislative days in which to extend their remarks on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, may I say that I introduced this resolution not as majority leader but as a Member of the House. When I introduced it I was hopeful that it would develop into a bipartisan matter, and I am very happy, exceedingly so, that it has developed into a bipartisan matter. On foreign affairs that is vitally important.

I am very glad now to yield to the gentleman from Pennsylvania [Mr. FULTON], who a day or two following my introduction of this resolution introduced a companion one.

Mr. FULTON. I am glad to join with the gentleman on a bipartisan basis to sponsor the passage of this resolution. On June 1, the day after the gentleman from Massachusetts [Mr. McCORMACK] introduced House concurrent resolution 149, I introduced an identical resolution, House concurrent resolution 150, and spoke for it after consulting with the gentleman.

Our United States position with the United Nations will be greatly strengthened if we today pass this resolution unanimously to show the American people's firm policy against colonialism and imperialism and repression of any kind.

If we Representatives stand together on this resolution across party lines, it will be a resolution and a statement of policy that will go around the world. Word of this action by the American Congress will go not just to those educated people in developed countries but to the poor and uneducated peoples, the ones in countries and areas that have been repressed for generations, and who have wondered where the American people really stand, as separate from their Government's official statements.

This resolution will also help our friends behind the Iron Curtain and in the satellite countries, who will know that we have not forgotten them nor these principles of justice, equality, and freedom. Sometimes before the United Nations when nations have questioned our real attitude and stand on colonialism, they have had ground to say to the American people, Are your representatives really speaking for you against colonialism? By instructing in this resolution our United States representatives before the United Nations and our representatives in any international body to take a firm stand against communism, imperialism, and colonialism anywhere, it does mean that the American people want to see this policy implemented everywhere. When Congress says to these colonial and repressed people these resolutions that we want to support other peoples in their efforts to achieve self-government and independence under circumstances which will enable them to assume an equal station among the free nations of the world, we in Congress have to back up this policy from here on wherever circumstances or issues arise.

Actually this resolution is a historic change in American foreign policy. It has previously happened that it has been the policy of our representatives abroad not to take a firm stand on colonialism when it jeopardized, our representatives thought, varied interests of the United States. The Congress in this resolution says, regardless of any other interests of the United States, we will firmly stand against communism, imperialism, and colonialism. That is a broad, wide statement. I, for one, promise that I will hereafter vote, and vote whether it is difficult or not, to support these principles. Both at home and abroad we people of good will—and there are millions of such people—who have been working for this equality and this freedom from repression and from discrimination of any peoples, we certainly should continue in that work and be encouraged when the Congress of the United States states this to be a firm policy for every peoples of the world. Congress must implement this policy of the equality of peoples here in the United States, and abroad in every country, and take no position which throws a shadow of a doubt on the official United States position against Communist imperialism and colonialism.

America stands at the open door of a new world. We the free peoples of the world must assure the people of the world in every country that we intend to pass through this door of transition to a wonderful brave new future with principles of liberty, equality of justice for all.

We in the United States at home are moving toward the equality and elimination of discrimination among our own peoples which we all have hoped for.

Passage of this resolution by the representatives of the American people will emphasize our strong position against imperialism and colonialism anywhere in the world.

Our expressed support of other peoples in their efforts to achieve self-government and independence will greatly hearten the colonial peoples and the nations now held in bondage by imperialism or exploitation of any kind.

Mr. McCORMACK. Mr. Speaker, I appreciate the contribution made by the gentleman from Pennsylvania.

Mr. Speaker, I yield to the gentleman from New Jersey [Mr. WILLIAMS].

Mr. WILLIAMS of New Jersey. Mr. Speaker, I thank the gentleman for the opportunity afforded me to join with him and associate myself with his resolution. I commend the gentleman on this occasion. His resolution is a statement of high principle, the founding principle of the United States of America. It seems to me it is more than a statement of principle. It calls for the principle to be supported by action because under this resolution we are asking that our representatives administer our foreign policies and programs and exercise the influence of this Nation to support people who are seeking their freedom. I hope our representatives throughout the world will use this as a guidepost in their negotiations and actions and representations in matters affecting the peoples of other countries who are seeking their freedom.

Mr. McCORMACK. Mr. Speaker, I thank the gentleman from New Jersey.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Speaker, I, too, would like to associate myself with the distinguished gentleman from Massachusetts in the presentation of this resolution. I think this is a very appropriate time to do it. I am sure the nations of the world will be impressed by the fact that the Congress of the United States reiterates its traditional stand in favor of freedom and self-determination of peoples everywhere.

Mr. McCORMACK. Mr. Speaker, I thank the gentleman from Ohio.

Mr. Speaker, I yield to the gentleman from Connecticut [Mr. MORANO].

Mr. MORANO. Mr. Speaker, I associate myself with the remarks of the gentleman from Massachusetts. I would like to remind the House that I introduced a resolution dealing with the matter of self-determination of the people of Cyprus. I would assume, of course, that they are blanketed in by the resolution offered by the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman is correct. This resolution is all-embracing. It is a redeclaration of a time-honored position of America. It applies with equal force to the peoples of the satellite and dominated nations.

Only yesterday at San Francisco the delegate from Cuba, Dr. Emilio Numez-Portundo, made a speech that electrified those who were present, and certainly electrified all of us who read his remarks. He was supported by that former colleague of ours, that great citizen of the Philippines, and a great world figure, Carlos Romulo. Men like that, representing small countries, speaking with courage, express the thoughts and determinations of men and women who want to be free under God and under law. That is a spirit that no man can destroy. No government, no dictator can destroy it. They might suppress it, but they can never destroy it, and the adoption of this resolution will have a stimulating and an inspirational effect, I am sure, upon men like Romulo and the representatives of the other small countries, who speak out with courage, and the representative of Cuba who spoke out with courage only yesterday at San Francisco.

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Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MORANO. I agree with the gentleman from Massachusetts that that was a courageous act on the part of the representative from Cuba, a small nation, the pearl of the Antilles. That is important to us in our foreign policy. I want to say that the Cubans have always, consistently, without fail, supported our position in the United Nations and our foreign policy in the world.

Mr. McCORMACK. That is correct.

Yesterday the Soviet representative made some remarks, and among other things he said:

> All this means that we should pass from words to deeds.

America gave not only words but deeds in the case of the Philippines, and in the case of Cuba. America has always kept its promises. America has never broken its word. America has never sought one foot of territory belonging to another country or any other people. America is not trying, directly or indirectly, to subvert the government of other peoples. Our whole policy is to strengthen free government, and to assist people in their determination to be free under the law.

Mr. Speaker, I am very grateful for the remarks made by various Members.

Mr. KELLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KELLEY of Pennsylvania. I appreciate very deeply the introduction of this resolution by the gentleman from Massachusetts. It is statesmanlike. The gentleman has proved he is a statesman. And I think he will be supported by the Congress, and I am sure it will meet with the approval of the citizens of this United States, who, above everything else, have a deep love of liberty and independence and would like to see other people in the world have the same great freedom that we have.

Mr. McCORMACK. I appreciate the gentleman's remarks.

I am very grateful for the unanimous support given by the Committee on Foreign Affairs, and also for the expressions made by various Members today in support of the resolution that nearly 200 years ago meant everything to the founders of our country, and in the world of today its passage may mean everything to countless millions of persons living in other countries.

Mr. MURRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MURRAY of Illinois. I wish to associate myself with the remarks of our distinguished majority leader and the other Members of Congress in supporting this concurrent resolution.

I have been privileged in the past few months to speak to many Americans who trace their ancestries to countries whose people are now enslaved by godless government aggressively imposed upon them by the Soviet Union. I think this resolution gives these people and their kinfolk behind the Iron Curtain if not a renewed hope, at least the realization that our country still abides by the principle of self determination of people.

Today, June 23, is the day before St. Janez Day. St. Janez Day is a holiday on which Slovenians pay tribute to the memory of their countrymen who gave their lives fighting against the Ottoman Turks and the many other invaders who have plagued Slovenia through most of modern history. In Slovenia, it is a custom on this day for the people to light bonfires on mountainsides in commemoration of the traditional method of giving warning that an enemy army is approaching.

I think that this resolution, being considered on the eve of this date, might well be described as a rekindling of the fire of liberty on the mountain of freedom to give evidence to peoples in captivity behind the Iron Curtain that our country has not, and will not forget their plight.

Mr. McCORMACK. I appreciate the gentleman's remarks very much.

Mr. EDMONDSON. Mr. Speaker, my enthusiastic support of this resolution of freedom has already been expressed, on the day our distinguished majority leader made known his intention to introduce it.

There is need, from time to time, for clear cut national expression of basic truths and principles. The American stand, for freedom and against tyranny, for independence and against colonialism, is set forth in clear and eloquent simplicity in the McCormack resolution. It should come as a breath of sweet and refreshing air upon a troubled and confused international atmosphere.

I am glad that the resolution has won such united and bipartisan support in this forum of the American people, and trust it will be carried by the House without a dissenting vote.

Mr. GORDON. Mr. Speaker, I am very pleased to join with our distinguished colleague, Hon. JOHN W. McCORMACK, the majority leader, in support of the resolution introduced by him, expressing the traditional opposition of the American people to colonialism and imperialism.

It seems particularly fitting now, when the United States is host to members of the United Nations at San Francisco, that the Congress of the United States—a democratic body composed of representatives of the rank and file of the American people—should affirm to the world that it is irrevocably opposed to all forms of colonialism and to Communist imperialism.

Also, in just 2 weeks, on the Fourth of July, we in the United States will celebrate Independence Day. There could be no better time to reiterate the principles set forth in that truly great document, the Declaration of Independence. And, the language of the resolution supporting the efforts of peoples "to assume an equal station among the free nations of the world" can be compared to the language in that revered Declaration "to assume among the powers of the earth, the separate and equal station to which the laws of nature and nature's God entitle them."

Mr. BOLAND. Mr. Speaker, I join in congratulating the sponsor of this resolution, the distinguished majority leader and my colleague from Massachusetts, the Honorable JOHN W. McCORMACK. The adoption of this resolution reaffirms the basic policy of our Government. It is a clarion call to the oppressed and enslaved peoples of the world who have been plagued by Communist imperialism and colonial despotism. The United States was founded and developed by pioneering, courageous forefathers who detested governments that were ruled by men and not by laws. They dared to strike out on their own to establish a new birth of freedom. Ever since those early days of our history, our Nation has endeavored, sometimes under difficult circumstances, to proclaim to the world that there can be no peace, no tranquility between nations or people unless there be self-government and independence in all nations.

Mr. Speaker, this resolution ought to be overwhelmingly adopted by this House.

Mr. POWELL. Mr. Speaker and colleagues, may I take this opportunity of congratulating the gentleman from Massachusetts, our distinguished majority leader [Mr. McCORMACK] for the introduction of this resolution.

The introduction and the passage of this resolution against colonialism is directly the result of the Asian-African Conference which I was privileged to attend as an unofficial observer on April 18 of this year in Bandung, Indonesia.

There in the Far East, 12,000 miles away, men who believed in democracy fought for the ideals for which the United States of America stands and yet they were fighting for these ideals knowing that our Government had ofttimes failed them in dealing with the question of colonialism. In the United Nations, our delegates have abstained all too frequently when the question of colonialism was presented. I stand here today to tell you that we cannot win the battle against communism in the Far East unless we are willing to fight wholeheartedly against colonialism for the Far East. The people of Asia and Africa are telling the United States of America, as they have told me, "We will fight communism with you if you will fight colonialism with us."

Today marks an historic moment in the development of the foreign policy of this Nation. How tragic it is that it took us 180 years from the ride of Paul Revere through the New England countryside to bring to pass a formal statement saying this is the sense of Congress that we are opposed to colonialism in every form.

I think it wise to point out certain inescapable conclusions:

First, the foreign policy of our Government, upon the passage of this resolution, must immediately change. We can no longer have a foreign policy in the Department of State dictated by the British, French, and Dutch colonial policy.

In the second place, we must say to our western allies that they are our allies and we will stand with them anywhere with our men and with our money to defend them and to fight with them to protect the common interest of the free

world. But, we must now—just as vigorously—say to the allies of the West, we can no longer fight with you on any question that involves colonialism and imperialism.

Third, our delegates to the United Nations and all of the international bodies must realize that with Congress backing this new policy by a vote here today, that they, as delegates, must immediately stand up and vote on the side of freedom and not abstain on the question of colonialism.

Finally, this gives to our great and loyal friends in Asia and Africa ammunition to fight communism with. For now they can truly stand up and say the United States Congress is against colonialism in whatsoever form it may be and therefore you, who are trying to spread the doctrine of communism, are only spreading a doctrine of new economic imperialism.

The colored peoples of the earth—the 2 billion—applaud this action and men, who are yet to be freed, will receive new hope today because this great country of ours has now gone on record through its highest legislative body that the world cannot endure half-slave and half-free.

Mr. FEIGHAN. Mr. Speaker, the distinguished majority leader has earned the grateful appreciation of all freedom-loving people for preparing and introducing House Concurrent Resolution 149. I say this because the purposes of that resolution are obvious. Those purposes are, first, to reiterate the historic opposition of the American people to colonialism or imperialism in any form; second, to restate our fundamental belief in the right of all nations, large or small, to national self-determination and national independence; and, third, to restate our unwavering support for the political principle of "separatism" which was expressed for the first time in the history of mankind in the American Declaration of Independence.

The importance of this resolution should be self-evident to everyone at this time, coming as it does shortly before the so-called conference at the summit to be attended by the chiefs of state of the United States, United Kingdom, France, and the U. S. S. R. That conference, we are told, has been called in an effort to find ways for easing the dangerous world tensions which now stand as a serious threat to the precarious peace that has been the unhappy lot of mankind in recent years.

I commend the distinguished majority leader for introducing this resolution because he has offered a simple and certain answer to any questions that may come up at the conference at the summit seeking to determine the causes for world tension. If the members of the conference at the summit would devote their entire endeavors to the development of ways and means for eliminating colonialism and imperialism in all its forms, I believe a most significant forward step will have been taken in the cause of world peace and freedom. I say this because I am firmly convinced that the present political tensions which threaten the outbreak of world war 3 are caused by the Russian imperial occupation of the once free and independent nations of central and eastern Europe and the ruthless colonial exploitation of some 700 million non-Russian people now enslaved within the Russian Communist empire. In order that my position on this matter may be clearly understood, I should like to enumerate the non-Russian nations which are the victims of Russian Communist imperialism and colonial exploitation: Estonia, Latvia, Lithuania, Poland, Czechia, Slovakia, Hungary, Rumania, Bulgaria, Albania, Georgia Turkestan, Ukraine, Idel-Ural, Armenia, Azerbaijan, Cossackia, Byelorussia, Moldavia, Karelo-Finnish, China, North Korea, East Germany, North Vietnam, Manchuria, Mongolia, and Tibet.

The mere mention of the non-Russian nations enslaved within the facade of the Soviet Union may make some Members of this House uncomfortable. This is unfortunately true because in recent years there has developed the misguided concept in the conduct of our foreign affairs which holds that a little colonialism is not too bad. This political thesis is sometimes expressed in a slightly different way by the apologists for the Russian imperialists, but the end result is always the same. To maintain that Russia and the Soviet Union are one and the same, geographically or politically, is one of the most popular methods of supporting the Russian imperial dreams for world conquest. The most clumsy apologists for the right of the Russians to engage in colonial exploitation of other nations holds that we would be violating the traditions of international law if we were to speak out on behalf of the inalienable rights of the non-Russian nations once enslaved by the Russian czars and now bound in chains by the political commissars of the U. S. S. R.

Mr. Speaker, I believe this is an appropriate time for all of us to take stock of the political doctrine of separatism which is so clearly and forcefully expressed in the American Declaration of Independence. The Thirteen Original Colonies, bound as they were by a tradition of language and several customs to the British Empire, thought long and hard before they publicly declared their intention to separate from the British Empire. The American patriots set forth, in inspiring language, the reasons which compelled them to break all bonds of union with the British Empire. They did not hesitate to proclaim that it was not only the right, but, indeed, the duty of mankind, to throw off the chains of slavery, to break with any union which gave life to oppression, and to create for themselves those safeguards to life, liberty, and the pursuit of happiness. That political doctrine and the expressive words of the American Declaration of Independence which support it, have been called by many historians and authorities on world affairs as the most explosive political doctrine in the long history of mankind. It has also been called inspiring because it has demonstrated a capability to lift mankind up from the lowly status of an exploited colony to that of a free sovereign and independent nation enjoying an equal station among the free nations of the world. The political doctrine of separatism, therefore, has been and remains the most compelling single political force in the world arena today. I sincerely trust that we, as good and loyal Americans, will ever be proud of this significant and benevolent contribution which our forefathers have made to the affairs of nations and that we shall never hesitate to utilize every opportunity that is ours to pledge our continued allegiance and unwavering support to the fundamental principle of political separatism.

It would be well for all those who believe in man's inevitable destiny with freedom, to support with vigor at the forthcoming meeting at the summit, a forthright condemnation of all forms of colonialism and imperialism. Such a step would soon relieve the world of the dangerous tensions which now hang heavy over all mankind.

Again I commend the majority leader for his foresight, bold and resolute action in bringing this resolution to issue on the floor of the House of Representatives.

Mr. McCORMACK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. McCORMACK. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 367, nays 0, not voting 67, as follows:

[Roll No. 94]

YEAS—367

Abbitt	Buckley	Dorn, N. Y.
Abernethy	Budge	Dorn, S. C.
Adair	Burdick	Dowdy
Addonizio	Burleson	Durham
Albert	Burnside	Edmondson
Alexander	Bush	Elliott
Alger	Byrd	Engle
Allen, Calif.	Byrne, Pa.	Evins
Allen, Ill.	Byrnes, Wis.	Fallon
Andersen, H. Carl	Cannon	Fascell
	Carlyle	Feighan
Andresen, August H.	Carnahan	Fenton
	Carrigg	Fernandez
Andrews	Cederberg	Fino
Anfuso	Celler	Fjare
Arends	Chase	Flood
Ashley	Chelf	Fogarty
Ashmore	Chenoweth	Forand
Aspinall	Chiperfield	Ford
Auchincloss	Christopher	Forrester
Avery	Church	Fountain
Ayres	Clark	Frazier
Bailey	Clevenger	Frelinghuysen
Baker	Cole	Friedel
Baldwin	Colmer	Fulton
Barden	Cooley	Garmatz
Barrett	Coon	Gary
Bass, Tenn.	Cooper	Gavin
Bates	Corbett	Gentry
Baumhart	Coudert	George
Beamer	Cramer	Gordon
Becker	Cretella	Grant
Belcher	Crumpacker	Green, Oreg.
Bennett, Fla.	Cunningham	Gregory
Bennett, Mich.	Curtis, Mass.	Griffiths
Bentley	Curtis, Mo.	Gross
Berry	Dague	Gwinn
Blatnik	Davidson	Hagen
Blitch	Davis, Tenn.	Hale
Boggs	Davis, Wis.	Haley
Boland	Dawson, Ill.	Halleck
Bolling	Dawson, Utah	Hand
Bolton, Frances P.	Deane	Harden
	Delaney	Hardy
Bonner	Denton	Harris
Bosch	Derounian	Harrison, Nebr.
Bowler	Devereux	Harrison, Va.
Boykin	Diggs	Hays, Ark.
Boyle	Dixon	Hays, Ohio
Bray	Dodd	Hayworth
Brooks, Tex.	Dollinger	Henderson
Brown, Ga.	Dolliver	Herlong
Brown, Ohio	Dondero	Hess
Brownson	Donohue	Hiestand
Buchanan	Donovan	Hill

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Hoeven	Miller, Md.	Seely-Brown
Hoffman, Mich.	Miller, Nebr.	Selden
Holifield	Miller, N. Y.	Sheehan
Holmes	Mills	Shelley
Holtzman	Minshall	Sheppard
Hope	Mollohan	Short
Hosmer	Morano	Shuford
Huddleston	Morgan	Sieminski
Hull	Moss	Sikes
Hyde	Moulder	Siler
Ikard	Multer	Simpson, Ill.
Jackson	Murray, Ill.	Simpson, Pa.
Jarman	Murray, Tenn.	Sisk
Jenkins	Natcher	Smith, Miss.
Jennings	Nicholson	Smith, Va.
Jensen	Norrell	Smith, Wis.
Johansen	O'Brien, Ill.	Spence
Johnson, Calif.	O'Brien, N. Y.	Springer
Johnson, Wis.	O'Hara, Ill.	Staggers
Jonas	O'Hara, Minn.	Steed
Jones, Ala.	O'Neill	Sullivan
Jones, Mo.	Osmers	Taber
Jones, N. C.	Ostertag	Talle
Judd	Passman	Teague, Calif.
Karsten	Patman	Teague, Tex.
Kean	Patterson	Thompson, Mich.
Keating	Pelly	Thompson, N. J.
Kee	Perkins	Thompson, Tex.
Kelley, Pa.	Pfost	Thomson, Wyo.
Kelly, N. Y.	Philbin	Thornberry
Keogh	Phillips	Tollefson
Kilburn	Pilcher	Trimble
Kilday	Pillion	Tuck
Kilgore	Poage	Tumulty
King, Calif.	Poff	Udall
King, Pa.	Powell	Utt
Kirwan	Price	Vanik
Kluczynski	Priest	Van Pelt
Knox	Quigley	Van Zandt
Knutson	Rabaut	Vinson
Landrum	Radwan	Vorys
Lane	Rains	Wainwright
Lanham	Ray	Walter
Lankford	Reece, Tenn.	Watts
Latham	Reed, Ill.	Weaver
LeCompte	Rees, Kans.	Westland
Lesinski	Reuss	Wharton
Lipscomb	Rhodes, Pa.	Wickersham
Lovre	Richards	Widnall
McCarthy	Riehlman	Wier
McConnell	Riley	Wigglesworth
McCormack	Roberts	Williams, N. J.
McDonough	Robeson, Va.	Williams, N. Y.
McDowell	Robsion, Ky.	Willis
McGregor	Rodino	Wilson, Calif.
McIntire	Rogers, Colo.	Wilson, Ind.
McVey	Rogers, Fla.	Winstead
Machrowicz	Rogers, Mass.	Withrow
Mack, Ill.	Rogers, Tex.	Wolcott
Mack, Wash.	Rooney	Wolverton
Madden	Roosevelt	Wright
Magnuson	Rutherford	Yates
Mahon	Sadlak	Young
Marshall	St. George	Younger
Martin	Saylor	Zablocki
Mason	Schenck	
Matthews	Scott	

NOT VOTING—67

Bass, N. H.	Granahan	Morrison
Bell	Gray	Mumma
Betts	Green, Pa.	Nelson
Bolton, Oliver P.	Gubser	Norblad
Bow	Harvey	O'Konski
Brooks, La.	Hébert	Polk
Broyhill	Heselton	Preston
Canfield	Hoffman, Ill.	Prouty
Chatham	Holt	Reed, N. Y.
Chudoff	Horan	Rhodes, Ariz.
Davis, Ga.	James	Rivers
Dempsey	Kearney	Scherer
Dies	Kearns	Schwengel
Dingell	Klein	Smith, Kans.
Doyle	Krueger	Taylor
Eberharter	Laird	Thomas
Ellsworth	Long	Thompson, La.
Fine	McCulloch	Velde
Fisher	McMillan	Vursell
Flynt	Macdonald	Whitten
Gamble	Mailliard	Williams, Miss.
Gathings	Meader	Zelenko
	Merrow	

So the concurrent resolution was agreed to.

The Clerk announced the following pairs:

Mr. Morrison with Mr. Taylor.
Mr. Hébert with Mr. Ellsworth.
Mr. Thompson of Louisiana with Mr. Bow.
Mr. Long with Mr. Kearns.
Mr. Klein with Mr. Scherer.
Mr. Zelenko with Mr. Broyhill.
Mr. Chudoff with Mr. McCulloch.
Mr. Granahan with Mr. Merrow.
Mr. Green of Pennsylvania with Mr. Norblad.
Mr. Fine with Mr. Heselton.
Mr. Doyle with Mr. Horan.
Mr. Eberharter with Mr. Bass of New Hampshire.
Mr. Dempsey with Mr. Betts.
Mr. Dies with Mr. Canfield.
Mr. Brooks of Louisiana with Mr. Mailliard.
Mr. Whitten with Mr. Harvey.
Mr. Williams of Mississippi with Mr. Rhodes of Arizona.
Mr. Rivers with Mr. Prouty.
Mr. Macdonald with Mr. O'Konski.
Mr. Polk with Mr. James.
Mr. Preston with Mr. Holt.
Mr. Flynt with Mr. Hoffman of Illinois.
Mr. McMillan with Mr. Velde.
Mr. Chatham with Mr. Smith of Kansas.
Mr. Gray with Mr. Laird.
Mr. Thomas with Mr. Krueger.
Mr. Davis of Georgia with Mr. Nelson.
Mr. Dingell with Mr. Gamble.
Mr. Fisher with Mr. Gubser.
Mr. Gathings with Mr. Schwengel.
Mr. Bell with Mr. Vursell.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

UNIVERSAL MILITARY TRAINING AND SERVICE ACT—CONFERENCE REPORT

Mr. VINSON submitted a conference report and statement on the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act of July 1, 1959.

IMPORTATION OF PERSONAL AND HOUSEHOLD EFFECTS

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5560) to make permanent the existing privilege of free importation of personal and household effects brought into the United States under Government orders, and for other purposes.

This legislation was recommended to the Congress by the Department of Defense and was favorably reported, as amended, by the unanimous vote of the members of the House Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. JENKINS. Mr. Speaker, reserving the right to object, I have cleared this matter with the leadership on our side, and we concur with the request made by the distinguished gentleman from Tennessee.

Mr. Speaker, this bill which was unanimously reported by the Committee on Ways and Means simply makes permanent the existing privileges of free importation of personal and household effects brought into the United States on Government orders. We have adopted similar legislation in the past on a temporary basis. H. R. 5560 makes the privilege permanent.

Our distinguished colleague on the committee, Representative BYRNES of Wisconsin, brought to the attention of the committee an unfortunate situation under the present law, namely, that some individuals who travel abroad for a temporary period under Government orders have taken advantage of the free importation privilege by bringing back duty free large quantities of allegedly household and personal effects. Such action, of course, has represented a complete evasion of the intent of Congress which was to provide the free importation privilege with respect to those Government employees who return to the United States after periods of extended duty abroad. Mr. BYRNES presented an amendment which will give the Secretary of the Treasury sufficient regulatory authority to control this practice. That amendment has been incorporated in this bill, and our distinguished colleague from Wisconsin is to be congratulated for having brought this matter to our attention.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of section 2 of the act of June 27, 1942, entitled "An act to exempt from duty personal and household effects brought into the United States under Government orders", as amended (U. S. C., title 50 App., sec. 802), is hereby repealed.

SEC. 2. (a) The following provisions of the Tariff Act of 1930, as amended, are hereby amended by inserting "Johnston Island," immediately after "Kingman Reef," each place it appears therein:

(1) That part of section 1 which precedes schedule 1 (19 U. S. C., sec. 1001).

(2) That part of section 201 which precedes schedule 16 (19 U. S. C., sec. 1201).

(3) Section 401 (k) (19 U. S. C., sec. 1401 (k)).

(4) Section 557 (a) (19 U. S. C., sec. 1557 (a)).

(5) Section 562 (19 U. S. C., sec. 1562).

(b) Section 401 (a) of the Anti-Smuggling Act, as amended (19 U. S. C., sec. 1709 (a)), is hereby amended by inserting "Johnston Island," immediately after "Kingman Reef,".

(c) Sections 542, 544, and 545 of title 18 of the United States Code are hereby amended by inserting "Johnston Island," immediately after "Kingman Reef," each place it appears therein.

(d) The amendments made by this section shall take effect on the day following the day on which this act is enacted.

With the following committee amendment:

Page 1, line 3, strike out all of lines 3, 4, 5, 6, 7 and insert:

"That (a) the act of June 27, 1942, entitled 'An act to exempt from duty personal and household effects brought into the United States under Government orders", as amended (U. S. C., title 50 App., secs. 801 and 802), is hereby amended to read as follows: 'That under regulations to be prescribed by the Secretary of the Treasury, after consultation with such agencies as he shall consider to be substantially interested, the personal and household effects (with such limitation on the importation of alcoholic beverages and tobacco products as the Secretary may prescribe) of any person in the service of the United States who returns to the United States upon the termination of assignment to extended duty (as defined in the above-authorized regulations) at a post or station

outside the customs territory of the United States, or of returning members of his family who have resided with him at such post or station, or of any person evacuated to the United States under Government orders or instructions, may be brought into customs territory of the United States without the payment of any duty or tax imposed upon, or by reason of, importation.'

"(b) The amendment made by subsection (a) shall be effective on and after July 1, 1955."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "A bill relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 5560 would provide permanent authority for the exemption from duty of personal and household effects brought into the United States under Government orders. In addition, this legislation would place the military and civilian personnel stationed on Johnston Island in the same legal position with respect to the customs laws and smuggling laws as the personnel stationed on Wake Island and Midway Island.

In 1942 legislation was enacted—Public Law 633, 77th Cong., 56 Stat. 461—which allowed until the day following the proclamation of peace by the President the free entry of personal and household effects of any person returning to the United States under Government orders.

Public Law 450 of the 82d Congress extended the period of free entry to April 1, 1953.

Public Law 20 of the 83d Congress continued the free-entry privilege to July 1, 1955.

H. R. 5560 will provide a permanent free-entry privilege for the personal and household effects of certain persons in the service of the United States.

The effect of this duty-free importation privilege is to avoid the imposition of undue administrative burdens upon persons evacuated to the United States and constitutes an important morale factor and inducement to overseas duty.

In view of the continuing international obligations and commitments of the Federal Government requiring the presence in many parts of the world of substantial numbers of Government personnel, it was deemed advisable by the Committee on Ways and Means that this authority should be made permanent.

In making this authority permanent, an amendment was adopted which limits this duty-free privilege—under regulations to be prescribed by the Secretary of the Treasury—to persons in the service of the United States who return to the United States upon the termination of assignment to extended duty outside the customs territory of the United States, or of returning members of his family who have resided with him at the foreign post or station, or of any person evacuated to the United States under Government orders or instructions. This amendment has been adopted because it was brought to the attention of the Committee on Ways and Means that Government personnel assigned to duty outside the United States for relatively short periods of time are availing themselves of this free-entry privilege.

H. R. 5560 would accord to personnel stationed on Johnston Island the same privilege granted to personnel stationed on Wake Island and Midway Island with respect to allowing personal and household effects to be admitted to the United States without payment of duty when such effects are forwarded to the United States by reason of Government instructions regarding the movement of the owner of the article. Personnel stationed on Wake Island and Midway Island are entitled under present law to this privilege because these islands were exempted from the customs laws of the United States by the act of June 25, 1938 (ch. 679, 52 Stat. 1077), and are considered therefore, for customs purposes, as foreign countries. Under existing law a transfer of articles from Johnston Island to the Territory of Hawaii or the continental United States is not considered to constitute an importation within the meaning of the applicable sections of the customs laws.

The consistent construction of present law is that it applies to all personal and household effects imported by any employee of the United States who arrives in the United States under Government orders or by any member of the family of such an employee even though such employee may be absent from the United States for only a short period of time. Among the beneficiaries of the statute have been many Government employees assigned to short periods of foreign duty, amounting in some cases to only a day or two. It has also been brought to the attention of the Committee on Ways and Means that abuses have developed with respect to shipments of liquor and tobacco products.

It was the view of the Committee on Ways and Means that when Government personnel are assigned to posts outside the United States under such circumstances that their household effects may be transported at Government expense, and in some other cases where temporary assignments are so extended that items must be purchased abroad beyond the normal requirements of a tourist, such personnel deserve the benefits of the free-entry privilege, except as to liquor or tobacco products. In the deliberations on this legislation by the Committee on Ways and Means, we were advised by the Treasury Department that in the administration of the law the Department would ordinarily limit importations of liquor and tobacco products to the amounts that may be imported duty free by returning United States residents under existing law.

It was the committee's view that Government personnel assigned to duty outside the United States for relatively short terms are adequately provided for by the exemptions applicable to other returning residents of the United States.

Accordingly, an amendment was adopted which provides that the duty-free privilege accorded under H. R. 5560 will be available only with respect to extended overseas assignments.

SOCIAL-SECURITY WAGE CREDITS FOR MILITARY SERVICE BEFORE JULY 1956

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of H. R. 5936, which is a bill to provide for the continuation for 9 months, through March 31, 1956, of the existing provisions of title II of the Social Security Act, relating to, first, old-age and survivors insurance wage credits for military service; and second, the payment of lump-sum death benefits where a serviceman dying overseas is reburied in this country.

Under existing law these provisions would not apply to service or deaths after June 30, 1955.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. JENKINS. Reserving the right to object, Mr. Speaker, I wish to concur with the gentleman from Tennessee in saying that this bill was voted out unanimously from the Committee on Ways and Means. I have consulted with the leadership, and there is no objection on this side.

Mr. Speaker, this bill was reported unanimously by our committee. It simply extends for an additional 9 months the present provisions of the Social Security Act which provides a monthly wage credit under the old-age and survivors insurance system for members of the Armed Forces and the payment of a lump-sum death benefit in the case of such an individual who dies overseas and is reburied in this country. The existing provisions of the Social Security Act expire this July 1. For this reason, it is essential that we act on the matter without undue delay. It should be noted that the extension contained in this bill will again expire next April 1. Our committee decided upon this relatively limited extension in view of the expected recommendations of the House Select Committee on Survivors Benefits. We hope that those recommendations will be acted upon prior to the April 1 termination of the provisions of this bill. I would also like to make clear that while our committee unequivocably advocates that the cost to the old-age and survivors insurance trust fund of these gratuitous military-wage credits be reimbursed by the Federal Government, we did not include a provision to that effect in this bill solely because it was our understanding that the recommendations of the select committee, to which I have already referred, would include provision for such reimbursement.

The SPEAKER. Is there objection?

There was no objection.

UNIVERSITY OF MICHIGAN LIBRARIES

The Clerk read the bill, as follows:

Be it enacted, etc., That section 217 (e) of the Social Security Act (relating to benefits in case of veterans) is amended by striking out "July 1, 1955" each place it appears and inserting in lieu thereof "July 1, 1956."

SEC. 2. The last sentence of section 202 (i) of the Social Security Act (relating to lump-sum death payments) is amended by striking out "July 1955" and inserting in lieu thereof "July 1956."

With the following committee amendments:

Page 1, line 6, strike out "July 1, 1956" and insert "April 1, 1956."

Page 2, line 2, strike out "July 1956" and insert "April 1956."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide wage credits under title II of the Social Security Act for military service before April 1956, and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before April 1956."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just passed.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOPER. Mr. Speaker, under the old-age and survivors insurance system, individuals who have served in the active military or naval service of the United States at any time since September 14, 1940, are, under certain circumstances, provided wage credits under the system of $160 per month for each month, or part thereof, of such service. Present law provides for these credits without any payment of taxes or the appropriation of funds to the old-age and survivors insurance trust fund. Under the existing provisions of law these wage credits will be provided only for service performed prior to July 1, 1955. H. R. 5936, as amended, extends this provision so that it will apply to service performed prior to April 1, 1956.

H. R. 5936 also extends the provision of the old-age and survivors insurance system under which the 2-year period for filing claims for lump-sum death payments in the case of reburial in this country of servicemen dying overseas begins to run from the date of reburial in this country instead of from the date of death overseas. This provision, which under existing law applies only in the case of deaths prior to July 1, 1955, would be extended to cases of deaths occurring before April 1, 1956.

In view of the anticipated legislative recommendations of the House Select Committee on Survivors Benefits established pursuant to the authority of House Resolution 35 of the 84th Congress, it was the considered opinion of the Committee on Ways and Means that the extension of these provisions is desirable as a temporary measure pending the formulation of a long-range solution to the problem of retirement and related benefits for military personnel and their survivors based upon the recommendations of this select committee.

In our consideration of this legislation in executive session, the Committee on Ways and Means had tentatively approved an amendment to H. R. 5936 whereby the cost of the old-age and survivors insurance benefits resulting from wage credits and lump-sum death benefits attributable to military service would be met by special appropriations from the general funds of the Treasury to reimburse the old-age and survivors insurance trust fund. However, our committee was advised that the House Select Committee on Survivors Benefits expected to report favorably to the House legislation which would provide for such reimbursement. In view of that fact, H. R. 5936 was reported with an amendment to provide for a simple 9 months' extension of existing law without any provisions for reimbursement of the old-age and survivors insurance trust fund included.

As stated on page 2 of the committee report, it was the unanimous view of the members of the Committee on Ways and Means that in the interest of guarding against the impairment of the old-age and survivors insurance trust fund it is necessary that the Congress provide for the reimbursement of the trust fund from the general funds of the Treasury.

The enactment of this legislation was recommended by the Department of Defense.

The membership of the Committee on Ways and Means voted unanimously to report H. R. 5936 favorably to the House with the amendment to which I have previously referred.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Health and Science Subcommittee of the Committee on Interstate and Foreign Commerce may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON HOUSE ADMINISTRATION

Mr. BURLESON. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1956

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5502, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

Mr. GROSS. Mr. Speaker, reserving the right to object, do I understand this is the bill which the other body has increased by $31,500,000 over the figure approved by the House?

Mr. ROONEY. The bill has been very, very substantially increased. The other body's version is $51,544,276 over the current year appropriations, and only $1,546,494 below the budget estimates of $483,531,912.

Mr. GROSS. And this is the same bill on which the other body has named 16 managers on its part?

Mr. ROONEY. That is correct.

Mr. GROSS. And is the gentleman suggesting 16 managers on the part of the House?

Mr. ROONEY. No; I believe the Chair will appoint the usual number of conferees on the part of the House; and we think we can do all right in representing the views of the House.

Mr. GROSS. This bill has been increased by $31,500,000 over the House figures. The chairman of the Appropriations Committee on June 1 made a speech on the floor of the House in behalf of a balanced budget and in behalf of economy in appropriations. I trust the managers on the part of the House, and the chairman of the Appropriations Committee, in view of this $31,500,000 increase—and I think the gentleman well knows that some of those increases are in items which never ought to have been increased—it is my hope that the conferees on the part of the House will insist upon the House figure.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ROONEY, PRESTON, SIKES, MAGNUSON, CANNON, COUDERT, BOW, CLEVENGER, and TABER.

AUTHORITY GRANTED TO SPEAKER TO DECLARE RECESS ON THURSDAY, JUNE 30

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker at any time on Thursday next to declare a recess of the House for the purpose of receiving His Excellency U Nu, Prime Minister of Burma.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL GOVERNMENT MATTERS APPROPRIATION BILL, 1956

Mr. ANDREWS. Mr. Speaker, I call up the conference report on the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and

for other purposes, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 900)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3 and 4.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5 and 10, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$500,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$325,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$175,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert "for the purchase of any passenger motor vehicle (exclusive of buses, ambulances and station wagons), is hereby fixed at $1,350"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 2.

GEORGE ANDREWS,
GEORGE MAHON,
HARRY R. SHEPPARD,
J. VAUGHAN GARY,
LOUIS C. RABAUT,
JOHN F. SHELLEY,
CLARENCE CANNON,
IVOR D. FENTON,
JOHN TABER,
Managers on the Part of the House.

CARL HAYDEN,
WARREN G. MAGNUSON,
LISTER HILL,
ALLEN J. ELLENDER,
A. WILLIS ROBERTSON,
EVERETT MCKINLEY DIRKSEN,
LEVERETT SALTONSTALL,
WILLIAM F. KNOWLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I

Executive Office of the President

The White House Office

Amendment No. 1: Appropriates $1,882,500 as proposed by the Senate instead of $2,055,500 as proposed by the House.

Special Projects

Amendment No. 2: Reported in disagreement.

President's Advisory Committee on Government Organization

Amendment No. 3: Strikes out language proposed by the Senate.

Funds appropriated to the President

Expenses of Management Improvement

Amendment No. 4: Strikes out language proposed by the Senate.

Foreign Claims Settlement Commission

Payment of Korean Claims

Amendment No. 5: Appropriates $12,200,000 as proposed by the Senate instead of $8,000,000 as proposed by the House.

Administrative Expenses

Amendment No. 6: Authorizes $5,000 for expenses of travel instead of $2,500 as proposed by the House and $10,000 as proposed by the Senate.

Amendment No. 7: Authorizes $500,000 for administrative expenses instead of $450,000 as proposed by the House and $550,000 as proposed by the Senate.

Amendments Nos. 8 and 9: Authorize transfers of $325,000 from the war claims fund and $175,000 from "Payment of Korean Claims", instead of $300,000 and $150,000, respectively, as proposed by the House and $350,000 and $200,000, respectively, as proposed by the Senate.

Subversive Activities Control Board

Amendment No. 10: Appropriates $298,600 as proposed by the Senate instead of $300,000 as proposed by the House.

TITLE II. GENERAL PROVISIONS

Departments, agencies, and corporations

Amendment No. 11: Restores House language relating to limitation on cost of passenger motor vehicles, amended to exempt station wagons from the dollar limitation. The conferees direct, however, that station wagons are not to be purchased in excess of the number presented in the budget and justified before the Appropriations Committees.

GEORGE ANDREWS,
GEORGE MAHON,
HARRY R. SHEPPARD,
J. VAUGHAN GARY,
LOUIS C. RABAUT,
JOHN F. SHELLEY,
CLARENCE CANNON,
IVOR D. FENTON,
JOHN TABER,
Managers on the Part of the House.

Mr. ANDREWS. Mr. Speaker, the action of the conference committee on this bill can best be summarized by a tabulation comparing appropriations and estimates for the agencies contained in the bill.

Appropriations, 1955	$14,576,850
Budget estimates, 1956	28,777,700
Bill as passed the House	21,890,700
Bill as passed the Senate	27,166,300
Conference agreement	27,166,300
Conference agreement compared with:	
Estimates	−1,611,400
House bill	+5,275,000

Additional estimates for the Executive Office of the President were considered by the Senate in the amount of $1,077,000, net, above those considered by the House. I shall briefly treat the major activities for the benefit of the House.

For the Executive Office of the President, modest reductions of $15,000 for the Council of Economic Advisers and $95,000 for the Office of Defense Mobilization, both made by the House, remain unchanged. Funds for all other activities are approved as requested.

Funds appropriated to the President are contained in the bill as requested except for certain specialized language which was eliminated in the House, and remains eliminated after conference.

Items for the American Battle Monument Commission were not involved in conference, and stand approved as passed by the House.

For the Foreign Claims Settlement Commission, the conferees agreed that the full amount of the budget estimate will undoubtedly be an ultimate requirement, and it is therefore included in the conference version of the bill. A modest reduction was made in the estimate for administrative expenses, with corresponding decreases in the sources from which these funds are obtained by transfer.

The conferees accepted the Senate approved figure for the Subversive Activities Control Board, a reduction of $1,400 in the amount as passed by the House.

In the general provisions, the section relating to the limitation on purchase price of passenger motor vehicles was resolved by exempting station wagons from the dollar limitation and otherwise restoring the House language which had set a limit of $1,350 each. The conferees further directed that no station wagons be bought unless they had been included in the budget estimates and justified before the Appropriations Committees.

In concluding, I should like to express my appreciation to the members of the subcommittee. Their diligence and attention have been of very considerable value in the preparation and presentation of this bill.

Mr. FENTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FENTON. Mr. Speaker, the conference report making appropriations for the Executive Office of the President and sundry Government agencies before the House is certainly not a controversial one, and there is little to add to the remarks of the chairman of our subcommittee.

UNIVERSITY OF MICHIGAN LIBRARIES

In this bill, as is customary, the funds for the operation and maintenance of the White House, the Presidency itself, and for the various staff assistance provided for the President have been largely left untouched. It is fitting and proper that we permit our Chief Executive a rather wide discretion in the direction of his immediate group.

We rather reluctantly agreed that the full amount of the estimate was needed for the Foreign Claims Settlement Commission to pay Korean claims. There are potential valid claims of over $10 million now on hand, and we can only hope that the processing of them will be accomplished speedily enough to require an amount greater than the $8 million which had been provided by the House.

This is a relatively small bill, and the differences between the two Houses were not great, and I therefore support passage of the conference report.

Mr. ANDREWS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 2, line 20, insert:

"SPECIAL PROJECTS

"For expenses necessary to provide staff assistance for the President in connection with special projects, to be expended in his discretion and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, $1,250,000: *Provided*, That not to exceed 10 percent of this appropriation may be used to reimburse the appropriation for 'Salaries and expenses,' the White House Office, for administrative services."

Mr. ANDREWS. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

SPECIAL ORDER GRANTED

Mr. FEIGHAN asked and was given permission to address the House for 5 minutes today, following the legislative program and any special orders heretofore entered, to revise and extend his remarks and include an article.

AUTHORIZING CERTAIN CONSTRUCTION AT MILITARY, NAVAL, AND AIR FORCE INSTALLATIONS

Mr. COLMER, from the Committee on Rules, reported the following privileged resolution (H. Res. 286, Rept. No. 903), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6829) to authorize certain construction at military, naval, and Air Force installations, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, yesterday I pointed out to the House that only last Monday, June 20, the Democratic majority on the Committee on Ways and Means turned down by a strict party-line vote a Republican proposal to hold public hearings on liberalization of the so-called work clause of the Social Security Act. As many Members are aware, that is the restrictive provision which results in loss of benefits for any beneficiary under age 72 who earns over $1,200 a year.

Another provision of the social-security law in which there is widespread interest is the minimum benefit. The minimum benefit was raised last year to $30 a month by the Republican Congress. However, it should be obvious to anyone that such a pittance can provide little or no old-age protection to those so unfortunate as to be only eligible for the minimum benefit. Yet there are hundreds of thousands of our older citizens who are in this category.

Mr. Speaker, last Tuesday, in addition to turning down the Republican proposal to hold hearings on the work clause, the Democratic majority of the Committee on Ways and Means rejected by the same party-line vote a Republican motion to hold public hearings on increasing the minimum social-security benefit to $40 a month or perhaps some other figures.

The point at issue is not that we should necessarily increase the minimum payment, although it looks—like all other liberalizations—highly desirable on its face.

The issue is that a Democratic caucus, the Ways and Means Committee, decided to liberalize the social-security program to assist only 3 groups of people, barring all the other 12 groups from even having their cases heard or presented. Furthermore this caucus decided not even to write the provisions for the three groups in a careful and proper manner. Legislation calling for the annual expenditure of $2 billion cannot be written in 3 days of executive session, with only the leaders of the caucus participating in the executive deliberations with the Republican members of the committee, with any hopes that it will be sound and able to accomplish its professed purpose.

The leaders of the other body have already stated that full public hearings on any bill coming out of the House will be had and that these hearings would be even more extensive than usual because of the failure of the House committee to hold hearings. The net effect of all this ill-conceived plan is to make the House ineffective and irresponsible. I still plead with the Democratic leadership to abandon this course of action. Let the Ways and Means Committee go into this great subject in a proper fashion so that we may produce good and beneficial legislation in which we and the House may take proper pride.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative program and following any special orders heretofore entered, on Monday next I may be permitted to proceed for 20 minutes and that I may quote from certain records.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 276 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, I yield 30 minutes of my time to the gentleman from New York [Mr. LATHAM] and at this time I yield myself such time as I may use.

Mr. Speaker, I rise to urge the adoption of House Resolution 276 which will make in order the consideration of the bill H. R. 6382, to amend the International Claims Settlement Act of 1949, as amended, and for other purposes.

House Resolution 276 provides for an open rule, waiving points of order with 1 hour of general debate.

Mr. Speaker, H. R. 6382 has for its main purpose the enabling of the Foreign Claims Settlement Commission of the United States to handle certain claims against five governments, that is, Bulgaria, Hungary, Rumania, Italy, and the Union of Soviet Socialist Republics. According to the report, Mr. Speaker,

this bill would not create a new Government agency, and the expenses of administering this bill, if passed, would be deducted from the funds available for distribution to the claimants. About $41 million are available for distribution.

At the present time there are blocked assets available from the three satellite countries of more than $34 million. However, out of this $34 million there are $7 million worth of assets which are owned by natural persons as opposed to $27 million owned by the governments and corporations. Only the $27 million would be available for distribution under the proposed bill. The Lombardo agreement of 1947 provided that Italy would turn over to the United States $5 million for distribution by the United States, in full satisfaction of claims against Italy arising out of the war, and not otherwise provided for in the peace treaty with Italy.

Under the Litvinov agreement the United States now has $9 million available for payment of claims of United States nationals against the Soviet Union and certain of its nationals.

According to the report on the bill, Mr. Speaker, it will be necessary for the United States to take title to the assets of these countries in the United States, make initial determinations disposing of prewar debt claims and title claims, liquidate the assets, and turn the net proceeds over to the Department of the Treasury before these blocked assets can become available for the payment of these claims. This procedure, however, will not be necessary in the cases of the Italian and U. S. S. R. assets covered by this bill, since the title to these assets already exists in the United States. However, in these two cases also distinct funds will be set up in the Treasury to handle these claims.

The bill very definitely defines just what claimants would be entitled to receive some awards under the provisions of this bill, and the report specifically states that the assets of $41 million cannot even begin to settle the number and amounts of claims that American citizens have against the Soviet Union and the satellite states. Nationals of the United States have claims against these countries amounting to half a billion dollars, and it is very obvious that full justice cannot be done in all of these cases with the very limited amount of money available.

Mr. Speaker, the Committee on Foreign Affairs stated during their hearing before the Committee on Rules that they had worked long and hard to arrive at the formula for settlement which they want to present for consideration before this House. I hope that the rule will be adopted, since it is an open one, and that the membership of the House will carefully consider H. R. 6382.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does this bill deal in any manner with claims of American citizens who were in China when China was overrun by the Japs, who lost their property when it was confiscated by the Japs?

Mr. O'NEILL. This bill involves five nations: Bulgaria, Hungary, Rumania, Italy, and the Union of Soviet Socialist Republics. There is nothing in here about the Japanese Government or the Chinese Nationalist Government. I will yield to the chairman of the Committee on Foreign Affairs to answer that question.

Mr. RICHARDS. No; it does not have anything to do with China at all.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield further?

Mr. O'NEILL. I yield.

Mr. AUGUST H. ANDRESEN. Will the gentleman advise me as to whether or not his committee is considering claims involving American citizens who were in China and lost their property to the Japs?

Mr. RICHARDS. Not at this time. We are not considering that, and I would point out to the gentleman that we are considering now this type of claim simply for the reason that we have already in our hands here in the United States money or property which it is sought to apply to the payment of these claims. This is just money or property already in the hands of the United States Government, either blocked or vested.

Mr. AUGUST H. ANDRESEN. Well, does not the gentleman feel that we may have some property that would cover these other claims arising out of China?

Mr. RICHARDS. We may; it is possible. But the executive department has not informed the Committee on Foreign Affairs that that is the case to this date.

Mr. AUGUST H. ANDRESEN. I feel that those people should be taken care of who lost all of their property and everything to the Japs.

Mr. RICHARDS. I would say to the gentleman this does not exclude anybody. The fact is that we have this money that was bought or property that we seek to vest in order to distribute the proceeds of the sale of that property to pay American claims. That is all. The money is here. It just applies to these countries because the money is here, that is all.

Mr. LATHAM. Mr. Speaker, this is a 1-hour open rule, with points of order waived, as the gentleman from Massachusetts has stated. He has given you the main purposes of the provisions of this bill.

As far as I have been able to learn, there is no real dispute with regard to the general purposes of this measure. It is my understanding, however, that there are a number of Members who will want to vote for some amendments.

I have heard of no objection to the adoption of the rule, and I have no requests for time on this side.

Mr. O'NEILL. Mr. Speaker, I have no further requests for time. I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6382, with Mr. HARDY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RICHARDS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, this bill is to amend the International Claims Settlement Act of 1949. I do not believe any Member would object to the bill. It may be that some Members will want to offer amendments. I know of no such amendments at this time.

The purpose of the bill is to divide up money amounting to $41 million which is already here on deposit in the United States, among people of the United States who have claims against a number of foreign governments. These governments are Bulgaria, Hungary, Rumania, Italy and Russia.

The bill does not create any new agency; it merely assigns additional functions to the Foreign Claims Settlement Commission, which is already in business. It involves no additional cost to the American taxpayer since all the costs of administering the bill will be paid out of the funds available to make settlement. It does not initiate any negotiations with foreign governments; all necessary negotiations have already been completed. We are faced with the fact that the money is here, some of which has been available for several years, waiting to be divided, and the people with claims are here, many of whom have waited for a very long period of years, who deserve to share in these funds.

As I have said, although I believe no one will oppose the bill, there are some who may desire to amend it. The reason for this is that there is not nearly enough money on hand to pay off all of the claims of all of our people against these governments; so that we are confronted with the situation that if you make more people eligible to share the funds available, the share of others becomes smaller. If you extend eligibility to share in the funds we have on hand to people who have only recently become United States citizens, you cut down the amount which can be paid to people who were United States citizens at the time of the war. That is the fundamental basis for the major points at issue in this bill.

Let me explain in a little more detail the sort of claims which are involved and the nature of the funds which are available to be divided. The oldest claims provided for are claims against Russia. None of these claims are more recent than 1933, and all have to be claims of people who were United States citizens when their loss occurred. Some of these claims are against Russian corporations and citizens; others are claims against the Russian Government for the expropriation of American property and for other losses.

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The funds available to pay Russian claims were derived from the so-called Litvinov assignment, which occurred on November 16, 1933, the date on which the United States recognized the Soviet Union. At that time the Russian Government assigned to the United States certain assets which were in the United States as part of a contemplated overall settlement of outstanding claims between the two governments and their nationals. As you well know, this overall settlement never took place. There is now on deposit in the Treasury a sum of $9 million which represents the proceeds of these assets which were turned over to the United States in 1933. This bill authorizes the Foreign Claims Settlement Commission to hear proof of claims against this money and to divide it among the eligible claimants.

Most of the controversy with the bill arises in connection with claims against Bulgaria, Hungary and Rumania. The two most important categories of these claims are war claims and nationalization claims. The war claims arose from losses sustained by United States citizens in these three countries as a consequence of the war. The nationalization claims arose mostly after the war as a result of the seizure of property by the Communists when they took over control of the three countries mentioned. Nearly all of this nationalization occurred after 1947.

In its consideration of these Bulgarian, Hungarian, and Rumanian claims the committee never took the position that war claims were more deserving of compensation than nationalization claims, or that nationalization claims deserved a higher priority than war claims. Certainly it is my conviction, and I believe that of everyone on the committee, that the actions of the Communists in seizing the property of American citizens without compensation, to say nothing of the expropriation of property of their own citizens, many of whom were forced to flee for safety, deserve the strongest condemnation, and the victims of such oppressive and illegal actions deserve every possible assistance on the part of the United States in redressing their wrongs.

I invite your attention, however, to the nature and the source of the funds which are available for making a part payment of these Bulgarian, Hungarian, and Rumanian claims. You will recall, I am sure, that at the beginning of World War II the United States blocked the funds of various foreign governments and their citizens which were in this country at that time. This action was taken to make sure that such funds would not fall into the hands of the enemy and be used by the enemy to assist his war effort. Among the funds blocked at this time—1940–41—was property belonging to the governments of Bulgaria, Hungary, and Rumania which was in the United States, as well as property in the United States belonging to corporations and individuals of those countries. Nearly all of these assets were bank deposits, securities, and interests in estates. They have remained blocked ever since that time. At present these blocked funds amount to $3 million in the case of Bulgaria, $6 million for Hungary, and $25 million for Rumania.

This bill authorizes the liquidation of these blocked assets, and the distribution of the proceeds among American citizens who have claims against these countries.

I have not attempted to give you a complete and technical explanation of the nature of these Bulgarian, Hungarian, and Rumanian assets, or of the claims against them, or of the procedure to be followed in making settlement. I have tried merely to give you a brief indication of the situation with which the committee was confronted with regard to these claims so that you will understand the major point of controversy about this bill. On the one hand, you can see that of the three Balkan countries which I have mentioned there are a lot of claims which originated during the war and a still larger number of claims which originated after the war. On the other hand, we have about $27 million to divide up among these claimants. Only in the case of Bulgaria there may be some possibility of having enough money to pay off all the claims. It is impossible to tell, however, because until people have been officially notified to file claims and the results are in, there is no way to know how many claims will develop. In the case of Hungary and Rumania all the information available indicates that the claims will greatly exceed the assets available.

The draft of the bill before us, which was submitted to the committee by the executive branch, provided for the payment of both nationalization and war claims. In the case of war claims, persons who were citizens of the United States at the time of the armistice with the country involved—1944 in all three—and at the time of the peace treaty, which was September 15, 1947, in all three countries, were eligible to file claims. In the case of nationalization claims, anyone who was a United States citizen at the time of nationalization of his property was eligible. This meant that these assets which the United States had seized from the three Balkan countries in the early days of the war would now be divided up not only among people who had claims against any of these countries arising out of the war, but also among people whose claims arose after the war was over and who in many cases did not attain United States citizenship until after the war.

The committee did not accept this proposed arrangement. This is where the Bentley amendment, which many of you have heard about, comes in. Instead of accepting the bill as drafted by the executive branch in this respect, the committee took the position that since the funds available for settlement of the Bulgarian, Hungarian, and Rumanian claims were seized in the United States at the beginning and in connection with the war, these funds should be divided among persons whose claims originated during the war period, that is, before the treaties of peace with these three countries went into effect—September 15, 1947.

I hope that I have given enough background to make clear the relatively simple issue which is involved. The question is merely whether or not we say that the $27 million which we seized from Bulgaria, Hungary, and Rumania in 1940 and 1941 is to be divided among holders of war claims and holders of nationalization claims, or whether these funds should be divided only among people who had claims before September 15, 1947.

In its consideration of the bill, and I would like to remind the House that the committee held 15 meetings and had 28 witnesses in connection with this bill, there were many valid arguments presented to the committee that even the language of the bill as submitted by the executive branch was too exclusive, that many people who deserved to share in the limited funds available were being deprived of their right to share in it. Let me remind you that this executive branch proposal was that any person who was a United States citizen at the time of the nationalization of his property would have a right to file a claim under this legislation. Several groups advocated that the bill should be liberalized to include anyone whose property had been nationalized and who had attained United States citizenship before the effective date of this bill. One group proposed that any person who became a United States citizen before his claim was adjudicated should be eligible to share in the fund.

In this connection let me point out that the committee did open the door a little with respect to claims originating prior to September 15, 1947. Under an amendment proposed by the gentleman from Connecticut [Mr. DODD] provision was made that persons who had declared their intention to become United States citizens before the armistice with the country involved, who had been continuously United States residents between the armistice date and September 15, 1947, and had United States citizenship continuously since September 15, 1947, would be eligible to file a claim.

The committee liberalized the citizenship requirement in this manner because it believed that these people who had come to the United States early in the war, who had taken out their first papers promptly, who have resided here continuously and who had obtained United States citizenship by September 1947, deserved the protection of the United States in this respect.

Let me repeat what I said a moment ago, that the big issue which the Bulgarian, Hungarian and Rumanian claims present is a simple one. You can either divide up the limited amount of money available among a large number of people who have wartime as well as postwar claims, or you can keep out the holders of postwar claims and divide up the war assets among the wartime claimants.

In reaching its decision on this issue the committee recognized the plight of the holders of post-1947 claims. All of these claims arise because the Governments of Bulgaria, Hungary and Rumania have violated promises, agreements and established principles of international law. The committee points out in its report that:

If, as, and when, the President meets "at the summit" with the Soviet leaders, it is

our hope that he will place high on the agenda of matters to be considered the rights of these American citizens. It might well be that, as a prerequisite to considering future promises by the Soviets, he would insist upon performance of the past promises involved in these unsettled claims, and would require their early satisfaction as a token of the good faith that must be demonstrated by deeds, not words, before just and lasting peace can come.

Claims against one additional country are included in this bill. These are claims against Italy arising out of the war which are not covered by the Italian Peace Treaty. These claims are based on losses on the high seas, personal hardship and other causes. The majority of war claims against Italy were covered by the Italian Peace Treaty and are being handled by the United States-Italian Conciliation Commission.

The funds available for paying these claims were provided by the so-called Lombardo agreement of 1947 under which the Italian Government deposited $5 million in the United States Treasury for this purpose. To be eligible to file a claim against Italy under this act, the claimant must have been a United States national continuously since the time of his loss, and the loss must have arisen out of the war with Italy which ended September 15, 1947.

Mr. Speaker, I have not attempted a detailed explanation of this bill. Its provisions are highly technical and complex. I urge that every Member who has a question concerning the details of its provisions examine the committee report which has been carefully drafted and which explains all of the more complex provisions of the bill.

I hope that the Members of this House will not lose sight of the fundamental fact which I mentioned at the beginning—the fact is that we have $41 million on hand in the United States awaiting distribution to persons who have claims against the 5 countries included in this bill. Many of these people badly need whatever money they can realize from these assets. In the case of the Russian claims, most of the losses occurred during World War I. The assets for paying these claims have been available for a long time. The important thing is to get the bill through so that the money can be distributed and the claimants can get at least partial recompense. Every change which is proposed in order to give some person or group of persons more than they get under the bill as reported means that some other person or group of persons will get less than under the bill in its present form. There is no way in which justice can be done to everyone. Let us not forget, however, that the injustice has been done by the governments of these foreign countries and that anything we do here is merely a palliative which we hope will help the victims of this injustice.

Under Reorganization Act No. 1 the business of the International Claims Settlement Act and the War Claims Act was placed under the supervision of the Foreign Claims Settlement Commission. It is a consolidation of these claims commissions. The President sent his reorganization plan up here which brought that about, but now we need some legislative authority to take over certain funds and certain property that is in the hands of the United States Government and provide for the disposal of certain money—$5 million—that was turned over to us by an agreement with the Italian Government supplementing the main peace treaty that had previously been signed between the United States and the Italian Governments.

This Foreign Claims Settlement Commission has assumed all of the activities of these other commissions, and properly so, because it reduces the cost to the Government of the United States. This Commission will have jurisdiction over the payment of these claims. That is all this bill involves. We have this money and it does not cost the taxpayers a dime. It will not cost the taxpayers anything to administer it because the administration costs will be paid out of 5 percent of the funds themselves. I do not see how anybody can object to the bill. I am not sure that the people with claims will realize even 5 percent of what they are entitled to. But we can pay them to the extent that we have this money and property available here. In every instance we have a treaty of peace and we have an agreement with these governments. In the case of the satellite governments—Rumania, Bulgaria, and Hungary—we had agreements for these satellite countries to pay these claims, but every one of the agreements has been repudiated. They have not honored their obligations as has been the case with so many of the agreements of Communist satellite countries. Of course, we do not waive any of our rights under these agreements. It is the hope of the Committee on Foreign Affairs, Mr. Chairman, that perhaps at the Big Four Conference our representatives will take up that matter and insist that the Communist satellite countries live up to their obligations. I think that ought to be on their agenda. But we do have this money and this bill sets up the procedure by which these claims will be paid.

Mr. Chairman, I will be glad to answer any questions that I can.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. KEOGH. I would like to direct inquiry to section 303, subparagraph (2), on page 30 of the bill.

I would like to ask the distinguished gentleman from South Carolina if there was any particular reason why the Committee on Foreign Affairs omitted that paragraph—the language which appears on page 29, line 15, beginning with the word "No," running over to line 3, on page 30.

Mr. RICHARDS. Does the section you mention deal with fees?

Mr. KEOGH. Excuse me. I have not reached the point of making inquiry on that subject. But in this section to which I referred it appears that anyone who was legally in the United States, even though not a national, might make claims under section 303, subparagraph (1), but that language is omitted in paragraph 2, and the cutoff date is September 15, 1947. My specific inquiry is whether the committee intended that only those who were citizens on September 15, 1947, should participate; and if so, why?

Mr. RICHARDS. It was thought that in justice to all claimants involved the date of the treaty of peace should be the cutoff date for the paying of these claims. People may differ about that, but that was the committee's decision. That does not obliterate a just and legal claim. Now, the amendment of the gentleman from Connecticut [Mr. DODD], at the place you are talking about in the bill, will allow citizens of other countries who applied for first citizenship papers prior to the date of the armistice in each country, who had subsequently continuously lived in the United States, and who got their citizenship before September 15, 1947, to file claims, but this provision has not been extended to the section the gentleman asks about.

Mr. KEOGH. Will the gentleman yield further?

Mr. RICHARDS. I yield.

Mr. KEOGH. May I refer to section 317, which pertains to the allowances for fees? It would seem to me that the evidence before your committee indicated that the claimants under the Litvinov funds covered by title III of this bill had been litigating, and successfully, their claims, in the State courts particularly, for many years up to the time that Congress enacted Public Resolution 36 of the 76th Congress, which this bill repeals. It would further seem that because of the enactment of that early resolution these claimants, even though they had reduced their claims to enforceable judgments, were required to withhold their efforts to collect, while the Federal Government marshalled these assets.

In lieu of the procedure which had been set up by the Congress in 1939, you now substitute the procedure in this bill. I wonder if you are in a position to confirm the fact that section 317 seems as though it does not—and, in my opinion, it certainly should not—affect in any way the rights of these attorneys for compensation which they had earned in connection with previous litigation of the claims. I wonder if the chairman would react to that statement.

Mr. RICHARDS. Yes. I will react to that.

So far as the Litvinov claim, which I believe involved $9 million, is concerned, judgments which were secured in the courts of the United States, the Government of the United States, were given priority.

Mr. KEOGH. Which went to the Supreme Court of the United States.

Mr. RICHARDS. That is correct. That we could appreciate; but when you come to attorneys' fees we place in this bill the usual 10-percent provision for attorneys' fees, and also went further to meet the situation which the gentleman is talking about. We said that in the case of extraordinary legal services—and, of course, the securing of judgment in fighting it through the courts would come in that category—that the Commission could allow additional fees over and above the 10 percent provided in this bill. The committee put in that provision, but I do not feel that we can go beyond it. The Claims Commission will in each case

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decide as to whether or not the extraordinary services rendered would warrant an additional fee.

Mr. KEOGH. Mr. Chairman, if the gentlemen will yield further, I would simply observe that it is a relatively unique procedure where you place such discretionary authority in a commission. I appreciate, however, that the distinguished gentleman and his great committee have labored long on this bill and he has in his usual manner presided with fairness and with distinction. Mr. Chairman I compliment them on the progress they have made in a very difficult and complicated subject, but I hope to be heard later with a few questions.

Mr. RICHARDS. I thank the gentleman. It is a complicated subject; and, as the gentleman said, if we took a unique position it was in favor of the attorneys and not against the attorneys.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Iowa.

Mr. JENSEN. I just want to say that I have known the Chairman of the Foreign Claims Settlement Commission, Mr. Whitney Gillilland, for many, many years. His home was at Glenwood, Iowa, in my district. We made Whitney Gillilland district judge when he was 33 years old.

I cannot command proper words to express my great trust and confidence in Whitney Gillilland. I presume I do not know as much as I should about this part of his duties; however, he has explained to me many, many times the great problems which confront the Commission, and he has, I am sure, done an outstanding job in administering this job, and will continue to do so, because I know his great ability, I know his purpose in life, and that is to do that which is big and fine and for America, the country he loves.

So I hope that my words will have some weight in giving to Mr. Gillilland the authority he must have in order to carry out this great responsibility which rests on his shoulders as Chairman of the Foreign Claims Settlement Commission.

Mr. RICHARDS. I join with my friend from Iowa in his expression of confidence in Mr. Gillilland. I had not known him before the committee began its consideration of this bill, but the impression he has made on me in his appearances before the committee has been most favorable.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Maine.

Mr. HALE. I read with considerable interest the statement on page 2 of the report that the blocked assets of three satellite countries, Bulgaria, Hungary, and Rumania, were more than $30 million, of which $27 million are Government- and corporate-owned assets and $7 million owned by natural persons. I am further interested in the statement that this bill does not involve the confiscation of the property of natural persons. Am I correct in that?

Mr. RICHARDS. Involves what?

Mr. HALE. Does not involve the confiscation of the property of the individual nationals of those three countries.

Mr. RICHARDS. Does the gentleman refer to the settlement of claims or the vesting of property?

Mr. HALE. I think the gentleman misunderstands me.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. I believe the gentleman is pointing out that of the assets of these three ex-enemy countries it is proposed to hold, to still block, the assets of natural citizens, and only divide up the corporate assets.

Mr. RICHARDS. That is correct. The gentleman states it better than I could. The property of these individuals is not confiscated. The property remains blocked and whenever in the future it is possible for the unfortunate people of Bulgaria, Hungary, and Rumania to enjoy the right to own private property, it is expected this property will be returned to them.

Mr. HALE. I want to applaud the committee for not confiscating the property of individual nationals of these former enemy countries. I do want to ask a further question. Why was the property owned by the corporations of those former enemy countries included with government-owned property instead of with the property of natural persons?

Mr. RICHARDS. Well, it would be useless to do otherwise.

Mr. VORYS. Is it not a fact that unfortunately for those corporations, the corporations in Bulgaria, Rumania, and Hungary have been seized by the governments so that their assets are now government assets?

Mr. RICHARDS. That is true.

Mr. HALE. That is an interesting point and I am grateful for the explanation.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. On page 15 of the report it is stated that an annual appropriation of Congress will be required to cover the expenses of the Foreign Claims Settlement Commission.

Mr. RICHARDS. That is right.

Mr. ROGERS of Colorado. None of the money that has been sequestered is to be used in payment of any administrative expenses?

Mr. RICHARDS. It will be used for this purpose but only after it is appropriated from year to year by Congress.

Mr. ROGERS of Colorado. Yes.

Mr. RICHARDS. The total fund amounts to $41 million; of this 5 percent can be used to pay the expenses of the Commission. This would amount to $2 million. This bill gives the Commission 4 years to finish its work on these claims. That means that they can spend not more than $500,000 a year for 4 years.

Mr. ROGERS of Colorado. In other words, the chairman of the Foreign Claims Settlement Commission is not authorized to proceed with any moneys that are now in the hands of the Government in carrying out the work of making final settlement of the claims?

Mr. RICHARDS. He is not authorized to use any of these funds until they have been appropriated. The main point is that it is all a matter of bookkeeping and it will not cost the Government a dime because that is the law.

Mr. ROGERS of Colorado. The law says that, but there is an annual appropriation by this Congress to this Commission to transact its business.

Mr. RICHARDS. Yes.

Mr. ROGERS of Colorado. Does the gentleman know whether or not there have been sufficient funds appropriated for this Commission to carry out the added duties and responsibilities that it will have as the result of H. R. 6382 in addition to the work that has already been assigned to it?

Mr. RICHARDS. There was no testimony on that matter before our committee.

Mr. ROGERS of Colorado. They could not. There is no reason why they cannot come back to the Congress and get a sufficient appropriation to carry out the work they have outlined, for their staff members and so forth?

Mr. RICHARDS. They can do that.

Mr. ROGERS of Colorado. I was only interested to know whether or not they could proceed with this work and carry on the other work that they have expeditiously with the funds that have been now appropriated to them, or as to whether or not this would be a sufficient answer to it in this bill.

Mr. RICHARDS. They will need to get an appropriation of any additional funds. The main thing is that there is $41 million here, and a lot of these people with claims need it badly. It is important to get the work done as rapidly as possible.

Mr. BENNETT of Florida. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Florida.

Mr. BENNETT of Florida. I would like to have an explanation, for my own information, as to why in the report on page 5 it outlines a difference in treatment between Hungary, Rumania, and Bulgaria on the one side and Italy on the other. I have a case in mind of an Italian citizen who became a national before the conclusion of the war.

Mr. RICHARDS. What line is the gentleman referring to?

Mr. BENNETT of Florida. I am looking at paragraph 1 where it says:

> A claimant against Hungary, Rumania, or Bulgaria must have been a United States national continuously since the date of the armistice with the country involved.

While it says in paragraph (b) immediately under that—

> A war damage claimant against Italy under the Lombardo agreement must have been a United States national continuously since the time of his loss.

I believe I know of a case of a person who was a national of the United States at the time of the conclusion of the war with Italy but was not a national at the time of his loss, and it would seem to me from reading this that he was discriminated against in this legislation.

If he happened to be a Hungarian, Rumanian, or Bulgarian, he would only have to be a national since the date of the conclusion of the war, but since he is an Italian he is precluded because he was not a national at the time of the conclusion of the war. I just wonder why that difference.

Mr. RICHARDS. The difference arises because of the different agreements with the countries involved. The treaties of peace with Bulgaria, Hungary, and Rumania make persons who were citizens at the time of the armistice and the time of the treaty eligible to file claims. The agreement with Italy does contain the same provision.

Mr. BENNETT of Florida. Whether it is Italy or Bulgaria or any other nation, it would apply the same?

Mr. RICHARDS. There are minor differences based on the treaties.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from New York.

Mr. MULTER. I want to add my word of praise of the gentleman and his committee for having done an excellent piece of work in bringing this bill out involving not one but many very complicated situations. I am a little disturbed, however, with the answer that the distinguished chairman gave to the gentleman from New York with reference to section 317. I do not think the gentleman wants his words to be construed as meaning that this Commission will be given any authority to invalidate any completely executed contracts between claimants and attorneys where the attorney had been retained and done his job completely up to the time of judgment and litigating it through the various courts. I understand the gentleman's desire to make sure there is no evasion of the 10-percent provision in requiring the attorney to submit to the Commission the reason why he is entitled to more. But, I am sure that he does mean that this Commission can invalidate any executed, completed contract under which everything had been done that is called for. Is that right?

Mr. RICHARDS. That is a very broad question, I will say to my friend, the very able gentleman from New York. I do not believe in invalidating contracts. But all this bill provides in this respect is that attorneys are allowed up to 10 percent. In cases such as the gentleman was speaking of the Commission can increase the amount when it finds that there are special circumstances of unusual hardship. I am sure the Commission would note the existence of such contracts in reaching a decision on such a case.

Mr. VORYS. Mr. Chairman, my friend the gentleman from Iowa [Mr. JENSEN] has spoken on the great ability of former Judge Gillilland, who is Chairman of the Foreign Claims Settlement Commission. I join in praise of his ability. I should like, also, to pay my tribute to another great former judge, and that is the gentleman from South Carolina [Judge RICHARDS], the able chairman of our Committee on Foreign Affairs.

This has been a lawyer's job. It took about 2 or 3 weeks. We had all kinds of claimants, in addition to those who are included, who wanted to be included, and all kinds of fringe benefits to consider. Our chairman, the gentleman from South Carolina [Mr. RICHARDS], presided with very judicial fairness and acumen. As one result of the deliberations of the committee, the bill is 10 pages shorter than it was when it came to the committee.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. KEOGH. While we are in the paying-of-compliments stage, I want the gentleman from Ohio to know that I agree completely with what he has said about his distinguished chairman, but I as a New Yorker would like to include among those entitled to commendation a distinguished New York lawyer who has been serving most faithfully and competently as a member of the Commission. I refer to Commissioner Clay, who has done an excellent job, and who we from New York are proud to think comes from our State.

Mr. VORYS. That makes it unanimous, because I was just going to mention Commissioner Clay.

This will seem like an unusual bill from the Foreign Affairs Committee, at least to some of my brethren here on the floor. This is one where we do something for Americans from funds provided by foreigners. But we found out in the process that there is no way, even as skillful and as careful as we tried to be, that we could make $41 million pay the apparently just claims of about 9,000 Americans who have about half a billion dollars of claims that are unpaid in the Soviet and the satellite countries.

I call your attention to section 5 of our committee report. Insofar as this is called an international claims settlement bill it is a misnomer, because it does not settle all international claims. It is impossible to do so with the assets available. Remember, the bill does not include claims arising since the treaties for nationalization, compulsory liquidation, or other seizure, and it does not include as claimants large numbers of persons who have become American citizens since the treaties were ratified. Both those suggestions were made to the committee, but we realized that every time we increase the number of claimants and increase the type of claims we dilute the amount, the pittance, that can be given to those whose claims are particularly justified, and every time we increase the list of claims and claimants we delay the final action of this Commission because we increase the hearings they must conduct before ordering actual payment. If they have thousands of additional claims thrown on them, in addition to the thousands of claims they already contemplate handling, it will delay them beyond the tight time schedule that we are attempting to prescribe.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. KEOGH. Is it not true that if you cut off a class of claimant completely by the provisions of the bill, the claimant will never have an opportunity even to attempt to prove before the Commission whether his claim is valid or invalid or whether it should or should not be allowed.

Mr. VORYS. No; I disagree with the gentleman. What I mean is that all we are doing is trying to set up a class of claimants who will be entitled to parts of this present fund.

These claimants in this bill are not all in the same class. I want to call attention to the fact that these claims against the Soviets have been pending for 37 years. They would have been settled long ago by the New York State courts if the Supreme Court in the Pink case had not come along, and in my judgment, upset some of what had been the fundamental laws of this country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. GROSS. Do I understand that under this bill all claimants must be Americans?

Mr. VORYS. Yes.

Mr. Chairman, I would suggest that the way to secure justice for these thousands of Americans who have millions of dollars worth of claims is to induce the Soviets and their satellites to recognize and to adjudicate fairly and pay these claims. All of these claims are based upon promises and agreements based on international law which prevails among civilized nations. If, for instance, when the President meets at the summit with Soviet leaders, it might well be that he will place on his agenda, as a matter to be considered, the rights of these American citizens.

Yes, I suggest that it might well be that, as a prerequisite to considering future promises by the Soviets, he would insist upon performance of the past promises involved in these unsettled claims, and would require their early satisfaction as a token of the good faith that must be demonstrated by deeds, not words, before just and lasting peace can come.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. KEOGH. I would direct the attention of the gentleman to the language appearing on page 30, lines 4 to 7, of the bill, and ask the gentleman the following question: Does not that paragraph recognize the right for compensation for nationalization?

Mr. VORYS. Up to the time of the treaty.

Mr. KEOGH. That is my point. When you cut off the date as of September 15, 1947, are you not, in effect, creating two classes of nationalization claimants—those who would come in under the bill because they suffered their loss prior to September 1947 and those who suffered their loss subsequently and who now are left with pious hope of waiting until there is a meeting on the summit and that they may get around on that agenda to the matter of taking care of these people?

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Mr. VORYS. Since we felt we could not include all who wanted in, we have made a number of different classes of claims, included some, and excluded others. On this whole matter of a cutoff on nationalization claims as of the date of the treaties, I now yield 10 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I wish to confine my remarks on H. R. 6382, a bill to amend further the International Claims Settlement Act of 1949, to a discussion of the reasons behind making September 15, 1947, the cutoff date for nationalization claims to be satisfied under this legislation.

I introduced in committee the amendment which established this date. Previously the bill limited such claims only to the effective date of its title. I believe my reasons for so doing, Mr. Chairman, were good and sufficient and I would like to describe them for the benefit of the committee.

We are dealing here with claims against the three satellite governments of Hungary, Rumania, and Bulgaria. During World War II these governments were allies of Nazi Germany and their assets in this country were blocked as a result of such alliances. It is now proposed to vest these assets and to use them to satisfy prewar or war-damage claims arising against these governments. With this I am in perfect accord.

Mr. Chairman, I did not originally oppose the satisfaction of nationalization and expropriation claims arising subsequest to the effective date of the peace treaties with these three satellites, that is, September 15, 1947. But I did strongly feel that if we were going to satisfy, partially, claims against the postwar Communist satellite governments now in control of those three countries we should at the same time use what assets of these Communist governments that might be available to us for such a purpose. That amendment was defeated in committee and, therefore, I offered the cutoff amendment, which was adopted.

In other words, Mr. Chairman, I do not wish to confuse the question of wartime and postwar claims. If we are going to satisfy wartime claims, let us do it with assets that were blocked during wartime. The question of postwar, or rather posttreaty claims against the Communists, is another different matter. I regard this as a matter for continued negotiations with the satellites and their Soviet masters and I do not wish to see the matter alleviated by partial satisfaction of these claims while the basic matter of principle remains unsolved.

The State Department has admitted that no satisfactory solution of the problem of nationalization claims is in sight. It is one of the outstanding problems still existing between ourselves and the Soviets. I see no reason why it should not be included on the agenda of problems to be discussed in this connection, an agenda which, I understand, will be decided upon at the forthcoming Big Four meeting at Geneva. But I want this to continue to be an outstanding problem; I do not want to let the State Department partially satisfy these nationalization claimants and then proceed to conveniently forget about the matter. In other words, I do not want to let them off the hook on this one.

I fully realize that the peace treaties with the satellites do not limit the available funds to claims arising before September 15, 1947. But I think that, in the satisfaction of wartime claims, and if you are only going to use wartime assets, that you should first satisfy the wartime claims so far as the available assets are concerned and as far as they go. If you want to start satisfying claims against the Communist, but yet are not willing to touch Communist assets, it seems to me that you are adopting an entirely inconsistent method of procedure. Further, if you start applying wartime assets to the satisfaction of postwar claimants, you are going to greatly dilute the amount available to satisfy the wartime claimants, who are in justice and equity entitled to prior satisfaction in such matters.

For example, the most reliable information indicates that the amount of war-damage claims from Rumania will number 55 in a total amount of $56.7 million. There have been filed 383 war-damage claims of Hungarian origin with a total amount of $78.9 million and 15 claims of Bulgarian origin, totaling approximately $600,000. This is a total of 453 claims totaling approximately $136.2 million. Now the total amount available for the payment of these claims is in the neighborhood of $27 million, which would mean that each claimant would realize approximately 20 cents on the dollar if these assets were limited specifically to wartime claims. If, however, the approximately 250 claims arising out of nationalization were added to be satisfied under the available amount, it is easily seen how great the dilution would be. This is to say nothing of further claims which might be filed prior to the effective date of the act for damages arising from nationalization or expropriation.

Mr. Chairman, I hope that any attempt to eliminate the cutoff date of September 15, 1947, will be defeated, and I urge the passage of H. R. 6382 without change.

Mr. Chairman, I would now like to answer the question that the gentleman from New York asked my colleague from Ohio regarding this cutoff date. Remember, prior to September 15, 1947, we were in a wartime status with the countries of Hungary, Rumania, and Bulgaria, just as much as we were during actual hostilities. Therefore we made the cutoff date which terminated the period of actual wartime as the effective date of the treaty of peace. Thus we make a distinction between wartime and peacetime claims.

Mr. KEOGH. Mr. Chairman, will the gentleman yield at this point?

Mr. BENTLEY. Certainly.

Mr. KEOGH. Do I understand the gentleman, then, to say in effect that if the nationalization claim rose prior to the effective date of the treaty, September 15, 1947, that you consider it along with war claims; but if the very same precise claim arose the day after the effective date then you look for further negotiations at the summit or elsewhere?

Mr. BENTLEY. I would be very glad to tell the gentleman this, and as I say, I was there in Hungary during this particular time. You will find there was almost nothing done with regard to nationalization or expropriation prior to the effective date of the treaty of peace, either American property or assets. Such action followed the treaty of peace with the satellites. To the best of my knowledge they did not take action against property of American nationals until the treaty itself had been made effective.

Mr. KEOGH. In view of what the gentleman has just said I now ask the gentleman if subparagraph 2 appearing in line 4 of page 30 is not in effect saying nothing? That is confirmed by page 13 of the report wherein it is admitted that the bulk of such nationalization claims arose after the effective date of the treaty.

Mr. BENTLEY. I understand the gentleman.

Mr. KEOGH. May I ask the gentleman this specific question: Are you trying to hold it up as nothing or are you trying to do something about nationalization claims?

Mr. BENTLEY. I understand the gentleman's remarks perfectly. Let me say to begin with that I am not a lawyer and probably am the only person who will speak on this bill who is not a lawyer.

Mr. KEOGH. I am sure the gentleman need not worry about not being a lawyer.

Mr. BENTLEY. I do not.

Mr. KEOGH. The lawyer is the one who generally comes out second best.

Mr. BENTLEY. I trust this will be no exception, if I may say it to the gentleman.

Mr. KEOGH. As of now I am willing to call it a draw.

Mr. BENTLEY. I thank the gentleman.

Answering the gentleman's question further I will say that there might be one category of claims involving the property of nationals expropriated or taken over during the active war years, where the property was never repossessed by the former owner but had passed through a transitory stage from the hands of the war-time government over to the postwar Communist government, and in such a case a claim for nationalization could be entered.

Mr. KEOGH. Those are not claims that arose as a result of the war.

Mr. BENTLEY. Oh, I think they were. They were claims where property was seized.

Mr. KEOGH. Precisely and the nationalization that took place later was a natural consequence of the plan of action that communized those countries.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from New York.

Mr. WAINWRIGHT. The first thing I would like to ask my distinguished colleague refers to his statement that there are apparently inadequate funds to satisfy a great number of claims that exist.

Mr. BENTLEY. Yes.

Mr. WAINWRIGHT. This same cry was raised at the time the Yugoslavia

claims were put forward. The total amount of claims at that time was $149 million plus. After the hearings before the Claims Commission it approved only $18,800,000 of claims actually. Exactly the same thing will happen here. You will have a great number of claims and when the claims are finally adjudicated and reduced to a minimum, in the opinion of the State Department, there are actually sufficient funds on hand to satisfy all claims.

Mr. BENTLEY. Has the gentleman from New York any knowledge of spurious wartime claims?

Mr. WAINWRIGHT. No. I am merely referring to funds on hand.

Mr. BENTLEY. I will say to the gentleman his point may very well be taken, but if we satisfy the war claims and then should find that some money is left over, we could give further consideration to the nationalization claimants. If the money on hand satisfies legitimate wartime claims and we still have a part left over from the wartime assets legislation might very well be considered to take up the case of posttreaty claims.

Mr. WAINWRIGHT. I think that may well happen. I would like to hear the gentleman's comment on this situation: As time goes on more and more of these claimants will be dying off, the witnesses who are so necessary to prove the claims will be dying off or hard to find. This is one opportunity that presents itself for all claimants to present their claims which the gentleman's amendment would cut off.

Mr. BENTLEY. That is why I think the gentleman has made my own point. The question of age and the lack of witnesses over a period of time are important and it is necessary that we take care of the earlier claimants.

Mr. WAINWRIGHT. How can the gentleman say that when the Russian claimants are all over 30 years old now.

Mr. BENTLEY. I hope we will reach a settlement for these satellite claimants, both with regard to wartime confiscation and with regard to nationalization.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from New York.

Mr. KEOGH. Will the gentleman tell the committee whether the representatives of the Foreign Claims Settlement Commission offered any testimony in support of the cutoff date of September 15, 1947?

Mr. BENTLEY. I will tell the gentleman from New York that the particular amendment which established the cutoff date was discussed by the committee in executive session and, to the best of my knowledge, no testimony was heard in that connection.

Mr. KEOGH. From the Commission or from any other witnesses?

Mr. BENTLEY. No.

Mr. WAINWRIGHT. Does not the gentleman from Michigan feel that his amendment is so sufficiently important there should have been testimony not only from the Department but from the claimants on this question?

Mr. BENTLEY. I would have been happy if the occasion had risen to hear the views of the Department, the Commission and anyone else who might be interested; but, as I stated on the floor, my original purpose was not to establish a cut-off date but to use the postwar assets of these Communist governments to satisfy postwar claims. When that principle was rejected I offered this amendment to keep the distinction between the two, in other words wartime assets to wartime claimants. If you are not going to use the present assets, leave the postwar claims until the matter is further settled.

Mr. KEOGH. Does the gentleman have any hope there will ever be any postwar assets available for the payment of these postwar claims?

Mr. BENTLEY. There are postwar assets of the three satellites in this country which remain untouched.

Mr. FULTON. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Chairman, I am certain that the Members of the House are happy to consider a bill from the Committee on Foreign Affairs that is not going to cost the taxpayers any money. This bill deals with claims that have resulted from the war amounting to something like $41 million but are not going to be adjudicated in that amount at the present time.

The committee held long hearings on this bill. It is largely a lawyer's bill. It is difficult for some of us laymen to understand all of the provisions in the bill and very difficult to explain. I attended the hearings and I feel that I understand the measure, but some provisions I can hardly explain. After long hearings, the bill was voted out unanimously. The chairman was patient, he was indulgent, and he showed great skill and poise in handling this bill, and I commend him highly. I think it is splendid legislation. Claims have been pending since 1947, and the claimants should have their money or so much of their money as it is going to be possible to distribute under the provisions of this bill.

Mr. Chairman, I am very happy to add to the remarks that have been made concerning my good friend, Judge Whitney Gillilland, of Iowa, who is Chairman of the Foreign Claims Settlement Commission. Judge Gillilland became district judge in Iowa while quite young. He practiced law before he became district judge and has practiced law since and has true judicial temperament and judicial ability. In addition, he is a man of unquestioned integrity. At the moment he is to be at the head of the Commission that will attempt to adjudicate these claims.

My feeling is that the expense of handling this procedure will amount to perhaps somewhere between 5 and 10 percent of the total funds that are now blocked assets of the Government. Even then, as this bill will be administered, I doubt that claimants will get more than 10 to 20 percent on their present claims. The gentleman from Michigan was more optimistic than I am when he said 20 percent. I am not in my own mind certain that legitimate's claim will be paid for more than 20 cents on the dollar.

The important thing in this discussion, however, is that claims that arise after the cutoff date of September 1947 are not dismissed and invalidated. If more funds are obtained through negotiation of treaties and settlements with foreign countries, the claims after the date of 1947 are still valid against the funds that may be obtained after that date.

This is truly an involved bill; a great many peculiar formulas are found in it; a great deal of difficulty may be experienced in determining the rights of claimants, and I apprehend that there will be some difficulty with respect to corporations and the adjudication of claims representing stock in corporations held by American nationals. But the time has come when this fund, already blocked or frozen, should be liquidated, the rights of claimants adjudicated, and a distribution made of the assets by the Foreign Claims Settlement Commission.

While it is true that some apparent claims are barred, at least for the present, it must be remembered that the blocked funds are small compared to the total of claims already in sight and admitting additional claims will dilute the funds even further.

I recommend this bill to the House as the best we can hope to achieve at this time.

Mr. VORYS. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Chairman, the bill H. R. 6382 as reported limits compensation to claimants for nationalization or expropriation occurring prior to September 15, 1947. The effect of this limitation is to eliminate compensation to virtually all nationalization claims, since, as the committee report—House Report No. 624—points out, the bulk of such claims arose subsequent to September 15, 1947.

The original bill as introduced, section 217 (2), provided for compensation for expropriation claims arising at any time prior to the effective date of the act. H. R. 6382, section 303 (2), practically eliminates all such claims by virtue of the restriction relative to those arising prior to September 15, 1947.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. I yield to the gentleman from New York.

Mr. KEOGH. I sought to elicit from the gentleman from Michigan whether the Commission testified on the point of the cutoff date.

Mr. WAINWRIGHT. Which they did not.

Mr. KEOGH. I now ask the gentleman from New York this specific question: Does the gentleman have any authoritative statement of the position of the Commission on that very point?

Mr. WAINWRIGHT. Yes. I have a memorandum in front of me dated June 14, 1955, from a member of the Foreign Claims Settlement Commission, which states as follows:

> The Commission and the executive agencies—

I would presume that that is the administration.

> The Commission and the executive agencies recommend that the language in H. R.

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6382 be eliminated and that the language of S. 1310 be restored in this regard.

In other words, they are suggesting that the bill as originally reported is the correct and proper bill.

Mr. KEOGH. That is, substitute for "September 15, 1947" the words "prior to the effective date of this title"?

Mr. WAINWRIGHT. Quite right. The gentleman's point is well taken.

The position of the executive branch of the Government, as expressed in S. 1310, was arrived at after extended study and discussion among representatives of the State Department, Bureau of the Budget, and other interested executive agencies in this Commission, and is based upon the conclusion that all expropriation claims arising at any time prior to the effective date of the act should be provided for. No one has ever questioned the right, under the treaties or otherwise, to devote the vested assets of the three satellite countries involved here to payment of expropriation claims as well as war damage and prewar debt claims. In addition to this, the restriction of expropriation claims in the manner provided by H. R. 6382 would have a number of undesirable results which would tend not only to complicate the administration of the act but would also result in a great deal of adverse criticism from many potential claimants.

I believe that the provisions for nationalization in the committee's bill are not in accord with the best interests of the United States for the following reasons:

The available funds are in no respect limited by the Bulgarian, Rumanian, and Hungarian Peace Treaties to claims arising prior to September 15, 1947, but are available to citizens for all claims of the United States and its nationals against the three satellite countries.

The United States has traditionally espoused claims of its nationals against foreign countries for the nationalization or other taking of their property. Satisfaction of such claims contribute to the readiness of private citizens to make investments in foreign countries and reduce the burden of foreign aid on the American taxpayer.

War damage claims are given priority over nationalization claims with no justification for such preference.

Several members of the Committee on Foreign Affairs have expressed particular interest in protecting small claimants. Under the bill as now written, the many small claimants who had property nationalized or taken on September 15, 1947, or thereafter, will receive nothing.

The funds involved undoubtedly are the sole funds that will be available for any and all claims against these countries for some time to come.

In effect, H. R. 6382 would appear to tell persons who suffered losses that they have nationalization claims, while, at the same time, it is known that none of them would qualify as claimants because of the date limitation.

During the meeting of the Rules Committee there seemed to be some misunderstanding as to the nature and extent that the nationalization claims would dilute the various funds. As the report of the committee indicates, the Lombardo fund amounts to $5 million; the Litvinov assignment to approximately $9 million; the Bulgarian fund, $3 million; Hungarian, $6 million; Rumanian, $25 million; or an aggregate of some $48 million. Each fund is an individual fund, and although the estimate total claims in one fund, that is, the Soviet claims, may far exceed the funds available, another fund might very well have sufficient moneys to nearly pay claimants 100 cents on the dollar. In other words, the funds available are not lumped into one sum against which all war damage and expropriation claims participate. In addition, although the war damage claims under the treaties of peace received priority, they still only received two-thirds of the amount approved in the particular fund. In some cases the expropriation claims will receive only a small percentage of the amount awarded, whereas in other cases the amount will be a substantial percentage of the total amount awarded.

While I am not offering an amendment, the bill as presently constituted should not be passed.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. WAINWRIGHT. I yield to the gentleman from Michigan.

Mr. BENTLEY. The gentleman from New York has read a memorandum stating that the executive agencies are on record in favor of the Senate bill rather than the version adopted by the committee. Is that correct?

Mr. WAINWRIGHT. May I say that they are in a position that is opposed to the bill as it is now and are in favor of the bill as originally drawn. I would rather not make reference to the Senate bill.

Mr. BENTLEY. Did they make any specific objections to any parts of the bill we are now considering?

Mr. WAINWRIGHT. I have been referring to those objections.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the International Claims Settlement Act of 1949, as amended, is further amended by inserting after the first section thereof the following: "TITLE I".

SEC. 2. The word "Act", wherever it appears in title I in reference to the International Claims Settlement Act of 1949, is amended to read "title."

SEC. 3. The International Claims Settlement Act of 1949, as amended, is further amended by adding at the end thereof the following:

"TITLE II

"VESTING AND LIQUIDATION OF BULGARIAN, HUNGARIAN, AND RUMANIAN PROPERTY

"SEC. 201. As used in this title the term—

"(1) 'Person' means a natural person, partnership, association, other unincorporated body, corporation, or body politic.

"(2) 'Property' means any property, right, or interest.

"(3) 'Treaty of peace', with respect to a country, means the treaty of peace with that country signed at Paris, France, February 10, 1947, which came into force between that country and the United States on September 15, 1947.

"SEC. 202. (a) In accordance with article 25 of the treaty of peace with Bulgaria, article 29 of the treaty of peace with Hungary, and article 27 of the treaty of peace with Rumania, any property which was blocked in accordance with Executive Order 8389 of April 10, 1940, as amended, and remains blocked on the effective date of this title, and which, as of September 15, 1947, was owned directly or indirectly by Bulgaria, Hungary, and Rumania or by any national thereof as defined in such Executive order, shall vest in such officer or agency as the President may from time to time designate and shall vest when, as, and upon such terms as the President or his designee shall direct. Such property shall be sold or otherwise liquidated as expeditiously as possible after vesting under such rules and regulations as the President or his designee may prescribe. The net proceeds remaining upon completion of the administration and liquidation thereof, including the adjudication of any suits or claims with respect thereto under sections 207 and 208, shall be covered into the Treasury. Notwithstanding the preceding provisions of this subsection, any such property determined by the President or his designee to be owned directly by a natural person shall not be vested under this subsection but shall remain blocked subject to release when, as, and upon such terms as the President or his designee may prescribe. If, at any time within 1 year from the date of the vesting of any property under this subsection, the President or his designee shall determine that it was directly owned at the date of vesting by a natural person, then the President or his designee shall divest such property and restore it to its blocked status prior to vesting, subject to release when, as, and upon such terms as the President or his designee may prescribe, or if such property has been liquidated, shall divest the net proceeds thereof and carry them in blocked accounts with the Treasury, bearing no interest, in the name of the owner thereof at the date of vesting, subject to release when, as, and upon such terms as the President or his designee may prescribe.

"(b) The net proceeds of any property which was vested in the Alien Property Custodian or the Attorney General after December 17, 1941, pursuant to the Trading With the Enemy Act, as amended, and which at the date of vesting was owned directly or indirectly by Bulgaria, Hungary, or Rumania, or any national thereof, shall after completion of the administration, liquidation, and disposition of such property pursuant to such act, including the adjudication of any suits or claims with respect thereto under such act, be covered into the Treasury, except that the net proceeds of any such property which the President or his designee shall determine was directly owned by a natural person at the date of vesting shall be divested by the President or such officer or agency as he may designate and carried in blocked accounts with the Treasury, bearing no interest, in the name of the owner thereof at the date of vesting, subject to release when, as, and upon such terms as the President or his designee may prescribe.

"(c) The determination under this section that any vested property was not directly owned by a natural person at the date of vesting shall be within the sole discretion of the President or his designee and shall not be subject to review by any court.

"(d) The President or his designee may require any person to furnish, in the form of reports or otherwise, complete information, including information with regard to past transactions, relative to any property blocked under Executive Order 8389 of April 10, 1940, as amended, or as may be otherwise necessary to enforce the provisions of this section; and the President or his designee may require of any person the production of any books of account, records, contracts, letters, memoranda, or other papers relative to such property or as may be otherwise necessary to enforce the provisions of this section.

"SEC. 203. Whenever shares of stock or other beneficial interest in any corporation,

association, or company or trust are vested in any officer or agency designated by the President under this title, it shall be the duty of the corporation, association, or company or trustee or trustees issuing such shares or any certificates or other instruments representing the same or any other beneficial interest to cancel such shares of stock or other beneficial interest upon its, his, or their books and in lieu thereof to issue certificates or other instruments for such shares or other beneficial interest to the designee of the President, or otherwise as such designee shall require.

"SEC. 204. Any vesting order, or other order or requirement issued pursuant to this title, or a duly certified copy thereof, may be filed, registered, or recorded in any office for the filing, registering, or recording of conveyances, transfers, or assignments of such property as may be covered by such order or requirement; and if so filed, registered, or recorded shall impart the same notice and have the same force and effect as a duly executed conveyance, transfer, or assignment so filed, registered, or recorded.

"SEC. 205. Any payment, conveyance, transfer, assignment, or delivery of property made to the President or his designee pursuant to this title, or any rule, regulation, instruction, or direction issued under this title, shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect of any such payment, conveyance, transfer, assignment, or delivery made in good faith in pursuance of and in reliance on the provisions of this title, or of any rule, regulation, instruction, or direction issued thereunder.

"SEC. 206. The district courts of the United States are given jurisdiction to make and enter all such rules as to notice and otherwise, and all such orders and decrees, and to issue such process as may be necessary and proper in the premises to enforce the provisions of this title, with a right of appeal from the final order or decree of such court as provided in sections 1252, 1254, 1291, and 1292 of title 28, United States Code.

"SEC. 207. (a) Any person who has not filed a notice of claim under subsection (b) of this section may institute a suit in equity for the return of any property, or the net proceeds thereof, vested in a designee of the President pursuant to section 202 (a) and held by such designee. Such suit, to which said designee shall be made a party defendant, shall be instituted in the District Court of the United States for the District of Columbia or in the district court of the United States for the district in which the claimant resides, or, if a corporation, where it has its principal place of business, by the filing of a complaint which alleges—

"(1) that the claimant is a person other than Bulgaria, Hungary, or Rumania, or a national thereof as defined in Executive Order 8389 of April 10, 1940, as amended; and

"(2) that the claimant was the owner of such property immediately prior to its vesting, or is the successor in interest of such owner by inheritance, devise, or bequest.

If the court finds in favor of the claimant, it shall order the payment, conveyance, transfer, assignment, or delivery to said claimant of such property, or the net proceeds thereof held by said designee or the portion thereof to which the court shall determine said claimant is entitled. If suit shall be so instituted, then such property, or, if liquidated, the net proceeds thereof, shall be retained in the custody of said designee until any final judgment or decree which shall be entered in favor of the claimant shall be fully satisfied, or until final judgment or decree shall be entered against the claimant or suit otherwise terminated.

"(b) Any person who has not instituted a suit under the provisions of subsection (a) of this section may file a notice of claim under oath for the return of any property, or the net proceeds thereof, vested in a designee of the President pursuant to section 202 (a) and held by such designee. Such notice of claim shall be filed with said designee and in such form and containing such particulars as said designee shall require. Said designee may return any property so claimed, or the net proceeds thereof, whenever he shall determine—

"(1) that the claimant is a person other than Bulgaria, Hungary, or Rumania, or a national thereof as defined in Executive Order 8389 of April 10, 1940, as amended; and

"(2) that the claimant was the owner of such property immediately prior to its vesting, or is the successor in interest of such owner by inheritance, devise, or bequest.

Any person whose claim is finally denied in whole or in part by said designee may obtain review of such denial by filing a petition therefor in the United States Court of Appeals for the District of Columbia Circuit. Such petition for review must be filed within 60 days after the date of mailing of the final order of denial by said designee and a copy must be served on the said designee. Within 45 days after service of such petition for review, or within such further time as the court may grant for good cause shown, said designee shall file an answer thereto, and shall certify and file with the court a transcript of the entire record of the proceedings with respect to such claim. The court may enter judgment affirming the order of the designee; or, upon finding that such order is not in accordance with law or that any material findings upon which such order is based are unsupported by substantial evidence, may enter judgment modifying or setting aside the order in whole or in part, and (1) directing a return of all or part of the property claimed, or (2) remanding the claim for further administrative proceedings thereon. If a notice of claims is filed under this subsection, the property which is the subject of such claim, or, if liquidated, the net proceeds thereof, shall be retained in the custody of said designee until any final order of said designee or any final judgment or decree which shall be entered in favor of the claimant shall be fully satisfied, or until a final order of said designee or a final judgment or decree shall be entered against the claimant, or the claim or suit otherwise terminated.

"(c) The sole relief and remedy of any person having any claim to any property vested pursuant to section 202 (a) shall be that provided by the terms of subsection (a) or (b) of this section, and in the event of the liquidation by sale or otherwise of such property, shall be limited to and enforced against the net proceeds received therefrom and held by the designee of the President. The claim of any person based on his ownership of shares of stock or other proprietary interest in a corporation which was the owner of property at the date of vesting thereof under section 202 (a) shall be allowable under subsection (a) or (b) of this section if 25 percent or more of the outstanding capital stock or other proprietary interest in the corporation was owned at such date by nationals of countries other than Bulgaria, Hungary, Rumania, Germany, or Japan. But no such claim of a national of a foreign country shall be satisfied except after certification by the Department of State that the country of the national accords protection to nationals of the United States in similar types of cases.

"(d) The designee of the President may retain or recover from any property, or the net proceeds thereof, returned pursuant to subsection (a) or (b) of this section an amount not exceeding that expended or incurred by him for the conservation, preservation, or maintenance of such property or proceeds.

"SEC. 208. (a) Any property vested in the designee of the President pursuant to section 202 (a), or the net proceeds thereof, shall be equitably applied by such designee in accordance with this section to the payment of debts owed by the person who owned such property immediately prior to its vesting in such designee. No debt claim shall be allowed under this section—

"(1) if it is asserted against Bulgaria, Hungary, or Rumania (including the government or any political subdivisions, agencies, or instrumentalities thereof); or

"(2) if it is based upon an obligation expressed or payable in any currency other than the currency of the United States; or

"(3) if it was not due and owing—

"(A) on October 9, 1940, in the event the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Rumania;

"(B) on March 4, 1941, in the event the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Bulgaria; or

"(C) on March 13, 1941, in the event that the property in respect of which such debt claim is filed was owned immediately prior to vesting by a national of Hungary.

Any defense to the payment of such claim which would have been available to the debtor shall be available to the designee, except that the period from and after December 7, 1941, shall not be included for the purpose of determining the applicability of any statute of limitations. Debt claims allowable under this section shall include only those of natural persons who were citizens of the United States at the dates their debtors became obligated to them; those of other natural persons who are and have been continuously since December 7, 1941, residents of the United States; those of corporations organized under the laws of the United States or any State, Territory, or possession thereof, or the District of Columbia; and those acquired by the designee of the President under this title. Successors in interest by inheritance, devise, bequest, or operation of law of debt claimants, other than persons who would themselves be disqualified hereunder from allowance of a debt claim, shall be eligible for payment to the same extent as their principals or predecessors would have been.

"(b) The designee of the President under this title shall fix a date or dates after which the filing of debt claims in respect of any or all debtors shall be barred, and may extend the time so fixed, and shall give at least 60 days' notice thereof by publication in the Federal Register. In no event shall the time extend beyond the expiration of 1 year from the date of the last vesting in the designee of the President of any property of a debtor in respect to whose debts the date is fixed. No debt shall be paid prior to the expiration of 120 days after publication of the first such notice in respect of the debtor, nor in any event shall any payment of a debt claim be made out of any property or proceeds in respect of which a suit or proceeding for return pursuant to this title is pending.

"(c) The designee shall examine the claims, and such evidence in respect thereof as may be presented to him or as he may introduce into the record, and shall make a determination, with respect to each claim, of allowance or disallowance, in whole or in part. The determination of the designee that a claim is within either paragraph (1) or (2) of subsection (a) of this section shall be final and shall not be subject to judicial review, and such claim shall not be considered a debt claim for any purpose under this section.

"(d) Payment of debt claims shall be made only out of such money included in, or received as net proceeds from the sale, use, or other disposition of, any property owned by the debtor immediately prior to its vesting in

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the designee of the President, as shall remain after deduction of (1) the amount of the expenses of the designee (including both expenses in connection with such property or proceeds thereof, and such portion as the designee shall fix of his other expenses), and of taxes, as defined in section 212, paid by the designee in respect of such property or proceeds; and (2) such amount, if any, as the designee may establish as a cash reserve for the future payment of such expenses and taxes. If the money available hereunder for the payment of debt claims against the debtor is insufficient for the satisfaction of all claims allowed by the designee, ratable payments shall be made in accordance with subsection (g) of this section to the extent permitted by the money available and additional payments shall be made whenever the designee shall determine that substantial further money has become available, through liquidation of any such property or otherwise. The designee shall not be required, through any judgment of any court, levy of execution, or otherwise, to sell or liquidate any property vested in him, for the purpose of paying or satisfying any debt claim.

"(e) If the aggregate of debt claims filed as prescribed does not exceed the money from which, in accordance with subsection (d) of this section, payment may be made, the designee shall pay each claim to the extent allowed, and shall serve by registered mail, on each claimant whose claim is disallowed in whole or in part, a notice of such disallowance. Within 60 days after the date of mailing of the designee's determination, any debt claimant whose claim has been disallowed in whole or in part may file in the District Court of the United States for the District of Columbia a complaint for review of such disallowance naming the designee as defendant. Such complaint shall be served on the designee. The designee, within 45 days after service on him, shall certify and file in said court a transcript of the record of proceedings with respect to the claim in question. Upon good cause shown such time may be extended by the court. Such record shall include the claim as filed, such evidence with respect thereto as may have been presented to the designee or introduced into the record by him, and the determination of the designee with respect thereto, including any findings made by him. The court may, in its discretion, take additional evidence, upon a showing that such evidence was offered to and excluded by the designee, or could not reasonably have been adduced before him or was not available to him. The court shall enter judgment affirming, modifying, or reversing the designee's determination, and directing payment in the amount, if any, which it finds due.

"(f) If the aggregate of debt claims filed as prescribed exceeds the money from which, in accordance with subsection (d) of this section, payment may be made, the designee shall prepare and serve by registered mail on all claimants a schedule of all debt claims allowed and the proposed payment to each claimant. In preparing such schedule, the designee shall assign priorities in accordance with subsection (g) of this section. Within 60 days after the date of mailing of such schedule, any claimant considering himself aggrieved may file in the District Court of the United States for the District of Columbia a complaint for review of such schedule, naming the designee as defendant. A copy of such complaint shall be served upon the designee and on each claimant named in the schedule. The designee, within 45 days after service on him, shall certify and file in said court a transcript of the record of proceedings with respect to such schedule. Upon good cause shown such time may be extended by the court. Such record shall include the claims in question as filed, such evidence with respect thereto as may have been presented to the designee or introduced into the record by him, any findings or other determinations made by the designee with respect thereto, and the schedule prepared by the designee. The court may, in its discretion, take additional evidence, upon a showing that such evidence was offered to and excluded by the designee or could not reasonably have been adduced before him or was not available to him. Any interested debt claimant who has filed a claim with the designee pursuant to this section, upon timely application to the court, shall be permitted to intervene in such review proceedings. The court shall enter judgment affirming or modifying the schedule as prepared by the designee and directing payment, if any be found due, pursuant to the schedule as affirmed or modified and to the extent of the money from which, in accordance with subsection (d) of this section, payment may be made. Pending the decision of the court on such complaint for review, and pending final determination of any appeal from such decision, payment may be made only to an extent, if any, consistent with the contentions of all claimants for review.

"(g) Debt claims shall be paid in the following order of priority: (1) Wage and salary claims, not to exceed $600; (2) claims entitled to priority under sections 3466 and 3468 of the Revised Statutes (31 U. S. C., secs. 191 and 193), except as provided in subsection (h) of this section; (3) all other claims for services rendered; for expenses incurred in connection with such services, for rent, for goods and materials delivered to the debtor, and for payments made to the debtor for goods or services not received by the claimant; (4) all other debt claims. No payment shall be made to claimants within a subordinate class unless the money from which, in accordance with subsection (d) of this section, payment may be made permits payment in full of all allowed claims in every prior class.

"(h) No debt of any kind shall be entitled to priority under any law of the United States or any State, Territory, or possession thereof, or the District of Columbia, solely by reason of becoming a debt due or owing to the United States as a result of its acquisition by the designee of the President under this title.

"(i) The sole relief and remedy available to any person seeking satisfaction of a debt claim out of any property vested in the designee under section 202 (a), or the proceeds thereof, shall be the relief and remedy provided in this section, and suits for the satisfaction of debt claims shall not be instituted, prosecuted, or further maintained except in conformity with this section. No person asserting any interest, right, or title in any property or proceeds acquired by the designee shall be barred from proceeding pursuant to this title for the return thereof, by reason of any proceeding which he may have brought pursuant to this section; nor shall any security interest asserted by the creditor in any such property or proceeds be deemed to have been waived solely by reason of such proceeding. Nothing contained in this section shall bar any person from the prosecution of any suit at law or in equity against the original debtor or against any other person who may be liable for the payment of any debt for which a claim might have been filed hereunder. No purchaser, lessee, licensee, or other transferee of any property from the designee shall, solely by reason of such purchase, lease, license, or transfer, become liable for the payment of any debt owed by the person who owned such property prior to its vesting in the designee. Payment by the designee to any debt claimant shall constitute, to the extent of payment, a discharge of the indebtedness represented by the claim.

"SEC. 209. The officer or agency designated by the President under this title to entertain claims under section 207 (b) and section 208 shall have power to hold such hearings as may be deemed necessary; to prescribe rules and regulations governing the form and contents of claims, the proof thereof, and all other matters related to proceedings on such claims; and in connection with such proceedings to issue subpenas, administer oaths, and examine witnesses. Such powers, and any other powers conferred upon such officer or agency by section 207 (b) and section 208 may be exercised through subordinate officers designated by such officer or agency.

"SEC. 210. No suit may be instituted pursuant to section 207 (a) after the expiration of 1 year from the date of vesting of the property in respect of which relief is sought. No return may be made pursuant to section 207 (b) unless notice of claim has been filed within 1 year from the date of vesting of the property in respect of which the claim is filed.

"SEC. 211. No property or proceeds shall be returned under this title, nor shall any payment be made or judgment awarded in respect of any property vested in any officer or agency designated by the President under this title unless satisfactory evidence is furnished to said designee, or the court, as the case may be, that the aggregate of the fees to be paid to all agents, attorneys at law or in fact, or representatives, for services rendered in connection with such return or payment or judgment does not exceed 10 percent of the value of such property or proceeds or of such payment. Any agent, attorney at law or in fact, or representative, believing that the aggregate of the fees should be in excess of such 10 percent may, in the case of any return of, or the making of any payment in respect of, such property or proceeds by the President or such officer or agency as he may designate, petition the district court of the United States for the district in which he resides for an order authorizing fees in excess of 10 percent and shall name such officer or agency as respondent. The court hearing such petition or a court awarding any judgment in respect of any such property or proceeds, as the case may be, shall approve an aggregate of fees in excess of 10 percent of the value of such property or proceeds only upon a finding that there exist special circumstances of unusual hardship which require the payment of such excess. Any person accepting any fee in excess of an amount approved under this section, or retaining for more than 30 days any portion of a fee, accepted prior to such approval, in excess of the fee as approved, shall be guilty of a violation of this title.

"SEC. 212. (a) The vesting in any officer or agency designated by the President under this title of any property or the receipt by such designee of any earnings, increment, or proceeds thereof shall not render inapplicable any Federal, State, Territorial, or local tax for any period before or after such vesting.

"(b) The officer or agency designated by the President under this title shall, notwithstanding the filing of any claim or the institution of any suit under this title, pay any tax incident to any such property, or the earnings, increment, or proceeds thereof, at the earliest time appearing to him to be not contrary to the interest of the United States. The former owner shall not be liable for any such tax accruing while such property, earnings, increment, or proceeds are held by such designee, unless they are returned pursuant to this title without payment of such tax by the designee. Every such tax shall be paid by the designee to the same extent, as nearly as may be deemed practicable, as though the property had not been vested, and shall be paid only out of the property, or earnings, increment, or proceeds thereof, to which they are incident or out of other property acquired from the same former owner, or

earnings, increment, or proceeds thereof. No tax liability may be enforced from any property or the earnings, increment, or proceeds thereof while held by the designee except with his consent. Where any property is transferred, otherwise than pursuant to section 207 (a) or 207 (b) hereof, the designee may transfer the property free and clear of any tax, except to the extent of any lien for a tax existing and perfected at the date of vesting, and the proceeds of such transfer shall, for tax purposes, replace the property in the hands of the designee.

"(c) Subject to the provisions of subsection (b) of this section, the manner of computing any Federal taxes, including without limitation by reason of this enumeration, the applicability in such computation of credits, deductions, and exemptions to which the former owner is or would be entitled, and the time and manner of any payment of such taxes and the extent of any compliance by the designee with provisions of Federal law and regulations applicable with respect to Federal taxes, shall be in accordance with regulations prescribed by the Secretary of the Treasury to effectuate this section. Statutes of limitations on assessments, collection, refund, or credit of Federal taxes shall be suspended with respect to any vested property or the earnings, increment, or proceeds thereof, while vested and for six months thereafter; but no interest shall be paid upon any refund with respect to any period during which the statute of limitations is so suspended.

"(d) The word 'tax' as used in this section shall include, without limitation by reason of this enumeration, any property, income, excess-profits, war-profits, excise, estate, and employment tax, import duty, and special assessment; and also any interest, penalty, additional amount, or addition thereto not arising from any act, omission, neglect, failure, or delay on the part of the designee.

"SEC. 213. Prior to covering the net proceeds of liquidation of any property into the Treasury pursuant to section 202 (a), the designee of the President under this title shall determine—

"(1) the amount of his administrative expenses attributable to the performance of his functions under this title with respect to such property and the proceeds thereof. The amount so determined, together with an amount not exceeding that expended or incurred for the conservation, preservation, or maintenance of such property and the proceeds thereof, and for taxes in respect of same, shall be deducted and retained by the designee from the proceeds otherwise covered into the Treasury; and

"(2) that the time for the institution of a suit under section 207 (a), for the filing of a notice of claim under section 207 (b), and for the filing of debt claims under section 208 has elapsed.

The determinations of the designee under this section shall be final and conclusive.

"SEC. 214. No property conveyed, transferred, assigned, delivered, or paid to the designee of the President under this title, or the net proceeds thereof, shall be liable to lien, attachment, garnishment, trustee process, or execution, or subject to any order or decree of any court, except as provided in this title.

"SEC. 215. Whoever shall willfully violate any provision of this title or any rule or regulation issued hereunder, and whoever shall willfully violate, neglect, or refuse to comply with any order of the President or of a designee of the President under this title, issued in compliance with the provisions of this title shall be fined not more than $5,000, or, if a natural person, imprisoned for not more than 5 years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both.

"TITLE III

"CLAIMS AGAINST BULGARIA, HUNGARY, RUMANIA, ITALY, AND THE SOVIET UNION

"SEC. 301. As used in this title, the term—

"(1) 'Person' means a natural person, partnership, association, other unincorporated body, corporation, or body politic.

"(2) 'National of the United States' means (A) a natural person who is a citizen of the United States, or who owes permanent allegiance to the United States, and (B) a corporation or other legal entity which is organized under the laws of the United States, any State or Territory thereof, or the District of Columbia, if natural persons who are nationals of the United States own, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such legal entity. It does not include aliens.

"(3) 'Treaty of peace,' with respect to country, means the treaty of peace with that country signed at Paris, France, February 10, 1947, which came into force between that country and the United States on September 15, 1947.

"(4) 'Memorandum of Understanding' means the Memorandum of Understanding between the United States and Italy regarding Italian assets in the United States and certain claims of nationals of the United States, signed at Washington, D. C., August 14, 1947 (61 Stat. 3962).

"(5) 'Soviet Government' means the Union of Soviet Socialist Republics, including any of its present or former constituent republics, other political subdivisions, and any territories thereof, as constituted on or prior to November 16, 1933.

"(6) 'Litvinov Assignment' means (A) the communication dated November 16, 1933, from Maxim Litvinov to President Franklin D. Roosevelt, wherein the Soviet Government assigned to the Government of the United States amounts admitted or found to be due it as the successor of prior Governments of Russia, or otherwise, preparatory to a final settlement of the claims outstanding between the two Governments and the claims of their nationals; (B) the communication dated November 16, 1933, from President Franklin D. Roosevelt to Maxim Litvinov, accepting such assignment; and (C) the assignments executed by Serge Ughet on August 25, 1933, and November 15, 1933, assigning certain assets to the Government of the United States.

"(7) 'Russian national' includes any corporation or business association organized under the laws, decrees, ordinances, or acts of the former Empire of Russia or of any government successor thereto, and subsequently nationalized or dissolved or whose assets were taken over by the Soviet Government or which was merged with any other corporation or organization by the Soviet Government.

"(8) 'Commission' means the Foreign Claims Settlement Commission of the United States, established pursuant to Reorganization Plan No. 1 of 1954 (68 Stat. 1279).

"(9) 'Property' means any property, right, or interest.

"SEC. 302. There are hereby created in the Treasury of the United States five funds to be known as the Bulgarian Claims Fund, the Hungarian Claims Fund, the Rumanian Claims Fund, the Italian Claims Fund, and the Soviet Claims Fund. The Secretary of the Treasury shall cover into each of the Hungarian, Rumanian, and Bulgarian Claims Funds, the funds attributable to the respective country or its nationals covered into the Treasury pursuant to subsections (a) and (b) of section 202 of this act. The Secretary of the Treasury shall cover into the Italian Claims Fund the sum of $5 million paid to the United States by the Government of Italy pursuant to article II of the Memorandum of Understanding. The Secretary shall cover into the Treasury the funds collected by the United States pursuant to the Litvinov Assignment (including postal funds due prior to November 16, 1933, to the Union of Soviet Socialist Republics because of money orders certified to that country for payment) and shall cover into the Soviet Claims Fund the funds so covered into the Treasury. The Secretary shall deduct from each claims fund 5 percent thereof as reimbursement to the Government of the United States for the expenses incurred by the Commission and by the Treasury Department in the administration of this title. Such deduction shall be made before any payment is made out of such fund under section 310. All amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts.

"SEC. 303. The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of claims of nationals of the United States against the Governments of Bulgaria, Hungary, and Rumania, or any of them, arising out of the failure to—

"(1) restore or pay compensation for property of nationals of the United States as required by article 23 of the treaty of peace with Bulgaria, articles 26 and 27 of the treaty of peace with Hungary, and articles 24 and 25 of the treaty of peace with Rumania. Awards under this paragraph shall be in amounts not to exceed two-thirds of the loss or damage actually substained. No claim under this paragraph shall be denied on the sole ground that the natural person who originally suffered the loss was not a national of the United States if on the date of the armistice with the country with respect to which his claim is asserted and continuously thereafter until September 15, 1947, such person was a permanent resident of the United States, and if he had at any time prior to the date of such armistice formally declared his intention of becoming a citizen of the United States and had become a citizen of the United States by September 15, 1947;

"(2) pay effective compensation for the nationalization, compulsory liquidation, or other taking, prior to September 15, 1947, of property of nationals of the United States in Bulgaria, Hungary, and Rumania; and

"(3) meet obligations arising out of contracts which existed on, or out of other rights which were acquired by nationals of the United States prior to April 24, 1941, in the case of Bulgaria, and on or prior to September 1, 1939, in the case of Hungary and Rumania, and which became payable prior to September 15, 1947.

"SEC. 304. The Commission shall receive and determine, in accordance with the Memorandum of Understanding and applicable substantive law, including international law, the validity and amount of claims of nationals of the United States against the Government of Italy arising out of the war in which Italy was engaged from June 10, 1940, to September 15, 1947, and with respect to which provision was not made in the treaty of peace with Italy.

"SEC. 305. (a) The Commission shall receive and determine in accordance with applicable substantive law, including international law, the validity and amounts of—

"(1) claims of nationals of the United States against a Russian national originally accruing in favor of a national of the United States with respect to which a judgment was entered in, or a warrant of attachment issued from, any court of the United States or of a State of the United States in favor of a national of the United States, with which judgment or warrant of attachment a lien was obtained by a national of the United States, prior to November 16, 1933, upon any property in the United States which has been taken, collected, recovered, or liquidated by the Government of the United States pursuant to the Litvinov Assignment. Awards under this paragraph

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shall not exceed the proceeds of such property as may have been subject to the lien of the judgment or attachment; nor, in the event that such proceeds are less than the aggregate amount of all valid claims so related to the same property, exceed an amount equal to the proportion which each such claim bears to the total amount of such proceeds; and

"(2) claims, arising prior to November 16, 1933, of nationals of the United States against the Soviet Government.

"(b) Any judgment entered in any court of the United States or of a State of the United States shall be binding upon the Commission in its determination, under paragraph (1) of subsection (a) of this section, of any issue which was determined by the court in which the judgment was entered.

"(c) The Commission shall give preference to the disposition of the claims referred to in paragraph (1) of subsection (a) of this section, over all other claims presented to it under this title.

"SEC. 306. Within 60 days after the date of enactment of this title, or within 60 days after the date of enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later, the Commission shall publish in the Federal Register the time when and the limit of time within which claims may be filed under this title, which limit shall not be more than 1 year after such publication, except that with respect to claims under section 305 this limit shall not exceed 6 months.

"SEC. 307. The amount of any award made pursuant to this title based on a claim of a national of the United States other than the national of the United States to whom the claim originally accrued shall not exceed the amount of the actual consideration last paid therefor prior to January 1, 1953.

"SEC. 308. The Commission shall as soon as possible, and in the order of the making of such awards, certify to the Secretary of the Treasury, in terms of United States currency, each award made pursuant to this title.

"SEC. 309. All payments authorized under this title shall be disbursed exclusively from the claims fund attributable to the country with respect to which the claims are allowed pursuant to this title. All amounts covered into the Treasury to the credit of the claims funds created by section 302 are hereby permanently appropriated for the making of the payments authorized under this title.

"SEC. 310. (a) The Secretary of the Treasury shall make payments on account of awards certified by the Commission pursuant to this title as follows:

"(1) Payment in full of the principal amount of each award made pursuant to section 305 (a) (1) and each award of $1,000 or less made pursuant to section 303 or 304;

"(2) Payment in full of the principal amount of each award of $1,000 or less made pursuant to section 305 (a) (2);

"(3) Payment in the amount of $1,000 on account of the principal of each award of more than $1,000 in amount made pursuant to section 303, 304, or 305 (a) (2);

"(4) After completing the payments under the preceding paragraphs of this subsection from any fund, payments from time to time, in ratable proportions, on account of the then unpaid principal of all awards in the principal amount of more than $1,000, according to the proportions which the unpaid principal of such awards bear to the total amount in the fund available for distribution on account of such awards at the time such payments are made;

"(5) After payment has been made in full of the principal amounts of all awards from any one fund, pro rata payments from the remainder of such fund then available for distribution on account of accrued interest on such awards as bear interest.

"(b) Such payments, and applications for such payments, shall be made in accordance with such regulations as the Secretary of the Treasury shall prescribe.

"(c) For the purposes of making any such payments, an 'award' shall be deemed to mean the aggregate of all awards certified in favor of the same claimant and payable from the same fund.

"(d) With respect to any claim which, at the time of the award, is vested in persons other than the person to whom the claim originally accrued, the Commission may issue a consolidated award in favor of all claimants then entitled thereto, which award shall indicate the respective interests of such claimants therein; and all such claimants shall participate, in proportion to their indicated interests, in the payments provided by this section in all respects as if the award had been in favor of a single person.

"SEC. 311. (a) If a corporation or other legal entity has a claim on which an award may be made under this title, no award may be made to any other person under this title with respect to such claim.

"(b) A claim based upon an interest, direct or indirect, in a corporation or other legal entity which directly suffered the loss with respect to which the claim is asserted, but which was not a national of the United States at the time of the loss, shall be acted upon without regard to the nationality of such legal entity if at the time of the loss at least 25 percent of the outstanding capital stock or other beneficial interest in such entity was owned, directly or indirectly, by natural persons who were nationals of the United States.

"SEC. 312. No award shall be made under this title to or for the benefit of any person who voluntarily, knowingly, and without duress, gave aid to or collaborated with or in any manner served any government hostile to the United States during World War II, or who has been convicted of a violation of any provision of chapter 115, of title 18, of the United States Code, or of any other crime involving disloyalty to the United States.

"SEC. 313. Payment of any award made pursuant to section 303 or 305 shall not, unless such payment is for the full amount of the claim, as determined by the Commission to be valid, with respect to which the award is made, extinguish such claim, or be construed to have divested any claimant, or the United States on his behalf, of any rights against the appropriate foreign government or national for the unpaid balance of his claim or for restitution of his property. All awards or payments made pursuant to this title shall be without prejudice to the claims of the United States against any foreign government.

"SEC. 314. The action of the Commission in allowing or denying any claim under this title shall be final and conclusive on all questions of law and fact and not subject to review by any other official of the United States or by any court by mandamus or otherwise, and the Comptroller General shall allow credit in the accounts of any certifying or disbursing officer for payments in accordance with such action.

"SEC. 315. There are hereby authorized to be appropriated such sums as may be necessary to enable the Commission and the Treasury Department to pay their administrative expenses incurred in carrying out their functions under this title.

"SEC. 316. The Commission shall complete its affairs in connection with the settlement of claims pursuant to section 305 (a) (1) not later than 2 years, and all other claims pursuant to this title not later than 4 years, following the date of enactment of this title, or following the date of enactment of legislation making appropriations to the Commission for the payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later.

"SEC. 317. (a) The total remuneration paid to all agents, attorneys-at-law or in fact, or representatives, for services rendered on behalf of any claimant in connection with any claim filed with the Commission shall not exceed 10 percent of the total amount paid under this title on account of such claim, or such greater amount as may be determined pursuant to subsection (b) of this section. Any agreement to the contrary shall be unlawful and void. Whoever, in the United States or elsewhere, demands or receives, on account of services so rendered, any remuneration which, together with all remuneration paid to other persons on account of such services and of which he has notice, is in excess of the maximum permitted by this section, shall be fined not more than $5,000 or imprisoned not more than 12 months, or both.

"(b) Not later than 3 months after the Commission has completed its affairs in connection with the settlement of all claims payable from the fund from which an award is payable, any agent, attorney-at-law or in fact, or representative who believes that the total remuneration for services rendered in connection with the claim upon which such award is made should exceed the maximum otherwise permitted by this section may, pursuant to such procedure as the Commission shall prescribe by regulation, petition the Commission for an order authorizing the payment of remuneration in excess of such maximum. The Commission shall issue such an order only upon a finding that there exist special circumstances of unusual hardship which require the payment of such excess; and such order shall state the amount of the excess which may so be paid. The determination of the Commission in ruling upon such petition shall be within the sole discretion of the Commission and shall not be subject to review by any court.

"SEC. 318. The following provisions of title I shall be applicable to this title: Subsections (b), (c), (d), (e), (h), and (j) of section 4; and subsections (c), (d), (e), and (f) of section 7."

SEC. 4. Public Resolution No. 36, 76th Congress, approved August 4, 1939 (53 Stat. 1199), entitled "Resolution to provide for the adjudication by a Commissioner of Claims of American nationals against the Government of the Union of Soviet Socialist Republics", is hereby repealed.

Mr. RICHARDS (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that the bill be considered as read and open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. HAYS of Ohio. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Chairman, I would like, and I want to, support this bill in its entirety as it comes from the committee. But, as a member of the committee, I want to call attention to the one section of the bill which a good many of us feel is unfair and is unjust, and which we hope will be changed by the other body when the bill is considered there. I might say that is the section

on which there has been a great deal of discussion up to now. It is section 303 (2). The words I am referring to are the phrase, "prior to September 15, 1947." That cutoff date in section 303, paragraph (2), excludes just about every claim based upon confiscation or nationalization of property by three satellite countries since practically all of this nationalization took place after the cutoff date. I might say there is no dispute about this fact and the report itself says as much in the second sentence of paragraph (2) on the top of page 13. Thus, the cutoff date knocks out an entire class of claimants and leaves the assets to be distributed almost entirely among another class referred to as war damage claims. This exclusion of one entire class of claimants for the benefit of another entire class disturbed many of us, both on and off the committee. But we feel, as I said earlier, at least I do, and I do not want to take any action on it here but simply want to indicate my views for the guidance of future action in the other body, and may I point out parenthetically that the absence of a minority report should not lead any Member of the House to think that the committee was unanimous on this particular point—because it is not—as I said, we feel that this is an unjust treatment of the class of claimants to whom I have referred.

Let me tell you the circumstances under which this section made its appearance in the bill. When the bill came to both Houses, as recommended from the executive branch, it had no cutoff date on nationalization claims. Instead of the words which I read earlier, the bill contained the words "prior to the effective date of this title." In other words, nationalization claims were to share equally with all other claims. Now that was no hasty decision by the executive branch. It was arrived at after many, many months of consultation among the Department of State, the Foreign Claims Settlement Commission, the Bureau of the Budget, the Department of Justice, the Treasury Department, and perhaps other agencies. It was a considered judgment. I do not have to tell the House I do not always feel bound by the judgment of the administration, but you would expect, if a drastic change of this nature is made that there would be some basis for it in the testimony brought out in the hearings. And you would think some persuasive reasons were put before the committee as to why the change should be made. The outstanding fact about this change is the fact that although we held long hearings, every single person who wanted to be heard was given an opportunity to testify or submit a memorandum, and not a single person suggested in the hearings the knocking out of nationalization claims. There is not a word to that effect in the hearings. I am informed some nationalization claimants or their representatives attended every day of the hearings, and it there has been even a whisper about excluding their claims, the committee would have heard from them—and doubtless from hundreds of others throughout the country. But there was no reason to think such a thing would be done, and, of course, there was no reason to testify that it should not be done. The original provision appeared to be absolutely noncontroversial.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. MORANO. The moment this amendment was adopted and made public, I began to get a swarm of people who came in who would have obviously testified if they had known that this was going to be done. These people are protesting this action. So I too am concerned about this provision. I have not made up my mind what I will do if the other body should strike it out, but I at least want to make it clear that I am concerned about this very provision.

Mr. HAYS of Ohio. I think the gentleman has a very valid point. I might say that my experience has been similar to his. I am sure there are countless people who would have liked to have been heard on it if they had known that such action was contemplated. The reason for making this presentation here is to call this to the attention of the public and to the attention of the other body, and I hope they will pay some attention to the proceedings here when they start their hearings and that they will give the time in the other body for these people to be heard.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. KEOGH. I wonder if the gentleman would care to give his reaction to the elimination in the subparagraph to which he has been directing his remarks of the language which appears in the previous subparagraph (1) on page 29, line 15, running over to line 3, on page 30. As the gentleman well knows, you permit the filing of claims, not only by citizens of the United States who were citizens as of September 15, 1947, but by others who prior to that time firmly declared his intention to become a citizen. In subparagraph (2) you not only cut off the date, you not only eliminate citizens who have nationalization claims arising after September 15, 1947, but you modify it further by eliminating those who were legal residents but not citizens until after September 15 and who suffered nationalization losses.

Mr. HAYS of Ohio. The gentleman is correct. However, I did not want that statement of mine to imply that I would be in favor of striking out the section beginning on page 29, but I think if that is a just section—and I believe it is—then certainly this cutoff date is not just.

Mr. KEOGH. And the converse is true, that if the language to which I directed my remarks in subsection (1) is proper, it is equally proper in subsection (2), and I hope that that will be done before the bill is passed by Congress.

Mr. HAYS of Ohio. I would say to the gentleman that such an amendment will have my support.

Mr. KEOGH. I am obliged to the gentleman for that statement.

Mr. HAYS of Ohio. The present version made its first appearance in executive session. I think I can say without embarrassment, as a member of the committee, that a considerable number of members were not present when this amendment came up to be voted on, and many of the committee members did not fully appreciate the impact of what they were doing. Frankly, I did not realize the impact of this, because as the gentleman from Connecticut [Mr. MORANO] pointed out, we did not begin to hear from these people in large number until after this was done. Many of us on the Committee on Foreign Affairs were not familiar with this legislation, particularly the newer Members, and it was not until after this was passed that I personally began to realize what had happened.

Incidentally, since I previously was so solicitous of the administration's views, I think I ought to say here that I am informed that the executive branch is firmly opposed to the present provision and intends to attempt to restore the original language in the other body.

The report makes several defenses of the exclusion of nationalization claims, none of which bears scrutiny. The principal argument for the proponents of the present provision is contained on pages 5 and 6 of the report under the heading "Unsettled Claims." This argument, summarized, is that the total claims (including nationalization) are so vast, and the assets available to satisfy them are so small, that you cannot do justice to all the claimants. Therefore, it is to be assumed, you should give one class nothing in order to give another class more. That is hardly a principle of fairness and justice. But wholly aside from the principle, What I want to call to your attention is that the facts upon which the principle is supposed to be based are absolutely misleading, and there is nothing at all to the argument. The argument begins by saying, on page 5, that "approximately 9,000 American nationals have claims of over half a billion dollars against the Soviets, Hungary, Rumania, and Bulgaria," and that "only $36 million is available to 'settle' all of these claims against these four countries." The misleading part of the statement is the inclusion of Soviet claims with the three satellite countries and coming out with the figure of "over half a billion dollars." As every committee member knows, the Soviet claims have nothing to do with the satellite claims. Each country is separate from every other country, under this bill, and the assets of each country must be used solely to satisfy the claims against that country. Separate funds are set up for each, under section 302 of the bill, and under section 309 all payments must be made from the fund of the country against which the claim is allowed. The report itself so indicates at the bottom of page 2 and the top of page 3. Now, how did the report arrive at this figure of "over half a billion dollars"? That is shown in the table on page 2 of the report. You will see that Russia is listed as the source of $425 million dollars, with only $9 million of funds available for those claims.

So the half-billion-dollar figure is almost entirely attributable to the claims against Russia; yet, as I have said, the

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claims against Russia have nothing to do with the claims against the three satellites. So far as the satellites are concerned, the table on page 2 shows $125 million of estimated claims which includes nationalization claims and over $30 million of funds available to meet those claims.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(By unanimous consent, and on request of Mr. DONOVAN, Mr. HAYS of Ohio was allowed to proceed for 2 additional minutes.)

Mr. HAYS of Ohio. With $30 million available to meet the claims that will be about 25 cents on the dollar if all the estimated claims were allowed, which is pretty good money.

But we all know that the estimated claims will not be allowed in full; the experience with the Yugoslav claims just last year, as shown by information submitted to our committee and appearing on page 98 of the hearings, was that the awards were 12.6 percent of the amount claimed. You could double that percentage figure for the satellite countries and still be able to pay off every single estimated claim, including the nationalization claims. Where, then, is the justification for saying there is only a few cents on the dollar available for any claimant? And what was the purpose of throwing Russia into the argument?

The report goes on to say, on page 6, that the way to secure justice for these poor nationalization claimants is to persuade Russia and her satellites to make voluntary payments to these persons whose property they have ruthlessly expropriated. I need not dwell on that argument long; I doubt that there is a Member of this House who believe that there is any hope of that.

Some argument may be made that the war damage claims, which are the beneficiaries of the present provision, are entitled to priority because they were in existence at the time of the signing of the treaties under which the satellite assets are to be taken over by this country. The treaties, however, provide expressly as is shown in the third full paragraph on page 3 of the report, that these assets may be used by the United States for any purpose that this country desires. Thus there is not even a technical legal argument supporting the present provision of the bill. It all comes down to a question of what this country wishes to do. Certainly we should do justice and play fair. If we do not permit these nationalization claimants to share in the funds which are made available under this bill, the probability is that those claimants will never get a cent. This would be particularly tragic and ironic in the light of the fact that these claimants are the special victims of communism, since their property was confiscated by the Iron Curtain countries, whereas the other types of claimants—worthy as their cause may be—have suffered not from Communist action but from the general ravages of war. Surely this country would not want to relegate the victims of communism to inferior positions.

Those are my views, Mr. Chairman, and they are the views of many of my colleagues in this Chamber. However, as I said at the beginning of my remarks, I and those who share my opinion on this issue believe that the bill should pass in its present form and let the other body study this problem. Hearings will be held in that body, I am informed, at which this matter can be fully considered and the nationalization claimants will have an opportunity to put these facts before the appropriate committee. I have made this statement because I want the record in this House to reflect the nature of the problem.

Mr. BENTLEY. Mr. Chairman, I move to strike out the last word and probably I shall not take the entire 5 minutes, but I want to refer to a remark made by my good friend from Ohio. I believe I recall his saying that the assets of each particular country are to be applied specifically against the claims arising from actions in that country. I think the gentleman is wrong with regard to the three satellites.

I have here a memorandum prepared by the committee staff dated May 3 talking about claims that will be handled against the satellite governments, and it states this:

> Payments on above claims will be paid from the common pool of money arising from liquidation of vested assets of the three governments and their nationals.

In other words, the idea, as I understand, is that the assets of Hungary, Rumania, and Bulgaria are all going to be lumped together into a pool and the claims against those three Governments will be met out of that pool without any attempt to satisfy a claim against Bulgaria from Bulgarian assets, and so forth.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I do not think the gentleman is correct about that, about all of the claims being pooled, the satellite claims being pooled. Each claim will be directed against a particular group.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Connecticut.

Mr. MORANO. I believe that language means all of the assets of a particular country will be pooled and the claims of nationals of that country will be directed against that country.

Mr. BENTLEY. Then I have misinterpreted the language.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I think the gentleman has been corrected, but I would like to point out that my argument was directed at the pooling of Russia with the satellite countries, including the statement that there are so many millions of dollars of claims and only this small amount to pay them off. As I pointed out in my statement, there are $425 million of claims against Soviet Russia and only $9 million available to pay them off. However, not one cent of the claims against Bulgaria, Hungary, and Rumania can be used to pay off Russian claims. Therefore, I think it is unfair to lump the whole thing together and say that you are going to pay them off only at the rate of 2 or 3 cents. There is now available with all the claims estimated to be filed enough to pay 25 cents on the dollar if every claim is allowed.

Mr. BENTLEY. Is the gentleman trying to tell me that the total funds available from the five countries, Bulgaria, Hungary, Rumania, Italy, and Russia are going to be lumped together, then the claims are going to be satisfied from that?

Mr. HAYS of Ohio. I am trying to tell the gentleman that the opposite is true.

Mr. BENTLEY. Each claim will be paid out of the assets of a specific country?

Mr. HAYS of Ohio. That is right.

Mr. BENTLEY. I accept the correction. Now I would like to comment on the gentleman's statement as to this question of claims against the Soviet Union and the satellites, the satellites in particular. He seems to express pessimism that the nationalization claims against the satellites will ever be satisfied. Frankly I do not share the gentleman's pessimism. I think there is a good chance, a very good chance, if we keep pressing this issue with regard to the Soviet Union and the satellites we may get some satisfaction. The executive branch of the Government, specifically the State Department, I believe, has been quoted as being opposed to the particular language in this bill being adopted. I will tell you why they are opposed to that type of language. It is because they want to take the nationalization claims, pay them 2, 3, or 5 cents on the dollar, then sweep it all under the carpet and forget it. I do not want these nationalization claims to be paid 5, 6, or 8 cents. I want them to try to get 100 cents on the dollar. That is why I want to keep these nationalization claims separate and not pay them off with a little amount like that.

Mr. HAYS of Ohio. I am in agreement with the gentleman's general approach, his general idea. I will put it this way: I am sure the gentleman does not have a claim, neither do I, but if he had one I think he would rather do as I would do if I had one. Would he not rather put it in here and take a chance on getting 25 percent than depending on his optimism and perhaps not get anything?

Mr. BENTLEY. That is a matter of principle on which the gentleman and I are in disagreement.

Mr. WILLIAMS of New Jersey. Mr. Chairman, I would like to indicate my agreement with the remarks of the gentleman from Ohio [Mr. HAYS] directed to the inequities of the cutoff date of September 19, 1947, for claims against Bulgaria, Rumania and Hungary.

A memorandum prepared by the representative of one of the cutoff claimants is submitted at this point with the thought that it will be helpful during further consideration of this problem.

MEMORANDUM ON H. R. 6382 (FOREIGN CLAIMS BILL)—EFFECT ON SATELLITE NATIONALIZATION CLAIMS

Without any testimony supporting it, without even a suggestion to that effect by any person at the hearing, without any reason to suppose it would be done, and contrary to the considered views of the executive branch which spent many months formulating its recommendations, an amendment made in executive session to the foreign claims bill, H. R. 6382, has knocked out of the bill an entire class of claimants—those whose property was nationalized by the Communist satellite governments of Bulgaria, Hungary, and Rumania. This was accomplished by changing in the manner shown below:

Original text as contained in the committee print, section 217 (2): "(2) pay effective compensation for the nationalization, compulsory liquidation, or other taking, prior to the effective date of this title, of property of nationals of the United States in Bulgaria, Hungary, and Rumania."

H. R. 6382, as reported out by the committee, section 303 (2): "(2) pay effective compensation for the nationalization, compulsory liquidation, or other taking, prior to September 15, 1947, of property of nationals of the United States in Bulgaria, Hungary, and Rumania."

Since virtually all the nationalization in the satellite countries took place after September 15, 1947, which is the date of the peace treaties, the effect is that nationalization claims are excluded, and war-damage claims (sec. 303 (1)) will be the only claims participating in the satellite assets which will be made available. Thus 1 of the 2 classes of claimants for whom this bill was drawn has now been deprived of its only opportunity to be compensated, in some degree, for the injury done to them by the satellite governments.

There is no question that virtually all the nationalization claimants have been eliminated by this executive session amendment; the committee reports says as much. On page 13 of House report No. 624 it is stated, with regard to nationalization claims, that "the bulk of such claims arose" after September 15, 1947. The reason for excluding these claims, according to the report (p. 13), is that since the funds available to all types of claimants are limited and were derived from assets blocked during and because of the war, the funds should be used first to satisfy claims arising prior to the peace treaties. The report goes on to state that "all other valid claims would remain unaffected by the bill" and it is understood that efforts by the executive branch to obtain satisfaction will continue. On pages 5–6 the report expands this reasoning by saying that the way to secure justice for these American claimants is to "induce the Soviets and their satellites to recognize, adjudicate fairly, and then pay these claims," and that it is hoped that this matter will be discussed in the coming meeting at the summit.

It needs little practical consideration to realize that it is hopeless to expect these Communist satellite governments to respond to pleas of justice and fair treatment. There is no chance whatsoever that these ruthless governments will voluntarily contribute money to American citizens whose property they have seized. The assets involved in this bill are the only assets that will ever be available for Americans whose property was confiscated. They must participate now, if ever. This situation is analogous to a bankruptcy proceeding, in which all the available assets are distributed among all the creditors. No one will receive full payment, but at least no entire class should be excluded solely to the benefit of another class. Both war damage claimants and nationalization claimants have been equally injured by action of the satellites in violation of international obligations, and both classes should share equally.

It is doubtful that members of the committee realized the full impact of this change made in executive session without any basis in the hearing. Some confusion appears in the report by lumping Soviet claims and assets with the 3 satellite claims and assets, and reaching the statement (p. 5) that "approximately 9,000 American nationals have claims of over half a million dollars," and that "only $36 million is available to 'settle' all of these claims against these 4 countries." But the Soviet claims have nothing to do with the satellite claims; each country's claim is treated separately and is paid out of the fund attributable to that country (secs. 302, 309). As the report itself shows on page 2, the over half a billion dollars figure is reached by including $425 million of claims again Russia. So far as the satellites are concerned, there is a total of some $30 million to settle claims estimated at $125 million (doubtless the figure will be much smaller), which is by no means so disproportionate that an entire class of injured persons must be eliminated, even if the basic theory of the report were correct in principle.

The administration, in submitting its recommendations, based on lengthy and detailed study by various executive agencies, treated nationalization and war damage claimants equally. No person appeared at the hearings to suggest the contrary, and there was no reason to anticipate that so drastic, so basic a change, would be made in executive session. Considerations of justice and fair treatment require that the original language should be restored.

Mr. DODD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DODD:

In section 311 (b), page 35, after the word "States" in line 14, remove the period and add the following: "or such natural persons who would be eligible to file claims under section 301 (1)"

Mr. DODD. Mr. Chairman, this amendment is offered because of the need for clarification of section 311 (b) of H. R. 6382. The amendment adds to the present language, line 14, page 35, the following additional clarifying words: "or, such natural persons who would be eligible to file claims under section 303 (1)."

It is fair to state that the hearings in connection with the above bill and the various changes which have been made in language clearly point to the fact that the committee intended that as to war damage claims eligibility status, that is, the right to file a claim, was not to be solely limited to persons who were nationals of the United States at the time of the loss, as well as at this time, but there are also to be included those persons who were residents of the United States prior to the time of the loss, had filed an intention to become citizens and whose naturalization papers were being processed at the time of the loss, where such persons became citizens of the United States prior to September 15, 1947, the date of the signing of the peace treaties with the Balkan countries. It will be recalled that it was felt that where a person had such residence, was subject to the draft, and otherwise demonstrated acts of allegiance to our sovereign, that such persons should not be left unprotected and without the right to file claims.

Accordingly, when the bill was reported out of committee, the language was made clear and definite in section 303 (1) that persons who were in the naturalization process prior to September 15, 1947, and who became citizens prior to September 15, 1947, are granted eligibility status with reference to war damage claims; however, when the language was written in section 311 (b), which deals with indirect losses through ownership of stock in an ineligible corporation or other legal entities, through inadvertence the language was narrowed so that eligibility as the section now reads would be limited to nationals at the time of loss, and the broader base of section 303 (1) is seemingly narrowed to exclude persons with residence, persons who had also declared an intention to become permanent residents and citizens and who did become citizens. It is this ambiguity and unintended inconsistency that the above amendment is designed to clarify.

The foregoing point can be amplified by illustration. Under section 303 (1) a person who owned directly certain property in the Balkan countries and who was in the process of becoming a citizen of the United States at the time of the loss is granted eligibility under section 303 (1), that is, has the right to file a claim; on the other hand a person whose property interest is represented by stockownership, and thus derivatively through the corporation owns property, would be left out. In a given illustration the same person who owned 100 percent of the stock of a corporation, itself not eligible, would be barred. Obviously this was not intended and all that the committee was doing when section 311 (b) was drafted was seeking to protect persons who owned property, directly or indirectly. Thus, unless the above amendment is adopted, it is probable that while Congress intended a broader base of eligibility when it was dealing with the subject of eligibility in section 303 (1) someone might well interpret the language of section 311 (b), which is only concerned with direct and indirect losses, to be restrictive of section 303 (1).

I believe this amendment should be adopted.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. DODD. I yield to the gentleman from Ohio.

Mr. VORYS. I understand that the gentleman has particular claimants in mind as to this amendment.

Mr. DODD. No; I do not have any particular claimants in mind.

Mr. VORYS. Does the gentleman say he knows of no such claimants?

Mr. DODD. I know of no such claimants.

Mr. VORYS. Then the gentleman cannot say how much this extension would add to the number of claims or the number of claimants?

Mr. DODD. No; I cannot. I have no knowledge about that. As I said, my purpose in offering this amendment is

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because I think unless this bill is so amended there will be ambiguity in it.

Mr. KEOGH. Mr. Chairman, will the gentleman yield?

Mr. DODD. I yield to the gentleman from New York.

Mr. KEOGH. So long as the gentleman is in a clarifying frame of mind, I wonder if I might direct his attention to this much-discussed subparagraph 2 on page 30. I would like to ask the gentleman the following question: Does he think the inclusion in that subparagraph of the final sentence of the preceding subparagraph 1 would be clarifying?

Mr. DODD. Well, I do not know whether it would be clarifying or not. If it was done, it would broaden and widen the claimant area and thus increase the number of claimants.

Mr. KEOGH. Does the gentleman know of any reason why those who are legal residents of the United States, though not citizens, should be recognized to file claims against Bulgaria, Hungary, and Rumania with respect to war claims?

Mr. DODD. Let me explain this to the gentleman.

Mr. KEOGH. I wish the gentleman would. I have been trying to get that information.

Mr. DODD. I offered the amendment in the committee, beginning on line 15, page 29, to line 3 on page 30, so that people who were in this country as permanent residents, who had applied for citizenship but had not acquired it, would not be barred from making a claim under this legislation. Now, the date, September 15, 1947, in my amendment was used without any relation at all to the amendment later offered by the gentleman from Michigan [Mr. BENTLEY], and I took the date September 15, 1947, because that is the date of the treaties. But there is no such date with respect to nationalization claims or compulsory liquidation claims.

Mr. KEOGH. Precisely, and the gentleman's use of that date is not using it as a cutoff date?

Mr. DODD. No; it is not.

Mr. KEOGH. Whereas in the next subparagraph it is; so you not only are recognizing in subparagraph 2 those whose nationalization claims arise prior to that cutoff date, but you are limiting those claims which belonged to citizens then, which is carrying the discrimination, in my opinion, a further degree.

Mr. DODD. Well, there is a good argument for that viewpoint. I do not believe we should so cut them off.

Mr. KEOGH. Would the gentleman care to express an opinion as to the propriety or undesirability of that cutoff date in subparagraph 2?

Mr. DODD. Yes, I have just said that I do not believe we should cut off by an arbitrary date. I think it would be a proper and decent thing to do to drop that cutoff date. I see nothing at all bothersome about changing it.

Mr. KEOGH. The gentleman has devoted so much time to this legislation and the hour is growing late and the day of the week being what it is, we are going to rely on those statements.

Mr. RICHARDS. Mr. Chairman, I move to strike out the last word, and rise in support of the amendment.

I do not personally see any objection to the amendment offered by the gentleman from Connecticut. The committee has not acted on it, however. I think it would be an extension and clarification of the amendment which was put into the bill in the committee on his motion. I am not opposed to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

Mr. MULTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely want to point out the fallacy of the argument of the gentleman from Michigan [Mr. BENTLEY] about this cutoff date. He says we should wait until we get some commitments from the Soviet Government and its satellite nations for the payment of these just claims that are so long past due and should long since have been taken care of.

There has been written into this bill on page 35, section 313, as follows:

> Payment of any award made pursuant to section 303 or 305 shall not, unless such payment is for the full amount of the claim, as determined by the Commission to be valid, with respect to which the award is made, extinguish such claim, or be construed to have divested any claimant, or the United States on his behalf, of any rights against the appropriate foreign government or national for the unpaid balance of his claim or for restitution of his property. All awards or payments made pursuant to this title shall be without prejudice to the claims of the United States against any foreign government.

In other words, if you eliminate this cutoff date, which is the wrong date, all of these claims will participate in the funds that are now available, and if at some future time we get any commitment and have the commitment followed up with more funds from either Soviet Russia or any of these satellite nations, then these claimants can come in and get the balance of their money.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. DONOVAN. I do not think this point has been touched on in any of this debate, and in order to highlight the facts I would like the gentleman to tell the House, and if he cannot tell the House I would like to direct this question to the ranking member of the committee on the other side of the aisle: How many millions of dollars of the Governments of Bulgaria, Hungary, and Rumania are presently tied up and blocked in this country? I am talking about government funds tied up in this country.

Mr. MULTER. I yield to any member of the committee who can answer the question.

Mr. VORYS. The report says the total consists of $27 million of government and corporate-owned assets, and $7 million of assets owned by natural persons. I believe that is correct.

Mr. DONOVAN. I do not think the gentleman knows what I am talking about. As I understand this bill, it provides for the trying and settling of claims of American nationals against funds belonging to nationals who resided in those three countries. What I want to know is, How many millions of dollars of the funds of those satellite governments are tied up in this country?

Mr. MULTER. In other words, the gentleman is now referring to those funds which were mentioned by the gentleman from Michigan?

Mr. DONOVAN. I am talking about the part of the history of this legislation that has not been shown to the House. We have got here, as I understand it, and I think all members of the committee understand it, funds from three countries. Those were properties belonging to the nationals, individual citizens, and corporations of those three countries that were seized during the war. I am referring to Bulgaria, Hungary, and Rumania.

Mr. MULTER. Those moneys are now in the United States Treasury.

Mr. DONOVAN. Yes. What I want to know is, What part of the government funds of those countries have been tied up in this country which might conceivably be realized later for payment of these claims?

Mr. MULTER. The gentleman is now asking about funds which have not been paid into the United States Treasury but remain in banks and that have been blocked by the American Government and cannot be used or paid out to those satellite nations?

Mr. DONOVAN. That is right.

Mr. RICHARDS. In part answer to the gentleman from New York, I would say that the largest item which he inquires about is $13 million in gold belonging to the Government of Rumania, and possibly some odds and ends. We do not know exactly how much it is; however, this Commission will certainly find out.

Mr. DONOVAN. But this bill does not have anything to do with the distribution of those assets to the claimants.

The CHAIRMAN. The time of the gentleman from New York [Mr. MULTER] has expired.

Mr. KARSTEN. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Chairman, for the past 2½ years the so-called Republican crusade has been in progress. Presumably that crusade was based on the 1952 Republican platform. In that Republican platform the American people were promised not only a balanced budget but a reduced national debt.

At the time the Eisenhower administration took office, the American people

were saturated by innumerable statements from Republican sources that we were going to have a balanced budget. Faced with the fiscal realities of running our Federal Government, the Republicans have abandoned their promise of a balanced budget and the GOP line currently being used is that "we are moving in that direction."

Unfortunately, recent events have forced me to conclude that the Republican Party has not only abandoned its aspirations for a balanced budget and a reduced national debt but the Eisenhower administration has also ceased "moving in that direction."

Tomorrow the Secretary of the Treasury will appear before the House Committee on Ways and Means to request that a further upward adjustment in the statutory debt limit be enacted by the Congress. It is significant to note that the last decrease in the statutory debt limit occurred during the 79th Congress when the Democratic Party was in control of both the executive and legislative branches of our Federal Government.

The Republican crusade for the honest dollar has found the administration twice requesting increases in the statutory debt limit. At the end of fiscal year 1953 the public debt stood at $266 billion. The result of Secretary Humphrey's work has been to create an estimated $10 billion increase in this public debt so that by the end of fiscal year 1956 the President's budget message indicates the public debt will be approximately $276 billion. The cost in terms of national indebtedness of this Republican crusade would seem to be an additional $10 billion.

The Republican Party is not moving toward a balanced budget but is only talking about it. This Republican talk has not been able to talk down the national debt one dollar. As has been the case so often in the past, Mr. Speaker, Republican talk and Republican actions are two totally inconsistent things.

Mr. UDALL. Mr. Chairman, I move to strike out the last word and also ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

Mr. VORYS. Mr. Chairman, I object.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARDY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6382) to amend the International Claims Settlement Act of 1949, as amended, and for other purposes, pursuant to House Resolution 276, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks on the bill just passed.

The SPEAKER. Is there objection? There was no objection.

PUBLIC WORKS APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, the current issue of a national magazine, reporting the passage of the public works appropriation bill, in one of the most insulting articles I have ever read, says incidentally:

CANNON diverted money to the Fulton public powerplant. Top Democrats were flabbergasted when they realized what CLARENCE CANNON had done.

Mr. Speaker, there is no foundation of fact for such a statement. The bill was drawn exactly as agreed upon in consultation with the leadership of the House.

TO ADJUST RATES OF BASIC COMPENSATION OF CERTAIN OFFICERS AND EMPLOYEES OF THE FEDERAL GOVERNMENT — CONFERENCE REPORT

Mr. MURRAY of Tennessee submitted the following conference report and statement on the bill (S. 67) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 910)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 67) entitled "An Act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Federal Employees Salary Increase Act of 1955'.

"SEC. 2. (a) Section 603 (b) and section 603 (c) of the Classification Act of 1949, as amended (65 Stat. 612; 5 U. S. C., sec. 1113 (b) and (c)), are amended to read as follows:

"'(b) The compensation schedule for the General Schedule shall be as follows:

"'Grade	Per annum rates						
GS-1	$2,690	$2,775	$2,860	$2,945	$3,030	$3,115	$3,200
GS-2	2,960	3,045	3,130	3,215	3,300	3,385	3,470
GS-3	3,175	3,260	3,345	3,430	3,515	3,600	3,685
GS-4	3,415	3,500	3,585	3,670	3,755	3,840	3,925
GS-5	3,670	3,805	3,940	4,075	4,210	4,345	4,480
GS-6	4,080	4,215	4,350	4,485	4,620	4,755	4,890
GS-7	4,525	4,660	4,795	4,930	5,065	5,200	5,335
GS-8	4,970	5,105	5,240	5,375	5,510	5,645	5,780
GS-9	5,440	5,575	5,710	5,845	5,980	6,115	6,250
GS-10	5,915	6,050	6,185	6,320	6,455	6,590	6,725
GS-11	6,390	6,605	6,820	7,035	7,250	7,465	
GS-12	7,570	7,785	8,000	8,215	8,430	8,645	
GS-13	8,990	9,205	9,420	9,635	9,850	10,065	
GS-14	10,320	10,535	10,750	10,965	11,180	11,395	
GS-15	11,610	11,880	12,150	12,420	12,690		
GS-16	12,900	13,115	13,330	13,545	13,760		
GS-17	13,975	14,190	14,405	14,620			
GS-18	14,800						

"'(c) (1) The compensation schedule for the Crafts, Protective, and Custodial Schedule shall be as follows:

"'Grade	Per annum rates						
CPC-1	$1,945	$2,010	$2,075	$2,140	$2,205	$2,270	$2,335
CPC-2	2,600	2,675	2,750	2,825	2,900	2,975	3,050
CPC-3	2,745	2,830	2,915	3,000	3,085	3,170	3,255
CPC-4	2,955	3,040	3,125	3,210	3,295	3,380	3,465
CPC-5	3,200	3,285	3,370	3,455	3,540	3,625	3,710
CPC-6	3,440	3,525	3,610	3,695	3,780	3,865	3,950
CPC-7	3,695	3,805	3,915	4,025	4,135	4,245	4,355
CPC-8	4,020	4,155	4,290	4,425	4,560	4,695	4,830
CPC-9	4,460	4,595	4,730	4,865	5,000	5,135	5,270
CPC-10	4,905	5,040	5,175	5,310	5,445	5,580	5,715

"'(2) Charwomen working part time shall be paid at the rate of $2,900 per annum, and head charwomen working part time shall be paid at the rate of $3,050 per annum.'

"(b) The rates of basic compensation of officers and employees to whom this section applies shall be initially adjusted as follows:

"(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at one of the scheduled or longevity rates of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding scheduled or longevity rate in effect on and after such date;

"(2) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate between two scheduled or two longevity rates, or between a scheduled and a longevity rate, of a grade in the General Schedule or the Crafts, Protective, and Custodial Schedule, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date;

"(3) If the officer or employee (other than an officer or employee subject to paragraph (4) of this subsection), immediately prior to the effective date of this section, is receiving basic compensation at a rate in excess of the maximum longevity rate of his grade, or in excess of the maximum scheduled rate of his grade if there is no longevity rate for his grade, he shall receive basic compensation at a rate equal to the rate which he received immediately prior to such effective date, increased by an amount equal to the amount of the increase made by this section in the

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maximum longevity rate, or the maximum scheduled rate, as the case may be, of his grade until (A) he leaves such position, or (B) he is entitled to receive basic compensation at a higher rate by reason of the operation of the Classification Act of 1949, as amended; but when such position becomes vacant the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such Act, as amended;

"(4) If the officer or employee, immediately prior to the effective date of this section, is receiving an existing aggregate rate of compensation determined under section 208 (b) of the Act of September 1, 1954 (Public Law 763, Eighty-third Congress), he shall receive an aggregate rate of compensation equal to such existing aggregate rate, increased by an amount equal to the amount of the increase made by this section in the maximum longevity rate of his grade until he (A) leaves such position, or (B) is entitled to receive aggregate compensation at a higher rate by reason of the operation of any other provision of law; but when such position becomes vacant the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. For the purposes of section 208 (b) of the Act of September 1, 1954 (Public Law 763, Eighty-third Congress), the amount of such increase shall be held and considered to constitute a part of the existing aggregate rate of compensation of such employee;

"(5) If the officer or employee, immediately prior to the effective date of this section, was in a position for which the rate of compensation is fixed under section 603 (c) (2) of the Classification Act of 1949, as amended, and at such time he was receiving basic compensation at a rate in excess of the rate provided for his position under such section, he shall receive basic compensation at a rate equal to the rate he was paid immediately prior to such effective date increased by an amount equal to the amount of the increase made by this section in the rate for like positions under such section 603 (c) (2) until he leaves such position; but when such position becomes vacant the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with such section; or

"(6) The rate of basic compensation of each officer or employee who, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this Act, was promoted from one grade under the Classification Act of 1949, as amended, to another such grade at a rate which is above the minimum rate thereof, shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the appropriate compensation schedule contained in this section which corresponds numerically to the step of the grade of the compensation schedule for such officer or employee which was in effect (without regard to this Act) at the time of such promotion.

"(c) Each officer or employee—

"(1) (A) who with his position has been transferred, at any time during the period beginning January 1, 1952, and ending on the date of enactment of this Act, from the Crafts, Protective, and Custodial Schedule or the General Schedule to a prevailing rate schedule pursuant to the Classification Act of 1949 or title I of the Act of September 1, 1954 (Public Law 763, Eighty-third Congress), or (B) who, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this Act, transferred from a position subject to the Classification Act of 1949, as amended, to a position subject to a prevailing rate schedule,

"(2) who at all times subsequent to such transfer was in the service of the United States (including the Armed Forces of the United States) or of the municipal government of the District of Columbia, without break in such service of more than thirty consecutive calendar days and, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, without break in service in excess of the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia,

"(3) who is on such date of enactment being compensated under a prevailing rate schedule, and

"(4) whose rate of basic compensation is less on such date of enactment than the rate to which he would have been entitled on such date of enactment if such transfer had not occurred (unless he is receiving such lesser rate by reason of an adverse personnel action resulting from his own fault), shall be paid basic compensation at a rate equal to the rate which he would have been receiving on such date of enactment (including compensation for each within-grade and longevity step-increase which he would have earned) if such transfer had not occurred until the day immediately following such date of enactment, for all time in a pay status on and after the effective date of this section in a position subject to a prevailing rate schedule under the circumstances prescribed in this subsection, until (A) he leaves the position which he holds on such date of enactment, or (B) he is entitled to receive basic compensation at a higher rate under a prevailing rate schedule; but when such position becomes vacant, the rate of basic compensation of any subsequent appointee thereto shall be fixed in accordance with prevailing rate schedules.

"(d) The rate of basic compensation of each officer or employee who, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this Act, became subject to the Classification Act of 1949, as amended, at a rate of basic compensation which was fixed on the basis of a higher previously earned rate or which was established under authority of section 803 of the Classification Act of 1949, as amended (68 Stat. 1106; 5 U. S. C., sec. 1133), and which is above the minimum rate of the grade of such officer or employee, shall be adjusted, retroactively to the date on which he became subject to such Act, on the basis of the rate for that step of the appropriate grade of the appropriate compensation schedule contained in this section which corresponds numerically to the step of the grade of the compensation schedule for such officer or employee which was in effect (without regard to this Act) at the time he became subject to the Classification Act of 1949 as in effect immediately prior to the effective date of this section.

"(e) The last sentence of section 704 of the Classification Act of 1949, as amended, is amended to read as follows: 'Notwithstanding subsection (b) (4) of section 703, longevity step-increases for grade 15 of the General Schedule shall be the same as those for grade 14 of the General Schedule.'

"SEC. 3. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U. S. C., sec. 102 (a) (2)), section 3656 of title 18 of the United States Code, the second and third sentences of section 603, section 604 (a) (5), or sections 672 to 675, inclusive, of title 28 of the United States Code are hereby increased by amounts equal to the increases provided by section 2 of this Act in corresponding rates of compensation paid to officers and employees subject to the Classification Act of 1949, as amended.

"(b) The limitations of $10,560 and $14,355 with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges, contained in the paragraph under the heading 'SALARIES OF SUPPORTING PERSONNEL' in the Judiciary Appropriation Act, 1955 (Public Law 470, Eighty-third Congress), or in any subsequent appropriation Act, shall be increased by the amounts necessary to pay the additional basic compensation provided by this Act.

"(c) Section 753 (e) of title 28 of the United States Code (relating to the compensation of court reporters for district courts) is amended by striking out '$6,000' and inserting in lieu thereof '$6,450'.

"SEC. 4. (a) Each officer and employee in or under the legislative branch of the Government (other than an employee in the office of a Senator) whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation at the rate of 7.5 per centum of the aggregate rate of his rate of basic compensation and the rate of the additional compensation received by him under sections 501 and 502 of the Federal Employees Pay Act of 1945, as amended, section 301 of the Postal Rate Revision and Federal Employees Salary Act of 1948, the provisions under the heading 'Increased pay for legislative employees' in the Second Supplemental Appropriation Act, 1950, the Act of October 24, 1951 (Public Law 201, Eighty-second Congress), and any other provision of law.

"(b) Section 2 (b) of the Act of October 24, 1951 (Public Law 201, Eighty-second Congress), is amended by striking out '$11,646 per annum unless expressly authorized by law' and inserting in lieu thereof 'the highest per annum rate of compensation paid under authority of the Classification Act of 1949, as amended, unless expressly authorized by law'.

"(c) The rates of basic compensation of each of the elected officers of the Senate and the House of Representatives (not including the presiding officers of the two Houses), the Parliamentarian of the Senate, the Parliamentarian of the House of Representatives, the Legislative Counsel of the Senate, the Legislative Counsel of the House of Representatives, and the Coordinator of Information of the House of Representatives are hereby increased by 7.5 per centum.

"(d) (1) The aggregate amount of the basic compensation authorized to be paid for administrative and clerical assistance and messenger service in the offices of Senators is hereby increased by—

"(A) $10,020 in the case of Senators from States the population of which is less than three million;

"(B) $10,920 in the case of Senators from States the population of which is three million or more but less than five million;

"(C) $11,760 in the case of Senators from States the population of which is five million or more but less than ten million; and

"(D) $11,880 in the case of Senators from States the population of which is ten million or more.

"(2) Notwithstanding the second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), but subject to the limitations contained in paragraph (3) of this subsection, during the period beginning on the effective date of this subsection and ending on the last day of the first pay period which begins after the date of enactment of this Act (A) the compensation of the administrative assistant in the office of each Senator may be fixed at a basic rate which together with additional compensation authorized by law

will not exceed the maximum rate authorized by section 2 (b) of the Act of October 24, 1951 (Public Law 201, Eighty-second Congress), as amended, (B) the compensation of one employee other than the administrative assistant in the office of each Senator may be fixed at a basic rate not to exceed $10,260 per annum, and (C) the compensation of any other employee in the office of a Senator may be fixed at a basic rate not to exceed $6,420 per annum.

"(3) Notwithstanding the third proviso in such paragraph, any increase in the compensation of an employee in a Senator's office shall take effect on the effective date of this subsection or on the date such employee became employed, whichever is later, if (A) the certification filed by such Senator under such proviso so provides, (B) such certification is filed in the disbursing office of the Senate not later than fifteen days following the date of enactment of this Act, and (C) the amount of such increase does not exceed the amount of the increase which would be payable in the case of such employee if he were subject to the provisions of subsection (a) of this section plus any additional amount which may result from fixing the rate of basic compensation at the lowest multiple of $60 which will result in an increase not less than the amount of such increase which would be payable under subsection (a).

"(e) (1) The provisions under the heading 'INCREASED PAY FOR LEGISLATIVE EMPLOYEES' in the Second Supplemental Appropriation Act, 1950, section 2 (a) of the Act of October 24, 1951 (Public Law 201, Eighty-second Congress), and section 4 (a) of this Act are hereby amended by striking out '(other than an employee in the office of a Senator)'.

"(2) The basic compensation of each employee in the office of a Senator on the effective date of this subsection is hereby adjusted to the lowest multiple of $60 which will provide basic compensation, plus additional compensation payable under subsection (a) and the provisions of law referred to in subsection (a), not less than the amount of basic compensation, plus additional compensation under the provisions of sections 501 and 502 of the Federal Employees' Pay Act of 1945, as amended, and section 301 of the Postal Rate Revision and Federal Employees' Salary Act of 1948, which he is receiving on the effective date of this subsection.

"(3) The second proviso in the paragraph relating to the authority of Senators to rearrange the basic salaries of employees in their respective offices which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended to read as follows: *'Provided,* That no salary shall be fixed under this section at a basic rate of more than $5,100 per annum, except that the salary of one employee, other than the administrative assistant, in the office of each Senator may be fixed at a basic rate of not more than $8,460 per annum and the salary of the administrative assistant to each Senator may be fixed at a basic rate which together with additional compensation authorized by law will not exceed the maximum rate authorized by section 2 (b) of the Act of October 24, 1951 (Public Law 201, Eighty-second Congress), as amended'.

"(f) The aggregate amount of the basic compensation authorized to be paid for administrative and clerical assistance and messenger service in the office of each Senator shall be the amount authorized under provisions of law in effect immediately prior to the enactment of this Act for Senators from States the population of which is less than 3 million increased as follows:

"States having a population of:	*Amount of Increase*
Less than 3,000,000	$7,740
3,000,000 but less than 4,000,000	10,740
4,000,000 but less than 5,000,000	13,740
5,000,000 but less than 7,000,000	16,740
7,000,000 but less than 9,000,000	$19,740
9,000,000 but less than 11,000,000	22,740
11,000,000 but less than 13,000,000	25,740
13,000,000 or more	28,740

"(g) (1) The provisions of subsection (a) shall not apply to employees whose compensation is paid from the appropriation contained in the paragraph designated 'Folding documents' under the heading 'CONTINGENT EXPENSES OF THE SENATE' in the Legislative Appropriation Act, 1955, or in any subsequent appropriation Act, but the limitations contained in such paragraph are hereby increased by 7.5 per centum.

"(2) The limitations in the paragraph designated 'Folding documents' under the heading 'CONTINGENT EXPENSES OF THE HOUSE' in the Legislative Appropriation Act, 1955, or in any subsequent appropriation Act, are hereby increased by 7.5 per centum.

"(h) The official reporters of proceedings and debates of the Senate and their employees shall be considered to be officers or employees in or under the legislative branch of the Government within the meaning of subsection (a) and the provisions of law referred to in such subsection.

"(i) The additional compensation provided by subsection (a) and the provisions of law referred to in such subsection shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act of May 29, 1930, as amended.

"(j) Except as provided in subsection (d) (3) (C) of this section, no officer or employee shall be paid increased or additional compensation under this section for any period prior to July 1, 1955, at a rate in excess of 7.5 per centum of the aggregate rate of his basic compensation and additional compensation under the Acts referred to in subsection (a), computed without regard to the amendment made by subsection (b).

"SEC. 5. Section 66 of the Farm Credit Act of 1933 (48 Stat. 269) is hereby amended to read as follows:

" 'SEC. 66. No director, officer, or employee of the Central Bank for Cooperatives or of any production credit corporation, production credit association, or bank for cooperatives shall be paid compensation at a rate in excess of $14,620 per annum.'

"SEC. 6. (a) Each of the minimum rates of salary contained in section 3 (d), the maximum rate of salary contained in the second sentence of such section 3 (d), and each of the maximum and minimum rates of salary contained in section 7, of the Act of January 3, 1946 (Public Law 293, Seventy-ninth Congress), as amended (38 U. S. C., secs. 15b (d) and 15f (a)), are hereby increased by 7.5 per centum.

"(b) Each of the rates of salary contained in section 3 (e) and section 3 (f) of such Act of January 3, 1946, as amended (38 U. S. C., secs. 15b (e) and (f)), is hereby increased by 7.5 per centum.

"(c) Each of the rates of salary increased by subsections (a) and (b) of this section which is not a multiple of $5 shall be rounded, as so increased, to the next higher $5 per annum.

"(d) Section 8 (d) of such Act of January 3, 1946, as amended (38 U. S. C., sec. 15g (d)), is amended by striking out '$12,800' and inserting in lieu thereof '$13,760'.

"SEC. 7. Each of the rates of basic compensation provided by sections 412 and 415 of the Foreign Service Act of 1946, as amended, is hereby increased by 7.5 per centum. Each such rate as so increased which is not a multiple of $5 shall be rounded to the next higher $5 per annum.

"SEC. 8. (a) Notwithstanding section 3679 of the Revised Statutes, as amended (31 U. S. C., sec. 665), the rates of compensation of officers and employees of the Federal Government and of the municipal government of the District of Columbia whose rates of compensation are fixed by administrative action pursuant to law and are not otherwise increased by this Act are hereby authorized to be increased, effective on or after the first day of the first pay period which began after February 28, 1955, by amounts not to exceed the increases provided by this Act for corresponding rates of compensation in the appropriate schedule or scale of pay.

"(b) Nothing contained in this section shall be deemed to authorize any increase in the rates of compensation of officers and employees whose rates of compensation are fixed and adjusted from time to time as nearly as is consistent with the public interest in accordance with prevailing rates or practices.

"(c) Nothing contained in this section shall affect the authority contained in any law pursuant to which rates of compensation may be fixed by administrative action.

"SEC. 9. Notwithstanding any other provision of this Act, (1) no rate of compensation or salary which is $14,800 or more per annum shall be increased by reason of this Act and (2) no rate of compensation or salary shall be increased by reason of this Act to an amount in excess of $14,800 per annum.

"SEC. 10. (a) Retroactive compensation or salary shall be paid by reason of this Act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this Act, except that such retroactive compensation or salary shall be paid (1) to an officer or employee who retired during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this Act for services rendered during such period and (2) in accordance with the provisions of the Act of August 3, 1950 (Public Law 636, Eighty-first Congress), as amended, for services rendered during the period beginning on the first day of the first pay period which began after February 28, 1955, and ending on the date of enactment of this Act by an officer or employee who dies during such period.

"(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"SEC. 11. Notwithstanding any provision of this Act or of the Postal Field Service Compensation Act of 1955, no individual subject to the Classification Act of 1949, as amended, whose rate of basic salary is increased by reason of section 701 of the Postal Field Service Compensation Act of 1955, shall be entitled to receive payment of any increase under the provisions of the Classification Act of 1949, as amended by this Act, for any period for which he is entitled to receive an increase in basic salary under section 701 of the Postal Field Service Compensation Act of 1955.

"SEC. 12. (a) Section 505 of the Classification Act of 1949, as amended (68 Stat. 1105; 5 U. S. C., sec. 1105), is amended to read as follows:

" 'SEC. 505. (a) No position shall be placed in grade 16, 17, or 18 of the General Schedule except by action of, or after prior approval by, a majority of the Civil Service Commissioners.

" '(b) Subject to subsections (c), (d), and (e) of this section, a majority of the Civil Service Commissioners are authorized to establish and, from time to time, revise the maximum number of positions (not to exceed twelve hundred) which may be in grades 16, 17, and 18 of the General Schedule at any

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one time, except that under such authority such maximum number of positions shall not exceed three hundred and twenty-five for grade 17 and one hundred and twenty-five for grade 18. The United States Civil Service Commission shall report annually to the Congress the total number of positions established under this subsection for grades 16, 17, and 18 of the General Schedule and the total number of positions so established for each such grade.

"'(c) The number of positions of senior specialists in the Legislative Reference Service of the Library of Congress allocated to grades 16, 17, and 18 of the General Schedule by reason of the proviso contained in section 203 (b) (1) of the Legislative Reorganization Act of 1946 (60 Stat. 836; 2 U. S. C., sec. 166 (b) (1)) shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

"'(d) The Comptroller General of the United States is authorized, subject to the procedures prescribed by this section, to place a total of twenty-five positions in the General Accounting Office in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).

"'(e) The Director of the Federal Bureau of Investigation, United States Department of Justice, is authorized, without regard to any other provision in this section, to place a total of thirty-seven positions in the Federal Bureau of Investigation in grades 16, 17, and 18 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grades by subsection (b).'

"(b) Positions in grades 16, 17, or 18, as the case may be, of the General Schedule of the Classification Act of 1949, as amended, immediately prior to the effective date of this section, shall remain, on and after such effective date, in their respective grades, until other action is taken under the provisions of section 505 of the Classification Act of 1949 as in effect on and after such effective date.

"(c) The following parts of laws and parts of reorganization plans are hereby repealed:

"(1) Section 710 (a) of the Defense Production Act of 1950 (64 Stat. 819; 50 App. U. S. C., sec. 2160 (a));

"(2) That part of section 401 (a) of the Federal Civil Defense Act of 1950 (64 Stat. 1254; 50 App. U. S. C., sec. 2253 (a)) which reads as follows: 'and subject to the standards and procedures of that Act, to place not more than twenty-two positions in grades 16, 17, and 18 of the General Schedule established by that Act, and any such positions shall be additional to the number authorized by section 505 of that Act;';

"(3) Section 108 of the Supplemental Appropriation Act, 1951 (64 Stat. 1064; Public Law 843, Eighty-first Congress);

"(4) The fourth paragraph under the heading 'General Accounting Office' contained in title I of the Independent Offices Appropriation Act, 1952 (65 Stat. 274; Public Law 137, Eighty-second Congress), as amended by the fourth paragraph under the heading 'General Accounting Office' contained in title I of the Independent Offices Appropriation Act, 1953 (66 Stat. 399; Public Law 455, Eighty-second Congress), and by the proviso under the heading 'General Accounting Office' contained in title I of the Independent Offices Appropriation Act, 1955 (68 Stat. 280; Public Law 428, Eighty-third Congress; 31 U. S. C., sec. 52a), which reads as follows: 'The Comptroller General of the United States hereafter is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, to place five positions in grade GS–18, two positions in grade GS–17, and twelve positions in grade GS–16 in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the General Accounting Office previously allocated under section 505. The authority granted herein shall not be construed to require or preclude the reallocation of any positions in the General Accounting Office previously allocated under section 505.';

"(5) That part of the paragraph under the heading 'Renegotiation Board' and under the subheading 'Salaries and Expenses' contained in chapter V of the Second Supplemental Appropriation Act, 1952 (65 Stat. 763; Public Law 254, Eighty-second Congress; 50 App. U. S. C., sec. 1217a), which reads as follows: ': *Provided*, That the Board is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place not more than five positions in grades 16, 17, or 18 of the General Schedule established by said Act, and such positions shall be in addition to the number authorized by said section';

"(6) That part of section 606 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952 (65 Stat. 600; Public Law 188, Eighty-second Congress), which reads as follows: 'The Director of the Federal Bureau of Investigation, United States Department of Justice, hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place two positions in grade GS–18, and seven positions in grade GS–17, in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the Federal Bureau of Investigation previously allocated under section 505.';

"(7) That part of the paragraph under the heading 'Federal Bureau of Investigation' and under the subheading 'Salaries and Expenses' contained in title II (the Department of Justice Appropriation Act, 1953) of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1953 (66 Stat. 557; Public Law 495, Eighty-second Congress; 5 U. S. C., sec. 300e), which reads as follows: ': *Provided further*, That the Director of the Federal Bureau of Investigation hereafter is authorized, without regard to the Classification Act of 1949, to place twenty positions in grade GS–16 in the General Schedule established by the Classification Act of 1949';

"(8) Section 806 of the Supplemental Appropriation Act, 1954 (67 Stat. 429; Public Law 207, Eighty-third Congress);

"(9) Section 737 of the Department of Defense Appropriation Act, 1955 (68 Stat. 357; Public Law 458, Eighty-third Congress; 5 U. S. C., sec. 171d–2);

"(10) That part of the paragraph under the heading 'Bureau of the Budget' contained in title I of the Independent Offices Appropriation Act, 1955 (68 Stat. 273; Public Law 428, Eighty-third Congress; 31 U. S. C., sec. 16b), which reads as follows: ': *Provided*, That the Bureau of the Budget is authorized, without regard to section 505 of the Classification Act of 1949, to place two additional positions in grade GS–18 and two additional positions in grade GS–17 of that General Schedule established by said Act';

"(11) That part of the paragraph under the heading 'Saint Lawrence Seaway Development Corporation' contained in chapter VIII of the Supplemental Appropriation Act, 1955 (68 Stat. 818; Public Law 663, Eighty-third Congress; 33 U. S. C., sec. 984a), which reads as follows: '; and the Administrator is authorized, subject to the procedures prescribed by section 505 of the Classification Act of 1949, to place not more than four positions in grades 16, 17, or 18 of the General Schedule established by said Act, and such positions shall be in addition to the number authorized by said section';

"(12) That part of the paragraph under the heading 'President's Advisory Committee on Government Organization' contained in chapter IV of the Second Supplemental Appropriation Act, 1954 (68 Stat. 25; Public Law 304, Eighty-third Congress), which reads as follows: ': *Provided*, That the Committee is authorized, without regard to section 505 of the Classification Act of 1949, to place one position in Grade GS–17 of the General Schedule established by said Act';

"(13) That part of section 602 (a) of the Act entitled 'An Act to provide for greater stability in agriculture; to augment the marketing and disposal of agricultural products; and for other purposes', approved August 28, 1954 (68 Stat. 908; Public Law 690, Eighty-third Congress; 7 U. S. C., sec. 1762 (a)), which reads as follows: ', and the Secretary of Agriculture may place not to exceed eight positions in grade 16 and two in grade 17 of the General Schedule of the Classification Act of 1949, as amended, in accordance with the standards and procedures of that Act and such positions shall be in addition to the number authorized in section 505 of that Act';

"(14) Section 228 of the National Housing Act (68 Stat. 609; 12 U. S. C., sec. 1702a);

"(15) The second paragraph of section 606 of the Departments of State, Justice, Commerce, and the Judiciary Appropriation Act, 1952 (65 Stat. 601; Public Law 188, Eighty-second Congress; 5 U. S. C., sec. 152c);

"(16) That part of the third proviso of the first paragraph under the heading 'General Provisions' contained in chapter XI of the Third Supplemental Appropriation Act, 1952 (66 Stat. 121; Public Law 375, Eighty-second Congress; 5 U. S. C., secs. 245a, 295b, 483–1, 592a–2, 611c), which reads as follows: 'shall be placed in the highest grade set forth in the general schedule of such Act without regard to section 505 (b) of such Act, as amended, and shall be in addition to the number of positions authorized to be placed in such grade under such section.';

"(17) That part of the paragraph under the heading 'United States Section, Saint Lawrence River Joint Board of Engineers' contained in chapter IX of the Third Supplemental Appropriation Act, 1954 (68 Stat. 90; Public Law 357, Eighty-third Congress), which reads as follows: '*Provided*, That, subject to the procedures prescribed by section 505 of the Classification Act of 1949, but without regard to the numerical limitations contained therein, one position under the United States section of said Joint Board of Engineers may hereafter be placed in grade GS–16 in the General Schedule established by that Act:';

"(18) That part of the paragraph under the heading 'Smithsonian Institution' contained in Title II of the Department of the Interior and Related Agencies Appropriation Act, 1956 (Public Law 78, Eighty-fourth Congress), which reads as follows: ': *Provided*, That the Smithsonian Institution is authorized without regard to section 505 of the Classification Act of 1949, to place two positions in GS–18, two positions in GS–17, and one additional position in GS–16 of the General Schedule established by said Act';

"(19) That part of section 3 of Reorganization Plan Numbered 1 of 1952, effective March 15, 1952 (66 Stat. 823; 5 U. S. C., sec. 133z–15 note), which reads as follows: ', except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105)';

"(20) That part of section 4 (a) of Reorganization Plan Numbered 5 of 1952, effective July 1, 1952 (66 Stat. 826), which reads as follows: ', except that the compensation for not to exceed fifteen such offices at any one time may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949 (5 U. S. C. 1105)'; and

"(21) That part of section 1 (d) of Reorganization Plan Numbered 8 of 1953, effective August 1, 1953 (67 Stat. 642; 5 U. S. C., sec.

133z–15 note), which reads as follows: ', except that the compensation may be fixed without regard to the numerical limitations on positions set forth in section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105)'.

"SEC. 13. (a) Except as provided in subsections (b) and (c) of this section, this Act shall take effect as of the first day of the first pay period which began after February 28, 1955.

"(b) This section and sections 8, 10, 11, and 12 shall take effect on the date of enactment of this Act.

"(c) Subsections (e) and (f) of section 4 shall take effect on the first day of the second pay period which begins after the date of enactment of this Act.

"(d) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in rates of compensation or salary which result from the enactment of this Act shall be held and considered to be effective as of the first day of the first pay period which begins on or after the date of such enactment."

And the House agree to the same.

TOM MURRAY,
EDWARD H. REES,
JAMES C. DAVIS,
Managers on the Part of the House.

OLIN D. JOHNSTON,
MATTHEW M. NEELY,
JOHN O. PASTORE,
FRANK CARLSON,
W. E. JENNER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 67) entitled "An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to the text of the Senate bill struck out all of the Senate bill after the enacting clause and inserted a substitute text. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment which is a substitute for both the Senate bill and the House amendment and that the House agree to the same.

Both the conference agreement and the House bill provided for a 7.5 percent increase in compensation for all employees covered by such proposed legislation.

Except for technical and minor drafting changes, the differences between the House amendment and the conference agreement are discussed below.

(1) In the House bill and the conference agreement the General Schedule of the Classification Act of 1949 is increased in each grade and each step by 7.5 percent rounded off to figures divisible by 5. In cases where this figure is not divisible by 5, in the conference agreement, it is raised to the next higher figure so divisible. In the House bill, it is raised to the nearest such figure.

(2) Provision for the pay raises for legislative employees is modified for Senate employees in line with Senate payroll requirements and policies.

TOM MURRAY,
EDWARD H. REES,
JAMES C. DAVIS,
Managers on the Part of the House.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill S. 67.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the statement on the part of the managers of the House be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement as above set out.

Mr. MURRAY of Tennessee. Mr. Speaker, this is a unanimous report, signed by all managers on the part of both the House and the Senate. The conference report adopts the position of the original House bill providing for a 7.5 percent increase to officers and employees covered by the bill, retroactive to March 1, 1955.

Mr. Speaker, I have no requests for time and I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to; and a motion to reconsider was laid on the table.

CAPT. MOSES M. RUDY

Mr. LANE. Mr. Speaker, I call up the conference report on the bill H. R. 1142, for the relief of Capt. Moses M. Rudy, and ask unanimous consent that the statement of the managers may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 870)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

THOMAS J. LANE,
E. L. FORRESTER,
CHAUNCEY W. REED,
Managers on the Part of the House.

HARLEY M. KILGORE,
JOHN L. MCCLELLAN,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1142) for the relief of Capt. Moses M. Rudy, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed the House would permit the payment of attorney fees not in excess of 10 percent. The Senate amended the bill striking out this provision and stated that no part of the appropriation in this act shall be paid to any attorney or agent. At the conference the House conferees agreed to the Senate amendment.

THOMAS J. LANE,
E. L. FORRESTER,
CHAUNCEY W. REED,
Managers on the Part of the House.

The conference report was agreed to, and a motion to reconsider was laid on the table.

ORRIN J. BISHOP

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4249) for the relief of Orrin J. Bishop, with a Senate amendment thereto, disagree to the Senate amendment and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. LANE, FORRESTER and MILLER of New York.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INTERIM AUTHORITY TO SPEAKER AND CLERK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

The SPEAKER. The Chair has agreed to recognize the gentleman from Indiana [Mr. HARVEY] on a personal matter.

Mr. HARVEY. Mr. Speaker, I was unable to be on the floor at the time the vote was had on House Concurrent Resolution 149. Had I been here I would have voted "yea." I wish the RECORD to indicate my position in the matter.

PROPOSAL TO MAKE POLITICAL CONTRIBUTIONS DEDUCTIBLE FOR INCOME-TAX PURPOSES

Mr. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

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Mr. UDALL. Mr. Speaker, I have introduced today a bill which I think all of the Members of this body will be interested in. It would allow individuals to deduct for Federal income-tax purposes political contributions to candidates for elective Federal offices in amounts up to $100 annually. My colleagues will recall the recent address of Mr. Philip Graham, publisher of the Washington Post and Times Herald. Mr. Graham demonstrated dramatically the urgent requirement for greater political participation by ever-larger numbers of the American electorate, and pointed out the need for broadening the base of financial participation if the power of money to influence elections is to be reduced to a minimum. He urged that private agencies and associations lead a program to stimulate such participation.

I believe Congress should also act. My bill would enlarge the base of political participation by encouraging modest political contributions. Such contributions would be placed on a plane of equality with contributions to charitable, religious, fraternal organizations which serve paramount public purposes.

It is my hope that enactment of this, or similar, legislation will have the salutary effect of reducing the dependence of political candidates and parties on large contributors. Naturally, as this dependence is eliminated the independence of public officeholders would simultaneously increase, and our political life would be elevated. This, I am sure, is an end we all seek. I hope this bill, and the idea it seeks to foster, will receive serious consideration by the Congress.

INQUIRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask if there is someone present who can tell us what the program will be for Monday.

The SPEAKER. The majority leader is going to make an announcement on that later in the day.

AUTHORIZING CERTAIN STUDIES AND INVESTIGATIONS BY COMMITTEE ON PUBLIC WORKS

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 144 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Public Works, acting as a whole or by subcommittee, is authorized and directed to make inspections of projects heretofore or hereafter authorized by said committee, to conduct studies and investigations, and to attend conferences, wherever held, relating to matters coming within the jurisdiction of such committee under clause 15 of rule XI of the Rules of the House of Representatives, and for such purposes the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress with respect to matters within its jurisdiction at such times and places, whether the House is in session, has recessed, or has adjourned, as may be designated by the chairman of said committee to hold such hearings, and to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

The said committee shall report to the House of Representatives during the present Congress the results of their studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable. Any report submitted when the House is not in session shall be filed with the Clerk of the House.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Committee on Public Works, or any subcommitte thereof designated by the chairman, may make investigations into the following matters within its jurisdiction: In Alaska, public works projects authorized or proposed to be authorized; in Hawaii, harbor and flood control projects, public buildings and highways authorized or proposed to be authorized; in Puerto Rico, public works; in Mexico, and the Central American countries, the Inter-American Highway and the Rama Road; and in the continental United States, public works and public buildings authorized or proposed to be authorized, including highways.

"For the purpose of making such investigations the committee, or subcommittee thereof, is authorized to sit and act during the present Congress at such times and places in the United States, its Territories, and possesisons, whether the House has recessed or adjourned, and to hold such hearings and require by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, and documents as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

"The committee may attend conferences and meetings on matters within its jurisdiction wherever held within the continental United States, its Territories, and possessions, and may attend the International Highway Conference in Rome, Italy, in 1955, but no more than 5 members of such committee may attend any meeting outside of the continental United States except trips in connection with the investigation of the Inter-American Highway and the Rama Road.

"The committee shall not undertake any investigation of any subject matter which is being investigated by any other standing committee of the House.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. SMITH of Virginia. Mr. Speaker, may I ask the gentleman from Illinois if he desires any time?

Mr. ALLEN of Illinois. No. I have no requests for time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

The title was amended to read as follows: "Resolution authorizing the Committee on Public Works to conduct studies and investigations with respect to certain matters within its jurisdiction."

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, may I ask the majority leader if he can tell us what the program will be for next week?

Mr. McCORMACK. Mr. Speaker, Monday is District day. I am unable to state what bills will be considered, but I understand several bills will come up for consideration at that time. I will put the numbers of the bills in the RECORD for the information of the Members later.

After that, the public-works authorization bill reported by the Committee on Armed Services, on which a rule has been reported, will be taken up for consideration.

On Tuesday we will consider the conference report on extension of the selective service, which also includes the doctors' draft, and that will be called up on Tuesday as the first order of business, regardless of what the legislative situation may be at that time. That is, if the public-works authorization bill is not finished on Monday.

The next order of business will be consideration of the Foreign Operations bill, the FOA bill, if a rule is reported thereon. Consideration of that bill will continue, of course, until completed.

Conference reports may be considered at any time.

I may say that there is other legislation, but the manner in which I shall program this legislation I am unable to state at this time. I will have plenty of opportunity on Monday to give the membership the information as to what the program for the rest of the week will be. For example, there is the Mexican labor bill and 2 or 3 other bills of importance. As I stated, the order in which I will program these bills I am unable to state now, but the information I have given takes us until Tuesday, if a rule is reported on the FOA bill. Consideration of that matter will continue until disposed of.

Mr. ARENDS. That gives us information for the first of the week, and on Monday the gentleman will be able to tell us as to other plans.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from California.

Mr. HINSHAW. I would like to inquire whether the authorization of projects for the Atomic Energy Commission will be taken up next week?

Mr. McCORMACK. I have that in mind, too. I will try to program that for next week.

The District of Columbia bills are as follows, and I will come back to the gentleman's inquiry later:

H. R. 5892, Police and Firemen's Special Services Compensation Act.

H. R. 6574, Motor vehicles transfer fee.

H. R. 6259, Armory Board funds.

H. R. 5852, to extend the period of authorization of the hospital center.

H. R. 5853, change requirements, veterinary medicine.

H. R. 6585, mental disease crime bill.

S. 391, bonding of District of Columbia officers and employees.

Those are the District of Columbia bills that I am informed will be called up on Monday.

After that the public works military authorization bill will be the next order of business, with the FOA, if a rule is reported out, following that

On Monday I will announce the rest of the program that we hope to bring up during the following week.

Is H. R. 6795, authorizing certain construction by the Atomic Energy Commission, what the gentleman has in mind?

Mr. HINSHAW. Yes. I do not believe it will take very much time.

Mr. McCORMACK. I am going to try to work that in next week, because, as I understand, the passage of that bill has an effect upon appropriation and supplemental appropriation bills. Is that correct?

Mr. HINSHAW. I think it does.

Mr. McCORMACK. And I also understand that the military authorization public works bill is in the same position, so we will try to get those bills out of the way. Certainly, the FOA bill is vitally important because the appropriation subcommittee and the full committee cannot report appropriations until an authorization bill is agreed upon.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. May I ask the majority leader whether it is contemplated that the so-called public housing bill will be considered by the House next week?

Mr. McCORMACK. Well, it is going to be difficult for me to say how it can be considered next week in the light of this program.

Mr. SMITH of Virginia. It was indicated there would be a rule requested on Monday.

Mr. McCORMACK. Of course, we all like to have rules, but I am frankly stating that I doubt, with this program, that it can be scheduled. It is quite probable that the FOA authorization bill will take 2 or 3 days, or I would assume so, so I would say in answer to the inquiry of the gentleman from Virginia that the likelihood of that bill coming up is scant. We will have continuing resolutions, of course, as it will be necessary to pass continuing resolutions in relation to activities that will cease on June 30. I think public housing may be one of them, and the Small Business Administration another, and I understand there are one or two others. But we are going to have a very busy week next week.

Mr. SMITH of Virginia. I was just wondering, and I know I speak the sentiments of the gentleman from Massachusetts, if we are going to get away from here this summer it is about time we settle down to business and keep plugging at it and getting some of these things through that are essential.

Mr. McCORMACK. I agree with the gentleman, and I am sure the gentleman will agree with me that the House has done a remarkable job this session. I am very proud of it. It just happens that this legislation comes at this particular time. But, I am proud to publicly cite the record that this House has made this session.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Texas.

Mr. PATMAN. There are three important laws that will expire June 30 if not extended: the Housing Act, of course, the Small Business Administration, and the Defense Production Act. I assume if they are not passed in time that joint resolutions will be passed providing for temporary extensions.

Mr. McCORMACK. I have stated that. I made the statement that there would be some resolutions, probably, extending the lives of certain activities.

Mr. PATMAN. I thank the gentleman.

FILING OF MINORITY VIEWS ON MUTUAL SECURITY BILL

Mr. ADAIR. Mr. Speaker, I ask unanimous consent on behalf of myself and certain other members of the Committee on Foreign Affairs that we may have until midnight Monday next in which to file minority views with respect to the mutual security bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

STUDY OF ANTITRUST LAWS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 40 minutes.

Mr. PATMAN. Mr. Speaker, since May 10 a special subcommittee of the Committee on the Judiciary of the House of Representatives has been holding hearings on the antitrust laws. Last Friday, June 17, these hearings were brought to a successful completion and were closed. The record of these hearings will, I predict, become a great landmark in the fight against monopoly control over our economic and political lives. My distinguished colleague from New York [Mr. CELLER], who is chairman of both this subcommittee and the full Committee on the Judiciary, is especially to be congratulated.

Hearings of this kind, as we all know, require long days of arduous work. And we also know that when a committee or a subcommittee reaches the concluding stage of a long set of hearings, there frequently arises in the minds of the members of the committee, and of the chairman particularly, a question whether all the hard work has been worthwhile.

I wish to assure the gentleman from New York [Mr. CELLER] that from my vantage point his hearings show a large and certain outline of accomplishment. By opening up this topic for broad public discussion and attention his hearings have struck a tremendous blow for freedom in our time. Moreover, I can mention several specific accomplishments which, though they do not illustrate the full importance of h. broader accomplishment, can nevertheless be pin-pointed as results of these hearings.

Since these hearings began Judge Stanley N. Barnes, the Assistant Attorney General in charge of Antitrust, has come forward with two recommendations for strengthening the antitrust laws. Similarly, Chairman Howrey of the Federal Trade Commission has likewise come forward with two other recommendations for strengthening the antitrust laws. The proposals which these two officials have endorsed are not of course earth-shaking; on the contrary they are modest proposals and they are proposals for correcting glaring and well-known weaknesses in the machinery of our present antitrust laws. They are sound proposals however, and if they are passed into law they will make important improvements. But the important point is that these two gentlemen have now come forward and recommended any proposals at all for strengthening the antitrust laws. Both of these gentlemen are members of the Attorney General's Committee to Study the Antitrust Laws, and Judge Barnes is one of the cochairmen of that committee. The report of the Attorney General's Committee which had a prolonged advance publicity buildup and which was released with a great hullabaloo on March 31, contained no such recommendations as Judge Barnes and Chairman Howrey have now made. Indeed that 60-man committee of high-powered lawyers and economists spent 18 months studying and drafting a report on the antitrust laws and came up with a great deal less. In fact the recommendations of the Attorney General's Committee were 99 44/100 percent for weakening the antitrust laws.

THE RECOMMENDATIONS

I might indicate briefly the specific nature of the proposals for strengthening the antitrust laws which Judge Barnes and Chairman Howrey have now endorsed.

The old antimerger law which was contained in section 7 of the Clayton Act was completely ineffective. The amendment to this law which was made by the Celler-Kefauver antimerger law of 1950 made a great improvement. But several years of practical operation under the amended law has shown that even this law contains certain weaknesses. One of these weaknesses is that the law does not require firms proposing to merge to give any advance notice to the enforcement agencies, and the machinery for stopping a monopolistic merger before it takes place is also weak. The result is illustrated in the case which the Federal Trade Commission is pursuing against

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the Pillsbury Co. The Pillsbury mergers took place more than 4 years ago, and the Federal Trade Commission is still holding hearings on the matter. It may be holding hearings on this matter for many years to come. In the meantime the damage to the public interest which is presumed to result from these mergers continues.

A second weakness of the Celler-Kefauver antimerger law is that it does not apply to bank mergers. The wave of mergers and consolidations among the banking corporations which has been going on for the past few years have dramatized the need for extending the law to cover banks.

On June 7 during his appearance before a subcommittee of the Senate Committee on the Judiciary, Judge Barnes announced that he is now recommending new legislation to require prior notification of mergers, new legislation to improve the machinery for stopping monopolistic mergers before they are made, and new legislation to cover banks. The Report of the Attorney General's Committee, though it has been billed as a complete study of all aspects of the antitrust laws, overlooked these problems. It was silent on these problems and it contained no recommendations for solving them. That report devoted a great deal of space to a discussion of the antimerger law, but its conclusion was to strongly approve what had taken place in the Pillsbury case.

On May 20 the Federal Trade Commission also issued a report on mergers. The FTC has had a large part of its staff working on this report for more than a year. The report is 233 pages long and purports to describe all there is to know both about mergers and the law on mergers. This report is likewise silent on the fact that prior notification is needed. It is silent on the obvious fact that the FTC should have some authority for stopping monopolistic mergers before they occur, rather than try to unscramble them years after they occur, and it is silent on the obvious need for extending the law to cover banking corporations.

I come now to Chairman Howrey's recommendations. One of these pertains to the antimerger law in particular and the other to improving the enforcement of all sections of the Clayton Act.

With reference to the antimerger law, the enforcement agencies now have power to force divestiture of illegally-acquired assets, but they have no authority over the divestiture. This means that the corporation wanting to rid itself of an uncooperative competitor can buy up that competitor, and then if the purchase is declared illegal, it can sell the illegally-acquired assets for use in some other industry, or perhaps sell them for scrap and take the loss out of taxes. This deficiency in the law is not new, and I discussed it at some length in my statement before the Celler subcommittee on May 10. The report of the Attorney General's Committee was silent on this problem.

With reference to the general deficiency of the Clayton Act, this is likewise an old problem. The wording of that act makes it much more narrow than the Sherman Act with reference to the question of what constitutes interstate commerce. The Attorney General's Committee was silent on this matter, and the FTC's merger report is likewise silent.

In his appearance before the Celler subcommittee on June 15 however, Chairman Howrey recommended that new legislation be passed to correct this problem, and to give the enforcement agencies some authority over the disposition of illegally-merged assets. Chairman Howrey admitted that although he was a member of the Attorney General's Committee, he had not suggested these problems to that Committee, and had not, in fact, previously recommended their solution anywhere.

REVERSING THE TREND FROM TRUST TO ANTITRUST

Obviously, then, something happened between the time the report of the Attorney General's Committee was released and the dates when these two members of that Committee had to come before committees of Congress and discuss the same problems purportedly studied by that Committee. Something important and wholesome had happened. The Celler subcommittee had happened and this turned men's minds out of channels of thinking about how to weaken the antitrust laws and to giving attention to some of the glaring needs for strengthening these laws. Between these two men alone we now have more recommendations for strengthening the antitrust laws than are contained in the whole 393 pages of the report of the Attorney General's Committee. Yet that report is not niggardly with recommendations. It contains 73 recommendations, and only 2 of these can conceivably be said to be recommendations for strengthening the antitrust laws. The other 71 are either recommendations for new legislation, recommendations concerning the ways the Committee would like the present antitrust laws administered, or recommendations as to how the Committee would like the present laws interpreted by the courts. It is not possible to say how many of these 71 recommendations are of each type, as many of them are written in a way to serve mixed purposes. Many are written in such a way that the reader cannot tell whether the Committee is stating what they think the law should be, or whether they are stating what they pretend to think the law already is. The result is that if these recommendations fail to get congressional action, they will nevertheless influence the enforcement agencies and they will influence judicial decisions. All of these 71 recommendations are for weakening the antitrust laws.

The unmistakable conclusion is that the Attorney General's Committee was so absorbed in its project for destroying the antitrust laws that it forgot about keeping up the appearance of being a balanced Committee. It completely overlooked the obvious and well-known places where almost everyone agrees the antitrust laws need strengthening. If that Committee had been less completely stacked and one-sided, perhaps this would not have happened, and the Committee would not have ended up in a position where it felt it had to censor and suppress the dissenting opinions of those few members who did dissent from its report. But that Committee was overly stacked. A great majority of the people on that Committee make a profession of defending large corporations in antitrust suits, and approximately one-half of these lawyers were representing defendants in pending antitrust suits at the very time they were sitting on this Committee and drafting recommendations for weakening the antitrust laws.

Thanks to the gentleman from New York and to the other members of this subcommittee, this disgraceful matter has now been exposed. And thanks also to this subcommittee; we are now fully aware of the need for several important improvements in the antitrust laws. I feel sure that bills to make these improvements will be forthcoming shortly, and that my distinguished colleague's work will receive the endorsement of an overwhelmingly favorable vote on his bills.

ECONOMIC PROBLEMS AFFECTING DAIRY FARMERS AND THE DAIRY INDUSTRY

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. JOHNSON] is recognized for 20 minutes.

Mr. JOHNSON of Wisconsin. Mr. Speaker. I ask unanimous consent to revise and extend my remarks and include certain statements.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, in the past several weeks the House Dairy Subcommittee has taken testimony from various people concerned with the economic problems affecting dairy farmers and the dairy industry. Among the witnesses there were 3 professors from 3 universities who submitted their views to the subcommittee.

As I have stated on numerous occasions here on the House floor, the Nation's 2 million dairy farmers have been extremely hard hit in the last 2 years. I believe the welfare of this large segment of our farm population deserves some consideration by Congress. Our present price-support policies have not met the needs of dairy farmers or of the dairy industry. This explains in part why the Dairy Subcommittee has been holding extensive hearings on this matter.

The statements of the three university professors deserve study and consideration. I commend the statements to my colleagues for their information. The statements which I am placing in the RECORD, are by Prof. A. C. Dahlberg, of Cornell University; Prof. Stewart Johnson of the University of Connecticut; and Prof. Roland W. Bartlett, of the University of Illinois. I wish to say that I do not necessarily agree with all of the conclusions reached by these gentlemen, but I believe all viewpoints should be studied

on this complex problem. The statements follow:

SANITARY MILK REGULATIONS, MILK QUALITY, AND ASSOCIATED PROBLEMS

(By A. C. Dahlberg, department of dairy industry, Cornell University, Ithaca, N. Y.; presented before the Dairy Products Subcommittee of the House Agriculture Committee on April 29, 1955)

It is my purpose to present a résumé of the most important findings of a research study on milk regulations and milk quality which was issued by the National Research Council as publication 250 in 1953. I shall endeavor to give enough of the historical development and the current situation in reference to sanitary control of milk for bottling to permit placing the results of this study into the current situation.

This problem of sanitary milk control and milk quality is of major significance to our country. The fundamental importance of milk in the diet, of dairying in agriculture, and of agriculture in the national economy and general welfare makes it essential to deal with this subject factually.

A milk supply of any municipality to be entirely satisfactory must possess high sanitary quality, good flavor and keeping quality, and acceptable nutritive value. It must be available to consumers in uniform and adequate quantities, and at reasonable prices. In view of the nature of the business of milk production reasonable financial satisfaction and stability of markets to the milk producer are essential.

HISTORICAL

Emphasis on sanitation in the food industry as we know it today began in the final decades of the last century. It was the period of the campaigns for pure foods which were prompted by too frequent cases of food or ptomaine poisoning. Bacteria of most types, including pathogenic and toxin producers, grow particularly well in milk at temperatures which were very prevelant 50 years ago because milk is such an excellent food for them as well as for man. Years ago milk was a very common carrier of disease-producing bacteria and the death rate amongst children fed on cows' milk was particularly high. It was the time when disease control was the major consideration in any study or discourse on milk sanitation. As disease epidemics are local in nature it became the responsibility of the local health department to meet the problem. There was no fund of knowledge upon which to base the formulation of these regulations so each municipality prepared its own sanitary milk ordinance based upon local and personal experiences.

From this humble beginning there has developed in this country a large variety of sanitary milk regulations with which the dairy industry has usually complied in good faith with the result that there now exists in this country one of the finest sanitary milk supplies of any country in the world. It is well to always bear this in mind when one becomes rather critical of irregularities in the orderly marketing of milk due to these regulations.

THE NATIONAL RESEARCH COUNCIL STUDY

It was the often-repeated statement that sanitary regulations serve as economic trade barriers in the dairy industry and sometimes raise the retail price of milk unnecessarily that prompted the investigation of the National Research Council. The study was limited to sanitary regulations, and to the quality, nutritive value, and other properties of the milk. It did not deal specifically with the influence of these regulations on the free movement of milk in commerce or with the retail price of milk.

Variations in regulations: This national survey of milk regulations included all States and cities with a population of 100,000 or more. It was found that the responsibility for milk sanitation had been delegated by the legislature in about equal numbers to either the State department of agriculture or to the State department of health. In a very few States there was divided authority. The actual law enforcement was done by the local city or city-county health department under the supervision of and often with the direct assistance of the State regulatory agency. Thus, the enforcement of milk sanitation for milk for fluid consumption has continued to be primarily at the local level.

The most generally used ordinance was that recommended by the United States Public Health Service in 1939 as this ordinance served as the basis for laws and regulations or was adopted without alteration in about one-half of the States and cities. Its use was rather limited in the Northeastern area of the United States and in some of the Far Western States.

In all States it was mandatory for the local health department to use State regulations as minimum requirements of sanitation but it was mandatory in only two States that the State laws should be enforced with little or no alteration by local health departments.

Essential regulations: This research study has shown that the sanitary quality of milk was dependent upon the rigid enforcement of a rather limited number of essential facilities and procedures for the production of sanitary milk on the farm. These essentials may be stated with oversimplification but it is only by such presentation that the true basis of sanitation can be presented clearly.

The first esential is that the milk shall be produced on the farm with every reasonable precaution to prevent contamination with pathogenic bacteria. The cows shall be healthy, the premises shall be relatively free from flies, and shall be protected against contamination with sewage. There shall be a potable water supply in adequate amount. It is very encouraging to note that this first essential was based on published literature of milk-borne disease epidemics of the past for it could be proved by this experimental procedure only if disease epidemics had been encountered and their causes determined. There had been no disease epidemics attributable to milk for a large number of years in all of the cities studied, hence no data could be obtained on this point.

The second essential is that the milk shall be produced by clean cows, milked into clean utensils in clean surroundings. On an average the higher the score for cleanliness of milk utensils on the farm, given by the milk sanitarian in this study, the lower the bacterial count of the milk was found to be. Generally, when the utensils were clean, conditions were found to be clean in the barn, milkhouse, and surroundings. Most of the cities required facilities for washing and sterilizing utensils in the milkhouse and usually the utensils were cleaner where such facilities were available.

The third essential of producing milk of high quality is prompt cooling of the milk to a temperature of 50° F. or lower. It was found that milk supplies not cooled to this temperature generally contained the largest number of bacteria even though produced under clean conditions. The milk supply of one city was studied at two seasons of the year and the principal variation between seasons was the efficiency of cooling. The milk produced by these same dairymen varied greatly in bacteria count depending upon the efficiency of cooling of the milk in the summer and winter seasons.

These three major factors in sanitary milk production are well known, but this study was the first to show that scores for cleanliness of utensils and temperatures of cooling of entire milk supplies were definitely related to the sanitary quality of the milk. It is recognized that there are many ramifications involved in obtaining compliance with these three major factors, but the whole problem of sanitary milk regulation is greatly simplified if we keep them in mind as the means to the desired goal, namely, a wholesome sanitary milk supply.

There has always been much discussion as to the relative merits of farm inspections and the testing of milk samples as procedures for effective sanitary control of milk supplies. This study clearly emphasized that both farm inspection and milk testing were essential. There is need for the health department to inspect farms to be certain of adequate facilities for the sanitary production of milk. The presence of these facilities does not assure milk of good quality, but it does mean that if the producer desires to do so he has the equipment with which he can produce milk of good sanitary quality. Inspection of farms twice a year was recommended. A definite relationship was found between the number of samples tested for sanitary quality and the bacterial counts of the milk. The data show that if the milk complied with the usual standard of 200,000 bacteria per milliliter as received at the plant it was necessary for milk samples to be analyzed semimonthly. The value of these analyses lies in their prompt usage by field sanitarians who work with producers to improve the quality of milk not found to be satisfactory. Unless this field work is done, there is little value to be derived from the analyses of the milk. This research study showed that as the number of visits by field sanitarians increased the bacterial counts of the milk decreased and these visits were prompted most often by tests of the milk showing it to be of unsatisfactory quality.

This interrelationship of farm inspections and milk testing emphasized the necessity for close cooperation between the local health department and the dairy industry. The job of inspecting to insure that facilities are present on the farm can be done very effectively by the health department or other delegated authority, but it is easier for the milk company to test and check the quality of the milk and then do the followup work with milk producers.

Other items of special interest: There were many regulations in some of the city ordinances and State laws for which there appeared to be no specific public health necessity, yet it should be promptly stated that some of these regulations may be desirable farm practices. In view of this situation the conclusion was reached that the law or ordinance should be limited to essentials and the regulatory agency should promulgate recommended facilities and procedures particularly valuable to the producer of milk in that area. There are so many of the regulations to which I refer that ought to be recommended practices that I need not take the time to enumerate them for your attention. As an illustration, it may be mentioned that one city ordinance required running water piped into the barn and the barn floor flushed down with flowing water before each milking. Now there is no doubt concerning the fine sanitation of washing the barn floor after the cows are ready for milking, but such a procedure might be recommended rather than required.

The usual teaching that milk of finest quality is produced under the finest sanitary conditions is not necessarily correct. It happened in this study that some milk with relatively high bacterial counts had much better keeping quality as measured by flavor and bacterial growth when held at 44° F. for 8 days after pasteurization than did milk which had low initial bacterial counts. The economic or market quality of milk may not necessarily be enhanced by production under rigid sanitary regulations. This does not mean that sanitation is of doubtful value in respect to public health, but that other factors may be more important in affecting flavor and keeping quality.

As a general rule the more detailed and severe the regulations the more sanitary the

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milk was found to be by the usual laboratory analyses. It should be pointed out, however, that this improved quality was not due to the large number of sanitary regulations but it was definitely related to the very rigid enforcement of the limited number of factors essential to sanitary milk production.

From a public health viewpoint the milk of all the eight cities studied in this investigation was found to be of very high sanitary quality. The regulations varied enormously. This means that a good job of supplying the public with a wholesome, nutritious, high-quality milk was being done irrespective of the differences in sanitary regulations. This was true because all of the control agencies and the dairy industry generally recognized and usually complied with the essential factors of sanitary milk production. As there was considerable variation in the milk as shown by analysis and it was entirely satisfactory from a public health standpoint, it should be obvious that there is no public health reason to increase the severity of regulations beyond those now in force or to establish higher standards of sanitary quality simply because the milk generally complies with the standards.

This study was not concerned with economic factors but a record was made of the price of milk in each city during the study and during the year of the study. It was not possible to correlate the retail price of milk with the severity of sanitary regulations under which the milk was produced. Furthermore, a city which had some of the most expensive producer regulations had the third lowest price of milk to consumers. Also, the milk dealers of two cities with comparable sanitary regulations were supplying milk to consumers at the highest and at the lowest prices of any of the eight cities in the study. It was concluded, therefore, that sanitary regulations were not a major cause of differences in retail prices of milk but sanitary regulations do affect costs of milk production and should not be formulated without due respect to their influence on these costs.

GENERAL CONSIDERATIONS

One of the very encouraging aspects of this work was the splendid attitude and cooperation of all milk regulatory officials whose cooperation was solicited or who took an active part in this study. They had nothing to gain personally from the investigation, yet they offered their facilities and active cooperation and the results of their own work as shown by the sanitation of the dairy farms and of the processing plants, and the quality of the milk supply sold in their cities. They knew that some criticisms might be made of their work as a result of the study yet they were willing to accept such criticism in the interest of advancing milk sanitation. Dairy producers and milk-plant personnel also cooperated wholeheartedly in the study. When such a splendid spirit of cooperation exists to advance the work of milk sanitation, progress will be made in the needed simplification and unification of regulations and the more ready acceptance of high quality milk produced under the supervision of another regulatory agency.

I ought to point out that all officials concerned with assuring a wholesome milk supply depended upon pasteurization in the milk plant and the protection of pasteurized milk against contamination as the final guaranty of purity to the consumer. The details governing pasteurization and the contamination of pasteurized milk were many, and it is right that it should be so. Much more uniformity was found in plant equipment, especially for pasteurization and for protection of pasteurized milk against contamination, than was found in regulations affecting milk production on the farm. The great value of these safeguards of the pasteurization process is emphasized in recent years by the absence of disease epidemics attributed to properly pasteurized milk.

Certain deductions have occurred to me in respect to these sanitation problems. It was evident that local health departments believed that nearby sources of milk may be supervised with the least effort to secure the best milk supply. The quality of milk does not improve with age. Local regulations have been formulated for local conditions and can be adjusted most rapidly to permit adoption of new developments of proved or probable value. Local authorities took pride in local accomplishments. Local producers planned to supply the market and obtain an adequate return for an ample quality milk supply.

There is no justification for the use of public health regulations to restrict trade or to affect prices beyond that which is necessary to assure an adequate supply of wholesome milk. I realize that health regulations have interfered at times with the free movement of milk beyond justified limits, but sanitary regulations have never to my knowledge been enforced to such a degree as to create and maintain a milk shortage in any market.

The principal restrictive and troublesome problems in sanitary regulations have been due to too much exercise of authority in creating unusual regulations, by variations in requirements of different markets, by multiplicity of inspections, by unwillingness of one health department to accept the work of another health department, by too little faith in the good sanitation work of industry, and by the natural desire to develop and maintain intact a local source of supply. These problems are troublesome at times but they may be solved slowly and effectively by the present system of regulation which has been giving us one of the world's best milk supplies.

Even though the analysis of milk is essential there is no test that can be made on milk to determine infallibly whether it is wholesome and safe to consume, and if it has been produced under conditions acceptable to the consumer so it will be necessary to supervise milk production and pasteurization to assure an adequate constant supply of wholesome, nutritious milk.

STATEMENT BEFORE HOUSE AGRICULTURAL DAIRY SUBCOMMITTEE OF STEWART JOHNSON, PROFESSOR OF AGRICULTURAL ECONOMICS, UNIVERSITY OF CONNECTICUT, APRIL 27, 1955

I am employed at the University of Connecticut as professor of agricultural economics. My first 21 years were spent in Wisconsin, where I grew up on a dairy farm and graduated from the State University. Since 1936, I have been employed in the Northeast, first at the University of Vermont, later at Cornell University in New York, and later still at the University of Connecticut. During these past 19 years, I have been working primarily on the economics of dairy marketing. I have served on several committees assigned milk-marketing problems, including the committee which developed the pricing formula currently in use in the New York market. In 1952, on sabbatical leave of absence, I made a 6-month study of milk marketing in Great Britain.

My purpose today is to present factual material concerning the economics of the dairy industry, grouped under three major headings. The first of these is production and consumption trends.

I. PRODUCTION AND CONSUMPTION TRENDS

1. Changes in milk production by States

Sometimes you get the impression that milk production is like the water in the Mississippi River, that it "just goes rolling along," regardless of price and other casual factors. A quick look at what has happened during the past 15 years should suffice, however, to dispel this impression (table 1).

Between 1938–40 and 1954, milk production increased 92 percent in Florida, 64 percent in Maryland, 51 percent in California, 50 percent in Delaware, and 39 percent in Virginia. In all 5 of these States, the number of people increased much more than the national average. Large production increases in some of these States were needed to supply fresh fluid milk for a growing population.

The large increases in some other States apparently were due to a growing realization of the dairy potential existing in the area. Tennessee and North Carolina are examples.

Wisconsin, the leading dairy State before World War II, specialized even more, with a 36-percent increase as contrasted to 15 percent for the country as a whole.

Among the 24 States which had the greatest percentage increases were only 3 from the Northeast. Pennsylvania was 8th, New York was 14th, and Vermont was 20th in rates of increase.

The long list of States where less milk was produced in 1954 than in 1938–40 is surprising. Despite a population increase in the United States of 23 percent during this period, 14 States produced less milk. Of these, the most important dairy States were Iowa, where dairymen turned to corn and hogs, and Texas, where dairymen turned to cattle, cotton, and cash grains. The other States with less production in 1954 than in 1938–40 were in the Great Plains or Rocky Mountain areas, plus Oregon and Washington on the west coast.

In total, the Mississippi River may be rolling along, all right, but with a 92-percent increase in milk production in Florida and a 25-percent decrease in milk production in Texas, you can't say the same for each of its 48 tributaries.

2. Changes in milk production by regions

The largest percentage increase between 1938–40 and 1954 was in the South Atlantic States, with an increase of 33 percent.

The increase was 26 percent in the North Atlantic States. It was nearly the same, 24 percent, in the East North Central States. Even though percentage increases were similar in these 2 areas, the absolute increase was much greater in the East North Central States, more than 7 billion pounds as compared with less than 5 billion.

Production decreased in the West North Central States by 1 percent. It increased only 2 percent in the South Central States, and 4 percent in the Mountain States. With many farmers in these areas able to make a good living from wheat, cotton, corn, hogs, and cattle in the 1940's and early 1950's, apparently the opportunity was welcomed not to be tied down to twice-a-day milking.

3. Allocation to States of the 1952–54 production increase

Milk production and consumption were about in balance in 1952 at the prices then prevailing. Not until November of that year did the Government begin to buy butter.

But between 1952 and 1954, milk production expanded sharply. The increase from 1952 to 1953 was 5 percent. From 1953 to 1954, the increase was 2 percent. If it had not been for these increases, totaling 7.2 percent in the 2-year period, we would not have been plagued with surplus problems in the dairy industry these past 2½ years. It is of interest, therefore, to see where the extra milk came from.

Of the total increase, one-third came from the 3 States of Wisconsin, California, and Minnesota (table 3). Nearly one-sixth of the increase came from the single State of Wisconsin.

Only one of the 48 States, Wyoming, failed to contribute to the increased supply. All of the other 47 States increased their production.

New York, Pennsylvania, and New Jersey together accounted for 12 percent of the extra milk between 1952 and 1954. The New England States accounted for 4 percent. Thus, 9 Northeastern States (New England

and Middle Atlantic) together accounted for about the same milk production increase between 1952 and 1954 as did the single State of Wisconsin.

4. Changes in milk production this year

So far this year United States milk production has been running below last year. Data for 2 months, by States, are shown in table 4. With a 1-percent decrease from a year earlier in January and February, and a 2-percent decrease in March, the supply situation looks brighter from a price standpoint than it has for some time.

5. Changes in milk production by States, 1925–39

In the 14 years from the middle twenties to the late thirties, milk production also changed at widely differing rates as among the States. The range was from an increase of 59 percent in Florida to a decrease of 10 percent in Maine (table 5).

6. Changes in milk production by regions, 1925–39

Among regions the slowest rate of increase from the middle twenties to the late thirties was in the North Atlantic States (table 6). The fastest rate was in the South Central and Western States.

7. Changes in population by States

On the demand side of the picture, total fluid-milk consumption quite naturally is a function of the number of people and per capita consumption. First, let us look at the number of people.

The 15-year increase in population, from 1938–40 to 1954, was 23 percent (table 7). This meant a substantial addition to the total demand for milk.

Current rates of population increase are more rapid than the average for the past 15 years. Between February 1, 1954, and February 1, 1955, United States population increased by 1.75 percent. If this rate should continue for 15 years, the population in the United States would increase by 30 percent, one-quarter more than the 23-percent increase in the past 15 years.

The listing of States in table 7 is in the same order as their percentage increases in milk production between 1938–40 and 1954. The first five in production increases had population increases well in excess of the United States rate of 23 percent.

In the next four States—Tennessee, Wisconsin, Pennsylvania, and Missouri—milk production increased rapidly with lower-than-average rates of population increase. State population and milk production increases, on the whole, were not closely correlated.

8. Changes in population by regions

Population increased the most rapidly during the past 15 years in the Western States, 64 percent as compared with the national figure of 23 percent (table 8). The South Atlantic States also increased more rapidly than average (31 percent).

The rate of increase in the North Atlantic and South Central States was 15 percent. In the West North Central States the population increase was 8 percent.

9. Changes in per capita consumption of milk and dairy products

On a per capita basis, and in terms of milk equivalent, consumption changed as follows in the United States between 1935–39 and 1954 (table 9):

Fluid milk—increased from 264 pounds to 299 pounds.

Fluid cream—decreased from 66 pounds to 53 pounds.

Butter—decreased from 337 pounds to 177 pounds.

Cheese—increased from 55 pounds to 76 pounds.

Evaporated milk—stayed at 36 pounds.

Ice cream—increased from 25 pounds to 46 pounds.

Other—increased from 8 pounds to 10 pounds.

The most marked change, of course, was in the use of milk for butter. Both in 1925–29 and in 1935–39, more than 40 percent of the total supply of milk was used for butter. More milk was used for butter than for fluid milk. In 1954, in contrast, only 25 percent was used for butter, and 43 percent was used for fluid milk.

In terms of the classified price plan, 43 percent of the Nation's milk output currently goes into class I usage.

10. Percentage changes in per capita consumption

Between 1935–39 and 1954 the per capita consumption of fluid milk increased by 13 percent (table 10). This is a significant increase, but did less, of course, to broaden the market than did the population increase of about 25 percent. The relative importance of these two factors breaks down quite neatly into population increase causing two-thirds of the total increase in milk consumption since the late 1930's, and higher per capita use causing one-third.

The loss of a large part of the butter market, with per capita use falling by 47 percent, has been the main cause of discontent among dairy producers. It seems important to recognize this as the most important cause, and then proceed from the "why" to the "how" of improving incomes of dairy farmers.

11. Recent changes in consumption of butter and oleomargarine

Retail butter prices have averaged 11 percent lower than a year earlier in the 10 months since price-support levels were dropped last April 1 (table 11). Meanwhile, total United States consumption increased by 6 percent.

The data indicate a continued shift in demand away from butter and toward oleomargarine, however, since oleomargarine consumption increased by 5 percent despite a price rise of 1 percent.

On a per capita basis (with population during the year increasing by 1¾ percent), the increases in use were about 4 percent for butter and 3 percent for oleomargarine. For both combined, a 5 percent reduction in price has increased per capita use by 3½ percent.

12. Consumption per capita of fluid milk and cream in selected markets in 1950

For 25 markets scattered around the United States, per capita use of milk and skim milk in 1950 varied widely (table 12). The rate was as high as a little over 1 pint daily in the Duluth-Superior market and as low as six-tenths pint daily in Richmond, Va.

Per capita use in our largest city, New York, was 0.86 pint daily, and in Chicago, our second largest city, 0.83 pint.

Obtaining accurate figures on per capita use is a difficult problem, and the data shown should be considered as indicative of approximate consumption rather than as being absolutely correct.

13. Changes in per capita consumption of milk and cream in New York City

The New York City market is large enough so that data on per capita consumption are of above-average reliability.

Milk consumption per capita rose from 0.76 in 1940 to 0.97 in 1945 (table 13). This was the time of relatively cheap milk because of Federal subsidies, and shortages of meats and other protein foods, particularly in large cities far from farms. From the 1945 peak, the per capita rate declined, sharply until 1948 and more slowly since then, to 0.86 in 1950 and to 0.80 pint in 1954.

14. Comparison of changes in fluid-milk use in Boston, Connecticut, New York, and the United States

In the United States, the per capita rate of fluid-milk consumption was 0.68 pint in 1940 (table 14). It increased to 0.76 pint in 1954, 14 years later, an increase of 12 percent.

Even though milk consumption was greater in New York than in the United States in absolute terms in each of these years, the percentage increase was less—only 5 percent, as compared with 12. What are some of the possible reasons for this lesser rate of increase?

Among those which come to mind are these:

1. The exclusion of fluid skim milk from the New York data.

2. The influx of Puerto Ricans into New York City, about 500,000 since the end of World War II, with lower-than-average rates of milk consumption.

3. The exodus of many people with medium or high incomes to the suburbs, some of which, like New Jersey, are not included in the marketing area.

4. A lower-than-average increase in earnings of the nonmanufacturing group of workers, who make up a relatively high proportion of the population of New York City.

In Connecticut, the percentage increase in milk consumption between 1940 and 1954 was much higher than the national average. Part of the increase may be due to statistical noncomparability of the series; with the Connecticut milk control legislation revised drastically in 1941, and stricter auditing practices followed, the reported figure for 1940 may be lower than was actually true.

The decline between 1945 and 1954 was greater in all three eastern markets than in the entire United States. This may simply reflect the fact that meats and protein foods were much scarcer in the East in 1945 than elsewhere, resulting in an abnormally high milk consumption in that year relative to other parts of the country. The sharper rise in milk consumption in the East between 1940 and 1945 tends to give credence to this explanation.

The sharper decline in consumption in New York City than in other areas between 1945 and 1954 probably is explainable by three of the factors mentioned earlier, namely, the influx of Puerto Ricans, the exodus of higher-income residents to the suburbs without any change in definition of the marketing area, and the exclusion of fluid skim milk from the New York data.

15. Changes in fluid-milk sales in Federal order markets, 1952 to 1954

The Agricultural Marketing Service reported whole-milk sales for 30 Federal order markets for the years 1952, 1953, and 1954 in a summary published in February. Data for 2 of the 30 markets were discarded for lack of comparability, leaving the 28 shown in table 15.

Changes in sales for the markets listed are due both to changes in population and in per capita consumption. Between 1952 and 1954 the increase in milk consumption for the 28 markets combined was 5.6 percent. Presumably about 3½ percent was due to the population increase, assuming the population in these markets increased at the same rate as in the entire country, and 2 percent to more milk consumed per person.

Inquiries were made of market administrators and others as to the reasons either for much higher or much lower rates of increase than the average. Of interest are the apparent reasons for the deviations from average in the following markets:

Knoxville, Tenn.: The greater-than-average increase was ascribed primarily to an expansion of the area in which Knoxville

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handlers were distributing milk. Dealers in Knoxville were expanding their sales in areas outside but adjacent to the marketing area.

South Bend-Laporte: The lower-than-average increase was ascribed to a decline in employment by the Studebaker Motor Car Corp.

Wichita, Kansas City, and Topeka: These 3 markets, the first 2 with the largest percentage increase and the last with a decrease, have the same person as market administrator. His comments are of interest. First of all, he reports that the Topeka sales data in 1952 and part of 1953 include some out-of-area sales which have since been eliminated. Instead of a decrease of 1 percent, sales in the Topeka marketing area apparently increased by 1 or 2 percent between 1952 and 1954. This still leaves a large difference to be explained. One factor is that population increased by 3 or 4 percent in Wichita and Kansas City and decreased slightly in Topeka. Employment conditions in Topeka have not been so good recently as in the other two markets. Handlers and producers in Kansas City have had more vigorous promotional programs than in Topeka. There was a sharp shift in Kansas City toward 2-quart containers and away from 1-quart containers since 1952; in February 1955, 2-quart containers were nearly twice as important as quarts and more than eight times as important as gallons. Although the market administrator did not make comparisons with Topeka on container sizes and did not estimate the effect of container size on sales, these were his observations concerning important reasons for the differences in sales trends in Topeka versus Wichita and Kansas City. In addition to the reasons suggested by his comments, data from the fluid-milk and cream reports of the USDA show a much sharper downward trend in retail prices of milk in Kansas City and Wichita than in Topeka in the past 2 or 3 years, and possibly this is the most important reason of all. The differences between Topeka and Wichita-Kansas City probably are largely explainable by differences in milk price, consumer incomes, population, and methods of statistical calculation.

Boston, New York, and Philadelphia—Smaller-than-average increases in these markets may be due in part to marketing-area definitions which exclude many people with relatively high incomes who move to the suburbs. Also, there is probably less packaged milk shipped outside the area than is generally true in Federal order markets, which may affect comparisons. Special reasons applicable to New York already have been covered.

II. FEDERAL AND STATE REGULATIONS AFFECTING MILK MARKETING

1. Eastern class I formulas under Federal orders

The New York market is the largest in the East. Its 50,000 producers outnumber the 12,000 for Boston and 8,000 for Philadelphia. Other Federal order markets in the East have still less producers.

The class I–A formula bases prices on the United States wholesale commodity price index and the percent use in class I. A change of 1 percent in the former, and of 1 point in the latter, each causes class I–A price to change by 1 percent. This utilization factor has real teeth in it, depressing prices sharply if supplies rise relative to fluid consumption, and vice versa.

"Snubbers" in the formula relate to class 1-A price to midwest manufacturing values of milk. The class I–A price must not be more than $2.50 per hundredweight over the price paid farmers at midwest condensaries for 3 consecutive months without either a hearing being called to consider this difference or an official determination being made that a hearing is not necessary.

It is significant that in the period of nearly 5 years since the formula was adopted, the New York class I–A price has never exceeded the midwestern condensary price by more than the prescribed limits.

As the Federal Milk Order Study Committee pointed out in its report last October, it is also significant that the Boston class I price exceeded the midwestern condensary price plus $2.35 in only 2 of the 14 years in the 1940–53 period (pp. 19–23 of report).

2. Pooling plans under Federal orders

Forty-three of the 54 orders effective last January 1 provided for marketwide pools. Eleven had individual handler pools.

If a classified price plan is used, if regulations are set up on an individual-market basis, and if marketwide pooling is used, then a method of determining pool participation is necessary. The mechanism known as "compensatory payments" is designed to meet this need for a method of determining pool participation. If free entry into a market is to be had, as required under the enabling legislation, such a provision is an essential part of market-pool Federal orders.

Since "compensatory payments" have attracted considerable criticism, one way to avoid their use is to establish handler pools. But in large markets like New York, to do so would jeopardize efficiencies in transport and manufacture made possible by a marketwide pool, and, if done suddenly, would likely lead to demoralized markets throughout the Northeast as class I outlets were sought.

Partial pooling, either by having one kind of a pool part of the year and another kind the other, or by providing for only a specified partial payment into or out of an equalization fund, appears to have merit, but has not yet been tried under any Federal order.

3. Quota plans under Federal orders

Use of quota plans was widespread in the late 1920's and 1930's. Many markets abandoned these plans during World War II. But they are now coming back. Fourteen Federal order markets were using quota plans in January 1954. A year later, in January 1955, the number had increased by 8, to a total of 22.

Under all present quota plans in Federal order markets, new bases are established each year. Also, the quotas are not transferable freely from person to person.

The quota plan is the only device known for attacking the weakness of the classified price plan in holding out the attraction of a higher price for extra milk than what it is worth. Additional output of either new or old producers is worth only its value in the lowest-priced class, yet without a quota plan individual producers have the incentive of the blend price before them when deciding whether to make additional milk. This tends toward over-production.

A weakness of quota plans is their high administrative cost. Many people object to them because they make it more difficult for newcomers to enter the dairy business. But others answer that the way of entry for newcomers might better be made difficult, and their energies used in other pursuits, if the market is already oversupplied with milk.

My purpose this morning is not to attempt to resolve these arguments, but rather to point out the need for at least a partial shift from open bases toward closed bases if the device is to be used effectively to limit production, and the desirability, in any event, for a shift toward freer transferability of bases if a quota system is used. As presently used, quota plans are aimed primarily at leveling out production seasonally, and have little or no effect in limiting total production.

4. Effect of Federal orders on producer prices

Federal orders "stabilize prices upward," resulting in higher net incomes to producers. Their income-raising intent is a recognition of the fact that the level of price not only determines costs to consumers but incomes for producers. The amount of gain is difficult to determine. One estimate, that of Dr. Leland Spencer of Cornell University, is that the gain in producer price from State and Federal control in the period since 1933, exclusive of the war years, was 5 percent in the New York milkshed.

To a fluid milk producer, consequently, Federal orders are in a sense a counterpart to the price support programs for storable products like corn, wheat, cotton, tobacco, rice, and peanuts.

5. Trends in State versus Federal controls

In the middle and late 1930's, both State and Federal governments were active in establishing controls on marketing and pricing. Since 1938 or 1939, the trend has been toward more Federal orders and less State regulation. For example, the year 1954 saw the number of Federal milk marketing orders increase by 5, from 49 to 54, and the number of States with State milk control reduced by 1, from 17 to 16.

This trend is based on the growth of interstate commerce in milk, and a more liberal interpretation of "interstate commerce." Also, it is based on a record of efficient administration of Federal orders which has led many leaders in local markets where State action might be effective to desire Federal orders instead.

State control agencies have had difficulty in some instances in resisting local pressures for over-pricing, which has later resulted in troubles for which Federal orders have been sought as a cure.

III. SCHOOL MILK PROGRAM

The special school milk program, effective for the first time this year, holds considerable promise from both nutritional and dairy-farm income standpoints.

In Connecticut, which was allocated $437,000 of the $50 million appropriation for the current school year, the effect, if all the money were spent, would be to add about 1 percent to total fluid-milk consumption in the State, and to raise the price to farmers by 3 cents per hundredweight. Similar possibilities are had elsewhere, with greater potential gains in some States and lesser in others.

More important for the future than this immediate gain, however, is the effect on the health of children and the possible increased consumption in later years due to the milk-drinking habit being more firmly established.

The importance of a school-milk program in affecting consumption is given us by British experience. Since 1940, schoolchildren in Great Britain have had free milk in schools, served in a special-size glass container, the use of which is permitted only for school milk. In 1941, 4 percent of Britain's total fluid-milk consumption consisted of free milk to schoolchildren. This has been one of several important factors resulting in higher per capita consumption of milk in Great Britain now than we have in the United States. In 1940, the British per capita consumption rate was .52 pint daily, 24 percent lower than the United States rate of .68 pint. But in 1952, the British rate was .86 pint daily, 13 percent more than the United States rate of .76 pint. In other words, the per capita rate of milk consumption rose 65 percent in Britain between 1940 and 1952, compared with 12 percent in the United States.

There were other reasons for the phenomenal increase in milk consumption in Britain (pointed out on pp. 61–65 of Cornell Bulletin 902, which I prepared in collaboration with Dr. Leland Spencer), but it is my

belief that one of the important reasons was their program of free milk in schools.

Incidentally, the free-milk program is firmly supported by both political parties in Britain. I was privileged to visit the House of Commons during its budget debate in 1952, and heard both Oliver Lyttleton, for the Conservatives, and Hugh Gaitskell, for the Labor Party, assert quite positively that the schoolchildren needed free milk for their bodies just as they needed free books for their minds, and that any suggestion for curtailing the program was preposterous.

Thus, it seems to me that the school-milk program holds out much greater possibilities for gains in dairy farmers' incomes than milk dispensers, vending machines, gallon jugs, and several other recently publicized ventures all put together.

Notwithstanding the merit and possibilities of the school-milk program, the fact remains that under present regulations the entire $50 million which has been appropriated this year will not be spent. In Connecticut, I have been advised that only one-half of a $437,000 allocation will be spent this year, and that only 336 of the State's 1,000 schools are participating in the program. In other States, participation in the program also is on a limited scale, with 1 school in 4 in the milk program commonly quoted as describing the national situation.

From what study I have made of the problem, and participation in several meetings at the State and local level concerning the school-milk program, it seems that the following improvements might be made:

1. Provide funds for administration of the program. Some local people say that their schoolteachers feel they are overcrowded and underpaid at present, and, since they are on the verge of quitting, to ask them to do an additional task such as would be necessary with school milk might mean the teacher would leave. The aim of not allowing any of the $50 million to be wasted on needless salaries is commendable, yet it is probable that efficiency in use of the fund would be promoted by an earmarking of a small proportion for administration.

2. Use of a base period, and payments only for use in excess of the base, helps to focus attention and effort on schools where little milk is used and possibilities for gain are greatest. On the other hand, schools which have been doing a good job on school milk do not find it advantageous to enroll in the program, and substantial possibilities for gain in such situations are not fully exploited. Either next year, or certainly the year after, the disadvantages of making payments only on extra milk over historical quotas will outweigh the advantages, and bases should be discontinued.

3. If bases are discontinued, an alternative method which seems to have merit is to make payments conditional on a reduction in the price charged children for milk and on making milk available to children on at least two occasions each day.

SUMMARY

I have presented information on three phases of dairy economics—(1) production and consumption trends, (2) Federal and State regulations affecting milk marketing, and (3) the school-milk program.

Because I have already taken considerable time in presentation, I have omitted discussion of (1) merchandising of milk—container sizes, store differentials, vending machines, and the like, and their effect on sales of milk; (2) advertising and promotional programs; and (3) disposal methods for stocks acquired under price-support programs.

I would be glad to answer questions on the material presented, on these additional points, or on any other phases of the subject which you may wish to cover.

TRENDS IN MILK PRODUCTION AND CONSUMPTION

(Prepared by Stewart Johnson, professor of agricultural economics, March 1955, Storrs, Conn.)

TABLE 1.—*Changes in milk production by States, 1954 compared with 1938–40*

State	Milk production (million pounds)		Percentage change
	1938–40 average	1954	
Florida	332	638	+92
Maryland	884	1,448	+64
California	4,655	7,014	+51
Delaware	138	207	+50
Virginia	1,460	2,032	+39
Tennessee	1,842	2,505	+36
Wisconsin	12,167	16,550	+36
Pennsylvania	4,577	6,156	+34
Missouri	3,309	4,434	+34
Arizona	229	304	+33
Kentucky	1,894	2,512	+33
North Carolina	1,302	1,704	+31
Utah	538	696	+29
New York	7,408	9,473	+28
Louisiana	646	825	+28
Ohio	4,572	5,777	+26
New Jersey	948	1,184	+25
Idaho	1,167	1,462	+25
Mississippi	1,281	1,593	+24
Vermont	1,371	1,692	+23
Indiana	3,191	3,776	+18
Michigan	4,757	5,631	+18
Georgia	1,085	1,246	+15
South Carolina	542	626	+15
Alabama	1,177	1,343	+14
Rhode Island	134	150	+12
Connecticut	670	740	+10
Maine	628	684	+9
New Hampshire	356	379	+6
Minnesota	8,247	8,615	+4
Massachusetts	795	820	+3
Illinois	5,099	5,221	+2
Arkansas	1,351	1,384	+2
West Virginia	790	801	+1
Oregon	1,369	1,278	−7
Washington	1,952	1,814	−7
North Dakota	1,947	1,786	−8
Colorado	997	916	−8
Iowa	6,452	5,887	−9
Kansas	2,870	2,522	−12
Nebraska	2,562	2,203	−14
South Dakota	1,653	1,360	−18
Nevada	107	87	−19
New Mexico	271	218	−20
Montana	669	528	−21
Wyoming	282	220	−22
Oklahoma	2,453	1,877	−23
Texas	4,244	3,184	−25
United States	107,367	123,502	+15

Source: Milk Production on Farms and Statistics of Dairy Plant Products, 1954. Agricultural Marketing Service, U. S. Department of Agriculture, Washington, D. C., February 1955.

NOTE.—United States total population increased 23 percent between 1938–40 and 1954 (includes all United States people, whether in military service or not).

TABLE 2.—*Changes in milk production by regions, 1954 compared with 1938–40*

Region	Milk production (million pounds)		Percentage change
	1938–40 average	1954	
New England	3,954	4,465	+13
Middle Atlantic	12,933	16,813	+30
North Atlantic	16,887	21,278	+26
East North Central	29,785	36,955	+24
West North Central	27,039	26,807	−1
South Atlantic	6,532	8,702	+33
South Central	14,887	15,223	+2
Mountain	4,261	4,431	+4
Far West	7,976	10,106	+27
West	12,237	14,537	+19
United States	107,367	123,502	+15

NOTE.—United States total population increased 23 percent between 1938–40 and 1954 (includes all United States people, whether in military service or not).

Source: Milk Production on Farms and Statistics of Dairy Plant Products, 1954. Agricultural Marketing Service, U. S. Department of Agriculture, Washington, D. C., February 1955.

TABLE 3.—*Percentage of United States milk-production increase from 1952 to 1954 accounted for by each State*

State	Percent
Wisconsin	15.4
California	11.3
Minnesota	6.3
Total	33.0
New York	6.2
Missouri	5.3
Pennsylvania	5.1
Ohio	4.7
Idaho	3.3
Illinois	3.1
Iowa	2.5
Tennessee	2.3
Kansas	2.3
Mississippi	2.3
Michigan	2.2
Kentucky	2.2
Indiana	2.0
Vermont	2.0
Arkansas	2.0
Maryland	1.7
Virginia	1.6
Washington	1.6
Oklahoma	1.5
Nebraska	1.2
Oregon	1.2
North Carolina	1.1
North Dakota	.8
South Dakota	.8
Georgia	.8
Maine	.8
Louisiana	.7
New Jersey	.6
Colorado	.6
South Carolina	.6
Connecticut	.5
Alabama	.4
Massachusetts	.4
Utah	.4
Florida	.4
New Hampshire	.4
Texas	.3
Arizona	.3
Montana	.2
Rhode Island	.2
West Virginia	.1
New Mexico	.1
Delaware	.1
Nevada	.1
Wyoming	(1)
United States	100.0

[1] Decrease of less than 0.05 percent.

NOTE: United States milk production in 1952 was 1.2 percent lower than in 1950, and 0.7 percent lower than the 10-year 1940–49 average. But between 1952 and 1954, production increased by 7.2 percent. This sharp production increase explains in large part why the Government began buying butter in November 1952 (at the existing level of price supports), and bought large quantities of dairy products in 1953 and 1954. Of the total increase in United States production between 1952 and 1954, 33 percent is accounted for by increases in production in the 3 States of Wisconsin, California, and Minnesota.

Source: Dairy Situation, Feb. 21, 1955, p. 12.

TABLE 4.—*Changes in milk production by States, January-February 1955 compared with January-February 1954*

State	January-February		Percent change
	1954	1955	
	Million pounds	*Million pounds*	
Ohio	820	866	+6
New Jersey	189	198	+5
California	1,032	1,069	+4
Mississippi	210	219	+4
North Dakota	228	238	+4
Idaho	205	212	+3
Pennsylvania	946	978	+3
North Carolina	248	253	+2
South Carolina	90	92	+2
Georgia	190	193	+2
West Virginia	106	108	+2
Connecticut	112	114	+2
Wisconsin	2,541	2,558	+1
New York	1,284	1,291	+1
Washington	254	257	+1
Oregon	158	159	+1
Oklahoma	272	272	----------
Alabama	192	192	----------
Michigan	827	820	−1
Montana	70	69	−1
Iowa	853	845	−1
Utah	110	109	−1
Missouri	561	548	−2
Kentucky	321	314	−2
Indiana	525	513	−2
Virginia	283	278	−2
Arkansas	184	181	−2
Kansas	372	360	−3

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TABLE 4.—*Changes in milk production by States, January-February 1955 compared with January-February 1954*—Continued

State	January–February		Percent change
	1954	1955	
	Million pounds	*Million pounds*	
Illinois	794	768	−3
Minnesota	1,529	1,476	−3
Texas	480	465	−3
Nebraska	316	304	−4
Tennessee	330	318	−4
South Dakota	188	178	−5
Wyoming	31	29	−6
Other States [1]	1,352	1,145	−15
United States	18,203	17,989	−1

[1] Nevada, Arizona, New Mexico, Colorado, Louisiana, Florida, Maryland, Delaware, Rhode Island, Massachusetts, Vermont, New Hampshire, and Maine.

Source: Dairy Production and Crop Production reports, Agricultural Marketing Service, USDA; Connecticut Dairy Marketing Reports; New York State Dairy Farm Report.

TABLE 5.—*Changes in milk production by States, 1938–40 compared with 1924–26*

State	Milk production (million pounds)		Percentage change
	1924–26 average	1938–40 average	
Florida	209	332	+59
Idaho	761	1,167	+53
Texas	2,840	4,244	+49
New Mexico	183	271	+48
Louisiana	451	646	+43
Arizona	163	229	+40
Mississippi	938	1,281	+37
California	3,421	4,655	+36
New Jersey	703	948	+35
Oklahoma	1,824	2,453	+34
Tennessee	1,439	1,842	+28
Arkansas	1,053	1,351	+28
Iowa	5,098	6,452	+27
Oregon	1,078	1,369	+27
Washington	1,550	1,952	+26
Utah	429	538	+25
Missouri	2,697	3,309	+23
North Carolina	1,074	1,302	+21
Minnesota	6,867	8,247	+20
Alabama	979	1,177	+20
Indiana	2,677	3,191	+19
Wyoming	237	282	+19
Illinois	4,363	5,099	+17
Michigan	4,079	4,757	+17
Maryland	757	884	+17
Wisconsin	10,454	12,167	+16
Georgia	946	1,085	+15
Nebraska	2,256	2,562	+14
Virginia	1,280	1,460	+14
South Carolina	478	542	+13
Ohio	4,098	4,572	+12
Kentucky	1,690	1,894	+12
West Virginia	718	790	+10
North Dakota	1,802	1,947	+8
Vermont	1,270	1,371	+8
Connecticut	618	670	+8
Nevada	99	107	+8
New York	6,954	7,408	+7
Pennsylvania	4,281	4,577	+7
Kansas	2,703	2,870	+6
Colorado	956	997	+4
Delaware	134	138	+3
Rhode Island	131	134	+2
Montana	680	669	−2
South Dakota	1,741	1,653	−5
Massachusetts	841	795	−5
New Hampshire	389	356	−8
Maine	698	628	−10
United States	91,088	107,367	+18

Source: Farm Production, Disposition, and Income from Milk, Bureau of Agricultural Economics, Washington, D. C.

NOTE.—United States total population increased 13 percent between 1924–26 and 1938–40.

TABLE 6.—*Changes in milk production by regions, 1938–40 compared with 1924–26*

Region	Milk production (million pounds)		Percentage change
	1924–26 average	1938–40 average	
New England	3,947	3,954	----------
Middle Atlantic	11,938	12,933	+8
North Atlantic	15,885	16,887	+6

TABLE 6.—*Changes in milk production by regions, 1938–40 compared with 1924–26*—Continued

State	Milk production (million pounds)		Percentage change
	1924–26 average	1938–40 average	
East North Central	25,671	29,785	+16
West North Central	23,163	27,039	+17
South Atlantic	5,596	6,532	+17
South Central	11,215	14,887	+33
Mountain	3,509	4,261	+21
Far West	6,049	7,976	+32
West	9,558	12,237	+28
United States	91,088	107,367	+18

Source: Farm Production, Disposition, and Income from Milk, Bureau of Agricultural Economics, Washington, D. C.

NOTE.—United States total population increased 13 percent between 1924–26 and 1938–40.

TABLE 7.—*Changes in population by States, 1954 compared with 1938–40*

State	Average, 1938–40	1954	Percentage change
Florida	1,839,309	3,524,000	+92
Maryland	1,795,314	2,602,000	+45
California	6,801,456	12,554,000	+85
Delaware	262,422	367,000	+40
Virginia	2,666,488	3,588,000	+35
Tennessee	2,873,492	3,362,000	+17
Wisconsin	3,120,873	3,578,000	+15
Pennsylvania	9,921,865	10,779,000	+9
Missouri	3,783,867	4,154,000	+10
Arizona	483,889	993,000	+105
Kentucky	2,825,883	2,995,000	+6
North Carolina	3,512,257	4,250,000	+21
Utah	543,683	757,000	+39
New York	13,502,789	15,433,000	+14
Louisiana	2,329,832	2,924,000	+26
Ohio	6,881,446	8,554,000	+24
New Jersey	4,131,846	5,250,000	+27
Idaho	520,134	615,000	+18
Mississippi	2,161,758	2,204,000	+2
Vermont	357,686	385,000	+8
Indiana	3,408,124	4,209,000	+23
Michigan	5,162,273	7,024,000	+36
Georgia	3,113,508	3,660,000	+18
South Carolina	1,871,940	2,238,000	+20
Alabama	2,814,166	3,121,000	+11
Rhode Island	703,308	824,000	+17
Connecticut	1,697,810	2,219,000	+31
Maine	845,208	930,000	+10
New Hampshire	489,252	532,000	+9
Minnesota	2,773,210	3,103,000	+12
Massachusetts	4,344,328	4,954,000	+14
Illinois	7,887,136	9,165,000	+16
Arkansas	1,943,045	1,910,000	−2
West Virginia	1,868,161	1,947,000	+4
Oregon	1,080,536	1,639,000	+52
Washington	1,718,427	2,540,000	+48
North Dakota	643,975	636,000	−1
Colorado	1,118,865	1,456,000	+30
Iowa	2,517,757	2,638,000	+5
Kansas	1,818,914	2,016,000	+11
Nebraska	1,319,004	1,366,000	+4
South Dakota	645,100	667,000	+3
Nevada	107,375	218,000	+103
New Mexico	523,443	781,000	+49
Montana	555,292	628,000	+13
Wyoming	247,880	312,000	+26
Oklahoma	2,330,092	2,268,000	−3
Texas	6,361,588	8,468,000	+33
District of Columbia	660,258	861,000	+30
United States	130,886,267	161,195,000	+23

Source: Estimated population of the United States by States 1910–14, Bureau of Census, Series P 45, No. 9, Oct. 1, 1945; provisional estimates of the population by States, 1954, Series P 25, No. 108, Bureau of Census, Jan. 3, 1955.

TABLE 8.—*Changes in population by regions, 1954 compared with 1938–40*

	Population, 1938–40	Population, 1954	Percentage change
New England	8,437,592	9,843,000	+17
Middle Atlantic	27,556,501	31,463,000	+14
North Atlantic	35,994,093	41,306,000	+15

TABLE 8.—*Changes in population by regions, 1954 compared with 1938–40*—Continued

	Population, 1938–40	Population, 1954	Percentage change
East North Central	26,459,853	32,528,000	+23
West North Central	13,501,827	14,579,000	+8
South Atlantic	17,589,658	23,035,000	+31
South Central	23,639,856	27,253,000	+15
Mountain	4,100,561	5,761,000	+41
Far West	9,600,419	16,733,000	+74
West	13,700,980	22,494,000	+64
United States	130,886,267	161,195,000	+23

Source: Computed from table 7.

TABLE 9.—*Civilian consumption of dairy products, per person, milk equivalent, averages 1925–29 and 1935–39, and annual 1945, 1950, and 1954*

[Pounds]

Year	Fluid milk	Fluid cream	Butter	Cheese	Evaporated and condensed milk	Ice cream	Other	Total milk equivalent
Average:								
1925–29	270	68	358	46	26	24	6	798
1935–39	264	66	337	55	36	25	8	791
1945	335	64	216	65	39	37	21	777
1950	293	56	212	75	43	44	8	731
1954	299	53	177	76	36	46	10	697
	Percentage of total milk							
Average:								
1925–29	33.8	8.5	44.9	5.8	3.3	3.0	0.7	100.0
1935–39	33.4	8.3	42.6	7.0	4.6	3.2	.9	100.0
1945	43.1	8.2	27.8	8.4	5.0	4.8	2.7	100.0
1950	40.1	7.7	29.0	10.3	5.9	6.0	1.0	100.0
1954	42.9	7.6	25.4	10.9	5.2	6.6	1.4	100.0

Source: Dairy Situation, U. S. Department of Agriculture, October 1954.

TABLE 10.—*Percent change in civilian United States consumption of dairy products per person, 1935–39 to 1954*

Product	Percent change
Fluid milk	+13
Fluid cream	−20
Butter	−47
Cheese	+38
Evaporated and condensed milk	0
Ice cream	+84
Total milk equivalent	−12

Source: Computed from table 9.

TABLE 11.—*Changes in butter and oleomargarine consumption and prices, April 1954–January 1955, compared with a year earlier*

Product	Retail prices (cents per pound)		Percent change	Percent change in total United States consumption
	April 1953–January 1954	April 1954–January 1955		
Butter	75.2	67.0	−11	+6
Oleomargarine	26.1	26.3	+1	+5

Source: Household Purchases of Butter, Cheese, Nonfat Dry Milk Solids, and Margarine, January 1955, U. S. Department of Agriculture report dated March 1955.

TABLE 12.—*Consumption per capita of fluid milk and cream in certain markets of the United States, 1950*

[Pints per capita, daily]

Market	Whole milk	Fluid skim	Total	Fluid cream (milk equivalent)	Total milk equivalent
Duluth-Superior	0.96	0.05	1.01	0.28	1.24
Quad Cities	.90	.07	.97	.21	1.11
Minneapolis-St. Paul	.87	.05	.92	.28	1.15
Fort Wayne	.82	.07	.89	.13	.95
Worcester	.86	.02	.88	.17	1.03
Springfield, Mass	.85	.02	.87	.15	1.00
New York [1]	.84	[2].02	.86	.24	1.08
Fall River	.83	.03	.86	.12	.95
Connecticut	.82	.02	.84	.16	.98
Chicago	.81	.02	.83	[3]	[3]
Cleveland	.77	.06	.83	.17	.94
Boston	.80	.02	.82	.24	1.04
Dubuque	.77	.04	.81	.18	.95
Niagara Frontier	.78	[2].02	.80	.10	.88
Lowell-Lawrence	.76	.01	.77	.13	.89
Rochester [4]	.74	[2].02	.76	.09	.83
Philadelphia	.74	[3]	[2]	[3]	[3]
Omaha-Council Bluffs	.68	.05	.73	.18	.86
St. Louis	.66	.06	.72	.11	.77
Baltimore [4]	.68	[3]	[3]	[3]	[3]
Sioux City	.64	.06	.70	.19	.83
Kansas City	.62	.06	.68	.11	.73
New Orleans	.59	.03	.62	.05	.64
Richmond [4]	.57	[3]	[3]	.05	.62

Source: Except as noted below, the data were taken from the Fluid Milk and Cream Report, Bureau of Agricultural Economics, U. S. Department of Agriculture, December 1951. Originally compiled by Leland Spencer, Cornell University, with U. S. Department of Agriculture corrected figures for St. Louis and Quad Cities, and addition of data for New Orleans, Connecticut, and Chicago.

[1] From a special study by Patricia Froelich, unpublished thesis, Graduate School of Cornell University, 1953.

[2] Estimated.

[3] Data not available.

[4] Data for 1949 from Consumption of Fluid Milk and Cream in Northeastern Marketing Areas, Bureau of Agricultural Economics, U. S. Department of Agriculture.

TABLE 13.—*Consumption of milk and cream in the New York City market, 1940–54*

Years	Population (thousands)	Total consumption (million quarts daily)			Consumption per capita (pints daily)		
		Milk	Cream [1]	Total	Milk	Cream [1]	Total
1940	8,633	3,260	1,357	4,617	0.76	0.31	1.07
1941	8,567	3,334	1,292	4,627	.78	.30	1.08
1942	8,507	3,413	1,123	4,536	.80	.27	1.07
1943	8,297	3,587	604	4,191	.86	.15	1.01
1944	7,996	3,743	578	4,321	.94	.14	1.08
1945	8,026	3,913	759	4,672	.97	.19	1.16
1946	8,546	4,109	818	4,927	.96	.19	1.15
1947	9,031	4,058	1,028	5,086	.90	.23	1.13
1948	9,230	3,957	968	4,925	0.86	0.21	1.07
1949	9,334	3,959	1,027	4,986	.85	.22	1.07
1950	9,467	3,989	1,042	5,031	.84	.22	1.06
1951	9,650	4,010	1,055	5,065	.83	.22	1.05
1952	9,806	4,052	1,022	5,074	.83	.21	1.04
1953	9,947	4,040	1,006	5,046	.81	.20	1.01
1954 [2]	10,090	4,067	1,006	5,073	.80	.20	1.00

[1] Milk equivalent.

[2] Preliminary.

Source: Adapted by Leland Spencer, Cornell University, from data compiled by Patricia Froelich, Market administrator's office, New York metropolitan milk marketing area.

TABLE 14.—*Per capita milk consumption rates in Boston, Connecticut, New York, and the United States, selected years*

Year	Boston	Connecticut	New York	United States
1940	0.72	0.69	0.76	0.68
1945	.93	.96	.97	.85
1949	.83	.82	.85	.75
1951	.80	.84	.83	.76
1954	.82	.84	.80	.76
Percent change, 1940 to 1954	+14	+22	+5	+12

NOTE.—The 4 series above are not entirely comparable in their inclusion or exclusion of fluid skim milk and milk used in flavored drinks. The 1954 data are preliminary.

Source: Boston, Market Administrator; Connecticut, Milk Administrator and University of Connecticut; New York, Cornell University; United States, Dairy Situation, October 1954.

TABLE 15.—*Average daily sales of whole milk in 28 Federal order areas, 1952, 1953, and 1954*

Marketing area	1952	1953	1954	Percent change, 1952 to 1954
	Thou. lbs.	Thou. lbs.	Thou. lbs.	
Wichita, Kans	177	195	215	+21
Kansas City, Mo.-Kans	581	627	686	+18
Columbus, Ohio	414	460	481	+16
Dayton-Springfield, Ohio	444	479	513	+16
Knoxville, Tenn	104	106	118	+13
Nashville, Tenn	268	284	304	+13
Cleveland, Ohio	1,281	1,385	1,438	+12
Toledo, Ohio	398	424	444	+12
Tulsa-Muskogee, Okla	239	252	268	+12
Milwaukee, Wis	844	902	931	+10
St. Louis, Mo	934	974	1,019	+9
Cincinnati, Ohio	608	644	657	+8
Detroit, Mich	2,623	2,779	2,842	+8
Louisville, Ky	458	475	495	+8
Puget Sound, Wash	983	1,010	1,058	+8
Springfield, Mass	372	390	403	+8
Chicago, Ill	4,955	5,075	5,283	+7
Fort Wayne, Ind	127	131	136	+7
Sioux City, Iowa	72	75	77	+7
North Texas	953	950	1,009	+6
Quad Cities, Illinois-Iowa	232	231	245	+6
New Orleans, La	453	462	476	+5
Boston, Mass	1,882	1,893	1,913	+2
Fall River, Mass	110	112	112	+2
Philadelphia, Pa	1,911	1,929	1,950	+2
New York, N. Y	8,533	8,599	8,585	+1
South Bend-La Porte, Ind	185	187	185	
Topeka, Kans	83	84	82	−1
Total	30,224	31,114	31,925	+5.6

Source: Fluid Milk and Cream Report, U. S. Department of Agriculture, Feb. 16, 1954. Of the 30 markets listed, 2 are omitted (Minneapolis-St. Paul and Omaha-Lincoln-Council Bluffs) because the data are not comparable over the 3-year period.

DOES FEDERAL REGULATION OF CLASS I MILK PRICES RESULT IN LOWER MILK SALES AND MILK SURPLUSES?

(By Roland W. Bartlett, professor of agricultural economics, University of Illinois)

Based upon facts available, both present and past, I am convinced that Federal regulation of milk prices has done three things:

1. It can be credited with preventing a substantial part of the conflict between milk producers and dealers which in corresponding periods of price change in the past, were accompanied with milk strikes and physical violence (exhibit 1); and

2. Preventing milk strikes and violence in some Federal order regulated markets, has made it possible to maintain and increase per capita sales of milk above what they would have been without regulations; and

3. In some markets, under Federal regulation, minimum Class I prices have been fixed substantially higher than they would have been under competition, and have thereby worked against the public interest by lowering per capita sales of milk.

Governmental regulation in the Chicago market since September, 1939 has permitted orderly changes both up and down, in prices paid producers for market milk and cream. The foundation for these orderly changes may be found in keeping these prices for market milk and cream competitive with national prices of manufactured dairy products. (See exhibit 2.)

In contrast to the Chicago situation, prices for market milk in several Federal order markets including New Orleans, New York, Boston, and Philadelphia, in recent years have been pretty much divorced from prices of manufactured milk, and have been held at levels materially above prices of condensary or other manufactured milk. (See exhibit 3.)

A question which logically may be raised is: Does any relation exist between the level of market milk (class I) prices and the levels of milk consumption?

In an attempt to get at least a partial answer to this question an analysis was made of changes in per capita consumption of milk in the country's largest markets, Chicago and New York. (See exhibit 4.)

What deductions may one make from the facts shown in exhibit 4?

Competitive forces in Chicago, particularly since 1945, including the impact of the gallon jug competition, the competition of the half-gallon paper container, the impact of the new milk products, including modified skim milk, working with a competitive class I pricing of milk, resulted, not only in preventing a sharp decline in per capita milk, but in an actual increase in milk sales.

In contrast, a relatively static situation in New York, with regulation preventing the use of the gallon jug, failure to introduce the half-gallon container, the lack of intensive competition for new milk products, combined with an abnormally high class I price, accentuated a downward trend in per capita milk sales. Lower per capita milk sales accompanied by increasing milk surpluses, were thus, in part, a result of Federal order regulation in this market.

EXHIBIT 1

CHICAGO MILK STRIKES IN THE EARLY 1930's [1]

Prices to producers fell from $2.49 per 100 pounds of milk in 1929 to $1.44 in 1934. This drastic reduction in prices was accompanied by violence and resistance and led to the milk strikes of January 1934 and October 1935.

With the passage of the Agricultural Adjustment Act in May 1933, attempts were made to regulate prices both to farmers and consumers at levels above the prevailing store price. Because of the abundance of milk and the demand for low-priced milk, it was impossible to enforce prices either for producers or consumers. In January 1934, however, attempts were made by organized producers to shut off the supply of milk produced by independent farmers and sold to independent dealers. According to Business Week,[2] for a week practically no milk got to Chicago excepting a small volume by special arrangement for hospitals, babies, and invalids. Trucks hauling independent milk were stopped and the milk dumped into the river.

Following January 1934 the struggle between organized and independent dairymen and organized and independent dealers continued, culminating in the milk strike of October 1935. This strike was accompanied by threats, intimidation, dumping of milk, burning of bridges, and at least 2 or 3 deaths. Excerpts from publications show some of these events.

Chicago Daily Tribune, October 8, 1935: "Striking dairy farmers of nothern Illinois last night blew up one section of track on the Chicago and Northwestern Railroad, burned out a 48-foot wooden railroad bridge, and set fire to another to prevent the passage of a milk train from Wisconsin."

"A coronor's jury in Kenosha, Wis., returned a finding last night that there was no negligence in the death of Herman K. Slater, a striker who was killed by a milk truck early Saturday.

"The testimony showed Slater deliberately stood in the path of the oncoming caravan of milk trucks, waving his arms, and trying to flag them down."

October 9, 1935: "The strike violence of the day centered chiefly in Lake, McHenry, and Boone Counties. A tragic incident was the death of Chief of Police Herbert Lesch. He was fatally injured when his motorcycle collided with a State police car which was convoying milk shipments."

[1] Part of unpublished manuscript discussing the Chicago milk market. Bartlett, Roland W., Department of Agricultural Economics, University of Illinois.

[2] January 13, 1934, p. 10.

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"Near Waukegan pickets clubbed one truckdriver, fired several shots at another, and dumped three truckloads of milk."

"On Skokie Road * * * pickets seized John Lewandowski * * * and clubbed him so severely that he was taken to a hospital."

October 12, 1935: "At Hebron in McHenry County, nearly 6,000 gallons of milk stored in a warehouse was spoiled by the pouring of kerosene into its containers."

Reports similar to those of the Chicago Daily Tribune, were published in the October 19, 1935 issue of Business Week under the title "Dumped Milk and Broken Heads"; and in the October 19, 1935 issue of the Literary Digest under the title "Milk Strike Violence," as well as releases in many other papers.

The strikers finally accepted a 30-day truce by Gov. Henry Horner, during which a solution was to be sought by a committee set up for that purpose.

EXHIBIT 2

FACTS ABOUT OPERATION OF THE CHICAGO FEDERAL ORDER

1. Condensery prices tend to keep in line with United States farm prices. This is true for all regions in the United States (table 1). During and after World War II, condensery prices were somewhat higher than the general level of farm prices but moved in the same direction.

2. Since the inception of the Chicago Federal milk order, class I and class II prices have gone up and down with condensery prices.

3. Between 1940 and 1954, blend prices paid to milk producers averaged 49 cents per 100 pounds higher than condensery prices. The net difference decreased from 74 cents in 1953 to 48 cents in 1954.

4. Condensery prices have been considerably higher than butter prices since 1935–39. During World War II butter prices were fixed by Government while condensery prices were permitted to rise.

5. Since 1935–39, cheese prices and condensery prices have gone up and down together.

6. During World War II prices of skim milk powder were held at a high level. Between 1948 and 1952 prices of skim milk powder changed with changes in condensery prices. Since 1952, skim milk prices have been relatively higher than condensery prices.

7. Between 1946 and 1950 there was a sharp increase in number of Grade A producers on the Chicago Market. Since 1953 there has been a sharp reduction in the number of producers. In January 1955 there were 1400 fewer producers on the Chicago market than a year previous. With the blend price dropping from 74 cents in 1953 to 48 cents above condensery prices in 1954, (Fig. 3), some shippers and several milk plants have elected to sell their milk in markets other than Chicago.

8. In 1954, the average daily deliveries per producer in the Chicago area averaged 533 pounds of milk daily, or 200 pounds more than in 1940.

9. Between 1940 and 1950, milk deliveries under the Chicago Federal order in September, October, and November, averaged 9 percent more than sales of class I and class II milk during these same months (table 2). While in 1946 and 1947 there was a real shortage of milk, for most of this period there was enough milk to meet market needs.

10. Between 1951 and 1954, milk deliveries under the Chicago Federal order averaged 20 percent above class I and class II sales. In 1953, this proportion increased to 35 percent, but fell off to 22 percent in 1954.

11. Since 1951, a supply-demand price adjustment was put into operation under the Chicago Federal order. This operates on the principle of increasing prices when more milk is needed to insure an adequate supply, and decreasing prices when milk deliveries in relation to sales are too high. Premiums above regular prices were paid from December 1951 to February 1953 (table 3). Since then, with an abundance of milk, price deductions have been made under the supply-demand formula. During all of 1954 and from January to March 1955, 24 cents per 100 pounds was deducted from regular premiums. With a decrease in manufactured milk, the deduction fell to 21 cents in April 1955, and to 18 cents in May, 1955.

TABLE 1.—*Average prices paid milk producers at condenseries by regions and United States, 1920–50* [1]

[Price per 100 pounds of 3.5-percent milk]

Year	Middle Atlantic	South Atlantic	East North Central	West North Central	South Central	North Western	South Western	United States	Chicago condensery prices [2]
1920	3.34	3.07	2.92	2.80	----------	2.68	2.69	3.01	2.94
1921	2.20	2.17	1.87	1.86	----------	1.81	1.78	1.93	1.87
1922	1.97	1.93	1.69	1.68	----------	1.71	1.64	1.70	1.69
1923	2.59	2.60	2.20	2.09	----------	2.12	2.05	2.21	2.23
1924	2.08	----------	1.79	1.77	----------	1.76	1.76	1.83	1.79
1925	2.22	----------	1.98	1.87	----------	1.91	1.85	1.97	1.96
1926	2.30	----------	1.96	1.88	----------	1.86	1.85	1.97	1.96
1927	2.47	----------	2.12	2.01	----------	1.88	1.96	2.12	2.15
1928	2.34	2.31	2.15	2.05	2.03	1.91	1.94	2.11	2.18
1929	2.30	2.09	2.08	1.94	1.94	1.92	1.92	2.04	2.04
1930	2.05	1.75	1.67	1.64	1.66	1.57	1.63	1.67	1.62
1931	1.45	1.21	1.19	1.16	1.17	1.11	1.16	1.18	1.20
1932	1.15	.91	.90	.88	.88	.84	.83	.89	.88
1933	1.18	.96	1.01	.93	.91	.89	.88	.98	1.00
1934	1.36	1.09	1.17	1.10	1.05	1.03	1.10	1.14	1.12
1935	1.51	1.30	1.36	1.29	1.22	1.27	1.38	1.35	1.30
1936	1.68	1.51	1.57	1.51	1.43	1.54	1.63	1.56	1.54
1937	1.68	1.60	1.57	1.53	1.43	1.50	1.66	1.57	1.57
1938	1.40	1.36	1.25	1.20	1.14	1.19	1.29	1.25	1.26
1939	1.41	1.33	1.24	1.19	1.14	1.20	1.28	1.25	1.20
1940	1.49	1.49	1.37	1.34	1.30	1.39	1.48	1.38	1.35
1941	1.94	1.82	1.84	1.70	1.62	1.78	1.82	1.81	1.85
1942	2.16	2.07	2.06	1.97	1.85	2.15	2.28	2.08	2.07
1943	2.73	2.60	2.61	2.50	2.43	2.55	2.78	2.61	2.53
1944	2.77	2.61	2.64	2.55	2.48	2.63	2.92	2.66	2.64
1945	2.75	2.53	2.59	2.53	2.43	2.68	2.92	2.63	2.60
1946	3.69	3.21	3.42	3.25	3.08	3.20	3.43	3.36	3.45
1947	4.11	3.29	3.49	3.34	3.19	3.24	3.50	3.46	3.49
1948	4.53	3.72	3.97	3.72	3.54	3.63	3.91	3.90	3.97
1949	3.36	2.73	2.81	2.70	2.62	2.82	2.97	2.81	2.86
1950	3.04	2.78	2.91	2.81	2.70	2.76	2.93	2.87	2.95
Averages:									
1920–50 [3]	2.30	2.08	2.05	1.96	1.88	1.95	2.04	2.04	2.04
1941–50	3.11	2.78	2.91	2.81	2.70	2.74	2.95	2.82	2.84

[1] Data compiled by the Bureau of Agricultural Economics, U. S. Department of Agriculture.

[2] Data from 1920 to 1924 from Illinois Agriculture Experiment Station, bulletin 269, table G, p. 538; data from 1925 to 1939, Wisconsin State Department of Agriculture, bulletin 249; and data from 1940 to 1950, the 10 condensery prices as reported to the Chicago Federal Milk Market Administration.

[3] Data not included for South Atlantic States for 1924 to 1927, and for South Central States for 1920–27.

TABLE 2.—*Volume of class I and class II sales of milk and milk deliveries, in the Chicago market, September, October, and November 1940–54* [1]

	Total class I and class II sales	Total milk delivery (millions of pounds)	Percent that deliveries were of sales		Total class I and class II sales	Total milk delivery (millions of pounds)	Percent that deliveries were of sales
1940—September	138.6	154.3	111	1942—September	157.4	165.7	105
October	141.3	154.5	109	October	162.0	166.4	103
November	135.8	146.2	108	November	156.3	157.0	100
1941—September	137.2	169.9	124	1943—September	158.0	168.8	107
October	136.1	168.4	124	October	151.2	163.4	108
November	130.8	159.8	122	November	143.1	158.4	111

[1] Data from Chicago Federal Milk Market Administration.

TABLE 2.—*Volume of class I and class II sales of milk, and milk deliveries in the Chicago market, September, October, and November 1940–54*—Continued

	Total class I and class II sales	Total milk delivery (millions of pounds)	Percent that deliveries were of sales
1944—September	153.7	174.8	114
October	154.0	178.9	116
November	153.2	175.9	115
1945—September	196.3	208.1	106
October	201.4	205.3	102
November	197.2	195.0	99
1946—September	199.7	206.6	103
October	207.9	206.1	99
November	200.5	204.2	102
1947—September	215.3	218.7	102
October	215.6	219.3	102
1947—November	202.2	203.6	101
1948—September	200.8	224.6	112
October	208.9	229.3	110
November	210.0	226.3	108
1949—September	209.5	250.0	119
October	220.3	248.3	113
November	213.9	250.4	117
1950—September	223.7	254.8	114
October	243.0	260.3	107
November	236.2	253.1	107
1951—September	230.2	262.9	114
October	247.8	254.4	103
November	243.9	236.9	97
1952—September	224.1	270.0	120
October	232.8	263.6	113
November	219.6	270.5	123
1953—September	230.1	270.5	123
October	242.7	309.7	128
November	221.8	320.4	144
1954—September	255.3	303.9	119
October	258.0	313.6	122
November	250.3	315.6	126

TABLE 3.—*Trends in milk sales, milk deliveries, and supply-demand price adjustments in the Chicago milkshed, December 1951 to April 1955*

Year and month	Percent that class I and class II sales were of total deliveries	Normal	Points that actual sales exceeded or were below normal	Price adjustment	Year and month	Percent that class I and class II sales were of total deliveries	Normal	Points that actual sales exceeded or were below normal	Price adjustment
1951—December	72	71	1	0.03	1953—September	66	72	−6	−0.18
1952—January	73	76	2	.06	October	66	72	−6	−.18
February	84	81	3	.09	November	65	72	−7	−.21
March	86	79	7	.21	December	65	72	−7	−.21
April	86	76	10	.24	1954—January	64	72	−8	−.24
May	83	72	11	.22	February	64	72	−3	−.24
June	78	68	10	.20	March	62	72	−10	−.24 (−0.30)
July	77	72	5	.15	April	62	72	−10	−.24 (−.30)
August	77	72	5	.15	May	62	72	−10	−.24 (−.30)
September	77	72	5	.15	June	62	72	−10	−.24 (−.30)
October	77	72	5	.15	July	61	72	−11	−.24)−.33)
November	76	72	4	.12	August	62	72	−10	−.24 (−.30)
December	76	72	4	.12	September	62	72	−10	−.24 (−.30)
1953—January	75	72	3	.09	October	62	72	−10	−.24 (−.30)
February	73	72	1	.03	November	63	72	−9	−.24 (−.27)
March	72	72	0	0	December	63	72	−9	−.24
April	70	72	−2	−.06	1955—January	64	72	−8	−.24
May	69	72	−3	−.09	February	64	72	−8	−.24
June	68	72	−4	−.12	March	64	72	−8	−.24
July	67	72	−5	−.15	April	65	72	−7	−.21
August	66	72	−6	−.18	May	66	72	−6	−.18

Source: Chicago Federal Milk Market Administration.

EXHIBIT 3

AMOUNT WHICH THE CLASS I PRICES IN SPECIFIC MARKETS EXCEEDED THE AVERAGE CLASS I PRICE IN CHICAGO AND MINNEAPOLIS-ST. PAUL, 1929 TO 1954

(Charts not printed.)

EXHIBIT 4

COMPARISON OF CHANGES IN PER CAPITA MILK SALES IN CHICAGO AND NEW YORK

Per capita sales of milk in Chicago increased from 0.61 pint daily in 1940 to 0.82 pint daily in 1954 (table 1). In 1954, per capita milk sales in Chicago were 6 percent above those in 1945.

Per capita sales of milk in New York increased from 0.75 pint daily in 1940 to a high of 0.92 pint daily in 1945 (table 2). Since 1945, milk sales in New York declined 17 percent to 0.76 pint daily in 1954.

Since New York's per capita milk sales in 1940 were materially higher than those in Chicago, and in 1954 somewhat lower, a logical question is: What have been the underlying reasons causing these changes?

Some of the factors causing these differences may be summarized as follows:

1. A slower rate of increase in per capita disposable income since 1945 in New York than in Chicago.[2] In fact, since the depression of the 1930's the percent that per capita disposable income in New York was of that of the United States has been declining while that in Chicago, Ill., has been increasing (fig. 5). This trend for both New York and Chicago corresponds to similar trends for the regions in which they are located (fig. 6).

2. A relative increase in store prices to consumers in New York as compared with those in Chicago: In 1925, the lowest reported store prices to consumers in Chicago averaged 3.9 cents per quart higher than those in New York (fig. 7). By 1954, the lowest reported store prices in Chicago averaged 3 cents per quart less than those in New York.

A. New York's class I prices in recent years much higher relatively than formerly: From 1929 to 1946, the New York class I price averaged 91 cents per 100 pounds (2 cents a quart) above that of Chicago and Minneapolis-St. Paul. In 1954, New York's class I price averaged $2.16 (4.6 cents a quart) above those of the two Midwest markets. This was an increase of 2.6 cents per quart, as compared with 1929–46.

B. New York has prohibited gallon jugs: 30 percent of all milk in Chicago is sold in gallon jugs: In 1950 only 13 percent of the milk in Chicago was sold in gallon lots; in 1954, 30 percent. Keen competition in Chicago in recent years has kept gallon prices lower than those for milk sold in quarts or half-gallons.

C. Half-gallon paper containers helped to increase milk sales in Chicago: New York's use of half-gallon paper containers is negligible: The half-gallon paper container was introduced into the Chicago market in the summer of 1949. In 1948, 21 percent of Chicago's milk was sold in half-gallon glass containers. By 1954, 37 percent of all milk in Chicago was distributed in half-gallons, paper or glass. Convenience and price were both factors in the increased use of half-gallons.

D. New products: Modified skim milk, skim milk, buttermilk, and flavored milk drinks: Increase in sales in Chicago much greater than in New York: Sales of milk products using grade A class I milk in Chicago in 1954 averaged .044 half-pint daily per person or five times the sales of these products in 1940 (table 1). In 1949, Chicago sales of milk products averaged .031 half-pints daily or over five times the reported sales of these products in the New York market (.009 half-pint). A 2-percent skim milk fortified with extra vitamins and increased amounts of nonfat solids has found public favor in Chicago, particularly with those concerned with overweight.

[2] An analysis of milk sales in the Chicago market between 1940 and 1952 indicated that average retail milk prices (adjusted) and per capita disposable income (adjusted) were the major factors affecting sales. The coefficient of multiple correlation for this period with per capita sales lagged 1 year as the dependent variable, and milk prices (adjusted) and disposable incomes (adjusted) as the independent variables, was 0.989. The standard error of estimate was 0.003.

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TABLE 1.—*Per capita sales of milk, retail prices of milk, retail prices of all foods, disposable income, and consumers' price index, Chicago, 1940 to 1954*

	Daily per capita sales			Lowest reported store price, Chicago [2]	Indexes of retail prices of all food, Chicago [3]	Lowest reported store price, Chicago [4]	Disposable personal income per capita, Chicago [5]	Consumers' price index, Chicago [6]	Deflated disposable personal income per capita, Chicago [7]
	Whole milk	Skim milk, buttermilk, flavored drinks	Total [1]						
	Pints	*Pints*	*Pints*	*Cents*	*1935–39=100*	*Cents*	*Dollars*	*1935–39=100*	*Dollars*
1940	0.600	0.008	0.608	8.5	96.7	8.8	726	100.6	722
1941	.600	.010	.610	11.6	106.2	10.9	862	105.7	816
1942	.636	.013	.649	12.4	122.9	10.1	1,026	116.3	882
1943	.702	.016	.718	14.4	136.0	10.6	1,221	122.8	994
1944	.731	.018	.749	14.5	135.0	10.7	1,335	124.7	1,070
1945	.749	.021	.770	14.5	137.8	10.5	1,425	127.3	1,119
1946	.791	.023	.814	17.0	160.1	10.6	1,480	138.4	1,069
1947	.767	.025	.792	18.6	197.5	9.4	1,595	160.8	992
1948	.761	.032	.793	19.7	215.2	9.2	1,751	174.9	1,001
1949	.771	.031	.802	17.3	207.4	8.3	1,622	174.5	930
1950	.775	.028	.803	18.4	209.4	8.8	1,760	176.7	996
1951	.758	.033	.791	20.0	233.3	8.6	1,929	190.6	1,012
1952	.765	.042	.807	19.6	237.0	8.3	1,988	195.0	1,019
1953	.743	.041	.784	18.4	229.8	8.0	2,088	196.3	1,064
1954	.772	.044	.816	18.0	228.6	7.9	[8] 2,115	199.4	1,061

[1] Data from Chicago Federal Milk Market Administrator. Population changes from U. S. Bureau of Census for Illinois.
[2] As included in U. S. Department of Agriculture fluid milk reports.
[3] U. S. Bureau of Labor Statistics, retail prices of foods. Data for 1953 and 1954 from Consumer Price Index.
[4] Col. 2 divided by col. 3.
[5] Survey of Current Business, August 1954, p. 15, data for Illinois. Based upon a 1.3 percent increase in bank debits in Chicago, 1953 to 1954.
[6] Bureau of Labor Statistics. Handbook of Basic Economics Statistics, March 1953 and 1954 from Consumer Price Index.
[7] Col. 5 divided by col. 6.
[8] Estimate based on percent increase in Chicago bank debits per capita from 1951 to 1954.

TABLE 2.—*Per capita sales of milk, retail prices of milk, retail prices of all foods, disposable income, and consumers' price index, New York, 1940 to 1954.*

	Daily per capita sales [1]	Lowest reported store price, New York [2]	Indexes of retail prices of all food, New York [3]	Lowest reported store price, New York [4]	Disposable personal income per capita, New York [5]	Consumers' price index, New York [6]	Deflated disposable personal income per capita, New York [7]
		Cents	*1935–39=100*	*Cents*	*Dollars*	*1935–39=100*	*Dollars*
1940	0.75	11.0			864	100.8	857
1941	.78	13.7	106.0	12.9	995	104.7	950
1942	.80	12.0	122.2	9.8	1,168	114.7	1,018
1943	.88	14.0	138.5	10.1	1,374	123.1	1,116
1944	.92	14.0	137.2	10.2	1,536	126.2	1,217
1945	.92	14.0	140.1	10.0	1,644	129.1	1,273
1946	.90	16.4	162.3	10.1	1,685	141.7	1,189
1947	.88	18.0	193.1	9.3	1,720	158.6	1,084
1948	.85	19.6	210.5	9.3	1,796	169.4	1,060
1949	.83	18.1	202.7	8.9	1,724	166.9	1,033
1950	.82	17.1	204.7	8.4	1,875	168.9	1,110
1951	.80	19.8	226.3	8.5	2,003	181.4	1,104
1952	.78	19.6	229.7	8.5	2,062	185.4	1,112
1953	.77	20.5	225.1	9.1	2,158	185.0	1,166
1954	.76	21.0	225.1	9.3	[9] 2,266	186.1	1,216

[1] Data for 1940 to 1951 as prepared by Leland Spencer, Department of Agricultural Economics, New York State College of Agriculture. Data for 1954 as reported by Herrel Degraff, in Barriers to Increased Consumption of Fluid Milk. By National Grange, January 1955, p. 17, footnote 1. Data for 1952 and 1953 interpolated.
[2] Data from U. S. Department of Agriculture fluid milk and cream reports.
[3] U. S. Bureau of Labor Statistics, Retail Prices of Foods. Data for 1941 from Statistical Abstract. Data for 1953 and 1954 from Consumer Price Index.
[4] Col. 2 divided by col. 3.
[5] Survey of Current Business, August 1954, p. 15, data for New York.
[6] Bureau of Labor Statistics. Handbook of Basic Economic Statistics, January, 1955.
[7] Col. 5 divided by col. 6.
[9] Preliminary estimate.

A NEW KREMLIN PROPAGANDA TRICK

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 5 minutes.

Mr. FEIGHAN. Mr. Speaker, yesterday a most unusual advertisement appeared in the Washington Post and Times Herald. That advertisement was titled "Czechoslovak Citizens" and was paid for by the Czechoslovak Embassy in Washington. The purpose of the advertisement was to give widespread publicity to a so-called amnesty decision pronounced by the Communist dictator of Czechoslovakia on May 9, 1955. The advertisement states that all Czechoslovak citizens living abroad who committed the criminal act of escaping from the Czechoslovak Communist paradise will be pardoned if they admit their escape was made under the influence of hostile propaganda.

I say that is a unique advertisement because it is a very clever scheme whereby the Embassy of Czechoslovakia is attempting to cause former citizens of that once free country to commit treasonable acts against the United States, their country of adoption. Make no mistake, that is the precise intention of the so-called amnesty decision by the provision made in it requiring them to confess that they were under the influence of hostile propaganda. The meaning of the term "hostile propaganda" in this advertisement is all information given by or released by the free nations concerning the conspiracy of communism.

This advertisement by the Communist Czechoslovak Embassy here in Washington is just a part of a gigantic propaganda campaign now being carried on in the United States by the Kremlin. That propaganda campaign is directed against all those people who fled the horrors of communism and have been given political and religious asylum in the United States. The object of this propaganda campaign is to cause widespread confusion and disruption of morale of our own people. It is calculated to create the impression that the cold war is over, that communism can peacefully coexist with the basic freedoms, and finally that the United States is to blame for the dangerous political tensions which beset the whole world. This campaign is directed by the Kremlin which all clear thinking people recognize to be the one and only cause of the world tensions which now stand as a threat to peace.

A significant article on the subject appeared in the Baltimore Sun today under a Washington dateline. I include this article as a part of my remarks:

CZECHS OPEN UP AD DRIVE TO LURE REFUGEES HOME

WASHINGTON, June 22.—Communist Czechoslovakia has opened an advertising campaign in the United States to try to persuade Czechs who are refugees from communism to go home.

This is part of a determined drive by the whole Soviet bloc, United States officials said, to try to get refugees to return home where their skills and labor power will be available for agricultural and industrial production. At the same time authorities said it is also aimed at discouraging persons inside the Communist countries from fleeing.

The advertising campaign took the form of display ads in Washington, New York and other newspapers addressed to "Czechoslovak citizens."

The ad points out that an amnesty decree was laid down by the Czech Government May 9 and that it provides that "criminal

acts of desertion of the Republic are pardoned for persons, who, under the influence of hostile propaganda, left the territory of the Republic without permission if they return to the territory of the Republic within 6 months from the date of proclamation of the amnesty."

The soberly worded advertisement does not attempt to ballyhoo life behind the Iron Curtain nor hold out enticements for refugees to go home.

State Department officials said that for months the Reds have been propagandizing refugees in camps in Germany to the same end. They said they thought the effect had been limited.

COMMITTEE ON BANKING AND CURRENCY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight Sunday night to file a report on the bill S. 2126.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KELLEY of Pennsylvania.

Mr. DAVIS of Georgia and to include extraneous matter.

Mr. MILLER of Nebraska.

Mr. HARRIS and to include a statement by Speaker RAYBURN on proposed amendment to the Natural Gas Act, also a news article appearing in one of today's papers.

Mr. WILSON of California.

Mr. ROBSION of Kentucky and to include a speech by the Vice President of the United States.

Mr. JENSEN and include a resolution.

Mr. POAGE (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. THOMPSON of New Jersey (at the request of Mr. McCORMACK) in four instances and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. ALLEN of California for the period from June 27 to June 30, 1955, inclusive, on account of official business.

Mr. Bow (at the request of Mr. McGREGOR) for Thursday, June 23, 1955, on account of official business.

Mr. SCHERER (at the request of Mr. HESS) for June 23 and 24, 1955, on account of official business.

Mr. HORAN (at the request of Mr. ARENDS) until June 30, 1955, on account of official business.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 947. An act for the relief of Carl E. Edwards;

H. R. 1085. An act for the relief of Moses Aaron Butterman;

H. R. 1660. An act for the relief of Wencenty Peter Winiarski; and

H. R. 5240. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1956, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 29. An act for the relief of Rica, Lucy, and Salomon Breger;

S. 35. An act to provide for the transmission in the mails of live scorpions;

S. 120. An act for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos;

S. 130. An act for the relief of Antonin Volejbicek;

S. 131. An act for the relief of Bohumil Suran;

S. 142. An act for the relief of Thomas Kunhyuk Kim;

S. 195. An act for the relief of Giuseppe Minardi;

S. 243. An act for the relief of Szjena Peison and David Peison;

S. 284. An act for the relief of Margarita Oy Wan Chan;

S. 375. An act for the relief of Alexy W. Katyll and Ioanna Katyll;

S. 412. An act for the relief of Jan Hajdukiewicz;

S. 432. An act for the relief of Aniceto Sparagna;

S. 471. An act for the relief of Aina Birzga;

S. 574. An act for the relief of Martin P. Pavlov;

S. 587. An act for the relief of Hildegarde Hiller;

S. 604. An act for the relief of Alick Bhark;

S. 640. An act for the relief of Roger Ouellette;

S. 644. An act for the relief of Sandy Michael John Philip;

S. 650. An act for the relief of Antonios Vasillos Zarkadis;

S. 676. An act for the relief of Robert A. Borromeo;

S. 735. An act for the relief of Sarah Kabacznik;

S. 892. An act for the relief of Jose Perez Gomez;

S. 1197. An act for the relief of Slavoljub Djurovic and Goran Djurovic;

S. 1747. An act to increase the public benefits from the National Park System by facilitating the management of museum properties relating thereto, and for other purposes; and

S. 2078. An act to permit a retired officer of the Navy to be employed in a command status in connection with Antarctic expeditions.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 903. An act for the relief of Harold C. Nelson and Dewey L. Young;

H. R. 1069. An act for the relief of Hussein Kamel Moustafa;

H. R. 1202. An act for the relief of Robert H. Merritt;

H. R. 1400. An act for the relief of David R. Click;

H. R. 1409. An act for the relief of W. H. Robinson & Co.;

H. R. 1416. An act for the relief of J. B. Phipps;

H. R. 1640. An act for the relief of Constantine Nitsas;

H. R. 1643. An act for the relief of the estate of James F. Casey;

H. R. 2456. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 2529. An act for the relief of Albert Vincent, Sr.;

H. R. 2760. An act for the relief of Mrs. Sally Rice;

H. R. 3045. An act for the relief of George L. F. Allen;

H. R. 3958. An act for the relief of Louis Elterman;

H. R. 4714. An act for the relief of Theodore J. Harris;

H. R. 5196. An act for the relief of the Overseas Navigation Corp.;

H. R. 5923. An act to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway; and

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 48 minutes p. m.), under its previous order, the House adjourned until Monday, June 27, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

926. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated July 26, 1954, submitting a report, together with accompanying papers on a review of report on the Mississippi River at St. Louis, Mo. This investigation was requested by resolutions of the Committee on Public Works, United States Senate and House of Representatives, adopted on April 20, 1948; to the Committee on Public Works.

927. A letter from the Assistant Secretary of the Interior, transmitting a proposed concession contract with the Fordyce Bathhouse which will, when executed by the Director of the National Park Service on behalf of the Government, authorize it to obtain hot waters from Hot Springs National Park for drinking, bathing, and other purposes, for a period of 20 years from January 1, 1955, through December 31, 1974, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLE: Joint Committee on Atomic Energy. H. R. 6901. A bill to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States, of special nuclear material and atomic weapons; with an amendment (Rept. No. 901). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee of conference. H. R. 3005. A bill to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959 (Rept. No. 902). Ordered to be printed.

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Mr. COLMER: Committee on Rules. House Resolution 286. Resolution for the consideration of H. R. 6829, a bill to authorize certain construction at military, naval, and Air Force installations, and for other purposes; without amendment (Rept. No. 903). Referred to the House Calendar.

Mr. BROOKS of Louisiana: Committee on Armed Services. S. 1718. An act to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954; with an amendment (Rept. No. 904). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAYWORTH: Committee on Interstate and Foreign Commerce. S. 1300. An act to declare a certain portion of the waterway at Greenwich, Conn. (in which is located the Greenwich Harbor), a nonnavigable stream; without amendment (Rept. No. 905). Referred to the House Calendar.

Mr. WILLIS: Committee on the Judiciary. H. R. 6991. A bill to revise, codify, and enact into law, title 21 of the United States Code, entitled "Food, Drugs, and Cosmetics"; without amendment (Rept. No. 906). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRIEDEL: Committee on Interstate and Foreign Commerce. S. 1469. An act to declare the portion of the waterway at Bridgeport, Conn., known as the West Branch of Cedar Creek, a nonnavigable stream; without amendment (Rept. No. 907). Referred to the House Calendar.

Mr. FLYNT: Committee on Interstate and Foreign Commerce. S. 1250. An act to declare Pike Creek above the easterly side of the highway bridge at Sixth Avenue in the city of Kenosha a nonnavigable stream; with an amendment (Rept. No. 908). Referred to the House Calendar.

Mr. MACDONALD: Committee on Interstate and Foreign Commerce. H. R. 2866. A bill to declare the waterway (a section of the Acushnet River) north of the Coggeshall Street Bridge in Massachusetts a nonnavigable stream; with an amendment (Rept. No. 909). Referred to the House Calendar.

Mr. MURRAY of Tennessee: Committee of Conference. S. 67. A bill to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes (Rept. No. 910). Ordered to be printed.

Mr. ROGERS of Colorado: Committee on the Judiciary. House Joint Resolution 157. Joint resolution to establish a Commission on Government Security; with amendments (Rept. No. 911). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILLIS:

H. R. 6991. A bill to revise, codify, and enact into law, title 21 of the United States Code, entitled "Food, Drugs, and Cosmetics"; to the Committee on the Judiciary.

By Mr. COOPER:

H. R. 6992. A bill to extend for 1 year the existing temporary increase in the public debt limit; to the Committee on Ways and Means.

By Mr. ASHLEY:

H. R. 6993. A bill to amend title II of the Social Security Act to reduce from 65 to 60 the age at which women may become entitled to benefits thereunder; to the Committee on Ways and Means.

By Mr. BERRY:

H. R. 6994. A bill to provide for entry and location, on discovery of a valuable source material, upon public lands of the United States classified as or known to be valuable for coal, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H. R. 6995. A bill to modify the project for the St. Marys River, Mich., South Canal, in order to repeal the authorization for the alteration of the International Bridge as part of such project, and to authorize the Secretary of the Army to accomplish such alteration; to the Committee on Public Works.

By Mr. KING of California:

H. R. 6996. A bill to amend title X of the Social Security Act to enable the States to provide more adequate financial assistance to needy individuals who are blind and to encourage and stimulate needy blind individuals to become self-supporting; to the Committee on Ways and Means.

By Mr. POFF:

H. R. 6997. A bill to include persons engaged in carrying out the provisions of labor laws of the United States within the provisions of sections 111 and 1114 of title 18 of the United States Code, relating to assaults and homicides; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 6998. A bill to provide that certain enlisted men retired for disability shall be eligible for mustering-out pay; to the Committee on Veterans' Affairs.

By Mr. SADLAK:

H. R. 6999. A bill to amend section 1321 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. BROOKS of Louisiana:

H. R. 7000. A bill to provide for strengthening of the Reserve Forces, and for other purposes; to the Committee on Armed Services.

By Mr. UDALL:

H. R. 7001. A bill to allow individuals to deduct for Federal income-tax purposes not to exceed $100 each year of political contributions made to candidates for elective Federal offices; to the Committee on Ways and Means.

By Mr. CARNAHAN:

H. J. Res. 357. Joint resolution reaffirming the rights of the people of the world to freedom of religion; to the Committee on Foreign Affairs.

By Mr. PILLION:

H. J. Res. 358. Joint resolution proposing an amendment to the Constitution with respect to the admission of new States as sovereign States of the United States; to the Committee on the Judiciary.

By Mr. CELLER:

H. Con. Res. 172. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. KEOGH:

H. Con. Res. 173. concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FLOOD:

H. R. 7002. A bill for the relief of Mrs. Francis G. Anstett; to the Committee on the Judiciary.

By Mr. KLUCZYNSKI:

H. R. 7003. A bill for the relief of Mrs. Annunziata Spatt; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 7004. A bill for the relief of Augustine Shih-Chuan Chen; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H. R. 7005. A bill for the relief of Mrs. Karoline Berner, nee Katz; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 7006. A bill for the relief of Harold D. Robison; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

331. By Mr. BENTLEY: Resolution of the Baltic Nations Committee of Detroit and adopted on the 14th anniversary of the mass deportation from Baltic States by the Communists and on the 15th anniversary of the incorporation of Estonia, Latvia, and Lithuania into the Soviet Union; to the Committee on Foreign Affairs.

332. By the SPEAKER: Petition of State secretary, Knights of Columbus Delaware State Council, Wilmington, Del., relative to urging the United States Government to continue and to expand its present firm policy of resistance to communistic infiltration and military pressures, etc.; to the Committee on Foreign Affairs.

333. Also, petition of secretary, Racine branch of the Lithuanian American Council, Racine, Wis., expressing gratitude to the United States for its conscientious efforts to give an opportunity to individuals to be free and nations to be independent; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

The Right Man at the Right Time

EXTENSION OF REMARKS

OF

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1955

Mr. POAGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Waco News-Tribune of June 16, 1955:

THE RIGHT MAN AT THE RIGHT TIME

Whether lighting strikes and catapults LYNDON JOHNSON into the White House or not, the Nation already owes him a debt of gratitude. Each week, more observers of the Washington scene are writing and talking about Senator JOHNSON's effective leadership in the United States Senate, among them men of keen perspicuity and long experience who have no personal interest in the senior Senator from Texas.

The theme of their observation, and the size of the Nation's debt to LYNDON JOHNSON, is that he has managed to weld the razor-thin Democratic majority of the Senate into an effective organization. Important measures which seemed headed for long debate and possible stalemate have whizzed through the Senate under JOHNSON's skillful handling. JOHNSON is a genius at human relations and a genius at practical politics. Only a genius could take a majority of one, which

is the Democratic edge, and accomplish the things that LYNDON JOHNSON has accomplished.

Naturally, this record of achievement has attracted wide attention. And it is to be expected that LYNDON JOHNSON's contribution to an effective National Government will cause him to loom larger in the picture as the Nation goes about seeking leadership for the future. However that search turns out, the United States of America can be thankful that LYNDON JOHNSON was sent to the Senate from Texas. His ability to bring harmony and action out of potential chaos was never more needed than it is today.

Address of the Vice President of the United States, the Honorable Richard M. Nixon, Before Young Republican Biennial National Convention, Detroit, Mich., June 17, 1955

EXTENSION OF REMARKS
OF
HON. JOHN M. ROBSION, JR.
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. ROBSION of Kentucky. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by the Vice President of the United States:

This could be the most significant convention in the history of the Young Republican Federation. Because I believe this is the year when we can and must launch a winning campaign to make the Republican Party the majority party of America and of America's youth.

I want to tell you why I think this is true, and how we can do the job.

First, we aren't going to do it by kidding ourselves. Too often speeches at party gatherings like this indulge in too much self-glorification and not enough self-examination.

I propose that we begin by examining our liabilities.

The Democrats won control of the House and Senate in 1954.

They won 27 governorships against 21 for Republicans, which in the terms of electoral votes is 347 to 184.

They won over 500 State legislature seats from Republicans—we won only 5 from them.

They have won a majority of city elections held since 1952.

The polls show that a majority of the people consider themselves Democrats; and this majority among younger voters is 2 to 1.

In the light of these dismal statistics, how can we be optimistic? Because we have a Republican President who has consistently maintained the highest level of popularity of any President in our history. I have traveled to all parts of the country and I say without qualification that President Eisenhower would defeat Mr. Stevenson by a bigger vote in 1956 than he did in 1952.

The answer to our problem then is to find the secret to this popularity. I believe these are the reasons for it.

People like him personally.

People trust him. They have confidence in his honesty and integrity.

But these two reasons alone do not account for his popularity because even though people liked and trusted a man he wouldn't continue to have their support unless they liked what he did. The major reason for the President's popularity is that the people like his program, what he stands for and what he has done.

In that single fact we can see the surefire formula for increasing the strength of the Republican Party.

The Republican Party may not be the party of a majority of the American people.

But the Republican President and his Republican program is favored by a majority of the people.

Therefore, if we are to build a stronger party, Republican candidates, Republican leaders and Republican workers should associate themselves with and support wholeheartedly the leadership and program of our Republican President.

I submit that the Eisenhower Republican program is favored by a majority of all voters. But there is no segment of the population among whom it has greater appeal than America's youth.

What kind of government do young people want?

First, and above all, they want a Government which can keep the peace. Young people, even more than others, want peace because war would hit them the hardest.

On this question, there is no doubt but that the inspired leadership of President Eisenhower and Secretary Dulles which got the United States out of one war and kept it out of others has the overwhelming support of the American people as being best qualified to keep the peace without surrender in the future.

Second, young people are idealists. They want and expect their government to be honest, loyal and efficient. Let us consider the issue of honesty.

The great fault of the previous Administration was not that dishonesty existed, but that it was excused, condoned and defended by men in high places.

That kind of administrative laxity stopped the day President Eisenhower was inaugurated.

Not only have we cleaned up the mess we inherited, we aren't allowing a new one to be made.

We can say without qualification that the Eisenhower Republican leadership has restored honesty, integrity, and decency to government in Washington.

Let us consider the issue of loyalty.

Here again the fault of the previous administration was not that disloyalty existed, but that in case after case warnings of the FBI and congressional committee were covered up and ignored.

In this administration we have:

Enforced existing laws as they were not enforced before.

Obtained passage of new laws to deal more effectively with the conspirators.

Removed the security risks we inherited from the previous administration.

And we are making as sure as we can that we do not put them on the payroll in the first place.

With pride and confidence we can say that the Brownell-Hoover program of this administration is maintaining the essential balance between security and freedom, and is destroying the Communist conspiracy in the United States.

Let us consider the issue of efficiency.

This administration believes the object of government should be to spend as little rather than as much of the people's money as possible.

How well we have succeeded is shown by the fact that in 3 years the Eisenhower Republican administration will spend $36 billion less than would have been spent had the Truman spending policies been continued. That is a saving of $1,000 for every family of four in the United States.

I say that if a poll were taken on the issues of peace, honesty, loyalty, and efficiency, a solid majority of American voters, young and old, would approve the policies of the Eisenhower administration.

What else do America's young people want from Government? Young people are practical; they want to be able to make a good living.

If we are to be honest we must recognize that this has been one of our weakest issues. Since 1932 polls have shown consistently that a majority of Americans believe that a Democratic administration does a better job on the pocketbook issue than a Republican administration.

But the most significant political development of the past 2½ years has been that what was our weakest issue has become our strongest. The phony idea that Republican economic policies were not good for the average man has been blasted to bits by the record of this administration.

Here is the record.

America's workers have more jobs than at any time in history.

Those jobs are paying the highest wages in America's history.

And those wages are buying more goods than at any time in history.

And here are some more comparisons which prove beyond doubt that America's wage earners today are better off than they have ever been at any time in war or peace.

"There were fewer strikes and less time lost through strikes in 1954 than at any time since World War II."

"Wage increases in 1954 provided more of a gain in real wages than any other postwar year for they were almost entirely over the amount needed to compensate for the rise in the cost of living."

The two statements I just made are direct quotes from the monthly research report of the American Federation of Labor for February 1955.

What does all this add up to?

In 1948 Harry Truman was elected on the issue "You never had it so good."

In 1948 the average weekly wages for factory workers with 3 dependents was $52. In 1955 the same factory worker is earning $70 a week. This is an increase of 35 percent or $72 a month.

If the people "never had it so good" with Truman in 1948, our slogan in '56 should be "With Eisenhower, we have it better. Let's keep it that way."

In addition to good jobs for the present, our young people want security for the future. What a great record we have to present to them on this issue.

We can point with pride to our extension of social security and unemployment compensation to millions of people not previously covered.

But what is even more important, the Eisenhower Republican's administration fiscal policies guarantee full value security rather than cut-rate security to the millions of Americans trying to plan for the future.

What this means can be seen when we realize that a man who saved a dollar and put it into social security, life insurance, or Government bonds in 1942 received only 61 cents back when he retired in 1952.

During the 2½ years of the Eisenhower administration, the value of the dollar has varied less than one-half of 1 cent.

To the 90 million Americans who have life insurance, the 55 million who have social security, and the over 40 million who have Government savings bonds this means that the dollars they save today will be worth a dollar 5, 10, and 15 years from now, provided the fiscal policies of the Eisenhower Republican administration are continued.

And now America's wage earners are getting new protection against unemployment through the contracts just negotiated by Ford and General Motors which will be followed in other industries.

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These contracts amounting to approximately 20 cents an hour increase in wages could be negotiated only because of the unprecedented prosperity of the Eisenhower Republican era.

The payments under the contract can be made only if that prosperity continues.

And that prosperity will continue if the Eisenhower Republican economic policies which have given the American productive machine a chance to work remain in effect.

Finally, young people want government that is progressive and dynamic—not reactionary and static. Here, too, we must recognize that in the past our appeal has been weak.

Our New Deal and Fair Deal opponents recognize the desire of a great majority of the American people for more housing, more schools, more roads, better medical care, and more development of our water and power resources.

They offered the people a simple means to meet those ends—the Federal Government would do it.

They identified the means with the end.

We opposed the means without offering an alternative and the people assumed that we were opposed to the end as well.

Those days are gone.

The Eisenhower Republican administration has offered to the American people a progressive, dynamic program under which we will build more roads, schools and houses, enjoy better medical care, develop more water and power resources than our predecessors ever dreamed of during their period in office.

Our program differs from theirs in that it is based on these fundamental American principles:

The way to real progress and prosperity is through programs which rely primarily on private rather than Government enterprise.

The Federal Government should step in only where the job cannot be done more effectively by individuals, or by State and local government.

The way to get the most and best houses, schools, roads, medical care and, power development is not to rely on Federal Government action alone, but to develop programs in which the combined resources of private enterprise and local, State and Federal Government are pooled in the way best designed to do the job.

We oppose the programs of our predecessors not because their goals were too high, but because they were too low.

Our aim is a gross national product of $500 billion by 1965. This will mean additional income of $3,000 for every family of four in America.

To sum it up—the Eisenhower Republican program is based on the sound principle that you can be progressive and humanitarian without being socialistic, and we believe that is the kind of a program the young people of America want.

There is our case as I see it. Whatever the issue is, peace, honesty, loyalty, efficiency, prosperity, security, progress—the Eisenhower Republican record is one we can be proud of. It is one a majority of Americans approve and it is a record and a program that has magnificent appeal to the young people of America.

What do our opponents offer?

It is difficult to tell. They have made some sporadic attacks on the Eisenhower program, but each one has backfired.

They said our foreign policy would lead us into war. It has brought peace.

They said we were weakening our national defense. By spending less money more wisely, the United States is stronger today than at any time in history and we are able to meet and defeat attack by any aggressor in the world.

They said our economic policies were leading to a depression. America today is enjoying its greatest prosperity in history.

They said we didn't have an adequate housing program. This administration's objective is homes, not just housing. Fifty-five percent of the American people own homes today—the highest percentage in the history of the United States. Thousands of others are buying homes every day of the year.

They said we weren't sufficiently interested in Civil Rights. More progress has been made in reducing discrimination in employment in 2½ years than in any similar period since the Civil War.

Finally, they have been reduced to complaining about the squirrels on the White House lawn, Mrs. Eisenhower's health, and the President's church-going.

What it all adds up to is that they have no issue, and they know it.

They have nothing new or dynamic to offer.

They are completely bankrupt in ideas.

All they offer is a return to the policies of the Truman Administration.

What does this mean?

In my opinion, the great issue of 1956 will be—shall we continue the Eisenhower Republican economic policies, or shall we go back to the Truman economic policies.

Let us examine the difference. Mr. Truman's last state of the Union message contained the following recommendations, among others.

Programs that would nationalize and socialize farming, housing, medicine, and power.

A request that controls on the economy should be continued.

Increased spending programs that would have added $40 billion to the national debt in 4 years.

In summary, the basic theory of the New and Fair Deal was that every problem should be solved by Government action. If there was unemployment, the Government should make jobs. If there was a need for houses, the Government should build them. If there was a need for more adequate medical care, the Government should provide it.

These programs all sounded good. They were easy to sell. The only trouble with them was that they wouldn't work.

There were 10 million unemployed in the United States in 1940 after 7 years of leaf-raking and boondoggling.

There were two times as many people unemployed in 1949, Mr. Truman's last peacetime year before Korea, as there are today.

The only time during the 20 years of the New Deal and the Fair Deal that we had prosperity was during wartime.

The Eisenhower Republican theory is that the way to the greatest prosperity is to reduce Government activity and encourage private enterprise. That is why we cut taxes, cut spending, took off controls, and got the Government out of businesses rather than into them. We proceeded on the basic assumption that if individual initiative is released and encouraged, private enterprise will create greater wealth and do a better job than the Government.

This policy is harder to explain. But the proof that it is the right policy is that it works.

In 1956 we shall have a showdown battle between those who would nationalize and socialize basic American institutions and those who would continue the American economic policies which have been put into effect by this administration and which have worked so well.

Make no mistake about it. There are millions of Democrats who believe in the economic policies of this administration, and many leaders of the Democratic Party in the Congress who oppose and fear the New Deal, Fair Deal Socialist schemes as much as we do. But we must recognize a grim political fact—nationally, the Democratic Party is controlled by its big-city, left-wing element, who honestly and sincerely—but, I think, mistakenly—believe that we should return to the economic policies of Government action which the people rejected so overwhelmingly in 1952.

Fortunately for us, this is an issue which divides our opponents right down the middle, but it is an issue on which we, as Republicans are completely united.

And so I say we have the formula for victory—all we have to do is to tell the people the facts about the Eisenhower Republican program. The program will sell itself.

I realize that there are some who may say that this program is too liberal. What we must recognize is that the choice is not between the Eisenhower program and one more conservative—but it is between the Eisenhower program and one far more radical.

I said the Democrats have no issue. But the issue they are trying to create is based on the spurious claim that Democrats support the President better than Republicans.

The claim is false, but they are able to get away with it because when a Democrat votes with a Republican President it's news, and when a Republican votes against his President, it's news.

The truth is that on the average Republican Senators and Congressmen support the President twice as often as Democrats do—and this is particularly true on domestic economic issues.

But every time a Republican criticizes the President's program or votes against him—it's grist for the opposition mill.

Let's not give them an issue.

Let us all remember that the differences we have as Republicans are infinitesimal compared with the basic gulf between the economic policies of this administration and those which would be put into effect in the kind of Democratic administration which would succeed ours if we lost the elections of 1956.

Finally, may I say a word on a subject which is very close to our hearts.

I have had a rare opportunity in the past two and a half years of serving as a member of the Eisenhower team. I have had a chance to see him preside over the councils of this Nation, and I can tell you what you already know—that no one could be more dedicated, no one could work harder, no one could believe more deeply in the principles that have made America great than he does.

I think we all ought to remind ourselves how very fortunate we are to have him not only as the President of our country, but as the leader of our party.

He brought us our first victory in 20 years.

He is the most consistently popular President America has ever had.

The program he has put into effect has brought honesty, loyalty, and efficiency to Government, and peace, prosperity, and progress to America.

It is natural that Republicans everywhere should be saying—

We want Ike.

He is the man who can win.

He is the man the party needs.

He is the man the country needs.

I agree with all these sentiments. But I say that we have a responsibility too, and that responsibility is to build a party which will be strong enough to carry on the Eisenhower program when we no longer have him to do it for us.

In California we have a saying, "Give us men to match our mountains."

Young Republicans of America, adopt as your slogan—"Let's build a party to match our President."

We have the man—we have the program—let's go out and do the job.

Library of Congress Makes First Definitive Study of Major Attempts To Modernize Copyright Law of 1909—I

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, on January 20, 1955, I introduced a bill, H. R. 2677, creating a Federal commission to study the copyright laws and to make recommendations for their revision.

We are living in an age when every encouragement must be given to the free interchange of ideas. The development of methods of mass communication have provided the means of bringing creative work in the fields of the cultural arts, education, and recreation to millions of people simultaneously. A constantly growing part of the population of our country is being reached via these technological advances, and a constantly growing number of people are employed by the industries that have grown up in these fields. With industries as large as those in the field of mass communications there are inevitably many complex problems of equity and justice involved.

If the arts are among those activities which make our civilization endure and flourish, as President Eisenhower declared them to be in his recent message on the state of the Union, then it is time that a study be made by an impartial, blue-ribbon Federal commission of the Copyright Laws of 1909. It should be noted that the advancement of science and the useful arts was written into the Constitution as one of the basic concerns of this Nation, and of the Federal Government.

The American Law Division of the Library of Congress at my request undertook a definitive study of the techniques employed since 1909 in efforts at major revision of the copyright law. I am proud and happy to present here excerpts from that study for the information and consideration of my colleagues.

The letter of transmittal and part I of the study follow:

THE LIBRARY OF CONGRESS,
Washington, D. C., June 20, 1955.

To: Hon. FRANK THOMPSON
From: American Law Division
Subject: A study of techniques employed in efforts at major copyright law revision since 1909

Reference is made to your request of April 11, 1955, for a study of the several attempts to affect a major revision of the copyright laws including specifically those of 1931, 1932, 1936, and 1939 and a survey of revisions of the patent and trademark laws.

The enclosed report, a study of techniques employed in efforts at major copyright law revision since 1909, has been compiled in response to your request. Also enclosed is a copy of a report, revision of patent and trademark laws, prepared by the Copyright Office.

FREEMAN W. SHARP.

I. INTRODUCTION

Three bills, all similar to each other, have been introduced in the 84th Congress to establish a Federal Commission to examine, study, and make recommendations for the revision of the laws pertaining to both domestic and foreign copyright.[1] The Commission would be composed of 13 members, 7 appointed by the President and 3 appointed from each House of Congress by the Speaker and the Vice President, respectively. It would be authorized to employ a competent staff, hold hearings and take testimony any place in the United States or elsewhere and make the necessary expenditures therefor. The Commission would be directed to make its report and recommendations and findings to the President and Congress within 30 days after the commencement of the first regular session convened more than 1 year after enactment of the bill. Sixty days after such reports the Commission would cease to exist.

The first copyright law of the United States was enacted by the First Congress in 1790 (1 Stat. 124). Forty years later (1831) Congress revised "the several acts respecting copyrights" (4 Stat. 436); and after a like interval passed an act "To revise, consolidate, and amend the statutes relating to patents and copyrights (16 Stat. 212, sec. 85, et seq.). The last general revision, constituting basically the present law, was enacted in 1909 (35 Stat. 1075; U. S. C. title 17).

The existing system of copyright law is thus in the main nearly a half century old. A few amendments have been made here and there, but all major revision projects have failed of enactment. At the same time, large business enterprises have been built upon the basis of the present law. The Billboard (January 29, 1955, p. 65) indicates that the American public last year spent $25 million for rhythm and blues records, personal appearances, and the products of the music-publishing business. In 1953, excluding textbooks and professional and technical books, consumers spent $531 million for books and maps and an additional $1,708,000,000 for magazines, newspapers, and sheet music.[2] In addition to these business developments, great advances have been made in the science and technology of mass communications, that is, in radio, television, recordings, transcriptions, moving pictures, and many others. In the face of these conditions, the need for a new revision of the copyright law was indicated by the Librarian of Congress in 1953:

"There has been a steadily growing movement among the bar and trade groups concerned with copyright for a complete revision of the copyright law, title 17 of the United States Code, in the light of present conditions. The existing law is basically that enacted in 1909, and the 44 years since then have brought such developments as radio, television, and new processes of reproduction, photography, sound recording, and transmission."[3]

Any major revision of the copyright law today will be a very delicate matter, involving, as it will, the interest of large businesses, unions, performing rights societies, libraries, and, perhaps more important, the interests of the consuming public. Considering that several efforts to effect major changes in the law since 1909 have been unsuccessful, Representative THOMPSON, author of the original proposal (H. R. 2677) in the 84th Congress for a Federal Commission, asked for an examination of the techniques of these several proposals, specifically including, but not limited to, those in 1931, 1932, 1936, and 1939. The report herewith is limited to the following aspects of these attempts: (1) The "mechanics" of the revision effort, (2) the groups and individuals who testified pro and con, (3) samples of the testimony given, (4) the outcome or net result of the effort. In other words, this study is concerned, not with the substance of the copyright law or of proposed changes but with the procedures which have been tried in the several attempts at major revision since the 1909 enactment. Some of the attempts covered (for example, of 1936) were in fact revisions designed to facilitate the entry of the United States into the Berne Convention. That fact, however, is immaterial—the point here was merely to describe the mechanics of what were in fact proposals for a major change in the domestic copyright laws.

[1] S. 1254, Mr. LANGER; H. R. 2677, Mr. THOMPSON of New Jersey; and H. R. 5366, Mr. DIGGS.

[2] U. S. Office of Business Economics, Department of Commerce, Survey of Current Business, National Income Supplement, 1954 edition, pp. 206–207.

[3] Annual Report of the Librarian of Congress, 1953, p. 106; see also Annual Report, 1954, p. 92.

Library of Congress Makes First Definitive Study of Major Attempts To Modernize Copyright Law of 1909—II

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, by unanimous consent, I am extending my remarks to include the second section of the definitive study made by the American Law Division of the Library of Congress of the techniques employed since 1909 in efforts at major revision of the copyright law:

II. THE FIRST ATTEMPT AT A MAJOR REVISION, 1924

The first attempt to bring the entire copyright law up to date occurred in 1924, although prior to that time several limited amendments had been enacted.[1]

In 1924 during the 68th Congress, the House Committee on Patents held hearings on H. R. 6250, a bill to amend section 1 of the copyright law, and on H. R. 9137, the Dallinger bill which provided for a major revision of the law. Of the 383 pages in the printed hearing only 96 pages seem to have been devoted to consideration of the Dallinger bill.

During the hearing Mr. Thorvald Solberg, then Register of Copyrights, was permitted to testify in behalf of the Lampert bill, H. R. 2704, also pending in the committee, as follows:

"Mr. PERKINS. Proceed.

"Mr. SOLBERG. The chairman was kind enough to give me 10 minutes to set out my views concerning H. R. 2704. Of all the bills now before the House Committee on Patents, the interest of the Copyright Office is primarily centered in H. R. 2704, entitled 'A bill to amend the copyright law in order to permit the United States to enter the International Copyright Union.' This bill may be very briefly but comprehensively explained as a bill authorizing the President to proclaim the entry of the United States into the International Copyright Union."

* * * * *

"Mr. REED of Illinois. What is it about?

[1] Act of Aug. 24, 1912, 37 Stat. 488, ch. 356; act of Mar. 2, 1913, 37 Stat. 724, ch. 97; act of Mar. 28, 1914, 38 Stat. 311, ch. 47, act of Dec. 18, 1919, 41 Stat. 369, ch. 11.

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"Mr. SOLBERG. Entry into the copyright union. The bill is intended to get us into the International Copyright Union with the least possible trouble and delay, and with the least possible disturbance of existing conditions. It does not propose the abrogation of any provisions of existing law, but it does necessarily exempt authors of countries within the union from compliance with our compulsory manufacturing conditions, and such formalities as notice of copyright, deposit of copies, and registration of copyright claim. This is required because article 4 of the convention creating the union, which prescribes that 'the enjoyment and the exercise of such rights as are secured under the convention, are not subject to any formality.'"[2]

Mr. Arthur W. Weil, author of Weil on Copyright, and the attorney retained to draft a copyright bill by the Will Hays organization[3] representing all the leading motion-picture producers voiced objections to the Lampert bill:

"Now, one of the difficulties with the so-called official bill is that while adhering to the Bern Convention it undertakes to set up a dual system of copyright; that is, if you are a foreigner you do not have to comply with any formalities, but if you are a citizen of the United States you have to comply with the requirements of the present law. Furthermore, under the Bern Convention you are bound to give United States copyright in unpublished works. That would mean that by virtue of our mere adherence to the convention foreigners would get United States copyright in their unpublished works, while our own citizens do not get it under the United States statutes, whatever rights they may have being in common law; or, as Mr. Swarts pointed out, we would be going through the gestures of adherence, while not complying with the requirements as to legislation in the case of countries that have become members of the union."[4]

That fundamental change in our copyright law would have ensued from our adherence to the Bern Convention is indicated by Goldman:

"Adherence to the Bern Convention required many fundamental changes in the copyright law, and some of the interests concerned felt that the revision of the law for that purpose should be extended to cover also other issues that had arisen. With this broader purpose in view, attorneys for the motion-picture industry in 1924 drafted a complete revision of the law, modeled after the British Copyright Act, designed to adopt the principles of the Bern Convention and to amend the law in other respects. Representative Dallinger introduced this draft on March 24, 1924, as H. R. 8177, and introduced a modified version on May 9, 1924, as H. R. 9137."[5]

Mr. Louis E. Swarts, chairman of the subcommittee on copyright of the Motion Picture Producers and Distributors of America (Inc.), commonly known as the Hays organization, described the events leading up to the drafting of the Dallinger bill:

"Mr. SWARTS: This little sketch historically will help your point of view. The motion-picture industry became interested in copyright. About 3 or 4 years ago, when I personally came in contact with the Author's League and Mr. Schuler, who is here today, I found that the Author's League was interested in the revision of copyright statutes. We discussed the question of the revision of copyright statutes and we found an interesting situation, that there ought to be a rapprochement between the organized labor and authors. They seemed to be the two poles of discussion at that time. We therefore participated with the league and formed a committee consisting of myself, George Creel, Mr. Schuler, Augustus Thomas, and Albert Reid. That committee conferred with Mr. Matthew Woll, representing the Federation of Labor, that its branches concerned in copyright, the International Allied Printing Trades Association. I saw the difficulty of bringing about any rapprochement, and in deference to Mr. Schuler's activity in endeavoring to reach an agreement, the motion picture distributors withdrew from the discussion. Is that correct?

"Mr. SCHULER. That is entirely correct.

"Mr. SWARTS: The employing printers, authors, and others continued their task and attempted to reach an agreement as to legislation which they hoped to propose. We waited patiently for several years. Several bills were introduced, the Tincher bill, the Lodge-Davis bill, and numerous bills were introduced in Congress but no substantial agreement was made. Sometime early in the summer I received an invitation to come again into conference. I went and I found that the gentlemen were in substantial disagreement on the important issues which had agitated them from the beginning, and after attempting with much sincerity to compose their differences and, perhaps suggesting a slight change or two that we had in mind ourselves, questions in regard to copyrighting in the matter of films, passing through the office of Mr. Solberg in the Library of Congress, and we found that nothing could be had in that way. It was suggested at one of the meetings that I should report back to my associates that we should propose a measure to compose their differences and ask them to meet us on the subject. I so reported to our organization and they said we should engage counsel to redraft a copyright statute suited to the times, and propose it to these gentlemen for their cooperat'on."[6]

Mr. George H. Putnam, representing the National Association of Book Publishers summarized some of the objections to the Dallinger bill:

"A bill has been introduced by Mr. Dallinger, which has been drafted by Messrs. Swartz & Weil, counsel for the Famous Players Lasky Corp.

"The bill drafted by these counsel covers a substantially complete revision of the copyright statute. They state that they would oppose any program which did not provide for a complete revision. The register of copyrights finds ground for objecting to the Swartz-Weil measure, which had not been prepared in cooperation with the Bureau. It is his preference that the United States should enter the Berne Convention and that any plan for complete revision should be held over until this has been done.

"The authors' league finds ground for objection to the Swartz-Weil bill:

"(a) The provision as to ownership of motion-picture copyright is not clear.

"(b) The provisions having to do with art productions seem to increase the difficulties for a complete control by the artists.

"(c) The provision for penalties for infringement are weaker than those included in the present statute.

"The book publishers are not prepared to give their approval to the Dallinger bill. They are in accord with the register of copyrights that a complete revision of the statute ought to be made in cooperation with or under the supervision of the bureau of copyrights (of the national association). They find flaws in the wording of certain of the provisions of the Dallinger bill. The most important is that by which, in preserving for books the copyrights of which are owned by American publishers the present manufacturing requirement, while relieving English publishers from such requirement, a very decided advantage is given to the English publishers over their American competitors. The result of such a provision would leave the control of the American market for books by English authors practically in the hands of the English publishers. This would be a detriment not only to the American publisher but to the book-manufacturing interests and would be a disadvantage also to the American reader or book buyer, who would not be as well served with imported editions as he would be with American editions.

"A section in the Dallinger bill provides that if an English author assigns his American copyright to an American publisher and that publisher does not manufacture in America, the copyright is invalidated. This would be a serious matter for the English author and would cause such author to give his preference to English houses under whose management no such provision is necessary."[7]

Among the other witnesses testifying on the bill were:

1. Mr. Eric Schuler, representing the Authors' League of America, Inc., who objected to three sections.

2. Mr. Nathan Burkan, representing the American Society of Composers, Authors, and Publishers (ASCAP) and the Managers Protective Association (an association of theatrical managers), who thought the bill good in some parts but objected to parts which affected the interests of his clients; and

3. Mr. E. S. Mills, representing the Music Publishers Protective Association, who testified particularly with respect to the mechanical copyright features. He took the same position as that taken by ASCAP.

The net result of this effort was that although the proponents of the bill were able to put on record a statement and explanation of its provisions and some opponents were able to record their specific objections, the congressional committee was not able to reach an agreement and therefore did not report out a bill at that session.

Library of Congress Makes First Definitive Study of Major Attempts To Modernize Copyright Law of 1909—III

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I am extending my remarks to include section 3 of the definitive study made by Freeman W. Sharp, American Law Division of the Library of Congress, of attempts to modernize the copyright law of 1909:

III. THE PERKINS BILL, 1925

A second bill of the 68th Congress providing for a major revision of the copyright law was introduced in 1925 by Mr. Randolph Perkins as H. R. 11258. While the Dallinger bill essentially represented the views of the motion-picture producers and distributors,

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[2] U. S. Congress. House Committee on Patents, Hearing on H. R. 625 and H. R. 9137, 68th Cong., pp. 306, 307.

[3] Op. cit., p. 323.

[4] Op. cit., p. 326.

[5] Goldman, A. A. Copyright Office, Library of Congress: History of Copyright Revision, 1901–54, p. 10.

[6] Hearings, op. cit., pp. 311–12.

[7] Hearings, Op. cit., p. 305. Mr. Arthur W. Weil testified (p. 323) that he had been retained by the Will Hayes organization representing all the leading motion-picture producers for the special purpose of drafting a bill.

the Perkins bill represented those of the authors. Mr. Perkins stated:

"House bill 11258 represents, as I understand it, the author's idea of a copyright bill."[1]

The bill had, in fact, been drafted by Thorvald Solberg, then Register of Copyrights, in the light of his 27 years' experience as Register and his actual experience in preparing the drafts of the act which had been enacted in 1909. Mr. Solberg stated:

"Mr. SOLBERG. May I ask the indulgence of the committee for one moment to make a personal statement to clear the record?

"The CHAIRMAN. Yes, sir.

"Mr. SOLBERG. On the 20th of September I sailed from New York for France. I returned to New York on the 2d day of November, and on the 3d of November was at my desk in my office. I went from France to London, or to England, and in London I received from my office a copy of the Bulletin of the American Authors' League, in which it printed a statement that at a meeting of the council of the league I had been asked to prepare a copyright bill for the general revision of the copyright law and the entry of the United States into the International Copyright Union. When I returned to my desk on the 3d of November, or shortly after that, I think it was a couple of days after, I received a formal letter from the secretary of the Authors' League, submitting the formal request of the president of the league that I should undertake the task. I balanced it for a few days, and then wrote an agreement, and I immediately began the preparation of this bill, the draft of which was completed on the 1st day of December.

"Now, I do not want you to suppose that I evolved out of my head all of the provisions of this bill in that interim of time. You must remember that I have been 27 years, full years, involved in copyright questions as Register of Copyrights. The Copyright Office was a central point for all suggestions relative to copyrights. I must have received thousands of letters containing suggestions as to the amendment of the copyright law. Since the publication in the bulletin of that notice I have received not many letters, but some letters suggesting that if I undertook that task certain considerations should be given to the suggestions made by the writers.

"Mr. REID. Do you claim to be the sole parent of this bill?

"Mr. SOLBERG. I will come to that in a moment, if you will permit me. Out of the accumulation, if I may say, of knowledge in relation to questions of copyright, the bill has grown. I made the original draft for the act of 1909; I printed a number of preparations and compilations and actual drafts—tentative drafts—which were not prepared, however, as a bill to be enacted, but as a matter of suggestion, and afterwards went to conference, and then to the committees of Congress. During this period, in November, I prepared this bill in my office, and even in the Copyright Office of 97 people, only 1 person had anything to do with it, or was aware of it, except the stenographer who took the notes. That person was my very able colleague, Mr. DeWolfe, a very competent authority on copyright, and who is having printed a very excellent book on the subject, that will have its use in its place. I will add, however, that during that time I corresponded with one person relative to the actual text of this draft; that person was Mr. R. R. Bowker, of New York, with whom I have had a personal friendship for more than 40 years, who during those 40 years has been in every copyright hearing that has taken place in Washington. Our interest in copyright is mutual, and I value very much the suggestions that have come to me from Mr. Bowker, and some of them are embodied in this bill, and those are the only suggestions that have come from any human being with reference to this bill."[2]

Once again George H. Putnam of the National Association of Book Publishers summed up the positions taken by the proponents and opponents of the bill:

"1. It has the tactical advantage of having been drafted by an unprejudiced party, a Government official.

"2. It will have the powerful and continuous backing of the Authors' League of America, who are impatient of further delays and whose members are losing just protection every day under present law.

"3. It will be backed by the American Society of Composers, Authors and Publishers, who have able counsel. They have much to gain by the bill and little to fear from the importing clause which will handicap the book publishers.

"4. It will be favored by the American Library Association because the bill provides for unrestricted importation.

"5. It will be opposed by labor because the manufacturing clause for American books was omitted and importing is made wide open.

"6. It will be opposed by the phonograph and player-piano people, as it abolishes the fixed 2-cent fee for records and rolls and closes the open road to much European music.

"7. It will be opposed by the broadcasting interests because it confirms the control of the composer over all public performances of music and extends similar control to authors.

"8. It will be opposed by the motion-picture producers, who have a bill of their own (the Dallinger bill) which they like better and because they find in the phraseology of this bill certain legal pitfalls.

"9. It will be opposed by the motion-picture theater owners because they are fighting the control of the composers over the public use of music in their theaters.

"10. The book publishers will suggest one amendment with regard to importations because, as the provision is drafted, foreign authors have not the same rights here as American authors and American publishers have dealings with both.

"11. According to the Authors' League Bulletin, January, 1925, 'the bill as drafted omitted reference to several points on which other interests might seek its amendment, and to which the Authors' League would oppose no objection, provided there was no actual invasion of the creator's rights as defined in the bill'."[3]

The list of witnesses for and against the bill included:

THOSE FOR THE BILL

Thorvald Solberg, Register of Copyrights.

Augustus Thomas, New York City, Authors' League, American Society of Composers, Authors and Publishers, Council of the American Dramatists.

Ellis Parker Butler, New York City, ex-president of the Authors' League and member of the executive council thereof.

Will Irwin, Authors' League, author, playwright, newspaper and magazine writer.

Marc Connelly, Authors' League.

Robert Underwood Johnson, secretary, American Copyright League, ex-editor of the Century Magazine, ex-Ambassador to Italy, poet.

Alice Duer Miller, Authors' League.

Arson Lowell, President of the Artists' Guild of the Authors' League.

Walter D. Teague, former president of the Artists' Guild.

Gene Buck, member of the council of the Artists' League, of the American Dramatists' Association and president of the American Society of Composers, Authors and Publishers.

Harry Von Tilzer, New York City, songwriter.

Charles K. Harris, music publisher, lyric, music and scenario writer and book publisher.

Dr. M. Llewellyn Raney, American Library Association.

J. Hertley Manners, playwright.

Mrs. William A. Dupruy, League of American Penwomen.

E. C. Mills, chairman of the board, Music Publishers Protective Association, member of ASCAP.

Nathan Burkan, ASCAP, Authors' League, and the American Dramatist, New York City.

William Hamilton Osborne, Authors' League.

Eric Schuler, Authors' League.

Mrs. Ethelbert Nevin, widow of Ethelbert Nevin, composer of The Rosary, Mighty Lak' a Rose, Narcissus, etc.

THOSE AGAINST THE BILL OR CERTAIN FEATURES OF THE BILL

George Haven Putnam, chairman of the Bureau of Copyright, National Association of Book Publishers.

Mathew Woll, president, International Allied Printing Association; vice president, American Federation of Labor.

M. J. O'Toole, president, Motion Picture Owners of America.

John G. Paine, Victor Talking Machine Co.

Charles H. Butler, Washington, D. C., Copyright Bureau, National Association of Book Publishers.

Paul Klugh, executive chairman, National Association of Broadcasters.

F. S. Silcox, United Typothetae of America, New York Employing Printers Association.

Alfred A. Knopf, publisher.

Thomas R. Rutter, D. Appleton & Co.

Alfred L. Smith, Music Industries Chamber of Commerce.

Henry Lanahan, Thomas A. Edison Co.

Arthur E. Garmaize, the Columbia Phonograph Co.

G. W. Case, Jr., Brunswick-Balke-Collander Co.

George D. Beattys, the Aeolian Co.

H. B. Schoad, the Aeolian Co.

Gabriel L. Hess, the Motion Picture Producers and Distributors of America.

Arthur W. Weil, the Motion Picture Producers and Exhibitors of America, the National Publishers Association.

H. M. Richey, Detroit, Mich., Motion Picture Theater Owners of Michigan.

Esther Hunt, New York City, representing various art dealers, art publishers, and artists.

Louis E. Swarts, chairman, Copyright Committee, Motion Picture Producers and Distributors of America, attorney for Famous Players-Lasky Corp.

The net result of the hearing was that no action was taken by the committee and the bill died with the adjournment of that Congress.

[1] U. S. Congress, House Committee on Patents, Hearings on H. R. 11258, 68th Cong., p. 12.

[2] Hearings on H. R. 11258, op. cit., pp. 126–7.

[3] Hearings on H. R. 11258, op. cit., p. 194.

Library of Congress Makes First Definitive Study of Major Attempts To Modernize Copyright Law of 1909—IV

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I am including section 4 of the

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study made for me by the American Law Division of the Library of Congress of the various attempts which have been made to modernize the copyright law of 1909:

IV. THE ATTEMPT AT AGREEMENT WITHIN THE INDUSTRY, 1925–26

In the period between the adjournment of the 68th Congress and the convening of the 69th, a further attempt was made to design and draft a bill acceptable to the various interested factions. At the last hearing on the Perkins bill in the 68th Congress, when it became apparent that there were a number of diverse opinions, it was voted that a subcommittee should be appointed to act during the recess period. The subcommittee's mission was to arrange, if possible, for the various groups to meet in conferences in order to compose as many differences as possible before another effort at legislation was attempted. As a result of this effort, and of the suggestions of the subcommittee, various groups such as the Authors' League of America called a meeting at the offices of the Bar Association of New York on April 22, 1925. This resulted in the informal organization of a committee on copyright revision. Numerous meetings were held and some differences were ironed out; however, as indicated by the hearing occurring in the 69th Congress, little was actually achieved. The report of the informal committee on copyright revision appears in the hearings held by the House Committee on Patents in the 69th Congress on H. R. 10434 at page 80. The report lists the conferees as follows:

The Authors' League of America, which represented its subsidiary organizations.

The Authors' Guild.

The American Dramatists.

The Artists' Guild.

The Screen Writers' Guild.

American Society of Composers, Authors, and Publishers.

The League of American Pen Women.

The National Association of Book Publishers.

The National Publishers Association (periodical publishers).

The Christian Science Committee on Publications.

The American Newspaper Publishers Association.

The Music Publishers Protective Association.

The Music Industries Chamber of Commerce.

The Motion Picture Producers and Distributors of America.

The Motion Picture Exhibitors.

The National Association of Broadcasters including the American Telephone and Telegraph Co. and the Radio Corporation of America.

The International Theatrical Association.

The Motion Picture Theater Owners of America.

The American Hotel Association.

The Committee of Artists, Art Publishers, and Art Dealers including the American Federation of Arts, the American Art Bureau, and Picture Publishers Association.

The International Printing Trades Union.

The United Typothetae of America.

The Employing Bookbinders of America.

The American Library Association.

During the 1st session of the 69th Congress, Mr. Vestal, chairman of the House Committee on Patents, introduced the bill prepared by the informal committee as H. R. 10434, stating:

"This bill which as introduced by me at this session is the result of many conferences as I understand between the various parties interested wherein they attempted to iron out their difference as far as they could. I do not want to leave the impression that I understand them to be together on all of the propositions but some of the difficulties have been eliminated." [1]

Mr. F. A. Silcox, chairman of the informal committee on copyright-law revision, commented on the net results as follows:

"The net result of that was through all the hearings and the subcommittees of our own committee and an attempt was made to come to an agreement on all the clauses that it was possible. It developed that there were some clauses upon which there was an irreconcilable difference of opinion and in that committee it was made clear all the way through that it was a conference committee and not a confirmatory committee; that is a committee set up purely for the purpose of endeavoring to see how far it was possible to go in a reconciliation of those differences of opinion. The Authors' League naturally was very vitally interested in this bill and have been conferring over this entire period of time with most of these interests with the view of trying to arrive as I say at some kind of a bill which would bring out into relief those sections in which there was an irreconcilable difference of opinion and those on which we could agree. The bill as presented represents the result of these committee deliberations. A report was sent to you, Mr. Chairman, which states "that certain groups that were named definitely made reservations in regard to this bill but on the whole it represents results of about a year's deliberations."

"Mr. BLOOM. Which bill is that?

"Mr. SILCOX. H. R. 10434. And all I want to say as chairman of that committee is that these discussions were carried on in a serious effort to see whether or not in a spirit of conference and conciliation we could not arrive at some bill that would represent as many agreements as we could get. It does not represent the agreement in total of all groups that were in that hearing and several of the groups made it specifically clear during the hearings that they reserved the right to make their statement clear, whether in favor of or in opposition to the bill." [2]

During the course of the hearings on the Vestal bill, H. R. 10434, the lineup of the opposing interests was as follows:

Those in favor of the Vestal bill were:

William H. Osborne, the Authors' League.

Will Irwin, the Authors' League.

LeRoy Scott, the Authors' League.

The Honorable William N. Vaile, Representative in Congress from Colorado.

Frederick G. Melcher, R. R. Bowker Co., Publishers Association.

Mrs. Inez Hayes Haines Irwin, president, Authors' Guild of America.

John J. A. Murphy, artist, Authors' League.

Miss Leila Mechlin, secretary, the American Federation of Arts.

John D. Phillips, Houghton Mifflin & Co., Boston.

David S. Beasley, president, Subscription Book Publishers Association.

John McCrae, president, Publishers Association, president, Dutton & Co.

Gene Buck, president, the American Society of Composers, Authors, and Publishers, member of the council of the Authors' League, and its copyright committee.

Karl W. Kirchwey, counsel, Hearst organization.

Eustace Seligman, the National Book Sellers' Association.

Clifford P. Smith, Christian Science Publishing Interest.

Bernard A. Kosicki, Bureau of Foreign and Domestic Commerce, Department of Commerce.

H. R. Lamb, National Association of Book Publishers.

Arthur W. Weil, counsel, Motion Picture Producers and Distributors of America.

William H. Osborne, chairman, Copyright Committee, Authors' League of America.

Those who opposed the bill or certain features of the bill were:

George H. Putnam, chairman, National Association of Book Publishers.

Miss Esther Hunt, American Federation of Arts, American Art Bureau.

R. B. Burchard, president, the John Church Co.

M. L. Raney, the American Library Association.

Dr. William Mather Lewis, president, George Washington University, representing the Association of Urban Universities.

Harrison E. Howe, the American Chemical Society.

Prof. David M. Robinson, the American Philological Association, the Archeological Institute of America, the College Art Association.

E. N. Curtis, the Association of American Colleges.

Truman Michelson, the Linguistic Society of America.

John C. French, the Modern Language Association of America.

Dr. Henry G. Doyle, the American Association of University Professors.

Henry B. Learned, the American Historical Association.

Joy E. Morgan, the National Educational Association.

Charles R. Mann, the American Council on Education.

Victor S. Clark, editor, the Living Age.

Alfred L. Smith, secretary and general manager, Music Industry Chamber of Commerce.

Stephen L. Newman, the Association of Picture Publishers, the American Art Bureau, the Associations of Art and Art Dealers.

George C. Lucas, executive secretary, National Publishers Association.

Karl Fenning, the American Patent Law Association.

L. S. Baker, the National Association of Broadcasters.

Fulton Brylawski, the Motion Picture Theater Owners of America.

Thorvald Solberg, Register of Copyrights, Library of Congress.

J. G. Paine, the Victor Talking Machine Co.

E. C. Mills, New York and Washington.

George D. Beattys, the Aeolian Co.

Although this hearing was on the Vestal bill, H. R. 10434, nevertheless Lawrence B. Evans, of the Copyright Committee, American Bar Association, testified in behalf of the Perkins bill which had been reintroduced as H. R. 5841. Mr. Evans stated:

"I may say briefly, however, that the report of the committee endorses the principles which are embodied in the Perkins bill. Those principles briefly summarized and as understood by the committee are as follows: We favor the abolition of all procedural requirements such as notice, deposit of copies and registration of claims; in other words, we think literary property should be treated as other property and that the rights of the owner should not be made dependent upon any procedural formalities. On the other hand, if the owner desired to register his property it would seem to us wise that provision should be made for voluntary registration. In the second place, we think that the requirements for domestic manufacture should be abolished. Literary property, like other property, should receive full recognition as property, and ownership should not be made dependent upon the place of manufacture. In the third place, we think that compulsory licensing for the mechanical reproduction of any kind of literary property and any statutory regulation as to fees should be abolished. The owner should have full control of his property. He should be at liberty to negotiate with the other persons as to his right to property in any way he sees fit. It seems to

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[1] U. S. Congress, House Committee on Patents. Hearings on H. R. 10434, 69th Cong., p. 14.

[2] Hearings on H. R. 10434, op. cit., pp. 17, 18.

us that compulsory licensing or any regulation as to fees is incompatible with full recognition of literary property. In the fourth place, as literary property is property it should be subject to assignment and the assignee or licensee should have the right to sue in his own name and to protect his interest in that property as he could protect his interest in any other kind of personal property. And in the fifth place, we favor joining the International Copyright Union."[2]

The congressional committee made no report and both bills, the Vestal bill, H. R. 10434, and the Perkins bill, H. R. 5841, died with the adjournment of the 69th Congress. More than a year of effort had been spent by the private informal committee of the industry and the congressional committee, with nothing on the statute books to show for it.

Address by Hon. Edward Martin, of Pennsylvania, at Rotary Celebration of 100th Anniversary of Robesonia, Pa.

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Thursday, June 23, 1955

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered at the Rotary anniversary and centennial night celebrating the 100th anniversary of Robesonia, Berks County, Pa., on Tuesday evening, June 21, 1955.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am sincerely grateful for the honor and the privilege of participating in your program tonight.

The centennial celebration of Robesonia is an event of historic importance. It commemorates 100 years of progress and achievement. It represents loyalty and devotion to the splendid traditions of the past. It inspires renewed faith and confidence in the future.

In the century since Robesonia was founded generations of fine, upright, God-fearing Americans have built an outstanding community which embraces all the finest elements of the American way of life. The strength and vigor of patriotic Americanism lives in the spirit of your people. Here in Robesonia you have kept alive the will to advance through faith, work, thrift, tolerance, and self-reliance.

We point with pride to our great cities and our heavily populated metropolitan areas. It is right and proper to do so—but let me tell you that the strong, warm, vibrant heart of America is in the small towns like Robesonia, where good neighbors work together, plan together, and pray together to make a better life for all.

That is why I am so happy to be here tonight. That is why I welcome this opportunity to extend my heartiest congratulations to the fine men and women of Robesonia on the magnificent community spirit that made your great centennial celebration possible.

This meeting has been designated as "Rotary Anniversary and Centennial Night." It therefore has double significance and I am glad to offer an overflowing measure of congratulations to my fellow Rotarians on the 50th anniversary of the world's greatest service organization.

There has never been any question about the kind of Americanism that Rotary has preached and practiced through the half century of its existence. Rotary teaches patriotism, good will, mutual helpfulness, and obedience to the laws of God and man. Rotary has grown great by loyal adherence to American ideals. It is a potent force for the economic, cultural, and spiritual progress of our State and Nation. It is international in scope and serves the cause of peace by spreading the story of American freedom and American achievement to many parts of the world.

As we celebrate 100 years of Robesonia's progress it is fitting that we honor the pioneers of an earlier day. It is a time to voice our gratitude for the blessings that have come down to us from their struggle and sacrifice.

The early German settlers came into the fertile valleys of Berks County in search of a haven from religious persecution and tyranny. The sought freedom in the new world to worship in the manner that brought them closer to God. They were willing to face the dangers and hardships of the wilderness in order to live in peace, tolerance, and good will.

They were sturdy, courageous men and women of deep religious convictions. They brought with them highly developed skills in many crafts and a capacity for hard work.

They cleared the forests and tilled the soil. They built their homes, their schools, and their churches. With their own hands and their own industry they created a new life of liberty. They helped to shape the course of the American Republic.

On that strong foundation was built the great Berks County we are so proud of today.

It is great because men of courage and vision like Henry P. Robeson poured their powerful creative energies into productive enterprise for the benefit of their fellowmen.

The iron masters of the old days made a tremendous contribution to the industrial greatness of the United States. They were bold and vigorous exponents of free enterprise and individual initiative.

They stood on their own feet and met their responsibilities in the American way. They relied on their own efforts and energy. They did not ask the Government to guarantee their economic security. They didn't dream of government grants, loans, or subsidies. At the same time they were not hampered by an army of bureaucrats pretending to look after their interests. They did not encounter government competition with private industry. They were not required to pay excessive taxes to support government grown so big that it endangers the liberties of the people.

My fellow Americans, if our country is to be preserved as the greatest Nation in all history our people must stop leaning on governing and stand once more on their own feet as our forefathers did.

I would like to direct your attention to three great dangers that threaten America.

First. Big government and government doing things that we should do for ourselves.

The vast expansion in the size and cost of government at all levels is leading us away from the ideals of the Founding Fathers. The people are constantly demanding more and more services. Under that pressure government has become involved in too many functions in which it does not properly belong. The result has always been excessive taxation and the steady flow of power from the hands of the people into centralized, bureaucratic authority and government control.

Second. Too much private and public debt. Too many of our people do not seem to be concerned with the ever increasing burden of debt which is growing bigger and bigger at a sickening rate.

Never before in the history of the world have any people owed so much as we owe today. It should be a matter of deep concern to every one of us that the American people now owe a total of more than $600 billion, 3 times as much as the debt of 15 years ago.

Twenty years ago, when we were fighting the worst depression we ever had, the Federal debt was less than $20 billion. Today it is $278 billion, an increase of $20 billion since the end of World War II.

The debts of State and local governments have increased 16 percent in 1 year alone, reaching a total of $38 billion on June 30, 1954.

If for any reason we should be forced into a decline—even a slight decline in business activity, jobs, and income—this staggering burden of public and private debt could prove too much for our economy to sustain and could bring us to disaster.

Please bear in mind that more Nations have been destroyed by debt and taxes than by invading armies.

The third danger is too little interest in government. It is unfortunate that so many people have forgotten that taking part in government is a patriotic duty. We cannot expect clean and economical government unless we take a real part in it.

In the pages of history may be found the real meaning of these United States. Let us briefly consider the ideals of the patriots and statesmen who planned the American system of government.

It is not necessary for me to remind this audience that the unparalleled success of the United States is the result of the system they so wisely planned.

In less than 200 years an untamed wilderness has been transformed into the richest and most powerful nation of all time.

Our material, cultural, and spiritual attainments are unequalled anywhere in the world.

Our living standards are the highest of any people on earth.

American inventive genius has revolutioned every phase of industry and transportation. American hard work and "know-how" have created the greatest industrial empire ever known.

We have more churches, temples, and synagogues dedicated to the service of God than any other people.

More schools and colleges offer educational opportunities to youth in America than in any other country.

Our research workers are constantly revealing new miracles of science for the benefit of mankind.

All of these magnificent achievements, and many other I have not enumerated, are the envy of the world.

What made them possible?

They are ours to enjoy because the American system of government gave us freedom of the individual, strengthened by freedom of enterprise and supported by individual responsibility.

Our Nation was established on the ideals of a Republic. The Founding Fathers erected a great landmark in world progress when they proclaimed that the rights to "life, liberty, and the pursuit of happiness" are divine endowments, bestowed upon all mankind by the Creator of the Universe.

The adoption of the American Constitution, 178 years ago, was a turning point in the advance of civilization.

Under our form of government the people are the source of all authority. They are the masters of the Government. They are subject to no sovereign power except that granted by the Constitution.

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[2] Hearings on H. R. 10434, op. cit., pp. 223, 224. The full report of the American Bar Association on the Perkins bill appears in the hearings at pages 224 through 226.

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for dwindling natural gas reserves by refus- the country rank at the top as true because the people of urban centers lo-

The Founding Fathers recognized the dangers of a big, powerful, central government. Their objective was to create an atmosphere of individual freedom where men could work out their own destiny without interference from the Government so long as they respected the rights of their neighbors.

They knew from their profound study of history, that great democracies of the past had failed because the moral fiber of the people had become undermined by greed and corruption.

They knew that tyranny and dictatorship had always overwhelmed free people who ignored the sound principle that government has nothing to give except that which it first takes from the people.

Therefore, in framing the Constitution the Founding Fathers sought to protect the rights and the personal liberty of every individual from oppression by their own government. They established a Constitutional Republic under which the people govern through their duly elected representatives. They adopted a Bill of Rights, placing definite limitations on the power of the Government.

These fundamentals of the American system are well known to you. I mention them only because I believe that the principles and precepts of the Founding Fathers should be told over and over again until every citizen, young and old, understands and appreciates what America means and the reasons for its greatness.

We must teach the glories of the American way of life and what it has accomplished. We must arouse among our people a deeper recognition of personal responsibility for good government. We must teach our young people to be self-reliant, tolerant, and unselfish.

We must develop a stronger and more willing spirit of public service, civic mindedness, and moral leadership.

We must strengthen the moral and spiritual vitality of our people. Great armies and great navies will not maintain a nation's strength if patriotism and the moral courage of its people are permitted to decay.

We must safeguard the national economy against abuses by big business, big labor, and big government.

Our people should be taught in the schoolrooms, from the lecture platform, the pulpit, the legislative halls, and the courts, the difference between our republican form of government and the Communist system of Soviet Russia.

We must emphasize that freedom of the individual, as ordained by God, is the firm foundation of our national strength.

Americans are guided by the sacred principles of their religious faith. The Communists deny God. They worship the state. There being no God in the Communist philosophy, there is no morality.

In the United States "we the people" are the Government. In Soviet Russia the people are ruled by the iron hand of tyranny. They have no choice, no voice, and no vote. They have no rights, no privileges, no freedom.

Under our Republic, government is the servant of the people. Under the distorted concepts of godless communism government is the absolute master of the people—the will of the dictator is all powerful.

In closing let me recall the words of Woodrow Wilson who said and I quote:

"Freedom and free institutions cannot long be maintained by any people who do not understand the nature of their government."

For a better understanding of the nature of the American Government let us teach that the three great supports in the tripod upholding the American way of life are:

1. Faith in God.
2. Faith in our constitutional form of government.
3. Faith in our private enterprise plan of economy.

We can serve our country by teaching Americans what our Government really is and what American freedom means to us and to the world.

Conservation of Natural Gas

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, June 23, 1955

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared regarding the necessity for the conservation of natural gas.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

West Virginia has been a source of mineral fuels since the first commercial coal mines began operation in Brooke and Monongalia Counties more than a century and a half ago. Since that time West Virginia's mines have produced more than 5½ billion tons of coal—20 percent of all the bituminous coal that has come from all mines in the history of the United States.

Many years before Oklahoma, Texas, and other States destined to become famous for oil and gas production were admitted to the Union, West Virginia was supplying oil for America's spectacular progress in the transportation field. Our State had been a Mecca of activity when kerosene was the most important product of the crude. When the utility value of natural gas was finally discovered, important quantities of this invaluable fuel resource were to come from our State. West Virginia still produces at least 2 percent of America's total output of natural gas.

Mike Benedum, who has explored for oil in the Deep South, in the Southwest, in Canada, Mexico, South America, Europe, and Asia, was born and raised in West Virginia and got his start in the oilfields of our State. He was also an important figure in the development of the natural-gas industry. I am reminded of Mr. Benedum's early appreciation of the utility value of this fuel resource, as described in his biography, The Great Wildcatter. When he purchased a home in Pittsburgh in 1911, he decided that he should assure his new residence of an adequate supply of natural gas. To do so he erected a derrick in his backyard and was ready to begin operations when some of his neighbors suggested that the activity seemed inappropriate for that particular part of the city. Mr. Benedum acceded to the wishes of other citizens of the community and immediately ordered that the derrick be dismantled.

A good deal more natural gas was discovered in the ensuing years, and fortunately no homeowner has been required to drill his own well. Yet there could very easily come a time when the entire Nation will find natural gas in short supply unless steps are taken to conserve it as far as possible and practicable.

While official Government sources show that present known reserves are enough to take care of this Nation's needs for the next 22½ years, there is no reason for us to be complacent about the situation. The index of reserves dropped by 10 years between 1946 and 1954, which in itself should be cause for alarm. In 1946 we presumably had enough natural gas to last for 32 years; but unforeseen demand made a fallacy of this appraisal. Unless some action is forthcoming, there is no reason to believe that this dangerous decline will not be accelerated in the coming years.

I suggest that it is the responsibility of Congress to take the lead in encouraging the conservation of natural gas so that our children will be able to enjoy the convenience of this valuable fuel at a price within their reach. How many more generations can expect to derive like benefits is problematical. The one consoling feature from this prospective is that there is an abundance of bituminous coal in our natural resources stockpile; thus, gas manufactured from coal will be available for hundreds and hundreds of years into the future.

I have heard it said that, because of the almost unlimited supplies of manufactured gas which are assured by coal's abundance, there is no need for concern about what happens to natural gas. I do not share this opinion. I feel that it would be a misuse of our inheritance if we were no more altruistic than to assume this attitude. Certainly it is true that manufactured gas can supplant natural gas when necessary. I remind you, however, that there is a discrepancy in prices between these two products. If such were not the case, manufactured gas would be in direct competition with natural gas at the present time.

An explanation of the disparity in costs of natural gas and manufactured gas was contained in an address before the National Industrial Conference Board, in New York City, last month by Mr. James D. Francis, president of the Powellton Coal Co. at Huntington, W. Va. Mr. Francis, who holds the Charles F. Rand Memorial Medal as testimony of his record as one of the Nation's leading industrialists and outstanding citizens, later placed this statement in the record of his testimony before the Senate Interstate and Foreign Commerce Committee. I recommend it as highly elucidative for anyone who is interested in our fuels problems.

Is it fair to ask householders to take their chances on how long natural gas will last and how much they're going to pay for it? I think that our children and their progeny as well as the present generation, deserve some consideration in this respect. The time has come for Congress to let it be known that it expects the Federal Power Commission to insist that natural gas be dispensed judiciously, to demand that wasteful practices be eliminated, and to give continuing thought to conservation of this resource.

The Federal Government has fallen behind in the job of maintaining adequate fuel reserves. Extravagance in the use of timber, fish, game, and water resources has been effectively reduced over the years through Government action. Why we have failed to make some provision for the conservation of other resources that are vital to the national defense and the general welfare is a serious reflection on responsible authorities.

I ask whether any Member of this Senate could take exception to this appeal for a specific recommendation that the Federal Power Commission henceforth make conservation a guiding principle as a means of extending the life index of natural gas as far into the future as possible. Perhaps a later Congress will have to be more definitive on this subject. For the time being, however, I believe that the Federal Power Commission should be allowed the responsibility of making the determinations involved. The Commission knows the problems. It will be able to act with greater sagacity in the overall interests of the country once the intentions of Congress with respect to conservation are made known.

The Commission realizes that extravagant use of natural gas is extremely shortsighted so long as we have billions of tons of coal in the ground and thousands of miners eager to extract it. In the past the Commission has occasionally shown evidence of its concern

for dwindling natural gas reserves by refusing to permit industrial use in areas where ample coal supplies are available. With a specific recommendation from Congress, the Commission will be able to carry out this policy to whatever extent the Nation's interests require.

Industrial use of natural gas in areas where ample coal supplies are available constitutes the most glaring waste of this valuable but scarce mineral resource. In view of the many studies by Federal, State, and local economic groups, it should be unnecessary to recall the heavy unemployment in the mining districts of West Virginia and other coal-producing States. The Federal Power Commission unquestionably knows of these conditions, but perhaps it is reluctant to give coal an equal opportunity to expand markets simply because Congress has failed to spell out the duties of the Commission under current circumstances, in contrast to the fuels situation when the Natural Gas Act was passed almost two decades ago. I consider it the obligation of Congress to delay no longer in the enactment of the necessary legislation to bring the Natural Gas Act up to date.

Iowa Legislature Against Decentralizing Soil Conservation Service

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to have included in the CONGRESSIONAL RECORD a resolution passed by both houses of the Iowa Legislature praising the program of the Soil Conservation Service and asking that it continue to be federally administered.

Any decentralization of the soil-conservation activities from Federal to State administration would be a misconception of the fundamental belief in local voluntary effort and the preservation of individual initiative. Such an action would lead to delays and inefficiencies in the conservation of our soil and water resources, and in many places it would halt progress completely.

The federally operated action program of the Soil Conservation Service, which gives technical assistance to farmers and ranchers to help them in conserving their soil and water resources, has encouraged the most far-reaching and greatest voluntary effort in the history of American agriculture. The formation of soil-conservation districts, now numbering more than 2,650, makes it possible for the farmer and rancher to decide if he wants to conserve his soil, and when and where it is to be done. The commissioners who direct soil-conservation districts give generously of their time without pay. These men are dedicated to helping their neighbors get the best possible program on their farms by serving as a local board to channel all available help. They make inspection trips to surrounding States in order to acquaint themselves with new ideas which can be adapted in their district. They, and their 11,000 associates throughout the country, rank at the top as true Americans.

The Soil Conservation Service gives the farmer in soil-conservation districts the technical details of what he can do and how it should be done. Each of the soil-conservation districts develops its own program and requests the assistance it needs not only from Federal but from State and local sources as well. This procedure encourages local voluntary effort and preserves individual initiative. Also, it is efficient, has precision, and is coordinated.

The proposal to decentralize the Federal Soil Conservation Service to respective States would:

First. Prevent the carrying out of a coordinated flood-prevention program in watersheds that cross State boundaries. Those of you who have small watershed protection projects in your districts know how successful the Soil Conservation Service has been in helping farmers prevent flood damage. You will recall that in the 83d Congress, through the joint efforts of the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and the gentleman from Kansas [Mr. CLIFFORD R. HOPE], an appropriation was made for the purpose of conserving soil and water resources, alleviating damages from floods, siltation of reservoirs, impairment of stream channels, and related problems in small watersheds. The landowners and operators of the land located in the project established under this program in my district told me last winter how happy they were with this work so far. When the work is completed about a year from now, I feel sure it will be one of the best demonstrations for the prevention of flood damage and the improvement in production and living standards ever completed in rural America. Programs of this sort are now being carried out throughout the country under the Watershed Protection and Flood Prevention Act passed last August. These small upstream watershed-protection projects complement and supplement the work of the Army engineers on downstream flood control. They are a part of agriculture and are associated with the conservation program in soil-conservation districts. Also, the proposal to decentralize the Federal Soil Conservation Service would—

Second. Prevent a coordinated approach to the Dust Bowl problem which is caused by drought and wind damage across portions of seven southern Great Plains States.

Third. Lower the quality of technical assistance which farmers and ranchers have been obtaining for the last 20 years.

Fourth. Lose qualified technical personnel now in soil and water conservation who would move to other Federal jobs quickly because of better working conditions, lack of retirement policies, and other factors and there would be a dearth of qualified technical assistance available.

The problem of soil and water conservation is important to all the people of the Nation particularly in time of war when an ample supply of food is essential. The problem is national in scope because the people of urban centers located outside States are dependent on the food and fiber produced on lands for which their political units have no jurisdiction. Therefore, the program must be coordinated nationally.

The percentage of the population engaged in production is progressively decreasing. To decentralize the soil conservation program will further weaken the efforts of the people involved and thereby make it much more difficult for them to protect their resources and produce efficiently.

The resolution above mentioned follows:

Senate Concurrent Resolution 26

Whereas the Committee on Federal Aid to Agriculture, a subcommittee of the President's Commission on Intergovernmental Relations, has reportedly recommended to the Commission the transfer of the function of soil-conservation technical assistance to the various States; and

Whereas the National Association of Soil Conservation Districts in the United States and the Iowa Association of Soil Conservation Districts, representing 100 soil-conservation districts in this State, along with other individuals, groups, and organizations who are vitally interested in the program, are opposed to the reported recommendation; and

Whereas if the reported recommendation is approved it would place an inordinately heavy financial burden upon the State of Iowa, since the contemplated State appropriation each biennium could amount to a sum in excess of $1 million if assistance to local soil-conservation districts is to be maintained at current levels; and

Whereas such program would greatly retard, if not eventually destroy, the national program of soil and water conservation now being carried on, and since the problem is national in scope it should be dealt with accordingly: Now, therefore, be it

Resolved by the Senate of the State of Iowa (the House of Representatives concurring therein), That the President of the United States and the President's Commission on Intergovernmental Relations are hereby respectfully memorialized and urged not to approve the reported recommendations of the Committee on Federal Aid to Agriculture relative to gradual transfer of soil-conservation technical-assistance functions from the national authority to the various States; be it further

Resolved, That copies of this resolution be forwarded forthwith to the President of the United States, to the Chairman of the President's Commission on Intergovernmental Relations, and to the Senators and Representatives of the State of Iowa in the Nation's Capital.

Unemployment

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. KELLEY of Pennsylvania. Mr. Speaker, the Eisenhower Department of Labor celebrated the end of the 1953–55 recession the other day in a press release which reported that between March and

neighborhood of the consumer but the cost

to attend a few of the sessions of the

paid back to the Treasury by those who

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May there were substantial increases in employment and sharp drops in joblessness in most of the Nation's major labor-market areas.

Good news—yes. Except that, even with the steel industry now booming at near capacity levels in all major plants, the 4-county Pittsburgh labor-market area, which includes Westmoreland County, is still a distressed area with unemployment of between 6 and 9 percent.

When the March survey figures were made public 2 months ago, showing very little improvement in the jobless situation throughout the country even though production had jumped up tremendously, I said the paradox of all of this unemployment in the midst of a near-record production level indicated some really serious and fundamental faults in our economy.

The May figures just released make the paradox even more surprising and alarming.

You have certainly seen the headlines in the newspapers all this year telling us how prosperous we are, how well we have recovered from the Eisenhower "hard money" recession, how rosy and reassuring the outlook is. All of us have been encouraged at these periodic reports of substantial improvement over last year.

But substantial improvement over last year's recession levels apparently is not nearly enough to assure full employment in this vast, rich country.

We are producing more with fewer workers. But we are not providing enough new jobs for the displaced workers or for the youngsters coming into the labor force.

Because of the introduction of so much new automatic equipment, as well as worker improvement on the job, productivity—that is, the amount each worker turned out per hour—rose probably at as fast a clip in the past year as at any time in the past many years. This is very much to the good if those productivity benefits are spread around evenly through higher pay or lower prices, or both. Either helps to increase purchasing power and thus stimulate demand and thus provide more job opportunities.

THE LONG, LONG LIST OF DISTRESSED AREAS

But our economy has not been expanding as it should. And so, consequently, even in this period of record production of goods and services, we have the following major labor market areas in the distress category:

Pittsburgh, Philadelphia, Altoona, Erie, Johnstown, Reading, Scranton, Wilkes-Barre, Hazleton, all in Pennsylvania; San Diego, Calif.; South Bend and Terre Haute, Ind.; Portland, Maine, and Portland, Oreg.; Fall River, Lawrence, Lowell, New Bedford, all in Massachusetts; the Duluth-Superior area of Minnesota; Atlantic City and Paterson, N. J.; Albuquerque, N. Mex.; the Albany-Schenectady-Troy areas and also the Utica-Rome area of New York; Asheville and Durham, N. C.; Providence, R. I.; Chattanooga and Knoxville, Tenn.; Tacoma, Wash., and Charleston, W. Va., and the Huntington-Ashland and the Wheeling-Steubenville areas.

In addition, 105 smaller production centers throughout the country are listed in the distress category with more than 6- and often more than 12-percent unemployment including these in Pennsylvania: Berwick-Bloomsburg, Butler, Clearfield-DuBois, Indiana, Kittanning-Ford City, Lewiston, Lock Haven, Meadville, New Castle, Oil City-Franklin-Titusville, Pottsville, Sunbury-Shamokin-Mt. Carmel, Uniontown-Connellsville, and Williamsport.

Certainly no one could look at this long, long list of distressed production centers of America and say that we have licked recession or have restored a satisfactory economic level. I will amend that statement; only the Eisenhower administration could look with such complacency on this grim picture.

Amend and Improve Social Security Law

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. DAVIS of Georgia. Mr. Speaker, I would like to urge that Congress devote some time and attention during the present session to the question of amending and improving our social security law.

The present benefits under our social security law do not afford the protection and security which our workers and their dependents expect.

One of the reasons is that today the American dollar is worth just about half what it was when the social security system was set up some 20 years ago. A dollar today will go just about half as far toward providing the necessities of life as was expected when the social security system was set up.

I realize, as all of us do, that in working out social security legislation, we are dealing with a subject which is relatively new. I realize that as we operate the system year by year unforeseen problems will arise, and from our experience in dealing with such problems we will gain knowledge and facts which will enable us to improve this law.

One of the things which I think our experience with the social security law has taught us is that 65 years as a minimum retirement age is not working out satisfactorily. I would like to see the retirement age lowered from 65 to 60 years.

Another change which I believe should be made is to amend this law and provide that a worker who becomes totally and permanently disabled before reaching the age of 65 should be eligible for his retirement benefits regardless of age.

In many cases a retired worker finds that his social security benefits are not enough to enable him and his wife to maintain themselves and provide the actual necessities of life. Many of them find it necessary to work and earn additional money to supplement the social security benefits. Under present law a retired worker is permitted to earn only $1,200 a year and retain his social security benefits. I feel that this sum which he may earn without losing his benefits should be raised to $2,000.

Legislation has been introduced to provide these improvements in our social security law, and I am today bringing this matter to the attention of the House to urge that this legislation be given immediate attention, and that it be reported out of the Ways and Means Committee and be taken up on the floor and passed as promptly as possible.

Mr. Speaker, I think that the need for this legislation should give it a high place upon our calendar. I urge that prompt action be taken upon it.

Speaker Rayburn's Statement in Support of Natural Gas Bill

EXTENSION OF REMARKS
OF
HON. OREN HARRIS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 23, 1955

Mr. HARRIS. Mr. Speaker, as you so well stated yesterday, there is much discussion on proposed amendments to the Natural Gas Act of 1938, to clarify the jurisdiction of the Federal Power Commission over independent producers and gatherers of natural gas.

Our Committee on Interstate and Foreign Commerce has reported a bill, which would exempt the independent producers of natural gas from Federal regulation as a utility and protect the consumers from unreasonable prices of natural gas by providing control by the Federal Power Commission over prices which could be received by the producers.

Your public statement on this problem yesterday was, in my opinion, appropriate and commendable and I ask unanimous consent that your complete statement be included herein, together with the news article, which was carried in the Washington Post and Times Herald this morning, for the information of the Members of Congress:

STATEMENT OF SPEAKER RAYBURN ON GAS BILL

There has been a great deal of talk about the gas bill that has been reported by the committee and I desire to say that my position has not changed on that type of legislation since it was up the last time.

I supported the bill that Mr. Truman vetoed and I am supporting the bill the committee has reported. I think that if the Phillips decision stands unchanged, we would have less and less gas, which in my opinion might bring about an increase in the price of gas to the consumer. The passage of the Harris bill, I think, means the production of more gas and also if you have more and more of anything the price is more likely to go down than up.

The great cost in getting the gas to the consumer is not in getting the gas to the

Not only does irrigation and reclama-

In the booklet, it is pointed out that

will stabilize the vulnerable agricultural

neighborhood of the consumer but the cost of distribution after it gets there. I could name some cities, but it is not necessary to do that, where it costs less than 70 cents to get the gas out of the ground and transported to the cities where the consumer is paying more than $3 for the gas to the house.

If I could be convinced that this bill's effect would raise the price of gas to the ultimate consumer I would not be for it. I think the opposite.

I also think it is going to take the endorsement and the power of the administration to get this bill passed, and, of course, that means the President of the United States also.

[From the Washington Post and Times Herald of June 23, 1955]

RAYBURN ASKS IKE'S BACKING ON GAS BILL

Speaker SAM RAYBURN challenged President Eisenhower yesterday to throw his support to a bill to remove natural gas producers from Federal price control if he expects Congress to pass it.

RAYBURN, who announced his support of the measure for the first time, said "I think it is going to take the endorsement and power of the administration to get the bill passed. Of course, that means the President of the United States also."

A Presidential committee and the Federal Power Commission have recommended that natural gas producers be removed from the jurisdiction of the FPC. The House Commerce Committee has approved such a bill. But Mr. Eisenhower has taken no personal stand on the issue yet.

RAYBURN, veteran Texas Democrat, said continued Federal control will mean "less and less gas, which, in my opinion, will bring about increased prices to the consumer.

"Passage of the bill," he told reporters, "will bring more and more gas into production, and with more production prices are more likely to go down than up."

There is considerable opposition to RAYBURN's theory. Some big city mayors believe that prices will skyrocket if natural gas producers are removed from Federal control.

The Supreme Court has ruled that the FPC does have jurisdiction over well-head prices of natural gas. The decontrol bill is sponsored by Representative OREN HARRIS, Democrat, Arkansas.

RAYBURN also supported a Harris resolution which would call for a congressional investigation of the transmission and distribution of natural gas that costs 70 cents on the outskirts of the town.

HARRIS told the House Rules Committee, which is considering his resolution, that "the public is entitled to know why the cost of distribution is a major portion of the cost of their natural gas."

He said a 1954 survey showed that the well-head cost of gas was only about 10 percent of the price paid by the consumer.

Young Republican Federation Holds National Convention in Detroit

EXTENSION OF REMARKS

OF

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1955

Mr. WILSON of California. Mr. Speaker, last weekend I was privileged to attend a few of the sessions of the national convention of the Young Republican Federation, held in Detroit, June 14 to 18.

This youthful and dynamic political group has shown amazing growth in the past 2 years. Under the cochairmanship of Sullivan Barnes, of Sioux Falls, S. Dak., and Marian Smith, of Little Rock, Ark., the federation has reached an estimated membership of 500,000, a 65 percent increase. With the addition last week of Alabama and Alaska, every State is now represented. They are a most vital force in Republican politics.

New officials of the Young Republican Federation elected last week for the next 2 years are: Charles K. McWhorter, a young attorney of New York; and Joyce Bovik, of Denver, Colo., cochairman. The unsolid South is again represented, with Roy Foster, of Georgia, elected as treasurer. Margaret Hoffman, of Indiana, is the new secretary.

Highlight of the convention was an outstanding address by Vice President NIXON on Friday evening. He outlined the accomplishments of the Republican administration and emphasized the realization of our party's goal of peace, prosperity, and progress.

The Young Republicans adopted several resolutions of national interest, including a unanimous endorsement of Eisenhower and NIXON for reelection next year.

A number of Republican Congressmen participated in panels and forums. All of us were impressed with the serious-minded attitude of the delegates and their enthusiasm for the Republican program. Support of these politically minded young people may very well be decisive in the next election. It is encouraging to all of us who must face election to have their wholehearted backing.

Irrigation: An Investment in the U. S. A.

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 23, 1955

Mr. MILLER of Nebraska. Mr. Speaker, too often we judge by association or just by looking at the cover. If we see something good, many of us immediately accept anything that goes along with it as being good, sometimes we are fooled. Then, too, many books are excellent sellers just because they have intriguing covers, yet, how many of these are read from cover to cover.

This is much the case of irrigation and reclamation. I have been surprised time and time again when one of my colleagues registers disbelief when he is told costs for irrigation and reclamation are paid back to the Treasury by those who use them.

When we appropriate money for irrigation and reclamation, many Members immediately feel that this is a raid on the Federal Treasury. Why? Simply because they associate it with money appropriated for the operation of the hundreds of different functions of Government which is not returned to the Treasury. Perhaps we would fully realize this if the checks which are used to pay back this money were sent to the Treasurer of the United States via the Congress. Of course, I realize this is very impractical and would never work.

Reclamation has repaid over $600 million to the Federal Treasury and during the present fiscal year, another $60 million will be returned to the Government in compliance with the repayment contracts entered into by the water users.

During 1954, the new wealth created from reclamation projects amounted to $785,939,000, this wealth pays taxes, brings security, and helps to develop new industries. Reclamation helps us keep pace with our expanding population and contributes greatly to our national economy.

We must remember that more than half of Reclamation's annual appropriation is now coming from the revolving reclamation fund which was established by the Congress by the Reclamation Act of 1902.

I ask you, are Commerce, Treasury, State, Defense, Labor, and the rest of the Departments paying half of their appropriations? Absolutely not.

You might say that the entire Nation benefits from the money appropriated for these Departments and that money which goes to the Bureau of Reclamation is used exclusively for the benefit of the 17 Western States.

Gentlemen, let me assure you that nothing could be further from the truth. Barren wastelands which once were unproductive are now producing crops, supporting thriving cities and thousands of people who represent a multi-billion-dollar market for products produced in every State of the Union.

Even if we completely disregard the amount of money which is paid back by the water users, you can readily understand how such an intelligent and rewarding investment reclamation is. In new income taxes alone the Federal Government collects millions annually.

Total appropriations for irrigation and reclamation since 1902 amount to about $2.7 billion. I want to impress you with the fact that most of this land was unproductive in either crops or taxes. Because of irrigation and reclamation, income from this land has produced over $4 billion in Federal income taxes. If we were to add the Federal gasoline, excise, excess profits, corporation, and hundreds of other taxes, the total would be fabulous.

I have checked with the Bureau of Reclamation relative to the repayment figures. They inform me that repayment of construction charges by the water users on Federal projects is more than 99 percent current.

interment or reinterment in the case of servicemen dying overseas before April 1956; to the Committee on Finance.

By Mr. ELLENDER (by request):

S. 2309. A bill to amend section 302 of the Packers and Stockyards Act of 1921 so as to

cordance with the laws relating to the disposal of surplus Federal property. I

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Not only does irrigation and reclamation pay for itself, but it also pays big dividends. It is a blue-chip investment.

COST ESTIMATES

Much criticism has been leveled at the Bureau of Reclamation, and many innuendos have been passed along that the engineers from the Bureau are able to justify many of the projects by intentionally underestimating the cost of the projects.

Calling your attention to a statement inserted on page 7828 of the CONGRESSIONAL RECORD on June 7, 1955, by my good friend and colleague from Colorado [Mr. ASPINALL], he points out that the actual cost of Federal reclamation projects has been below the cost estimates of the Bureau engineers.

The critics have pointed to some projects which have cost considerably more than the original estimates. The facts are there and on face value they cannot be disputed. However, there must be, and is, a reason for this. First and foremost, we cannot forget that the value of the dollar has dropped from 100 cents just prior to World War II to about 50 cents where it stands now.

Critics use estimates on projects made prior to World War II regardless of the fact that actual construction or the biggest share of construction was completed following the war. Certainly we are all aware of the fact that construction costs have more than doubled since 1939.

RECLAMATION AND SURPLUSES

Perhaps some of you have seen the booklet We're Being Misled About Agricultural Surplus and Reclamation, which also includes excerpts from a speech by the distinguished Senator from New Mexico who is also a former Secretary of Agriculture.

In the booklet, it is pointed out that we will soon be eating our way out of house and home. The former Secretary of Agriculture said:

> Very soon, within the next 10 years, according to a study made by the Department of Agriculture as late as 1953, we may well be speaking of farm shortages, and the need for an adequate supply of farmlands. Crop surpluses will have vanished.

And on the question of when we will reach a balance between production and demand, the distinguished Senator from New Mexico said:

> Officials in the Department of Agriculture, in testimony before congressional committees and in their various publications point out that as early as 1962—only 7 years from now—a balance of production and consumption could be reached.

We of the arid and semiarid West have realized for many, many years the importance of water. Only recently has the humid East begun to realize that the well does run dry at times. Many cities have been forced to ration water. Who of us would have realized that, 10 or 15 years ago? Very few.

Today, I want to speak specifically on the Ainsworth irrigation unit of the Missouri River Basin project.

This unit entails about 34,000 acres of irrigable land. The weather cycle in this area—north central Nebraska—shows there is enough rainfall to let the farmer realize a fair profit on his labors only 1 out of every 5 or 6 years.

Irrigation will enable the farmers of that area to realize a perfect union of land and water. It will help them to help themselves. Crops have been lost because rain was 2 or 3 days late, and crops have produced bumper yields when rains were sufficient and came at the right time.

To the farmer it will mean a diversified and excellent crop production and will stabilize the vulnerable agricultural economy of the area.

As I have pointed out, my district—Fourth Congressional of Nebraska—has more cattle than any other congressional district in the Nation. Cattle feeders come from hundreds of miles to buy calves for their feed lots. Irrigation will provide a local market for locally produced cattle.

The people who live within the boundaries of the Ainsworth unit are eager to have irrigation. The district has passed a resolution agreeing to the form of the repayment contract. They are ready and able to assume the contractual requirements of repaying the Federal Government for the benefits they will receive.

The Federal Government, over the years, has spent billions for flood control, navigation, transportation subsidies, drought relief, crop support, and crop insurance—without expectation or hope of reimbursement. These areas of disaster continue to plague us. The irrigated oases in the arid West remain solid units of stabilized agricultural production—production in specialty crops which are not always in competition with those crops which are in surplus at the present time.

Again, I want to point out that I have no quarrel with the benefits derived from these areas of Federal operation, but I want to remind you that irrigation and reclamation projects pay back their appropriations; flood control and navigation projects do not.

The Ainsworth unit has been shown to be both economically and physically feasible. This is the one requirement which the Congress has placed on this project before actual construction may be begun. I hope my colleagues will see fit to pass H. R. 5749, which I have introduced, so actual construction of this project can be started as soon as possible.

SENATE

FRIDAY, JUNE 24, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we turn to Thee for refuge from the noise and hurry of the world without and from the tyranny of selfish moods and motives within. May we fear only to be disloyal to the best we know, to betray those who love and trust us, and to disappoint Thy expectations concerning us.

In a world where we see the dreadful penalties of selfish human separations, dedicate us in this anguished generation as builders of bridges across all the dividing gulfs which mar and rend this sadly divided earth. Help us this new day to meet its joys with gratitude, its difficulties with fortitude, its duties with fidelity. Deliver us from petty irritations which spoil the music of life and which distort our perspectives. Bring us to the ending of the day unashamed and with a quiet mind. We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 24, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBEN W. BARKLEY, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. BARKLEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 23, 1955, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5560. An act relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes;

H. R. 5936. An act to provide wage credits under title II of the Social Security Act for military service before April 1956, and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before April 1956; and

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 5560. An act relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes; and

H. R. 5936. An act to provide wage credits under title II of the Social Security Act for military service before April 1956, and to permit application for lump-sum benefits under such title to be made within 2 years after

recreation. However, if no solution of this kind can be reached, the only solution will

to the property, it would be put up for sale to private bidders. The possibility of a sale

isfaction of the Commission that in the exercise of this discretion he acted fairly and thus served the public interest.

interment or reinterment in the case of servicemen dying overseas before April 1956; to the Committee on Finance.

H. R. 6382. An act to amend the International Claims Settlement Act of 1949, as amended, and for other purposes; to the Committee on Foreign Relations.

AMENDMENT OF FEDERAL AIRPORT ACT—REPORT OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of June 23, 1955,

Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 1855) to amend the Federal Airport Act, as amended, reported it favorably on June 23, 1955, with amendments, and submitted a report (No. 636) thereon.

LEAVES OF ABSENCE

Mr. LANGER. Mr. President, I ask unanimous consent that I may be excused from attendance on the sessions of the Senate during the next week, on official business in connection with the Refugee Subcommittee of the Committee on the Judiciary. Hearings have been scheduled and witnesses have been subpenaed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Texas [Mr. DANIEL] and the Senator from Wyoming [Mr. O'MAHONEY] be given leave of the Senate to hold hearings in New York on behalf of the Judiciary Subcommittee on Narcotics.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PAYNE:

S. 2305. A bill to exclude certain lands from Acadia National Park, Maine, and to authorize their disposal as surplus Federal property; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE (by request):

S. 2306. A bill to amend the Communications Act of 1934 with respect to facilities for candidates for public office; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. LANGER:

S. 2307. A bill to provide for the establishment of a chapter dealing with narcotic violations in title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 2308. A bill to amend the Legislative Reorganization Act of 1946 in order to eliminate certain obsolete provisions and to make certain minor technical corrections therein, to amend title III of such act, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

By Mr. ELLENDER (by request):

S. 2309. A bill to amend section 302 of the Packers and Stockyards Act of 1921 so as to make such act inapplicable to stockyards which engage exclusively in the sale of livestock on commission at public auction; to the Committee on Agriculture and Forestry.

By Mr. SCOTT (for Mr. MURRAY):

S. 2310. A bill for the relief of George Belibasakis; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 2311. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to assign officers and members of the Metropolitan Police force to duty in the detective bureau of the Metropolitan Police Department, and for other purposes," approved June 20, 1942; to the Committee on the District of Columbia.

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2312. A bill for the relief of certain Korean war orphans; to the Committee on the Judiciary.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. CAPEHART (by request):

S. 2313. A bill to amend the Government Corporation Control Act;

S. 2314. A bill relating to the equities required with respect to home mortgages purchased under section 305 of the National Housing Act, as amended;

S. 2315. A bill to provide for increasing the equities required for the insurance of mortgages by the Federal Housing Administration, and for other purposes;

S. 2316. A bill to change the name of the Federal Housing Administration;

S. 2317. A bill to change the name of the Public Housing Administration;

S. 2318. A bill to prohibit a member of the Home Loan Bank Board from being a member of the Board of Trustees of the Federal Savings and Loan Insurance Corporation;

S. 2319. A bill relating to the authority of the Secretary of the Treasury to purchase obligations issued pursuant to section 11 of the Federal Home Loan Bank Act, as amended; and

S. 2320. A bill relating to the transfer of funds by the Housing and Home Finance Administrator; to the Committee on Banking and Currency.

By Mr. HAYDEN (for himself and Mr. CAPEHART):

S. 2321. A bill to amend section 308 of the Communications Act of 1934 with respect to certain applicants having an interest in, or an association with, a newspaper; to the Committee on Interstate and Foreign Commerce.

By Mr. GREEN:

S. 2322. A bill for the relief of Michael F. Corrigan and Louise A. Corrigan; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2323. A bill to provide for the delayed reporting of births within the District of Columbia; to the Committee on the District of Columbia.

S. 2324. A bill for the relief of Sgt. Donald D. Coleman; and

S. 2325. A bill for the relief of Hezekiah Nicodemus and his wife Grace Nicodemus and their daughter Sally Nicodemus; to the Committee on the Judiciary.

EXCLUSION OF CERTAIN LANDS FROM ACADIA NATIONAL PARK, MAINE

Mr. PAYNE. Mr. President, I introduce, for appropriate reference, a bill to authorize the exclusion from the Acadia National Park in the State of Maine of the tract of land known as the Green Lake Fish Hatchery, and to further authorize the disposal of this tract, in accordance with the laws relating to the disposal of surplus Federal property. I ask unanimous consent that the bill together with an explanatory statement, which I have prepared on this matter, be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2305) to exclude certain lands from Acadia National Park, Maine, and to authorize their disposal as surplus Federal property, introduced by Mr. PAYNE, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the tract of land in Acadia National Park, State of Maine, comprising approximately 300 acres and identified as the Green Lake fish hatchery tract is hereby excluded from Acadia National Park, and the said tract is authorized to be disposed of in accordance with the laws relating to the disposition of Federal property.

The statement presented by Mr. PAYNE is as follows:

STATEMENT BY SENATOR PAYNE

Many years ago the Green Lake Fish Hatchery tract in the State of Maine was the property of the Fish and Wildlife Service which was then under the Department of Commerce. The tract of land involved totals some 332 acres. The hatchery itself was closed by the Fish and Wildlife Service in 1922. From then until 1935 the land lay idle under the general supervision of the Department of Commerce. In 1935 the land, by act of Congress, was transferred to the National Park Service of the Department of the Interior to be used as part of the Acadia National Park. The Green Lake Fish Hatchery tract is located some 30 miles north of Acadia National Park. Due to this distance, primarily, the National Park Service never made any specific use of the land.

In 1947, the city of Bangor, Maine, applied for and was granted permission to use part of the property for recreational purposes. This permit has been continuously renewed up to the present time. In addition the Department of the Air Force utilizes part of the property as a recreational area for personnel stationed at Dow Air Force Base in Bangor, Maine.

After several inquiries from Maine concerning the status of this tract, I requested the Director of the National Park Service for a report on the Green Lake Fish Hatchery tract. In a letter dated October 20, 1954, the Director of the National Park Service stated:

"We are interested in making an appropriate disposition of this property as we have reached the conclusion that it has little if any value for purposes of Acadia National Park.

"The Green Lake Fish Hatchery tract, which became excess to the needs of the Department of Commerce for fish hatchery purposes, was transferred to this Department a number of years ago and became a part of Acadia National Park. We have found, however, that other than a small portion of the area, the property has little value for national park purposes. A part of the area has been used by the city of Bangor, under permit from this Department, for recreation purposes."

In the same letter the Director went on to state:

"As a park-administering agency, and because of the nature of this property, we are, of course, interested in the possibility of its continued use for some form of local public

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recreation. However, if no solution of this kind can be reached, the only solution will be to dispose of it as surplus property. In any event, since the area is a part of the park, legislation to dispose of it to the State, to any political subdivision, or to dispose of its as surplus property will be necessary."

On October 26, 1954, the city manager of Bangor, Maine, wrote to me as follows:

"The city council has requested that I indicate to you our continued interest in this area as a swimming and a general recreation area for the city of Bangor. Our municipal recreation department uses this area daily during the summer and Dow Air Force Base recreation organizations also use the area considerably."

Further interest in acquiring title to this property was indicated by the chairman of the Board of Selectmen of the town of Dedham, Maine, in a letter to this office dated December 6, 1954, which stated:

"Whereas part of this property is located in the town of Dedham the town feels it should have first refusal on the purchase of this site. I have talked to the city manager of Ellsworth and he feels much the same about acquiring the property situated in Ellsworth as we do."

As a final expression of interest the following quotation from a letter written by the city manager of Bangor, Maine, on December 16, 1954, gives a good summary of the overall picture:

"As I see the situation, the National Park Service is anxious to dispose of the property. The city of Bangor has made extensive recreational use of at least part of this property since 1947. Also as you know, Dow Airfield personnel use the area for recreational purposes.

"According to correspondence I find in my files, Mr. Orr, my predecessor in Bangor, had a considerable amount of correspondence with the State of Maine relative to the possibility of the State park commission taking over the Green Lake area for State park purposes. This, however, was not deemed feasible by the State park commission.

"Our feelings in this matter may be summed up by saying that we are definitely interested in continued use of the area for municipal recreational purposes, but do not necessarily wish to acquire title to the property unless no other Government agency or subdivision wants it."

The situation up to the present moment is best indicated by an excerpt from a letter from the Director of the National Park Service dated June 20, 1955, as follows:

"As stated in our letter of October 20, 1954, we have reached the conclusion that the property has little value for purposes of Acadia National Park and, as a consequence, we are interested in making appropriate disposition of it. As you know, an act of Congress will be required for its disposition. Legislation to exclude the land from Acadia National Park and to authorize the disposal as surplus Federal property is on the Department's legislative program. However, no bill to accomplish this has yet been introduced."

In view of the foregoing I have decided to introduce a bill to authorize the exclusion from the Acadia National Park in the State of Maine of the Green Lake Fish Hatchery tract and to further authorize the disposal of this tract in accordance with the laws relating to the disposal of surplus Federal property. Under these laws any Federal agency desiring the property, such as the Department of the Air Force for use of Dow Air Force Base in Bangor, Maine, would have first priority in acquiring title to the property. If no Federal agency desired the property, the State of Maine would have second priority, while any interested municipalities in Maine, such as Bangor, Ellsworth, and Dedham which have already expressed an interest in at least part of the property, would have third priority. In the event that no governmental unit wants to acquire title to the property, it would be put up for sale to private bidders. The possibility of a sale to private bidders of the Green Lake Fish Hatchery appears, in view of the interest expressed in the above-mentioned letters by cities and towns as well as that of the Air Force, rather remote.

Since this tract was made a part of Acadia National Park by an act of Congress, it necessarily will take an act of Congress to authorize its disposition as surplus as desired by the National Park Service, because its distance from the main park precludes proper utilization in conjunction with Acadia.

It is my hope that the Congress will act favorably on this bill so that the Green Lake Fish Hatchery tract may continue to be available for use by the citizens of Maine for recreational purposes.

AMENDMENT OF COMMUNICATIONS ACT, RELATING TO FACILITIES FOR CANDIDATES FOR PUBLIC OFFICE

Mr. PAYNE. Mr. President, by request, I introduce for appropriate reference, a bill to amend the Communications Act of 1934 with respect to facilities for candidates for public office. I ask unanimous consent that a statement, prepared by me, pertaining to the bill, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2306) to amend the Communications Act of 1934 with respect to facilities for candidates for public office, introduced by Mr. PAYNE, by request, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. PAYNE is as follows:

STATEMENT BY SENATOR PAYNE

By request, I am introducing a bill designed to exempt from the equal time provision contained in the political broadcast section of the Federal Communications Act of 1934—appearances of candidates on news programs, panel discussions, or similar programs controlled by broadcasting stations or networks.

It is felt that this matter should be given careful study by the Committee on Interstate and Foreign Commerce before any legislation is reported to the Senate. Although the difficulties caused the broadcasting industry by the present law are readily apparent, those difficulties should not be resolved in such a way as to infringe on equal opportunities to broadcast time by legitimate candidates for public office.

The exemption proposed to be made by this bill would leave intact the equal-time principle embodied in section 315 of the Communications Act. It would, however, give leeway to broadcasters and networks with regard to the appearance of political candidates on news, news interviews, news documentary, panel discussion, debate, or similar type program where the format and production of the program and the participants therein are determined by the broadcasting station, or by the network in the case of a network program.

Broadcasters, of course, would be called upon to justify the exercise of their discretion under this amendment in connection with renewal proceedings before the Federal Communications Commission at the time their licenses are up for renewal. A broadcaster might have to show to the satisfaction of the Commission that in the exercise of this discretion he acted fairly and thus served the public interest.

Under the provisions of the amendment, the exemption would also apply with regard to network-controlled programs of this nature. Networks are not licensed and, therefore, there would be no occasion to review their performance when their licenses come up for renewal. However, a question might arise whether the Commission should not be granted power to review the performance of networks with regard to their performance under the proposed amendment.

Finally, the amendment raises a question, at least by indirection, whether the basic provisions of the political broadcast section of the Federal Communications Act meet the present-day needs of broadcasters, networks, political candidates, and the electorate in view of the still-increasing importance of the broadcast medium in the political arena.

Section 315 (a), as proposed to be amended by the bill, reads as follows—italics indicate the new language which would be added to the present provisions of section 315 (a) of the Federal Communications Act:

"SEC. 315. (a) If any licensee shall permit any person who is a legally qualified candidate for any public office to use a broadcasting station, he shall afford equal opportunities to all other such candidates for that office in the use of such broadcasting station: *Provided*, That such licensee shall have no power of censorship over the material broadcast under the provisions of this section. No obligation is hereby imposed upon any licensee to allow the use of its station by any such candidate. *Appearance by a legally qualified candidate on any news, news interview, news documentary, panel discussion, debate or similar type program where the format and production of the program and the participants therein are determined by the broadcasting station, or by the network in the case of a network program, shall not be deemed to be use of a broadcasting station within the meaning of this subsection.*"

AMENDMENT OF LEGISLATIVE REORGANIZATION ACT OF 1946, RELATING TO FEDERAL REGULATION OF LOBBYING ACT

Mr. KENNEDY. Mr. President, I introduce, for appropriate reference, a bill to revise and strengthen the present Federal Regulation of Lobbying Act.

It is my intention, as chairman of the Subcommittee on Reorganization of the Senate Committee on Government Operations, to hold hearings on this bill early in the next session of Congress. I am introducing the bill at this time in the hope that in the intervening period it will receive thorough analysis and constructive criticism from other Members of Congress, political-science experts, and other concerned members of the public. Congress cannot postpone much longer the task of revising the present Lobbying Act, the constitutionality of which was upheld by the Supreme Court in a split decision only when the majority narrowly interpreted or rewrote many provisions of the act. Certainly if we are to be worthy of the trust confided in us, we must make certain that we neither impair the right of petition nor permit abuses and undisclosed pressures to interfere with the legislative process.

This bill is nearly identical to a similar bill which I introduced last year. I ask unanimous consent that there be printed in the RECORD, at this point in my remarks, a brief, simplified summary of the amendments proposed by this measure.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

This bill contains the following major improvements:

1. Enforcement: A copy of all registration and reporting documents would go to the Attorney General, who is charged with the responsibility for the enforcement of the act. The use of more precise terms, the expansion of such definitions as legislative agent and extension of the terms of the act to make certain that it is not evaded by those at whom it is aimed, will, I hope, facilitate its enforcement and thereby augment its significance on the national legislative scene.

2. Constitutionality: Items of dubious constitutionality, including those which had to be stretched by the Supreme Court in order to prevent infringement of free speech, and those which the Supreme Court had to rewrite, according to some, in order to make them sufficiently clear to meet the standards of certainty, have been eliminated or rewritten under this bill. The coverage of indirect lobbying is omitted; the prohibition of any lobbying either after a conviction or prior to registration is omitted; radio and TV stations are added to newspapers and regularly published periodicals under the exemption clause; and other provisions seek to remove constitutional objections to the law and thus facilitate its administration.

3. Contingent fees: This bill seeks for the first time to prohibit contingent fee lobbying contracts, whereby the compensation of lobbyists is dependent upon their "success" in securing the passage or defeat of particular measures. This practice, which is a serious reflection upon the legislative process and those who seek to influence it, is already outlawed under the lobby control laws of many States; and such a provision was recommended by the Buchanan committee and others.

4. Draftsmanship: This bill attempts to meet criticisms of the language of the old law by rewriting it in what, in my opinion, is clearer, more comprehensive, more consistent, better integrated, more practical, and more up-to-date terminology. Those definitions which have been termed "loose" are made clearer and more concise, and other definitions have been added in order to clarify the intent of the law. Reporting or coverage requirements concerning the amount of contributions or expenditures under the act are set at levels which balance practicality with adequacy of coverage. The word "regulation" is removed from the title, to reemphasize the point that no stigma should be attached to those registering under the act. Internal conflicts and confusion have been eliminated.

Mr. KENNEDY. I now introduce the bill, and request its appropriate reference.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2308) to amend the Legislative Reorganization Act of 1946 in order to eliminate certain obsolete provisions and to make certain minor technical corrections therein, to amend title III of such act, and for other purposes, introduced by Mr. KENNEDY, was received, read twice by its title, and referred to the Committee on Government Operations.

RELIEF OF CERTAIN KOREAN WAR ORPHANS

Mr. NEUBERGER. Mr. President, on behalf of myself, and my colleague, the senior Senator from Oregon [Mr. MORSE], I introduce, for appropriate reference, a bill to permit Mr. and Mrs. Harry Holt, of Creswell, Oreg., to bring to the United States six minor Korean war orphans. I ask unanimous consent that the bill, together with a statement by me, in explanation of the bill, may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2312) for the relief of certain Korean war orphans, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the six minor Korean war orphans to be adopted by Harry Holt and Bertha Holt shall be deemed to be the natural-born alien children of the said Harry Holt and Bertha Holt, citizens of the United States.

The statement presented by Mr. NEUBERGER is as follows:

STATEMENT BY SENATOR NEUBERGER

The Refugee Relief Act provides that no more than two special nonquota immigrant visas may be issued to eligible orphans adopted by a United States citizen. Adopted children of American citizens are entitled to fourth preference status within the quota. At this time the Korean fourth preference quota is heavily oversubscribed, resulting in over a 2-year wait. The purpose of this legislation is to allow Mr. and Mrs. Holt to bring, upon enactment, 6 Korean war orphans to the United States in addition to the 2 orphans permitted under the Refugee Relief Act.

Mr. and Mrs. Holt and their own children are to be congratulated for their warmhearted and humanitarian endeavor. They are performing a service to mankind in bringing about a better understanding among people. I have received 79 letters from friends and neighbors of the Holts urging favorable action and endorsing the Holts' fine spirit. After careful investigation of the facts, I believe the Holts are well prepared to provide a wholesome Christian home in Oregon for these homeless Korean war orphans.

Mr. Holt is now in Korea making the necessary arrangements for adoption of the Korean war orphans. I hope that the Congress can act with all speed. Congresswoman EDITH S. GREEN of the Oregon Third District is introducing a companion bill in the House.

JURISDICTION BY CERTAIN STATES OVER CRIMINAL AND CIVIL CASES ARISING ON INDIAN RESERVATIONS—AMENDMENTS

Mr. WATKINS submitted amendments, intended to be proposed by him to the bill (S. 51) to amend the act entitled "An act to confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes," which were ordered to lie on the table and to be printed.

PROHIBITION OF TRANSPORTATION OF GAMBLING DEVICES IN INTERSTATE AND FOREIGN COMMERCE—AMENDMENT

Mr. KEFAUVER submitted an amendment, in the nature of a substitute, intended to be proposed by him to the bill (S. 363) to amend section 3 of the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce, which was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

NOTICE OF MEETING OF ANTITRUST SUBCOMMITTEE OF THE JUDICIARY COMMITTEE

Mr. KEFAUVER. Mr. President, I wish to give notice that on Monday afternoon next, at 2 o'clock, there will be a meeting of the Antitrust Subcommittee of the Judiciary Committee in room 424 of the Senate Office Building.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SMATHERS:

Article, entitled "Job Opportunities for Handicapped in Small Business," written by Wendell B. Barnes, Administrator of the Small Business Administration.

DEATH OF AMON G. CARTER

Mr. JOHNSON of Texas. Mr. President, last night a man who was one of the great moving forces of our times passed away. He was Amon G. Carter, publisher of the Fort Worth Star-Telegram.

It is difficult to find words that adequately describe the attributes of Amon Carter. In west Texas he was a towering figure in the daily life of our citizens. His name was synonymous with one of our greatest cities—in fact, he was frequently known as Mr. Fort Worth.

But the impact of his personality was felt far beyond the borders of Texas. I doubt whether there are any leading people on the American scene—and very few on the international scene—who did not know him and respect him.

He was a tower of strength to me personally in some of the most critical periods of my life. In my 1941 campaign for the Senate he was an ardent supporter. In 1948 he was a friend—unstinting in his loyalty.

In recent years we had our differences—and they were differences of magnitude. But they were honest disagreements between principled men, and they never affected my deep respect and affection for him.

Amon Carter was a man who stood in the mainstream of the history of our times. He was born 75 years ago in a

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town so small that it was difficult to find on the map.

In those days west Texas was a vast, undeveloped stretch of territory. Fort Worth itself was just another "cowtown"—an outpost of civilization on the Trinity River.

The fact that west Texas is now booming and that Fort Worth is a metropolis can be attributed to the toil and the initiative of all its citizens. But they will unite in agreeing that Amon Carter was a leader—a moving spirit whose determination sparked this rapid growth.

There were few fields into which this restless, dynamic man did not enter and leave his mark. He was known internationally in industry, in aviation, in journalism, and in civic enterprises.

In every field he was a builder—a man who insisted upon solid, concrete achievements.

He walked with cattlemen and kings; with cotton farmers and with Presidents. He had the common touch which kept him close to all humanity and the uncommon qualities which made him a leader.

His death closes a chapter in our history—a chapter that has few equals. His friends and his loved ones are plunged into the deepest mourning.

But they have the consolation of knowing that his is a name which will not soon be forgotten. He left behind him monuments which will endure for years to come, and, Mr. President, such men are rare.

Mr. KNOWLAND. Mr. President, I wish to join the majority leader in paying tribute to the memory of a great Texan, a great American, and one of the outstanding newspaper publishers of our time. This year has seen the passing of a number of leaders of the fourth estate, and Mr. Carter played an important part in the newspaper business. His was one of the great newspapers of the country. He was known as a constructive builder in his home community of Fort Worth. He played a part in the civic activities of the community, of his State, and of his Nation. Those of us on this side of the aisle who either knew him or knew of his activities join in extending our sympathy to his family and to his friends and associates on his newspaper.

Mr. SYMINGTON. Mr. President, I should like to associate myself with the remarks of the distinguished majority leader and the distinguished minority leader, in paying tribute to a great American, Mr. Amon Carter, of Fort Worth, Tex.

When I was associated with the Air Force, no citizen in the United States was more interested than he in seeing that the airpower of this country was dominant over that of any possible enemy. Mr. Carter was known as a great host, a businessman of tremendous vision. He was one of the most outstanding men of our time, a great pioneer.

I join the other Senators in expressing to his lovely wife and his family deep sorrow at his passing.

ADMINISTRATION AND MANAGEMENT OF TIMBER ON PUBLIC LANDS

Mr. NEUBERGER. Mr. President, a recent small news item from the town of Montesano, Wash., dramatically points up a question of the administration of our national timber resources which is of vital importance to the Pacific Northwest, and which deserves the continued attention of the congressional committees charged with the supervision of our Federal land policies. I ask unanimous consent, Mr. President, that this story, entitled "Hemlock Brings Record Price," from the Seattle Post-Intelligencer of June 9, 1955, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HEMLOCK BRINGS RECORD PRICE

MONTESANO, June 8.—A record price of $31 a thousand board-feet for hemlock was recorded in a State timber sale here Tuesday.

Bay City Timber Corp. paid that figure in buying a total of 4,154,000 feet of timber, including more than 3 million feet of hemlock, on 231 acres northwest of Arctic. The total price was $117,985.

In a second sale of timber near Arctic the Wagar Lumber Co. paid $122,470 for 4,666,000 feet. The Wagar bid was $25 for hemlock, $33.50 for Douglas fir, $29 for spruce, and $30 for cedar.

Mr. NEUBERGER. Mr. President, this little story merely tells that at 2 timber sales in the State of Washington, 3 million board-feet of hemlock were sold at a record price of $31 a thousand, while Douglas fir brought $33.50, spruce $29, and cedar $30 per thousand, respectively.

Yet elsewhere in the same area, agencies of the United States Government sell hundreds of millions of board-feet of the same varieties of timber to lumber companies which enjoy the benefit of long-term exclusive contracts at prices ranging from $4.50 to perhaps $15 per thousand board-feet.

These figures, Mr. President, are a measure of the economic values which are at stake in the policies of Government agencies toward the vast federally held forest resources of the Northwest. Perhaps we should not wonder at the great pressures which are exerted toward opening up more forest lands, even within national parks, to logging under similarly generous administrative policies.

In the New York Times for Sunday, June 5, 1955, an article by John B. Oakes outlined some of the growing pressures under the Eisenhower administration against the conservation policies which we have carefully developed over half a century.

Among other symptoms of these pressures, the article mentions the continuing efforts to open to commercial logging parts of the great forests which have been incorporated in the Olympic National Park in the State of Washington. The latest sally against this great national park has come, once again, from the Rayonier Corp., which has a number of large sawmills in proximity to the park.

RAYONIER ATTACKS OUR NATIONAL PARKS

Rayonier, Inc., won a degree of national attention among conservationists last winter with an elaborate 2-page, multicolor advertisement in Time magazine attacking as economic waste the exclusion of logging or any other form of commercial use from the Olympic National Park. It still deplores the fact that, in this vast national park, big, beautiful, high-quality trees are permitted to mature, to die, eventually to fall, and to decompose in accordance with the primeval cycles of the forest, without economic utilization of the timber. Rayonier finds difficulty in recognizing other equal social values in maintaining, unspoiled and unimpaired by logging or other commercial use, forests large enough—not for picnic grounds—but so that men who enter them can leave our hectic civilization behind, and can see the same natural grandeur that met the first explorers of the West.

It is not as if the large lumber operators in the Northwest were being denied access to the annual yield of timber on the public lands, and were forced to rely on their own scientifically managed private tree farms. As a matter of fact, these large operators, by the very fact of their size, often benefit from policies of the Federal agencies which are charged with the management of the timber on the public lands.

These agencies sometimes feel, Mr. President, that, for one reason or another, perhaps differing from case to case, it facilitates the administration and management of these tremendous forest resources to make large-scale sale contracts with some of the biggest operators, even at the cost of giving up the benefits of open competitive bidding for this timber by all interested—large and small—operators in the vicinity.

WHY DOES INDIAN TIMBER BRING SO LITTLE?

As one example of the effect of such administrative policies, Mr. President, I might mention the case of the Quinault Indian Reservation, on the Pacific coast, north of Hoquiam, Wash. Facts which have been brought to my attention raise serious questions as to the wisdom of these policies.

Because of the scattered ownership patterns of Indian-trust allotments, the Bureau of Indian Affairs has thought it necessary to sell the timber on the Quinault Reservation by long-term contracts covering large areas. At the present time, such contracts, covering immense stands of Indian-owned timber for periods from 29 to 34 years, are in force with the Ozette Railway Co., the Aloha Lumber Co., and Rayonier, Inc. There is also a 5-year contract with Wagar Lumber Co., the company mentioned in the newspaper story. Under this contract, the Indian Bureau receives from $6.65 to $13 for the same varieties of timber for which the company bid from $25 to $33.50 at the sale reported by the Post-Intelligencer.

These contracts include provisions for frequent adjustment of the prices to be paid by the purchasers for different kinds of trees, the so-called stumpage rates, and other provisions for adjustment of the ratio of these prices to the going value of logs at the sawmill, on which the stumpage rates are based. Yet a comparison of the actual prices received

by the Bureau of Indian Affairs, on behalf of the Indian tribes, with those paid for comparable Government timber at competitive sales elsewhere in the surrounding territories, indicates that such administrative adjustments in these vast, long-term sales have not, in fact, given the Indians and the public the protection which might be provided by the pressures of competitive bidding.

THIRTY-ONE DOLLARS PER THOUSAND VERSUS NINE DOLLARS TO FIFTEEN DOLLARS

Thus, to take some of the most common varieties of lumber on the Quinault Reservation, hemlock is sold under the contracts at prices ranging from $4.50 to $7 per thousand board-feet. I have been told that at competitive sales by the United States Forest Service and elsewhere, it brings from $9 to $15, or exactly twice as much; and again I remind the Senate of the record $31 per thousand paid for 3 million board-feet at the recent sale near Montesano. The contract rates for cedar, spruce, and Douglas fir vary from about $10 to $15 per thousand board-feet; yet the competitive market prices for these varieties often run more than twice the respective amounts paid to the Indian Service by the large mills under their long-term contracts.

I repeat, Mr. President, these facts raise serious questions concerning the adequacy of present administrative policies toward these forests.

Are we discharging our responsibility toward the Indians to manage their valuable natural assets so as to bring them the largest available economic return? To many persons who have written me about the Quinault case, it does not look like it.

If, indeed, we fall short of this trust, is there not at least a possibility that the United States Government will find itself legally indebted to these Indians for their economic loss from the Government's low-price timber sales, and obliged to make up the difference to the Indians, so that, in effect, the taxpayers may end up subsidizing the big timber buyers with these cheap logs from the Quinault?

Finally, Mr. President, administrative policies, of whatever kind, which lead to timber sales of a duration or size, or to conditions of access which, in effect, divide Government-owned timber stands among a few great lumber operators, not only deprive the American people of the best return for their timber, but also have serious adverse effects on smaller independent mills, which depend on Government timber; on the communities in which these mills operate; and, in fact, on the economic efficiency of the whole industry, including the giants themselves.

Thus, Mr. President, I believe that we must continue to review our government policies toward the sale of timber from federally held forests. But there are many policies to review before we need to consider opening up the Olympic or any American national forest to logging or other forms of commercial use.

I call to the attention of the Indian Affairs Subcommittee of the Senate Committee on Interior and Insular Affairs—a subcommittee headed by the very able junior Senator from Wyoming [Mr. O'MAHONEY]—the absurdly low prices being received by the Government for the Indian timber on the Olympic Peninsula, as contrasted with the higher prices received for similar timber in nearby areas. The junior Senator from Wyoming is a champion of the welfare and rights of the American Indian. He will look into the matter carefully, I know. In addition, I take some satisfaction in the fact that I also am a member of his subcommittee.

In conclusion, Mr. President, I ask unanimous consent to have printed in the RECORD, along with my remarks, the article by John Oakes, from the New York Times of June 5, 1955. I call special attention to the section of the article entitled "Attack on Forests," in which Mr. Oakes refers to the desires of the Rayonier corporation to log the magnificent forests now protected with the borders of the Olympic National Park. One can only wonder whether Rayonier hopes to secure title to the trees of the Olympic Park for the same low prices it is paying the Indian agency for the timber belonging to our Indian tribes.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSERVATION: GROWING PRESSURES—THREATS TO WORK OF FISH AND WILDLIFE SERVICE ON THE INCREASE

(By John B. Oakes)

News of the retirement of Albert M. Day after 36 years of Federal service seems strangely appropriate at this period when the philosophy of conservation is at so low an ebb in administration circles in Washington. Mr. Day entered the old Biological Survey in 1919 as a temporary field assistant in Wyoming and rose through the ranks to become director of the Fish and Wildlife Service in 1946, a post in which he served with distinction for 7 years until, in 1953, he was unceremoniously shoved aside in favor of a noncareer man who still holds the job.

Conservationists irrespective of party strongly protested the demotion of Mr. Day, who presumably had aroused the ire of some of the powerful pressure groups—notably duck hunters and salmon packers—affected by the strong but necessary conservation measures of the Fish and Wildlife Service. Mr. Day was described at the time by Rachel Carson, former editor in chief of the Service, as "and able and fair-minded administrator, with courage to stand firm against the minority groups who demanded that he relax wildlife conservation measures." For the past 2 years he has been assistant to the director.

SOURCE OF ALARM

His departure now comes at a moment when some conservation agencies have been expressing serious concern over the political and other pressures that are threatening the work of the Fish and Wildlife Service on at least two fronts. In both Maryland and Ohio powerful politicians have reportedly attempted to influence the Department of the Interior (of which the service is a part) to ease its rigorous enforcement of regulations against baiting of waterfowl, i. e., scattering food in strategic areas to bring the ducks within easy range of hidden guns. The question now is whether the Department is going to be pressured into modifying or removing its anti-baiting rules in the same way it was apparently pressured into easing other waterfowl-hunting regulations in the fall of 1953.

The Fish and Wildlife Service also is being faced with increasing demands to pare down or even to eliminate some of the nearly 300 national wildlife refuges for the administration of which it is responsible. The Wildlife Management Institute reports, for example, that Nevada game officials want to wipe out the Desert Game Range, home of a band of desert bighorn sheep, in order to open the area to public hunting. Other areas involved include national refuges in Nevada, Oregon, Washington, Maine, and Arizona, and the very important Tule Lake Refuge in northern California and the Wichita Mountains Wildlife Refuge in Oklahoma. The Army wants to cut into the last-named in order to extend an artillery range.

Created in 1905 by President Theodore Roosevelt, the Wichita Refuge includes about 800 bison, 300 elk, herds of antelope, and deer and some 350 Texas longhorn cattle, a strain that came within an ace of extinction a generation ago. As the land is already owned by the Government, it would cost nothing for the Army to acquire it—which makes it very tempting in any acquisition program. But every possible alternative ought to be explored before this tract, carefully built up for its present purpose over a period of 50 years, is lost permanently as a game refuge.

The efforts to chip away at such areas lend especial pertinence to a bill introduced by Representative LEE METCALF, of Montana. This bill (H. R. 5306) would require specific congressional approval before any national wildlife refuge is disposed of. The Secretary of the Interior now has the right to do so at will.

BILLBOARD REGULATION

The great respect in which Senator GEORGE of Georgia is held by his colleagues ought not blind them to the fact that, on occasion, Senator GEORGE can be wrong. In a recent debate on the Federal highway bill, Senator GEORGE reportedly rose up and singlehandedly killed a provision that would have facilitated governmental control of outdoor advertising signs along the projected highways. The provision has been introduced by Senator NEUBERGER, of Oregon. Senator GEORGE objected that the proposed extension of advertising control would be an unwarranted invasion of States rights. His prestige was so great and his opposition so emphatic that the proponents of the provision felt obliged to back down. Thus there was killed a hopeful attempt to protect this future highway system, which will cost the American people billions of dollars, from the blight of billboards that have already destroyed so much of the scenery and the pleasure of driving in virtually every State of the Union.

ATTACK ON FORESTS

The large cellulose chemistry corporation which some 6 months ago published a 2-page color advertisement that offended many conservationists throughout the country (see this column for January 2, 1955) has returned to the attack. Rayonier Inc. has just issued a publicity release again breathing defiance of the policy of "locking up" timber in national parks and attacking the Government for "allowing millions of board feet of prime commercial timber each year to mature, die, topple over and rot." The immediate target of this particular campaign is the Olympic National Park, which is in the vicinity of 3 of the corporation's large mills.

If this corporation limited its publicity campaign to stressing the admirable scientific forestry methods it practices, modern-minded conservationists would only applaud. But when it suggests that the merchantable timber in national parks is wasted by not being logged it shows failure to understand the whole philosophy behind the parks and a confusion between the purpose of national parks and of national forests. The latter are, of course, managed for sustained-yield timber production, among other things, but the parks are meant to be pre-

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served in perpetuity "unimpaired for the enjoyment of future generations," in the words of the basic law of 1916. The national park system would be destroyed overnight if ever the idea were accepted that any commercially valuable product contained within the parks should be exploited by either public or private agencies. The parks contain values of greater importance to our country and our people than the number of board feet of standing timber or the dollars and cents they represent.

MAJ. GEN. KERN D. METZGER

Mr. SCOTT. Mr. President, on behalf of the senior Senator from Montana [Mr. MURRAY], I ask unanimous consent that comments prepared by the Senator from Montana [Mr. MURRAY] on the untimely death of Maj. Gen. Kern D. Metzger be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MURRAY

MAJ. GEN. KERN D. METZGER

I was profoundly shocked and deeply saddened by the sudden passing last Sunday of Maj. Gen. Kern D. Metzger.

Kern Metzger was a warmhearted, self-assured man who conscientiously and devotedly served his country for the last two decades of his life. Twice, in 1942 and in 1951, he left his successful business and commercial operations to fulfill what he considered to be his personal obligations to his country and its Government. When he left the armed services for the second time, in 1954, he abandoned nothing of his sense of duty to his country and in recent past months he served a committee of this Congress.

Kern Metzger turned his powers of perception and determination and his administrative abilities toward helping this country build the finest Air Force in the world. He was one of our top men in Air Force production and mobilization fields. He was commissioned a captain in the Air Reserve in August of 1942 and 2 months later he became administrative officer of the production division of the materiel command, at Wright Field in Ohio. In February of 1943 he was named assistant chief of the requirements branch there and in May he became chief of the branch—a position which he held with only a brief interruption until he left active duty in April 1946.

In February of 1951 he was recalled to active duty as deputy director of industrial resources at Air Force Headquarters. The following October he became chief of the industrial resources division at Air Materiel Command Headquarters in Wright Field, Ohio. In September 1952 he was named Director of Aircraft Production Resources Agency, in addition to his duties with AMC. He was promoted to the rank of major general in December 1953. For his work in World War II he was awarded the Legion of Merit for "his brilliant work in formulating and implementing improved methods of maintaining production control of supply items."

When he graduated from the New York Military Academy in 1920 he was at the top of his class. In a sense he never stepped down from that height during the rest of his life. He applied himself vigorously and unselfishly to the jobs he had to do and the results he produced attested to his perseverance and ability.

Serious in his manner and conversation, he, nevertheless, possessed a ready, whimsical smile—an index to his understanding of human nature and human beings. I know of few other men able to do a difficult, serious job and enjoy it as Kern Metzger did. All his friends and those who had only a slight association with Kern Metzger have reflected upon their private memories of him since his sudden passing and know the meaning of their sorrow and the depth of their loss.

THE NORTH DAKOTA CLEAN GRAIN PROGRAM

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter, under date of June 22, 1955, which I have received from Mr. George P. Larrick, Commissioner of Food and Drugs.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE,
FOOD AND DRUG ADMINISTRATION,
Washington, D. C., June 22, 1955.

Hon. WILLIAM LANGER,
United States Senate.

DEAR SENATOR LANGER: I have been informed that Governor Brunsdale of your State plans to issue a proclamation on June 23, proclaiming the week of July 11–16, 1955, as North Dakota Clean Grain Week. I have received a letter from Mr. Wayne J. Colberg, extension entomologist at your State College Station, Fargo, N. Dak., enclosing some material concerning the plans for the Clean Grain Week and inviting us to participate in the program on the opening day.

The material submitted by Mr. Colberg shows that a State committee to prevent contamination of food and grain, and the North Dakota Agricultural College have been quite active in disseminating information to farmers and elevator operators about the clean grain program. The people of North Dakota should be congratulated for this forward step in grain sanitation. It is an example that all other grain-producing States might well emulate. We think that Mr. Colberg and Governor Brunsdale, the Future Farmers of America, the 4–H groups, and the others who have been active in this progressive program in North Dakota should be commended.

I am writing similar letters to other members of the North Dakota delegation.

Sincerely yours,

GEO. P. LARRICK,
Commissioner of Food and Drugs.

HOME RULE FOR THE DISTRICT OF COLUMBIA

Mr. NEELY. Mr. President, Moritz Retzsch, a distinguished German illustrator of the works of Goethe and Shakespeare, gave to the world a notable allegorical drawing entitled, "The Chess Players." One of these is a noble young man, representing the genius of humanity; the other is Satan, representing the spirit of evil. The game is played on a huge sarcophagus. The stakes, which Satan is shown to be winning, are the souls of men.

Mr. President, a game of political chess of everlasting, worldwide importance is now in progress in San Francisco, in the convention of 60 members of the United Nations, who are celebrating the 10th anniversary of the signing of the organization's great charter—a document as immortal as Magna Charta, the American Declaration of Independence, or our cherished American Bill of Rights.

The present game is preparatory to an even more vital one that will be played in Geneva next month by the representatives of the United States, Great Britain, France, and Russia. During these contests, the representatives of Russia and her satellites will sit on one side of the board, which we all hope will not be a sarcophagus, and the representatives of the free nations of the world will sit on the other. The object of the games in both San Francisco and Geneva will be to determine whether the human race shall, for generations to come, be blessed with democratic government and the justice, liberty, and happiness of which it is the progenitor, or be cursed with autocratic tyranny and all the horrors of war, slavery, and misery which accompany it as inevitably as a shadow follows the substance by which it is made.

In the San Francisco game Russia's farseeing, resourceful, tireless Mr. Molotov has, so far as the United States is concerned, an advantage which, if the game were poker instead of chess, would be comparable to the holding of four aces or a straight flush. It is in the power of the Senate immediately to diminish this communistic advantage. And for prompt action in this matter, please let me earnestly appeal. The advantage in question lies in the fact that, both in San Francisco and Geneva, the spokesmen for communism can, and doubtless will, in effect, say to the representative of this Nation: "You send millions of your sons to Europe, Asia, Africa, and the islands of the most distant seas, to fight for the alleged purpose of establishing or preserving democratic government. And you spend billions of dollars a year in your ceaseless struggle for the adoption of the democratic philosophy of life by all the races and tribes of men. But notwithstanding these indisputable facts, for three-quarters of a century your country has maintained the most undemocratic National Capital in the world. For 75 years your country has denied the city of Washington even the semblance of the democratic self-government you have persistently and passionately preached. For 75 years your Nation has prohibited the residents of the city of Washington from voting for President, Congressman, mayor, a member of council, a member of a school board, or even for a dogcatcher. For 75 years your Government has subjected the residents of the city of Washington to taxation without representation—one of the outrages against which your Founding Fathers fought the Revolutionary War to famous American victory and thereby won glorious American independence."

And if the Russian spokesmen happen to be familiar with the Holy Bible, they will probably support their unanswerable argumentation with the following words of the Divine Master:

> Thou hypocrite, first cast out the beam out of thine own eye; and then shalt thou see clearly to cast out the mote out of thy brother's eye.

Mr. President, let us promptly cast the beams from our eyes, and prudently extricate ourselves from our utterly ridiculous and intolerable situation. The

means of achieving this consummation have, for many weeks, been before us, as the following facts conclusively attest.

The Senate Committee on the District of Columbia, on the 28th day of last April, unanimously reported Senate bill 669 to this body with the recommendation that it be passed. The bill was promptly placed upon the Senate calendar, and on the 13th of May it was called for consideration. This was prevented by an objection from the floor.

Mr. Ganson Purcell, chairman of the board of the Washington Home Rule Committee, in a letter recently written to me pertinently comments on the present status of this measure as follows:

> The only practical way that the home-rule bill can now be brought to a vote in the Senate is by an agreement of the Senate leaders of both parties. The present session is approaching a close. If action is to be taken during this session, it must be done before the last minute rush of legislation which always takes place around the end of the fiscal year and toward the end of a congressional session.

Mr. President, in 1949 and in 1951 bills similar to the one before us were passed by the Senate.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. NEELY. I yield.

Mr. LANGER. I entered the Chamber only a moment ago, and did not hear the opening of the Senator's speech. Did not the Republican and Democratic platforms both pledge home rule for the District of Columbia?

Mr. NEELY. Mr. President, please let me thank the distinguished Senator from North Dakota, who has long been a champion of home rule for the District of Columbia, for his inquiry, to which it will afford me genuine pleasure to respond.

The 1952 Republican platform says:

> We favor self-government and national suffrage for the residents of the Nation's Capital.

The Democratic 1952 relevant platform declaration is in these words:

> We favor immediate home rule and ultimate national representation for the District of Columbia.

Let me entreat the leadership of the Senate to provide for a vote on the home-rule bill at the earliest possible moment. And let the Senate pass this democratic measure, and thereby relieve itself of responsibility for the disfranchisement of the people of Washington who are the peers of the best of the civilized world. Let it do this, to the end that this Nation may be exonerated of the shocking stigma of maintaining the most undemocratic capital on the globe, to the end that Washington, like every inch of other American soil, may at last become a parcel and part of the land of the free and the home of the brave.

The ACTING PRESIDENT pro tempore. The unfinished business cannot automatically come before the Senate until 2 o'clock, unless by motion or unanimous consent.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar.

BOARD OF PAROLE

The legislative clerk read the nomination of Gerald E. Murch to be a member of the Board of Parole.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William F. Howland, Jr., to be a member of the Board of Parole.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nominations confirmed this day.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MISS HELEN KELLER

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 621, Senate Concurrent Resolution 39.

The ACTING PRESIDENT pro tempore. The Secretary will state the resolution by title.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 39) recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the resolution.

Mr. JOHNSON of Texas. Mr. President, the junior Senator from Alabama [Mr. SPARKMAN] and both Senators from Connecticut joined in the submission of the resolution. The Senator from Alabama is detained from the Chamber at the moment, but he has asked that the resolution be considered immediately, and the minority leader is agreeable to that procedure. I hope the resolution will be agreed to.

Mr. KILGORE. Mr. President, I have prepared a statement with respect to Senate Concurrent Resolution 39, and I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

This proposed concurrent resolution would recognize, on the occasion of her 75th birthday on June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world, and to direct that appropriate greetings be forwarded by the Secretary of the Senate to Miss Helen Keller on her 75th birthday.

The committee deems it appropriate to recognize that this remarkable woman, stricken deaf and blind in infancy, has for more than 50 years tirelessly devoted herself to the battle for the economic, cultural, and social advancement of the physically handicapped throughout the world, making her own conquests of disabilities a symbol of hope for millions.

The committee is in hearty accord with the spirit of this resolution, and deems it fitting tribute to Miss Keller to recommend that appropriate greetings be sent on the occasion of her 75th birthday.

Accordingly, the committee recommends that Senate Concurrent Resolution 39 be favorably considered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to as follows:

Resolved by the Senate (the House of Representatives concurring), That appropriate recognition be made of the vast contributions of Miss Helen Keller to the well-being of all humanity; and be it further

Resolved, That appropriate greetings be forwarded by the Secretary of the Senate to her on her 75th birthday, June 27, 1955; and be it further

Resolved, That the governors of States, mayors of cities, and heads of other instrumentalities of government, as well as leaders of industry, educational and religious groups, labor, veterans, women, farm, scientific, civic, and professional bodies, and all other organizations and individuals at interest, are invited to participate in this recognition of Miss Helen Keller by making her 75th anniversary the occasion for reaffirmation of their determination to assist in the improvement and expansion of facilities for the relief, education, and rehabilitation of the physically handicapped.

The preamble was agreed to, as follows:

Whereas Helen Keller will celebrate her 75th birthday on June 27, 1955; and

Whereas this remarkable woman, stricken deaf and blind in infancy, has for more than 50 years tirelessly devoted herself to the battle for the economic, cultural, and social advancement of the physically handicapped throughout the world, making her own conquest of disabilities a symbol of hope for millions; and

Whereas in her long and faithful association with the American Foundation for the Blind and the American Foundation for Overseas Blind she has traveled widely in the United States of America, and to more than a score of nations throughout the world; and

Whereas in all these travels she has inspired immeasurable progress in services to the blind, the deaf, and the deaf-blind, and has won countless new friends for the United States of America and the cause of democracy; and

Whereas Congress and the Chief Executive have expressed deep concern in improvement of conditions among the physically handicapped, and have initiated constantly expanding programs to this worthwhile end: Now, therefore, be it.

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DISQUALIFICATION OF CERTAIN FORMER OFFICERS AND EMPLOYEES OF THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 630, S. 48.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 48) to provide for the disqualification of certain former officers and employees of the District of Columbia in matters connected with former duties.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to disqualify certain former officers and employees of the District of Columbia from participating in matters connected with their former duties. This legislation is similar to section 284, title 18, of the United States Code, which applies to former employees in any agency of the United States.

I understand the bill was reported unanimously by the committee.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That whoever, after the effective date of this act, having served as a commissioner of the Public Utilities Commission of the District of Columbia, as a member of the Alcoholic Beverage Control Board of the District of Columbia, as Superintendent or Deputy Superintendent of Insurance of the District of Columbia, or under a permanent or indefinite appointment as an employee of such Commission, Board, or Superintendent, within 2 years after the time when such employment or service has ceased, knowingly prosecutes or acts as counsel, attorney, or agent for anyone in connection with any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter involving any subject matter directly connected with which such person was so employed or performed duty, shall be fined not more than $2,000 or imprisoned not more than 2 years, or both.

SEC. 2. This act shall take effect 60 days after the date of its enactment.

INCREASE IN ANNUITIES OF ANNUITANTS UNDER THE FOREIGN SERVICE RETIREMENT SYSTEM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 625, S. 1287.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1287) to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, the purpose of the bill is to increase the annuities of Foreign Service officers who retired prior to July 1, 1949. The increases will range from 25 percent for those retiring before July 1, 1945, to 5 percent for those retiring between July 1, 1948, and July 1, 1949. Provisions are made for commensurate increases in survivor benefits.

Mr. ELLENDER. Mr. President, how much will the bill cost?

Mr. MANSFIELD. At the present time there are 450 annuitants under the Foreign Service retirement and disability system. The pending bill will affect only 256 of these. The cost of the increase is estimated at $117,660 for the first year.

Mr. ELLENDER. How much will it cost thereafter?

Mr. MANSFIELD. The 20-year cost of the increase, based on the life expectancy of this group, will be about $1,440,000.

Mr. ELLENDER. How much do these officials contribute to the system?

Mr. MANSFIELD. They make a much more sizable contribution, on a percentage basis, than we do.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the annuity of an annuitant under the Foreign Service retirement and disability system pursuant to the act of May 24, 1924 (45 Stat. 140), as amended, or the Foreign Service Act of 1946 (60 Stat. 999), shall be increased the first day of the second month following enactment of this act in accordance with the following rules:

If the annuitant was formerly a participant in the system, the annuity to which he is entitled shall be increased—

(a) by 25 percent if his retirement took place before July 1, 1945;

(b) by 22.5 per cent if his retirement took place on or after July 1, 1945, but before July 1, 1946;

(c) by 17.5 percent if his retirement took place on or after July 1, 1946, but before July 1, 1947;

(d) by 11.25 percent if his retirement took place on or after July 1, 1947, but before July 1, 1948; and

(e) by 5 percent if his retirement took place on or after July 1, 1948, but before July 1, 1949.

SEC. 2. (a) The increase in the annuity of an annuitant who was formerly a participant in the system shall be computed on the annuity he was entitled to receive immediately prior to the effective date of Public Law 348, 82d Congress; (b) in the case of an officer who elected a reduced annuity at time of retirement and who availed himself of the restoration clause in section 821 (b) of the Foreign Service Act of 1946, as amended, such officer's annuity shall be recomputed, in the event of his wife's prior death at any time after the effective date of Public Law 348, on the basis of the full annuity to which he would have been entitled had his wife died prior to July 1, 1948.

SEC. 3. If the annuitant receives an annuity as the survivor of a former participant in the system, the increase in the annuity shall be based on the amount by which the annuity of the former participant would be increased, pursuant to sections 1 and 2 of this act, if he were still living. The increase in the annuity of such an annuitant shall bear the same ratio to the increase that would be received by the former participant as their respective annuities, computed as of a date immediately prior to the effective date of Public Law 348, 82d Congress, bear to each other.

SEC. 4. If a wife of a Foreign Service officer who retired prior to July 1, 1949, becomes an annuitant subsequent to the effective date of this act, as a result of the election made by the officer at time of retirement, such widow shall be entitled to the same increase as though she was an annuitant on the effective date of this act.

SEC. 5. In no case shall an annuity increased under this act exceed the maximum annuity payable under section 821 (a) or (b) of the Foreign Service Act of 1946, as amended.

SEC. 6. No annuity currently payable to any annuitant under the Foreign Service retirement and disability system shall be reduced as a result of the provisions of this act.

EXEMPTION FROM TAXATION OF CERTAIN PROPERTY OF THE JEWISH WAR VETERANS, U. S. A. NATIONAL MEMORIAL, INC.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 633, S. 1741.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1741) to exempt from taxation certain property of the Jewish War Veterans, U. S. A. National Memorial, Inc., in the District of Columbia.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the property situated in lot numbered 131 in Elizabeth S. Moore's subdivision of lots in square numbered 153, as per plat recorded in liber 28 at folio 107 of the record of the Office of the Surveyor for the District of Columbia. Also part of lot numbered 73 in Fisher and Sharon's subdivision of square numbered 153, as per plat recorded in liber 12 at folio 171 of the records of the Office of the Surveyor for the District of Columbia, owned by the Jewish War Veterans, U. S. A. National Memorial, Inc., is hereby exempt from all taxation so long as the same is owned and occupied by the Jewish War Veterans, U. S. A. National Memorial, Inc., and is not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1091; D. C. Code, secs. 47–801b, 47–801c, and 47–801e).

Mr. JOHNSON of Texas subsequently said: Mr. President, I ask unanimous consent that the Senate reconsider the votes whereby Senate bill 1741 was ordered to be engrossed for a third reading, read the third time, and passed.

I make the request for the purpose of offering a technical amendment.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered. The bill is before the Senate.

Mr. JOHNSON of Texas. Mr. President, I send to the desk an amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The Secretary will state the amendment offered by the Senator from Texas.

The LEGISLATIVE CLERK. On page 1, line 6, it is proposed to strike out the period and the word "Also" and insert a semicolon and the word "and."

The ACTING PRESIDENT pro tempore. The question is on agreeing to amendment offered by the Senator from Texas.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REPEAL OF REQUIREMENT FOR SUBMISSION OF ANNUAL REPORTS ON SALE OF ELECTRICITY IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 634, S. 2176.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2176) to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. The purpose of this bill is to repeal existing law that requires any public-utilities company, association, or corporation engaged in the manufacture and sale of electricity for illuminating or heating or power purposes, or either, in the District of Columbia to submit annual reports to Congress. The law requiring the filing of these reports was adopted March 2, 1907. Since that time, however, Congress has delegated the supervision of public-service corporations such as the Potomac Electric Power Co. to the Public Utilities Commission of the District of Columbia, created by law in 1913, and to the Federal Power Commission by a law enacted in 1938.

The committee which carefully considered the proposed legislation feels it is desirable that it be enacted.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the last paragraph under the center heading "Electrical Department" of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1908, and for other purposes," approved March 2, 1907 (D. C. Code, sec. 43–1109), is amended by striking out ": *Provided*, That any company," and all that follows down through "December 31, 1906."

PREMARITAL EXAMINATION OF APPLICANTS FOR MARRIAGE LICENSES IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. I ask unanimous consent that the Senate proceed to the consideration of Order No. 639, S. 182.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 182) to require a premarital examination of all applicants for marriage licenses in the District of Columbia.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments on page 4, line 3, after the word "issue", to insert:

Any person who by law is validly able to obtain a marriage license in the District of Columbia shall be deemed capable of giving consent to any examinations and tests required by this act.

On page 5, after line 16, to insert:

SEC. 6. As used in this act the terms "Health Department" and "Health Department of the District of Columbia" shall mean the Health Department of the District of Columbia, or the office, offices, agency, or agencies succeeding to the functions of the Health Department of the District of Columbia pursuant to the Reorganization Plan No. 5 of 1952; and the terms "Director of Public Health of the District of Columbia" and "health officer" shall mean the Director of Public Health of the District of Columbia or the officer or officers succeeding to his functions pursuant to Reorganization Plan No. 5 of 1952.

On page 6, line 4, to change the section number from "6" to "7", so as to make the bill read:

Be it enacted, etc., That it shall be the duty of the clerk of the United States District Court for the District of Columbia, before issuing any license to solemnize a marriage, to require, with respect to such party desiring to marry, a certificate from a physician licensed to practice medicine or osteopathy in the District of Columbia or in any State or Territory of the United States, or in the case of any member of the Armed Forces of the United States, from a commissioned medical officer of the United States Army, Navy, Air Force, or Public Health Service: *Provided*, That each such certificate shall first be approved by the Director of Public Health of the District of Columbia or by his agent designated by him in writing. Such certificate shall state (1) that such party has submitted to an examination (including a standard serological test and such other standard laboratory tests as may be necessary for the discovery of syphilis) made on a day specified in the certificate, and (2) that, in the opinion of such physician, based on such person's medical history and on clinical and laboratory evidence, the person either is not infected with syphilis, or is not in a stage thereof which may become communicable to the marital partner. Such certificate shall be signed in the presence of the physician by the person examined.

SEC. 2. The physician's certificate required to be filed by the first section of this act shall be made on a form (referred to in this act as the "certificate form") to be prepared and distributed by the Health Department of the District of Columbia and shall contain on the same form a statement, from the person in charge of the laboratory making the tests, or from some other person in the laboratory authorized to make such statements, setting forth the name of the tests, the date made, and the name and address of the person whose blood or other specimen was tested; but such statement shall not indicate the results of the tests. Upon a separate form also prepared and distributed to laboratories approved by the Health Department and designated as "premarital," a detailed report of the laboratory tests, showing the results of the tests, shall be made out by the laboratory in duplicate. One copy of this detailed report shall be transmitted by the laboratory to the physician making the examination and the other copy to the Health Department. Such "premarital" laboratory report forms shall be held by the physician and by the Health Department in absolute confidence and shall not be opened to public inspection except on order of a justice or judge of a court of competent jurisdiction requiring its production by the Health Department.

SEC. 3. (a) For the purpose of this act a standard laboratory test shall be any laboratory test for syphilis (1) approved by the health officer of the District of Columbia, and (2) made at a laboratory approved by such health officer. Any laboratory operated by any State or Territory of the United States, or by the United States Army, Navy, Air Force, or Public Health Service, shall be deemed to be an approved laboratory for the purposes of this act. To be valid such tests shall be made not more than 30 days before the issuance of the marriage license to which they apply. Such laboratory tests as are required by this act shall be made on request without charge at the laboratory of the Health Department of the District of Columbia.

(b) No marriage license issued after the effective date of this act shall be valid more than 30 days after the date of issue. Any person who by law is validly able to obtain a marriage license in the District of Columbia shall be deemed capable of giving consent to any examinations and tests required by this act.

SEC. 4. Because of an emergency or other cause shown by affidavit or other proof, a judge of the United States District Court for the District of Columbia, if satisfied by medical or other testimony or both that neither the health of the individuals nor the public health and welfare will be injuriously affected thereby, may make an order, on joint application of both of the parties desiring the marriage license, dispensing with those requirements which relate to the filing with the clerk of such court and the Health Department of the physicians' certificates and the "premarital" laboratory reports or, such certificates and reports having been filed, extending the 30-day period following the examinations and tests for the issuance of such license to not later than 90 days after such examinations and tests. The order shall be accompanied by a memorandum in writing from the judge, reciting his reasons for granting the order. The order and the accompanying memorandum shall be filed with such clerk, and the latter shall thereupon accept the application for the marriage license and issue the same, if the applicants are otherwise qualified by law to contract matrimony. The clerk and his employees shall hold such memorandum of the judge in absolute confidence and it shall not be open to inspection, ex-

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cept on order of a justice or judge of a court of competent jurisdiction requiring its production.

SEC. 5. Any applicant for a marriage license, any physician, or any representative of a laboratory who shall knowingly misrepresent any of the facts called for by the certificate form or the "premarital" laboratory report, or any person who shall otherwise fail to comply with any provision of this act, shall be guilty of a misdemeanor and upon conviction thereof, shall be punished by a fine of not more than $500, or imprisonment for not more than 6 months, or both.

SEC. 6. As used in this act the terms "Health Department" and "Health Department of the District of Columbia" shall mean the Health Department of the District of Columbia, or the office, offices, agency, or agencies succeeding to the functions of the Health Department of the District of Columbia pursuant to the Reorganization Plan No. 5 of 1952; and the terms "Director of Public Health of the District of Columbia" and "health officer" shall mean the Director of Public Health of the District of Columbia or the officer or officers succeeding to his functions pursuant to Reorganization Plan No. 5 of 1952.

SEC. 7. This act shall take effect 90 days after the date of its enactment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the amendments be agreed to en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the amendamendments are agreed to en bloc.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to require the clerk of the United States District Court for the District of Columbia, before issuing any marriage license, to require from each party a certificate from a physician licensed to practice medicine or osteopathy, stating that he or she has submitted to a test for the discovery of syphillis, and that either or both parties are not infected with syphilis, or are not in a stage thereof which may become communicable to the marital partner.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REPEAL OF PROHIBITION AGAINST DECLARATION OF STOCK DIVIDENDS BY PUBLIC UTILITIES IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 635, S. 2177.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2177) to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with an amendment on page 2, after line 2, to insert:

SEC. 2. Paragraph 73 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913 (sec. 43–802, D. C. Code; 37 Stat. 990), be amended to read as follows: "That no public utility shall hereafter issue any stocks, stock certificates, bonds, mortgages, or any other evidences of indebtedness payable in more than 1 year from date, or pay any stock, bond, or scrip dividend, until it shall have first obtained the certificate of the Commission showing authority for such issue from the Commission."

So as to make the bill read:

Be it enacted, etc., That paragraph 75 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913 (D. C. Code, secs. 43–804), which provides that no public utility shall declare any stock, bond, or scrip dividend or divide the proceeds of the sale of any stock, bond, or scrip among its stockholders, is hereby repealed.

SEC. 2. Paragraph 73 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913 (sec. 43–802, D. C. Code; 37 Stat. 990), be amended to read as follows: "That no public utility shall hereafter issue any stocks, stock certificates, bonds, mortgages, or any other evidences of indebtedness payable in more than 1 year from date, or pay any stock, bond, or scrip dividend, until it shall have first obtained the certificate of the Commission showing authority for such issue from the Commission."

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to repeal paragraph 75 of the act creating the Public Utilities Commission of the District of Columbia, approved March 4, 1913. This paragraph provides that "no public utility shall declare any stock, bond, or scrip dividend or divide the proceeds of the sale of any stock, bond, or scrip among its stockholders." The proposed bill would repeal this provision, but the committee is of the opinion that a stock dividend would still require approval of the Public Utilities Commission under the provisions of paragraph 73. However, to remove any doubt as to such authority, the committee has recommended the amendment which appears in the bill as reported.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RATES OF COMPENSATION OF MEMBERS OF CERTAIN EXAMINING AND LICENSING BOARDS IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to consider Order No. 632, S. 1739.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1739) to authorize the Commissioners of the District of Columbia to fix rates of compensation of members of certain examining and licensing boards and commissions, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the bill would authorize the Commissioners of the District of Columbia to fix the rate of compensation or honorarium to be paid to members of examining and licensing boards, commissions, and committees and to cause all funds collected by such boards, commissions, and committees for holding examinations and issuing licenses to be deposited to the credit of the District of Columbia.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) notwithstanding the provisions set forth in the acts mentioned in section 2 of this act, the Commissioners of the District of Columbia are authorized and empowered to determine from time to time the honorariums to be paid to the members of the boards, commissions, and committees appointed and established by authority of such acts, such authority to include the power to determine the total amount per annum of any such honorarium.

(b) The funds (including bonds or other securities referred to in section 10 of the act approved December 20, 1944, as amended July 5, 1952) derived from fees and charges for examinations, licenses, certificates, registrations, or for any other service rendered by any such board, commission, or committee, remaining after the payment, or provision made for payment of all obligations of the respective boards, commissions, and committees outstanding as of June 30, 1954, shall be deposited in the Treasury to the credit of the District of Columbia and on and after the effective date of this act all moneys collected for such fees and charges shall be paid into the Treasury to the credit of the District of Columbia.

(c) Notwithstanding the limitation of any other law or regulation to the contrary, any person heretofore or hereafter appointed as a member of any such board, commission, or committee may receive his honorarium as well as any retired pay, retirement compensation, or annuity to which such member may be entitled on account of previous service rendered to the United States or District of Columbia Governments.

(d) As used in this act, "honorarium" means the fee, per diem, compensation, or any amount paid to any member of any such board, commission, or committee for service as such member. Such service shall not be deemed to be service within the meaning of the Civil Service Retirement Act of May 29, 1930, as amended.

SEC. 2. This act shall apply to the boards, commissions, and committees and the members thereof, respectively, established pursuant to the following acts:

(a) The act entitled "An act to regulate steam engineering in the District of Columbia," approved February 28, 1887 (24 Stat. 427, ch. 272), as amended (title 2, ch. 15, D. C. Code, 1951 edition).

(b) The act entitled "An act to regulate the practice of pharmacy and the sale of poisons in the District of Columbia, and for other purposes," approved May 7, 1906 (34

Stat. 175, ch. 2084), as amended (title 2, ch. 6, D. C. Code, 1951 edition).

(c) The act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907 (34 Stat. 870, ch. 442; title 2, ch. 8, D. C. Code, 1951 edition).

(d) The act entitled "An act to define the term of 'registered nurse' and to provide for the registration of nurses in the District of Columbia," approved February 9, 1907 (34 Stat. 887, ch. 913), as amended (title 2, ch. 4, D. C. Code, 1951 edition).

(e) The act entitled "An act to regulate the practice of podiatry in the District of Columbia," approved May 23, 1918 (40 Stat. 560, ch. 82), as amended (title 2, ch. 7, D. C. Code, 1951 edition).

(f) The act entitled "An act to create a board of accountancy for the District of Columbia, and for other purposes," approved February 17, 1923 (42 Stat. 1261, ch. 94), as amended (title 2, ch. 9, D. C. Code, 1951 edition).

(g) The act entitled "An act to regulate the practice of optometry in the District of Columbia," approved May 28, 1924 (43 Stat. 177; ch. 202; title 2, ch. 5, D. C. Code, 1951 edition).

(h) The act entitled "An act to provide for the examination and registration of architects and to regulate the practice of architecture in the District of Columbia," approved December 13, 1924 (43 Stat. 713, ch. 9), as amended (title 2, ch. 10, D. C. Code, 1951 edition).

(i) The act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929 (45 Stat. 1326, ch. 352), as amended (title 2, ch. 1, D. C. Code, 1951 edition).

(j) The act entitled "An act to define, regulate, and license real-estate brokers, business chance brokers, and real-estate sales; to create a Real Estate Commission in the District of Columbia; to protect the public against fraud in real-estate transactions; and for other purposes," approved August 25, 1937 (50 Stat. 787, ch. 760), as amended (title 45, ch. 14, D. C. Code, 1951 edition).

(k) The act entitled "An act to provide for the examination and licensing of those engaging in the practice of cosmetology, in the District of Columbia," approved June 7, 1938 (52 Stat. 611, ch. 321; title 2, ch. 13, D. C. Code, 1951 ed.).

(l) The act entitled "An act to regulate barbers in the District of Columbia, and for other purposes," approved June 7, 1938 (52 Stat. 620, ch. 322), as amended (title 2, ch. 11, D. C. Code, 1951 ed.).

(m) The act entitled "An act to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendtary thereof," approved July 2, 1940 (54 Stat. 716, ch. 513; title 2, ch. 3, D. C. Code, 1951 ed.).

(n) The act entitled "An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes," approved December 20, 1944 (58 Stat. 823, ch. 612), as amended (title 2, ch. 12, D. C. Code, 1951 ed.).

(o) The act entitled "An act defining and regulating the practice of the profession of engineering and creating a Board of Registration for Professional Engineers in the District of Columbia," approved September 19, 1950 (64 Stat. 854, ch. 953, title 2, ch. 18, D. C. Code, 1951 ed.).

(p) Section 7 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes, approved July 1, 1902 (32 Stat. 622, ch. 1352), as amended and supplemented (title 47, ch. 23, D. C. Code, 1951 ed.).

(q) The first section of the act entitled "An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes," approved December 20, 1944 (58 Stat. 819, ch. 611), as amended (sec. 1–244, D. C. Code, 1951 ed.).

(r) The act entitled "An act to regulate plumbing and gas fitting in the District of Columbia," approved June 18, 1898 (30 Stat. 477, ch. 467), as amended (title 2, ch. 14, D. C. Code, 1951 ed.).

SEC. 3. Any fee or charge paid for an examination, license, certificate, or registration pursuant to any act mentioned in section 2 of this act shall, if not earned, be refunded upon application therefor: *Provided*, That application for refund is made not later than the end of the third fiscal year following the fiscal year in which such fee or charge was made.

SEC. 4. The Commissioners are authorized, after a public hearing, to fix and change from time to time the period for which any license, certificate, or registration authorized by any act set forth in section 2 of this act may be issued. Upon change of a license, certificate, or registration period, the fee for any such license, certificate, or registration shall be prorated on the basis of the time covered.

SEC. 5. Whenever any board, commission, or committee, other than the Commissioners, is mentioned in this act, such board, commission, or committee shall be deemed to be the board, commission, or committee or other agency succeeding to the functions of the board, commission, or committee, so mentioned, pursuant to Reorganization Plan No. 5 of 1952.

SEC. 6. There is hereby authorized to be appropriated out of the revenues of the District of Columbia such sums as may be necessary to pay the expenses of administering the act listed in section 2 of this act, including the expenses of the Department of Occupations and Professions, established pursuant to authority contained in Reorganization Plan No. 5 of 1952.

REVIVAL OF SECTION 3 OF THE DISTRICT OF COLUMBIA PUBLIC SCHOOL FOOD SERVICES ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 636, Senate bill 665.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 665) to revive section 3 of the District of Columbia Public School Food Services Act.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to revive section 3 of the act establishing a Department of Food Services in the Public Schools of the District of Columbia—Public Law 159, 82d Congress—and to repeal section 3 of the act increasing the salaries of the Metropolitan Police, the United States Park Police, the White House Police, members of the Fire Department of the District of Columbia, and employees of the Board of Education of the District of Columbia.

Prior to the act of October 8, 1951, which established the Department of Food Services in the Public Schools of the District of Columbia, persons who worked in the school lunchrooms were employed by the principals of the respective schools. Because the principals administered the operation of the cafeterias, the employees were not considered eligible for retirement benefits under the Civil Service Retirement Act, nor were they deemed eligible for social-security benefits, inasmuch as the Social Security Administration ruled that the public-school cafeteria operation was quasi-public in nature and could not be included under the provisions of the Social Security Act.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, effective October 8, 1951, section 3 of the act entitled "An act to establish a Department of Food Services in the Public Schools of the District of Columbia, and for other purposes," approved October 8, 1951 (Public Law 159, 82d Cong.), is hereby revived and section 3 of the act entitled "An act to increase the salaries of the Metropolitan Police, the United States Park Police, the White House Police, members of the Fire Department of the District of Columbia and employees of the Board of Education of the District of Columbia," approved October 25, 1951 (Public Law 207, 82d Cong.), is hereby repealed.

CONSTRUCTION OF CIVIC AUDITORIUM IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 631, House bill 1825.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 1825) creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents, and a music, fine arts, and mass communications center.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to establish the District of Columbia Auditorium Commission for the purpose of formulating plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center.

The Commission would be composed of 21 members as follows: 7 persons appointed by the President of the United States, 7 persons by the President of the Senate, and 7 persons appointed by the Speaker of the House of Representatives.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

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Mr. ELLENDER. Will the Senator state how the project is to be financed?

Mr. JOHNSON of Texas. By an appropriation.

Mr. ELLENDER. Would the money come from District of Columbia funds?

Mr. JOHNSON of Texas. I gather it would come from the Treasury.

Mr. ELLENDER. Is it the purpose to recommend that the auditorium be paid for out of funds of the Treasury?

Mr. JOHNSON of Texas. I do not know what will be recommended before action is taken, but the purpose of the resolution is to appoint a commission to select a suitable site for a civic auditorium, to procure such plans and designs and make such surveys and estimates of the cost as may be deemed advisable, and to endeavor particularly to formulate a method of financing the project on a self-liquidating basis. I would hope, believe, and trust that the Commission would be composed of a caliber of people who would recognize the congressional intent and who would attempt to evolve some plan that would be self-liquidating. Until I saw the plan I would not know whether it would be self-liquidating. Sometimes the members of such commissions have to come back to Congress and seek another method.

Mr. ELLENDER. The Senator will recall that in the past there have been several commissions that desired the erection of auditoriums, the cost to come out of the Treasury. My hope is the project will be either self-liquidating or that the money will be taken out of District funds.

Mr. JOHNSON of Texas. The distinguished Senator is always on sound ground, and I associate myself with the hope which he has expressed. That is exactly the purpose of the distinguished and able Senator from Michigan [Mr. MCNAMARA]. If he cares to associate himself with the statements which have been made, he may do so. I think the program outlined is a very good one, and I hope the Commission will carry out the intent, or what I believe to be the intent, of the Senator from Michigan.

Mr. MCNAMARA. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. MCNAMARA. Mr. President, I would certainly enjoy associating myself with the remarks of the Senator from Texas and the Senator from Louisiana. The bill spells out the intent, and, to the best of our ability, we will work toward that end.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, and was read the third time.

Mr. JOHNSON of Texas. Mr. President, I think we all recognize the great need in the District of Columbia for an auditorium. The committee, I believe, has approached the problem in a very practical manner. I hope the commission which is to be appointed will recognize that Congress has certain standards which it expects to be observed. I trust that from this bill, if it is enacted into law, there will come results for which we have been hoping for many years in this beautiful Capital of the Nation.

The ACTING PRESIDENT pro tempore. The bill having been read a third time, the question is, Shall it pass?

The bill (H. R. 1825) was passed.

EXTENSION OF PERIOD OF AUTHORIZATION OF APPROPRIATIONS FOR HOSPITAL CENTER IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 637, Senate bill 666.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 666) to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of this bill is to amend the act of August 7, 1946, so that the period during which appropriations may be made to carry out the provisions of the act is extended from June 30, 1955, to June 30, 1957.

This measure does not involve the expenditure of any funds. It would remove a technical objection to the consideration of subsequent requests for appropriations, within the amount originally authorized, by extending the period of authorization of appropriations.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. Is this an extension of the entire appropriation?

Mr. JOHNSON of Texas. It is my understanding that it is only for the hospital center and facilities in the District of Columbia.

Mr. ELLENDER. Yes, I know; but, as I recall, a certain amount was fixed for the cost of the facility.

Mr. JOHNSON of Texas. I think it is for the entire project.

Mr. ELLENDER. Is any increase contemplated?

Mr. JOHNSON of Texas. None of which I am aware.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 666) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act of August 7, 1946 (60 Stat. 897), as amended, entitled "An act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes," is further amended by substituting "June 30, 1957" for "June 30, 1955."

DESIGNATION OF CERTAIN DISTRICT OF COLUMBIA EMPLOYEES TO PROTECT LIFE AND PROPERTY IN AND ON CERTAIN BUILDINGS AND GROUNDS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 638, Senate bill 1275.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1275) to authorize the Commissioners of the District of Columbia to designate employees of the District to protect life and property in and on the buildings and grounds of any institution located upon property outside of the District of Columbia acquired by the United States for District sanitoriums, hospitals, training schools, and other institutions.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia, with an amendment, on page 3, line 5, after the word "deposit", to strike out "or" and insert "of", so as to make the bill read:

Be it enacted, etc., That (a) the Commissioners of the District of Columbia may designate any employee of the District to protect life and property in and on the buildings and grounds of any institution upon land outside the District acquired by the United States for the District of Columbia for the establishment or operation thereon of any sanitorium, hospital, training school, correctional institution, reformatory, workhouse, or jail. Whenever any employee is so designated he is hereby authorized and empowered (1) to arrest under a warrant within the buildings and grounds of any such institution any person accused of having committed within any such buildings or grounds any offense against the laws of the United States, or against any rule or regulation prescribed pursuant to this act; (2) to arrest without a warrant any person committing any such offense within such buildings or grounds, in his presence; or (3) to arrest without warrant within such buildings or grounds, any person whom he has reasonable grounds to believe has committed a felony in such buildings or grounds.

(b) Any individual having the power to arrest as provided in subsection (a) of this section may carry firearms or other weapons as the Commissioners may direct or by regulation may prescribe.

SEC. 2. The Commissioners may make and amend such rules and regulations as they deem necessary for the protection of life and property in or on the buildings and grounds of any such institution.

SEC. 3. Any person who knowingly and willfully violates any rule or regulation prescribed under this act shall be guilty of a misdemeanor, and shall be fined not more than $500 or imprisoned not more than 6 months or both.

SEC. 4. The officer on duty in command of those employees designated by the Commissioners as provided in section 1 of this act may accept deposit of collateral from any person charged with the violation of any rule or regulation prescribed under this act,

for appearance in court or before the appropriate United States commissioner; and such collateral shall be deposited with the United States commissioner sitting in the district where the offense has been committed.

SEC. 5. The Commissioners may enter into agreements with any of the States, or any political subdivision thereof, where any such institution mentioned in section 1 of this act is located, for such governmental services as the Commissioners shall deem necessary to the efficient and proper government of such institution, and they may, from time to time, agree to modifications in any such agreement: *Provided*, That where the charge for any such service is established by the laws of the State within whose territorial limits such institution is situated, the Commissioners may not pay for such service an amount in excess of the charge so established. There is hereby authorized to be appropriated such sums as may be necessary for the making of payment for services under any such agreement.

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, the purpose of the bill is to authorize the Commissioners of the District of Columbia to designate employees of the District as special policemen to protect life and property in and on buildings and grounds of any institution located upon property outside of the District of Columbia, acquired by the United States for District sanatoriums, hospitals, training schools, and other institutions.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF SUBVERSIVE ACTIVITIES CONTROL ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of order No. 595, Senate bill 2171.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2171) to amend the Subversive Activities Control Act so as to provide that upon the expiration of his term of office a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, this bill would add a simple amendment to the Subversive Activities Control Act so as to bring the provisions of the act respecting the tenure of the members of the Subversive Activities Control Board in line with common practice by permitting a Board member to continue to serve, upon the expiration of his term, until his successor shall have been appointed and shall have qualified.

The basic need for this amendment lies in the fact that members of the Subversive Activities Control Board often sit individually to conduct hearings. It then becomes their duty to prepare proposed reports covering the hearings over which they presided. But without the amendment contained in S. 2171, a member whose term expires while he is in the middle of a hearing, or so soon after a hearing that he has not had time to complete his proposed report, must nevertheless stop performing any and all official functions.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2171) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection 12 (a) of the Subversive Activities Control Act is amended by striking out the period immediately following the word "succeed" therein, and inserting in lieu thereof a colon and the following: "*Provided, however*, That upon the expiration of his term of office a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified.".

ADMINISTRATION OF OATHS AND ACKNOWLEDGEMENTS BY OFFICIALS OF FEDERAL PENAL INSTITUTIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 615, House bill 4221.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4221) to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions.

Mr. KILGORE. Mr. President, I ask unanimous consent that a statement prepared by me in relation to House bill 4221 be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

This bill was introduced at the request of the Federal Bureau of Prisons.

Present law authorizes only wardens and superintendents and associate wardens and superintendents to administer oaths and take acknowledgments of prisoners. This bill extends that authority to chief clerks, record clerks, and parole officers of Federal penal and correctional institutions. It is believed that this proposed legislation would permit a more orderly handling of documents requiring oaths or acknowledgments and would result in a saving of money as represented by the time now spent in performing this service by the heads of these institutions and the custodial officers. This bill also continues the prohibition against receiving any fee for the administering of such oaths or the taking of acknowledgments.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of the proposed legislation is to add a group of subordinate officers to the class of persons presently authorized to administer oaths and take acknowledgments in Federal penal and correctional institutions. The purpose is to expedite such work in those institutions.

The ACTING PRESIDENT pro tempore. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

INCREASE OF CRIMINAL PENALTIES UNDER THE SHERMAN ANTITRUST ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 623, H. R. 3659.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 3659) to increase criminal penalties under the Sherman Antitrust Act.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of the proposed legislation is to increase from $5,000 to $50,000 the maximum criminal penalties which may be imposed for violations of sections 1, 2, and 3 of the Sherman Act. Accordingly, if the bill shall be enacted, the court would be authorized to impose punishment for any such violation by a fine not exceeding $50,000, or imprisonment for not more than 1 year, or both, in the discretion of the court.

Mr. KILGORE. Mr. President, in connection with House bill 3659, I ask unanimous consent that a statement prepared by me be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

This bill proposes to increase from $5,000 to $50,000 the maximum criminal penalties which may be imposed for violations of sections 1, 2, and 3 of the Sherman Act.

As enacted in 1890, the Sherman Act provides criminal penalties not to exceed $5,000, or 1 year in prison, or both, for violations of sections 1, 2, or 3 of that act. Section 1 of the Sherman Act prohibits all contracts, conspiracies, and combinations in restraint of trade; section 2 prohibits monopolization and attempts to monopolize, and section 3 applies to Territories and possessions of the United States.

Sections 1, 2, and 3 of the Sherman Act each also provides for punishment by imprisonment not exceeding 1 year for any violation of the provisions thereof, and that such imprisonment may be imposed independently of, or in addition to, a fine not exceeding $5,000.

This proposed legislation makes no change in the act with respect to the penalty of imprisonment. If the measure here proposed is enacted into law, the court would be authorized to impose punishment for any violations of the Sherman Act by a fine not exceeding $50,000 or imprisonment for not more than 1 year, or both, in the discretion of the court. Inasmuch as most cases of violations of the Sherman Act involve the acts

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of corporations rather than individuals, the punishment of imprisonment often cannot be invoked. Judges have likewise been reluctant to send individuals to jail for Sherman Act violations. In most instances, therefore, the only penalty which is imposed under the act is a fine of not more than $5,000. This, the committee feels, is grossly inadequate. This bill, therefore, proposes to authorize the more flexible and effective punishment of a fine up to $50,000.

The Sherman Act is the basic antitrust statute. While a civil injunctive proceeding may result in a prohibition against continuation of illegal activity, and perhaps even in dissolution or divestiture, neither criminal nor civil proceedings can accomplish restitution. Even though a company may be convicted of flagrant wrongdoing under the antitrust laws, therefore, there is no procedure for divesting it of the profits resulting from the wrongdoing. The only redress available under a criminal proceeding is a fine of up to $5,000 on each count or a sentence of up to 1 year in prison, or both. A prison sentence in an antitrust case is highly unusual. Corporations of course cannot be imprisoned, and there seems to be little disposition on the part of courts to put a businessman in jail for keeping his plighted word not to compete with his friends.

The penalty provisions have remained unchanged in the 65 years of the Sherman Act's existence, although as early as 1900 a House committee reported that the penalty provisions were deemed insufficient. A fine of $5,000 would not have been large even in 1890. Today, with the shrunken value of the dollar and the tremendous increase in corporate assets, such a fine is truly insignificant from a monetary point of view.

Under existing law, the deterrent effect of a $5,000 fine against a large corporation is almost negligible, except for the stigma of conviction. Increasing the law's maximum penalty would certainly lessen the possibility that violations of the act would be profitable. It would also avoid the implication that violations of the antitrust laws are regarded as trivial in nature.

The proposed legislation has the approval of the Attorney General of the United States.

The committee is of the opinion that increasing the maximum amount of the fine to $50,000 would aid in making the penalty itself a deterrent and would lessen the likelihood of Sherman Act violations. The committee, therefore, recommends favorable consideration of this bill, H. R. 3659, without amendment.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RECOVERY OF DAMAGES UNDER THE ANTITRUST LAWS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 624, House bill 4954.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4954) to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the purpose of the proposed legislation is to amend the Clayton Act by (a) granting the United States the right to recover actual damages for injuries to its business or property by reason of violations of the antitrust laws, and (b) by establishing a uniform 4-year statute of limitations for antitrust damage suits brought by private parties or the United States.

The bill passed the House and, I understand, was reported unanimously by the Senate committee. It is a very desirable piece of proposed legislation.

Mr. KILGORE. Mr. President, I ask unanimous consent that a statement prepared by me in explanation of this bill be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

The purpose of this proposed legislation is to amend the Clayton Act by granting to the United States the right to recover actual damages for injuries to its business or property by reason of violations of the antitrust laws and by establishing a uniform 4-year statute of limitations for antitrust-damage suits brought by private parties or the United States.

Section 1 of the bill amends the Clayton Act so as to provide the United States with the right to recover actual damages arising out of violations of the antitrust laws. In *United States* v. *Cooper Corporation* (312 U. S. 600 (1941)), the Supreme Court construed section 7 of the Sherman Act to exclude the United States as a "person" who might sue for the recovery of treble damages. It was believed, up until that decision, that the existing statute, in referring to "any person," included the Government of the United States. The Supreme Court, however, ruled otherwise. Thus, the way the law is today, any individual, corporation, State, or municipality, can sue to recover damages for violations of the antitrust laws. Yet, the Government of the United States, which is by far the largest single purchaser of goods and services, cannot sue for damages it may have suffered from antitrust violations, and for losses suffered as a result of unlawful acts committed by those with whom it must deal.

The Attorney General, in recommending to the Congress the necessity for legislation such as here proposed, stated in part:

"The United States is the largest single purchaser of goods in this country and may suffer substantial losses from antitrust violations, as shown in the Cooper case, the Government sustained extensive damages as the result of certain bids submitted on motor vehicle tires and tubes. For the half year ending March 31, 1937, 18 companies submitted identical bids on 82 different sizes of tires and tubes. This identical bidding was repeated in the next half year, but with substantially higher prices than for the preceding period. When bids were submitted for the third half year period the Procurement Division of the Treasury Department, upon the advice of the Attorney General, rejected the bids and invited new ones. The new bids were the same as those rejected. In the circumstances the Treasury Department negotiated a contract with another supplier for its full requirements. In its next invitation to submit bids the Government required the bidders to warrant that the prices bid were not the result of an agreement among them. Lower bids followed. A comparison of these bids with the earlier bids showed that the United States had been injured to the extent of $351,158.21 during the 18-month period involved. A treble-damage action against the offending companies was instituted by the Government but was dismissed on the ground that the United States is not a 'person' within the treble-damage provision of the statute."

The committee shares the concern of the Attorney General with this present loophole in the law which prevents the United States from recovering in damages where it has suffered losses while acting as a buyer and purchasing agent. The committee believes that this amendment will remedy the present defect in the law. This legislation does not propose to authorize recovery by the United States of treble damages. The provision for the recovery of such damages by private litigants was enacted as an aid in the enforcement of the antitrust laws, constituting, as it does, a powerful additional deterrent to would-be violators. The Government, however, having primary responsibility for the enforcement of the antitrust laws, does not need a provision for the recovery of treble damages to stimulate its law enforcement activities. Nevertheless, the taxpayers are entitled to recovery of actual damages sustained by the Government as a result of antitrust violations.

The second important amendment proposed by this bill would add a new subsection to section 4 of the Clayton Act, to provide a uniform statute of limitations of 4 years for actions to recover damages brought either by the United States or by private parties. The right to recover damages for violations of the antitrust laws is a federally accorded right. At the present time, private treble-damage cases are governed by State statutes of limitations. This condition has caused serious and perplexing problems affecting both plaintiff and defendant. Today, private antitrust actions are needlessly complicated by issues such as which State's statute of limitations apply, the events from which such statute run, and the circumstances under which it may be tolled. Additionally, varying periods of limitation encourage a plaintiff to select for his forum the State with the most favorable limitation period. It is evident that the present confusion can only be ended by a uniform Federal statute controlling antitrust actions. The various State limitation periods run from 1 to 20 years, with a great number of State statutes varying between 1 and 4 years. Based on recent court interpretations in various States, some 26 States now have limitation periods of 4 years or less. The trend during the last decade throughout the States is toward a reduction in the length of the period of limitation. It appears that the average limitation for all the 48 States is about 4 years. The committee concluded that a period of 4 years is a fair and equitable period of time to govern damage actions brought under the antitrust laws. The limitation period of 4 years would operate prospectively with respect to cases already barred by existing State statutes of limitations as of the effective date of the enactment of the bill. The 4-year limitation period would have no applicability to cases in States with limitation periods less than 4 years where the existing limitation period had already expired upon the effective date of the proposed law.

The bill, in addition to establishing a uniform statute of limitations, makes several important changes in the tolling provisions of existing law. Present section 5 of the Clayton Act tolls the statute of limitations with respect to private treble-damage suits during the pendency of a suit by the United States to punish or restrain violations of the antitrust laws. This period is continued by the present bill. However, in order that a person may not be deprived of the benefit of Government suit because of an abrupt termination of the Government's litigation, the bill provides for extension of the tolling

period not only for the duration of the Government suit, but also for 1 year thereafter. Thus, the injured parties are provided with adequate time in which to take advantage of the Government's antitrust proceedings.

While it is important to safeguard the rights of plaintiffs by tolling the statute during the pendency of Government antitrust actions, it should be recognized that in many instances the long duration of such proceedings taken in conjunction with a lengthy statute of limitations may tend to prolong stale claims, unduly impair efficient business operations, and overburden the calendars of courts. It is believed that the provisions of this bill will tend to shorten the period over which private treble-damage actions will extend by requiring that the plaintiff bring his suit within 4 years after it accrued or within 1 year after the Government's case had been concluded. The present bill would assure all plaintiffs of at least 4 years from the time their cause of action accrued in which to institute suit. It would also guarantee every plaintiff at least a year from the close of a Government antitrust suit to prepare his case and file his complaint. In cases where the plaintiff's action had been suspended by the pendency of a Government antitrust proceeding, he would be required to bring his action either within the suspension period, that is within 1 year after the Government suit had terminated, or within 4 years after his cause of action accrued.

I believe that this legislation should be speedily enacted as an implementation of our presently existing antitrust laws.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL AIRPORT ACT, AS AMENDED

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 641, S. 1855.

The ACTING PRESIDENT pro tempore. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1855) to amend the Federal Airport Act, as amended.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

Mr. JOHNSON of Texas. Mr. President, I call the attention of the junior Senator from Oklahoma, chairman of the Subcommittee on Aviation, to the bill, and I yield the floor.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the committee amendments may be considered and agreed to en bloc.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the committee amendments will be considered and agreed to en bloc.

The committee amendments agreed to en bloc are as follows:

On page 2, line 21, after the word "act", to insert "and shall not be limited to any classes or categories of public airports"; on page 5, line 10, after the word "obligated", to insert "and the fiscal year immediately following"; on page 7, line 3, after the word "the" where it appears the second time, to strike out "fiscal year for which such amount was originally authorized to be obligated" and insert "two fiscal years for which such amount was so apportioned"; in line 14, after the word "is", to strike out "amended to read as follows:" and insert "repealed."; after line 15, immediately following the above amendment, to strike out:

"SEC. 8. At least 2 months prior to the close of each fiscal year, the Secretary of Commerce shall submit to the Congress a request for authority to approve, during the 2 fiscal years immediately following the fiscal year in which such request is submitted, those of the projects for the development of class 4 and larger airports included in the then current revision of the national airport plan which, in his opinion, should be undertaken during such 2 fiscal year period, the approval of which has not previously been authorized as provided herein, together with an estimate of the amount of the Federal share of the allowable project costs of such development: *Provided*, That during any one fiscal year the Secretary may, without obtaining authority therefor pursuant to this section, approve a project or projects for the development of any class 4 or larger airport so long as the Federal share of the allowable cost thereof does not exceed $50,000. In determining what development to include in such a request the Secretary shall consider, among other things, the relative aeronautical need for and urgency of all such development included in the plan and the likelihood of securing satisfactory sponsorship of projects for the accomplishment of such airport development. The Secretary shall be deemed to have been granted the authority requested unless a contrary intent shall have been manifested by act or concurrent resolution of the Congress prior to June 30 of the year in which such request was submitted. No project for the development of a class 4 or larger airport shall be approved except as provided in this section."

And on page 9, after line 13, to insert:

"SEC. 9. All amounts authorized by section 4 of this act to be obligated for grants under the Federal Airport Act shall be additional to all amounts previously appropriated or authorized to be obligated for such purposes. Notwithstanding any other provision of this act, the balances of such previously appropriated or authorized funds which are unexpended and unobligated on the effective date of this act shall remain available for obligation and expenditure as originally appropriated or authorized."

So as to make the bill read:

"Be it enacted, etc., That paragraph (3) of section 2 (a) of the Federal Airport Act (49 U. S. C. 1101–1119) is amended to read as follows:

"'(3) "Airport development" means (A) any work involved in constructing, improving, or repairing a public airport or portion thereof, including the construction, alteration, and repair of airport passenger or freight terminal buildings and other airport administrative buildings and the removal, lowering, relocation, and marking and lighting of airport hazards, and (B) any acquisition of land or of any interest therein, or of any easement through or other interest in air space, which is necessary to permit any such work or to remove or mitigate or prevent or limit the establishment of, airport hazards; but such term does not include the construction, alteration, or repair of airport hangars.'

"SEC. 2. The first two sentences of subsection (a) of section 3 of such act are amended to read as follows:

"'SEC. 3. (a) At least 3 months prior to the close of each fiscal year, the Secretary is hereby authorized and directed to prepare and revise annually a national plan for the development of public airports in the United States, including the Territory of Alaska, the Territory of Hawaii, and Puerto Rico, and the Virgin Islands. Such plan shall specify, in terms of general location and type of development, the projects considered by the Secretary to be necessary to provide a system of public airports adequate to anticipate and meet the needs of civil aeronautics, which projects shall include all types of airport development eligible for Federal aid under this act and shall not be limited to any classes or categories of public airports.'

"SEC. 3. Section 4 of such act is amended to read as follows:

"'SEC. 4. In order to bring about, in conformity with the national airport plan prepared and from time to time revised as provided in this act, the establishment of a nationwide system of public airports adequate to meet the present and future needs of civil aeronautics, the Secretary of Commerce is authorized, within the limits of the obligation authority provided in section 5, to make grants of funds to sponsors for airport development as hereinafter provided.'

"SEC. 4. Section 5 of such act is amended to read as follows:

"'SEC. 5. (a) For the purpose of carrying out this act with respect to projects in the several States, there are hereby authorized to be obligated by the execution of grant agreements pursuant to section 12 the sum of $60 million for the fiscal year ending June 30, 1956, and a like sum for each of the fiscal years ending June 30, 1957, June 30, 1958, and June 30, 1959. Each such authorized amount shall become available for obligation beginning July 1 of the fiscal year for which it is authorized, and shall continue to be so available until so obligated.

"'(b) For the purpose of carrying out this act with respect to projects in the Territories of Alaska and Hawaii, and in Puerto Rico and the Virgin Islands, there are hereby authorized to be obligated by the execution of grant agreements pursuant to section 12 the sum of $3 million for the fiscal year ending June 30, 1956, and a like sum for each of the fiscal years ending June 30, 1957, June 30, 1958, and June 30, 1959. Each such authorized amount shall become available for obligation beginning July 1 of the fiscal year for which it is authorized, and shall continue to be so available until so obligated. Of each of the amounts authorized by this subsection, 45 percent shall be available for projects in the Territory of Alaska, 25 percent for projects in the Territory of Hawaii, 20 percent for projects in Puerto Rico, and 10 percent for projects in the Virgin Islands.

"'(c) There are hereby authorized to be appropriated such amounts of money as may be necessary to liquidate obligations incurred as authorized by subsections (a) and (b).

"'(d) There are hereby authorized to be appropriated such amounts of money as may be necessary for planning and research and for administrative expenses incident to the administration of this act. As used in this section, the term "administrative expenses" includes expenses under this act of the character specified in section 204 of the Civil Aeronautics Act of 1938 (49 U. S. C. 424).'

"SEC. 5. Section 6 of such act is amended to read as follows:

"'SEC. 6. (a) As soon as possible after July 1 of each fiscal year for which an amount is authorized to be obligated by section 5 (a), 75 percent of the amount made available for that year shall be apportioned by the Secretary of Commerce among the several States, one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States. Each amount so apportioned for a

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State shall, during the fiscal year for which it was first authorized to be obligated and the fiscal year immediately following, be available only for grants for approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State, and thereafter any portion of such amount which remains unobligated shall be redistributed and reapportioned as provided in subsection (c) of this section. Upon making an apportionment as provided in this subsection, the Secretary shall inform the executive head of each State, and any public agency which has requested such information, as to the amounts apportioned for each State. As used in this subsection the term "population" means the population according to the latest decennial census of the United States and the term "area" includes both land and water.

"'(b) (1) Twenty-five percent of all amounts authorized to be obligated by section 5 (a) shall, as such amounts become available, constitute a discretionary fund.

"'(2) Such discretionary fund shall be available for such approved projects in the several States as the Secretary may deem most appropriate for carrying out the national airport plan, regardless of the States in which they are located. The Secretary shall give consideration, in determining the projects for which such funds is to be so used, to the existing airport facilities in the several States and to the need for or lack of development of airport facilities in the several States.

"'(3) Such discretionary fund shall also be available for such approved projects in national parks and national recreation areas, national monuments, and national forests, sponsored by the United States or any agency thereof, as the Secretary may deem appropriate for carrying out the national airport plan; but no other funds authorized under authority of this act shall be available for such purpose. The sponsor's share of the project costs of any such approved project shall be paid only out of funds contributed to the sponsor for the purpose of paying such costs (receipt of which funds and their use for this purpose is hereby authorized) or appropriations specifically authorized therefor.

"'(c) Seventy-five percent of any amount apportioned for projects in a State pursuant to subsection (a) of this section which has not been obligated by grant agreement at the expiration of the 2 fiscal years for which such amount was so apportioned shall be reapportioned among the respective States in the manner of (a) and the remaining 25 percent of such amount shall be added to the discretionary fund established by subsection (b), and at the expiration of each succeeding fiscal year any of the amount so reappropriated for a State that still remains unobligated shall again be reapportioned and redistributed in the same manner.'

"SEC. 6. Section 8 of such act is repealed.

"SEC. 7. The first sentence of subsection (d) of section 9 of such act is amended to read as follows: 'All such projects shall be subject to the approval of the Secretary of Commerce, which approval shall be given only if he is satisfied that the project will contribute to the accomplishment of the purposes of this act, that sufficient funds are available for that portion of the project costs which is not to be paid by the United States under this act, that the project will be completed without undue delay, that the public agency or public agencies which submitted the project application have legal authority to engage in the airport development as proposed, and that all project sponsorship requirements prescribed by or under the authority of this act have been or will be met.'.

"SEC. 8. The third sentence of section 12 of such act is amended to read as follows: 'Each such offer shall state a definite amount as the maximum obligation of the United States payable from funds authorized by this act, and shall stipulate the obligations to be assumed by the sponsor or sponsors of the project.'.

"SEC. 9. All amounts authorized by section 4 of this act to be obligated for grants under the Federal Airport Act shall be additional to all amounts previously appropriated or authorized to be obligated for such purposes. Notwithstanding any other provision of this act, the balances of such previously appropriated or authorized funds which are unexpended and unobligated on the effective date of this act shall remain available for obligation and expenditure as originally appropriated or authorized."

Mr. MONRONEY. Mr. President, the bill now being considered, S. 1855, was reported to the Senate by the unanimous vote of the full Committee on Interstate and Foreign Commerce. It previously received the unanimous support of the Subcommittee on Aviation.

The bill is not difficult to understand. Simply, it carries out the promise the Congress made in 1946, but which Congress failed to keep. Under the bill, we will make certain that the $520 million airport-construction-aid bill passed just after World War II will now be carried out with Federal help.

It will throw the Federal airport-construction program into high gear by providing $63 million a year over a 4-year period as the Federal share of airport construction.

In addition, a $20 million apropriation is recommended by the Subcommittee on Department of Commerce Appropriations which will be added to the authorization for this year, thus making a total of $83 million available for matching funds during the first year of the operation of the program.

The steady allocation of these funds is provided for by granting contract authorization in the amount of $63 million for the years 1956, 1957, 1958, and 1959. The Secretary of Commerce would have authority to use these contract authorizations to make grants-in-aid to the local authorities on a 50–50 matching basis.

Since the States were required to match Federal contributions, even in the 1946 program, the program started slowly, because at least 1 or 2 years were required for the local authorities to make financial arrangements, complete their plans and designs, and have them approved for Federal matching.

Also, since adequate local funds could not be provided at one time for full project construction in many places, the projects often had to be completed in stages.

It is interesting to note that for the first full year after enactment of the program only $45 million was appropriated. The obvious reason for this was that the States and municipalities were not then ready for the full contribution which the Federal Government was to make. The expectation of larger funds in the succeeding years, however, did not materialize, even though the States and municipalities had in the meantime completed their financial arrangements, floated their bonds, made their designs, and oftentimes had acquired options on lands for the airports.

Congress did not follow through on its promise to appropriate funds, which cannot exceed $100 million a year under the old act. Instead, it fell far short of carrying out its promises. During the next fiscal year, after the enactment of the bill, Congress cut the original starting appropriation, which was only a half measure of $45 million, down to $32 million. So during the next fiscal year, 1948, only $32 million was appropriated.

Subsequent annual appropriations have not reached one-half of the $100 million authorized to be appropriated each year.

Now, 9 years after the program was instituted, there has been appropriated and made available for projects only $236,221,151 of the original $520 million authorized for the 7-year program.

Congress has met less than 50 percent of the obligation to which it pledged itself when it passed the original Federal Aid Airport Act.

It is also interesting to note that even though the bill before the Senate provides for the airport program $63 million a year for the next 4 years, it still does not exceed the original authorization voted in 1946, which was expected then to be used in 7 years.

I believe it is evident to all that the airport program of the United States must be put on a basis of steady annual allocation of funds if the cities and towns are to be able to make their plans for financing, planning, and acquiring land for their future airport development. As the program now operates, with meager appropriations made one year and no funds appropriated the next, the Federal aid principle actually discourages the construction of airports. Cities and towns which have voted bonds in anticipation of matching their funds with Federal money cannot afford to spend their bond money alone for the work without getting any Federal matching funds.

If Congress fails to contribute a sufficient amount to match the local funds, then, in effect, the Federal aid airport program acts against the construction of airports by local communities.

Most of the bond issues are contingent upon this matching principle. Even if they are not, few public officeholders in charge of airport programs wish to be charged with failure to secure and use Federal funds available.

Thus, when small amounts are appropriated by the Congress, or as in 1954, when no funds were appropriated, the entire program of the cities and towns necessarily bogs down completely.

Instead of stimulating the cooperative construction of a modern airport system, insufficient Federal aid stands in the way of such a program by eliminating even the investment which cities alone would make of their own funds. Half-completed projects can be found in almost all parts of the country because of the hit-or-miss system of Federal airport aid.

The only practical way to stimulate a genuine long-range airport development program is to have funds available on a steady basis over a period of years long enough to enable cities and towns to

plan their programs, secure their grants from the Secretary of Commerce, and be certain that the money will be available to match theirs when the work is done.

To assure that this money will be available on a steady basis, S. 1855 contemplates adoption of the contract-authority principle which has been so successfully applied to the Federal highway program.

From the very beginning of the Federal highway program Congress has made available definite amounts for obligation. I think it was realized that such a procedure was absolutely necessary because of the planning and programing required in highway construction. Since 1926 the highway program has been carried out by enactment every 2 or 3 years of a law granting contract authorizations in fixed amounts for each of 2 or 3 fiscal years beginning at least 1 calendar year following its enactment.

Without this contract authority, the United States certainly would not have had the nationwide network of highways we have today.

The committee could see no justifiable reason why the same principle could not or should not be applied to the Federal-aid airport program, despite the fact that the Department of Commerce did not endorse it.

Certainly there is as much, if not a greater, need for advance planning and programing of airport construction as there is for highway construction.

For several reasons, the committee also has agreed that contract authorizations should cover a period of 4 fiscal years. This would extend by 1 fiscal year the period of time for which Federal aid is now authorized by the Federal Airport Act. We felt it essential to extend the period of contract authorization to 4 fiscal years to clearly demonstrate that the Federal Government will not allow the program to lapse without making available at least the total amount of funds authorized in the original 1946 act.

We did not feel that any shorter period would be sufficient to restore the confidence of project sponsors who must make long-term plans for the development of their airports. In many cases the construction of a single facility must be accomplished by the simultaneous programing of separate projects which must be undertaken in stages covering from 2 to 4 years.

Furthermore, this period would permit the accomplishment prior to 1960 of at least a substantial portion of the airport development which, according to the National Airport plan, is needed and should be accomplished prior to that time, and also at a rate within the capabilities of the cities, States, and their political subdivisions who act as sponsors.

It was the opinion of the committee that none of these objectives could be accomplished in a shorter period than is contemplated by S. 1855.

Almost all the witnesses appearing before the aviation subcommittee during the public hearings supported the general purposes of the bill. Some suggested amendments and modifications, and several minor changes were made in the bill as a result of the hearings.

Mr. President, we had strong support for the idea of greater Federal aid and of a faster moving program from Hon. Ross Rizley, Chairman of the Civil Aeronautics Board.

This advance in construction of airports was even advocated by the Honorable Louis S. Rothschild, Under Secretary of Commerce for Transportation, who expressed opposition on the part of his Department and the administration to the method of financing. According to his testimony, they were not in accord with the bill insofar as it seeks to place the Federal-aid airport program on a basis that is not recognized by them as properly accomplishing the purposes of the act. The language used in his statement was: "The administration cannot endorse such a departure from normal budget practices."

Mr. President, I have tried to show that the bill is on all fours with the system used in financing the Federal highway program since 1917. It certainly proposes no innovation in the use of Federal matching funds for projects which have to be developed and designed over a period of years by Federal authorities.

Time is moving rapidly against us in modernizing the airport program. Briefly, the hearings reveal that only seven civilian airports in the United States can accommodate jet-propelled transportation planes. Yet in 1 or 2 or 3 years airlines will be ready for such service, and there will be no airports to accommodate such planes.

It was shown that 82 of 600 civilian airports have military activities, and there was a need for bringing the civilian airports up to standard.

I believe the pending bill has been carefully worked out, is absolutely sound in all its provisions, and I express the hope the Senate will pass it.

Mr. President, I ask unanimous consent that the remainder of the statement which I had prepared be printed in the RECORD at this point.

There being no objection, the remainder of Mr. MONRONEY's statement was ordered to be printed in the RECORD, as follows:

Testimony was received from the following: Hon. Ross Rizley, Chairman, Civil Aeronautics Board; Hon. Louis S. Rothschild, Under Secretary of Commerce for Transportation; Hon. Frederick B. Lee, Administrator, Civil Aeronautics Administration; J. D. Durant, secretary and assistant general counsel, Air Transport Association of America; Hon. William B. Hartsfield, mayor, city of Atlanta, Ga., representing the American Municipal Association; Col. A. B. McMullen, executive secretary, National Association of State Aviation Officials; Louis R. Inwood, deputy director of commerce, city of Philadelphia, representing the Airport Operators Council; Thomas K. Jordan, director, Wisconsin State Aeronautics Commission; Edward D. Rapier, vice chairman, City of New Orleans Aviation Board, New Orleans, La.

In addition, written communications concerning the bill have been received from the Under Secretary of the Department of the Air Force, the Comptroller General of the United States, the secretary-treasurer of the California Association of Airport Executives, Inc., the director of airports of the Louisville and Jefferson County Air Board, the secretary-treasurer of the American Association of Airport Executives, the director of aviation of the city of San Antonio, Tex., the president of the Michigan Association of Airport Managers, the director of aviation of the city and county of Denver, Colo., the deputy director of the aviation department of the Port of New York Authority, the Chairman of the Federal Government Liaison Committee of the American Association of Airport Executives, the manager of utilities of the public-utilities commission of the city and county of San Francisco, Calif., and the director of the board of park commissioners of the city of Wichita, Kans.

All of these communications have been inserted in the record of the hearings. I would like to quote herewith from the report:

"According to the testimony and communications received by the committee it appears that all interested agencies, including particularly the States and their political subdivisions, the scheduled airlines, and both the Civil Aeronautics Board and the Department of Commerce, are in accord with the objectives of the bill S. 1855 insofar as it seeks to place the Federal-aid Airport Program on a more stable basis and make available larger amounts for airport projects than have been appropriated in the past. In addition, it appears that all agencies concerned are in agreement that within the limit of available Federal funds, Federal aid is desirable for the construction and repair of airport terminal buildings and for the development of all classes of public airports.

"It is also to be noted that, with the exception of the Department of Commerce and the Civil Aeronautics Board, all of the agencies which have expressed their views concerning this bill are strongly in favor of the means by which the bill would accomplish its principal objective and therefore endorse the contract authority provisions of the bill. So far as the two Federal Government agencies are concerned, however, the Civil Aeronautics Board takes no position on this aspect of the matter while the Department of Commerce has testified that 'the administration cannot endorse such a departure from normal budgetary practice' and therefore recommends against enactment of the bill. In addition, the Department of Commerce opposes the provisions of section 2 of the bill which would require that the National Airport plan include all types of airport development eligible for Federal aid under the Federal Airport Act.

"For reasons which will appear, the committee is completely in disagreement with the views of the administration and the Department of Commerce as to these features of the bill and is extremely disappointed that the administration and the Department have taken the position indicated.

"It should also be noted that the National Association of State Aviation Officials has recommended several amendments to the Federal Airport Act not contained in S. 1855 as introduced. The committee has given those recommendations very careful consideration and as a result has adopted three of them.

They are the proposed amendments to the act which the committee has incorporated in sections 2, 5, and 6 of the bill as reported by its adoption of the first four of the committee amendments to the bill set forth above."

The principal change from present provisions of the Airport Act is to authorize annual appropriations over 4 fiscal years. Under present appropriating procedures, the budget estimates and the amounts finally appropriated vary in such wide degree on a year-to-year basis that steady planning, or a carefully planned program of airport building is impossible.

This was best illustrated in 1953 when the entire program was shut down as the Secretary of Commerce conducted a survey to de-

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termine the need for Federal assistance in public airport development. Despite the fact that many States and cities were in the midst of planning airport work, or in completing financing arrangements, the program was shut down in its entirety for 1 full year.

Then, after a strong report finding that Federal help for airport construction was justified, the committee called particular attention to the fact that larger amounts than had previously been appropriated over the years would have to be made available to effectively and efficiently carry out the airport program.

This fresh declaration rather stimulated things, and in 1955, after no appropriations in 1953, the sum of $22,500,000 was appropriated. At that time it was stated that because the program had slowed down during the year that no funds were provided, not as much would be needed for the first year of its reactivation.

But when we came to the next year with great anticipation of an appropriation, we find that instead of an increase, the Budget Bureau has reduced by one-half the insufficient sum of $22,500,000 appropriated last year—and only $11 million is recommended. Fortunately the Appropriations Committee refused to reduce the program that much and destroy it, and did increase the funds to $20 million in the Commerce Department appropriation bill just passed.

Because of the neglect of this program and the large backlog of airport work waiting to be financed on a 50–50 basis, one of the committee amendments in this bill provides for the addition of this appropriated sum of $20 million to the annual authorization of $63 million. Thus we will start the first year of the program with a total amount available for allocation of $83 million if this bill is passed.

I would like to quote from the report of the Senate Appropriations Committee on the Commerce Department appropriation bill:

"Many communications and statements have been presented to the committee by distinguished citizens, Members of the Senate and of the House of Representatives, urging an increase in this fund up to the maximum authorized to be appropriated in 1 year, which is $100 million. Testimony was presented to the committee as to the criteria employed by the administration in choosing airports for Federal aid under this authority.

"In view of the fact that decision is pending on legislation which would substantially change the pattern of selection and extend eligibility for air to more of the communities throughout the Nation which have sold or authorized bonds, or by other means built up funds to match Federal grants aggregating more than $161 million, it is believed a larger appropriation would be of doubtful value to communities seeking the increased grants."

We wish to commend the Committee on Appropriations for thus leaving it to this committee to find and propose solutions to the budgetary and project selection problems involved in the Federal-aid airport program, by appropriate amendments to the Federal Airport Act. It is hoped that the members of that committee will agree that the bill S. 1855 as here reported provides those solutions and that they will lend the bill their full support.

While the Nation spends some $20 billion for military aviation, we continue to permit a growing inadequacy and obsolescence in our civil airports. We need only think back to World War II to remind ourselves of the trojan work done by the then inadequate civilian airports.

Today, however, with the new demands of both military and civilian aircraft for longer and heavier runways, for unobstructed glide paths, and better control of obstructions of all kinds, our civilian airports are falling far, far behind in their ability to meet the needs of either military or civilian aviation.

We are probably only 2 or 3 years away from the inauguration of jet transport flights. The committee was informed that only seven fields in the entire United States can accommodate these heavier and faster super planes. Yet the planes will be ready for service long before the airports can possibly be planned and programed to accommodate them. Certainly if we are to maintain our leadership in aviation, we must keep abreast of these new improvements. A jet plane that can land at only seven airports in the Nation will not have a brilliant commercial future in the next few years.

Other types of planes will require longer and heavier runways as new types of propulsion are used and speeds increased. Yet on the basis of the programs of the past for Federal airport aid, they will remain in the horse and buggy era.

Although the Appropriations Committees of the two Houses virtually doubled the $11 million request for airport aid made by the Budget Bureau, and appropriated $20 million, it is clearly inadequate to meet present needs.

You might compare this $20 million available for all the 48 States and our Territories with the $19 million plus that is being spent by the Naval Academy for its new landing field at Annapolis. I do not begrudge the Navy its new field—but I must respectfully point out that Chicago, San Francisco, Los Angeles, Kansas City, and a dozen other cities must also be considered as having unfilled aviation needs. When the $20 million is split up among the 48 States and the Territories, it is clearly inadequate.

I am inclined to believe that the amount we propose, $83 million for the first year, and $63 million thereafter, will just about keep pace with current needs.

The best estimates of air traffic increases indicate a staggering congestion over our major airports in a very few years. We already know the extent that it exists here in Washington, at La Guardia and at Midway Airport in Chicago. This is only the beginning of our problem.

The committee heard testimony from the Air Transport Association that their estimates of increases show an increase of 71.16 percent in passenger miles flown by scheduled air carriers between 1954 and 1965; an increase of 155.4 percent in the number of passengers carried by those airlines; and an increase of 103.7 percent in the number of aircraft movements.

The Civil Aeronautics Administration itself is forecasting a 22 percent increase in domestic air carrier passenger miles flown during the year 1955 over 1954. Remember, the same airports that will handle the traffic of tomorrow—and are handling the traffic of today—were built for about one-third to one-half the traffic they are now expected to carry.

It is hard indeed to estimate the actual airport needs of the country. Several means can be used to gage them, however. One is the National Airport plan which shows approximately $290 million in Federal funds are needed to complete the plan. Another perhaps more realistic figure was furnished the committee by the American Municipal Association, the Airport Operators Council and the National Association of State Aviation Officials as a result of their joint survey.

According to that survey, the funds needed by both the local governments and the Federal Government during the next 3 or 4 years to complete this program total $468 million. Thus the Federal share would be $234 million for the 3- or 4-year period.

Still another way to gage this is the amount needed for matching as estimated by the CAA on the basis of State and municipal funds now available. This amount, according to CAA, totals $162 million, while the 3 aviation associations just mentioned figure the amount at $173 million.

Both of these figures are estimates, but it is a fact that the Administrator of the CAA has already received requests for aid during the fiscal year 1956 amounting to almost $105 million in Federal funds.

Certainly the growth of aviation is certain to continue, and with it the demands for more expensive construction of landing facilities, electronics equipment, and for terminal facilities which can handle passengers numbering in the thousands. The need will certainly outrun all present estimates.

One new factor that will undoubtedly create considerable interest in the construction of new airport facilities of the future will be the building of modern freight terminals for the development of air freight traffic as a major factor in air transport. Modern, speedy ground facilities for handling air freight are necessary for the development of this type of air transport and should be undertaken as rapidly as possible.

Today the lack of adequate labor saving and time saving devices in the handling of air freight holds back this development which will advance aviation still farther in its services to all types of transportation.

S. 1855 permits the Secretary of Commerce to make grants not only for airport terminal facilities but also for freight handling facilities. While the Secretary will be required to use his discretion on such allocations as are made to help build terminals, both passenger and freight, as against the needs for landing strips, taxiways, and other physical improvements on the field, it is felt that no airport bill that did not permit the construction of a complete airport could possibly answer our national needs.

Mr. SMATHERS. Mr. President, I am happy to have an opportunity to speak in support of Senate bill 1855. As one of the sponsors of the bill, I am naturally extremely interested in it; and as a member of the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce—the committee which has reported the bill unanimously—I have had an opportunity to become somewhat familiar with the problems which this bill seeks to solve, and therefore feel that I may be able to help make clear to my fellow Senators its purposes and the need for its enactment.

This bill is vitally important to civil aviation and national defense. Its passage is essential in order to revive the Federal-aid airport program—which has been lagging for several years—and to make the program more stable and effective, and this, in turn, is essential if the United States is to have a nationwide system of public airports adequate to meet today's needs and the additional needs which will have to be met before 1960.

As I shall attempt to show, our present civil airport facilities are deficient and inadequate in many respects and, unless something is done about the situation by the Congress, they will become less and less adequate during the next few years. If action is not taken by the Congress to revive the Federal-aid airport program, our public airports will not be able to accommodate with safety the tremendous increase in flying activity which is now taking place; nor will we have a system of airports adequate to accommodate the turbojet and jet aircraft which will soon be in general operation in civil aviation.

Civil airport needs are pressing and urgent and can be met in time only if we enact S. 1855 now.

The pending bill would amend the Federal Airport Act in several respects. However, I shall confine my brief remarks to the two principal purposes of the bill, which, simply stated, are: First, to insure the provision of adequate Federal funds to carry out the Federal-aid airport program during the next 4 years; and, second, to insure the inclusion in the program of all classes of airports and all types of airport construction work which are needed to provide an adequate system of pubic airports, which are now eligible for Federal aid under the present act.

More specifically, the first and most important purpose of the bill is to grant to the Civil Aeronautics Administration of the Department of Commerce authority to obligate a total of $252 million for airport projects during the next 4 fiscal years at a rate of $63 million each year. Of these amounts, $60 million a year, making a total of $240 million, would be available for projects in the continental United States, and $3 milllion a year, making a total of $12 million, would be available for projects in Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

In addition, the bill provides that the amounts authorized are to be additional to the $20 million appropriation recently voted by this body for the program during the fiscal year 1956. Therefore, the bill would provide a total of $272 million for the 4 fiscal years, of which $83 million would be available for use during the fiscal year 1956.

It is the considered opinion of the committee that these amounts are not entirely adequate to bring about the public airport development which should be undertaken prior to 1960. However, the committee is also of the opinion that the provision of such contract authority at this time would be an excellent start toward the accomplishment of that objective, and that, by using the advance authorization device, the bill would make it possible to supplement the funds in later years, if this should prove to be necessary, without having seriously delayed the accomplishment of the program in the meantime.

The report of the committee makes it clear how the amounts of the proposed contract authorizations were arrived at. Suffice it to say that the committee's estimates were based: First, on the 1954 revision of the national airport plan prepared by the CAA, which was based on a projection of airport needs up to 1960; second, on a recent survey of airport needs made by the American Municipal Association, the Airport Operators Council, and the National Association of State Aviation Officials; third, on two surveys of the amount of State and municipal funds now available for use in sponsoring airport projects under the act, one made by those three associations and one by the CAA; and fourth, on information furnished by the CAA as to the requests which have been received by that agency for airport aid during the fiscal year 1956.

At the hearings on the bill which were held by the Aviation Subcommittee, much helpful testimony was received as to the nature and extent of the airport-development needs which the bill is designed to meet. All the witnesses appearing at the hearings, representing both the Civil Aeronautics Board and the Department of Commerce, the States and their political subdivisions—which of course are the owners of most of the public airports—and the scheduled air carriers and their pilots, speaking on behalf of the users of public airports, were unanimous in expressing the view that there is a considerable need for the construction and improvement of public airports and that substantial amounts of Federal funds are required to meet the need.

I shall not attempt in these remarks to indicate the nature of the airport needs, the reasons for their existence, or the justifications for the furnishing of Federal assistance in meeting them. However, I should like to call attention particularly to one of the needs which was very ably pointed out by the Honorable William B. Hartsfield, mayor of the city of Atlanta, Ga., representing the American Municipal Association. That need is the provision of adequate public airports to serve the needs of business flying. Mayor Hartsfield testified that there are now in this country more than 6,000 industrial and business organizations which will operate next year nearly 20,000 aircraft. The mayor pointed out that a majority of the flights of that sizable fleet of business aircraft will be to airports not served by air carriers and not included in the very limited 1955 airport program. It was his view that the growth which has already occurred in the use of business airplanes—and I quote his words—"requires an entirely new look at our civil airport development program."

But I have said enough as to the need for the provision of substantial amounts of Federal funds for the airport program. I am sure that many of my colleagues who are not members of the Interstate and Foreign Commerce Committee are as aware of those needs as are the members of the committee.

I am also sure that many will agree that if the provision of such substantial amounts were the only need, this would be a matter for the Appropriations Committee, since under the Federal Airport Act that committee could approve sufficiently large annual appropriations to meet the airport needs with which we are faced. However, this is by no means the only need, nor is the annual appropriation device any longer an effective means of carrying out the Federal-aid airport program. Instead, the fact is that there is also a need at this time to provide a more stable basis for the carrying out of the program, which will restore the confidence of the States and their political subdivisions in their Federal partner in the airport program. It is evident from the testimony received by the subcommittee that that confidence—which of course is essential to the successful conduct of the program—has been shaken, if not destroyed, by the extreme fluctuations in the amounts of the annual appropriations made for carrying out the program since its inception in 1946, and particularly by the history of those appropriations during the past few years. The committee is convinced that that confidence can be restored only if the Federal Airport Act is amended to grant advance contract authorizations in substantial amounts, extending over a period of four fiscal years. It appears that the Appropriations Committee, to its great credit, recognized this fact at the time it was considering the recent appropriation for the program during the coming fiscal year, and therefore graciously deferred to the Committee on Interstate and Foreign Commerce.

This advance contract authorization principle, it should be noted, has been used with great success in carrying out the Federal highway program ever since 1923. The need for advance contract authorizations in carrying out that program is essentially similar to that which has prompted the committee to recommend administration of the airport program on the same basis. In fact, the committee considers such authorizations to be at least as essential to the airport program as they are to the highway program.

In addition to placing the program on a more stable basis, it should be noted that the adoption of the contract authority device contained in S. 1855 would have several other advantages. Perhaps the most important of these is that the advance contract authorization provisions of the bill would make it possible for the CAA to program projects in advance of the fiscal year in which they are to be undertaken, which in turn would furnish the municipalities and States the definite assurance of the availability of Federal funds, which they must have if they are to proceed with their financing arrangements and with the planning, land assembly, and other preparations which in many cases must be made before airport projects can be undertaken. In addition, use of the advance contract authority device would result in financial savings to the States and local public agencies and to the Federal Government, and also, by providing a greater continuity for the program, would have several administrative advantages to the Federal Government.

The second main purpose of the bill is to make sure that the Department of Commerce will use the money which is to be made available for all classes of public airports and all types of projects which are eligible for aid under the Federal Airport Act, thus carrying out the intent of the Congress in passing that act in 1946. More specifically, the bill would make clear the congressional intent that grants-in-aid be made, within the limits of available Federal funds, for the construction, alteration, and repair of airport terminal buildings, and for the construction and improvement of the public airports which are required to serve the civil aviation needs of the small and medium-size cities of the Nation.

It is unfortunate that the act should have to be amended to accomplish this purpose. However, the committee believes such legislation to be necessary in order to make it clear to the Department of Commerce that certain policies which it recently has adopted governing the administration of the Federal-aid airport program—presumably in the belief

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that it was acting in accordance with its legislative authority—are contrary to the spirit and intent of the Federal Airport Act, and therefore should be abrogated or modified. I refer particularly to the policy of that Department which in effect makes the development of airport terminal buildings administratively ineligible for Federal aid under the Federal Airport Act, and to the very restrictive criteria which the Department has established for use in determining the eligibility of airports for inclusion in the program. Applying those criteria—which are commonly termed "the 3,000 and 30 criteria," meaning 3,000 enplaned passengers a year or a based aircraft population of 30 aircraft, or some combination of the two factors—the number of airports eligible for Federal aid is reduced from approximately 3,000 to only about 800.

The Committee on Interstate and Foreign Commerce is in complete agreement that Federal aid should be provided for the construction, alteration, and improvement of needed airport terminal buildings and for the development of all public airports required to serve the needs of civil aviation, including not only the airports required to serve the needs of scheduled and nonscheduled air carriers but the many airports needed for business flying and other general aviation activities. In addition, it is the committee's view that the distribution of Federal funds available at any one time should be accomplished on a State-by-State and project-for-project basis by use of the programing and project approval authority vested in the Secretary of Commerce, and not by limiting the national airport plan to any classes of airports or types of projects, or by limiting the eligibility of classes of airports or types of projects for inclusion in any annual airport program. Passage of the bill S. 1855 would serve to assure the accomplishment of these objectives, and in the opinion of the committee, is necessary for that purpose.

For all these reasons it is my sincere hope that the Senate will pass the bill S. 1855 as reported by the committee, and that this will be done without delay. I strongly urge the support of all Senators to this end.

Mr. President, at this time I should like to congratulate the able chairman of the Aviation Subcommittee for the splendid work he has done and for the recommendations he has made.

Mr. BIBLE. Mr. President, as a member of the subcommittee, I simply wish to associate myself with the remarks of the distinguished chairman of the subcommittee. I should also like to associate myself with the statement of the Senator from Florida in commending the chairman of the subcommittee for the very fine handling of the bill. I think the proposed legislation should be passed.

Mr. PAYNE. Mr. President, I merely wish to associate myself with the remarks which have been made on the pending legislation by the distinguished chairman of the subcommittee, the Senator from Nevada, and the Senator from Florida, because the bill is a very constructive measure. The committee voted unanimously to report the bill, and gave it full support. The bill provides the only means whereby we are ever going to get needed improvements in the airway system.

In my opinion, the bill is constructive, it is sound, and it meets many of the objections to provisions in the old law which prevented States and communities from making definite plans for needed airport improvements.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. PAYNE. I am happy to yield.

Mr. BARRETT. I have listened to the statements by the chairman of the subcommittee, by the Senator from Nevada, by the Senator from Florida, and by the Senator from Maine, and I wish to say that I, too, am in favor of the bill. I think it presents much needed legislation. I am particularly impressed with the provision in the bill which would make it possible for the State authorities to plan in advance, and with the contract authority which is comparable to that contained in the present highway legislation.

I should like to ask the distinguished Senator from Maine if there is any provision in the bill or in the report which will restrict the funds which may be made available to small communities. I may say that the agency did have a regulation of some sort which prohibited aid for small airports at which only 10 planes were based and which had facilities for less than 3,000 passengers a year. Of course, that provision operated very much against towns in my State. I hope there is nothing in the bill which will make such restrictions applicable in the future.

Mr. PAYNE. I can assure my distinguished colleague from Wyoming that such restrictions have been removed, and are not included in the pending bill.

The ACTING PRESIDENT pro tempore. If there is no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. CASE of South Dakota. Mr. President, I wish to express my appreciation for the work the committee has done on the pending bill, and particularly for eliminating the restriction to which the Senator from Wyoming [Mr. BARRETT] has alluded. In the West the size of a town does not measure its significance or importance. Many towns which contain few people serve a large territory. The importance of air service to such communities can be measured only by the distance which people who use the airports may travel.

The airplane has become an angel of mercy in sickness and in emergencies of all kinds. It is important that airports be located at some of the smaller points in the West, because of the very great areas which are served in that section of the country. I am glad that in reporting the bill the committee has seen fit to eliminate any suggestion that allocation of the funds should be limited to towns of a particular size or airports which have a certain number of planes landing in a particular period of time. The importance of the airplane is to be measured by the task it accomplishes, not by the number of times it accomplishes the task. Therefore, I am glad the bill as reported contains the language found in it.

Mr. ELLENDER. Mr. President, I regret that when the distinguished junior Senator from Oklahoma started to explain the bill, I was called out of the chamber. I should like to ask him a few questions, if he will consent to my doing so.

Mr. MONRONEY. I shall be happy to answer questions of the Senator from Louisiana.

Mr. ELLENDER. As I understand, the pending bill in no measure changes the yardstick by which communities are to qualify for Federal assistance in constructing airports under the present law. Is that correct?

Mr. MONRONEY. It changes in no way the formula for the allocation of the funds on a State-by-State basis.

Mr. President, at this point, I ask unanimous consent to have printed in the RECORD a table showing the amount each State will receive under the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Federal-aid airport program, distribution of $63 million appropriation

State or Territory:	Apportionment
Alabama	$836,180
Arizona	939,544
Arkansas	670,933
California	2,734,099
Colorado	955,269
Connecticut	340,256
Delaware	64,980
District of Columbia	120,271
Florida	851,856
Georgia	942,419
Idaho	694,985
Illinois	1,721,651
Indiana	852,738
Iowa	800,327
Kansas	882,263
Kentucky	733,174
Louisiana	760,599
Maine	385,763
Maryland	439,234
Massachusetts	767,262
Michigan	1,654,594
Minnesota	1,072,185
Mississippi	676,053
Missouri	1,096,682
Montana	1,157,301
Nebraska	759,013
Nevada	827,050
Nem Hampshire	147,216
New Jersey	781,667
New Mexico	985,691
New York	2,606,233
North Carolina	989,458
North Dakota	605,945
Ohio	1,511,101
Oklahoma	841,462
Oregon	932,127
Pennsylvania	1,902,130
Rhode Island	127,157
South Carolina	542,723
South Dakota	657,256
Tennessee	798,404
Texas	3,093,777
Utah	719,824
Vermont	126,216
Virginia	803,025
Washington	863,070
West Virginia	475,132
Wisconsin	993,906
Wyoming	754,789
Total State apportionment	45,000,000

Federal-aid airport program, distribution of $63 million appropriation—Continued

State or Territory—Con.	Apportionment
Discretionary funds	$15,000,000
Total funds for continental United States	60,000,000
Alaska	1,350,000
Hawaii	750,000
Puerto Rico	600,000
Virgin Islands	300,000
Total	3,000,000
Grand total	63,000,000

Mr. MONRONEY. I may say to my distinguished colleague and friend, the Senator from Louisiana [Mr. ELLENDER], that, under the bill, the amount for the State of Louisiana each year will be $760,599.

Mr. ELLENDER. Of course, I am glad to have that pointed out. Let me inquire whether the money can be used for the same purposes as those provided in the present law.

Mr. MONRONEY. Indeed, it can; and we hope it will be used for wider purposes. Under the present departmental regulation, the Commerce Department is limiting its funds for runway construction, markings, and things of that kind. Our bill particularly specifies that this is available not only for runways and things of that nature, but also for the construction, alteration, and repair of airport passenger or freight terminal buildings and other airport administrative buildings, and the removal, lowering, relocation, and marking and lighting of airport hazards. This bill is broader than the present act. In particular, we have added provision for the freight terminals. These things will be discretionary. If the Department of Commerce and the CAA wish to share the money for that construction, they may do so.

Mr. ELLENDER. As the Senator from Oklahoma is aware, the Appropriations Committee provided for a fund of $20 million for the next fiscal year. This is $9 million above the budget estimate.

Mr. MONRONEY. Indeed, so.

Mr. ELLENDER. Will the $20 million which we have already appropriated be added to the contracting authority provided in the bill?

Mr. MONRONEY. One of the committee amendments which has been adopted makes the $20 million available, in addition to the $63 million, for the coming fiscal year. After that, the fund will be only $63 million.

Mr. ELLENDER. I understand there will be spent, each year, $63 million, except for the first year, when the amount will be $83 million; that is, the $63 million contract authority provided in the pending bill, plus the $20 million already appropriated.

Mr. MONRONEY. The distinguished Senator from Louisiana is absolutely correct.

Mr. ELLENDER. Will this bill, if enacted into law, run for a period of 4 years?

Mr. MONRONEY. Yes; 4 years, from 1956 through 1960.

Mr. ELLENDER. What will become of the $500 million authorization provided for in the present law? Would it be repealed under the pending bill?

Mr. MONRONEY. No, we are obligating against it. It is interesting to note that, with the $63 million per year we barely come up to the authorization in the original act of 1946. So the bill does not commit the Government to any more money than the amount the Government has been committed to, but it will enable the cities and towns to have something to rely upon, so we can get away from the very bad condition of rundown, obsolete, dangerous airports which is developing throughout the country.

Mr. ELLENDER. I desired to be certain of that, and also to be sure that the bill does not change the present law in any manner.

I wish to state to the Senator from Oklahoma that I am in full accord with the purpose of this bill. As he mentioned briefly just a few moments ago, the Federal Government has not, in my humble judgment, lived up to its moral obligations to the carious communities which, acting on the authority of the law, have bonded themselves in order to have on hand the fund necessary to provide airport improvements. As I recall, these communities have indebted themselves to the extent of some $100 million, yet the Federal Government has not yet made available the funds to match these local contributions. The net result is that these communities are paying interest on these borrowed funds, in many instances, and that the entire aid to airports program is lagging. I think the bill we have before us is a good bill, and I intend to vote for it. I am particularly glad to have the assurance of the distinguished Senator from Oklahoma that the bill now before us does not change the present law, except to make more certain payment of the bona fide obligations of the Federal Government, and to make these funds available for broader purposes than is now the case.

Mr. MONRONEY. The bill is almost on all fours with the present law, with a few minor differences.

The major difference, of course, is the contractual authority granted to make certain continuing available of Federal matching funds for the 4-year period.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Oklahoma yield to me?

Mr. MONRONEY. I yield.

Mr. JOHNSON of Texas. Mr. President, like the distinguished Senator from Louisiana [Mr. ELLENDER], I heartily approve of the bill which is before us at this time.

I desire to commend the distinguished junior Senator from Oklahoma [Mr. MONRONEY] for doing another outstanding job. All of us who served with him in the House of Representatives, as well as all who now are serving with him in the Senate, know he never undertakes anything except with thoroughness and with a comprehensive understanding of his subject.

I know of no subject more important to the communities of the Nation and the future of the Nation than the subject the Senator from Oklahoma is dealing with in this measure.

Mr. President, we appropriate billions of dollars each year. Some of those billions of dollars we send to other countries, in an attempt to promote peace and to be helpful in a unity of purpose against the threatening force of communism.

Mr. President, I hope we are not totally oblivious to the needs we have at home. I hope that other Senators who have responsibilities as chairmen of subcommittees or committees will, before the Congress adjourns, bring before the Senate measures such as the bill of the distinguished Senator from Louisiana [Mr. ELLENDER], for the development of our water resources—measures which we must enact if we are to keep our Nation strong and moving forward.

Mr. President, the Senator from Oklahoma [Mr. MONRONEY] has done a great job. Let me say to him and to the other members of his subcommittee—including the distinguished Senator from Florida [Mr. SMATHERS], who now is on the floor; the distinguished Senator from Kansas [Mr. SCHOEPPEL]; the distinguished Senator from Maine [Mr. PAYNE]; and the distinguished Senator from Nevada [Mr. BIBLE]—that all of us are grateful to them for the thorough job done. As majority leader, I wish to express to those Senators my deep appreciation for the many arduous hours they have spent on this subject.

Mr. MONRONEY. Mr. President, I am deeply appreciative of the remarks of the majority leader.

Mr. President, let me say, in amplification of the statements which have been made regarding the defense needs, that inasmuch as we spend more than $20 billion a year for military aircraft, and inasmuch as the civil aviation industry is spending hundreds of millions of dollars for new, faster, and better planes, it is high time for us to think of spending a few million dollars on places where those planes can safely land and safely take off with loads of passengers or with military armament.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1855) was passed, as follows:

Be it enacted, etc., That paragraph (3) of section 2 (a) of the Federal Airport Act (49 U. S. C. 1101–1119) is amended to read as follows:

"(3) 'Airport development' means (A) any work involved in constructing, improving, or repairing a public airport or portion thereof, including the construction, alteration, and repair of airport passenger or freight terminal buildings and other airport administrative buildings and the removal, lowering, relocation, and marking and lighting of airport hazards, and (B) any acquisition of land or of any interest therein, or of any easement through or other interest in air space, which is necessary to permit any such work or to remove or mitigate or prevent or limit the establishment of, airport hazards; but such term does not include the construction, alteration, or repair of airport hangars."

SEC. 2. The first two sentences of subsection (a) of section 3 of such act are amended to read as follows:

"SEC. 3. (a) At least 3 months prior to the close of each fiscal year, the Secretary is here-

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by authorized and directed to prepare and revise annually a national plan for the development of public airports in the United States, including the Territory of Alaska, the Territory of Hawaii, and Puerto Rico, and the Virgin Islands. Such plan shall specify, in terms of general location and type of development, the projects considered by the Secretary to be necessary to provide a system of public airports adequate to anticipate and meet the needs of civil aeronautics, which projects shall include all types of airport development eligible for Federal aid under this act and shall not be limited to any classes or categories of public airports."

SEC. 3. Section 4 of such act is amended to read as follows:

"SEC. 4. In order to bring about, in conformity with the National Airport plan prepared and from time to time revised as provided in this act, the establishment of a nationwide system of public airports adequate to meet the present and future needs of civil aeronautics, the Secretary of Commerce is authorized, within the limits of the obligation authority provided in section 5, to make grants of funds to sponsors for airport development as hereinafter provided."

SEC. 4. Section 5 of such act is amended to read as follows:

"SEC. 5. (a) For the purpose of carrying out this act with respect to projects in the several States, there are hereby authorized to be obligated by the execution of grant agreements pursuant to section 12 the sum of $60 million for the fiscal year ending June 30, 1956, and a like sum for each of the fiscal years ending June 30, 1957, June 30, 1958, and June 30, 1959. Each such authorized amount shall become available for obligation beginning July 1 of the fiscal year for which it is authorized, and shall continue to be so available until so obligated.

"(b) For the purpose of carrying out this act with respect to projects in the Territories of Alaska and Hawaii, and in Puerto Rico and the Virgin Islands, there are hereby authorized to be obligated by the execution of grant agreements pursuant to section 12 the sum of $3 million for the fiscal year ending June 30, 1956, and a like sum for each of the fiscal years ending June 30, 1957, June 30, 1958, and June 30, 1959. Each such authorized amount shall become available for obligation beginning July 1 of the fiscal year for which it is authorized, and shall continue to be so available until so obligated. Of each of the amounts authorized by this subsection, 45 percent shall be available for projects in the Territory of Alaska, 25 percent for projects in the Territory of Hawaii, 20 percent for projects in Puerto Rico, and 10 percent for projects in the Virgin Islands.

"(c) There are hereby authorized to be appropriated such amounts of money as may be necessary to liquidate obligations incurred as authorized by subsections (a) and (b).

"(d) There are hereby authorized to be appropriated such amounts of money as may be necessary for planning and research and for administrative expenses incident to the administration of this act. As used in this section, the term 'administrative expenses' includes expenses under this act of the character specified in section 204 of the Civil Aeronautics Act of 1938 (49 U. S. C. 424)."

SEC. 5. Section 6 of such act is amended to read as follows:

"SEC. 6.(a) As soon as possible after July 1 of each fiscal year for which an amount is authorized to be obligated by section 5 (a), 75 percent of the amount made available for that year shall be apportioned by the Secretary of Commerce among the several States, one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States. Each amount so apportioned for a State shall, during the fiscal year for which it was first authorized to be obligated and the fiscal year immediately following, be available only for grants for approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State, and thereafter any portion of such amount which remains unobligated shall be redistributed and reapportioned as provided in subsection (c) of this section. Upon making an apportionment as provided in this subsection, the Secretary shall inform the executive head of each State, and any public agency which has requested such information, as to the amounts apportioned for each State. As used in this subsection the term 'population' means the population according to the latest decennial census of the United States and the term 'area' includes both land and water.

"(b) (1) Twenty-five percent of all amounts authorized to be obligated by section 5 (a) shall, as such amounts become available, constitute a discretionary fund.

"(2) Such discretionary fund shall be available for such approved projects in the several States as the Secretary may deem most appropriate for carrying out the national airport plan, regardless of the States in which they are located. The Secretary shall give consideration, in determining the projects for which such funds is to be so used, to the existing airport facilities in the several States and to the need for or lack of development of airport facilities in the several States.

"(3) Such discretionary fund shall also be available for such approved projects in national parks and national recreation areas, national monuments, and national forests, sponsored by the United States or any agency thereof, as the Secretary may deem appropriate for carrying out the national airport plan; but no other funds authorized under authority of this act shall be available for such purpose. The sponsor's share of the project costs of any such approved project shall be paid only out of funds contributed to the sponsor for the purpose of paying such costs (receipt of which funds and their use for this purpose is hereby authorized) or appropriations specifically authorized therefor.

"(c) Seventy-five percent of any amount apportioned for projects in a State pursuant to subsection (a) of this section which has not been obligated by grant agreement at the expiration of the 2 fiscal years for which such amount was so apportioned shall be reapportioned among the respective States in the manner of apportionment of the original authorization under subsection (a) and the remaining 25 percent of such amount shall be added to the discretionary fund established by subsection (b), and at the expiration of each succeeding fiscal year any of the amount so reapportioned for a State that still remains unobligated shall again be reapportioned and redistributed in the same manner."

SEC. 6. Section 8 of such act is repealed.

SEC. 7. The first sentence of subsection (d) of section 9 of such act is amended to read as follows: "All such projects shall be subject to the approval of the Secretary of Commerce, which approval shall be given only if he is satisfied that the project will contribute to the accomplishment of the purposes of this act, that sufficient funds are available for that portion of the project costs which is not to be paid by the United States under this act, that the project will be completed without undue delay, that the public agency or public agencies which submitted the project application have legal authority to engage in the airport development as proposed, and that all project sponsorship requirements prescribed by or under the authority of this act have been or will be met."

SEC. 8. The third sentence of section 12 of such act is amended to read as follows: "Each such offer shall state a definite amount as the maximum obligation of the United States payable from funds authorized by this act, and shall stipulate the obligations to be assumed by the sponsor or sponsors of the project."

SEC. 9. All amounts authorized by section 4 of this act to be obligated for grants under the Federal Airport Act shall be additional to all amounts previously appropriated or authorized to be obligated for such purposes. Notwithstanding any other provision of this act, the balances of such previously appropriated or authorized funds which are unexpended and unobligated on the effective date of this act shall remain available for obligation and expenditure as originally appropriated or authorized.

COMPACT BETWEEN THE STATES OF CALIFORNIA AND NEVADA

Mr. JOHNSON of Texas. Mr. President, I have just received the report on Senate bill 1391. I ask unanimous consent for the present consideration of the bill, which is Calendar No. 640.

The ACTING PRESIDENT pro tempore. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. Calendar No. 640, Senate bill 1391, granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lakes in such States.

The ACTING PRESIDENT pro tempore. Is there objection to the request for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1391) granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lakes in such States, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 5, after the word "to", to insert "the President and to the"; and in line 10, after the word "and", to strike out "approved" and insert "consented to", so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby given to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States.

SEC. 2. Such consent is given upon the following conditions:

(1) A representative of the United States, who shall be appointed by the President of the United States, shall participate in such negotiations and shall make a report to the President and to the Congress of the proceeedings and of any compact entered into; and

(2) Such compact shall not be binding or obligatory upon either of such States unless and until it has been ratified by the legislature of each of such States and consented to by the Congress of the United States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the amendments will be considered en bloc.

The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

Mr. JOHNSON of Texas. Mr. President, this bill was not included with the other bills listed, because the report on this bill was not then available.

The bill has been cleared with the minority leader. As a matter of fact, he is the author of the bill, which has been reported by the Senator from Nevada [Mr. BIBLE].

Mr. President, the bill would give the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and tributaries of those streams and the lake.

The ACTING PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1391) was ordered to be engrossed for a third reading, read the third time, and passed.

MULTIPLE USE OF THE PUBLIC LANDS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 559, Senate bill 1713. I desire to have this bill made the unfinished business.

The ACTING PRESIDENT pro tempore. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. Calendar No. 559, Senate bill 1713, to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas that the Senate proceed to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws, to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday, June 27, there be a call of the calendar of bills and other measures on the calendar to which there is no objection, and that the call begin with Calendar No. 589, Senate Concurrent Resolution 42, favoring the suspension of deportation in the case of certain aliens.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business for today—and we shall remain in session today as long as may be necessary in order to accommodate any Senator—the Senate stand in adjournment until noon, on Monday next.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I may state that probably on Monday the Senate will consider, by motion, Calendar No. 559, Senate bill 1713, to amend the act of July 31, 1947 (61 Stat. 681) and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes; Calendar No. 361, Senate bill 51, to amend the act entitled "To confer jurisdiction on the States of California, Minnesota, Nebraska, Oregon, and Wisconsin, with respect to criminal offenses and civil causes of action committed or arising on Indian reservations within such States, and for other purposes; and Calendar No. 586, Senate Joint Resolution 21, to establish a Commission on Government Security.

Mr. President, I have a brief statement to make, and then I shall yield the floor.

As all Senators will observe from the calendar which is on the desk of each Senator—and I refer to the calendar, as printed, for Friday, June 24, 1955—the Senate has considered the urgent and second deficiency appropriation bills; the additional Department of Justice appropriation bill; the Treasury-Post Office appropriation bill; the second supplemental appropriation bill, the Interior Department appropriation bill; the Agriculture Department appropriation bill; and the Independent Offices appropriation bill. Those bills have gone to the President, the conference report on the independent offices appropriation bill having been agreed to only yesterday by the Senate.

The State-Justice-Judiciary appropriation bill for 1956 was passed in the Senate on May 31, but I regret to say that it was not until June 23 that the other body sent that bill to conference. It is my information that it is now planned for the conferees to meet on that bill at 1 o'clock on Wednesday next. I regret that that bill has been held up from May 31 to June 23, but I am hopeful that the conferees can agree on Wednesday, so that the bill can be sent to the White House before the end of the fiscal year, on Thursday.

The Department of Defense appropriation bill came to the Senate on May 13. It passed the Senate on June 20. It is my information that the conference will be held on that bill at 10 o'clock on Wednesday next.

The Commerce Department appropriation bill was received in the Senate on May 25. The Senate acted on that bill and passed it on June 16. On that date the Senate conferees were appointed and the Senate asked for a conference. It is my information that no conferees have been appointed by the other body. I am hopeful that, in the early part of the week there can be a conference on that bill. The distinguished chairman of the subcommittee [Mr. HOLLAND] tells me that he is hopeful that there will be a conference on Tuesday on the Commerce Department appropriation bill.

The general Government matters appropriation bill has already gone to the White House.

With respect to the Labor-Health, Education, and Welfare appropriation bill, the conferees were appointed by the Senate on June 6. I understand that on June 22 the other body appointed conferees, and we hope that they can meet and reach a decision, and that that bill can be sent to the White House before the end of the fiscal year.

Therefore, the Commerce, Defense, State-Justice, and Labor-HEW appropriation bill, four principal appropriation bills acted on some time ago, are still in conference. If the conference committees can report, of course, those reports will have priority, because we want to send those bills to the White House before the end of the fiscal year.

That leaves us only with the public-works bill, which the other body has passed. That bill was received from the other body on June 17. I am informed by the distinguished Senator from Louisiana [Mr. ELLENDER], chairman of the subcommittee, that although the bill was received as recently as June 17, it is hoped that he can submit a report to the Senate on that bill some time next week.

Hearings will begin on the legislative appropriation bill next week, and we hope to meet the deadline with respect to that bill.

That will leave only the usual supplemental bill, and the foreign aid bill. As Senators know, action was taken by this body sometime ago on the authorization bill, and as soon as the foreign aid authorization bill passes the House, I am sure the Senate Committee on Appropriations will be ready to take action.

Mr. President, I have never known of a better job by any committee than the one performed under the chairmanship of our beloved and distinguished senior colleague from Arizona [Mr. HAYDEN]. Each and every member of his committee has been untiring. They have been thorough and painstaking and devoted to their task. I wish to express my personal appreciation to them, and express the hope that the conferees may be able to schedule conferences on remaining bills so that when the curtain is rung down at the end of this fiscal year it will not be said that appropriation bills are stacked up in the Senate awaiting action.

As all Senators know, through the years the other body has had a long history of precedents behind it in initiating appropriation bills. Not all of us agree with this interpretation. Of course, under the Constitution, tax meaures and

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other revenue-raising measures must originate in the House of Representatives. It has been concluded that that principle can be stretched to include appropriation bills.

Notwithstanding that fact, the Senate Appropriations Committee has kept in step with the fine work done by the other body, and I am hoping that the two bodies can coordinate their efforts so that every bill except the foreign-aid bill can be sent to the White House before the end of the fiscal year.

I wish Senators to be prepared, if necessary, to remain in session until a late hour on Tuesday and Wednesday, in case there should be any controversies with respect to any of the conference reports, because we are determined to meet the deadline if we can.

For the information of Senators, I should say that it is hoped—and I emphasize, capitalize, and repeat, "hoped,"—by the leadership that if we make as much progress next week as we have made this week, if we continue to operate in the spirit of harmony, unity, and cooperation which has prevailed during this entire session, on the part of all Members of the Senate, we may be able to adjourn or recess from next Friday until the following Tuesday. I make this announcement in order that Senators may make their plans accordingly. Of course, I can never control the Senate. Neither can the majority leader and the minority leader together control it. The program of the Senate is a matter for the Senate itself. But we are hoping that there will be no roll calls on Friday, and we shall do our best not to schedule controversial legislation on Tuesday.

What are some of the things which might disrupt such a program? They are messages of which we are unaware, reports on important legislation which must be considered, delay in conference committee reports, and matters of that kind.

I have hope and I have faith—and I am justified in that faith and hope in the Senate and in the Members of the Senate—that we will get our conference reports. I also believe that we will have the Public Works Appropriation bill before the Senate for some general discussion. I hope—and the minority leader shares that hope—that we will be able to recess or adjourn from Friday of next week until the following Tuesday, without any roll call either on Friday or on Tuesday. We will do that if it meets the pleasure of the Senate, and unless something unforeseen develops. If something unforeseen develops, I shall immediately call it to the attention of the Senate.

We have had another very productive week. I know the majority leader expresses the gratitude not only of himself but of the minority leader in saying that they are indebted to all Senators who have been so helpful.

INVESTIGATION OF URANIUM SUPPLIES

Mr. BARRETT. Mr. President, this year marks the 10th anniversary of the end of the most destructive and devastating war in the history of mankind. Down through the years the inhumanity of wars has become increasingly more terrifying with each succeeding age. The concept that only the soldier's life was in mortal danger was discarded with the commencement of hostilities in the last world war.

We had no recourse except to level the productive plants of the enemy with the terrible 10-ton blockbusters that took their toll in the lives of countless noncombatants, men, women and children. How many people, Mr. President, were able to evaluate the catastrophic change in waging of war that came with the bombing of Hiroshima and Nagasaki? It could not be worse, we thought. A whole city was snuffed out in a split second by bombs with the power of 20,000 tons of TNT. But, Mr. President, the events of the last 10 years proved we were terribly mistaken.

In 1951 it was difficult to comprehend the destructive force of bombs with an intensity of 500,000 tons. Then in 1952 came the hydrogen model, packed with the incomprehensible charge of 10 million tons of TNT. By what yardstick can an ordinary human measure the fury of such superbombs? How many people can fathom the explosive effect of one such bomb, let alone hundreds or thousands? Is it any wonder the President saw fit to take his entire Cabinet and executive force to a hideaway in a civil-defense practice session on a simulated bomb attack? It may well be that civilization itself is at the crossroads. The meeting at the summit may offer men of good will the last clear chance for peace. Let us hope that an agreement can be reached to outlaw the atomic bomb guaranteed by the right of international inspection. How much better this old world would be if we could but use this great secret for the benefit of man rather than for his destruction.

In the light of all of these facts, Mr. President, is it any wonder that there has been such a mad scramble for uranium in these last 10 years? At first we were obliged to look abroad for our supply of uranium, and late in 1942 a supply was found in the Belgian Congo. Shortly thereafter, the Atomic Energy Commission set out on a program designed to encourage private enterprise to make an intensive search for this precious mineral. The bonus and inducements were adequate to send thousands upon thousands of prospectors into the remote areas of every section of the land. The discoveries in the Colorado plateau have exceeded the fondest expectations of most every leader in the field. As might be expected, Mr. President, shortly the search for uranium moved over from Colorado to my State of Wyoming.

Before long some rather rich, though isolated, deposits of uranium were discovered in the Pumpkin Butte area of northeastern Wyoming. The Atomic Energy Commission made a preliminary investigation and in order to explore the area rather thoroughly caused the Secretary of the Interior to issue Order No. 811 on March 7, 1952, withdrawing some 65,343 acres of land in that area from filing of mineral claims. I ask unanimous consent that a copy of that order be inserted in the body of the RECORD at this point.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR—CODE OF FEDERAL REGULATIONS—TITLE 43—PUBLIC LANDS

CHAPTER I.—BUREAU OF LAND MANAGEMENT

Appendix—Public land orders

Public Land Order 811—Wyoming—Withdrawing Public Lands and Reserved Minerals in Patented Lands for Use of the United States Atomic Energy Commission

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

The public lands and the minerals reserved to the United States in patented lands in the following-described areas in Wyoming are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws, and reserved for the use of the United States Atomic Energy Commission:

Sixth Principal Meridian:

T. 42 N., R. 75 W., secs. 5 and 6.

T. 43 N., R. 75 W., secs. 3 to 12, inclusive; secs. 15 to 22, inclusive; secs. 28 to 32, inclusive.

T. 44 N., R. 75 W., secs. 31 to 34, inclusive.

T. 42 N., R. 76 W., secs. 1 to 5, inclusive; secs. 7 to 11, inclusive; secs. 16 to 21, inclusive; secs. 29 and 30.

T. 43 N., R. 76 W., secs. 1 to 5, inclusive; secs. 8 to 17, inclusive; secs. 20 to 29, inclusive; secs. 32 to 36, inclusive.

T. 44 N., R. 76 W., secs. 11 to 16, inclusive; secs. 21 to 28, inclusive; secs. 32 to 36, inclusive.

T. 42 N., R. 77 W., secs. 22 to 27, inclusive.

The areas described, including both public and nonpublic lands, aggregate approximately 65,343.29 acres.

Any tract or tracts of land within the above-described areas to which valid claims have attached under the public-land laws prior to the date of this order, are excluded from the reservation hereby made: *Provided, however,* That upon the abandonment or extinguishment of such claims for any cause, the reservation shall immediately become effective as to such tract or tracts and the minerals therein.

The reservation made by this order shall be subject to existing withdrawals affecting any of the lands.

OSCAR L. CHAPMAN,
Secretary of the Interior.

MARCH 7, 1952.

Mr. BARRETT. Mr. President, when the Atomic Energy Commission had concluded its survey of the area, it called upon the Secretary of the Interior to lift the withdrawal and that action was taken by Public Land Order 1043, dated December 28, 1954. I ask unanimous consent that a copy of order 1043 be inserted in the body of the RECORD at this point.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR—CODE OF FEDERAL REGULATIONS—TITLE 43—PUBLIC LANDS

CHAPTER I. BUREAU OF LAND MANAGEMENT

Appendix—Public land orders

Public Land Order 1043—Wyoming—Revoking Public Land Order No. 811 of March 7, 1952, Which Withdrew Public Lands and Reserved Minerals in Patented Lands for Use of the United States Atomic Energy Commission

By virtue of the authority vested in the President and pursuant to Executive Order

No. 10355 of May 26, 1952, it is ordered as follows:

Public Land Order No. 811 of March 7, 1952, withdrawing public lands and the minerals reserved to the United States in patented lands in the following described areas in Wyoming for use of the United States Atomic Energy Commission, is hereby revoked:

Sixth principal meridian:

T. 42 N., R. 75 W., secs. 5 and 6.

T. 43 N., R. 75 W., secs. 3 to 12, inclusive; secs. 15 to 22, inclusive; secs. 28 to 32, inclusive.

T. 44 N., R. 75 W., secs. 31 to 34, inclusive.

T. 42 N., R. 76 W., secs. 1 to 5, inclusive; secs. 7 to 11, inclusive; secs. 16 to 21, inclusive; secs. 29 and 30.

T. 43 N., R. 76 W., secs. 1 to 5, inclusive; secs. 8 to 17, inclusive; secs. 20 to 29, inclusive; secs. 32 to 36, inclusive.

T. 44 N., R. 76 W., secs. 11 to 16, inclusive; secs. 21 to 28, inclusive; secs. 32 to 36, inclusive.

T. 42 N., R. 77 W., secs. 22 to 27, inclusive.

The areas described, including both public and nonpublic lands, aggregate approximately 65,343.29 acres.

The public lands released from the withdrawal are located approximately 25 miles east of Kaycee, Wyo. They are generally situated on the Powder River-Belle Fourche-Cheyenne Rivers Divide. The most prominent topographic feature is the Pumpkin Buttes which rises several hundred feet above the surrounding land. The topography of the remaining land varies from nearly level to rough. The soils vary from clay to sandy clay loam and are generally unsuited to crop production. These soils support a mixture of grass and sagebrush and for the most part the vegetation is in good condition. All of the public lands involved are under grazing lease.

No application for the lands may be allowed under the homestead, desert-land, small-tract, or any other nonmineral public-land law unless the lands have already been classified as valuable or suitable for such type of application, or shall be so classified upon the consideration of an application. Any application that is filed will be considered on its merits. The lands will not be subject to occupancy or disposition until they have been classified.

This order shall not otherwise become effective to change the status of the described lands until 10 a. m. on the 35th day after the date of this order. At that time the said lands shall become subject to application, petition, location, and selection, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference-right filing period for veterans and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284), as amended.

Veterans' preference-right applications under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284), as amended, may be filed on or before 10 a. m., on the 35th day after the date of this order, and those covering the same lands shall be treated as though simultaneously filed at that time. Applications filed under the act after that time and during the succeeding 91 days shall be considered in the order of filing. Applications by the general public under the public-land laws, filed on or before 10 a. m. on the 126th day after the date of this order shall be treated as though simultaneously filed at that time, where the applications are for the same lands; otherwise, priority of filing shall govern.

Inquiries regarding the lands shall be addressed to the Manager, Land Office, Bureau of Land Management, Cheyenne, Wyo.

FRED G. AANDAHL,
Assistant Secretary of the Interior.
DECEMBER 28, 1954.

Mr. BARRETT. Mr. President, immediately after it was apparent that the land would be opened again to mining claims, there was a mad rush to the area from every corner of the country. Farmers and ranchers complained bitterly that prospectors were running promiscuously over their lands. The opening of the area was set for May the 3d. This was about as inopportune a time as could have been designated as far as livestock men were concerned, for the reason that lambing and calving operations were then in full swing. One young rancher testified:

> My grandfather was on the land my family now occupies. He was there in territorial days * * * We raise good enough cattle to be able to win prizes at the American Royal Livestock Exposition * * * We suffer a loss of grass. We suffer this when our land is stripped for mining purposes. But we also suffer it when prospectors run over the land in heavy vehicles.

Where one prospector knew the type of ownership of the land in the area, at least a hundred were uninformed. It was to be expected that serious difficulties would arise under these circumstances and there was every indication that the lives of the farmers and the prospectors alike would be jeopardized if filings were to be permitted on May 3. The entire Wyoming congressional delegation and the Governor of Wyoming requested Secretary of the Interior McKay to investigate the situation with the idea in mind of revoking the order of December 28 lifting the withdrawal.

The Secretary requested his Area Administrator at Denver, Westal B. Wallace, to make a thorough study of the whole matter and to file a report. The report recommended that order No. 1043 be revoked and by order 1138, dated April 27, 1955, that action was taken. I ask unanimous consent, Mr. President, to insert in the body of the RECORD at this point a copy of order No. 1138.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR—CODE OF FEDERAL REGULATIONS—TITLE 43—PUBLIC LANDS

CHAPTER I. BUREAU OF LAND MANAGEMENT

Appendix—Public land orders

Public Land Order 1138—Wyoming—Revoking Public Land Order No. 1043 of December 28, 1954

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Public Land Order No. 1043 of December 28, 1954, revoking Public Land Order No. 811 of March 7, 1952, which latter order withdrew the public lands and the minerals reserved to the United States in patented lands in the following-described areas in Wyoming for use of the United States Atomic Energy Commission is hereby revoked:

Sixth principal meridian:

T. 42 N., R. 75 W., secs. 5 and 6.

T. 43 N., R. 75 W., secs. 3 to 12, inclusive; secs. 15 to 22, inclusive; secs. 28 to 32, inclusive.

T. 44 N., R. 75 W., secs. 31 to 34, inclusive.

T. 42 N., R. 76 W., secs. 1 to 5, inclusive; secs. 7 to 11, inclusive; secs. 16 to 21, inclusive; secs. 29 and 30.

T. 43 N., R. 76 W., secs. 1 to 5, inclusive; secs. 8 to 17, inclusive; secs. 20 to 29, inclusive; secs. 32 to 36, inclusive.

T. 44 N., R. 76 W., secs. 11 to 16, inclusive; secs. 21 to 28, inclusive; secs. 32 to 36, inclusive.

T. 42 N., R. 77 W., secs. 22 to 27, inclusive.

The areas described, including both public and nonpublic lands, aggregate approximately 65,343.29 acres.

The lands withdrawn by Public Land Order No. 811 remain subject to that order.

ORME LEWIS,
Assistant Secretary of the Interior.
APRIL 27, 1955.

Mr. BARRETT. Mr. President, when the Secretary of the Interior rescinded the order opening the Pumpkin Butte area, Governor Simpson joined with the entire Wyoming delegation in Congress in assuring the Secretary that steps would be taken to disseminate information regarding the respective rights of both the landowners and the prospectors who desired to file mining claims in the area.

Accordingly, Mr. President, when Clifford Hansen requested that I invite a number of Government officials to participate in a panel discussion on the problems involved in that controversy on the final day of the convention of the Wyoming Stock Growers' Association, I immediately felt that here was an opportunity to begin an informative program. However, I felt that a 1-day session would be insufficient, and I was pleased to learn that Byron Wilson, the president of the Wyoming Natural Resource Board, had called a meeting the day following the Stock Growers' meeting to explore further the situation. Thereafter the Senator from Montana [Mr. MURRAY], the chairman of the Senate Interior Committee, designated my colleague [Mr. O'MAHONEY] as chairman of a subcommittee to hold an official committee meeting on the uranium problem with the idea in mind of considering the advisability of legislation. Accordingly, Mr. President, a three-prong attack on the overall problem was made—

First, by addresses and panel discussion at the Wyoming Stock Growers' convention Thursday afternoon and evening, June 9, Clifford Hansen, president, presiding;

Second, by speeches and panel discussions at the meeting of the Wyoming Natural Resource Board Friday morning, Byron Wilson presiding; and

Third, by the meeting of the subcommittee Friday afternoon and evening, the Senator from Wyoming [Mr. O'MAHONEY] presiding.

Every person expressing a desire was given an opportunity to be heard at one or more of the sessions.

For the sake of convenience, I have grouped the papers delivered at each session together. I ask unanimous consent to have printed in the body of the RECORD at this point the addresses delivered by, first, Clifford Hansen, president, Wyoming Stock Growers' Association; second, William G. Waldeck, attorney at law, Montrose, Colo.; third, Robert McPhillamey, deputy attorney general, Cheyenne, Wyo.; fourth, Edward Woozley, director, Bureau of Land Management; fifth, Eugene W. Grutt, Jr., chief, Casper, Wyo., office of Atomic Energy Commission; sixth, William N. Sharp, geologist, United States

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Geological Survey, Denver, Colo.; seventh, Sheldon P. Wimpfen, manager, Atomic Energy Commission office, Grand Junction, Colo.; and eighth, Gov. Milward L. Simpson, Governor of Wyoming.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF CLIFFORD HANSEN

Senator BARRETT, Senator O'MAHONEY, Representative THOMSON, distinguished representatives of the Interior Department, Forest Service, Atomic Energy Commission, United States Geological Survey, American Mining Congress, the people of the State of Wyoming and the West appreciate your coming to our great State. We look to you for guidance in seeking solutions to some of our problems.

The State of Wyoming, and indeed all of the so-called public-land States, are not as fortunate as were the earlier States in the Union. Many different reservations by the Federal Government have complicated the pattern of land use and land management.

Nearly all of the ranches in Wyoming embrace some fee land, of which the rancher has complete ownership. But, in addition, on a great deal of the pastureland the livestockman owns only the surface, the minerals having been reserved by the Federal Government. Still other tracts featuring prominently in a typical operation are the BLM Taylor lands, and forest reserves. On these, the ownership is vested in the Federal Government. The rancher has a permit or a lease to use or graze the area; a definite grazing season is established, and the number of animals that can be grazed is fixed. While the Taylor Grazing Boards exercise a fair amount of authority, the advisory boards to the Forest Service have little to do in determining policy.

Many of the lands of the West would not have been settled if it had not been possible to get the use of the adjacent Federal lands.

The stockman must depend on the crop of grass that grows annually for feed for his stock.

If, as is happening daily in Wyoming, the use of these lands by others interferes with the normal grazing of livestock, or the continued traversing of grasslands by car and truck destroys the crop, the rancher has been dealt a severe blow. He has lost the only use he can make of his property for the season.

Claims have been staked on waterholes, reservoirs, trails, and wells. If the validity of the claim is upheld, the precariousness of the rancher's investment becomes apparent. These features of any ranch are important. In the arid West they are key areas, indeed, and to lose them could well destroy the value of a complete outfit.

The threat that is posed by the search for minerals on lands wherein they are reserved is not confined to those lands. The trespassing on other lands goes on without interruption.

The crazy-quilt pattern of ownership precludes a prospector from staying only on those lands whose underlying minerals are reserved by the Federal Government. Jeep trails, bulldozer tracks, and truck roads are creating serious erosion problems.

These, then, are some of the problems that must be faced. The average rancher appreciates the great urgency of the Government's having an adequate inventory and supply of strategic minerals. We feel sure it is the desire of the Government to inconvenience and damage us as little as possible.

When Senator BARRETT arranged for all these officials to participate in this panel discussion, it was suggested that if questions could be forwarded to him in advance of the convention that the Department officials would prepare answers in writing. After the addresses scheduled on our program we will proceed to the question and answer panel.

URANIUM PROSPECTING AND STOCKMEN

(By William G. Waldeck, attorney at law, Montrose, Colo.)

With the arrival of warm weather, nature seems to bestir all her creatures with new energy and activity. All manner of beings materialize from no one knows where, or increase their numbers greatly and begin to swarm upon the face of the earth. One such is that newly detected species in the Wyoming regions, the uranium prospector. Armed with Geiger counter and scintillometer, very often propelled by jeep or pickup, they descend in flocks and swarms upon any likely looking piece of ground. The prospector may be amateur or professional, the part-time hunter for ore with a job nearby, or a full-fledged representative of an established company with big holdings. Of whatever variation, he is apt to be distinguished by persistence, ingenuity, and an astonishing mobility. One day he is nowhere in sight, the next day he and his companions are at it full tilt with pick, shovel, hammer, and, perhaps, even a bulldozer, in every crevice and every draw. And yet, it might be said in defense of the activities of this energetic species that he has helped to change us from a have-not uranium country to one of the major world producers.

As stockmen, however, whose livelihood depends on the grazing lands upon which this same prospecting is being conducted, you have a necessarily great interest in knowing the relative rights of the user of the surface of lands and the rights of the mining prospector or claimant.

On lands which are classified as public lands, regardless of whether they are a part of the public domain or are included within a national forest, a prospector has free right of entry for the purpose of staking of mining claims and mining. This is true regardless of whether the grazing rights on the land have been allotted under the Taylor Grazing Act or by forest permit. In addition, the mining laws, as presently constituted, would apparently grant to the mining claimant the right of exclusive possession of the claim, including the right to use the surface resources.

Of course, in the case of privately owned lands in which the owner possesses mineral rights as well as surface rights, a prospector has no right to prospect or locate mining claims. The lands are not open to entry under the mining laws and an attempted entry upon such lands is a trespass. In order to explore such lands for mineral an exploration contract, license or lease must be obtained from the landowner.

In many instances, however, the mineral rights are owned separately from the surface rights and the owner of the surface rights does not have title to the mineral rights. Often the separation or severance of the mineral rights from the surface rights has been accomplished by the owner of the land conveying away the mineral rights to another, or by a prior owner's reserving unto himself the mineral rights when conveying the land to another. In like manner, a type of severance of the mineral estate comes about in cases where the mineral rights are leased to another for mining purposes. Such a severance of surface and mineral rights, however accomplished, creates two separate estates or sets of rights with respect to the land.

The surface estate, because of the separation, is burdened in several ways by the mineral estate. For example, a severance of minerals by conveyance or reservation to another implies that the mineral claimant has a right-of-way for access on and across the surface of the land for the purpose of prospecting, mining, developing, drilling, and other activities reasonably necessary for the enjoyment of the mineral rights. The owner of the minerals has the right to sink shafts, drive drifts, or make other excavations into the surface, including stripping operations where reasonably necessary for the type of mineral deposit encountered. In like manner, after drifts and shafts have been excavated and mineral removed, the mineral claimant has the right to continue to utilize such openings and passages in any manner reasonably necessary, including the use for access to adjoining property. He has a right to occupy so much of the surface as reasonably necessary for camps, ore bins, stowing of machinery, and other purposes required for mineral development. Generally, the mineral claimant has the right to employ the surface in all ways reasonably necessary for the enjoyment and utilization of the mineral rights. The mineral claimant, however, is required to utilize his rights in such a way as not to interfere unreasonably with the rights of the surface. To this end he is required to take reasonable precautions to prevent subsidence, to fence dangerous shaft openings, and to conduct blasting in a prudent manner so as not to imperil the improvements of the surface owner.

Several of our Federal laws have resulted in a severance of mineral rights from the surface rights, the most important of which was the Stock Raising Homestead Act of 1916. The law provided for the patenting of lands for stockraising purposes, but reserved the mineral rights to the United States together with the right of qualified persons under Federal law to enter upon the patented lands, prospect for and mine, and remove the minerals found thereon.

The law provided that although persons had the right at all times to enter upon the patented lands for prospecting purposes, still they would be liable to the surface owner for damage to improvements or crops. In the event of the location of a mining claim, the claimant was given the right by the act to reenter the lands, occupy so much of the surface as reasonably necessary, and mine and remove the discovered deposit, provided the claimant either:

1. Obtained written consent from the surface owner;

2. Paid for damage to crops and tangible improvements; or

3. Posted a bond to insure surface owner against damage to improvements or growing crops.

It has been held by the Supreme Court of Colorado in construing this act that a person is not required to post a bond in order to enter upon lands for the purpose of prospecting or even locating a mining claim, although the person would be liable for damages actually caused. It is only after the claim is located and the claimant "reenters" for the purpose of mining or development that he is required to obtain permission or post the required bond.

The bond which must be posted must be in an amount of not less than $1,000 and must be filed with the manager of the Bureau of Land Management Office having jurisdiction over the lands in question. The mining claimant must serve a copy of the bond upon the surface owner who has a period of 30 days in which to object to the bond—either the amount thereof or the sureties. If no objection is made, the BLM may approve the bond. If an objection is made, the BLM hears the objections and either approves or disapproves the bond, from which decision an appeal may be taken to the Director of BLM. The bond is to insure the payment of damages to the crops or tangible improvements of the surface owner as might be determined by a court of competent jurisdiction.

It has been determined that a patentee or surface owner under the Stock Raising Homestead Act has no preferential right to obtain the minerals under his lands, but stands in the same position as any others, except, of course, he need not post a bond or obtain permission to mine upon the land.

The wording of the act with respect to damage is rather narrow. The act provides that a person prospecting or mining is liable for damages to the "permanent improvements" or tangible improvement and "crops" of the surface owner. The narrowness of this definition led to the passage of an act in 1949 which provided that in addition to liability for damage to crops and improvements, a person mining by open pit or strip methods would be liable for damage caused to the value of the land for grazing purposes as well.

It will not be my purpose to attempt to discuss the requirements of State law of Wyoming as it applies to this problem since we have the deputy attorney general of Wyoming present who is of course much more qualified to speak upon this subject, in general, however, whether it be Wyoming or elsewhere one of the most resented factors in the location of mining claims upon patented lands is the necessity found in most State statutes for the performance of certain location work in order to locate a mining claim. Until quite recently this location work generally took the form of excavation of a discovery shaft or pit, generally to depth of 10 feet which was required to reveal mineral in place. The purpose of requiring such location work was threefold: (1) To require the claimant actually to expend some time and effort upon the claim and thus demonstrate his good faith, (2) to demonstrate visually that a discovery of mineral had been made, and (3) to tie down the location of the claim upon the ground by making an actual scratch or excavation on the face of the earth.

In practice, particularly in uranium mining claims, such a discovery pit has accomplished few of these purposes, perhaps only the last. In most cases the excavation of the shaft has been nothing more than a bulldozer cut in the soil which might serve as a boghole for sheep in wet weather or as a start for erosional processes on hillsides, but has done little to demonstrate the good faith of the claimant. In regard to the second purpose, the demonstration of a discovery—most of such discovery pits do not even reveal rock in place, much less mineralization. In most instances of claims away from outcrops, the ore horizon is found from 25 to several hundred feet below the surface. In order to make a discovery of the mineral it is usually necessary to conduct drilling operations or employ geophysical methods. It is true that the presence of the discovery shaft—if it is excavated deep enough so that it does not disappear in the first spring freshet—serves as a sort of restraint on the tendency of mining claims to float aimlessly about in search of an ore body to alight upon. If the claim is described with respect to the discovery shaft, it might be possible for the claim to spin around the point at which the shaft is located, but it would be a little more difficult for the claim to actually weigh anchor and sail down the canyon.

Because of the inapplicability of the discovery shaft statutes to uranium mining conditions, several of the Western States have modified their statutes to provide alternate means of locating a mining claim. The State of Wyoming, as will doubtlessly be discussed before you today, has provided a means whereby exploratory drilling can be substituted for the discovery shaft. This is certainly a much more sensible means of demonstrating good faith and revelation of a discovery—although as far as the particular stockman is concerned, I think it is at least debatable which causes the most damage to a range, the excavation of a pit, or the construction of several drill roads and drill sites.

In Colorado an alternative method has been provided to locate a mining claim other than by digging a discovery pit. This alternate method provides for the filing of a map with the location certificate of the claim, prepared from an actual field survey and showing the position of the mining claim upon the ground. This requirement fulfills the purpose of requiring a demonstration of good faith upon the part of the claimant and once and for all ties down the location of the mining claim and makes it earthbound. Admittedly, the procedure does not fulfill the purpose of requiring a demonstration of the discovery of mineral, but modern means of the detection of the presence of mineral are becoming so numerous and unique that it was thought best to allow the determination of the existence of a discovery of mineral to be made upon the basis of the principles of the much broader and more general Federal law. It is true, however, that regardless of whether discovery pits or exploratory drilling is required for location work upon the claims, still a considerable amount of drilling and the excavation of access openings into ore deposits will be required if a particular claim is to be developed and mined. Such activities will of necessity impose damage to some extent upon the surface estate. The protection of the surface owner, as mentioned before is to be found in the terms of the stock raising homestead statute.

Much of the land in Wyoming as elsewhere in the West has not been patented but remains a part of the public domain. The grazing resources of such lands are utilized by stockraisers either under the provisions of the Taylor Grazing Act or under administration of the Forest Service. Much of this land is subjected to prospecting and the location of numerous claims. As mentioned before, a qualified person has a free right at any time to enter upon the unappropriated public lands for the purpose of prospecting or location of mining claims. Of late a great amount of criticism of so-called abuses of the mining laws has been levied by groups interested in the various uses of the public lands. Much of this criticism has been ill informed and often misleading. It is difficult to escape the fact, however, that there are those who have located mining claims for purposes entirely foreign to mining enterprise. Since a mining claim is said to carry with it exclusive right to the possession of the area encompassed within its boundaries as well as the right to mine the minerals below the surface, it is not surprising to find that attempts are made to locate claims to obtain water holes, grazing, timber that may exist on the surface, or for the purpose of building summer homes, resorts, or other businesses upon the land obtained. The legitimate miner makes no excuse and does not support the activities of those who would utilize the mining laws for such purposes. The primary aim of the mining industry remains that their rights to prospect for, develop, and mine the mineral resources of the public lands be not impaired. Legislation has recently been introduced and is now pending in Congress which is aimed at the purpose of preventing the misuse of the mining laws by those not interested in mineral development. It is greatly encouraging to note that responsible representatives of the mining industry generally have given this legislation their support. S. 1713 which is now pending in Congress is directed to the purpose of preserving and protecting the rights of users of the surface and vegetative resources of the public lands while rendering the lands available for mining enterprises. The bill provides that claims located following the passage of the act shall not be used prior to the issuance of patent for any purpose other than prospecting, mining, or processing operations and uses reasonably incident thereto. Such claims prior to patent shall be subject to the right of the United States to manage and dispose of the vegetative surface resources and to manage other surface resources on the land encompassed within the mining claim. In addition, the mining claim is subject to the right of the permittees and licensees of the United States to utilize so much of the surface of the claim as necessary to achieve such purpose. These reserved rights, however, are subject to the rights of use of the surface and its resources by the mining claimant to the extent required for the mining claimant's prospecting, mining, or processing operations and uses reasonably incident thereto. This legislation represents another step in the direction of the encouragement of the maximum economic utilization of our land resources through multiple use. No legislation is a panacea cure for all of the world's problems. This legislation, however, appears to represent a sensible and equitable approach to a long festering problem.

The conflicting interests of the mineral claimant and the stock raiser do not represent the first controversy which has occurred in the development of the West. In the early days of the frontier, bitter conflicts raged between the open range cattle ranches and agricultural settlers who came into the area to homestead. The interests of the raiser of cattle clashed violently at times with the sheep raiser. The real story of strength and development in the history of the West, however, is not to be found in these conflicts which raged in the area, nor in the subjection of one group to the interests of another. It is to be found rather in the successful resolution of these conflicts, in the development of means by which each group could live in harmony with the other and pursue its own particular occupation. In like manner, the resolution of the problems which face the mineral claimant and the stock raiser and the development of a means wherein both may pursue their legitimate goals, represents the road to increased strength, economic development, and prosperity from our abundant western resources.

STATEMENT BY ROBERT MCPHILLAMEY, DEPUTY ATTORNEY GENERAL, CHEYENNE, WYO.

It has been estimated that there have been more man-hours converted to the search for uranium by the public, than for all other metals and ores combined. What was a few years ago an ordinary rock has become the potential of a valuable ore. Colleges are conducting classes in the use of Geiger counters and how to recognize uranium when you see it. A fever has enveloped our populace which has all the elements of an epidemic. Transportation has made it possible for the ordinary man to spend his weekends and vacations in the search for uranium and dreams of wealth.

The development of the "jeep" has made it possible to invade grounds which were heretofore inaccessible except on foot or horseback. In the space of a few short hours the weekend prospector can go farther and cover more ground than what was formerly possible to do in a week by foot or on horseback.

And if you want to look your nicest you may buy complete "prospector" clothing, with the ultimate in styling, from New York department stores—not only for yourself, but for the wife, daughter, son, and diapers for the baby.

No longer do you have to spend hours tramping the hills and valleys; there isn't much you have to carry on your back or by packhorse—no; all you have to do is load it in the "jeep" and take off for the hills.

No one knows the value of this modernized transportation more than this group here today. You use the "jeep" in your everyday chores—from one end of the ranch to the other. And if the "jeep" can't get where you want to go, you load your horse in the trailer and pull it within a few miles of your destination.

For the more advanced and prosperous, even these methods are too slow, and prospectors have taken to the hills in helicopters and by airplane.

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This mass movement in the search for uranium and possible wealth has swept across the Nation, and has caught us unprepared, not only in Wyoming, but all over the country. One prospector strikes a valuable deposit—and immediately overnight the entire Nation reads it in the newspapers, listens to the story on the radio, and finds himself on the very spot through the medium of television. We are aroused and imbued with excitement. "By sending $1; yes, I said just $1; to station XELO, you may obtain complete and authentic information on how to prospect for uranium. We will send absolutely free with this pamphlet your own, stylized, personal Geiger counter—and for another 50 cents we will write your name in gold. That number again is ———."

But the laws have not advanced and developed with the rapidity of this movement. Questions have been advanced for which there seems to be no answer. Both the prospector and the rancher or landowner want to know what their rights are. The law says this for the surface owner, and it says that for the mineral prospector.

First, it says that you are guilty of trespass if you enter unlawfully upon the lands of another without his permission. And on the other hand, it says that one may enter upon the surface for the purpose of prospecting for, mining, and removal of valuable minerals. The surface proprietor says, "You can't come upon my land and prospect without my permission," and the mineral prospector maintains that he has the right to look for minerals.

In addition to that you consult your attorney—but even there you obtain conflicting answers. You will undoubtedly hear divergent and conflicting opinions here today.

Questions have arisen to which not much thought has been given heretofore. Not only are there questions pertaining to the relative rights of the surface owner and the prospector, but questions have been advanced as to the relative rights between the prospectors themselves. What if I own fee land? What if it is Taylor grazing land? Carey Act land? Homestead grazing land? And from the other side come the questions of the prospector. After my claim is located how much of the surface can I use? And to what use may I put the surface? Can I keep hunters and fishermen from crossing my claim? Can I make the landowner keep his cattle away from my mine? What do I have to do to locate and validate a claim? From what point to what point does ingress and egress apply? Can I carry a gun?

The situation has become dangerous, as you all well know.

The rancher and the mineral prospector have had to become legal experts. Perhaps the situation is due to a misunderstanding or conflicting interpretations of the law by both parties. Perhaps both the surface owner and the prospector have even consulted the same attorney and received what appears to be conflicting and directly opposite answers.

I must confess that I am not a mineral legal expert. Since some of these questions have been presented to me I endeavored to find the answers. And some of the answers that I found were conflicting. Some of the answers I have not found yet. One case would say one thing, and another case would say another. The statutory law in some instances does not even touch upon the problem; and in other instances where it does touch upon the problem, it is ambiguous and as yet has received no judicial interpretation in this State nor in other States. Time has not permitted a complete and exhaustive study of each of the questions that have been presented within the past week and a half. I wish that I knew the answers and could say that "this is so" or that "that is so."

The theory of the law has been that there are two separate estates in land:

1. An estate in the surface; and
2. An estate in the minerals.

Herein lies the conflict. How are the two estates to be used and developed in conjunction with each other? There is no doubt that the use of one can destroy the other.

Suddenly every rock has become loaded with wealth. You, the stockgrower, have had the use of the surface for many years; you have placed valuable improvements upon the surface; you have developed wells and reservoirs—and now you are suddenly faced with its destruction. Modern mining methods have evolved from the pick and shovel stage—not much harm could be done with a pick and shovel and before a man did too much damage in his search for mineral wealth he became tired and worn out before he was able to do much damage. But now, within the short space of a day or two, a huge machine is able to completely strip the surface off of that north 40 that you planned to use. But the law says that you are entitled to damages. But it doesn't say how much. You find that that turns out to be an element of proof in a trial at law. You hire an attorney, you are faced with long and expensive litigation, and sometimes the matter of damages does not pay for the time, trouble, and expense involved. And sometimes before you can yell for help the damage has been done and the person responsible for it has disappeared.

You thereupon proceed to surround your pastures with guards to keep off intruders—but over the hill appears a prospector who knows his rights and you are informed that, "by golly, you can't keep me off here and if you do I'll sue." Your attorney isn't present, there is no judge present, there is no jury to decide the matter.

These are some of the problems with which we are faced here today. I, for one, do not profess to be able to give you exact, complete, and accurate answers—but perhaps we may be able to give you some information so that both you and the prospector may have some guiding principles by which you may govern yourselves until an adjustment in the relative rights of stockgrower and prospector can be obtained.

Believe me, your Government officials are working on the matter, with the purpose of obtaining a just and equitable settlement to both the stockgrower and mineral prospector.

The process and evolution of laws takes place after the problem arises—the ideal situation would be that the laws were enacted first to provide for and against any possible or probable problem that might arise.

ADDRESS BY EDWARD WOOZLEY, DIRECTOR, BUREAU OF LAND MANAGEMENT

We are proud of our soil and moisture conservation accomplishments here in Wyoming. Since this program was transferred to us 15 years ago we have made what I consider to be remarkable progress in spite of certain handicaps and obstacles. As you know, our work is confined to the public lands. It happens that Wyoming is one of the most effective examples we have of the conservation method known as range water spreading. This is the practice of diverting excess runoff from active or eroded gullies to adjoining valley lands. This halts further cutting away of the gullies and conserves needed moisture in the watershed.

It is estimated that we have completed something like 100,000 acres of water-spreading projects in Wyoming, involving the construction of more than 2 million cubic yards of dikes. Tangible results have been achieved already. An encouraging growth of forest plants has resulted which is definitely increasing the grazing capacity of the range and we are not resting on our oars. Our budget and our planning call for continued water-spreading activities which do not conflict with downstream water uses in Wyoming.

We have been extremely busy with other conservation accomplishments in Wyoming, also. The Bureau of Land Management has built nearly 2,000 small reserves and detention dams which also serve for stock-watering purposes. In connection with stock water, we have also drilled 168 range wells in Wyoming and equipped them with stock tanks.

In addition we have cleared low-value brush from 40,000 acres of Federal range. We estimate that this increases the grazing capacity of the 40,000 acres at least two-fold. We have installed contour furrows on 1,000 acres of range to make sure the rainfall goes into the land instead of running off. In this connection, we are now developing an important contour furrowing implement which will greatly speed the application of this simple but very effective conservation measure.

Reseeding has not been neglected in Wyoming either. More than 100,000 acres of depleted rangelands have been reseeded and this program will be continued wherever it is necessary to restore the range to its full productivity.

DAMAGE TO THE RANGE

You are all familiar with the problem of damage to the range from prospecting. We have had it before and it is again before us now, possibly in more acute form as a result of the drive for uranium. Unfortunately, under present laws we have little authority to regulate prospecting methods. Nor do we have recourse to procedures that have been successful in the past.

You may remember when widespread seismographic explorations for gas and oil development a few years back were doing considerable damage to the range surface and nullifying our conservation efforts. In that case, control was achieved through the cooperation and self-policing of the gas and oil industry. There are still some instances of damage to the resources by exploration operations, but in the main that problem was solved.

In the case of uranium prospectors we are dealing with a large number of individuals rather than with a few companies which are sincerely concerned with public relations. It is possible that as the uranium industry becomes stabilized organizations may develop which can police indiscriminate prospecting for uranium just as the corporations did for oil and gas exploration.

In the meantime, we in BLM would not be averse to allowing some monetary consideration from the royalties for mineral leasing to be paid as a compensation to surface owners whose lands have been damaged by prospecting.

Legislation now pending in Congress offers at least a partial solution. In fact S. 1713 would alleviate the situation considerably. It would give Federal agencies control of that part of the surface resources not actually needed by the owners of unpatented mining claims. The United States would have the right to manage and dispose of the vegetative surface resources and to manage the other surface resources. We believe that under such a law backed by all interests concerned, the surface rights on public-domain lands involved could be more fully utilized and managed and still permit miners interested in the same land to determine the extent of subsurface resources in an orderly manner without undue damage to the surface. Also, the Bureau could allow grazing privileges and dispose of timber on unpatented mining claims on public domain lands. Means of access across unpatented claims to Government timber and other resources on public lands would be possible.

It is hoped that these bills, which will alleviate damage to the rangelands and encourage multiple use of the public-domain lands, will soon become law.

SMALL WATERSHED PROGRAM

I would like to mention still another phase of our conservation work that ties in with the small watershed program under jurisdiction of the Department of Agriculture by Public Law 566. This act provides for participation by the Secretary of the Interior. The policy governing this program, as adopted by the Secretary of Agriculture, gives full recognition to public lands and Interior interests in the watershed and invites recommendations by the Secretary of the Interior for the proper treatment of public lands included in the watershed plan. The Secretary of the Interior is authorized to issue regulations which will complement those of the Department of Agriculture governing operation of this program to make certain that the land-management agency concerned will have complete responsibility for the institution of watershed-protection practices on public-domain lands, and for their future management and maintenance, subject, of course, to appropriations. It is our intention to cooperate fully in this program along with the public-land users.

PUMPKIN BUTTES

The situation at Pumpkin Buttes poses a still different kind of multiple-use problem. It is complicated by 4 kinds of ownerships plus reports of uranium possibilities in all 4 types of lands. This situation contributed to indications of possible violence between prospectors, mining locators, and ranchers. This resulted in the Secretary's emergency order of April 27 revoking public-land order 1043 which would have opened 65,343 acres of lands, of which some 7,500 acres are public domain, interspersed with private and State-owned lands, to mineral leasing and mining locations on May 3.

Wyoming has some 40,492 stockraising or enlarged homesteads, involving 18,172,194 acres of land, for which final certificates or patents have been issued. The minerals in some of these lands are reserved to the Federal Government. On the other hand, prior to December 29, 1916, the date of the Stock-Raising Homestead Act, some 21 million acres of Wyoming homesteads and desert-land entries had been patented in which the minerals were not reserved to the Government, but which are owned by the homesteaders. We have considerable of both these types of ownerships in the Pumpkin Buttes area, in addition to and interspersed with only 7,500 acres of public-domain lands, but some 38,000 acres of land on which the minerals have been reserved. Further complicating the picture are some State-owned lands in which the mineral rights are owned by Wyoming and can only be leased from the State.

Under the law, any person qualified to locate any of the minerals has the right at all times—assuming the land is opened, of course—to enter upon the lands for the purpose of prospecting, provided he is not injuring, damaging, or destroying any permanent improvements, and shall be liable for damages to the crops on the land by reason of such prospecting. It would be advisable for prospectors who wish to avoid trouble, even though the law permits them to go on the land without asking permission, to contact the entryman and give him notice of his intention.

If prospectors would observe the common rules of courtesy with respect to going on someone else's land, I believe there could be an orderly opening of the Pumpkin Buttes lands. Anyone encroaching upon privately owned lands should first get the permission of the property owners. Whether they come from Brooklyn or the West, prospectors should know that a fence usually indicates private property. Where there are no fences—and that is undoubtedly true of many of the privately owned lands involved—there may be valid reason for confusion, but not if ranchers properly post their property. This is strongly urged as a commonsense measure for all concerned in the Pumpkin Buttes area.

In any case it seems to me there would be considerably less chance for trouble if prospectors would go to the owners of fenced or posted property and try to make the arrangements that I mentioned. Even where a rancher does not own the subsurface rights, and therefore cannot legally prohibit prospectors from prospecting or possibly even staking out claims on his property, at least the owner is not so apt to see red if he is first accorded the courtesy of talking things over. All we have to do is place ourselves in the ranch owner's shoes to realize there is nothing quite so provoking as to have someone barge in to stake claims without at least asking permission. This would also be a safeguard against getting on property where the rancher owns the subsurface resources as well as the surface rights. The law does not allow any prospecting without permission on fee simple lands.

If these rules of commonsense and courtesy could be observed, I see no reason why we could not consider the reinstatement of Public Order 1043 so that public interests in these lands could be furthered without undue inconvenience to private property owners. We must not forget that the development of the strategic minerals in these lands is important to the Nation, too.

A CURRENT SURVEY OF WYOMING URANIUM DEVELOPMENTS

(Address by Eugene W. Grutt, Jr., chief, Casper suboffice, Atomic Energy Commission)

INTRODUCTION

Although present uranium activity in Wyoming is related to modern demand for the metal, the first uranium mining in Wyoming dates back to about 1918 when ore was mined from the Silver Cliff mine at Lusk for extraction of radium. Also in 1936, uranium was discovered as the mineral schroeckingerite in the Red Desert north of Wamsutter but these deposits have not as yet yielded production.

After World War II the intensive search for uranium began in the United States and for the next few years the search was concentrated primarily in the Colorado Plateau area by the AEC, USGS, and private enterprise with ever increasing success. By 1951, the quest began to lead off the plateau into some of the surrounding areas. The discoveries in Wyoming were a result of this ever widening search. Dr. J. Love of the United States Geological Survey made the first discovery in this cycle when he discovered small pods of carnotite ore in the Pumpkin Buttes section of the Powder River Basin during the autumn of 1951. In the summer of 1952, Homestake Mining Co. made an important discovery, which was the first commercial deposit, in the northern Black Hills near Carlisle, Wyo., by aerial prospecting.

These discoveries were given considerable publicity but the fact that new deposits might lie north of the Colorado Plateau was not taken seriously by more than a handful of companies. Up to the summer of 1953, the firms of Kerr-McGee, Jenkins & Hand, Homestake Mining Co., and American Uranium Co. were the most active pioneers. During this same period the AEC and United States Geological Survey were active in the search. An AEC exploration suboffice was established in Hot Springs, S. Dak., which covered activities in the Wyoming part of the Black Hills, and in April 1953, a Wyoming AEC suboffice of the Denver Exploration Branch was established in Douglas to begin onsite evaluation of the many new promising areas in all other parts of the State. This office provided almost immediate stimulus to an increasingly inquisitive public and served as an information center and guide to the uranium prospector.

However, it remained for a significant discovery to get the picture. The McNeice discovery of uranium near the Gas Hills in the Wind River Basin during September 1953, which was given nationwide publicity as soon as AEC verification of his find was made, was this discovery. Almost immediately the eyes of many uranium prospectors focused on Wyoming with the result that a wave of prospecting spread to other parts of the State with new discoveries in its wake. The level of present activity is high as is evidenced by the fact that Geiger counters can now be purchased almost anywhere as easily as fishing tackle.

THE AEC PROGRAM

The AEC-exploration program in Wyoming has been, from the beginning, directed toward increasing the uranium potential of the region. The staff has always been small, averaging about 1 geologist for every 8,000 square miles, therefore, it has been necessary to depend, to a very large extent on private prospectors and companies to help cover the State. A great deal of our information has come from the private prospector. Our AEC suboffice, which was moved from Douglas to Casper in January of this year, is delegated reconnaissance and exploration activities of the AEC for most of Wyoming and southeastern Montana. Mining, milling and ore procurement functions are the responsibility of the AEC operations office in Grand Junction, Colo.

Overall operation of the Casper office can be listed as several assignments, some of which are briefly summarized as follows:

1. Reconnaissance, both ground and airborne and as a followup to promising prospector leads. Posting of airborne anomalies for public information.

2. Exploration, such as drilling or geophysical to obtain geologic or other specific information.

3. Evaluation studies, for estimating production potential or for ore reserve compilation.

4. Following of private activity, for appraisal of current developments as they may effect AEC planning or schedules.

5. The gathering of scientific geologic information that may shed light on the problem of origin or aid in establishing criteria useful in finding new ore deposits.

6. Dissemination of information to the public concerning the AEC raw materials program as a service and to assist in matters pertaining to uranium exploration.

In order to efficiently conduct these activities the Wyoming AEC office is located in Casper and district geologists are stationed near the centers of other areas of activity at Riverton and Rawlins, Wyo. The northern Black Hills in Wyoming is administered by a suboffice at Hot Springs, S. Dak.

AEC aerial reconnaissance in Wyoming has been unusually successful due partly to the undulating nature of much terrain in the basins which lends itself well to low-level flying. Prospectors have been directed to new areas of abnormally high radioactivity by public posting of anomalies and known areas have been extended and enlarged. Several hundred airborne anomalies have been recorded up to date and much information concerning areas of abnormal radioactivity has been collected.

Ground reconnaissance is far from complete but it has been widespread. Nearly 1,000 separate field locations have been reported on by AEC geologists. Some of these are original ground investigations based on geologic study but many were made to follow up prospector leads. A review of this work shows that an unusually high percentage of these reports indicate that factors of geologic favorability are present in many

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of the localities described especially those in Tertiary formations.

Exploration drilling by the AEC in Wyoming has been on a small scale, but it has been carefully planned. At the present time the Casper office is conducting drilling operations near the Owl Creek Mountains in the Gas Hills area and in the Green Mountains, all of which, is being done to compile geologic information. In the past, AEC drilling has been done in the Wind River Basin, Powder River Basin, Great Divide Basin, Washakie Basin, and the northern Black Hills. This drilling proved timely and we believe it has rapidly advanced the uranium program in Wyoming. For instance, it demonstrated that subsurface deposits of commercial grade existed in the Powder River Basin and it demonstrated that commercial subsurface deposits existed in the Gas Hills area. The Riverton buying station was justified largely on the basis of reserves indicated by AEC drilling during the winter of 1953–1954.

The current level of private activity is high throughout Wyoming and interest is at a peak. Uranium deposits are being mined in a number of areas and exploration by private drilling is on the increase.

I will review briefly the geology of some active uranium districts and attempt to bring you a current report on developments.

POWDER RIVER BASIN

In the Powder River Basin the Wasatch formation of Tertiary age, which occupies central parts of the basin, is the most favorable host. Carnotite-type mineralization, which occurs in coarse-grained, arkosic sandstones is found in a discontinuance belt of occurrences about 70 miles long and in places over 10 miles wide, but the frequency of occurrence is greatest at the extremities of this belt; on the north in the Pumpkin Buttes area, Campbell County and on the south in Converse County. Disseminated type deposits in which the uranium occurs interstitially between sand grains or as grain coatings are the most important. Deposition was favored by zones of above average porosity, by carbonaceous materials and abnormal concentrations of calcareous cement and deposits are often marked by color changes which can be a guide as enrichment is often confined to areas where normally pink sandstones change color to buff or gray. This color phenomenon is probably related to the chemistry of mineral introduction.

The AEC program in this basin has been extensive. Widespread low level aerial surveys have been made to outline the regions of abnormal radioactivity and to localize the most important anomalies. Geologic ground reconnaissance, which has been extensive to appraise known occurrences and furnish recommendations for exploration, has been followed by drilling, both core and noncore, done for geologic information and to determine whether or not commercial deposits existed. These exploration programs covered areas in both Pumpkin Buttes and Converse County and were successful in demonstrating that commercial deposits containing in excess of 10,000 tons of ore were present in Converse County. The United States Geological Survey has on behalf of the Atomic Energy Commission done extensive geologic work in the Pumpkin Buttes area, but to date this area, particularly in the withdrawn portion, has not proven as promising as had been hoped. Final evaluation will be dependent on further exploration by private groups, but as yet no sure ore guides can yet be compiled. The Converse County area appears to be the more promising section for development of new deposits.

Private activity is on the increase and mining has been done in over a dozen localities in the Pumpkin Buttes and Converse County areas from near surface deposits by open-pit methods. The pioneers in this basin were Jenkins and Hand, Kerr-McGee, Hurd & Associates, and American Uranium Co., now a subsidiary of Loma Uranium Co., but interest is presently being shown by several other capable firms.

NORTHERN BLACK HILLS

In the northern Black Hills the Carlisle deposit owned by Homestake Mining Co. was the first discovered and is the most important. It lies northwest of the Belle Fourche River near the western extremity of the hills. Two of the larger ore bodies of the area are located near the Little Missouri River where favorable beds of the Fall River sandstone (cretaceous) is exposed. Small production has recently come from Barlow Canyon near Devils Tower and numerous areas of radioactivity are known in the vicinity. Three producing deposits and scattered radioactivity are found along the State line east of Aladdin, Wyo.

All of the commercial deposits of the Black Hills are located in the Inyan Kara group of formations which comprise the outer hogback of the domal Black Hills uplift and all are carnotite-type wherein the mineral is disseminated in sandstone rocks, with which is associated considerable carbonaceous material.

The AEC suboffice at Hot Springs, S. Dak., has completed active airborne surveys in this area along with core drilling programs for geologic information and appraisal. The outlook for additional ore deposits appears good, but this can only be determined by additional deep drilling to penetrate unfavorable strata which cover the surface in many places.

GREEN MOUNTAINS

The Crooks Gap section of the Green Mountains in southern Fremont County has been an area of much private activity since uranium was found about 1½ years ago by a prospector hunting jade and by private airplane prospecting. At the north end of the gap, occurrences containing autunite are located along shear zones near a large fault which has thrust pre-Cambrian granite over Cambrian and younger sedimentary rocks. These resemble vein deposits in some respects but the origin of the uranium is unknown.

The more typical deposits, which contain uranophane as the principal uranium mineral, occur to the south of the fault mentioned above. Host rocks are easterly dipping, coarse-grained arkosic sandstones and conglomerates of the Wasatch formation located on the east side of Crooks Gap. Much of the best ore is closely associated with limonite staining and concentrations of carbonaceous material or carbonaceous mudstones.

This section was flown with detection equipment by AEC last summer and several important anomalies containing visible uranium minerals were found and locations published. At present an AEC core-drilling program is in progress to obtain lithologic and stratigraphic information in the Wasatch formation as such information will be an aid in the search for ore when integrated with results of surface geologic mapping and other data. The east side of Crooks Gap shows intermittent anomalous radioactivity for a distance of several miles in a north-south direction, also there are many anomalies lying to the south of the Green Mountains in the North Great Divide Basin. The outlook for the region is considered encouraging.

Commercial ore has been mined from several deposits by open pit methods, the largest of these operations has been the Sno-Ball Mine owned by Coke River Development Co. Among other companies who are active in this area, some of whom are doing exploration and have plans for mining, are Wyoming Uranium Co., Split Rock Mining Co., Lost Creek Uranium Co., San Juan Uranium Co., Mile Hi Minerals, Loma Uranium Co., and Rare Metals Corporation of America.

WASHAKIE BASIN

The most important mineral deposits in the Washakie Basin lie near Baggs, Wyo., in southern Sweetwater County. Similar deposits occur in northern Moffat County, Colo., near Maybell. The initial discovery in this region was made by AEC aerial surveying and USGS ground work 6 miles west of Baggs, in the autumn of 1953. Later discovery near Maybell was the result of aerial prospecting by Arrowhead Uranium Co., now Trace Elements Corp.

Most of the occurrences and anomalies are in the Browns Park formation of Miocene age which covers a large area in both States and which is comprised of medium grained sandstones, shales, claystones, tuffaceous beds and limestones. This formation is horizontal over most of its extent and unconformably overlies most of the older strata.

The deposits near Baggs contain uranium as the minerals meta-autunite, uranophane, and schroeckingerite which are disseminated in sandstone strata in irregular deposits following bedding or in fracture zones. More recently uraninite has been identified from subsurface ores which suggests that the other minerals may have been derived from the alternation of this primary mineral.

In the Maybell section somewhat similar deposits occur in the Browns Park formation and the same minerals appear to be present with exception that uraninite has not yet been identified. Faulting and fracturing have been firmly established as important controls of mineralization. AEC has been active in this area conducting widespread aerial surveys, which disclosed over 60 new anomalies in the Browns Park and Wasatch formations during the last field season, along with a drilling program for collection of geologic information which will be of value to the future of the district.

The areas have just begun to be evaluated, but the overall outlook for new discoveries is good as some of the known occurrences are significant.

Private interests have been very active in parts of the basin and the surrounding regions since the original discovery. At present some of the active companies are Trace Elements Corp., Sapphire Petroleum Ltd., Buffalo Head Mining Co., and Sugar Loaf Mining Co. Other firms have also expressed intentions to prospect.

WIND RIVER BASIN

At this time the most important uranium area is the Wind River Basin in Fremont and Natrona Counties, Wyo. The most significant districts are the Gas Hills and Owl Creek Mountains sectors which are along the south-central and north-central margins of the basin respectively. The original discovery, the Lucky Mc claims, was made in September, 1953, by Neil McNeice of Riverton while prospecting with a Geiger counter. News of this discovery created a major uranium rush and presently thousands of claims covering many townships have been located and filed. Kerr-McGee made the first discoveries in the Owl Creek Mountains section by aerial methods, in the wave of prospecting that followed the McNeice strike.

The host rocks containing most occurrences in the Gas Hills lie within Wind River formation (Eocene) which is comprised of coarse-grained arkosic sandstones, carbonaceous mudstones and variegated siltstones and claystones. The mineralogy of the ores is the most striking single feature of these deposits as more minerals have been identified here than in any other part of Wyoming. The secondary minerals such as phosphates, arsenates, carbonates, silicates, and minor vanadates have undoubtedly resulted from the alteration of the primary minerals, uranite, coffinite, and carbonate fluorapatite, which have been identified in the mines. Most of the important deposits of which there are several, are in the form of irregular, undulating blankets in sandstone strata or are roughly lenticular or

ellipsoidal in shape. All of the deposits discovered to date can probably be mined by open-pit methods.

The geology in the Owl Creek Mountain section is markedly different from the Gas Hills. Tuffaceous mudstones, siltstone, and arkosis sandstones and conglomerates of probable Eocene Age were deposited over an ancient erosion surface of pre-Cambrian granite. Deposits occur in two environments, one of which contains meta-autunite and schroeckingerite in these bentonitic mudstones and angular coarse grained arkosic sandstones which overlap the granite, and the other contains uranophane irregularly disseminated in arkosic rubble, composed largely of granite cobbles, and in deeply weathered granite bedrock. Recently the primary mineral, coffinite, has been identified in cuttings from holes drilled in granite.

Since October 1953, the AEC has maintained a field camp in the Gas Hills area and has been doing continuous work. Last year AEC airborne surveys conducted to outline the overall extent of radioactivity in chosen areas, was gratifying in that over 200 anomalies were recorded and the known favorable areas were extended. These anomalies were released to the public. The AEC has completed 2 drilling programs in the Gas Hills, results of which were encouraging as it demonstrated to interested claim holders that deposits, which may approximate 50,000 tons in size, could be expected. Private enterprise has since become more active in exploration drilling. At present, AEC is conducting two drill programs in the basin, one a core program for geologic information in the Gas Hills, and one a noncore program for geologic information in the Owl Creek Mountains and Hiland sections. This drilling is intended to furnish information on lithology and, it is hoped, on stratigraphy, as localization of uranium is dependent to a remarkable degree on these factors.

Right now the activity is at an all-time high in the Gas Hills. Mining operations with production of ore are being carried on by several companies and others have plans for such work in the offing. It would be out of place here to attempt to name all of the companies interested but a few of the operators here are Lucky Mc Uranium Corp., Jenkins and Hand, Savanna Construction Co., Vitro Minerals Co., McAlester Fuels Co., Mount Mesa Uranium Corp., Long Mining Co., Aljob Mining Co., and Noramco Associates. Over 50 separate groups are actively prospecting and doing some exploration in the Gas Hills and surrounding region.

In the Owl Creek Mountain section, Kerr-McGee, Shelley, Little Missouri Mining Co., and Temco Uranium Co., have been active, but other groups also have interests.

During March of this year the Riverton buying station was opened to handle the anticipated production from the Wind River Basin and will undoubtedly be a great incentive for production. The outlook for new discoveries in this basin is very good.

SUMMARY

The discovery of primary ores in Wyoming has been significant and suggests that most of the secondary ores have been derived from alteration of minerals such as uraninite and coffinite. It is becoming evident that structure as well as lithology and stratigraphy plays an important although often obscure role in the localization of many deposits.

Most of the discoveries have resulted from detection of radioactivity so accordingly, most investigations have been at shallow depths. However, there is every indication to believe that deeper deposits showing no surface manifestations exist. Before exploration for such deposits can begin with a degree of success, many problems of a geologic nature must be solved and keen exploration thinking must be developed. In many areas this will be difficult to accomplish because of the poor exposures in basins, also because internal stratigraphy of many Tertiary formations cannot be successfully correlated, except very locally, due to unpredictable lithologic changes.

Until the problems of origin have been resolved, the best predictions for new deposits will be achieved by application of results gained from studies based on the relationships of known deposits to factors of radioactivity, lithology, stratigraphy, structure, and regional setting. For instance, a pattern of occurrence suggests that areas of favorable rocks near margins of basins are better than average places to prospect. Besides relatively good exposures, these are more likely to be areas of faulting, unconformity between Tertiary and older strata, and areas of recognizable structures.

CONCLUSION

Wyoming represents a promising new uranium province which is largely defined at present by occurrences in Tertiary clastics. Future prospecting may well disclose significant deposits in pre-Tertiary rocks but at present these are important only in the Black Hills.

Much has been accomplished since 1952 in Wyoming uranium, but a great deal of work remains to be done in the critical stages ahead. An accurate appraisal of the Wyoming uranium potential is not possible at this time, however, the future certainly appears encouraging and bright.

URANIUM MINERAL DEPOSITS OF THE PUMPKIN BUTTES AREA, POWDER RIVER BASIN, WYO.

(Address by William N. Sharp, geologist, USGS)

The Powder River Basin is a region of prairie and sculptured terrain that covers about 12,000 square miles in northeastern Wyoming. It is bounded on the east by the Black Hills, on the south by the Laramie Range, and on the west by the Big Horn Mountains. Much of the basin ranges in altitude from 4,000 to 5,000 feet. In the south central part of the basin several prominent buttes, known as Pumpkin Buttes, rise abruptly to an altitude of 6,000 feet.

Deposits of secondary uranium minerals were discovered in the vicinity of Pumpkin Buttes in October 1951 by members of the United States Geological Survey. The following spring a study of the area and the uranium occurrences was begun by the Survey on behalf of the Division of Raw Materials of the United States Atomic Energy Commission, at which time this area of 102 square miles was withdrawn from entry.

During the period from early 1952 through 1954, the area around the Buttes was surveyed by airborne radiometric equipment for detecting and recording surface radioactivity by both the Geological Survey and the Atomic Energy Commission. Places of anomalous radioactivity are spaced over a considerably larger area than was at first anticipated. Actually most of the anomalies are outside the original area set aside. These places were ground-checked and a substantial amount of bulldozing and auger drilling was done at certain occurrences to expose the bedrock and mineralized material. Stratigraphic studies were made throughout this part of the basin, aided by deep diamond-drill holes put in by the Bureau of Mines for the Atomic Energy Commisison. A geologic map of 450 square miles of the area, including the withdrawn except for its southwest dogleg extension, was completed along with detailed studies by plane table mapping of some of the principal occurrences and the mined areas which lie north of the Buttes.

I would like to briefly describe some results of this study, some of the features of the uranium deposits and some of the relationships of the deposits to the regional and local geologic features.

GEOLOGY

The Powder River Basin is underlain by sedimentary clastic rocks which are assigned to the Eocene Wasatch formation and were deposited forty to fifty million years ago by streams. Unconformably overlying the Wasatch and capping the Pumpkin Buttes are remnants, less than 100 feet thick, of very coarse-grained siliceous sandstones and conglomerates of the Oligocene White River formation, twenty-eight to forty million years in age. Older rock units that underly the Wasatch are exposed around the periphery of the basin.

The Wasatch formation, with which we are most concerned, is a rather drab sequence made up predominantly of interbedded siltstones, claystones, carbonaceous shales, and lignite with sandstone lenses dispersed throughout. The orientation of sedimentary structures such as crossbedding, of the long dimensions of sandstone lenses and scour channels in siltstone underlying sandstone lenses and some of the components of the sandstone indicate that the sediments were derived from a source area lying to the southeast. This interpretation is further supported by lateral facies changes in the formation: fine-grained clastics, siltstones and claystones, and lignite predominate in an arcuate belt west, north, and east of the center of the basin, whereas coarser grained rocks are dominant to the south.

The Powder River Basin is asymmetrical in cross-section with its deeper part and greatest thickness of sedimentary rocks close to the Big Horns on the west. The strata on the east side of the basin dips west at low angles, while those near the Big Horns dip relatively steep toward the east. Faulting is prominent at a few places around the rim of the basin; a few small faults with 2 to 10 feet displacement have been observed in the Wasatch formation near the center of the basin. The regional dip of the Wasatch formation east of the axis is only 50 to 100 feet per mile or generally less than 1 degree to the northwest.

Regional mapping indicates that the axis of a broad, low-amplitude anticlinal fold lies just east of the Pumpkin Buttes and plunges to the northwest at a low angle. Dips of this structure generally range from 30 to 100 feet per mile.

In the Pumpkin Buttes area the Wasatch formation is about 1,500 feet thick and about one-third of the formation here is made up of quartz-feldspar sandstone. This occurs in lenses that are from 500 feet to several miles wide, 1 to 8 miles long, and 10 to 100 feet thick. Such lenses are dispersed at random throughout a sequence of drab siltstone, claystone, and carbonaceous beds.

Most of the sandstone lenses in the vicinity of the buttes characteristically are reddish or partly reddish in color, ranging from dark red-brown to pink. These colors contrast sharply with the normal buff or gray color of most of the sandstone in the Wasatch formation in other parts of the Powder River Basin. This red coloring does not occur in the claystones and siltstones surrounding the red sandstone.

The sandstone is generally poorly sorted, friable, and ranges from very fine to coarse grained. Festoon crossbedding is the most conspicuous sedimentary structural feature. At many places, however, the bedding is extremely contorted and debris, such as carbonized wood, clay galls, and leaf impressions, may be abundant. Calcite concretions, so-called cannonballs or pumpkins, from which the area gets its name, are another characteristic feature of sandstone of the Pumpkin Buttes area. The concretions are sand grains cemented with calcite and range in size and shape from that of peas to cannonballs 3 feet across, and cigar-shaped masses 20 or 30 feet long. The smaller concretions are generally round and the larger ones are elongated.

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URANIUM MINERAL DEPOSITS

More than 250 uranium occurrences have been examined in the Pumpkin Buttes area. Sixty-six of these are in the withdrawn area. Uranium minerals are visible at most of these places. The rest are not visibly mineralized, but they have anomalous radioactivity. Most of these occurrences are small. They are within an area of approximately 350 square miles with the Pumpkin Buttes near the center. Of notable significance, this area is also the limit of red to partly red color in sandstone lenses. All known occurrences are spatially associated with red color in sandstone. Within this area about 1,000 feet of Wasatch formation is exposed. Sandstone lenses that contain occurrences of uranium are in the lower half of this exposed interval.

The occurrences of uranium may be conveniently classified according to their different habits and mineralogical associations into three main types: (a) disseminated uranium minerals in porous sandstone or concentrated around calcite-enriched sandstone; (b) manganese oxide concretions enclosing or closely associated with oxidized uranium minerals; and (c) uraninite concretions with pyrite.

Recent mining operations which have been principally in the northern part of the red-sandstone zone show that disseminated uranium minerals and uranium minerals in concretionary forms, both uraninite and manganese nodules, occur in the same deposit. In detail, however, manganese nodules are separated spatially from disseminated minerals and uraninite concretions.

In general, disseminated uranium minerals are found almost exclusively at the red to buff color contact in the sandstone lenses. The largest concentrations are found where this color contact is irregular and pseudo-pod-like extensions have formed. Uranium minerals commonly are in the buff sandstone at and near such contacts. Calcite is also concentrated in the buff sandstone near the contact.

Concretionary forms, both those that contain secondary minerals and those that contain uraninite, are found within the red sandstone.

DISSEMINATED HABIT

Uranium minerals disseminated in buff to gray sandstone at the red color contact are yellow to greenish-yellow in color and are principally metatyuyamunite and carnotite. Rarely leibegite and uranophane is found. Irregularities in a generally smooth color contact seem favorable for concentrations of calcite; at places the calcite forms elongate concretionary masses in the buff sandstone. Yellow uranium minerals are localized around such calcite-rich zones and commonly saturate the interveining sandstone between closely spaced concretions. At some places yellow minerals occur in a narrow zone, several inches to several feet wide, conforming to the red-buff contact. At other places yellow minerals are distributed throughout pseudo-pod-like extensions of buff sandstone into red sandstone, forming a minable body. A similar condition exists where the red-color zone meets the underlying claystone at a low angle, leaving a wedge of buff sandstone. Such wedges may contain uranium minerals throughout.

Lignites and carbonaceous shales throughout the area are generally nonradioactive. However, under certain conditions coalified material may contain concentrations of uranium minerals. For example, at one place carbonaceous material with yellow uranium minerals is concentrated at the base of a sandstone in which a color change cuts across from top to bottom. Uranium minerals are disseminated in ferruginous, buff sandstone at this color contact, and are locally concentrated in and around pieces of coaly material. The upper part of the carbonaceous shale generally contains streaks and zones rich in yellow uranium minerals.

CONCRETIONARY HABIT

Manganese nodules: In most of the uranium occurrences in the Pumpkin Buttes area secondary uranium minerals are associated with manganese oxide nodules. These nodules are essentially irregularly-shaped concretionary masses of black iron-rich manganese oxides (manganite, pyrolusite, and psilomelane) cementing and replacing sandstone. Some nodules are spherical or tubular and have a core of gray sand speckled with manganese oxide and abundant secondary uranium minerals principally uranophane and orange carnotite; other nodules are relatively flat to irregular in shape and uranium minerals are mixed with specks of manganese oxide in zones peripheral to the black mass. The association of secondary uranium minerals with manganese oxides in sandstone has not only been observed in isolated, discrete concretions of manganese oxides enclosing uranium minerals, but as ledges of manganese oxides up to 10 feet across which contain secondary uranium minerals. Manganese nodules are associated with fossil woody material. Many nodules have ferruginous to coaly wood in or around them.

Manganese nodules seem to have no consistent areal or stratigraphic pattern of distribution within individual sandstone lenses.

Uraninite nodules: Uraninite that cements sand in rounded to elongate concretionary nodules has been found at 2 of the mined areas in the northeastern part of the Pumpkin Buttes area at depths of from 20 to 30 feet below the surface. This black material is in the red sandstone near the red color contact and usually associated with pyrite which occurs either as the core of a rounded mass of uraninite or as small blebs of pyrite at the edge of or within the mass of uraninite. Here and there fossil woody material is found in contact with, or nearly surrounded by, uraninite and no pyrite is visible. All uraninite concretions are surrounded by a thick layer of oxidized uranium minerals, carnotite and tyuyamunite. Some of these masses were a foot across.

Paramontrosite, an unoxidized vanadium mineral, occurs much like uraninite and in the vanadium group of minerals is analogous to uraninite. Other vanadium minerals found are hewettite and pascoite.

After these general observations we may summarize and outline the best guides to possible ore grade material. First the uranium occurrences are in sandstone lenses. They are in an area where sandstone lenses are red to partly red in color. They are spatially related to red color in sandstone. One form, disseminated uranium minerals, is spatially related to buff-to-red color contacts. The other forms, uraninite and manganese nodules are in the red sandstone; the manganese nodules are more randomly spaced and the uraninite nodules close to the red contact.

URANIUM DEVELOPMENT FROM A GEOLOGICAL STANDPOINT

(Address by Sheldon P. Wimpfen, Manager AEC Office, Grand Junction, Colo.)

Your courtesy in asking me to be present is most appreciated for several reasons, one of the most important of which, is that, as one whose ultimate objective and interest is to get the maximum amount of uranium produced, I am grateful for the opportunity to meet with others having the same interest.

Free enterprise has accomplished the task under program of incentive assistance and encouragement by AEC. Wherever possible AEC has acted to enable maximum operation by private industry as indicated by our policy of allowing private enterprise to build mills and buying stations. We have withdrawn AEC from participation wherever possible. Although land withdrawals, with subsequent leasing of ore bodies, was an invaluable part of the program in earlier years, the possibility of further withdrawals is slim. AEC believes that the mining claim system, as opposed to leasing of lands by Government, is the most successful method of obtaining maximum amount of private exploration and production.

The staking of mining claims ran into difficulty because of conflicts on uranium bearing lands which lands were covered by mineral leases. Public Law 585 eliminated this problem with respect to conflict between uranium and oil and gas. But the problem still exists in certain instances such as the case of lands where uranium is known to exist on lands that also contain lignitic material. We are now exploring this situation with the Department of Interior.

Exploration by the AEC today is aimed primarily at the solution of geologic problems. This effort is almost entirely on private lands. Once an indication of the existence of a potential uranium occurrence is found, the development of the area is up to private industry. The AEC effort on private lands is undertaken only after the execution of exploration agreements with the owners. Conflicts of interest do occur and we are constantly seeking ways and means of resolving them.

As the administration of public lands is primarily under the Department of the Interior, we must and do look to and work with the Interior to find ways and means of achieving the maximum amount of production with a minimum of conflict over lands. It is unlikely that we shall ever achieve a period completely free from conflicts, but we must strive toward this goal.

AEC has requested restoration of Pumpkin Buttes Withdrawal to the public domain as our efforts in exploration of this area have been concluded, largely with somewhat negative results. We are interested in seeing the orderly return of this area to the hands of private prospecting.

When a uranium deposit is found—

First. The material is not ore unless it can be mined, delivered to market, and processed for recovery of its metal content at a profit. If it cannot be mined with a margin of satisfactory earning, it is not ore. If it cannot be efficiently processed, it is not ore.

Second. When enough metallurgically acceptable ore is found, a market is required. If the deposit is far from established markets, a new market may be developed. The means of accomplishing this may be through the purchase of the ore under a fringe contract to encourage further development in a given area, or, if sufficient reserves have been established and adequate mining rates indicated, through establishment of a buying station.

Third. Reserves must be further developed along with actual mining rates to justify a mill.

Fourth. Metallurgical questions must be answered through bench and pilot plant testing to set up the chemistry, flowsheet, and capital and operating costs of concentrate production.

Fifth. The forthcoming price for the product must be acceptable to the AEC and substantial evidence must exist as to the financial competence of the group proposing to build a mill that they are able to fulfill their obligation to construct and operate the mill.

These steps may require considerable time. Each instance may be different. The AEC encourages all who are capable to participate in this important program. Special interest, such as geologic training and experience, mining know-how, and raw-material processing are particularly useful. The outlook for the future of the industry is bright with exceptional promise. The indications are that the peacetime applications of atomic

energy will be of such scope as to make the uranium production industry a thriving one for many years to come.

ADDRESS BY GOV. MILWARD L. SIMPSON, NATURAL RESOURCES BOARD, JUNE 9, 1955, CASPER, WYO.

Mr. Chairman, members of our Wyoming congressional delegation, members of the United States departments here present, friends, this has been a most significant few days for Wyoming. The Wyoming Livestock Growers Association, its president, Cliff Hansen, and its members are to be commended for the interesting meeting yesterday on the mining problem, which was presided over by our senior Senator, FRANK A. BARRETT. I was particularly interested in the resolutions adopted by the convention. Much good will come to us from this important session.

I want to pay my respects to Byron Wilson and the distinguished members of the Wyoming Natural Resources Board for sponsoring this important meeting, which means so much to the Nation and to the mining States.

The subcommittee of the United States Senate Interior Committee, under the chairmanship of Senator JOSEPH C. O'MAHONEY, will undoubtedly find great help from the two meetings which precede the subcommittee hearing which is to begin this afternoon.

It is a very interesting observation to note that here in Casper to attend these meetings and to cooperate with us in seeking and finding a solution are some of the best brains from the Department in Washington. I want to pay particular tribute to these splendid gentlemen who have added and will add much to our deliberations here—our own Reuel Armstrong, Solicitor of the Interior Department; Edward Woozley, Director of the Bureau of Land Management; Lewis E. Hoffman, minerals staff officer; James D. Parriott, Associate Solicitor, Public Lands and Mineral Resources Division; Edward P. Cliff, Assistant Chief Forester, and others of his department; Mr. French, chief counsel of the Senate Interior and Insular Affairs Committee; Messrs. Moffett, Dworshak, and Arent of the American Mining Congress; Messrs. Johnson, Nininger, Tully, et al., of the AEC and USGS; Mr. Grutt, of the AEC Casper office; Wes Wallace and Ray Best from the regional office in Denver and the Cheyenne office, respectively, of the Bureau of Land Management.

This is one of the best indications of Federal-State-local cooperation that will augur well for the development of our natural resources in the West. As Governor of Wyoming, I wish to pay respect to all these individuals, the departments they represent, and the citizens from within and without Wyoming who are here to resolve the vexatious problems confronting us.

First of all, let me say that this is a two-way street. This apparent controversy is between surface owners of the Federal lands and prospectors for mineral rights on that land. Surface rights from the standpoint of the stockman is of great importance. Similarly, the importance of mining development to the State is also of great importance. This hearing stems from the controversy revolving around the Bureau's recision to open the Pumpkin Buttes area in northeastern Wyoming.

It is already apparent, from the evidence before us, that our Federal and State mining laws are somewhat inadequate and in many instances, outmoded. We can't operate on the streamline necessity of 1955 with the outmoded and inadequate laws of 1916 and others. These hearings to date point up the necessity for a complete overhaul in many of the laws, in order to clarify them.

It took Federal-State cooperation to rescind the order with respect to the Pumpkin Buttes area. Under the conditions there was no other alternative. As Governor, I did promise the Bureau of Land Management and other interested departments in Washington that the State would cooperate with the departments in bringing about a solution and of restoring the Pumpkin Buttes area for mining location and development. I made this promise; it was concurred in by both ranchers and prospectors alike who attended the meeting in April. We must keep that promise. No mess is so hopeless but what a solution can be had. It should be made that much easier with the cooperation of the best brains in Washington and with a spirit of tolerance evidenced between divergent interests.

Even though there have been some harsh words and severe criticism voiced between some of those with divergent views, I do not subscribe to statements loosely made that there's no solution to this problem and that there's bad blood between ranchers and stockmen on one side and the prospectors on the other. By and large, the majority of these men are responsible men. Already many of them have cooperated in helping solve this problem. Greater cooperation is needed and called for.

I do not expect to testify; I am here with my Natural Resource Board, all the members of which are present, with the knowledge that solution can and will be had. I do want to say that it is crystal clear to me, in the light of what has already transpired, that if these hearings do nothing else, they certainly point up the necessity of passing the bills now in the United States Congress to restore the minerals to the State of Wyoming where they belong. That in itself would obviate the necessity of revamping two sets of laws. It would throw us back on our Wyoming law, with which we can readily and quickly handle the problems that confront us. Here in Wyoming we pray for that eventuality. It is fair, it is necessary, it must soon be done.

In passing, I might point out that perhaps royalty payment to surface owners might eliminate a share of the feeling, and pay them for surface damage. In my message to the legislature I pointed out that if the legislature continued to memorialize Congress for such royalty payment to surface owners, the State should be fair enough to grant royalty payments on all State lands as well. I grant this is a controversial question, but it may hold some degree of good sense for a partial solution.

May I urge upon everyone present, tolerance, understanding, and good temper. We are adults, dedicated to the solution of problems which have been left too long unsolved. In my book, a solution is mandatory. Already our attorney General's office, as evidenced by the appearance of our Deputy Attorney General, Bob McPhillamey, who so capably portrayed the Wyoming law to you, is working on this important matter and will continue to work on it. Moreover, the Interim Committee, under the leadership of Senator Barlow and newly elected President of the Wyoming Stock Growers Association, has assured me that his committee will give it careful scrutiny and study. Correlated with it will be the Wyoming Oil and Gas Conservation Commission, working on related subjects.

I am confident that with intelligence and understanding, we are on the eve of great development in Wyoming. Let us dedicate ourselves to that end.

Mr. BARRETT. Mr. President, I ask unanimous consent that the resolutions adopted at the convention of the Wyoming Livestock Growers Association be inserted in the RECORD at this point.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 10

Whereas Governor Simpson and the members of our congressional delegation and officials in the Bureau of Land Management have recently taken prompt and effective action to postpone the opening of the Pumpkin Buttes area to mineral prospecting until such time as equitable regulations therefore can be devised; and

Whereas this postponement has averted violence, bloodshed, and civil strife: Therefore be it

Resolved, That we express our appreciation to those of our officials who have for the time being averted serious trouble and destruction; be it further

Resolved, That we commend our State officials for giving careful consideration to the matter of establishing justice between landowners and prospectors, and that it is our belief both can live and prosper side by side under proper regulations.

RESOLUTION NO. 11

Whereas in process of mineral prospecting, certain practices now followed give rise to unnecessary confusion and results in considerable loss and inconvenience to established agricultural enterprise and constitute a hazard to the life and safety of the general public; and

Whereas our State has authority to stipulate conditions whereunder prospecting and development of mineral resources may be carried on: Therefore be it

Resolved, That in an effort to promote equity and harmony between landowners and individuals interested in mineral development, the following rules be promulgated and enforced:

1. The prospector shall provide himself with a license or permit to be issued by an appropriate agency of the State upon posting of a bond the purpose of which shall be:

A. To guarantee that pits, holes, or excavations shall be properly fenced for the protecting of livestock.

B. That upon abandonment, these shall be backfilled and restored to original condition.

C. That land titles be kept clear and abstracts up to date by prospector.

2. Failure to produce minerals or carry on certain minimum efforts toward production for a certain maximum time determined reasonable by aforesaid State agency shall constitute abandonment of mineral claims whereupon abstracts of land titles affected by mineral filings shall be continued up to date, the expense thereof to be borne by the prospector according to his responsibility therefor.

Mr. BARRETT. Mr. President, a panel discussion on the relative rights of landowners and mining prospectors was conducted at the final session of the Wyoming Stock Growers Association on Thursday, June 9, presided over by Clifford Hansen, president of that association. On the following day the Wyoming Natural Resource Board conducted another panel discussion on the more technical part of uranium mining with Byron Wilson, president of that board, presiding. The following members of the Natural Resource Board also attended the sessions: Monte Robertson, vice chairman, E. B. Hitchcock, Sam Hyatt, Manville Kendrick, Glenn Sorensen, L. F. Thornton, George Gibson, and C. E. Astler.

Mr. President, a splendid aggregation of Government officials from the field offices as well as from the departments in Washington were on hand for all three sessions in order to help as best they could to provide as much information as possible on both of the panel discussions and at the committee session presided over by my colleague, Mr.

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O'MAHONEY, on Friday afternoon and evening.

Mr. President, Gov. Milward L. Simpson, together with my colleague the junior Senator from Wyoming [Mr. O'MAHONEY], Representative KEITH THOMPSON, and I took part in all the panel discussions and supplied some of the answers. In addition, the following officials made splendid contributions by participating in the discussions and answering the questions assigned to them: J. Reuel Armstrong, Solicitor of the Department of the Interior; Edward Woozley, Director of the Bureau of Land Management, Department of the Interior; Lewis E. Hoffman, Minerals Staff Officer, Technical Program Division, Bureau of Land Management, Department of the Interior; James E. Parriott, Associate Solicitor, Public Lands and Mineral Resources Division, Department of Interior; Edward P. Cliff, Assistant Chief Forester, United States Forest Service; Edward C. Crafts, Assistant Chief Forester, United States Forest Service; Reynold G. Florance, Associate General Counsel, Department of Agriculture, Forestry and Lands Division; Robert D. Nininger, Deputy Assistant Director for Exploration Division, Atomic Energy Commission; Charles W. Tully, Assistant Director, Division of Raw Materials, Atomic Energy Commission, Sheldon P. Wimpfen, Manager, AEC Operations Office, Grand Junction, Colo.; E. W. Grutt, Jr., Chief, AEC explorations suboffice, Casper, Wyo.; and William Sharp, in charge of uranium explorations, United States Geological Survey, Denver, Colo.

When I arranged for these gentlemen to come to our State in order to participate in the panel discussions I told them that no doubt a good many questions would be submitted in writing. I received a large number of questions, but only a short time before the meetings. Consequently, there was very little time to spend preparing answers. I want to make it clear, Mr. President, that the answers supplied are wholly unofficial and represent only their best effort to impart the information desired on an individual basis. Furthermore, many of the questions do not concern Federal laws or regulations and should be answered by legal authorities of the State. It may well be, Mr. President, that in the final analysis some of the questions will be answered by the courts. In my judgment, Mr. President, no other group was better qualified to answer the questions in this particular field than the gentlemen on the panel.

In addition, the following officials were on hand, and although they did not sit on the panel, they made a great contribution to the program: Harry Moffett, Henry Dworshak, and Jack Arent, all of the American Mining Congress; Westal B. Wallace, Area Administrator of the Bureau of Land Management, Denver, Colo.; Raymond R. Best, State Supervisor, Bureau of Land Management, Cheyenne, Wyo.; Donald E. Clark, Regional Forester, Rocky Mountain National Forest region, Denver, Colo.; Fred H. Kennedy, Assistant Regional Forester, Rocky Mountain National Forest region, Division of Wildlife and Range Management; Philip L. Heaton, Forest Supervisor, Big Horn National Forest; and E. J. Fortenberry, Forest Supervisor, Medicine Bow National Forest.

For convenience I have combined the questions and the answers at both the Stock Growers Convention and the Wyoming Natural Resource Board.

I ask unanimous consent that the questions and answers developed during the panel discussions be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1. Question. Please define the kinds of land ownership now existing in Wyoming.

Answer. Wyoming does not differ greatly from the other Western States in types of land ownership. The percentages, however, do vary. Wyoming has two types of land ownership—public and private.

The Federal Government has lands in Wyoming under several tenure arrangements, namely, (1) national parks and monuments; (2) national forests, (3) Indian reservations. These all are permanent reservations. (4) the bulk of the remainder of the Federal lands are in public domain status. The public domain may be in a vacant and unappropriated status or it may be withdrawn from all use for reclamation development, wildlife preserves, and other uses. The public domain status is not static. It changes daily like a bank account. Lands are withdrawn, restored, sold, homesteaded, selected by the State, and exchanged.

The Federal land title may consist of the whole estate, the surface estate only, or the mineral estate only. This is the result of acts of Congress under the various public land laws.

The State of Wyoming owns lands obtained in various ways, such as purchases from its citizens, grants from the public domain for public schools and State institutions, and in other ways, such as Carey Act grants and acquisitions through foreclosure of State loans.

Counties and municipalities own land obtained by purchase, tax delinquency, and donation.

Individuals, companies, and corporations own lands obtained in many ways. These lands may be in individual small tracts, large blocks of holdings, and in checkerboard patterns, such as the railroad grants.

In general, the better lands, particularly for agriculture, are private holdings. These lands were selected, granted, or homesteaded out of the public domain. The greater percentage of private land ownership is in the east half of the State. In the western half of the State the private holdings are mainly tied to water and the valleys with the exception of the railroad grants.

While there is some degree of uniformity in land patterns on our ranches, there are many different kinds of land ownership in Wyoming. Most of our old-time ranches were established in the early days by filing 160-acre homestead entries along the creeks and small streams. The patent issued under these entries conveyed unrestricted fee simple title to the lands. Although the total acreage on ranches in those days was not large, the ownership of the water hole served also to control large bodies of adjoining uplands. Most ranchers in those days also took advantage of the Desert Land Act and thereby took up an additional 160 acres of nonmineral lands and obtained a full, unrestricted fee simple title when a patent was issued. Under the additional Homestead Act of 1909 a person was entitled to an additional 160 acres, making a total of 320 acres, and under the law the homesteader was again entitled to an unrestricted patent.

Of course, all of these homesteads were limited to nonmineral lands, and consequently, since coal was quite common throughout our State, many homestead patents reserved the coal deposits to the United States.

In 1916 the Congress enacted the Stockraising Homestead Act which permitted an entry of 640 acres of unappropriated public domain lands but the patents issued under this act reserved all of the minerals under these entries to the United States. A large proportion of the ranch lands in Wyoming were patented under this act.

At the turn of the century large bodies of our timbered lands were withdrawn from entry as national parks and monuments and forest reserves. A good many of our ranchers have allotments permitting them to run a certain number of stock on these forests during the summer months, varied according to the size of their home ranch.

When the Taylor Act was passed in 1934 practically all homesteading by settlement was suspended and thereafter all public domain lands were administered under the Department of the Interior. Nearly every ranch in our State has some of these Taylor lands. In some parts of the State these tracts are small and isolated, and in other places they are in rather large bodies.

When Wyoming was admitted to the Union, sections 16 and 36 and other lands were set over in our State. These lands are leased by the State and a good many ranches have leases on these lands. A good many years ago the State set up a State loan department to make farm loans and as a result obtained title to some of these lands under foreclosure. Some of the lands patented to the State and nearly all of the lands acquired under foreclosure proceedings were sold with a reservation of the minerals to the State and, as a consequence, many ranchers own the surface only of these lands with the State owning the minerals.

It has been a custom in recent years for the seller to reserve all or part of the minerals when selling his land holdings and, as a consequence, in some cases a rancher may own the surface and other citizens own the minerals under these same lands.

In a good many sections of the State, lands are held under the mining laws. Considerable land is held under Bentonite Placer Mining Claims as well as Oil Placer Mining Claims. Some of these claims have been patented but in any event, if the Government owns both the minerals and the surface of these claims, then the mining claimant is entitled to the surface when a patent is issued. If the surface has been patented with a reservation of the minerals to the United States, then the mining claimant gets the minerals only with a right to use the surface only for the purpose of removing the minerals. And so it is quite evident that our basic land system is extremely complex.

2. Question. Is it necessary for a mining prospector to post a bond before locating a mining claim?

Answer. Not on public domain where both the surface and subsurface is owned by the United States. In other cases, except for stockraising homestead entries, where the minerals alone are reserved to the United States, there is no specific provision for a bond to carry on mining operations. However, damage done through negligence of a prospector, mining locator, or mining operator would be subject to the same liability to the surface owner or lawfully authorized user as is allowed by local laws in favor of privately owned property.

In connection with stockraising homestead entries, section 9 of the act of December 29, 1916 (39 Stat. 364; 43 U. S. C. 299), provides for a reservation of all minerals to the United States and that any person who has acquired from the United States the coal or other mineral deposits in any such lands, or the right to mine and remove the same, may reenter and occupy so much of the surface thereof as

may be required for all purposes reasonably incident to the mining for removal of the mineral deposits, (1) upon securing the written consent or waiver of the homestead entryman or patentee; (2) or upon payment of the damages to crops, tangible improvements to the owner thereof under agreement; (3) or upon the execution of a good and sufficient bond to the United States for the use and benefit of the entryman or owner of the land; (4) section 2 of the act of June 17, 1949 (63 Stat. 200, 201), and section 5 of the act of June 21, 1949 (63 Stat. 214, 215), provide for additional damages to the surface of the land by reasons of strip mining operations.

3. Question. Can a mining prospector locate a lode or placer mining claim on lands patented under the stockraising homestead law under the following conditions:

(a) A home or other buildings are located on the proposed claim?

(b) A water well is located on proposed claim and in such case does the locator have the right to use the water?

(c) Where a small stock reservoir is located on the proposed claim?

Answer. (a) A mining prospector may locate a lode or placer mining claim on lands patented under the stockraising homestead law where there is a home or other buildings located on the proposed claim, but if he does damage thereto he must make just compensation therefor.

(b) The same applies where there is a water well with the same rule as to damage. Rights as to the use and appropriation of water are governed by State laws and when in controversy between private parties must be settled in the local courts.

The act of July 26, 1866 (14 Stat. 253; 30 U. S. C. A., sec. 51), states under the heading of "Vested rights to use of water for mining, etc.; right-of-way for canals," as follows:

"Whenever, by priority of possession, rights to the use of water for mining, agricultural, manufacturing, or other purposes have vested and accrued and the same are recognized and acknowledged by the local customs, laws, and the decisions of courts, the possessors and owners of such vested rights shall be maintained and protected in the same; and the right-of-way for the construction of ditches and canals for the purposes herein specified is acknowledged and confirmed; but, whenever any person, in the construction of any ditch or canal, injures or damages the possession of any settler on the public domain, the party committing such injury or damage shall be liable for such injury or damage" (R. S., sec. 2339).

Ricketts-American Mining Law states in section 80:

"Next to the right to mine on the public domain, the Federal mining law grants to miners the most valuable incident thereto, the right to use the public waters in mining, which is the very essence of the mining laws, without which mining could not be made profitable. Previous to the enactment of that law, the possessory rights to water and its conduits rested solely upon the local customs, laws, and decisions.

"The doctrine of appropriation under this law applies only to public lands and waters of the United States. At the present time the various States, by statute, which vary in effect and detail, prescribe the use of water therein" (Ricketts, sec. 81).

"The Federal law protects priority of possession in rights to the use of water for mining purposes where such rights have been vested and are recognized and acknowledged by the local customs, laws, and decisions" (Ricketts, sec. 84).

"Even if priority of possession is shown, it still is necessary to prove that the right to the use of the water is recognized and acknowledged by the local customs, laws, and decisions of the courts; all of which are questions of State law" (Ricketts, sec. 86).

(c) Locations may also be made on privately owned stock reservoir or other improvements subject to payment of damages.

4. Question. (a) Explain the nature of a discovery sufficient to justify a valid mining location.

(b) What proof must a miner make in order to obtain a patent for a mining claim, especially as to the discovery of the mineral and what Government agency will ascertain if the miner has complied with the law in that regard?

(c) What arrangements will be made for damages to crops and permanent improvements and to the title of these lands?

(d) If a mining claim is validated and patent is issued thereon, will the miner be required to pay taxes in the event the claim is on stockraising lands that have already gone to patent?

Answer. (a) To meet the test of discovery under the mining laws, there must have been a discovery within the limits of the claim of valuable mineral deposits and that discovery must be such as would justify a person of ordinary prudence in the further expenditure of his time and means in an effort to develop a paying mine. This is the test applied by the Department of the Interior and approved by the United States Supreme Court. *Cameron* v. *United States* (252 U. S. 450, 459); *Christman* v. *Miller* (197 U. S. 313, 322).

(b) The procedure for obtaining a patent to a mining claim is set forth in title 30, United States Code, 1952 edition, section 29. Among other things, an applicant for a patent must show that he has made a valid discovery (see (a)); that $500 has been expended on the claim in labor and that improvements have been made upon the claim by himself or his grantors; he must submit a plat and field notes of the claim; he must show that no adverse claim to the land exists; he must also pay for the land at the rate of $5 per acre. Whether the applicant has complied with the requirements of the mining laws (30 U. S. C., 1952 edition, sec. 22 et seq.) and is thus entitled to a patent will be determined by the Department of the Interior.

(c) It is assumed that this question relates to damages to crops and permanent improvements of those holding the surface of the lands under patents from the United States containing mineral reservations to the United States or to situations where mining claims are located on lands held under grazing leases or permits issued pursuant to the Taylor Grazing Act (43 U. S. C., 1952 ed., sec. 315). With respect to the first situation, for example, the Stockraising Homestead Act (43 U. S. C., 1952 ed., sec. 291 et seq.) permits mining locations, as distinguished from leases under the Mineral Leasing Act, to be made on lands embraced in entries made or patents issued under that act. The act reserves to the United States the minerals in the lands so entered and patented together with the right to prospect for, mine and remove the same. The act provides (43 U. S. C., 1952 ed., sec. 299):

"Any person qualified to locate and enter the coal or other mineral deposits, or having the right to mine and remove the same under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented * * * for the purpose of prospecting for coal or other mineral therein, provided he shall not injure, damage, or destroy the permanent improvements of the entryman or patentee, and shall be liable to and shall compensate the entryman or patentee for all damages to the crops on such lands by reason of such prospecting. Any person who has acquired from the United States the coal or other mineral deposits in any such land or the right to mine and remove the same may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining or removal of the coal or other minerals, (1) upon securing the written consent or waiver of the homestead entryman or patentee; (2) upon payment of the damages to crops or other tangible improvements to the owner thereof; or (3) in lieu of either of the foregoing provisions, upon the execution of a good and sufficient bond or undertaking to the United States for the use and benefit of the entryman or owner of the land, to secure the payment of such damages to the crops or tangible improvements of the entryman or owner, as may be determined and fixed in an action brought upon the bond or undertaking in a court of competent jurisdiction against the principal and sureties thereon, such bond or undertaking to be in form and in accordance with rules and regulations prescribed by the Secretary of the Interior and to be filed with and approved by the register of the local land office of the district wherein the land is situate, subject to appeal to the Secretary of the Interior or such officer as he may designate."

Section 6 of the Taylor Grazing Act (43 U. S. C., 1952 ed., sec. 315e) provides that nothing therein shall restrict prospecting, locating, developing, mining, entering, leasing or patenting the mineral resources of grazing districts under law applicable thereto.

Section 7 (43 U. S. C., 1952 ed., sec. 315f) provides that locations and entries under the mining laws may be made upon lands covered by the act. It would appear that one having a valid mining location on lands covered by a grazing lease or permit under the Taylor Grazing Act would have the right to use so much of the surface of the land as is reasonably necessary to conduct his mining operations but that he would be liable for any unnecessary damage. The question of damages is one, primarily, to be settled between the parties and in accordance with the provisions of State law.

(d) The answer to this question depends upon State law. Apparently under the Wyoming law, the products of mines are taxable. See article 15, sec. 3, of the State constitution and Wyoming Compiled Statutes, 1945, sec. 32–1001.

5. Question. What is the proper procedure for the landowner, whose title is based on a stockraising patent, to take in order that he may be assured of collecting proper damages to his permanent improvements, crops or other property on his land by a mining prospector seeking to locate, discover, or do assessment work on a mining claim?

Answer. Under section 9 of the Stockraising Homestead Act a qualified person is allowed to enter upon the patented lands for the purpose of prospecting for minerals thereon provided he does not injure or destroy the permanent improvements of the patentee and subject to liability for damages to crops on the land by reason of such prospecting. Such damages would be collectible by an action in the courts.

If the person entering upon the patented land has already located a mining claim thereon, he is allowed to reenter the lands for the purpose of removing the minerals provided that he (1) receives the written consent or waiver of the surface owner; or (2) pays for damages to crops or other tangible improvements; or (3) executes a bond to secure payment of such damages. Damages owed to the surface owner by the mining locator would be collectible in the local courts in an action either against the locator, if no bond were filed, or in an action against the principal and sureties on the bond if one has been filed.

6. Question. If a miner files on United States minerals on lands already patented under the stockraising act and gets a patent: (a) Just what will be the nature of the mining patent; (b) who will pay taxes on the lands included in the two patents?

Answer. (a) A patent to minerals underlying a Stockraising Homestead Patent (43

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U. S. C., sec. 299) conveys only the minerals with the right to use the surface for mining purposes since it is made expressly subject to rights granted the surface owner under the act.

(b) Taxes are paid in accordance with State law. In general, it may be said that both patentees have property interests which may be subjected to taxation.

7. Question. How could one borrow money on stockraising homestead patented land where a miner holds another patent on the same land?

Answer. The title of the patentees to the surface and minerals respectively are separate property interests and not as a matter of law clouded by the other's interest. If the property right is valuable, it should be possible to borrow on the property interest involved.

8. Question. How could a landowner sell his land and give a clear title where a miner has a patent to minerals?

Answer. There is no legal impediment to the transfer of clear title to surface rights.

9. Question. Can a mining prospector enter on land with bulldozers to build roads in a careless manner that will cause permanent injury to the vegetation?

(a) Upon lands patented under the stockraising law?

(b) Upon Taylor leased lands?

Answer. (a) The prospector "shall have the right at all times to enter upon the lands entered or patented, as provided by this Act, for the purpose of prospecting for coal or other minerals therein, provided he shall not injure, damage, or destroy the permanent improvements of the entryman or patentee, and shall be liable to and shall compensate the entryman or patentee for all damages to the crops on such lands by reason of such prospecting." Section 9, Stockraising Homestead Act of December 29, 1916 (39 Stat. 862; 43 U. S. C., sec. 299). Whether a prospector would be liable beyond the terms of the statute for willful acts unnecessary to prospecting or for carelessness would be for a local court to determine. The law does not require a prospector to give bond.

(b) It is possible that a prospector would be liable in damages to the United States for willful destruction of vegetation or land surfaces but so far as known the question has never been at issue.

10. Question. Does a prospector have a legal right to cross lands patented under the Stockraising Homestead Act to reach Government (Taylor land) without permission from the landowner?

Answer. Such rights, if any, as a prospector would have, would flow from State laws. The jurisdiction of the Federal Government or one holding under it in such case is limited to its ownership of the minerals in the land and the right to the use of sufficient surface to remove them. It does not include right of access to other lands. In the absence of some State law granting a right-of-way no such right would exist.

11. Question. Can the prospector cross over lands upon which the landowner owns the surface without his permission, if the lands are posted, to get upon the lands of a neighboring landowner?

Answer. The prospector may not cross lands the surface of which is owned by another in order to reach other adjoining lands unless he has the permission of the surface owner. The surface owner has the same protection against trespass in such cases as an owner in fee simple. It is possible, of course, that the prospector may be granted some special right of entry under State law.

12. Question. (a) May a prospector enter upon stockraising homestead lands without the knowledge or consent of the surface owner from a public road passing through or along these lands, if the lands have been posted against trespass?

(b) Over a private road?

(c) Across fee lands of the landowner contiguous to these lands?

(d) Through the fence along the right-of-way maintained by the landowner?

Answer. Under section 9 of the Stockraising Homestead Act the prospector has the right to enter upon the patented lands for the purpose of prospecting thereon. Therefore, the prospector would have a right of entry upon the lands for prospecting purposes whether or not the lands are posted and whether from a public or private road. However, the prospector could not lawfully enter upon or cross lands owned in fee without the owner's consent, nor could he use a privately owned right-of-way without such consent, unless such a right were granted to him under State law.

13. Question. The landowner owns the surface under a stockraising homestead, and the minerals are reserved to the Government.

(a) Is the prospector liable for damages caused by driving jeeps, autos, trucks, etc., across

(1) Grass?

(2) Growing crops of the surface owner?

(b) If the prospector can come on these lands without the knowledge or consent of the landowner and is not detected while on or crossing such lands, how is the landowner to collect damages?

(c) If there are several prospectors on these lands of the surface owner at the same time and one of them damages the property of the surface owner, how does the surface owner collect damages?

Answer. (a) Under section 9 of the Stockraising Homestead Act, the prospector would be liable for damages to the crops on the lands of the surface owner. This liability would extend to damages to grass if the grass were found to come within the term "crops on the land."

(b) It would be necessary for the landowner to identify the prospector causing the damage in order to enforce any liability for damage under the Stockraising Homestead Act.

(c) The surface owner would be able to enforce his right to damages only against the prospector who has in fact caused the damage.

14. Question. Is the prospector liable, in the absence of any agreement with the surface owner, for damage to:

(a) Growing crops on stockgrazing homesteads?

(b) Grass on stockgrazing homesteads?

(c) Livestock?

(d) Improvements?

Answer. (a) The prospector is liable for damages to growing crops under section 9 of the Stockraising Homestead Act.

(b) The liability would extend to grass only if the grass could be classified as a "crop."

(c) Damage to livestock is not covered by the indemnity provisions of the Stockraising Homestead Act, though it is possible that such liability might be established in a regular tort action for damages to personal property.

(d) The Stockraising Homestead Act provides for liability for damages to tangible improvements on the lands of the surface owner.

Section 2 of the act of June 17, 1949 (63 Stat. 200, 201) provides:

"Any person who hereafter prospects for, mines, or removes, by strip or open pit mining methods, any minerals from any land included in a stockraising or other homestead entry or patent, and who had been liable under such an existing act only for damages caused thereby to the crops or improvements of the entryman or patentee, shall also be liable for any damage that may be caused to the value of the land for grazing by such prospecting for, mining, or removal of minerals."

A similar provision is embodied in section 5 of the act of June 21, 1949 (63 Stat. 214, 215).

15. Question. The landowner owns the surface under a Stockraising Homestead or school lands, the minerals being reserved to the Federal Government or by the State: Can the prospector cross lands of the surface owner in order to get on lands of a neighbor without a right-of-way or agreement, especially if the lands have been posted against trespass?

Answer. The owner of the surface of lands on which the minerals have been reserved enjoys the same protection against unlawful trespass as other landowners. Any right of entry for the purpose of crossing the land which a prospector might have in such circumstances could only arise under State law. A prospector can, of course, enter the land for the purpose of prospecting on that land itself.

16. Question. From what point to what point does ingress and egress apply?

Answer. Assuming that a prospector has obtained a right of ingress and egress by agreement with a landowner, his right extends only to such point or points of ingress and egress specified by the landowner in the agreement. If no such points of ingress and egress have been specified in the agreement, the prospector would have the right to use whatever reasonable points of ingress and egress as are available.

17. Question. When a claim has been filed upon stockraising homestead land, can another prospector or other prospectors continue to prospect and run over the same piece of land embraced in that claim?

Answer. Once a valid mining claim has been made upon stockraising homestead lands, such lands are no longer open to further prospecting by others as long as the original locator maintains his right by compliance with the mining laws. An exception to this rule is found in those cases where a lode claimant enters upon a placer claim for prospecting purposes. In such a case the lode claimant has the right of entry for prospecting purposes if the consent of the placer claimant is obtained. *Clipper Company* v. *Eli Company* (194 U. S. 228, affirming 68 Pac. 289).

18. Question. (a) Where the landowner owns the surface and the Government has withdrawn the minerals from acquisition, is any prospecting on such land permitted until such withdrawal has been lifted?

(b) What action has the Government taken to police these lands?

Answer. (a) Minerals reserved to the Government which have been withdrawn from location, entry, and patent under the mining laws are not open to mineral prospecting until the minerals have been appropriately restored.

(b) While the Government is unable to actively police all withdrawn lands or minerals, action in trespass is taken against unlawful removal of minerals from withdrawn lands when such trespass is brought to the Government's attention in one way or another.

19. Question. In cases where the surface has been patented with the minerals reserved to the Government:

(a) Is the Government liable for actions and damages of the prospector?

(b) Why does the Government require a bond posted by the prospector in the Government's favor, if it does not recognize that this liability exists?

(c) When the landowner sues for net damages against this bond in court of competent jurisdiction, would attorney fees and court costs be recovered under this bond?

Answer. (a) The Government is not liable for the actions or damages of the prospector. Such liability extends only to the prospector himself.

(b) The bond mentioned in section 9 of the Stockraising Homestead Act is not made unconditionally in favor of the Government. The Act specifies that the bond shall be executed in favor of the United States "for the

use and benefit of the owner of the land to secure payment of such damages * * *."

(c) The provisions of a bond could include one for the payment of attorney fees and court costs in the event it is necessary to file an action on the bond.

20. Question. Will you please advise the form of such bond required?

Answer. Yes. The following is the form of the bond required as mentioned in section 9 of the Stockraising Homestead Act:

"BOND FOR MINERAL CLAIMANTS

"(Act of Dec. 29, 1916, 39 Stat., L. 862)

"Know all men by these presents, that (Give full name and address), citizen of the United States, or having declared (My or our) intention to become __ citizen of the United States, as principal , and (Give full name and address)_____
_____
and _____
as sureties, are held and firmly bound unto the United States of America, for the use and benefit of the hereinafter-mentioned entryman or owner of the hereinafter-described land, whereof homestead entry has been made subject to the act of December 29, 1916 (39 Stat., L., 862), in the sum of _____ dollars, lawful money of the United States, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, and each and every one of us and them, jointly and severally firmly by these presents.

"Signed with our hands and sealed with our seals this __ day of ____, 19__.

"The condition of this obligation is such, that, whereas the above-bounden_____
_____
ha__ acquired from the United States the _____ deposits (together with the right to mine and remove the same) situate, lying, and being within the _____ of section _____, Township _____, Range __, __ M., _____ land district, _____ and whereas homestead entry, serial No. _____ has been made at _____ land office, of the surface of said above-described land, under the provisions of said act of December 29, 1916, by __
_____

"Now, therefore, if the above-bounden parties or either of them or the heirs of either of them, their executors or administrators, upon demand, shall make good and sufficient recompense, satisfaction and payment, unto the said entryman or owner, his heirs, executors or administrators, or assigns, for all damages to the entryman's or owner's crops or tangible improvements upon said homesteaded land as the said entryman or owner shall suffer or sustain or a court of competent jurisdiction may determine and fix in an action brought on this bond or undertaking, by reason of the above-bounden principal's mining and removing of the _____ deposits from said described land, or occupancy or use of said surface, as permitted to said above-bounden principal__ under the provisions of said act of December 29, 1916, by _____ then this obligation shall be null and void; otherwise and in default of a full and complete compliance with either or any of said obligations, the same remain in full force and effect.

"Signed and sealed in the presence of, and witnessed by the undersigned:

"Full name of witness _____
"Address _____
(Two witnesses to each signature)
"As to _____[SEAL]
(Principal)
"_____[SEAL]
(Principal)
"_____[SEAL]
(Surety)
"_____[SEAL]
(Surety)

"(Any erasure, insertion, or mutilation must be certified to as made before signing.)

"The rate of premium charged for this bond is $_____ per thousand. The total amount of premium charged is $_____.

"_____,
(Signature of surety officer)
"_____,
(Title)"

21. Question. What would be the prospects of amending the Mining Act of 1872 by requiring the prospector, even before location and discovery, to comply with the three requirements of section 9 of the Stockraising Homestead Act by making it mandatory for the prospector before entering upon the land (1) to receive the written consent or waiver of the surface owner, or (2) pay for damages to crops or other tangible improvements, or (3) execute a bond to secure the payment of such damages?

Answer. It seems that such a proposal might well receive the consideration of both the executive and the legislative arms of the Government.

22. Question. Where the landowner has built a legal fence upon lands that he has a legal right to fence, on lands where he owns the surface and the minerals are reserved to the Government, can the prospector cut, take down, or molest that fence?

Answer. Since the prospector, under the Stockraising Homestead Act, has the right to enter upon the lands for prospecting purposes, it would be permissible for him to take whatever reasonable action that would be necessary to assert that right. However, the prospector would be liable for damages caused to such fences, since his liability extends to damage to improvements on the surface.

23. Question. (a) When were the public lands in the Pumpkin Butte area surveyed?

(b) Can you give us a statement as to the ownership of the minerals in the Pumpkin Butte area, both public and private?

Answer. (a) The Pumpkin Butte area embraces parts of Ts. 42, 43, and 44 N., Rs. 75 and 76 W. and T. 42 N., R. 77, W., 6th P. M., Wyoming. These townships were surveyed in the field during the period from May 29 to August 2, 1881, and June 26 to September 30, 1882. The township plats were approved December 11, 1882, which is considered to be the date when the townships were officially surveyed.

(b) State land, 3,840 acres.

Public domain, 7,520 acres.

Private land, 15,040 acres.

Stockraising homestead in which minerals are reserved to the Federal Government, 38,920 acres.

Total, 65,320 acres.

24. Question. The patents on stockraising homestead provide, "Excepting and reserving, however, to the United States all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine, and remove the same pursuant to the provisions and limitations of the act of December 29, 1916 (39 Stat. 862)," and, accordingly, I would like to know how the Government can authorize a citizen to enter these lands for the prospecting and development of minerals when the right was reserved for the Government only?

Answer. The reservation of the minerals cited above is not limited to a reservation to the United States without the right of the United States to dispose of such minerals. The Act specifically provides for the disposal of such minerals by the United States in accordance with the provisions of the mineral land laws in force at the time of such disposal. At the present time, all minerals except those mentioned in the Mineral Leasing Act are subject to disposal, by location, discovery, and purchase under the United States Mining Law of 1872, as amended. Leasable minerals such as coal, oil, gas, oil shale, phosphate, potassium, sodium, and sulfur in two States are subject to disposal under the Mineral Leasing Act of February 25, 1920, as amended.

25. Question. Please cite the pertinent section of the Stockraising Homestead Act that permits citizens to prospect the minerals reserved.

Answer. Section 9 of the Act of December 29, 1916 (39 Stat. 864), reads as follows: "That all entries made and patents issued under the provisions of this Act shall be subject to and contain a reservation to the United States of all the coal and other minerals in the lands so entered and patented, together with the right to prospect for, mine, and remove the same. The coal and other mineral deposits in such lands shall be subject to disposal by the United States in accordance with the provisions of the coal and mineral land laws in force at the time of such disposal. Any person qualified to locate and enter the coal or other mineral deposits, or having the right to mine and remove the same under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by this Act, for the purpose of prospecting for coal or other mineral therein, provided he shall not injure, damage, or destroy the permanent improvements of the entryman or patentee, and shall be liable to and shall compensate the entryman or patentee for all damages to the crops on such lands by reason of such prospecting. Any person who has acquired from the United States the coal or other mineral deposits in any such land, or the right to mine and remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining or removal of the coal or other minerals, first, upon securing the written consent or waiver of the homestead entryman or patentee; second, upon payment of the damages to crops or other tangible improvements to the owner thereof, where agreement may be had as to the amount thereof; or, third, in lieu of either of the foregoing provisions, upon the execution of a good and sufficient bond or undertaking to the United States for the use and benefit of the entryman or owner of the land, to secure the payment of such damages to the crops or tangible improvements of the entryman or owner, as may be determined and fixed in an action brought upon the bond or undertaking in a court of competent jurisdiction against the principal and sureties thereon, such bond or undertaking to be in form and in accordance with rules and regulations prescribed by the Secretary of the Interior and to be filed with and approved by the register and receiver of the local land office of the district wherein the land is situate, subject to appeal to the Commissioner of the General Land Office: *Provided*, That all patents issued for the coal or other mineral deposits herein reserved shall contain appropriate notations declaring them to be subject to the provisions of this Act with reference to the disposition, occupancy, and use of the land as permitted to an entryman under this Act."

26. Question. In connection with Stockraising Homestead entries and regarding the right of a mining claimant to reenter such lands after location and discovery:

(a) can he reenter to do further prospecting?

(b) can he enter to maintain a residence on the claim, but not to develop the same?

(c) if he enters the land for prospecting is he liable for damages?

Answer. (a) After location and discovery he can only reenter to do further prospecting if (1) he receives the written consent or waiver of the surface owner; or (2) agrees to pay for damages to crops or other tangible improvements. If he does strip or open pit mining he must agree to be liable for any damage that may be caused to the value of the land for grazing as a result of such prospecting, mining, or removal of minerals;

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or (3) executes a bond to secure payment for such damages.

(b) No. He can only enter for the purpose of prospecting and mining and use only so much of the surface as is necessary to conduct his mining operations.

(c) If he enters the land for prospecting he is liable for damages even if no bond is filed and the same are collectible by action in the local courts. The damages, however, must be the result of willful acts unnecessary to prospecting, negligence, or carelessness. The law does not require a prospector to give bond prior to location and discovery.

The above is well summarized in the opinion rendered by the Supreme Court of Colorado in the case of *McMullin* v. *Magnuson* (78 Pac. (2d) 964–973) which held: "It is evident that the statute contemplates that a person qualified to locate mineral deposits may at all times enter the homestead to prospect for minerals thereon, and, as a necessary incident to his right, locate under the appropriate act such minerals as he may discover, subject only to his liability to the homestead entryman or patentee for damages to crops and the prohibition against injury to permanent improvements. Having made his location and thereby secured the right to remove the minerals in the words of the statute he 'may reenter' and occupy so much of the surface as may reasonably be required in his mining operations by securing the consent of the homesteader, paying the damages caused by his operations or filing the required bond. The securing of the particular consent, or in lieu thereof posting the bond, is not a condition precedent to the location, but is incident to the mining operations subsequent thereto. Further, the clear purpose of the statute is not to restrict prospecting and mining operations on lands entered or patented under the Stockraising Homestead Act, but to assure compensatory protection to the homesteader."

27. Question. What would be the prospects of amending the law to require that prospectors give notice to the owner of the surface, who does not own the minerals, or to anyone in possession of the property that he proposes to enter the lands and prospect for minerals?

Answer. It would appear that a proposal for legislation providing for notice to owner of the surface or to the party in possession thereof by a prospector under the United States mining law before entering on the lands for prospecting purposes would receive careful consideration by both the Congress and the executive branch of the Government.

28. Question. What authority does the Bureau of Land Management have for retaining the mineral rights for the Federal Government, when they sell land under Section 14 of the Taylor Grazing Act?

Answer. It has authority to reserve minerals subject to lease under the mineral-leasing laws. This authority is granted by the Acts of March 3, 1909 (35 Stat. 844; 30 U. S. C. sec. 81), and June 22, 1910 (36 Stat. 583; 30 U. S. C., sec. 83), as to coal, and the act of July 17, 1914 (38 Stat. 509, 30 U. S. C. sec. 121), as to phosphate, nitrate, potash, oil, gas, or asphaltic minerals if the lands are withdrawn, or classified or are valuable for these minerals. If the lands are known to be valuable for any other minerals they are not subject to sale under section 14. If not valuable for any minerals, no reservation of minerals is made. In the case of the Acts of March 3, 1909, and June 22, 1910, it can only reserve coal if at the time or prior to issuance of patent, lands are withdrawn, classified, or valuable for coal. Under the Act of July 17, 1914, supra, the Government can only reserve any of the minerals named in the Act if at the time or prior to issuance of patent the lands are valuable for one or more of the minerals named in the Act. The reservation in the patent must name the mineral or minerals which are reserved. Section 14 of the Taylor Grazing Act is as follows:

"SEC. 14. That section 2455 of the Revised Statutes, as amended, is amended to read as follows:

"'SEC. 2455. Notwithstanding the provisions of section 2357 of the Revised Statutes (U. S. C., title 43, sec. 678) and of the Act of August 30, 1890 (26 Stat. 391), it shall be lawful for the Secretary of the Interior to order into market and sell at public auction, at the land office of the district in which the land is situated, for not less than the appraised value, any isolated or disconnected tract or parcel of the public domain not exceeding 1,520 acres which, in his judgment, it would be proper to expose for sale after at least 30 days' notice by the land office of the district in which such land may be situated: *Provided,* That for a period of not less than 30 days after the highest bid has been received, any owner or owners of contiguous land shall have a preference right to buy the offered lands at such highest bid price, and where two or more persons apply to exercise such preference right the Secretary of the Interior is authorized to make an equitable division of the land among such applicants, but in no case shall the adjacent landowner or owners be required to pay more than three times the appraised price: *Provided further,* That any legal subdivisions of the public land, not exceeding 760 acres, the greater part of which is mountainous or too rough for cultivation, may, in the discretion of the said Secretary, be ordered into the market and sold pursuant to this section upon the application of any person who owns land or holds a valid entry of lands adjoining such tract, regardless of the fact that such tract may not be isolated or disconnected within the meaning of this section: *Provided further,* That this section shall not defeat any valid right which has already attached under any pending entry or location. The word "person" in this section shall be deemed to include corporations, partnerships, and associations' (43 U. S. C. 1171)."

29. Question. Can a mining prospector travel across full unrestricted patented lands if posted against trespass without the owner or occupant's consent?

Answer. The answer to this question would have to be derived from a study of the laws of the State. The Federal Government has no jurisdiction over land the full title to which has passed into private ownership.

30. Question. Can a mining prospector cross unrestricted fee lands on a road that has been traveled for 25 years but not designated as a county road in order to locate a mining claim on Government lands over objection of owner or occupant of land?

Answer. The United States would have no jurisdiction over the unrestricted fee lands. The right to cross such lands to reach Government lands for the purpose of prospecting or mining the latter would be a matter of private agreement between the prospector or locator and the owner of the patented lands. However, the respective States have usually legislated as to easements "by necessity" and such laws would be applicable to the situation mentioned.

Lindley on Mines, 3d edition, section 531 states: "The right of the United States to grant easements and other limited rights on any portion of its public domain cannot be gainsaid, and subsequent purchasers must take it burdened with such easements or other rights. But when it has once disposed of its entire estate in the lands to one party, it can afterward no more burden it with other rights than any other proprietor of lands."

31. Question. (a) Assuming that it will be necessary for a mining prospector, upon leaving a public road, to cross fee lands which do not have a road of any character and which have been posted against trespass in order to obtain access to Government lands for the purpose of making mining location, please let me know whose duty it is to make arrangements for the miner to cross these fee lands and, in particular, to advise if the Government makes any arrangements of that character at all.

(b) Will the United States take any steps to obtain for the miner the right to cross these fee lands and if so, what arrangements will the Government make to pay for such privilege?

Answer. (a) Ordinarily, any landowner, including the United States, is obliged to make connection between his own lands and the public roads and highways without trespassing on fee lands. Thus, no one has a duty to make arrangements for a mining prospector to cross fee lands which have no road across them and which are posted against trespass in order that such a prospector may gain access to Federal lands.

Under Wyoming law, if the Federal Government, as owner of land which has no outlet to nor connection with a public road, wishes to do so, it may apply to the board of county commissioners of the county in which the land is situated for establishing a private road leading from the Federal land to some convenient public road in accordance with section 48–331, 332, 333 of the Wyoming Compiled Statutes (1945 ed.). Under these statutory provisions, private property may be condemned for building a road in accordance with specified procedures. However, a private landowner applying for such a road must pay for the land in fee over which the road is to be built and must also pay the costs for locating such a road.

Generally, if without unreasonable trouble and expense, there is any way by which a landowner can connect his property with a public road without using private property of another, the owner is required to use such other way, and private property will not be condemned for an access road under statutes authorizing condemnation of private property for such a purpose.

No instances are known in which the Government has arranged for a mining prospector to cross fee lands in order to gain access to Federal lands for the purpose of locating mining claims.

It is possible for mining prospectors to petition the county commissioners in the county in which the land is situated or the State highway department and request that roads necessary to gain access to the Federal lands be built by the county and/or the State (48–303, 307 Wyoming Compiled Statutes).

(b) It is not possible for the United States to take any steps to make it possible for miners to gain access to Federal land over what is now private fee land.

32. Question. (a) Can a mining prospector, the State of Wyoming, or the United States take legal action to compel the owner of fee lands to permit the prospectors to cross his land in order to reach Government land for a uranium-mining location, particularly in the event the Government itself states that there is little likelihood of uranium being discovered on such lands?

(b) Will the State of Wyoming or the United States, in your judgment, take any such action?

Answer. (a) A mining prospector ordinarily cannot take action to compel a private owner to permit the prospector to cross private lands for prospecting on Federal lands. (Sec. 3–6301, Wyoming Compiled Statutes (1953 Supp.), which authorizes anyone who requires a right-of-way of necessity for, among other purposes, mining, to enter upon private lands to examine and make surveys for, inter alia, mine truck haul roads does not seem to be applicable in circumstances where there is no mine already in existence.)

The Wyoming State Highway Commission and the county commissioners of counties

in Wyoming have power to condemn private lands for establishing roads and highways and owners of such private lands must be compensated therefor in accordance with Wyoming statutes (secs. 48–105, 302–327, Wyoming Compiled Statutes). Public roads may also be established upon the order of the board of county commissioners provided that written consent of the owners of the land to be used for that purpose is first filed in the county clerk's office, and that the board is satisfied that such a road is of sufficent importance to be opened and traveled.

Section 24–801, Wyoming Compiled Statutes, authorizes the United States to acquire any land in Wyoming by purchase or condemnation which is essential to the national defense, subject to a mineral reservation. The circumstances here involved do not seem to indicate that crossing of private land is essential to the national defense. The power of eminent domain in the United States has not been considered here because a cursory examination of the statutes authorizing the United States to condemn land indicates that they probably do not extend to the facts of the instant situation.

(b) It is not known whether the State of Wyoming or the United States will take any such action in this situation.

33. Question. In the early days, prospectors traveled on foot but now they move about in trucks and tractors. I would like to ask:

(a) Must the owner of fee lands permit prospectors with such vehicles to enter fee land and to use water on his lands, to camp on his lands and to carry firearms on his lands especially in the case where the landowner absolutely prohibits their entry on his land?

(b) Can the mining prospector enter on Government lands which are leased for grazing purposes to a rancher under the conditions mentioned in (a)?

Answer. (a) This question may refer either to the right of prospectors to make use of the fee land in reaching public lands beyond it, in which case it has been discussed under questions 27 and 28, or to the right of prospectors to perform the listed acts on the fee land itself. In the latter situation the right of a prospector to enter and to camp on fee lands is a matter of State law, under which presumably a fee owner has the right to keep trespassers off his land. The carrying of firearms is also a matter of State law.

Although by the Desert Land Act (43 U. S. C., 1952 ed., sec. 321 et seq.), the acquisition of title to public land did not carry with it water rights, but all nonnavigable waters were reserved for use of public under laws of the State in which the land is situated, no Federal law has been found which would permit a prospector to enter upon patented lands in trespass to appropriate water thereon. See cases cited in 30 U. S. C. A. sec. 51, n. 40, 42. Thus, the right of a person to use water on fee lands for camping purposes is also a matter to be determined under the State law relating to trespass.

(b) Lands leased by the United States for grazing permits under section 15 of the Taylor Grazing Act (43 U. S. C., 1952 ed., sec. 315m) are open to prospecting under section 7 thereof. The regulation dealing with such leases states:

"Nor shall such lease restrict or limit prospecting, locating, developing, mining, or patenting the mineral resources of the leased lands; miners, prospectors, and mineral lessees of the United States and all other authorized persons shall be entitled to enter the leased lands" (43 CFR 160.13 (19 F. R. 8953)).

Lands subject to a grazing permit issued to section 3 of the act are left open to mineral prospectors by section 6 which states:

"* * * and nothing herein contained shall restrict prospecting, locating, developing, mining, entering, leasing, or patenting the mineral resources of such districts under laws applicable thereto."

34. Question. I own lands patented under the Desert Land Act and I should like to know if I own the uranium found on these lands.

Answer. Yes. The only minerals which may be reserved are Leasing Act minerals such as oil, gas, phosphate, coal, sodium, nitrate, potash, and asphaltic minerals if the lands are found to be valuable for the particular mineral reserved or withdrawn or classified as valuable.

35. Question. Does the landowner have to permit trailer houses, trucks, and big equipment to trespass over his fee land in getting to United States minerals on other adjoining lands?

Answer. The United States has no jurisdiction over fee lands. Rights of access are governed by State law.

36. Question. If mineral claims are staked on lands where the owner has mineral rights, what rights has the landowner?

Answer. If the landowner owns the mineral rights a mining claim cannot lawfully be staked on the land and anyone who attempts to do so would be in trespass. The United States mining laws apply only to lands and minerals belonging to the United States. A landowner who owns the minerals in his land may protect the minerals against trespass in the same manner and to the same degree that he can protect any other property he owns.

37. Question. (a) What difference would it make where trespass signs have been erected on patented fee land? on patented stockraising lands? on Taylor leased lands?

(b) What damages would the landowner be entitled to, under these same conditions?

(c) What royalty would the landowner be entitled to, under these same conditions?

Answer. (a) On land patented without a mineral reservation the fact that such signs were posted if plainly visible no doubt would aggravate the trespass and justify more severe punishment. On patented stockraising land a no-trespass sign could not override the prospector's legal authority to enter. On Taylor leased lands the law expressly says that the land shall continue at all times open to prospecting and mining. The law necessarily would govern in such case.

(b) The landowner who also owned the minerals would be entitled to whatever damages were agreed upon or fixed by the court in an appropriate action. A court conceivably might award exemplary damages. The stockraising patentee would be entitled to damages to crops and permanent improvements and if strip mining was involved to damage to the soil insofar as it affected stockraising use.

(c) There is no law giving the landowner a royalty where the minerals are owned by the United States. The landowner who owns the minerals may lease them at whatever royalty he can obtain.

38. Question. How may the prospector or anyone else enter upon or cross fee lands upon which an unrestricted patent was issued granting the patentee both the surface and mineral rights, without the permission or agreement of the landowner for any purpose, especially if the lands are posted against trespass.

Answer. The only way that a prospector or other person may enter upon or cross lands owned by another in fee simple under an unrestricted patent is to obtain the owner's consent or permission or otherwise the person so entering is committing a trespass. Posting of the lands against trespass would neither enlarge nor diminish the owner's right to protection under the trespass laws, though such posting might make a stronger case of voluntary trespass and thus increase the damages which he could possibly recover in the courts. It is possible, of course, that the prospector may be given some special right of entry under State law.

39. Question. What recourse does the landowner have when entry has been made without his permission or agreement on fee lands where the landowner owns both the surface and the minerals and the lands have been posted against trespass, and mining claims filed and recorded within the boundaries of such lands?

(a) How are the titles and abstracts corrected on such lands?

(b) Whose liability?

(c) What recourse does the landowner have for reimbursement of expenses made in connection with surveys, abstracts, clouded titles and attorney fees in connection with such unlawful entry?

Answer. The recourse of the owner of lands in fee simple against a person who enters or crosses his lands without permission is under the trespass laws of the State and in the appropriate local courts. Privately owned lands are never subject to location under the mining laws.

(a) Attempted mining claims on lands owned in fee simple are not clouds against the owner's title, even though recorded and appearing in the abstract of title, since a title examination is clearly indicative of the invalidity of the mining claims. Therefore no action need be taken to clear the title.

(b) The trespasser is liable in damages to the landowner under the trespass laws of the State.

(c) These would be items of damages which the court might consider as reimbursable in a trespass action.

40. Question. What right does a mining prospector have to bring about condemnation proceedings for the acquisition of a right of way across fee lands in order for him to reach Government lands for prospecting purposes?

Answer. Whatever rights of condemnation, if any, the prospector might have would be those granted to him under State law.

41. Question. One person owns the surface and another owns the mineral rights, how may anyone enter upon the surface of the lands without the permission of the surface owner?

Answer. It would be unlawful for a person to enter upon the surface without the surface-owner's permission unless he were the agent of the owner of the mineral rights and his entry were for the purpose of working the minerals for and on behalf of the owner thereof.

42. Question. Can a prospector cross over the surface of other lands owned by the surface owner if the lands are posted against trespass and he does not have the consent of the landowner, in order to get to the surface of lands on which the surface owner owns the surface, and mineral right owner has the minerals leased to the prospector?

(a) What recourse does the surface owner have to recover damages and what legal steps must he take?

Answer. The prospector cannot lawfully enter upon and cross lands owned by another without permission in order to reach lands on which he may have the right to prospect under the Stockraising Homestead Law. The only recourse the surface owner would have in the event of such unlawful entry would be that afforded under the trespass laws of the State.

43. Question. On either national forest lands or on Bureau of Land Management lands:

(1) May an angler fish along a stream or river which runs through a posted mining claim?

(2) May a hunter walk over a mining claim on public domain or national forest lands?

(3) Is it legitimate for the owner of a claim to post such area against trespass?

Answer. Under the mining laws the locator of a valid mining claim has the exclusive right of possession of the mining claim. He

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may use this right only for mining purposes or purposes reasonably incident thereto. The Federal Government, as a holder of the legal title to an unpatented mining claim, has certain rights and duties with respect thereto. However, the holder of the mining claim has the same rights as to the protection of the mining claim from trespass as does the person who has a patent for his land. Therefore, the holder of a mining claim may post his claim against trespass. In doing so he would, of course, rely upon State law and would have to invoke the provisions thereof in protecting his private rights. Thus, unless State law provides otherwise, the holder of a mining claim could prevent hunters and fishermen from hunting or fishing upon the claim.

44. Question. What rights do permitted livestock on the national forests have to graze on mining claims located on a grazing allotment?

Answer. Under the mining laws the locator of a valid mining claim has the right of exclusive possession of the claim. He can exercise this right only for mining purposes. The existence of the right enables him generally to prevent others from using the claim even though there may be no conflict between such other use and his mining use. The legal title to an unpatented mining claim is still in the United States and when the claim is located within a national forest it continues to constitute a part of the national forest until it is patented. The United States may prevent any unauthorized use of the mining claim either by the locator or anyone else. Regardless of the provisions of State laws no one may graze livestock on national forest lands without the permission of the United States. Therefore, even though a State may have what is commonly known as open range laws the burden is on the owner of livestock to keep his livestock off of national forest lands unless he has a permit to graze the livestock on such lands, but under the open range laws there is no burden upon the owner of livestock to keep them off of privately owned range. Under these circumstances, permitted livestock on the national forests may graze on mining locations unless the mining locator undertakes to prevent the livestock from grazing on the claim.

45. Question. Ten-year grazing permits on the national forests expire at the end of 1955. What is the Forest Service going to do about renewing 10-year permits on grazing allotments which have a large number of mining locations on them?

Answer. Since we believe that the claimant cannot dispose of forage on the claim on a commercial basis, and only the forage needed by domestic stock in connection with mine operations may be used by the claimant, the Forest Service will issue 10-year grazing permits on grazing allotments on which mining locations exist, to the full grazing capacity of the allotment except to the extent that it is known that mining activity will prevent such use.

46. Question. What does the Forest Service intend to do about charging grazing permittees for the use of forage on mining locations?

Answer. Since the Forest Service intends to issue permits for the full capacity of the allotments on which mining locations exist, except to the extent mining activities will prevent it, charges will be made for the grazing capacity of mining locations.

47. Question. Can a national forest grazing permittee get a refund if the mining claimant's activities prevent the permittee from utilizing the forage on or near the mining location?

Answer. Where mining activity reduce the amount of foreage available, the situation will be investigated and a refund made to the permittee for the loss of forage through no fault of his own.

48. Question. Can a mining claimant on forest lands grant grazing leases and collect money for livestock grazing on his mining location?

Answer. The holder of an unpatented claim has no authority to use the claim for other than mining purposes. Under that principle he cannot legally lease grazing rights.

49. Question. What effect do State open-range laws have on grazing of permitted livestock on mining locations?

Answer. Insofar as the Federal Government is concerned, State open-range laws have no effect upon the Government's rights where livestock has grazed on its lands without its permission. However, where the Government has given its consent for livestock to graze on its property, the State open-range laws do place upon the person who has established private property rights—as by filing a mining location—the burden of keeping livestock off the mining claim.

50. Question. Can a mining claimant legally fence his claim and thereby exclude livestock which are permitted to graze on the national forests?

Answer. The holder of a valid claim has no authority to use the claim for other than mining purposes. He could fence the claim to provide a pasture for stock used in connection with mining or to keep outside stock from interfering with his mining operations. There is no blanket answer to this question and each case would have to be decided on the particular situation on the claim involved.

51. Question. What are the rights of the mining claimant to build roads across national forest lands for ingress and egress to his locations? What can the Forest Service do to make sure that such roads minimize damage to soil, forage, and other resources?

Answer. The owners of private property—including valid, unpatented mining claims—have the right to build access roads across national forest lands to their property, subject to reasonable conditions to prevent damage. The claimant must notify the Forest Service of his intention to construct such a road, must enter into the required stipulations, and must construct the road on a location and to the standard required by the Forest Service. The primary interest of the Forest Service is to see that the road will cause a minimum of erosion and damage to national forest resources.

Prospectors also have the right to enter upon national forest lands for prospecting, but do not have the right to construct a road.

The question of when a route used for truck travel or bulldozers becomes a road is a practical one which would have to be decided in each particular case.

52. Question. Can a mining prospector post a claim and prohibit trespass after making valid location as against—

(a) The general public?

(b) Holder of Taylor grazing lease on same lands?

Answer. (a) Yes. Citing from *Miller* v. *Chrisman* (140 Cal. 440):

"One who thus in good faith makes his location, remains in possession and with due diligence prosecutes his work toward a discovery is fully protected against all forms of forcible, fraudulent, surreptitious, or clandestine entries and intrusions upon his possession. Such entry must always be peaceable, open, and above board, and made in good faith or no right can be founded on it."

The owner of a valid mining claim has the exclusive right of possession to his claim as against all other private persons not having a better right and may keep such persons off the claim or prosecute them for trespass.

(b) The owner of a claim does not have a title superior to that of the United States, which holds the legal title. He is also subject to the operation of State laws, including the law of the open range, and if his claim is unfenced it may be grazed by cattle belonging to others.

Specifically Taylor Grazing Act leases and permits are issued without regard to possible mining claims of which there is no record in the land office. In such case if the State has an open-range law the locator cannot, merely by posting his claim, prevent grazing on it.

It is the position of the Department of the Interior that the miner holds his claim for mining purposes only and any surface use by the Government for grazing which does not interfere with his mining use would not be in derogation of his rights.

53. Question. Can the Bureau of Land Management continue to dispose of the grass on lands covered by a valid mining claim against the wishes of the locator of such claims?

Answer. Where there is an open-range law, as in Wyoming, and the mining claim is inadequately fenced under State law, cattle may graze on the mining claim.

Also, mining claimants may use only so much of the surface of their claims as may be reasonably necessary in the legitimate mining operations, that such claims within an established grazing district are subject until the issuance of patent to administration by this Department and that license fees for the grazing use of the surface thereof may properly be levied. (Appropriate charges may also be made for grazing where authorized—if outside of grazing district.)

54. Question. Can a mining claimant on Taylor grazing lands grant grazing leases and collect money for livestock grazing on his mining locations?

Answer. The locator of a valid mining claim who has not filed an application for patent and has not paid the purchase price therefor has only a possessory right to the mining claim and to the land included in such mining claim. Such locator may use his unpatented mining claim and so much of the surface as is necessary for mining purposes only. *United States* v. *Rizzinelli* (182 Fed. 675); *Teller* v. *United States* (113 Fed. 273). Paramount title to the lands remains in the United States. The Taylor Grazing Act authorizes the Secretary of the Interior to regulate grazing on the public lands of the United States. Section 6 of the act provides in part that nothing contained therein shall restrict prospecting, locating, developing, mining, entering, leasing, or patenting the mineral resources of such lands under laws applicable thereto.

It has always been the position of the Department that it may issue grazing leases and permits on land in a mining location provided such nonmining use does not interfere with the locator's use for mining. The position of the Government has recently had a severe setback in a case, *United States* v. *Etcheverry* (Civil No. 4103, District Court of Colorado, 1955). In that case Etcheverry had a lease from the mining locator who had only possessory title at the time of the lease. The United States sued for an injunction against Etcheverry and for damages for the trespass grazing. During the pendency of the suit the mining locator filed an application for patent and paid the purchase price and a final certificate was issued to the locator. The court thereupon dismissed the action of the United States for an injunction and for damages, citing as grounds for its decision that by accepting payment for the lands involved and issuing the final certificate to the locator the United States had relinquished all its interest in the property in question and therefore could not maintain against the grazing trespasser for alleged trespasses committed on the land prior to the issuance of the final certificate. The court relied on the number of homestead cases as precedent, particularly in *United States* v. *Freyberg* (32 Fed. 195). It is our position in recommending to the Department of Justice that an appeal

be taken in this case from the court's decision that the court should have relied on the precedent of *Teller* v. *United States* (113 Fed. 273). In that case, Teller was convicted of unlawful timber cutting even though the locator, the trespasser's lessor, had filed an application for a patent and had been issued a final certificate. Our appeal in the Etcheverry case has not yet been filed.

55. Question. What effect do State open range laws have on grazing of permitted livestock on mining locations, particularly in Wyoming?

Answer. The Wyoming Compiled Statutes, 1945, section 57–911, provides that every person, company, etc., who has sunk mining shafts, pits, etc., or shall hereafter sink such openings shall secure such shafts against injury or destruction of livestock running at large on the public domain, by securely covering such shafts in a manner to render them safe and to prevent livestock from falling into or being injured thereby, under penalty of conviction of a misdemeanor and liability for any damages sustained through injury or loss of livestock. Under the open range law one cannot be prosecuted because his cattle graze on unenclosed land claimed by another.

As to the Federal statutes, the Taylor Grazing Act grants the Secretary exclusive power to grant permits for use of public domain.

It is the necessary conclusion from the above that one having a permit under the Taylor Grazing Act may permit his cattle to graze over mining claims within his permit and the burden of preventing damage to them because of mine workings is on the claim owner.

56. Question. What are the rights first, of a fee simple owner, and second, a permittee, holding grazing rights from the Bureau of Land Management either in a grazing district or on a section 15 lease?

Answer. The owner of land in fee simple would have full right to the surface and minerals therein, and would enjoy the full protection of State trespass laws. The owner of the surface under a Stockraising Homestead patent would have the same right to trespass protection, subject, however, to the right of others to prospect for, locate and remove the minerals therein provided the indemnity provisions of section 9 of the Act are complied with.

A grazing lessee of the United States would also have the protection of State trespass laws since, under his lease, he is the owner of the possessing right to the land. The possessing right under the lease is subject, however, to the right of qualified persons to prospect for and locate the minerals thereon under the United States mining laws.

A grazing permittee would not have the protection of the trespass laws of the State, since he has not been granted any exclusive possessing right, but, under his permit, only has the right to use the lands for the purposes stated in his permit.

57. Question. What constitutes trespass? Malicious trespass?

Answer. There is no general statutory law in Wyoming pertaining to trespass. There are specific provisions on the subject, such as the section confirming the right of the settler on public lands to bring an action of trespass (sec. 24–603, Wyo. Comp. Stat. Ann. 1945), the section requiring a drover to prevent his livestock from trespassing on another's property (sec. 56–523); and the section setting a 4-year statute of limitations on suits for real-property trespass (sec. 3–506). There are also criminal trespass provisions making it a misdemeanor to "maliciously or mischievously" injure property (sec. 9–2003), to occupy State-owned lands (sec. 24–517), and to "knowingly and willfully" trespass on lands owned by or mortgaged to the Wyoming farm loan board by grazing, timber cutting, etc. (sec. 21–128).

Malice is significant therefore in Wyoming criminal-trespass law (sec. 9–2003). This specific provision was interpreted in *State* v. *Johnson* (7 Wyo. 512, 54 Pac. 502 (1898)). In that case the defendant drove his sheep across the prosecuting witness' lands to a railroad station, the sheep destroying no more of the grass than would ordinarily be destroyed in passing over the lands. The court found the defendant not guilty of violation of the statute where it did not appear that his action of crossing his sheep over the prosecuting witness' lands was malicious. The court said that malice is something more than that which is ordinarily inferred from the willful doing of an unlawful act without excuse. There must be a deliberate intention to injure.

The court cited with approval a case holding that the act must not only be "willful (that is, intentional and by design, as distinguished from that which is thoughtless or accidental)," but "the jury must be satisfied that the injury was done out of a spirit of cruelty, hostility, or revenge."

The court in *State* v. *Johnson, supra,* expressly declined, as unnecessary to its decision in a criminal case, to make any finding as to whether there was a civil trespass. The court did say that it was settled that mere roaming of cattle without intentional herding of livestock upon unfenced private land in the West does not constitute a trespass. See also *Western Wyoming Land and Livestock Co.* v. *Bogley* (279 Fed. 632 (1927)); *Martin* v. *Platte Valley Sheep Co.* (76 Pac. 571 (1904)). The court further states in *State* v. *Johnson, supra,* that it had been contended that the herding of sheep on another's property was a civil trespass. The Wyoming courts in a case of trespass consisting of clearly intentional herding of sheep on unenclosed lands, allowed punitive or exemplary damages based on "the wantonness, maliciousness, or recklessness of the act." *Cosgriff* v. *Miller* (68 Pac. 206 (1902)).

The general law of trespass to land has been defined as an invasion of the interest in the exclusive possession and physical condition of the land. Restatement of the Law of Torts, section 157 et seq.

The common law rule was very broad since it included as a trespass any unauthorized entry upon the soil of another, "for the law bounds every man's property and is his fence"; but the law has been modified by some courts to impose liability only if the invasion is intended, negligent, or the result of extrahazardous activity. Prosser on Torts, 1941, section 13. Under strict common law, the act must be voluntary, but it need not be shown to be negligent or with an intent to do harm. In the Western States, as indicated by the Wyoming cases cited above, failure to actually fence land is material in determining whether a trespass has been committed. It appears to be the general western rule that roaming cattle do not commit an act of trespass on unfenced land. If proof is submitted that the trespass was committed knowingly, as when warned by the owner of the lands through posting of signs or otherwise, there would appear to be clear liability in States like Wyoming as well as under the strict common law.

The defendant appears to be liable for an intentional entry although he has acted in good faith, under the mistaken belief, however reasonable, that he is committing no wrong. Thus, he is a trespasser although he believes that the land is his own, or that he has the consent of the owner, or the legal privilege of entry. The interest of the landowner is protected at the expense of those who make innocent mistakes. Prosser on Torts, section 13.

The general rule appears to be that willful or wanton trespass may be subject to exemplary or punitive damages. In Prosser on Torts, section 2, it was stated:

"Where the defendant's wrongdoing has been intentional and deliberate, and has the character of outrage frequently associated with crime, all but a few courts have permitted the jury to award in the tort action 'punitive' or 'exemplary' damages, or what is sometimes called 'smart money.' Such damages are given to the plaintiff over and above the full compensation for his injuries, for the purpose of punishing the defendant, of teaching him not to do it again, and of deterring others from following his example. Something more than the mere commission of a tort is always required for punitive damages: there must be circumstances of aggravation or outrage, such as ill will or a fraudulent or evil motive on the part of the defendant, or such a conscious and deliberate disregard of the interests of others that his conduct may be called willful or wanton. Typical of the torts for which such damages may be awarded are assault and battery, libel and slander, deceit, seduction, and intentional interferences with property such as trespass or conversion; but it is not so much the particular tort committed as the defendant's motives and conduct in committing it which will be important as the basis of the award."

58. Question. Is the United States Government attempting to encourage the oil and gas industry to enter the uranium business? If so, why?

Answer. The Department of the Interior is not actively encouraging anyone to enter the uranium business. Its dealings with the oil and gas lessees are under and pursuant to the terms of the oil and gas leases.

59. Question. Will those parties who have heretofore staked in said closed area be required to remove their stakes or otherwise, will the Atomic Energy Commission or some other agency see to it that the stakes are removed before the area is again opened?

Answer. No. The Bureau of Land Management does not intend to take any steps to remove these stakes, and we are informed neither does the Atomic Energy Commission. It will be a matter between the subsequent occupant of the land and the persons who unlawfully erected the stakes. The claims are invalid and the stakes may be ignored. However, we have no control over the parties and if they wish to bring any action in court against subsequent locators it would be up to the court whether or not it permitted such an action to be filed.

60. Question. (a) In regard to the recent Pumpkin Buttes uranium disputes I am interested in obtaining a clear interpretation of Public Land Order No. 1043. The order as it is written has done nothing but cause confusion and the writing of it, beyond the comprehension of the average citizen, is inexcusable. The blame for the recent unfortunate incidents in the Buttes, for this reason, should not be placed on neither the rancher nor the prospector but on the Federal Government.

In addition, several responsible Federal employees in Wyoming have been reported as stating that the Buttes were open to staking. Also, it appeared that the Department of the Interior was not interested in commenting on Public Land Order No. 1043 or giving any advice on it. Will you please explain why the order was so involved and complex and, further, that no clarification was made by the Secretary of the Interior?

(b) Are the numerous mining claims staked in the Pumpkin Buttes area in good faith on information made available partly from Government officials before May 3 last in full force and effect?

Answer. (a) Public Land Order No. 1043 provides that the revocation of Order No. 811: "* * * shall not otherwise become effective to change the status of the described lands until 10 a. m. on the 35th day after the date of this order. At that time the said lands shall become subject to application, petition, location, and selection, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference right filing period

for veterans and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284), as amended."

Unfortunately, the word "location," which has been used by this Department and the courts for many years in referring to the use of various kinds of scrip, *Bedford Wilshire Co.* (A26736 (July 22, 1954)), Porterfield scrip; Solicitor's Opinion M–36084 (June 25, 1951), Valentine scrip; *El Mirados Hotel Co.* (A25287 (March 1, 1949)), Girard scrip; *West Coast Exploration Company* v. *Douglas McKay, Secretary of the Interior* (213 Fed. 2d 582 (January 26, 1954)), Girard scrip; such as Valentine and Girard scrips, was construed by the public as meaning mining locations, whereas the word related only to scrip locations. So far as we know this is the first instance that the word has been so misconstrued although the form used for the order is one which has been in use for some years. However, in the latter part of March of this year, the Branch of Land Management, Office of the Solicitor, working with the Bureau of Land Management, drafted a revised form for orders of revocation, eliminating the word "location" except where the order specifically states that mining locations can be made on the date specified. It is hoped that the new form soon will be available for use.

To have permitted mining locations before the expiration of the 91-day period referred to in order No. 1043 for filings by veterans, in many instances, would have defeated the purposes of section 4 of the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 282). Under that section veterans are accorded preference rights of filings, inter alia, under the Small Tract Act. Such filings cannot be made on lands covered by valid mining locations, but small tracts can be filed on unlocated mineral land. If order No. 1043 had not been revoked by order No. 1138 of April 27, 1955, the lands would have been open to mining location at 10 a. m. on May 3, the 126th day from December 28, 1954, the date of order No. 1043, and such locations might have defeated the veterans' preference right to file for small tracts.

(b) Although it is regrettable if a Government official gave information, which proved to be erroneous, as to the date when a mining location could be made, the general rule is that such information is relied on at the risk of the recipient. Such information cannot modify or change the terms of a Secretary's order. Therefore, mining locations made on the lands withdrawn by Public Land Order No. 811, which order No. 1043 was intended to revoke, are invalid as order No. 811 still remains in effect.

61. Question. It has been stated that a large number of people have entered the lands included within the Pumpkin Butte withdrawal. My questions are:

(a) Do they acquire any right by reason of staking before the land is open?

(b) Will these stakes be removed before the land is opened?

Answer. (a) No. The lands having been withdrawn from all forms of appropriation under the public-land laws, including the mining (but not mineral-leasing laws), and reserved for the United States Atomic Energy Commission (Public Land Order 811), no rights under the mining laws were acquired by staking before the land was open thereto.

(b) Not by the Government. Parties lawfully locating mining claims when the lands are properly opened may remove the former unlawful stakes.

62. Question. Would mining locations made after February 1, 1955, in the Pumpkin Buttes area (that date being 35 days after the date of the order revoking the withdrawal) be valid under the mining laws of the United States?

Answer. No. The Veterans' Preference Act (43 U. S. C., sec. 282) provides a period of 90 days for veterans to exercise their right to apply for surface rights under the Homestead, Small Tract, and Desert Land Acts. That 90-day period runs from the end of the 35-day period. The word "location" in the revocation order refers only to the right to locate script and not to location under the mining laws. The Solicitor's letter of May 12, 1955, to Senator JOSEPH C. O'MAHONEY on this subject is as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
Washington, D. C., May 12, 1955.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'MAHONEY: I have your memorandum of May 4 wherein you request a clarification of the effect of Public Land Order No. 1043 (20 F. R. 53) dated December 28, 1954, which revoked the withdrawal of the Pumpkin-Buttes area effected under Public Land Order No. 811 (17 F. R. 2132) of March 7, 1952. Subsequently the revocation of the withdrawal (Public Land Order No. 1043) was itself revoked by Public Land Order No. 1138 (20 F. R. 2892) of April 27, 1955.

The particular question you have raised is whether, under the 90-day veterans' preference right provisions of the act of September 27, 1944, as amended (43 U. S. C., sec. 282), mining locations made after February 1, 1955 (that date being 35 days after the date of Public Land Order No. 1043) and prior to April 27, 1955 (the date of Public Land Order No. 1138), would be valid under the mining laws of the United States. You have asked further whether there is any provision of the act of September 27, 1944, supra, or any other act, under which the 90-day preference period provided in Public Land Order No. 1043 would run from any date other than February 1, 1955.

As you have pointed out, the revocation order of December 28, 1954 (Public Land Order No. 1043) provided that the revocation " * * * shall not otherwise become effective to change the status of the described lands until 10 a. m. on the 35th day after the date of this order. At that time the said lands shall become subject to application, petition, location, and selection, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference right filing period for veterans and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279–284), as amended."

Since the original withdrawal (Public Land Order No. 811) specifically withdrew the lands described therein "from all forms of appropriation under the public-land laws, including the mining but not the mineral leasing laws," it becomes important to determine whether any mining locations made prior to the 126th day after the date of the revocation order of December 28, 1954 (Public Land Order No. 1043) are valid under the mining laws.

It appears that whatever misunderstanding exists with regard to the effect of the revocation of the restoration of these lands from withdrawal, arises from the unfortunate use of the word "location" in the above-quoted portion of the order. The use of that term is unfortunate, for the reason that while it has no reference to a mining "location" under the mining laws, its inclusion in the order could justifiably result in an incorrect interpretation of the effect of the order as a whole.

The provision of the order that it shall not become effective to change the status of the lands until the 35th day after the date thereof would, of course, preclude the location of any mining claims during that period. Thereafter the order provides for the veterans' preference right period and spells out the periods during which applications from veterans and the general public may be filed and the periods during which those applications will be treated either as simultaneously filed or as having priority in the order of their filing. The effect of the order with respect to the 35-day period and the additional 91-day veterans' preference period is as follows:

(1) During the 35-day period no applications or filings either by veterans or the general public can be effective to segregate the lands applied for.

(2) During the 91-day veterans' preference period, applications by veterans are effective to segregate the lands applied for.

(3) Applications by either veterans or the general public may be deposited in the Land Office during the entire 126-day period, but those deposited by the general public are not effective as filings and do not operate to segregate the lands applied for until the 126-day period has expired; those deposited by veterans on or before 10 a. m. on the 35th day after the date of the order are treated as simultaneously filed, as are those deposited by the general public on or before 10 a. m. on the 126th day after the order.

It should be noted that in the use of the phrase "the said lands shall become subject to application, petition, location, and selection," it is contemplated that the lands shall become subject to filings in the land office. This is apparent from the fact that thereafter the order makes continuous reference to applications filed, and that each such reference to those filings could have continued the prior use of the words "application, petition, location, and selection," rather than the word "applications" alone.

The term "location" as used in this order has been included in restoration orders down through the years as referring to the right of scrip owners to locate such scrip on open public lands of the United States. In other words, those persons holding valid scrip rights may, under applicable public land laws, make application to enter public lands for the purpose of "locating" their scrip, and their rights thereunder are comparable to those of applicants under the other public land laws. The use of such scrip for the purpose of obtaining rights to a particular tract of public land has always been referred to within the Department, and in the courts as well as "location" of the scrip. *Bedford Wilshire Company* (A–26736 (July 12, 1954), Porterfield Scrip; *Solicitor's Opinion* (M–36084 (June 25, 1951)), Valentine Scrip; *El Mirador Hotel Company* (A–25287 (Mar. 1, 1949)), Gerard Scrip; *West Coast Exploration Company* v. *Douglas McKay, as Secretary of the Interior* (213 Fed. 2d 582 (Jan. 26, 1954)), Gerard Scrip. It seems clear, therefore, that the term "location," as used in the order under consideration, refers only to another type of application under the public land laws, which application, along with the other types referred to, would be filed in the land office.

The fact that under the wording of the order, all "applications" referred to are to be "filed," further indicates that the use of the term "location" in the order did not refer to mining locations. Under the United States mining laws, locations of mining claims are not required to be filed anywhere, the only requirements being a discovery of valuable mineral and a location of the claim on the ground. It is true that notices of such mining locations are, under the laws of the various States, required to be filed in the office of the county recorder of the county within which the location is made, but there is no such requirement in the United States mining laws.

Moreover, the preference rights given to veteran applicants under the act of September 27, 1944, extends only to applications under the homestead, desert entry, and small tract laws and does not extend to the location of mining locations under the mining laws. Further, the laws governing applications for small tracts permit the granting of leases on mineral lands, and if it were

to be held that locators under the mining laws could locate valid mining claims during the 91-day veterans' preference period, full effect would not be given to the provisions of the act under which that preference right was granted. If, during that period, the area restored from withdrawal could be validly located under the mining laws, veterans would be precluded from exercising the preference rights granted to them by law and provided for in the order itself.

You have also raised the question as to whether the provisions of the act of September 27, 1944, supra, or of any other law, requires that the 90-day veterans' preference period run from any date other than that specified in the order of December 28, 1954, i. e., 35 days from and after the date of the order, or February 1, 1955. The pertinent portion of the 1944 act requires that an order or notice of revocation from withdrawal "shall provide for a period of 90 days before the date on which it otherwise becomes effective" within which the veterans may exercise their preferred right. With regard to the order of December 28, 1954, the question is, then, whether this provision of the 1944 act requires that the 90-day preference period should run prior to the effective date recited therein, or February 1, 1955, and whether such a construction would permit the location of valid mining claims any time after February 1, 1955.

It is our opinion that the revocation order of December 28 fully complies with the requirements of the preference-right provision of the act of September 27, 1944, supra, and that no valid mining locations could have been made on the lands described therein until 126 days from and after the date of the order, that date being May 3, 1955. The provision of the order that it "shall not otherwise become effective to change the status of the lands until 10 a. m. on the 35th day after the date of the order" must be read in conjunction with the following sentence which provides that at that time (i. e. on the 35th day after date of the order) the lands shall become "subject to application, petition, location and selection, subject to * * * the 91-day preference-right filing period for veterans * * *". In other words, the date on which the order is made effective is itself subject to the 91-day preference period provided for therein. The requirement of the 1944 act, referred to above, is therefore complied with since the 91-day preference right period must elapse before the order "otherwise becomes effective."

There can be no doubt but that the phrase "otherwise becomes effective," as used in the 1944 act and in the order of December 28, must refer to the effectiveness of the order as to all persons other than those who have a preferred right, meaning, of course, the general public. Therefore, since the order sets the veterans' preference period as including 91 days from and after February 1, 1955, and since, as explained above, giving effect to the preference requirements of the 1944 act would preclude the location of mining claims on the lands during the running of that period, it is apparent that any mining claims located thereon subsequent to February 1 would necessarily be invalid.

I wish to add that we have heretofore recognized that certain misunderstandings as to the effect of such wording in restoration orders might well be made, and on April 25 we recommended to the Director, Bureau of Land Management, that the language in such orders be clarified. However, these recommendations had not been approved for use at the time the restoration order of April 27 was prepared.

If I can be of further assistance to you in interpreting the orders referred to, I shall be happy to hear from your.

Sincerely yours,

J. REUEL ARMSTRONG,
Solicitor.

63. Question. Will the lands include within the Pumpkin Butte area be opened to filing at a later date? Is there any possibility that large operators can acquire these lands without filing many claims?

Answer. Yes, the lands will be opened as soon as considered administratively desirable.

Since there is no limitation on the number of valid mining locations which any individual may make, it is possible that large operators may locate many claims but no operator, large or small, can acquire the minerals except by location upon discovery and no claim may exceed the maximum fixed by law. A lode claim may not exceed 1,500 feet along the vein and 300 feet in width on each side of the middle of the vein—approximately 20 acres. A placer must contain not more than 20 acres for each locator—"no claim to exceed 160 acres made by not less than 8 locators" (Circular 1278).

64. Question. Is there any limit to the number of claims that any person can locate and file?

Answer. There is no limit to the number of claims that a qualified citizen might locate and file.

65. Question. May the owner of lands patented under the Stockraising Homestead Act file on his own lands?

Answer. Yes; and, of course, he wouldn't have to put up a bond since he owns the surface.

66. Question. Is there any way that the lands included within the Pumpkin Butte withdrawal could be awarded by a drawing method similar to homestead drawings?

Answer. No. No such drawing method is provided for by the mining laws. The first valid location after the lands are properly opened is first in right.

67. Question. Is carnotite a metalliferous mineral?

Answer. For a long time the Department held that it was classified as a nonmineral. Now, however, it is principally valuable for its uranium which is, of course, produced and used as a metal. Hence, the Department recognizes it as metalliferous. The Solicitor's Opinion M-36225, September 8, 1954, follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
Washington, D. C., September 8, 1954.

To: Secretary of the Interior.
From: The Solicitor.
Subject: Whether carnotite is a metalliferous or a nonmetalliferous mineral.

The Director of the Bureau of Land Management has requested an opinion as to whether carnotite is a metalliferous or a nonmetalliferous mineral.

The expressed reason for this request is that the Grand Junction, Colo., office of the Atomic Energy Commission wishes to secure the development of certain presumed deposits of carnotite situated in a petroleum reserve. That reserve was created by a withdrawal made under the act of June 25, 1910 (36 Stat. 847), as amended August 24, 1912 (37 Stat. 497; 43 U. S. C., sec. 141), which withdrew the land from all forms of appropriation except for locations for metalliferous minerals. The Department has held that carnotite is a nonmetalliferous mineral, *Consolidated Ores Mining Company* (46 L. D. 468 (1918)), and so long as that opinion stands the mineral when found in areas withdrawn under the above law is not open to development under the mining laws.

So far as the question relates to petroleum reserves it is now moot because the act of August 13, 1954, Public Law 585, expressly permits mining locations to be made and mineral patents to be issued for mineral deposits within petroleum reserves, whether the deposits are metalliferous or nonmetalliferous. However, it is recognized that within the vast area in Arizona, Colorado, New Mexico, and Utah known to contain deposits of carnotite there are other withdrawals in addition to the petroleum reserves, made under the act of June 25, 1910, as amended, and that in the present greatly intensified search for fissionable source materials of which carnotite is one, it is possible that deposits of carnotite will be found in withdrawn lands in other areas to which the act of August 13, 1954, will not apply. For that reason the question is deemed of sufficient importance to justify its further consideration.

It is my opinion that carnotite is a metalliferous mineral which renders the land containing it subject to location, entry, and patent under the mining laws of the United States when found in areas withdrawn under the act of June 25, 1910, as amended.

The Department's conclusion in 1918 that the mineral was properly classified as a nonmetal was based on the manner in which the mineral was, at that time, recovered and utilized. It was then recognized that carnotite is composed of oxides of uranium, vanadium and radium bromide or chloride and that radium, uranium, and vanadium are metals. But because they were not "produced, marketed, or utilized in their elemental or metallic state" but as compounds in the form of salts or oxides for such nonmetallic purposes as medicinal use, the manufacture of glass, porcelain and the like or, in small percentages as an alloy, it was deemed to be a nonmetalliferous mineral. Certain language in *Hempstead* v. *Thomas* (122 Fed. 538), holding tungsten ore likewise an oxide, to be nonmetalliferous, was quoted with approval. That language was to the effect that an oxide is two degrees or processes removed from metal and in order to obtain the metal the character of the ore must be absolutely changed by an expensive and intricate chemical process, *U. S.* v. *Brewster* (167 Fed. 122), which applied the same rule to zinc ore was also cited. It was admitted that some of the vanadium and uranium was used in special steels but in very small percentages.

The 1918 decision was correct on the basis of the facts as of that time and if the uses of carnotite ore were the same today, as they were then, I would be compelled to reach the same conclusion. However, those uses are no longer wholly the same. In 1918, carnotite was mined primarily for the vanadium. In some cases the uranium was discarded. Today the uranium is highly prized and vanadium is of lesser worth. And while it is probably true that the uses of vanadium today are not greatly different than they were in 1918, the present nonmetalliferous uses of uranium are greatly overshadowed by its use as a metal. In fact, because of its present value in the manufacture of explosives and its high potential as a source of energy for the production of heat and power, it is perhaps more sought for than any other mineral. In both of the uses mentioned it is necessary that the ore be first reduced to metal. For example:

"Uranium production in the atomic energy program is a long, complex chain of manufacturing processes that starts with uranium-bearing ore and ends with cylindrical rods of the purest uranium metal ever prepared in quantity. Impurities that would capture neutrons are intolerable. After the processes of ore treatment, purification, and reduction to metal, which are difficult enough, comes the problem of jacketing the uranium slugs to protect the metal from corrosion by water and air in the plutonium-producing reactor.

* * * * *

"Metallurgists of the AEC laboratories and contractors are studying the problem of impurities in present-day uranium and have succeeded in preparing small quantities of metal that is exceedingly pure insofar as the 20 to 30 elements normally found in uranium are concerned.

* * * * *

"However, the physical and chemical properties of uranium present many difficult problems, which have tended to impede advancement in uranium metallurgy. The noncubic arrangement of the atoms causes the metal to have different physical properties in different directions—to expand more rapidly in one dimension than in another with increasing temperature, for example. Similarly, the two rearrangements of atoms (transformations), while offering heat-treating possibilities, give uranium three structural variations, while iron has only 2 and copper only 1. * * *" Atomic Energy and the Physical Sciences (United States Atomic Energy Commission, January 1950; USGPO 1950—pp. 126–127).

The vanadium obtained from carnotite is now considered to be a secondary product, of which 90 percent is consumed as farro-vanadium in the manufacture of tool steels, engineering steels, high-strength structural steels (Bureau of Mines Minerals Yearbook, 1952—Vanadium, by Hubert W. Davis).

Since carnotite is now principally valuable for its uranium which is produced and used as a metal, it is beyond doubt a metalliferous mineral which, when found in sufficient quantity and of good quality in lands withdrawn under the act of June 25, 1910, as amended, renders them subject to location under the United States mining laws.

J. REUEL ARMSTRONG,
Acting Solicitor.

68. Question. What are the general provisions of S. 1713?

Answer. This bill was introduced by Senator ANDERSON and cosponsored by several Senators including Senator BARRETT. The provisions of the bill could be divided into three parts:

(1) It would exclude certain minerals such as common varieties of sand, common stone, gravel, and pumice from location under mining laws and would make them subject to disposal under Materials Act.

(2) As to mining claims hereafter located, it would, prior to patent:

(a) Prohibit use of the mining claims for any purpose other than prospecting, mining, processing, and related activities.

(b) Authorize the Federal Government to manage and dispose of timber and forage, to manage the other surface resources.

(c) Bar the mining claimant from removing or using the timber or other surface resources except to the extent required for mining or related activities. After patent, the miner would acquire full title to mining claim and its surface resources.

(3) Somewhat similar to a provision of Public Law 585 of the last session, the Secretary of the Interior is authorized to commence action for determination of surface rights to mining claims on a claim believed to have become dormant or invalid in a given area. After publication of notice, Secretary of Interior is authorized to determine validity of mining claim after hearings for sole purpose of affecting rights to surface only. If mining claimant fails to assert or establish his rights or if he voluntarily waives rights to surface then he is in same position as holder of claim located after enactment of this bill. After patent he would be entitled to both surface and minerals.

The bill is designed to correct abuses in cases where mining claims have been filed for purpose of removing valuable timber, establishing fishing lodge or summer home, or for other use of surface resources and not for mining purposes.

69. Question. Just what is the Public Law 585 enacted at the last session of Congress?

Answer. The bill, S. 3344, introduced in the last Congress by Senator MILLIKIN and cosponsored by Senator BARRETT and other Senators, was enacted and became Public Law 585. That bill was designed to correct conflicts which have arisen as a result of filings made under the Mining Act of 1872, and the Minerals Leasing Act of 1920. Under the provisions of those acts a mining claim could not be located on lands leased under the Mineral Leasing Act of 1920, and on the other hand a lease under the Leasing Act could not be issued on lands covered by a valid mining claim. The bill permitted concurrent and multiple use so that a mining claim could be located on lands presently under a mineral lease and by the same token an oil and gas or other mineral lease under the Leasing Act of 1920 could be issued on lands included within mining claims filed after the passage of the act. The bill provided for a procedure whereby notice could be given and mining claimants required to show that the requirements of the law had been met or failing to do so, the Secretary of the Interior could determine that surface of lands covered by mining claims would be subject to leasing under the Mineral Leasing Act. It was specifically provided that no action taken could affect the right of the mining claimant to extract the minerals from the land. As a result of passage of the act, a tremendous amount of land in the Western States was opened for filing both for leases under the Mineral Leasing Act of 1920 and for mining claims under the Mining Act of 1872.

70. Question. Prospectors did not obey the rules made by the Secretary of Interior when they came on the withdrawn area and staked and dug pits—just what will they do to the landowners when the Pumpkin-Buttes area is thrown open?

Answer. The landowners could protect themselves through the courts to the extent provided in applicable laws.

71. Question. Why can't the United States Government lease the United States mineral-owned land to a responsible mining company instead of having these filings and patents cluttering up deeded lands?

Answer. The Bureau of Land Management which adminsters the public land laws lacks statutory authority to issue uranium mining leases in this area. Section 67 of the Atomic Energy Act of 1954 authorizes the AEC to issue leases on lands belonging to the United States. The Congress, however, in House Report No. 2181, which accompanied the bill emphasized that "It is the intent of Congress that this leasing power should be invoked only where it is the only means of achieving private development of deposits of source material in lands belonging to the United States. It is not intended to supplant the mining laws in any normal situation."

In the case of the Pumpkin Buttes area certain public lands and reserved minerals in patented lands were withdrawn by Public Land Order 811 of March 7, 1952, for the use of the AEC in its search for uranium deposits. Subsequently revocation of this order was requested by AEC in accordance with its policy of releasing promptly those lands upon which no substantial uranium deposits were uncovered. Upon such revocation by the Bureau of Land Management the lands are generally restored to mineral entry. It is believed that further exploration and development can best be accomplished by private operators under the mining laws. In these circumstances the AEC would be reluctant to enter into a leasing arrangement for such lands.

72. Question. Can mineral rights be leased separately for oil and gas and lode minerals?

Answer. (a) If the mineral rights are privately owned, yes—the owner can do as he pleases.

(b) If the oil and gas and other minerals are owned by the United States:

The oil and gas as well as any phosphate, potash, nitrate, sodium, or coal may be leased under the mineral-leasing laws of the United States. Other minerals may not be leased but pursuant to Public Law 585 (68 Stat. 708; 30 U. S. C., sec. 501) they may be located under the United States mining laws, whether the minerals be lode or placer. A lode location would take all but the leasable minerals in such case. A placer location would not include a known lode unless it was also located.

73. Question. Do you think a law will be enacted which will give the landowners a royalty in lieu of damages resulting from oil and mineral exploration on land which the owner holds only surface rights?

Answer. Legislation has been introduced for that purpose and the decision will be made by the Congress. It is contended that precedents for this proposal can be found in the grants of even greater royalty benefits granted to owners of the surface only (a) by the State of Texas in cases of the sale of its public lands (the Republic of Texas reserved all of its domain when it became a State), (b) some Provinces of Canada to landowners when oil is discovered, and (c) the Union Pacific Railroad when oil is found on lands sold by the company with reservation of the minerals. It is also contended that land in every other section of the country was given to homesteaders with full fee simple patent except in the Western States.

74. Question. Was there any violence when the withdrawal was lifted in Kern County, Calif., and the land was opened to the filing of mining claims?

Answer. There was no violence although a large number of people were out to stake claims. It is only fair to state, however, that the situation was different than here in Wyoming. The Government owned the surface of all the land in the California case.

75. Question. What would be the effect of filing mining claims on lands to be used for the construction of a reservoir for a Federal or State reclamation project?

Answer. If the public lands were withdrawn under the Reclamation Act of June 17, 1902 (43 U. S. C., sec. 372), or included in a reservoir right-of-way under the act of March 3, 1891 (26 Stat. 1011; 43 U. S. C., sec. 946), or a similar reservoir right-of-way act, any mining location attempted to be made would be null and void. There is one exception: As to the land withdrawn under the Reclamation Act, if prior to the location the land had been opened to such location under the act of April 23, 1932 (47 Stat. 136), the location could lawfully be made.

76. Question. Does the lessee of a Federal oil and gas lease have any right to recover the uranium or minerals other than oil and gas from the leased lands?

Can the lessee restrain mining prospectors from filing mining locations on the leased lands?

Answer. The lessee of a Federal oil and gas lease has no right under his lease to any mineral except oil and gas. He has the same but no better right as any one else to locate mining claims within his oil and gas lease.

An oil and gas lessee cannot restrain or prevent another party from locating a mining claim on the land in his oil and gas lease. If the locator damages the lessee the latter can go to court, but under the law the leased land is subject to location, upon discovery of mineral, by any qualified locator.

77. Question. What is usually the amount paid owners for surface damages on a uranium claim?

Answer. No information is available in Washington on which to base an answer to this question.

78. Question. What constitutes a valid discovery? Is a reading from a nuclometer or comparable instrument sufficient?

Answer. When a person finds mineral within the limits of his claim in quantity and of quality sufficient to justify a prudent man in the expenditure of his labor and means in the hope of developing a paying mine he has made a "valid discovery." *Castle v. Womble* (19 L. D. 455); *Jefferson-Montana Copper Mines Co.* (41 L. D. 320). Only the actual physical disclosure of minerals can

constitute a discovery. No amount of geological or other comparable evidence of the actual or probable existence of mineral is sufficient. Therefore, the reading from a nuclometer or comparable instrument is not sufficient. However, once mineral is found in whatever amount, such readings, geological inference, etc., may be considered as supplementing the physical information. See *Chrisman* v. *Miller* (197 U. S. 313), 2 Lindley on Mines, sections 336 and 347.

79. Question. What constitutes a legal validation of the claim? If no valuable mineral is found in the validation hole, but evidence that the mineral may lie at depth is found—enough that the prospector is willing to continue expending time, money, and effort on the claim—does that make a legal validation of the claim?

Answer. If no valuable mineral is found in the validation hole, the fact that evidence that valuable mineral may lie at depth will not constitute a discovery, the prime essential to a discovery. This is so even if there is enough geological or other evidence short of the essential physical exposure of mineral in some amount to justify a prospector in expending time, money, and effort on the claim. The amount of mineral necessary to constitute a discovery may vary depending on the associated facts.

There is a distinction between discovery as validating a claim and the compliance with State statutes requiring the sinking of a 10-foot shaft or some equivalent work in order to "validate" a location. Discovery comes first and is the prime essential. No amount of physical labor whether "validation" or "assessment work" can substitute for it.

80. Question. At what point in the acquisition and perfection of a claim does the claimholder have the right to post "No Trespass" notices that would apply to other prospectors who wish to test and take samples from the claim?

Answer. A prospector who is diligently engaged in the search for minerals on an area not exceeding the maximum for a single claim is entitled to hold that area against all others so long as he remains diligently engaged in prospecting. Absence for a material time would result in the loss of this "Pedis possessio." See *Union Oil Co.* v. *Smith* (249 U. S. 337).

Once he has made a valid discovery of minerals (physical exposure of minerals) within the limits of his claim and has marked the boundaries so that they can be readily traced, he may then hold the claim without maintaining his actual physical possession, subject to compliance with applicable State validation requirements such as sinking a shaft, recording the location, etc.

81. Question. In the State of Wyoming is it legal to validate uranium claims by the 50-foot drill-hole law? Is there any conflict with the Federal law as to this method of validation?

Answer. The discovery requirements of the United States mining laws may be complied with by a discovery through core drilling under the Wyoming 50-foot drill-hole law. This is true whether the lode outcrops as an apparently barren vein at the surface and the existence of mineral is first disclosed at depth or whether there is no surface exposure visible and the first definite contact with the lode is at depth. Normally, such a discovery at depth would be classified as a lode or vein, though an exception to this rule arises in the case of buried channels of ancient rivers which, historically, have been classified as placers. The important factor in core drilling discovery work is whether the core in fact is indicative of the discovery of valuable mineral. There is no conflict between the Wyoming 50-foot drill-hole law and the Federal mining laws as to this method of making a discovery on a claim.

82. Question. What is considered to be a permanent monument? More specific, what size wooden post, iron pin, rock monument, etc., is considered acceptable?

Answer. The Wyoming law requires that the surface boundaries of a claim shall be marked by six "substantial" monuments of stone or posts hewed or marked on the side or sides which face in toward the claim and sunk in the ground, one at each corner and one at the center of each side line of a lode claim.

The Federal law requires that a claim be distinctly marked on the ground so that its boundaries may be readily traced.

Ordinarily a wooden post 4 inches in thickness (two ways) and standing well above ground or a stone of comparable size would probably be sufficient. However, in the final analysis it would be up to the local court to decide the question if it were brought into litigation.

83. Question. Explain the basic differences between the States listed below in filing and locating uranium claims:

Answer. This answer is based on information as of 1936. Changes in the law since then probably have been slight.

(a) Wyoming:

1. Must sink discovery shaft to depth of 10 feet on lode within 60 days after discovery.

2. Post at discovery point a notice giving name of claim, name of discoverer and locater and date of discovery.

3. Mark the boundaries with six substantial monuments of stone or posts, sunk in the ground, 1 at each corner and 1 at the center of each side line.

4. Record a notice of the location showing (a) name of claim (b) name of locater, (c) date of location, (d) length of claim each way from discovery point and the general course of the vein, (e) the amount of surface ground claimed on either side of the center line of the claim, and (f) a description of the claim including its location in relation to land corners or natural or fixed objects.

(b) Colorado:

In general the same as Wyoming except 90 days given to record instead of 60 days as in Wyoming and posts only provided for markers, these to be placed within 60 days after location.

(c) Idaho:

Must stake each corner and angle within 10 days; monuments must extend at least 4 feet above the ground and be not less than 4 inches in diameter and hewed or marked on side facing discovery. Must sink 10-foot shaft or 10-foot adit measuring 160 cubic feet within 60 days and record certificate within 60 days after location.

(d) South Dakota:

Similar to Wyoming except (1) boundaries must be marked by 8 substantial posts, (2) shaft, tunnel, or adit, 10 feet deep or along vein. All must be done in 60 days including the filing of certificate of location for record.

(e) Montana:

1. Notice at discovery point must show, in addition to data required in Wyoming, the approximate dimensions of area of the claim.

2. Corners must be marked within 30 days after location by (a) a tree at least 8 inches in diameter blazed on 4 sides, (b) a post at least 4 inches square by 4½ feet long, set 1 foot in the ground unless solid rock occurs at less depth surrounded in all cases by mound of earth or stone at least 4 feet in diameter by 2 feet high. A squared stump of same size and so mounted may be used, or a stone at least 6 inches square by 18 inches long, set two-thirds of its length in the ground and similarly mounted or a boulder at least 3 feet above the natural surface of the ground on the upper side. If other markings are used instead it shall be for a jury to decide if they are sufficient.

(c) Discovery shaft or cut to be completed 60 days after discovery. Ten-foot shaft or cut displacing 150 cubic feet of material.

(d) Location certificate to be recorded within 60 days after discovery.

84. Question. Has the State of Wyoming revised any part of its mining law in recent years?

Answer. Yes. The last legislature enacted the following law:

"SESSION LAWS OF WYOMING, 1955

"CHAPTER 88. LODE AND PLACER CLAIMS

"An act to amend and reenact section 57–917, Wyoming Compiled Statutes, 1945, providing that open cuts and the drilling of holes shall be the equivalent to the sinking of discovery shafts; providing method and manner in which holes shall be drilled and lode-mining claim established; providing for the marking of mineral claims, filing of affidavits; providing that drilling of holes shall be in lieu of other methods of establishing mineral claims; and to amend and reenact section 57–91, Wyoming Compiled Statutes, 1945, providing for the time given discoverer within which to sink shaft or drill holes, and declaring an emergency to exist and providing an effective date.

"Be it enacted by the Legislature of the State of Wyoming:

"SECTION 1. That section 57–917, Wyoming Compiled Statutes, 1945, be amended and reenacted to read as follows:

" '57–917. Any open cut which shall cut the vein 10 feet in length, and with face 10 feet in height, or any crosscut tunnel, or tunnel on the vein 10 feet in length which shall cut the vein 10 feet below the surface, measured from the bottom of such tunnel, shall hold such lode the same as if a discovery shaft were sunk thereon: *Provided, however,* That the discoverer of a mineral deposit may, at his option, in lieu of a discovery shaft, tunnel, or pit otherwise required by provisions of law, and for the same purposes, and under the same provisions, drill, or cause to be drilled, a hole, or holes, in the manner and under the conditions and requirements hereinafter set forth:

" '1. The hole or holes shall be not less than 1½ inches in diameter.

" '2. The said hole or holes shall aggregate at least 50 feet in depth, and no one hole shall be less than 10 feet in depth, and in the course thereof at least one of which shall cut or expose deposits of valuable minerals sufficient in quality to justify a reasonably prudent man in expending money and effort in further exploration or development.

" '3. The discoverer shall designate one of the holes thus drilled as the discover hole, in the event that more than one such hole shall have been drilled. The said hole shall be marked by a substantial post or other permanent marker, placed at and adjacent to the hole and within 5 feet thereof, firmly fixed in the ground, and extending at least 30 inches in height above the ground, and on which shall be placed the name of the claim, the owner thereof, the depth of the hole, and the date of the drilling thereof.

" 'If, in drilling such hole or holes, a water-bearing stratum or strata is entered or cut by the drill, then, in such event, the hole shall be plugged back by or on behalf of the discoverers, locator or owner, who has drilled the hole, or someone on his behalf, to a point immediately above such water-bearing stratum or strata, placing therein a plugging material or substance which is recognized and adequate to shut off said water-bearing stratum or strata. Within the time allowed by the provisions of 57–918, Wyoming Compiled Statutes, 1945, the discoverer, locator, or owner, or someone on his behalf, shall set forth in an affidavit hereinafter provided for, or in a separate affidavit, setting forth the depth said water strata was encountered and the facts of the plugging thereof.

" 'The drilling of such hole, or holes, or the sinking of the shaft or making of the discovery pit otherwise provided for in this act shall be made a matter of record by the recording in the office of the county clerk of the county in which the claim shall be situ-

ated the affidavit or sworn statement of the discoverer, locator, owner or his or their agents stating the date of such work, the nature thereof, the person or persons by whom performed, the location of such work within the claim, and the nature of the mineral discovered. Such affidavit may be a part of the location certificate to be thereafter recorded in accordance with the provisions of this act.

" 'The creation of the rights provided for in this act are based upon the truth of the statements contained in such affidavit or statement and the certificate of location, herein otherwise provided for, and no rights of any kind or nature shall vest or exist or be created or arise when any material statement or representation therein made is false.

" 'The owner of any mining claim located prior to the effective date of this act and who has performed discovery work may avail himself of the provisions hereof by making the drill hole or holes herein provided for and filling any discovery cut previously made, and making and placing of record the affidavit herein provided for, together with a statement of the filling of such discovery pit or cut, and that the said work was done and the affidavit made for the purpose of obtaining the benefits of this act.'

"SEC. 2. That section 57-918, Wyoming Compiled Statutes, 1945, be amended and reenacted to read as follows:

" '57-918. The discoverer of any mineral lode or vein in this State shall have the period of 60 days from the date of discovering such lode or vein in which to sink a discovery shaft thereon, or to make the open cut equivalent to such discovery shaft, or to drill the hole or holes hereinbefore provided.'

"SEC. 3. This Act shall take effect and be in force from and after its passage."

85. Question. Most uranium claims in central Wyoming have been filed as lode claims—is this correct?

Answer. In all cases whether a claim is properly located as a lode depends upon the manner in which the deposit occurs. Rock in place bearing valuable minerals is locatable as a lode, other deposits are placer. The answer always depends upon the facts in the particular case.

While there may be an area where disagreement is possible the above rule is the best one to follow.

86. Question. Does the apex and other lode claim laws apply to uranium claims?

Answer. Yes, if the deposit is in rock in place. It is understood that in Colorado and Utah the miners have agreed not to recognize the apex law as applied to uranium deposits. Assuming similar conditions in Wyoming it might be advisable for the miners there to consider the making of similar agreements since by so doing they may avert many future controversies.

87. Question. What, if any, are the laws covering prospecting by aircraft?

Answer. We know of no laws on this subject. There is no law prohibiting same, but it is doubtful if you can make a valid location, which is based on discovery by aircraft prospecting.

88. Question. What constitutes abandonment of a claim?

Answer. Abandonment of a mining claim is always a question of intention (Lindley on Mines, sec. 643). Legally defined it may be said to be the giving up or relinquishment of property to which a person is entitled with no purpose of again claiming it and without any concern as to who may subsequently take possession (*South Dakota* v. *Madill* (53 I. D. 199)). Lapse of time, absence from the ground, or failure to work a claim for any definite period, unaccompanied by other circumstances, are not evidence of abandonment (Lindley on Mines (sec. 644); see also *Solicitor's Opinion* (53 I. D. 491, 494)).

89. Question. If a claim is relocated in the name of the same locator with the purpose of gaining more time in which to do the validation work, the discovery date being advanced in the relocation, and there being no intervening rights, is the claim legal?

Answer. Yes. So far as the United States is concerned one who shows that he has made a location based upon a valid discovery of minerals is recognized as the owner of a valid mining claim, and the last date of location would be accepted. Even if the location is made at one date and the discovery is made at a much later date we would recognize the discovery as validating the claim in the absence of an intervening adverse claim. However, failure to make a discovery or to validate according to State law will leave the claim subject to relocation by another.

90. Question. Is a mining district type of organization recommended to solve special law enforcement problems?

Law officers seem to feel that the most volatile situation for them is the fact that all prospectors are permitted to carry weapons, few of them having any experience in handling those weapons. This, these law officers feel, is a serious situation, one that will erupt in violence which otherwise could have been prevented.

Answer. Mining districts afforded a rule of law and order in an era when State and local organizations did not exist or were so far removed from the scene that adequate enforcement from that quarter was impracticable. Most mining districts have ceased to function. Where they do they do not do so as law enforcement agencies. Law enforcement in all of the Western States is now vested in the officials duly elected or appointed pursuant to law.

Any further answer to this question would have to come from State authorities.

The United States never had any jurisdiction over mining districts as such. The mining law provided for recognition as between the miners of mining district rules but this was—and would now be—a purely local problem unless the rules modified some provision of Federal law which could be done in some instances. Thus the maximum size of a claim could be fixed at less—but not more—than the Federal law prescribes.

91. Question. Is the United States Government attempting to encourage the oil and gas industry to enter the uranium business? If so, why?

Answer. The AEC encourages the exploration for and mining of uranium by all segments of the mining industry including oil and gas companies. The petroleum industry has not been the object of special attention although the AEC, working through the American Association of Petroleum Geologists and similar organizations, has endeavored to insure that uranium deposits would not be overlooked in the exploration for oil.

92. Question. What protection do you have when you are overstaked and your claim was valid before the overstaking?

In a hypothetical case it is maintained that if you are overstaked—after your claim is valid, and you may even be mining—you must again clear your title before you can proceed to patent, or receive your bonus payment from the AEC. If you do not pay the overstaker to pull up his stakes, or quitclaim to you, it will be necessary to go to court to clear your title. Once this is done, your claim is tied up in litigation. The AEC will not buy your ore and the SEC, if you have stock issued on the claims, will not permit you to sell your stock. While this is not an insurmountable problem for the large operator, it can destroy the small one.

Some maintain that shotgun guards are the only answer to this problem—if you do not wish to spend half your time in court. If such is the case—what steps, physically, can a guard take and still be within the law?

Answer. The question of the respective rights of the holder of a valid mining claim which is overstaked by another claimant is a matter of the right of possession between rival or adverse claimants in the same mineral land, and is committed exclusively to the courts for determination. See 30 U. S. C., secs. 29 and 30. Therefore, the only protection a mining locator would have against such overstaking would be that afforded him under the laws of the State as construed and interpreted by its courts.

93. Question. Do uranium mines, irregardless of size, fall under the regulations of the United States Bureau of Mines?

Answer. If the reference is to mine safety the answer is no. However, the Bureau does, on request, examine and report on the safety of such mines. Otherwise the Bureau of Mines has no control over such mines.

94. Question. Could a mining district legally rule that no weapons may be carried within the district?

Answer. This is a matter of State and local concern. We have no voice in the matter. Our authority is limited to a recognition of properly constituted mining districts and if such a district limited the maximum size of lode claims to less than that fixed by Federal law; for example, it might be recognized by us as a limitation on size and patent applicants be required to conform.

95. Question. What legality has a uranium placer claim top-filed on a uranium lode claim? Is it necessary for the purpose of clearing title to lode claims to obtain quitclaims to any uranium placer top filings?

Answer. If the first uranium claim is based on the discovery of a vein or lode the later placer location would be invalid. In such case if the lode claimant applied for a patent for the placer claimant's only recourse would be to file an adverse claim and bring an action in the local courts.

The question of the lode claimant's (possessory) title in the face of such a location would be that his title would be good but if he wanted to get rid of the superimposed placer cloud he would have to get quitclaims or bring an appropriate action in the local courts. He could, of course, proceed without regard to the placer leaving it up to the placer claimant to take action in the court if he desired.

96. Question. If a person has a valid bentonite mining claim, may another person locate a uranium claim on same lands?

Answer. Bentonite, if located in quantity and of sufficient quality to meet the requirements of a discovery of "valuable" mineral within the purview of the mining laws may become the basis of a valid mining claim. The owner of such a valid mining claim, properly maintained in accordance with applicable Federal and State laws, would have the exclusive right of possession thereto under the mining laws and no one else may superimpose thereon any uranium or other mining location.

97. Question. (a) Please explain the standard procedure used and approved by the Atomic Energy Commission for uranium analyses.

(b) If uniform method has been adopted how is it that frequently the same ore is analyzed two different times with substantially different results?

(c) Why does the AEC insist on pulverizing the ore before testing?

Answer. (a) The ground ore is digested usually by acid, the uranium dissolved, and analyses made by one of several prescribed methods, depending on what ore is being tested. The analytical methods are described in detail in the booklet Manual of Analytical Methods for the Determination of Uranium and Thorium in Their Ores, edited by the New Brunswick Laboratory of the AEC. This manual may be purchased for 20 cents from the Superintendent of Documents, Government Printing Office, Washington 25, D. C. It is necessary to employ more than one analytical method because of the variation in uranium content

in ores, ranging from high-grade pitchblende from the Belgian Congo (containing as much as 70 percent U_3O_8) to low-grade Florida phosphate rock (containing about .01 percent U_3O_8). For example, western ores, which range from .05 percent to 5 percent U_3O_8, may be analyzed by method No. 2 described in the manual.

(b) Because uranium is contained in relatively small proportions in ores and because certain other elements, which frequently also occur in the ores, may interfere with the detection of uranium, the analysis for uranium is always a comparatively difficult one. However, results by different competent laboratories using splits of the same sample generally are in close agreement. When cases arise of wide variation in analytical results, methods for analyzing additional samples or arranging an "umpire analysis" are a part of prescribed AEC procedure.

(c) The entire lot of ore is not pulverized, although when mechanical sampling is undertaken the lot may be crushed in accordance with standard practice. In taking the first sample split from a lot of ore, good sampling practice prescribes that the ore be crushed to the size required to obtain an accurate sample. As the size of the sample is reduced progressively to provide the ultimate sample, the particle size must also be progressively reduced. The final sample from which only a few grams are taken for determinations is therefore pulverized.

98. Question. What is the outlook for the uranium industry after the end of the support period of 1962?

Answer. The domestic uranium ore buying schedule is guaranteed through March 31, 1962. This does not necessarily indicate an end date. This program has had earlier termination dates—first in 1951, then extended to 1954, then to 1958, and now to 1962. While no definite commitment can be given, there well may be further extensions of the guaranteed market under the defense program.

The long-term market depends on the use of nuclear fuel for the production of industrial power. Studies by the Commission and by large industrial firms working on the problem indicate that within 10 years nuclear power will be competitive, at least in high-cost power areas. Information and experience in constructing and operating the first plants should lead to improved design and technology and lower capital and production costs. On the basis of rough assumptions and predicated upon favorable developments, it appears that we might have a nuclear capacity equal to our present total capacity by 1975 or 1980. There is no doubt about the future importance of the uranium industry.

99. Question. In the opinion of the AEC, how does Wyoming compare with the Colorado Plateau as a possibility for a large uranium industry?

Answer. The Colorado Plateau is the major domestic uranium-producing area and the combined ore reserves of Colorado, Utah, New Mexico, and Arizona are far greater than the ore reserves known at the present time in Wyoming. However, with the increased exploration activity in the State, additional deposits are being found and the prospects of Wyoming becoming an important new area of production appear favorable.

100. Question. How long does it take to get a custom mill approved by AEC so that construction may begin?

Answer. Evaluation of mill proposals may take several weeks. Beyond that the time required to conclude a contract may be determined by the problems encountered in reaching agreement on business aspects of the proposal. On the basis of experience the minimum period for completion of a contract would be about 3 months. The foregoing assumes that the tonnage and grade of ore have been determined and that the metallurgical methods and expected treatment costs have been worked out. In some instances substantial delay has been injected by the contractor's private negotiations for financing. There is always a possibility that the prospective contractor may encounter difficulties involving land acquisition, water rights, power supply, and other plant requirements. Usually there has been essential agreement on the principal terms of the contract prior to the execution so that the contractor has been able to proceed with plant design and engineering work and thereby minimize delays in getting into production.

ADJOURNMENT TO MONDAY

Mr. HOLLAND. Mr. President, I understand an order has been entered that when the Senate concludes its business today it stand in adjournment until noon on Monday next. Is that correct?

The PRESIDING OFFICER (Mr. ERVIN in the chair). The Senator is correct.

Mr. HOLLAND. Pursuant to that order, I now move that the Senate adjourn until 12 o'clock noon on Mondoy next.

The motion was agreed to; and (at 1 o'clock and 35 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, June 27, 1955, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 24, 1955:

BOARD OF PAROLE

Gerald E. Murch, of Maine, to be a member of the Board of Parole for the term expiring September 30, 1959.

William F. Howland, Jr., of Virginia, to be a member of the Board of Parole for the term expiring September 30, 1960.

EXTENSIONS OF REMARKS

Job Opportunities for Handicapped in Small Business

EXTENSION OF REMARKS

OF

HON. GEORGE A. SMATHERS

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Friday, June 24, 1955

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article by Wendell B. Barnes, Administrator of the Small Business Administration, entitled "Job Opportunities for Handicapped in Small Business," which appeared in the June issue of Performance, a monthly magazine published by the President's Committee on Employment of the Physically Handicapped.

I am particularly gratified to know of the keen interest the Small Business Administration is taking to encourage the employment in small business of the physically handicapped throughout the country. Since approximately 70 percent of the labor force of the United States is employed in small business or industry, it is highly desirable that every effort be made to encourage the smaller industrial concern to increase the number of physically handicapped persons on its payroll.

I take great pride in noting that one of the outstanding examples of how small business can properly employ the physically handicapped mentioned in the article is the case history of a Florida small-business concern. This concern is the Empire Furniture & Rattan Works of Coral Gables whose policy it is to employ physically handicapped persons. This policy was initiated by Edward Axlrod, a young man physically handicapped from birth. One of the first loans made by the Small Business Administration was to help this small firm.

Both Edward Axlrod and his father, Leo Axlrod, contributed immeasurably toward the spread of the movement to encourage the employment of the physically handicapped, not only in every important community in the United States, but to foreign countries as well. The State of Florida and the Nation owe an everlasting debt of gratitude to them for the great public service which they have rendered.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOB OPPORTUNITIES FOR HANDICAPPED IN SMALL BUSINESS

(By Wendell B. Barnes, Administrator, Small Business Administration)

The Small Business Administration is keenly interested in the physically handicapped, and its programs are geared to help those engaged in small business. In its approach to the problems of small concerns it always tries to be humane, considerate, and sympathetic. This, of course, is the decent way. Moreover, it is good business and good for the country to utilize the productivity of the physically handicapped.

In this it is following a pattern of conduct that was established by President Eisenhower himself. In an address at Denver a year ago, the President said:

"Now this program at home can be defined best, I think, by saying this: that it has been a liberal program in all of those things that bring the Federal Government in contact with the individual; when it deals with the individual and his problems; in this field, the Government tries to be humane, considerate, and sympathetic—and that is true liberalism."

In view of this humane, considerate approach, it is not surprising that one of the first loans made by the Small Business Administration was to help a small firm which

employs physically handicapped persons. This firm is the Empire Furniture and Rattan Works of Coral Gables, Fla. In 1942 this firm adopted the policy of employing physically handicapped persons. This policy was established by Edward Axlrod, a young man who was physically handicapped from birth.

The pioneering efforts of this young man, and his father, Leo Axlrod, who now carries on the business, helped spread the movement among businesses to hire physically handicapped persons to every important community in the United States and to foreign countries. The story of Edward Axlrod is, of course, familiar to the readers of Performance; there is no need to repeat it here. But it is of interest to show how our sympathetic approach to the problems of small business resulted in a business expansion loan to this enterprising firm.

It was in February 1954, that the proprietor of this firm came to the Small Business Administration. Mr. Axlrod asked the agency to share in a $20,000 bank-participation loan to help him increase production. The firm was then employing 23 persons, mostly physically handicapped, and wanted to expand, to provide employment for 17 additional handicapped persons.

Mr. Axlrod had already talked over with his banker the need for more funds to expand operations. The banker wanted to make the loan, but it was against the bank's policy to make loans for such a long term, in this case 4 years. However, the bank was willing to take half the loan, if we would take the other half. Our investigation was favorable, and a short while later the funds were disbursed to help this firm remodel and expand, and provide more jobs for physically handicapped persons.

That, very briefly, is the story of one loan we have made to help a firm that has pioneered in giving jobs to physically handicapped persons. There have been others, and I have no doubt that in the future there will be more. For it is becoming increasingly clear to all of us that providing jobs for handicapped persons is more than kindness and consideration. It is also good business. Properly placed, physically handicapped persons are good craftsmen. Consider for a moment this statement made to us in their loan application by the Empire Co.:

"While we are extremely proud of our work with the handicapped, we are most happy too, that we make such products of excellence that have given our firm root in the homefurnishing field of our area and the country. We export some furniture to Latin American countries and are attaching a catalog printed in Spanish and English to give you some idea of our line."

There is the traditional spirit of American enterprise for you: It is a spirit we are happy and eager to foster.

We are proud of the agency's record of providing financial assistance to help enterprising small firms expand and grow. So far, we have approved more than 1,300 business loans totaling about $70 million and two-thirds of these loans have been made in participation with private banks.

In addition, we have approved more than 1,100 disaster loans totaling $7,700,000 to individuals and firms who suffered damage in catastrophies such as floods, hurricanes, tornadoes, and earthquakes. This is a purely humanitarian function.

But the Small Business Administration also has other programs of which it is equally proud, and they are all geared to the central idea of helping small business grow and prosper. All of them are, of course, available to the physically handicapped and to firms employing physically handicapped.

Not so well known, perhaps, as our financial-assistance program, is our program to help small firms obtain a fair share of Government purchase orders. Here is the way it works.

The Small Business Administration has representatives stationed in principal procurement centers of the military departments across the country. Here, all individual proposed procurements valued at $10,000 or more (except those classified as "confidential" or higher) are screened jointly by the Small Business Administration representatives and military procurement officers.

Those found suitable for performance by small business, if jointly agreed to by the Small Business Administration and the military, are earmarked and reserved exclusively for competitive award to small firms. In some cases, portions of proposed procurements are also earmarked for performance by small firms under this program.

Under this one program we have been able to earmark more than $500 million in Government purchases for exclusive competitive award to small firms. This is business that these small firms would probably not have received except for this program.

Of course, the Small Business Administration also assists small firms in other ways. The agency's 40 regional and field offices are constantly making prime contract bid referrals to small firms with suitable facilities to bid on Government contracts.

In addition, through cooperative programs, its representatives are constantly encouraging larger private firms to subcontract more of their orders with smaller firms in their area.

For many small firms, the most serious problem is not one of obtaining financing of Government contracts, but an urgent need for help in overcoming a management or technical problem or in acquiring greater management and technical skill. The Small Business Administration helps here in a number of ways.

In cooperation with the Small Business Administration, collegiate schools of business and other educational institutions offer owners of small firms courses in currently important business administration subjects. These courses, conducted in the evening, are taught by experienced business leaders and college teachers. This year more than 55 such courses were offered.

The Small Business Administration publishes three series of practical, helpful leaflets called Management, Technical and Marketers Aids for Small Business. These leaflets cover a wide range of management and production problems, telling how to recognize and deal with them. They are available free at all of our field offices. In addition to these programs, all of which are available to help physically handicapped persons who have small businesses, as well as others, the Small Business Administration also provides experienced counsel to small business concerns and individuals in locating a marketable product or new line or type of product, or in locating a market for a product.

This products assistance program is designed to assist small firms in finding solutions to research and development problems regarding product improvement and new products. As part of this agency service, field offices maintain lists of Government-owned patented products and processes which are available to small firms free or with only a nominal charge for their use.

Production specialists in the Small Business Administration offices are available to help individual small-business concerns with technical production problems.

All of the services the agency has developed to help small business are available at its field offices. In order to foster better cooperation between firms employing physically handicapped persons and this agency, each field office has been provided with a list of certified sheltered workshops and a list of competitive firms employing handicapped persons. Persons interested in this subject may check their local telephone directories or write the Small Business Administration, Washington 25, D. C.

SENATE

MONDAY, JUNE 27, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O thou God of the changing years, in this still moment of another week's deliberations may a holy hush within our spirits whisper courage and fortitude and fidelity. We would make our hearts, cleansed by Thy forgiving grace, a temple of Thy presence, knowing that only to the pure dost Thou grant the vision of Thy face. We come asking not that Thou wouldst give heed to the faltering petitions our lips frame, but that Thou wilt bend Thine ear to the crying of our deep need.

We bring to the altar of prayer our inmost selves, cluttered and confused, where good and evil, the petty and the great, the worthy and the unworthy are so entwined. May the eternal immensities shame our little thoughts and ways. May the vision of what we might be convict us of what we are. In this great day of Thy visitation on the earth, may we not miss the things belonging to our peace and to the peace of the whole world. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 24, 1955, was dispensed with.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 67. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

S. J. Res. 67. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines; and for other purposes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. KEFAUVER, and by unanimous consent, the Monopoly and Antitrust Subcommittee of the Committee on the Judiciary was authorized to meet for hearings this afternoon at 2 o'clock, during the session of the Senate.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Securities Subcommittee of the Committee on Banking and Currency was authorized to meet during the session of the Senate today.

On request of Mr. BIBLE, and by unanimous consent, the Committee on the District of Columbia was authorized to meet today during the session of the Senate.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, the Senate having met today following an adjournment, there will be the regular morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business. I ask unanimous consent that there be the usual 2-minute limitation on speeches made in connection therewith.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I may state that it is the plan of the leadership at the conclusion of the morning hour to request that Senators who are in attendance upon committees come to the Chamber. In that connection we plan to have a quorum call and then to have the Senate proceed to consider the calendar.

At the conclusion of the calendar, if Senators are ready, the majority leader proposes to move that the Senate proceed to the consideration of Calendar No. 586, Senate Joint Resolution 21, to establish a Commission on Government Security, which measure was reported with amendments from the Committee on Government Operations. I wish to have all Senators on notice regarding the procedure.

The transaction of routine business during the morning hour is now in order, so I hope that all Senators who have matters to submit in connection with the morning hour will do so at this time.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON THE BUSINESS ORGANIZATION OF THE DEPARTMENT OF DEFENSE

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, that Commission's report on the Business Organization of the Department of Defense (with an accompanying report); to the Committee on Armed Services.

FRANK G. GERLOCK

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Frank G. Gerlock (with an accompanying paper); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

DUAL EMPLOYMENT OF CUSTODIAL EMPLOYEES IN CERTAIN POST OFFICE BUILDINGS

A letter from the Postmaster General, transmitting a draft of proposed legislation to authorize the dual employment of custodial employees in post office buildings operated by the General Services Administration, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

MEMORIAL TO THE LATE ROBERT A. TAFT

A letter from the Chairman, the Robert A. Taft Memorial Foundation, Inc., Washington, D. C., transmitting a resolution adopted by the executive committee of that foundation, offering to the Congress a memorial to the late Senator Robert A. Taft (with accompanying papers); to the Committee on Rules and Administration.

A communication from the President of the United States, favoring the acceptance of the proposed memorial to the late Senator Robert A. Taft, which was offered by the Robert A. Taft Memorial Foundation, Inc.; to the Committee on Rules and Administration.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Appropriations:

"Senate Joint Resolution 30

"Joint resolution relative to levees on the San Joaquin River and the Stockton Deep Water Channel

"Whereas for the purpose of improving navigation and eliminating a projection of land into the Stockton Deep Water Channel and the San Joaquin River, it has been proposed that there be constructed therein a deep water turning basin opposite Rough and Ready Island; and

"Whereas a portion of the north levee of the Stockton Deep Water Channel has already been weakened by the wave wash of ocean-going vessels; and

"Whereas the ships going and coming to the United States Navy Supply Depot, which is opposite the levee, have contributed greatly to the damage to the levee; and

"Whereas the proposed turning basin will increase the wave washing damage to the same levee; and

"Whereas in the event of a break in the levee, a heavily populated area with homes of families of moderate circumstances, containing approximately 4,000 property owners, would be flooded, with probable great loss of lives and property; and

"Whereas the United States Corps of Engineers has recognized this danger and has proposed a project for the repair and improvement of the levee, which proposal is included in House of Representatives Document No. 752, 80th Congress, second session; and

"Whereas the levee repair and improvement project has been authorized, but no financial provision therefor has been made by the Congress of the United States: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the President and Congress of the United States be respectfully memorialized to provide an appropriation for the purpose of improving and repairing the north levee of the Stockton Deep Water Channel and the San Joaquin River in order to protect the lives and property of the inhabitants of the area; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Defense, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Senate Joint Resolution 31

"Joint resolution relative to construction of a supercarrier at San Francisco

"Whereas the United States is, at the present time, contemplating the construction of additional aircraft carriers of the 60,000-ton *Forrestal* class; and

"Whereas shipbuilding facilities adequate to undertake the construction of such supercarriers are available in the San Francisco area; and

"Whereas sound military logic during this critical period of world affairs clearly dictates the imperative necessity for the diversification of ship construction; and

"Whereas the maintenance of a healthy ship construction industry in the San Francisco area is particularly important in view of the current Asiatic crisis; and

"Whereas the maintenance and availability of such an industry in the San Francisco area depends in a large measure upon work being provided by the Federal Government: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California does hereby respectfully urge the Federal Government to provide for the construction of one of the contemplated *Forrestal*-class carriers in the San Francisco area; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to prepare and transmit suitable copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of Defense, and to the Secretary of the Navy."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Senate Joint Resolution 33

"Joint resolution relative to providing Santa Clara, San Benito, and Santa Cruz Counties with a supply of water from the Central Valley project

"Whereas Santa Clara, San Benito, and Santa Cruz Counties comprise one of the fastest growing regions of the State of California; and

"Whereas a great increase in population and in industrial development, together with intense agricultural activity, have combined to tax severely the existing water supplies of the region; and

"Whereas at present the watersheds of Santa Clara, San Benito, and Santa Cruz Counties are virtually the sole source of the water supply for the region; and

"Whereas to meet the desperate water needs of this region, it is necessary that the most feasible plan to obtain an additional supply of water be determined with the least possible delay; Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Congress of the United States and the Secretary of the Interior, through the Bureau of Reclamation, to take such action as may be necessary to conduct and complete with least possible delay the necessary investigations, surveys and studies for the purpose of providing plans and feasibility reports to furnish a supply of water from the Central Valley project to Santa Clara, San Benito, Santa Cruz, Alameda, and Contra Costa Counties, all generally in keeping with section 2 of the act of October 14, 1949 (63 Stat. 852), authorizing the American River Division Central Valley project; and be it further

"Resolved, That the Secretary of the Senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States, and to the United States Bureau of Reclamation."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 34

"Joint resolution relative to the construction of proposed National Forest Highway Route 74

"Whereas one of the proposed national-forest highways in this State is National Forest Highway Route 74 (the North Fork Route), which would be located in Sierra National Forest in Madera and Fresno Counties, linking the Bass Lake region and the Shaver Lake and Huntington Lake regions of said national forest; and

"Whereas this route will also serve as part of a connecting link between Yosemite National Park and General Grant Grove, Kings Canyon National Park, and Sequoia National Park; and

"Whereas many schoolchildren residing in the Bass Lake region attend the Sierra Union High School located in Auberry in Fresno County and at the present time are compelled to spend as much as 5 hours daily traveling to and from this school on existing roads in this area, and approximately 2 hours of this time spent in school buses could be eliminated by the construction of National Forest Highway Route 74 between these areas; and

"Whereas while some Federal-aid funds have been allocated for the construction of a portion of this route, and 4.3 miles of the proposed 26.6 miles of said route have been completed, the existing plans of the United States Forest Service, the United States Bureau of Public Roads, and the California Department of Public Works apparently do not call for the completion of this project in the near future: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States and the Federal and State officials charged with the duty of constructing national-forest highways in this State to take whatever steps are necessary to provide for the construction of National Forest Highway Route 74 as soon as practical in the orderly development of the forest highway system; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Commissioner of the Bureau of Public Roads in the Department of Commerce, to the Chief of the Forest Service in the Department of Agriculture, and to the director of the California Department of Public Works."

A joint resolution of the Legislature of the State of Florida; to the Committee on Interstate and Foreign Commerce:

"Memorial to the Congress of the United States, the President and his Secretary of Interior, Urging Study of the Red Tide in the Waters of the Gulf of Mexico

"Whereas the commercial and sports fishing industries are of the utmost importance to the economic security of the State of Florida; and

"Whereas from time to time certain noxious marine animal or plant organisms, commonly called the red tide, evolves in the water of the Gulf of Mexico; and

"Whereas when there is an occurrence of this organism known as the red tide, it destroys a tremendous number of fish and other marine creatures; and

"Whereas a substantial part of the natural resources of this great State stand to be destroyed by future attacks of the red tide; and

"Whereas the Department of Interior through its Fish and Wildlife Service has rendered a valuable service to the State of Florida by its study of the red tide, and it is with sincere appreciation that this legislature expresses its thanks and gratitude for such service; and

"Whereas there exists a definite and proven need for further extensive and exhaustive study, with a view toward the prevention or abatement of the red tide: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Congress of the United States, the President, and his Secretary of Interior are hereby memorialized and respectfully urged to facilitate and expedite an extensive and exhaustive study of the red tide, with a view toward the prevention or abatement of the red tide; and be it further

"Resolved, That copies of this memorial be transmitted forthwith by the Secretary of State of the State of Florida to the President of the United States and to his Secretary of Interior; the President of the Senate and the Speaker of the House in the Congress of the United States; the congressional delegations of the States of Alabama, Florida, Louisiana, Mississippi, and Texas; the chairman and members of the Senate and House Joint Committee on Appropriations; and to the Director of the Fish and Wildlife Service of the Department of the Interior; be it further

"Resolved, That a copy of this memorial be spread upon the journal of both the Senate and House of Representatives of the State of Florida and sufficient copies thereof be furnished to the press.

"Approved by the Governor June 18, 1955.

"Filed in office, secretary of state, June 30, 1955."

Resolutions adopted by the Holy Name Societies of St. Therese of Lisieux Roman Catholic Church, Brooklyn, and St. Leo's Roman Catholic Church, Queens, both of the State of New York, favoring the enactment of the so-called Bricker amendment, relating to the treatymaking power; to the Committee on the Judiciary.

The petition of Joseph P. Brogan, and sundry other citizens of the State of New York, favoring the enactment of the so-called Bricker amendment, relating to the treatymaking power; to the Committee on the Judiciary.

A resolution adopted by the Delaware State Council, Knights of Columbus, Wilmington, Del., relating to resistance to communistic infiltration and military pressures; to the Committee on the Judiciary.

A telegram, in the nature of a petition, from the delegates to the Polish-American Congress, New York, N. Y., signed by Francis J. Wazeter, president, favoring the ratification of the Genocide Treaty; to the Committee on Foreign Relations.

The petition of Clyde Helmick, and sundry other citizens of the State of West Virginia, praying for the enactment of a constitutional amendment relating to race segregation in schools; to the Committee on the Judiciary.

ABOLITION OF RURAL ELECTRIFICATION ADMINISTRATION—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Freeborn-Mower Cooperative Light and Power Association at their 18th annual meeting on May 25, 1955, condemning the report of the Hoover Commission Task Force on Lending Agencies recommending that REA be abolished.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION CONDEMNING THE ACTION OF THE HOOVER COMMISSION

Whereas the Hoover Commission Task Force on Lending Agencies has recommended that REA be abolished and whereas the committee further recommends:

1. That the Rural Electrification Administration be incorporated under the Federal Corporation law as the Rural Electrification Corporation.

2. That the Federal Government subscribe $50 million for common stock to this corporation.

3. That the cooperative be required to charge such power and telephone rates as will enable them to pay (a) their own maintenance, (b) provide reserves for expansion, (c) make proportionate purchases of Government stock in the corporation and (d) pay interest and amortization on their loans.

4. That future financing be secured on the open market at considerable higher rate of interest.

5. That no loans be made for construction that private utilities stand ready to build.

Whereas these recommendations, if carried out, would mean the end of our rural electric cooperatives, now be it

Resolved, That the members of the Freeborn-Mower Cooperative Light & Power Association assembled in annual meeting this 25th day of May, 1955, do hereby go on record condemning this report in the strongest possible terms and urge our Congressmen to vote against these recommendations.

AMENDMENT OF NATURAL GAS ACT, AS AMENDED—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the City Council of Minneapolis, Minn., reiterating their opposition to the passage of the so-called Harris bill, H. R. 4560, to amend the Natural Gas Act, as amended.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and

ordered to be printed in the RECORD, as follows:

Whereas the City Council of the City of Minneapolis, by resolution passed March 11, 1955, and approved March 14, 1955, opposed the passage of the so-called Harris bill (H. R. 4560); and

Whereas the city council has learned that the Committee on Interstate and Foreign Commerce of the House of Representatives on Wednesday, June 8, 1955, by a vote of 16 to 15 recommended said bill for passage; and

Whereas it is still the opinion of the city council that such bill is inimical to the interests of the consumers of gas in the city of Minneapolis; and

Whereas the city council refers to and makes a part hereof its resolution hereinbefore referred to; and

Whereas hearings before the Interstate and Foreign Commerce Committee and evidence produced therein have firmly convinced the city council that the Harris bill may well result in increased cost burdens to consumers of gas in the city of Minneapolis: Now, therefore, be it

Resolved by the City Council of the City of Minneapolis, That it reiterates and repeats its opposition to the passage of the so-called Harris bill or any legislation having a similar object; be it further

Resolved, That the City Council of the City of Minneapolis requests the Members in Congress from Minnesota to exercise their utmost efforts to defeat this bill; be it further

Resolved, That it requests all the Members in Congress to oppose the passage of this bill; be it further

Resolved, That the city clerk be requested to submit forthwith a copy of this resolution to each Member in the Congress of the United States.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MONRONEY, from the Committee on Banking and Currency:

H. R. 619. A bill to provide that all United States currency shall bear the inscription "In God We Trust"; without amendment (Rept. No. 637).

By Mr. McNAMARA, from the Committee on the District of Columbia:

S. 1835. A bill to amend the District of Columbia Unemployment Compensation Act, as amended; with amendments (Rept. No. 671).

By Mr. BIBLE, from the Committee on Interstate and Foreign Commerce:

S. 756. A bill to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes; with amendments (Rept. No. 638).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 59. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended; with amendments (Rept. No. 672).

By Mr. KILGORE, from the Committee on the Judiciary, without amendment:

S. 717. A bill for the relief of Hedi Gertrude Spiecker (Rept. No. 640);

S. 1084. A bill for the relief of Santiago Landa Arrizabalaga (Rept. No. 641);

S. 1112. A bill for the relief of Luca Saltarelli (Rept. No. 642);

S. 1126. A bill for the relief of Dimitrios Antoniou Kostalas (Rept. No. 643);

S. 1154. A bill for the relief of Hal A. Marchant (Rept. No. 673);

S. 1220. A bill for the relief of Josephine Ray (Rept. No. 674);

H. R. 928. A bill for the relief of Eugenio Maida (Rept. No. 644);

H. R. 989. A bill for the relief of Dr. Louis J. Sebille (Rept. No. 675);

H. R. 990. A bill for the relief of Takako Riu Reich (Rept. No. 645);

H. R. 1111. A bill for the relief of Philip Mack (Rept. No. 646);

H. R. 1163. A bill for the relief of Lee Houn and Lily Ho Lee Houn (Rept. No. 647);

H. R. 1247. A bill for the relief of Carol Brandon (Valtrude Probst) (Rept. No. 648);

H. R. 1255. A bill for the relief of Ferenc Babothy (Rept. No. 649);

H. R. 1281. A bill for the relief of Carlo Nonvenuto (Rept. No. 650);

H. R. 1283. A bill for the relief of Olga Joannou Georguea (Rept. No. 651);

H. R. 1287. A bill for the relief of David Mordka Borenstajn, Itta Borenstajn, nee Schipper, and Fella Borenstajn Reichlinger (Rept. No. 652);

H. R. 1357. A bill for the relief of Chin York Gay (Rept. No. 653);

H. R. 1417. A bill for the relief of Charles (Carlos) Gerlica (Rept. No. 654);

H. R. 1467. A bill for the relief of Stijepo Buich (Rept. No. 655);

H. R. 1472. A bill for the relief of Victor Manuel Soares De Mendonca (Rept. No. 656);

H. R. 1473. A bill for the relief of Eleanore Hauser (Rept. No. 657);

H. R. 1474. A bill for the relief of Ross Sherman Trigg (Rept. No. 658);

H. R. 1475. A bill for the relief of Wing Chong Chan (Rept. No. 659);

H. R. 1525. A bill for the relief of Ardes Albacete Yanez (Rept. No. 660);

H. R. 2470. A bill for the relief of T. C. Elliott (Rept. No. 676);

H. R. 2933. A bill for the relief of Mrs. Berta Mansergh (Rept. No. 661);

H. R. 3069. A bill for the relief of Eufronio D. Espina (Rept. No. 662);

H. R. 3070. A bill for the relief of Mrs. Lee Tai Hung Quan and Quan Ah Sang (Rept. No. 663);

H. R. 3075. A bill for the relief of Virgil Won (also known as Virgilio Jackson) (Rept. No. 664);

H. R. 3194. A bill for the relief of E. S. Berney (Rept. No. 677); and

H. R. 3271. A bill for the relief of John Lloyd Smelcer (Rept. No. 678).

By Mr. KILGORE, from the Committee on the Judiciary, with an amendment:

S. 476. A bill for the relief of Harold Swarthout and L. R. Swarthout (Rept. No. 679);

S. 550. A bill for the relief of John Axel Arvidson (Rept. No. 665);

S. 1337. A bill for the relief of Joseph Vyskocil (Rept. No. 666);

H. R. 1044. A bill for the relief of Teresa Alice Townsend (Rept. No. 667);

H. R. 1155. A bill for the relief of Solomon Wiesel (Rept. No. 668);

H. R. 1745. A bill for the relief of Paul E. Milward (Rept. No. 680);

H. R. 2769. A bill for the relief of Tennessee C. Batts (Rept. No. 681);

H. R. 3074. A bill for the relief of Jean-Marie Newell (Rept. No. 669); and

H. R. 3363. A bill for the relief of Rodolfo C. Delgado, Jesus M. Lagua, and Vicente D. Reynante (Rept. No. 682).

By Mr. KILGORE, from the Committee on the Judiciary, with amendments:

S. 315. A bill for the relief of Asher Ezrachi (Rept. No. 670); and

S. 415. A bill for the relief of Ernest B. Sanders (Rept. No. 683).

EXTENSION FOR TEMPORARY PERIODS OF CERTAIN HOUSING PROGRAMS, THE SMALL BUSINESS ACT OF 1953, AND DEFENSE PRODUCTION ACT OF 1950—REPORT OF A COMMITTEE

Mr. FULBRIGHT. Mr. President, from the Committee on Banking and Currency, I report favorably an original joint resolution, to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950, and I submit a report (No. 639) thereon.

The VICE PRESIDENT. The report will be received and the joint resolution will be placed on the calendar.

The joint resolution (S. J. Res. 85) to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950, was read twice by its title and placed on the calendar.

SETTLEMENT OF CLAIMS FOR DAMAGES RESULTING FROM DISASTER AT TEXAS CITY, TEX.—REPORT OF A COMMITTEE

Mr. DANIEL. Mr. President, from the Committee on the Judiciary, I report favorably, with an amendment, the bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, and I submit a report (No. 684) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

Mr. DANIEL. Mr. President, the report is a favorable one on Senate bill 1037, introduced by my colleague, the distinguished senior Senator from Texas [Mr. JOHNSON] and myself. The bill provides for the payment of claims growing out of the Texas City disaster in 1947. The bill would compensate the families of 570 persons who lost their lives in the disaster, 3,500 persons who were injured, and many persons who suffered millions of dollars of damage because of the fires and explosions occurring in Texas City Harbor when the Federal Government sent there certain explosive fertilizer, which was intended for use in the foreign-aid program.

I hope the Senate will be able to act promptly on this measure, and thus express its will that compensation shall be given to those who, through no fault of their own, lost their lives or were seriously injured or suffered millions of dollars of damage.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports were submitted:

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

William J. Hallahan, of Maryland, to be a member of the Home Loan Bank Board.

By Mr. MANSFIELD (for Mr. GEORGE), from the Committee on Foreign Relations:

Executive D, 82d Congress, 1st session, the Geneva convention of August 12, 1949, for the amelioration of the condition of the wounded and sick in Armed Forces in the field; with a reservation and a statement (Ex. Rept. No. 9);

Executive E, 82d Congress, 1st session, the Geneva convention of August 12, 1949, for the amelioration of the condition of wounded, sick shipwrecked members of Armed Forces at sea; with a statement (Ex. Rept. No. 9);

Executive F, 82d Congress, 1st session, the Geneva convention of August 12, 1949, rela-

tive to the treatment of prisoners of war; with a statement (Ex. Rept. No. 9); and

Executive G, 82d Congress, 1st session, the Geneva convention of August 12, 1949, relative to the protection of civilian persons in time of war; with a reservation and statement (Ex. Rept. No. 9).

GEN. MATTHEW BUNKER RIDGWAY—EXECUTIVE REPORT OF A COMMITTEE

Mr. JOHNSON of Texas. Mr. President, Gen. Matthew Bunker Ridgway, Chief of Staff of the Army, retires on June 30.

Under existing law all officers serving in either 3- or 4-star grade are serving in such grades under temporary appointments.

Upon retirement they revert to their permanent 2-star grade unless they are advanced on the retired list pursuant to law.

No increase in pay is involved.

The Senate has in all cases of these 3- and 4-star officers who have retired during the last 8 years advanced them on the retired list to the rank in which they were serving at the time of their retirement.

I trust that the Senate will also take this action in the case of General Ridgway, whose nomination, as in executive session, I now report from the Committee on Armed Services, and request that it be placed on the Executive Calendar.

The VICE PRESIDENT. The nomination will be placed on the Executive Calendar.

Mr. JOHNSON of Texas. Mr. President, General Ridgway is one of the great officers of our time. I serve notice on the Senate that at the appropriate time tomorrow I shall call up the Executive Calendar, in order that we may complete action on this nomination before the end of the fiscal year.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 27, 1955, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 67. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

S. J. Res. 67. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. EASTLAND:

S. 2326. A bill to require any attorney at law practicing before a Federal court, or appearing before a congressional committee as counsel for a witness testifying before such committee, or appearing as counsel before any department or agency in the executive branch of the Government of the United States, to file a non-Communist affidavit; to the Committee on the Judiciary.

(See the remarks of Mr. EASTLAND when he introduced the above bill, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania:

S. 2327. A bill for the relief of Takako Iba; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

S. 2328. A bill providing for the conveyance of the Old Colony project to the Boston Housing Authority; to the Committee on Banking and Currency.

By Mr. CLEMENTS:

S. 2329. A bill to provide for the issuance of a special series of stamps to commemorate the opening of the new Cumberland Gap National Historical Park; to the Committee on Post Office and Civil Service.

By Mr. FULBRIGHT:

S. 2330. A bill to amend the Securities Act of 1933, as amended, so as to deny the use of United States mails and facilities of interstate commerce to persons in foreign countries who sell, or offer for sale, within the United States any securities in violation of such act; to the Committee on Banking and Currency.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. CARLSON:

S. 2331. A bill to provide for improvement in the system of personnel administration through the establishment of a senior civil service in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government;

S. 2332. A bill relating to the simplification of the general schedule of the Classification Act of 1949, as amended;

S. 2333. A bill relating to the certification of eligibles under the civil-service laws;

S. 2334. A bill providing for a simplified performance rating system for Federal employees;

S. 2335. A bill relating to appeals by veterans under section 14 of the Veterans' Preference Act of 1944;

S. 2336. A bill relating to reduction in personnel procedure and preference of veterans; and

S. 2337. A bill relating to the transfer of Federal employees from the classified civil service to another personnel merit system; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. CARLSON when he introduced the above bills, which appear under a separate heading.)

By Mr. SMATHERS:

S. 2338. A bill for the relief of Mr. and Mrs. Charles H. Page; to the Committee on the Judiciary.

By Mr. O'MAHONEY (for himself and Mr. BARRETT):

S. 2339. A bill to authorize the Secretary of the Interior to include capacity to serve the town of Glendo, Wyo., in a sewerage system to be installed in connection with the construction of Glendo Dam and Reservoir, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. IVES:

S. 2340. A bill for the relief of Umberto Randaccio; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2341. A bill for the relief of Gertrude Heindel;

S. 2342. A bill for the relief of Yvonne Rohran (Tung) Feng; and

S. 2343. A bill for the relief of Kuo Hwa Lu; to the Committee on the Judiciary.

By Mr. MORSE (for himself, Mr. BIBLE, and Mr. HRUSKA):

S. 2344. A bill to make the Recorder of Deeds of the District of Columbia subject to the provisions of the Hatch Act; to the Committee on the District of Columbia.

By Mr. JOHNSON of Texas (for Mr. KENNEDY):

S. J. Res. 84. Joint resolution to establish a Commission on Immigration and Naturalization Policy; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. J. Res. 85. Joint resolution to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950; placed on the calendar.

(See the remarks of Mr. FULBRIGHT when he reported the above joint resolution, from the Committee on Banking and Currency, which appear under a separate heading.)

REQUIREMENT FOR FILING A NON-COMMUNIST AFFIDAVIT IN CERTAIN CASES

Mr. EASTLAND. Mr. President, I introduce a bill to require any attorney at law practicing before a Federal court, or appearing before a congressional committee as counsel for a witness testifying before such committee, or appearing as counsel before any department or agency in the executive branch of the Government of the United States, to file a non-Communist affidavit, and ask that it be received and referred to the Committee on the Judiciary. I ask unanimous consent that I may make a statement in reference to the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the Senator from Mississippi may proceed.

The bill (S. 2326) to require any attorney at law practicing before a Federal court, or appearing before a congressional committee as counsel for a witness testifying before such committee, or appearing as counsel before any department or agency in the executive branch of the Government of the United States, to file a non-Communist affidavit, introduced by Mr. EASTLAND, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. EASTLAND. Generally speaking, the bill will bar Communist lawyers from practice in Federal courts, before agencies in the executive branch of the Government, and before congressional committees.

Specifically, the bill would require that before any lawyer shall be admitted to practice in any Federal court, or to appear as counsel before any agency in the executive branch of the Government or before any committee of either House of the Congress, or any subcommittee thereof, he shall make and file an affidavit that he is not, and for a period of 3 years immediately preceding the filing of such affidavit has not been, a member of the Communist Party of the United States of America, or any other organization which advocates or teaches the overthrow of the Government of the United States by force and violence or by any illegal or unconstitutional means. After such an affidavit had been filed, every reappearance by the attorney filing it would constitute, under my bill, a reaffirmance of the affidavit. The bill also would prohibit the appearance in Federal court, or before any executive agency or congressional committee, by any attorney

who has, before a proper tribunal, refused, on the ground of possible self-incrimination, to answer a question respecting his Communist affiliation.

I hope, Mr. President, that this bill may be reported promptly from committee, and promptly passed by the Senate and concurred in by the other body; and I hope it may set a precedent for legislative action by the several States in their respective jurisdictions.

Mr. President, a member of the bar is an officer of the court. In performing his functions as an attorney, his highest duty is to the court and the system of justice which the court both represents and administers. The fitness of an individual to hold this high status is a matter of great importance to the people who must rely upon that system of justice.

As the American Bar Association has so ably pointed out, in the brief of its special Committee on Communist Tactics, Strategy, and Objectives, membership at the bar is not a right, but is a high privilege, dependent upon continuous compliance with exacting conditions. Meeting and maintaining the high standards for admission to the bar has always been a condition of continued membership in the bar by any attorney.

In his oath of office as a member of the bar, each attorney has sworn to support the Constitution of the United States and of his State. Membership in the Communist Party is inconsistent with that oath. The Congress of the United States has legislatively found the Communist Party to be an arm of a foreign dictatorship, seeking the overthrow of the United States by force and violence. The Subversive Activities Control Board, after a lengthy trial and all due process, has made a similar finding. The courts of this country have repeatedly made judicial findings to the effect that the Communist Party of the United States of America teaches and advocates the overthrow of the Government of the United States by force and violence. Membership in the Communist Party is not a question of belief, nor a question of political affiliation; it is a question of taking part in a conspiracy against the Government of the United States.

The VICE PRESIDENT. The Chair is obliged to inform the Senator that his time has expired.

Mr. EASTLAND. Mr. President, I ask unanimous consent to proceed for 5 minutes longer.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Mississippi may proceed.

Mr. EASTLAND. As the bar association committee has pointed out, loyalty to this Nation, to its Constitution, and to his own oath of office as an attorney is required of every lawyer so long as he is to practice at the bar.

The profession of the law requires a standard of character and reputation, and the maintenance of a code of ethics and conduct, at least as high as those in any other profession. Because the bar is the natural protector of justice, and upholder of the laws of the Nation, it is natural that these high standards should be fixed and required.

But, Mr. President, Communist lawyers do not protect or seek to protect the laws, nor do they serve or seek to serve justice. They serve only the objectives of the Communist Party, and they seek to subvert justice, to tear down or nullify the laws where that will serve the purposes of the Communist Party, to pervert the meaning of court decisions, to misuse constitutional rights, to make fools of our judges, a mockery of our courts, and a shambles of our judicial processes. They do this under Communist domination, under Communist instructions, under Communist discipline, and solely to further the aims and objectives of the Communist Party.

The statute which I have proposed is not an ex post facto law, nor is it a bill of attainder. It does not provide for a forfeiture. It only sets a reasonable standard for attorneys to meet if they wish to practice in the Federal courts or before agencies in the executive branch of the Government, or to appear as counsel before committees or subcommittees of the Congress. The law which I propose would not even say to a lawyer that he may not be a Communist; it would only force him to choose between being a Communist and practicing before Federal bodies. It would not deny him his right to claim the privilege against self-incrimination in order to avoid testifying about his Communist affiliations; it would only require him to elect between that privilege and the privilege of practicing at the Federal bar.

As Mr. Justice Cardozo said in *Matter of Rouss* (221 N. Y. 81, 116 N. E. 783):

> Membership in the bar is a privilege burdened with conditions. A fair private and professional character is one of them. Compliance with that condition is essential at the moment of admission; but it is equally essential afterward (citing cases). Whenever the condition is broken, the privilege is lost. To refuse admission to an unworthy applicant is not to punish him for past offenses. The examination into character, like the examination into learning, is merely a test of fitness. To strike the unworthy lawyer from the role is not to add to the pains and penalties of crime. The examination into character is renewed; and the test of fitness is no longer satisfied.

Mr. President, the privilege against self-incrimination, under the fifth amendment, is a personal privilege. The benefit of it flows to the witness himself, and to no other. Testimony may not be refused because of possible incrimination of any other person. Nor may testimony be refused because of possible or even certain embarrassment to the witness himself. The privilege is a privilege against self-incrimination, not a privilege against embarrassment. To claim the privilege, the witness must honestly believe that a truthful answer would tend to form at least a link in a chain to help convict him of an actual crime, on which the statute of limitations has not run, and with respect to which he has not been granted immunity.

Just as the privilege was not intended to protect the witness against embarrassment, so neither was it intended to insure the continuance of the witness in any office or to protect him in any privileged status.

Let me quote again the special committee on Communist tactics, strategy, and objectives of the American Bar Association. That committee said, in a brief filed with the Supreme Court of the State of Florida:

> The American Bar Association does not contend that membership in the Communist Party establishes disloyalty of a lawyer unless he (1) joined voluntarily, (2) understood the conspiratorial nature of the party, and (3) intended thereby to support its criminal purposes. But membership alone casts upon an attorney, as an officer of the court, the responsibility to disclose fully any such extenuating facts or circumstances. Duress in joining the Communist Party, lack of knowledge of its conspiratorial nature, and intention not to support its criminal purposes, are all facts peculiarly within the knowledge of the person charged with being a member of the party.

Following up that line of thought, Mr. President, it is obvious that if a person has joined the Communist Party without knowledge of its conspiratorial purposes, without intention to support its criminal purposes, he will leave the party when he learns of these purposes. Further, a man who has left the party upon the discovery of these purposes, because he could not go along with such purposes, will not need to claim the protection of the fifth amendment, the protection against being required to incriminate himself, as a basis for refusing to testify with respect to his Communist affiliations.

The preamble of the canons of professional ethics of the American Bar Association states:

> In America, where the stability of courts and of all departments of Government rests upon the approval of the people, it is peculiarly essential that the system for establishing and dispensing justice be developed to a high point of efficiency and so maintained that the public shall have absolute confidence in the integrity and impartiality of its administration. The future of the Republic, to a great extent, depends upon our maintenance of justice pure and unsullied. It cannot be so maintained unless the conduct and the motives of the members of our profession are such as to merit the approval of all just men.

As the American Bar Association special committee on Communist tactics, strategy, and objectives has so cogently declared:

> The American people cannot have absolute confidence in the administration of justice if officers to whom that sacred responsibility is entrusted under law are not faithful to the institutions upon which the administration of justice is predicated. For this reason attorneys must take an oath to support the Constitution of the United States and of the State under the laws of which they are admitted to practice.
>
> It is not sufficient to proclaim the lofty concept of the bar, its vital importance to the public and to our form of constitutional government and the ideals upon which the profession's canons of ethics are based. Each of its members must personify them.
>
> Complete trust and confidence in the loyalty to his oath as an attorney are indispenable at all times.

In closing, Mr. President, let me sum up what my bill would do.

By requiring the filing of non-Communist oaths by attorneys, my bill would contribute to public confidence in the

Federal bar; and by banning those attorneys who refuse, on the ground of possible self-incrimination, to give testimony respecting their Communist affiliations, my bill would eliminate from Federal practice certain individuals who have clearly forfeited their right to that public confidence which the American Bar Association properly regards as indispensible to the satisfactory functioning of our judicial system.

A party to a conspiracy to overthrow the Government of the United States by force and violence—and that is what a Communist lawyer is—should not be allowed to practice before any Federal body. My bill would weed him out and keep him out, in the interests of the United States of America.

AMENDMENT OF SECURITIES ACT OF 1933, RELATING TO USE OF MAILS FOR SALE OF CERTAIN SECURITIES

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to amend the Securities Act of 1933, as amended, so as to deny the use of United States mails and facilities of interstate commerce to persons in foreign countries who sell, or offer for sale, within the United States any securities in violation of such act. I ask unanimous consent that a statement, prepared by me, relating to the bill, may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2330) to amend the Securities Act of 1933, as amended, so as to deny the use of United States mails and facilities of interstate commerce to persons in foreign countries who sell, or offer for sale, within the United States any securities in violation of such act, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The statement presented by Mr. FULBRIGHT is as follows:

STATEMENT BY SENATOR FULBRIGHT

I have introduced today a bill designed to fill an important gap in our existing securities legislation. One of the most difficult problems to emerge from the Senate Banking and Currency Committee's study of the stock market involves the illegal sale of securities by foreign salesmen to American citizens. Senator WILEY, of the Senate Foreign Relations Committee, has also been greatly concerned with this situation and has provided me with valuable data on the subject.

THE NEED

The inability of the Securities and Exchange Commission or any other branch of the Government to control the sale of securities by foreign brokers and dealers has long been a major deficiency of the Securities Exchange Act. It has been estimated that between $10 million and $50 million worth of securities are sold by foreign confidence men to American investors each year. One such scheme alone extorted $5 million from American investors. Most often it is the person least able to protect himself and who can least afford the loss who suffers.

These illicit operations recognize no State lines, find distance no barrier, and seem to operate in a no-man's land of the law. For instance, very recently I received a letter from a doctor in Arkansas who wrote me telling of the pressure he was receiving by letter and by long-distance telephone call from Montreal, Canada, to invest in a particular security. As a matter of fact, the caller said he was a friend of mine. I investigated and found that the company had little or no assets but the stock was being sold on the basis of the extravagant claims made by the Canadian dealer. Needless to say, I had never before heard of the securities salesman. Fortunately, in this instance, the investor ignored the high-pressure tactics and suffered no loss. Unfortunately, our natural confidence in human nature causes too many of us to succumb to visions of profitable investment even when support for those promises is lacking.

In July 1952 an effort was made by the Government to impose some sanction upon this illegal traffic in securities. A supplementary extradition convention with Canada was ratified by the Senate which was specifically designed to permit the American authorities to extradite violators of its laws from Canada when the violation consisted of securities frauds. We hoped that this convention would, at least to some extent, help bring to trial those who were guilty of fraudulently selling securities across the border between Canada and the United States. In the only case brought under this extradition convention, extradition was denied. It is apparent, therefore, that a new solution must be found.

I recognize that the legislation I have proposed may be imperfect. Clever violators may still be able to carry on their activities. It would be far better if, as the Senate Banking and Currency Committee stated in its report on the stock market study, "the Department of State and the Securities and Exchange Commission should seek the cooperation of the Canadian Government to force the discontinuance of those sales of securities which are in violation of American statutes." But this legislation should provide some measure of protection for American investors until the Department of State, the Securities and Exchange Commission, and the Canadian Government arrive at a full solution to the problem.

THE PROBLEM

The Securities Act of 1933 imposes upon all securities sold in interstate commerce or through the mail (with certain exceptions) registration and prospectus requirements. This is designed to insure that the purchasers of securities receive sufficient information about the securities to permit them to form an intelligent judgment upon whether they should buy them. In addition, the act prohibits any sales by means of false, fraudulent, or misleading statements. These provisions are enforced by the Securities and Exchange Commission either by civil or by criminal actions against violators. However, when the violator is resident in a foreign country, he is beyond the jurisdiction of the Commission and the United States courts, and he can, with impunity, sell securities which have not been registered by means of any statements he finds persuasive. The only limitations may be the extent of the gullibility of the public and his imagination.

The problem, therefore, is to find a way to subject the violator to the jurisdiction of the commission and the American courts, so that the obligations imposed by the registration and antifraud provisions of the Securities Act as may be applicable to him.

THE BILL

The bill would permit the Securities and Exchange Commission to issue an order which would deny to any violator of the Securities Act of 1933 the right to use the mails or any instrumentality of interstate commerce so long as he refuses to appear and answer charges of violation. A notice that charges have been made against the violator and that he has failed to appear to answer the charges is sent to the Postmaster General, the telephone companies and the telegraph company. Upon receipt of the notices, the Postmaster General, the telephone companies and the telegraph company are required to deny to the violator the use of the mails, the telephone, and the telegraph.

The violator may remove these restrictions upon his right to communicate with others by coming into the United States and subjecting himself to the jurisdiction of the commission and the courts.

The bill provides as follows:

"Be it enacted, etc., That section 20 of the Securities Act of 1933, as amended, is amended by adding at the end thereof a new subsection as follows:

"'(d) Whenever it shall appear to the commission, either upon complaint or otherwise, that the provisions of this title, or of any rule or regulation prescribed under authority thereof, have been or are about to be violated in the offer or sale of any security by any person in any foreign country to any person in the United States or any Territory thereof, the commission shall give notice thereof to the person so offering or selling such security and shall give such person a reasonable time within which to submit to the jurisdiction of the commission or of any court in which any action may be brought under the authority of this act. If such person fails within the time specified in such notice to submit to the jurisdiction of the commission or such court, the commission shall give notice of such failure to the Postmaster General and to such agencies or instrumentalities of interstate commerce as the commission shall deem necessary, and thereafter, so long as such failure continues, no matter from or addressed to such person shall be carried in the United States mails and it shall be unlawful for any such agency or instrumentality knowingly to transmit or transport, within the United States, any matter or communication from or addressed to such person.'"

SUNDRY BILLS FOR CONSIDERATION BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. CARLSON. Mr. President, on Thursday of this week, the Hoover Commission on Organization of the Executive Branch of the Government will expire. This Commission, through its Chairman, former President Hoover, and the other members of the Commission, has made its final report.

As Governor of the State of Kansas, I had the honor to serve on the Federal-State affairs task force of the original Hoover Commission. This gave me an opportunity to familiarize myself with the work of the Commission.

The work of the Commission during these many years has been of real value to the citizens of our Nation. Great credit is due President Hoover for his unselfish service, his outstanding leadership, his patriotic devotion, and his untiring efforts in this field of Government operations, for which he has special qualifications.

When the first Commission went to work, there were 75 separate bureaus with authority in the field of transportation, 104 in Government lending, 37 in

foreign trade, 64 dealing with business relations, 22 with insurance, and 44 with agriculture.

Following the Commission's report, consolidations have been effected in every one of these agencies. While it is true that many of the recommendations of the present Hoover Commission report have not been acted upon, and many have not been favorably received, great good will come from the study and the report. It is my hope that this Congress will give serious consideration and study to them.

As a member of the Post Office and Civil Service Committee, I am today introducing, for appropriate reference, the proposals and recommendations made by the Commission on changes in our civil-service system.

It seems to me that these recommendations merit study and consideration by the Senate Post Office and Civil Service Committee. Our committee can determine whether changes should be made in the proposed legislation, and whether it has merit.

I am introducing the following bills:

First. A bill to provide for improvement in the system of personnel administration, through the establishment of a senior civil service in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government.

Second. A bill relating to the simplification of the general schedule of the Classification Act of 1949, as amended.

Third. A bill relating to the certification of eligibles under the civil-service laws.

Fourth. A bill providing for a simplified performance rating system for Federal employees.

Fifth. A bill relating to appeals by veterans under section 14 of the Veterans' Preference Act of 1944.

Sixth. A bill relating to reduction-in-personnel procedure and preference of veterans.

Seventh. A bill relating to the transfer of Federal employees from the classified civil service to another personnel merit system.

The VICE PRESIDENT. The bills will be received and appropriately referred.

The bills, introduced by Mr. CARLSON, were received, read twice by their titles, and referred to the Committee on Post Offic and Civil Service, as follows:

S. 2331. A bill to provide for improvement in the system of personnel administration through the establishment of a senior civil service in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government;

S. 2332. A bill relating to the simplification of the general schedule of the Classification Act of 1949, as amended;

S. 2333. A bill relating to the certification of eligibles under the civil-service laws;

S. 2334. A bill providing for a simplified performance rating system for Federal employees;

S. 2335. A bill relating to appeals by veterans under section 14 of the Veterans' Preference Act of 1944;

S. 2336. A bill relating to reduction-in-personnel procedure and preference of veterans; and

S. 2337. A bill relating to the transfer of Federal employees from the classified civil service to another personnel merit system.

PRINTING OF REVIEW OF REPORTS ON THE MISSISSIPPI RIVER AT ST. LOUIS, MO. (S. DOC. NO. 57)

Mr. STENNIS. Mr. President, on behalf of the Senator from New Mexico [Mr. CHAVEZ], I present a letter from the Secretary of the Army, transmitting a report dated July 26, 1954, from the Chief of Engineers, United States Army, together with accompanying papers and illustrations, on a review of reports on the Mississippi River at St. Louis, Mo., requested by a resolution of the Committee on Public Works of April 20, 1948. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the RECORD, as follows:

By Mr. ANDERSON:

Responses by him to questions asked on the program entitled "Youth Wants To Know," on Sunday, May 15, 1955.

By Mr. JOHNSON of Texas (for Mr. KENNEDY):

Statement prepared by Senator KENNEDY regarding proposed Commission on Immigration and Naturalization Policy.

By Mr. STENNIS:

Address delivered by Senator SCOTT at a recent breakfast group meeting of Senators.

By Mr. O'MAHONEY:

Interview with Senator MANSFIELD on the international situation as published in the Washington Sunday Star of June 26, 1955.

USE OF THE SALK ANTIPOLIO VACCINE IN CANADA

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two articles appearing in the Providence Evening Bulletin of Tuesday, June 21, and Wednesday, June 22, written by Leonard D. Warner, special staff reporter for that paper. The articles relate to the use of the Salk vaccine in Canada, and I believe they will be of interest to the Members of Congress.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Providence (R. I.) Evening Bulletin of June 21, 1955]

NO FUSS, JUST RESULTS, IN POLIO PLAN

(By Leonard O. Warner)

OTTAWA.—While United States politicians, scientists, and parents have been concerned about the confusion over the antipolio vaccine, Canada has been vaccinating its children without fuss, with complete calmness, and, thus far, with no errors.

Now and then the men and women in Washington who have been forced by events to make the vaccine their business have talked about the orderliness of the Canadian program, but never too loud.

With characteristic detachment, the Canadians here in the capital city are not shouting too loudly, either. They don't have to. The facts are with them.

The day the dramatic announcement of the vaccine's effectiveness was made at Ann Arbor, Mich., the Canadians had on hand and distributed throughout the Nation enough vaccine for all selected early-age school children.

Up to now, there have been no reactors among the nearly 1,000,000 Canadian children inoculated.

Not one instance of live virus has been discovered in any of the vaccine produced in Canada.

Not a single hitch has developed in the program.

The second dosage injection is going ahead on schedule.

"All this has been accomplished by the exercise of great care, and with some luck," said George Carty, administrative assistant to the Canadian minister of health and national welfare, Paul Martin.

Carty gives two chief reasons for the smoothness with which the antipolio program has gone forward.

The first, he said, is careful planning started back last September. The second is a combination of factors resulting in rigid testing of the safety of the vaccine.

In Canada, all of the vaccine injected into children has been produced by the Connaught Medical Research Laboratories of the University of Toronto.

And the Canadian Department of Health and National Welfare has subjected all of the university-produced vaccine to its own tests, using monkeys at the federal laboratory of hygiene here in Ottawa.

In the United States the vaccine was produced by commercial pharmaceutical houses, and the Government itself did not test the vaccine. The commercial houses had been issued Federal licenses showing they meet specifications prescribed by the Government.

"Of course," Carty said, "there have been a few who said the government was interfering with private enterprise, but we most certainly do not feel that way. This was a matter of the greatest national public health interest, and we feel the government must assume the responsibility."

Why, he was asked, did the government laboratories here in Ottawa find it necessary to check vaccine produced in Toronto by an institution partially supported by the federal government, the university's Connaught laboratories?

Carty reiterated his government's feeling about complete safety, and gave this instance in which the double check paid off:

At both the university and at government laboratories in Ottawa, each batch of vaccine is subjected to 36 tests.

Two batches passed 35 tests but the 36th test, while not poor, indicated some doubt about the safety of the vaccine. The two batches were immediately destroyed.

Health Minister Martin put his department's position in these words when the United States furor developed on May 7 and all injections were ordered stopped there:

"There has been no evidence whatever of unfavorable reactions among the several hundred thousand Canadian children who have been inoculated.

"On the basis of this extensive experience in the use of the vaccine and the safeguards provided by the safety checking, it is the unanimous feeling of the provincial health authorities with whom we have been in touch that the vaccine is safe and no changes in the immunization program are contemplated."

Martin's words reassured most Canadians who had been worried about the United State news. But in Montreal a few mothers failed to bring in their children next Monday for inoculation.

Two days later, however, the Montreal mothers appeared with their children and

since that time there have been no instances of parents refusing to have their children inoculated, at least, none that Carty knew of.

When Carty spoke of luck in the Canadian program, he included in that category the fact that on April 12—the day of the Ann Arbor announcement—the Canadian Government licensed two United States pharmaceutical houses to ship vaccine to this country. Two other companies applied but were refused. Carty does not identify those failing to get import licenses.

One company had shipped 13,000 triple vaccine doses to Canada for sale to physicians. That company's vaccine never has been involved in any of the United States incidents.

But, when the live virus furor broke on May 7, Carty said, "We asked the company if it would not just as soon take all it had left in Canada back home."

Then he said emphasizing that he did not want to place Canada in the position of gloating, "We could just as well have licensed a company whose vaccine did give trouble. That's what I mean by luck."

[From the Providence (R. I.) Evening Bulletin of June 22, 1955]

CANADIANS ANTICIPATE SUCCESS OF SALK VACCINE

(By Leonard D. Warner)

OTTAWA.—The Canadians now acknowledge, with a smile, that they cribbed a little on the use of the antipolio vaccine.

They were so sure the vaccine was safe that a few days before April 12—the date of the Ann Arbor effectiveness report—a few provinces already had started inoculating some of the selected lower age children.

In disclosing what then was a premature activity, George Carty, administrative assistant to Paul Martin, Minister of Health and National Welfare, said the early inoculations point up the complete readiness of the Canadian program.

"We did not know until the Ann Arbor report was made whether the vaccine was effective," Carty said. "On the basis of our double testing, we did know the vaccine was safe. And so a few places started ahead of time."

That's how ready the Canadians were when the Ann Arbor report was made.

In September of last year the advisory council to Paul Martin, Minister of Health, had decided to authorize the Connaught Medical Research Laboratories of the University of Toronto to start producing the vaccine.

"It was the view of members of the council that, since all experimental evidence pointed to the probability of a successful outcome of last year's trial of the vaccine," Martin said, "it would be prudent to initiate production of the vaccine in Canada so that immunizing material would be available immediately on release of the report."

If the report had said "No" or "Maybe," Carty added, the expense of production of the vaccine probably would have been justified because further experiments would be indicated.

Probably a factor in the authorization given to the nonprofit Connaught laboratories was that Dr. R. D. Defries, head of the laboratories, is chairman of the advisory council. In addition, Dr. G. D. W. Cameron, Deputy Minister of Health, was a staff member at Connaught for several years, and knew of the excellence of its work.

There was still another important factor.

Several years ago, three Connaught scientists had developed a method of keeping tissue alive in a solution called Medium 199. They developed it for use in cancer research, but found that it would not work in the way they wanted. And so it was put on the shelf.

When the National Foundation for Infantile Paralysis was experimenting with the development of production techniques for the vaccine, Connaught came forward with its Medium 199 and said it might be used to grow the virus. It was used, a contribution of which the Canadians are understandably proud.

But Martin is quick to praise the scientists of the United States for the research leading to the development of the vaccine.

By April 12 the Canadians had 630,000 triple doses of vaccine ready. Much of it already was in the hands of authorities in the nation's 10 Provinces. The Federal Government and the Provinces were sharing the cost on a 50–50 basis.

When the effectiveness report showed that the third dose should be administered 2 months after the first, the Canadians realined their supplies and used the third dose portion for their first injections. That boosted the total available for the first and second doses to 900,000.

Meanwhile, Connaught was hard at work producing more, and the Institute of Microbiology at the University of Montreal also was preparing to get into production.

Another element of planning went into the Canadian program.

The department of health foresaw that discovery of polio in any inoculated child immediately would set off a chain reaction of disfavor.

With that in mind, it organized teams of well known medical men so that if a child were stricken, a team immediately would go to the patient and obtain all the facts. All this was done because some forms of polio are difficult to diagnose, and mistakes could be made, Carty said.

One child did develop polio after receiving the vaccine.

Within hours, the team of experts was at the child's side.

Result: The child had been infected 3 or 4 days before the injection and never should have been inoculated, the medical team said.

There was no national screaming, as there surely would have been had not the experts been ready and able to get all the facts.

In the United States, meanwhile, outbreaks among inoculated children could not be definitely diagnosed always and the confusion arose as a result.

Plans here call for the inoculations to continue until about July 1. If an epidemic occurs before then, the injections will stop.

The Government is committed to a national program only until next July. Before that time, the Government will resurvey the situation.

Despite the success of the program, Martin is emphasizing caution in the thinking of parents.

"We should regard the vaccine as a blessing, not a miracle," he said.

"The vaccine is not a total and complete preventive of paralysis from polio. Indeed, we must face up to the fact that some children may even develop polio after vaccination, since no two children have the same degree of immunity, either natural or acquired. But scientific evidence indicates that such attacks would likely be of a milder form."

Martin himself had polio when he was a young man. His right arm still is slightly affected. And his only son has had a mild form of the disease.

Some Canadians like to point to a set of circumstances that proved fortuitous for the Nation's antipolio program: the Minister of Health had intimate knowledge of the effects of the disease; the Deputy Minister of Health had experience in the ways of the University of Toronto's Connaught laboratories, and the head of the laboratories was also chairman of the national advisory council on health.

That's what the Canadians call "great care and some luck."

IMPORTANCE OF THE REFUGEE RELIEF PROGRAM

Mr. LEHMAN. Mr. President, an extremely interesting and important editorial appeared in the Washington Post and Times Herald of last Saturday, June 25. The editorial discusses the present Communist "redefection" campaign, designed to persuade many of the persons who have escaped from behind the Iron Curtain to return to Communist-dominated countries. As the editorial points out, the program has serious implications in the propaganda struggle which is being waged in the cold war. This campaign points to the urgent necessity of making the refugee relief program a vital and dramatic success. This can be done only if Congress acts during the present session on the amendments which have been proposed by those of us, including the President of the United States, who believe that the full quota of refugees and escapees authorized by the Refugee Relief Act must be brought into the United States before the expiration of the act.

I ask unanimous consent that this well reasoned and convincing editorial, entitled " 'Redefection' Racket," be printed in the body of the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE "REDEFECTION" RACKET

Many of our readers no doubt noticed the advertisement inserted in Wednesday's edition of this newspaper by the Czechoslovakian Embassy here in Washington. The same advertisement appeared also in the New York Times and in various other papers throughout the country. It reminded Czechoslovakian refugees of the proclamation of amnesty—dated May 9, the anniversary of the entry of the Red Army into Prague—for all "criminal deserters" who fled the country "under the influence of hostile propaganda" and now desire to return, and instructed them to apply to the Embassy for the necessary documents.

These advertisements were immediately recognized by emigre organizations and by American experts on East European affairs as part of the vast "redefection" campaign upon which the Soviet Government and its satellites have been expending enormous amounts of money and energy. In some way the Communists have managed to obtain the addresses of a very large number of anti-Communists, even emigrants of nearly 40 years ago, who have made homes in the West, so that these persons are now said to be receiving frequent and pitiful appeals from relatives still behind the Iron Curtain, telling in many cases of members of the family who have been arrested as hostages by the political police.

One purpose of the "redefection" campaign, undoubtedly, is to counteract the efficacy of the emigre propaganda transmitted beyond the Iron Curtain by such agencies as Radio Free Europe. Another purpose is to close off the trickle of escapes, which, despite the strictest frontier vigilance, steadily continues. Still another purpose is to create distrust and suspicion between the leaders of emigre organizations, whose prestige and acquaintanceships have usually smoothed their way to relatively comfortable asylum, and the humbler refugees doomed to wait and wait in German or Austrian internment camps.

There are said to be now in the United States about 15,000 persons of Czechoslovakian nativity who can be classified as

refugees from either nazism or communism. There is scant likelihood that more than a very few of these will swallow the bait now offered them by the embassy; for the adjustment and assimilation of these persons has been greatly aided by the numerous Bohemian-American or Slovak-American religious and social groups. But with the other thousands who are still languishing in the refugee camps abroad it may be quite another story. These unfortunates have certainly not realized that hope of freedom which impelled them to risk their lives in the effort to escape. The Germans, sorely bedeviled by the millions of their own refugees from the east, are naturally far less concerned about the personal fates of refugees of other nationalities. The continuing unwillingness of the western countries, including those of North and South America, to admit more than a relative handful of these refugees from communism contributes to the general atmosphere of despair.

Those refugees who succumb to Communist blandishments and consent to repatriation will of course find themselves effusively welcomed at home and will for a time be kept busy describing their disenchantment in propaganda broadcasts and newsreel conferences. But when their propaganda value has been exhausted they will be more likely than not to find themselves in some Communist prison or slave camp. For it should be carefully noted that the amnesty proclamation of May 9 covers only the crime of desertion, and makes no promises whatever of retroactive immunity for other offenses, such as espionage or sabotage against the Communist state.

DOUGLAS MacARTHUR II AND THE BIG FOUR MEETING

Mr. MANSFIELD. Mr. President, in the July issue of Nation's Business, appears an article entitled "Trouble Shooter at the Big Four Meeting." The article refers to the Honorable Douglas MacArthur II, Counselor of the State Department. Although the article is complimentary, I think it should be even more complimentary. However, I suppose my reaction is based upon prejudice, for I have such a high regard for this gentleman and the work he has done through the years.

I ask unanimous consent to have the article printed at this point in the body of the RECORD, Mr. President.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TROUBLE SHOOTER AT THE BIG FOUR MEETING

When President Eisenhower and Secretary of State John Foster Dulles sit down to talk peace with the leaders of Russia, Britain, and France at the Big Four meeting, the news photographs of the historic occasion may reveal a lean, smartly dressed career diplomat hovering not far from Mr. Dulles' elbow. Few will recognize his face but his name is a household word from Penobscot Bay to Panmunjon.

The man who will be passing notes to Mr. Dulles when the talks get down to negotiating a cold war truce is Douglas MacArthur II, 46-year-old nephew and namesake of Gen. Douglas MacArthur.

It is Mr. MacArthur's peculiar fate that he is usually introduced as the general's nephew, rather than by his own title, Counselor of the State Department. Although he is the State Department's trouble-shooter-at-large and one of Mr. Dulles' closest advisers, he has learned, like his colleague, Undersectary of State Herbert Hoover, Jr., that it is exceedingly difficult to make a name for yourself when the name you bear is already known to history.

This hard truth was brought home to Mr. MacArthur, for perhaps the thousandth time, on a recent trip to Europe. He had wired ahead for hotel reservations, taking pains as he always does to include the numerals after his signature. He arrived to find the royal suite awaiting him—and the manager bitterly disappointed that his guest was not le général célèbre.

He experienced a similar "Oh, it's only you" reaction when he came to Washington in early 1953 to assume his present post. An excited real estate man passed the word that Douglas MacArthur was buying a house in Georgetown, and several gossip columnists leaped to the conclusion that the general was going to be Mr. Eisenhower's Secretary of Defense.

A surprising number of people who do notice the "II" after his name take him to be General MacArthur's son. This puzzles Mr. MacArthur, since considerable publicity has been given to the fact that the general's only son, Arthur, is just 17 years old. Mr. MacArthur is often tempted to shout that he has a daughter 1 year older than Arthur.

Mr. MacArthur's problem is compounded by the fact that he has not one but two illustrious relatives. His father-in-law is former Vice President (now Senator) ALBEN W. BARKLEY. But the cynics are wrong if they credit the general or the Veep with Mr. MacArthur's present job. It was another general who plucked him from comparative obscurity and installed him in the top echelon of State Department policy makers.

When General Eisenhower was preparing to become supreme commander of the newly formed North Atlantic Treaty Organization he instructed his chief of staff, Gen. Alfred M. Gruenther, to recruit someone from the State Department to serve as diplomatic adviser on the SHAPE headquarters staff. General Gruenther chose Mr. MacArthur, who, as Deputy Director of the State Department's Office of European Affairs, had been working closely with Pentagon officials on NATO preparations.

General Eisenhower had expected General Gruenther to come up with a prominent ambassador. But he remembered that Mr. MacArthur had served as an assistant political adviser on his SHAEF staff during the liberation of France and that he had formed a good impression of him then.

"Okay, go ahead and hire him," he said.

General Gruenther telephoned Mr. MacArthur at his home that evening.

"Ike wants you to serve on his staff at SHAPE," he announced. "Can you leave for Paris in 48 hours?"

Mr. MacArthur stammered something about having a job to close out and a house to sell.

"All right," said General Gruenther magnanimously. "Take a whole week."

Mr. MacArthur served at SHAPE for 2 years, helping to steer the NATO command through the difficulties and complications that beset a defense force in which 14 sovereign nations have a stake. Salving the sore spots of Allied relations is highly confidential work and his efforts attracted little public attention. But his boss admired and appreciated his work.

"Mr. MacArthur made a tremendous contribution to the success of NATO," General Gruenther said recently. "General Eisenhower grew to trust him implicitly and to rely heavily on his judgment."

Shortly after General Eisenhower was elected President Mr. MacArthur was called home from Europe to be Counselor of the State Department. There is no doubt that he was the President's personal choice for the post; at the time of his appointment he had met Mr. Dulles only once.

The Counselor is not, as some people think, the State Department's chief legal officer. He is precisely what the title implies—a man who gives top-level advice and counsel to the Secretary of State. On the Department's organizational chart, the office ranks below the 2 deputy undersecretaries of state and above the 8 assistant secretaries. Actually, the Counselor's influence on foreign policy may be much greater than that of the deputy undersecretaries. These officials are heavily burdened with administrative duties, whereas he is deliberately freed from routine responsibilities to devote his full attention to major current projects and policy decisions. Mr. MacArthur's predecessor in the post was Charles E. Bohlen, now Ambassador to Russia. Mr. Bohlen's predecessor was George F. Kennan.

Both Mr. Bohlen and Mr. Kennan operated primarily as heavy-duty thinkers and as experts on Russia. Mr. MacArthur has taken on, in addition to the Counselor's traditional advisory role, many of the operational functions of ambassador-at-large, a post formerly held by Philip C. Jessup and now vacant.

It was in this latter capacity, for example, that he took charge last year of preparations for the Manila Conference at which the Southeast Asia collective defense pact was signed. The fact that this conference went off without a serious hitch and produced a treaty which is now regarded as a keystone of the free world's defenses against Red China's imperialism is testimony to his skill in the unromantic but important work that diplomats call "coordinating."

Coordinating is gobble-dy-gook for 2 of the essential tasks of diplomacy; 1, ironing out as many differences as possible before the formal negotiations begin; and 2, making sure that our foreign policy doesn't go off half-cocked out of ignorance of how the other fellow feels.

In these intramural negotiations Mr. MacArthur is careful never to gloss over any differences that crop up. He feels that it is his job not to bury conflicting viewpoints but to pinpoint the exact areas of disagreement. This gives the Secretary of State, and if necessary the President, an accurate picture of the choices and consequences involved in executive decisions. It also insures that any official or agency whose position is overruled will recognize the fact and fall in line with the decided course of the Government.

Once United States policy for the Manila Conference had been threshed out and a proposed draft of the treaty prepared, Mr. MacArthur began meeting informally and individually with Washington representatives of the other pact nations. This shirt-sleeves diplomacy began in July, nearly two months before the conference convened. In late August, Mr. MacArthur flew to Manila where an 8-nation working group proceeded to hammer out the actual terms of the treaty. By the time the foreign ministers arrived, virtually everything had been settled except the wording of the key clause committing the signatories to come to each other's aid in case of attack.

Here there were basic differences—some of the Asian nations wanted a more sweeping pledge than the United States was prepared to give. With lesser problems out of the way, the foreign ministers were able to agree on this clause in a couple of days, and the treaty was signed in an impressive display of speed and harmony.

Although the Manila Pact was perhaps his greatest personal triumph, Mr. MacArthur played a similar advance man role in other major international conferences, including the December 1953, Big Three meeting at Bermuda and the January 1954, Big Four foreign ministers meeting in Berlin. He has been deeply involved in the preparations for the coming meeting at the summit since the first diplomatic feelers were put out early this spring. If Mr. Molotov throws a curve, Mr. MacArthur should be in a position to give Mr. Dulles a quick, whispered briefing

on any previous consideration which United States, British, and French experts have given that matter.

Mr. MacArthur has found advising Mr. Dulles a highly nomadic occupation. The Secretary has a habit of ordering up his airplane and flying to wherever he thinks personal diplomacy may help settle a crisis. Usually Mr. MacArthur has to pack his bags in a hurry (his wife says they are never really unpacked) and roar away with his boss. Since he became Counselor in early 1953, Mr. MacArthur has logged approximately 168,000 miles of air travel, some of it on his own missions, but most often in the company of Mr. Dulles. He has made 10 visits to Paris, 4 to London, 3 to Bonn, 2 each to Taipei and Manila, and 1 each to Rome. The Hague, Brussels, Luxembourg, Cairo, Tel Aviv, Jerusalem, Amman, Damascus, Beirut, Bagdad, Riyadh, Dhahran, New Delhi, Karachi, Istanbul, Ankara, Athens, Tripoli, Bermuda, Berlin, Geneva, Milan, Tokyo, Bangkok, Rangoon, Saigon, Phnom Penh, Vientiane, Ottawa, and Vienna.

He winces, however, when someone suggests that he has seen a lot of the world at the taxpayers' expense. What he usually sees is the road between the airport and the United States Embassy, and the four walls of a conference room. From these vantage points, he has discovered, the landscapes of Paris and Phnom Penh are remarkably similar.

When he does get home to Washington, Mr. MacArthur earns his $15,000 a year by putting in a 12-hour day, 6-day week at the State Department with about half of his evenings requisitioned for official social occasions, and a good many Sunday afternoons devoted to conferences at Mr. Dulles' home.

His day begins at 6:45 a. m., when he goes to the study of his Federal period house in Georgetown to read the New York Times and the Washington Post and Times Herald while eating an unvarying breakfast of orange juice, melba toast, and coffee. He usually gets to his office by 8 a. m. There he spends another hour reading the secret messages and diplomatic reports that have arrived overnight.

By 9:15, Mr. MacArthur is ready for the Secretary's daily staff conference. It often lasts from 45 minutes to an hour, and is attended by Mr. MacArthur, Mr. Hoover, Deputy Under Secretaries Loy Henderson and Robert D. Murphy, and the assistant secretaries. It is a key part of the formal machinery for making State Department policy on all current problems.

Mr. Dulles spent much of his adult life preparing for his present job, and he brought to it definite ideas about United States foreign policy. This fact, coupled with his far-ranging travels and his determination to conduct personally as many important negotiations as possible, has exposed him to the charge that he tries to run the State Department as a one-man show.

Mr. MacArthur, who has a high regard for Mr. Dulles, contends that the Secretary's daily staff meeting and other policy meetings on specific problems refute this allegation. He says Mr. Dulles demands candid advice from his subordinates and if one of his own pet ideas is vulnerable, "he wants it shot down in flames."

"In fact," Mr. MacArthur says, "I have never known a man who so thoroughly exposes his thoughts and ideas to his advisers for honest opinions. He doesn't like yes men."

When the staff meeting adjourns, Mr. MacArthur returns to his office, but he is usually interrupted several times by telephone calls summoning him back to Mr. Dulles' office. If the call is urgent—and during periods of great international stress it often is—he barrels out of his office with the fleet-footed grace of a natural athlete who won his letter in football at Yale. But the time that he saves by good broken-field running down the corridor is usually lost when he arrives at the do-it-yourself private elevator that runs to the executive sanctum. In his impatience, he frequently stalls the mechanism entirely by jamming 3 or 4 buttons at once.

This streak of impatience appears to be a factor in what his associates identify as both his outstanding virtue and his chief handicap. On the good side, it is reflected in a hard-driving passion to get ahead with a project, and an almost ruthless dedication of time and energy to the problem at hand. On the debit side, it shows up in occasional outbursts of temper—which he himself deplores—and an inability at times to hide the fact that he does not suffer fools gladly.

It may also help to explain why, with Mr. MacArthur, as with his famous uncle, people tend to divide into two camps: those who admire him tremendously, and those who cannot abide him.

Candid appraisals that were solicited through numerous State Department offices included such diverse comments as:

From a veteran ambassador: "He is one of the best men we have in the Foreign Service. He is forceful, persuasive, a skillful negotiator, and has highly developed powers of analysis."

A second-echelon career official: "He can be nice or nasty, depending on his mood. Frankly, he irks the hell out of me."

A subordinate: "He is a driver, but he drives himself harder than anyone else. The one thing in his mind is to get the job done."

An equal on the policy level: "I rate his intelligence and ability highly. He is extremely direct and has a faculty for cutting through the underbrush and getting to the real problem. I have found him most cooperative, but he has a few personal qualities that irritate some people. I think there is also a dab of jealousy here and there about his rapid rise."

The pattern of these comments suggest that, in Mr. MacArthur's case, familiarity breeds respect. The people who know him best and who have worked most closely with him have the highest regard for him.

It is easy to misjudge Mr. MacArthur on the basis of casual acquaintance. The first time I saw him, he was addressing a luncheon of the Overseas Writers Club in Washington. His manner was reserved, even aloof. He spoke precisely, choosing each word with obvious care, in an accent born of an Ivy League education and many years abroad. I commented to a luncheon companion that "he looks like a pretty stuffy type." Later, in private conversation under more relaxed circumstances, I found him a friendly, gregarious extrovert with a great deal of personal charm.

The public's legitimate concern, of course, is not with the MacArthur personality but with his ability. How much wisdom, experience and skill does he contribute to the delicate task of keeping the peace?

In seeking an answer to this question, we run up against the fact that a confidential adviser, by the nature of his job, cannot be judged by the same yardstick as an executive. It is the executive, in this case Mr. Dulles, who inevitably gets credit or blame, and Mr. MacArthur is too loyal to his boss either to claim or disavow the authorship of any particular aspect of United States policy.

The consensus of his closest colleagues' opinions is that he is a superior diplomatic technician, and a shrewd analyst of tactical problems, but not a profound thinker of Mr. Kennan's caliber. To put it differently, he is more concerned with making current United States foreign policy work than with brooding over different and possibly better solutions to the ultimate questions of atomic-age diplomacy. Someone once described him as a carpenter rather than an architect of our basic cold-war strategy, and he accepts this as a fair description.

One of Mr. MacArthur's most appealing traits is his unabashed enthusiasm for his job and his organization. He loves diplomacy, even the tedious aspects of it, and his attitude toward the Foreign Service is like that of an old Leatherneck toward the United States Marine Corps.

His never regretted decision in favor of a diplomatic career was made when he was 14, an age when by all logic he should have had his heart set on going to West Point or Annapolis. All his family antecedents pointed him toward a military career. His grandfather, Lt. Gen. Arthur MacArthur, had been a famous soldier; his Uncle Douglas was making a brilliant record in the Army; and his father, Arthur MacArthur, Jr., was a captain in the Navy.

In 1923, Captain MacArthur's ship took the Secretary of the Navy on a good will tour of Japan. With a view toward introducing his son early to shipboard life, Captain MacArthur asked and received permission for young Douglas to go along. They sailed from Hampton Roads in May, visited the West Indies, Panama, Hawaii, Japan, China, and the Philippines.

At each port of call, Douglas was placed in the custody of the local United States consul, or embassy staff, while his father was involved in ceremonial duties. He took a great liking to the Foreign Service people who cared for him and for the kind of life they led in faraway, exotic places. When the cruise ended in September, Douglas had firmly made up his mind that he would join the Foreign Service when he grew up.

His father, who died a few years later, assented. Douglas was sent to Milton Academy, a fashionable prep school near Boston, and then to Yale, where he majored in history and broke his nose three times running interference for Albie Booth.

He graduated from Yale in 1932 and passed the examinations for admission to the Foreign Service. But a long waiting list was ahead of him, and it was 1935 before his appointment came through. He spent the intervening 3 years plying the family trade as a lieutenant in the Army. He was stationed at various Civilian Conservation Corps camps in Virginia, an humble duty ameliorated somewhat by the fact that he often spent his weekends in Washington as the house guest of the Army Chief of Staff, his Uncle Douglas.

When he was finally appointed as a Foreign Service officer, he spent routine tours of duty as vice consul in Vancouver and Naples. Then, in 1938, he was sent to the Paris Embassy. He left Paris shortly before the Nazis overran it in 1940, and followed the French Government to Vichy. His wartime work in Vichy had the cloak-and-dagger overtones that are always associated with a diplomatic career in the movies but only rarely in real life. One of his jobs was to help arrange escape routes for Allied fliers shot down over Europe, and he worked closely with the French underground.

Many of the leaders of the French resistance movement whom he met clandestinely in those furtive days are now leaders of the French Government, and Mr. MacArthur's warborn friendship with them has helped to smooth over many a postwar French-United States diplomatic misunderstanding.

The Germans moved into Vichy in 1942, and Mr. MacArthur was sent to an internment camp where he stayed until March 1944, when he was repatiated in an exchange of diplomatic personnel.

In June of that year, General Eisenhower's forces invaded Europe and within a month Mr. MacArthur was on his way back to France to serve as an assistant political adviser on the Eisenhower staff, a job in which he made good use of his contacts with the French underground. Paris was liberated in August, and Mr. MacArthur returned to the Embassy he had fled 4 years before. He stayed there,

as first secretary, until 1948. In 1949, he was brought back to Washington to be chief of the State Department's Western European Division and subsequently Deputy Director of the Office of European Affairs, the post in which General Gruenther discovered him.

That part of Mr. MacArthur's life which is not devoted to his country's service is built around the two women who have shared his nomadic existence for 21 and 18 years respectively. Mrs. MacArthur, the former Laura Louise Barkley, is a gracious and charming Kentuckian who inherited her father's sense of humor and a good deal of his skill as a raconteur. Their daughter, christened Laura but always called Mimi, is a senior at the fashionable Holton Arms School in Washington.

Mr. MacArthur's only real complaint about his job is that the long hours, the frequent trips abroad, and the interminable social obligations leave him too little time for family life.

At least three, sometimes four, evenings a week, Mr. and Mrs. MacArthur have to dress up and go out to a party given by or for someone of diplomatic importance. Mrs. MacArthur tries to minimize the impact of the social circuit on her husband's health (and her own) by arranging their calendar so that they alternate an evening out with an evening at home.

The off-night-at-home is Mr. MacArthur's main joy in life, and he plans carefully in advance how he will spend these few rationed hours with his family. Dinner is a pleasant ritual that recalls their long residence in France. Mr. MacArthur has what his wife calls "gourmet taste and a spartan conscience"—he likes good food and vintage wines, but has an ex-athlete's fear of gaining weight. After dinner, Mr. MacArthur likes to watch the fights or a baseball game on television. He is a die-hard fan of the Washington Senators.

Aside from Mrs. MacArthur and Mimi, the person closest to Mr. MacArthur is his widowed mother, who lives in Washington, and with whom he visits frequently. He also sees a lot of the Veep, who once counseled his daughter not to "marry that young fellow MacArthur and traipse all around the world," but who now regards his son-in-law as the paragon of all filial virtues. He calls on General MacArthur whenever he goes to New York, but their relationship, while warm and cordial, is no closer than could be expected of an uncle and nephew who spent most of their adult lives on opposite sides of the earth.

From the public utterances of the general and Mr. MacArthur, there would seem to be divergencies in their views on foreign policy. The general on numerous occasions has attacked the collective security concept which was expressed in the NATO and SEATO pacts, and which has become the foundation stone of United States cold war policy. Mr. MacArthur believes that collective security—a network of alliances against Communist aggression in which each nation is a full, free and willing partner—offers the best hope of maintaining peace and freedom.

SILLIMAN EVANS

Mr. KEFAUVER. Mr. President, it is with sadness that I arise to inform my colleagues of the passing of Silliman Evans, president-publisher of the Nashville Tennessean. Mr. Evans passed away Sunday morning shortly after having attended the funeral of his old friend and associate, the Honorable Amon Carter, of Fort Worth, Tex. His funeral services will be conducted Wednesday morning at 11 o'clock in Nashville.

Over a period of 40 years Mr. Evans played an important part in the newspaper and political and economic life of our Nation. He counted his friends throughout the Nation by the thousands. He enjoyed the confidence of such distinguished leaders as former Vice President John Nance Garner, Speaker of the House SAM RAYBURN, and our own Senate Majority Leader LYNDON JOHNSON.

At an early age Silliman Evans became an outstandingly successful newspaper reporter. He was editor of a number of Texas newspapers. He became interested in commercial airline developments in Texas. He handled the publicity for the campaign of John Nance Garner for the Presidency and handled the strategy which led to his selection as Vice Presidential nominee in 1932. Thereafter he became the Fourth Assistant Postmaster General where his modernization of the Department was eminently efficient. Later he took over the presidency of the Maryland Casualty Co. and in 1937 became the publisher of the Nashville Tennessean.

Mr. Evans had the distinction from 1932 of attending every Democratic National Convention as delegate from Texas, Maryland, or Tennessee. Senator LYNDON JOHNSON, in introducing him recently to a breakfast given for the national committeewomen in Washington, stated that Tennessee gave a great hero, Davy Crockett, to Texas, but Texas had evened the score by giving Tennessee Silliman Evans.

It has been my pleasure to have been closely associated with Mr. Evans during the past 20 years. He was one of my closest friends and advisors. I had an opportunity of knowing his great capacity for friendship, his remarkable ability, and the warmness of his heart and his progressive liberal attitude. In all of these Mr. Evans excelled to a remarkable degree.

Silliman Evans, through his personal influence and through the progressive Nashville Tennessean, was one of the strongest influences for progress and development in the South. He waged vigorous battles for the Tennessee Valley Authority, the development of the Cumberland, the removal of the poll tax, and better treatment for farmers. He represented liberalism in its finest sense. Mr. Evans never gave up a cause after having embarked upon it. He fought vigorously and uncompromisingly for issues and candidates, even though he may have known the cause was hopeless. Frequently he and his newspaper espoused the candidacy of people who had little chance of winning. However, that did not detract from the vigor of Mr. Evans' support.

Silliman Evans' many friends will miss him greatly. His advice and counsel were always sincere and generously given. When friendship was once established, he never sold a friend short. He stuck by them through thick and thin. I wish to extend to his wife and sons my deepest sympathy and to say to his successors and staff of the Nashville Tennessean that they have an added responsibility of carrying on that great newspaper in the tradition of Silliman Evans.

ALUMINUM PRODUCTION IN CANADA AND IN THE PACIFIC NORTHWEST

Mr. NEUBERGER. Mr. President, through the decisions of this Republican national administration, additional aluminum production has been discouraged in our American Pacific Northwest.

To begin with, Secretary of the Interior McKay has deliberately stopped the great Federal power program which made possible, between 1940 and 1952, the establishing in the Northwest of 44 percent of all the aluminum capacity in the United States. Prior to that time, not an ounce of aluminum had been smeltered in our region.

But Mr. McKay not only curtailed all new Federal hydroelectric development; he also prevented the budgeting of funds for transmission lines and substations that would enable the Bonneville Power Administration to furnish energy for carrying out a Government contract with the Harvey Machine Co., which hoped to erect a great aluminum smelter at The Dalles, Oreg. Failure to have this plant constructed has caused much chagrin and disappointment in Wasco County, particularly, and in Oregon generally. After all, this employment could be essential in providing new jobs and payrolls after the building jobs on the Dalles Dam taper off and decline.

However, Mr. President, while this administration has let aluminum production go by the boards in our own Northwest, the Canadians across the international border have been efficiently busy. The vast Kitimat aluminum plant in British Columbia, now turning out ingots at the rate of 88,500 tons a year, is soon to be expanded to a capacity of 181,500 tons. Furthermore, the Aluminum Company of Canada has announced this week that Kitimat will have an output of 331,500 tons by 1959. Eventually, Kitimat will produce 550,000 tons, which will make it the largest producer of primary aluminum anywhere in the world.

With full development, there is ample hydroelectricity in the Pacific Northwest both for aluminum production and ordinary needs. While aluminum smelting does not employ large numbers of people, the inevitable secondary fabrication—as the Northwest becomes the aluminum center of the continent—will result in the hiring of thousands of skilled men and women at high year-around wages. This is a crucial economic necessity for the region where I was born and raised.

Let me quote a significant paragraph from a New York Times article of Sunday, June 26, 1955; an article from Kitimat, British Columbia, by Jack R. Ryan, correspondent of the Times:

> Virtually all of this metal (aluminum) is going to users in the United States who are eager for more just as soon as they can get it.

What does this mean, Mr. President? It means that our own Nation, which is hungry for aluminum, must depend upon Canadian production for this vital metal of the 20th century. Kitimat is a record-breaking source of vast quantities of aluminum because of the low-cost waterpower generated on the seacoast by dropping so-called hanging

lakes through a 10-mile tunnel into Kemano Fiord.

In our own Northwest we have magnificent sites for power, perhaps not as good as that at Kemano and Kitimat, but wonderful sites nonetheless—sites like Hells Canyon and John Day and many others, for example. Yet this administration proposes to give Hells Canyon to the Idaho Power Co. for piecemeal, partial, and less than full development. In addition, the Interior Department has shown no willingness to recommend the transmission lines and transformers which are necessary to energize the proposed aluminum plant at The Dalles, Oreg.

So that Members of the Senate can understand the irony of further production in Canada to serve the United States, while we let our own aluminum opportunities go to waste here, I ask unanimous consent to have printed in the RECORD the story from the New York Times of June 26, 1955, entitled "Alcan Expanding Aluminum Output."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALCAN EXPANDING ALUMINUM OUTPUT—LONELY INDIAN FISHING VILLAGE ON WILD FIORD IS NOW SCENE OF TOP FREE WORLD PROJECT—MORE POTLINES ON WAY—88,500-TON ANNUAL CAPACITY EXPECTED TO BE RAISED BY 1959 TO 331,500 TONS

(By Jack R. Ryan)

KITIMAT, BRITISH COLUMBIA, June 25.—This thriving new town on a wilderness fiord 100 miles below the Alaskan border is the scene of the largest aluminum expansion project underway in the free world.

Four years ago there was only a lonely Indian fishing village here. The deep forests were populated mostly by black bears, grizzlies, and wolves.

Today Kitimat is home to 5,000 men, women, and children. And its aluminum smelter, fed on processed ore brought by ship from faraway Jamaica, British West Indies, is turning out ingots at the rate of nearly 88,500 tons a year.

Virtually all of this metal is going to users in the United States who are eager for more just as soon as they can get it.

The urgent peacetime demand for aluminum caused the Aluminum Co. of Canada to accelerate its Kitimat expansion program, and twice since the smelter poured its first metal last August large new additions to capacity have been authorized.

BUILDING MORE POTLINES

Construction crews are erecting the blocks long buildings that will house two new potlines or series of production units. The first should be producing next March, the second a year from now. And a new site to the northeast is being prepared for 2 more, for a total of 6.

Last January an avalanche in mile-high Kildala Pass temporarily disrupted the smelter's electrical power supply, and some potlines were damaged. For this reason Kitimat has not yet operated at its present capacity rate of 91,500 tons.

However, the new construction is right on schedule, and by the end of next year the installed capacity will be 181,500 tons. In 1959, barring the unforeseen, it will have reached the present goal of 331,500 tons. Eventually, the capacity is expected to be raised to 550,000 tons, which would make Kitimat the world's largest primary producer.

R. E. Powell, Alcan president, estimates that $300 million has been spent so far on the Kitimat project and its spectacular hydroelectric development. By the end of the presently authorized construction program, this will have climbed to at least $510 million, including some necessary expansion of alumina processing facilities in Jamaica.

HUGE POWER POTENTIAL

Alcan chose this region, 400 miles north of Vancouver and roughly 80 miles up the deep tidewater channels from the sea, because of the abundance of hydroelectric power in a series of nearby lakes high in British Columbia's coastal range.

The carefully planned townsite of Kitimat has nearly 500 homes now. At least 450 more are to be built this summer, along with a high school, 2 large commercial store buildings, and a railway station for the new railroad to Terrace, British Columbia, 43 miles up the valley. By the end of 1959, when the present expansion is completed, the town's population is expected to be around 20,000.

Already a dairy products plant, a welding gas manufacturer, cement-block plant and more than 100 small private businesses are being established in Kitimat.

The townsfolk confidently predict that other major industries will be attracted here by the power, pulpwood and other resources. Studies are being made in the area for the Kitimat Pulp & Paper Co., envisaged as a joint venture of Alcan's parent company, Aluminium, Ltd., and the Power River Co., large newsprint producer.

"We'll make all the electrical power available here that any new industry wants," says McNelly DuBose, vice president in charge of the British Columbia project. "All we need is a little advance notice so we can tap some more of our enormous hydroelectric potential."

He believes Kitimat would be ideal for a large chlorine plant to serve the Northwest's flourishing paper industry.

Kitimat's electricity is generated at Kemano, a settlement of about 700 persons, 50 miles to the south in a narrow fiord overshadowed by precipitous snowy peaks. The gleaming modern powerhouse is inside a chamber blasted from solid rock deep within a mountain and safe from landslides and aerial attack.

The huge cavern, big enough to contain the liner *Queen Mary*, has 3 turbine generators installed now, with a capacity of 450,000 horsepower. Workmen are preparing foundations for two more to keep pace with the smelter expansion. There is room for 8 altogether, to raise capacity to 1,120,000 horsepower.

Water to drive the turbines drops 16 times the height of Niagara Falls, through a penstock bored into the mountain and connecting with a huge 10-mile-long tunnel from Tahtsa Lake to the east. This lake is only 1 of a dozen making up a 140-mile long reservoir created by plugging the eastern outlet of a vast natural drainage area with a dam on the Nechako River.

The water has been rising against this dam since it was completed late in 1952—and not until 1957 will the reservoir be full.

SWEDES' DAY

Mr. THYE. Mr. President, I ask unanimous consent that I may proceed for 4 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Minnesota may proceed.

Mr. THYE. Mr. President, two celebrations, related but separated by more than 5,000 miles of land and water, took place within the past few days. One was in Sweden, the other in Minnesota. On Friday, June 24, the people of Sweden put aside for awhile their daily cares to observe the holiday known as Midsummer Eve.

It is only appropriate that the following Sunday, June 26, is Svenskarnas Dag, or Swedes' Day, in Minnesota.

I am sorry that I could not be in Minneapolis for the celebration of Svenskarnas Dag this year. I have been present many times over the years, and each occasion has been a source of inspiration, a powerful reminder of important past events and a cause for renewed faith in the future of our country.

The roots of these celebrations go back for a thousand years or more. The thriving, modern civilizations of Minnesota and of Sweden have been wrought out of adversity by diligence and faith. For centuries the people of Sweden coped with difficult conditions, the poor soil of parts of the country, the harsh climate of long dark winters and brief bright summers, long distances and isolation, the years of war and the years of famine. But even in these bygone days, under the worst of circumstances, the people of Sweden never accepted the yoke of the oppressor, from within or without. For more than 500 years, without a break, the ordinary people have had a real voice in their government.

Now, as in years past, as the people of Sweden celebrated Midsummer Eve they rejoiced in much more than the warmth and brightness of the summer. Again this year they celebrated as well their freedom, their enlightened democratic way of life, their resolute preparedness to defend that way of life in a troubled age, and their 150-year-old record of peace. And as they gathered in the bright, sunny evening of Midsummer Eve under the blue and yellow flag, many of them were thinking of brothers and sisters, children and grandchildren, cousins and uncles and aunts who look up to the Stars and Stripes.

The contribution of more than a million Swedish immigrants to the United States over the last 100 years, particularly in Minnesota, the Midwest generally, and the West, is a well known and inspiring chapter of American history. It is only 7 years since we commemorated the centennial of the arrival of the first Swedes in Minnesota. Today, more than a quarter of the people there trace their origins to Sweden. Doctors, lawyers, farmers, businessmen, builders, legislators, governors, educators, authors, musicians—they have succeeded in all walks of life. Together with the stream of settlers from all corners of the globe they helped transform Minnesota from a wilderness to a populous, vigorous, prosperous State in less than a hundred years.

The early contributions of the Swedish people to the building of America, going back as they do for more than 300 years, are perhaps of equal importance. Although the great wave of immigration did not begin until about 1850, the first handful of colonists from Sweden had landed in Delaware in 1638, more than 200 years earlier. I believe it is notable that the very first book prepared for this struggling little colony was a religious volume, a translation of Luther's Catechism from Swedish into the language of the Algonquin Indians. This same deep Christian spirit characterized the latecomers as well as the early comers, and

it is a vital part of the daily lives of the people of Minnesota today.

During the Revolutionary War the ideals of freedom and justice proclaimed by the American colonists set off a kindred spark among the Swedes. Many of them volunteered for service in the American cause, and participated as part of the forces of our French allies. The historical records clearly show that at least 70 Swedish officers distinguished themselves in behalf of the United States in the Revolutionary War, and that at least one of them was decorated by George Washington himself.

Two descendents of Swedish colonists also distinguished themselves in this early struggle for freedom. One was John Hanson, a signer of the Declaration of Independence, and for a time President of the Confederation. The other was John Morton, a member of the Pennsylvania delegation which approved the Declaration.

It is also worth remembering that Sweden was the first country not engaged in the Revolutionary War to recognize the struggling young United States of America as a free, equal, and independent Nation. This was done in a Treaty of Amity and Commerce signed in Paris in April of 1783.

I am proud of the Swedes of Minnesota and I know, from conversations with the people of Sweden, that they take great pride in the achievements of their countrymen in the United States. From generation to generation, they have carried a spirit of freedom and independence that has never wavered. In Sweden today, this spirit keeps a small nation a bright outpost of liberty, progress, and independence almost in the shadow of the Iron Curtain. In Minnesota, on Swedes' Day, we salute this spirit and we recognize again the magnificent contribution of the people of Swedish descent to the making of the United States of America.

SUPPORT PRICE FOR CERTAIN SEGMENTS OF THE MINING INDUSTRY

Mr. WILLIAMS. Mr. President, I ask unanimous consent to proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Delaware may proceed.

Mr. WILLIAMS. Mr. President, I call to the attention of the Senate a bill now on the Senate Calendar, Calendar No. 363—S. 922—to amend the Domestic Minerals Program Extension Act of 1953 in order to further extend the program to encourage the discovery, development, and production of certain domestic minerals. In my opinion this bill represents one of the boldest raids on the Federal Treasury that has been proposed in recent years.

This bill proposes to furnish a very profitable support price for certain segments of the mining industry at a tremendous cost to the American taxpayers of approximately three-fourths billion dollars.

Furthermore, Mr. Arthur S. Flemming, speaking as the Director of the Office of Defense Mobilization, flatly states that there is no justification in the name of national defense for the enactment of S. 922.

This bill, if enacted into law, will commit the United States Government for the next 12 years to purchase the entire production of several mentioned minerals at a specified price, which price is far above the prevailing domestic or world market.

To make the proposal even worse, the bill carries an escalator clause suggesting that these prices in the future can be raised but under no circumstances can they be lowered.

The bill was reported by the committee without any public hearings and without the benefit of the opinion of any Government agency involved, yet at the same time it is recommended to the Senate as being needed as a national-defense measure.

I requested Mr. Arthur S. Flemming, Director, Office of Defense Mobilization, that he express the opinion of his agency as to whether or not the measure is needed to carry out our stockpiling program. At the same time I asked him for an estimate of the cost to the Federal Treasury.

In Mr. Flemming's reply dated June 23, 1955, he stated:

> There would be no justification in the name of national defense for either extending or enlarging these programs in the manner proposed by S. 922.

Continuing, Mr. Flemming said:

> Should it be found necessary for national defense purposes to undertake further measures to bring about increased production of any or all of these materials, the authority already provided by the Congress through the Defense Production Act of 1950, as amended, is wholly adequate for the purpose.

His letter concluded with the flat statement that they did not recommend the enactment of S. 922. He accompanied that adverse report with an estimate which had been compiled by the General Services Administration showing the long-range cost to the American taxpayers, should S. 922 be enacted, as being approximately three-fourths billion dollars.

I ask unanimous consent that this adverse report signed by Mr. Arthur S. Flemming, Director, Office of Defense Mobilization, be incorporated in the RECORD at this point, followed by the estimate of the cost as compiled by the General Services Administration.

There being no objection, the report and estimate of cost were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., June 23, 1955.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: This replies to your request of June 20, 1955 for our comments on S. 922. There is attached hereto a schedule prepared by the General Services Administration which shows the cost of extending the Domestic Minerals Program Extension Act as proposed by S. 922. Referring to the columns under the heading "12 years," the first column shows the gross transactions—the total estimated prices which the Government will pay for each of the minerals covered by the proposed legislation. The second column shows the estimated loss on each program based on the prices paid as contrasted with current market prices.

The purpose of S. 922 is to amend the Domestic Minerals Program Extension Act of 1953. The latter extended the period within which the Government would purchase at substantial premium prices the amounts of various domestically produced metals and minerals called for by certain expansion programs originally initiated under the Defense Production Act of 1950, as amended. The Government authorized these programs shortly after the start of the Korean war as a hedge against the possibility that all-out war might come sometime in 1951 or 1952. In these circumstances these domestic materials would have been used to meet defense and industrial needs of the Nation. Some, such as manganese, would have required extensive and costly beneficiation.

The proposed legislation would not only again extend delivery period of such programs up to 12 years but would also remove all limitations on the amounts of such materials which the Government would be required to purchase.

In general, the United States supply position for these metals and minerals has so improved that there would be no justification in the name of national defense for either extending or enlarging these programs in the manner proposed by S. 922.

Should it be found necessary for national defense purposes to undertake further measures to bring about increased production of any or all of these materials, the authority already provided by the Congress through the Defense Production Act of 1950, as amended, is wholly adequate for the purpose.

In view of the foregoing, we do not recommend enactment of S. 922.

Sincerely yours,

ARTHUR S. FLEMMING,
Director.

General Services Administration—Estimated cost of domestic purchase regulations—Increased cost for 12-year extension of purchase regulation

[In thousands of dollars]

Commodity	1 year		12 years	
	Gross cost	Estimated loss	Gross cost	Estimated loss
Asbestos	706	214	8,472	2,563
Beryl	280	67	3,360	806
Columbium-tantalum	69	69	828	828
Manganese:				
Butte-Phillipsburg	3,780	2,870	45,360	34,440
Deming	5,940	4,510	71,280	54,120
Wenden	13,500	10,250	162,000	123,000
Domestic small producers	5,280	3,850	63,360	46,200
Mica	3,720	2,520	44,640	30,240
Tungsten	75,600	39,600	907,200	475,200
Total DPA	108,875	63,950	1,306,500	767,397
Chrome	[1] 2,885		[1] 34,615	
Grand total	111,760	63,950	1,341,115	767,397

[1] Expenditures under Public Law 520.

Mr. WILLIAMS. Mr. President, I am sending a copy of Mr. Flemming's adverse report, along with the estimate of cost to which I have referred to each Member of the Senate.

This bill, which was not accompanied by the usual reports of the agencies affected and which obviously represents a three-quarter-billion-dollar raid on the Federal Treasury, should be stricken from the Senate Calendar and referred back to the committee. Should it not be voluntarily withdrawn, at the appropriate time I shall move to recommit the bill.

THE EXCHANGE-OF-PERSONS PROGRAM

Mr. MUNDT. Mr. President, I have taken occasion before to call to the attention of the Senate the progress which we are making in the direction of a peaceful world through the exchange-of-persons program.

The reports of good will which has been generated around the world because people from other countries have come to our shores, and our people have, in return, been sent abroad, are encouraging and astounding. It appears that there is no substitute for eyewitness reports when we want to dispel rumors, erase faulty images, and disclose lies which enemy propagandists plant in the minds of citizens in other countries in an effort to minimize the importance of the United States.

A number of Senators have been active in promoting the idea of a stronger exchange-of-persons program. Our able Vice President, RICHARD NIXON, has repeatedly urged that the program be accelerated. Our Ambassadors endorse it most heartily. Newsmen have reported that exchange programs are our best weapons against Communist propaganda.

When a program is this successful, it naturally happens that other agencies of government, in an effort to strengthen their own position, look with covetous eyes at it, hoping to annex some of the functions of the program. This has happened and is happening with the exchange-of-persons program. I think that is a tribute to the effective use to which the Department of State has put the program in bettering our position in world affairs.

I pay tribute to our Secretary of State, John Foster Dulles, for his awareness of the importance of this program, and for keeping it an active arm of his Department.

The exchange-of-persons program, which brings foreign leaders, newsmen, students, teachers, technicians, and many others to our shores, is a program whose benefits will last over the years. It develops a friendly tie on a person-to-person level that cannot be severed by distortion or lies. One visitor told me that before he came to America he felt that all of us here were, in his words, "either millionaires or crooks, or both," and he said that after traveling around the country this idea was dispelled totally. He is an important molder of opinion in his own country, and we were wise to have had him here to see for himself what kind of people make up America.

We must ever increase the prestige of this activity. We must not let it be identified as a propaganda machine so that exchanges are made here, as in the Soviet, with the idea that we should propagandize, spy, engage in subversive activities, or promote political ideologies. We must take care that no changes are made which will remotely give our exchange program that character either in the minds of our own people or in the minds of the people of foreign countries.

We must view this as a forward-looking, longtime operation, and take care that it does not become identified with short-term programs which may change the purpose or uproot the ideas behind these exchanges. I have resisted, and I shall continue to resist, any efforts, anywhere, which will curb or basically change the initial plan for carrying out the purposes of the laws passed in Congress to implement this program.

At this point, Mr. President, I submit for the RECORD an editorial from the Christian Science Monitor for June 13, 1955, entitled "Grassroots Peacemaking," which sets out clearly the benefits of the exchange-of-persons program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GRASSROOTS PEACEMAKING

Americans as individuals are strong on neighborliness. They are quick to make friends with people from other countries, happy to welcome them into their homes, eager to introduced visitors to the best features of American life. Increasingly, too, they have become a nation of travelers, keen to learn how other peoples live and work, no less keen to have America's aims and ideals understood abroad. But these attitures are not always reflected fully in Washington.

Usually neighborliness makes for mutual appreciation. But hasty travel—especially under some conditions—can also create a sense of strangeness which is often akin to distaste. The more solid foundation of understanding—on which diplomats can build peace—often requires fuller acquaintance. This is especially fostered by the longer visits or continuing correspondence of students, business and professional men, soldiers, and artists who find common interests that bridge national borders.

So especially useful are exchanges of students and educators that several public and private plans have been set up to foster them. The Fulbright Act and the Mundt-Smith Act provide particularly valuable machinery for this program. Since 1948 about 15,000 Fulbright scholars have gone abroad to study or come from 30 countries to the United States. Part of the expense has been met by sale of surplus property left overseas at the end of the war, certain colleges have granted scholarships, and some students have received aid under the Mundt-Smith Act.

Last year under all the programs reported on by the State Department there were more than 7,000 exchanges, roughly two-thirds being students coming to the United States from 76 countries.

Measuring the results is difficult, for they are so largely found in the broadening of mental horizons and the development of understanding. But tangible fruitage also is beginning to appear. In the Philippines is a school modeled after Berea College—founded by a Filipino girl who "discovered Kentucky." Top-flight American nuclear experts are going out to atom-hungry nations to explain peaceful uses. Many other examples of concrete gains are now coming to light.

This year President Eisenhower asked Congress for $22 million to provide for the international educational program. The House of Representatives cut it in half. Happily, the Senate Appropriations Committee has restored the cuts. But the appropriation still has to pass the Senate and then survive compromises in a conference committee. Improvements may be needed in the handling of the program. We cannot assume that merely bringing students to the United States is going to work wonders—sometimes they have serious adjustments to make during their stay and again in finding a suitable place in their own country's life. But chopping the program down will not improve it.

Certainly a Congress which is concerned about the spread of communism should not cripple a most effective weapon against communism. By comparison with Moscow's efforts the American program is small. The Soviet is sparing neither time nor money in drawing students from abroad; one non-Communist Asian country alone is sending thousands. There are many countries whose future leaders will study either in Russia or the United States. In the basic world struggle of ideas it can easily happen that less money than would build a bomber can win a strategic nation's friendship.

The essential neighborliness of the American people should be expressed in more active support of a program which cultivates much more needed grassroots friendships. These are not only a defense against communism but essential foundations for peace.

The PRESIDING OFFICER. Morning business is closed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ACQUIREMENT OF CERTAIN RIGHTS-OF-WAY AND TIMBER ACCESS ROADS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1464) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads, which was, to strike out all after the enacting clause and insert:

That the Secretary of the Interior may acquire rights-of-way and existing connecting roads adjacent to public lands whenever he determines that such acquisition is needed to provide a suitable and adequate system of timber access roads to public lands under his jurisdiction.

SEC. 2. For the purpose of this act, the term "public lands" includes the Revested Oregon and California Railroad and the Reconveyed Coos Bay Wagon Road Grant Lands in Oregon.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate disagree to the House amendment and request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. LONG,

Mr. ANDERSON, Mr. NEUBERGER, Mr. MALONE, and Mr. DWORSHAK conferees on the part of the Senate.

CALL OF THE CALENDAR

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. I believe the unanimous-consent agreement for the call of the calendar provided for the consideration of bills unobjected to; therefore, is my understanding correct that the Senate will proceed beginning with Calendar No. 589?

The PRESIDING OFFICER. The Senator is correct.

Pursuant to the order entered last Friday, the Senate will now proceed with the call of the calendar of bills and resolutions to which there is no objection. The clerk will state the first measure in order on the calendar.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 42) favoring the suspension of deportation in the case of certain aliens was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-5981713, Dickel, Jr., Wlater.
E-078565, Fontes, Sebastiano De.
A-2553452, Garcia, Nicolas.
E-47368, Gasca-Sardina, Juan.
E-069249, Lozano, Jose Pascual.
A-5845821, Maniscalco, Giuseppe.
E-16323, Mercadante, Rocco.
E-069259, Sweedler, Hilda.
A-2266360, Triana-Aguilar, Lucas.
A-1116968, Watchinsky, Samuel.
A-1552531, Lopez-Chavez, Juan.
E-057379, Manouskos, James George.
E-89257, Ciaccia, Catello Charles.
E-069558, Lucio-Leon, Felipe.
A-5988306, Rudy, George.
E-078638, Capozzi, Francesco.
E-069474, Castaneda, Juana Ponce-Rosales de.
A-1894829, Slojkowski, John Anthony.
E-057816, Solano, Ramon.
E-077119, Garcia, Antonio Menendez.
A-4595749, Jakubiak, Frank Anthony.
A-2236659, Jarger, Jr., George.
A-4608159, Maniscalco, Samuel.
E-054983, Mayo, Walter John.
E-058681, Ortiz-Gonzalez, Faustino.
A-4747607, Schmidt, Karl.
A-5149973, Schmitt, Joseph Otto.
A-4793952, Wagner, Sam.
A-3167418, Dippner, Hermann.
A-2744439, Kuprashewithz, Wladimir.
A-1168565, Silverio, Caroline Lucca Di Pietro.
A-4100237, Woislaw, Stanislaw.
A-3939724, Woislaw, Felikcia Anna.
A-5624707, Yen, Lok.
A-2590255, Bakovich, Nick.
E-053681, Barlow, Enid.
1200-43511, Chadwick, Ann Betancourt.
A-1339656, Doolittle, Immacolatina.
A-1437231, Mark, Zef.
E-076774, Porcello, Vincenzo.
A-4777524, Ramirez-Medel, Anastacio.
E-47358, Salazar-Aguilar, Jesse Robert.
E-89260, Shaw, Norman Howard.
A-1109526, Stephens, George Saunders.
A-5932871, Torowis, Jurko.
A-1644860, Wengorowski, Ignatz.
A-5914114, Wolck, Vladimir.
A-5844626, Firetto, Paolo.
A-4948601, Schmidt, Frederick .
A-1153640, Woishnis, Frances Victoria.
A-5339974, Bostrom, Iver August.
E-075816, Castro, Stephen.
A-3322617, Cromie, Thomas Wilfred.
E-076879, Dujuambi, Monte Alfonso Carmett.
A-4167829, Garbus, Abraham.
T-2682534, Mercier, Lucien Treffle.
A-5969128, Michelson, Robert.
A-3231388, Morgan, Charlotte.
A-3900018, Vicklund, Knut Oskar.
A-5753722, Lupino, Louis.
A-5849321, Rostowsky, Frances Catherine (nee Vaiciunas).
A-1595525, Sevagian, Avedis.
A-1604070, Bosky, Paul Adam.
A-2452366, Bungard, Leonard Joseph.
E-47592, Martinez-Luna Hipolito.
A-1631944, Psaros, Speros.
A-3972039, Walker, Gerardo Verdugo.
A-2146407, Wineman, Sam.
E-131755, Wolfson, Abe Bernard.
A-2176896, Wood, James Achibald.
A-4348492, Badalmenti, Dominick.
A-3814987, Caldera-Roldan, Joaquin.
A-2303530, Fryza, George.
A-3554030, Gaytan-Ybarra, Angel.
A-4945116, Grossman, Carmelina.
A-3043634, Duchin, Abraham.
A-2544643, Lande, Ove John.
A-1745616, Litwak, Jake.
A-3042362, Luteron, Illes.
A-5024257, Odder, Toufic.
A-5541581, Russell, Rose Agnes.
A-3774200, Weinstein, Catherine.
A-3433019, Weissman, Hyman.
A-4038929, Culotta, Vincent.
A-4091431, Franicevich, Frank Marija.
A-3243585, Wasserman, Aron Harry.
A-4961731, Wiersch, Rose.
A-8280922, Bartnik, Andrew.
A-4402553, Calish, Ben.
A-8447000, Camiolo, Cristoforo.
A-4749433, Cooper, Benjamin.
A-2608947, Davitto, Barnardo Vercoglio.
A-7361922, Dobrovich, John.
E-080681, Galdikas, Anthony Constance.
A-4819163, Goldberg, Joseph Benjamin.
A-545825, Goldenberg, Scoocher.
A-1738912T, Greenfield, Philip.
A-1165031, Harishuk, James Frederick.
A-1953490, Jacob, Leo Carl.
A-1224861, Kubis, John Joseph.
A-5571019, Maciejewski, Fioryian.
A-4088212, Maloff, Carl.
A-1038887, Mordos, Aniela.
A-3773694, Nockowitz, Charles.
E-078680, Paukstys, Vincent.
1415-3776, Paz-Lucio, Isaac De La.
A-2256143, Rojas-Guzman, Pedro.
A-3607468, Schwarz, John.
0402/8161, Smith, Walter.
A-3130901, Telles-Mejia, Tomas.
A-1011263, Valdez, Patricio.
A-5634530, Vito, Liborio.
A-5160088, Zech, John.
A-2390285, Zielinski, Frank.
T-303059, Bartolini, Alberto.
8511-A-1274, Caramanlau, Gheorghe.
E-053084, Cepeda-Teran, Aurelio.
A-3042474, Chaykowski, Michael.
A-1427387, Chervinski, Charles.
E-89265, Chillemi, Giovanni.
A-5934786, Cimino, Jean.
0800-106472, Cobos, Tomas.
A-1459543, Cowart, Harry Fuller.
E-069328, Dem, Louise.
A-2888771, Drewnowski, Czeslaw.
A-1847251, Elber, Isadore.
A-5524604, Feldman, Pal.
A-4724104, Ferro, Pete.
A-2174885, Figiolia, Louis Jack.
A-3740609, Grado, Luigi Di.
A-4705290, Gutstein, Albert.
A-5343594, Holody, Martin.
A-2194350, Honkamaa, Charles.
A-3155214, Irla, Anthony Stanley.
A-3237162, Kalinovik, Alexander Paul.
A-1028748, Kaplan, Abraham.
A-2518778, Kashigian, Artin.
A-5918920, Kauth, Kurt Max.
A-3132325, Knowles, Ann Eirwen.
A-7858221, Kryczka, John.
A-5402770, Lamars, Pete.
A-3623367, Latarski, Sigmund.
A-4963675, Lukac, John.
A-2941249, Maneniskis, Joseph.
A-5151675, Matheson, Wilfred Laurier (William Matheson).
A-3017074, Medoway, Sam.
E-070997, Novak, Bela.
A-5720885, Nowak, John.
A-3818026, Ostrasheiski, Constantine.
E-083290, Pong, Soon.
A-8116357, Reed, John David.
A-4755643, Richter, Walter.
A-5753580, Rocco, Louis.
A-2671145, Rucienski, Aleksander.
2770-P-142631, Sandler, Josel David.
A-1853190, Sandor, Victor.
E-086512, Schwar, Klara.
0800-84629, Simon, Aurif.
A-586231, Slater, Frank.
E-47365, Sosa-Paz, Luz.
A-1840646, Torres, Jose Buenaventura.
A-1815668, Tuchet, Frank.
A-4967148, Walonce, Stanley Francis.
A-2935138, Wilkas, Julius.
A-1704536, Ziegenhirt, Joseph Francisco.
A-3122325, Forsbacka, Johannes Alfred.
A-5967839, Hovanec, John.
A-1985254, Jurlin, Daniel D.
A-7485159, Keefe, Everett Vernon.
E-057815, Moreno-Aguilar, Conrado.
A-4727339, Proch, John Alexander.

HAVA SHPAK, A. A. SHPAK, AND SYMPCHA SHPAK— BILL RECOMMITTED

The bill (S. 332) for the relief of Hava Shpak, A. A. Shpak, and Sympcha Shpak was announced as next in order.

Mr. KILGORE. Mr. President, as a result of action taken by the Committee on the Judiciary this morning, I ask unanimous consent that Calendar No. 590, Senate bill 332, be recommitted to the Committee on the Judiciary for further study.

The PRESIDING OFFICER. Without objection, the bill is recommitted to the Committee on the Judiciary.

KI YOUNG KWAN

The bill (S. 501) for the relief of Ki Young Kwan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ki Young Kwan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

EDMUND LOWE AND RICHARD LOWE

The bill (S. 578) for the relief of Edmund Lowe and Richard Lowe was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act,

Edmund Lowe and Richard Lowe shall be held and considered to be the minor children of their mother, Mrs. Sam Lee Jue, a citizen of the United States.

DOMINIC GAETANO MORIN

The bill (S. 871) for the relief of Dominic Gaetano Morin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dominic Gaetano Morin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ESTABLISHMENT OF COMMON BOUNDARY OF STATES OF MARYLAND AND DELAWARE—BILL PASSED OVER

The bill (S. 987) to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to establish their common boundary, was announced as next in order.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the bill go over to the next call of the calendar.

The PRESIDING OFFICER. Without objection, the bill will be passed over to the next call of the calendar.

PAUL Y. LOONG

The bill (H. R. 880) for the relief of Paul Y. Loong was considered, ordered to a third reading, read the third time, and passed.

MRS. MARION JOSEPHINE MONNELL

The bill (H. R. 935) for the relief of Mrs. Marion Josephine Monnell was considered, ordered to a third reading, read the third time, and passed.

LUZIE BIONDO (LUZIE M. SCHMIDT)

The bill (H. R. 943) for the relief of Luzie Biondo (Luzie M. Schmidt) was considered, ordered to a third reading, read the third time, and passed.

MAX KOZLOWSKI

The bill (H. R. 968) for the relief of Max Kozlowski was considered, ordered to a third reading, read the third time, and passed.

MRS. ELIZABETH DOWDS

The bill (H. R. 973) for the relief of Mrs. Elizabeth Dowds was considered, ordered to a third reading, read the third time, and passed.

MRS. ELLEN HILLIER

The bill (H. R. 977) for the relief of Mrs. Ellen Hillier was considered, ordered to a third reading, read the third time, and passed.

SUSANNE FELLNER

The bill (H. R. 988) for the relief of Susanne Fellner was considered, ordered to a third reading, read the third time, and passed.

FRIEDA QUIRING AND TINA QUIRING

The bill (H. R. 995) for the relief of Frieda Quiring and Tina Quiring was considered, ordered to a third reading, read the third time, and passed.

IRMGARD EMILIE KREPPS

The bill (H. R. 997) for the relief of Irmgard Emilie Krepps was considered, ordered to a third reading, read the third time, and passed.

MEIKO SHIKIBU

The bill (H. R. 998) for the relief of Meiko Shikibu was considered, ordered to a third reading, read the third time, and passed.

MELINA BONTON

The bill (H. R. 1028) for the relief of Melina Bonton was considered, ordered to a third reading, read the third time, and passed.

ARMENOUHI ASSADOUR ARTINIAN

The bill (H. R. 1047) for the relief of Armenouhi Assadour Artinian was considered, ordered to a third reading, read the third time, and passed.

ROBERT SHEN-YEN HOU-MING LIEU

The bill (H. R. 1083) for the relief of Robert Shen-Yen Hou-ming Lieu was considered, ordered to a third reading, read the third time, and passed.

MILAD S. ISAAC

The bill (H. R. 1157) for the relief of Milad S. Isaac was considered, ordered to a third reading, read the third time, and passed.

EMANUEL FRANGESKOS

The bill (H. R. 1158) for the helief of Emanuel Frangeskos was considered, ordered to a third reading, read the third time, and passed.

CYNTHIA JACOB

The bill (H. R. 1205) for the relief of Cynthia Jacob was considered, ordered to a third reading, read the third time, and passed.

MISS TOSHIKO HOZAKA AND HER CHILD, ROGER

The bill (H. R. 1299) for the relief of Miss Toshiko Hozaka and her child, Roger, was considered, ordered to a third reading, read the third time, and passed.

LUTHER ROSE

The bill (H. R. 1300) for the relief of Luther Rose was considered, ordered to a third reading, read the third time, and passed.

VICTORINE MAY DONALDSON

The bill (H. R. 1337) for the relief of Victorine May Donaldson was considered, ordered to a third reading, read the third time, and passed.

JOHN J. BRAUND

The bill (H. R. 4549) for the relief of John J. Braund, was announced as next in order.

Mr. HRUSKA. Mr. President, in connection with Calendar No. 616, H. R. 4549, it is suggested that the discrepancy between "$1,500," which appears on the calendar and the "$15,000" which appears in the bill should be noted and corrected.

The PRESIDING OFFICER. Without objection, the bill will be printed in the RECORD with the amount as contained in the bill rather than with the amount as shown on the calendar.

The bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John J. Braund, Washington, D. C., the sum of $15,000, representing the amount reported by the Court of Claims to the Congress in response to House Resolution 700, 82d Congress (Congressional No. 9–52, order entered February 8, 1955), to be the amount agreed to by the United States and the said John J. Braund as constituting a full settlement of all past and future claims of the said John J. Braund against the United States with respect to patent No. 2,493,439, issued January 3, 1950, as well as to any inventions disclosed thereunder, and all other claims within the scope of H. R. 4507, 82d Congress: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF MEADOW SCHOOL DISTRICT NO. 29, UPHAM, N. DAK.

The Senate proceeded to consider the bill (S. 288) to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within the school district by the Department of the Interior, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 7, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Meadow School District No. 29, Upham, N. Dak., the sum

of $5,197.56 in full satisfaction of such school district's claim against the United States for reimbursement of loss of revenue resulting from the acquisition by the United States Department of the Interior of approximately 30 percent of the lands within such school district for a wildlife refuge, such amount representing the equitable share of such school district's bonded indebtedness remaining due against such lands acquired by the Department of the Interior at the time of such acquisition: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILMA ANN SCHILLING AND HER DAUGHTER, INGERTRAUD ROSALITA SCHILLING

The Senate proceeded to consider the bill (S. 1159) for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Wilma Ann Schilling, the fiancée of Everett B. Felton, a citizen of the United States, and her minor child, Ingertraud Rosalita Schilling, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided,* That the administrative authorities find that the said Wilma Ann Schilling is coming to the United States with a bona fide intention of being married to the said Everett B. Felton, and that she is found otherwise admissible under all of the provisions of the Immigration and Nationality Act, other than section 212 (a) (9) of the said act: *Provided further,* That this exemption shal' apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling, as of the date of the payment by them of the required visa fees.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LIESELOTTE BRODZINSKI GETTMAN

The Senate proceeded to consider the bill (S. 1522) for the relief of Lieselotte Brodzinski Gettman, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, notwithstanding the provisions of paragraphs (9) and (12) of section 212 (a) of the Immigration and Nationality Act, Lieselotte Brodzinski Gettman may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RAYMOND GEORGE PALMER

The Senate proceeded to consider the bill (H. R. 3359) for the relief of Raymond George Palmer, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 6, after the word "except", to strike out "medical expenses shall" and insert "hospital and medical expense actually incurred shall."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER

The bill (S. 1644) to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes, was announced as next in order.

Mr. JOHNSON of Texas. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 609) to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States of special nuclear material and atomic weapons, was announced as next in order.

Mr. ERVIN. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 636) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, was announced as next in order.

Mr. ERVIN. Over.

The PRESIDING OFFICER. The bill will be passed over.

This completes the call of the calendar.

COMMISSION ON GOVERNMENT SECURITY

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 586, Senate Joint Resolution 21, to establish a Commission on Government Security.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 21) to establish a Commission on Government Security.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 21) which had been reported from the Committee on Government Operations with amendments.

Mr. HUMPHREY. Mr. President, the junior Senator from Montana [Mr. MANSFIELD] wishes to make a brief statement which does not apply to the joint resolution under consideration.

Mr. KNOWLAND. Did the Senator from Minnesota intend to suggest the absence of a quorum?

Mr. HUMPHREY. I shall do so after the Senator from Montana has made a brief statement.

Mr. President, I ask unanimous consent that I may yield to the junior Senator from Montana for the purpose of permitting him to make a brief statement, without losing my right to the floor, before the Senate proceeds with the consideration of Senate Joint Resolution 21.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Without objection, it is so ordered.

COMMUNIST ACTIVITIES IN LAOS

Mr. MANSFIELD. Mr. President, the Kingdom of Laos can hardly hope to compete for world attention with Big Four conferences and other major international developments. Nevertheless, what happens to the kingdom, 1 of the 3 successor states in Indochina, ought not to be overlooked. To its million and a half inhabitants and to the nations of southeast Asia which borders on Laos, developments in that country are of the utmost importance. I take this occasion, therefore, to point out the serious situation which now exists in that remote land, which borders on Communist China and on Communist Vietnam. In the extreme northern part of that wedge are two provinces of great significance at this time in the history of the Far East.

Before the Geneva agreement last year, Laos was invaded several times by the Viet Minh Communists from northern Vietnam. In addition, a small band of Communist-inspired dissidents numbering not more than several hundred men, called the Pathet Lao, was attempting to overthrow the Government.

Under the terms of the Geneva agreement, the Viet Minh Communists agreed to withdraw entirely from Laos, and the Pathet Lao were to regroup and concentrate in the two northern Provinces of Phong Saly and Sam Neua.

In a report to the Committee on Foreign Relations after my return from Laos las year, I noted that:

The Laotian dissidents in the northern provinces are interpreting the Geneva accord to mean that they may exercise full powers in Phong Saly and Sam Neua. Compulsory political indoctrination is being enforced in the villages which they control. Young men

from all over Laos are being brought to the provinces for training and some are being sent to north Vietnam for the same purposes.

As a result, the Pathet Lao have increased in number from several hundred to several thousand, and they have refused to permit the Government to restore its authority over the two northern provinces. They have attacked Government army contingents which have attempted to penetrate Phong Saly and Sam Neua.

All reports from Laos suggest that the Communists are acting in utter disregard of the Geneva armistice.

Mr. President, in recent days a startling development, with little or no publicity, has taken place in north Vietnam. Radio Hanoi, the voice of Ho Chi Minh, has been broadcasting information about the formation of an autonomous Thai-Meo zone in the northwestern sector of the Viet Minh territory. That, Mr. President, is the area in which these two provinces are located. In December 1954, Ho Chi Minh's council of ministers adopted a resolution to establish an autonomous state of Thai and Meo peoples. The fourth session of the National North Vietnamese Assembly held in March of this year, rubberstamped this an extremely important resolution. The Communists' decision was, of course, unanimous.

At the time of the Bandung Conference, Ho Chi Minh issued decree 230–SL, which formally set up the new autonomous area. At the time this decree was issued, it was also stated in an annex to it that the Thai zone would have the authority to organize its own militia, including guerrillas, and also the right to use the Thai language and script in its administrative territory. At approximately the same time Gen. Vo Ngyuen Giap, commander in chief of the Communist forces in North Vietnam, advised the people in a separate message "to push forward in the Thai-Meo zone with the building of a local army, guerrilla forces, and militia in order to protect the autonomous area, protect its frontiers, smash all enemy sabotaging maneuvers, and contribute a worthy part to the struggle for peace, unity, independence, and the democracy of all our people."

Following that statement, that exhortation by Gen. Vo Ngyuen Giap, the state-controlled press in North Vietnam got into the act and began an editorial campaign of warm welcome to the autonomous region.

The Communists agreed at Geneva to recognize the territorial integrity of the kingdom of Laos. The refusal of the Pathet Lao dissidents to permit the government authorities to reoccupy the northern provinces, however, has the effect of dividing the country into two states.

In the second place, the Viet Minh agreed to withdraw from Laos in 120 days. A year later, however, Viet Minh cadres are stationed with Pathet Lao units, and Viet Minh contingents are reported operating in the northern provinces of the kingdom.

Finally the Geneva agreement provides for a cessation of hostilities. Pathet Lao forces, in flagrant violation of this provision, however, have attacked government troops at Houei Thao, Muong Peun, and Nong Khang, and Pakha in Sam Neua Province.

There is an International Control Commission supervising the carrying out of the Geneva armistice in Indochina. It consists of representatives of India, Canada, and Poland. By unanimous vote, the Commission has recognized that the Geneva agreement affirms the territorial integrity of the kingdom of Laos and the government's right to administer the two northern provinces.

Yet this ruling continues to be ignored by the Viet Minh and the Laotian dissidents. When these violations of the Geneva armistice in Laos are added to those in Vietnam, where thousands of people have been prevented from quitting the Communist-held areas, serious doubt is cast upon the sincerity of Communist professions of peace in the Far East.

If we are going to have a worldwide relaxation in tensions, then even remote Laos must share in it. The Soviet Union is a guarantor of the Geneva accord. The Russians have the influence with the Communists in Indochina. They can remove one more cause of tensions by using that influence to end the defiance of the Geneva agreement in Laos.

I wish to thank sincerely the Senator from Minnesota for yielding to me at this time.

Mr. KNOWLAND. Mr. President, will the Senator yield to me before he yields the floor?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from California?

Mr. MANSFIELD. I am delighted to yield to the distinguished minority leader.

Mr. KNOWLAND. The distinguished Senator from Montana has done a distinct service in bringing this matter to the attention of the Senate. Last week I discussed the same subject with the State Department because I was concerned, as is the Senator from Montana, about this obvious disregard of the Geneva agreement. In view of the fact that the International Control Commission has apparently looked into the matter, and has taken the position that the attitude of the Laotian Government is correct, it seems to me there is a situation in the northernmost provinces not in keeping with either the letter or the spirit of the Geneva agreement. It would seem to me that if that situation is allowed to go unchallenged, pretty soon there will be a fait accompli, and as the Senator from Montana has pointed out, there will be two Laotian governments. While in fact there will not be quite the same kind of division which exists in Korea or in Vietnam, nevertheless practically the result will be an amputation of the two northernmost provinces.

If the Soviet Union is not prepared to honor its commitment under the Geneva agreement, then it seems to me we should know that now. We should know it prior to the Geneva meeting of the chiefs of state.

I think the situation is at least so fraught with danger to the peace of that area of the world that unless there is a very prompt compliance with the terms of the Geneva agreement, the whole matter ought to be called forthwith to the attention of the Geneva conference and the General Assembly of the United Nations, and it should be made plain what is taking place in the northern provinces of Laos is disturbing the condition of peace in the world; that there is an obvious disregard of the Geneva agreement; that the machinery of the Geneva agreement is apparently not working; and that if the situation is allowed to go unchallenged, the whole letter and spirit of that agreement may be vitiated.

Mr. MANSFIELD. What the distinguished minority leader has said is certainly entitled to the most serious consideration. I know he speaks from firsthand knowledge of the situation, because he visited Laos, and discussed conditions there with the highest officials and with people in that country. It is true that there is a similarity, and that there might occur in Vietnam itself such a division as happened in Korea, in Germany, and elsewhere. The difference is in degree, but the intent and the procedure are very plain for all to see. In the case of Laos, a country which probably is the most remote—and, by the way, it is a beautiful country, peopled by a very kindly, courageous, and lovely race—the situation should be brought to the attention of the great powers. Certainly the Soviet Union and the North Vietnamese, both of which are signatories to the Geneva Convention, should be required to live up to the articles of agreement they signed a year ago at Geneva. It should also, as the distinguished minority leader recommends, be brought before the United Nations for prompt and effective action.

It is my hope—and in this respect, I join the distinguished minority leader—that the Government of the United States will continue to exert every effort in behalf of the Laotian people. Our Government has been consistently doing its best in past months to lend every bit of assistance it can to help the Government of Laos and preserve its freedom and independence of action.

Furthermore, Mr. President, this situation, which indicates an attempt by Ho Chi-Minh and his cohorts to take over other parts of Laos, through an autonomous Thai-Laos state, should be watched very carefully, and the rights of these people should be upheld by every means possible.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 391. An act to provide for the bonding of certain officers and employees of the government of the District of Columbia, for the payment of the premiums on such bonds by the District of Columbia, and for other purposes; and

S. 666. An act to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4904) to extend the Renegotiation Act of 1951 for 2 years; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOPER, Mr. DINGELL, Mr. MILLS, Mr. JENKINS, and Mr. SIMPSON of Pennsylvania were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6239) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RABAUT, Mr. PASSMAN, Mr. NATCHER, Mr. CANNON, Mr. WILSON of Indiana, Mr. JAMES, and Mr. TABER were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes: agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PRESTON, Mr. THOMAS, Mr. ROONEY, Mr. YATES, Mr. SHELLEY, Mr. FLOOD, Mr. CANNON, Mr. CLEVENGER, Mr. BOW, Mr. HORAN, Mr. MILLER of Maryland, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public debt limit, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

H. R. 1142. An act for the relief of Capt. Moses M. Rudy;

H. R. 1825. An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center;

H. R. 3659. An act to increase criminal penalties under the Sherman Antitrust Act;

H. R. 4221. An act to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions;

H. R. 4954. An act to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes; and

H. R. 6499. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

HOUSE BILL REFERRED

The bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public debt limit, was read twice by its title and referred to the Committee on Finance.

COMMISSION ON GOVERNMENT SECURITY

The Senate resumed the consideration of the joint resolution (S. J. Res. 21) to establish a Commission on Government Security.

Mr. HUMPHREY. Mr. President, Senate Joint Resolution 21 calls for the establishment of a Commission on Government Security.

The passage of the joint resolution represents an indispensable first step in the direction of establishing a well-reasoned, effective, orderly, uniform, and consistent security program which reconciles the needs of security with the protection and preservation of basic American traditions, rights, and privileges. I am pleased and gratified that, to date, the legislative history of this joint resolution is one of unanimity and nonpartisanship.

Senate Joint Resolution 21 was introduced on January 18, 1955, by the distinguished junior Senator from Mississippi [Mr. STENNIS] and myself, after a great deal of careful study, consideration, and discussion with our colleagues. The joint resolution was intended to provide a basis for a comprehensive reexamination and reevaluation of the entire security mechanism of the United States Government. The resolution was referred to the Committee on Government Operations, and in turn was referred to the Subcommittee on Reorganization of that committee. In view of the illness of the distinguished junior Senator from Massachusetts [Mr. KENNEDY], who was chairman of the subcommittee, I served as acting subcommittee chairman, and arranged for a series of hearings which lasted about 2 weeks. The Senate is indeed fortunate in the composition of the subcommittee. In addition to those mentioned, the members were: The junior Senator from Missouri [Mr. SYMINGTON], the junior Senator from South Carolina [Mr. THURMOND], the senior Senator from Maine [Mrs. SMITH], the junior Senator from Iowa [Mr. MARTIN], and the junior Senator from New Hampshire [Mr. COTTON]. These Members gave many hours of their time to the task assigned by the Senate to them. The hearings were well attended by the members of the subcommittee. The questioning was, I believe, intelligent and perceptive; and the meetings we held following those hearings demonstrated the highest degree of patriotism and public service that it has been my privilege to experience. We looked upon our task, not as one of finding fault with the past, but as one of intelligently and constructively attempting to establish a path to the future, one which would contribute to the national security and national prestige of our country.

The need for internal security is a relatively new phenomenon for us. We became fully aware of the necessity for a stringent security program only when our Nation became aware of the imminent perils of Soviet imperialism and Soviet subversion. We were almost totally unprepared as a nation to deal with this dangerous enemy, which utilized fiendishly unique techniques of subversion and espionage to accomplish its purposes. Without experience and without the time to undertake an exhaustive study and definition of the perils we faced, we were forced to adopt stopgap security measures. The Congress enacted statutes and the President issued Executive orders and regulations in a series. The result was an uncoordinated conglomeration of laws, orders, regulations, and practices which do not add up to an effective, efficient, and sound security system. Our hearings demonstrated beyond any doubt an unfortunate state of confusion, overlapping, duplication, and loopholes in the overall security mechanism, as well as an unfortunate lack of confidence, expressed by an important segment of the public, in the security program and its administration. In my opinion, the present security mechanism is not affording our Nation as effective and efficient security protection as can be achieved.

It is important to an understanding of the anatomy of the security program that there be an appreciation of the extent to which the security mechanism permeates our society today. It is a well-known fact that some 2 million employees of the Federal Government are subject to a program for security investigation and clearance, and that similar programs exists for investigation and clearance of Americans employed by the United Nations. It is not as well known that at least an equal number of employees of Government contractors are subject to similar, or even identical, programs; and that under the Atomic Energy Act of 1954, many thousands of employees of private industries entering the atomic-energy industry as licensees, with no connection with national-defense programs, will also be subject to security investigation and clearance. In addition, several hundred thousand merchant seamen and waterfront workers are subject to security investigation and clearance, under the port-security program. Moreover, considering the problems of turnover in Government and industrial employment, it is apparent that additional millions of our citizens have been or will be subject to security risk standards. In addition, there has been an increasing tendency on the part of private employers to refrain from employing, even in positions without any relation to Government security requirements, individuals concerning whom a security question has been or may be raised.

It is important also for all of us to appreciate the dollar costs of our security programs. Complete statistics are not readily available, but the fragmentary data available reveal the magnitude of the costs. Since 1946 the Atomic Energy Commission alone had over half a million full background investigations conducted for it by the Civil Service Commission and by the Federal Bureau of Investigation. At the present time,

the costs of such investigations are $210 for each FBI investigation and $265 for each Civil Service Commission investigation. This means, taking the FBI figure alone, that over $100 million has been expended for personnel security investigations in the atomic-energy program alone, in the past 9 years. The Department of Defense has furnished information indicating that its costs for security investigations in 1954 for military, civilian, and contractor personnel amounted to almost $29 million. These costs do not reflect the other costs of security, such as salaries of personnel who administer the security programs, expenses of handling the substantial paperwork necessary in the program, and expenses of other trappings of the security mechanism, such as fences, guards, weapons, and so forth. It is apparent that all told the costs of security reach astronomical proportions.

It is imperative that a security mechanism of these dimensions and far-reaching implications, with life-or-death importance to our national defense, be operated as a matter of conscious, well-considered national policy, and not as a matter of haphazard or stopgap expedients.

Again, Mr. President, I desire to point out that our subcommittee found, from its investigation, that the development of the security program had been on a more or less touch-and-go basis, from one project to another, one rule to another, one act to another, without any overall coordination or study of the interrelationship of the many particular projects and programs of a security nature which had been launched.

The subcommittee's study of the overall security mechanism has brought to light a number of important problems or difficulties in the present system, which in themselves warrant and demand immediate and intensive study of the security structure by a high level, nonpartisan body which will command public confidence and respect. These problems and difficulties are, however, only illustrative examples, and do not represent a complete catalog of the aspects of the present mechanism which afford cause for concern:

First. There is under the present security mechanism a decided and unwisely uneven treatment to areas of like security importance. The degree of statutory protection does not depend necessarily on the actual security importance of the particular area to be protected, but more on the type of national secret and the particular department or agency involved. Thus the Atomic Energy Act protects atomic energy secrets with far more elaborate protection and restrictions than, let us say, apply to the protection of Defense Department national secrets which are just as sensitive. At the same time our hearings uncovered that in some cases atomic energy secrets have less than full statutory protection afforded other secrets. This multiplicity of statutory security standards does not seem justified, and I believe it is difficult to defend.

Second. There are today three separate and distinct espionage laws which duplicate and overlap one another and provide varying penalties for what is in essence the identical offense. Testimony before our subcommittee indicates that this duplication and overlapping may involve serious loopholes and difficulties in our overall national defenses against espionage. No witness before the subcommittee was able to justify the existence of three separate espionage laws or to explain why a uniform espionage law of universal applicability to all national secrets would not be preferable.

Third. There are multiple standards for security investigation and clearance of Government employees. Executive Order 10450 applies to all Government employees and to all agencies and departments. Nevertheless, a number of agencies and departments are subject to special statutory requirements for investigation and clearance which are at variance with those of the Executive order. Practically speaking, this frequently means duplicate investigations and security determinations under varying standards. These duplications are meaningless from the standpoint of effective security, and are in fact a waste of taxpayer funds.

Fourth. Considerable evidence was presented to our subcommittee demonstrating that security requirements have impeded the flow and interchange of information necessary for effective and efficient conduct of Government operations and for the maintenance of the national security. Up until the enactment of the Atomic Energy Act of 1954, it is clear that the unnecessarily cumbersome special security clearance requirements delayed the stockpiling of atomic weapons. Even with the passage of the 1954 act, however, there remains what has been characterized by the Department of Defense as a "dual system of security," which imposes "a formidable administrative burden." Furthermore, the 1954 act did not deal with identical problems involving other agencies and departments which are concerned with the implications of atomic energy. Evidence before our subcommittee indicated that our Nation's civil defense efforts have been hampered as a result of unnecessary duplication requirements and bad liaison developing out of those special requirements.

Fifth. It is clear that our present Government employees' security program needs a fresh look with specific reference to affording Government employees the maximum procedural opportunities and procedural rights consistent with the effective operation of a sound security program. This need is underlined by the recent Supreme Court decision in the Peters case. To answer that no person has a right to a Government job is not a realistic or satisfactory solution to the problem of establishing a standard of procedural rights for Government employees. An individual discharged as a security risk has thereby a substantial stigma attached to himself and to his family, and such a discharge affects his future employment opportunities. As a practical matter, an employee found to be a security risk in any position becomes disqualified for any Government position in any Government agency. He also finds many private firms refusing to employ him in nonsensitive positions. Indeed, there is reason to believe that some private employers are reluctant to employ individuals who have encountered long delays in obtaining clearance, even when there is no distinct indication that a question of security eligibility is involved. Furthermore, derogatory information developed in the course of an investigation will follow that individual wherever he seeks employment within the Government, and in large areas of the private economy regardless of whether the information is true or false, new, raw or refined, evaluated or unevaluated.

Sixth. Even in Government agencies and in departments whose security programs are based entirely upon Executive Order 10450, there are substantial variations in the administration of those programs. Evidence before our subcommittee and statistical data that was made available to us clearly demonstrated a lack of any pattern or correlation or uniformity or consistency of application of the security standards. Furthermore the subcommittee was unable, despite diligent effort, to obtain clear information as to who was responsible for coordinating the security program and how such coordination is really effected. It appears likely that there is in fact very little effective coordination.

Seventh. There is not only a lack of uniformity in the standards applied by the various agencies and departments under the security program; there is also a lack of uniformity with regard to procedural rights affecting applicants for employment, and probationary employees. The Atomic Energy Commission affords applicants and probationary employees precisely the same procedures for resolution of security questions as are available to its regular employees. The Department of the Air Force extends its procedures to all probationary employees, and occasionally to applicants. Our subcommittee was unable to find a satisfactory answer to the question of why other agencies and departments do not adopt similar procedures for handling the cases of applicants and probationary employees, especially in view of the impact of the security programs upon such persons. It may be that there are sound reasons for this lack of uniformity, but the problem does warrant an objective impartial analysis and appraisal in the light of security realities.

Eighth. Our subcommittee was aware of the fact that the problem of confrontation in personnel security is a difficult one, in view of the unquestionable necessity for protecting the FBI's methods and devices for infiltrating the Communist conspiracy. Yet the difficulties in a program which uniformly does not allow for confrontation of witnesses is not quite as apparent to all. We, therefore, need a fresh objective study to delineate the precise limits within which confrontation is possible without adversely affecting the security information. The Department of the Army's regulations on confrontation seemed adequate to many who studied the problem, and yet other Government agencies have different standards and different requirements.

Ninth. The security program extends beyond the realm of Government employees. The industrial security program affects millions of privately employed American citizens in all of our 48 States. Many of these individuals through no initiative of their own, without seeking positions of public trust, and in most instances without seeking positions involving access to classified information, now find themselves propelled into the security pattern. They, and their friends, and relatives are investigated. All of us in the Congress would agree that there is a necessity for an industrial security program, but a program of this magnitude which operates upon the employment, livelihood, and reputation of millions of our private citizens must be carefully designed, controlled, and administered. If our Government is to act in a responsible manner toward its citizenry, such a program must be established as a matter of considered national policy, and not as a matter of haphazard growth. Yet, our subcommittee was surprised to learn, from testimony by the Assistant Attorney General, that there has apparently been no attempt whatever to coordinate this industrial security program on a Government-wide basis. In fact, the Internal Security Division of the Department of Justice which has the basic responsibility for all security matters believes that it does not have the authority to deal with industrial security matters, and that it does not have jurisdiction to review or consider these industrial security programs. In view of the importance of this program, in view of its profound effect upon labor and management, and in view of its apparently wide implications to every city, town, and hamlet in our country, the program needs a careful, objective coordinated study by a bipartisan commission along the lines suggested by Senate Joint Resolution 21.

There can be no doubt that the security mechanisms viewed as a whole—including the espionage laws and other criminal statutes relating to security protection, the laws and regulations relating to classification, control, and protection of national-defense secrets, and the programs for security investigation and clearances of personnel generally—are less effective and efficient than they can and should be; cost far more than they should for actual security achieved; and afford far less protection for individual rights than is possible without jeopardy to security.

The time has come to take stock, to face the problem of security, not with histrionics, but with the maturity with which our democratic Government and our people have faced grave issues of national policy in the past. Let us assess the peril which faces us and decide upon a coordinated, cohesive, rational security system which will protect our national secrets and our way of life.

Security is not a partisan issue. The present deficiencies have not been caused or nurtured exclusively by either party, by either this or past administrations, or by either Congress or the executive branch. Rather, they have been thrust upon us by the threat of Soviet imperialism and subversion at a time when we were, as a Nation, not fully prepared to meet the threat with complete wisdom and reason.

There is much work to be done before the security problem can be brought under rational control. It requires extensive and objective study and analysis. A commission form of inquiry, patterned after the Commission on Organization of the Executive Branch of the Government is the ideal means for coming to grips with the problem, since it would enable representation by the executive branch, the Congress, and eminent public citizens. It would also enable the calm, dispassionate consideration and recommendation, removed from the area of political controversy, which would command public respect and confidence, and provide needed reassurance to the American public in this era of security obsession.

It is most reassuring to the sponsors of Senate Joint Resolution 21 and to our subcommittee which unanimously reported the joint resolution favorably that the full committee, which likewise unanimously reported the joint resolution favorably, were all pleased that the Task Force on Personnel and Civil Service of the Hoover Commission recently called for an official inquiry and appraisal of the personnel security problem by a panel of distinguished citizens whose judgment cannot be questioned. Senate Joint Resolution 21 meets the demands of that Hoover Commission task force.

We are also pleased that in the other body a companion measure to Senate Joint Resolution 21 seems to be meeting with favorable and unanimous approval. A companion measure, House Joint Resolution 157, introduced by the distinguished Member from Pennsylvania [Mr. WALTER], the chairman of the House Un-American Activities Committee, has within the last few days been unanimously reported favorably by the House Judiciary Committee.

All of this portends a growing consensus in support of a broad approach to the study of all phases of the security mechanism and to the submission of appropriate recommendations.

Senate Joint Resolution 21 would establish a 12-member nonpartisan commission, patterned after the Commission on Organization of the Executive Branch of the Government. The President would appoint 4 members to the Commission, 2 from the executive branch and 2 from private life; the President of the Senate would appoint 4 members, 2 from the Senate and 2 from private life; and the Speaker of the House of Representatives would appoint 4 members, 2 from the House and 2 from private life. No more than two appointees of each could be from the same political party.

The Commission would, on the basis of the study made by it, submit reports and recommendations on desirable changes, on the adequacies or deficiencies in the present situation from the standpoints of internal consistency of the overall program, and on effective measures for the protection and maintenance of the national security, and the protection and preservation of basic American rights.

The joint resolution provides that the final report of the Commission shall be submitted by December 31, 1956.

Mr. President, I have attempted in these brief minutes to summarize for the Senate the motivations of the sponsors of this resolution and the evidence and conclusions which guided the committee charged with the responsibility of studying the resolution to support it unanimously. For a more detailed analysis of the hearings we held, I ask unanimous consent to have printed at the conclusions of these remarks a statement I have prepared.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, in conclusion, I want to thank the members of the subcommittee for their diligence and conscientiousness, and for their perceptive comments and suggestions.

I can say that the subcommittee truly worked as a group, not as individual members, in hearing the testimony, in the preparation of the final form of the resolution, and in the consideration of the report and its submission to the Senate.

I understand that the distinguished Senator from Mississippi [Mr. STENNIS], who is a cosponsor with me of the joint resolution, also wishes to make a statement.

I yield the floor.

EXHIBIT 1

STATEMENT BY SENATOR HUMPHREY

I present a statement in support of Senate Joint Resolution 21, a bill introduced by the distinguished junior Senator from Mississippi [Mr. STENNIS] and myself, and unanimously supported by the Senate Committee on Government Operations.

THE SECURITY PROBLEM

Senate Joint Resolution 21 is intended to provide a basis for a comprehensive reexamination and reevaluation of the entire security mechanism of the United States Government. The necessity for such a reexamination and reevaluation appears to be well established in the light of the present state of confusion, overlapping, duplication, and loopholes in the overall security mechanism, as well as in the widespread concern and lack of confidence expressed by important segments of the public in the manner in which our Government security programs are being administered.

It is important that there be a clear understanding as to the manner in which the present security mechanism has evolved. It can be demonstrated that the present mechanism is replete with anomalies, loopholes, inconsistencies, anachronisms, and lack of coordination without pointing a finger of criticism or blame at any political party, at any national administration, or at any person or group of persons.

Our present security mechanism, which to so large an extent dominates our political life in 1955, is almost entirely a phenomenon of the past decade. It does not strain the facts to point out that through the close of World War II we had no security mechanism in any way comparable to what we have today. It is true that there was some awareness of the need for security in the Government, and that a few departments of the Government had established security programs which, measured by current standards, must be regarded as rather primitive.

There was, however, no effort to construct any kind of comprehensive program for protecting the national security and national defense against acts of subversion, indiscretion, or carelessness.

We became fully aware of the necessity for a stringent security program only when we became aware of the imminent perils of Soviet imperialism and Soviet subversion. We were almost totally unprepared, as a Nation, to deal with this dangerous enemy who utilized fiendishly unique techniques of subversion and espionage to accomplish its purposes. Our first and most urgent concern was to erect adequate security defenses. We did not then have the time to undertake exhaustive study and definition of the perils we faced or to formulate a comprehensive, sound program for meeting these perils. We were forced to adopt stopgap security measures. This resulted in a series of uncoordinated congressional enactments and Executive orders and regulations which have accumulated into our present security mechanism. Although each one of the individual enactments, orders, and regulations may have been reasonable and effective in meeting the immediate problems faced when it was adopted, the resulting conglomeration of security laws, orders, regulations, and practices does not add up to an effective, efficient, and sound security system. Nor does it add up to a security mechanism which reflects careful effort to reconcile the needs of security with protection and preservation of basic American traditions, rights, and privileges.

The security problem is not only one of assuring that our citizens are fairly and justly treated in their dealings with their Government in the area of security considerations. Another, and at least equally important aspect of the present security problem, is to assure that we have a security mechanism which will effectively protect the national security. There can be little doubt that the present security mechanism, with all its deficiencies—some of which I shall discuss—is not affording our Nation as effective and efficient security protection as can be achieved. There can also be little doubt that a security mechanism which fails to command the full respect and confidence of Government employees and large, responsible segments of the public cannot succeed in providing maximum security for a freedom-loving nation.

Our major task in the security field today must be to bring well-reasoned and effective order, uniformity, and consistency out of the existing jerry-built security structure. Senate Joint Resolution 21 represents the indispensable first step in this direction.

SUMMARY OF SENATE JOINT RESOLUTION 21

Senate Joint Resolution 21 would establish a 12-member nonpartisan commission, patterned after the Commission on Organization of the Executive Branch of the Government, to study all phases of the Government's security programs and procedures, and to submit appropriate recommendations. The President would appoint 4 members to the Commission, 2 from the executive branch and 2 from private life; the President of the Senate would appoint 4 members, 2 from the Senate and 2 from private life; and the Speaker of the House of Representatives would appoint 4 members, 2 from the House and 2 from private life. No more than 2 appointees of each could be from the same political party. The Commission would elect its chairman and vice chairman from among its members.

The Commission's function would be to study the entire Government security program, including the various statutes, Presidential orders, regulations, and directives under which the Government seeks to protect the national security, national defense secrets, and public and private defense facilities against loss or injury from espionage, disloyalty, subversive activity, sabotage, or unauthorized disclosures, together with the actual manner in which these statutes, orders, regulations, and directives are being administered, to determine whether the overall security program is in accord with the policy of the Congress, stated in section 1, that there shall exist a sound Government program—

(a) Establishing procedures for security investigations and clearance for Government employees and persons privately employed or occupied on work requiring access to national secrets or affording significant opportunity for injury to the national security;

(b) For vigorous enforcement of effective and realistic security laws and regulations; and

(c) For a careful, consistent, and efficient administration of this policy in a manner which will protect the national security and preserve basic American rights.

The Commission would, on the basis of this study, submit reports and recommendations on desirable changes, and on adequacies or deficiencies in the present situation from the standpoints of internal consistency of the overall program, effective protection and maintenance of the national security, and protection and preservation of basic American rights.

The Commission would be empowered to hold hearings, to administer oaths, and to subpena attendance, testimony, and production of books, records, correspondence, memoranda, papers and documents, as it deems advisable. All agencies and departments would be authorized and directed to cooperate fully with the Commission and to furnish such information as the Commission may request, except for such information as the President may determine might jeopardize or interfere with pending or prospective criminal prosecutions, with the carrying out of investigative or intelligence responsibilities, or with the interests of national security.

THE COMMITTEE'S METHOD OF PROCEDURE

The Subcommittee on Reorganization of the Committee on Government Operations, to whom Senate Joint Resolution 21 was referred for consideration, held extensive hearings over a two-week period in the effort to obtain a clear view and understanding of the anatomy of the Government's overall security mechanism, and to delineate any problems which might be found to exist in the overall security mechanism which would indicate the necessity for further study by a commission, such as is contemplated in Senate Joint Resolution 21, or by some other body. The Department of Justice specifically endorsed the subcommittee's broad approach to the security question. The subcommittee did not seek, however, to explore in detail each and every phase of the security mechanism, since this did not appear feasible from the standpoint of its resources and the practical considerations of time. Such an effort would, moreover, duplicate the work of the commission which would be established if Senate Joint Resolution 21 is approved. Consequently, attention was focused on a few areas of the overall security mechanism which appeared on the surface to present substantial problems.

The subcommittee requested testimony of those governmental agencies which appeared to have the principal responsibilities or greatest experience in the security field, or in connection with whose activities significant security problems seemed to exist. The agencies requested to appear were the Department of Justice, the Department of Defense, the Atomic Energy Commission, the Department of State, the Civil Service Commission, the United States Coast Guard, the Federal Civil Defense Administration, and the District of Columbia Office of Civil Defense.

In addition, in recognition of the fact that the Government security mechanism has substantial implications beyond the area of purely governmental activities, the subcommittee requested testimony from representative private organizations with special experience or interest in security matters. To represent the experience and point of view of American industry, the subcommittee requested the testimony of Douglas Aircraft Co. and General Electric Co. A representative of the former testified.

To represent the experience and point of view of American universities, the University of Chicago and Harvard University were requested to, and did, testify. To represent the experience and point of view of organized labor, the Congress of Industrial Organizations and the American Federation of Labor were requested to testify. The former appeared, and the latter submitted a written statement. To represent the experience and point of view of scientific and engineering groups, the subcommittee invited the testimony of the Federation of American Scientists. The Fund for the Republic and the American Civil Liberties Union were also invited, in view of their special interest in phases of the security program. To represent the experience and point of view of American information mediums, the subcommittee requested the testimony of the American Society of Newspaper Editors.

In addition, a number of other organizations requested an opportunity to appear before the subcommittee to present their views.

Written statements have also been submitted by a number of other organizations.

THE ANATOMY OF THE SECURITY MECHANISM

The hearings before the subcommittee, and consideration of the pertinent statutes, executive orders, regulations, and procedures, reveal a pattern of confusion permeating all phases of the security mechanism. The American people have felt, especially within the past decade, an increasing need for security against the very real dangers of subversion, and the Congress and the executive branch responded to this need with a series of separate and often unrelated statutes and orders. This resulted, perhaps necessarily, in a mass of uncoordinated, random, haphazard legislation and administrative action. There is no evidence whatever that the present security mechanism has evolved with rational control or direction. There is little question that the present situation involves considerable waste of money and valuable time, that it is not as effective or efficient as it might be in protecting our national security, and that substantial improvements can be made to assure better protection of individual rights without any diminution of security.

It is important to an understanding of the anatomy of security that there be an appreciation of the extent to which the security mechanism permeates our society today. It is a well-known fact that some 2 million employees of the Federal Government are subject to a program for security investigation and clearance, and that similar programs exist for investigation and clearance of Americans employed by the United Nations. It is not as well known that at least an equal number of employees of Government contractors are subject to similar, or even identical programs, and that under the Atomic Energy Act of 1954 many thousands of employees of private industries entering the atomic energy industry as licensees, with no connection with national-defense programs, will also be subject to security investigation and clearance. In addition, several hundred thousand merchant seamen and waterfront workers are subject to security investigation and clearance under the port-security program. Moreover, considering problems of turnover in Government and industrial employment, it is apparent that additional millions of our citizens have been or will be subject to security-risk standards. In addition, there has been an increasing tendency on the part of private employers to refrain from employing, even in positions

without any relation to Government security requirements, individuals concerning whom there has been or may be a security question raised.

It is important also to appreciate the dollar costs of our security programs. Complete statistics are not readily available, but the fragmentary data available reveal the magnitude of the costs. The Atomic Energy Commission alone since 1946 had over half a million full background investigations conducted for it by the Civil Service Commission and by the Federal Bureau of Investigation. At the present time, the costs of such investigations are $210 for each FBI investigation and $265 for each Civil Service Commission investigation. This means, taking the FBI figure alone, that over $100 million has been expended for personnel security investigations in the atomic energy program alone in the past 9 years. The Department of Defense has furnished information indicating that its costs for security investigations in 1954 for military, civilian, and contractor personnel amounted to almost $29 million. These costs do not reflect the other costs of security such as salaries of personnel who administer the security programs, expenses of handling the substantial paperwork necessary in the program, and expenses of other trappings of the security mechanism such as fences, guards, weapons, etc. It is apparent that the costs of security, all told, reach astronomical proportions.

It is imperative that a security mechanism of these dimensions and far-reaching implications, with life or death importance to our national defense, be operated as a matter of conscious, well-considered national policy, and not as a matter of haphazard or stopgap expedients.

THE MAJOR PROBLEMS

A number of obvious specific difficulties and possible deficiencies in the present security mechanism came to light in the course of the subcommittee's hearings on Senate Joint Resolution 21, and are discussed in this report. These difficulties alone demonstrate the existing state of confusion and lack of rational planning and coordination in the security field, and would fully justify adoption of Senate Joint Resolution 21 as the first step in a careful reexamination of the present security mechanism looking toward possible overhaul or corrective measures. It must be pointed out, however, that these are merely illustrative examples, and do not represent a complete catalog of those aspects of the present mechanism which affords grounds for concern. Many other difficulties came to light in the specific areas of the security program on which the subcommittee concentrated its attention, and there is little reason to doubt that similar difficulties are to be found in other areas which the subcommittee explored only superficially.

THE UNEVEN TREATMENT OF AREAS OF LIKE SECURITY IMPORT

One of the most troubling aspects of the overall security mechanism is the variation in degree of security protection presently afforded by statute to the various areas of security import in our national defense effort. This is most dramatically demonstrated in the present dichotomy between atomic energy matters on the one hand, and all other defense areas on the other, insofar as concerns the protection and control of national-defense secrets.

The Atomic Energy Act of 1946 contained, and the Atomic Energy Act of 1954 reenacted, provisions establishing a self-contained and autonomous system of information control. The cornerstone of this system is the concept of restricted data, broadly defined in the act to embrace all national-defense secrets in the atomic energy field. No affirmative act by AEC is required to bring information within the scope of the restricted data concept and, therefore, within the protected sphere; rather, all information falling within the restricted data definition is automatically subject to the act's provisions for protection and control. National-defense information of other kinds becomes "classified defense information" only by the affirmative act of the department or agency in classifying the information pursuant to Executive Order 10501. Similarly, unlike the situation prevailing with respect to "classified defense information," which is subject to declassification by purely administrative discretion, the Atomic Energy Act prescribes specific statutory standards and criteria for declassification.

Restricted data is automatically subject to a complex of statutory provisions for protection and control:

1. Restricted data is subject to the special espionage provisions of the Atomic Energy Act which closely parallel the provisions of the Espionage Act of 1917, as amended. These special provisions are generally regarded as more stringent than those of the Espionage Act, although in actual fact they are less stringent in some important respects.

One provision of the Atomic Energy Act, section 227, is wholly unique in that it provides a penalty for communication of restricted data information to any unauthorized person, regardless of the communicator's intent and regardless of whether he has reason to believe that the information will or could be used to injure the United States or benefit another nation, if the communicator knows or has reason to believe the information is restricted data and that the communicant is not authorized to receive it. This is in sharp contrast to the analogous provisions of the espionage act which provide for penalties only if the communicator has at least reason to believe the information could be used to the injury of the United States or to the benefit of another nation, and if the communication is willful.

2. The Atomic Energy Act specifically establishes standards for determining those individuals who will be authorized to have access to restricted data. Only individuals appropriately "cleared" by AEC, generally on the basis of a specified investigation by the FBI or the Civil Service Commission, may have access to restricted data. In the other areas of Government security, heads of departments and agencies have complete discretion to make their own determinations as to who will be permitted to have access to classified information, and the conditions under which such access will be afforded.

3. The Atomic Energy Act contains express and specific limitations upon the communication of restricted data to other nations. There are no comparable restrictions or limitations with respect to any other kind of classified defense information.

4. The Atomic Energy Act expressly authorizes AEC to control the dissemination of restricted data in such a manner as to assure the common defense and security. AEC is expressly authorized, also, to promulgate regulations or orders to protect restricted data received by any person in connection with activities authorized under the act. Violation of such regulations constitutes a criminal offense carrying heavy penalties. AEC has, moreover, authority to enjoin violations of the act and violations of its regulations.

The scope of this authority to control information warrants careful note. The AEC general counsel expressed the view, in testimony before the subcommittee, that AEC may impose its security controls upon activities, wholly outside the sphere of Government programs, in the course of which a scientist might independently, and on his own, develop information falling within the restricted data definition. An individual who develops an idea of this sort could, according to the general counsel's testimony, be cautioned that he must safeguard the information and not pass it on to unauthorized persons. He would, presumably, require AEC security clearance to work further on his idea. Major complications would arise if he refused to be cleared, or if he were found ineligible for clearance. The AEC's injunctive authority, as well as the possibilities of criminal prosecution, exist to enforce AEC's control machinery. The implications of this authority are extremely broad and far-reaching, particularly in view of the recent opening of the atomic energy field to American industry. Existence of such broad authority raises basic questions of national policy warranting careful consideration and rational determination.

The information control machinery of the Atomic Energy Act has no parallel elsewhere in the overall security mechanism. Other agencies vitally concerned with protection of other types of national secrets operate without express statutory authority to control the dissemination of classified information, without authority to issue security regulations with effective teeth, and without authority to enjoin security violations. Indeed, such authority as they may attempt to exercise in controlling the dissemination of national-defense secrets is almost wholly administrative in nature, with virtually no clear statutory foundation. The practical effect is that the Government has two separate systems of information control. One is based upon requirements established by the President for classification and safeguarding of national defense information in Executive Order 10501; the other is based upon Atomic Energy Commission's regulations for control of restricted data pursuant to the requirements of the Atomic Energy Act.

These unique statutory provisions applicable to atomic energy restricted data represent the first attempt to establish a comprehensive system for protection of national secrets, although the system operates within only a small area of the Government's total security interest. Its existence raises the fundamental question why, if these elements of the atomic energy security system have worked well in their limited sphere, they are not extended to other, or all, areas of security interest. If this were done on a Government-wide basis, we could then have a single security program and security standard of universal applicability. There has been no indication that this step has been seriously considered. Rather, it appears to be the general assumption that atomic energy secrets are a breed of secrets separate and apart from, and more sensitive than, other national defense secrets, thereby warranting special statutory protection.

This assumption of ultra-sensitivity in the atomic energy field cannot be sustained. Executive Order 10501 provides for the classification of national-defense secrets as "Top Secret," "Secret," and "Confidential," and establishes exclusive definitions for each of these categories. Atomic energy restricted data is also classified as "Top Secret," "Secret," and "Confidential," and AEC had adopted definitions for these categories equivalent to those specified in Executive Order 10501. Thus, "Confidential" restricted data is, by definition, equivalent sensitivity to "Confidential" defense information; "Secret" restricted data is, by definition, of equivalent sensitivity to "Secret" defense information, and "Top Secret" restricted data is, by definition, of equivalent sensitivity to "Top Secret" defense information. But under the Atomic Energy Act, all restricted data is subject to all of the special security provisions, regardless of whether it is "Confidential," "Secret," or "Top Secret." Thus, "Confidential" restricted data is entitled, under our laws, to far more elaborate statutory protection than is afforded our most vital "Top Secret" defense information in areas other than atomic energy. This is not only incongruous, it is also wasteful of time, money, and energy.

But even though atomic energy secrets are given more elaborate statutory protection than other national defense secrets in the respects covered in the Atomic Energy Act, it is an astonishing fact that in some important respects they get much less protection. For example, atomic energy areas of security concern have no statutory protection against trespass, or unauthorized photography or sketching, such as is available with respect to areas within the cognizance of the Department of Defense under sections 795, 796, and 797 of title 18 of the United States Code, sections 781, 782, and 783 of title 50, appendix, of the United States Code, and section 797 of title 50 of the United States Code. Similarly, the Atomic Energy Act does not include some penalty provisions of the type found in the Espionage Act relating to willful communication of defense information to unauthorized persons and to loss of defense information through gross negligence, such as are found in sections 793 (d), (e), and (f) of title 18 of the United States Code.

There appears to be no justification whatever for this uneven treatment of matters of like security import on the basis of the type of information involved and the particular agency concerned. It would appear desirable and essential, in the interests of national security, that all national defense secrets and all areas of security concern of like importance be protected uniformly under laws determined to be adequate.

THE ESPIONAGE LAWS

Another problem is presented by the present state of our espionage laws. The basic statute establishing criminal penalties for improper acquisition, handling, or communication of national-defense secrets is the Espionage Act of 1917, as amended, sections 793 and 794 of title 18 of the United States Code. These provisions clearly embrace all national-defense secrets of whatever kind or character. Nevertheless, when Congress created the Atomic Energy Act of 1946 it saw fit to adopt separate, parallel criminal penalties with respect to atomic energy restricted data. And then, in 1951, another separate statute was enacted establishing parallel criminal penalties with respect to cryptographic data. The coexistence of these three statutes of varying scope and with varying penalty provisions for like offenses gives rise to substantial questions as to whether the United States at the present time has a wholly effective structure for criminal enforcement of its programs for protection of national-defense secrets.

These questions can be most effectively demonstrated by reference to the relationships between the Espionage Act provisions and the analogous provisions of the Atomic Energy Act.

Sections 224 and 225 of the Atomic Energy Act of 1954 (secs. 10 (b) (2) and 10 (b) (3) of the 1946 act) establish criminal penalties for wrongful acquisition or communication of restricted data. There appears to be no conduct defined as an offense under these provisions which would not also be subject to prosecution under sections 793 or 794 of title 18, in the absence of the special atomic energy provisions. On the other hand, there are some offenses defined under 793, which are not offenses under the Atomic Energy Act. For example, the Atomic Energy Act does not contain a "gross negligence" provision such as is found in section 793 (f) of title 18. Similarly, it does not contain provisions comparable to sections 793 (d) and (e) making it an offense, punishable by imprisonment for up to 10 years and/or a fine of up to $10,000 for "willfully," regardless of intent or reason to believe, transmitting national-defense secrets in tangible or documentary form to unauthorized persons, or "willfully" transmitting information to unauthorized persons with reasons to believe the information could be used to the injury of the United States or to the advantage of another nation. The Atomic Energy Act of 1954, did, however, incorporate a new provision, making it an offense, carrying a maximum penalty of $2,500, with no provision for imprisonment, for any person who has been associated with the atomic energy project, knowingly to communicate restricted data to unauthorized persons. This would, presumably, embrace all conduct of the type proscribed in sections 793 (d) and (e) except that section 793 (e) would apply as well to individuals who have not been associated with Government activities. The penalty under the Atomic Energy Act for such offenses, however, is only nominal as compared with that specified under sections 793 (d) and (e).

There are, moreover, significant differences in the degree of penalty provided under the two laws for conduct which constitutes substantially the same offense under both. In some instances the penalties under the Atomic Energy Act would be more severe; in other instances they would be less severe.

This situation gives rise to two principal questions. Do the provisions of the Espionage Act remain applicable to offenses involving restricted data where the conduct in question is also an offense under the Atomic Energy Act, so as to permit prosecution under the Espionage Act where this act provides for heavier penalties than apply under the Atomic Energy Act? Do the provisions of the Espionage Act which have no parallel in the Atomic Energy Act remain applicable so as to enable prosecution under the Espionage Act for conduct which does not constitute an offense under the Atomic Energy Act?

It seems clear that the special espionage provisions of the Atomic Energy Act had their origin in the desire of the Congress to remove atomic scientists from the coverage of the Espionage Act. This point of view was succinctly stated by James R. Newman, who was counsel to the Senate Special Committee on Atomic Energy which drafted the Atomic Energy Act of 1946.

"In the earliest stages of drafting legislation for the development and control of atomic energy, it was realized that the provisions of the Espionage Act were unsuited in several respects for dealing with the secret data of theoretical and applied nuclear physics. The control of information provisions of the Atomic Energy Act were not merely designed to plug certain gaps in the Espionage Act; they were designed with the object of satisfying as far as possible the desires of scientists to escape the stultifying restrictions on the exchange of information to which they had been subjected by the Manhattan District. Although in certain respects more comprehensive and more stringent than the Espionage Act, the Atomic Energy Act provided a framework within which the scientists felt they had some chance of operating effectively, however hazardous their personal lives might become. On the other hand they were convinced that an extension of the information practices of the Manhattan District, based on the Espionage Act, would in the long run smother all creative activity in the field of nuclear research." [1]

At the same time, however, the Congress included in the Atomic Energy Act of 1946 a provision, section 10 (b) (6), reading:

"This section shall not exclude the applicable provisions of any other laws."

This provision appears unmistakably to be intended to preserve the operation of the Espionage Act in the atomic energy field, and was so interpreted by the Supreme Court of the United States in the Rosenberg case. Moreover, when this provision was reenacted as section 229 of the Atomic Energy Act of 1954, the report of the Joint Committee on Atomic Energy expressly referred to this provision as continuing the applicability of the espionage law.

This situation demonstrates the present confusion in the field of security. In enacting the Atomic Energy Act of 1946, we apparently removed atomic energy from the ambit of the Espionage Act with one hand, while with the other hand we brought atomic energy back within its ambit, at least to some extent. As Mr. Newman pointed out, if the Espionage Act remains applicable to atomic energy matters, "the scientists have, indeed, sustained a crushing defeat and the more moderate and enlightened information provisions of the Atomic Energy Act are little more than pietisms." [2] Moreover, even if the Espionage Act remains applicable to conduct involving atomic energy matters which are not offenses under the Atomic Energy Act, there are still serious difficulties in reconciling the provisions of the two statutes in cases involving conduct which are offenses under both. These difficulties are discussed in Mr. Newman's article published in 1947,[3] and also in a Legal Analysis of the Adequacy of the United States Laws With Respect to Offenses Against National Security, prepared by the Library of Congress in 1953 and published as a committee print by the Senate Committee on Foreign Relations,[4] under the direction of the distinguished senior Senator from Wisconsin.

This is, of course, another example of the uneven and illogical treatment of matters of like security import which pervades our security mechanism. There appears to be no reason why this state of uncertainty and difficulty, with possibilities of loopholes in our espionage laws, should persist. No Government witness before the subcommittee was able to justify the existence of the three separate espionage laws, or to explain why a uniform espionage law of universal applicability to all national-defense secrets would not be preferable. Indeed, there is reason to believe that this situation has not even been, at least until recently, a matter of concern to the executive branch. Assistant Attorney General Tompkins, who testified before the subcommittee, expressed the view that the fact that improper disclosure of restricted data is punishable under the Atomic Energy Act does not preclude the Government from prosecuting the same activity under the espionage laws "when appropriate." When questioned as to the justification for three separate espionage laws applicable to what is essentially the same offense, and as to the desirability of consolidating these statutes into a single statute of uniform applicability, he replied that the matter is now being studied, but that a "thorough research job would have to be done" before he could speak with accuracy. It would seem that such study is long overdue, particularly in the light of the testimony of the general counsel of the Atomic Energy Commission that there was doubt as to the applicability of the Espionage Act to offenses involving restricted data until enactment of the Atomic Energy Act of 1954.

MULTIPLE STANDARDS FOR SECURITY INVESTIGATION AND CLEARANCE

Although it is customary to speak of the Government apparatus for security investigation and clearance of personnel as though it were a single, unified program, the fact of the matter is that there is considerable diversity in even the basic standards for investigation and clearance.

Consider, first of all, the standards for determination of eligibility for clearance. The basic requirement is that of Executive

[1] Newman, Control of Information Relating to Atomic Energy, 56 Yale Law Journal 769 at 790 (1947).

[2] Ibid., at 790.

[3] Ibid., 791–801.

[4] 83d Cong., 1st sess.

Order 10450 which requires a determination that employment of the individual is "clearly consistent with the interests of the national security." But there are additional statutory standards for clearance applicable with respect to certain groups of personnel. For example:

1. The Atomic Energy Act requires a determination that permitting the individual to have access to restricted data will not endanger the common defense and security, and this standard must be employed even if the AEC employee will not in fact have access to restricted data in his particular position.

2. The National Science Foundation Act requires a determination, before any employee may be permitted to have access to information or property with respect to which security restrictions have been established, that permitting such access will not endanger the common defense and security.

3. The Federal Civil Defense Act provides that no employee may have access to information or property with respect to which security restrictions have been established until it has been determined that there is no information in the files of investigative agencies indicating that the employee is of "questionable loyalty or reliability for security purposes," and, if such information does appear, until further investigation has been conducted and a report thereon is evaluated in writing by the Administrator.

4. No employee may be assigned to duties under the Mutual Security Act or the Act for International Development until a certification has been made by—

(a) the Foreign Operations Administrator or the Secretary of State, if the individual was investigated by the Civil Service Commission, that based upon consideration of the report of investigation he believes the individual "is loyal to the United States, its Constitution, and form of government, and is not now and has never been a member of any organization advocating contrary views"; or

(b) the Secretary of Defense, if the individual was investigated by a military intelligence agency, that the individual is "loyal to the United States."

In view of section 10 of Executive Order 10450, which provides that nothing in the order "shall be construed as eliminating or modifying in any way the requirement for any investigation or any determination as to security which may be required by law," it is not clear what the relationship is between the various statutory standards applicable to particular agencies and the standard provided under Executive Order 10450. It is noteworthy that the Atomic Energy Commission, in the case of Dr. J. Robert Oppenheimer, proceeded under both standards simultaneously.

Similar multiplicity exists with respect to responsibility for investigations. There is a statutory requirement in the case of many agencies that security investigations be conducted in the first instance by the Civil Service Commission, with referral to the investigation to the FBI if derogatory information with loyalty implications is developed. But some of these agencies are subject to a further statutory requirement that they designate those positions within their agency which are "of a high degree of importance or sensitivity," and the FBI, rather than the Civil Service Commission, has primary responsibility for conducting the security investigations in the cases of employees occupying such positions. Other departments and agencies are free, under Executive Order 10450, to use their own investigative staffs or to make arrangements for Civil Service Commission investigations. Numerous agencies, such as the State Department, the Agriculture Department, the Treasury Department, the Post Office Department, the military departments, and the CIA, utilize their own investigative forces for personnel security investigations.

Agencies which are required by law to base their clearance determinations upon investigation by a specific investigative agency such as the Civil Service Commission or the FBI are apparently precluded from basing their clearance determination upon any other form of investigation. Thus, an individual who has been subject to a full background investigation by, for example, investigative staffs of the State Department or Treasury Department, may not be cleared by the Atomic Energy Commission, the National Science Foundation, or other agencies with a statutory requirement for Civil Service Commission or FBI investigations, without having an additional background investigation conducted by such investigative agency. Presumably, if all investigative agencies are of equal competence, as has been asserted, such additional investigations are meaningless and a waste of money from the standpoint of effective security. It would be interesting to know what percentage of the hundreds of millions of dollars spent for personnel security investigations, are attributable to such duplicate investigations.

IMPEDIMENTS TO FLOW OF INFORMATION

One of the most important problems brought to light in consideration of the operation of the security mechanism is that of impediments to adequate dissemination of information. It must be accepted as axiomatic that stringent controls be exercised over the dissemination of our national secrets to avoid their transmission or leakage to our enemies. At the same time, it appears to be equally axiomatic that limitations on the dissemination of such information, and compartmentalization of such information, deprive the Nation of cross-fertilization of ideas and restrict the degree of scientific and technological achievement. There are undoubtedly many competent individuals who do not have security clearance and who have not been engaged in defense activities who could make important contributions to our national defense effort if they had ready access to data now classified. Excessive concern with secrecy could well retard our own achievement in building an effective national defense complex, and scientific groups have consistently advanced the view that the balance presently prevailing between secrecy and accomplishment is unduly weighted in favor of the former.

There is no indication that our Government has ever systematically and comprehensively come to grips with the question of the price being paid for security in terms of the loss to achievement. It is true that there are mandates in the Atomic Energy Act and in Executive Order 10501 that information should be declassified as promptly as possible, but there is considerable question whether these mandates suffice. This appears to be an area which requires objective consideration in the national interest.

A much more serious and immediate difficulty is apparent, however. There is considerable reason to believe that the compartmentalization of security within the Government is adversely affecting the operations of the Government itself, particularly in our national defense effort. Much of this difficulty seems to flow from the statutory security autonomy of the Atomic Energy Commission, and from the special security requirements of the Atomic Energy Act.

Commissioner Thomas E. Murray of the Atomic Energy Commission expressed concern in an address delivered in December 1953 that top officials of the United States Government were inadequately versed in atomic energy matters, and he advocated a policy of "candor" with our Government officials. One of the impediments to understanding of atomic energy within the Government has undoubtedly been the special requirements for security clearance. The Atomic Energy Act specifically requires special clearance by AEC, based upon investigation by the Civil Service Commission or the FBI, before any person may be permitted to have access to restricted data. The only exception to this requirement, found in section 145 (b) of the 1954 act, is that the Commission itself or the General Manager may waive this requirement upon a determination that such action is clearly consistent with the national interest. This exception has been characterized by AEC as clarifying its authority to "permit Cabinet officers, for example, to receive restricted data" without the necessity for regular Q-clearance based upon investigation.

The practical effect of the special requirement for clearance is that individuals employed in other Government agencies with appropriate security clearances granted by such agencies must have an additional clearance, perhaps based upon an additional full background investigation, before they will be permitted to have access to restricted data essential in the performance of their work in such other agencies. An additional consequence would appear to be that such agencies must also take appropriate physical security measures to assure that other individuals employed in the agency who do not have Q-clearance, will not be able to come into contact with restricted data. The illogical nature of this requirement is demonstrated by the fact that an employee of another agency with top secret clearance who has daily access to the most critical top secret matters affecting his agency, must have special AEC clearance for even momentary access to restricted data of only marginal security significance bearing the lowest security classification.

It is apparent that this situation prior to the enactment of the Atomic Energy Act of 1954, created substantial difficulties with respect to programs of the Departtment of Defense. Representatives of the Department of Defense, in testifying before the Joint Committee on Atomic Energy in 1952, in support of legislation (such as was eventually adopted in the Atomic Energy Act of 1954) modifying the security clearance requirements of the Atomic Energy Act, stated:

"We are prepared to cite specific instances where the present law, because of its inflexibility, has slowed down important atomic projects of the Army, Navy, and Air Force," and that if the amendments were adopted:

"Much valuable time will be saved in design, procurement, and development work in the weapons program with the result that weapons will enter stockpile at an earlier date."

The Atomic Energy Act of 1954 apparently rectified this situation by permitting AEC to authorize personnel engaged in programs of the Department of Defense to have access to restricted data on the basis of their regular Department of Defense clearances, without necessity for special AEC clearance. It is noteworthy, however, that representatives of the Department of Defense testified before the Joint Committee on Atomic Energy during consideration of the 1954 act that even with these amendments, the "dual system of security" imposes "a formidable administrative burden."

But even though the Atomic Energy Act of 1954 resolves the problem of interchangeability of AEC and Department of Defense clearance, which, concededly, was a particularly serious problem because of the number of individuals involved and the necessity for close working arrangements between AEC and the Department of Defense it leaves unresolved the similar problem with respect to other Government agencies performing vital national-defense work such as the Department of State, the Central Intelligence Agency, the Coast Guard, the National Advisory Committee for Aeronautics, and the

National Bureau of Standards, which remain subject to the special clearance requirement for access to restricted data.

A case in point is that of the Federal Civil Defense Administration. The Federal Civil Defense Administrator in testifying before a subcommittee of the Senate Armed Services Committee referred to the fact that AEC security requirements made it "extremely difficult" for his agency to take effective steps to prepare to meet the "fallout" problem. He pointed out that because of the classification of the information, it could not be discussed, presumably from the standpoint of evacuation, with the Bureau of Public Roads, and that even within his own agency, the scarcity of Q-cleared personnel made it difficult to handle the situation. Subsequently, a representative of the Federal Civil Defense Administration appeared before the subcommittee considering Senate Joint Resolution 21, and testified that the shortage of Q-cleared personnel was attributable to loss of personnel in the administration's move to Battle Creek rather than to any lack of cooperation by AEC. He conceded, however, that the requirement for Q-clearance was a fairly substantial burden in terms of delay and inconvenience.

The Federal Civil Defense Administrator, in subsequent testimony on this matter before the Joint Committee on Atomic Energy on March 24, 1955, reiterated that the difficulty in question had been caused primarily by the move to Battle Creek. He pointed out, however, that under the Federal Civil Defense Act of 1950, primary responsibility for civil defense rests with the States and localities, and that the AEC security requirements are an impediment to getting vital information into the hands of governors and mayors. He also pointed out that the Administration was precluded, because of security restrictions, from discussing important matters with other Federal agencies playing a vital role in civil defense, such as the Department of Agriculture, the Department of Health, Education, and Welfare, and the Housing and Home Finance Agency.

The overall pattern of this testimony indicates clearly that security restrictions have encumbered and delayed our civil defense effort. It is not unlikely that similar encumbrances and delays are to be found in other areas of our national defense effort. At the very least, it is apparent that the special security requirements in the atomic energy field are quite cumbersome administratively, and quite costly to the taxpayers. As the Federal Civil Defense Administrator pointed out in his testimony before the Joint Committee on Atomic Energy:

"If the regular security system were also applicable to access to 'restricted data' this would expedite our work."

The Atomic Energy Commission stated in 1952, in connection with the proposed amendments to the Atomic Energy Act which would permit it to honor Department of Defense clearances:

"We see no reason why the AEC should have to determine whether military personnel who are already cleared by their own agency, are good security risks to get restricted data for use in connection with work assigned them by the military. And, in our opinion, it is wrong from the point of view of the overall defense and security of the United States to raise unrealistic barriers to vital cooperation by all the members of our team in the field of atomic weapons."

There is no readily apparent reason why the same should not be true with respect to all other components of the Government. It is strange, indeed, that the Federal Civil Defense Administration, with a total employment roll of about 600, all of whom are cleared for access to "secret" defense information, has only 109 employees eligible for access to "secret" restricted data, necessary to accomplish the vital mission of that agency. It may be that the requirement for special AEC clearance is justifiable despite the costs, burdens, delays, and impediments to national security, but no such justification has been advanced. The time has come to consider this matter rationally and objectively, and to reach some definite conclusions of national policy concerning this situation.

Another problem in the civil defense field was raised by Dr. George V. LeRoy of the University of Chicago who had had extensive experience in connection with the effects of atomic weapons upon living organisms. Dr. LeRoy testified that there is a considerable amount of classified information relating to treatment of the effects of atomic weapons which is not available to American physicians, and that American physicians are not, for this reason, as adequately equipped as they might be to treat the casualties of an atomic attack. He related that a Japanese doctor who recently visited the United States was able to discuss with him information (about the cases of the Japanese fishermen injured by fallout as a result of last year's Pacific tests) which is presently regarded as classified by our Government. Dr. LeRoy pointed out also that the medical chief of the Illinois civil defense group, who is responsible for planning the medical care and warning system for the State, was unable to obtain from him, because of security restrictions, adequate information about the fallout problem.

The Chairman of the Atomic Energy Commission, however, has characterized Dr. LeRoy's testimony in this respect as "irresponsible" and the Director of AEC's Division of Biology and Medicine has stated that no medical information relating to this problem is presently classified. This conflict between responsible and knowledgeable individuals emphasizes the difficulties presently faced in attempting to evaluate and reach sound conclusions about the operation and impact of the security mechanism. It is another indication of the need for a high-level, systematic, objective study of the security mechanism to assure that it is operating soundly and effectively, and to reinforce public confidence.

SECURITY REQUIREMENTS FOR GOVERNMENT EMPLOYMENT

Much of the subcommittee's attention was devoted to consideration of the security requirements for Government employment, and the manner in which the program has been and is being administered. It is this aspect of the Government's security mechanism which has aroused most public interest and discussion, and it has also evoked considerable comment on the part of the public, the press, and responsible Government officials.

Although a number of agencies had previously developed programs of their own for security investigation and clearance of their employees, particularly for access to classified information, and Congress had established security requirements for employment in a few agencies on a fairly random basis, the present security program as applied throughout the Government and to all Federal employees is based primarily upon Executive Order 10450 promulgated by President Eisenhower on April 27, 1953. The purpose and philosophy of the security program was succinctly stated by the Assistant Attorney General in his testimony before the subcommittee, as follows:

"Thus the basic objective of the present employee security program is to make sure that there is no employee on the Federal payroll, nor any applicant appointed, who can, because of his position endanger the national security. President Eisenhower insists that all Federal employees be persons of integrity, high moral character, and unswerving loyalty to the United States. At the same time, the President has cautioned all heads of the executive establishments that in the American tradition all employees should receive 'fair, impartial, and equitable treatment at the hands of Government.' This is the spirit which prevails in the administration of the present personnel security program.

Executive Order 10450 requires security investigation of every employee of the executive branch of the Government, and establishes a list of categories of attributes which, if found to exist in the case of a person investigated, would at least raise some question as to his suitability for employment on security grounds. The Executive order does not in itself prescribe procedures, even in general terms, for carrying out the President's direction, as stated in the preamble to the Executive order, that:

"All persons should receive fair, impartial and equitable treatment at the hands of the Government * * * [and] that all persons seeking the privilege of employment or privileged to be employed in the departments and agencies of the Government be adjudged by mutually consistent and no less than minimum standards and procedures."

Rather, the President, simultaneously with his promulgation of Executive Order 10450, advised the heads of all departments and agencies that the Attorney General had, at his direction, prepared "sample regulations" designed to establish "minimum standards" for implementation of the security program. Each department and agency is, therefore, responsible for promulgation of its own procedures for handling, considering, and determining security cases, subject, according to testimony before the committee, to review of these procedures by the Attorney General to assure that they meet the minimum standards of the "sample regulations."

It must be borne in mind that there is a close relationship between the security program and the ordinary processes of selection, retention, and dismissal of Government employees in accordance with sound principles of personnel management. Thus, although a person may be a security risk in the particular Government position which he occupies or seeks because of derogatory information developed in the course of a security investigation, the very same derogatory information may indicate that even aside from security considerations, he is not suitable for employment in that position. For example, a drug addict, a chronic alcoholic, or a person with definite criminal tendencies would clearly be an undesirable employee in a position of public trust.

According to figures released by the Civil Service Commission covering operation of the personnel security program under Executive Order 10450 from May 28, 1953, to September 30, 1954, a total of 3,002 employees were fired because of security questions falling within the purview of the Executive order, and an additional 5,006 employees resigned before determination was completed in cases where the file "was known to contain unfavorable information" under the security program. The Civil Service Commission's use of the word "known" in this context is unfortunate and misleading, since it connotes that these employees resigned with knowledge that there was derogatory information concerning them without availing themselves of the opportunity of seeking a final judicious determination. Under questioning before the subcommittee, the Chairman of the Civil Service Commission stated with respect to these 5,006 employees that the information was "known" to the Government, and not necessarily to the employees who resigned.

These figures warrant further analysis to place the security program in proper perspective. The fact that 3,002 employees are listed as "fired" does not mean that each had been determined to be a security risk.

The bulk of these were, according to the Chairman of the Civil Service Commission, dismissed as unsuitable employees under civil service regulations and procedures, rather than under Executive Order 10450. Nor does this mean that these employees were dismissed after some kind of adjudication process in which they were apprised of the derogatory information and given a formal hearing with opportunity to clear the record. Those employees dismissed under civil service regulations had only such opportunity to defend themselves as is given in the discretion of their agency heads, and the procedures in such cases vary widely from agency to agency and fall far short of the procedures established for security hearings. In addition, a large proportion of the total number of security dismissals listed are undoubtedly of probationary employees who are not given an opportunity for hearing prior to dismissal on security grounds. Statistics furnished by the Department of Defense reflect that, although the Civil Service Commission's figures of employees fired for security reasons through September 30, 1954, for the Army, Navy, and Air Force were 302, 638, and 371, respectively, only 71, 27, and 16 of these cases, respectively, involved dismissals effected subsequent to a security hearing.

Similarly, it cannot be assumed that the 5,006 Government employees who are listed as "resigned" all possessed attributes which would have required denial of clearance or employment had their cases been prosecuted to conclusion. It would appear that this total would include all Government employees who resigned, whatever the reason and whether or not they were even aware of the existence of derogatory information, whose files contained any derogatory information, of whatever quantity or significance, falling within the Executive order. Thus, the 2,096 cases in which information about "subversion" was present would undoubtedly include many cases in which only the rawest, unevaluated derogatory information was found, indicating some remote connection with left-wing activities or relatives with some possible interest in suspect groups recently or in the remote past.

It is apparent, therefore, that the total figure of 8,008 security separations (3,002 fired plus 5,006 resigned) should not be interpreted as indicating that this number of security risks have been weeded out of the Government service. The actual number of security risks is apparently very much smaller than this figure; the precise number cannot be ascertained, principally because the Civil Service Commission's reporting system is evidently not set up to produce this statistic.

THE PROCEDURAL RIGHTS OF INDIVIDUALS SUBJECT TO THE GOVERNMENT EMPLOYEES SECURITY PROGRAM

The fundamental assumption underlying the security program, insofar as concerns procedural rights of individuals subject to the program, is that no individual has any "right" to a Government job and that, therefore, such procedural protection as has been afforded under Executive Order 10450 should be gratefully received and not criticized as inadequate. As the Assistant Attorney General stated before the subcommittee:

"When we recall that for over 120 years we permitted our Government to fire without notice and without specifying reasons, it must, it seems to me, be conceded that the present program grants to the employee many substantial and protective rights—in fact, the most that have ever been afforded to a Federal employee."

Three groups of individuals are affected by the security programs: (1) permanent and indefinite employees who have survived their probationary period; probationary employees; and applicants for Government employment. The degree of procedural protection available under the security program varies, depending upon the particular category in which the individual may be.

1. Applicants for Government employment: Applicants for Government employment are, of course, subject to security investigation under Executive Order 10450. Applicants are, however, not afforded any procedural rights of any kind, except in the case of the Atomic Energy Commission, to explain or clarify derogatory information which may be developed in the course of the investigation. This means, as a practical matter, that applicants concerning whom significant derogatory information is developed will be denied Government employment almost automatically, even though the derogatory information might be wholly dissipated or its significance greatly minimized if the applicant were afforded an opportunity to learn the nature of the derogatory information and to have some kind of objective adjudication of the charges. In some instances the department or agency may discuss the derogatory information informally with the applicant, but this procedure does not give the applicant a reasonable opportunity to clear the record and his name.

It appears that the Atomic Energy Commission alone has adopted formalized procedures for handling security cases involving applicants. Under those procedures, all applicants for AEC employment are entitled to a formal hearing to resolve doubt as to eligibility for clearance and employment resulting from derogatory information uncovered in the course of the security investigation. They are, moreover, entitled to precisely the same procedural privileges as incumbent employees, since the very same procedures apply equally in both cases. The regulations of the Department of the Air Force specifying the types of situations in which the privilege of a security hearing will be afforded are sufficiently broad to embrace cases of applicants, but representatives of the Air Force testified that there is no general practice of affording hearings to applicants. They did indicate, however, that in exceptional cases involving uniquely qualified applicants who are regarded as essential for certain projects a hearing may be afforded "to clear up the acceptability of this man." The General Counsel of the Department of Defense testified that a similar practice prevails in the Army and Navy Departments, but the regulations of those Departments do not expressly provide for situations of this kind.

2. Probationary employees: Government employees who have not completed their 1-year probationary period are generally not entitled to a security hearing to resolve derogatory information which may be developed in the course of security investigations, although, under Public Law 733 and the Department of Justice sample regulations, they are entitled to written notice as to the reasons for suspension, as specific and detailed as security considerations permit, and to submit a written defense to these charges. Even this privilege, however, applies only if the individual is suspended under the security program, and would not apply if the individual is terminated as unsuitable under the ordinary Civil Service regulations. Some agencies apparently attempt to handle as many cases as possible under Civil Service regulations rather than as security cases. In the case of the Air Force, for example, it was indicated that a case is processed under the security regulations only if it is not possible to remove the employee under Civil Service regulations. This procedure may have considerable merit in that it spares the employee the burden of a security-risk label, but at the same time it denies him an opportunity to clear his name and establish his eligibility for Government employment, since probationary employees may be dismissed at the discretion of the agency head without any notice or hearing.

Again, the Atomic Energy Commission's procedures constitute an exception to the general rule, since AEC grants precisely the same privileges to probationary employees as in the cases of employees who have survived the probationary period. It should be pointed out, however, that this is probably required by section 161 (d) of the Atomic Energy Act which requires that the Commission "make adequate provisions for administrative review of any determination to dismiss any employee." Representatives of the Department of the Air Force testified that that Department also affords hearings to probationary employees "in order that we might insure proper safeguards."

3. Incumbent employees who have survived the probationary period: Permanent and indefinite employees who have survived their probationary period are entitled under the Executive Order 10450 security program, to a formal adjudication of the question of security risk before they are terminated as security risks under the provisions of the Executive order. The procedures to which they are entitled must meet the minimum standards of the Department of Justice's sample regulations. If, however, the derogatory information brought to light by a security investigation required under Executive Order 10450 raises a question of suitability for employment, as well as of security, the individual may be deprived of his procedural privileges under Executive Order 10450 if the agency head decides to dismiss him under civil-service regulations rather than under the security order. In such an event, the procedures available to the individual for clearing the record vary greatly from agency to agency, with no apparent minimum standards, and such procedural safeguards as are available would generally provide much less protection than those afforded under the security program.

HOW MUCH "RIGHTS" SHOULD THE INDIVIDUAL HAVE UNDER THE SECURITY PROGRAM?

The question of the degree of procedural rights which should be afforded to individuals subject to the security program is a complex one. There can be no doubt that the Government should seek to establish the highest level of standards for the Federal service, and that undesirable, unsuitable, unreliable, and untrustworthy employees should be weeded out. It cannot be disputed that the Government should have effective procedures for making inquiry concerning the background, competence, experience, and character of its employees and applicants for employment, and that it should be able, as in the case of private industry, to refuse to employ applicants who do not meet its standards, and to discharge, without cumbersome procedures, employees who are undesirable.

There is, however, an important distinction between a sound personnel administration program and the present security program. The security program mobilizes the entire investigative machinery of the United States Government to probe into every facet of the individual's background. The investigation is not, like the ordinary personnel inquiry, designed to elicit an objective report on the individual's experience, training, personality, and other characteristics pertinent to a decision as to his suitability for employment. It is designed, rather, to use the words of section 8 (a) of Executive Order 10450, "to elicit information as to whether the employment or retention in employment in the Federal service of the person being investigated is clearly consistent with the interests of the national security." Section 8 (a) then goes on to enumerate the types of information to be developed in the investigation, and the entire enumeration consists of categories of derogatory information, with no reference at all to the desirability of obtaining a balanced, objective picture of the individual's suitability, including favorable

information about him. It should also be recognized that the security investigation, unlike the personnel inquiry, is designed to turn up information about the individual's relatives, and friends, and his and their political beliefs, activities, and associations, some of which does not necessarily have a direct bearing upon whether or not he will be a good, reliable, and trustworthy employee. There is, moreover, no effort to confine the investigation to sources of information which are presumed to be sound and free of personal bias. Rather, the investigators go to anyone who can tell anything about the individual, and many of the informants, even if they are free of malice or prejudice toward the individual being investigated, have highly questionable competence to interpret his political or moral characteristics.

There is a further important distinction. In the case of a true personnel inquiry, the results are interpreted and evaluated, and a determination made, by individuals who are free to weigh and decide objectively in terms of whether or not the individual is capable of doing a job in a reliable and trustworthy manner. In the case of the security program, however, the individuals who evaluate are expected to have the rather parochial function of protecting against possible risk, and the security criteria and procedures place little emphasis upon evaluation of the degree of risk arising from derogatory information, as balanced against the individual's meritorious attributes, in the context of the particular Government position involved.

Still another distinction lies in the impact of the security program upon the individual who is fired as a security risk, or who is denied employment as a consequence of the existence of derogatory information. Once the Government conducts a personnel security investigation which results in the production of significant derogatory information, a situation is created which may have the most profound consequences upon the life of the individual concerned. The impact of the security program is not limited, as has been suggested, to a determination as to whether or not an employee may be a security risk in a particular position in the Government. As a practical matter, an individual who has been determined to be a security risk in a particular position is, by this determination, virtually ineligible for further Government employment. It is true that section 7 of the Executive Order 10450 provides a basis for reemployment of the individual in the same agency upon a determination by the head of the agency that this is clearly consistent with the interests of national security. Indeed, although the Chairman of the Civil Service Commission conceded that an employee found to be a security risk "may be a first-rate Federal employee in some other position," he was not able to inform the subcommittee when he testified as to whether there had been any such reinstatements. Section 7 also makes an employee, who has been suspended or terminated as a security risk, ineligible for employment in any other Government agency, unless the head of such other agency determines such employment is clearly consistent with the interests of the national security and the Civil Service Commission gives its consent. Of 54 cases of this kind which have been brought before the Civil Service Commission to date, only 9 have been found eligible for reemployment in another agency by the Commission. Information furnished to the subcommittee by Mr. Young since conclusion of the hearings reflects that for the period October 1, 1953, to September 30, 1954, only 5 employees terminated under the security program have been reemployed by Government agencies. The most that can be said is that a man found to be a security risk has a remote possibility of reinstatement in a Government job, but even if he is reinstated, his opportunity for advancement would be severely circumscribed by the earlier security determination.

But the impact of the program does not end there. The Chairman of the Civil Service Commission conceded that a security file on an individual who has been denied clearance will follow him like a shadow throughout the Government, and into private industry if he seeks employment with firms doing Government work involving security considerations. Indeed, Mr. Young indicated that section 7 was written into Executive Order 10450 for this very purpose. The consequence is that a large area of private employment, embracing upward of 2 million positions in our present private economy, involving access to classified matters would be barred to this individual.

Moreover, it is apparent that many American firms would regard an individual who has been found to be a security risk as wholly ineligible for employment by them in any position whatever, even in positions with no security significance whatever. The representative of Douglas Aircraft Co. who testified before the subcommittee stated that his firm would not hire, and would forthwith fire, any individual who had been found to be ineligible for "Secret" and "Top Secret" clearance by the Department of Defense. Additional information received by the subcommittee indicates that similar practices are followed by many industrial firms, even firms engaged to only a minor extent in defense work.

The same situation prevails with respect to probationary employees and applicants who are fired or refused employment on security grounds without a final adjudication as to whether or not they are security risks. Once significant derogatory information is developed in a security investigation, and is not resolved by a favorable security clearance determination, it will operate as an impediment to employment of the individual elsewhere in the Government and in wide areas of the private economy. Agencies are required to report to the Civil Service Commission on form 73 whether or not an applicant is denied employment as a result of security determination made on the basis of a full field investigation. The ready availability of the national agency check serves to make the derogatory information known, and it is unlikely that an employing officer would knowingly select for employment an applicant concerning whom there is an ostensible unresolved security question over an applicant concerning whom there is no apparent cause for doubt. In a day in which even private employers inquire as to whether or not an applicant for employment has ever been cleared, has ever been denied clearance, or has ever executed a personnel security questionnaire for security clearance, it is readily apparent that unevaluated and unresolved derogatory information developed in the course of a prior security investigation may effectively bar an individual from getting even a toehold in future employment sufficient to permit a security hearing which might resolve the derogatory implications. Indeed, information submitted to the subcommittee indicates that even a long delay in processing a security clearance application to a final conclusion—without any indication that derogatory information has been developed—may make potential employers skeptical of the wisdom of employing an applicant for even those positions in the private economy which are in no way of security significance.

It is apparent that the security program causes substantial deprivations to many thousands of Government employees subject to it, and that these deprivations are not limited merely to loss of a particular Government job. It is callously unrealistic to define the procedural safeguards available to Government employees and applicants for Government employment in terms of the concept that "there is no right to a Government job," or by assuming that no "stigma" attaches to denial of clearance to an applicant or to discharge of a probationary employee. There is little indication that representatives of the Government who are responsible for implementing Executive Order 10450 have an adequate awareness of the impact of the program upon the individual subject to it, or that they have considered what the Government's responsibilities to its citizenry should be in this area. There is an urgent necessity for thorough reexamination of the impact of the security program, and for consideration, as a matter of national policy, of the degree of procedural safeguards which can and should be afforded individuals subject to this impact. It would be well to consider, specifically, the feasibility of affording to all individuals subject to the security program the maximum opportunity to resolve questions of security risk consistent with effective operation of the security program.

A number of specific problems appear to warrant special attention. These are the major problems revealed in the subcommittee's consideration of the personnel security programs, but they are only illustrative of other problems which may exist.

1. Notice to the individual: The sample regulations of the Department of Justice provide that a written statement of charges shall be furnished, and that the statement shall be as "specific and detailed as security considerations, including the need for protection of confidential sources of information, permit." This standard appears to be satisfactory, but there is reason to believe it is not being consistently applied by the various agencies and that some agencies are not complying with the spirit of the standard in formulating the statement of charges. There appears also to be a need for more careful and precise definition of "confidential sources of information."

2. Opportunity to answer the charges: The present minimum standard procedures as found in the sample regulations of the Department of Justice appear, in the main, to provide adequate opportunity for the individual to make his defense if all agencies observe their spirit. In at least one area, however, study might be given to the possibility of improvement. This area concerns the problem of "confrontation."

There can be no question as to the necessity for protecting the FBI's methods and devices for infiltrating the Communist conspiracy. If protecting such sources of information represents a compromise with traditional American concepts of justice and fair play, it is a price which we should be willing to pay, in times of national peril, for an effective security program. But it appears that information from such sources is involved in only a very small proportion of security cases. Mr. Ernest Angell, chairman of the board of directors of the American Civil Liberties Union, who served for several years as Chairman of the Loyalty Review Board for the Second District, testified before the subcommittee on the basis of his experience with hundreds of FBI investigative reports under the loyalty program:

"I could say with confidence that the proportion of those [cases] in which there was any genuine derogatory information against the employee that came from the personal knowledge of the FBI agent or the genuine undercover agent, as distinguished from the great mass public of the so-called casual informant, was very, very low and small. There was no question about that."

The real question of confrontation is whether such casual informants—landlords, neighbors, classmates, business associates, and the like—who furnish derogatory information, and who are usually identified in the investigative reports, should be identified to the individual and subject to confrontation. Discussion of this problem heretofore has been confused by injecting into

it the question of the actual FBI intelligence apparatus, and it is now necessary to consider the problem of confrontation strictly in terms of these casual informants. At the present time the security procedures place a premium on and encourage irresponsible and malicious gossip and information. It may be that broadening the area of confrontation in this manner may dry up sources of derogatory information to a degree which would hamper the security program. Even if this were a consequence, there would still be a basic-policy question requiring balancing of principles of fairness, justice, and responsibility against the requirements of security. It appears to be most desirable that a fresh, objective examination of this problem be undertaken by an independent body.

There is considerable reason to believe that present practices with respect to confrontation are less than adequate and less than would be feasible without detriment to the security program.

The Department of Justice sample regulations provide merely that hearing boards may, in their discretion, invite any person to appear at the hearing and testify, and that the hearing board shall take into consideration the employee's handicap by reason of nondisclosure to him of confidential information or lack of opportunity to cross-examine confidential informants. They provide also that the board shall consider the refusal of an invited informant to appear, as well as the fact that the Government cannot pay witnesses' travel expenses. In addition, the President recently approved the Attorney General's recommendation that every effort should be made to produce witnesses at security board hearings to testify in behalf of the Government so that such witnesses may be confronted and cross-examined by the employee, so long as the production of such witnesses would not jeopardize the national security.

The regulations of the Department of the Army go farther than any others in providing a right of confrontation. Paragraph 37 of Special Regulations 620–220–1 provides:

"Government witnesses: All boards are instructed to invite, as a matter of standard procedure, each nonconfidential witness who has been personally identified, who has given information adverse to the employee and who has not indicated expressly an unwillingness to appear. Geographic distances will be no bar to extending invitations except that invitations need not be issued to witnesses in noncontiguous overseas areas. Such witness will be asked to appear at the hearing to testify in the employee's presence and be subjected to cross-examination. They will also be asked whether they wish to appear privately before the board, whether they would submit a signed statement, permit their names to be disclosed as the source of the information given, and whether their statement previously given may be read to the employee with or without the witness' name being disclosed. The invitation will state that the board cannot pay witnesses fees or reimbursement for travel or other expenses. A suggested invitation to qualified witnesses is contained in appendix II. Whenever a witness signifies a desire to appear before the board in private, the executive secretary will arrange such a meeting, preferably before the hearing. The witness will be heard under oath and a verbatim confidential transcript of his testimony will be made and added to the complete file. A copy of that transcript will not be supplied the employee unless the witness agrees. If the witness agrees to release the transcript, it will be regarded unclassified and the witness' agreement should be included in the questions and answers in the transcript, usually at the end. Adverse witnesses who are employees of the Army Establishment should be urged to attend and commanding officers should be requested to permit such employees to attend. Necessary time to attend a hearing would be recorded as official duty and no charge made to leave."

Although it may be questioned whether even this broad language goes as far as is possible and desirable in affording the right of confrontation, there can be no question that it goes far beyond most agency regulations which provide only that every effort shall be made to produce informants. If the privilege of confrontation on this broad scale is feasible for employees of the Department of the Army without adverse effect upon national security, there is no reason why all departments and agencies should not adopt regulations going at least this far.

A related question is that of subpena. At the present time agencies and departments, with the exception of possibly a few with specific statutory authority, do not have authority to subpena individuals to testify in security proceedings. If it is concluded upon further study that the right of confrontation should be broadened, consideration might also be given to whether the power to subpena informants should be granted. Some Government witnesses before the subcommittee, when asked whether the subpena power should be provided, responded in the negative. They did not say, however, that providing such subpena authority would be detrimental to the national security. Their replies were predicated upon the conceptual notion that security proceedings are not adversary in nature and are administrative rather than judicial. The tendency to discuss security problems in terms of these conceptual labels, rather than in terms of actual impact and effect upon individual rights and Government security, should be arrested. Sufficient it to say that some security cases which have received wide public attention have had many trappings of an adversary proceeding, and, indeed, Government witnesses were subpenaed by the Atomic Energy Commission in the Oppenheimer case.

3. Objective evaluation and determination: There are significant indications that the security program under Executive Order 10450 may, in some respects, lack objective balance, and weight the scale too heavily on the side of finding security risk. Even though the test of eligibility for Government employment under Executive Order 10450—that it be determined that employing the individual is "clearly consistent with the interests of national security"—may be an ideal standard, refinement of the standard so as to reflect the necessity for careful evaluation of degree of security risk in the light of all the individual's attributes would add considerable balance and objectivity.

The most striking evidence of this lack of balance is to be found in the manner in which security hearing boards are instructed to evaluate the evidence and prepare their findings and recommendations for the agency head. The Civil Service Commission's handbook entitled "Guides for Members of Security Hearing Boards Under Executive Order 10450" provides that a memorandum of reasons is to be prepared by the Security Hearing Board in support of its conclusion and decision in each case, for incorporation into the file and use by the head of the agency making the final decision. The handbook states:

"The amount of detail necessary will depend upon the facts and complexity of the case. In some instances it will be necessary or desirable to explain the board's reasoning and conclusion concerning each charge. This probably will be done in every case in which the board reaches a decision favorable to the individual."

The import of this is obvious. A recommendation in favor of the individual must be justified and supported, but a recommendation adverse to the individual need not be. The agency head may fire an employee as a security risk without being convinced, but he must be convinced before he finds in the employee's favor. This language, if it has any meaning at all, necessarily must have some intimidating effect upon members of hearing boards, who, regardless of their integrity, objectivity, and good faith, are well aware of the fate which may befall Government employees who are "soft" on communism and subversion.

This unbalanced language has seeped through to the security regulations of some departments and agencies. The Navy Department, for example, adopted this language in toto. When this language was brought to the attention of the General Counsel of the Department of Defense during his testimony before the subcommittee, he expressed some concern, and the result has been amendment of the Navy Department's regulations so as to require an explanation of the Board's reasoning and conclusions concerning each charge, whether the decision is favorable or unfavorable to the individual.

4. Hearings for applicants and probationary employees: Another problem worthy of study is whether a greater degree of procedural protection should be afforded probationary employees and applicants concerning whom security doubt arises as to eligibility for employment. No convincing reasons have been advanced as to why probationary employees should not have the privilege of a hearing before a security hearing board prior to dismissal on security grounds. In testimony before the subcommittee there were, of course, the conceptualistic arguments that security hearings for such employees are not authorized by statute and that there is no right to a Government job. The Chairman of the Civil Service Commission indicated that granting hearings for probationary employees runs counter to the whole "theory and system of having a probationary year for Federal employees * * * to provide an opportunity to see whether or not that person is a qualified, worthwhile Federal employee." He also expressed the view that "good personnel management" dictate against such hearings. But the fact of the matter is that at least the Department of the Air Force and the Atomic Energy Commission, among the various departments and agencies, do afford probationary employees the opportunity for a security hearing, and there is no indication of any adverse consequences.

Similarly, there have been no convincing reasons offered for not extending the privilege of security hearings to applicants who would otherwise be barred from Federal employment for security reasons. The only real argument against such hearings was offered by the representative of the Department of State who testified that if applicant procedures were adopted, one of the dangers would be immediately all the Communists would come in to apply for a Federal job just to find out whether the Federal Government knew about them or not. But this concern appears to have been articulated without knowledge of the Atomic Energy Commission's satisfactory experience in affording hearings to applicants during the past several years. Indeed, the State Department representatives were unaware, prior to the subcommittee's hearings, that any agency afforded security hearings to applicants and probationary employees.

LACK OF UNIFORMITY, CONSISTENCY, AND COORDINATION

The Government programs for investigation and clearance of personnel are characterized by considerable confusion and few evidences of uniformity, consistency, or even coordination.

Even within those agencies whose security programs are based in whole upon Executive Order 10450, there are substantial variations. The general structure of the security program under Executive Order 10450 is that each de-

partment or agency head is to establish his own security program within the broad minimum standards established under Executive Order 10450 and the Department of Justice's sample regulations. The only effort at coordination appears to be the review of each agency's regulations by the Department of Justice to assure that the minimum standards are met. But the minimum standards are extremely vague and general, and permit wide variations in substantive and procedural aspects of security proceedings. As an example of these variations, we may consider the regulations of the Army, Navy, and Air Force, three Departments which are subject to some unifying pressures, and which are probably as similar to each other in makeup, personnel, and special problems as any three agencies of the Government could be.

The principal representative of the Department of Defense in the hearing before the subcommittee, its General Counsel, insisted that the employee security programs of the three subdepartments were substantially uniform. The respective regulations, however, do not bear out this contention. A number of significant variations appeared:

(a) Hearings: The Army Department and Navy Department regulations contemplate hearings only for permanent or indefinite employees who have survived their probationary periods. The Department of the Air Force regulations provide hearings as a matter of right only to such employees, but contemplate that hearings for other individuals subject to the security program will be afforded at the discretion of the Central Review Board which, it is stated, has the policy "to grant such a hearing in all such cases except where the national security would otherwise be immediately affected." Pursuant to this policy, the Air Force grants security hearings to probationary employees as a matter of course.

(b) Confrontation: As discussed above, the Department of the Army regulations require, as a matter of standard procedure, that all nonconfidential informants who have been personally identified in the investigative report, and who have not expressly indicated an unwillingness to appear, be invited to testify, or to submit a signed statement, or to be identified to the employee. The Air Force regulations are almost as broad, but require that such invitations be extended "whenever practicable," and not as a matter of "standard procedure." The Navy Department regulations provide merely that the "Security Hearing Board, in its discretion, may invite any person to appear at the hearing and testify."

(c) Report of Hearing Board: As discussed above, the Navy Department regulations, which have been amended to remedy this deficiency since the hearings before the subcommittee, provided that a full statement of the Hearing Board's reasoning ought to be included in every case in which the Board reaches a conclusion favorable to the individual, but not when the conclusion is adverse to the individual. The Air Force regulations require an analysis of the information and a detailed statement of the reasoning upon which each finding is based, regardless of the outcome. The Department of the Army regulations are silent on this point, but state that complete instructions on preparation of the Board's findings and the memorandum of reasons "will be provided in other media," presumably the Civil Service Commission's Handbook, which, as discussed above, contains a provision similar to that found in the Navy Department's regulations prior to their amendment.

(d) Criteria for determining security risk: The Department of the Army's regulations contain no statements reflecting that the criteria of security risk are to be applied in terms of the specific position occupied by the employee. Nor do the regulations contain any standards for evaluating the derogatory information, weighed against favorable information, to establish the degree of security risk. In sharp contrast, the Navy Department regulations specify that the Board will consider "the nature of the position occupied by the employee and in the light of the derogatory information" and that "a fair decision will be reached only after all the facts, favorable and unfavorable, have been analyzed impartially and have been given due weight in their proper perspective." The Air Force regulations go even further in specifying that derogatory information of the various types included in the criteria are all "relevant to the question of whether because of his * * * employment in the position involved [the individual] might, either intentionally or inadvertently, disclose to unauthorized persons classified security information * * * or otherwise act against the security interests of the United States."

The General Counsel of the Department of Defense suggested that such discrepancies are merely variations in language without substantive significance, but this is not a satisfactory answer. Government officials are to be commended for extending desirable procedural advantages to their employees over and above those required by their regulations, but in the last analysis the individual must look to the published regulations for his procedural safeguards, and there is no reason why the procedures cannot be wholly uniform, selecting the best provisions of each.

It must be recognized that such variations in procedures of the agencies of the Department of Defense, where there is some unification, are found in greatly magnified form among the other agencies' security programs, where the only pressure for consistency comes from the necessity for meeting the minimum standards of the sample regulations of the Department of Justice.

Additional evidence of lack of consistency and coordination may be found in the testimony of the Department of Justice before the subcommittee.

Assistant Attorney General Tompkins testified unequivocally that Executive Order 10450 does not apply to employees occupying nonsensitive positions concerning whom derogatory information about character and habits has been developed. He stated, for example:

"A drunk in a nonsensitive position would not be subject to 10450.

"The gentleman in the nonsensitive position whose habits are not good * * * would not come within the scope of 10450."

But despite this interpretation by a high official of the Department responsible for interpreting Executive Order 10450 for the various departments and agencies, and for assuring that their security regulations meet certain minimum standards, it is apparent that other agencies and departments have been dismissing employees in nonsensitive positions under Executive Order 10450 on the basis of derogatory information as to character and habits. Thus, representatives of the Department of Defense testified that a drunk occupying a nonsensitive position could be dismissed under Executive Order 10450, and statistics for the Department of the Army (the only agency of the Department of Defense for which these figures are available) reveal that of 182 Army employees occupying nonsensitive positions who were dismissed under Executive Order 10450, 143 were dismissed on the basis of derogatory information as to character and habits. Similiarly, according to figures furnished by the Civil Service Commission for the period May 28, 1953, to September 30, 1954, the Department of Agriculture reported that 101 of 102 employees terminated because of security questions were in nonsensitive positions, but only 32 cases involved information relating to subversion; the Department of Commerce reported that 32 of the 77 employees terminated were in nonsensitive positions, but only 12 cases involved information relating to subversion; and the General Services Administration reported that 105 of the 154 employees terminated were in nonsensitive positions, but only 20 cases involved information relating to subversion.

Another example of lack of common understanding of security concepts under Executive Order 10450 may be found in the inability of the State Department witness before the subcommittee to state categorically that other agencies of the Government interpret Executive Order 10450, as he does, as permitting employment of a security risk when necessary to get a job done.

This lack of common understanding as to what security is all about under Executive Order 10450 is reflected in available statistics on the operation of Executive Order 10450.

It is apparent that there is no pattern of statistical correlation. The most complete statistics available are those furnished by the Atomic Energy Commission which, since 1946, has had approximately 504,000 full background investigations conducted for it. AEC, which presumably has a rather stringent security program, indicated that of these investigations, only 5,532, or about 1.1 percent, raised any question as to eligibility for AEC security clearance, and of this number 1,622 were finally granted clearance. Of of the remaining 3,910, 3,416 were not processed to conclusion for one reason or another, and only 494, or just under 0.1 percent, were actually denied clearance. These figures may be compared with figures furnished by the State Department which indicate that 30 applicants were rejected for employment on security grounds under Executive Order 10450 in 1954 out of a total of approximately 2,075 applicant investigations. This would indicate that the State Department would deny clearance to approximately 1.45 percent of all individuals investigated, as compared with AEC's figure of only 1.1 percent which even raise the question of security risk. It would appear likely, on the basis of these figures, that radically different security standards are being employed from agency to agency.

Variations in the security programs are of considerable importance from the standpoint of the individuals subject to the programs. An individual employed by a relatively nonsensitive agency, such as the Department of Agriculture, which apparently has very stringent standards of security risk (as may be judged from the facts of the Ladejinsky case), may find himself fired as a security risk with all the serious deprivations involved, although if he had been employed in more sensitive agencies, such as the State Department or the Foreign Operations Administration, a question of security eligibility might never have been raised. Similarly, an employee whose security status is adjudicated under less adequate or enlightened procedures than would be available in another agency may, for this reason, be severely prejudicated. This does not appear to be the "fair, impartial, and equitable treatment" through "mutually consistent and no less than minimum standards and procedures" ordered by the President in Executive Order 10450.

Testimony before the subcommittee revealed a disturbing pattern of lack of awareness of and interest in these problems. None of the Government witnesses indicated an awareness or interest in the manner in which agencies other than his own were operating under Executive Order 10450. Indeed, some of them did not appear knowledgeable concerning aspects of even their own programs. It was extremely difficult for the subcommittee to elicit useful information as to the manner in which the security program under Executive Order 10450 is being coordinated and controlled to assure "fair, impartial, and equitable treatment" through "mutually consistent and no

less than minimum standards and procedures."

Assistant Attorney General Tompkins stressed the need for coordination in stating:

"All of these efforts in the internal security field must be carefully coordinated. In order to achieve maximum coordination without interfering with the responsibility and authority of any department or agency, interdepartmental liaison has been formalized."

The Interdepartmental Committee on Internal Security (ICIS) is responsible, according to Mr. Tompkins' testimony, for planning and coordination in the field of internal security, other than intelligence matters. But he testified further that ICIS exercises no supervision over security screening of Government employees and does not review the various screening methods and activities.

When asked whether there is any organization in the Government which attempts to ascertain whether the various departments follow a uniform security system, Mr. Tompkins replied that the Civil Service Commission is responsible for reporting to the National Security Council on divergent security procedures, so that this could be brought to the attention of the President for remedial action. He indicated that this is the only method for coordinating the various agencies in the security field. In January 1955, however, the Department of Justice was asked to review Executive Order 10450 and the operation of the security program. Mr. Tompkins distinguished between the Department's role and that of the Civil Service Commission by pointing out that the latter merely "audits" the various agencies, while the former looks for weaknesses in the security structure. Although Mr. Tompkins did not assert that the Department of Justice has any special responsibility for coordinating the security programs of the various agencies, and seemed to avoid assuming such responsibility, he did indicate that he has met personally with security officers and legal counsels of various agencies to "gain more uniformity and to improve the program as much as humanly possible." The representatives of the Department of Defense expressed the view that the Internal Security Division of the Department of Justice "heads up the administration's effort in that regard," and that the Department of Justice and the Civil Service Commission are both responsible for review and coordination. It is doubtful, however, on the basis of his testimony, that Mr. Tompkins would agree that the Department of Justice has a primary responsibility for coordination and achieving a greater degree of uniformity among the various agencies. In any event, representatives of the Department of Justice appeared, in their testimony, to lack knowledge of many of the basic aspects of implementation of the security programs of the various agencies which would be essential to the role of coordination. Mr. Tompkins was not, for example, immediately aware of the scope of Civil Service Commission investigations under Executive Order 10450; he was not aware of the fact that some agencies regard Executive Order 10450 as applicable to cases involving employees occupying nonsensitive positions concerning whom there is derogatory information about character and habits; he was not aware of "what the Civil Service Commission is doing about recommendations or administration of Executive Order 10450," and he was not aware of which agencies conduct their own personnel security investigations rather than use the investigative facilities of the Civil Service Commission.

Mr. Philip Young, Chairman of the Civil Service Commission, disavowed that his agency had any "direct coordinating authority" or any "major responsibility in terms of coordination." The role of the Civil Service Commission is confirmed, according to Mr. Young, to inspecting and appraising the application of the program, but he did indicate that discrepancies in the way various agency heads were conducting their programs might be called to their attention, although the Civil Service Commission lacks authority actually to effect changes.

The role of the Civil Service Commission in this respect stems from section 14 of Executive Order 10450, which directs the Commission to make a continuing study of the manner in which the order is being implemented to determine whether there are—

1. Deficiencies in the various security programs which are inconsistent with the interests of, or directly or indirectly weaken, the national security; and

2. Tendencies to deny employees fair, impartial, and equitable treatment, or rights under the Constitution, laws of the United States, or under Executive Order 10450.

Information as to such deficiencies or tendencies is to be brought to the attention of the agency head concerned, and is to be reported by the Commission, with recommendations for corrective action, to the National Security Council.

It is obvious, regardless of whether or not it was the intention of the Executive order that the Civil Service Commission be responsible for coordination, that in fact the Civil Service Commission has not played this role. It has not yet completed even one full cycle of auditing implementation of the security program by the various departments and agencies. Moreover, the Commission apparently is construing its responsibilities under section 14 as narrowly as possible, as is evidenced by its position that it is of no concern to the Civil Service Commission whether personnel security investigators of the agencies of the Government which conduct their own personnel investigations meet the exceptionally fine standards established by the Commission for its own investigators. The Commission apparently would not regard less than adequate investigative staffs as creating any deficiency or tendency within the meaning of section 14 of the Executive order.

The Civil Service Commission has, however, furnished information about the coordinating role of the Department of Justice, which could not be elicited from the Department itself. Mr. Young testified that there is a great deal of active coordination between all of these agencies and departments of Government on this program. He testified that the Department of Justice interprets Executive Order 10450 for the various agencies and departments and reviews their security regulations to ascertain whether agency regulations meet prescribed minimum standards, and is constantly thinking and analyzing the whole basic elements in this program in terms of subject matter and content.

Mr. Young described the machinery for coordination as follows:

"This question of coordination of this program between departments and agencies is a very interesting one, Mr. Chairman. The basic coordination, of course, arises from the fact that you are starting out and working from a basic law, a basic Executive order, and a basic set of sample regulations. Each department and agency then issues its own set of internal regulations pursuant to Executive Order 10450 in line with the sample regulations proposed by the Department of Justice.

"Variations from the sample regulations issued by the Department of Justice are approved by the Department of Justice; so at least there in terms of the basic documents you do have coordination, a coordinated starting point, let us say, at the base of this program.

"Then as you go along on this program and it goes into operation, the Civil Service Commission under section 14 is making these appraisal inspections of the departments and agencies, and if we find that a particular agency has a variation from either its own regulations or the sample regulations, approved by the Department of Justice, so that where we do find things of that sort, you get an additional amount of coordination.

"Mr. Brownell, in his recent letter that you referred to, Mr. Chairman, pointed out the fact that he was holding continuing conferences with security officers of agencies and departments, and in addition, you have the security officer of the Civil Service Commission as well as the Department of Justice, who is in constant touch with these departments and agencies most of the time."

It is obvious that coordination is the top secret of the security program. No one will accept responsibility for it, and everyone seeks to pass off the responsibility to someone else. It is difficult to understand how there can be effective coordination when responsible officials of the Government cannot agree on who is responsible for coordination. It is obvious also that only an absence of effective coordination of and supervision over the present security program could produce a conclusion by a responsible Government official, such as Mr. Young, that the security program has gone exceedingly well over the last 2 years. Quite aside from the pattern of confusion and lack of consistency revealed in the hearings before the subcommittee, and quite aside from the doubts concerning administration of the program voiced almost universally by responsible private groups, the proof of the inadequacies in the program during the past 2 years comes from its principal architect, the Attorney General.

On March 4, 1955, the President approved certain recommendations submitted by the Attorney General to improve the security program, which recommendations were based upon a study of the actual operating practices under the program. Among the recommendations of the Attorney General were the following:

1. The statement of charges "should be drawn as specifically as possible, consistent with the requirements of protecting the national security" in consultation with the chief legal officer of the agency.

2. "Meticulous care should be exercised in the matter of suspension of employees against whom derogatory information has been received."

3. A legal officer should be present at hearings to advise the Board on procedural matters and to advise the employee, if he is not represented by counsel, as to his rights.

4. Each agency head should periodically and personally review the list of persons made available by his agency for service on security hearing boards to assure that they are "persons possessing the highest degree of integrity, ability, and good judgment."

5. "Every effort should be made to produce witnesses at security board hearings to testify in behalf of the Government so that such witnesses may be confronted and cross-examined by the employee, so long as the production of such witnesses would not jeopardize the national security."

6. All violations of law as disclosed in the investigations or proceedings under the program should be reported immediately to the Division of Internal Security, Department of Justice."

Most of these principles reflect fundamental elements of any well-conceived security program, and it would be shocking to find that any security program in the United States has been operating for 18 months without full acceptance of and implementation of at least these elemental safeguards. Indeed, these principles are in some instances expressly stated in the Department of Justice's sample minimum standard regulations, while in other instances they are implicit in these regulations. If operation of the security program during the first year and a half actually

indicated a necessity for issuance of these new recommendations, there is indeed cause for great concern about operation of the security program, and it is difficult to conceive how any responsible Government official could say that the program has gone exceedingly well.

THE INDUSTRIAL SECURITY PROGRAM

In addition to the security program for Government employment, there are other programs for the security investigation and clearance of individuals employed in private industry who require access to classified material. These programs affect even more individuals than are affected by the Government employees' security program.

The Department of Defense program, which affects some 2 million employees of private industry, does not rest upon express or firm statutory foundation, but primarily upon the Department's contracting authority. Defense Department contractors are required to agree in their contracts to establish and maintain a system of security regulations. The system includes provision that only appropriately cleared personnel will have access to classified matter, and the Department of Defense has established requirements for security clearance for access to confidential, secret, and top-secret material. A top-secret clearance is predicated upon a background investigation, and a secret clearance upon a national agency check. Confidential clearance is granted for United States citizens by the contractor, rather than by the Department of Defense, on the basis of a determination that the individual's employment records are in order as to United States citizenship and that there is no information known to the contractor which indicates that the employee's access to confidential information is not clearly consistent with the interests of the national security. The Department of Defense does not, however, establish more specific standards or criteria for use by the contractors in carrying out this responsibility. If, however, the individual is an alien, a background investigation is required, and if access to confidential restricted data is involved, clearance can be granted only by the Department of Defense on the basis of a national agency check. Where a contractor finds, before granting a confidential clearance, that there is derogatory information raising a question as to whether the employee's access is clearly consistent with the interests of national security, the contractor apparently has the option of simply not employing the individual in a position involving access or of referring the case to the Department of Defense for a determination as to eligibility for clearance. The ultimate standard for determination of eligibility for clearance is the same for all three categories of clearance, and is identical to the standard for determining security eligibility for Government employment under Executive Order 10450, i. e., that it is clearly consistent with the interests of the national security. Moreover, the same criteria for making the determination as are employed under Executive Order 10450 are also employed in the industrial security program.

Where doubt arises as to eligibility for clearance, the employee is entitled to a hearing before a regional hearing board and to review by a central review board if his case presents novel questions or if the hearing board arrives at a divided opinion. The entire program is to be coordinated and supervised, under recently adopted procedures, by a director, who in turn is responsible to the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force.

Although security clearance determinations by the Department of Defense are explicitly stated by the Department to affect only the individual's right to access to classified information, and not his right to employment by the contractor, it is apparent that many employers will regard denial of security clearance as warranting discharge of the employee, just as the representatives of Douglas Aircraft Co. testified it would do. This means that the industrial security program has a definite impact, directly or indirectly, upon the individual's opportunity to earn a livelihood. It is, therefore, of the utmost importance that employees receive the maximum opportunity, consistent with the operation of an effective security program, to defend themselves and to establish their eligibility for clearance. We find, however, that employees subject to the industrial security programs have been afforded no greater procedural protection, aside from the centralized review in some cases, than is afforded Government employees under Executive Order No. 10450. It would appear, therefore, that consideration should be given to broadening the privileges available to these individuals at least to the extent suggested for consideration with respect to Government employees.

The Atomic Energy Commission has statutory responsibility and authority for security clearance of employees of its contractors and licensees, and all others, who are to have access to restricted data. AEC criteria and procedures for determining eligibility for security clearance draw no distinction between such employees and AEC employees, and all cases are considered under the same AEC regulations.

Although the Department of Defense has apparently achieved a highly coordinated and unified industrial security program, there is no indication that there is any coordination in this respect between the AEC and Department of Defense programs. In cases in which the AEC and the Department of Defense both have a security interest in a particular plant, both would exercise independent security control and supervision. There is, moreover, no indication that there is any Governmentwide attempt at coordination of industrial security activities. The Assistant Attorney General testified that the Internal Security Division of the Department of Justice does not deal with these activities, and does not have jurisdiction to review or consider these programs. It is difficult to understand why this is so, in view of the similarities between the Government employees' security programs and the industrial security programs, and the fact that individual rights may be even more substantially affected by the latter programs than by the former.

Another industrial security program of a sort is conducted by the United States Coast Guard in screening merchant seamen and waterfront workers under the port security program. Approximately 370,000 persons have to date received port security cards reflecting their security clearance.

It should be borne in mind that the millions of our citizens who have been, are, and will be subject to the industrial security program are not in any sense Government employees. They have not sought positions of public trust and in most instances have not even sought positions in industry involving access to classified information. They are ordinary working people in the 48 States who just happen to be employed by firms doing classified work, and who require security clearance in order that they be of use to their private employer. Through no initiative of their own, save the desire to hold a job or obtain advancement, they may find themselves propelled into the security vortex. They are required to execute a personnel security questionnaire. They, and their relatives and friends, may be subjected to searching security investigation resulting in the formation of dossiers which may follow them for the rest of their lives, even if some information in the dossiers is wholly unreliable or false. Their eligibility for clearance, and their very employment, may be threatened by vague allegations about themselves, or their relatives and friends, which they may have an opportunity to refute and effectively dissipate only if the industrial security programs are operated in a manner calculated to permit this. They are subject to precisely the same difficulties in defending their reputations and livelihoods as the Government employee. They face the same difficulties as Government employees in learning the charges against them, the identities of their accusers, and in obtaining the privilege of confronting their accusers. Their cases are adjudicated under much the same standards and procedures as prevail in the Government employees' security program, are subject to the same diversities of administration and interpretation.

There is clearly a necessity for an industrial security program, and it is probably also necessary that such a program operate with many of the compromises with basic American tradition which characterize the present Government employees' security program. But a program of this magnitude which operates upon the employment, livelihood, and reputation of millions of our private citizens must be carefully designed, controlled, and administered. It should, if the Government is to act in a responsible manner toward its citizenry, be established as a matter of considered national policy, and not as a matter of haphazard growth.

CONCLUSION

The picture of the overall security mechanism developed in the course of the subcommittee's consideration of Senate Joint Resolution 21 is a disturbing one. Most of the mechanism has been constructed only within the past decade, and in the same period of time the security problem has become almost a national obsession. In response to the very real peril to our national security stemming from the nature of the Communist conspiracy, which stands ready to take advantage of the slightest weakness in our security armor, we have acted almost unconsciously, and certainly without considered judgment, in trying to reinforce and strengthen this armor. We have constructed a security mechanism almost at random without regard to duplication and overlapping, without regard to dollar cost, without any effort really to appraise the nature of the peril and the appropriate defense against it, and without any real effort to achieve a logical, consistent pattern of effective security. As pointed out above, the fact that the security mechanism has evolved in this manner does not furnish cause for criticism of any person, persons, groups, or organizations. We were attempting to cope with a new and unique peril, against the pressures of time, and the resulting security structure probably represented the best which could be accomplished under the circumstances.

There can be no doubt that the security mechanism viewed as a whole (including the espionage laws and other criminal statutes relating to security protection, the laws and regulations relating to classification, control, and protection of national defense secrets, and the programs for security investigation and clearance of personnel generally) are less effective and efficient than they can and should be; cost far more than they should for actual security achieved; and afford far less protection for individual rights than is possible without jeopardy to security.

One of the most disturbing aspects of this situation is that all representatives of the Government defend the status quo even though they cannot justify its duplication, loopholes, anomalies, inadequacies, discrepancies, inconsistencies, and costs. Indeed, most of the Government witnesses appeared to learn of many of these problems for the first time when they were questioned about them before the subcommittee. There is little indication of any genuine awareness of or concern about these problems. It is

doubtful, on the basis of testimony received by the subcommittee, that any single official of the Government is today capable of even describing, let alone understanding, the present conglomeration of security laws, regulations, and procedures found throughout the Government.

It is imperative that the United States have a stringent, realistic, effective, and fair security system. But we cannot lose sight of the fact that any security program, if it gets out of control, carries with it a threat to democratic, intellectual, and humanitarian principles. While there is no indication that our present security mechanism has gotten out of control, there is also no indication that it is under effective and rational control.

The time has come to take stock, to face the problem of security with the maturity with which our democratic Government and our people have faced grave issues of national policy in the past. Let us assess the peril which faces us and decide upon a coordinated, cohesive, rational security system which will protect our national secrets and our way of life.

Security is not a partisan issue. The present deficiencies have not been caused or nurtured exclusively by either party, by either this or past administrations, or by either Congress or the executive branch. Rather, they have been thrust upon us by the threat of Soviet imperialism and subversion at a time when we were, as a nation, not fully prepared to meet the threat with complete wisdom and reason. It is not too late, however, to remedy our past errors.

There is much work to be done before the security problem can be brought under rational control. It requires extensive and objective study and analysis. A commission form of inquiry, patterned after the Commission on Organization of the Executive Branch of the Government, is the ideal means for coming to grips with the problem, since it would enable representation by the executive branch, the Congress, and eminent public citizens. It would also enable that calm, dispassionate consideration and recommendation, removed from the area of political controversy, which will command public respect and confidence, and provide needed reassurance to the American public in this era of security obsession. This would implement, and be wholly consistent with, the recommendation of the Task Force on Personnel and Civil Service of the Commission on Organization of the Executive Branch of the Government that an official inquiry and appraisal of the personnel security problem be undertaken without delay by a panel of distinguished citizens whose judgment cannot be questioned. The Commission which would be established under Senate Joint Resolution 21 would, however, have a broader function than the study recommended by the task force since it would study all phases of the security mechanism and not only the personnel security program.

Mr. STENNIS. Mr. President, I appreciate the opportunity to speak briefly on the pending joint resolution. I know that the Senator from Minnesota will permit questioning at a later time. I have a pressing engagement which I must meet off the floor.

First, I wish to congratulate the entire membership of the subcommittee, which so diligently and seriously considered this far-reaching and perplexing problem, as well as the full committee, which also studied the matter and submitted the report to the Senate.

I believe this is one of the most complicated and far-reaching subjects which the American Government has ever had before it. The seriousness of the problem will continue for decades. I am very glad that this perplexing question was considered impartially and from a nonpartisan standpoint, and that a basic and fundamental study of it was made by the subcommittee and by the full committee.

It is my privilege to be, with the distinguished junior Senator from Minnesota, a cosponsor of a joint resolution to establish a Commission on Government Security.

I should like to state that my purpose, and the purpose of the junior Senator from Minnesota, in introducing Senate Joint Resolution 21 was wholly nonpartisan. I am delighted by the fact that consideration of this resolution to date by the Committee on Government Operations has also been nonpartisan and that there is substantial support, from both sides of the Chamber, for its enactment.

All Members of the Senate have in the past had occasion to consider various aspects of the security problem. As I look back upon my own experiences in connection with security matters, it seems to me that we have been primarily concerned with peripheral rather than essential phases of the security mechanism. We have never come to grips with the fundamentals of Government security. We have been attempting to deal expeditiously with important problems of security as they became apparent without any real effort to articulate a national policy or approach to these problems.

I must confess that I have found many aspects of the security mechanism to be confusing and incomprehensible. This is not because I have not diligently endeavored to acquire a knowledge and understanding of security. Rather, it is because the development and growth of the security mechanism has been such as to make comprehension impossible. There is little doubt in my mind that most of the members of this body have had similar difficulties. Nor is there any doubt in my mind that even within the executive branch of the Government responsible officials concerned with administration of the security mechanism have not completely understood the force which they are wielding. Indeed, it has been difficult for me to find anyone who is capable of really explaining what security is all about and how the security mechanism operates.

The report of the Committee on Government Operations on this resolution points out, with considerable understatement I am sure, that our security system has developed in a gradual and piecemeal manner over the past decade. As an American and as a United States Senator, I have been deeply troubled by the fact that so many serious questions of justice, morality, and fundamental decency have been raised in almost every security case which has come to public attention. Many of these cases have involved actions by this Government which appear to be at best inexplicable. I am deeply troubled, moreover, by the many indications that, despite all intensive security efforts of the past decade, we still do not have a truly effective security structure which affords adequate protection in vital areas.

The problem of security should not be in any sense a matter of partisan politics. I cannot conceive that there can be any real difference of opinion between Democrats and Republicans in this area, and I do not think there is any difference. I believe it behooves us to enact a basic law on the subject, so that in a presidential election it cannot be dragged in by irresponsible people. I do not believe that the candidates themselves would do it, but it could be done by irresponsible persons, to confuse the people and to destroy their confidence in their own form of government—not merely in the temporary office holders, but in the very form of our Government.

We all recognize the importance of protecting our Government, our institutions, our national secrets, and our defense facilities against subversive depredation. The time has come for us to remove the security problem from the political arena and to construct an effective, realistic, and just security system which will provide the necessary protection against subversion with the minimum possible compromise of the basic rights and privileges of our citizens.

If I may make a personal reference, I served several years as a prosecuting attorney and, later, was honored by serving several years on the bench, and I can fully appreciate the zeal and enthusiasm of a prosecuting attorney, or one acting partly in that role, which may cause him to run by some of the danger signals marked in the Bill of Rights, or in other fundamental principles of our Government. I can fully appreciate the zeal of some legislator or some investigating group, but I am fully cognizant of the absolute necessity of our keeping daily before us the fundamental safeguards which have proven many times over that they are essential to individual liberty and justice. So, while we are protecting our Government we must also ever keep in mind the importance of absolutely protecting the basic rights of the citizens of the Republic.

Let us recognize in all candor that Democrats and Republicans, the former Democratic administration and the present Republican administration, the Congress, and the executive branch, have all made mistakes in the field of security. Let us recognize that these mistakes have not been caused by evil motivation or inept discharge of public responsibilities, but rather were the necessary and inevitable consequence of the necessity to erect immediate defenses, unique in our history, against the insidious and imminent perils of Communist imperialism. Let us all resolve to wipe the slate clean of past fumbling with security issues and of past recriminations in order that we may decide as a matter of considered national policy what security is and how a realistic and effective security program should be conducted.

It is regrettable that so much attention has been focused upon Senate Joint Resolution 21 in connection with the problem of investigation and security clearance of Government employees. This is only one phase, although an important one, of the overall security problem. The resolution provides not only for study of this phase of the

security mechanism, but also for comprehensive study of other phases of the problem as well—our espionage and sabotage laws, the classification of information, the control and dissemination of classified information, and the so-called industrial security programs. The hearings held on Senate Joint Resolution 21 before the Subcommittee on Reorganization of the Committee on Government Operations clearly demonstrate the inadequacies, confusion, and lack of comprehension in these areas. But even without the hearings, it is obvious to any thoughtful person who has been exposed to the security problem that corrective action in these areas is long overdue.

In my judgment, passage of this joint resolution by the Congress will be one of the most significant events of recent years. It will provide for consideration of the fundamentals of security for the very first time in our Nation's history. It will lay the groundwork for intelligent reconstruction and rational planning of our security mechanism. It can have no consequence other than to strengthen our national security, to enhance the welfare of the people of the Nation, and to reenforce public confidence in our national effort to maintain security.

Mr. President, I am indeed grateful for the opportunity of joining with the Senator from Minnesota, who has done such splendid work, together with his colleagues on the subcommittee, in connection with this fine resolution. It is my privilege to commend the resolution to the favorable consideration of the Senate.

Let me again thank the Senator from Minnesota for yielding to me. I also wish to thank the Senator from Kansas [Mr. CARLSON], who is waiting for the floor.

Mr. COTTON. Mr. President, as a minority member of the Subcommittee on Reorganization of the Committee on Government Operations, I wish to take this opportunity to say a few brief words regarding the pending measure, and regarding the hearings and deliberations of the subcommittee which led up to its action in recommending the joint resolution to the full committee and to the action of the full committee in reporting it to the Senate.

In the first place, Mr. President, as a minority member of the subcommittee who attended nearly all the hearings and followed the resolution with care, I should like to express to the acting chairman of the subcommittee, the distinguished Senator from Minnesota [Mr. HUMPHREY], my appreciation for the spirit and the manner in which he conducted the hearings and for his approach to the problem.

When he stated on the floor today that he acted, not in a partisan spirit, and not with a desire to create a political issue, I think he was stating the exact truth. He conducted the hearings in a completely fair manner. It was obvious from the start that his purpose, and that of the distinguished Senator from Mississippi [Mr. STENNIS], the cosponsor of the joint resolution, was to create a commission which would make a real contribution to the solution of a most perplexing problem which involves necessarily the functions of our Government.

I also wish to thank the Senator from Minnesota on behalf of the minority members of the subcommittee for meeting us in a very fine spirit, and for accepting certain amendments to the joint resolution which we felt should be incorporated in it.

Briefly, for purposes of the record, one of the amendments provided that subcommittees of the proposed commission should consist of three members. It limited to either the chairman of the entire commission or to a majority of one of its subcommittees the power to hold hearings and issue subpenas, thus making it impossible for one member of the commission to travel about the country, summon witnesses, and hold hearings.

Another amendment would protect the investigative agencies of the Government and make it very plain that the executive department, the President, and the investigative agencies, such as the FBI, would not be required to furnish records or to disclose information which would in any way hamper or cripple their activities in the matter of protecting the Nation from subversives and subversive activities.

These amendments were adopted without any opposition and, I think, in accordance with the unanimous desire of the full committee to furnish added safeguards. We also appreciate that fact, Mr. President.

It is a privilege for a comparatively new Member of the Senate and a new member of the committee to work with the Senator from Minnesota [Mr. HUMPHREY], the Senator from Missouri [Mr. SYMINGTON], and the Senator from South Carolina [Mr. THURMOND]; and also, Mr. President, on our side, to work with the Senator from Maine [Mrs. SMITH]. I particularly wish to express my appreciation to the Senator from Iowa [Mr. MARTIN], who spent a great deal of time with me listening to the hearings and then in considering the evidence adduced.

Mr. President, I wish to comment very briefly upon and invite the attention of the Senate to some facts which were brought out in the testimony of Chairman Philip Young, of the Civil Service Commission, who was one of the witnesses before the subcommittee. Mr. Young's testimony indicated that the present program is making good progress. His testimony also developed some important points about the program which were not publicly known or which in the past have been so frequently overlooked.

Mr. Young's testimony showed that a security screening job of enormous magnitude has now been virtually completed by the Government. Approximately 2,200,000 of the Government's 2,300,000 employees have been measured against the security standard of Executive Order No. 10450, and all but a relative handful of those measured have successfully met the test. Still to be completed, at the time of Mr. Young's testimony, were roughly 100,000 additional cases, and they will be finished soon. For all practical purposes, the security program from this time forward will be conducted primarily for the purpose of preventing the employment of any applicant whose employment would not be clearly consistent with the national security.

The Chairman of the Civil Service Commission also testified that the large bulk of investigations required in the process of screening this huge number of employees was performed by the FBI and by investigators of the Civil Service Commission. He described at length the careful selection of and the training given to civil service investigators, and referred to the fact that the competence of these investigators is generally acknowledged.

During the past year, he said, 40 percent of the full field investigations under the security program were performed by the Civil Service Commission, 25 percent by the FBI, and the remainder by other agencies—chiefly the Department of Defense and the Post Office Department—which have their own, long-established investigative staffs. He cited an average cost to the Civil Service Commission of from $217 to $265 for a full field investigation.

The results of the program, as summarized by Mr. Young, completely explode one of the popular fallacies which have been given such wide circulation, namely, that all or most Federal dismissals have been made for security reasons. Mr. Young pointed out that only 3,002 separations based on security grounds have been recorded; while, during the same period of operation of the Federal employee security program, a total of 28,531 Federal employees were dismissed for cause. Thus only a very small percentage of the total number removed was in the security category.

On the question of confrontation of accused employees by witnesses, Mr. Young cited in detail the steps which have been taken within the Civil Service Commission, in the operation of its internal employee security program, to assure that such confrontation is arranged in all possible instances. He showed that out of 12 cases where hearings were held, witnesses were identified in reports of investigation in 5 cases. A total of 15 witnesses were invited in those 5 cases. Six witnesses appeared in 4 of the cases and were cross-examined.

Mr. Young's testimony also brought out the provision under Executive Order No. 10450 which permits an employee dismissed under the security program to appeal to the Civil Service Commission for clearance of his record. Fifty-four cases have been completed under that procedure, Mr. Young said, and the Commission rendered a favorable decision in 9 cases and an unfavorable decision in 29 cases. Sixteen cases were closed without action, and 11 are pending at the present time.

These are just a few of the specific points of information presented by Mr. Young to the subcommittee concerning matters on which there has been frequent misunderstanding and misstatement.

Mr. President, it was, and I believe is, the unanimous opinion of the subcommittee which considered the measure that it would be greatly for the good of the Nation to have a commission review, dispassionately and without partisanship, the entire security system of the Government, and to recommend to the President and to Congress such measures and steps as in their opinion, would coordinate and solidify it, and make it even more effective than it now is.

However, in the opinion, at least, of the junior Senator from New Hampshire, who listened carefully to the evidence, much progress has already been made, and the revelations made before the subcommittee indicate that both the last and the present administrations have been earnestly and honestly seeking to improve, perfect, and coordinate the security system.

Of the many matters which the evidence before the committee brought to our attention, there are two points I should like to leave with the Senate. I hope Senators will read the evidence. But, boiled down, one of the matters which appealed to me, at least, as worthy of careful consideration was the coordinating of the whole security program.

There is not a shadow of doubt, in my opinion, that steps should be taken, including proper legislative action, to coordinate, fit together, and make more uniform our security activities. However, in justice to the executive branch, it should be remembered that one reason why progress has been difficult in this matter is that Congress itself, in enacting the law, provided that the head of each department should have supreme authority to organize and to operate the security activities of his own department. Congress having enacted the present law, it is more difficult to be certain that uniform practices are pursued in all the departments.

In the second place, in justice to those at the other end of Pennsylvania Avenue who are working on the program, I wish to point out that, as a matter of fact, a coordinator, unofficially selected from the Department of Justice, and attached to the White House, has been working for many months, seeking, so far as possible under the present law, to coordinate the security activities of the Government. Among the accomplishments of Mr. Donegan, who was especially assigned to the task, has been the formation of a committee upon which the Department of Defense, the Atomic Energy Commission, and other departments have representatives, and which has been meeting weekly, trying to encourage and to bring about so far as possible, coordination of the security program.

I believe that much has been accomplished, and that the country should not be given the impression that no effort is being made to coordinate the present program, although I freely admit and agree with the other members of the committee that there is much left to be done.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. MUNDT. I congratulate the junior Senator from New Hampshire and the other members of his committee on their constructive approach to the continuing problem of security. I include in the congratulations my distinguished neighbor, the junior Senator from Minnesota [Mr. HUMPHREY] and his associate in the introduction of the joint resolution, the junior Senator from Mississippi [Mr. STENNIS].

As the time the matter came before the whole committee, of which I was a member, I reserved my vote, because I had not had an opportunity to read the rather voluminous hearings and to confer with the members of the subcommittee about exactly what they had in mind. Having done both, I can say unreservedly I am a strong supporter of this approach and this resolution. I think history has demonstrated this Hoover type approach to a government problem is the best Congress has been able to devise. In the past the method has succeeded in eliminating partisanship. The resolution provides for adequate staffing, time, and concentration on the problem, and should have good results.

I can concur in what the Senator from New Hampshire has said, that much progress has been made in recent months in coordinating security problems; but, on the other hand, security of the Government is a continuing problem, and we cannot be too careful and cautious in setting up the various elements of Government machinery to accomplish a good result, both from the standpoint of the security of the country and the protection of the rights of individuals. I believe the Senator will agree——

The PRESIDING OFFICER (Mr. SCOTT in the chair). Will the Senator please suspend? The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, S. 1713, which the clerk will state by title.

The LEGISLATIVE CLERK. A bill (S. 1713) to amend the act of July 31, 1947—61st United States Statutes at Large, page 681—and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

Mr. HUMPHREY. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield.

Mr. HUMPHREY. As I understand, we have a most unusual parliamentary situation. Since, as of last Friday, there was a motion to adjourn rather than recess, therefore now the unfinished business of Friday has been brought up after the morning hour, the hour of 2 o'clock.

I am not too familiar with all the minute details of parliamentary procedure, but if it is in order I should like to ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed with the business which was being discussed up to the hour of 2 o'clock, namely, Senate Joint Resolution 21.

The PRESIDING OFFICER. Such a request is in order. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Now we may proceed with the colloquy between the Senator from New Hampshire and the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. MUNDT. Continuing from where I left off at this timely interruption at the hour of 2 o'clock, I should like to ask the Senator from New Hampshire a question. Does the Senator not feel that the problem of security in government is certainly of sufficient importance to justify the small expenditure of money and the great expenditure of effort which will be devoted to the problem by this Commission?

Mr. COTTON. I will say to the Senator from South Dakota most emphatically that I agree with everything he has said, and I appreciate his contribution, because I know of his experience in this field. We on the committee felt that the creation of the Commission and the expenditures which would be incident thereto were worthwhile.

As I said before, and I think the Senator from South Dakota expressed exactly the same thought much better than I expressed it, I was trying to point out we did not uncover some terrible situation or neglect which would shock the country. On the contrary, we found the matter has been progressing well, and has received the earnest, careful, and painstaking attention of the present administration, and of the preceding one, to a large degree. But we did come to the inescapable conclusion that, from the long-time standpoint, it would be wise to go after the problem "man fashion." The time which was devoted to the problem and the money which was spent in connection with it were worthwhile, because security is one of the most vital and necessary factors we must protect in order to save our Government.

Mr. MUNDT. Mr. President, will the Senator yield further?

Mr. COTTON. I yield.

Mr. MUNDT. I am sure what the Senator has stated is correct. The senior Senator from South Dakota has had the unusual, and I sometimes think the unhappy, distinction of having served longer on investigating committees than has any other Member presently in office either in the House or the Senate. That experience started under the chairmanship of Mr. MARTIN DIES, in the Un-American Activities Committee, and continued until the time I came to the Senate. In the Senate I have served on the Permanent Subcommittee on Investigations, of which I am still a member. I have become increasingly aware of the situation, because security procedure in the legislative and executive branches has grown like Topsy.

I recall, for example, during the long and heated debate which took place during the consideration and passage of the Mundt-Nixon bill, which today comprises the first 17 sections of our Internal Security Act, in the give-and-take of parliamentary debate and in the effort to secure sufficient votes to override a presidential veto of the bill, it was necessary to accept several amendments which were drawn hastily on the floor of the Senate, and which today comprise a part

I could not agree more with the Sen-

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subject which requires more meticulous

of the law of the land. Some of those were amendments which I would have ordinarily opposed, such as the one provision in the law which provides for concentration-camp type punishment for certain individuals. I am one who abhors all types of concentration camps, but that provision is part of the law of the land. It represents part of the increasing need for study, and it is hoped that as a result of studies on the part of the Commission there will come forth recommendations that will result in a recodification of the security laws so far as they have emanated from Congress, a careful weighing and a careful study to determine which are needed, which are necessary, and which might be replaced, in view of our later experiences, by new legislation. I would hope there might also come about a recodification of executive edicts, orders, and regulations, which are still in effect, to the extent, insofar as possible—I do not envision that it would be completely possible—of establishing similar criteria to meet similar conditions among our various Government departments and agencies. I am aware that in the FBI, the CIA, or the Atomic Energy Commission different standards and criteria would be needed than would be needed in a department such as the Department of Agriculture or a similar department. I do not say or imply we should let down the bars to permit subversives to work in the Government. We have to be more careful about the record of our Government employees who work in the CIA, the FBI, and the Atomic Energy Commission, than was Caesar about his wife.

I think there was an abundantly clear need shown for a constructive approach to the problem, which I think is going to flow from this type of commission. I congratulate those who offered the resolution and the subcommittee who have urged that it be passed. I support it enthusiastically. I hope it is unanimously adopted.

Mr. COTTON. I thank the Senator from South Dakota. I have only 2 or 3 more observations, and then I shall relinquish the floor.

Before the Senator from South Dakota made his fine statement, I had just stated that there were two points which, from the standpoint of the Senator from New Hampshire, seemed to loom large in the hearings. The first was the matter of cognation, on which I have touched.

The second is the matter of the protection of the rights of individuals, to which I wish to refer before I close, because, in my opinion, it is one of the most controversial questions involved in this matter, and one which will challenge the best consideration of any commission or group of individuals who may be called upon to act upon the security question.

Many of the witnesses who came before the committee seemed to be more deeply concerned—although I say very frankly to the Senate that that is not my feeling—about the possibility under the present program of the rights of citizens being in some way trampled upon, than they were in the question of whether the present program is effective in protecting the United States of America from espionage, sabotage, and other subversive activities.

In the first place, Mr. President, let me say that I served for 5 years on the Subcommittee on Independent Offices appropriations, of the House of Representatives Appropriations Committee. During those 5 years, which were critical ones with respect to our security program, we were working on appropriations for—among other agencies—the Civil Service Commission. Each year, we received from the Civil Service Commissioners a complete report about the workings of the security program.

It should be recalled that during those years the work was largely one of screening those who already were employed by the Government when the question of security arose. At that time there was a rather expensive, rather cumbersome, complex and complicated system of investigators, boards of inquiry, and appeals boards by districts and regions. The appeals boards were provided in order that every Government employee who found himself or herself under scrutiny and investigation, and labeled as a security risk, would have every right of appeal and every right to clear his or her name and to demonstrate his or her innocence.

I think everyone concedes that was entirely necessary, because we were dealing with persons who had served the Government for years, most of whom had reached middle life, who had children and families to maintain, who were wedded to their jobs, and who, if thrown out of employment, particularly under such circumstances that a stigma of disloyalty or of being security risks would attach to them, would be ruined, in that they would be unable to obtain new employment. Thus, they and their families would receive a grave blow.

However, at the present time, to all intents and purposes, that phase has been completed. During the past years the persons who have been working for the Government have been tested and screened; at least, that is true in the case of those who in any way are in key positions and handle classified information. From now on, the problem is one of how to deal with the applicant—for instance, the young college graduate or other person—who wishes to work for the Government.

If we are to assume that a person who applies to Uncle Sam for a job, and is told there is no job for him, has placed upon him a stigma which will continue on him for the rest of his days, perhaps there may be good reason for an expensive, cumbersome, unwieldy, complicated and slow system of boards of investigation, appeals boards, and other types of tribunals.

On the other hand, it is contended by many persons—and I am frank to say that I find myself among them—that we should follow a security procedure whereby there would be a screening of all persons entering the employment of the Government, and not merely those who apply for jobs in the performance of which, on the face of things, they might have to do with classified information. Even a young man who seeks employment in the Department of Agriculture, or in some other Government agency, in the most innocuous kind of job which could not by the wildest stretch of the imagination be regarded as one in which he would be in the possession of information which, if improperly used, would hurt this country, should be carefully screened. The situation is such that if every Government employee or applicant for Government employment is not screened, and his habits, his associations, and his loyalty carefully checked, then perhaps 10 years later it will be found that he has gradually risen on the ladder of Government employment until he is in a position in which he handles delicate subjects. In short, we must be sure of all Government employees. Then we shall not find ourselves in the situation of having to discharge from the Government service a man who has been employed for 10 years, and has a family, and has no other means of livelihood except the Government service. After all, Mr. President, when a person has established a long record of Government service, and finds himself in the position to which I have referred, in simple justice we must go the whole way in protecting all his rights.

So, Mr. President, I submit for the consideration of the Senate and of the country that if we are to spend money and to train investigators and to check, at the threshold, any applicant for employment in the Government service, all of them should be checked.

So long as they are not publicly tried, or so long as nothing to cast discredit upon them is done, it is not necessary for us to spend money and time in providing tribunals to enable such persons to appeal again and again, as if such persons will have a constitutional right to work for the Government.

So, Mr. President, we are confronted with these two problems: First, that of coordinating a loose system which, in the words of the Senator from South Dakota [Mr. MUNDT] and other Senators, has grown up like Topsy; and, second, the question of determining what should be our policy, and how far we should go in protecting the individual. Each of us agrees that a fundamental duty rests upon us to see to it that the individual is protected. But the question is how far we should go in doing that and how far we should go in screening all new employees, regardless of whether they are to serve in sensitive positions. Those are some of the questions which developed at the hearings, and which should be considered most carefully and dispassionately and thoroughly by the proposed Commission.

Mr. MUNDT rose.

Mr. COTTON. I yield to the Senator from South Dakota.

Mr. MUNDT. First, let me congratulate the Senator from New Hampshire for stating very vividly, clearly, and dramatically the challenge which lies ahead in the case of Government employment, if the proposed commission is established. We can work out machinery which will provide that careful, meticulous screening be done of all new Government employees.

some program as that followed by ... gram is in accord with the policy of ... show why he should not be removed

I could not agree more with the Senator from New Hampshire, when he says that regardless of whether a young man enters the Government originally in a low echelon or whether he begins in a highly sensitive position, it is imperative that he be screened as an official or as a Government employee, because then we can follow very carefully the doctrine that whenever there is any benefit of doubt to be given, it should be given to the Government and to those who are peaceful, honest, God-fearing, and loyal, who live under the machinery of the administration of that Government.

In earlier days, there were long debates in Congress as to whether a person who already was on the job, and about whom an element of doubt had developed, should have that doubt resolved from the standpoint of having the benefit of the doubt go to the individual or go to the Government. In the first instance, the former administration tried to follow a theory under which the doubt would be resolved for the benefit of the individual concerned. But that did not work, because although it safeguarded a few innocents who were in the Government service, and who otherwise might have been embarrassed, it jeopardized millions of innocent Americans who thus found themselves living under a system in which infiltration could easily be carried on.

So we tried the other philosophy, namely, that of resolving the doubt in favor of the Government, rather than the individual. Under that arrangement, on occasion there was an opportunity for cumbersome practices, and for injustice to the individual employees.

But, Mr. President, certainly at the threshold of Government service we can afford to follow carefully a formula to the effect that if there is any doubt whatever, it shall be resolved for the benefit of the Government, and that those about whom there is any doubt should be screened out.

We should establish the clear concept that association in the form of employment by the Government is not a right but a rare privilege, and that any person who is employed by the Government should be entirely faithful and loyal in that service. Such service is a privilege which comes to the few—the few who seek it, the few who deserve it, and the few who will perform it faithfully.

I should like to suggest one thing further. It is possible that those who read the RECORD—and we are writing here legislative history which is certain to govern the deliberations of this Commission—may sense, in something which the Senator from New Hampshire has said, an impression which I am sure he did not wish to convey when he stated—and stated correctly—that the big problem now is the problem of what to do about screening employees who enter the service of the Government in the future. The impression should not be created that, in the main, the job of screening, investigating, and checking those at present employed has been largely completed.

I simply wish to register the fact—with which I am sure the Senator from New Hampshire will agree—that while the job of checking those now employed has in fact been largely completed, it has not been entirely completed, and it will never be entirely completed. It is a continuing problem. It seems to me that we must always have machinery for checking those already on the job, because individuals may change. We have seen individuals in public life switch from one major political party to the other, as is their right. There is nothing wrong in that, so far as loyalty to country is concerned. But we also have sent subversives to the penitentiary as a result of facts developed in committees with which the present speaker has been associated. Certain cases involved young men who undoubtedly originally came to the Government with stardust in their eyes and loyalty in their hearts, but whose connections and associations changed, and who later switched to subversive attachments because of temptations. We must, therefore, always have machinery for weeding out such persons and detecting them, if, as, and when changes take place among those already on the payroll.

Mr. COTTON. I thank the Senator. I wish to make it crystal clear that I did not mean we should ever relax our vigilance in dealing with the vast number of Federal employees. However, I was reviewing the mechanics, the technical machinery of the original screening, and bringing out the point that the first step in the screening of present employees had been completed, and that the method of approaching the second step was now before us.

Let me close with one further observation. In the first place, I believe that every member of the subcommittee who listened to the evidence and studied the problem is in agreement that the pending joint resolution is a meritorious measure. None of us has any desire to bring about a duplication of the work of other committees of the Congress, or the work of the executive departments. However, I think we all reached the conclusion that a careful review of this problem, which has grown to be one of our most vital problems, and which will be with us perhaps as long as the Government lasts, should be undertaken by a commission along the lines of the Hoover Commission, outside the Congress. We all commend the distinguished Senator from Minnesota for his activities in seeking to create such a commission.

In the second place, I wish to make it very clear that, for my part, at least, the evidence indicated that in the past few months tremendous strides have been made by the Government, under the leadership of President Eisenhower, in attacking this problem and in improving the efficiency of the agencies dealing with it.

In the third place, I express the hope that if the joint resolution is passed, there will be appointed a commission which will study this problem from the most dispassionate standpoint possible, recognizing that they are reaching into the most intricate mechanism of the entire Government, involving the rights and privileges of individuals, as well as the safety of our country. There is no subject which requires more meticulous, incisive, clear-cut thinking, and dispassionate justice. It is in the hope of establishing such a commission that we who are members of the committee have joined unanimously in recommending the passage of the pending joint resolution.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. HUMPHREY. First of all, I wish to express my personal gratification and thanks to the Senator from New Hampshire for his words of commendation and kindness.

I wish to make it crystal clear that the Senator from New Hampshire was most diligent in his attendance upon the sessions of the subcommittee. He is a helpful and informed member of the subcommittee.

I think the Senate should clearly understand that the only conclusion our subcommittee reached was that this area of security needs the kind of study recommended. I want that made clear, because the subcommittee did not consider, point by point, differences of opinion among various witnesses, or even among various members of the subcommittee.

We held hearings. As the Senator from New Hampshire has stated, the printed hearings are rather voluminous. This is the first time in the history of this Government that all the security rules, regulations, Executive orders, public laws, and statutes have ever been brought together in one comprehensive volume, along with the pertinent inquiry and investigation which took place during the hearings, which covered a rather wide range of governmental activity.

If we have done nothing else, we have at least provided a volume of information for lawyers and students, and others who are concerned with the problem of security regulation or who are keenly interested in it.

I believe that what we have done is to indicate, by the hearings, the urgent necessity of two things: First, the best protection humanly possible of the national security; secondly, equating such protection with what we call basic American traditional rights insofar as it is humanly possible to do so consistent with the interest of the national security.

I wish to thank particularly my friend the Senator from New Hampshire, who has done so much in this field. The Senator from Iowa [Mr. MARTIN] is also present. He was very helpful to the subcommittee.

I think I should also say that the Senator from Maine [Mrs. SMITH] was exceedingly helpful, particularly in the concluding stages, when we were drafting amendments and reaching an agreement on the report.

I thank each and every one.

Mr. COTTON. Mr. President, before relinquishing the floor, let me thank the distinguished Senator from Minnesota for his observation.

I wish to add to the hope which I expressed with respect to the conduct and work of the proposed Commission the hope that the Commission will be able and careful in its work, and will follow

clear that when the Truman loyalty pro- ing, for security purposes, its military The resolution was referred to the

the same program as that followed by the subcommittee under the able leadership of my distinguished friend from Minnesota.

It was not a question of trying to select individual cases, or digging into this case or that case, or trying to find political ammunition in the treatment of individual cases. At all times we tried to keep our eyes on the main problem.

I make the following statement with some apprehension, but I think it should be in the record: Of course, the Commission cannot study the security system of the Government without knowing something of the individual cases and how they have been administered. But I am sure the Commission can proceed in such a manner that there will be no question of trying to get into its record information which, in the interest of future security, should not be divulged. At the same time, there should be a general, overall, clear-cut presentation of how the security program is being administered and how it ought to be administered.

I hope the joint resolution will pass, and I urgently trust that the Commission, when and if appointed, will do one of the best jobs ever done in this Government, because this is a field which calls for such service.

Mr. MARTIN of Iowa. Mr. President, first I wish to join with the distinguished Senator from New Hampshire [Mr. COTTON] in expressing appreciation for the good work done by the distinguished Senator from Minnesota [Mr. HUMPHREY] in the conduct of the hearings and in the deliberations of the committee on the pending joint resoluton. I was very proud and pleased to join with the other members of the committee in making a study of what I consider to be one of the most important activities and responsibilities of our Government.

Senate Joint Resolution 21 would establish a 12-member Commission of which not more than 6 members could come from the same political party. It would study all phases of the Government's security programs and procedures, and submit appropriate recommendations, with a final report to the Congress and the President not later than December 31, 1956, possibly at an earlier date, if it is agreed upon.

The Commission is patterned after the so-called Hoover Commission, and is designed to be nonpartisan in its approach and implementation.

Under the joint resolution, 4 members would be named by the President, of whom 2 would be from the executive branch and 2 from private life; 4 would be named by the President of the Senate, 2 of whom would be Members of the Senate and 2 from private life; and the remaining 4 would be named by the Speaker of the House—2 from the House membership and 2 from private life. No more than two of those appointed by the President, the President of the Senate, and the Speaker, respectively, could be from the same political party.

The Commission would study not only the entire Government security program, including the statutes and regulations, but would also have the duty of ascertaining whether the overall security program is in accord with the policy of Congress, that there shall be a sound Government program affecting security, including investigations and clearances for Government employees and persons privately employed or occupied in work requiring access to national secrets.

Basically, the problem or assignment which the Commission is given under Senate Joint Resolution 21 is to find out whether our Federal security program is working well or whether there is need at this time to look it over and revise and amend it.

The approach taken by the joint resolution is by no means the only one; other techniques could be equally appropriate. The important thing is to get the job done and to have it done well.

It is probably not realized, with respect to the present Federal security program, that during the period 1789 to 1911 there were no general limitations whatsoever on the power of the Executive to dismiss Federal employees—hearings, page 103.

In 1912 the Lloyd-La Follette Act was passed. It provided that—

> No person in the classified civil service of the United States shall be removed therefrom except for such cause as will promote the efficiency of said service and for reasons given in writing, and the person whose removal is sought shall have notice of the same and of any charges preferred against him, and be furnished with a copy thereof, and also be allowed a reasonable time for personally answering the same in writing; and affidavits in support thereof; but no examination of witnesses nor any trial or hearing shall be required except in the discretion of the officer making the removal; and copies of charges, notice of hearing, answer, reasons for removal, and of the order of removal shall be made a part of the records of the proper Department or office, as shall also the reasons for reduction in rank or compensation; and copies of the same shall be furnished to the person affected upon request, and the Civil Service Commission also shall, upon request, be furnished copies of the same. (Chart, p. 103 of hearings.)

There were no further additions to the law in this field until the Hatch Act was passed in 1939. Section 9 (A) of that act provided that—

> (1) Membership of Government employees in political parties or organizations advocating overthrow of our constitutional form of government is unlawful; and (2) the penalty for violation shall be immediate removal from one's job; no subsequent appropriation for the position filled by the violator shall be used to pay for his compensation (chart, p. 103).

During World War II the Lloyd-La Follette Act was amended by Public Law 808, of the 77th Congress, in 1942, to provide that protections afforded under the act shall not apply to any civil-service employees of the War or Navy Departments or the Coast Guard whose immediate removal is warranted by the demands of national security. Persons thus summarily removed may, if in the opinion of the Secretary concerned, subsequent investigation so warrants, be reinstated and also be allowed compensation for all and any part of the period of such removal. A removed person has the right to appear personally and be fully informed of reasons for removal within 30 days and to submit within 30 days thereafter a statement and affidavits to show why he should not be removed—chart, page 103.

Then, came the Truman loyalty order, Executive Order No. 9835, dated March 21, 1947. It provided that the standard for the refusal of employment or the removal from employment in an executive department or agency on grounds relating to loyalty shall be that, on all the evidence, reasonable grounds exist for the belief that the person involved is disloyal to the Government of the United States—chart, page 103.

The act of August 26, 1950, Public Law 733, 81st Congress, contained the provision that certain heads of agencies—State, Commerce, Justice, Treasury, AEC, Defense, National Security Resources Board, and National Advisory Committee for Aeronautics—

> May in its absolute discretion and when deemed necessary in the interests of national security, suspend without pay, any civilian officer or employee. * * * The agency head concerned may, following such investigation and review as he deems necessary terminate the employment of such suspended civilian officer or employee whenever he shall determine such termination necessary or advisable in the interests of the national security of the United States, and such determination by the agency head concerned shall be conclusive and final (chart, p. 103).

Then came a change in the Truman loyalty order. It was brought about by Executive Order 10241, dated April 28, 1951, and provided:

> The standard for the refusal of employment or the removal from employment in an executive department or agency on grounds relating to loyalty shall be that, on all the evidence, there is a reasonable doubt as to the loyalty of the person involved to the Government of the United States (chart, p. 103).

Starting in 1942, every appropriation act has contained a standard rider as follows:

> No part of this appropriation shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence (chart, p. 103).

The appropriation act rider has provided as a penalty that a violator who accepts employment, the compensation for which is paid by this appropriation, is guilty of a felony, punishable by a fine up to $1,000 or imprisonment up to 1 year or both. The penalty clause is in addition to, and not in substitution for, any other provisions of existing law—Chart, p. 103.

Finally, there is the Eisenhower security order, Executive Order No. 10450, dated April 27, 1953. Section 2 of the Eisenhower security order provides that—

> The head of each department and agency of the Government shall be responsible for establishing and maintaining within his department or agency an effective program to insure that the employment and retention in employment of any civilian officer or employee within the department or agency is clearly consistent with the interests of the national security (chart, p. 103).

As one who has been a Member of the House and the Senate over a period of years, I desire to make it unmistakably

safeguards provided in the bill, difficult one. It is for that reason that

clear that when the Truman loyalty program was inaugurated, I supported it. When the Eisenhower security program was developed and substituted for the Truman loyalty program, I supported that. I am now supporting Senate Joint Resolution 21, which I have already described and which would establish a "Hoover-type" Commission to study all phases of Government security and submit recommendations.

This approach is a logical one in our efforts to achieve an adequate and complete program affecting security and to carry it out fairly.

I believe that no one has stated the essence of the difficulties involved in a Government security program better than did Governor Brucker, General Counsel of the Department of Defense, when he appeared before our subcommittee last March to testify on this resolution. He said:

> Achieving a proper balance between the demands of security for all of the people and the traditional rights of individuals is one of the most difficult problems of our age. There is no panacea. It calls for the wisdom of Solomon and the patience of Job and presents a challenge which all must strive to meet (p. 224).

I would note parenthetically that the choice of Governor Brucker to replace Secretary of the Army Stevens is merited recognition of his outstanding personality and abilities, as well as recognition of his substantial contributions as a public servant over a period of many years.

In the same connection I should also like to call attention to the comments of another witness before the subcommittee, Assistant Attorney General William F. Tompkins, who is in charge of the Division of Internal Security, Department of Justice. He stated:

> The difficulty of establishing and maintaining a personnel security program now as always has been the problem of striking a balance between authority and liberty because of our historic insistence upon due process of law for the protection of civil rights. National security and individual liberty are the same and one without the other is, in the words of J. Edgar Hoover, "a mockery" (p. 81).

While each has stated the difficulties in his own way, I heartily subscribe to these comments by both of these distinguished witnesses to whom I have referred. They assisted greatly in the work of the subcommittee, as did the many other witnesses who appeared before it.

We have examined briefly the historical background of the Federal security program. A glance at its present structure—the statutes, regulations, and directives under which the program operates—reveals a complex of laws and regulations which concern espionage, unlawful disclosure of information, employee loyalty and security, industrial plant security, and port security.

A further glance at this program reveals a complex of activities which affect not only the whole of Government, but also a large segment of non-Government operations.

There are, for example, the activities of the Defense Department in screening, for security purposes, its military personnel and its civilian personnel.

The latter comprise about 1,150,000, or 49 percent, of all the civilian employees of the Government—page 171. There are also the industrial-security and port-security programs under the Defense Department.

Taking still another look, we find increasingly large numbers of Federal employees engaged in carrying out security programs. To be sure, not all of these employees have assignments which are limited solely to Government security, but to a large extent their assignments are so directed. The Civil Service Commission, according to recent information, has 1,713 employees on its investigative staff—page 502 of hearings. It has been stated that at least 19 Federal departments and agencies have some direct responsibility in the field of internal security—page 10.

With respect to investigation of Federal employees and applicants for Federal employment, the Civil Service Commission in 1954 conducted about 40 percent of the total number of full-field investigations. The FBI conducted 25 percent, and the remaining 35 percent was carried on by other agencies, including the Post Office Department—page 521. These other agencies included the military intelligence units of the Defense Department, the Central Intelligence Agency, the Secret Service, and others. There is a separate statutory program, for clearance and the like, for the Atomic Energy Commission.

On the subject of costs there was testimony that each full field investigation made by the Civil Service Commission cost the taxpayer $217.76, on the average, in 1954—page 521.

The foregoing recital, although necessarily quite sketchy, indicates somewhat the vast scope of the assignment which is to be given to the commission proposed to be created for Senate Joint Resolution 21.

But, Mr. President, make no mistake about it, the present Federal security program, in the main, is a good program. It is well conceived and it has been well implemented, especially in the recent past. Chairman Young, of the Civil Service Commission, stated to the subcommittee, as follows:

> This security program within the Federal Government on Federal employees has gone exceedingly well over the last 2 years. In fact, when you consider the difficulties in the size of the operation and getting this sort of thing off the ground and getting it functioning within a relatively short time, with 2,300,000 employees, many of them in all corners of the world, and getting uniform application and interpretation on it, I think it is a great tribute, not only to the Federal administrators, but to everyone who has had anything to do with the application of this program within each department and agency to make the kind of record which they have (p. 519).

I am in complete accord with the views expressed by Mr. Young.

Senate Joint Resolution 21 was introduced last January 18 under the joint sponsorship of the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Mississippi [Mr. STENNIS].

The resolution was referred to the Subcommittee on Reorganization, whose members are: the Senator from Massachusetts [Mr. KENNEDY], chairman, and the Senator from Minnesota [Mr. HUMPHREY]; the Senator from South Carolina [Mr. THURMOND]; the Senator from Missouri [Mr. SYMINGTON]; the Senator from Maine [Mrs. SMITH]; the Senator from New Hampshire [Mr. COTTON]; and the Senator from Iowa [Mr. MARTIN]. In the regretted and enforced absence of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Minnesota [Mr. HUMPHREY] served as acting chairman of the subcommittee ably and admirably in connection with this legislation.

Without any intended reflection upon the other subcommittee members, I feel I would be remiss if I did not make special mention of the effective and conscientious work of our colleague, the Senator from New Hampshire [Mr. COTTON] throughout the entire period the measure was before the committee.

Hearings on the resolution were held between March 8 and March 18, inclusive. The hearings were well attended by committee members, and testimony was received from various well-informed and responsible Government officials, as well as some representatives of industry, of labor, of the press, and from other interested groups and individuals.

The printed hearings, with appendix, comprise more than 1,300 pages. Much of the information in the hearings is available nowhere else.

The proceedings have had careful study by the entire subcommittee.

It was agreed from the beginning that the subcommittee would keep political considerations to a minimum. In the main, that understanding has been adhered to. During the hearings, no study was made of individual cases of alleged abuses or alleged maladjustments of the security program. It was understood that individual cases were not to bear on the subcommittee assignment, except as they might bear upon procedures or methods or systems. This understanding was adhered to.

The hearings established, among other things, the need to delve further into questions asked of the various witnesses and into the subject matter of many of their responses. The further study contemplated by the resolution is clerly beyond the scope of the subcommittee's assignment and, if properly complied with, the study of the proposed Commission on Government Security should aid in developing and maturing our security system.

It is a matter of personal gratification to me, not only as a member of the subcommittee, but as a citizen of the United States, that each member of the subcommittee demonstrated a sincere desire to help attain the objective of a mature and complete Federal security program—always, of course, with proper safeguards for individual rights. This objective is the natural evolution or development called for by the greatly expanded Government personnel and the greatly expanded governmental activity in the field of restricted information in a time of worldwide tension.

Mr. HUMPHREY. That is correct; ... commendations the special Commission ...

The safeguards provided in the bill regarding the composition of the Commission justify some emphasis and stress. It is to be a bipartisan Commission and every effort has been made to insure that its study will have the benefit of the thinking of all interested and affected groups and individuals, both in the Government and outside it.

It will be a part of the task of the Commission on Government Security to ascertain the effectiveness of the security program, both in its structure and in its administration. It is to be hoped that the program, when examined in detail, will be found to have a minimum of defects; but I, for one, will wish to assist in remedying any defects which may be found at the earliest possible moment. There are two compelling reasons for this: First, we cannot in the interest of national security have any but the best security program. Second, we cannot tolerate any abuses being perpetrated upon individuals to whom a program may be applied, either because of its structure or its administration.

In closing, I express the hope that the Commission will perform the task assigned it as a patriotic duty to all the people, that Democrats and Republicans alike will dedicate themselves as citizens first and partisans last toward achieving a proper balance between the interests of the State in its fight for survival against its enemies within and without our shores, and the interests of the individual in preserving the very freedoms which are the only justification for the survival of the State itself.

The enactment of this resolution conforms to that objective and is worthy of the support of the Senate.

Mr. CARLSON. Mr. President, I wish to pay tribute to the chairman of the subcommittee, the junior Senator from Minnesota [Mr. HUMPHREY], and to the members of the committee for their work on and study of the question of security, and for reporting the joint resolution which is before the Senate for consideration.

I happen to be a member of a committee which was created under Senate Resolution 20, which authorized and delegated the Senate Committee on Post Office and Civil Service to make a study and investigation of the administration of the internal security program of the Government. The chairman of the Committee on Post Office and Civil Service, the senior Senator from South Carolina [Mr. JOHNSTON], the junior Senator from West Virginia [Mr. NEELY], and I are members of that subcommittee.

From the hearings which have been held, it is my firm opinion that our committee, which is really making an investigation of individual cases, and will continue to do so, can well receive the benefit and advice which would come from a commission such as the one proposed by Senate Joint Resolution 21. After hearing some of the witnesses and some of the testimony, it seems to me that such a study is needed; in fact, I am convinced that the present internal security program is not infallible. The job of protecting America from subversion, without violating the traditional and constitutional rights of individuals is a difficult one. It is for that reason that I shall favor and support the resolution, which provides for such a study. It seems to me that the importance of the program to our Government and to those who are working for the Government is such that we need a searching and thorough study, and need it promptly.

On the basis of the pending joint resolution, which provides for a high-level commission, nonpartisan and bipartisan in character, we can expect a well-considered and helpful report, which will be of value to the Government and to the country.

However, I am concerned about the provision in the joint resolution with respect to the date when the report shall be made to Congress. Under the measure now being considered, the Commission must report to Congress not later than December 31, 1956. I am convinced that a report should not be delayed that long. It is my sincere hope that the Commission may report early next year, in order that the next session, the second session of the 84th Congress, will be in a position to deal with some of the recommendations. I think the questions involved are so urgent and important that the report should not be delayed until December 31, 1956, and be left for consideration by the 85th Congress.

Therefore, I shall offer an amendment which I sincerely hope the chairman of the subcommittee will accept. If it be in order, I should like to offer the amendment now.

The PRESIDING OFFICER. The committee amendments have not been disposed of.

Mr. CARLSON. I shall be glad to withhold my amendment until the committee amendments have been acted upon.

The PRESIDING OFFICER. The committee amendments will be stated.

The first amendment of the Committee on Government Operations was, on page 4, line 1, after the word "quorum", to insert "Each subcommittee of the Commission shall consist of at least three members of the Commission."

The amendment was agreed to.

The next amendment was, on page 6, line 19, after the word "subcommittee", to strike out "or member."

The amendment was agreed to.

The next amendment was on page 7, line 1, after the words "subcommittee", to strike out "or member."

The amendment was agreed to.

The next amendment was in line 3, after the word "Commissioner", to strike out "of such committee, or any duly designated member", and insert "or the chairman of any subcommittee with the approval of a majority of the members of such subcommittee."

The amendment was agreed to.

The next amendment was in line 7, after the word "Chairman", to strike out "or member."

The amendment was agreed to.

The next amendment was in the subhead, in line 22, after the word "Prosecutions", to insert "And Investigative."

The amendment was agreed to.

The next amendment was on page 8, line 2, after the word "the" where it appears the second time, to strike out "premature."

The amendment was agreed to.

The next amendment was in line 5, after the word "intelligence", to insert "or investigative."

The amendment was agreed to.

The next amendment was in line 6, after the word "agency", to insert a comma and "or would jeopardize or interfere with the interests of national security."

The amendment was agreed to.

The next amendment was in line 9, after the word "Commission", to strike out "shall" and insert "may."

The amendment was agreed to.

The next amendment was in line 12, after the word "than", to strike out "January 15" and insert "December 31."

Mr. CARLSON. Mr. President, I offer an amendment to the committee amendment just stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Kansas to the committee amendment.

The LEGISLATIVE CLERK. On page 8, line 13, it is proposed to strike out "December 31," and insert in lieu thereof "March 1."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the junior Senator from Kansas.

Mr. HUMPHREY. Mr. President, I have discussed the amendment, not only with the Senator from Kansas, but also with other members of the subcommittee, with the exception if the senior Senator from Maine [Mrs. SMITH], who is unavoidably absent on official business.

May I ask the Senator from Kansas if he will engage with me for a few minutes in some good, old fashioned American horsetrading, so to speak?

I think the date of March 1, 1956, is a little too short a time. It is my hope that the Commission might be provided with at least an additional month in which to submit its final report, namely, on March 31, 1956, so that there could be a target date for the Commission to make its report.

I think we have faced up to the fact that an extension of time might be needed, but I agree with the Senator that the work should be expedited. In fact, I was desirous of having the report submitted earlier, but I acceded to requests from other members of the subcommittee that the time be extended to December 31, 1956, as provided in the joint resolution. It will be noted that that was a subcommittee amendment.

If the Senator from Kansas, in his spirit of fair play, and also in his good Yankee horsetrading spirit, would like to make the date March 31, as I walk over toward him and get just a little more affable and amicable, perhaps we can settle the question.

Mr. CARLSON. Mr. President, I am afraid I am going to be out-traded. However, I notice that in the original joint resolution the commission was to have reported by January 15, which I assume would be January 15, 1956.

Mr. HUMPHREY. That is correct; but the subcommittee hearings and the study which the subcommittee made took such a length of time that we were unable to report the joint resolution as soon as we had hoped.

As I look back over what I believe was our original plan of action in order to have the joint resolution reported, as it relates to the original date of January 15, 1956, I am led to say that I think March 31, 1956, would be a fair and reasonable compromise between fair and reasonable men.

Mr. CARLSON. Mr. President, I realize at what a great disadvantage I am when it comes to horsetrading with the junior Senator from Minnesota. I remind him that the committee had earlier thought of January 15, 1956, as an appropriate date. Having that in mind, I first thought of suggesting February 1. I thought I might reach a compromise on that date. I have now offered my amendment providing for March 1, 1956. Now the chairman of the subcommittee, the junior Senator from Minnesota, has asked me to make the date March 31. I wonder if he would be willing to compromise on March 15.

Mr. HUMPHREY. The trouble with March 15 is that it used to be income tax day. It was always a sad day.

Mr. CARLSON. The Senator knows that the date for filing income tax returns has now been changed to April 15.

Mr. HUMPHREY. In view of the fact that the country thought the date for the payment of income taxes should be moved back to April 15, I feel that the date on which the proposed Commission should report should be moved back to March 31. I know the Senator from Kansas is doing what he believes is right and honorable. I think March 31 would fill the bill.

Mr. CARLSON. Mr. President, I assume that I shall have to yield, early or late, so I ask unanimous consent that I may modify my amendment to make the date March 31, 1956.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the junior Senator from Kansas to the committee amendment.

The amendment, as modified, to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. I thank the junior Senator from Kansas for his spirit of cooperation.

Mr. President, we are approaching the concluding moments of the consideration of the joint resolution. I assure the Senate that the preliminary hearings which were held on the joint resolution were most informative. I believe they will be helpful to the Commission in its study. The members of the subcommittee were attentive to their responsibilities. I believe the subcommittee extracted information which will be of great help in the judicious consideration of whatever recommendations the special Commission may wish to make.

I concur in the expressions made today of the urgent importance of the matter. Our first responsibility is the protection and security of this great Republic.

We also have as our responsibility the protection of the citizens of the United States in their constitutional liberties and privileges. It is a most difficult assignment to equate security with liberty. I point out that the word "liberty" has great historical meaning in America. The word "security" is of imminent importance in an hour of crisis and difficulty, such as we have been experiencing in the past years, and will continue to experience for years to come.

I commend to the attention of the Senate and to those who are students of government, particularly those who are students of the law, the hearings, which comprise approximately 740 pages.

From my attendance at the subcommittee hearings I received a very valuable education in the field of development and preparation of our security and investigative apparatus.

I also wish to call to the attention of my colleagues the appendix of the hearings, which represents, as I said earlier, the first full compilation of all the Executive orders, regulations, administrative orders, statutes, and rules and regulations in reference to espionage and sabotage, classified information, the whole program of Government employee security investigations and clearance, industrial security—indeed, all the dimensions of the security problem and program in the United States of America.

I feel today we are performing a real service for the Republic. I for one have felt that bickering and argument in a partisan spirit over the security program yield little or no good. At the same time I believe the committees of Congress have a continuing responsibility to look into security matters as supplementary to the work of the Commission.

Since I see the chairman of the Post Office and Civil Service Committee in the Senate at this time, I wish to say we have had very good cooperation. There was a clear-cut understanding. We did not go into cases. We concentrated on procedure, law, and regulations.

Mr. President, I yield the floor and ask for a vote on the joint resolution.

The PRESIDING OFFICER. If there is no further amendment to be offered, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and to be read the third time.

The joint resolution was read the third time.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question now is, Shall the joint resolution pass?

The joint resolution (S. J. Res. 21), was passed, as follows:

Resolved, etc.—

DECLARATION OF POLICY

SECTION 1. It is vital to the welfare and safety of the United States that there be adequate protection of the national security, including the safeguarding of all national defense secrets and public and private defense installations, against loss or compromise arising from espionage, sabotage, disloyalty, subversive activities, or unauthorized disclosures.

It is, therefore, the policy of the Congress that there shall exist a sound Government program—

(a) establishing procedures for security investigation, evaluation, clearance, and, where necessary, adjudication of Government employees, and also appropriate security requirements with respect to persons privately employed or occupied on work requiring access to national-defense secrets or work affording significant opportunity for injury to the national security;

(b) for vigorous enforcement of effective and realistic security laws and regulations; and

(c) for a careful, consistent, and efficient administration of this policy in a manner which will protect the national security and preserve basic American rights.

ESTABLISHMENT OF THE COMMISSION ON GOVERNMENT SECURITY

SEC. 2. (a) For the purpose of carrying out the policy set forth in the first section of this joint resolution, there is hereby established a commission to be known as the Commission on Government Security (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President of the Senate, 2 from the Senate and 2 from private life; and

(3) Four appointed by the Speaker of the House of Representatives, 2 from the House of Representatives and 2 from private life.

(c) Of the members appointed to the Commission not more than two shall be appointed by the President of the United States, or the President of the Senate, or the Speaker of the House of Representatives from the same political party.

(d) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a parti-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(f) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(g) Seven members of the Commission shall constitute a quorum. Each subcommittee of the Commission shall consist of at least three members of the Commission.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 3. (a) Members of the Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary ex-

penses incurred by them in the performance of the duties vested in the Commission.

(b) The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) The members of the Commission from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 4. (a) (1) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(2) The Commission may procure, without regard to the civil-service laws and the Classification Act of 1949, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(b) All employees of the Commission shall be investigated by the Federal Bureau of Investigation as to character, associations, and loyalty and a report of each such investigation shall be furnished to the Commission.

EXPENSES OF THE COMMISSION

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this joint resolution.

DUTIES OF THE COMMISSION

SEC. 6. The Commission shall study and investigate the entire Government security program, including the various statutes, Presidential orders, and administrative regulations and directives under which the Government seeks to protect the national security, national defense secrets, and public and private defense installations, against loss or injury arising from espionage, disloyalty, subversive activity, sabotage, or unauthorized disclosures, together with the actual manner in which such statutes, Presidential orders, administrative regulations, and directives have been and are being administered and implemented, with a view to determining whether existing requirements, practices, and procedures are in accordance with the policies set forth in the first section of this joint resolution, and to recommending such changes at it may determine are necessary or desirable. The Commission shall also consider and submit reports and recommendations on the adequacy or deficiencies of existing statutes, Presidential orders, administrative regulations, and directives, and the administration of such statutes, orders, regulations, and directives, from the standpoints of internal consistency of the overall security program and effective protection and maintenance of the national security.

POWERS OF THE COMMISSION

SEC. 7. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, or the Chairman of any subcommittee with the approval of a majority of the members of such subcommittee and may be served by any person designated by such Chairman. The provisions of sections 102 to 194, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) The Commission is authorized to secure directly from an executive department, bureau, agency, board, commission, office, independent establishment or instrumentality information, suggestions, estimates and statistics for the purposes of this joint resolution and each such department, bureau, agency, board, commission, office, establishment or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the chairman or vice chairman.

INTERFERENCE WITH CRIMINAL PROSECUTIONS AND INVESTIGATIVE AND INTELLIGENCE FUNCTIONS

SEC. 8. Nothing contained in this joint resolution shall be construed to require any agency of the United States to release any information possessed by it when, in the opinion of the President, the disclosure of such information would jeopardize or interfere with a pending or prospective criminal prosecution, or with the carrying out of the intelligence or investigative responsibilities of such agency, or would jeopardize or interfere with the interests of national security.

REPORTS

SEC. 9. The Commission may submit interim reports to the Congress and the President at such time or times as it deems advisable, and shall submit its final report to the Congress and the President not later than March 31, 1956. The final report of the Commission may propose such legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations. The Commission shall cease to exist 90 days after submission of its final report.

MULTIPLE USE OF SURFACE OF PUBLIC LANDS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

Mr. KNOWLAND. Mr. President——

Mr. JOHNSON of Texas. Mr. President, it is not planned to have any action on the bill at this time; but I desire to make an announcement to the Senate.

LEGISLATIVE PROGRAM

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. JOHNSON of Texas. I should like to make an announcement for the RECORD, so that all Senators may have information as to the program. The leadership proposes to bring before the Senate at an early date Calendar No. 269, S. 1633, relating to a constitutional convention in Alaska,

Calendar No. 521, S. 1292, to readjust postal classification on educational and cultural materials.

Calendar No. 542, S. 2220, a bill to authorize appropriations for the Atomic Energy Commission for the construction of plants and facilities, including acquisition or condemnation of real property or facilities, and for other purposes. That bill, Mr. President, will be the next measure to be considered. It is hoped that we may be able to bring it up tomorrow.

Mr. KNOWLAND. Mr. President, I should like to call to the attention of the majority leader Calendar No. 627, Senate bill 609, to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or aquisition in the United States, of special nuclear material and atomic weapons.

I do not believe there is any major controversy involved in that bill. I thought it might be taken up at the time the other atomic bill was considered, namely, S. 2220. I understand there is only one item which is likely to occasion much debate on S. 2220. I think the bill came out of the committee unanimously, except for the one item.

There is no great controversy over S. 609. Since the representatives of the Joint Committee on Atomic Energy will be on the floor to present one bill, I thought the majority leader might want to have the other bill considered at the same time. I merely suggest that since both are atomic energy bills, and the same Senator will be in charge of both bills.

Mr. JOHNSON of Texas. I wish to thank the minority leader for his constructive suggestion. As usual, it is a helpful suggestion. I hope we may be able to follow the procedure he has outlined.

Mr. President, I believe the last bill I mentioned was Calendar No. 542, S. 2220.

Following the bills I have mentioned I expect to ask that the Senate consider Calendar No. 579, S. 63, providing for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate; and

Calendar No. 580, Senate bill 1849, to provide for the grant of career conditional and career appointments in the competitive civil service to indefinte employees who previously qualified for competitive appointment.

I also call attention to the fact that it is hoped the Senate may be able to act, before next Thursday, on the conference reports on four appropriation bills, namely, those for the Departments of State, Justice, and the Judiciary; Labor, Health and Welfare; Defense; and Commerce.

In addition, there was reported today a resolution from the Banking and Currency Committee which would extend the Defense Production Act, the Housing Act, and the Small Business Administration Act, which are due to expire on June 30. The simple resolution extends the

life of those three acts until action can be taken by both Houses. The Senate has already acted.

Also, if the House acts favorably, it is expected to have a conference report on the Draft Act and the Doctor Draft Act.

It is hoped to be able to consider all those measures prior to next Thursday evening. That is as far as the leadership can go in stating the schedule for the remainder of the week.

The public-works bill, which is in the Appropriations Committee, is in the markup stage, I believe. Hearings have been concluded. The Senate probably will have to extend the acts having to do with foreign aid, legislative appropriations, and public works.

I have no other announcement to make.

THE SCHOOL CRISIS

Mr. PURTELL. Mr. President, I ask unanimous consent to have inserted in the RECORD an interesting article, written by Neil H. McElroy, president of the Procter & Gamble Co., and Chairman of the White House Conference on Education, and published in the June issue of the Woman's Home Companion.

The article describes what is going on in the country today as American citizens tackle their elementary- and secondary-school problems. It tells how people everywhere are being aroused to a more active participation in school affairs, through the President's program to improve education.

In Connecticut, some 600 educators and lay citizens attended a statewide conference on education at Hartford last fall. This spring, in March and April, countywide meetings were held throughout the State as a followup to the State conference to discuss, analyze, and report on educational problems. All told, several thousand Connecticut citizens took part in the program, which was held in cooperation with the White House Conference. Connecticut's educators and lay citizens deserve the congratulations of their fellow citizens for their time and effort in trying to improve Connecticut's educational system. Special thanks are due to our State commissioner of education, Finis Engleman, whom President Eisenhower appointed as Vice Chairman of the Committee for the White House Conference on Education; the conference Cochairmen, Robert W. Hoskins, president of the Connecticut Council on Education; and William H. Flaherty, our deputy State commissioner of education, as well as hundreds of others who worked hard to make Connecticut's conference program a success.

Connecticut's school system has always ranked as one of the finest in the Nation. I am delighted to report that the educators and lay citizens, through their annual conferences on education, are doing their best to insure that Connecticut schools remain among the best in the Nation.

The historic conference next November 28–December 1, at Washington, will be attended by an estimated 2,000 persons—educators and lay citizens. They will discuss six major subjects currently under study by various subcommittees of the Committee for the White House Conference on Education. All six are vitally important. But one that appeals to me in particular, deals with the question, How can we get enough good teachers—and keep them? This is a national problem, is as much the concern of my own State of Connecticut as it is the concern of the other 47 States. I have always believed that the teachers in our public schools deserve far more consideration than they have been getting. This consideration is especially pertinent in regard to their relatively low salaries. They have contributed enormously to the spiritual and intellectual heritage of our Nation. I am delighted to observe that the Nation as a whole is awakening to the salary crisis in the ranks of our teachers. They deserve the attention and help of every citizen—not just the consideration of municipal, State, and national authorities—but of every man and woman who has attended school.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE CRISIS IN YOUR SCHOOL

(By Neil McElroy)

A tremendously exciting thing is happening all over this vast country of ours. People—plain ordinary people everywhere—are beginning to do something about our education crisis.

For months—for years, really—the experts have been warning us of the classroom shortage, the teacher shortage, the onrushing tidal wave of new students. During World War II our school-building program virtually stopped. But our birth rate didn't; it soared to an all-time high and continued high. The situation called for immediate emergency action right after the war. We didn't take that action. That's why we're in trouble now.

Often, I'm sure, the problem has seemed so huge, so overwhelming, that well-meaning people have said to themselves, "Yes, it's true and it's terrible but what can I do about it? I'm just one person. It's too big for me."

Well, the problem looks like bad trouble—and it is. But today, if you put your ear close to the ground almost anywhere from Bangor to San Diego or from Seattle to Miami, you will hear small, apparently unrelated but tremendously heartening sounds. For example:

In Richmond, Va., next year all teachers will receive an across-the-board salary increase of $300. Why? Because a special citizens committee, appointed by the school board, studied the local situation, came up with suggestions which the board approved as sound and realistic. The citizens committee didn't stop working until the increase was made part of the city manager's new budget. This was a good step in the right direction.

In Great Neck, N. Y., where the junior high school had been forced to hold double sessions, votes gave solid approval to the construction of a 1,400-pupil junior high and a 1,200-pupil senior high school. The turnout of voters was the largest ever recorded in town and 80 percent of the voters approved. Why? Because they wanted to provide better educational opportunities for their youth.

In West Des Moines, Iowa, a bond issue was passed last January for the construction of 12 new classrooms. The vote was amazing: 799 in favor, 69 against. Why? Because a citizens committee studied buildings, budget, and school population. It dramatized its findings with charts, brochures, and a detailed survey book. It sold the idea, just the way an insurance salesman sells insurance—and the public bought the bond issues 12 to 1.

These are just three random samples but consider them along with scores of others and you must feel a thrill of excitement chase itself along your spine. These and many other individual examples of civic improvement are, I feel sure, the forerunners of a great national movement. They are true manifestations of one of the mightiest forces on earth: town-meeting democracy in action.

Ever since I can remember, I've held the opinion that the most reassuring thing about America is what people can do about a community problem if they put their minds to it. They may take a little while to size up the situation and organize themselves for effective action. They may need—in fact, they usually do go through—a period in which inertia and apathy seem to prevail. But then, in a great surge of public-spirited energy, they get something done.

This year of 1955, I truly believe, is going to be remembered as the year when our attack on our school problems really began to roll.

In his State of the Union message delivered in January last year, President Eisenhower began this attack when he expressed his concern over our mounting educational problems. He said: "Youth—our greatest resource—is being seriously neglected in a vital respect. The Nation as a whole is not preparing teachers or building schools fast enough to keep up with the increase in our population." He went on to say that he hoped the States would hold conferences on these problems that would lead to a White House Conference on Education.

Congress responded by appropriating $700,000 to help defray the expenses of State conferences. In September a letter from the White House went out to 53 States and Territories informing the governors that this money was available and asking them to set up State conferences to study their educational problems and determine what action should be taken.

The response to this invitation was almost unanimous. All 48 States, plus the District of Columbia, Alaska, Hawaii, Puerto Rico, and the Virgin Islands have replied affirmatively. Some State conferences have already been held; others will be held this summer and fall. These conferences will be climaxed in Washington next November in a great White House Conference on Education.

President Eisenhower has appointed all the members of a committee to plan and conduct this White House Conference and has named me as Chairman. Dr. Finis Engleman, commissioner of education of Connecticut, is our Vice Chairman. The committee working with us is made up of good citizens from all over the country. They have backgrounds in the fields of education, labor, business, agriculture, industry, and so forth. And in Washington we have a devoted staff headed by Clint Pace, of Dallas.

We hope that the delegates who will come to the White House Conference—and we expect about 2,000 persons—will be made up largely of people who have already participated in the State conferences. Less than half of these people will be professional educators. We have, in fact, recommended a proportion of 2 laymen to 1 educator. Ideally, each delegation to Washington will be as diversified as possible in terms of political, racial, religious, social and economic background. They will meet for 4 days: Monday, November 28, through Thursday, December 1. They won't be talked at; speeches and lectures will be held to a minimum. They will talk with one another at small round-table conferences, each composed of less than a dozen delegates. We are bringing these people together, not to give them the answers but to let them find the answers among themselves. This is truly the American way.

The attention of this conference—first of its kind ever called by a President—will

be focused mainly on our primary and secondary schools, where the most pressing situation exists. We will ask ourselves these six major questions:

1. What should our schools accomplish?
2. In what ways can we organize our school systems more efficiently and economically?
3. What are our school building needs?
4. How can we get good teachers—and keep them?
5. How can we finance our schools—build and operate them?
6. How can we obtain a continuing public interest in education?

Subcommittees of the White House Conference Committee will explore these six basic questions beforehand to break them down in detail and collect material with which to launch effective discussion of them.

No one expects complete agreement from 2,000 strong-minded conference participants and no one is promising any magical, foolproof solutions. My own personal hope and belief are that the final results will provide citizens everywhere with useful facts and recommendations, will reduce tremendous amounts of information to workable terms and will greatly clarify the problems.

Interest in the conference is already high and will continue to mount, I'm sure, as November 28 approaches. It's not confined to any one segment of our population, either. "Mr. McElroy," said one of our office elevator girls when she heard of my appointment, "I sure am glad they've asked you people to tackle the school problem. I think it's just about the most important thing there is."

Would she have felt that way 10 years ago? I doubt it.

We've come a long way in 10 years—something we should remember when the problems that lie ahead look insurmountable. Consider PTA membership. In 1945 it was about 3½ million. Today it's close to 9 million—including 3 million men.

In 1949, when it was first organized, the National Citizens Commission for the Public Schools knew of only 17 local citizen groups working in behalf of better schools. Now it's in touch with 2,650 such local groups and estimates that 4 times that number probably exist.

We've come a long way in terms of public awareness but we still have a long way to go in terms of achievement.

In 1949, $4.3 billion was spent for school operating costs. This year, 1955, the figure will reach $6.6 billion. By 1965 the bill will jump to $10 billion or $15 billion.

As for school construction, in the middle of World War II, we were spending $55 million annually. By 1949, it was $664 million. Now about $2 billion is being spent annually on school construction and it's estimated that between now and 1960 a total of more than $16 billion will be needed.

This is a staggering amount of money but our expanding national economy can stand it and I think the citizens are not merely going to endure it—they're going to demand it. They know that a person's earning power matches his education almost directly. Census Bureau figures show that men with high school or college educations earn 80 percent of the incomes over $7,000—and men with only an eighth-grade education or less earn 77 percent of the incomes under $500.

The people know that education—or lack of it—has a tremendous influence on the crime rate, on the amount of juvenile delinquency in any given area.

They know that our actual security as a nation is closely tied to education. Modern soldiers have to be skilled technicians. In five States, Korean war draft rejections because of failure to pass the Armed Forces Qualification Test ran more than twice as high as the national average. These were States where a high proportion of the population between the ages of 25 and 34 had had only 5 years of schooling—or less. Such persons are known as "functional illiterates" and our last census showed that we still have about 8 million of them—an appalling national waste of human beings.

To correct these conditions will cost money. And people, whether or not they think of school taxes in terms of a child of their own, are becoming more and more aware of the value of good schools to all of us.

As president of a large corporation, I feel sure that industry will be found more than ready to shoulder its share of the tax burden. This is not just a matter of idealism or patriotism with us businessmen; it's also a question of plain self-interest. Where can we find our skilled labor or draw our executive personnel from except the ranks of educated young people? Without first-class schools, how can we count on an alert, informed electorate to maintain the system of free enterprise under which we operate? How can we be sure of having voters who will respond to the appeals of enlightened statesmen and reject the rabble rouser and demagog?

Survey after survey has shown us that earning power and living standards go hand in hand with the amount and quality of education available in a given area. No wonder enlightened business leaders have gone on record, when considering new sites for new factories, as being more interested in a good school system than in a low tax rate. Intelligence in our offices, know-how in our factories, initiative, imagination, honesty, energy—we in industry are constantly searching for these qualities in people. They are found oftenest in soundly schooled people.

Today's vast awakening of public interest in education is tremendously exciting to me. You might say I've been in close contact with school problems ever since I was born: my father was a high-school physics teacher and school superintendent; my mother was a grade-school teacher before she married. Nobody had to sell them on the value of education and from the time that my brothers and I were very young our parents were determined that we should go to a fine college even though our family finances hardly seemed to justify such an ambition.

In my case, the labor shortage during World War I made it possible for me, still in my early teens, to get some pretty good part-time jobs. I was able actually to save up $1,000—a lot of money in those days—and this, plus my scholarship aid and modest support from my father, enabled me to graduate from Harvard in 1925. I've been keenly interested in educational problems ever since.

My interest is based partly also on the fact that my wife and I have 3 lively youngsters. I remember that my father, being a teacher, had 3 months more or less free during the summer and was able to be with us much of the time. That companionship was priceless to my brothers and me and I try to give our 2 teen-age daughters and our young son as much time as I can. But the demands of my job and related activities are heavy and I know from personal experience how difficult the pace of modern living makes it for most parents to spend as much time with their children as they'd like. That is 1 more reason why we can't afford to settle for anything less than the best in schools.

One thing I have come to believe: the schools in a community are as good as the citizens make them—and no better. I have little patience with parents who complain constantly about the quality of their children's schooling, the overcrowded classrooms, the shortage of teachers—and then do nothing about it. Something can always be done. It's being proved in hundreds of communities every day.

Here in Cincinnati, for instance, we have a citizens school committee that was originally formed for the sole purpose of endorsing school-board candidates, trying to get qualified persons elected. But its scope has steadily expanded. Right now its working on the problem of getting more community recognition for schoolteachers. Our citizens committee organized a teachers recognition night, with a first-class program of entertainment at the Cincinnati Gardens—an arena capable of seating 14,000 or 15,000 people. The profits are used to stimulate teacher recognition in various ways, the whole purpose being to make these hard-working, loyal people feel that they are appreciated, admired, and a valued and respected part of our city.

In Beloit, Wis., a citizens school committee conducted a joint study with school officials to find out how good was its schools' college-preparatory training. As a result of their survey, courses were added to the high school curriculum, others were strengthened and citizen interest was greatly stimulated.

Out in Lewiston, Idaho, residents were asked to vote on a $900,000 bond issue to finance a 5-year school-expansion plan. Service clubs, the PTA, the board of education, and others who worked in the campaign got an able—and free—assist from radio station KRLC. Spot announcements were broadcast 7 or 8 times a day, with additional comment at night. School officials were interviewed, so were average voters. The bond issue passed by nearly 6 to 1. Much the same thing happened in Muscatine, Iowa, where station KWPC lent a hand.

These are local efforts and the truth is that while our educational problems are national, our schools are local—just as local as I am or as you are. The White House Conference in November will do a sound job, I'm sure, in terms of long-range planning and reducing masses of data to workable terms. But these plans, these tools, become effective only when used on the local level. It takes the active and enlightened interest of the citizen on the spot to turn our educational dreams into realities.

I think it would be a magnificent contribution to our American way of life if, in the next 12 months, thousands of community conferences on education could be held all over this great land of ours. Not everybody can attend a State conference and to some the White House Conference may seem pretty remote. But a local citizens committee for the schools can do wonders in any town if it will (a) be representative of the entire community, (b) base its recommendations on a study of all available facts, and (c) cooperate fully with the legally established school authorities.

If your town already has such a committee, offer it your support. Join it if you can. Check its work in the six discussion areas of the White House Conference. Obviously, school conditions vary greatly from place to place. In your town the classroom shortage may be less acute than, say, the teacher shortage. Perhaps your community has too many school districts for efficient administration. Perhaps restrictive laws are making it impossible to finance a needed program. It's the committee's job to find out the area where improvement is most needed and then work with school authorities to bring about that improvement.

If no such committee exists in your town, the very fact that you have read thus far indicates that you are perfectly capable of starting one yourself. Inexperience in such matters should not deter you. Thousands of worthwhile community efforts have started with some individual who approached other individuals, formed a group, analyzed the problem and started action to solve it.

You don't have to grope your way blindly or work out details alone. A great deal of help is available today just for the asking. Early this year, recognizing the need for such a grassroots effort to tie in with the proposed State and White House conferences, two national volunteer organizations started

working together to aid and stimulate such local ventures in every possible way.

One of these two organizations, the National Citizens Commission for the Public Schools, has prepared a working guide in the form of a booklet titled "How Can We Discuss School Problems?" It has also made up a planning check list that is a step-by-step outline anyone can follow. These and other extremely helpful booklets are available to any interested person. Just write to the commission at 2 West 45 Street, New York 36, N. Y., and state your needs.

The other organization, the National School Boards Association, has set up a field staff to service communities planning local conferences. Headed by Dr. Maurice Stapley, director of projects for the NSBA, trained advisers will be available to consult with local organizations and individuals and generally lend a hand in setting up such meetings. Dr. Stapley, on leave of absence from Indiana University, may be reached at Box 47, Bloomington, Ind. He is being aided by five regional coordinators whose names and addresses are listed on this page.

Another place to turn for help, of course, is our White House Conference office. We have there full lists of source material you can use as a basis for discussing the six problems we will take up next fall. Simply write to Clint Pace, Director, the White House Conference on Education, Washington 25, D. C.

Why not take advantage of these opportunities to get into the fight for better schools? As I said before, this is the critical year, the year of maximum effort. The great counteroffensive against apathy and inertia has already begun. You will find it, I can assure you, tremendously satisfying to be a part of this crusade.

TRIBUTE TO CHARLES E. DANIEL, OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "A South Carolina Statesman," published in the Charleston (S. C.) News and Courier of June 22, 1955; and also an editorial entitled "A Merited Award," published in the Greenville News, of Greenville, S. C., on June 19. Both editorials refer to the distinguished public-service award presented by the South Carolina department of the American Legion to my distinguished predecessor in the Senate, Charles E. Daniel. I wish to add my hearty approval of the editorials regarding the great work being done by former United States Senator Charles E. Daniel.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Charleston (S. C.) News and Courier of June 22, 1955]

A SOUTH CAROLINA STATESMAN

Mr. Charles E. Daniel, of Greenville, is not only a successful businessman. He also possesses statesmanlike vision.

In his recent address to the American Legion at Myrtle Beach, Mr. Daniel showed a clear understanding of the economic problems which will face South Carolina in the years to come. His concept of a proper program to assure the State's prosperity is a balanced economy. Mr. Daniel stressed the importance of developing agriculture as well as industry.

South Carolina has not even approached the attainment of the vast potentials of its agriculture. We produce commercially 38 of the 52 vegetables grown in this country. Yet we must import agricultural products to feed our own people.

With proper planning, the State could be developed into the food center of the Southeast. This would encourage development of subsidiary indutries such as packing plants, frozen-food units, cheese, and canning factories. The coastal plains of South Carolina could become the home of some of the most profitable truck farms in the country.

Mr. Daniel sees great possibilities from sheep raising in South Carolina. A wool-scouring and combing plant has already been established in Johnsonville. Another is near completion at Jamestown. With proper management, the wool industry will bring millions of dollars of additional income to producers and workers alike.

South Carolina can produce not only the agricultural requirements of its own people, but vast surpluses for export as well. By becoming exporters of food products and farm produce, we can increase considerably the income of citizens and State.

Mr. Daniel, of course, predicts tremendous industrial expansion. He believes that we can double our industrial expansion of the last 10 years to $2 billion within the next decade.

Mr. Daniel is a man of vision. More important, however, if he is a dreamer, he is blessed with the most constructive kind of capacity for dreaming. We call this statesmanship, for Mr. Daniel knows whereof he speaks.

During the critical years ahead, we shall need men of Mr. Daniel's stature in key posts in Government. We hope that the people of South Carolina will not long delay in utilizing his talents in public office. Already he has made a start with a brief appointive term in the United States Senate. Sourth Carolina, as well as the Federal Government, is in dire need of statesmen these days. We cannot afford to bury obvious talent in this respect under a mountain of public apathy.

[From the Greenville (S. C.) News of June 19, 1955]

A MERITED AWARD

The South Carolina Department of the American Legion, in conferring on Charles E. Daniel, of Greenville, its distinguished public service award, has honored justly a man who is devoting his life to achieving the ideals the award represents.

In an address which followed the presentation yesterday at the annual Legion convention at Myrtle Beach, the Greenville builder, former United States Senator, college trustee, and director in multi-faceted business enterprises told Legionnaires the things he wants for his native State:

Among them were these:

A continuation of good government as represented by the administrations of Governors Thurmond, Byrnes, and Timmerman, last three of the State's chief executives.

Implementing of plans to make South Carolina self-sufficient agriculturally and end the present necessity of its having to import half of its food products.

Distribution of the present steady stream of new industries flowing into the State (for which Mr. Daniel is largely responsible) so that all of South Carolina's 46 counties will benefit by having at least one manufacturing plant of consequence.

Analysis of State universities and colleges to the ends of allocating important fields of education to the institutions best suited to conduct them, of eliminating competition for students and of increasing the efficiency of each college.

The writing of a new State constitution to supplant the archaic provisions of the present one by which the State has been governed since 1895.

A comprehensive property survey and tax equalization program to bring under taxation all property in the State on an equal and equitable basis.

If and when South Carolina achieves all of these goals, it will have reached political and economic maturity. If and when they are attained, it will be through the vision and efforts of such men as Charlie Daniel.

It is deserved and befitting that he take his place alongside the other winners of the Legion award since it was established in 1927, a company of great South Carolinians among whom are numbered such as James F. Byrnes, Dr. D. B. Johnson, David R. Coker, Dr. Henry Nelson Snyder, Miss Wil Lou Gray, Richard I. Manning, Mrs. A. F. McKissick, Gen. Charles P. Summerall, Dr. D. W. Daniel, and J. C. Self.

THE APPEARANCE OF MEMBERS OF CONGRESS ON TELEVISION

Mr. NEUBERGER. Mr. President, television is still a novel force in our national culture. In only a very few years, this marvelous new medium of communication has swept across our Nation until soon there will be few communities in which it does not reach into the majority of homes. However, we have not yet had time fully to assess its effects as a source of information and its impact on public opinion.

In combining image and sound—the picture of speaking persons with the sound of their spoken words—television goes far beyond its ancestor, radio, in creating an image of immediacy and persuasiveness. This is a marvelous accomplishment of science. But TV lends itself with equal facility to truth and to illusion. It will impartially show either unadorned fact or the most imaginative flights of fancy. Yet, because of its youth, TV's reputation for truth and veracity is still fairly good. This fact, I fear, gives it a potentially dangerous power in our public life.

As in the case of radio, the role of television is justly conceived to be both in the field of entertainment and in the field of enlightenment. But the medium itself does not differentiate between the two, and therein lies an opportunity for the political huckster, and a danger to the democratic process.

Some of the new techniques for obtaining political publicity on television have recently been discussed by Mr. Douglass Cater, in an article published in The Reporter magazine of June 16, 1955. Mr. Cater describes how Congressmen can have their images dubbed into spectacular television films showing military planes or great Federal atomic installations or travelogs of Washington, or how film strips showing members of the national administration are available to Congressmen of the administration's party for splicing together into a television program apparently showing a live interview between the two statesmen on an issue of current interest—which may then be broadcast as a nonpolitical public service feature by the congressman's hometown TV station.

I ask unanimous consent that the article from The Reporter, entitled "Every Congressman a Television Star,"

be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EVERY CONGRESSMAN A TELEVISION STAR

(By Douglas Cater)

Just behind the House Office Building, in offices above the dingy old George Washington Inn, a small group of Republican staff workers are pioneering in adapting politics to the midtwentieth century. The group, led by a public-relations expert and a former legman for Fulton Lewis, Jr., works for the National Republican Congressional Committee. To a city accustomed on occasion to the composite photograph in politics, this group has brought the composite political telecast.

Take a recent memo sent by this group to every Republican Member of Congress. Would the Congressman be interested in filming a short discussion with Secretary of the Treasury George Humphrey on such items of public interest as the budget, spending, security, more jobs, and the cost of living? If so, he should drop by the Joint House and Senate Recording Facility. He is furnished a written list of questions, which he is to address to a TV camera. Without further fuss, a completed film will be turned over to him in which, as the memo makes clear. "The camera—or the voices if it is just for radio—will * * * switch back and forth between the Member and his guest (Secretary Humphrey) in a smooth manner as though both were present in the same room."

BIG MAN IN WASHINGTON

A reasonably energetic Republican Congressman can now have his supposed familiarity with the highest policymakers widely publicized with little loss of his own time and even less of theirs—in fact, without ever having met them. He might have been seen discussing labor relations with Labor Secretary James Mitchell.

"CONGRESSMAN. There has been a lot of talk, Secretary Mitchell, about the Eisenhower administration's not being prolabor. * * *

"MITCHELL. Now you know, Congressman, * * * that kind of talk makes my hair stand on end. I cannot say it too strongly: The Eisenhower administration is prolabor."

Or he might have been shown discussing the Salk vaccine with Secretary of Health, Education, and Welfare Hobby:

"A 3-minute TV-radio narration on the part the Eisenhower administration is playing in promoting the use of this life-saving vaccine."

Occasionally, the skillful operators of this new craft have run into snags. The script prepared for the interview with Secretary of Labor Mitchell, for example, contained a section in which Mitchell was supposed to say to the Congressman apropos a Democratic argument:

"I do not need to point out to you, Congressman * * * that is entirely wrong. You in * * * have the great * * * industry in * * * and the * * * industry in * * *. These * * * industries have different needs and so do their workers."

Mitchell was to read words to fill the missing blanks for each Congressman, which would be spliced in at the appropriate places in the film. This section had to be dropped. The TV composite cannot be personalized that much yet.

But Republican ingenuity has not ended with the television interview. The omnipresent Congressman, if he chooses, can be dubbed into a real spectacular of rocketing Nikes, or, alternatively, of zooming F–84 Thunderjets, B–47's, and B–36's releasing an incredible string of bomb clusters, which explode against the ground in what seems like a never-ending series of blasts. He can be seen introducing a grand panorama of powerplants and atomic installations while he explains the complex issues of Dixon-Yates. ("Members can arrange to be photographed at the television facility voicing their own opening and closing narrations—or the entire script, for that matter," the Dixon-Yates routine began, reflecting a certain wariness on the part of the ghosts as to whether the Member could handle so tough a subject.) The Member may also be seen behind his desk giving a lecture on paperwork, which he will describe as a "monster threatening to engulf the very function for which the Government was established."

Finally, for the well-rounded Congressman, the National Republican Congressional Committee will supply a 3-minute Washington travelog. ("If you are visited by a group of students or other tourists from your district, our photographer would be happy to shoot some motion picture scenes on the steps of the Capitol showing the group being greeted by you. Then the travelog would be inserted, and your program would explain that these were some of the scenes which the group saw in their tour of Washington.")

GHOST APPEARANCE

In sum, the Republican staff workers are making a valiant effort to move from ghostwriting to the ghost appearance. And it is not a highpriced operation. The film clips of which most such features are composed can be obtained from the armed services or almost as cheaply from the commercial television news companies. The Joint House and Senate Recording Facility, a private studio subsidized by Congress to the extent of rent and taxes, is equipped to make film shots of Congressmen and to edit and prepare finished prints at dirt-cheap prices. A 30-minute print can be bought for less than $150. A 1-minute spot costs the Congressman as little as $4.40.

Best of all, the Republicans are labeling their between-campaign TV and radio offerings as public service features, so that the Congressman can dun his local station for free time. Evidently the rules relating to this kind of thing are fairly lax. The National Republican Congressional Committee, for example, recently sent out a letter to its members describing a newly proposed animated film entitled "The Mystery of the Lost Depression," which it was reported, "factually exposes the alarms and distortions made by the gloomers. * * * The film is free from partisan politics and is designed to be used on TV as a public service," announced the letter with a strictly partisan letterhead signed by the National Republican Congressional Committee's Public Relations Director Harold Slater.

"This use of animation," Slater prophesied modestly, "introduces a new technique in politics which we believe will be most effective. * * *" Cartoons were done by staff artists, the narration by a professional New York actor-announcer. Presumably the bit part played by the lowly Congressman is done live.

THE EISENHOWER SPEECH

Speaking to the radio and television broadcasters on May 24, President Eisenhower pointed to their industry's great capacity for swaying public opinion and argues that this gives them added responsibility "to see that the news * * * is truthfully told, with the integrity of the entire industry behind it. * * * Of course you want to entertain," Mr. Eisenhower added. "Of course you want people to look at it, and I am all for it. * * * But when we come to something that we call news—and I am certain that I am not speaking of anything that you haven't discussed earnestly among yourselves—let us simply be sure it is news."

So far no one has questioned the ghosted appearance, the phony interview, the synthetic repartee, and the other more serious fakeries that seem to be the public-relations experts' notion of how to campaign on TV. One lonely critic, Senator RICHARD NEUBERGER, freshman Democrat from Oregon, has raised an alarm about the concealed use of teleprompters and facial makeup by candidates. The Senator wants to pass a law against it. Obviously, however, legislation is not the main answer to fraudulent politics.

One thing is certain. Those now caught up in the business fail to see why there is any need for improvement. One of the group that helps prepare these programs, when queried about some of the practices, answered rather sharply: "You don't think anything about it when a Hollywood movie shows the star singing from the back of a horse. Yet you know he actually didn't sing on horseback. What's the difference?"

During the campaign last fall, this same group in the Republican congressional committee prepared for radio such visceral appeals as this 1-minute radio spot:

(Sound: printing presses.)

NEWS ANNOUNCER. Those are the printing presses of the Communist Party. Listen to them.

(Repeat: sound of presses.)

NEWS ANNOUNCER. The date is April 1954. Those printing presses are turning out the official Communist Party line.

MAN WITH RUSSIAN ACCENT (presumably Soviet official). Defeat the Republican congressional candidates in 1954. That is our order from Moscow. Return America to a New Deal type administration. Moscow orders that.

NEWS ANNOUNCER. Yes, that is the official blueprint for political action in the Communist Party, United States of America, that rolled off the presses in April 1954. Don't take orders from Moscow. Vote for a Republican Congress in 1955 and 1956. Vote Republican in November.

IMPRESSIONABLE PEOPLE

The President also told the radio and TV executives: "* * * with the television or with the radio, you put an appealing voice or an engaging personality in the living room of the home, where there are impressionable people from the ages of understanding on up. In many ways, therefore, the effect of your industry in swaying public opinion * * * particularly about burning questions of the moment, may be even greater than the press.

Of course the President is right again. But perhaps he should have addressed his appeal for responsibility to the politicians—beginning with those of his own party—as well as to the broadcasters.

Mr. NEUBERGER. Mr. President, earlier in this session I suggested that legislation is needed to assure the TV-viewing public a knowledge of what they are being shown on their TV screens when events and persons of public importance are involved. As a first step toward such basic honestly in televising public affairs, I introduced a bill to require an announcement, before a political TV broadcast, of whether the speaker is speaking extemporaneously or is reading from a hidden teleprompter or idiot board, and whether he is using special television makeup. This modest proposal has won some favorable attention from commentators who have also become concerned about the dangerous temptation to mix the illusions of entertainment into what purports to be factual reporting of events of public significance.

A few persons have misinterpreted my proposal as being one seeking to outlaw makeup, teleprompters, and other artificial aids to television performers; but I have tried to make it clear that I propose only a policy of adequate disclosure, and only with respect to broadcasts of political significance.

I repeat, Mr. President, that only the relative novelty of television could lead anyone to underestimate its potential impact on the political processes of a democracy such as ours, or to consider this a trivial problem.

The foundation of our theory of representative government has been the faith that the people could judge for themselves the ablity and integrity of candidates for public office, and their willingness to state clearly and candidly their views on the important issues of the day. To this opportunity for popular judgment, television can obviously make an unparalleled constructive contribution, or a destructive one. If politicians' speeches are to be staged like comedians' jokes, and if public policies are to be merchandised like soap, we shall soon see the effects of a Gresham's law of politics, in which showmanship on the TV screen will take the place of statesmanship, and public officials will be chosen for histrionic aptitude by those who can afford to contribute the immense financial expense of a television buildup.

It is because of this threat to our democratic system, Mr. President, that I hope measures will soon be considered by the Federal Communications Commission and the Congress to set standards of honesty in television broadcasts of public affairs.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 27, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. W. KERR SCOTT, a Senator from the State of North Carolina, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. SCOTT thereupon took the chair as Acting President pro tempore.

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H. R. 1142. An act for the relief of Capt. Moses M. Rudy;

H. R. 1825. An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center;

H. R. 3659. An act to increase criminal penalties under the Sherman Antitrust Act;

H. R. 4221. An act to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions;

H. R. 4954. An act to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes; and

H. R. 6499. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

WHEAT MARKETING QUOTAS

Mr. HUMPHREY. Mr. President, I should like to direct my attention for a few moments to the vote which took place yesterday on wheat quotas. The newspapers of today feature some very fine articles on the results of the vote. There are several points which I believe need to be stressed, in order that a proper interpretation of what took place may be made.

I have before me the issue of the Washington Evening Star for Monday, June 27, which carries an Associated Press dispatch on the front page. The article is entitled "Vote for Wheat Quotas Amazes Farm Leaders." The subheadline reads: "Rigid Controls Okayed Decisively—$1.81 a Bushel Price Assured for 1956."

It is fair to say that there was a good deal of doubt as to whether the American wheat farmer would approve the new marketing quotas for the coming crop year, in view of the fact that the farmer had been called upon to take not only a drop in price but also an acreage reduction. Production has been cut severely for wheat farmers, and the price has dropped considerably in the past year and a half. In my opinion a great victory for American agriculture took place on June 25.

The Department of Agriculture expressed a position of neutrality on the wheat referendum. I was very much concerned about the neutrality of the Department, and so expressed myself on several occasions. I protested what I considered to be the failure of the leadership on the part of the Secretary of Agriculture and his associates and aides.

A year ago the Department of Agriculture was not very neutral on the subject of price supports. On the contrary, it took a rather vigorous and, I may say, effective position—effective, I will say, from the Department's point of view.

In recent statements of the Department concerning wheat quotas, the Department took a position of leaving it all up to the farmers themselves.

In the past week, after visiting farm leaders, I stated that if the wheat quota referendum were defeated, the whole structure of American agricultural price supports would be threatened, and that the economic results might very well be catastrophic.

It is reassuring, therefore, to note that in yesterday's vote the farmers not only were willing to accept controls, which they always said they would, but that they also acted decisively on the question of quotas. They were away out in front on the public opinion samplers of the Department of Agriculture, and I believe they are away out in front of Congress. The farmers are in desperate need of a sound price support program, and they know full well that they cannot expect one unless they are also willing to accept controls when there is overproduction or overplanting.

Therefore, Mr. President, let us not have any more comment to the effect that all the farmer wants is the unlimited right to plant and to harvest and to sell. The American farmers wants to get no more and no less than fair treatment. He is willing to accept restrictions and limitations if the good of the economy is involved. He is willing to accept severe acreage reductions and quota restrictions and limitations if it is necessary to do so in order to get a reasonable price for what he produces.

Regretfully, Mr. President, the wheat farmer was compelled in this instance to acknowledge his allegiance to a price-support program, even though that price-support program is inadequate.

Some farm organizations made it quite clear—for example, I refer to the National Farmers Union, which represents a large number of farmers—that if the quotas were turned down it would be a major blow against agricultural income and agricultural price supports. Those organizations made it quite clear that if the quotas were turned down, it would be in the nature of advice to Congress that farmers were not interested in an effective price-support program. Likewise, they made it clear—and when I say "they," I mean the leaders of those organizations, particularly of the National Farmers Union—that if farmers wished Congress to hear the voice of agriculture in a positive and direct way with reference to the need of an effective price-support program, they should vote in the wheat referendum for marketing quotas.

I should like to call the attention of the Senate to the story which I alluded to a few moments ago, which appears in the Washington Evening Star, and which is a feature story by the Associated Press. I should like to read a paragraph or two from it, and make some comments as I read the words:

By a decisive majority, the Nation's wheat farmers have voted for tight controls on their next year's crop in return for a Government-guaranteed price averaging $1.81 a bushel.

In doing so, the growers caused Secretary of Agriculture Benson to lay aside a proposal that they seek broader markets at home and abroad by offering the grain at considerably lower prices than would prevail otherwise.

The heavy support given quotas came as a surprise to many farm leaders because advance reports from various producing areas had indicated a closer vote. These reports stressed farmer dissatisfaction with

sharp income reductions resulting from already imposed cutbacks in wheat production. Some growers had voiced the opinion that a new wheat program should be sought.

There has been speculation, too, that farmers would vote against quotas as a way of registering disapproval of the Eisenhower administration's flexible-support program under which Mr. Benson can set price props on most basic crops at between 75 and 90 percent of parity, depending on the size of supplies.

I should like to comment on that paragraph.

Apparently, the writer of that item is a good writer, but he does not quite understand American agriculture. The truth is that had this quota failed, price supports would have gone down to 50 percent. The farmers are not going to register disapproval of the farm program by making it less effective. The real story behind it is that the farmers of the Midwest, in particular—and I am very proud of my own State of Minnesota, where there was a much larger participation this year than last year, and where the farmers gave greater support this year than last year—felt that this was the only alternative they had, except to take little or nothing, namely, 50 percent of parity.

Mr. President, I issued a statement yesterday in reference to this vote of the farmers and I ask unanimous consent to have the statement incorporated in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHEAT REFERENDUM STATEMENT

America's wheat growers have shown they have a better understanding of their problem than the present administration has. I am highly gratified by this overwhelming evidence of their willingness to cooperate in necessary production adjustments.

I hope the proper interpretation is put upon this vote. It is in no sense an endorsement of administration policies. Instead, it is a reflection on the growers' confidence in Congress changing such policies as now depriving them of decent prices. The facts cannot be ignored. Secretary Benson did not once encourage a favorable vote, in spite of the chaos that would have existed in all our farm programs if the quotas had been rejected. Instead, he encouraged a negative vote behind a veil of neutrality, by talking at the last minute about having a new wheat program ready to submit to the Congress. All the encouragement for a "yes" vote came from advocates of higher price supports, who pledged farmers a continuing fight for more effective supports. I consider this vote a mandate to the Congress to keep faith with our farmers, and match their willingness to cooperate in necessary production adjustments by restoring 90 percent of parity for the crop they produce within their quotas.

While growers were offered even lower support prices in return for approving quotas this year than last, they approved acceptance of quotas by an even larger percentage than last year. That doesn't in any sense mean acceptance of the lower support prices. It means instead an overwhelming rejection of those who have cried so long and loud about regimentation, in the hopes of fooling farmers into destroying the farm programs they have worked so many years to achieve.

Farmers have shown willingness to do their part toward production adjustments, despite every discouragement Secretary Benson has thrown in their path. Is Secretary Benson now willing to do his part by ending his crusade against effective price supports, and cooperating with the Congress in giving farmers decent prices for their more limited production?

Mr. HUMPHREY. Mr. President, I invite attention to the last paragraph of my statement, in which I said:

Farmers have shown willingness to do their part toward production adjustments, despite every discouragement Secretary Benson has thrown in their path. Is Secretary Benson now willing to do his part by ending his crusade against effective price supports, and cooperating with the Congress in giving farmers decent prices for their more limited production?

We are going to have an opportunity in this Congress, Mr. President, to rewrite the agricultural program. I say "rewrite" because I do not think we can afford merely to patch up what we have. The Agriculture Department is not doing the job it should do. Under its present policy the present administration is guilty of encouraging insolvency in agriculture, depression in agriculture, dropping of income in agriculture; and neither one of the alternatives is desirable.

I suggest that we direct our attention in the months ahead toward preserving the family-type farm pattern by an effective price-support program and by an improved credit program for the benefit of low-income farmers.

Finally, Mr. President, I suggest that the Department of Agriculture turn its attention now to the important task of furthering the sale and disposal of our usable surplus commodities. Much more can be done than has been done. While I have the floor, I should like to direct the attention of the Secretary of Agriculture to a study which I have made as to the use of surplus wheat by converting it into a palatable product which will be a substitute for rice in the rice-producting areas of the world. I have called it Boulgar wheat. Over the weekend it was my privilege to talk with processors of this particular type of wheat. We think it may be made useful to and edible for the peoples in the Near East and the Far East. If the administration would spend a little more time figuring out how it can package and sell this product, we would be making the progress we should be making in disposing of some of our surplus commodities.

I shall speak further on this subject and shall address communications to the Department, as I have done heretofore, and ask that they get off dead-center and quit talking about their problems and start talking about solutions. An administration which cannot figure out what to do with wheat, which the whole world needs, will be in trouble when it goes into conferences with the Bolsheviks. If they cannot solve this problem, how can they solve the problem of disarmament? If we cannot figure out what to do with a surplus of one of the greatest foods in the world, how can we successfully come to an agreement on disarmament with representatives of the Kremlin?

I suggest that as a token of good faith to the American people the Department of Agriculture spend a little time putting its best brains and best talent to the task of solving this problem, and if it has not enough talent at the present time, that it get some new talent to give attention to the matter, quit griping about the blessing of the fruits of the earth, and do more to create a better and more stable society.

CONVEYANCE OF TRACT OF LAND IN MACON COUNTY, GA.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 564, House bill 2973.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2973) to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator for Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MORSE. Mr. President, I rise in opposition to the bill. I am a little surprised that it is to be considered at this time. I thought we had succeeded pretty well in establishing the policy that Federal interest in property should receive some compensation by the taxpayers of the country from local governmental units. I think that here is a case in which the Morse formula, calling for 50 percent of the assessed fair market value of the reversionary interest, should be followed. I do not know what it is worth. I understand it is not worth very much. I have always insisted upon a uniform application of the Morse formula including transfers of property in my own State.

If the reversionary interest involved in this bill is worth only a small sum, the State of Georgia ought to pay 50 percent of it. It is a principle of fair compensation which we should protect. I refuse to believe that the great State of Georgia cannot raise a very small sum of money to pay 50 percent of the appraised fair-market value of this reversionary interest. I have had an interesting experience with this problem as I have discussed it around the country. I have found almost a unanimity of support of the principle of the Morse formula in the grassroots of America.

I remember the situation in a town in Oregon where I discussed the matter. The case involved one-fifth of an acre of land. I talked with the local authorities, and they said, "We did not understand the purpose of the Morse formula, but we would have been willing to pay 100 percent of the value of the one-fifth of an acre of land. It was land we needed to straighten out a street, and we were not seeking it for nothing." In that case Members of Congress thought they would win votes by trying to get it for nothing.

Of course, Mr. President, I cannot speak for Georgia, but I would be very

much surprised, if the responsible officials of Georgia had an opportunity to understand what the problem is all about, if they would not raise in some way, somehow, 50 percent of the appraised fair-market value of this reversionary interest.

I wish to be absolutely fair about it.

Mr. RUSSELL. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. RUSSELL. I think the Senator should be apprised of the fact that this conveyance was made prior to the time the so-called Morse formula went into effect.

Mr. MORSE. I was about to talk about that when I said I wished to be perfectly fair about this.

Mr. RUSSELL. The Senator from Oregon is far too good a lawyer to try to suggest something which is ex post facto.

Mr. MORSE. I am not applying the Morse formula to this case as something which is ex post facto.

Mr. RUSSELL. The reversionary interest in the land, if used for other than educational purposes, is about as ephemeral as a cloud. I do not think the Senator would find any person who would possibly pay $5 for the land. The Government would lose money trying to negotiate a sale under these circumstances.

Mr. MORSE. The Senator from Georgia is an excellent lawyer. Would that I were half so good. But I am good enough to know that I am not talking about something which is ex post facto. What I am talking about is a Federal reversionary interest in land the title to which is now vested in the Federal Government. There is nothing ex post facto about it.

Mr. RUSSELL. Technically, the Senator is correct. But the real value involved had already been transferred prior to the time the Senator from Oregon enunciated his formula.

Mr. MORSE. I want to discuss that point, because I think the record must be made perfectly clear on it.

The property was conveyed prior to the general adoption by the Senate in 1946, with an exception now and then, of the Morse formula.

Ever since 1946, in most instances with some unfortunate exceptions, when the Morse formula has been circumvented by way of motion the Senate has required 50 percent of the fair appraised market value for the transfer to local governmental units for public purposes of the Federal interest in property in which it has reversionary interests.

The record is perfectly clear that that has been done in the case of reversionary interests.

But, as the Senator from Georgia points out, the original conveyance was to the school authorities of Georgia, with the reversionary clause relating to mineral rights reserved to the Federal Government. I think the Senator from Georgia is correct in his statement that the land probably is not of very much value. But who are we to be certain? I mention a hypothetical possibility. Suppose the Senate passed the bill this afternoon, and next week oil was found under the land. The Senator from Georgia would not then be heard to say that the reversionary interest was of little value. It might be of tremendous value.

Why have we rather consistently, in the transfer of Federal property, followed the policy of reserving the mineral rights in the Federal Government? It is because sometimes mineral deposits of great value are found.

I may also say good naturedly, and I am certain my friend from Georgia will enjoy this with me, that I am delighted to feel that I have won a recruit, in the person of the junior Senator from Georgia, in support of my long-proposed legislation for Federal aid to education, because the Senator from Georgia really is for Federal aid to education in principle in this bill. When all is said and done, the principle of Federal aid to education to the State of Georgia is represented by the bill. The reversion has value, if it be only one copper, and that value will be given to education in Georgia by the Federal Government as a form of Federal aid to education.

I might be sold on the principle of this bill if a uniform doctrine could be applied, under which all States would receive equality of treatment, and would not be dependent on whether a Senator introduced a bill in order to secure special consideraiton for his State.

Also, I would be less than fair to the Senator from Georgia if I did not frankly admit that we are dealing with a matter of small consequence, so far as materiality is concerned. But I think we are dealing with something of great consequence, so far as principle is concerned.

I simply cannot follow an inconsistent policy on the floor of the Senate in regard to this matter, even though I should like to accommodate the two Senators from Georgia so far as the material matter is concerned. The benefit will go to a school district. I support as a general policy aid to schools. Nevertheless, I simply cannot accommodate the Georgia Senators, because I think the bill would not result in uniform treatment of schools. I think it violates the principle of the Morse formula of which I have spoken.

I think we cannot be certain that an exception such as that which is proposed may not boomerang, because some day we may wake up to find that we gave away much more than we thought we were giving, in that oil or some other valuable mineral might be found under this land.

I have mentioned the fact that the bill involves a transfer which dates back to the early 1940's, around 1944 or 1945, when the Morse formula was not in effect. But that does not change the fact that what was retained by the Federal Government was a Federal property interest. I should have much preferred having the Senators from Georgia try to have the officialdom of Georgia find a way to pay 50 percent of the fair appraised market value of this reversionary interest. They not having done so, I must object, and I have to suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill is open to amendment.

Mr. MORSE. Mr. President, I call up my amendment designated "6-17-55-A" and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Oregon.

The LEGISLATIVE CLERK. On page 2, after line 21, it is proposed to insert the following new section:

SEC. 2. The conveyance authorized by this act shall be conditional upon the Georgia State Board of Education agreeing to pay to the Administrator of the Farmers' Home Administration, in return for the interests conveyed, an amount equal to 50 percent of the fair market value of such interests to be determined by the Administrator of the Farmers' Home Administration after appraisal.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. MORSE. Mr. President, the amendment speaks for itself. It is simply a clear statement that, whatever the reversionary interest is worth, the State of Georgia shall pay 50 percent of its appraised fair market value.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was rejected.

The ACTING PRESIDENT pro tempore. The question now is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. MORSE. Mr. President, let the RECORD show that the Senator from Oregon voted against this giveaway bill.

MULTIPLE USE OF SURFACE OF PUBLIC LANDS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 559, Senate 1713.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate resumed the consideration of the bill.

EXTENSION OF RENEGOTIATION ACT OF 1951

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amend-

ment of the Senate to the bill (H. R. 4904) to extend the Renegotiation Act of 1951 for 2 years, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. BYRD, Mr. GEORGE, Mr. KERR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate.

RECESS

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires the floor, I am about to move that the Senate stand in recess until 12 o'clock noon tomorrow.

I move that the Senate recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 2 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, June 28, 1955, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 27, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and ever-blessed God, we are lifting our hearts unto Thee in adoration and gratitude, for Thou art the source of our blessings, the answer to our problems, and the goal of all our aspirations.

Grant that in these troubled days, when there is so much of tension and estrangement and sinister forces are trying to bring discord and division among the nations, we may know how to keep aglow the light of freedom and righteousness.

Help us to believe that Thou hast placed at our disposal the inexhaustible resources of Thy grace and that all things are working together for good if we seek to do Thy will, and all will be well when we are on Thy side.

Inspire us to hasten the coming of the time when there shall be peace on earth and good will among men.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, June 23, 1955, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1825. An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center;

H. R. 3659. An act to increase criminal penalties under the Sherman Antitrust Act;

H. R. 4221. An act to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions; and

H. R. 4954. An act to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 48. An act to provide for the disqualifications of certain former officers and employees of the District of Columbia in matters connected with former duties;

S. 182. An act to require a premarital examination of all applicants for marriage licenses in the District of Columbia;

S. 256. An act to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association;

S. 665. An act to revive section 3 of the District of Columbia Public School Food Services Act;

S. 666. An act to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia;

S. 972. An act to amend the Home Owners' Loan Act of 1933, as amended;

S. 1275. An act to authorize the Commissioners of the District of Columbia to designate employees of the District to protect life and property in and on the buildings and grounds of any institution located on property outside of the District of Columbia acquired by the United States for District sanatoriums, hospitals, training schools, and other institutions;

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system;

S. 1391. An act granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States;

S. 1585. An act to provide for the return to the town of Hartford, Vt., of certain land which was donated by such town to the United States as a site for a veterans hospital and which is no longer needed for such purposes;

S. 1739. An act to authorize the Commissioners of the District of Columbia to fix rates of compensation of members of certain examining and licensing boards and commissions, and for other purposes;

S. 1741. An act to exempt from taxation certain property of the Jewish War Veterans, U. S. A., National Memorial, Inc., in the District of Columbia;

S. 1855. An act to amend the Federal Airport Act, as amended;

S. 2171. An act to amend the Subversive Activities Control Act so as to provide that upon the expiration of his term of office, a member of the Board shall continue to serve until his successor shall have been appointed and shall have qualified;

S. 2176. An act to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress;

S. 2177. An act to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia; and

S. Con. Res. 39. Concurrent resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S. J. Res. 67. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6499) entitled "An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes."

APPROPRIATIONS FOR DEPARTMENT OF COMMERCE AND RELATED AGENCIES, 1956

Mr. PRESTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. PRESTON, THOMAS, ROONEY, YATES, SHELLEY, FLOOD, CANNON, CLEVENGER, BOW, HORAN, MILLER of Maryland, and TABER.

THE DEBT LIMIT

By direction of the Committee on Ways and Means, Mr. COOPER submitted a privileged report to accompany the bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public debt limit, which was referred to the Union Calendar and ordered to be printed.

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I call up the bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public debt limit, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. PATMAN. Mr. Speaker, reserving the right to object, is this the bill to extend the debt limit?

Mr. COOPER. That is correct.

Mr. PATMAN. Would the gentleman explain what it proposes to do? Does it go beyond the $6 billion?

Mr. COOPER. It just proposes to extend the present limitation for one more year.

Mr. PATMAN. That is for the $6 billion additional over the $275 billion?

Mr. COOPER. That is correct.

Mr. PATMAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. COOPER]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for a temporary increase in the public-debt limit," approved August 28, 1954 (31 U. S. C., sec. 757b), is hereby amended by striking out "June 30, 1955" and inserting in lieu thereof "June 30, 1956."

Mr. COOPER. Mr. Speaker, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks immediately following the remarks of the gentleman from Ohio [Mr. JENKINS].

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 6992 would continue for another year the existing temporary $6 billion increase in the ceiling on the public debt. The present permanent statutory ceiling on the public debt is $275 billion. Last year the Congress enacted legislation increasing temporarily this ceiling by $6 billion, or to $281 billion, through this Thursday, June 30.

The Secretary of the Treasury appeared in public hearings before the Committee on Ways and Means recommending that this temporary increase of $6 billion be continued through June 30, 1956. This bill carrying out the request of the Secretary, was unanimously reported by our committee. During the public hearings the Secretary stated:

> We have lived within the limits, but the basic problems are still with us. They are, in fact, even more acute their year than last. Their debt stood at $270.8 billion on June 30, 1954. On June 30 this year, it is expected to be almost $3 billion higher. Thus, the Treasury will have even less elbowroom to handle its seasonal borrowing needs in the months ahead under a $281 billion temporary limit than it did last year. Even more crucial will be the problem of getting the debt back to $275 billion by the close of the 1956 fiscal year.

The Secretary then assured the committee:

> It is our firm intention to attempt to live under the present debt limit with this temporary extension. It is also our firm intention to have any temporary increase in debt back to the present limit of $275 billion by the end of the year on June 30, 1956.

As I stated, Mr. Speaker, this bill has the unanimous and bipartisan support of our committee. However, I must also say that it is regrettable that the present administration has not been able to balance the budget as it had promised to do. During the Presidential campaign in 1952, those of us who have had to face the problem of raising the money to finance the Government knew that the glib campaign promises which were being made of a balanced budget were more a matter of political convenience and opportunism than fiscal realism. The record of the Democratic Party is clear that we are just as interested in a balanced budget and the end of deficit financing as anyone else.

Regardless of the promises and the desire of a balanced budget, we are faced with the fact that the Secretary of the Treasury—who is responsible for managing the fiscal affairs of the Government—states that he needs the temporary $6 billion increase in the debt ceiling continued for another year. I am just as reluctant to increase, even temporarily, the ceiling on the public debt as any Member of the House, but under present circumstances, I do not feel that we have any choice other than to comply with the request of the Secretary.

We must remember that it is the Congress itself which has the final say-so in the amount of money which the Government is authorized to spend, and once expenditures have been authorized and commitments have been made, it is the obligation of the Congress to protect the fiscal integrity of the Government. I would like to point out that, although holding down the ceiling on the public debt is a very effective deterrent to expenditures, it is at best an indirect avenue to reduced expenditures and it may be a very direct avenue to impairing our internal strength.

The Secretary stated to the committee that the $6 billion increase in the ceiling to June 30, 1956, is a minimum. We must remember that it is in the first part of a fiscal year—that is, the period beginning July 1 and running to March—which is the crucial period in the management of the debt ceiling, because of the fact that our tax collections come into the Treasury predominantly in the latter part of the fiscal year. If we should not provide this temporary increase, it is possible that the permanent ceiling on the debt would be exceeded in the early fall. In order to preserve the fiscal integrity of the Government, a special session of the Congress might be necessary if we fail to act favorably on this legislation.

We must also remember that the Treasury needs to maintain a minimum balance of cash in order to provide some flexibility in fiscal operations.

I urge that the bill be passed.

Mr. WIER. Mr. Speaker, will the gentleman yield?

Mr. COOPER. If I have time.

Mr. WIER. I wanted to express myself on this occasion if the bill is going to be taken up this afternoon. I voted against the increase at the last session and I am opposed to it today. I want the RECORD to show that I am opposed to this action.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield.

Mr. MILLER of Nebraska. And speaking about balancing the budget, the Republican 83d Congress reduced taxes $7,500,000,000. Had that not been done would the budget have been balanced?

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. MILLER of Nebraska. Will the gentleman take more time?

Mr. COOPER. I cannot have more time except by unanimous consent.

Mr. JENKINS. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. Yes; I yield.

Mr. MILLER of Nebraska. I was trying to get the thing cleared up as to whether we would have a deficit if we had not reduced taxes $7,500,000,000. That was my first question.

The other question I was going to ask the gentleman from Tennessee was, how much would the debt be if we had put through the $20 individual tax reduction? I am just wondering what the deficit now would have been. It is amazing the way the gentleman speaks here this morning, for he sponsored the $20 reduction for everybody in the United States; so I just wondered what the deficit would be in case that kind of bill had gone through. Perhaps the gentleman from Ohio can tell me if there would have been a reduction had they not had the reduction of $7,500,000,000. I voted for it according to good thinking. How near would we have come to balancing the budget?

Mr. JENKINS. We are nearer now than we have been for some time; there is no question about that.

Mr. COOPER. If the gentleman will yield, answering the gentleman's first question the answer is, we would not.

Mr. JENKINS. The gentleman from Minnesota by his question indicated that he voted against the extension of the debt limit. I voted against the first one, but I am convinced that I might have been wrong then. At any rate I think that the debt limit with which we are dealing today should be allowed.

Today we are asking that this temporary debt limitation be extended. The Secretary of the Treasury came before the committee and made a statement, which was in line with his usual frankness and which shows him to be a statesman and financier. He presented a plan clearly and convincingly and thoroughly justified his claim for the extension of the debt limit. Extending of the debt limit does not mean that one extra cent will be spent; it does not call for the expenditure of any money. No money can be spent unless it passes through the Appropriations Committee and through the House and the Senate.

This immense country of ours would be in terrible shape if all of a sudden it should develop that somebody had presented a bill to the Government for goods sold or services rendered and that the Government had declined to pay it because of no funds. If it should develop that we could not pay our debts or obligations, and that this report was spread out over the country, nothing could injure us as much as that. Of course, I can argue with the gentleman from Tennessee [Mr. COOPER] but there is no question but that the financial position of our country is better than it was 2 years ago or last year. It is better because business in the country is better. This matter before us now is not a po-

litical issue. It is a question of finances. Are we going to say to our Secretary of the Treasury: You may have this privilege to see to it, not that you are going to spend any more money, but see to it that our country will not be in the shape where it cannot pay its bills?

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I would like to ask the gentleman this question: If we did not spend $2 or $3 billion in foreign aid, could we or could we not balance the budget?

Mr. JENKINS. It would go far toward balancing the budget.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Iowa.

Mr. GROSS. What are the estimated balances as of June 30 this year, the estimated unexpended balances held by the Government?

Mr. JENKINS. I cannot give the gentleman those exact figures.

Mr. GROSS. It is about 1 or 2 billion dollars.

Mr. JENKINS. I believe those figures represent approximately the cash balance on hand. However, I believe that the unexpended obligations which the Bureau of the Budget estimates will exist on June 30 amount to $59.3 billion.

Mr. GROSS. Does the gentleman anticipate that the next step will be to make this temporary increase permanent?

Mr. JENKINS. No. We only ask for it for 1 year. If conditions continue as they have, it may not be necessary next year. I am not making any promises because I do not run the Treasury.

Mr. GROSS. Did not the Secretary of the Treasury say that it may be possible to squeak through with this extension and did not the Secretary of the Treasury ask that the debt ceiling be increased?

Mr. JENKINS. The Secretary of the Treasury makes the finest appearance before our committee of nearly anybody. He comes before our committee, especially in connection with these financial matters and speaks frankly because he knows. He tells us what is going on. As I said in my first statement, this however does not give him the power to spend money.

Mr. GROSS. I am talking about the finances of the country, not about the appearance of the Secretary of the Treasury.

Mr. JENKINS. Mr. Speaker, H. R. 6992 extends for 1 more year the present temporary $281 billion debt limit. It does not provide any permanent increase in the debt ceiling. It does not affect the present permanent limit of $275 billion. It simply continues on a temporary basis the $6 billion increase provided last year. All this does in effect is to give the Treasury a reasonable leeway in dealing with periodic fluctuations in Government income and outgo. It is anticipated that the permanent debt will be approximately the same at the termination of the proposed extension as it is today.

The administration has made a great achievement in bringing the debt under control. The fact that the total debt has not been reduced is not a true measure of this very real accomplishment. The public debt has been held at approximately an even level while at the same time the Nation's economy has undergone the greatest growth in our history. The amount of the debt today represents a far smaller proportion of the gross national product, of total personal income, and of other recognized indices of the economy than it did when the present administration took office. The tremendous expansion which our economy is now undergoing is being achieved without reliance on deficit financing. It is being achieved without the stimulus of inflation. In other words, our present economic growth is real and not a paper growth alone. This fact is borne out by recent statistics which have shown that the cost of living index has remained relatively stable since 1953 while take-home pay has risen appreciably.

Mr. Speaker, these facts are tremendously significant. They are the true measure of the fiscal accomplishments of the present administration. In the face of this magnificent record, we can have full confidence in the continued sound management by the administration of the public debt. I strongly urge that this bill be adopted as reported unanimously by the Committee on Ways and Means.

Mr. GROSS. Mr. Speaker, I am amazed that this bill should be rushed to the House floor this afternoon without prior notice to the Members.

I will oppose this extension as I did the temporary increase a year ago. I said then that this procedure is the sure road to fiscal irresponsibility and folly; that the answer to financial stability on the part of the Federal Government is reduced spending, not steadily increasing debt.

The Presidential budget has estimated that as of the close of this fiscal year, June 30, 1955, the Government will have unexpended balances totaling some $82 billion. This Member of Congress insists that before there is an extension of the debt ceiling, and certainly before an increase is given the slightest consideration, that these unexpended balances be drastically reduced. Congress has no real control over spending as long as these huge authorizations are outstanding but unexpended.

A $275 billion direct debt, much less $281 billion, is far more than this Nation should owe. But this is only part of the story for the Federal Government has additional contingent liabilities totaling some $250 billion, largely in the form of guaranteed and insured loans.

Time after time have I warned of the devastating effects of deficit spending upon the value of the dollar. Nothing has contributed more since 1940 to inflation and loss of purchasing power than the billions that have been expended by the Federal Government over and above income.

Instead of extending and increasing the debt ceiling, there must be spending within income—a balanced budget—and ultimate reduction of the Federal debt.

Mr. McCARTHY. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I would like to say to the gentleman from Iowa, if it is any consolation to him, that the Secretary of the Treasury in appearing before our committee said he was asking for $281 billion because he was asking for a temporary extension. However, he said that if he were asking for a permanent extension he would ask for $290 billion. We tried to find out why he asked for $281 billion on a temporary basis and $290 billion on a permanent basis. He gave us no answer. I do not know whether there is any answer to the question. I asked him whether he anticipated that the national debt would increase to $290 billion under the Republican administration in the years immediately ahead and he refused to answer that question. He is asking for $281 billion as a temporary extension but he would prefer to have $290 billion as a permanent extension. I offer this information for whatever consolation it may give.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Is this not a correct statement of the picture or position we are in, and I refer to the country as a whole. Brushing aside the fact that the promise of a balanced budget has not materialized, that promise having been broken, and brushing aside the promise of a reduced national debt, which has not been carried out and has been broken also, the fact remains that we are in the position where this action today is necessary in the fiscal integrity of our country?

Mr. McCARTHY. We are within five or six hundred million dollars of the ceiling now. The debt is approximately $274.6 billion with the permanent ceiling at $275 billion. In order to conduct the business of the Government this increase on a temporary basis is necessary. It seems to me that the Secretary should have asked for a larger increase since when he came in a year ago the national debt was about $271 billion, and he settled for $281 billion as necessary to conduct the business of Government. Unless the administration has in mind devices such as certificates of interest and other kinds of outside financing devices which will not show in the record, it seems to me he should have asked for a $10 billion increase to allow for operation of the Government this year as he did last year.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Iowa.

Mr. GROSS. Is it true or is it not that the budget estimates balances of approximately $82 billion as of June 30 of this year?

Mr. McCARTHY. Does the gentleman mean unexpended funds?

Mr. GROSS. That is right.

Mr. McCARTHY. But obligated. They are obligated.

Mr. GROSS. I do not understand that all these balances are all obligated.

Mr. McCARTHY. Well, I understand they are all obligated or at least appropriated.

Mr. GROSS. Does the gentleman recall the testimony before the committee on that?

Mr. McCARTHY. We discussed the matter of the obligated funds, obligated by the last Congress and of earlier Congresses, but there was some discussion of the obligations inherited by this administration when it took over. It was indicated that the financial condition of the country would not be so bad but for this inheritance. We could not get a statement from the Secretary as to which of those old obligations the administration would have repudiated if it could have repudiated them.

Mr. GROSS. Will the gentleman agree that this debt situation is a timely topic of discussion, coming as it does only a day before consideration of the multi-billion dollar foreign giveaway bill?

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken and there were—ayes 267, nays 56, not voting 111, as follows:

[Roll No. 95]

AYES—267

Addonizio	Brownson	Denton
Albert	Broyhill	Derounian
Alger	Buchanan	Devereux
Allen, Ill.	Budge	Dixon
Andersen, H. Carl	Burleson	Dolliver
	Burnside	Dondero
Andresen, August H.	Bush	Donohue
	Byrd	Dorn, N. Y.
Anfuso	Byrnes, Wis.	Durham
Arends	Carnahan	Edmondson
Ashley	Carrigg	Elliott
Aspinall	Cederberg	Engle
Auchincloss	Chase	Fallon
Avery	Chenoweth	Fascell
Ayres	Chiperfield	Feighan
Bailey	Christopher	Fenton
Baker	Chudoff	Fernandez
Baldwin	Church	Fisher
Bass, N. H.	Clevenger	Fjare
Bates	Cole	Flood
Baumhart	Cooley	Fogarty
Beamer	Coon	Forand
Belcher	Cooper	Ford
Bell	Corbett	Forrester
Bennett, Mich.	Coudert	Fountain
Berry	Cramer	Frazier
Betts	Cretella	Friedel
Blatnik	Crumpacker	Gary
Boggs	Cunningham	George
Bolling	Curtis, Mass.	Gordon
Bolton, Frances P.	Curtis, Mo.	Green, Oreg.
	Dague	Gregory
Bow	Davis, Ga.	Harden
Bowler	Davis, Wis.	Hardy
Boyle	Dawson, Ill.	Harris
Bray	Dawson, Utah	Harrison, Va.
Brooks, La.	Deane	Harvey
Brown, Ga.	Delaney	Hays, Ark.
Brown, Ohio	Dempsey	Hays, Ohio
Hayworth	Matthews	Scott
Henderson	Metcalf	Scrivner
Herlong	Miller, Calif.	Scudder
Hess	Miller, Md.	Seely-Brown
Hiestand	Miller, Nebr.	Selden
Hill	Mills	Sheehan
Hillings	Minshall	Shelley
Hinshaw	Morano	Short
Holifield	Moss	Sieminski
Holmes	Murray, Ill.	Siler
Hope	Natcher	Simpson, Pa.
Hosmer	Nicholson	Sisk
Huddleston	Norblad	Smith, Miss.
Hull	Norrell	Smith, Va.
Hyde	O'Brien, Ill.	Spence
Ikard	O'Hara, Ill.	Springer
Jarman	O'Hara, Minn.	Steed
Jenkins	O'Neill	Sullivan
Jennings	Osmers	Taber
Johansen	Ostertag	Talle
Johnson, Calif.	Patman	Teague, Calif.
Jones, Ala.	Patterson	Thompson, Mich.
Judd	Pelly	
Karsten	Perkins	Thompson, N. J.
Keating	Pfost	Thomson, Wyo.
Kelley, Pa.	Philbin	Thornberry
Kelly, N. Y.	Pilcher	Tollefson
Keogh	Pillion	Trimble
Kilburn	Poage	Tumulty
Kilday	Price	Udall
King, Calif.	Priest	Van Zandt
Kirwan	Prouty	Vinson
Kluczynski	Rabaut	Vorys
Lane	Radwan	Vursell
Lanham	Rains	Walter
Lankford	Ray	Watts
Latham	Reed, Ill.	Westland
LeCompte	Rees, Kans.	Wharton
Lipscomb	Reuss	Whitten
Long	Rhodes, Ariz.	Wickersham
McCarthy	Richards	Widnall
McCormack	Riley	Wigglesworth
McCulloch	Roberts	Williams, N. Y.
McDonough	Rodino	Wilson, Ind.
McMillan	Rogers, Colo.	Wolcott
McVey	Rogers, Fla.	Wolverton
Macdonald	Rogers, Mass.	Yates
Machrowicz	Rooney	Young
Mack, Wash.	Sadlak	Younger
Madden	Saylor	Zablocki
Mahon	Schenck	
Marshall	Schwengel	

NAYS—56

Abbitt	Griffiths	Robeson, Va.
Abernethy	Gross	Rogers, Tex.
Andrews	Haley	Rutherford
Ashmore	Hand	Shuford
Bass, Tenn.	Hébert	Sikes
Bennett, Fla.	Hoffman, Mich.	Simpson, Ill.
Brooks, Tex.	Jones, N. C.	Smith, Kans.
Cannon	Kilgore	Smith, Wis.
Carlyle	Krueger	Staggers
Celler	Landrum	Thomas
Chelf	Mason	Tuck
Colmer	Mollohan	Utt
Dies	Multer	Weaver
Dorn, S. C.	Murray, Tenn.	Wier
Evins	Passman	Williams, Miss.
Flynt	Phillips	Willis
Gavin	Poff	Winstead
Gentry	Preston	Wright
Grant	Rhodes, Pa.	

NOT VOTING—111

Adair	Fino	Klein
Alexander	Frelinghuysen	Knox
Allen, Calif.	Fulton	Knutson
Barden	Gamble	Laird
Barrett	Garmatz	Lesinski
Becker	Gathings	Lovre
Bentley	Granahan	McConnell
Blitch	Gray	McDowell
Boland	Green, Pa.	McGregor
Bolton, Oliver P.	Gubser	McIntire
	Gwinn	Mack, Ill.
Bonner	Hagen	Magnuson
Bosch	Hale	Mailliard
Boykin	Halleck	Martin
Buckley	Harrison, Nebr.	Meader
Burdick	Heselton	Merrow
Byrne, Pa.	Hoeven	Miller, N. Y.
Canfield	Hoffman, Ill.	Morgan
Chatham	Holt	Morrison
Clark	Holtzman	Moulder
Davidson	Horan	Mumma
Davis, Tenn.	Jackson	Nelson
Diggs	James	O'Brien, N. Y.
Dingell	Jensen	O'Konski
Dodd	Johnson, Wis.	Polk
Dollinger	Jonas	Powell
Donovan	Jones, Mo.	Quigley
Dowdy	Kean	Reece, Tenn.
Doyle	Kearney	Reed, N. Y.
Eberharter	Kearns	Riehlman
Ellsworth	Kee	Rivers
Fine	King, Pa.	Robsion, Ky.
Roosevelt	Thompson, La.	Williams, N. J.
St. George	Thompson, Tex.	Wilson, Calif.
Scherer	Vanik	Withrow
Sheppard	Van Pelt	Zelenko
Taylor	Velde	
Teague, Tex.	Wainwright	

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Mack of Illinois with Mr. Martin.
Mr. Dodd with Mr. Halleck.
Mr. Buckley with Mr. Taylor.
Mr. Zelenko with Mr. Allen of California.
Mr. Dingell with Mr. Scherer.
Mr. Eberharter with Mr. Harrison of Nebraska.
Mrs. Blitch with Mrs. St. George.
Mr. Morrison with Mr. Canfield.
Mr. Polk with Mr. McGregor.
Mr. Holtzman with Mr. Mailliard.
Mr. Davidson with Mr. Merrow.
Mr. Powell with Mr. Nelson.
Mr. Klein with Mr. Ellsworth.
Mr. Garmatz with Mr. Fino.
Mr. Fine with Mr. Gwinn.
Mr. Doyle with Mr. Holt.
Mr. Clark with Mr. Hoeven.
Mr. Roosevelt with Mr. Kean.
Mr. Rivers with Mr. Jensen.
Mr. Green of Pennsylvania with Mr. Wilson of California.
Mr. Granahan with Mr. Withrow.
Mr. Barrett with Mr. Gubser.
Mr. Byrne of Pennsylvania with Mr. Heselton.
Mr. O'Brien of New York with Mr. Hoffman of Illinois.
Mr. Quigley with Mr. Horan.
Mr. Moulder with Mr. Van Pelt.
Mr. Dollinger with Mr. Becker.
Mr. Sheppard with Mr. Reece of Tennessee.
Mr. Bonner with Mr. Riehlman.
Mr. Boykin with Mr. Adair.
Mr. Boland with Mr. Bentley.
Mr. Donovan with Mr. Kearns.
Mr. Morgan with Mr. Lovre.
Mrs. Knutson with Mr. Bosch.
Mrs. Kee with Mr. Broyhill.
Mr. Thompson of Louisiana with Mr. Miller of New York.
Mr. Alexander with Mr. Jackson.
Mr. Gray with Mr. Wainwright.
Mr. Vanik with Mr. Frelinghuysen.
Mr. Williams of New Jersey with Mr. McConnell.
Mr. Lesinski with Mr. McIntire.
Mr. McDowell with Mr. Jonas.
Mr. Davis of Tennesse with Mr. James.
Mr. Magnuson with Mr. Fulton.
Mr. Jones of Missouri with Mr. Robsion of Kentucky.
Mr. Thompson of Texas with Mr. O'Konski.
Mr. Teague of Texas with Mr. Laird.
Mr. Hagen with Mr. Knox.
Mr. Barden with Mr. Gamble.
Mr. Chatham with Mr. King of Pennsylvania.
Mr. Dowdy with Mr. Velde.
Mr. Diggs with Mr. Reed of New York.
Mr. Gathings with Mr. Meader.
Mr. Johnson of Wisconsin with Mr. Mumma.

Mr. FLYNT changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1956

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6239) making appropriations for the government of the District of Columbia and other ac-

tivities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. RABAUT, PASSMAN, NATCHER, CANNON, WILSON of Indiana, JAMES, and TABER.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file the conference report on the District of Columbia appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report on the so-called foreign-aid bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PHILIPPINE TRADE AGREEMENT REVISION ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on the bill H. R. 6059, the Philippine Trade Agreement Revision Act of 1955.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF RENEGOTIATION ACT OF 1951

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4904) to extend the Renegotiation Act of 1951 for 2 years, with Senate amendments thereto, disagree to the amendments of the Senate, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOPER, DINGELL, MILLS, JENKINS, and SIMPSON of Pennsylvania.

SILLIMAN EVANS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, it is with sorrow and regret that I announce the death yesterday of Silliman Evans, publisher of the Nashville Tennessean. Mr. Evans passed away in Fort Worth, Tex., where he had gone to attend the funeral of another great publisher and his lifelong friend, Mr. Amon Carter.

In the passing of Mr. Evans, American journalism has lost one of its most vigorous, progressive, and courageous publishers.

He became publisher of the Tennessean in 1937 after a varied experience, including a period when he served as Washington correspondent of the Fort Worth Star-Telegram. His experience as a working newspaperman was brought to bear in the publication of the Tennessean, and under his direction that paper became nationally known as a progressive and fearless journal, dedicated to the public good.

Mr. Evans was a man of strong convictions which he defended with vigor and consistency. He believed that when given the facts the American people always will make the choice that is best for their own welfare.

He was a man of great energy and his interests included a wide range of subjects affecting the public welfare. The impact of his vision was felt in many areas far removed from the borders of Tennessee.

As a former member of the staff of the Tennessean, I join his many friends in extending deepest sympathy to his family and loved ones.

SALK ANTI-POLIO VACCINE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I am today introducing a bill to have the Federal Government purchase sufficient quantities of the Salk antipolio vaccine to provide for the innoculation of all of the children in the United States under the age of 20.

The vaccine so purchased would be turned over to the National Foundation for Infantile Paralysis for allocation and distribution by the foundation, but under the general supervision of the Department of Health, Education, and Welfare. But it would be up to the national foundation—and, of course, that is the logical organization to have that authority and responsibility—to see to it that all of the children get this vaccine in the most equitable and efficient manner, deciding where it is needed most geographically and which age groups should have it first, and so on. The inoculations would be free. This is an idea on which I have been working since May 13 when Dr. Scheele appeared before us in the Banking and Currency Committee. I think it is the best approach.

SPECIAL ORDERS GRANTED

Mr. HOLIFIELD asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

Mr. PERKINS asked and was given permission to address the House for 20 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

Mr. ASHLEY asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

Mr. WICKERSHAM asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may be permitted to meet during general debate in the House this week.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

HELEN KELLER'S BIRTHDAY

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, today is Helen Keller's birthday.

This remarkable woman, stricken deaf and blind in infancy, has for more than 50 years tirelessly devoted herself to the battle for the economic, cultural, and social advancement of the physically handicapped throughout the world.

Her conquest of her own physical disabilities is a symbol of hope for millions.

Alabama, Helen Keller's native State, shares the pride that people all over the Nation feel in the accomplishments of this great woman.

PROGRAM FOR BALANCE OF THE WEEK

Mr. ARENDS. Mr. Speaker, I take this time to ask the majority leader what program is contemplated for the balance of the week, if he is prepared to give us the information at this time.

Mr. McCORMACK. After the disposition of the bills that will be taken up by the chairman of the Committee on the District of Columbia, the military construction authorization act will be the next order of business. And the termination of that bill, and if a rule is reported out, which is expected, the Foreign Operations Act will be the next order of business. Of course, on tomorrow we will have the conference report on the extension of the Selective Service Act, with the doctors provision therein. That will

be the first order of business tomorrow. In between, if necessary, conference reports can be taken up and any continuing resolutions which must be acted upon before June 30.

Following that, there is the atomic energy authorization bill, which if it can be brought up today, it will be, there is the military reserve bill, there is the housing bill, there is the social security amendments of 1955, and then the Mexican labor bill extending the Agricultural Act of 1949.

I realize that is a very stiff program, but I am programing it in the event we can bring those bills up during this coming week.

Mr. ARENDS. I thank the gentleman.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. VORYS. I did not hear the gentleman say when the mutual security bill would be brought up.

Mr. McCORMACK. Immediately after the passage of the military construction authorization act, but if that bill should pass today, not until tomorrow.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. Is there any reason why the mutual security bill must be brought up tomorrow and why it could not be brought up later in the week? The reason I ask the question, as I understand the hearings are not yet available to the Members of the House, and there are some of us who would like to take a look at the figures and the justifications for those figures in this bill, and we will not have an opportunity by tomorrow.

Mr. McCORMACK. I have announced that before, and I will announce it again. The leadership must have in mind that we want to get through here as quickly as we possibly can.

Mr. WILLIAMS of Mississippi. I am wondering if something else could not be substituted for tomorrow so that the membership would be in a little better position to consider it.

Mr. McCORMACK. I wish I could, but I am constrained to answer my friend from Mississippi that I cannot, because the appropriation bill for FOA cannot come up until after the authorization bill is passed. So, we have got to keep that in mind in connection with the adjournment of this session of the Congress. Now, if we get this bill out of the way, there is a reasonable chance of Congress adjourning a week or 10 days earlier than it otherwise would adjourn, if we wait until later in the week. So, much as I would like to comply with the gentleman's suggestion, I am constrained to say that I am unable to do so.

Mr. WILLIAMS of Mississippi. The gentleman understands I make the suggestion merely in the interest of intelligent legislating.

Mr. McCORMACK. I could never conceive of the gentleman making any suggestion on any other premise than that.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Minnesota.

Mr. JUDD. Has the gentleman stated whether we are likely to be in session Saturday or not, because a good many of us have commitments at home over this particular weekend.

Mr. McCORMACK. I would feel more pleasant if the gentleman would ask me that question Wednesday.

Mr. JUDD. It is pretty hard to make plans that late.

Mr. McCORMACK. I understand that, but it is very difficult for me even to project myself 2 days. I can assure the gentleman that the leadership will do everything possible to get away as early as possible this week, and definitely has in mind this coming weekend. However, I cannot make a definite commitment, but I will assure my friend I have that prominently in mind. And, I recognize that next Monday is July 4, and the gentleman from Massachusetts has some other thoughts in mind which he will take up with the leadership on the gentleman's side, having in mind justifiable considerations of the Members over the coming weekend who have speaking engagements and other problems confronting them on July 4.

Mr. JUDD. I thank the gentleman. I hope we will work early and late these first 5 days so that those of us who have to go a long distance will have an opportunity to plan in advance.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN], the chairman of the Committee on the District of Columbia.

DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SPECIAL SERVICES COMPENSATION ACT

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 5892) to authorize officers and members of the Metropolitan Police force and of the Fire Department of the District of Columbia voluntarily to perform certain services on their time off from regularly scheduled tours of duty and to receive compensation therefor, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Police and Firemen's Special Services Compensation Act."

TITLE I

SEC. 101. The Chief of Police and the Fire Chief may permit officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, as the case may be, to volunteer for assignment to perform duty for the protection of the public at, on, and about the licensed premises referred to in paragraphs 20 (a), 20 (c), and 23 (a) of section 7 of the act approved July 1, 1902, as added by the act approved June 29, 1948 (62 Stat. 1109; secs. 47–2320 (a) and (c) and 47–2323 (a), D. C. Code, 1951 ed.), and in title II of this act, on their time off from regularly scheduled tours of duty. For such purpose the Chief of Police and the Fire Chief, respectively, are authorized to compile and maintain registers of the names of those officers and members of such force and such department who volunteer for assignment to perform such duty. Assignments to such duty of those officers and members whose names appear on such registers shall be made on an equitable basis. To the maximum extent practicable, officers and members assigned to such duty shall be selected from among those who volunteer.

SEC. 102. Each officer and member of the Metropolitan Police force and the Fire Department of the District of Columbia performing such duty voluntarily on time off from regularly scheduled tours of duty shall be entitled to receive for each hour of such duty, compensation at the respective basic hourly salary rate in effect for each such officer and member on the first day of the month in which such duty is performed, in lieu of any other regular or additional compensation provided by law.

SEC. 103. Each officer and member of the Metropolitan Police force and the Fire Department of the District of Columbia performing such duty on time off from regularly scheduled tours of duty shall be entitled to all rights, benefits, and privileges, and shall be subject to all obligations and duties to which he is entitled or to which he is subject on any period of regular duty, except as otherwise provided herein.

SEC. 104. The compensation paid under this act to officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia (1) shall not be considered as salary for the purpose of computing retirement compensation or relief payments under section 12 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1917, and for other purposes," approved September 1, 1916, as amended (secs. 4–301—4–517, D. C. Code, 1951 ed.), and (2) shall not be subject to deduction as provided in section 5 of the act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia," approved July 1, 1930, as amended (sec. 4–504, D. C. Code, 1951 ed.).

SEC. 105. For the purpose of this act the term "basic hourly salary rate" means one-eightieth of the basic biweekly salary rate.

SEC. 106. There is hereby authorized to be established in the Treasury of the United States a trust fund account to be known as the Policemen and Firemen's Special Services Fund. All fees and advances required to be paid by the second subparagraph of paragraph 20 (a), the second proviso in paragraph 20 (c), and the second subparagraph of paragraph 23 (a), respectively, of section 7 of such act approved July 1, 1902, as added by the act approved June 29, 1948 (62 Stat. 1109), and by title II of this act, shall be deposited to the credit of such fund and shall be available only for the payment of compensation to officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia for services voluntarily performed on time off

from regularly scheduled tours of duty as provided in this act; for refund of unearned and excess fees and advances, and for transfer as provided in section 108 of this act.

SEC. 107. No person shall be entitled to compensation pursuant to this act for the same period of time for which he is entitled to compensation as provided in the act approved August 15, 1950 (64 Stat. 447) as amended (sec. 4–904, supp. III, D. C. Code, 1951 edition).

SEC. 108. In the event there are not sufficient volunteers, other officers and members of the Metropolitan police force and of the fire department of the District of Columbia who are on duty may be assigned when deemed necessary by the chief of police or the fire chief, as the case may be, to perform duty as provided in section 101 of this act. Such officers and members of such force and such department shall be paid their regular compensation out of funds appropriated to such force and department, respectively, but the amount of the fee for their service shall be transferred from the trust fund established by this act and deposited to the credit of the revenues of the District of Columbia.

TITLE II

SEC. 201. The Armory Board established by the act approved June 4, 1948 (62 Stat. 339; sec. 2–1702, D. C. Code, 1951 edition) shall, when it leases or rents the District of Columbia National Guard Armory, or any part thereof, for the secondary purposes as set out in such act, be regarded as manager of a building or premises subject to the second proviso in paragraph 20 (c) of section 7 of the act approved July 1, 1902, as added by section 2 of the act approved June 29, 1948 (62 Stat. 1109; sec. 47–2320 (c), D. C. Code, 1951 edition).

With the following committee amendments:

Page 2, line 6, strike out "added" and insert "amended."

Page 3, line 21, strike out "secs. 4–301" and insert "secs. 4–501."

The committee amendments were agreed to.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, in the 80th Congress, Public Law 837 was enacted, which gave the chief of the fire department and the chief of the police department authority to post police and firemen at, on, or about licensed places in the District of Columbia for the protection of the public. These licensed places have always paid the charges for the police and fire protection. However, the men used in such details have been drawn from the regularly assigned police and firemen. There are 4 such licensed places in the District of Columbia who regularly use men from the police and fire departments and who reimburse the District of Columbia Government. These 4 places are Turner's Arena, Uline Arena, Griffith Stadium and Constitution Hall. The only purpose in the proposed legislation in H. R. 5892 is to also make the charges for police and fire protection applicable to the Armory, which has always been exempt from paying for such police and fire protection the same as other similar concerns in the District of Columbia.

The bill would also permit a pool of volunteers to be made from off duty police and firemen, who would be assigned to perform such duties at the pleasure of the chief of fire department and the chief of the police department. Charges for such services would be paid by the licensed businesses to the commissioners of the District of Columbia, where it would be set up in a trust fund and paid to the employees who perform such services.

During the fiscal year 1954 in policing the licensed businesses enumerated under this bill a total of 13,451 man-hours was taken from regularly assigned policemen in the District of Columbia and diverted to these licensed places at a cost of approximately $30,091.62. If the proposed legislation is enacted 13,451 additional man hours will be available to the police department and these extra detail duties will be covered by off-duty policemen.

This legislation has the approval of the Commissioners of the District of Columbia, the Chief of the Metropolitan Police Department and many other public-spirited citizens.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA ARMORY BOARD

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 6259) to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board and for other purposes," approved June 4, 1948, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 8 of the act entitled "An act to establish a District of Columbia Armory Board and for other purposes," approved June 4, 1948 (sec. 2–1706, D. C. Code, 1951 edition), is amended by striking the proviso in the fifth sentence thereof and inserting in lieu thereof the following: "*Provided*, That the Disbursing Officer of the District of Columbia is authorized to advance to the Armory Board, upon requisitions previously approved by the Accounting Officer of the District of Columbia, sums of money not to exceed $11,000 at any one time to be used for office and sundry expenses of the Armory Board, including use for change-making purposes: *Provided further*, That, an amount not to exceed $3,000 in any fiscal year shall be available for promotional expenses in the furtherance of the secondary purposes of this act, and the certificate of the Armory Board shall be sufficient voucher for such expenditure.".

Mr. HARRIS. Mr. Speaker, I move to strike out the last word for the purpose of explaining the bill.

Mr. Speaker, the purpose of this legislation is twofold. First it provides that the disbursing officer of the District of Columbia is authorized to advance to the Armory Board, upon requisitions previously approved by the accounting officer of the District of Columbia, sums of money not to exceed $11,000 at any one time to be used for office and sundry expenses of the Armory Board, including use for changemaking purposes.

Under existing law the Armory Board may not have on hand a sum in excess of $1,000 and because of the fact that the Armory Board was compelled, in the protection of its own interests, to supervise and control the sale of tickets at the Armory when paid admissions are charged for entrance to activities, it became necessary to furnish a change fund of considerable size. Prior to the beginning of the fiscal year 1954, this change fund was furnished by the ticket-sale contractor, for which he was paid a nominal fee. Subsequent to June 30, 1953, the contractor refused to continue furnishing this fund, and it was necessary, therefore, that the fund be furnished by the Armory Board.

The second provision of the bill sets up an amount not to exceed $3,000 in any fiscal year, which shall be available for promotional expenses in the furtherance of the secondary purposes of this act. There is keen competition among municipal and civic auditoriums, armories, and arenas in large cities for contracts from reputable national organizations and producers of well-known shows for conventions, expositions, trade shows, theaters, banquets, and so forth. To obtain this business the manager must engage in a certain amount of promotional activities designed to convince the other parties of the advantages of the District of Columbia Armory for their events and activities.

This legislation has the approval of the District of Columbia Armory Board, of which the President of the Board of Commissioners of the District of Columbia is an active member.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 6574) to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended (sec. 40–102, D. C. Code, 1951 ed.), is amended by inserting immediately after the first sentence of subsection (d) of said section the following: "The owner selling or otherwise transferring such vehicle or trailer may register another motor vehicle or trailer for the unexpired portion of the registration year upon payment of a fee of $1 and a sum equal to the difference between the registration fee originally paid and the fee computed for such other motor vehicle or trailer under section 3, in case the latter is the greater."

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word for the purpose of explaining the bill.

Mr. Speaker, the purpose of this legislation is to reestablish the former fee of $1 for the transfer of motor vehicle registration plates from one vehicle to another during the course of a registration year in the District of Columbia. Such a transfer fee was provided for in section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), but last year in title VI of "An act to authorize the financing of a program of public works construction for the District of Columbia," new flat fees for motor vehicle registration were established, and provision for the $1 transfer fee was stricken out—section 601, public law 364, 83d Congress. The old registration fee consisted of a weight tax—$5, $8, or $12 depending on the weight of the vehicle; a personal property tax of $2 per $100 of valuation of the vehicle, and an inspection fee of $1. The new fees, eliminating the weight tax and personal property tax on motor vehicles, are now $22 for vehicles weighing less than 3,500 pounds and $32 for vehicles weighing over 3,500 pounds. The $1 inspection fee is added in each instance. In both the old and new fees, provision was made for a mid-year reduction of 50 percent in the weight tax and new flat fees. Under the old fee system, the motor vehicle property tax was reduced one-twelfth with the passing of each month.

Elimination of the $1 transfer fee has resulted in many complaints, particularly from persons who had already paid the year's registration fee and who upon trading in the old car for a new car, learned that the full registration fee—new flat fee—for a year or half year would have to be paid again.

An example of operation of the new law: The owner of a 1946 small car—under 3,500 pounds—registered his car and paid $23—a $22 registration fee and $1 inspection fee, during March 1955, for the registration year beginning April 1, 1955. One month later he trades in the 1946 car on a newer model, say a 1953 small car, and in transferring his registration plates from the 1946 car to the 1953 car, he finds that under the new law, just a month later, he must pay another $23 fee, in lieu of the old $1 transfer fee.

Explanation that payment of another registration fee is in lieu of the former personal property tax and transfer fee has failed to satisfy the public, and the committee is of the opinion that fairness compels restoration of the $1 transfer fee. An examination of State laws discloses that nominal fees, 25 cents to $1.50, are charged for the transfer of motor vehicle registration plates in 37 States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOSPITAL CENTER AND FACILITIES IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 5852) to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill, S. 666, which is similar to the bill H. R. 5852, and consider the Senate bill in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 6 of the act of August 7, 1946 (60 Stat. 897), as amended, entitled "An act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes," is further amended by substituting "June 30, 1957" for "June 30, 1955."

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word for the purpose of explaining the bill.

Mr. Speaker, the proposed bill is part of the legislative program for 1955 of the General Services Administration. It does not involve the expenditure of any funds. It removes a technical objection to the consideration of subsequent requests for appropriations, within the amount originally authorized, by extending from June 30, 1955, to June 30, 1957, the period of authorization of appropriations.

Authorization of appropriations of $35 million for the period ending June 30, 1952, for the construction of a hospital center and the making of grants for hospital facilities in the District of Columbia was contained in section 6 of the act of August 7, 1946, in 60th United States Statutes at Large, page 897. By the act of June 28, 1952, in 66th United States Statutes at Large, page 288, the period was extended to June 30, 1955.

An administrative limitation of $21,700,000 was established on the total authorization for the purpose of construction of the hospital center. The sum of $2,200,000 was appropriated for the purpose by the Independent Offices Appropriations Acts of 1948 and 1949, in 61st United States Statutes at Large, page 595, and 62d United States Statutes at Large, page 184, and a contract authorization of $19,500,000 was made by the latter act. An appropriation of $19,500,000 was made by the Independent Offices Appropriation Act, 1955, in 68th United States Statutes at Large, page 682, to liquidate a portion of the contract authorization.

On November 10, 1954, contracts were awarded to the Standard Construction Co., Inc., and Westinghouse Electric Corp., elevator division, respectively, for the construction of the hospital center and installation of the elevators.

During 1955 this agency will seek an appropriation of $9,700,000 to be available for the fiscal year 1956, to liquidate an additional portion of the contract authorization. During 1956 this agency will seek an appropriation of $5,300,000, to be available during the fiscal year 1957, to complete liquidation of the contract authorization.

During the fiscal year 1955 this agency will also seek a further appropriation of $1,610,000 for grant purposes, which is within the amount originally authorized for appropriations, occasioned by the addition of the Georgetown University Hospital to the list of facilities eligible for assistance.

Section 6 of the amended act should accordingly be further amended to conform with the proposed making of appropriations for hospital purposes during fiscal year 1956 and, to take care of any delay which may occur at the end of that year, during fiscal year 1957.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. R. 5852 was laid on the table.

PRACTICE OF VETERINARY MEDICINE IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 5853) to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907 (34 Stat. 870; title 2, ch. 8, D. C. Code, 1951 ed.), is amended (a) by striking from the first sentence thereof the words "shall have been a bona fide resident of said District for 3 years last past before appointment, and each, during said period," and (b) by inserting before the period at the end of the first sentence the words "for a period of 3 years immediately prior to such appointment."

SEC. 2. Section 3 of the said act of February 1, 1907, is amended (a) by striking "some veterinary college authorized by law to confer the same, which college shall require at least 2 sessions of study of veterinary medicine of not less than 6 months each prior to the issue of such diploma, and graduates of 2-year colleges shall accompany their diplomas by satisfactory evidence that they have practiced veterinary medicine for 5 years last past subsequent to the issue of such diplomas," and inserting in lieu thereof "a veterinary college having a curriculum equivalent to that required by the American Veterinary Medical Association Council on Education for approved schools and authorized by law to confer said diploma, which college shall require at least 4 sessions of study of veterinary medicine of not less than 9 months each prior to the issue of such diploma," and (b) by striking from the fifth

sentence the words "in January, April, July, and October of each year," and inserting in lieu thereof the words "at least once a year."

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. SIMPSON of Illinois. May I say for the benefit of the House that all eight of these bills were cleared from the Committee on the District of Columbia unanimously. That is the reason no one over here is objecting or asking for any time, in order to expedite matters.

Mr. McMILLAN. I thank the gentleman.

The purpose of the proposed legislation is to accomplish the following:

First. Remove the present requirement that each member of the board of examiners in veterinary medicine be a bona fide resident of said District for 3 years last past before appointment.

Second. Increase the course of study required of licensees to four 9-month college sessions, in place of the present requirement of the two 6-month college sessions.

Third. Delete the provisions in existing law relative to the licensing of graduates of 2-year colleges who have had 5 years' practice.

Fourth. Provide for holding examinations at least once a year, in lieu of the present requirement that examinations be held in January, April, July, and October of each year.

This legislation was introduced at the request of the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MENTAL DISORDER AS A CRIMINAL DEFENSE

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 6585) to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 927 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (sec. 24–301, D. C. Code, 1951 edition), is amended to read as follows:

"SEC. 927. (a) Whenever a person is arrested, indicted, charged by information, or is charged in the juvenile court of the District of Columbia, for or with an offense and, prior to the imposition of sentence or prior to the expiration of any period of probation, it shall appear to the court from the court's own observations, or from prima facie evidence submitted to the court, that the accused is of unsound mind or is mentally incompetent so as to be unable to understand the proceedings against him or properly to assist in his own defense, the court may order the accused committed to the District of Columbia General Hospital or other mental hospital designated by the court, for such reasonable period as the court may determine for examination and observation by the psychiatric staff of said hospital. If, after such examination and observation, the superintendent of the hospital, in the case of a mental hospital, or the chief psychiatrist of the District of Columbia General Hospital, in the case of District of Columbia General Hospital, shall report that in his opinion the accused is of unsound mind or mentally incompetent, such report shall be sufficient to authorize the court to commit by order the accused to a hospital for the mentally ill unless the accused or the Government objects, in which event, the court, after hearing without a jury, shall make a judicial determination of the competency of the accused to stand trial. If the court shall find the accused to be then of unsound mind or mentally incompetent to stand trial, the court shall order the accused confined to a hospital for the mentally ill.

"(b) Whenever an accused person confined to a hospital for the mentally ill is restored to mental competency in the opinion of the superintendent of said hospital, the superintendent shall certify such fact to the clerk of the court in which the indictment, information, or charge against the accused is pending and such certification shall be sufficient to authorize the court to enter an order thereon adjudicating him to be competent to stand trial, unless the accused or the Government objects, in which event, the court, after hearing without a jury, shall make a judicial determination of the competency of the accused to stand trial.

"(c) When any person tried upon an indictment or information for an offense, or tried in the juvenile court of the District of Columbia for an offense, is acquitted solely on the ground that he was insane at the time of its commission, that fact shall be set forth by the jury in their verdict.

"(d) If any person tried upon an indictment or information for an offense, or tried in the juvenile court of the District of Columbia for an offense, is acquitted solely on the ground that he was insane at the time of its commission, the court shall order such person to be confined in a hospital for the mentally ill.

"(e) Where any person has been confined in a hospital for the mentally ill pursuant to subsection (d) of this section, and the superintendent of such hospital certifies (1) that such person has recovered his sanity, (2) that he will not in the reasonable future be dangerous to himself or others, and (3) in the opinion of the superintendent, the person is entitled to his unconditional release from the hospital, and such certificate is filed with the clerk of the court in which the person was tried, and a copy thereof served on the United States attorney or the corporation counsel of the District of Columbia, whichever office prosecuted the accused, such certificate shall be sufficient to authorize the court to order the unconditional release of the person so confined from further hospitalization at the expiration of 15 days from the time said certificate was filed and served as above; but the court in its discretion may, or upon objection of the United States or the District of Columbia shall, after due notice, hold a hearing at which evidence as to the mental condition of the person so confined may be submitted, including the testimony of one or more psychiatrists from said hospital. The court shall weigh the evidence and, if the court finds that such person has recovered his sanity and will not in the reasonable future be dangerous to himself or others, the court shall order such person unconditionally released from further confinement in said hospital. If the court does not so find, the court shall order such person returned to said hospital. Where, in the judgment of the superintendent of such hospital, a person confined under subsection (d) above is not in such condition as to warrant his unconditional release, but is in a condition to be conditionally released under supervision, and such certificate is filed and served as above provided, such certificate shall be sufficient to authorize the court to order the release of such person under such conditions as the court shall see fit at the expiration of 15 days from the time such certificate is filed and served pursuant to this section: *Provided*, That the provisions as to hearing prior to unconditional release shall also apply to conditional releases, and, if, after a hearing and weighing the evidence, the court shall find that the condition of such person warrants his conditional release, the court shall order his release under such conditions as the court shall see fit, or, if the court does not so find, the court shall order such person returned to such hospital.

"(f) When an accused person shall be acquitted solely on the ground of insanity and ordered confined in a hospital for the mentally ill, such person and his estate shall be charged with the expense of his support in such hospital.

"(g) Nothing herein contained shall preclude a person confined under the authority of this section from establishing his eligibility for release under the provisions of this section by a writ of habeas corpus.

"(h) The provisions of this section shall supersede in the District of Columbia the provisions of any Federal statutes or parts thereof inconsistent with this section."

SEC. 2. Section 928 of such act approved March 3, 1901, as amended, is amended to read as follows:

"SEC. 928. Any person while serving sentence of any court of the District of Columbia for crime, in a District of Columbia penal institution, and who, in the opinion of the Director of the Department of Corrections of the District of Columbia, is mentally ill, shall be referred by such Director to the psychiatrist functioning under section 405 of title IV of the act approved June 29, 1953 (67 Stat. 105; sec. 24–106, Supp. III, D. C. Code, 1951 edition), and if such psychiatrist certifies that the person is mentally ill, this shall be sufficient to authorize the Director to transfer such person to a hospital for the mentally ill to receive the same treatment as other patients during the continuance of his illness."

SEC. 3. Section 929 of such act approved March 3, 1901, as amended, is amended to read as follows:

"SEC. 929. (a) When any person confined in a hospital for the mentally ill, charged with crime and subject to be tried therefor, shall be found competent to stand trial in the opinion of the superintendent of such hospital, the superintendent shall certify such fact to the clerk of the court in which the indictment, information, or charge is pending, in accordance with the procedure specified in section 927 of this act, and deliver such person to the court according to its proper precept.

"(b) When any person confined in a hospital for the mentally ill while serving sentence shall be restored to mental health within the opinion of the superintendent of the hospital, the superintendent shall certify such facts to the Director of the Department of Corrections of the District of Columbia and such certification shall be sufficient to deliver such person to such Director according to his request."

SEC. 4. The act entitled "An act relating to the testimony of physicians in the courts of the District of Columbia," received by the President May 13, 1896 (29 Stat. 138; sec. 14–308, D. C. Code, 1951 edition), is amended to read as follows:

"That in the courts of the District of Columbia no physician or surgeon shall be permitted, without the consent of the person afflicted, or of his legal representative, to disclose any information, confidential in its nature, which he shall have acquired in

attending a patient in a professional capacity and which was necessary to enable him to act in that capacity, whether such information shall have been obtained from the patient or from his family or from the person or persons in charge of him: *Provided*, That this section shall not apply to evidence in criminal cases where the accused is charged with causing death of, or inflicting injuries upon a human being, and the disclosure shall be required in the interests of public justice: *Provided further*, That this section shall not apply to evidence relating to the mental competency or sanity of an accused in criminal trials where the accused raises the defense of insanity, or in the pretrial or posttrial proceedings involving any criminal case where a question arises concerning the mental condition of an accused or convicted person.".

With the following committee amendments:

On page 2, line 9, after the word "observation", insert the phrase "and for care and treatment if such is necessary."

On page 3, line 25, after the word "that", strike out the word "he" and insert the following: "in the opinion of the Superintendent, such person."

On page 6, line 13, after the word "receive", strike out the words "the same" and substitute the words "care and."

On page 6, line 14, strike out the words "as other patients" and add the word "mental" prior to the word "illness."

The committee amendments were agreed to.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, pursuant to public law 85 of the 83d Congress, approved June 29, 1953, a Council on Law Enforcement of the District of Columbia was set up to make a continuing study and appraisal of crime and law enforcement in the District of Columbia and to make a report to the Senate and the House of Representatives at the beginning of each session of Congress. On October 25, 1954, the Council on Law Enforcement of the District of Columbia appointed a committee on mental disorder as a criminal defense to study and report on the substantive and procedural law of the District of Columbia bearing on mental disorder as a defense in a criminal prosecution.

After a great deal of study this committee, under date of April 25, 1955, submitted a report in which they recommended this proposed legislation, which is explained below in a section by section analysis.

Section 1 provides that this section supersedes in the District of Columbia the provisions of any other statutes wherever inconsistent therewith. The purpose of this is to assure that there be prima facie evidence before the court to support a motion to commit the accused for mental observation. This reestablishes the rule in effect in this jurisdiction prior to the decision in the Wear case.

Second. To authorize the court to commit for treatment a person found insane or incompetent to stand trial by the psychiatric staff of a mental hospital, but reserving to the accused the right to a judicial determination to determine sanity or competency if he so desires. This is designed to speed up procedures without prejudicing the accused.

Third. To permit the court to order to trial an accused who had been found incompetent to stand trial on the basis of a certificate from the superintendent of the hospital that the accused has recovered, except in case where the accused or the Government objects, in which case a judicial determination, after hearing without a jury would be required. This is designed to avoid the burden of a judicial hearing and determination unless the accused or the Government desires it.

Fourth. To provide that in every case where an accused is found not guilty of a crime solely by reason of insanity he shall be confined in a hospital for the mentally ill. This is designed to protect the public against the immediate unconditional release of accused persons who have been found not responsible for a crime solely by reason of insanity.

Fifth. To provide that a person who has been held not responsible for a crime by reason of insanity and committed to a hospital for the mentally ill shall be unconditionally released therefrom only on order of the court after the superintendent of the hospital has certified the accused has recovered his sanity and will not in the future be dangerous to himself or others; that notice of an impending release be given to the office which prosecuted the accused a reasonable time before the accused is released; that the court, on its own motion, may hold a hearing, and on objection by the office which prosecuted accused, must hold a hearing, before release, and that the court, on recommendation of the superintendent of the hospital, and with the same notice and opportunity for hearing above provided, may order the conditional release of accused to a legal guardian or other person subject to such conditions as the court may impose. These changes are designed to protect the public against premature release of insane accused persons and also to give maximum protection and treatment to such accused persons.

Sixth. To provide specifically that nothing in the section shall preclude a person from establishing his eligibility for release by habeas corpus at any step of the proceedings. This is deemed desirable to eliminate the possibility that it might be construed that the release provisions in the section were exclusive of habeas corpus proceedings.

Section 2 provides that a prisoner serving a sentence for a crime in a District of Columbia penal institution who, in the opinion of the Director of the Department of Corrections, is mentally ill, shall be referred to the Legal Psychiatric Services Rivision of the District of Columbia Department of Public Health; and that, if the psychiatrist of the Legal Psychiatric Services Division certifies the person to be insane, the Director is authorized to transfer the prisoner to a mental hospital for treatment. The purpose of this amendment is to make full and proper use of the recently created Legal Psychiatric Services Division, and to eliminate the delay created by having to obtain the assent of the Secretary of Health, Education, and Welfare to the commitment of such person as is now required.

Section 3 amends section 929 of the act of March 3, 1901—section 24-303, District of Columbia Code, 1951 edition—relating to procedures to be followed where a person found incompetent to stand trial, or a prisoner found to be insane while serving sentence, has recovered his competency or sanity, so as to conform with and be consistent with sections 1 and 2 of the bill.

Section 4 amends the act of 1896—29th United States Statutes at Large, page 138; section 14-308, District of Columbia Code, 1951 edition—by adding thereto a further proviso that the physician-patient privilege shall not apply to evidence relating to the mental competency or sanity of an accused in criminal cases where the accused raises the defense of insanity, nor shall it apply in the pretrial or post-trial proceeding in any criminal case where the mental condition of the accused is in question. The purpose of this amendment is to permit the Government to offer competent psychiatric testimony where an accused pleads insanity as a defense, and also to offer such testimony in any criminal case where the mental condition of an accused or convicted person is brought into question.

The bill was referred to a subcommittee of the House District Committee and a hearing was held on this legislation on June 8, 1955.

At the time of the hearing members of the committee recommending the legislation were present and testified as well as a representative from St. Elizabeths Hospital, a representative from the District of Columbia General Hospital, a representative from the office of the United States attorney for the District of Columbia, the Corporation Counsel for the District of Columbia, and a representative of the Chief of the Metropolitan Police Department. All who appeared and testified on this legislation favored the bill. No one appeared in opposition to it.

Minor clarifying amendments were recommended to this legislation, three of which were adopted by the committee. The legislation also has the approval of the Commissioners of the District of Columbia.

Mr. DAVIS of Georgia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the Council on Law Enforcement in the District of Columbia appointed on October 25 of last year a Committee on Mental Disorder as a Criminal Defense. That committee was composed of Mr. George L. Hart, Jr., prominent Washington attorney, chairman; Mr. Donald A. Clemmer, director of Department of Corrections; Leroy H. McKinney, Washington attorney; Hugh F. Rivers, member of the District of Columbia Parole Board, and Vernon E. West, corporation counsel. They submitted a report on April 25, 1955, to the Council on Law Enforcement, with a recommended bill, and that is the bill I introduced which is now under consideration, H. R. 6585. It corrects certain conditions which exist in view of several decisions of the Appellate Court of the

District of Columbia involving insanity as a criminal defense.

The principal points involved are:

First. The "some evidence" rule to overcome the presumption of sanity, as established by the Tatum case, and, as explained by the Wright case.

Second. The "mental disease or mental defect" test for determining criminal responsibility, as established by the Durham case.

Third. The "frivolous or bad faith" test for a motion, under title 18 United States Code, section 4244, for mental examination to determine competency to stand trial, as established by the Wear case.

Fourth. The procedures provided in the Gunther and Contee cases requiring a judicial determination of competency to stand trial of an accused who has previously been found incompetent and committed until recovered.

Fifth. Statutory provisions, District of Columbia Code, 21–301—1951—for commitment to mental hospital of defendants acquitted on the ground that they were insane at the time the crime was committed.

Sixth. Practice and procedures followed for release from mental hospitals of defendants who have been committed under District of Columbia Code 24–301 (1951).

Seventh. Effect of the Taylor case on ability of prosecution to present competent psychiatric evidence of sanity where defendant pleads insanity as a defense.

This bill is very much needed. The committee appointed by the Council on Law Enforcement made a comprehensive report on this situation, which is included in the committee report on this bill. It is very clearly set out there, and I will not take the time at this moment to go into it, but I refer all interested persons to this report of the committee which is carried in the committee report beginning on page 5.

This bill corrects these deficiencies and clears up some vague and uncertain phases of this law which resulted from these decisions that were handed down.

Mr. Speaker, unless there are some questions, I think that takes care of the situation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BONDING CERTAIN OFFICERS AND EMPLOYEES OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (S. 391) to provide for the bonding of certain officers and employees of the government of the District of Columbia, for the payment of the premiums on such bonds by the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That so much of the last paragraph of section 2 of the act approved June 11, 1878 (20 Stat. 103, ch. 180), entitled "An act providing a permanent form of government for the District of Columbia," as added by the first section of the act approved June 28, 1935 (49 Stat. 430), as precedes the proviso in said last paragraph, is amended to read as follows:

"The said Commissioners are hereby authorized and empowered to determine which officers and employees of the District of Columbia, or which positions occupied or to be occupied by such officers and employees, shall hereafter be bonded for the faithful discharge of the duties of such officers and employees or of such positions, and to fix the penalty or penalties of any such bond;".

SEC. 2. The Commissioners of the District of Columbia are authorized to obtain blanket position schedule, or other type of surety bond covering their civilian officers and employees required by law or administrative ruling to be bonded. Each bond shall be of the most suitable type available for the number and type of personnel required to be bonded, and shall be conditioned upon the faithful performance of the duties of the persons so bonded, and the term "faithful performance of the duties" shall be deemed to include the proper accounting for all moneys or property received by virtue of the bonded persons' positions or employment and all responsibilities and accountabilities imposed by statute or regulation issued pursuant thereto. The bond premium may cover a period not exceeding 3 years and may be paid in advance from funds available for administrative expenses when the contract is made or continued. If the initial or subsequent premium cost exceeds $500 for any bond procured under authority of this section, advertisement for bids shall be required therefor and procurement shall be made from the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the District of Columbia, price and other factors considered.

SEC. 3. Whenever any officer or employee of the District of Columbia, as a prerequisite to entering upon the duties of his office or employment, or as a condition to his holding such office or employment, is required by any provision of law or regulation to execute or furnish bond, notwithstanding such provision of law, if any bond obtained by the Commissioners pursuant to the authority contained in this act covers such officer or employee, or covers the position of such officer or employee, in the amount and for such period as may be prescribed by such provision of law, such bond obtained by the Commissioners shall be in lieu of the bond required to be executed or furnished by such officer or employee.

SEC. 4. Subsection (a) of section 305 of the District of Columbia Law Enforcement Act of 1953, approved June 29, 1953 (67 Stat. 90, 101), is amended by adding at the end thereof the following sentence: "The premium on any such bond may cover periods not exceeding 3 years and may be paid in advance."

SEC. 5. Section 561 of the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, as amended (31 Stat. 1189, 1279; sec. 1–504, D. C. Code, 1951 edition) is amended by adding at the end of said section the following sentence: "Where any such notary public is an officer or employee of the government of the District of Columbia whose notarial duties are confined solely to Government official business, any bond covering such officer or employee for the faithful performance of such notarial duties obtained by the Commissioners of the District of Columbia pursuant to the authority conferred on them by law shall be in lieu of the bond required by the first sentence of this section."

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of this bill is to provide for the bonding of certain officers and employees of the government of the District of Columbia and for the payment of the premiums on such bonds by the District of Columbia.

As of June 1, 1954, some 309 officers and employees of the District of Columbia, other than officers and members of the Metropolitan Police force, were bonded in amounts ranging from $1,000 to $100,000. The total amount of the bonds was $1,246,500, for which the individual employees paid premiums totaling $2,141.57. Further, in addition to the officers and employees of the District government who are required to be bonded by reason of the positions they hold, there are approximately 97 persons in the employ of the District who hold commissions as notaries public for the purpose of performing notarial services in connection with the work of the District government, and who, as a condition of their being commissioned as notaries public are required to give bond in the amount of $2,000.

It is believed that inasmuch as the bonds of officers and employees of the District protect the government and the public, the government, rather than the individual, should bear the cost of such protection. Moreover, the Commissioners are of the view that certain positions in the District government, rather than individuals, should be covered by bonds in appropriate amounts, since the bonding of positions would permit flexibility in the assignment of personnel, while at the same time affording protection to the public and the government.

This measure will relieve many District employees of the burden of paying for bonds for the protection of the public and the District government, and at the same time will permit the Commissioners to secure bonds adequately protecting both the public and the government of the District of Columbia, in many cases permitting the more flexible use of District personnel.

Section 1 would authorize the Commissioners to bond positions in the District government as well as officers and employees.

Section 2 would permit the Commissioners to pay the bond premiums for a 3-year period, which would result in a considerable saving; and would require advertisement for bids on all bonds with a premium cost in excess of $500, the award to be made to the bidder submitting the most advantageous bid.

Section 3 provides that if the Commissioners obtain a bond for any officer or employee, when the individual is required by law to furnish bond, then the bond obtained by the Commissioners shall be in lieu of that required by law.

Section 4 would permit the Commissioners to pay the premium for 3 years rather than annually, on the bond covering the Metropolitan Police force.

Section 5 provides that if the Commissioners obtain a bond for a notary public whose notarial duties are confined solely to District of Columbia business,

then the bond obtained by the Commissioners shall be in lieu of that required by law.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until 12 o'clock tonight to file the conference report on the judges' salary bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

MILITARY, NAVAL, AND AIR FORCE INSTALLATIONS

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 286) providing for the consideration of H. R. 6829, a bill to authorize certain construction at military, naval, and Air Force installations, and for other purposes, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6829) to authorize certain construction at military, naval, and Air Force installations, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and pending that I yield myself such time as I may consume.

Mr. Speaker, this is an open rule as the reading would indicate providing for 3 hours of general debate and then the reading of the bill in Committee of the Whole under the 5-minute rule for amendment.

Mr. Speaker, this is a very important piece of legislation. It is very extensive in its scope. I wonder at times whether we really appreciate the full significance of these tremendous authorizations and appropriations. This one bill authorizes the expenditure of more money than possibly the cost of running this entire Government during the first 25 years of its existence.

The bill is divided into five titles and it proposes to provide construction and other related authority for the military departments within and outside the United States and for the Central Intelligence Agency.

Mr. Speaker, the total authorization in this bill is for the sum of $2,368,998,900.

Breaking this figure down, Mr. Speaker, the Army would be given a total authorization of $551,105,000. This would be further broken down so that $238,778,000 would be allotted for use inside continental United States. The sum of $78,334,000 would be authorized for outside the United States, while $223,993,000 would be authorized for classified use by the Army and $10 million would be authorized for emergencies.

The authorization for the Navy in this bill would be $596,140,900, of which $331,607,200 is proposed to be spent in continental United States while $107,191,300 is to be spent outside the country. The classified allocation for the Navy is $151,342,400 while the sum of $6 million is proposed to be authorized for emergency use by the Navy.

The Air Force has received the largest authorization, for its total in H. R. 6829 is $1,165,453,000. Out of this sum it is proposed that $709,480,000 be allocated for expenditure within continental United States while $450,973,000 would be spent outside of continental United States, and finally $5 million would be set aside for emergency use.

Title IV of the bill would provide the sum of $300,000 to be allocated, if authorized, for the use of the Chairman of the Joint Chiefs of Staff, while title V proposes to authorize the sum of $56 million for the Central Intelligence Agency. This all makes the grand total of $2,368,998,900.

I think it is interesting to note, Mr. Speaker, that the report indicates that the Army authorization this year, if passed, would be more than twice the authorization of $236,060,000 which was granted for fiscal year 1955.

There are several interesting points which the membership of the House may wish to be especially cognizant of in title II; that is, the section dealing with the Navy authorization. First of all the bill proposes to authorize the development of two new installations, which, according to the report, are needed in order to provide advanced training for Naval and Marine Corps aircraft pilots. One of the new installations would be in southern Louisiana and the other would be in southern Texas.

H. R. 6829 proposes to authorize the relocation of the aviation training facilities at the Naval Academy to another site near Annapolis since the present site is considered inadequate.

Mr. Speaker, the report indicates that a program of aviation flight clearance is proposed in this bill, which is necessitated by the development of heavier and faster jet planes. These planes need an extremely wide turning area in order to simulate the conditions under which they must land on carriers at sea.

The Air Force authorization would include moneys to be spent on the constructon of facilities of 255 important bases, of which 151 would be in the area of continental United States and 104 outside of continental United States. According to the report on the bill, Mr. Speaker, the authorization for the Air Force is in line with the effort of the Air Force to build a 137-wing Air Force. The bill includes the authorization for two new Air Defense Command bases, one of which would be at Fort Myers, Fla., and the other to be some place near Milwaukee, Wis. The bill also proposes facilities for five new locations in the United States Air Force in Europe.

Mr. Speaker, H. R. 6829 proposes the addition of a new installation for the Army at the West Coast Ammunition Terminal in California; the addition of 3 new installations for the Navy and 2 new installations for the Air Force. The two new installations for the Air Force I have mentioned above, but the new Navy installations would be at Port Isabel, Tex., New Iberia, La., and at Annapolis, Md.

The Committee on Armed Services added three new authorizations which were not included in the original proposal from the Department of Defense and these are first, $8 million for an Army hospital at Camp Jackson, S. C.; $16,900,000 for the Naval Air Facility near Annapolis; and $7,500,000 for an addition to Bancroft Hall at the Naval Academy and for fill to provide land area an authorization of $3,785,000 is given.

Title IV, Mr. Speaker, specifically would authorize the construction or rehabilitation of five units of housing, a communication facility, and some other items for the Chairman, Joint Chiefs of Staff, and certain commissioned officers and enlisted personnel attached to his staff.

The report points out that each of the Chiefs of Staff is provided with appropriate quarters but that this has never been done for the Chairman, Joint Chiefs of Staff.

Mr. Speaker, authority is granted in this bill for the acquisition of large areas of lands which I think should be called to the attention of the House membership. Under the authorization contained in this bill, if passed the Army could acquire some 55,814 acres of land within the United States at a cost of $7,773,000, while in Okinawa some 52,088 acres may be acquired at a cost of $30,500,000.

The Navy would be authorized to acquire some 54,000 acres—fee—and some 138,000 acres—easement—at a total cost of $33,444,000.

The Air Force under the provisions of the bill, as reported from the Committee on Armed Services, would authorize the acquisition of some 16,800 acres—fee—and 23,000 acres—easement—at a cost of $9,900,000 while mineral rights would be acquired on 72,000 acres at an estimated cost of $332,000, and finally mineral rights will be extinguished on about 2½ million acres in Alaska at a cost of $50,000.

Mr. Speaker, the rescissions in this bill amount to $1,300 million and if the bill is enacted into law some $2,368,998,900 of Federal money will be spent.

Mr. Speaker, this is a most important bill; we are talking here today about vast sums of money, which, if authorized and appropriated, must be raised somehow. I am not in a position to say, Mr. Speaker, that we do not need these expenditures, and neither am I in a

position to say we do need to make these expenditures. Therein lies the whole trouble, that we, the Members of the Congress, the representatives of the taxpayers, the people who must put up the money in the final analysis, are dependent upon our military authorities, upon our Armed Services, and Appropriations Committees of the House and Senate, and we are incapable of going into these matters in detail, and determining whether they are justifiable or not. Frankly, I think this is one of the weaknesses of our system of operating in the Congress. I wish there were some way we could have a breakdown of these things and a justification for them without relying entirely upon the people who propose them and who say they are necessary.

In that connection—and I want to say this is no reflection upon the distinguished gentleman from Georgia [Mr. VINSON] the very able chairman of this committee, or upon the individual members of that committee. As a matter of fact, I think they have done a splendid job in housekeeping, in spelling out, so that those who are sufficiently interested can look at their hearings, their reports and the bill and see just what is authorized. There should be some other machinery, not only in this type of legislation but in all legislation that is brought to this floor whereby some agency of the Congress, set up by the Congress and responsible to the Congress alone, could give us the justification for these tremendous expenditures; could give us both sides of the picture.

Such a bill has passed the Senate. Such a bill is pending in committee in this House, a bill that would authorize a joint committee on the budget, made up of members of the Committee on Appropriations of the House and the Senate, with provision for an adequate staff, a staff that is responsible to that joint committee and to the separate Committees on Appropriation in the two Houses, and responsible to them alone. The Senate has passed such a bill in the last three Congresses, the McClellan bill. We have tried to pass a similar bill in the House, H. R. 34, a bill which I have the honor of sponsoring. We failed to consider that bill in a previous Congress by 16 votes, because of the opposition that was urged upon the floor of this House. The chief opposition that was made to that bill in the House was that there was some apprehension that if we passed that bill, then the other body would control the appropriations. Under the provisions of the House bill which I am sponsoring, the House is given additional proportionate representation on that committee. In fact, it is given 9 Members from the House compared with 7 from the other body.

Under the provisions of the House bill the chairmanship of that joint committee rests solely and permanently in the House and does not even alternate. Therefore, as one Member of the House, just a humble Member of the House, I am not willing to concede such inferiority complex; with 7 Members of the other body and 9 Members of this body and the chairmanship in this body that the other body would run away with the committee. Some people say they have such an apprehension. I cannot see it.

Frankly, Mr. Speaker, I do not know whether this is the answer, but I do know that we need some independent agency that is responsible to the Congress and the Congress alone. What happens in these matters? And again I disclaim any idea of reflecting upon any agency, group, or any Member of Congress, but here is what happens. The so-called big brass—and I merely refer to them that way as a designation that is generally accepted—figure these things out; they send them to the President, and the President's Budget Bureau goes over them; then the President following the recommendation of his Budget Bureau sends them down to the Congress. Bear you in mind that the Pentagon, the so-called big brass, has millions and millions and millions of dollars, and hundreds and hundreds of experts, with their point of view, to justify their recommendations. Their requests come up here to the appropriate committee of the Congress, and that committee is largely at the mercy of the so-called big brass in the final analysis; and then when the matter gets on the floor we are all at the mercy of these experts that have been selected by the people who are interested—just as I am today.

I am going to vote for this bill, because in the dark I know not what else to do. But if this Congress were armed with a groups of experts—and you can get them—who came in here and said to the Congress as employees of the Congress: "This item should be approved;" or "This item should go out," I would feel a lot better about it.

I come back to my oft repeated theory: The Kremlin wants neither war nor peace; it wants to call all the signals. When Mr. Molotov smiles, the free world smiles; when Mr. Molotov frowns, we get scared. They call the signals; we run the defensive plays. They want neither war nor peace; but they want to require us to spend ourselves into bankruptcy, and we are doing a pretty good job. I again call your attention to Lenin's formula, "The way to defeat the United States is to make it spend itself into bankruptcy." We just got through a moment ago extending the debt limit, again increasing the borrowing power, again increasing the national debt that our grandchildren and great-grandchildren will be called upon to pay if this glorious Republic of ours lasts that long.

I have no pride of authorship in H. R. 34. I just want to call it again to the attention of the leadership of the House on both sides of the aisle, I want to call it to the attention of the Appropriations Committee, so vitally concerned. I hope that we can give further consideration to at least attempting through this method or some other method, if somebody will come up with a better one, to give this Congress the tools with which to work.

That House bill is nesting up there in the Committee on Rules, my committee. I have not made an attempt to have it reported because I have not found any evidence of a change of sentiment among those who defeated it on the previous occasion, but I give it to you at this time for your careful consideration, for your prayerful consideration, if you please, because if this Republic is to survive it is first going to have to have a stable economy and a stable fiscal policy.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Illinois.

Mr. VURSELL. I want to commend and congratulate the gentleman for the splendid remarks he has just made. Like him, I believe we should have experts protecting the interests of the Government when the justifiers come before the Appropriations Committee to testify. I think it is high time that all of the Members of this Congress realize that we have been fed the doctrine of fear, that we are being promoted into a bankrupt country by listening too much to the Communist propaganda.

The important thing the gentleman has said, in my judgment, is that we ought to have experts to bring light to the problems that confront us and we ought to realize that we are loading the coming generations with an insufferable debt they will have to pay if, as the gentleman wisely said, this glorious Republic is not thrown into bankruptcy by the executive departments of Government and largely by the Congress itself.

Mr. COLMER. Mr. Speaker, I appreciate the gentleman's remarks and reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, my good friend from Mississippi [Mr. COLMER] has explained this rule thoroughly and also the bill it makes in order. Therefore, I reserve the balance of my time.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. VINSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6829) to authorize certain construction at military, naval, and Air Force installations, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 6829, with Mr. METCALF in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Obviously a quorum is not present.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 96]

Adair	Becker	Bolton, Oliver P.
Alexander	Bentley	Bonner
Allen, Calif.	Blitch	Bosch
Barrett	Boland	

Boykin	Harrison, Nebr.	Merrow
Buckley	Heselton	Miller, N. Y.
Byrne, Pa.	Hinshaw	Mollohan
Canfield	Hoeven	Morgan
Celler	Hoffman, Ill.	Morrison
Chatham	Holt	Moulder
Cole	Holtzman	Mumma
Coudert	Horan	Nelson
Davidson	Jackson	O'Brien, N. Y.
Davis, Tenn.	James	O'Konski
Denton	Jensen	Polk
Diggs	Johnson, Wis.	Powell
Dingell	Jonas	Prouty
Dodd	Jones, Mo.	Quigley
Dollinger	Kean	Reece, Tenn.
Donovan	Kearney	Reed, N. Y.
Dowdy	Kearns	Riehlman
Doyle	Kee	Rivers
Eberharter	King, Pa.	Roosevelt
Edmondson	Klein	St. George
Ellsworth	Knox	Scherer
Fino	Knutson	Sisk
Frelinghuysen	Krueger	Taylor
Fulton	Laird	Teague, Tex.
Gamble	Lesinski	Thompson, La.
Garmatz	Lovre	Thompson, Tex.
Gathings	McConnell	Vanik
Granahan	McGregor	Van Pelt
Gray	McIntire	Veide
Green, Pa.	Machrowicz	Vursell
Gubser	Mack, Ill.	Wigglesworth
Hagen	Mailliard	Williams, N. J.
Hale	Mason	Withrow
Halleck	Meader	Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6829) to authorize certain construction at military, naval, and Air Force installation, and for other purposes, and finding itself without a quorum he caused the roll to be called when 319 Members responded to their names, disclosing that a quorum was present, and he handed in the names of the absentees for printing in the Journal.

The Committee resumed its sitting.

The CHAIRMAN. Under the rule, the gentleman from Georgia [Mr. VINSON], is recognized for 1 hour and 30 minutes, and the gentleman from Missouri [Mr. SHORT] will be recognized for 1 hour and 30 minutes.

The Chair now recognizes the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, this is what is termed a public works bill. It provides in this authorization $551 million for the Army, $596 million for the Navy, $1,165,000,000 for the Air Force. That, along with titles IV and V, makes a total of $2,368,998,900.

This bill was considered for 6 consecutive weeks by the Committee on Armed Services, sitting on an average of from 4 to 5 hours a day constantly.

There are over 400 named military installations in the bill, and in addition there are a great number of classified installations inside and outside the United States.

It is obvious from this that the presentation of details with respect to the bill could go on here on the floor of the House for a long time; but in this magnificent report that we have filed we think you will find material to aid you in seeing what the committee had in mind and the scope of their inquiries.

Now, let us take up the Army. In the Army title, 30 percent of the program of $160 million is for antiaircraft facilities. This includes what is known as Nike sites. They, as you know, are established all over the United States in various places, and in the hearings a great many are identified and a great many are being built all the time.

Some 12 percent, or $64 million is for troop housing and troop support facilities; 17 percent, or $88 million, is for family housing, and this presents 5,765 badly needed family quarters.

Thirty-eight million dollars, or 7 percent of the program, is for land acquisition. In this connection I wish to draw your attention to page 22 of the report, which sets out the land proposed for acquisition by all of the military departments. In the case of the Army, most of the money and about 50 percent of the acreage is in Okinawa. Most of the land required in the United States will be for 2 installations: The expansion of Fort Sill, Okla., which will involve some 20,000 acres of privately owned land, and the West Coast Ammunition Terminal, in California, which will involve some 22,000 acres. NIKE installations will require some 2,500 acres.

Four percent of the program, or $26 million, is for further permanent construction in Alaska and Okinawa—two of our most important strategic areas today.

This is a total of $372 million, or 70 percent of the Army portion of the bill.

The remaining 30 percent will provide for additional construction in Iceland, construction for research and development here in this country.

Now, on page 3, the Army's program is broken out in detailed categories. It indicates whether the construction is in the United States or overseas. Underneath that table you will note that each of the technical services and each of the continental armies is dealt with individually by the type of facility to be constructed and the portion of the program it represents. This description continues on page 4, where the Military Academy, the special weapons project, and some of the other items are described, as are the overseas areas.

Section 102 of the bill contains an authorization of $224 million for classified military construction, and section 103 is an authority granted in most of the public works bills to cover emergency construction, that is, where facilities are destroyed by fire, hurricane, or other catastrophes.

The remainder of the Army title, that is, sections 104 and 105, merely authorizes the transfer of authorizations previously granted at Fort Knox, Ky., and Woodbridge, Va.

Now let us turn to the Navy.

The Navy title, which totals $596 million, is another increment in the program to keep the Navy's shore establishment up to the ships, aircraft, and weapons which it must service.

The Navy would get authority under this program to construct almost 3,100 units of family housing; bachelor officers' quarters for 5,600 officers; and about 11,000 barracks spaces for enlisted personnel.

One of the important new elements in the Navy's program is a large-scale acquisition of property for 40 of the naval air stations throughout the United States. Nineteen of these are used for carrier landing practice, and appropriate easements will be purchased from the surrounding landowners to permit pilots to develop the kind of technique that is necessary for landing on carriers—and to do this in a safe manner.

The effect on the surrounding landowners is not as great as might be expected, since in virtually every case farming and other normal activities can be carried on as before. The major requirement at these bases is that there be no structures or trees above 50 feet.

Here is the reason we are forced to do this: These pilots who will learn to land on an airplane carrier must first be trained to land on what is called a ground pattern. A ground pattern must be such that they can go around this field, and there will be no obstructions on either side, and land as they do on an airplane carrier. It will be necessary to purchase and acquire by easement the rights of removal of any objects higher than 50 feet off the ground.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman say where this land is being acquired?

Mr. VINSON. Oh, yes. It is being acquired at these 19 stations that are already established. All we are doing is getting the easement rights to fly closer to the ground as we circle these 19 bases so that these pilots will learn how to land on a carrier deck.

Mr. GROSS. May I say to the gentleman from Georgia that we have an inactivated station at Ottumwa, Iowa, where there is a considerable amount of land already.

Mr. VINSON. We are not building a single new station in this part of the program. We are merely clearing out the timber or trees that interfere with this type of training.

Mr. GROSS. You already have that at Ottumwa.

Mr. VINSON. May I say to my very able friend I do not see why they have not utilized that magnificent field out there. I am satisfied that with his persistent efforts and the cooperation of the Armed Services Committee it will probably be put in use.

This is a program which the committee viewed with great favor as one which will not only provide proper and safe training, but will prevent the expenditure of great sums of money in the future.

At the bottom of page 5 of the report you will note a table which breaks down by category the Navy's program. The table sets out everyday operational facilities totaling 58 percent, or $345 million; troop housing about 12 percent, or $71 million; and family housing about 9 percent, or $56 million. Research and development, training facilities, the navigation-easement program that I just mentioned, are also indicated in the table, along with a small amount for morale, welfare, and recreational facilities, pollution-abatement programs, and land acquisition.

The Navy's land acquisition, both fee and easements, is spread over a large number of installations. The only substantial acquisitions at particular areas are those involving the training bases at New Iberia, La.; Port Isabel, Tex.; and the air facility for the Naval Academy.

Following the table, on pages 6 and 7, the whole Navy program is broken down into 11 classes. Shipyard facilities would total $51½ million, fleet base facilities $44½ million, aviation facilities $314 million, and you will note that this last category is again broken down into 5 different kinds of air stations, each of which is described in detail.

Page 7 sets out the amounts authorized for supply facilities, $9,254,000; Marine Corps facilities, $61.6 million; ordnance facilities, $21 million; and service school facilities for $30 million. The only two other relatively large amounts are $26 million for communications facilities and $34 million for yards and docks.

AIR FORCE

The Air Force again this year would get an authorization about equal to the other two services combined. This construction would be spread over 255 principal bases, 151 of which are in the United States and 104 overseas.

All of this program for the Air Force is, of course, aimed at 137 wings.

When the 137-wing Air Force is attained, in 1957, there will be 346 principal installations. One hundred and eighty-six of these will be in the United States, and 160 overseas. These, of course, do not include some 2,000 minor installations, such as communication sites, radar stations, and so forth.

On pages 9 to 13, the Air Force program is broken down in detail by the various commands. As would be expected, the Strategic Air Command gets the largest share of the authorization, with about $224½ million in the United States. The aircraft control and warning system gets $100 million in the United States and almost the same amount overseas. I do not need to emphasize the importance of this part of the program.

The Air Defense Command is next in amount of authorization, with the other commands getting varying amounts according to the status of their programs today.

The land acquisition program of the Air Force is quite small compared with the other two services, with a total of less than 17,000 acres to be acquired in fee and 23,000 in easements.

The only two large acquisitions are those for the Buckingham Weapons Center, in Florida, and the air defense base in the Milwaukee, Wis., area. These acquisitions are respectively 6,000 acres, of which 4,000 will be donated to the Government, and 4,000 in the case of the Milwaukee base.

As I mentioned before, in the case of all of the three services an effort has been made in the report to break down the program in several different ways, in order that whatever the particular interest of the Member may be he can find the information he wants easily and without undue study.

You can find what each of the commands is getting in authorization, while on page 13 of the report the table there shows the program broken down by categories. For example, airfield pavements is the largest part of the program, with operational facilities next, family housing, and so on down the line.

Mr. Chairman, I would like to draw your attention, and the attention of the committee, to the new installations in the program. These are always of particular interest, and they appear on page 15 of the report.

The Army had only one, the West Coast Ammunition Terminal in California. The Navy has three, all of them air facilities. The first one is at Port Isabel, Tex.; the second at New Iberia, La.; and the third, which was inserted by the committee, is an air facility for the Naval Academy.

The Air Force has two new installations: Buckingham Weapons Center, Fort Myers, Fla., which will be the east coast facility for training our fighter pilots in gunnery—the west coast one being at Yuma, Ariz. The other new Air Force base is also an Air Defense Command installation and it will be in the greater Milwaukee, Wis., area.

Although the Department of Defense submitted a good program, the committee added certain items which are set out on page 15. No new item was added for the Air Force, but a hospital at Camp Jackson, S. C., was added for the Army, and the Naval Air Facility at the Naval Academy was added for the Navy. This is the same facility I just mentioned.

This air facility was recommended by the Board of Visitors at the Naval Academy, as were the other two items at Annapolis—an addition to Bancroft Hall and some of the fill necessary to provide additional land area.

Another important construction item added by the committee appears in title IV of the bill. This would authorize the construction or rehabilitation of five units of housing, a communications facility and other related items for the chairman, Joint Chiefs of Staff and four of his assistants. At the present time all of the Chiefs of Staff are provided with adequate housing. For example, the Commandant of the Marine Corps has some 15,000 square feet in his house, while Admiral Radford's house is something a little over 3,000 square feet.

These buildings are to be erected on land adjacent to the Naval Observatory.

Now, in addition to that, it is recommended here that $56 million be made available to the Central Intelligence Agency to establish a permanent building to house its activities. There are a great number of people employed by the Central Intelligence Agency here in the District of Columbia, and they are being housed in some 33 or more buildings. Mr. Dulles, the head of the Central Intelligence Agency, feels that being housed in many units, as they are, jeopardizes the security that is required. Now, you know what the Central Intelligence Agency is. So, we provide here an authorization of $56 million for land and a building.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. Are these buildings for the Central Intelligence Agency, estimated to cost $50 million, to be constructed within 30 or 35 miles of the District of Columbia? Can the gentleman tell me?

Mr. VINSON. During the hearings Mr. Dulles designated certain places. Some were outside the District of Columbia. But, he did feel that it was absolutely essential, in view of the character of the work he does, to be within reasonable distance of the District of Columbia. I would say 35 to 40 miles from the District or probably more, but that was the line of testimony.

There were about 125 amendments to the original bill, which totaled at the time it was submitted, about $2,354,000,000. The bill that you have before you totals almost $2,369,000,000. This is an increase of about $14½ million. In the process of its consideration, the committee eliminated items in the amount of over $33 million and added items in the amount of about $48 million.

You will note at the bottom of page 15 and on page 16 of the report that the committee gave special consideration to several of the controversial items which naturally arise in every public-works bill. One of these is the land acquisition in Okinawa, another was the expansion of Fort Sill; two of the Navy proposals involving New Iberia and Port Chicago were also in the same category.

A number of the members of the Maryland and Ohio delegations were heard with respect to the proposed move of the headquarters of the Research and Development Command from Baltimore to Wright-Patterson Air Force Base, Ohio.

A matter of particular interest, as evidenced by the mail which the committee has received, relates to the effect of the Government's construction of family housing on Wherry projects.

I want to draw your attention to the table set out on page 21 of the report, which contains every installation at which there is a Wherry project and at which housing would be constructed under this bill. If you will look at the last column you will see that in every instance, even after taking into consideration every conceivable kind of housing, there still is a large deficit at those installations.

Of course, the second last column indicates only about 4,500 housing units to be constructed at these bases. The whole bill contains about 17,000 units, but these other houses are to be constructed at bases where there is no Wherry housing.

Last year Congress authorized 11,600 family housing units. This bill, as I say, will authorize about 17,000 units. They will vary in cost, with the overall average in the United States being $13,480. Of these 17,000 houses, 3,500 represent replacements of quarters that can no longer be lived in. Five thousand two hundred and seventy-one are for officers, and 11,700 are for enlisted men.

All of this housing will be of permanent construction and located for the most part at permanent installations.

Section 609 of the bill, appearing on page 70, would permit a military department to acquire, upon the application of the project owner, any Wherry housing project at an installation at which housing would be constructed directly by the Government under this bill. I want to draw your particular attention to the fact that the project owner has to want to get rid of his project and make application that it be purchased by a military department before this can be done.

To my mind a project owner would probably want to have the department acquire his project only if it has proved to be an unprofitable business venture. In any event, I want to stress that it is entirely a voluntary act on the part of the private owner.

Mr. Chairman, I believe this is a good bill and that it represents a sound program. It was unanimously reported by the House Armed Services Committee.

I respectfully urge its passage.

Mr. Chairman, to show you how carefully we considered this bill, I should like to say this. I am proud of what the committee did with this bill. We worked 6 long weeks and read every item, line by line, in order to approve this proposed authorization of $2,369,000,000. It takes a long time to find out how to spend that much money, and we took the time.

We amended the bill in 125 different places and reduced the authorization requested. But when we added these authorizations in Maryland and South Carolina, it increased the total. As I say, there were about 125 amendments to the original bill, the total of which when it was submitted was $2,354,000,000. The bill before you now calls for a total of $2,369,000,000, an increase of about $14,500,000.

In the process of its consideration, the committee eliminated items in the amount of $33 million and added items in the amount of $48 million.

Had it not been for the fact that we felt the circumstances warranted it, such as the hospital at Camp Jackson and the activities at the Naval Academy, as a result of our screening and careful scrutiny of the bill, which we passed on in a line by line consideration, there would have been a reduction of $33 million.

I want to say this further. This is a department measure. It is recommended by the Director of the Budget. It is recommended by Mr. Floete's office, which was created for the purpose of scrutinizing and coordinating these public works.

I ask that the bill be enacted because the facts and circumstances warrant it. It is absolutely essential to carry on this public works construction to keep our military forces in the shape in which they should be kept.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. VINSON. With pleasure.

Mr. O'HARA of Illinois. I notice on page 17 of the report mention is made of a suggestion of moving the Fifth Army headquarters from Chicago to Des Moines. Would the gentleman explain that?

Mr. VINSON. A great many suggestions come before the Committee on Armed Services. Oftentimes it seems they are sowed in fertile soil and bear fruit. Sometimes they fall among thorns and thistles. I am afraid that suggestion has fallen among thorns and thistles. I do not think the gentleman need disturb himself about it, because Secretary Stevens said that he was going to examine it, he did examine it, and concluded that the facts at this time did not warrant that proposal.

Mr. O'HARA of Illinois. I thank the gentleman. The gentleman will recall that some weeks ago I telephoned him when there was such a report in Chicago, and asked him about it.

Mr. VINSON. I want to compliment the gentleman who represents the city of Chicago for being so alert. I have always known that he was right here on the job and his inquiry substantiates my conclusion.

Mr. O'HARA of Illinois. I thank the gentleman.

Mr. VINSON. Mr. Chairman, if there are no further questions, I reserve the balance of my time.

Mr. SHORT. Mr Chairman, I yield myself such time as I may require.

Mr. Chairman, the chairman of the committee, in his usual forceful and comprehensive fashion, has covered every major element of the bill and there is little that I can add to his statement.

I would like to join him, however, in directing the attention of every Member of the House to the report on the bill, for in it, as Chairman VINSON has said, one can find about every important aspect of the bill dealt with in detail sufficient for a quick understanding of the program.

The Air Force portion of the bill is just about equal to the Army and Navy portions combined. This is understandable since it is a new service and one which is in the process of building up. The other services have had their bases of operation and their physical facilities for many years.

I would like, therefore, to devote a little time to a discussion of the Air Force portion of the bill, and specifically to the Air Defense Command mission of the Air Force.

During the past 4 years the Communists have built up a military strength without parallel in history. They have created a whole new air force in Red China and have made it the fourth most powerful in the world. They have made achievements in nuclear development almost equal to our own. They have paraded numbers of new medium jet bombers and a new long-range jet bomber comparable to the best in our Air Force. They have kept the world's largest standing army at peak strength, and never relaxed their vigilance in the training of their units.

In Korea they showed us that their pilots could fight, and that they had a first-rate plane to fight with. There is evidence that they are putting vast resources into guided missile production and into the development of an intercontinental ballistic missile with sufficient range to destroy targets in the United States. In countless ways they have indicated that they are preparing for war, and are not adverse to engaging in it. They constantly create irritants on the international political scene that try our patience, and test our forbearance. They show no volition to live at peace with the world, but consistently follow a philosophy that recognizes war as a natural state.

In a world now divided between those nations who support us in our efforts for peace, and those nations that look to the Soviets for guidance in national as well as international policy, we have no alternative but to prepare against aggression they may commit against us. We know what happened in 1917, what happened in 1941, and we know how peace was violated in 1950. We know also that at none of these times were we truly prepared for the war we were compelled to wage.

From our knowledge of the past, however, we have learned a lesson we must henceforth remember. That lesson is that the best way to avoid war is to have available those forces and weapons which will insure complete and final defeat of any aggressor who attacks us. By our own preparedness we can make aggression an enterprise of disaster for any potential enemy. The Air Force program for the defense of the United States is based solidly on that premise.

The missions of the Air Force commands, established by Act of Congress, are well known. The mission of the Air Defense Command is to provide air forces for the air defense of the United States and to coordinate all operations pertaining thereto. Such operations are conducted by the Continental Air Defense Command, a joint command, including elements of the Army, Navy, and Air Force under single control; by the Alaskan Air Command and the Northeast Air Command in the Western Hemisphere, and by such theater commands as the Far East Air Forces and the United States Air Forces in Europe.

It is not surprising that in appropriations for military construction, the largest amounts called for, next to the request for the Strategic Air Command, are for the Air Defense Command and its related activities, the Aircraft Control and Warning System, in the United States, in Canada, and elsewhere.

The share for the Air Defense Command of the continental United States program amounts to almost 17 percent. The money appropriated will permit initiation of construction on two new bases—one in Florida and one in Wisconsin—and provide a second increment at the six new interceptor bases initially authorized last year.

In addition to base construction, these funds will permit the construction of rocket assembly and storage buildings for strange new types of weapons that are rapidly becoming familiar in the modern arsenal—rockets and guided missiles. These weapons must be stored on the flight line in order to be available when needed. In addition, we must have storage with certain temperature and humidity controls and special facilities for processing missiles from dead to live storage. The development of new weapons is an expensive thing. The providing

of facilities for their employment is also expensive. But the national security does not permit us to cavil at the expense. America must be defended.

As with the Strategic Air Command, facilities for personnel are important to the success of the mission of the command. Buildings for the readiness crews are as important to the success of the Air Defense Command's mission as are the planes the crews must fly. Time required to place an interceptor mission in the air must be held to a minimum. Crews on ready status must remain in the immediate vicinity of their aircraft for extended periods of time. The buildings provided for them must have a diet kitchen, and sleeping quarters, and recreational quarters of a modest sort. These buildings are their homes for a good part of their service lives.

Family housing must also be provided. In an emergency, immediate and maximum readiness is jeopardized by crews having to travel long distances from home to duty posts. The family housing which the Air Defense Command seeks funds to build is essential, not only from the personnel or welfare point of view, but also because it will allow crews to be close to their planes and stations, even when they are not on duty in the readiness buildings. The modern airman must live close to his plane.

Part of the authority requested is for construction of taxiways and airfield pavements necessary to increase the operational effectiveness of each base. Part is for airfield lighting, to provide the necessary illumination to accommodate sustained bad weather and night operations at each fighter interceptor base. Part is for additional maintenance facilities. All funds are requested to permit the Air Force to take full advantage of the latest developments in all the fields of research, and, as quickly as new methods or procedures are perfected, to integrate them into the overall defense system.

But the first step in the air defense of the United States is to provide the combat elements with sufficient warning of an impending attack to enable them to intercept and destroy hostile forces before such forces reach the line for their bomb release. To accomplish this, a series of radar warning systems are either in being or under construction. The most northern of those scheduled is commonly referred to as the DEW line—or "Distant early warning line"—which runs across the Arctic. There is also the Mid-Canada System, operated to a large extent by the Dominion of Canada. Within the United States proper, an extensive radar system is being constructed. Two other radar systems operated by the Air Force further extend the zone of coverage and provide additional protection. The first of these is an airborne operation hundreds of miles off our ocean coastlines; the second consists of fixed radar stations on "Texas towers" being constructed on shoals approximately 75 miles off the eastern coast of the United States. But all these systems, though separate in nature, are coordinated by the Continental Air Defense Command and are part of Air Defense Command operations.

So in the request for funds for military construction for this command there are two sizable items—$100 million for aircraft control and warning system in the continental United States and $98 million for continental defense located outside the continental United States.

With this money the Air Force can complete facilities at 31 permanent sites. It will be able to place equipment on 74 unattended sites in the United States and additional ones in Canada. It will be able to build a fifth "Texas tower" to provide seaward extension of contiguous coverage off the northeast Atlantic Coast, and it will be able to do necessary construction work on the DEW line to insure implementation of this line to meet the established operational date.

The ramparts we watch are no longer within our sight, but they must be watched with a vigilance that keeps them under our control and out of the hands of the enemy. The Air Defense Command defends our homes by not permitting the enemy to make our cities and our homes the targets for their bomb drops. There are no more important items in the military-construction program than the items for construction of the required facilities of the Air Defense Command. America must be defended, but the defense, if it is not also to involve destruction of our cities, must be kept as remote as possible from the boundaries of the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield gladly.

Mr. GROSS. The gentleman knows of my continuing interest in the Grandview Airport near Kansas City, Mo.

Mr. SHORT. That is right.

Mr. GROSS. I see there is an appropriation here for the Grandview Airbase. Can the gentleman tell me whether the Continental Air Command has ever been moved to that base?

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. VINSON. It has not been moved.

Mr. GROSS. I hope the gentleman will insist that it be done since that was the basis of arguments in favor of spending millions for the construction of this base.

Mr. VINSON. I doubt very seriously if it will be done this session or next session.

Mr. GROSS. Or the next session?

Mr. VINSON. But with the learned gentleman's constant observation and persistence I am satisfied something will be accomplished. Anticipating that the gentleman was going to inquire about Grandview I have had a little brief prepared on Grandview, and I will be glad to read it or to insert it in the RECORD.

Mr. GROSS. I appreciate the gentleman's personal comment but I am also interested in the spending of the taxpayers' money.

Mr. VINSON. I knew the gentleman was going to bring up Grandview so I had this statement prepared.

Mr. SHORT. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia may be allowed to insert his statement at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The statement referred to follows:

GRANDVIEW AIR FORCE BASE, MO.

As you know, Grandview Municipal Airport, Kansas City, Mo., was selected because of its central location in the United States for the headquarters of the Central Air Defense Force, and because of the necessity of establishing a base for fighter-interceptor squadrons for protection of the huge Wichita-Kansas industrial area. In addition, the Air Force proposed to move the headquarters of the Continental Air Command from Mitchell Air Force Base, N. Y., to Grandview. On January 1, 1952, Grandview Municipal Airport was leased by the Air Force for a period of 25 years for the sum of $1. The donation in fee of the Grandview Air Terminal to the United States Government was authorized by the city of Kansas City at the November 1952 election.

Headquarters, Continental Air Command, was never moved to Grandview because of a decision by the Air Force that Mitchell Air Force Base was not economically expandible for conversion to a modern tactical air base. Consequently, to obtain maximum utilization of our large pre-World War II investment at Mitchell, it has been retained as an administrative base and utilized by the Continental Air Command.

At the present time, Grandview Air Force Base is the headquarters of the Central Air Defense Force. This defense force is responsible for the air defense of that portion of the United States located between the Mississippi River and the Rocky Mountains. In addition, a fighter-interceptor wing, large communications center, Air Reserve activity and a segment of the A. C. and W. Radar Network are located on Grandview Air Force Base.

The total amount of construction authorized for this installation through fiscal year 1955 is $19.3 million. Total amount of funds applied to this authorization through fiscal year 1955 is $15.6 million.

The fiscal year 1956 military construction program contains line items in the amount of $3,402,000 for future construction.

Mr. VINSON. Mr. Chairman, there are no further requests for time on this side.

Mr. SHORT. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. KNOX] may insert his own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KNOX. Mr. Chairman, I do not speak in opposition to H. R. 6829, which carries authorization for $12,148,000 for the proposed jet base set forth in the bill as Traverse City area. I do favor the selection by the Air Base Command of a site in northern Michigan. The selection of this site has become a very controversial issue, as many of the Members of Congress are aware that the first site selected by the Secretary of the Air Force, Mr. Talbott, was in Grand Traverse County.

There were objections raised by the Interlochen Music Camp, operated jointly by the University of Michigan and the State of Michigan, under the directorship of Dr. Maddy. The second site was selected in Benzie County, which was objected to by the Committee

on Armed Services because of interference with the Interlochen Music Camp. There were several other sites offered by communities for the construction of the proposed jet base.

Secretary Talbott then selected Cadillac as the location of the base. I believe it to be a well-known fact that considerable opposition generated throughout the Congress and in the communities because of this selection.

The Committee on Appropriations then directed Secretary Talbott to submit justifications for the selection of the Cadillac site which resulted in a resurvey of the Cadillac site, and a site known as Kalkaska site, 14 miles from downtown Traverse City, and any other sites that the Secretary believed to be desirable for the construction of the base. The results of the resurvey were made known to the House Military Appropriations Subcommittee and a copy of the communication was submitted to the Committee on Armed Services. The communication from Secretary Talbott to the House Military Appropriations Subcommittee stated that he had eliminated the proposed Benzie site, known as the Homestead site, because of its nearness to the Interlochen Music Camp, and further stated "the remaining two sites are both satisfactory in operational aspects." Talbott reported that although the initial construction cost at Kalkaska site is estimated at about 9 percent less than Cadillac, he felt that the location of Cadillac City, only a few miles from the base site, provided readily available community support that would outweigh this differential in original cost, basing his opinion on the fact that the city of Cadillac can take care of additional Air Force dependents with existing schools and recreational facilities. Talbott further stated "This is not the case at Kalkaska."

I believe the Secretary was well aware that there never was any intent that the village of Kalkaska was able to absorb any great influx of children in their public schools, but he has not given credit to the availability of the fine schools, churches, and recreational facilities offered at Traverse City. The Secretary stated that it is approximately 18 miles from the Kalkaska site to Traverse City. This, of course, is excessive, and the actual mileage would be 14 miles.

Now, I call to the attention of the Congress, using the Secretary's own words in this statement to the congressional committees, that he admits that the Kalkaska site and Cadillac site are both satisfactory in operational aspects. The Secretary further points out, and he has served notice on the Congress that the site he has selected at Cadillac will cost 9 percent more to build than at Kalkaska.

Now let us take a look and see just how much money is involved in this 9 percent which is the Secretary's own percentage figure. With the approval of the bill now pending before the House, the amount of money involved would be $12,148,000, so at 9 percent of this figure the Congress could save the Government $1,093,320, by constructing the base at the Kalkaska site. I do not believe that the Congress is ready to appropriate $1,093,320 more to construct the base in one locality than it would cost in another locality as long as the Secretary is in complete agreement that the base at the lower figure is satisfactory for operations.

We are cognizant of the fact that the Air Force has a base at Kinross, Mich., which is 18 miles south of Sault Ste. Marie, Mich.; Sault Ste. Marie being the supporting town for educational, religious, and recreational facilities. Last summer, Maj. Gen. Joe W. Kelly requested that I contact the people and the organizations of the Sault Ste. Marie area to determine their willingness to cooperate. This I did and met with 100-percent approval for establishing a permanent base at Kinross along with the expansion program. If there is justification for the Air Force to expand an airbase 18 miles from the supporting city, then I can see no justification for the Air Force to object to constructing a base 14 miles from the supporting city, which in this case would be Traverse City supporting the Kalkaska site with a direct saving of $1,093,320 to the Government.

In conclusion I repeat that the Air Force Secretary, Mr. Talbott, has served due and sufficient notice upon the Congress that the site at Kalkaska is satisfactory and comparable to Cadillac as far as operations are concerned, and further serves notice upon the Congress that the project will cost $1,093,320 more to build at Cadillac than it would at Kalkaska.

Therefore, Mr. Chairman, I am serving notice on the Congress that I am opposed to the reckless spending of public funds when such spending in my opinion cannot be justified or produce greater accomplishments in behalf of the Air Force, but merely to satisfy the Secretary of the Air Force who has produced no sane justification to make such a request of the Congress.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, I just wanted to take this opportunity to thank the members of the committee, the chairman of the committee, and the ranking minority member for the very kind and sympathetic consideration they gave to problems which came up in this bill which affect the people of the district in California which I represent.

There was one proposal which came before the committee, which, had it been approved by the committee, would have surrounded and isolated a town of 3,000 people, the town of Port Chicago, Calif. The committee was kind enough to give consideration to many resolutions of the county organizations and to the people of the town involved and to strike the particular proposal from the record. Let me say I think it was a very considerate position that the committee took to recognize the problems of local communities such as Port Chicago.

There is another proposal in the bill, in county, also in my district, the West Coast Ammunition Terminal. It is my understanding after talking with the chairman and the ranking minority member that, although this proposal is included in this bill, before final action is taken to acquire the property involved for the West Coast Ammunition Terminal, a subcommittee of this committee will be going to California this fall and the subcommittee will inspect this property proposed to be acquired by the West Coast Ammunition Terminal, the Real Estate Subcommittee of the Armed Services Committee. I think that is the situation, and I ask the chairman if I have made an accurate statement of my understanding.

Mr. VINSON. The gentleman from California has made an accurate statement. I may say that in the matter of acquisition of land, as no doubt the Members well know, while it may be authorized in this bill, and money may be appropriated, yet before the Government purchases the land it must again be scrutinized by the Armed Services Committee of the House and the Armed Services Committee of the Senate. So when the subcommittee goes out to look at the situation in regard both to Port Chicago and the West Coast Ammunition Terminal they will take those two subject matters into consideration and advise the committee, before 1 foot of land is acquired.

Mr. BALDWIN. I thank the gentleman for that statement and that understanding.

Mr. SHORT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, I have requested this time to make an observation regarding the family housing situation at some of our military installations in England and in the European theater. I realize that the members of this committee have gone into the situation very thoroughly, but, having been a member of a subcommittee of the Committee on Appropriations handling military construction features, we visited some of these installations last year.

The housing situation at these bases, for instance Dreux and Evreux in France, were deplorable. While I realize we have a guaranteed housing program in that theater, especially in France, my observation was that it is not working. It seems impossible to get guaranties for housing in any areas except such as Paris or some of the large metropolitan areas. When we go into some of these smaller communities where we have these bases nearby we find, as far as our airmen are concerned, it is impossible for them to bring their families there and give them the kind of housing they are entitled to.

As I said before, I realize this is a problem that has complexities, not the least of which are agreements between the foreign countries in which they are located and ourselves, but it seems to me that we ought to give serious consideration to the building of these family units on the airbase at a given location. It seems to me impossible for these people to live under the conditions that we expect them to.

I wonder, Mr. Chairman, has the committee given any consideration to the locating of family housing at some of these out-of-the-way airbases, for instance, on the particular base itself?

Mr. VINSON. I may say to the distinguished gentleman that that has been a subject matter that is constantly before the committee. We are constantly giving close scrutiny to it. As a matter of fact, subcommittees have been over there at least once or twice during the recess trying to ascertain what is the proper thing to do. You must recognize the fact that in dealing with that question there is, for instance, one phase of the Commodity Credit Corporation involved and another phase the rental guaranty program. The gentleman may rest assured that the committee is conscious of it and is giving the matter all the consideration we possibly can.

Mr. CEDERBERG. I thank the gentleman.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. I am reminded of a question that might be asked at this time of the chairman of the committee. I overheard the gentleman from Missouri mention that included in this bill is additional authorization for instruments on the six new fighter interceptor bases that were authorized originally last year. Of course, included in the original six is a very controversial one in the State of the gentleman now addressing the House. I wonder whether the committee did not have some hesitancy about granting additional authorization to the Michigan base where this controversy is very warm at the present time with reference to whether or not a site has been agreed upon where these additional authorized structures are to be placed.

Mr. VINSON. I will say to the gentleman that as far as the Armed Services Committee is concerned, we have been advised that the Secretary is definitely reaffirming his views in selecting Cadillac as an area referred to in connection with the Traverse City area. I have my personal views, but nevertheless those are the facts of the case.

Mr. DAVIS of Wisconsin. The chairman then has more faith in the repeated confirmation of this site than he had in the repeated confirmation of the sites that were given last year.

Mr. VINSON. All I can say is that the Secretary advised the committee in writing that he had reaffirmed after further examination his previous choice, and reached the conclusion that Cadillac was the place where he was going to place it. Of course, if I had been making the selection, somebody might not agree with it, but that is how it stands.

Mr. DAVIS of Wisconsin. It was on that basis, then, that the further authorization for this site was included in this bill?

Mr. VINSON. That is with reference to the Traverse City area arrangement. They laid it out in broad language, and then the Department goes before the Committee on Appropriations and says that he has selected Cadillac as the place. We do not pinpoint it.

Mr. GROSS. Mr. Chairman, I will reluctantly vote for this bill which calls for the appropriation of nearly $2½ billion.

I have the feeling that there is altogether too much fat in this military construction bill but it is wellnigh impossible for a Member of Congress who is not a member of the Armed Services Committee to know where reductions can properly be made.

I cannot understand why, for instance, funds should be authorized for the building of a new Navy aviation training facility in Texas when the permanently constructed facility for this purpose stands unused near Ottumwa, Iowa.

Since becoming a Member of Congress, I have voted for practically all appropriations that have been requested for the building of this Nation's defenses, but I want it understood now that these costs have got to decrease in terms of new installations. If there is the proper construction and housekeeping, these bills can be drastically reduced and that is exactly what must occur if this Nation is to remain solvent.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I

SEC. 101. The Secretary of the Army is authorized to establish or develop military installations and facilities by the acquisition, construction, conversion, rehabilitation, or installation of permanent or temporary public works in respect of the following projects, which include site preparation, appurtenances, and related utilities and equipment:

CONTINENTAL UNITED STATES

Technical services facilities

(Ordnance Corps)

Aberdeen Proving Ground, Md.: Troop housing, community facilities, utilities, and family housing, $1,736,000.

Black Hills Ordnance Depot, S. Dak.: Family housing, $78,000.

Blue Grass Ordnance Depot, Ky.: Operational and maintenance facilities, $509,000.

Erie Ordnance Depot, Ohio: Operational and maintenance facilities and utilities, $1,933,000.

Frankford Arsenal, Pa.: Utilities, $855,000.

Lordstown Ordnance Depot, Ohio: Operational and maintenance facilities, $875,000.

Pueblo Ordnance Depot, Colo.: Operational and maintenance facilities, $1,843,000.

Red River Arsenal, Tex.: Operational and maintenance facilities, $140,000.

Redstone Arsenal, Ala.: Research and development facilities and community facilities, $2,865,000.

Rock Island Arsenal, Ill.: Operational and mantenance facilities, $347,000.

Rossford Ordnance Depot, Ohio: Utilities, $400,000.

Savanna Ordnance Depot, Ill.: Operational and maintenance facilities, $342,000.

Seneca Ordnance Depot, N. Y.: Community facilities, $129,000.

Sierra Ordnance Depot, Calif.: Operational and maintenance facilities, $1,075,000.

White Sands Proving Ground, N. Mex.: Troop supporting facility, and research and development facilities, $1,247,000.

Wingate Ordnance Depot, N. Mex.: Operational and maintenance facilities, $632,000.

(Quartermaster Corps)

Atlanta General Depot, Ga.: Storage facilities, $84,000.

Belle Meade General Depot, N. J.: Operational and maintenance facilities, $174,000.

Fort Lee, Va.: Troop housing, community facilities, medical facility, storage facilities, training facilities, operational and maintenance facilities, and family housing, $8,589,000.

Memphis General Depot, Tenn.: Family housing, $99,000.

New Cumberland General Depot, Pa.: Family housing. $568,000.

Sharpe General Depot, Calif.: Utilities and family housing. $337,000.

(Chemical Corps)

Army Chemical Center, Md.: Troop housing, storage facilities, operational and maintenance facilities, and utilities, $1,248,000.

Deseret Chemical Depot, Utah: Maintenance facilities, $92,000.

Camp Detrick, Md.: Utilities, $452,000.

Dugway Proving Ground, Utah: Troop housing, hospital and medical facilities, operational and maintenance facilities and family housing, $1,129,000.

Pine Bluff Arsenal (including Midwest Chemical Depot), Ark.: Land acquisition, $3,000.

Rocky Mountain Arsenal, Colo.: Operational and maintenance facilities and utilities, $773,000.

(Signal Corps)

Decatur Signal Depot, Ill.: Operational and maintenance facilities, $303,000.

Fort Huachuca, Ariz.: Airfield pavements, community facilities, storage facilities, operational and maintenance facilities, utilities, and family housing, $4,648,000.

Lexington Signal Depot, Ky.: Maintenance facility, and family housing, $538,000.

Fort Monmouth, N. J.: Community facilities, $615,000.

Sacramento Signal Depot, Calif.: Troop housing, maintenance facility, and family housing, $715,000.

Tobyhanna Signal Depot, Pa.: Troop housing, $649,000.

Two Rock Ranch Station, Calif.: Community facilities, and family housing, $1,298,000.

Vint Hill Farms Station, Va.: Community facilities, storage facility, and operational and maintenance facility, $695,000.

(Corps of Engineers)

Army Map Service, Md.: Operational and maintenance facility, $62,000.

Fort Belvoir, Va.: Troop housing, community facilities, research and development facilities, operational and maintenance facilities, utilities, and family housing, $4,608,000.

Grante City Engineer Depot, Ill.: Operational and maintenance facilities, and family housing, $1,822,000.

Marion Engineer Depot, Ohio: Storage facilities and utilities, $1,146,000.

(Transportation Corps)

Brooklyn Army Base, N. Y.: Utilities, $1,055,000.

Charleston Transportation Depot, S. C.: Storage facilities and utilities, $329,000.

Fort Eustis, Va.: Troop housing, community facilities, training facilities, medical facility, and operational and maintenance facilities, $6,597,000.

New Orleans Army Base, La.: Storage facility, $117,000.

Oakland Army Base, Calif.: Community facilities, storage facilities, and operational and maintenance facilities, $1,923,000.

Fort Story, Va.: Utilities, $41,000.

West Coast Ammunition Terminal, Calif.: Dredging and land acquisition, $12,860,000.

(Medical Corps)

William Beaumont Army Hospital, Tex.: Hospital and medical facilities, $586,000.

Brooke Army Medical Center, Tex.: Hospital and medical facilities, $549,000.

Madigan Army Hospital, Wash.: Hospital and medical facilities, $333,000.

Walter Reed Army Medical Center, D. C.: Hospital facilities, research and development facilities, and training facilities, $7,632,000.

FIELD FORCES FACILITIES

(First Army Area)

Fort Devens, Mass.: Troop housing, administrative facilities, and family housing, $7,275,000.

Fort Dix, N. J.: Community facilities, medical facilities, administrative facilities, and family housing, $6,698,000.

Fort Jay, N. Y.: Waterfront facilities, $731,000.

Fort Niagara, N. Y.: Storage facilities, $209,000.

Fort Totten, N. Y.: Utilities, $170,000.

(Second Army Area)

Fort Holabird, Md.: Troop housing, $612,000.

Fort Knox, Ky.: Troop housing, training and administrative facilities, community facilities, medical facilities, operational and maintenance facilities, and family housing, $8,990,000.

Fort George G. Meade, Md.: Community facilities, training and medical facilities, and operational and maintenance facilities, $923,000.

(Third Army Area)

Fort Benning, Ga.: Troop housing, community facilities, training and administrative facilities, medical facilities, storage facilities, operational and maintenance facilities, and family housing, $10,392,000.

Fort Bragg, N. C.: Troop housing, community facilities, training and administrative facilities, medical facilities, airfield pavements, operational and maintenance facilities, and family housing, $15,659,000.

Fort Campbell, Ky.: Troop housing, community facilities, training and administrative facilities, medical facilities, operational and maintenance facilities, and family housing, $12,377,000.

Camp Gordon, Ga.: Community facilities, $261,000.

Camp Jackson, S. C.: Medical facilities, $8 million.

Fort McClellan, Ala.: Community facilities, storage facilities, operational and maintenance facilities, and family housing, $2,611,000.

Camp Rucker, Ala.: Airfield pavements, and operational and maintenance facilities, $2,070,000.

Camp Stewart, Ga.: Troop housing, storage facilities, and operational and maintenance facilities, $967,000.

(Fourth Army Area)

Fort Bliss, Tex.: Troop housing, community facilities, training and administrative facilities, and operational and maintenance facilities, $4,645,000.

Fort Hood, Tex.: Troop housing, community facilities, training and administrative facilities, medical facilities, operational and maintenance facilities, and family housing, $12,922,000.

Fort Sam Houston, Tex.: Troop housing and operational facilities, $805,000.

Fort Sill, Okla.: Community facilities, medical facilities, operational and maintenance facilities, and land acquisition, $3,053,000.

(Fifth Army Area)

Fort Carson, Colo.: Troop housing, community facilities, training and administrative facilities, medical facilities, airfield pavements, storage facilities, and operational and maintenance facilities, $7,487,000.

Fort Leavenworth, Kans.: Hospital and medical facilities, training facilities, and operational facilities, $8,615,000.

Camp Lucas, Mich.: Community facilities, $145,000.

Fort Riley, Kans.: Troop housing, community facilities, training and administrative facilities, medical facilities, storage facilities, operational and maintenance facilities, and family housing, $8,657,000.

Fort Sheridan, Ill.: Family housing, $1,268,000.

(Sixth Army Area)

Camp Hanford, Wash.: Waterfront facilities, $167,000.

Fort Lewis, Wash.: Troop housing community facilities, training facilities, medical facilities, storage facilities, operational and maintenance facilities, and family housing, $15,275,000.

Presidio of Monterey, Calif.: Troop housing and training facilities, $1,878,000.

Fort Ord, Calif.: Community facilities, medical facilities, and utilities, $1,407,000.

Presidio of San Francisco, Calif.: Liquid fuel dispensing facilities, $144,000.

United States Disciplinary Barracks, Calif.: Community facilities, $184,000.

Yuma Test Station, Ariz.: Family housing, $709,000.

(Military Academy)

United States Military Academy, N. Y.: Community facilities and utilities, $756,000.

(Armed Forces Special Weapons Project)

Sandia Base, N. Mex.: Family housing, $1,231,000.

Various installations: Maintenance facilities, community facilities, and utilities, $3,014,000.

(Tactical Installations)

Various locations: Family housing, $8,135,000.

(Rehabilitation)

Various locations: Rehabilitation of facilities for family housing, $2,661,000.

Outside continental United States

(Alaskan Area)

Big Delta: Troop housing and community facilities, and family housing, $3,638,000.

Eielson Air Force Base: Maintenance and storage facility, $1,047,000.

Ladd Air Force Base: Storage facilities and liquid fuel dispensing facilities, $266,000.

Fort Richardson: Troop housing, community facilities, storage facilities, operational and maintenance facilities, and utilities, $9,079,000.

Whittier: Community facilities, and operational and maintenance facilities, $1,183,000.

Wildwood Station (Kenai): Troop housing and community facilities, $469,000.

Various locations: Rehabilitation of facilities for family housing, $1,656,000.

(Far East Command Area)

Okinawa: Community, troop supporting, and medical facilities, operational, maintenance, and administrative facilities, utilities, family housing, and land acquisition and resettlement, $43,983,000, of which sum the total amount available for resettlement may be paid in advance to the Government of the Ryukyu Islands.

(Pacific Command Area)

Helemano, Hawaii: Family housing, $714,000.

Camp O'Donnel, Philippine Islands: Utilities, $832,000.

Schofield Barracks, Hawaii: Storage and community facilities, $3,162,000.

Waiawa (Waipio) Radio Transmitting Station: Hawaii: Community facilities and family housing, $363,000.

(Caribbean Command Area)

Fort Clayton, Canal Zone: Family housing, $2,350,000.

(Icelandic Command Area)

Keflavik Airport: Operational and training facilities, and family housing, $3,793,000.

Classified installations: Family housing, $5,799,000.

SEC. 102. The Secretary of the Army is authorized to establish or develop classified military installations and facilities by the acquisition of land and the construction, rehabilitation, or installation of permanent or temporary public works, including site preparation, appurtenances, and related utilities and equipment, in a total amount of $223,993,000.

SEC. 103. The Secretary of the Army is authorized through the construction, rehabilitation, or installation of permanent or temporary public works, including site preparation, appurtenances, and related utilities and equipment, to restore or replace facilities damaged or destroyed in a toal amount of $10 million.

SEC. 104. Public Law 534, 82d Congress, is hereby amended as follows:

(a) Strike so much thereof under the heading "Continental United States" and subheading "Field Forces Facilities" (Second Army Area) in section 101 as follows:

"Fort Knox, Ky.: Training buildings and facilities, research and development facilities, maintenance facilities, land acquisition, and utilities, $11,411,000."

and insert in lieu thereof the following:

"Fort Knox, Ky.: Training buildings and facilities, maintenance facilities, land acquisition, and utilities, $9,411,000."

(b) Strike so much thereof under the heading "Continental United States" and subheading "Technical Service Facilities" (Army Medical Service) in section 101 as follows:

"Walter Reed Army Medical Center, Washington, D. C.: Operational facilities and research and development facilities, $731,000."

and insert in lieu thereof the following:

"Walter Reed Army Medical Center, Washington, D. C., and Forest Glen, Md.: Operational facilities, and research and development facilities, $2,731,000."

SEC. 105. Public Law 534, 83d Congress, is hereby amended by striking so much thereof under the heading "Continental United States" and subheading "(Signal Corps)" in section 101 as follows:

"Department of the Army transmitting station, vicinity of Woodbridge, Va.:"

and inserting in lieu thereof the following:

"Department of the Army transmitting station, vicinity of Camp Detrick, Md.:"

TITLE II

SEC. 201. The Secretary of Navy is authorized to establish or develop naval installations and facilities by the acquisition, construction, conversion, rehabilitation, or installation of permanent or temporary public works in respect of the following projects, which include site preparation, appurtenances, and related utilities and equipment:

CONTINENTAL UNITED STATES

Shipyard facilities

Naval shipyard, Boston, Mass.: Utilities and replacement of piers, $8,441,000.

Naval shipyard, Puget Sound, Bremerton, Wash.: Drydock facilities, $200,000.

David Taylor Model Basin, Carderock, Md.: Research and development facilities, $14,302,000.

Naval industrial reserve shipyard, Charleston, S. C.: Land acquisition, $427,000.

Naval minecraft base, Charleston, S. C.: Site preparation, waterfront facilities, administrative facilities, training facilities, utilities, and land acquisition, $5,800,000.

Naval shipyard, Mare Island, Vallejo, Calif.: Waterfront facilities and sandblasting facilities, $4,553,000.

Naval shipyard, Norfolk, Va.: Replacement of wharf, $308,000.

Naval underwater sound laboratory, New London, Conn.: Family housing, $66,600.

Naval mine countermeasures station, Panama City, Fla.: Administrative facilities, community facilities, training facilities, helicopter facilities, ammunition storage facilities, waterfront facilities, research and development facilities, and land acquisition, $3,379,000.

Naval shipyard, Portsmouth, N. H.: Utilities and drydock facilities, $946,000.

Naval electronics laboratory, San Diego, Calif.: Land acquisition, $143,000.

Naval repair facility, San Diego, Calif.: Utilities, $629,000.

Naval shipyard, San Francisco, Calif.: Waterfront facilities, steam test facilities, and land acquisition, $4,369,000.

Fleet base facilities

Navy Department, District of Columbia: Family housing, $81,000.

Naval station, Green Cove Springs, Fla.: Utilities, $72,000.

Naval station, Newport, R. I.: Personnel facilities, $1,583,000.

Naval base, Norfolk, Va.: Waterfront facilities, pavement, utilities, and land acquisition, $9,972,000.

Naval station, Orange, Tex.: Personnel facilities, $399,000.

Naval station, San Diego, Calif.: Utilities, $57,000.

Naval station, Treasure Island, San Francisco, Calif.: Personnel facilities and utilities, $3,147,000.

Naval station, Tacoma, Wash.: Waterfront facilities, $3,024,000.

Naval station, Tongue Point, Astoria, Oreg.: Personnel facilities, $92,000.

Aviation facilities

(Naval Air Training Station)

Naval auxiliary landing field, Alice-Orange Grove area, Tex.: Airfield pavements and land acquisition, $1,487,000.

Naval auxiliary air station, Barin Field, Foley, Ala.: Airfield lighting facilities, $151,000.

Naval auxiliary air station, Chase Field, Tex.: Storage facilities, fuel dispensing facilities, operational facilities, personnel facilities, community facilities, land acquisition, and family housing, $1,953,500.

Naval air station, Corpus Christi, Tex.: Navigational aids, training facilities, and land acquisition, $664,000.

Naval air station, Glynco, Ga.: Aircraft, station and equipment maintenance facilities, administrative facilities, and utilities, $1,886,000.

Naval air station, Hutchinson, Kans.: Utilities, $81,000.

Naval auxiliary air station, Kingsville, Tex.: Aircraft maintenance facilities, operational facilities, navigational aids, storage facilities, maintenance facilities, personnel facilities, community facilities, and land acquisition, $3,686,000.

Naval air station, Memphis, Tenn.: Utilities, $759,000.

Naval air station, Pensacola, Fla.: Airfield pavements, navigational aids, personnel facilities, fuel dispensing facilities, operational facilities, research and development facilities, ammunition storage facilities, land acquisition, and plans and specifications for aircraft overhaul and repair facilities, $3,453,000.

Naval auxiliary air station: Port Isabel, Tex.: Airfield pavements, aircraft maintenance facilities, operational facilities, administrative facilities, community facilities, fuel storage facilities, ammunition storage and ordnance facilities, security facilities, utilities, and land acquisition, $5,544,000.

Naval auxiliary air station, New Iberia, La.: Aircraft maintenance facilities, airfield pavements, operational facilities, navigational aids, maintenance facilities, communication facilities, training facilities, administrative facilities, fuel storage and dispensing facilities, covered and cold storage facilities, ammunition storage facilities, personnel facilities, medical facilities, community facilities, utilities, and land acquisition, $24,361,000.

Naval auxiliary air station, Whiting Field, Fla.: Family housing, $385,000.

(Fleet Support Air Stations)

Naval air station, Alameda, Calif.: Aircraft maintenance facilities, seadrome lighting facilities, seawall, dredging, and land acquisition, $3,729,000.

Naval air station, Atlantic City, N. J.: Storage facilities, and utilities, $233,000.

Naval auxiliary air station, Brown Field, Calif.: Family housing, $214,600.

Naval air station, Brunswick, Maine: Airfield pavements, airfield lighting facilities, communication facilities, storage facilities, ammunition storage facilities, personnel facilities, community facilities, utilities, and land acquisition, $3,200,000.

Naval air station, Cecil Field, Fla.: Aircraft maintenance facilities, airfield pavements, operational facilities, covered storage facilities, ammunition storage and ordnance facilities, fuel dispensing facilities, security facilities, personnel facilities, community facilities, and utilities, $7,400,000.

Naval auxiliary air station, El Centro, Calif.: Ordnance facilities, and land acquisition, $366,000.

Naval auxiliary air station, Fallon, Nev.: Operational facilities, community facilities, family housing, and personnel facilities, $1,172,700.

Naval air station, Jacksonville, Fla.: Airfield pavements, communication facilities, operational facilities, and land acquisition, $2,224,000.

Naval air station, Key West, Fla.: Fuel storage facilities, and boathouse, $211,000.

Naval auxiliary landing field, Mayport, Fla.: Waterfront facilities, communication facilities, family housing, and security facilities, $812,000.

Naval air station, Miramar, Calif.: Storage facilities, training facilities, personnel facilities, fuel dispensing facilities, community facilities, and utilities, $4,370,000.

Naval air station, Moffet Field, Calif.: Fuel pipeline facilities, airfield pavements, and operational facilities, $2,581,000.

Naval air station, Norfolk, Va.: Aircraft maintenance facilities,, training facilities, communication facilities, operational facilities and land acquisition, $5,260,000.

Naval air station, Oceana, Va.: Airfield pavement, storage facilities, personnel facilities, maintenance facilities, community facilities, and fuel dispensing facilities, $5,281,000.

Naval air station, Quonset Point, R. I.: Airfield lighting facilities, operational facilities, and utilities, $1,062,000.

Naval air station, San Diego, Calif.: Training facilities, operational facilities, aircraft maintenance facilities, fuel dispensing facilities, and utilities, $2,748,000.

Naval auxiliary air station, Sanford, Fla.: Family housing, $188,900.

Naval air facility, Weeksville, N. C.: Cold storage facilities, and maintenance facilities, $342,000.

Naval air station, Whidbey Island, Wash.: Airfield pavements, airfield lighting facilities, training facilities, and land acquisition, $1,958,000.

Outlying field, Whitehouse Field, Duval County, Fla.: Airfield pavements, and land acquisition, $1,087,000.

(Marine Corps Air Stations)

Marine Corps auxiliary air station, Beaufort, S. C.: Airfield pavements, communications facilities, navigational aids, fuel dispensing facilities, operational facilities, storage facilities, personnel facilities, community facilities, and land acquisition, $4,649,000.

Marine Corps air station, Cherry Point, N. C.: Airfield pavements, aircraft maintenance facilities, waterfront facilities, navigational aids, airfield lighting facilities, ammunition storage and ordnance facilities, operational facilities, and land acquisition, $1,762,000.

Marine Corps air station, El Toro, Calif.: Airfield pavements, training facilities, communication facilities, storage facilities, personnel facilities, community facilities, and land acquisition, $2,492,000.

Marine Corps auxiliary air station, Edenton, N. C.: Family housing, $1,421,500.

Marine Corps air station, Miami, Fla.: Land acquisition, $1,223,000.

Marine Corps auxiliary air station, Mojave, Calif.: Maintenance facilities, land acquisition, and family housing, $2,305,400.

Marine Corps air facility, New River, N. C.: Airfield pavements, medical facilities, administrative facilities, storage facilities, personnel facilities, community facilites, operational facilities, training facilities, and utilities, $2,762,000.

(Special purpose air stations)

Naval air facility, to be known as John H. Towers Field, Annapolis area, Md.: Operational facilities, administrative facilities, personnel facilities, airfield lighting facilities, airfield pavements, aircraft and station maintenance facilities, communication facilities, cold storage facilities, training facilities, storage facilities, utilities, medical facilities, petroleum storage facilities, site preparation, and land acquisition, $16,900,000.

Naval auxiliary air station, Chincoteague, Va.: Aircraft maintenance facilities, medical facilities, and operational facilities, $2,858,000.

Naval ordnance test station, Inyokern, Calif.: Research and development facilities, $2,615,000.

Naval air station, Lakehurst, N. J.: Research and development facilities, storage facilities, navigational aids, and aircraft maintenance facilities, $16,311,000.

Naval air test center, Patuxent River, Md.: Airfield pavements, aircraft maintenance facilities, oil storage facilities, and utilities, $8,677,000.

Naval air missile test center, Point Mugu, Calif.: Aircraft maintenance facilities, communication facilities, and research and development facilities, $926,000.

Naval air station, South Weymouth, Mass.: Testing facilities, $270,000.

Naval photographic interpretation center, Suitland, Md.: Operational and photographic preservation facilities, $2,345,000.

Various locations: Land acquisition, and obstruction removal, for flight clearance, $23 million.

Supply facilities

Naval fuel depot, Jacksonville, Fla.: Family housing, $15,200.

Naval supply depot, Newport, R. I.: Waterfront facilities, administrative facilities, and utilities, $1,041,000.

Naval supply center, Norfolk, Va.: Cold-storage facilities, warehouse freight elevators, and (at Cheatham Annex) highway crossing and land acquisition, $777,000.

Naval supply center, Oakland, Calif.: Utilities, and easement, $62,000.

Marine Corps facilities

Marine Corps supply center, Albany, Ga.: Storage facilities, community facilities, cold-storage facilities, personnel facilities, and utilities, $3,157,000.

Marine Corps supply center, Barstow, Calif.: Storage facilities, community facilities, cold-storage facilities, personnel facilities, security facilities, and land acquisition, $501,000.

Marine Corps base, Camp Lejeune, N. C.: Personnel facilities, security facilities, and utilities, $1,059,000.

Marine Corps recruit depot, Parris Island, S. C.: Training facilities, maintenance facilities, and utilities, $1,654,000.

Marine Corps base, Camp Pendleton, Calif.: Utilities, $648,000.

Marine Corps clothing depot, Annex No. 3, Philadelphia, Pa.: Utilities, $30,000.

Marine Corps schools, Quantico, Va.: Covered and ammunition-storage facilities, medical facilities, training and personnel facilities, utilities, and land acquisition, $9,357,000.

Marine Corps recruit depot, San Diego, Calif.: Pavements, and personnel facilities, $120,000.

Marine Corps training center, Twenty-nine Palms, Calif.: Family housing, $47,300.

Ordnance facilities

Naval ammunition depot, Charleston, S. C.: Ordnance facilities, $193,000.

Naval aviation ordnance test station, Chincoteague, Va.: Research and development facilities, $644,000.

Naval ordnance aerophysics laboratory, Daingerfield, Tex.: Research and development facilities, $1,111,000.

Naval ammunition depot, Earle, N. J.: Refrigerated storage facilities, $59,000.

Naval ammunition depot, Fallbrook, Calif.: Ordnance and ammunition storage facilities, $514,000.

Naval ammunition depot, Hawthorne, Nev.: Barricaded sidings, and utilities, $1,424,000.

Naval powder factory, Indian Head, Md.: Research and development facilities, and utilities, $1,107,000.

Naval ordnance test station, Inyokern, Calif.: Community facilities, $375,000.

Naval torpedo station, Keyport, Wash.: Ordnance facilities, $376,000.

Naval ordnance plant, Louisville, Ky.: Ordnance drawings storage facilities, $927,000.

Naval ordnance plant, Macon, Ga.: Ordnance manufacturing facilities, $3,800,000.

Naval underwater ordnance station, Newport, R. I.: Testing facilities, $370,000.

Naval magazine, Port Chicago, Calif.: Ordnance facilities, $241,000.

Naval ammunition depot, St. Juliens Creek, Va.: Utilities, $420,000.

Naval ammunition and net depot, Seal Beach, Calif.: Waterfront facilities, $1,029,000.

Naval ammunition depot, Shumaker, Ark.: Barricaded transfer depot facilities, $765,000.

Naval ordnance laboratory, White Oak, Md.: Research and development facilities, $1,976,000.

Naval mine depot, Yorktown, Va.: Ammunition storage and testing facilities, $113,000.

Service school facilities

Naval Academy, Annapolis, Md.: Utilities, cadet housing, and fill in Dewey and Santee Basins in Severn River, $11,467,000.

Naval station, Annapolis, Md.: Personnel facilities, $307,000.

Naval receiving station, Charleston, S. C.: Community facilities, $553,000.

Naval amphibious base, Coronado, Calif.: Personnel facilities, $1,402,000.

Fleet air defense training center, Dam Neck, Va.: Training facilities, and personnel facilities, $1,942,000.

Naval training center, Great Lakes, Ill.: Training facilities, family housing, and personnel facilities, $8,038,800.

Naval powder factory, Indian Head, Md.: Personnel facilities, $780,000.

Naval postgraduate school, Monterey, Calif.: Personnel facilities, $119,000.

Naval receiving station, Philadelphia, Pa.: Personnel facilities, $1,428,000.

Naval retraining command, Portsmouth, N. H.: Security facilities, $42,000.

Fleet sonar school, San Diego, Calif.: Training facilities, $2,753,000.

Medical facilities

National naval medical center, Bethesda, Md.: Plans and specifications for the Armed Forces Medical Library, $350,000.

Naval hospital, Chelsea, Mass.: Family housing, $192,500.

Naval hospital, Corona, Calif.: Family housing, and conversion of existing structures to family housing, $256,800.

Naval hospital, Corpus Christi, Tex.: Family housing, $162,100.

Naval hospital, Great Lakes, Ill.: Plans and specifications for certain medical facilities, $750,000.

Naval hospital, Jacksonville, Fla.: Retaining wall, $46,000.

Naval submarine base, New London, Conn.: Medical research facilities, $755,000.

Naval hospital, Philadelphia, Pa.: Utilities, $60,000.

Communications facilities

Naval radio station, Northwest, Va.: Communication facilities, $436,000.

Office of naval research facilities

Naval research laboratory, Washington, D. C.: Research facilities, and utilities, $163,000.

Naval research laboratory, Chesapeake Bay Annex, Randle Cliffs, Md.: Research facilities, and land acquisition, $52,000.

Yards and docks facilities

Naval construction battalion center, Davisville, R. I.: Waterfront facilities, and storage facilities, $5,397,000.

Public works center, Norfolk, Va.: Utilities, $2,510,000.

Naval construction battalion center, Port Hueneme, Calif.: Maintenance facilities, $1,225,000.

Various locations: Facilities for abatement of water pollution, including the acquisition of land, $15,149,000.

OUTSIDE CONTINENTAL UNITED STATES

Shipyard facilities

Fleet activities, Sasebo, Japan: Personnel facilities, $57,000.

Fleet base facilities

Naval station, Adak, Alaska: Family housing, $2,485,000.

Naval base, Guam, Mariana Islands: Administrative facilities, $1,835,000.

Naval base, Guantanamo Bay, Cuba: Utilities, $56,000.

Naval base, Subic Bay, Philippine Islands: Personnel facilities, medical facilities, utilities, and family housing, $15,253,700.

Fleet activities: Yokosuka, Japan: Family housing, $6,540,800.

Aviation facilities

Naval air station, Agana, Guam, Mariana Islands: Airfield pavements, operational facilities, personnel facilities, aircraft maintenance facilities, and utilities, $6,525,000.

Naval station, Argentia, Newfoundland: Operational facilities, and family housing, $8,589,800.

Naval air station, Atsugi, Japan: Personnel facilities, and family housing, $1,978,800.

Naval station, Bermuda, British West Indies: Aircraft maintenance facilities, $91,000.

Naval air facility, Cubi Point, Philippine Islands: Airfield pavements, aircraft maintenance facilities, earthwork, personnel facilities, communication facilities, ordnance facilities, fuel-dispensing facilities, and utilities, $8,260,000.

Naval air station, Guantanamo Bay, Cuba: Fuel pipeline facilities, community facilities, utilities, and family housing, $2,977,300.

Naval air facility, Iwakuni, Japan: Personnel facilities, $975,000.

Marine Corps air station, Kaneohe Bay, T. H.: Airfield pavements, fuel-dispensing facilities, and family housing, $3,227,600.

Naval station, Kodiak, Alaska: Family housing, $2,613,100.

Naval station, Kwajalein, Marshall Islands: Communication facilities, ammunition storage facilities, and personnel facilities, $4,411,000.

Naval station, Midway Island, T. H.: Communication facilities and operational facilities, $1,518,000.

Naples, Italy: Operational facilities and storage facilities, $155,000.

Naval air facility, Port Lyautey, French Morocco: Cold-storage facilities, and family housing, $1,958,500.

Naval station, Roosevelt Roads, Puerto Rico: Operational facilities and airfield pavements, $3,721,000.

Naval station, Sangley Point, Philippine Islands: Family housing, $522,900.

Supply facilities

Naval supply depot Guam, Mariana Islands: Waterfront facilities and storage facilities, $5,427,000.

Naval supply depot, Guantanamo Bay, Cuba: Cold-storage facilities, $1,318,000.

Naval supply center, Pearl Harbor, T. H.: Operational facilities, utilities, and land acquisition, $270,000.

Ordnance facilities

Naval ammunition depot, Oahu, T. H.: Testing facilities, and railroad facilities and barricades, $1,132,000.

Naval ordnance facility, Sasebo, Japan: Personnel facilities, $66,000.

Service school facilities

Fleet training center, Pearl Harbor, T. H.: Training facilities, $44,000.

Medical facilities

Naval hospital, Guam, Mariana Islands: Community facilities, $269,000.

Communication facilities

Naval communication station, Adak, Alaska: Communication facilities, $439,000.

Naval radio facility, Kami-Seya, Japan; Communication facilities, and family housing, $2,564,700.

Naval communication station, Kodiak, Alaska: Site preparation, communication facilities, maintenance facilities, personnel facilities, and utilities, $6,991,000.

Naval communication facility, Philippine Islands: Communication facilities, community facilities, utilities, and family housing, $8,061,500.

Naval communication facility, Port Lyautey, French Morocco: Storage facilities, personnel facilities, community facilities, utilities, and family housing, $2,848,600.

Yards and docks facilities

Fifteenth Naval District, Canal Zone: Utilities, and acquisition of family housing, $3,069,000.

Guam, Mariana Islands: Utilities, $940,000.

SEC. 202. The Secretary of the Navy is authorized to establish or develop classified naval installations and facilities by the acquisition of land, and the construction, conversion, rehabilitation, or installation of permanent or temporary public works, including site preparation, appurtenances, utilities, equipment and family housing, in the total amount of $151,342,400.

SEC. 203. The Secretary of the Navy is authorized through the construction, rehabilitation or installation of permanent or temporary public works, including site preparation, appurtenances, and related utilities and equipment, to restore or replace facilities damaged or destroyed in a total amount of $6 million.

TITLE III

SEC. 301. The Secretary of the Air Force is hereby authorized to establish or develop Air Force installations and facilities by the acquisition, construction, conversion, rehabilitation, or installation of permanent or temporary public works in respect of the following projects, which include site preparation, appurtenances and related utilities, equipment and facilities:

CONTINENTAL UNITED STATES

Air Defense Command

Buckingham Weapons Center, Fort Myers, Fla.: Airfield pavements, fuel dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative facilities, shop facilities, and family housing, $11,577,000.

Duluth Municipal Airport, Duluth, Minn.: Airfield pavements, aircraft maintenance facilities, utilities, medical facilities, storage facilities, personnel facilities, and shop facilities, $1,200,000.

Ent Air Force Base, Colorado Springs, Colo.: Utilities, personnel facilities, and family housing, $1,808,000.

Ethan Allan Air Force Base, Winooski, Vt.: Fuel dispensing facilities, airfield lighting, and utilities, $213,000.

Geiger Field, Spokane, Wash.: Airfield pavements, troop housing, storage facilities, and family housing, $1,716,000.

Glasgow site, Montana: Airfield pavements, fuel dispensing facilities, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, medical facilities, storage facilities, personnel facilities, administrative and community facilities, shop facilities, and family housing, $4,706,000.

Grand Forks site, North Dakota: Airfield pavements, fuel dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, shop facilities, and family housing, $5,822,000.

Grandview Air Force Base, Kansas City, Mo.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, storage facilities, personnel facilities, and family housing, $3,402,000.

Greater Milwaukee area, Wisconsin: Airfield pavements, fuel dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, shop facilities, and family housing, $16,608,000.

Greater Pittsburgh Airport, Coraopolis, Pa.: Training facilities, utilities, medical facilities, and personnel facilities, $404,000.

Hamilton Air Force Base, San Rafael, Calif.: Airfield pavements, operational facilities, troop housing, land acquisition, and personnel facilities, $1,501,000.

Kinross Air Force Base, Sault Sainte Marie, Mich.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, training facilities, utilities, storage facilities, personnel facilities, and family housing, $2,029,000.

K. I. Sawyer Municipal Airport, Marquette, Mich.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, operational facilities, utilities, personnel facilities, administrative facilities, relocation of facilities, and family housing, $3,943,000.

Klamath Falls Municipal Airport, Klamath Falls, Oreg.: Airfield pavements, relocation of facilities, utilities, land acquisition, medical facilities, personnel facilities, administrative facilities, and family housing, $2,042,000.

McChord Air Force Base, Tacoma, Wash.: Airfield pavements, training facilities, storage facilities, personnel facilities, community facilities, and family housing, $2,959,000.

McGhee-Tyson Airport, Knoxville, Tenn.: Airfield pavements, utilities, storage facilities, personnel facilities, and shop facilities, $582,000.

Minneapolis-St. Paul International Airport, Minneapolis, Minn.: Airfield pavements, aircraft maintenance facilities, troop housing, storage facilities, personnel facilities, and community facilities, $1,423,000.

Minot site, North Dakota: Airfield pavements, fuel dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing, utilities, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $5,339,000.

New Castle County Municipal Airport, Wilmington, Del.: Airfield pavements, airfield lighting facilities, land acquisition, and storage facilities, $504,000.

Niagara Falls Municipal Airport, Niagara Falls, N. Y.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, operational facilities, aircraft maintenance facilities, utilities, land acquisition, medical facilities, storage facilities, and personnel facilities, $1,748,000.

Otis Air Force Base, Falmouth, Mass.: Airfield pavements, airfield lighting facilities, operational facilities, training facilities, messing facilities, medical facilities, storage facilities, personnel facilities, administrative facilities, shop facilities, and family housing, $6,076,000.

Oxnard Air Force Base, Oxnard, Calif.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, training facilities, troop housing, utilities, storage facilities, personnel facilities, and administrative facilities, $2,445,000.

Paine Air Force Base, Everett, Wash.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, land acquisition, storage facilities, and personnel facilities, $1,039,000.

Presque Isle Air Force Base, Presque Isle, Maine: Airfield pavements, airfield lighting facilities, troop housing and messing facilities, land acquisition, storage facilities, and family housing, $2,056,000.

Selfridge Air Force Base, Mount Clemens, Mich.: Airfield pavements, communications and airfield lighting facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, and personnel facilities, $5,526,000.

Sioux City Municipal Airport, Sioux City, Iowa: Airfield pavements, airfield lighting facilities, and messing facilities, $343,000.

Stewart Air Force Base, Newburgh, N. Y.: Navigational aids and airfield lighting facilities, storage facilities, and community facilities, $112,000.

Suffolk County Air Force Base, Westhampton, N. Y.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, troop housing, utilities, land acquisition, storage facilities, personnel facilities, and family housing, $2,207,000.

Traverse City area, Michigan: Airfield pavements, fuel dispensing facilities, operational facilities, training facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $1,881,000.

Truax Field, Madison, Wis.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, troop housing, land acquisition, storage facilities, personnel facilities, and shop facilities, $1,263,000.

Wurtsmith Air Force Base, Oscoda, Mich.: Airfield pavements, airfield lighting facilities, aircraft maintenance facilities, troop housing, utilities, storage facilities, administrative facilities, shop facilities, and family housing, $2,511,000.

Youngstown Municipal Airport, Youngstown, Ohio: Airfield pavements, airfield lighting facilities, utilities, storage facilities, and personnel facilities, $742,000.

Yuma County Airport, Yuma, Ariz.: Airfield lighting facilities, aircraft maintenance facilities, training facilities, troop housing, personnel facilities, and administrative facilities, $2,107,000.

Air Materiel Command

Brookley Air Force Base, Mobile, Ala.: Airfield pavements, fuel dispensing facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, and storage facilities, $4,170,000.

Griffiss Air Force Base, Rome, N. Y.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, troop housing, land acquisition, storage facilities, personnel facilities, administrative facilities, and family housing, $15,803,000.

Hill Air Force Base, Ogden, Utah: Airfield pavements, and airfield lighting facilities, $2,386,000.

Kelly Air Force Base, San Antonio, Tex.: Airfield pavements, airfield lighting facilities, aircraft maintenance facilities, and land acquisition, $1,945,000.

McClellan Air Force Base, Sacramento, Calif.: Airfield pavements, fuel dispensing facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing, utilities, land acquisition, and administrative facilities, $9,522,000.

Norton Air Force Base, San Bernardino, Calif.: Airfield pavements, airfield lighting facilities, aircraft maintenance facilities, troop housing and messing facilities, land acquisition, and storage facilities, $3,205,000.

Olmstead Air Force Base, Middletown, Pa.: Airfield pavements, fuel dispensing facilities, aircraft maintenance facilities, utilities, land acquisition, and storage facilities, $21,264,000.

Robins Air Force Base, Macon, Ga.: Airfield pavements, communications and airfield lighting facilities, aircraft maintenance facilities, troop housing, and land acquisition, $3,375,000.

Searsport Air Force Tank Farm, Searsport, Maine: Fuel storage facilities, $133,000.

Tinker Air Force Base, Oklahoma City, Okla.: Storage facilities, $205,000.

Wilkins Air Force Station, Shelby, Ohio: Utilities, $305,000.

Wright-Patterson Air Force Base, Dayton, Ohio: Airfield pavements, training facilities, troop housing and messing facilities, utilities, land acquisition, research and development facilities, and administrative facilities, $18,001,000.

Various locations: Storage facilities, $170,000.

Air Proving Ground Command

Eglin Air Force Base, Valparaiso, Fla.: Airfield pavements, communications, and navigational aids, troop housing and messing facilities, land acquisition, research, development and test facilities, and storage facilities, $7,966,000.

Air Training Command

Amarillo Air Force Base, Amarillo, Tex.: Training facilities, $98,000.

Bryan Air Force Base, Bryan, Tex.: Troop housing and messing facilities, and utilities, $914,000.

Chanute Air Force Base, Rantoul, Ill.: Land acquisition, $3,000.

Craig Air Force Base, Selma, Ala.: Airfield pavements, troop housing, and land acquisition, $1,650,000.

Ellington Air Force Base, Houston, Tex.: Troop housing and messing facilities, land acquisition, and medical facilities, $2,816,000.

Francis E. Warren Air Force Base, Cheyenne, Wyo.: Troop housing and messing facilities, $1,403,000.

Goodfellow Air Force Base, San Angelo, Tex.: Airfield pavements, fuel dispensing facilities, aircraft maintenance facilities, troop housing and messing facilities, and land acquisition, $4,081,000.

Greenville Air Force Base, Greenville, Miss.: Aircraft maintenance facilities, land acquisition, and personnel facilities, $349,000.

Headquarters technical training, Air Force, Gulfport, Miss.: Acquisition of land and facilities, $313,000.

Harlingen Air Force Base, Harlingen, Tex.: Communications and navigational aids and troop housing, $446,000.

James Connally Air Force Base, Waco, Tex.: Troop housing and messing facilities, $883,000.

Laredo Air Force Base, Laredo, Tex.: Aircraft maintenance facilities, and family housing, $1,525,500.

Laughlin Air Force Base, Del Rio, Tex.: Airfield pavements, operational facilities, training facilities, land acquisition, and family housing, $3,695,000.

Lowry Air Force Base, Denver, Colo.: Troop housing and messing facilities, $1,217,000.

Luke Air Force Base, Phoenix, Ariz.: Training facilities, troop housing and messing facilities, and land acquisition, $1,557,000.

Mather Air Force Base, Sacramento, Calif.: Communications and navigational aids, troop housing and messing facilities, and personnel facilities, $1,516,000.

McConnell Air Force Base, Wichita, Kans.: Operational facilities, and land acquisition, $104,000.

Moody Air Force Base, Valdosta, Ga.: Airfield pavements, aircraft maintenance facilities, troop housing and messing facilities, land acquisition, and family housing, $4,322,000.

Nellis Air Force Base, Las Vegas, Nev.: Airfield pavements, aircraft maintenance facilities, and troop housing and messing facilities, $1,153,000.

Perrin Air Force Base, Sherman, Tex.: Troop housing and messing facilities, and land acquisition, $956,000.

Randolph Air Force Base, San Antonio, Tex.: Troop housing, $549,000.

Reese Air Force Base, Lubbock, Tex.: Troop housing and messing facilities, land acquisition, and personnel facilities, $1,076,000.

Scott Air Force Base, Belleville, Ill.: Troop housing and messing facilities, $1,247,000.

Sheppard Air Force Base, Wichita Falls, Tex.: Messing facilities, $80,000.

Stead Air Force Base, Reno, Nev.: Aircraft maintenance facilities, training facilities, troop housing, personnel facilities, and family housing, $4,187,000.

Tyndall Air Force Base, Panama City, Fla.: Airfield lighting facilities, aircraft maintenance facilities, and land acquisition, $478,000.

Vance Air Force Base, Enid, Okla.: Troop housing and messing facilities, and land acquisition, $871,000.

Webb Air Force Base, Big Spring, Tex.: Shop facilities, and family housing, $2,410,000.

Williams Air Force Base, Chandler, Ariz.: Operational facilities, and troop housing and messing facilities, $1,045,000.

Air University

Gunter Air Force Base, Montgomery, Ala.: Troop housing, $275,000.

Maxwell Air Force Base, Montgomery, Ala.: Troop housing and messing facilities, utilities, and medical facilities, $2,661,000.

Continental Air Command

Beale Air Force Base, Marysville, Calif.: Land acquisition, personnel facilities, and family housing, $2,125,500.

Brooks Air Force Base, San Antonio, Tex.: Troop housing, $590,000.

Dobbins Air Force Base, Marietta, Ga.: Airfield pavements, and personnel facilities, $758,000.

Mitchell Air Force Base, Hempstead, N. Y.: Airfield pavements, $1,891,000.

Wolters Air Force Base, Mineral Wells, Tex.: Operational facilities, storage facilities, and personnel facilities, $331,000.

Headquarters Command

Bolling Air Force Base, Washington, D. C.: Personnel facilities, $520,000.

Military Air Transport Service

Andrews Air Force Base, Camp Springs, Md.: Medical facilities, and personnal facilities, $1,098,000.

Charleston Air Force Base, Charleston, S. C.: Airfield pavements, operational facilities, personnel facilities, administrative and community facilities, and land acquisition, $4,032,000.

Dover Air Force Base, Dover, Del.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, land acquisition, personnel facilities, administrative facilities, and family housing, $7,073,000.

McGuire Air Force Base, Wrightstown, N. J.: Airfield pavements, airfield lighting facilities, operational facilities, utilities, storage facilities, personnel facilities, and family housing, $5,564,000.

Palm Beach Air Force Base, Palm Beach, Fla.: Operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, and personnel facilities, $818,000.

St. Louis Aeronautical Chart Information Center, St. Louis, Mo.: Administrative facilities, $861,000.

Research and Development Command

Carabelle Test Site, Carabelle, Fla.: Land acquisition, $1,000.

Edwards Air Force Base, Muroc, Calif.: Airfield lighting facilities, aircraft maintenance facilities, utilities, research, development and test facilities, personnel facilities, and community facilities, $12,429,000.

Hartford Research Facility, Hartford, Conn.: Research and development facilities, $22,375,000.

Holloman Air Force Base, Alamogordo, N. Mex.: Airfield pavements, airfield lighting facilities, utilities, research and development facilities, medical facilities, storage facilities, personnel facilities, and community facilities, $4,965,000.

Indian Springs Air Force Base (Kirtland Auxiliary No. 1), Clark, Nev.: Operational facilities, shop facilities, and family housing, $555,500.

Kirtland Air Force Base, Albuquerque, N. Mex.: Aircraft maintenance facilities, utilities, and shop facilities, $905,000.

Laurence G. Hanscom Field, Bedford, Mass.: Airfield pavements, communications and airfield lighting facilities, aircraft maintenance facilities, troop housing, utilities, land acquisition, research and development facilities, storage facilities, personnel facilities, shop facilities, and family housing, $3,705,000.

Mount Washington Climatic Projects Laboratory, Mount Washington, N. H.: Research and development facilities, $588,000.

Patrick Air Force Base, Cocoa, Fla.: Airfield pavements, aircraft maintenance facilities, utilities, land acquisition, research and development facilities, and shop facilities, $7,600,000.

Various locations: Research, development, and operational facilities, $20 million.

Strategic Air Command

Abilene Air Force Base, Abilene, Tex.: Airfield pavements, fuel-dispensing facilities, training facilities, troop housing, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, and administrative and community facilities, $4,214,000.

Altus Air Force Base, Altus, Okla.: Fuel dispensing facilities, airfield lighting facilities, operational facilities, training facilities, utilities, storage facilities, personnel facilities, administrative facilities, and family housing, $2,920,000.

Barksdale Air Force Base, Shreveport, La.: Airfield pavements, fuel-dispensing facilities, communications and airfield lighting facilities, training facilities, medical facilities, storage facilities, and personnel facilities, $7,379,000.

Bergstrom Air Force Base, Austin, Tex.: Airfield pavements, operational facilities, utilities, land acquisition, personnel facilities, administrative facilities, and shop facilities, $1,770,000.

Biggs Air Force Base, El Paso, Tex.: Fuel dispensing facilities, operational facilities, troop housing, storage facilities, and personnel facilities, $2,427,000.

Campbell Air Force Base, Hopkinsville, Ky.: Airfield pavements, communications, troop housing and messing facilities, utilities, land acquisition, and shop facilities, $1,975,000.

Carswell Air Force Base, Fort Worth, Tex.: Airfield lighting facilities, troop housing, utilities, medical facilities, and personnel facilities, $2,322,000.

Castle Air Force Base, Merced, Calif.: Airfield pavements, operational facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilities, and administrative facilities, $4,453,000.

Clinton-Sherman Air Force Base, Clinton, Okla.: Airfield pavements, fuel dispensing facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, shop facilities, and family housing, $10,208,500.

Columbus Air Force Base, Columbus, Miss.: Airfield pavements, fuel dispensing facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, administrative facilities, shop facilities, and family housing, $6,629,000.

Davis-Monthan Air Force Base, Tucson, Ariz.: Airfield pavements, training facilities, troop housing, medical facilities, storage facilities, and personnel facilities, $7,803,000.

Dow Air Force Base, Bangor, Maine: Airfield pavements, fuel dispensing facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing, rehabilitation, land acquisition, personnel facilities, community facilities, and shop facilities, $11,155,000.

Ellsworth Air Force Base, Rapid City, S. Dak.: Airfield pavements, aircraft maintenance facilities, troop housing, land acquisition, storage facilities, personnel facilities, and shop facilities, $11,168,000.

Fairchild Air Force Base, Spokane, Wash.: Airfield pavements, fuel-dispensing facilities, aircraft maintenance facilities, training facilities, land acquisition, storage facilities, and personnel facilities, $1,707,000.

Forbes Air Force Base, Topeka, Kans.: Airfield pavements, fuel-dispensing facilities, operational facilities, aircraft maintenance facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, and shop facilities, $4,753,000.

Gray Air Force Base, Killeen, Tex.: Troop housing, medical facilities, storage facilities, personnel facilities, and community facilities, $482,000.

Great Falls Air Force Base, Great Falls, Mont.: Airfield pavements, communications, operational facilities, aircraft maintenance facilities, training facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $5,435,000.

Homestead Air Force Base, Homestead, Fla.: Airfield pavements, fuel-dispensing facilities, airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, medical facilities, storage facilities, personnel facilities, and family housing, $4,428,000.

Hunter Air Force Base Savannah, Ga.: Airfield pavements, airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, medical facilities, and personnel facilities, $4,115,000.

Lake Charles Air Force Base, Lake Charles, La.: Airfield pavements, fuel-dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, training facilities, troop housing, utilities, and personnel facilities, $2,396,000.

Lincoln Air Force Base, Lincoln, Nebr.: Airfield pavements, fuel-dispensing facilities, aircraft maintenance facilities, training facilities, land acquisition, medical facilities, storage facilities, personnel facilities, and administrative facilities, $6,595,000.

Little Rock Air Force Base, Little Rock, Ark.: Airfield pavements, fuel dispensing facilities, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, medical facilities,

storage facilities, personnel facilities, administrative and community facilities, and family housing, $5,317,000.

Lockbourne Air Force Base, Columbus, Ohio: Airfield pavements, operational facilities, aircraft maintenance facilities, training facilities, troop housing, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, and shop facilities, $8,571,000.

Loring Air Force Base, Limestone, Maine: Fuel dispensing facilities, aircraft maintenance facilities, troop housing, utilities, land acquisition, personnel facilities, administrative and community facilities, and shop facilities, $2,930,000.

MacDill Air Force Base, Tampa, Fla.: Airfield pavements, airfield lighting facilities, aircraft maintenance facilities, troop housing, land acquisition, and personnel facilities, $5,251,000.

March Air Force Base, Riverside, Calif.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, troop housing, land acquisition, and personnel facilities, $3,741,000.

Mountain Home Air Force Base, Mountain Home, Idaho: Airfield pavements, operational facilities, aircraft maintenance facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, community facilities, and family housing, $5,961,000.

Offutt Air Force Base, Omaha, Nebr.: Utilities, and land acquisition, $128,000.

Pinecastle Air Force Base, Orlando, Fla.: Airfield pavements, communications and airfield lighting facilities, operational facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilties, personnel facilities, and community facilities, $4,118,000.

Plattsburg Air Force Base, Plattsburg, N. Y.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and family housing, $21,988,000.

Portsmouth Air Force Base, Portsmouth, N. H.: Airfield pavements, fuel dispensing facilities, aircraft maintenance facilities, training facilities, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and family housing, $24,850,000.

Sedalia Air Force Base, Knobnoster, Mo.: Airfield pavements, airfield lighting facilities, aircraft maintenance facilities, utilities, land acquisition, storage facilities, personnel facilities, community facilities, shop facilities, and family housing, $9,646,000.

Smoky Hill Air Force Base, Salina, Kans.: Airfield pavements, operational facilities, aircraft maintenance facilities, troop housing, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative facilities, shop facilities, and family housing, $8,773,500.

Travis Air Force Base, Fairfield, Calif.: Airfield pavements, fuel dispensing facilities, troop housing, utilities, land acquisition, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $2,125,000.

Turner Air Force Base, Albany, Ga.: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, operational facilities, aircraft maintenance facilities, troop housing, utilities, and land acquisition, $3,744,000.

Walker Air Force Base, Roswell, N. Mex.: Airfield pavements, troop housing, utilities, land acquisition, medical facilities, storage facilities, and personnel facilities, $5,259,000.

Westover Air Force Base, Chicopee Falls, Mass.: Airfield pavements, fuel dispensing facilities, communications and navigational aids, aircraft maintenance facilities, training facilities, troop housing, land acquisition, storage facilities, personnel facilities, and community facilities, $7,716,000.

Tactical Air Command

Alexandria Air Force Base, Alexandria, La.: Airfield pavements, fuel dispensing facilities, operational facilities, aircraft maintenance facilities, training facilities, utilities, and personnel facilities, $2,684,000.

Ardmore Air Force Base, Ardmore, Okla.: Airfield pavements, fuel dispensing facilities, operational facilities, aircraft maintenance facilities, personnel facilities, and family housing, $6,800,000.

Blytheville Air Force Base, Blytheville, Ark.: Airfield lighting facilities, training facilities, utilities, storage facilities, and community facilities, $208,000.

Bunker Hill Air Force Base, Peru, Ind.: Airfield lighting facilities, operational facilities, training facilities, and administrative facilities, $559,000.

Clovis Air Force Base, Clovis, N. Mex.: Training facilities, and family housing, $2,570,500.

Donaldson Air Force Base, Greenville, S. C.: Airfield pavements, aircraft maintenance facilities, troop housing and messing facilities, and medical facilities, $2,403,000.

Foster Air Force Base, Victoria, Tex.: Airfield pavements, training facilities, troop housing, and family housing, $4,624,000.

George Air Force Base, Victorville, Calif.: Airfield pavements, navigational aids and airfield lighting facilities, training facilities, troop housing and messing facilities, land acquisition, and storage facilities, $1,596,000.

Langley Air Force Base, Hampton, Va.: Airfield pavements, training facilities, utilities, storage facilities, personnel facilities, and administrative facilities, $3,384,000.

Larson Air Force Base, Moses Lake, Wash.: Airfield pavements, utilities, medical facilities, and personnel facilities, $3,574,000.

Myrtle Beach Municipal Airport, Myrtle Beach, S. C.: Airfield pavements, fuel dispensing facilities, communications and navigational aids, aircraft maintenance facilities, training facilities, messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $6,303,000.

Pope Air Force Base, Fort Bragg, N. C.: Airfield pavements, communications and navigational aids, troop housing and messing facilities, land acquisition, medical facilities, and storage facilities, $2,548,000.

Stewart Air Force Base, Smyrna, Tenn.: Airfield pavements, communications and navigational aids, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, land acquisition, personnel facilities, and administrative facilities, $3,589,000.

Seymour Johnson Air Force Base, Goldsboro, N. C.: Airfield pavements, fuel dispensing facilities, communications and navigational aids, operational facilities, aircraft maintenance facilities, training facilities, troop housing utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $7,429,000.

Shaw Air Force Base, Sumter, S. C.: Airfield pavements, operational facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, storage facilities, personnel facilities, and family housing, $7,035,000.

Special facilities

Various locations: Operational facilities, and utilities, $387,000.

Aircraft control and warning system

Various locations: Fuel dispensing facilities, communications and navigational aids, operational facilities, training facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $100,382,000.

OUTSIDE CONTINENTAL UNITED STATES

Alaskan Air Command

Eielson Air Force Base: Medical facilities, storage facilities, and community facilities, $1,307,000.

Elmendorf Air Force Base: Airfield pavements, fuel dispensing facilities, airfield lighting facilities, aircraft maintenance facilities, troop housing and messing facilities, utilities, land acquisition, medical facilities, storage facilities, personnel facilities, and shop facilities, $23,275,000.

Galena Airfield: Airfield lighting facilities, and storage facilities, $518,000.

Kenai Airfield: Airfield pavements, $356,000.

Ladd Air Force Base: Training facilities, land acquisition, and storage facilities, $1,510,000.

Naknek Airfield: Airfield pavements, airfield lighting facilities, operational facilities, utilities, and storage facilities, $1,863,000.

Caribbean Air Command

Albrook Air Force Base, Canal Zone: Communication facilities, $163,000.

Far East Air Forces

Various locations: Airfield pavements, fuel dispensing facilities, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, utilities, storage facilities, personnel facilities, and community facilities, $42,017,000.

Military Air Transport Service

Hickam Air Force Base, Honolulu, Hawaii: Airfield pavements, airfield lighting facilities, land acquisition, storage facilities, and harbor facilities, $4,978,000.

Johnston Island Air Force Base: Johnston Island: Communication facilities, $182,000.

Midway Island: Airfield pavements, fuel dispensing facilities, and airfield lighting facilities, $303,000.

Wake Island: Airfield pavements, fuel dispensing facilities, and navigational aids, $2,991,000.

Various locations: Airfield pavements, fuel dispensing facilities, navigational aids and airfield lighting facilities, aircraft maintenance facilities, troop housing, utilities, personnel facilities, and family housing, $11,393,000.

Northeast Air Command

Various locations: Airfield pavements, fuel dispensing facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing, utilities, storage facilities, and shop facilities, $23,601,000.

Strategic Air Command

Ramey Air Force Base, Puerto Rico: Fuel dispensing facilities, operational facilities, utilities, storage facilities, personnel facilities, and harbor facilities, $2,149,000.

United States Air Forces in Europe

Various locations: Airfield pavements, fuel dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, aircraft maintenance facilities, training facilities, troop housing and messing facilities, utilities, medical facilities, storage facilities, personnel facilities, administrative and community facilities, and shop facilities, $234,996,000.

Area control navigational aids

Various locations: Communications and navigational aids, $526,000.

Special facilities

Various locations: Operational facilities, and utilities, $293,000.

Aircraft control and warning system

Various locations: Airfield pavements, fuel dispensing facilities, communications, navigational aids and airfield lighting facilities, operational facilities, troop housing and

messing facilities, utilities, medical facilities, storage facilities, personnel facilities, administrative and community facilities, shop facilities, aircraft maintenance facilities, harbor facilities, and land acquisition, $98,552,000.

SEC. 302. The Secretary of the Air Force is authorized through the construction, rehabilitation, or installation of permanent or temporary public works, including site preparation, appurtenances, and related utilities and equipment, to restore or replace facilities damaged or destroyed in a total amount of $5 million.

SEC. 303. Public Law 534, Eighty-third Congress, is hereby amended as follows:

(a) With respect to Carswell Air Force Base, Fort Worth, Tex., under the heading "Continental United States" and subheading "Strategic Air Command" in section 301 strike "$2,248,000" and insert in lieu thereof "$2,750,000."

(b) With respect to Matagorda Island Air Force Range, Tex., under the heading "Continental United States" and subheading "Strategic Air Command" in section 301 strike "$607,000" and insert in lieu thereof "$847,000."

(c) With respect to Bismarck-Minot area, North Dakota, under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "Bismarck-Minot area, North Dakota" and "$6,494,000" and insert in lieu thereof "Minot Site, North Dakota" and "$12,124,000", respectively.

(d) With respect to Fargo area, North Dakota, under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "Fargo area, North Dakota" and "$7,055,000" and insert in lieu thereof "Grand Forks Site, North Dakota" and "$10,903,000"; respectively.

(e) With respect to Glasgow-Miles City area, Mont., under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "Glasgow-Miles City, area, Montana" and "$8,391,000" and insert in lieu thereof "Glasgow Site, Montana" and "$10,660,000", respectively.

(f) With respect to K. I. Sawyer Airport, Marquette, Mich., under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "$8,556,000" and insert in lieu thereof "$9,949,000".

(g) With respect to Traverse City area, Michigan, under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "$8,635,000" and insert in lieu thereof "$10,267,000."

(h) With respect to Ellington Air Force Base, Houston, Tex., under the heading "Continental United States" and subheading "Air Training Command" in section 301 strike "$1,073,000" and insert in lieu thereof "$2,478,000."

(i) With respect to Webb Air Force Base, Big Springs, Tex., under the heading "Continental United States" and subheading "Air Training Command" in section 301 strike "$100,000" and insert in lieu thereof "$135,000."

(j) With respect to Norton Air Force Base, San Bernardino, Calif., under the heading "Continental United States" and subheading "Air Materiel Command" in section 301 strike "$4,303,000" and "$2,183,000" and insert in lieu thereof "$4,735,000" and "$2,615,000", respectively.

(k) With respect to Wright-Patterson Air Force Base, Dayton, Ohio, under the heading "Continental United States" and subheading "Air Materiel Command" in section 301 strike "$5,847,000" and insert in lieu thereof "$6,849,000."

(l) With respect to Atlantic City Consolan Station, Atlantic City. N. J., under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "$72,000" and insert in lieu thereof "$285,000."

(m) With respect to Nantucket Consolan Station, Nantucket, Mass., under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "$107,000" and insert in lieu thereof "$224,000."

(n) With respect to Pescadero Consolan Station, Pescadero, Calif., under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "$107,000" and insert in lieu thereof "$224,000."

(o) With respect to Point Conception Consolan Station, Point Conception, Calif., under the heading "Continental United States" and subheading "Air Defense Command" in section 301 strike "$72,000" and insert in lieu thereof "$232,000."

(p) In clause (3) of section 502 thereof delete the amounts "$389,125,000" and "$398,954,000" and insert in lieu thereof the amounts "$405,176,000" and "$415,005,000," respectively.

SEC. 304. Classified location: The authority granted by section 302, of the act of July 14, 1952, may be utilized to the extent of $8,127,400 for the direct construction of family housing.

TITLE IV

SEC. 401. The Secretary of Defense, acting through the Secretary of a military department, is authorized to provide family housing for the Chairman of the Joint Chiefs of Staff and certain commissioned officers and enlisted personnel attached to his staff by the construction or rehabilitation of 5 units of family housing, and protected communication facilities, including site preparation, appurtenances, utilities, equipment, administration, overhead, planning, and supervision.

SEC. 402. Appropriations available to the military departments are hereby made available for the purposes of this title in an amount not to exceed $300,000.

TITLE V

SEC. 501. The Director of Central Intelligence is authorized to provide for a headquarters installation for the Central Intelligence Agency by the acquisition of land at a cost of not to exceed $6 million, and construction of buildings, facilities, appurtenances, utilities, and access roads at a cost of not to exceed $50 million.

TITLE VI

GENERAL PROVISIONS

SEC. 601. The Secretaries of the Army, Navy, and Air Force are respectively authorized to proceed with the establishment or development of military and naval installations and facilities as authorized by titles I, II, III, and IV of this act, and the Director of Central Intelligence is authorized to proceed with the establishment of a Central Intelligence Agency Headquarters Installation as authorized by title V of this act, without regard to the provisions of sections 1136, 3648, and 3734, as respectively amended, of the Revised Statutes, and prior to approval of title to underlying land, as provided by section 355, as amended, of the Revised Statutes. The authority under this act of the Secretary of a military department to provide family housing includes authority to acquire such land as the Secretary concerned determines, with the approval of the Secretary of Defense, to be necessary in connection therewith. The authority to establish or develop such installations and facilities shall include, in respect of those installations and facilities as to which family housing or the acquisition of land is specified in titles I, II, III, IV, and V of this act, authority to make surveys and to acquire lands and rights and interests thereto or therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise, and to place permanent or temporary improvements thereon whether such lands are held in fee or under lease or under other temporary tenure.

SEC. 602. There are hereby authorized to be appropriated such sums of money as may be necessary to accomplish the purposes of this act, but not to exceed—

(1) for public works authorized by title I: Inside continental United States, $238,778,000; outside continental United States, $78,334,000; section 102, $223,993,000; section 103, $10 million; or a total of $551,105,000;

(2) for public works authorized by title II: Inside continental United States, $331,607,200; outside continental United States, $107,191,300; section 202, $151,342,400; section 203, $6 million; or a total of $596,140,900;

(3) for public works authorized by title III: Inside continental United States, $709,480,000; outside continental United States, $450,973,000; section 302, $5 million; or a total of $1,165,453,000; and

(4) for public works authorized by title IV: $300,000.

(5) for public works authorized by title V: $56 million.

SEC. 603. Any of the approximate costs enumerated in titles I, II, and III of this act may, in the discretion of the Secretary concerned, be varied upward by 5 percent in the case of projects within the continental United States, and 10 percent in the case of projects outside the continental United States, but the total cost of all projects so enumerated under each of such titles shall not exceed the total of all amounts specified in respect of projects in such title.

SEC. 604. Appropriations made to carry out the purposes of this act shall be available for expenses incident to construction, including surveys, administration, overhead, planning, and supervision.

SEC. 605. Whenever—

(a) the President determines that compliance with the requirements of Public Law 245, 82d Congress, in the case of contracts made pursuant to this act with respect to the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of the provisions of this act; and

(b) the Secretary of Defense and the Comptroller General have agreed upon alternative methods for conducting an adequate audit of such contracts, the President is authorized to exempt such contracts from the requirements of Public Law 245, 82d Congress.

SEC. 606. All contracts entered into by the United States pursuant to the authorization contained in this act shall be awarded, so far as practicable, if the interest of the national security shall not be impaired thereby and if such award is consistent with the provision of the Armed Services Procurement Act of 1947, on a competitive basis to the lowest responsible bidder.

SEC. 607. Section 407 of the Public Law 765, 83d Congress, is amended to read as follows:

"SEC. 407. The Secretary of Defense is authorized, subject to the approval of the Director of the Bureau of the Budget, to construct, or acquire by lease of otherwise, family housing, in addition to family housing otherwise authorized to be constructed or acquired by the Department of Defense in foreign countries, by the expenditure of the $100 million through the use of foreign currencies in accordance with the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.) or through other commodity transactions of the Commodity Credit Corporation.

"The Department of Defense shall reimburse the Commodity Credit Corporation for such family housing in a dollar amount equivalent to the value to the foreign currencies used pursuant to the authority contained in this section. For the purpose of such reimbursement, the Department of Defense may utilize appropriations otherwise available for the construction of military public works.

"The Secretary of Defense shall furnish to the Committees on Armed Services of the Senate and the House of Representatives quarterly reports, the first of which shall be submitted 3 months subsequent to the date of enactment of this act, setting forth the cost, number, and location of housing units constructed or acquired pursuant to the authority contained in this section during the 3-month period preceding the date of such report, and setting forth the cost, number, and location of the housing units intended to be constructed or acquired pursuant to such authority during the next succeeding quarter."

SEC. 608. All housing units constructed under the authority of this act shall be subject to the net floor area permanent limitations prescribed in the second, third, and fourth provisos of section 3 of the act of June 12, 1948 (62 Stat. 375), or in section 3 of the act of June 16, 1948 (62 Stat. 459), other than the first, second, and third provisos thereof: *Provided*, That such limitations shall not apply to the unit of family housing authorized by title IV of this act for the use of the Chairman of the Joint Chiefs of Staff, nor shall the limitations on the cost of family housing that are prescribed by section 608 of the Department of Defense Appropriation Act, 1956 (H. R. 6042) apply with respect to such units of family housing.

SEC. 609. When housing units are constructed under the authority of this act at installations at which housing units shall have been constructed and a mortgage thereon insured by the Federal Housing Commissioner pursuant to title VIII of the National Housing Act, as amended, the Secretaries of the Army, Navy, and Air Force, respectively, may, upon application by the mortgagor, accept on behalf of the Government the mortgagor's title to or leasehold interest in the housing units and underlying land, subject to the outstanding mortgage thereon, and assume the payments thereafter becoming due under any such outstanding mortgage and the cost of maintenance and operation thereafter accruing with respect to such housing units. Such housing units shall thereafter be under the jurisdiction of the military department concerned. The Secretary of the military department concerned may utilize appropriations otherwise available for construction of military public works for the liquidation of any outstanding mortgage assumed by the Government.

SEC. 610. As of July 1, 1956, all authorizations for military public works projects to be accomplished by the Secretary of a military department in connection with the establishment or development of military, naval, or Air Force installations and facilities, and all authorizations for appropriations therefor, that are contained in acts approved prior to October 1, 1951, and not superseded or otherwise modified by a later authorization are repealed, except (1) authorizations for public works and for appropriations therefor that are set forth in such acts in the titles that contain the general provisions, (2) authorizations for military public works projects as to which appropriated funds shall have been obligated in whole or in part prior to July 1, 1956, and authorizations for appropriations therefor, and (3) the authorizations with respect to military public works and the appropriation of funds that are contained in the National Defense Facilities Act of 1950 (64 Stat. 829).

SEC. 611. Section 504 of Public Law 155, 82d Congress, is amended to read as follows:

"SEC. 504. There are hereby authorized to be appropriated, without fiscal year limitation, funds for advance planning, construction design, and architectural services in connection with public work projects which are not otherwise authorized by law."

Mr. VINSON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment, and that the bill be printed in the RECORD in its entirety at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much interested in the statistics which have recently been published by the Pentagon concerning contract awards to the 100 largest prime contractors. You will remember than on January 11, 1954, the Department of Defense issued a report, cumulative in nature, showing data on contracts made during the period July 1950 through June 1953.

The report showed that a total of $98,723,000,000 had been awarded in prime contracts during the period. It showed that 64 percent or $63,165,000,000 had been awarded to 100 companies and corporate groups.

It showed that the General Motors Corp., through 32 of its divisions, had contracts amounting to $7,095,800,000, or 7.2 percent of the $98.7 billion total.

The next nine, in order of rank, were:

Company	Millions of dollars	Percent of total
Boeing Airplane Co	$4,402.9	4.4
General Electric Co	3,459.2	3.6
Douglas Aircraft Co., Inc	2,867.8	2.9
United Aircraft Corp	2,816.4	2.8
Chrysler Corp	2,199.9	2.2
Lockheed Aircraft Corp	2,152.1	2.2
Consolidated Vultee Aircraft	2,072.1	2.1
North American Aviation, Inc	1,931.6	2.0
Republic Aviation Corp	1,877.7	1.9

Significantly, this report carried a blocked-in space which reads:

This is the final issue in this series of reports, which has covered 3 fiscal years of expanded procurement activity following the start of the Korean conflict. The report is being discontinued for economy reasons.

During the remainder of 1954, despite many requests for current information on the large prime contractors, the Pentagon failed to make this information available to the public.

On May 16, 1955, the Office of the Assistant Secretary of Defense—Supply and Logistics—issued an "Analysis of large military prime contractors in the period from July 1, 1953 to December 31, 1954." The transmittal letter explained that this report is for the 18-month period only and is not cumulative as the former reports had been. About $16 billion in contracts had been awarded and the 10 largest contractors with their percentages of the total, $16 billion, follow:

Company	Millions of dollars	Percent of total
United Aircraft Corp	$1,061.4	6.5
Douglas Aircraft Co., Inc	1,041.8	6.4
North American Aviation, Inc	910.2	5.6
Boeing Airplane Co	764.9	4.7
Lockheed Aircraft Corp	740.8	4.5
General Dynamics Corp	597.9	3.7
Grumman Aircraft Engineering	377.1	2.3
Curtiss-Wright Corp	340.1	2.1
Republic Aviation Corp	329.5	2.0
Hughes Tool Co	313.3	1.9

Now, I do not know why the format of the report was changed. General Motors, for example, lost its preeminence and was dropped from the No. 1 ranking on the January 11, 1954 report to almost obscurity on the May 16, 1955 report. Actually, I would think that the former chairman of the General Motors Corp. would have been hurt at this drop in rank and prestige with his well-known economic-political philosophy on "what is good for what." When I read that report my heart really went out in sympathy for General Motors. I could not understand why Charles Wilson as Secretary Wilson should discriminate against this company. But as we view the real statistics the picture is different. So that the statistics might be consistent, I have added the last report to the former and have again made the rankings on a cumulative basis. For the period from July 1, 1950 through December 31, 1954, the total awards were $115,060,200,000. The order of ranking of the 10 largest is as follows:

Company	Cumulative total	
	Millions of dollars	Percent
General Motors Corp	7,036.9	6.8
Boeing Airplane Co	5,167.8	4.49
Douglas Aircraft Co., Inc	3,909.6	3.4
United Aircraft Corp	3,877.8	3.3
General Electric Co	3,672.5	3.19
Lockheed Aircraft Corp	2,892.9	2.5
North American Aviation, Inc	2,841.8	2.4
Curtiss-Wright Corp	2,086.3	1.8
American Telephone & Telegraph Co	1,755.3	1.5
Ford Motor Co	1,663.2	1.4

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. BASS of Tennessee. It is my understanding, and it was brought out in general debate during the $31½ billion appropriation bill for the Department of Defense, that 85 percent of these contracts are let by negotiation and not by competitive bids; is that right?

Mr. McCORMACK. That is my understanding.

Mr. MASON. Mr. Chairman, I move to strike out the last two words. I do this simply to ask the majority leader—so what? General Motors today has more than 10 percent of all the machinery of these industries producing war goods. If we want to get our war goods produced and produced on time, shall we ignore the largest, most efficient industrial producing company in the world and say, "Because you are so large we

cannot give you anything at all; we will go out and organize new companies to produce these goods with consequent delay, and so forth?"

In my opinion that is all nonsense. I am sure you will find that the contracts let for war production will be let in proportion to the size of these industries that will be named. This one, being the largest, we will say will have 7 percent; this one, being the next largest, we will say will have 5 percent; and so on down the line.

What is wrong with that? That is the reason this administration has men who know how to get things done when we need them done.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield to the gentleman.

Mr. DAVIS of Wisconsin. First of all, I want to raise the question as to the appropriateness of the remarks made by the gentleman from Massachusetts [Mr. McCORMACK] during this military construction bill. I am sure those companies he mentioned are not involved, and are not going to be involved in the construction that this bill contemplates. Secondly, I want to correct the statement of the gentleman from Tennessee [Mr. BASS] which statement he has made on this floor a number of times and compounded his error by the repetition, that 85 percent of the defense contracts are let on a basis of negotiation.

One particular phase of the aircraft program was mentioned on this floor as being done upon that basis. If the gentleman from Tennessee wants to take the responsibility of opening up the many complicated phases of aircraft research and development and materiel development in the field of aircraft procurement to anyone who desires to bid, whether they be foreign, whether they be American, whether they be responsible or otherwise, that will be his responsibility.

I have not heard anything on the floor to indicate that he is so much interested in competitive free enterprise in this country to be sure he would want to do that. In fact, some of the things he had to say in connection with the appropriation bill affecting the Tennessee Valley Authority and the contracts relating to it here a couple of weeks ago led me to question seriously whether he really is interested in free competitive enterprise in this country.

Mr. MASON. I thank the gentleman for his remarks, and I end up by saying, So what?

Mr. BASS of Tennessee. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I had no intention of drawing this into a personal debate. However, since the gentleman has seen fit to question my authority and my motives regarding certain statements I have made on the floor I feel that I should rise to defend myself.

It always seems to be a point of personal defense against any subject being discussed to attack anyone who seems to be interested in TVA. I am proud to be recognized among the TVA adherents. I would like to invite the gentleman from Wisconsin to come down and inspect that great development sometime, and perhaps he would learn a few things that he does not know about this great country of ours.

As far as the 85-percent figure is concerned that I gave on the floor here under direct questioning of the gentleman from Texas [Mr. MAHON], the chairman of the Subcommittee on Defense Appropriations, he made the statement that 85 percent of the money spent under that bill for material procurement was through negotiation. As far as competitive bidding is concerned to the aircraft companies, and so forth relating to security I picked up a newspaper the other day and saw where the Russians already had all of the engineering plans and the scale drawing of an airplane that was classified as absolutely secret by our Defense Department, and they had had it for some 4 months and it had been published in a newspaper in Russia.

I believe we have but a very small percentage of our defense appropriation spent on secret materiel. Under those conditions, I believe it should be negotiated. I agree with the majority leader. I do not know particularly that General Motors should be awarded 7 percent of our defense contracts simply because, as I have heard said, they have a negotiator on each side of the table. At any rate, I firmly believe we could save at least 10 to 15 percent of the money we spend on defense every year if our contracts were awarded on a competitive basis.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BASS of Tennessee. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It amuses me to see how sensitive some Members are when you mention the name of General Motors, when you simply state the facts to show that they still are the largest prime contractor on defense contracts by far, by at least 33⅓ percent above the next company.

Mr. BASS of Tennessee. Dealing in the same type of enterprise.

Mr. McCORMACK. They ask, "So what?" What about the small independent businessmen of this country? What about them? How much are they being awarded? What consideration are they receiving as a result of these large contracts? How much are they cut down in their contracts?

What about the mergers going on, more mergers by 300 percent during any one of the last 3 years than took place in the largest year during the two decades prior to that? Those are some of the questions the gentleman from Illinois, my friend Mr. MASON, should also consider. So when we take the floor to tell the facts in cumulative form showing that General Motors has not been discriminated against, my good friend gets very sensitive; and the more he gets sensitive the better I like it.

Mr. BASS of Tennessee. We do not want General Motors to be discriminated against, certainly not, but at the same time we do not want other companies to be discriminated against.

Mr. DAVIS of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not at all sensitive about the remarks that have been made. I am sure the gentleman was not referring to me when he used those terms. But I do not like to see errors compounded on the floor of this House by people who are not acquainted with the facts. I am just as sure, as I am of the fact that I am standing here, and I happen to serve on the same subcommittee and heard the same information which the gentleman from Texas did, and the statement made by the gentleman from Texas was entirely correct about the 85 percent because it related to the aircraft procurement of the Department of Defense. Shortly thereafter, under circumstances that did not permit correction at that particular moment, the gentleman from Tennessee who just addressed the House referred to five-sixths of the entire $32½ billion appropriation in the Defense Department appropriation bill, something that was ridiculous on its face. There is too much in that amount which is not contracted for at all, which cannot be a matter of negotiation.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to the gentleman so that the gentleman can correct himself.

Mr. BASS of Tennessee. I referred to that part of it which is used for material and procurement.

Mr. DAVIS of Wisconsin. Then, if you had not made a statement about the five-sixths of $31½ billion, you would have been correct. I am glad to see that you are correcting the impression that you created in the statement made on the floor of the House in relation to it.

Mr. BASS of Tennessee. If the gentleman will permit me to say, of course, we realize that part of the $31½ billion is for salaries of personnel and many other things. I am talking about that part of the $31½ billion which is spent for material and procurement.

Mr. DAVIS of Wisconsin. I am glad to give the gentleman an opportunity to correct himself.

Mr. Chairman, I yield back the balance of my time.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 34, line 18, strike out the colon and insert in lieu thereof a comma and the following: "Air base to be known as 'Richard Bong Air Force Base'."

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. VINSON. Mr. Chairman, we have accepted that amendment, and I would suggest to the distinguished gentleman from Wisconsin that at this point he insert a statement in regard to the outstanding achievements of this great aviator.

Mr. SMITH of Wisconsin. I thank the gentleman.

Mr. Chairman, it is a real privilege and an honor for me to suggest that the Greater Milwaukee area air base proposed for Kansasville, Wis., which is in

my congressional district, should be designated as the Richard Bong Air Force Base in honor of this Wisconsin boy who was an ace of aces in World War II. He achieved the greatest combat record for destroying enemy air planes during the war in the Pacific of any other American.

It is fitting and proper, therefore, that I propose an amendment to H. R. 6829, which would authorize the establishment of this base, and which when completed will bear the name of this outstanding Wisconsin hero.

I am indebted to the distinguished Chairman of the House Armed Services Committee, Mr. VINSON, for his approval of my amendment and to the distinguished minority leader on the Republican side [Mr. SHORT] for a similar courtesy which he has extended.

Mr. Chairman, under leave to extend my remarks I am setting down for posterity a statement of the military service of Richard Ira Bong, who was born on the 24th day of September 1920, at Superior, Wis., and whose mother and father still reside at Poplar, Wis.

Aviation cadet, May 29, 1941; second lieutenant, AC, Reserve, January 9, 1942; first lieutenant, Army of the United States, AC, April 6, 1943; first lieutenant, Army of the United States, August 9, 1943; captain, Army of the United States, AC, August 24, 1943; captain, Army of the United States, February 24, 1944; major, Army of the United States, AC, April 12 1944; major, Army of the United States, August 1, 1944; first lieutenant, AC, Reserve, January 9, 1945.

Rating: Pilot.

SERVICE

Richard Ira Bong enlisted in the Regular Army at Wausau, Wis., on May 29, 1941, in the grade of flying cadet. He was assigned service number 16022192 and transferred to Tulare, Calif., where he completed his primary pilot training on August 16, 1941. From August 19, 1941, until October 31, 1941, he was assigned to Gardner Field, Calif., receiving his basic pilot training. He received his advance pilot training at Luke Field, Ariz., from November 4, 1941, to January 9, 1942, on which date he was commissioned a second lieutenant in the Air Corps Reserves, and rated pilot.

After receiving his commission he was immediately called to extended active duty with the Air Corps and given an assignment as flying instructor at Luke Field, Ariz. On May 2, 1942, he was transferred to Hamilton Field, Calif., for combat training in P–38 type aircraft. Successfully completing this transition training early in September 1942 he was alerted for foreign service and departed the United States via air for duty in the Pacific area. Upon arrival in Australia he was assigned to the 9th Fighter Squadron, 49th Fighter Group, as combat fighter pilot. On November 14, 1942, he was reassigned to the 39th Fighter Squadron, 35th Fighter Group and destroyed 5 enemy aircraft before being returned to the 9th Fighter Squadron on January 11, 1943. He continued as fighter pilot with this organization flying P–38 type aircraft until November 11, 1943, when he was given 60 days leave and reassigned to Headquarters, 5th Fighter Command in New Guinea as Assistant A–3 in charge of replacement airplanes. While holding this assignment Major Bong continued flying combat missions and increased his individual total enemy aircraft destroyed to 28.

In April 1944, he was returned to the United States and assigned to the Matagorda Peninsula Bombing Range, Foster Field, Tex., for the purpose of receiving and checking on the latest gunnery methods and instructions. In September 1944, Major Bong returned to his assignment with the 5th Fighter Command in the Pacific Area and was placed in charge of gunnery training with that organization. In addition to his duties as gunnery instructor, though not required or expected to perform combat duty, he voluntarily flew 30 more combat missions over Borneo and the Philippine Islands, destroying 12 more enemy aircraft, bringing his total to 40 enemy aircraft destroyed. For his achievements during this second tour of overseas duty, Major Bong was awarded the Nation's highest decoration, the Medal of Honor. After completing over 200 combat missions for a total of over 500 combat hours, he was released from his assignment with the 5th Fighter Command in December 1944 and returned to the United States.

Upon his return to the United States, Major Bong was assigned as test pilot with the 4020th Army Air Force Base Unit at Wright Field, Ohio, making functional tests and ferrying missions in single and twin engine fighter-type aircraft. On June 23, 1945, he was transferred to Burbank, Calif., and given an assignment as Chief of Flight Operations, Office of the Army Air Force Plant Representative, in the Lockheed Aircraft Plant. Since this company was engaged in the development and manufacture of the new P–80 jet-type aircraft, Major Bong received a full training course prescribed for this type airplane at Muroc Lake Flight Test Base, Calif.

Major Bong was killed on August 6, 1945, when the P–80 aircraft he was flying crashed near Burbank, Calif., due to power failure, reasons unknown.

He is survived by his wife, Mrs. Marjorie Ann Bong, whose last known address is 5640 Franklin Avenue, Hollywood, Calif. He is also survived by his parents, Mr. and Mrs. Carl T. Bong, Poplar, Wis.

AWARDS

Medal of Honor, War Department General Orders 90, December 8, 1944.

Distinguished Service Cross, General Orders 62, Headquarters, USAFFE, October 20, 1943.

Silver Star with one Oak Leaf Cluster: Silver Star, General Orders 2, Headquarters, 5th Fighter Command, January 24, 1943; first Oak Leaf Cluster, General Orders 287, Headquarters 5th Air Force, November 19, 1943.

Distinguished Flying Cross with six Oak Leaf Clusters: Distinguished Flying Cross, General Orders 110, Headquarters, 5th Air Force, June 14, 1943; first Oak Leaf Cluster, General Orders 135, Headquarters, 5th Air Force, June 28, 1943; second Oak Leaf Cluster, General Orders 104, Headquarters, 5th Air Force, February 22, 1944; third Oak Leaf Cluster, General Orders 116, Headquarters, 5th Air Force, March 1, 1944; fourth Oak Leaf Cluster, General Orders 139, Headquarters, 5th Air Force, March 15, 1944; fifth and sixth Oak Leaf Cluster, General Orders 345, Headquarters, FEAF, December 28, 1944.

Air Medal with 14 Oak Leaf Clusters: Air Medal, General Orders 22, Headquarters, 5th Air Force, April 23, 1943; 1st Oak Leaf Cluster, General Orders 186, Headquarters, 5th Air Force, August 26, 1943; 2d through 9th Oak Leaf Cluster, General Orders 287, Headquarters, 5th Air Force, November 19, 1943; 10th Oak Leaf Cluster, General Orders 117, Headquarters, 5th Air Force, March 2, 1944; 11th Oak Leaf Cluster, General Orders 131, Headquarters, 5th Air Force, March 11, 1944; 12th Oak Leaf Cluster, General Orders 262, Headquarters, 5th Air Force, April 28, 1944; 13th Oak Leaf Cluster and 14th Oak Leaf Cluster, General Orders 345, Headquarters, FEAF, December 28, 1944.

Australian Distinguished Flying Cross.

American Defense Service Medal.

World War II Victory Medal.

American Campaign Medal.

Asiatic-Pacific Campaign Medal with one Silver Service Star for participation in the Leyte, Luzon, New Guinea, northern Solomons, and Papua campaigns.

Distinguished Unit Citation Emblem with one Oak Leaf Cluster.

Philippine Liberation Ribbon with one Bronze Service Star.

Philippine Republic Presidential Unit Citation Emblem.

Philippine Independence Ribbon.

Aviation Badge "Pilot."

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. DAVIS of Wisconsin. Mr. Chairman, I simply want to add my own words of appreciation to the gentleman from Wisconsin, my colleague, in whose district this base is to be located for his amendment which would name this installation after this greatest of all Wisconsin military heroes in modern times. I want to express my appreciation to the chairman of the committee and the ranking minority member for their agreement on this highly appropriate amendment at this time.

Mr. SMITH of Wisconsin. I thank the gentleman.

Mr. DONDERO. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, the distinguished majority leader, my friend, the gentleman from Massachusetts [Mr. MCCORMACK], said something that rather touched me personally where it is tender, when he said that we on the Republican side get a little sensitive whenever the name of General Motors is mentioned.

It so happens that I have four or five General Motors factories in my district. My memory is not so short but what I remember well that during the last war Detroit, Mich., and that area was known as the arsenal of democracy. We made the things, the sinews of war, that were needed to defend ourselves and the freedom of this world. General Motors did its full share, a major share in that program of production, and the people of Michigan, whom I represent, were proud of that record.

The statement has been made which, in my judgment, brings into disrepute and gives the impression that there is something dishonest about the contracts which are made with General Motors.

The gentleman from Tennessee [Mr. BASS] said something about General Motors having negotiators on both sides of the table. It so happens that I know Mr. Charles E. Wilson, and I defy anybody on either side of the aisle to point to one dishonest, one unmanly thing that he has ever committed in public or private life. He is a man of integrity, highest character, great ability and is making a terrific sacrifice to serve our country. If we are to attract men and women of public spirit and ability we must treat them fairly. It so happens that General Motors has factories all over this country, and naturally the contracts are given to them. I am surprised that the number and percentage is as low as it is, when you consider that General Motors has factories which can do the job all over this country. And it must also be remembered that hundreds of small, independent companies contribute to the

work through subcontracts. What is wrong about that?

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I will let you explain to the House in your own time about having negotiators on both sides of the table.

Mr. BASS of Tennessee. I did not mention the name of the Defense Secretary. You are the one who mentioned his name; nor did I intend to attack his honesty or integrity to any degree.

Mr. DONDERO. But no one on this floor who knows anything about the fine man who is at the head of our Defense Department could possibly get any other impression except that you were pointing the finger of scorn and dishonesty at Mr. Wilson of the Defense Department. I hope the gentleman will clear that up.

Mr. BASS of Tennessee. I would also like to remind the gentleman there are several former General Motors' employees in the Department of Defense, so I am told.

Mr. DONDERO. That may be, but they do not control the making of contracts. I have never heard anything or seen anything in the public press that the contracts which General Motors gets from the Federal Government were unfairly obtained. I am amazed how low the percentage is, and what it means to the economy of this country. Let us keep this thing above the belt and be fair to a great company that has made its vast contribution to the welfare of our country, and especially in time of need, when we needed the materials of war to defend ourselves. War material contracts are generally urgent and must be made to secure prompt delivery. They must also be adequately contracted. Surely you would not spend the people's money inefficiently or improperly.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. CEDERBERG. I think the gentleman from Tennessee [Mr. BASS], ought to do some explaining. He says he did not mean the Secretary of Defense but some other employees of General Motors. I think we ought to get that clear, because if there are any employees of General Motors who are acting as negotiators for General Motors and not the United States Government, and there is collusion involved, we ought to know about it. If the gentleman has any information, he ought to name those people. I come from Michigan, and I am proud of General Motors. And I am proud of the employees who work for them.

Mr. BASS of Tennessee. If you will let me correct you, I said "former" employees of General Motors.

Mr. CEDERBERG. How are they on both sides of the table?

Mr. BASS of Tennessee. I do not have to explain that to the gentleman.

Mr. CEDERBERG. Well, you ought not to make statements if you cannot back them up.

Mr. DONDERO. Mr. Chairman, I hope the gentlemen who are involved in this controversy will answer in their own time.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DONDERO] has expired.

Mr. VINSON. Mr. Chairman, I ask for a vote on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. VINSON: Renumber section 609 as section 609 (a) and after the end thereof add the following new section 609 (b):

"(b) The Secretaries of the Army, Navy, and Air Force are respectively authorized to acquire by purchase housing units which are located near military installations, which are adequate and suitable for housing military personnel and their dependents, and as to which a mortgage is insured by the Federal Housing Commissioner pursuant to title VI or title IX of the National Housing Act, subject to the outstanding mortgage thereon, and to assume the payments thereafter becoming due on such mortgage. The Secretary of the military department concerned may utilize appropriations available for the construction of military public works for the liquidation of any outstanding mortgage assumed by the Government."

Mr. VINSON. Mr. Chairman, the purpose of this amendment is to lodge discretionary authority in the three Secretaries so that, if in their judgment the facts and circumstances warrant it, they may acquire houses that have been built under title VI and title IX of the FHA Act. It is not mandatory; it just gives the Secretary of Defense an opportunity to look over the field in the location where he needs housing and see what he may be able to buy instead of build.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. SEELY-BROWN. Does this language include the possibility of the Defense Department taking over Lanham Act houses that are being closed out?

Mr. VINSON. No; it does not permit that. This is a business proposition which permits the Secretary, where the facts and circumstances warrant it, to negotiate for the purchase of these FHA-insured houses that meet the requirements standards of the armed services. It is purely discretionary authority, that is all.

Mr. BROOKS of Louisiana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think this is an excellent amendment. I offered substantially this same amendment in the Committee on the Armed Services and there was considerable debate in reference to this and another amendment offered by one of my colleagues. In the end we did not vote on the amendment; but this, I think, is an excellent amendment, and it does permit the defense departments to utilize housing which might be available to the United States Government if it meets all of the requirements.

I think we ought to give the Defense Department this opportunity to take advantage of what is available to us, some of which might otherwise be handled at a direct loss to our taxpayers. I am therefore very much in favor of the amendment and see no objection to it. I hope the other Members agree with me in this respect.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. VINSON].

The amendment was agreed to.

Mr. VINSON. Mr. Chairman, there are no further amendments from the committee.

Mr. BRAY. Mr. Chairman, this military construction bill before us at this time is on the whole a good bill. The committee has worked long and arduous hours in going into detail on this measure.

I want to congratulate the chairman, the Honorable CARL VINSON, for the special effort that he has placed on this bill. I doubt if there is a person in the United States, in the service or out, that has a better understanding of the various military installations of our country than does the gentleman from Georgia.

This bill calls for a great deal of money, perhaps too much. We have in the past spent enormous sums of money on our various military installations, and at times in the past I fear this money has been spent in a haphazard manner—without the proper planning and end in view. This condition is excusable during a war. We are now attempting to work toward a definite goal, a goal that will provide proper installations for our armed services at home and abroad, and in a sufficient capacity for our permanent defense forces.

I hope and believe that now we have arrived at a construction program where we can see diminishing expenditures within a few years. Much of the money in this bill is for family and troop housing. Proper living quarters and conditions should go a long way toward making the armed services more attractive as a career and encourage reenlistments. We hope that the services can be so attractive that in the foreseeable future we can do away with the draft and depend upon purely voluntary Armed Forces.

Many people believe that we are spending too much money for the construction and improvement of our air, army and naval bases. If we are going to have peace which will last for many years, we are spending too much money, but if we are faced with war in the foreseeable future, and I am one who believes that we are not, then the money which we have spent on military construction is well worth while. It is something on which none of us want to gamble.

It is only human that we should make errors on this program, but on the whole I want to assure you that we are working toward a definite and foreseeable goal. I want to be fair with you, however, and state that there are items in this bill which I believe are unnecessary, items to which I and some other members of the committee are opposed. One special item which I want to mention is the authorization for Camp Carson, Colo. This camp has at the present time all the

facilities necessary to take care of all of the troops there. Yet the Army has now launched a program with plans to spend over $200 million on this post. The plan is to keep all of the present buildings on the post in a state of readiness and repair and, in addition, to ultimately spend over $200 million on new construction. This planned program, if finally carried out, will result in twice the number of buildings at Camp Carson than are necessary.

The principal excuse the Army gave for this great expansion and expenditure for Camp Carson is that it is used as a support base for Camp Hale, some 80 miles away in the mountains. Camp Hale is used for the winter training of Army units. There are but few permanent buildings there, and few are contemplated. Camp Hale could be supported from many other locations. It is not necessary to expend $200 million on a permanent fort to support a mountain camp that is only used a few months a year. In addition, there is a shortage of water at Colorado Springs, where Camp Carson is located. Also, the Air Force is constructing its new Air Academy in the same location. This will further tax the already low water supply. There are many reasons why a military camp the size of Camp Carson should not be located and expanded in the immediate vicinity of the Air Force Academy, reasons which are apparent to anyone acquainted with the situation.

The chairman of the committee, Hon. CARL VINSON, pointed out many objectionable features to expanding this camp. On page 3742 of the hearings he said of this authorization for Camp Carson:

> And we are going to spend $140 million to $175 million to build up an Air Academy. * * *
>
> We are building it. And here comes along Camp Carson, right in that neighborhood. And now you want to expand it. * * * So I don't think we should expand Carson one iota.

I have spoken in committee, as well as on the floor, against the authorizations for Camp Carson. However, I realize it is unfair to vote against this entire bill just because of improper items contained therein. This is merely an authorization bill, and I trust in the future this expansion of Camp Carson can be stopped either by the Department of Defense, the Army, or the Appropriations Committee.

Some of the members of the committee also unsuccessfully opposed the expansion of Fort Sill. In this bill Fort Sill is authorized to take approximately 30,000 acres from the Wichita Mountains wildlife and game refuge and neighboring communities. This wildlife refuge is one of the finest in the country and is visited by many thousands daily. The local communities were bitter against this annexation. Fort Sill already has 74,000 acres. I, for one, believe this expansion was unnecessary. However, the majority of the committee thought otherwise. It is only natural that there will be differences of opinion on a bill of this magnitude.

I want to point out again that while there are parts of this bill that I cannot agree with, on the whole the bill is good, and I believe it is planned and coordinated toward a sane and well-balanced defense.

Mr. BROWNSON. Mr. Chairman, I am voting "present" on the rollcall on H. R. 6829, authorizing construction for the military departments and the Central Intelligence Agency.

To me, this is the only sound position open because I have not been able to find in the extensive hearings and the report the facts I feel I need in order to pass on this $2.36 billion authorization for the purchase of more real estate by the Department of Defense, which already holds properties costing more than $24.8 billion with some of it being carried at ridiculously low acquisition costs. This holding comprises 61 percent of the acquired real property of the United States Government. In addition, the Department of Defense leases 190 locations including 1,983,686 acres for which it pays an annual rental of $19,697,000.

I cannot say that the armed services do not need every facility provided in the bill before us today—but, after reading the hearings, I do have some reasonable doubts. Neither can I say that the armed services do need these facilities and this land in every case.

In the brief of authorizations, under title I, the Army lists $223,993,000, or 40 percent, of its construction authorizations as "classified." The Navy, under title II, lists $151,342,400, or about 25 percent of its construction funds as "classified." I am pleased that the Air Force seems more detailed and forthright in its justifications throughout and does not hide behind the term "classified" for projects most of which are being built right here in the United States, where all our citizens can observe daily the steam shovels, bulldozers, and steelworkers working on the projects so carefully "classified" from Congress.

I have been unable to discover just what is the construction included in title IV for the Chairman of the Joint Chiefs of Staff. Evidently this $300,000 did not appear in the original H. R. 5700 as introduced by the gentleman from Georgia [Mr. VINSON], at least not in title IV where it is now. Is this a house for Admiral Radford? Is it an elite housing project to provide for his personal staff, too? How many facilities can you provide for an admiral for $300,000? I am not saying that this is necessarily either an unwise or an unjustified expenditure; I would just like to know what it is for and what we get for the money. Such items as "Chairman, JCS, $300,000," do not explain to me what use is to be made of the taxpayers' money any more than I can be completely satisfied with general phrases such as "Operational and maintenance facilities," "Community facilities," and "Storage facilities," as justifications for the expenditure of billions of dollars.

I do not know whether the CIA needs a $6 million building site and a $50 million building, or not. I do not know or have any idea of how many employees CIA now has. I do not know what they do or to whom they are really accountable. Perhaps if I knew these things I would want to increase the CIA construction authorization, but I guess I will never know. Perhaps those of us in Congress will, someday, create a Joint Committee on Intelligence to provide congressional guidance to CIA modeled on that which the Joint Committee on Atomic Energy has developed in its field. Certainly we exercise no controls over this super secret agency through a check on the purse strings.

The Committee on Armed Services deserves due credit for their application and diligent work on this piece of legislation. The hearings total 4,091 pages, accumulated in approximately 50 hours and 25 minutes of on-the-record hearings spread over 21 days. Rapidly calculating, I estimate that the committee considered this authorization at about the rate of $789,666 per minute of open hearing time, an evidence of unusual efficiency especially when you consider that their considerations ranged from Alaska to the Midway Islands including the British West Indies, the Canal Zone, Cuba, French Morocco, Hawaii, Iceland, Italy, Japan, Johnson Island, Mariana Islands, and the Marshall Islands in between. Without being able to tell what went on in the off-the-record hearings, one can wish the Army and Navy had justified their requests as forthrightly as the Air Force.

The Army will be authorized $551,105,000 in this bill as contrasted with $236 million granted in fiscal 1955—an increase of over 100 percent. The Navy will be authorized $596,140,900 in this bill to accomplish public works as compared with about $202 million for fiscal 1955, an increase of well over 100 percent. The Air Force will be authorized $1,165,456,000 in this bill, an increase of more than 300 percent over last year's authorization of $398,954,000.

Is this too much, or is it too little? Can we use this real estate instead of weapons against an enemy? I just do not know. On the basis of the information furnished me I have no way of reaching a sensible conclusion. So, I voted "Present."

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. METCALF, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6829) to authorize certain construction at military, naval, and Air Force installations, and for other purposes, pursuant to House Resolution 283, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. VINSON. Mr. Speaker, on final passage I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 316, nays 2, answering "present" 2, not voting 114, as follows:

[Roll No. 97]

YEAS—316

Abbitt	Dorn, N. Y.	McMillan
Abernethy	Dorn, S. C.	McVey
Addonizio	Durham	Macdonald
Alger	Edmondson	Machrowicz
Allen, Ill.	Elliott	Mack, Wash.
Andersen, H. Carl	Evins	Madden
	Fallon	Mahon
Andresen, August H.	Fascell	Marshall
	Feighan	Martin
Andrews	Fenton	Mason
Arends	Fernandez	Matthews
Ashley	Fine	Metcalf
Ashmore	Fisher	Miller, Calif.
Aspinall	Fjare	Miller, Md.
Auchincloss	Flood	Miller, Nebr.
Avery	Flynt	Mills
Ayres	Fogarty	Minshall
Baker	Forand	Mollohan
Baldwin	Ford	Morano
Bass, N. H.	Forrester	Moss
Bass, Tenn.	Fountain	Multer
Bates	Frazier	Murray, Ill.
Baumhart	Friedel	Murray, Tenn.
Beamer	Gary	Natcher
Belcher	Gavin	Nicholson
Bell	Gentry	Norblad
Bennett, Fla.	George	Norrell
Bennett, Mich.	Gordon	O'Brien, Ill.
Bentley	Grant	O'Hara, Ill.
Berry	Green, Oreg.	O'Hara, Minn.
Betts	Gregory	O'Neill
Blatnik	Griffiths	Osmers
Boggs	Gross	Ostertag
Bolling	Gwinn	Passman
Bolton, Frances P.	Haley	Patman
	Hand	Patterson
Bow	Harden	Pelly
Bowler	Hardy	Perkins
Boyle	Harris	Pfost
Bray	Harrison, Va.	Philbin
Brooks, La.	Hays, Ark.	Phillips
Brown, Ga.	Hays, Ohio	Pilcher
Brown, Ohio	Hayworth	Pillion
Broyhill	Hébert	Poage
Buchanan	Henderson	Poff
Budge	Herlong	Preston
Burleson	Hess	Price
Burnside	Hiestand	Priest
Bush	Hill	Prouty
Byrd	Hillings	Rabaut
Byrnes, Wis.	Hinshaw	Radwan
Cannon	Hoffman, Mich.	Rains
Carlyle	Holifield	Ray
Carnahan	Holmes	Reed, Ill.
Carrigg	Hope	Rees, Kans.
Cederberg	Hosmer	Reuss
Celler	Huddleston	Rhodes, Ariz.
Chelf	Hull	Rhodes, Pa.
Chenoweth	Hyde	Richards
Chiperfield	Jarman	Riley
Christopher	Jenkins	Roberts
Chudoff	Jennings	Robeson, Va.
Church	Jensen	Rodino
Clark	Johansen	Rogers, Colo.
Clevenger	Johnson, Calif.	Rogers, Fla.
Cole	Jones, Ala.	Rogers, Mass.
Colmer	Jones, N. C.	Rogers, Tex.
Cooley	Judd	Rooney
Coon	Karsten	Rutherford
Cooper	Keating	Sadlack
Corbett	Kelley, Pa.	Saylor
Coudert	Kelly, N. Y.	Schenck
Cramer	Keogh	Scott
Cretella	Kilburn	Scudder
Crumpacker	Kilday	Seely-Brown
Cunningham	Kilgore	Selden
Curtis, Mass.	King, Calif.	Sheehan
Curtis, Mo.	Kirwan	Shelley
Dague	Kluczynski	Short
Davis, Ga.	Krueger	Shuford
Davis, Wis.	Landrum	Sieminski
Dawson, Ill.	Lane	Sikes
Dawson, Utah	Lanham	Siler
Deane	Lankford	Simpson, Ill.
Delaney	Latham	Sisk
Dempsey	LeCompte	Smith, Miss.
Derounian	Lipscomb	Smith, Va.
Devereux	Long	Smith, Wis.
Dies	McCarthy	Spence
Dixon	McCormack	Springer
Dolliver	McCulloch	Staggers
Dondero	McDonough	Steed
Donohue	McDowell	Sullivan
Taber	Van Zandt	Wigglesworth
Talle	Vinson	Williams, Miss.
Teague, Calif.	Vorys	Williams, N. Y.
Thomas	Vursell	Willis
Thompson, Mich.	Wainwright	Wilson, Ind.
	Walter	Winstead
Thompson, N. J	Watts	Wolcott
Thomson, Wyo.	Weaver	Wolverton
Thornberry	Westland	Wright
Tollefson	Wharton	Yates
Trimble	Whitten	Young
Tuck	Wickersham	Younger
Tumulty	Widnall	Zablocki
Udall	Wier	

NAYS—2

Bailey Harvey

ANSWERING "PRESENT"—2

Brownson Scrivner

NOT VOTING—114

Adair	Garmatz	Meader
Albert	Gathings	Merrow
Alexander	Granahan	Miller, N. Y.
Allen, Calif.	Gray	Morgan
Anfuso	Green, Pa.	Morrison
Barden	Gubser	Moulder
Barrett	Hagen	Mumma
Becker	Hale	Nelson
Blitch	Halleck	O'Brien, N. Y.
Boland	Harrison, Nebr.	O'Konski
Bolton, Oliver P.	Heselton	Polk
	Hoeven	Powell
Bonner	Hoffman, Ill.	Quigley
Bosch	Holt	Reece, Tenn.
Boykin	Holtzman	Reed, N. Y.
Brooks, Tex.	Horan	Riehlman
Buckley	Ikard	Rivers
Burdick	Jackson	Robsion, Ky.
Byrne, Pa.	James	Roosevelt
Canfield	Johnson, Wis.	St. George
Chase	Jonas	Scherer
Chatham	Jones, Mo.	Schwengel
Davidson	Kean	Sheppard
Davis, Tenn.	Kearney	Simpson, Pa.
Denton	Kearns	Smith, Kans.
Diggs	Kee	Taylor
Dingell	King, Pa.	Teague, Tex.
Dodd	Klein	Thompson, La.
Dollinger	Knox	Thompson, Tex.
Donovan	Knutson	Utt
Dowdy	Laird	Vanik
Doyle	Lesinski	Van Pelt
Eberharter	Lovre	Velde
Ellsworth	McConnell	Williams, N. J.
Engle	McGregor	Wilson, Calif.
Fino	McIntire	Withrow
Frelinghuysen	Mack, Ill.	Zelenko
Fulton	Magnuson	
Gamble	Mailliard	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Mack of Illinois with Mr. Halleck.

Mrs. Blitch with Mr. Fino.

Mr. Klein with Mr. Simpson of Pennsylvania.

Mr. Morrison with Mr. Reece of Tennessee.

Mr. Alexander with Mr. Nelson.

Mr. Zelenko with Mr. Kean.

Mr. O'Brien of New York with Mr. James.

Mr. Dollinger with Mr. Wilson of California.

Mr. Donovan with Mr. Harrison of Nebraska.

Mr. Buckley with Mr. Heselton.

Mr. Powell with Mr. Canfield.

Mr. Sheppard with Mr. McConnell.

Mr. Holtzman with Mr. Miller of New York.

Mr. Green of Pennsylvania with Mr. Frelinghuysen.

Mr. Barrett with Mr. Gubser.

Mr. Granahan with Mr. Holt.

Mr. Byrne of Pennsylvania with Mr. Horan.

Mr. Morgan with Mr. Becker.

Mr. Eberharter with Mr. King of Pennsylvania.

Mr. Polk with Mr. Withrow.

Mr. Denton with Mr. Van Pelt.

Mr. Doyle with Mr. Taylor.

Mr. Chatham with Mr. Scherer.

Mr. Anfuso with Mrs. St. George.

Mr. Albert with Mr. Riehlman.

Mr. Lesinski with Mr. Fulton.

Mr. Roosevelt with Mr. Ellsworth.

Mr. Dingell with Mr. Robsion of Kentucky.

Mr. Garmatz with Mr. Schwengel.

Mr. Bonner with Mr. Smith of Kansas.

Mr. Williams of New Jersey with Mr. Hoeven.

Mr. Vanik with Mr. Hoffman of Illinois.

Mr. Quigley with Mr. Jackson.

Mr. Engel with Mr. Velde.

Mr. Davidson with Mr. Utt.

Mrs. Knutson with Mr. Gamble.

Mrs. Kee with Mr. Adair.

Mr. Thompson of Louisiana with Mr. Jonas.

Mr. Thompson of Texas with Mr. Kearns.

Mr. Teague of Texas with Mr. Allen of California.

Mr. Ikard with Mr. McGregor.

Mr. Davis of Tennessee with Mr. Mailliard.

Mr. Dowdy with Mr. McIntire.

Mr. Moulder with Mr. Lovre.

Mr. Magnuson with Mr. Bosch.

Mr. Boykin with Mr. Chase.

Mr. Brooks of Texas with Mr. Knox.

Mr. Boland with Mr. Laird.

Mr. Jones of Missouri with Mr. Reed of New York.

Mr. Hagen with Mr. O'Konski.

Mr. Gray with Mr. Meader.

Mr. Rivers with Mr. Merrow.

Mr. Gathings with Mr. Mumma.

Mr. Barden with Mr. Hale.

Mr. Diggs with Mr. Burdick.

Mr. Johnson of Wisconsin with Mr. Kearney.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. WAINWRIGHT. Mr. Speaker, during rollcall No. 95 I was necessarily absent at the Pentagon. Had I been present, I would have voted "yea."

ELIZABETH KEE—WEST VIRGINIA'S DAUGHTER OF THE YEAR

Mr. BURNSIDE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BURNSIDE. Mr. Speaker, in the June 17 issue of the White Sulphur Sentinel, White Sulphur Springs, W. Va., Miss Pat Sullivan in her column "Saunterings" congratulates the State of West Virginia for having such an illustrious daughter as our colleague, the Honorable ELIZABETH KEE, Fifth District, West Virginia. I have known Elizabeth as the wife of my good friend and former colleague, the late John Kee. I have known her as a vivacious woman and an active, sincere representative for her district.

Under unanimous consent to extend my remarks I include this article in the RECORD.

I plume myself I'm getting up in the world—on my acquaintance list are not only West Virginia's queenly royalty of festival

days and the hermit of the Alleghenies, but I also claim acquaintance with the former West Virginia mother of the year, the beloved Mrs. Alex Thompson of Alderson. I count as my close friends a few people rich enough to be retired. But this "bla bla bla fanfare" is to tell you I also know West Virginia's daughter of the year. My gracious friend, the Honorable ELIZABETH KEE, of Bluefield, W. Va., and of the House of Representatives in Washington, D. C., received this distinct honor last May 7 when the West Virginia Society of the District of Columbia held its annual son-and-daughter banquet honoring West Virginia's outstanding son and daughter of the year 1955. Mrs. KEE was selected as our State's most distinguished daughter and she was presented with a beautiful plaque by a former Member of the House of Representatives, the Honorable Jennings Randolph. Just naturally letters and telegrams of applause poured into her mailbox from friends and acquaintances expressing their confidence and appreciation of her integrity and eminent service to her people. The Honorable ROBERT C. BYRD, of West Virginia, paid tribute to ELIZABETH KEE in appreciative poetic phrases that were written into the CONGRESSIONAL RECORD of May 10, 1955, plus letters like orchids from such biggies as Speaker SAM RAYBURN, Senator H. M. KILGORE, and GRACIE PFOST, of Idaho, and a half dozen others were applause in the CONGRESSIONAL RECORD for West Virginia's favorite daughter. Humbly I add my soprano cheers for my favorite politician. Once a year at least we meet at the State fairgrounds at Fairlea, W. Va. But where in heck were you last summer, ELIZABETH KEE? I missed you. I want to complain also about your pictures on the roadside billboards, because the pictures were not nearly so pretty as you are. Congratulations, Daughter of 1955, room 1016, New House Office Building, Washington, D. C.

AMENDING THE TRAVEL EXPENSE ACT OF 1949

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. DAWSON of Illinois, Mr. FASCELL, and Mr. YOUNGER.

CONSENT CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Consent Calendar to be called on Tuesday, July 5, and that it also be in order for the Speaker to recognize Members for suspension of the rules on the same day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 283) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the vice chairman and ranking House minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN] and I now yield myself such time as I may consume.

Mr. Speaker, I rise to urge the adoption of House Resolution 283 which will make in order the consideration of the bill, H. R. 6795, to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

Mr. Speaker, House Resolution 283 provides for an open rule with 1 hour of general debate on the bill itself.

H. R. 6795 has been reported unanimously by the Joint Committee on Atomic Energy.

Mr. Speaker, the Atomic Energy Act of 1954 modified the Commission's authority to seek appropriations in such a manner that it become necessary for the Commission to obtain "congressional approval of new construction or expansion of its plants." The bill which we are presenting under this rule today is the first authorizing legislation resulting from the change in the Commission's authority to seek appropriations.

Specifically H. R. 6795 would authorize the appropriation to the Commission of $267,709,000 for the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and itemizes the projects for which this money may be appropriated, together with an estimate of the cost of each.

The bill also specifies the various projects which may be developed under the authorization contained in this bill. The committee report complies with the Ramseyer rule, and the bill also sets forth the limitations imposed in the proposed bill upon the expenditures and the projects proposed.

Mr. Speaker, this is an open rule that is proposed here today. Amendments may be offered from the floor, and the bill is, therefore, amendable from the floor if the House so desires to amend the bill. We all know that these atomic projects are vitally important to the national welfare of this country, and for this reason H. R. 6795 deserves the careful consideration of this House. I hope that the rule will be adopted and that the House will then proceed to give serious consideration to the merits of the bill itself.

Mr. MARTIN. Mr. Speaker, this legislation is a vital part of the national defense. There is no opposition, either in the legislative committee which considered the same or the Committee on Rules.

I have no requests for time, and I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. DURHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6795) with Mr. McCARTHY in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from North Carolina [Mr. DURHAM] will be recognized for 30 minutes, and the gentleman from New York [Mr. COLE] will be recognized for 30 minutes.

The gentleman from North Carolina is recognized.

Mr. DURHAM. Mr. Chairman, I yield myself such time as I may use.

The CHAIRMAN. The gentleman from North Carolina may proceed.

Mr. DURHAM. Mr. Chairman, this legislation, the bill H. R. 6795, which is before us today, is somewhat of a milestone and new approach to atomic legislation. As was pointed out a few minutes ago by the gentleman from New York, a member of the Committee on Rules, the Atomic Energy Commission has previously simply gone to the Appropriations Committee and secured money to build whatever items it could get approved by that committee.

Last year's act, as you all recall, brings the Atomic Energy Commission into line with other Government agencies, which I feel is sound legislative procedure. The items included in this bill are needed by the Atomic Energy Commission; the joint committee has gone over each of them very carefully and approved them. There is but one item in the bill that has not yet been approved by the Budget Bureau: that is, one for $5 million for research reactors abroad. The committee added this item after the President's

announcement at State College, Pa., on the extension of the atoms-for-peace program which he hopes to initiate with friendly countries.

The bill, H. R. 6795, is authorizing legislation resulting from the change in the Commission's statutory authority to seek appropriations. Since 1946 the House and Senate Appropriations Committees have done a magnificent job in meeting the needs of the Atomic Energy Commission and supporting this agency and the part it has played in our national defense through the development of new weapons.

We have before us legislation which combines, in my opinion, the best of the control features over the financial operations of the Commission, while at the same time it allows financial leeway to permit the most rapid progress in all of the Commission's essential programs.

The committee considered this bill at great length, both in the subcommittee and in the full committee. The legislation sets forth by line and item the essential construction projects which the committee believes necessary to allow the Atomic Energy Commission to develop atomic energy at the maximum rate both for national defense and for peaceful purposes.

Mr. Chairman, this bill will be explained more fully by the gentleman from California [Mr. HOLIFIELD], chairman of the joint committee's Subcommittee on Authorizing Legislation and who held the hearings on the items in detail. He has done an excellent job.

The bill and report, as you see them before you, outlines each item, which facilitates the committee's check and review of the Commission's program and expenditures.

There is one item which the committee has authorized and on which it placed a limitation. That is the training school at the National Laboratory at Chicago. We all recall when we adopted the new atomic legislation last year it carried with it rather broad authority for foreign students to come to this country and learn to use atomic energy for peaceful purposes. We have, therefore, initiated a training program for foreign students to assist those countries which do not have the trained personnel and which also lack the technical know-how which is basic in the peaceful use of atomic energy. That training program has resulted in a flood of applications from students of foreign countries. Most of them have a doctor's degree in engineering or science. They want to come to this country immediately and secure the best training we have to offer. The committee felt it wise therefore to go along with the request of the Commission for additional classrooms and highly specialized equipment because we want to carry out our promise. We have some 70 foreign students there now. This year the Commission wants to train approximately 124 foreign students at that school. There is but one school in this country at the present time that has the reactor on a college campus which can be used for the training of students. Therefore, it was necessary to expand the Argonne School. The committee, however, placed a limitation of 3 years on this training program. We believe that in 3 years many universities will have these reactors on their campuses and the Commission would no longer have to carry on this type of program.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Illinois.

Mr. SPRINGER. I would like to ask the distinguished gentleman who has been in the past chairman of the Joint Atomic Energy Committee a couple of questions. I have read the report and a portion of the bill. How much of the $267,709,000 is for what we would generally classify as peaceful purposes and how much is devoted to defense purposes? Could the gentleman give us that roughly?

Mr. DURHAM. I think it would be very difficult to break it down to an exact figure because anything you do in developing a reactor, for example, has a twofold purpose. It can produce power for peaceful purposes and it can be used as laboratory reactor for cancer research, or basic scientific research. Also, at the same time, it can produce materials for weapons, or can propel a warship. It would be very difficult to draw a line and say, on a dollar-for-dollar basis, what is for peaceful purposes. Further if we stop military production, you know, we could use most of this entire investment for peaceful purposes.

Mr. SPRINGER. The gentleman will recall that a few days ago the President gave out a public release in which they had initialed the agreement, for instance, with the Government of Pakistan to supply them with a reactor, as I understood, and that was to be for peaceful purposes. I understand what the gentleman means, but I am trying to get at the division. Is this 50–50 or one-quarter for peaceful purposes and three-quarters for defense?

Mr. DURHAM. I would hazard and guess and say it could be used either way you wanted to use it. If it became necessary, if we had an emergency, we could use all of this special nuclear material for national defense. We do not lose a grain of it. If we put it in a reactor, we do not lose one grain of this material, you understand. We hold ownership of it where it is sent. Consequently it is a very difficult thing to put it on a percentage basis.

There is $5 million in the bill for the program the gentleman just mentioned to build reactors for friendly countries under agreement for cooperation, and I think Pakistan is one of them, or at least I hope it is.

Mr. SPRINGER. I want to ask the gentleman one further question, and I do not know that it necessarily applies to this bill. But, I do believe the House likes to be assured when these matters arise, and I know the gentleman has been present at practically all of these joint meetings.

Mr. DURHAM. Practically all of them.

Mr. SPRINGER. Can the gentleman assure the House that in the atomic energy field we are keeping up with our competitors so far as our national defense is concerned?

Mr. DURHAM. I believe I can assure this House that we are pre-eminent, and we expect to be and expect to continue to be.

Mr. SPRINGER. To remain ahead of all of our competitors in this field?

Mr. DURHAM. That is right. I can assure the gentleman of that.

Mr. SPRINGER. I thank the gentleman.

Mr. DURHAM. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, this bill, it will be noted, consists of five sections, the first of which lists the various construction items for which authorization is being asked, together with what is felt to be a reasonable upper dollar limit for the project. It will be noted that authorization is being given for the start of or continuation of certain long-range programs for which all of the money will not be expended in fiscal year 1956—that is to say, aircraft reactor test facilities.

The joint committee has weighed these items on the scales of programmatic justification with a secondary consideration of the estimated cost of the project. The committee feels that the final determination of the amount to be appropriated for these programs rests with the appropriations committees of both Houses.

Drawing upon its own experience and not inconsiderable experience of the Appropriations Committees of both Houses, the joint committee has written into this bill, in the second section, section 102, certain restrictions on the authorization which it seeks to give the Atomic Energy Commission.

Heretofore it will be recalled that the Commission was entitled to start construction on a project if, at the time the project was initiated, the estimated cost thereof would not exceed by 35 percent the original estimated cost when the budget was prepared.

The joint committee now feels that the Commission has matured to the point where it is capable of making rather accurate estimates of the cost of its proposed facilities. Additionally, the committee feels that many of the factors which heretofore have influenced the final cost of any of the Commission's facilities no longer obtain. The committee has in mind such things as scarcity of construction materials, the crash nature of most of the Commission's earlier programs in which the construction of $100 million facilities was undertaken before scarcely more than a hand-drawn sketch of that facility had been completed.

In other words, it is now felt that the program has matured along with the agency to the point where the cost of programs can be anticipated and where the normal conventional way of drawing up blueprints, taking of careful cost estimates, and seeking bids, can be—and should be—the order of the day. With the foregoing in mind, the committee, as it will be noted, has divided the Commission's requested construction items into three categories, the first of which permits the Commission to initiate construction if at that time the cost is esti-

mated not to exceed the original estimate by 25 percent. The construction items in this group have elements of uncertainty which the committee feels makes them eligible for the larger percentage of deviation. The second category of items, it will be noted, has been limited to a 10-percent deviation. These items, the committee feels, are more or less conventional run-of-the-mill type of buildings and facilities for which estimates should be quite accurate and therefore minimum flexibility is provided. The third category of items, which are in this instance the access roads for the uranium-mining program, are of so routine a nature that the committee felt that no deviation from estimated cost was necessary.

This bill provides authorization for all items requested by the executive department except its request for $21 million to start construction on the so-called nuclear propelled cargo ship. After the Joint Committee's Authorizing Legislation Subcommittee started conducting its hearings on this bill, the executive department submitted this item as an addition to the construction projects to be undertaken immediately by the AEC. The joint committee had no previous knowledge that such a request would be made.

Expert testimony by Commission personnel indicates that this cargo-ship project, as submitted, calls for the construction or modification of a standard cargo-ship hull and the construction and installation of a *Nautilus* type nuclear powerplant.

After full review, it was the concensus of the joint committee that this project would be an extremely expensive way of accomplishing this purpose. I say expensive in that it would divert the Commission personnel from other projects which hold great promise for advancing the art of nuclear power in important ways; it provides nothing new in the field of nuclear power design and construction; and in using an enlarged but duplicate copy of a now out-of-date pioneering-type of nuclear powerplant it would be extremely uneconomical in operation.

After full review, the committee voted to eliminate this item and to urge the executive department to accelerate the development of a new advanced type surface propulsion system provided for in project 56–b–3 of section 101 of this bill, identified as surface ship reactor facility. This project, as it was originally submitted, would authorize the appropriation of $25 million for the construction of a prototype nuclear propulsion system for large surface ships primarily for military purposes. If the Commission would accelerate its efforts on this particular item, this propulsion system gives promise of being a great step forward in the development of nuclear powerplants over that of the pioneering reactor now installed in the *Nautilus* and would be, on a smaller scale, suitable for installation in a truly worthwhile cargo ship. This would better serve the purpose for which the administration requested the $21 million item which has been deleted and would do so much more efficiently and more economically and at the same time advance the art of reactor design. There would be little or no delay in the delivery of such an advanced vessel and powerplant and it would be a much more reliable and convincing display of American accomplishments in the field of peacetime power from atomic energy.

I therefore urge that everyone consider the committee's position as being one not opposed to the basic idea of a cargo ship but as one in favor of a really economic and convincing example of America's advanced position in the field of practical application of the atom for peacetime purposes.

In furthering the executive department's desire to demonstrate the American will to make the atom a tool for the betterment of mankind, the committee added another item which will be found in this bill which would authorize the appropriation of $5 million to be expended in furtherance of the President's wish to provide those nations which are willing to enter into bilateral agreements to cooperate with scientific and medical type reactors. This amount of money, authorizing project 56–g–7, would provide a minimum of 10 "swimming pool" type reactors on an outright contribution basis or as many as 20 if arrangements can be made for the recipient country to finance half of the cost thereof. The committee is wholeheartedly in favor of vigorously pushing this program and was unanimous in its vote to include these additional funds for this worthwhile purpose.

Section 103 of the bill authorizes the Commission to make use of funds available to it to initiate construction design and advance planning and provide itself with architectural services for new projects.

The committee feels this authority is needed by the Commission for two reasons: First, in a fast developing art—such as atomic energy—it is necessary to plan ahead for new facilities which will replace old ones rapidly made obsolete by advances made in the business; the second, is that without such preliminary planning and design work no accurate or precise estimate can be made of the costs involved. The committee feels that both of these factors are of sufficient importance to warrant the authority granted by section 103.

Section 104 provides the Atomic Energy Commission with the authority to utilize whatever moneys it might have available to it to initiate the replacement or repair of any of its facilties which might be damaged or destroyed by natural or other kinds of catastrophes.

Section 105 authorizes the appropriation of such funds as may be currently available to it for carrying out the purposes of this act. This authority is in addition to the authority granted by section 101 of this bill.

Section 106 of the bill provides the Commission with authority to transfer moneys authorized by this bill to substitute construction projects but only when the proposed substitute meets very precisely defined criteria and provided, further, that the Commission certifies that the new project is essential to the common defense and security of the United States. The project substituted under this section of the bill must not exceed in cost the authorized project for which it is being substituted. Further, the new project must be required by changes which have come about under certain changes in weapon characteristics or logistic operations and, finally, the Atomic Energy Commission must certify that it was unable to enter into a contract with any person on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided by the new project.

The joint committee recognizes the need for flexibility in the Commission's fast-moving, highly technical program which forms so important a base of our national defense effort. However, after full consideration, the joint committee believes that sufficient latitude can be given the Commission to enable it to meet its program goals and at the same time afford a closer control to the Congress on the initiation or modification of construction, acquisition, or expansion of plants and facilities.

I, therefore, earnestly urge the passage of this bill so that the program of the Atomic Energy Commission which has been thoroughly reviewed by the Joint Committee on Atomic Energy may go forward without further delay.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman.

Mr. BUDGE. I have been somewhat concerned in recent weeks by the number of bills which have gone through the Congress that required acquisition of land by the Federal Government; that is, taking it from the States or from private ownership and putting title in the Federal Government.

I notice language in the report here which would seem to indicate that considerable additional land is being acquired by the Atomic Energy Commission. I wonder if the gentleman could advise us as to how much land is to be acquired and generally the location of it and the need for its acquisition?

Mr. HOLIFIELD. There is only one item that I know that has to do with land in any considerable acreage and that is for some additional test facilities in a desertlike area. I do not believe it is carried as an item in this particular bill.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from North Carolina.

Mr. DURHAM. There is very little land acquisition in this bill. Most of this is to be built on already existing projects. There is a small amount of land in here in connection with a $20 million project which is a testing facility which will be necessary. Outside of that there is very little land acquisition.

Mr. HOLIFIELD. I thank the gentleman for his contribution. There is very little land with the exception of such small areas.

Mr. BUDGE. Mr. Chairman, will the gentleman yield further?

Mr. HOLIFIELD. I yield further.

Mr. BUDGE. Will the gentleman advise me as to the approximate location

of that area and the approximate number of acres to be acquired?

Mr. HOLIFIELD. That matter has come up since our hearings. I yield to the gentleman from North Carolina [Mr. DURHAM] if he has further information on that.

Mr. DURHAM. That is a classified project and has not yet been released. The site has not been located.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I am glad to yield to the gentlewoman.

Mrs. ROGERS of Massachusetts. I am very much interested in this bill and I hope he will consider very carefully a bill which I introduced to create an academy of science.

We have the Military Academy, we have the Naval Academy, and we have the Air Corps Academy. As we seem to be behind in our scientific development, according to some of the experts, I feel it would be very valuable to have such an academy. It is a little along the line of the gentleman's bill.

Mr. HOLIFIELD. The committee will be glad to examine the gentlewoman's bill if it comes before it. Right at this time at the Argonne Laboratory we are taking care of some hundreds of students from all over the United States and some from abroad, in the field of reactor technology. Regular training throughout the United States in the field of physics is pretty well taken care of by institutions like Massachusetts Institute of Technology in the gentlewoman's State, the California Institute of like kind, and the Chicago University, and other very fine universities throughout the United States. It is when students leave these college instruction courses and they want to go into the specialized field of reactor technology that additional help can be given them outside the universities.

The gentleman from North Carolina [Mr. DURHAM] is very much interested in this. Recently, one of the first of these reactors has been built at the University of North Carolina. We are hoping that we can blend in the regular university courses for the time being, instruction in this very specialized field, without having to go to the expense at this time of a tremendous new academy. I recognize there is a shortage of scientists in the United States, and certainly I am in favor of doing anything we can to enlarge the field of scientific learning in other fields, as well as in the field of atomic technology.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. COLE. I yield the gentleman 1 additional minute, Mr. Chairman.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. VAN ZANDT. In addition to the experimental reactor on the campus of the University of North Carolina, there is already 1 on the campus of the State University of Pennsylvania, and possibly 10 others now under construction on the campuses of colleges throughout the country.

Mr. HOLIFIELD. I thank the gentleman very much for his information.

Mr. COLE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I have no desire or intention to engage in further discussion of the bill before us, beyond the explanation already given by the gentleman from North Carolina [Mr. DURHAM] and the gentleman from California [Mr. HOLIFIELD].

The Members can see that the items authorized in this measure are of a very technical and complicated nature. Even though it were necessary to explain each of these items to the Members, I doubt if that would add much enlightenment, because of their complicated nature. Further, some of the items, by their very nature, are highly classified and could not be discussed.

However, there is one item not in the bill which I would like to discuss for a few moments, and that is with respect to the item which the Atomic Energy Commission requested of the joint committee, authorizing an appropriation of $21 million for the construction of a reactor to carry out the suggestion made by President Eisenhower for the construction of a surface merchant vessel propelled by atomic energy. That request was not approved by the joint committee, by a rather narrow margin. I think it can be said without contradiction that all members of the joint committee, even those who voted against this particular authorization, applauded the objective which the President had in mind when he made this suggestion.

That objective was that our Government should demonstrate to the world that this new force, atomic energy, has the inherent capacity of being adapted to the propulsion of merchant ships in peacetime commerce. This particular project, however, involved the use of a type of reactor which is already in operation in the submarine *Nautilus*. Therefore, it can be conceded that the same reactor will propel a ship on the surface of the water with the same measure of force it propels the ship underneath the surface of the waters; and since the project did not involve any new type of reactor, thereby giving to this country and to the world in general further information of reactor design and capabilities, the committee felt that the expenditure of a total of $33 million was not justified.

Mr. Chairman, I felt it necessary to make this brief observation as to the attitude of the Joint Committee toward the President's proposal because, I repeat, the joint committee was not in opposition to the objective the President sought. Rather, a majority of the members of the joint committee felt that the suggested means of carrying out the President's basic idea was not as practical as the amount of money involved should require.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. COLE. I yield to the gentleman from North Carolina.

Mr. DURHAM. I am glad the gentleman brought up this point because what he said is absolutely correct. All of the members of the joint committee believe that while the objective of the President is something we want to attain, the method proposed lacks feasibility and practicability, since it contemplates the use of a reactor which has already been used in the *Nautilus* and is not well suited to merchant ship use. I am certainly glad the gentleman from New York mentioned the matter, and I join him in his statement.

Mr. COLE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.—

SEC. 101. There is hereby authorized to be appropriated to the Atomic Energy Commission the sum of $267,709,000 for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, as follows:

(a) Atomic weapons: Project 56–a–1, production or development plants or facilities, $20 million.

(b) Reactor development:

1. Project 56–b–1, power reactor development acceleration project, $25 million.

2. Project 56–b–2, fast power breeder pilot facility (EBR–II), $14,850,000.

3. Project 56–b–3, surface ship reactor facility, $25 million.

4. Project 56–b–4, submarine advanced reactor facility, $23,140,000.

5. Project 56–b–5, submarine advanced reactor development facilities, Schenectady, N. Y., $3,100,000.

6. Projcet 56–b–6, aircraft nuclear propulsion program plant and test area, Arco, Idaho, $13 million.

7. Project 56–b–7, aircraft reactor test plant, $1,437,000.

8. Project 56–b–8, modifications and expansions to ANP ground test plant, Idaho, $1 million.

9. Project 56–b–9, special reactor facilities construction program, $2 million.

10. Project 56–b–10, reactor core test facility, Arco, Idaho, $600,000.

(c) Physical research: Project 56–c–1, particle accelerator program, $10 million.

(d) Special nuclear material:

1. Project 56–d–1, metallex pilot facility, Oak Ridge National Laboratory, $1 million.

2. Project 56–d–2, reactor facilities modifications, Hanford, Wash., $11,900,000.

3. Project 56–d–3, special reactor facilities equipment, Hanford, Wash., $5,600,000.

4. Project 56–d–4, modifications to separations and processing facilities, Hanford, Wash., $2,560,000.

5. Project 56–d–5, conversion of pilot plant and facility to production plant and facility, Fernald, Ohio, $600,000.

6. Project 56–d–6, barrier plant addition, Oak Ridge, Tenn., $750,000.

7. Project 56–d–7, new barrier development plant, Oak Ridge, Tenn., $404,000.

8. Project 56–d–8, expansion of metal recovery facility, Oak Ridge National Laboratory, $370,000.

(e) Source and other raw materials:

1. Project 56–e–1, expansion and modification of ore processing plant, Monticello, Utah, $1,550,000.

2. Project 56–e–2, storage sites for vanadium tailings, $500,000.

(f) Atomic weapons:

1. Project 56–f–1, art construction project, fiscal year 1956 increment, $17,873,000.

2. Project 56–f–2, expansion of weapons material fabrication plant and facility, $15 million.

3. Project 56–f–3, new Sigma Laboratory, Los Alamos, N. Mex., $4,015,000.

4. Project 56–f–4, detonator production plant, $3,750,000.

5. Project 56–f–5, base construction, Pacific proving ground, $1,568,000.

6. Project 56–f–6, Rocky Flats, Colo., plant and facilities, $1,330,000.

7. Project 56–f–7, base construction, Nevada test site, $927,000.

8. Project 56–f–8, addition to technical laboratory shop building, Los Alamos, N. Mex., $735,000.

(g) Reactor development.

1. Project 56–g–1, engineering test reactor facility, $14,350,000.

2. Project 56–g–2, reactor training school, Argonne National Laboratory, $712,000.

3. Project 56–g–3, chemistry cave for radioactive materials, Argonne National Laboratory, $448,000.

4. Project 56–g–4, reactor engineering building addition, Argonne National Laboratory, $295,000.

5. Project 56–g–5, high level chemical development facility, Oak Ridge National Laboratory, $280,000.

6. Project 56–g–6, research reactor, Philippine Government, $500,000.

7. Project 56–g–7, research reactors for the development of peacetime uses of atomic energy under Agreements for Cooperation, $5 million.

(h) Physical research—

1. Project 56–h–1, conversion of existing building to development plant, Oak Ridge National Laboratory, $1,150,000.

2. Project 56–h–2, fabrication plant for development equipment, Oak Ridge National Laboratory, $440,000.

(i) Biology and medicine: Project 56–i–1, medical research plant and facility, Brookhaven National Laboratory, $6,040,000.

(j) Community:

1. Project 56–j–1, additional housing units, Monticello, Utah, $250,000.

2. Project 56–j–2, new community hospital, Oak Ridge, Tenn., $2,900,000.

3. Project 56–j–3, water and sewer replacements and improvements, Richland, Wash., $160,000.

4. Project 56–j–4, housing program (group 18), Los Alamos, N. Mex., $3,500,000.

(k) Source and other raw materials: Project 56–k–1, offsite access roads, $4,165,000.

(l) General plant projects: $17,960,000.

SEC. 102. Limitations:

(a) The Commission is authorized to start any project set forth in subsections 101 (a) through 101 (d) only if the currently estimated cost of that project does not exceed by more than 25 percent the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsections 101 (e) through 101 (j) only if the currently estimated cost of that project does not exceed by more than 10 percent the estimated cost set forth for that project.

(c) The Commission is authorized to start the project set forth in subsection 101 (k) only if the currently estimated cost of the project does not exceed the estimated cost set forth for that project.

(d) The Commission is authorized to start a project under subsection 101 (l) only if it is in accordance with the following:

1. For community operations, the maximum currently estimated cost of any project shall be $100,000 and the maximum currently estimated cost of any building included in such project shall be $10,000.

2. For all other programs, the maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such a project shall be $100,000.

3. The total cost of all projects undertaken under subsection 101 (l) shall not exceed the estimated cost set forth in that subsection by more than 10 percent.

SEC. 103. There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 104. There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 105. In addition to the sums authorized to be appropriated to the Atomic Energy Commission by section 101 of this act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this act such sums of money as may be currently available to the Atomic Energy Commission.

SEC. 106. Funds authorized to be appropriated or otherwise made available by this act may be used to start any other new project for which an estimate was not included in this act if it be a substitute for a project authorized in subsections 101 (a), 101 (d), or 101 (f), and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

(a) the new project is essential to the common defense and security; and

(b) the new project is required by changes in weapon characteristics or weapon logistic operations;

(c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

Mr. DURHAM (interrupting the reading). Mr. Chairman, I ask unanimous consent that the bill may be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. Are there amendments? [After a pause.] There being no amendments, under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. MCCARTHY, Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, pursuant to House Resolution 283, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

INTEREST RATE ON CERTAIN LOANS

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1755) to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Mr. Speaker, reserving the right to object, I understand that this is legislation that takes away from the Department of Agriculture the power to fix interest rates and sets the rate at 3 percent.

Mr. POAGE. It fixes the rate at 3 percent. It now is discretionary with the Department, and some of these loans are being made at 5 percent, others are, I believe, at 3 percent. This bill fixes the rate of 3 percent.

Mr. MARTIN. This is disaster loans?

Mr. POAGE. It covers two different types of disaster loans; I believe this gets all disaster loans on a 3 percent basis, although there will still be some of what might be called commercial loans on which the Secretary can charge 5 percent. These are all disaster loans, but there are two different types of disaster loans. There is the loan that covers your country in New England, there is the loan that covers the disaster on account of the drought in the western part of the country, but they are not under the same law. This covers both of them.

Mr. MARTIN. This is by unanimous vote of the committee?

Mr. POAGE. No; there was one vote against it.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 2 of the act of April 6, 1949, as amended (63 Stat. 43; 12 U. S. C., sec. 1148a–2 (a)), is amended by striking out the last sentence of such subsection and inserting in lieu thereof the following: "Such loans shall be made at such rate of interest, not to exceed 3 percent per annum, and on such general terms and conditions as the Secretary shall prescribe for such area or region.".

SEC. 2. Subsection (b) of section 2 of the act of April 6, 1949, as amended (12 U. S. C., sec. 1148a–2 (b)), is amended by striking out the last sentence of such subsection and inserting in lieu thereof the following: "Such loans shall be made at such rate of interest, not to exceed 3 percent per annum, and on such general terms as the Secretary shall prescribe for such area.".

SEC. 3. Clause (4) of section 2 of the act entitled "An act to provide emergency credit", approved August 31, 1954 (68 Stat. 999), is amended to read as follows: "be made at such rate of interest, not to exceed 3 percent per annum, and on such terms and conditions as the Secretary shall prescribe for such area or areas; and".

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY LOANS FOR AGRICULTURAL PURPOSES

Mr. POAGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1582) to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN. Mr. Speaker, reserving the right to object, this is the legislation that our colleague from Maine [Mr. McINTIRE] was interested in?

Mr. POAGE. The Senate bill is identical with the McIntire bill and relates to the New England disaster.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the first sentence of the act entitled "An act to provide emergency credit", approved August 31, 1954 (Public Law 727, 83d Cong.), is amended by striking out "1955" and inserting in lieu thereof "1957."

The bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 5822) was laid on the table.

A motion to reconsider was laid on the table.

HARMFUL TARIFF POLICY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I was greatly surprised to learn recently that our Government has made further concessions to the Japanese regarding entry to this country of certain textile cotton fabrics widely utilized by the American people. I was under the impression, from reading preliminary reports concerning these concessions, that they involved no greater than 40 percent decrease in current rates. That would be extremely unfavorable to the textile industry, to be sure. But it has come to my notice since that time, upon further analysis of the question, that the American Cotton Institute, Inc., estimates that in a textile market already entered freely by the Japanese, existing tariff rates have been slashed as much as 50 percent.

Now I think I have made it perfectly clear in my previous statements that I favor a sensible and forward-looking approach to the question of reciprocal trade. I am not opposed to the principle of reciprocal trade. I think it has decided merit and advantages. If properly implemented, it could be helpful in strengthening our foreign relations and in promoting national and world trade. But I am of the opinion that in many of the negotiations our Nation has made concessions to foreign countries far beyond the scope intended by Congress and certainly some of which have been exceedingly detrimental and damaging to many American industries.

I recognize that by all means we should move in ways, consistent with our own self-interest and the welfare of our industry and people, to assist the Japanese to rebuild and, where necessary, to reshape their economy within the orbit of the free world. But I submit that the present agreements are very harmful to our own textile industry and to other industries and will inevitably bring added deflationary forces into play in this country and result in additional unemployment in areas already beset by very serious unemployment.

I am informed that the new agreements are giving the Japanese a guaranty of excess profits on 75 to 85 percent of cotton fabrics worn by the American people and are in effect a guaranty of excess profits on each yard of cloth, a figure which is larger than the profit per yard being earned by American mills. This is so, I am informed, because Japanese goods are being sold here in quantity in competition with American-made goods.

I have scrutinized detailed documentation to bear out the above contentions, but it is too voluminous to insert in the RECORD. Apparently the cuts affect print cloth woven of medium weight yarn, which constitutes the larger parts of American cotton production.

On unbleached cotton cloth from Japan, for example, the ad valorem in these ranges is reduced about 27 percent. The Japanese agreement also reduces the minimum specific duties by 25 percent, despite a special differential to provide a measure of protection on bleached, printed, dyed, or colored cotton cloth woven of medium weight yarns, adopted in 1936 and maintained for the past 19 years.

Under the present agreement, the 1936 rate differential has been abolished, together with the preexisting value differential. The Geneva agreement slashed these tariff rates by about 48 percent. It is very interesting to note the changed relationship the new rates impose on profits from Japanese and American goods sold in our own markets. On one of the basic fabrics the tariff cut is twice as large as the United States mills' profit on the cloth. It should be pointed out also that Japanese mills use twice as much foreign-grown cotton as American cotton.

Another major fact is that imports of cotton cloth have been rising rapidly even under the old higher tariff rates. For instance, in the first quarter of 1955 these imports were double those for the first quarter of 1954 and the Japanese imports represent two-thirds of the total. It can readily be seen, therefore, that under the new tariff rates in this basic category, which has sustained a 48-percent cut in the rates, there will automatically be a further increase in the already rapidly expanding imports of printed, dyed, and colored cotton cloth from Japan.

Of greatest concern to my district and to me is the fact that the agreements did not stop with cotton cloth. They have unreasonably imposed very substantial cuts on other cotton textile items such as towels and rugs. One major type of towel was cut from a rate of 40 percent to 20 percent; cotton sheets and pillowcases, from 20 percent to 12½ percent, cotton chenille rugs also from 40 percent to 20 percent.

I would be less than frank if I did not express my sense of shock, distress, and strong disapproval concerning these incredible slashes in existing protective rates in these categories in the textile industry. I think that this particular agreement is a good sample of the unscientific, discriminatory operation of the trade treaties. It is obvious to me that in the process of establishing these rates far more consideration was given to setting up a formula by which Japan would be assured of very profitable trading with this country than to the most important question of maintaining the health and prosperity of a great American industry, which in my region alone employs over 200,000 people in periods of prosperity.

The bizarre economic theory that lies behind this agreement challenges every canon of common sense and every dictate of the true interests of a great American industry. Unquestionably, the results will inflict serious damage upon this industry, which for one reason or another, is already having its troubles. If such a rule is applied, across the board, as well may be the case, to other industries, the overall results could very understandably be, not only damaging, but disastrous, to many parts of the American economy. With all sincerity and vehemence, I protest against this policy of economic folly and stagnation.

I hope that measures may be taken at an early date to forestall the damaging effects that are bound to ensue if the current agreements are fully implemented.

In include herein as part of my remarks an interesting, forceful article entitled "In a Textile Market Already Entered Freely by the Japanese, Existing Tariff Rates Have Been Slashed as Much as 50 Percent," prepared by the American Cotton Manufacturers Institute, Inc.:

IN A TEXTILE MARKET ALREADY ENTERED FREELY BY THE JAPANESE, EXISTING TARIFF RATES HAVE BEEN SLASHED AS MUCH AS 50 PERCENT

The bellwether fabric of the textile industry is a print cloth 39 inches wide, 4 yards to the pound of cotton, with 80 threads to the inch in both directions (80 square).

Eighty-square print cloth is the single, most important fabric in the industry.

This construction alone, out of the industry's entire range of products, accounts for 750 million yards of annual production.

The reduction of duty on 80 square amounts to 3.3 cents per pound or eight-tenths of a cent per yard.

Eighty-square (grey goods) has been selling in New York for 18¾ cents per yard.

The average profit on sales after taxes earned by United States grey goods mills in 1954 was about 2 percent.

The United States mill's profit on this cloth in the grey is currently about four-tenths of a cent per yard on the average.

Therefore the tariff cut is twice as large as the United States mill's profit on the cloth.

This tariff cut is comparable to 3.3 cents per pound import subsidy on raw cotton.

(The above example is taken from the grey cloth classification where the minimum tariff cut occurred. The same cloth, when bleached, dyed, or printed, is given a 48 percent tariff reduction, the equivalent of 1½ cents per yard.)

TEXTILE TARIFF CUTS AT GENEVA

At Geneva this spring the United States Government agreed to cut sharply its tariff on cotton textiles imported from Japan.

Previously, practically all cotton cloth imports have paid different rates of tariff depending upon whether they were valued above or below certain prices. This value differential was a recognition that the United States textile industry was entitled to more

protection against the Japanese industry with its low oriental wage-price scales than as against the industry of Western Europe. For unbleached (grey) cotton cloth the value brackets were above and below 70 cents per pound for most types of cloth. This differential implied nothing so far as quality of product is concerned. Identical cloth imported from Britain and Japan might pay different rates of duty because British prices were above 70 cents and Japanese below. There were similar value divisions in the tariff schedules for bleached cotton cloth and for printed, dyed, or colored cotton cloth.

At Geneva these value differentials were abolished. The lower rates were made applicable to all imports of the same cloth regardless of value.

The major part of the American cotton cloth production is woven of medium weight yarns. Here, too, is concentrated the greatest Japanese import competition potential. On unbleached cotton cloth from Japan the ad valorem tariff in these ranges is reduced about 27 percent. The tariff schedule for unbleached cotton cloth provides a minimum specific duty of so many cents per pound of cloth imported which must be paid whenever the tariff calculated as a percent of value would result in a smaller payment. The Geneva agreement reduces these minimum specific duties by 25 percent.

On June 20, 1936, President Franklin D. Roosevelt, on the advice of Secretary of State Cordell Hull, the father of the reciprocal trade program, proclaimed sharp increases in the lower bracket tariff rates on bleached, printed, dyed, or colored cotton cloths woven of medium weight yarns. This was done to give the domestic industry needed protection against the emerging Japanese threat. The Japanese import competition, then as now, was potentially the greatest in these ranges, and in bleached, finished, dyed, or colored cloths, for the additional processing involved in those operations multiplies the Japanese 10 to 1 labor cost advantage. This special differential has been maintained for 19 years.

Now, just as the Japanese threat to the American cotton textile industry is once again becoming a serious matter, the State Department has abolished the 1936 rate differential and in addition abolished the preexisting value differential. Here the Geneva agreement cuts the tariff rates by about 48 percent.

Cotton cloth which can be described by counting the number of threads per inch constitutes about 90 percent of the total output of the American cotton-textile industry. Because of the flexibility of cotton-mill equipment, an individual mill can shift readily from one cloth to another within wide ranges. As a result, the cost-price-profit relationship between the various cloth constructions is a finely graduated one. Hence the impact of the tariff cuts on all countable cotton cloth can be indicated by reference to their impact on a typical construction.

For this purpose we have selected a bellwether fabric, 1 of the 17 basic constructions of gray cloth used by the United States Department of Agriculture in calculating mill margins—the 39 inches wide, 4 yards to the pound print cloth, with 80 threads to the inch in both directions (80 square). This print cloth is the single most important fabric in the industry's entire range of products, about 750 million yards of it being turned out annually.

Its ad valorem tariff duty as is the case with all other textile items is levied on the wholesale value of the imported merchandise in the country of origin. The most comparable Japanese construction has been valued in Japan recently, according to United States consular reports, at between 12 and 14 cents per yard. At the higher figure this is 56 cents per pound.

The reduction of duty in this case brought about by the Geneva agreement is 3.3 cents per pound or eight-tenths of a cent per yard. Recently, American-made 80-square print cloth in the gray (that is, unbleached) has been selling in New York for 18¾ cents per yard. The average profit on sales after taxes earned by United States gray-goods mills in 1954 was about 2 percent. Applying this profit rate to the going price of 80 square as gray goods indicates that the United States mills' profit on this cloth is currently about four-tenths of a cent per yard. In other words, the tariff cut is twice as large as the average United States mill's profit on the cloth.

Put another way, this tariff reduction of 3.3 cents per pound on cotton gray cloth imports is comparable to a 3.3 cents per pound import subsidy on raw cotton. As is well known, because of the strict United States import quota on raw cotton, practically 100 percent of the raw cotton consumed by American mills is American grown. Overseas mills use mostly foreign-grown cotton. Japanese mills, for example, use twice as much foreign grown cotton as they do American.

Of major significace is the fact that imports of cotton cloth have been rising rapidly even under the old, higher tariff rates. In the first quarter of 1955 such imports were almost double those received in the first quarter of 1954, and the Japanese supplied two-thirds of the total.

The new tariff rates establish an entirely new situation which can only mean a further increase in the already rapidly expanding imports of printed, dyed, and colored cotton cloth from Japan because in this category the deepest percentage cuts (40 percent) were made in tariff rates. For the same reason a great expansion in imports of bleached cloth from Japan is to be expected. The new competitive situation in gray cloth has been analyzed in detail above.

The State Department did not stop with cotton cloth, however, but also has imposed deep cuts on other cotton textile items such as towels and rugs. One major type of towel was cut from a rate of 40 percent to 20 percent; cotton sheets and pillow cases, from 20 percent to 12½ percent; and cotton chenille rugs from 40 percent to 20 percent, for example.

HIGHWAY CONSTRUCTION

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 15 minutes.

Mr. HOLIFIELD. Mr. Speaker, I take this time to call the attention of the House to a bill which I am introducing today. The bill has to do with giving to the servicemen the right to exercise their GI bill when large highway construction passes through the subdivisions that have been built for the use of GI purchasers.

In California particularly, to my own personal knowledge, there are a large number of superhighways being built with their hub in the city of Los Angeles. These large highways go out like the spokes of a wheel all around the city of Los Angeles and take in a strip of territory in many instances 200 feet wide and many, many miles long.

Some of these highways go through veterans' housing projects. Under existing law the veterans' rights expire on July 25, 1957. This applies to veterans of World War II. The rights of Korean veterans go to 1965. My bill will give to World War II veterans the same right for reimbursement of their homes and utilization of their GI rights in case of condemnation by State or local political subdivisions as is now given to the Korean veterans. It brings up from 1957 to 1965 the World War II veterans' rights. This bill has been carefully drawn by the legislative counsel of the Committee on Veterans' Affairs, and I am hopeful that there will be some action on this bill before the conclusion of this Congress.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. It seems to be a very meritorious bill. I should think it would go through the committee and the House without question.

Mr. HOLIFIELD. I have conferred with some of the members of the committee, and it has been drawn by your very able counsel, and I think it is recognition of the fact that these various communities are expanding their highway activities. They are not only in California, I might add; they are around almost all of the large metropolitan cities, and where they have put through these highways they have taken out several hundred veterans' homes. If the veterans have to move out of their subdivision, even though they have paid for their homes, they are not allowed to have another chance at obtaining a home at the same interest rate. This will allow them to reinstate, by replacement, their second home when their first home was taken away by condemnation because of public developments such as highways.

Mr. ROGERS of Massachusetts. It seems rather just.

Mr. HOLIFIELD. I thank the gentlewoman for her contribution and continued interest in the welfare of veterans.

SURPLUS FEDERAL PROPERTY

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. ASHLEY] is recognized for 15 minutes.

Mr. ASHLEY. Today, Mr. Speaker, I have introduced a bill which of itself may appear to be a matter of small concern to this body. However, the very necessity of having to introduce this bill is, I think, a matter which merits the attention of each of us because it affects directly the lives of many persons throughout the United States in the important fields of education and health.

The legislation which I have introduced today is simple, indeed, and, on its face, is local in nature. The bill simply provides for the transfer of about 37 acres of surplus Government real estate to a local school authority and to a church group.

Why is this legislation necessary? The answer to this question, Mr. Speaker, is the vital concern of everyone of us here today and to millions of citizens whom we represent.

No longer ago than June 3 of this year, the Congress of the United States clearly reaffirmed its intention concerning the

utilization of surplus Government property for education and health purposes, when the President approved an act, Public Law 61, to amend the Federal Property and Administrative Services Act of 1949, Public Law 152, 81st Congress, in order to improve the administration of the donable property program.

The report of the House Committee on Government Operations on H. R. 3322, which became Public Law 61, made very clear the intent of Congress in the following language, later set forth in a Senate report on the same measure:

> The Congress under article IV, section 3, paragraph 2, of the Constitution has sole authority over the disposition of surplus Federal property. In the exercise of this authority, the main consideration in the disposal of surplus property is to decide what method or methods will best serve the interests of the taxpayers who are, in the long run, the owners of the property. The Federal agencies which hold and utilize the property are merely the custodians. Whether the property should be sold, donated to public institutions, destroyed to keep it from injuring industry and employment, or disposed of by some other method are questions for the Congress to answer by law. (Rept. No. 206, House of Representatives, 84th Cong., 1st sess., Mar. 14, 1955, p. 2.)

Mr. Speaker, this question has been answered by law, especially by Public Law 152, 81st Congress, and by succeeding amendments in Public Law 754, 81st Congress, and Public Law 61, 84th Congress.

What has happened to this law? Is congressional intent being carried out by proper administration of Public Law 152? Is property being transferred to health and educational institutions for the welfare of the people of this Nation? Mr. Speaker, the answer is no.

As you know, the program established by Congress provided that the regional offices of the Department of Health, Education and Welfare should receive, investigate and process applications of educational and health institutions for surplus property. The regional HEW offices then clear with the offices of General Services Administration at the regional level. Recommendations of transfer are then sent from the regional HEW offices to the Department of Health, Education and Welfare in Washington, where the property is transferred to the local authorities.

All over the United States the regional offices of the Department of Health, Education, and Welfare established the procedures necessary to screen applications and make recommendations on the basis of which the Secretary of that Department make a final determination.

But we are faced with a situation, today, where the very agency which has the responsibility for implementing this program finds its hands tied and its feet shackled by another agency of the administration.

Last April, reputable and respected hospitals and educational institutions in Toledo, Ohio, after considerable time and effort, submitted applications in the belief that the law that Congress had written had some meaning and some substance.

Despite the fact that these applications were approved by the Department of Health, Education, and Welfare and that the applicants have urgent need of the properties concerned, these organizations have been unable to conclude the arrangements by which surplus property would be transferred to them. Nor—and this is equally deplorable, Mr. Speaker—have they been able to get any clear-cut, honest statement from responsible administration officials concerning their status at the present time or what it will be in the future. How can organizations dedicated to public service be expected to carry out their work under circumstances of this sort?

I, myself, was in daily communication with officials of both the Department of Health, Education, and Welfare and the General Services Administration for almost 6 weeks with the same barren result. On May 4, 1955, I finally wrote to the Administrator of General Services a letter in which I said:

> I have now learned from discussions with officials of your administration and with the interested applicants that GSA has requested that these transfers for health and educational utilization be held in abeyance for your determination as to whether this character of property, generally, might better be sold privately and returned to the tax rolls as being in the best public interest.
>
> Will you please advise me of the policies which your administration may have established for health and educational transfers of real property or as to whether your request for deferral of transfer of these particular areas may now be withdrawn.

Some 3 weeks later I received a reply from the Administrator of the General Services Administration in which he wrote:

> The executive branch is currently reviewing and reevaluating policies and practices with respect to health and educational transfers as against sales. During the pendancy of this review, we are holding in abeyance all assignments of surplus real property for health or educational purposes.
>
> We hope to have this review completed in the immediate future in order that the disposal of the VA hospital site at Toledo, as well as other similar surplus real property, may be resumed in a normal manner.

This letter, I repeat, Mr. Speaker, was received by me on May 24, and even today, there continues to be no clarification of policy in this matter but only a perpetual reviewing and reevaluating of policies which, as I understand it, were established by Congress in Public Law 152 and later legislation. In fact, as early as April 20, 1955, the General Services Administration issued a letter to all regional GSA offices freezing the assignment of certain surplus real property to HEW for transfer for public health and educational purposes. It is therefore clear, Mr. Speaker, that at the present time and for the past 2 months, there has been no surplus-property program so far as the transfer of vacant land and land with permanent-type improvements, where the improvements are designed for use other than health and educaiton, is concerned.

It also seems evident, Mr. Speaker, that there is a basic conflict in this matter in which GSA and the Budget Bureau, on the one hand, are interested only in the sale of surplus Federal property without regard to the legitimate, clear-cut and urgent needs of health and educational institutions in the United States, or without regard to the clear expression of the will of Congress. On the other hand stand the Department of Health, Education, and Welfare and the Congress. The Department seeks to carry out the expressed intention of Congress in transferring surplus property for health or educational purposes. This is an intention which, as I have tried to make clear, is now being frustrated in important respects.

There are, I understand, about one hundred cases throughout the United States where transfers of surplus real property are currently being held up, many of them because of this continuing conflict in administration policy. When this conflict will be resolved, or whether it will ever be resolved, is impossible to say.

Mr. Speaker, I urge support of my bill which will direct the Secretary of Health, Education, and Welfare to transfer some 37 acres of surplus property for educational purposes to two applicants in the Toledo area whose applications have been approved and recommended by the Department of Health, Education, and Welfare. This property was assigned to HEW by the General Services Administration to be used for the very purpose for which GSA has discretion to recommend transfer. The Administrator of General Services has now exercised his discretion. The local organizations are ready to receive the land and HEW is willing to transfer it. My bill will accomplish the goal.

I urge support of this bill because the institutions concerned are now far behind schedule in breaking ground on projects which will be of tremendous benefit not only to members of the groups directly involved but to others in the Toledo community. But even beyond this obvious and urgent need, Mr. Speaker, I urge the close attention of this body to the manner in which one agency of the administration has so tangled with another agency to frustrate the intentions, clearly expressed in legislation, of the Congress of the United States.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I am glad to yield to our distinguished majority leader.

Mr. McCORMACK. The gentleman is referring to real property being declared surplus, is he not?

Mr. ASHLEY. I am.

Mr. McCORMACK. The law is very plain; the intent of Congress is very plain.

Mr. ASHLEY. I think the gentleman is absolutely right.

Mr. McCORMACK. Is the gentleman aware of the fact that some kind of a freeze has been put on?

Mr. ASHLEY. That is exactly what I am aware of.

Mr. McCORMACK. Has the gentleman ascertained where that freeze came from?

Mr. ASHLEY. It appears to me that the freeze has come from the General Services Administration.

Mr. McCORMACK. Yes. That is my information. But has the gentleman gotten information as to who gave instructions to the General Services Administrator?

Mr. ASHLEY. I do not have any particular information on that point. I believe it is the Bureau of the Budget, if I am not mistaken.

Mr. McCORMACK. The gentleman is satisfied that instructions from some place else have been issued, on a higher level?

Mr. ASHLEY. I certainly am, than Mr. Mansure, of the General Services Administration.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ASHLEY. I am glad to yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am inclined to think it is the Office of the General Services Administration rather than some higher source. I think they take the authority unto themselves. I have found them very unsatisfactory in dealings before this bill went through, when I was trying to get General Services to take care of matters in Massachusetts.

Mr. ASHLEY. I think the gentlewoman from Massachusetts reflects the experience of her colleague from Ohio.

Mrs. ROGERS of Massachusetts. That was before this bill went through, and since then.

Mr. ASHLEY. Yes; and since then.

Mrs. ROGERS of Massachusetts. Except in one instance.

Mr. ASHLEY. I believe the gentlewoman is correct; except in a single instance.

WATER SHORTAGE IN THE VIRGIN ISLANDS

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KIRWAN. Mr. Speaker, I have here a copy of a letter which was sent to the Secretary of the Interior, Hon. Douglas McKay, by Mr. Sidney Kessler, chairman of the board of the Virgin Isle Hotel, with carbon copies to others as noted in the letter, calling the attention of these people here in Washington to the water shortage that has existed for 3 weeks in the Virgin Islands. It has now gone so far it is endangering the health and life of the people there as well as property and industry. They are asking that the Navy rush some water there by boats. The Navy is doing it now with just a couple of boats, but they want 2 or 3 more in order to get water provided for relief. The hospitals and other facilities there are presently in danger due to this water shortage.

The letter is as follows:

JUNE 25, 1955.

Hon. DOUGLAS MCKAY,
Secretary of the Interior,
Washington, D. C.

DEAR MR. MCKAY: The water shortage which has now been in existence in St. Thomas, V. I., for the past 3 weeks is now in a critical stage which is endangering health, life, property, and industry. This letter is not an alarmist one; it is a factual report on one of the gravest situations that has confronted the residents of St. Thomas, its institutions, business firms and industry.

Attached is a self-explanatory water report prepared by the chief engineer of the Virgin Isle Hotel as it pertains to the largest hotel on the island (125 rooms), and which, in essence, summarizes this critically dangerous situation not only for the Virgin Isle Hotel, but the entire island as well.

Many homes have been without water for days, some hotels with guests have water service for only 1 or 2 hours per day, gutters in the streets are filling with refuse, people are drinking any and all water mostly dangerously unsafe, and, in general, health, safety, and property are hourly being even further endangered.

To consider only the No. 1 industry of this island—tourism—the efforts of the past 5 to 10 years to build up the backbone of the island's economic stability is daily being endangered by the obvious fact that unless relief reaches us immediately, the largest hotels will be forced to close down, its guests sent away, and the expenditures covering tourist promotion will be irreparably wasted because of the adverse publicity which will result. This situation here, should it becomes generally known to the people in the United States who now look to the Virgin Islands as the showcase of the Caribbean, would reflect disastrously on the local government of these islands and without doubt, most unfavorably to the Washington administration. The situation here has reached disaster proportions, and in such cases the United States Government traditionally provides the relief the world has come to expect.

Quite apart from the municipal hospital, the public schools, the Pearson Gardens housing project with its hundreds of families, our many business firms, and the homes of the residents here, the plight of the Virgin Isle Hotel points the way to the obvious climax of this situation. As of today, the Virgin Isle Hotel—a luxury hotel—has 125 guests in residence, on July 2 approximately 212 guests will be at the hotel, and beginning on July 5 Paramount Pictures comprising 99 persons will begin to arrive to remain at the Virgin Isle Hotel for approximately 4 weeks while filming the "Magnificent Devils." At the luxury Virgin Isle Hotel, guests are being provided with water only 4 hours of the day, salt-water flushing has replaced the hotel's normal flushing procedure, but which within a month will render the toilet lines of the hotel inoperable under these conditions; dishes are being washed by hand rather than by steam machines—a most serious sanitation infraction—and linen is piled high with reserve supplies nearly exhausted and no prospect of laundering it either in the hotel or in other laundries on the island. It is apparent under these circumstances that the Virgin Isle Hotel will have to close within a week, if not before then. When the Virgin Isle Hotel was closed last summer for eight months in order to make necessary improvements, etc., the entire economy of the island suffered and there was widespread unemployment since the fortunes of all business here are inextricably linked to the operation of the Virgin Isle Hotel. Private business and the local government have been engaged for the past 6 months in spending private, public, and Federal funds on tourist promotion, and all of this money now stands ready to be lost, almost overnight, if relief does not reach us promptly.

Already guests at hotels are beginning to leave because of this water shortage and resultant inconvenience while many of those in residence are heaping abuse on management since management is endeavoring to minimize the situation in fear of the adverse and far-reaching unfavorable publicity.

While we could continue on indefinitely outlining the dangers of this water shortage and repercussions which will result unless our present situation is improved at once, we are confident your chief concern is to know how best to relieve us in this emergency. The recommendations of the Chief Engineer of the Virgin Isle Hotel concisely state the alternatives toward relieving and improving our present predicament:

(a) That a tanker with three or four million gallons of water be brought in immediately and the water pumped directly into the water storage at the airport and not unloaded at the Submarine Base.

(b) That a Navy ship be sent here to stand by until the emergency is entirely over in order to distill salt water into potable water.

If either of the above measures cannot be done, then not only the Virgin Isle Hotel will be forced to close, but undoubtedly other hotels, guest houses, institutions, and business firms as well.

Two years ago when we were faced with the same situation but on a lesser scale, a Navy ship was sent here and stood by for many days while distilling water and pumping it into the water supply system for general consumption. From this experience alone, it is our opinion that this is the best and most feasible manner in which to assist us at this time—by sending a Navy ship here for the same purpose. That, or any combination of measures to insure the speediest relief is urged and recommended.

Will you please cable us as quickly as possible after receipt of this letter and let us know what measure can or will be taken to relieve us in this emergency.

Sincerely yours,

VIRGIN ISLE HOTEL, INC.,
SIDNEY KESSLER,
Chairman of the Board.

(Endorsements of associations in St. Thomas attached. Engineer's water report attached.)

ST. THOMAS, V. I., *June 25, 1955.*

In a special meeting today with the officers of the Virgin Isle Hotel, we have carefully considered this letter written by Mr. Sidney Kessler, chairman of the board, and entirely subscribe to the views expressed by the Virgin Isle Hotel and earnestly ask that the assistance requested in Mr. Kessler's letter be given your immediate attention. We earnestly urge that immediate relief measures be taken as outlined.

C. C. BUSCH,
President, Chamber of Commerce.
ALTON A. ADAMS,
President, The Hotel Association of the Virgin Islands.
CHARLOTTE PAIEWONSKY,
President, Gift Shop Association.

JUNE 25, 1955.

MEMORANDUM

To: Mr. Fishman, Mr. Kessler, Mr. Kimelman.
From: Jack Temple, chief engineer.

Following are my findings regarding the critical water situation existing at the hotel and my reasons why I consider it impractical to operate the hotel under the prevailing conditions:

1. There are at present 4 barges per week bringing a total of 760,000 gallons of water to St. Thomas, of which we receive approximately 35 percent, or 280,000 gallons per week.

2. Our requirements are as follow:

[In gallons]

	50 percent occupancy		100 percent occupancy	
	Per day	Per week	Per day	Per week
To operate laundry and kitchen	5,000	35,000	10,000	70,000
To operate balance of hotel	20,000	140,000	40,000	280,000
Total to operate entire hotel	25,000	175,000	50,000	350,000

The above does not include flushing nor air conditioning.

3. Six barges are the maximum that the present inadequate municipal water system can process. This would provide the island with a total of 1,020,000 gallons per week, of which the hotel will receive approximately 350,000 gallons per week. This would be sufficient to run the hotel at 100-percent occupancy, but without air conditioning and with salt water for flushing.

4. The following is my reason for stating that the present municipal water system can process no more than six bargeloads per week. We have been informed by Admiral Hall, of the 10th naval district in San Juan, that the only facilities he has available for providing water are a boat carrying 240,000 gallons and a barge carrying 130,000 gallons.

	Hours
Unloading time 2 barges, 16 hours each	32
Pumping time after barges are unloaded	16
Processing time before pumping to us	12
Total hours required from time 2 barges arrive until water is pumped to consumers	60

It is evident, therefore, that if 60 hours, or 2½ days, are required after the arrival of each two barges before the water can be prepared for consumer use, it is impossible for the municipal system to process any more than six barges per week.

5. We have hauled 20,000 gallons of water from the chamber of commerce cistern, courtesy of Mr. Herbert Lockhart, and thousands of gallons from the Virgin Islands distillery. In addition, we have purchased many thousands of gallons from the West Indian Co. during the past week. This supply is now exhausted, and there is no other source of water available that we know of.

6. To obtain the water referred to in No. 5 above, it has cost us $1,336 as follows:

Emergency water lift to Virgin Isle Hotel from June 17 to June 24, 1955	
West Indian Co.: 21 trips, 14 loads theirs, 7 loads ours, June 17–22, 18,900 gallons	$210
Virgin Isle Distillery and Chamber of Commerce: 33 trips, June 20–24, 33,000 gallons (Riise Truck)	125
24 trips, June 17–24, 24,000 gallons (Virgin Isle Hotel truck)	125
Total, 75,000 gallons	460
Purchase of gasoline bronze-water pump	215
Overtime to man salt water pump 160 hours at $1	160
Installing salt water lines, 6 hours labor and materials	140
Gratuities	25
Purchase of 10,500 pounds ice at $2 per 100 pounds	210
Feeding of men on trucks, 126 meals at $1 each	126
Total cost of emergency water lift to Virgin Isle Hotel, June 17 to 24	1,336

7. Recommendations:

(a) That a tanker with 3 to 4 million gallons of water be brought in and that the water pumped directly into the water storage at the airport and not unloaded at the Submarine Base. This is to be done no later than June 28, 1955.

(b) That a ship stand by to distill water.

(c) If the above not possible, that the Virgin Isle Hotel be closed.

OPERATION SKIDOO

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. WICKERSHAM] is recognized for 10 minutes.

Mr. WICKERSHAM. Mr. Speaker, it is incredible that the partial test evacuation known as Operation Alert, which was undertaken on June 15, should not be taken seriously.

However, such has been the case.

Only approximately 15,000 people were involved.

These 15,000 were made up of so-called top Government officials, a self-constituted elite corps.

Members of Congress were not included among the officials evacuated, leaving the clear intimation that Congress is expendable.

Information facilities placed at the disposal of press, TV, and radio were either inadequate, inefficient, or altogether lacking.

The exodus from Washington by car, plane, and autogyro—at a low-traffic hour—was such that it could easily be handled by the existing bridges to nearby Virginia and the existing roads to nearby Maryland.

The use of railroads in the June 15 evacuation practice was given little—if any—thought.

Congress took the Operation Alert seriously.

The average family in the District of Columbia and in adjoining Virginia and Maryland took it seriously.

The responsibility for making Operation Alert a farce lies directly at the doorstep of officials of the Federal Civil Defense Administration and the top echelon Federal employees who included themselves in on it.

The Congress is still the governing body charged with the responsibility of running the affairs of the District of Columbia.

The Congress is still constitutionally responsible for voting funds for bridges, roads, and for the continued existence of the Federal Civil Defense Administration itself.

Congress must eventually answer the question, "Shall Washington evacuate or shall Washington dig in?"

It is my considered opinion that Operation Alert did not provide Congress with enough facts on which to base a major decision. This situation is obvious to me. The first session of the 84th Congress has had a noticeable and outstanding characteristic: agreement. What might have been controversial issues in other Congresses have passed this Congress by well-nigh unanimous votes.

Yet, in this House of Representatives, there are practically 435 different concepts of what should be done in Washington, D. C., in the case of atomic attack. We do not differ because we are prone to differ. We differ because we have not, as yet, been given the proper data on which to base our decision.

I call attention to the words "proper data."

A departmental press release may flutter on our desk one day which states the supposed purpose of an evacuation test. The very next day the release of the previous day may be—and it has been—utterly contradicted.

It is an impossible task to straighten out "bugs" in civil defense when the only authoritative information we get is—if anything—more confused than we are.

In a superbly written article in the Washington (D. C.) Star of June 23, Francis P. Douglas tells us that—if Washington should be bombed tomorrow—the casualties would be "more than the 96,000 figure of fatalities (estimated) in the June 15 attack."

Mr. Douglas, citing civil defense authorities, says that these authorities attribute this frightful loss to public apathy and indifference.

I wonder if these civil defense authorities and I have been speaking to the same public.

During my trip to the Soviet Union late in 1954, I was impressed by the military preparations of the lords of the Kremlin. As a member of the House Committee on the Armed Services, I have heard sober military men give their ideas of the capacity of the U. S. S. R. to manufacture atomic weapons and the power they have to deliver them.

Since my return from the Soviet Union, I have made literally dozens of talks in and about Washington. I have yet to meet this indifference. I have yet to encounter this apathy. My experience leads me to believe that the people in this area are maturely aware of the danger from and disaster of atomic attack.

But, I have heard another kind of echo from the late Operation Alert. I have heard "operational" employees state that they have no doubt that they will be sacrificed for the more "important" policymakers. I have heard that these "apathetic" citizens deeply resent not being taken into partnership on any atomic escape test.

As a Member of Congress, I am inclined to agree with them.

What should be done?

A full-scale evacuation test should be made.

Get everybody out of Washington, leaving only those a real evacuation would keep here as a rear guard—to put out possible fires, to prevent looting, to maintain physical plants.

When the atomic bomb fell on Hiroshima it did away with century-old class distinctions in Japan. Lord and coolie were no more. It was one mass of suffering humanity. Let us be realists—and, as realists—plan to make such suffering here, should it be our lot, the least possible suffering.

Get everybody in Washington and surrounding area out of the bombed region. Use planes, railways, our 475,000 cars and trucks—to do the job. Certainly, that will bring traffic jams. Certainly, there

will be accidents, and there could even be deaths.

But, then, we will have some data to work on.

After such an operation, the experts can truly evaluate.

If improvement or new construction is needed on all major Maryland roads within 50 miles—and I am sure that would be the case—such an operation would prove it.

If 5 new bridges—and superhighways each 50 miles long—or 10—must be built to nearby Virgina, your Congress will then know about it.

If medical supplies, food, water must be made available to certain evacuation depots, then your Congress will know about it before the real disaster strikes.

If atomic shelter or if atomic evacuation is the answer to atomic attack it may only be answered by a wholesale evacuation. We will not know it until we try it.

Mr. Speaker, I propose a total test evacuation of Washington as the only true means at our disposal to arrive at an intelligent idea of what must and should be done if Washington might—and it is my prayer that it may never be—faced with the burning destruction of atomic attack.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCHERER for Monday, Tuesday, Wednesday, Thursday, and Friday, June 27 through July 1, 1955, on account of being on the Committee on Un-American Activities that is holding hearings in Los Angeles, Calif.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mrs. SULLIVAN and to include a press release which she has issued, also copy of a bill which she is today introducing covering the distribution of antipolio vaccine.

Mr. WRIGHT and to include extraneous matter.

Mr. GRANT.

Mr. METCALF and to include extraneous matter.

Mr. LONG.

Mr. THOMPSON of New Jersey (at the request of Mr. TUMULTY) and to include extraneous matter.

Mr. TUMULTY and to include an editorial.

Mr. DAWSON of Utah in four instances and to include extraneous matter.

Mr. CURTIS of Missouri and to include extraneous matter.

Mr. HOSMER and to include extraneous matter,

Mr. JUDD and to include extraneous matter.

Mr. MCCORMACK and to include extraneous matter.

Mr. MILLER of California and to include extraneous matter.

Mr. ROGERS of Florida and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. STAGGERS) and to include extraneous matter.

Mr. ZABLOCKI and to include extraneous matter.

Mr. COOLEY.

Mr. EVINS and to include extraneous matter.

Mr. HIESTAND.

Mrs. KEE.

SENATE BILLS REFERRED

Bills and a concurrent resolution of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 48. An act to provide for the disqualifications of certain former officers and employees of the District of Columbia in matters connected with former duties; to the Committee on the District of Columbia.

S. 182. An act to require a premarital examination of all applicants for marriage licenses in the District of Columbia; to the Committee on the District of Columbia.

S. 256. An act to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association; to the Committee on Banking and Currency.

S. 665. An act to revive section 3 of the District of Columbia Public School Food Services Act; to the Committee on the District of Columbia.

S. 972. An act to amend the Home Owners' Loan Act of 1933, as amended; to the Committee on Banking and Currency.

S. 1275. An act to authorize the Commissioners of the District of Columbia to designate employees of the District to protect life and property in and on the buildings and grounds of any institution located on property outside of the District of Columbia acquired by the United States for District sanatoriums, hospitals, training schools, and other institutions; to the Committee on the District of Columbia.

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system; to the Committee on Foreign Affairs.

S. 1391. An act granting the consent of Congress to the States of California and Nevada to negotiate and enter into a compact with respect to the distribution and use of the waters of the Truckee, Carson, and Walker Rivers, Lake Tahoe, and the tributaries of such rivers and lake in such States; to the Committee on Interior and Insular Affairs.

S. 1585. An act to provide for the return to the town of Hartford, Vt., of certain land which was donated by such town to the United States as a site for a veterans' hospital and which is no longer needed for such purposes; to the Committee on Government Operations.

S. 1739. An act to authorize the Commissioners of the District of Columbia to fix rates of compensation of members of certain examining and licensing boards and commissions, and for other purposes; to the Committee on the District of Columbia.

S. 1741. An act to exempt from taxation certain property of the Jewish War Veterans, U. S. A., National Memorial, Inc., in the District of Columbia; to the Committee on the District of Columbia.

S. 1855. An act to amend the Federal Airport Act, as amended; to the Committee on Interstate and Foreign Commerce.

S. 2171. An act to amend the Subversive Activities Control Act so as to provide that upon the expiration of his term of office a member of the board shall continue to serve until his successor shall have been appointed and shall have qualified; to the Committee on Un-American Activities.

S. 2176. An act to repeal the requirement that public utilities engaged in the manufacture and sale of electricity in the District of Columbia must submit annual reports to Congress; to the Committee on the District of Columbia.

S. 2177. An act to repeal the prohibition against the declaration of stock dividends by public utilities operating in the District of Columbia; to the Committee on the District of Columbia.

S. Con. Res. 39. Concurrent resolution recognizing, on the occasion of her 75th birthday, June 27, 1955, the efforts of Miss Helen Keller in behalf of physically handicapped persons throughout the world; to the Committee on Education and Labor.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1142. An act for the relief of Capt. Moses M. Rudy;

H. R. 1825. An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center;

H. R. 3659. An act to increase criminal penalties under the Sherman Antitrust Act;

H. R. 4221. An act to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions;

H. R. 4954. An act to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes; and

H. R. 6499. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 67. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; and

S. J. Res. 67. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to citizens of the Republic of the Philippines; to provide for the rehabilitation of the interisland commerce of the Philippines, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 28, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

928. A letter from the Postmaster General, transmitting a draft of proposed legislation

entitled "A bill to authorize the dual employment of custodial employees in post-office buildings operated by the General Services Administration, and for other purposes"; to the Committee on Post Office and Civil Service.

929. A letter from the Secretary, United States Olympic Association, Inc., transmitting the report of an audit of the United States Olympic Association, Inc., made by Edward J. Roslon, Trenton, N. J., for the calendar year 1954, pursuant to Public Law 805, 81st Congress; to the Committee on the Judiciary.

930. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Frank G. Gerlock"; to the Committee on the Judiciary.

931. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

932. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

933. A letter from the chairman, Commission on Organization of the Executive Branch of the Government, transmitting the report on the Business Organization of the Department of Defense, pursuant to Public Law 108, 83d Congress (H. Doc. No. 196); to the Committee on Armed Services and ordered to be printed with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 23, 1955, the following bill was reported on June 24, 1955:

Mr. RICHARDS: Committee on Foreign Affairs. S. 2090. An act to amend the Mutual Security Act of 1954, and for other purposes; with amendment (Rept. No. 912). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of June 23, 1955, the following bill was reported on June 25, 1955:

Mr. SPENCE: Committee on Banking and Currency. S. 2126. An act to extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes; with amendment (Rept. No. 913). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted June 27, 1955*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Wisconsin: Committee on Foreign Affairs. Part 2, Minority Views on S. 2090. An act to amend the Mutual Security Act of 1954, and for other purposes (Rept. No. 912). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 6992. A bill to extend for 1 year the existing temporary increase in the public debt limit; without amendment (Rept. No. 914). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum; without amendment (Rept. No. 915). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 6871. A bill to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956; without amendment (Rept. No. 916). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. Senate Joint Resolution 38. Joint resolution consenting to an interstate compact to conserve oil and gas; with amendment (Rept. No. 917). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. House Joint Resolution 273. Joint resolution to establish a commission for the celebration of the 100th anniversary of the birth of Theodore Roosevelt; without amendment (Rept. No. 918). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 3702. A bill to amend sections 2311, 2312, and 2313 of title 18, United States Code, so as to extend the punishment for the transportation of stolen motor vehicles in interstate or foreign commerce to tractors, commercial truck trailers, and truck semi-trailers, and for other purposes; with amendment (Rept. No. 919). Referred to the House Calendar.

Mr. McMILLAN: Committee of Conference. S. 727. An act to adjust the salaries of the judges of the Municipal Court of Appeals for the District of Columbia and the salaries of the judges of the Municipal Court for the District of Columbia (Rept. No. 920). Ordered to be printed.

Mr. FRAZIER: Committee on the Judiciary. H. R. 256. A bill to amend the Bankruptcy Act with respect to the priority of debts owed by a bankrupt to workmen, servants, clerks, and certain salesmen; with amendment (Rept. No. 921). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. H. R. 2854. A bill to amend title 18 of the United States Code, so as to increase the penalties applicable to seditious conspiracy, advocating overthrow of government, and conspiracy to advocate overthrow of government; without amendment (Rept. No. 922). Referred to the House Calendar.

Mr. LANE: Committee on the Judiciary. H. R. 5522. A bill for the relief of the Florida State Hospital; without amendment (Rept. No. 931). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURDICK: Committee on the Judiciary. H. Res. 278. Resolution providing that the bill, H. R. 5421, and all accompanying papers shall be referred to the United States Court of Claims; without amendment (Rept. No. 932). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 288. Resolution for the consideration of S. 2090, an act to amend the Mutual Security Act of 1954, and for other purposes; without amendment (Rept. No. 933). Referred to the House Calendar.

Mr. COOPER: Committee on Ways and Means. H. R. 6059. A bill to authorize the President of the United States to enter into an agreement with the President of the Republic of the Philippines to revise the 1946 trade agreement between the United States of America and the Republic of the Philippines; with amendment (Rept. No. 934). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURDICK: Committee on the Judiciary. House Resolution 273. Resolution providing that the bill, H. R. 2458, and all accompanying papers shall be referred to the United States Court of Claims; without amendment (Rept. No. 923). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 1940. A bill for the relief of James J. Andrews; with amendment (Rept. No. 924). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2698. A bill for the relief of the F. Delizia Co., Inc.; with amendment (Rept. No. 925). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4763. A bill for the relief of Elzie C. Brown; with amendment (Rept. No. 926). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5535. A bill for the relief of S. H. Prather; with amendment (Rept. No. 927). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6158. A bill for the relief of the estate of Carlo de Luca; with amendment (Rept. No. 928). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 6232. A bill to include as Spanish-American War service under laws administered by the Veterans' Administration certain service rendered by Stephen Swan Ogletree during the Spanish-American War; with amendment (Rept. No. 929). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6709. A bill for the relief of Harry M. Caudill; with amendment (Rept. No. 930). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY:

H. R. 7007. A bill to provide for the conveyance by the United States of a portion of the Veterans' Administration hospital site, Toledo, Ohio, to certain school authorities; to the Committee on Interstate and Foreign Commerce.

By Mr. BARRETT:

H. R. 7008. A bill to amend Public Law 587 by permitting the withholding by the Federal Government from wages of employees certain taxes imposed by municipalities; to the Committee on Ways and Means.

By Mr. BOGGS:

H. R. 7009. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. CHELF:

H. R. 7010. A bill to create the Office of Senate Delegate in the Senate of the United States for former Presidents of the United States of America, and for other purposes; to the Committee on the Judiciary.

By Mr. CHUDOFF:

H. R. 7011. A bill to provide books and sound-reproduction records for certain physically incapacitated persons, and for other purposes; to the Committee on House Administration.

By Mr. EBERHARTER:

H. R. 7012. A bill to amend section 209 (a) of the Technical Changes Act of 1953; to the Committee on Ways and Means.

By Mr. FINO:

H. R. 7013. A bill to amend the Internal Revenue Code of 1954 to encourage the establishment of voluntary pension plans by individuals, to promote thrift, and to stimulate expansion of employment through investment; to the Committee on Ways and Means.

By Mr. IKARD:

H. R. 7014. A bill to amend the Internal Revenue Code with respect to the tax treatment where taxpayer recovers amounts held by another under claim of right; to the Committee on Ways and Means.

By Mr. JARMAN:

H. R. 7015. A bill to exempt certain additional foreign travel from the tax on the transportation of persons; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 7016. A bill to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, and to confine to entertainment type equipment the tax on radio and television apparatus; to the Committee on Ways and Means.

By Mr. KING of California:

H. R. 7017. A bill to amend the Internal Revenue Code of 1954 with respect to the validity of a lien for taxes as against a mechanic's lien; to the Committee on Ways and Means.

H. R. 7018. A bill to authorize subpenas in connection with the enforcement of the narcotic laws, and for other purposes; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 7019. A bill to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to assign officers and members of the Metropolitan Police force to duty in the detective bureau of the Metropolitan Police Department, and for other purposes", approved June 20, 1942; to the Committee on the District of Columbia.

By Mr. LONG:

H. R. 7020. A bill to amend section 4 (i) of the Universal Military Training and Service Act so as to limit the registration and induction of certain medical and dental specialists; to the Committee on Armed Services.

By Mr. McDOWELL:

H. R. 7021. A bill to provide for a preliminary examination and survey of the Indian River Bay Channel via Pepper's Creek to Dagsboro, Del., for navigation and flood control; to the Committee on Public Works.

By Mr. REUSS:

H. R. 7022. A bill to authorize the Administrator of the General Services Administration to convey certain land to the city of Milwaukee, Wis.; to the Committee on Government Operations.

By Mr. SEELY-BROWN:

H. R. 7023. A bill to provide for the conveyance of certain land of the United States to the State of Connecticut; to the Committee on Agriculture.

By Mr. SIMPSON of Pennsylvania:

H. R. 7024. A bill to remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, and to confine to entertainment type equipment the tax on radio and television apparatus; to the Committee on Ways and Means.

H. R. 7025. A bill to amend section 1321 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H. R. 7026. A bill to provide for the purchase by the United States, and the distribution by the National Foundation for Infantile Paralysis, of a sufficient supply of poliomyelitis vaccine to immunize all children in the United States under 20 years of age against paralytic poliomyelitis; to the Committee on Interstate and Foreign Commerce.

By Mr. TUMULTY:

H. R. 7027. A bill to create a Hall of Fame on Ellis Island honoring outstanding foreign-born citizens of the United States; to the Committee on House Administration.

By Mr. VINSON:

H. R. 7028. A bill to increase the peacetime limitation on the number of lieutenant generals in the Marine Corps; to the Committee on Armed Services.

By Mr. WIGGLESWORTH:

H. R. 7029. A bill to establish a Permanent Committee for the Oliver Wendell Holmes Devise, and for other purposes; to the Committee on House Administration.

By Mr. COOLEY:

H. R. 7030. A bill to amend and extend the Sugar Act of 1948, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. ELLIOTT:

H. R. 7031. A bill to amend title II of the Social Security Act to reduce from 65 to 62 the age at which women may become entitled to benefits thereunder; to the Committee on Ways and Means.

By Mr. HOFFMAN of Michigan:

H. R. 7032. A bill to provide for the termination of Government operations which are in competition with private enterprise; to the Committee on Government Operations.

By Mr. HOLIFIELD:

H. R. 7033. A bill to amend the Servicemen's Readjustment Act of 1944, so as to extend the authority of the Administrator of Veterans' Affairs to restore entitlement used to acquire homes subsequently taken by condemnation, destroyed by natural hazard, or otherwise disposed of for compelling reasons without fault on the part of the veteran; to the Committee on Veterans' Affairs.

By Mr. KILGORE:

H. R. 7034. A bill to provide permanent authority for the relief of certain disbursing officers, and for other purposes; to the Committee on Government Operations.

H. R. 7035. A bill to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and for other purposes," approved August 1, 1947 (61 Stat. 720); to the Committee on Government Operations.

By Mr. MASON:

H. R. 7036. A bill to amend section 37 of the Internal Revenue Code of 1954 so as to conform its provisions respecting retirement income tax credit to the corresponding liberalized provisions of the social-security amendments of 1954, and to extend its provisions to members of the Armed Forces; to the Committee on Ways and Means.

By Mr. O'NEILL:

H. R. 7037. A bill to require certain vessels to have a two-way radio; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTERSON:

H. R. 7038. A bill to authorize appropriations for the Atomic Energy Commission and Maritime Administration for the design, construction, and installation of a nuclear-propelled merchant ship; to the Joint Committee on Atomic Energy.

By Mr. PHILBIN:

H. R. 7039. A bill to readjust size and weight limits on fourth-class (parcel post) mail matter at the post office at West Warren, Mass.; to the Committee on Post Office and Civil Service.

By Mr. McCORMACK:

H. J. Res. 359. Joint resolution to authorize the designation of October 22, 1955, as National Olympic Day; to the Committee on the Judiciary.

By Mr. NORRELL:

H. J. Res. 360. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. Con. Res. 174. Concurrent resolution expressing the sense of Congress that certain countries should be granted membership in the United Nations; to the Committee on Foreign Affairs.

By Mrs. CHURCH:

H. Con. Res. 175. Concurrent resolution expressing the sense of the Congress with respect to the right of national self-determination by the Slovakian people; to the Committee on Foreign Affairs.

By Mr. HIESTAND:

H. Con. Res. 176. Concurrent resolution to designate the period from September 17 through September 23 as Constitution Week; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. Con. Res. 177. Concurrent resolution to erect on the Capitol Grounds a memorial bell tower in memory of Robert A. Taft; to the Committee on House Administration.

By Mr. MULTER:

H. Con. Res. 178. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of State of California, memorializing the President and the Congress of the United States relative to construction of a supercarrier at San Francisco; to the Committee on Armed Services.

Also, a memorial of the Legislature of the State of California, memoralizing the President and the Congress of the United States relative to levees on the San Joaquin River and the Stockton Deep Water Channel; to the Committee on Public Works.

Also, a memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States relative to urging study of the "red tide" in the waters of the Gulf of Mexico; to the Committee on Merchant Marine and Fisheries.

Also, a memorial of the Legislature of the State of Georgia, memorializing the President and the Congress of the United States relative to Federal appropriations for the construction of dams, locks, and basins in Georgia, and for other purposes; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H. R. 7040. A bill for the relief of John Thompson; to the Committee on the Judiciary.

By Mr. BAKER:

H. R. 7041. A bill for the relief of Mrs. Mary D. Lay; to the Committee on the Judiciary.

By Mr. DURHAM:

H. R. 7042. A bill for the relief of Mary Tarlich Goldstein; to the Committee on the Judiciary.

By Mrs. GREEN of Oregon:

H. R. 7043. A bill for the relief of certain Korean war orphans; to the Committee on the Judiciary.

By Mr. GREEN of Pennsylvania:

H. R. 7044. A bill for the relief of Eva Glockner; to the Committee on the Judiciary.

By Mr. McCARTHY:

H. R. 7045. A bill for the relief of Takeko Ann O'Neill; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 7046. A bill for the relief of Mrs. James L. Brewbaker; to the Committee on the Judiciary.

By Mr. SADLAK:

H. R. 7047. A bill for the relief of Charles Black; to the Committee on the Judiciary.

By Mr. TRIMBLE:

H. R. 7048. A bill for the relief of Dan M. Andrews; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 287. Resolution for the relief of the F. and M. Schaefer Brewing Co.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

334. By Mrs. CHURCH: Resolution of the Baltic American Committee of Chicago, Ill., adopted on the 14th anniversary of the deportation of citizens from the Baltic States by the Communists and commemorating the 15th anniversary of the seizure of Estonia, Latvia, and Lithuania by the Soviet Union, and appealing for the restoration of the sovereign rights and self-government to Estonia, Latvia, and Lithuania; to the Committee on Foreign Affairs.

335. By Mr. SHORT: Petition of Mrs. Lan Nielsen, Aurora, Mo., and other citizens of Aurora, Lawrence County, Mo., protesting legislation permitting alcoholic beverage advertising; to the Committee on Interstate and Foreign Commerce.

336. By the SPEAKER: Petition of the secretary, the Eighth Congressional Townsend District, Oakland, Calif., petitioning consideration of their resolution with reference to urging Congress to take action on the bills H. R. 4471 and H. R. 4472, pay-as-you-go Federal social security for all; to the Committee on Ways and Means.

337. Also, petition of the president, Baltic States Joint Committee, Los Angeles, Calif., petitioning consideration of their resolution with reference to vigorously protesting against the continued Soviet Russian occupation of the Baltic States, etc.; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Address Delivered by Hon. W. Kerr Scott, of North Carolina, at a Breakfast Group Meeting of Senators

EXTENSION OF REMARKS
OF

HON. JOHN STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Monday, June 27, 1955

Mr. STENNIS. Mr. President, recently I requested our colleague, the Senator from North Carolina [Mr. SCOTT] to lead the discussion at a breakfast group meeting of Senators. Preparation time was brief indeed, but Senator SCOTT greatly impressed all his hearers with his practical commonsense, his sound advice and counsel, all of which served as a challenge as well as an encouragement.

I think his words of wisdom and counsel carry a splendid message to the people of America. I believe they convey a special message of inspiration and guidance to the youth of our country and I therefore ask unanimous consent that Senator SCOTT's remarks be included in the CONGRESSIONAL RECORD. Further, I wish to commend him for his noble thoughts and the practical guidance of his counsel.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

DON'T PARK HERE

Many years ago, an inspired poet wrote the immortal lines:

"Heaven is not reached at a single bound;
But we build the ladder by which we rise
From the lowly earth to the vaulted skies.
And we mount to its summit round by round."

And as we consider the words of the poet we should also recognize that it seems to be a trait of human nature to be eternally on the lookout for a place to park—not only one's automobile but one's self. As we ride through the streets of our cities today we repeatedly face the words "don't park here."

We find them in the business and residential sections and on the side streets.

They stare at us from the fire hydrants, from in front of the theaters, the bus and streetcar stops, from public buildings, and numerous other places.

As we ride along the lonely places of country highways we are constantly admonished to "keep off the shoulders" and we are told not to park on fills, curves, or highways.

In the parks we are told to "keep off the grass" and at the intersections the policeman tells us to "step lively."

Restrictions, admonitions, and exhortations are to be seen and heard on every side touching every facet of life.

"It is well that we should thus be warned," for as the German proverb runs: "If we rest, we rust."

And remember, if water rests, it stagnates; if a tree rests, it dies; if our lungs rest, we cease to breathe, and if our hearts rest, we die.

Only yesterday (June 21, 1955) Senator ALEXANDER WILEY introduced in the Senate a bill which I commend to your attention for it recognizes that many people who are forced by provisions of the Retirement Act to retire are still mentally and physically very much alert. It recognizes that these people do not want to park but rather want to continue making their contribution to society.

Yes, "don't park here's" are found in nature, science, and human life and they are designed for our own protection. Yet in spite of all such warnings and exhortations, man still continues to park in many places where he should not.

As we read in Pilgrim's Progress, Christian on his way from the City of Destruction to the Celestial City was frequently tempted to turn aside and park awhile, especially in the Town of Vanity Fair. Christian resisted the temptation and successfully reached his journey's end. This cannot be said of all, and, as a consequence, we find today that men and women too often are parked at various places along the journey of life.

To some of these places I would call your attention.

Some men and women park beside their failures.

Some youths study hard in school. Examinations come and they fail. They accuse the teacher of dishonesty and prejudice to cover their own failures, quit studying, quit school, and park idly beside the highway of intellectuality.

I recall how impressed I was as a freshman in college with the fact of how ill-prepared I was, as well as many other farm boys were, for college training. I observed that the boys who came from prep schools and highly organized city schools were much better prepared than we farm-bred boys were. I particularly recall two boys I have never seen since my college days who were well prepared for college training but who never graduated. They loafed along waiting for the rest of us to catch up, and as a result of their parking, they failed in their examinations and dropped out of school. Parking can be dangerous.

For others a broken home is the excuse for parking along the highway of life.

For others, business becomes dull, crops fail, banks burst, and all is lost. That is, all that is material at the moment and the victim gives up and parks beside his failures or disappointments.

What a tragedy it is to find a boy or girl, a man or woman parked beside some failure or handicap and thus missing the best things of life and losing the spirit to contribute to the welfare of others. At an early age, Theodore Roosevelt was an invalid and had to be carried from place to place in his father's arms. Refusing to park beside such a handicap, he took his doctor's advice and daily, enduring much pain and anguish, he exercised his body, and later became the leader of the Rough Riders and President of the United States.

Remember what happened to Brer Rabbit when he parked for awhile. Mr. Terrapin won the race.

Have you been tempted to park beside some failure or handicap? If so, then take to heart the lesson taught Robert Bruce by the spider. Robert Bruce was King of Scotland during the 13th century. He was a brave fighter, an ardent patriot, and he carried the fortunes and misfortunes of his beloved Scotland in his heart. Late in life he was defeated on the field of battle. Fleeing for his life, he came to an old cave in the mountains. Across the entrance of it a spider had woven a web. Brushing the web aside, Bruce entered to await the end. As he sat facing the entrance he noticed that the spider was again weaving her web and within a few minutes she had completed it. Just then the pursuers of Bruce came and one of them said, "Let's look in this old cave." "No," said the leader, "No one could have entered there without destroying the spider's web." So on they went.

Bruce had entered the cave defeated in battle, broken in spirit, discouraged and ready to give up. But as he sat there and watched the spider quickly adjust herself to her misfortune and begin all over again, he said, "If a spider, without an immortal soul, having the foundation knocked completely out from under her, can begin all over again, by the grace of God, Robert Bruce can come back, too." Slipping beneath the web, he went forth again and freed Scotland from her enemies.

In early January of this year I had one of my dairy barns, which housed 100 head of cattle, burn to the ground. This building had been used successfully for 35 years and I had gotten my money out of it insofar as use was concerned.

I was confronted with making the decision of whether to build a new barn or sell the cows.

My family, because of my age, urged me to sell the cattle and start restricting my activities and take it easy. I pondered long with the realization that I had been born and reared in a dairy-farm family and that most of my life's experience had been in turning worn out agricultural land into lush pastures and in producing milk, which is nature's most complete food. I was reminded of the philosophy of the Chinese which goes something like this: If an idea is good even if it takes 300 years to bring it to fruition, go ahead and do your part if you can and pass it on to others to complete.

I felt that my knowledge in this field and that handed down by my forebears for five generations who had lived on this same land justified, yes, demanded, that I pass on to my sons those things which I had gained through experience and frugal living.

I became convinced that I had no right to coast out the balance of my life and that I had no right to park but that I should go ahead and build back the barn even though I might never receive material benefit from what it would cost to rebuild it.

Oh, my friends, whatever you do, don't park beside your failures and losses.

Then there are those who park beside their successes.

Such people study hard; become the honor men of their class; become captain of the football team or the star of the basketball team; deliver the valedictory, and full of pride, finish school to rest beside past glories.

Others may park after wooing and winning, becoming happily married, having a lovely home, beautiful children, and then sit back and let the rest of the world go by in the belief that they have done their bit for society.

Others establish businesses, outstrip their competitors, become wealthy, and then contentedly pat themselves on the back and proceed to park beside their successes.

An examination of the biographies of the 400 exclusive millionaires of New York society shows that 380 began life as poor boys—boys who refused to park beside their first, second, or third, or any other success.

But of all the parking, there is none more devastating in the lives of men than the parking beside the successes and failures of a man's spiritual life.

If ever a man had justification to park beside either success or failure, the Apostle Paul did. But standing steadfast, Paul said:

"Brethren, I count not myself to have apprehended—but this one thing I do, forgetting those things which are behind, I press on toward the mark for the prize of the high calling of God in Christ Jesus."

"This one thing I do," says Paul, "I am reaching forth. I am pressing on." It is true that I have had failures, I made a mistake in Athens, I presecuted the church. I have been the chiefest of all sinners. But those things are behind. Christ has forgiven those. So I have forgotten them. And then too I have had success. Why! I have seen Christ. I have fought a good fight. I have finished my course. I have kept the faith. I have already won my crown. Yet I haven't time nor the inclination to park beside any of these things. But on the contrary—"This one thing I do"—"I am reaching forth." "I am pressing on." "Toward the mark for the prize of the high calling of God in Christ Jesus."

The lesson taught here is that if we, as Christians and as church members, are to reach the mark and win the prize there can be no parking in the individual's or church's program.

Another great lesson is to be found in the history of the erection of a statue of the immortal Gen. Robert E. Lee in the city of Richmond, Va.

When the news reached Richmond that the statue of Gen. Robert E. Lee, now standing on Monument Avenue, was at the depot, someone said, "My, it will take a lot of horses to pull all those tons of metal uptown." And someone (it must have been a blessed woman) replied, "Horses, oh, don't let horses pull General Lee—let's pull him ourselves."

The idea caught like wildfire and swept the city. The newspapers were full of it. The day was set. The schools declared a holiday. Flags, bunting, popcorn, peanuts, and red lemonade were everywhere. The sidewalks, stoops, porches, and windows were filled with happy throngs.

Out there in the middle of the street were three large trucks tied together, with a drawing cable a block long. Pulling on the cable was one of the motliest crowds ever gathered together. An ex-governor was there with several millionaires. There were rich men, poor men, fat men, lean men, white men, black men, school girls chewing gum, and society ladies tripping about on their spool heels pretending that they were pulling. Amid the laughter and tears, songs and cheers, they drew the general in triumph to the place where he sits today on Traveler, looking ever toward his beloved Southland.

As soon as they reached their destination, every man drew his pocketknife and cut off a little piece of the great rope and put it in his pocket. For days after, everywhere in the city, a man would pull out his little piece of hemp, hold it up, and with great pride say to his friends, "I had hold of the rope. Did you? Did you?"

The mission of the church is to bring the throne of our Savior to its rightful place in the hearts of men. I am hoping with a mighty hope that when that task is brought to its triumphant end there will not be a single Christian who will not be able to look up into the face of the King and say: "Master, I had hold of the rope! I had hold of the rope! I did not park!"

The International Situation

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES

Monday, June 27, 1955

Mr. O'MAHONEY. Mr. President, the junior Senator from Montana [Mr. MANSFIELD] last week was interviewed on the grave international situation in which this Nation is involved by the editorial staff of the Sunday Star. The questions and answers were printed in full in yesterday's issue of the Star. The views of the Senator from Montana are so penetrating and clear that I feel they should be made available to all readers of the CONGRESSIONAL RECORD, and I therefore request unanimous consent that they may be published in the CONGRESSIONAL RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

MANSFIELD SEES DANGER IN POLICY, SAYS SENATE LACKS NEEDED DATA

(Following is the text of an interview conducted by members of the Sunday Star editorial staff with Senator MIKE MANSFIELD, Democrat, of Montana, an outspoken critic of the administration's "limited nuclear war" policy. The questions and answers that follow were transcribed from a magnetic tape exposed in Senator MANSFIELD's Capitol Hill office.)

Question. You have criticized the administration for adopting a "limited nuclear war" policy which you say is dangerous. Why?

Answer. I think anything that has to do with atomic energy is potentially dangerous. I think also that we are emphasizing the destructive aspects and not paying enough attention to the beneficial ways in which atomic energy can be used.

You will recall that Secretary of State Dulles, on an occasion a few months ago, made a statement that we had "precision" atomic weapons. To the best of my knowledge, the smallest atomic weapon we have is equivalent to 3,000 tons of TNT. As you know, the largest conventional bomb we had in the Second World War amounted to about 10 tons of TNT.

Mr. Dulles seems to have the impression that with this "precision" atomic bomb you could just wipe out military installations and nothing else. But one has only to look over this country to see that there is hardly such a thing as an isolated military installation. There are always civilian installations—towns, villages, factories, and what not nearby.

Question. You don't believe, then, that Mr. Dulles' "precision" bombs are precise enough?

Answer. No. If you go back and look over the Nevada tests, you will recall that on a number of occasions there have been delays in experiments because weather conditions were not just right. And you will recall also that the effects were felt far beyond the confined area which the Atomic Energy Commission had laid out and that on one occasion, as I recall, planes were grounded. This grounding happened just last spring in Denver. For 8 hours planes were not allowed to fly because, I assume, of the possible effects of radioactivity or some related matter.

Question. Do you think the people know enough about nuclear matters?

Answer. I think the administration has not given the people the amount of truth they should have about the atomic, the hydrogen, the cobalt, and now the U-bomb. And I believe that because of this lack of knowledge, we are lulling ourselves into a false sense of security as to our position vis-a-vis the Soviet Union.

PEACEFUL ASPECTS

Question. Did you mean a moment ago, Senator, that the administration is concentrating too much on the bellicose aspects of nuclear weapons and not enough on the peaceful side of atomic energy?

Answer. By and large, yes, although I notice that in recent months, even say recent days, they have entered into bilateral agreements with some countries for a certain amount of exchange of atomic information and also on a cooperative basis for the setting up of reactor plants.

Then, too, the President came out with an idea for an atomic ship to cruise the world. I think if he would help other nations develop the peaceful uses of atomic energy (insofar as security will permit), if he would allow more use of atomic energy in the medical and scientific fields for the benefit of mankind, that would be better. In the idea of an experimental ship I don't see much value. If you're going to launch such a ship I think it should be one that will carry out regular commercial missions, not one put out for display purposes alone.

Question. Senator, do you think enough atomic energy information can be disseminated under present security rules?

Answer. No. Much of the secrecy involved in atomic matters is just secrecy for the sake of secrecy. I've noticed that many American scientists think more information should be given to the American people. There are indications that practically everything we have done in atomic science has been duplicated and perhaps surpassed by the Russians and the German scientists they captured in the course of the Second World War.

I think there is a tendency in this country to underestimate the Russians in this field.

IS LIMITED WAR POSSIBLE?

Question. Getting back to your attitude on limited nuclear war, do you think such a thing is possible?

Answer. No, I do not. Referring again to Secretary Dulles' statement about "precision" atomic weapons, the idea implicit there was that in case of war on the Chinese mainland we could limit the conflict to purely military objectives. But I think, using the Chinese mainland as an illustration, that atomic weapons there would create a wave of horror and terror and distrust on the part of all the peoples of Asia.

The Asiatic would say the Americans would use the atomic bomb only against Asians. And we couldn't explain what circumstances would have been responsible for the bombings.

You must consider, also, that this kind of action would not bring the Chinese people to their knees. As a matter of fact, I think it would mean a resumption of the war in Korea. I think it would mean stepped-up activity in Indochina. I think it might mean, if the going got really tough, that the Chinese Communists would call on the Soviet Union to honor the Sino-Soviet treaty of mutual security of 1950.

If you got to this point, and war came between the Soviet Union and the United States, then I do think all weapons would be used. And they would be used on a wholesale basis, far beyond the old-style atomic bomb.

Question. Why do you think the use of atomic weapons would snowball into the use of the ultimate ones—the T, the U, and the cobalt?

Answer. Because once you start you're not going to be able to stop. I think the terror which these weapons inspire is one of the best reasons why, at the present time, we have a sort of cold peace. Certainly the Soviet Union knows what damage would devolve on them if these bombs are used. And despite the fact that we haven't had too much information in this country, I think the American people have a pretty strong idea of what would happen to us in case of atomic war.

NONNUCLEAR WAR

Question. If the prospects in event of nuclear war are so bleak, do you think we could win a so-called conventional, or nonnuclear war today?

Answer. I think that any war we go into we will go into to win, and if all possible we will win. But I want to point out that nobody wins wars any more and that many times the winner, so-called, turns out to be the loser. He has to occupy countries. He has to disburse his own wealth and material to rehabilitate the area which supposedly has been defeated.

As far as conventional arms are concerned, the Russians have 175 thoroughly modernized, mechanized divisions, comprising some 4 million men, the same strength they have had since the end of the war in 1945. In addition, there are 88 satellite divisions of undetermined quality, and the Chinese Communists have something like 4 million men under arms. In the air, it is my understanding that the Russians are ahead of us in every field except the B–47. Under the sea, I understand they have undoubted superiority as far as numbers of submarines are concerned.

The administration seems to be very happy about what we have, but I am afraid the figures won't back up their optimism because I notice that what they talk about is what we have in being, but they never mention the ability of our Air Forces to deliver what we have.

Question. Well, if we can't compete in nonatomic weapons, don't we pretty much have to rely on atomic weapons?

Answer. Oh, yes; and I'm not opposed to that. I think we'll have to keep on experimenting and doing everything possible to develop our atomic and defensive skills. But I do think we ought to tell the truth to the American people insofar as security will permit.

According to the information I get—which is purely from the public prints—it appears to me that a lot of information the American people should have hasn't been told. For example, why did it take Admiral Strauss so long to tell the people of the United States factually what the effect of Bikini-type explosions would be on an area such as from Norfolk, Va., to somewhere up in New Jersey?

Question. Would you care to take this opportunity, now, to tell the truth to the American people as you know it? You are a member of the Foreign Relations Committee. You've been around a good bit. What do you regard as the truth?

Answer. That's not for me to say because I haven't had access to the truth except as it appears in the public prints.

"IN A VACUUM"

Question. Are you implying then, that the members of the Senate Foreign Relations Committee, who have a lot to say about the foreign policy of the United States—or should have a lot to say about it—are operating in a vacuum?

Answer. Yes, but a vacuum of our own making, because we haven't requested that information.

Question. If this information is necessary in order to make a sensible evaluation of foreign policy, why hasn't it been given to you?

Answer. Well, none of us has requested it. I think if we were to request that kind of information we might be given it. But then we would get it under the veil of secrecy and wouldn't be able to do anything about it.

Question. What we are trying to get at in these questions, Senator MANSFIELD, is this: The Foreign Relations Committee of the Senate is charged with keeping an eye on the foreign policy of the United States. Is that correct?

Answer. That is correct.

Question. You don't make policy, but you watchdog it. Secondly then, the foreign policy of the United States is by necessity based on the possession of certain atomic weapons, it is not? In other words, if we didn't have those weapons, we'd have a different foreign policy, wouldn't we?

Answer. That is very likely true, in the details of policy, at least.

Question. So how can you evaluate the foreign policy of the United States and its effectiveness unless you know what our situation with respect to atomic energy is?

Answer. Well, what we are doing, I'm afraid, is evaluating the foreign policy of the United States—as far as the Foreign Relations Committee is concerned—on the basis of the old conventional methods of evaluation.

Question. So what the Senate Foreign Relations Committee is doing now is using obsolete information to arrive at modern conclusions. Is that what you're saying?

Answer. No, I wouldn't say that. But we have not, to my knowledge since I've been on the committee, had a member of the Atomic Energy Commission before us to give us his views. We assume that when the Chief of Staff or the Secretary of State or any other officials appear before us, they have had contacts with the AEC and that they supposedly have looked into the atomic implications of any field of foreign policy in which they may have interest.

Question. And you are assuming that, having this information, they have arrived at the proper conclusions?

Answer. I'm afraid that's what it amounts to.

Question. Isn't that a rather large assumption?

Answer. Well, that's true. But the point is that in Congress we've got to make large assumptions because there are so many things before us that we just haven't got the time, individually or collectively, to get all the answers to all the questions that could be raised.

Question. Do you anticipate asking a member of the Atomic Energy Commission to come before the Foreign Relations Committee?

Answer. You are presenting an idea I hadn't thought of, but I think it would be a good idea at some time in the near future, if the schedule isn't too tight, to have some of these people come before us and give us an explanation of what they think we should be told. And perhaps we could ask them some questions and draw them out a little bit further.

Thank you, Senator MANSFIELD.

Why the President Opposes TVA—His Uncompromising Position Regarding Dixon-Yates Deal Is Analyzed

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1955

Mr. EVINS. Mr. Speaker, it has been my pleasure and practice since being a Member of this body to send out from my office each week a weekly newsletter touching upon topics of interest to the people of the district and State which it is my privilege to represent.

In response to numerous inquiries, I took occasion in the newsletter dated June 27, 1955, to answer the question: "Why is the President against the TVA?" In this connection, Mr. Speaker, under unanimous consent I include this particular issue of our weekly newsletter in the RECORD.

The newsletter follows:

WHY THE PRESIDENT OPPOSES TVA

Following the recent fight in the House for funds for a needed expansion program for the TVA—a fight which failed following the personal intervention of President Eisenhower—the Representative of the Fourth District of Tennessee has received numerous letters and inquiries asking the basic question: "Why is the President against TVA?"

It is a normal question to be asked by Tennesseans and others who in the past regarded President Eisenhower's statements of friendship and approval of TVA on their face value and as statements outlining a firm and solid personal position.

The fourth district representative does not, of course, presume to intrude himself into the thinking of the Chief Executive. Over the past 2 years, however, and in the light of developments and actions emanating from the White House and elsewhere, he has, as have others, taken occasion to form a few

views in this regard and submits this newsletter report as responsive to the many inquiries received on this subject.

President Eisenhower has advocated a number of measures which have been right and worthy of support, among these being his advocacy of the Cordell Hull policy of reciprocal trade agreements programs, and his course with regard to our foreign policy. On these and on other issues, I consider the position of the President sound and thus worthy of fullest possible support.

The number of issues on which President Eisenhower has exhibited accord with measures promoted and carried forward by previous administrations have, in fact, been numerous and for this reason his political advisers may have decided that opposition to some programs of the previous administration should be undertaken. The TVA would appear to be a logical target for such opposition in view of its apparent—to some—regional nature. In other words, his advisers may have persuaded him that he cannot "stand for all things" but must be "against" some things—and the TVA would be a good "horse" to ride, and ride hard.

Still other factors would seem to have exerted a strong and irresistible influence in the President's thinking, chief of these has been former Gov. Sherman Adams, of New Hampshire, now chief administrative assistant to Mr. Eisenhower. Mr. Adams is reputed to be, in fact, the "assistant President," and through whom virtually most matters are "'filtered" or cleared at the White House. Further, former Governor Adams is a New Englander and an arch foe of public power, and as such, is a natural leader of the school of thought that New England is rapidly losing industry to the cheap-power region of the TVA. This is fallacious reasoning, but it is nevertheless a banner under which the enemies of TVA rally forcefully. As indicated, Governor Adams, President Eisenhower's No. 1 adviser, is known as a traditional enemy of TVA.

Another factor of vast importance in the President's adamant and uncomprising position against TVA and for the invasion of public power into the region, was the presence in the Bureau of the Budget of Adolf Wenzell, a former vice president of the First Boston Corporation, the financing agency looking to the working out of the so-called Dixon-Yates deal for the administration. Mr. Wenzell, as an unpaid but powerful and strategic appointee creditable to the big business and private power trust—friends of which are known to be well placed in the administration—can be credited with much of the force behind the Budget Bureau's anti-TVA position and its advocacy of the private power invasion of TVA. This anti-TVA opposition within the Bureau of the Budget and elsewhere has supported any measure to cripple the agency—whether it be cutting its appropriations, denying needed facilities, tight and restrictive financing proposals, and other slow-death maneuvers. A position which, in effect, issues the call to "get TVA at any cost."

Individuals in high positions within the administration, together with the traditonal opposition of ancient enemies of TVA, together with the determination of the administration to find an issue, together with the fact that President Eisenhower has surrounded himself with big business, financiers, and others whose knowledge of TVA is gained only through hearsay, have constituted an irresistably persuasive force at the White House.

The President himself, though he should not be excused, has not apparently been receptive to pro-TVA information and, therefore, has not received such information. His advisors, being opposed to TVA, have provided him with only one side of the story. So far as is known he has not pressed for information to give him a complete and accurate picture of this great agency.

Those of the President's party who were too clever and experienced to write their anti-TVA views into the party platform, have succeeded in making the President a captive of their unprogressive and backward philosophy with regard to public power. The pity of it is that President Eisenhower, many feel, is not fully aware of what has happened to him—captured by those with whom he has surrounded himself.

But that something has happened to him—that he has become a captive of anti-TVA influences and TVA foes—can be easily judged by a simple comparison of his campaign speeches on TVA—advocating TVA operations at maximum efficiency—with his more recent assertions against TVA as an example of creeping socialism and like statement emanating from the White House.

Proposed Commission on Immigration and Naturalization Policy

EXTENSION OF REMARKS

OF

HON. LYNDON B. JOHNSON

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Monday, June 27, 1955

Mr. JOHNSON of Texas. Mr. President on behalf of my colleague the junior Senator from Massachusetts [Mr. KENNEDY], I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by him relative to the proposal to establish a Commission on Immigration and Naturalization Policy to review the operation of the McCarran-Walter Immigration Act, and to recommend changes in the act.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KENNEDY

There can be little disagreement over the need to amend the McCarran-Walter Immigration Act. The coauthor of the act, a House Judiciary Committee Report on its administration and those officials of the Government charged with administering the act have all indicated the desirability of amending certain sections. President Eisenhower, the leaders of both political parties, and representatives of major religious, labor, civic, and other groups have called for amendments. Some minor amendments have passed without most of us realizing it. Since passage of the act, 10 bills have been proposed in the Senate and about 50 in the House to revise it; and it has been involved in approximately 28,000 court cases, in many of which the courts found difficulties or conflicts in interpretation.

The difficulty is in determining exactly what amendments are desirable at this time. The entire subject of immigration—which involves a legal jungle of complex and technical details that very few Members of Congress are able to comprehend in their entirety—has become further confused with issues of partisan politics and emotional and prejudicial exchanges of extravagant praise and criticism. Very little has been said about the actual operation of the act during the past 2 years, and its consequences on our economy, security, foreign policy, and social welfare. It is my hope that a bipartisan blue-ribbon commission, including representatives of the executive and legislative branches as well as the public, will take this controversial subject out of politics, impartially analyze the administration of the act, and provide a detached and dignified report on which a large part of the Congress and the public can agree. Such a study, it seems to me, would be of value to both the supporters and the critics of the act, as well as those charged with its administration and enforcement.

Although a commission appointed by President Truman in 1952 performed a valuable service in its study of the law, the McCarran Act had not yet gone into operation at the time its findings were made. Moreover its hearings were conducted in the midst of a heated political campaign; and, inasmuch as the appointment of the Commission and its report were considered by some to be partisan in nature, these findings have been largely discarded.

A new, bipartisan, high-level commission would now be able to examine actual experience under the act. Several experts in immigration law, while disagreeing on the merits of the act and the direction in which any amendments should move, have agreed that the time is ripe for a reexamination of this problem. As I recall, the sponsors of the present act urged at the time of its passage that the law be continually reexamined in the light of experience with its various provisions. Many administrative practices under the act have been criticized by its sponsors as well as its opponents; and both groups have from time to time called for a review of the act and its operations, as has the President.

Although there are many of us on both sides of this controversy who would prefer to see immediate amendments enacted by the present session of Congress, it is apparent that such amendments are not likely in the supercharged atmosphere that presently surrounds the act.

Government Employees' Salary Increase Act of 1955

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1955

Mr. ROGERS of Florida. Mr. Speaker, under leave to extend my remarks, I would like to go on record as being in favor of the Government Employees' Salary Increase Act of 1955, S. 67, since I was unavoidably detained from casting my vote on this measure when it first came up on the floor. I was returning from Florida and my plane did not arrive in time to permit me to be on the floor when the vote was taken. As a matter of fact, I reached the floor only minutes after the vote was taken. I would like the RECORD to show, as I have previously stated, that I was in favor of the bill and had planned to cast my vote in full support of it when it was first brought up on the floor of the House. However, I was present and voted for the passage of the bill after it had been agreed upon by the conference committee.

It is my feeling that our Government employees are entitled to and deserve a raise in salary; certainly their salaries should be kept commensurate with salaries paid outside governmental service.

I believe this group of efficient, loyal, and hard-working employees deserve this small raise.

Farmer Public Relations Program

EXTENSION OF REMARKS
OF
HON. HAROLD D. COOLEY
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1955

Mr. COOLEY. Mr. Speaker, in news releases for the press, for radio, and for television, in speeches and magazines, thousands of words critical of American farmers have been beamed to city dwellers. With evil sounding overtones, such words as "surpluses," "subsidies," "waste," and "inefficiency," are drummed into city ears. The farmers' customers in town are told that farmers are pricing themselves out of their markets, with a hint that they are living a high life on fat Government checks. The farmer has been ridiculed from one end of the land to the other. It even is suggested that consumers revolt against farmers.

Moreover, a rather successful attempt has been made to divide farmers, to set one group or one region against another.

Mr. Speaker, the time has come when those of us who are interested in the welfare of farmers—and, indeed, in the welfare of our country—must find a way to present the truth about agriculture to the people—especially to the great urban populations of the Nation.

Therefore, I take the floor to propose to the House a positive public relations program for agriculture.

More particularly, it is my purpose today to urge the passage of an integral part of that program which is embraced in House Joint Resolutions 317 and 318 introduced respectively by myself and my distinguished colleague, Hon. CLIFFORD R. HOPE, of Kansas.

These resolutions would designate the last week in October of each year as Farm-City Week, to honor America's farm families and to promote understanding between farm and city people.

I shall submit later in these remarks detailed proposals for a public relations program for farmers, along with a brief recitation of the urgent need for such a program. But, first, I want to discuss the resolutions to establish Farm-City Week. These resolutions embody the only legislative enactment that now is essential to the overall public relations program that has been conceived as an effort to tell the truth about our farmers, to encourage understanding between farm and city people, to promote the well-being of agriculture, and thereby to lay a solid foundation under the prosperity of our total economy.

Our farmers have made the United States the best fed and the best clothed Nation in the world. I think all Americans will welcome an opportunity to honor the people who have contributed so much to our civilization and, moreover, they will want to use this Farm-City Week to gain a better understanding of the needs, problems, and opportunities of our farm people.

The resolutions authorize and request the President to issue annually a proclamation calling upon the Department of Agriculture, the land-grant colleges, the Agricultural Extension Service, and all other appropriate agencies and officials of the Government, to cooperate with farm organizations and other groups in programs observing Farm-City Week, including plans for public meetings, discussions, exhibits pageants, and press, radio, and television features.

This specially designated week would permit many civic, social, and other organizations to fit farm programs into their regular weekly meeting days, and generally would increase the opportunities for joint meetings of farm and city people.

It is especially appropriate right now that we open this broad opportunity for understanding and friendship between the people who produce our food and fiber and those who consume it. For agriculture's position in the whole economy is the most pressing domestic problem confronting our country, and the least understood.

It is essential that city people understand agriculture. It is to their own self-interest that agriculture be prosperous and not become a depressing drag upon the whole economy.

We must remind America that our great strength as a Nation has its roots in the soil and large dependence upon the people who till the soil. Farmers want to join city people, and we want them to join us, in establishing and assuring a condition of permanent prosperity in this Nation.

The resolutions to establish an annual Farm-City Week now are pending before the House Judiciary Committee. We are hopeful that these resolutions soon will be presented for a vote in the House.

Mr. Speaker, the truth about our farmers is the heart of the public relations program for agriculture I present here today.

Probably 75 percent of our people in the cities have little or no understanding of agriculture. More alarming is the fact that many of these have a poor opinion of farmers.

Jim Roe, managing editor of Successful Farming, published in Des Moines, recently wrote in that magazine:

> A rapidly growing number of our customers in the cities are being led to believe a farmer is a sort of rural racketeer. A man who is living—and living much too well—primarily on fat checks from a misled and overprotective Government. A man responsible for high food prices.
>
> That's a character sketch which adds up to a not-so-admirable character. But he makes a wonderfully handy villain. Nonfarm groups always quickly point at him when confronted by irate ladies having trouble with their budgets. He is especially amiable villain, for he seldom answers back.
>
> Small difference that the charges are monstrously false. That prices of food at the farm have gone steadily down while grocery-store prices went up—that in 1953 farmers were able to keep as net income only 36.5 percent of their gross receipts—the smallest percentage since the well-remembered year of 1932.

Mr. Speaker, I believe the future of agriculture is imperiled by the prejudices against farmers that have developed throughout this country and, unless we find some way to put across the truth, our farmers will suffer, and ultimately this whole country will pay a woeful price for the folly of these prejudices.

We cannot permit these prejudices to promote a continued deterioration of farm income and to create a condition in agriculture such as plunged the whole economy into the great depression of the 1930's.

We in agriculture are largely at fault for the poor opinion many people have of us, because we have become divided among ourselves and we have the poorest public relations of any large group in our national life—in fact, hardly any public relations program at all.

This must be changed.

We must begin by correcting some of the serious misunderstandings and misconceptions on agriculture and public policy relating to farmers. The farmers' salvation will rest on our willingness and our effort to put across the truth.

The people have not been told that our farmers, even in relatively good times, have received less than half the per capita income of the people who live in the towns and cities—that half the farm homes in the United States still are without running water.

They do not know that consumers get more and better food today with an expenditure of a smaller percentage of their total income than at any other period in history—that in 1914 the average factory employee could buy only 3.5 pounds of bread with an hour's earnings; in 1929 he could buy 6.4 pounds, but in 1954 his hour's earnings would buy over 10 pounds of bread—that the average hour's wage would buy only 1 pound of butter in 1929, compared with 2.6 pounds in January 1955; only 3.9 quarts of milk in 1929 compared with 7.9 quarts now; 1.1 dozen eggs in 1929, and 3.6 now; 17.7 pounds of potatoes in 1929, and 34.7 in 1955.

Few people know that the farmer gets only about 2.7 cents for the wheat in the 17-cent loaf of bread; that there is only 25 cents worth of cotton in a $4 shirt; that, for instance, tobacco farmers receive only about $800 million for that part of their crop consumed in the United States, while Federal, State, and local taxes on the crop amount to approximately $2,100,000,000 each year.

Were the consumers in Chicago told that last June housewives there paid 25 cents a quart for milk delivered at their doors, while the farmers who supply the Chicago market received only 6.5 cents a quart of class I milk?

Is anyone spreading the word of the wonderful efficiency of our agriculture; that the output per farmer has increased by more than 50 percent in a few years; that in Russia half the total population work on farms, and still cannot meet the Communists' needs for food and fiber, while in America each farmworker feeds 18 persons; that the efficiency of our farmers releases over 86 percent of our population for other work in factories, in mines, in shops, in transport, in all the other pursuits which makes the

United States standard of living the envy of the world?

Mr. Speaker, we must get the farmers' story before the American people.

We must suppress the prejudices against our farmers.

We must let farmers' friends in the cities know that it is because food is so cheap that American families have three-fourths of their income to invest in their homes, in their institutions, and in the comforts and conveniences that make up this American way of life.

We must remind America that in many nations of the world today the people are hungry because their farmers have been neglected and ill-treated.

Therefore, Mr. Speaker, on behalf of a small, representative group that has been devoting its thought and efforts to the problem, I propose immediate steps to establish a positive public-relations program for farmers; a program to plant the truth about agriculture wherever it cannot now be found; a program to bring all farmers together in a common bond; a program to cultivate understanding between farmers and their customers in the cities. We propose the development and growth of this program in two parts:

First. By creation of an interim committee to (a) enlist the aid and counsel of everyone interested in improving public understanding of agriculture; (b) study the size of agriculture's public relations problem, and its possible solutions—to serve as agriculture's research laboratory for this important, untouched farm problem; and (c) try out, on a small, pilot-plant scale, a limited number of specific projects designed to improve agriculture's relations with all other aspects of our national community of enterprise and aspirations.

Second. To use the experience and work of this interim committee for the establishment of a permanent public relations organization, adequately staffed, to create understanding of the problems of farmers and the importance of agriculture to the well-being of the total economy and also to promote food—to convince America that food is the best thing that money can buy.

The program must be supported financially by all of agriculture—by individual farmers, farm organizations, and industries serving agriculture—or it should not be started at all.

It should hew to these basic principles:

First. It would be based on facts. It could never deal with half-truths or evasions. Fortunately, our self-interests and the public interests are the same. The truth about agriculture is the best public relations it could have.

Second. It would never deal with political matters.

Third. It would attempt to unite agriculture, and give all agricultural groups something to be for. If, through a public relations effort, farm organizations can find common ground for united action, we shall have rendered agriculture a very great service.

Fourth. It would explain the essentiality of agriculture. The security of abundance has never been put across to our people. Housewives are happy to have their pantry shelves filled but they have been taught there is something evil about having abundant food in our warehouses. "Surpluses" actually represent only about 5 percent more food than our people will clear from the market-places at present prices. We should see that America gives thanks for the fact that we are 5 percent over our goals, instead of 5 or 15 or 20 percent under—as is the case over most of the world.

Fifth. It would explain the efficiency of farmers and what this means in better food and reasonable prices, and it would show the science, the flavor and romance of food.

Sixth. It would show what farm products will do for people, for health, and in terms of a good life for every American family and each member of it.

To accomplish this, we have only to use a generous sampling of well-tested public relations tools. Here are some of the things we can do:

First. We should be supplying facts—the truth—to the important writers, magazines, and newspapers of the United States. We have allowed a vacuum to come into being. The result is many people seldom hear of agriculture except in connection with unpleasant, or seemingly unpleasant, events. I feel that the great newspapers of the country will be friendly to us when we are able to put the facts before their editors.

Second. We should have a speaker's bureau, with well-qualified persons ready to present, primarily for city audiences, the true story about agriculture. Moreover, farmers or local farm organization folks often are invited to speak before their fellow citizens. But farm people have little time to write speeches. We should aid these people by giving them fact sheets for use in such public discussions.

Third. We should arrange tours of food growing and processing areas by editors and other urban leaders. Much of our agricultural public-relations problem is due to the fact that most editors of large circulation city magazines and newspapers have little opportunity to see agriculture work. Thus, they have little appreciation of our problems and do not personally know anyone to whom they can turn to explain agricultural questions as they arise. Industry for many years has used the group-tour method to acquaint people with its personnel and its processes. Agriculture should do the same.

Fourth. We should be quick to capitalize on current news—to explain our operations and the importance of our products. Every major industry and trade association in the country does that. For instance, when the Soviet regime was seriously embarrassed by its failure to provide enough food for its people, we did nothing to assure American consumers as to their own supply of food and the continued ability of American farmers to produce that supply.

Fifth. We should point up agriculture's importance, its problems and its dreams, in staged events. We should have a national farm-city week. We should give more attention and more promotion to the county fair. These, by and large, have been allowed to drift away from a portrayal of the agriculture of the area and, instead, we have allowed horse races, stock-car races, and a succession of carnival acts to come in and make use of the funds which in most cases are still appropriated by the county for an agricultural fair.

Sixth. We should promote the idea of farm summer scholarships for city schoolchildren. A number of city boys and girls could be selected by their school authorities to spend a month or two actually working for pay on farms. They would more than earn their way and could go back to their city classrooms in the fall to share with fellow students an understanding of present-day farming and farm people.

Seventh. We should encourage the teaching of agriculture in grade schools, high schools, and universities.

Eighth. We should acquaint farmers with the importance of joining wholeheartedly in their local civic groups and activities. Other businessmen in our small towns and villages know it is important for them, both in a social and business way, to be acquainted with their fellow businessmen and to be identified with community improvement. We, too, are substantial businessmen in our communities, and must accept these community responsibilities.

Ninth. We should rescue food from its present "residual expense" category. By and large, Americans buy food with the money they have left over after making the payment on the mortgage, the car, the television set, the gas company, and the tax man. There may be ways to end this situation, and we should explore them.

Tenth. We should enlist the aid of industry public-relations staffs. Many huge American industries sell a substantial portion of thier products to American farmers. Yet many of those same industries do little to help the farmer with his public-relations problem. We should show these folks how they can be of aid to agriculture. After all, their customers' problem is their problem, and farmers are their customers.

Eleventh. Eventually, agriculture should find some means of financing adequate institutional advertising to tell the agricultural stories which it will not be able to tell in any other way. Too, such an operation would give agriculture one more important point of contact and liaison with America's mass media.

Twelfth. There is more than a possibility that agriculture could develop a very worthwhile continued television program, which would be of interest to farm and city people alike. One of the outstanding examples of such a program is the Johns Hopkins Science Review. Agriculture, too, has much to tell in the way of science. We would do well to investigate this method of telling it.

These are some of the things we can do in an effective public-relations program for agriculture, in an effective program to tell the farmers' story.

This is a program in which everyone interested in agriculture can join.

It is not a political proposition. It is not a 90-percent or a 75-percent of parity proposition.

It is a proposition to undo the damage that has been done. It places no blame. It will be born, if it is born, in the hope that all of us in agriculture, and whose well-being depends upon agriculture, henceforward can sit down together, resolve our differences, work out our problems, promote the prosperity of our pursuits, contribute to the strength and stability of our total economy, and enjoy the fruits of understanding and friendship among all our people.

The need and the demand for a program to tell the farmers' story straight from the shoulder was first impressed upon our House Committee on Agriculture 2 years ago during its grassroots tour, under the chairmanship of Mr. HOPE, of Kansas. Our committee traveled 20,000 miles to study agriculture, and everywhere it went farmers would tell the members that agriculture had the worst public relations of any segment of our economy.

Back in February a few of us got together in a little informal meeting, to discuss what could be done. Among those present were Hon. Clifford R. Hope, Hon. W. R. Poage, of Texas, Mr. Louis Wilson of the National Plant Food Institute, Mr. Jim Roe, managing editor of Successful Farming, Dana Bennett of the Foundation for American Agriculture, and Hollis Seavey, of the Clear Channel Broadcasting Service. Politics had no consideration in the situation. We explored every means of getting the farmers' story told. Then we asked Jim Roe to draw up a plan embracing the things we had discussed.

That is the positive program of public relations for agriculture I present today.

Applesauce on Capitol Hill

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. DAWSON of Utah. Mr. Speaker, my colleague from southern California is putting into the RECORD statements whimsically called "Bananas on Pike's Peak." They are typical of the unfounded exaggerations being made by that area in an attempt to defeat the upper Colorado River project, and I submit they should be more accurately called "Applesauce on Capitol Hill."

Any consideration of the Colorado River storage project should at all times keep in view the real basic issue, which is this:

The water under discussion belongs to the four upper basin States of Utah, Colorado, New Mexico, and Wyoming. The Colorado River storage project would provide the way to develop and use that water in those States, where it belongs. If the storage project is not built, that water—the most precious of all resources in the semiarid climate in which we in the West live—will be stolen from us. It is as simple as that.

The water is ours by every right, both legal and moral. More than 90 percent of the water which flows in the Colorado River system falls in the form of snow on the mountains of our four upper basin States.

We did not selfishly try to hold onto all of that water, even though it is produced on our land. By terms of the 1922 Colorado River compact, we agreed to a division of water with the lower basin States, through which the river flows. Terms of that compact are more than generous to the lower basin, but we are not disputing them. We only want the right to develop the water that is ours, under the law of the land and under the laws of justice and equity.

There is no other major source of water to which our four States may turn. Without it, the final limits of our growth and development are very sharply defined. Our future is dead.

With that water—and once more let me remind you that it is our water—we can continue to grow and develop, not only for ourselves but for the benefit of the entire Nation. We can fully develop the mineral treasure chest of the Nation which lies in the upper Colorado River Basin. We can, and will, contribute steadily to the wealth and to the security of these United States.

If we are not given the right to develop our resources, through construction of the Colorado River storage project, there can be no doubt of what will happen to the water—our water. Water, unchecked and uncontrolled, inevitably runs downhill. The natural course of the Colorado River takes it to Mexico and to southern California, which has already built a tremendous agricultural and industrial economy through development of its own share of Colorado River water. Development largely accomplished through the reclamation program financed by the Government.

Let us not be led astray by false issues and the red herrings with which the opponents of the Colorado project are constantly trying to confuse the people. We are only asking for our obvious and lawful right—to develop our own water for essential use and to pay for that development from the resources of our own region. Do not let this right be stolen from us.

Establishing a Transportation and Public Utilities Service To Serve Agencies and Departments of the Federal Government

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a letter that I received from Edmund F. Mansure, Administrator, General Services Administration, advising me that he has issued necessary orders "establishing a Transportation and Public Utilities Service under the direction of a new Commissioner to serve all executive agencies and departments of the Federal Government," which is in line with a suggestion that I made to Administrator Mansure some weeks ago. This is decidedly a move in the right direction and will result in the saving each year of many millions of dollars to our taxpayers and the Federal Government.

I congratulate Administrator Mansure on this constructive action.

The letter follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., June 21, 1955.

Re reorganization of transportation setup in GSA

Hon. JOHN W. McCORMACK,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN McCORMACK: Reference is made to your recent letter concerning the reorganization setup in GSA. We have directed that transportation and public utilities be taken out of the Federal Supply Service.

Accordingly, we are establishing a Transportation and Public Utilities Service under the direction of a new Commissioner to serve all executive agencies and department of the Federal Government. This is in line with your suggestion.

Our first objective is to effect the movement of Government traffic, ocean, motor and rail, consistent with the best interests of our national economy, at the lowest cost to the taxpayers.

We are aware of the inequitable distribution of Government traffic in the various parts of the country. It is our desire to remedy this situation. Mr. Hyde, who attended the meeting in Senator SALTONSTALL'S office, has been directed to coordinate the activities of those directly engaged in this work. In order to accomplish this we shall need your cooperation.

We are now ready to discuss with you the clarification or revision of Public Law 152 in connection with the present exemptions. The general counsel has been directed to make his staff available at your convenience.

Messrs. Elliott, Kennedy, Hyde and Denniston will keep in touch with you. We are hopeful that revision of the law may be accomplished during this session of the Congress. Thanks for your help and interest.

Cordially yours,

EDMUND F. MANSURE,
Administrator.

Vesting in the National Foundation for Infantile Paralysis Sufficient Quantities of Salk Vaccine to Inoculate Free All Children in the United States Under the Age of 20

EXTENSION OF REMARKS
OF
HON. LEONOR K. SULLIVAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mrs. SULLIVAN. Mr. Speaker, as I announced to the House today, I have introduced a bill which has been in preparation for more than a month which would authorize the purchase by the United States of sufficient quantities of anti-poliomyelitis vaccine to inoculate

every child in the country, without charge. The actual allocation and distribution of the vaccine under my bill would be in the hands of the National Foundation for Infantile Paralysis.

I suggested this approach on May 13, when Dr. Leonard Scheele, the Surgeon General of the United States Public Health Service, was testifying before the House Banking and Currency Committee. While he voiced no official policy on that suggestion, he said he personally could see no objection to turning the whole thing over to the Polio Foundation. I then attempted to obtain the views of the Foundation itself, but was unable to do so until just recently, when Mr. Basil O'Connor testified before the Senate Labor Committee. His testimony—in answer to persistent questioning—finally gave me the information I felt I needed before I introduced any legislation on the subject. In other words, we now have the word of the Foundation that it can do this job; we also have the information from them as to how they would prefer to handle it in case it was thrust upon them.

I think they should have the responsibility. They do not ask for it. But they can handle it. And no other organization in the country, including no Government agency, could handle it as well, in my opinion.

Mr. Speaker, I have issued a press release which gives the full details on my bill, and I include it, and also a copy of my bill, as follows:

CONGRESSWOMAN SULLIVAN TO INTRODUCE BILL TO TURN OVER TO NATIONAL FOUNDATION FOR INFANTILE PARALYSIS ENOUGH SALK VACCINE TO INOCULATE FREE ALL CHILDREN UNDER 20 YEARS OF AGE

Congresswoman LEONOR K. SULLIVAN, Democrat, of Missouri, plans tomorrow (Monday) to introduce a bill which would have the Government purchase and turn over to the National Foundation for Infantile Paralysis sufficient supplies of the Salk antipoliomyelitis vaccine to immunize all children in the United States under the age of 20. The inoculations would be free.

Mrs. SULLIVAN first broached this idea on May 13 during a hearing of the House Committee on Banking and Currency while she was questioning Dr. Leonard A. Scheele, Surgeon General of the United States Public Health Service. Dr. Scheele said that, speaking personally, he could see no objection to turning such a mass immunization program over to the National Foundation.

The Congresswoman, 3 days later, on May 16, wired Basil O'Connor, president of the National Foundation for Infantile Paralysis, asking if he thought her proposal "would be a practical approach and if the foundation would be willing to undertake the burden of the work. I can think of no better way of assuring fair distribution of the vaccine. Would you give me your views?" She said she would introduce such a bill if the foundation agreed.

Mrs. SULLIVAN received no direct answer from the foundation. Mr. O'Connor asked for time to think over her suggestion. Failing in a subsequent effort to get a definite statement of views on this matter from Mr. O'Connor, Mrs. SULLIVAN waited until the foundation head testified before the Senate Committee on Labor and Education when, under persistent questioning, he finally, reluctantly, acknowledged that the National Foundation for Infantile Paralysis had the competency to inoculate all children in the country if the vaccine were supplied.

The National Foundation, which financed Dr. Salk's research leading to the development of the vaccine, and also the field tests involving nearly a million children in 1953 and 1954, is now in the process of providing free inoculations for all first- and second-grade children.

In his testimony before the Senate committee, Mr. O'Connor said the foundation would be reluctant to take Government money in carrying out a mass inoculation program. "We would follow the policies that the Red Cross has always followed of not accepting Government funds. If that was officially presented to us, we would prefer that the Government buy the vaccine and give us the vaccine and vest it in us as we did in foreign civilian relief in the Red Cross."

After reading this testimony, Mrs. SULLIVAN decided to go ahead with the idea she had put forward on May 13 of having the Federal Government, through the Department of Health, Education, and Welfare, purchase the vaccine from the manufacturers, and then turn over the entire program of allocation and distribution of the vaccine for all children under 20 to the National Foundation for Infantile Paralysis, without regard to the ability of individual families to pay for the inoculations.

The Congresswoman declared:

"The confusion which arose because of the Government's original failure to have any practical program for allocation or distribution of the vaccine, or to assure that every child in the country would receive the vaccine regardless of ability to pay started this whole thing off on the wrong foot. The administration fumbled the thing terribly. Its present proposal for the free inoculation of indigent children puts too much of a charity connotation on this program. It is not charity. All the people of the United States have paid for the development of this vaccine through their dimes and dollars to the National Foundation.

"The Foundation pioneered the vaccine. It has paid for its development. It has pledged $9 million it does not even have to carry out the school inoculation program for first and second graders. It has been engaged in this work for 20 years. It knows the priorities and the needs, both by age groups, geographically, and so on. You would have no question of blackmarketing or of anything of that nature, for no one, no matter how much money he had, could possibly corrupt the Foundation or argue with its decisions on who should get the vaccine and in what order.

"My bill provides for the inoculation of all children under 20 by the end of 1956 with vaccine supplied by the Federal Government. I understand it will take until about then to make sure we have the 160 million separate shots of the vaccine needed to immunize the 59 million children under 20, giving 3 shots to each, including a third shot for the children who have already been covered.

"Once this mass inoculation program is complete, then of course the antipolio immunization program could be carried on in routine fashion through normal channels as any other vaccination program is regularly handled. But there is nothing normal about the demand for this vaccine, and the problem it creates in assuring fair treatment for all, particularly in such an emotional area as this where the health of children is involved."

Mrs. SULLIVAN said her bill differs from the one introduced by all seven Democratic members of the Senate Labor Committee, which also provides for free inoculation of all children under 20 in that S. 2147, the Senate bill, provides for grants of money to the States to purchase and distribute the vaccine, whereas her bill has the Federal Government buying the vaccine directly, but authorizing the National Foundation, under the general supervision of the Secretary of Health, Education, and Welfare, to have complete control of allocation, distribution, and regulation of the use of the vaccine.

The Sullivan bill is attached, as follows:

"H. R. 7026

"A bill to provide for the purchase by the United States, and the distribution by the National Foundation for Infantile Paralysis, of a sufficient supply of poliomyelitis vaccine to immunize all children in the United States under 20 years of age against paralytic poliomyelitis

Be it enacted, etc., That in order to promote the general welfare, raise the standard of health for all children of the United States, and institute the most effective and equitable plan for the eventual elimination of the scourge of paralytic poliomyelitis among the American people through mass immunization of all children under 20 years of age on a priority basis, without regard to their ability to pay for the vaccine, the Secretary of Health, Education, and Welfare shall purchase a supply of poliomyelitis vaccine sufficient to carry out such an immunization program as provided in section 2 of this act.

"SEC. 2. The National Foundation for Infantile Paralysis, under the general supervision of the Secretary of Health, Education, and Welfare, is hereby authorized to—

"(1) develop a program for the allocation and distribution of all poliomyelitis vaccine purchased by such Secretary,

"(2) establish priorities by age group and geographical location for the allocation and distribution of such vaccine in such a manner as to make the vaccine available to all children in the United States under 20 years of age, and

"(3) regulate the use of such vaccine, under the provisions of this act, in such a manner that will assure its most effective and equitable use in combating the spread of paralytic poliomelitis in the United States.

"SEC. 3. For the purposes of this act the term 'United States' includes Alaska, Hawaii, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Canal Zone, and the District of Columbia.

"SEC. 4. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

"SEC. 5. This act shall terminate not later than December 31, 1956."

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1955

Mr. HOSMER. Mr. Speaker, the Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the Florida irrigation project in Colorado.

The Florida project is a part of the proposed multi-billion-dollar upper Colorado River project.

The cost to the Nation's taxpayers of the Florida project would be $2,200 an acre.

The project would produce agricultural products now supported by the taxpayers and in great surplus. Among these are grains and dairy products.

The Doctor Draft

EXTENSION OF REMARKS
OF
HON. GEORGE S. LONG
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. LONG. Mr. Speaker, the time is well past due for the discriminatory draft of doctors to end. To continue conscripting physicians and dentists up to the age of 46 is not only unrealistic but contributes to a basic condition which is sadly in need of proper adjustment. The provision of an adequate career medical officer procurement program is the true solution to the problem. The extension of the doctor draft beyond June 30 can only be considered as a mechanism for replacing career medical officers who are leaving the service in great numbers. It means the Defense Department is avoiding again the establishment of an effective career medical officer procurement program and needed adjustments to make career service more attractive.

A report of the Hoover Commission reveals an enormous increase in medical care given to dependents in recent years. Much dissension centers around this feature of the Armed Forces medical program wherein civilian physicians are drafted, then required to devote a large percent of their time and services while in uniform to the care of civilian dependents and civilian employees of the Federal Government. This exists largely in areas where the services of qualified civilian physicians can be readily obtained. There are nearly 3 million such dependents and retired military personnel plus in excess of 1 million civilian employees, who, under current law, are entitled to receive all or part of their medical care from the Armed Forces. If medical service is to be supplied free to dependents and other civilians, why would it not be feasible for the Defense Department to contract directly with local hospitals and doctors, or pay the premiums for health insurance to cover the costs? The extent of the dependent medical care program is reflected directly in the medical manpower requirements of the Armed Forces.

If our Nation were at war, the drafting of doctors up to the age of 46 could be better understood. Or it could be excused if there were no other ways of meeting the medical needs of our Armed Forces. Actually, there is no incentive for young doctors to enter a career service in the Armed Forces because of the salaries which are below civilian levels. Further, they are repelled from a job which requires them to spend much time in duties not connected with their profession, and which keeps most of them at work on patients who are not members of the Armed Forces.

Certainly, there is no question about the necessity for having enough physicians and dentists to care for the needs of soldiers, sailors, airmen, and the dependents of servicemen stationed in foreign countries. The point is clear that these needs could be supplied by career officers if the career service were made slightly more attractive and by the new medical school graduates who, like all other young men, are subject to conscription under the general draft law. It is hard to go along with the policy of drafting older doctors; many of whom have already had a tour of duty in the Armed Forces.

We might bear in mind that the Government does not draft plumbers or bricklayers or carpenters to work at below union pay scales in the homes of military men and their dependents, nor has it seized factories to produce free goods for dependents and civilians. The extension of the doctor draft would mark the first time any segment of our citizens have been chosen for conscription in peacetime because of their professional training and skill.

There are plenty of doctors and dentists who could do the job if some judgment was used in their placement; for instance, in 1 department of the Government, there are 850 dentists doing research work and these are all young men just graduated, and they do not have to report to the draft board. When they take this job, they are automatically deferred by the Army. There are many more—dentists who fail to pass the physical examination because of the loss of a finger or toe—a disability that does not prevent them from doing a good job, who could be employed instead of these young students who could be released to serve in the Armed Forces.

I expect to have a great deal more to say about this in the next session of Congress.

Applesauce on Capitol Hill

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. DAWSON of Utah. Mr. Speaker, my colleague from southern California is putting into the RECORD statements whimsically entitled "Bananas on Pike's Peak." They are typical of the unfounded attacks on the Colorado River storage project, and I submit that they would have been more accurately entitled "Applesauce on Capitol Hill."

The States of the upper Colorado River Basin—the States of Utah, Colorado, New Mexico, and Wyoming—are all public land States. In this entire area, more than half of the land is in Federal ownership. This imposes a real hardship on these States.

Under terms of the United States reclamation law, 52½ percent of the revenue on these public lands from oil, gas, mineral, and other leases, and 95 percent of the proceeds from the sale of public lands, is put into a reclamation fund, for the construction of reclamation projects.

In 1954, this revenue from our four States amounted to $21,525,000.

The average balance on the construction costs over the 50-year repayment period of all the reclamation features of the Colorado River storage project would be $144,796,000. Opponents of the project have made much of the fact that money used for the reclamation features of the project is—under standard United States law—interest free. They talk about a hidden interest subsidy which the taxpayers must pay.

At the standard rate of 2½ percent, annual interest on this investment would be $3,619,000. From these figures, it is clear that the revenue put into the reclamation fund each year by our own 4 States is nearly 7 times the total of theoretical interest charges on the reclamation features of the Colorado River storage project.

Let us have no more applesauce on Capitol Hill about the nonexistent hidden interest burden. Let us rather look to the immense values of a sound investment in the future of our Nation.

The Late Amon G. Carter

EXTENSION OF REMARKS
OF
HON. JIM WRIGHT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. WRIGHT. Mr. Speaker, one of the truly great Americans of our time has passed from the temporal scene. Amon G. Carter died in Fort Worth last Thursday night.

His memory will endure as long as there is a Fort Worth. The city and the west Texas region it serves are stamped with the indelible imprint of his personality.

Everywhere in this kingdom of oil and cattle, booming industry and thriving culture are the monuments to his restless vision, his daring spirit and his driving energy.

For Amon Carter was one of those rare people who achieved real greatness by doing. He was a doer of deeds. Contemptuous of obstacles and impatient of delay, he walked with steady tread into the whirlwind of history and forged an empire.

His life was a true saga of the West. From an inauspicious beginning, he proved once more the boundless opportunity which exists in this free land for one with the imagination and the force of character to capture it.

He founded a great newspaper which is a part of daily living throughout a domain that spans a thousand miles. Yet his consuming ambition was not to build a newspaper but to build a region, and the newspaper served as his personal vehicle to this end.

He became wealthy, but wealth was not his passion. He seemed to amass it for the purpose of giving it away. The extent of his beneficences is probably impossible of exact calculation. It is known that Texas Christian University, the YMCA, and 3 hospital endowments have been enriched by more than $3 million through his lavish generosity.

His largess was bestowed with the unselfconscious ease of the natural host. He wanted anyone visiting Fort Worth to be at home and took personal affront if his city was slighted. Many of the world's great came to know his unstinting hospitality and to count him a friend.

Amon Carter was known as "Mr. West Texas" because he embodied in larger measure than any other person the characteristics of spectacular success, gregarious generosity, and extreme extroversion for which the region is noted. In a land of giants, he dwarfed them all.

Fort Worth was his city, and he wanted it to have the best. There was something appealingly gallant in his unashamed partisanship. There was nothing ever halfway about his fierce allegiance. He was for Fort Worth, Tex., and the United States. He wanted the world to know it, and the world did know it.

It was never my privilege to know Mr. Carter personally. But I was intensely proud as a college student to work for his newspaper. Nobody growing up in his town could fail to feel the force of his personality or the inspiration of his achievements.

His passing leaves a void which cannot be easily filled. Yet the region and the Nation he loved with his whole heart and unrestrained enthusiasm are fortunate that the forces he set in motion will continue to live. Most of the responsibilities he bore are now assumed by Amon Carter, Jr., whose qualities of unfeigned modesty and something akin to humility will in time do ample justice to the tradition of which he is the heir.

Lesser men may discuss, as I do today, the attributes of the great, dominant personalities. We may philosophize and analyze and interpret. But society's progress owes primarily to the enterprise, the resourcefulness, and courage of the very few in each generation who are the prime movers, the builders, the doers of deeds. Amon Carter was one of these. He was one of the greatest of these.

Address at Dedication of a Monument in Honor of 90 Heroes

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. ANFUSO. Mr. Speaker, on Sunday, May 29, 1955, a monument was unveiled in my district in memory of 90 gallant young men who lost their lives during World War II. On that solemn occasion I delivered the following address:

SPEECH BY CONGRESSMAN VICTOR L. ANFUSO AT DEDICATION OF MONUMENT MAY 29, 1955

I deem it a great privilege to join with the citizens of our fine community in dedicating this monument today. This is an occasion which takes on added significance. It is our effort, in a humble way, to honor the memory of our dead heroes and the defenders of our Nation's honor. Today, we pay homage to these gallant men who have made the supreme sacrifice in the defense of our country and for the most precious heritage of the American people—our freedom and democracy.

We are gathered here today, not in a spirit of glorification of our victory in World War II but to dedicate a monument and to lay a symbolic rose on this monument in the loving memory of those 90 brave men who came from our midst, who grew up to adulthood in our community, and lived among us as neighbors. We are gathered here today—families, friends, neighbors, people from all walks of life—to collectively rededicate ourselves, to reconsecrate our hearts, and to reaffirm our beliefs in the solemn purpose for which they have died.

The one great hallmark of a civilized society is that it always shows and expresses its appreciation of the sacrifices made in its defense and the services rendered for its preservation. Yet, our capacity for thanks to those who have done so much for us is limited—a shrine, a monument, a stone marker over a grave, an account of their heroism in a book or newspaper, a memorial gathering such as this—and that is about all.

We feel it is not enough. We know it is not enough. We know that in our hearts these men and their deeds will live forever. Of the multitude of fine virtues planted in our hearts and minds, perhaps none is so widely shared by all of us as the feeling of gratitude for good deeds performed on our behalf. We generally express that feeling by commemorating the bravery of our heroes and we speak kind words of their heroism.

The words of praise that we utter here and the monument we dedicate today in their memory is only a small way in which we can express our feeling of gratitude. Their heroic deeds and their sacrifices must not and shall not ever be forgotten or in any way diminished, irrespective of the passing of countless years. Our words of praise and our recitation of their sacrifices can add but little to their greatness. They have erected for themselves a monument of greatness that speaks louder and more forcefully than anything we can ever say. This great monument that they and others like them have helped to erect is our own country, our beloved United States, democratic, peace-loving, powerful, and dedicated to the principles that all men are created equal, with certain inalienable rights.

This occasion is not one of brief pause when we merely recall those whose mortal remains have turned to dust. It has lasting meaning for us and for generations to come. Today we enshrine the memory of those who gave their lives in defense of certain sacred principles and beliefs, which are the very essence and which form the sinews of our spiritual lives as free men. The 90 brave youths whose memory we honor on this solemn occasion gallantly fought and sacrificed themselves for that sacred cause. They have given their lives on the battlegrounds of liberty, in order that their fellow men in this country and all over the world might live in peace and freedom.

The fact that these 90 men represented several of the racial strains and diverse religious elements of our community is significant. Among them were Roman Catholics, Protestants and Jews, Italians, Poles, and men of other national origins which make up the people of this community and of America as a whole. Without distinction as to race or creed, they all sacrificed themselves in World War II, for they were, above all else, true, faithful, loyal, and patriotic Americans.

And so today men of all faiths honor these brave heroes—a Joe Fileccia, charitable of heart and mind and dedicated to his fellow men; a supreme court justice, the Honorable Charles Beckinella, who as a legislator and a learned judge has always tempered mercy with justice; and still another justice of the city court, the Honorable John E. Cone, whose crusade in the fight to build a better youth will never be forgotten.

Those we all honor today were destined by fate to have their lives cut short just as they had reached maturity, but in their short lives they have taught us a lesson which we must never forget—the lesson to defend and, if necessary, to die for the ideas and ideals that are dear to us all. Having learned that lesson, it is our duty to teach it to succeeding generations.

It is an equally noble and sublime duty for us to pay homage to the memory of these gallant men who, unflinchingly and dauntlessly, fought for a sacred cause and who in that fight made the supreme sacrifice for God and country. It is for us, the living, to solemnly vow to keep faith with our immortal heroes.

The great American poet, Edwin Markham, once eulogized a friend in the following words:

"And when he fell in whirlwind, he went down
As when a kingly cedar—green with boughs—
Goes down with a great shout upon the hills,
And leaves a lonesome space against the sky."

The young men we eulogize today also went down in a whirlwind—a whirlwind not of their own making—and they left a lonesome space, not against the sky, but right here deep in our hearts. We shall always bear this lonesome, vacant spot in our hearts for the rest of our lives.

Tribute to Helen Keller on the Occasion of Her 75th Birthday

EXTENSION OF REMARKS
OF
HON. GEORGE M. GRANT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. GRANT. Mr. Speaker, today the world celebrates the birthday of a great, noble lady. Peoples everywhere will pause on this June 27 to pay tribute to Helen Keller on her 75th birthday, to commemorate the courageous and glorious attainments of a human being who has transcended the limits of physical disabilities.

In this time of relentless world strife and increasing pressures on the capacity of man to successfully meet his daily challenges, I know of no person who serves to inspire us to greater and greater attainments in the face of seeming insurmountable obstacles as this great lady from Tuscumbia, Ala. Although her first and foremost interest has been devoted to the handicapped throughout the world, her inspiration has been claimed by millions of people in all walks of life, by those who live in a still and dark world as well as those who are sound and secure in body. She has been acclaimed far and wide by kings, ministers, and presidents in all lands for her untiring and heroic endeavors on behalf of mankind.

Harvard University recently selected Miss Keller as the first woman in the university's 313-year history to receive

an honorary degree. In awarding this singular honor, Harvard University noted: "From a still dark work she has brought us light and sound; our lives are richer for her faith and her example." This tribute echoes throughout the world on many tongues and joyful faces.

Since Miss Keller graduated with honors from Radcliffe College in 1904, she has dedicated her rich life to the cause of the deaf and blind. And as she begins her 76th year she affirms her continued effort and service in every way to help provide a better chance in life for the handicapped. In a recent interview she stated that she disliked the very word "retirement," that she intended to work as long as she possibly could for those who live in a world of darkness and stillness. To know that this brave woman will continue her writing, her travels, and her every little endeavor to cheer the lives of all men everywhere surely gladdens the hearts and souls of man universal.

Miss Keller, who now resides with her companion, Miss Polly Thomson, in a rambling colonial home about 50 miles from New York City, recently returned from a 40,000-mile tour of the Orient where I am sure she instilled in those she met the finest aspects of American character. The annals of human history will certainly record this lady as one of America's most beloved and effective envoys, as the person who more than any other has reached the comman man with universal love, understanding, and hope. As a case in point, an Indian newspaper a few months ago editorialized that Miss Keller is the "finest gift which America has yet given to India." To be sure this magnificent individual has bestowed upon the human race the fruits of a devoted and selfless life, those attributes which defy measure in terms of cost and profit.

On this day, which has been proclaimed by the acting mayor of New York City as Helen Keller Day and which marks the beginning of a week which has been declared by the Governor of Alabama as "Helen Keller Week," we contemplate an individual and her monumental works with the profound hope that her fellow man will overcome the obstructions to world peace and encompass the light and sound which she has found although she cannot hear or see. We must find renewed courage and hope in the example of this intrepid lady who has given so much to so many. We must take heart and use those faculties of body and mind given us by the Creator lest we return to abysmal darkness.

A voice from the darkness has shown the way.

Applesauce on Capitol Hill

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. DAWSON of Utah. Mr. Speaker, my colleague from southern California is putting into the RECORD statements whimsically entitled "Bananas on Pikes Peak." They are typical of the unfounded attacks on the Colorado River storage project, and I submit that they would have been more accurately entitled "Applesauce on Capitol Hill."

In her desperation somehow—anyhow—to head off development of the upper Colorado River Basin, southern California has even gone to the extreme of charging that the Colorado River storage project would imperil her own share of Colorado River water. No one who has made even a superficial examination of the project can avoid seeing how utterly ridiculous is such a charge. The initial phase of the storage project, for which we are now asking authorization, would bring consumptive use of water in the upper basin to less than half the total allocated to us under the compact; and the basic purpose of the storage project is to regulate the upper river and so guarantee continuous delivery of the share of the lower basin—including southern California.

The reason for southern California's frantic action is equally clear. Southern California has water problems like the rest of the semiarid West. Particularly, she foresees critical water shortages in the future. But I submit that southern California has the means to solve her own problems, without crippling development of the upper Colorado River Basin. Let us look at a few facts:

More than 50 million acre-feet of good, fresh water are wasting into the Pacific Ocean from the State of California each year. That is more than 4 times the total allocation of Colorado River water to all 4 upper basin States.

A fabulous amount of Colorado River water is wasting annually into the Salton Sea in southern California, in one of the most glaring examples of bad irrigation practices on record.

An article in the current Saturday Evening Post tells of the tremendous advance made in the technique of desalting sea water to make it usable for irrigation and culinary purposes. Before southern California's need becomes critical, the water of the Pacific Ocean may well have become a usable source of supply.

Let southern California cease worrying about bananas on Pikes Peak, or about generating applesauce on Capitol Hill. Let her solve her own water problems by means readily at hand, and not try to steal our water—the only water available to the States of Utah, Colorado, New Mexico, and Wyoming.

Another Reason for Not Building the Upper Colorado River Project

EXTENSION OF REMARKS
OF
HON. EDGAR W. HIESTAND
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. HIESTAND. Mr. Speaker, there exists at least 20 million acres of undeveloped fertile land in humid areas of the United States which can be developed for agriculture at a fraction of the cost of the acreage serviced by the upper Colorado storage project. The Department of Agriculture reports there are more than 20 million acres of undeveloped fertile land in the humid areas of the United States which can be developed by low cost drainage. Development costs would be from $60 to $100 an acre for such land. The cost involved to taxpayers of the Nation in developing new and supplemental water for the acreage serviced by the upper Colorado project, which amounts in all to only about 600 square miles of new land, would range up to 50 times as much for each acre developed.

As an example, the Department of Agriculture lists acreage available for low-cost development in these 21 States as follows:

	Acres
Alabama	683,000
Arkansas	1,865,000
Florida	1,970,000
Georgia	1,721,000
Illinois	69,000
Indiana	135,000
Kentucky	170,000
Louisiana	2,769,000
Michigan	690,000
Minnesota	874,000
Mississippi	1,272,000
Missouri	323,000
New York	100,000
North Carolina	1,157,000
Ohio	95,000
Pennsylvania	90,000
South Carolina	996,000
Tennessee	242,000
Texas	3,928,000
Virginia	514,000
Wisconsin	316,000

Conservationists and the Colorado River Storage Project

EXTENSION OF REMARKS
OF
HON. LEE METCALF
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. METCALF. Mr. Speaker, I have been one of those opposed to construction of Echo Park Dam in the Dinosaur National Monument. I voted against this proposed structure in committee, and would do so again if it were to come on the floor of the House.

However, this dam has been eliminated from the Colorado River storage project in H. R. 3383. Because of that elimination, I support the bill and hope that you will, too. I also hope that other conservationists will step forward now and give this bill their backing.

The conservationists opposed H. R. 3383 for one reason, Echo Park Dam. They won when the dam came out of the bill. But some of them have shifted their ground and now oppose the bill because of the possibility—actually it is an impossibility—that Echo Park will be put back into the bill.

These people excuse their opposition on the grounds that proponents of Echo

Park Dam will "sneak" it back into the project somehow. As a person interested in conservation, I assure you that I will ever be alert to any such procedure, although frankly it is impossible to add anything to the bill without approval of this esteemed body.

It would seem logical to me that conservationists now should support this project, conditioning that support with a statement reiterating their opposition to Echo Park Dam. That would be the honest and direct way to approach this problem and one that would draw support from all of us interested in conservation.

There seems to be some fear that Echo Park will be restored in conference committee. The Honorable CLAIR ENGLE, chairman of the Committee on Interior and Insular Affairs, recently told the Rules Committee that he will let the entire project die in conference committee rather than have Echo Park inserted. The Honorable WAYNE ASPINALL, of Colorado, chairman of the Subcommittee on Reclamation and Irrigation, backed up Mr. ENGLE on that point. Both will be members of the conference committee. How can anyone sincerely express fear that Echo will be reinserted with such assurances from these men?

The Washington Post and Times Herald described this project as it stands now as "a conservation measure in the largest sense of the word." That, I believe, is a correct analysis of the project as set forth in H. R. 3383.

I say to conservationists, put your fears to rest and support the revised Colorado River storage project.

A Tribute to Fighting Bob La Follette

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. ZABLOCKI. Mr. Speaker, on the occasion of the 100th anniversary of his birth, I want to pay my tribute to the memory of one of Wisconsin's outstanding sons, the late Robert M. La Follette, Sr.

Although three decades have elapsed since death removed him irrevocably from the arena of American politics, his personality and his principles are still among the living forces in our national life.

The passage of time has failed to cover them with the dust of obscurity, or to dim the luster of his imposing record of public service.

Both in the State of Wisconsin, and in the Halls of Congress, Fighting Bob La Follette earned for himself the esteem and the affection of the American people.

"The Wisconsin idea," which he fashioned during his three terms as Governor of our State, became the inspiration for students of government the world over. He gave Wisconsin perhaps the best educational system in the country, a number of well-adjusted laws regulating public-service companies, and a series of constructive statutes intended to promote better living and working conditions for the people.

James Bryce, the historian, called La Follette's Wisconsin the "model State of the Union," and other observers have shared this view.

While a Member of the United States Senate, La Follette was the leading champion of virtually every measure intended to promote a better order of human life, and enacted during his lengthy tenure in office.

He was called "Fighting Bob," for he seldom divorced his dynamic and explosive personality from his principles and his actions. He fought the people's battles with every bit of energy at his disposal, refusing to yield from his position, and sparing no one who stood in his way.

Because of this, Robert M. La Follette, Sr. was perhaps the loneliest political leader of his generation, constantly exposed to bitter criticism from many sides.

His ideas were frequently ridiculed and denounced. His proposal to curb the authority and power of the Supreme Court of the United States, and other controversial suggestions, were roundly condemned and lost him many friends and supporters.

Nevertheless, the record of his personal achievements remains impressive. Further, many of the principles which he championed have withstood the test of time, and continue to play an important part in the life of our Nation.

The memory of Fighting Bob La Follette will live long in the hearts of the people of our State, and of our Nation.

Surprising Four Trustees Voted To Sustain Teachers

EXTENSION OF REMARKS
OF
HON. T. JAMES TUMULTY
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. TUMULTY. Mr. Speaker, the House Un-American Activities Committee performed another great service to this Nation by holding hearings in Newark, N. J., on the subject of communism in education and labor. Three teachers hid behind the fifth amendment when quizzed about their relations with the Communist consipracy. The Newark Board of Education, after statements by Representative WALTER, voted 5 to 4 to dismiss the teachers as useless.

Thereafter, the Newark Star Ledger reports that the counsel for the teachers "planned to broaden the scope of the appeal to include two sections of the Federal Criminal Code dealing with protection of constitutional rights and privileges to citizens." This announcement is tantamount to a threat against those members of the board of education who voted to fire the teachers under investigation. I am surprised that members of the bar, who have every right to defend their clients, would go beyond matters of defense and attempt to terrorize and frighten public officials in the exercise of their duty. They say, in effect, you vote for us or we will bring a criminal complaint against you. That comes dangerously close to intimidation. It should be deplored.

It has been revealed later, however, that Adrian M. Unger, counsel for 1 of the 3 dismissed teachers, said they had no intention of filing criminal charges against the school board but would cite the United States Criminal Code in arguing their appeal in order to illustrate that "it is the public policy of the United States that no one's constitutional rights should be interfered with." While it is gratifying to know that complaints against the five members of the board of education who voted for dismissal are not planned, there still is the implication and warning that public officials who vote against fifth amendment lovers may be violating the Federal law. Such a position seems hardly necessary to perfect the defense of the teachers but seems more likely to be an offensive tactic to cow the board of education members. Such a position undoubtedly will be cheered in those circles where the comrades meet to discuss legal maneuvers.

The Hudson Dispatch editorial of Saturday, June 25, has pertinent comments in regard to this case which are enclosed hereafter.

The people of New Jersey owe a debt of gratitude to the House Un-American Activities Committee and in particular to Congressman WALTER who has been so outspoken in defense of America and true academic freedom.

The article follows:

SURPRISING FOUR TRUSTEES VOTED TO SUSTAIN TEACHERS

When teachers in the public schools hide behind the fifth amendment to keep from telling their connections with the Communist Party or other subversive organizations, they forfeit their right to take taxpayers' money. They also prove themselves to be unfit to teach the coming generations, in our opinion.

The most surprising part of the trial of 3 teachers, who had refused to answer questions before House of Representatives Un-American Activities Subcommittee during the probers' sessions last month in Newark, is that 4 of the 9 members of that city's board of education Thursday night voted against firing them.

Yesterday, lawyers for the teachers, who were dismissed by the five-member majority of the board, appealed the verdict to State Commissioner of Education Frederick Raubinger. Naturally, the defendants will use every legal recourse to upset the board's decision.

Keenotes

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to include my newspaper column, Keenotes, for the week of June

27. This column, which might be entitled "A Happy World for Everyone," follows:

KEENOTES

(By Representative ELIZABETH KEE)

She was 9, and as she finished her nightly prayer she added a new concluding thought before the "Amen." It was: "and please make this a happy world for everyone."

Her parents were surprised, almost startled—both by the unexpectedness of the injected thought in a prayer which usually varied little, and also by its truly eloquent simplicity. In 9 words, this 9-year-old had summed up fully and accurately the hopes of all of us—the dream of mankind.

Noting the momentary surprise on the faces of her elders as she looked up, the child asked "Was that all right to say?" Instantly and emphatically assured that it was, indeed, "all right" to pray for "a happy world for everyone," the little girl settled back contentedly in her bed and soon was fast asleep.

The idea that their surprise at the child's improvisation had raised a doubt as to whether it was acceptable to pray for a happy world for everyone bothered the adults a bit. For they remembered that there have been times—or, at least so it seems in retrospect—when it appeared unacceptable either socially or politically to be concerned about the happiness of any except ourselves and our own group or countrymen.

What we prayed for in the privacy of our own meditations was, of course, our own business. But the views that we expressed publicly about world brotherhood, about the common aspirations of man, about the necessity for freedom for all if our own freedom was to be safe and secure—these were sometimes regarded by self-appointed overseers of our political morality, it seems, almost as subversive thoughts at worst, or "excessive do-goodism," at best.

To some, the formation of the United Nations just 10 years ago was a sign of such foolishness. While the U. N. has certainly not succeeded in bringing about the realization of the 9-year-old's prayer to "make this a happy world for everyone", it is a hopeful signpost and significant milestone on the road to a decent world.

The President emphasized this in his speech to the representatives of the 60 assembled U. N. nations at San Francisco last week when he said:

"For this Nation, I pay respectful tribute to you whose faith, and patience, and courage, and wisdom have brought it through 10 tumultuous, frequently discouraging, sometimes terrifying—but often rewarding—years. That there have been failures in attempts to solve international difficulties by the principles of the charter, none can deny. That there have been victories, only the willfully blind can fail to see. But clear it is that without the United Nations the failures would still have been written as failures into history. And, certainly, without this organization the victories could not have been achieved; instead, they might well have been recorded as human disasters. These, the world has been spared."

The President spoke from the vantage point of having personally just participated in the Operation Alert civil defense test which required him and all of his top officials to flee from Washington. His plea to the U. N. for a basis for a just world peace followed, therefore, his first-hand observation of the extent of America's horrible unpreparedness for hydrogen warfare as demonstrated in this rather fumbling civil defense exercise.

Significantly, just a few hours before the President spoke at San Francisco of the need for world understanding to achieve peace, the House of Representatives unanimously passed a resolution authorizing the use of a cancellation stamp in the post offices bearing the admonition "Pray for peace."

What better prayer than the simple one of the 9-year-old, "Please make this a happy world for everyone"? It would, if granted, certainly assure peace, would it not? It is devoutly to be wished.

Secretary Hobby and the Salk Vaccine Program

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1955

Mr. CURTIS of Missouri. Mr. Speaker, the smear artists are moving out into the open again hot after a new victim. You can tell a smear artist in a very simple way. Is the attack against specific things done or against the alleged motives of the person doing the things?

I am inserting into the RECORD after my remarks a news item appearing in this morning's Washington Post and Times Herald entitled "Letter to Ike: ADA Urges Ouster of Mrs. Hobby." Also the letter referred to. Notice the use of adjectives and adverbs, participles and phrases. All begging the question, all stating the most general of unproven conclusions, leading toward the basic conclusions sought to be drawn, i. e. "a crude attempt to escape public disfavor," "the inefficiency is only equaled by its inhumanity," "(in Mrs. Hobby's place) the country needs someone who lives in the real world where people seek compassionate and imaginative aid in their quest for health, education, and welfare."

Now what has Mrs. Hobby done or not done which brings about their vicious attack on her personal integrity, her compassion and her humanity for her fellow beings? A very simple answer—she has not followed the particular program that these smear artists happen to be advocating. So, instead of bringing forward honest facts and honest argument in favor of the program they advocate, they seek to win the battle without even engaging in it by trying to make the public believe that Mrs. Hobby is not interested in the health, education, and welfare of our people.

Let us take a few of the issues up one by one, because the pointed attack of the ADA letter is only part of a concerted attack that has been going on for some time by these vicious people who will brook no honest differences of opinion.

First. The "fantastic fumbling of the Salk vaccine program." Well, what is the issue? Has there indeed been fumbling or has there been a deliberate attempt to make a political issue out of the uncertainties and problems attendant to the application of any new laboratory technique to a Nation of 160 million people? In my judgment the basic error committed was the Hollywood treatment given the wonderful discovery of the Salk vaccine; this publicity program created a very false and dangerous public attitude toward the scientific problems of getting a new vaccine out of the laboratory and out to the public. What errors have been committed by the Department of Health, Education, and Welfare, and I think there have been some, are just the reverse of what smear artists insinuate. The basic error committed was not to immediately call to the attention of the people the scientific and other problems that still needed to be overcome to make the mass innoculation a reality. It was to be hoped that no scientific problem would arise, but the odds that some might arise was quite real to any true scientific mind. Actually, the problems that did arise would not have been so bothersome if the Hollywood presentation had not created the unhealthy atmosphere of haste and cocksureness.

Regardless of all this, the matter is not one involving partisan politics. The persons who have interjected the issue into partisan politics are the very ones who falsely accuse Mrs. Hobby of putting the matter into partisan politics. It is the old game of the thief mingling in the crowd and yelling "Catch the thief" in the loudest voice.

Second. In the education field the ADA accuses Mrs. Hobby's proposal an unworkable plan of Federal aid for school construction. What the smear artists mean is she proposed a plan which did not coincide with the one they wanted. Now let us get down to the specifics. The ADA wants, and have wanted, for some time to get the Federal Government to move more fully and completely into the field of education. Others who are just as interested as the ADA in the field of education of our people, and more so, in my opinion, because they do not falsely throw the matter into partisan politics, believe that in the long run the education of our people is best served through the local communities and the States with the Federal Government playing only an ancillary role. Now there is ample room for fair debate on this subject. But the issue is not as the ADA would have it, who is the most interested in the education of our people, but what proposals are most likely to produce the best education for our people. Once we stick to the issues and get away from attacking the motives, the public debate can be fruitful.

Third. In welfare Mr. Rauh, the chairman of ADA, said Mrs. Hobby "vigorously opposed" adequate increases in social-security benefits. Now, this particular accusation approaches outright lying—the only word in that statement which saves it from such a charge is the adjective "adequate." Indeed, the adjective "adequate" is the entire issue. But let Mr. Rauh come forward to state what he believes are "adequate" increases in social-security benefits and why. Of course, he cannot do this in public hearings because his partisan allies have voted to hold no public hearings on the proposed increases in social-security benefits. Having the votes 15 to 10, these illiberal procedures are being followed right now in the House Ways and Means Committee deliberations on social-security extension. On this point

again, let Mr. Rauh and his partisans direct their attention to discussing the issue rather than accusing their opponents of being in favor of sin and opposed to Christian humanity.

Finally, I would say to Mr. Rauh and his partisans, if they would seek to deserve the adjective "liberal" which they so loosely apply to themselves and their endeavors, let them at least eschew procedures and techniques of debate that are illiberal. I am satisfied if once the debate gets on the issues and away from the motives of opponents, we will find that the results of Mr. Rauh's and the ADA's proposals in the field of health, education, and welfare would actually produce less health, education, and welfare and certainly would shackle rather than free our people in reaching these ends. But that, of course, is the issue—what proposals are indeed most likely to get the maximum of health, education and welfare for our people.

Now, a word about Mrs. Hobby's resignation. I hope Mrs. Hobby will not resign. I think she has been doing an excellent job overall, in very trying circumstances. Whoever is the head of HEW is apt to be subjected to the same kind of attacks that Mrs. Hobby has been subjected to. It is in the HEW field that the socialists are the most active, and I regard most of the proposals of the ADA in this field as socialistic. Incidentally, I am using the term "socialistic" not as an epithet, but as a definitive term set forth in any English dictionary. I believe that more direct Federal governmental action in these fields will produce, over all, less, not more, adequate health, education, and welfare for the American people. I believe the Federal Government has an important role to play. Much needs to be done, but what is primarily needed at this time is to get the matter back to honest public discussion of the issues of how we are to get the job done. I am certain there will be plenty of room for political differences as to how to do it without accusing one another of not being interested in the health, education, and welfare of our people.

[From the Washington Post and Times Herald of June 27, 1955]

ADA URGES OUSTER OF MRS. HOBBY

Americans for Democratic Action called on President Eisenhower yesterday to "reverse the do-nothing course" of the Department of Health, Education, and Welfare and dismiss Mrs. Oveta Culp Hobby as Secretary.

ADA Chairman Joseph L. Rauh, Jr., said in a letter to the President that Mrs. Hobby's "fantastic fumbling of the Salk vaccine program has ended her usefulness as a public servant."

"More important, it has dramatized beyond doubt the extent to which Mrs. Hobby's new Department has abdicated responsibility for public health, education, and welfare," he said.

"The inefficiency of Mrs. Hobby's administration is equaled only by its inhumanity," Rauh told the President. "Surely it is time for a change."

Mrs. Hobby's first "failure" in the vaccine program was "in failure to take responsibility," Rauh said. Then, he said Mrs. Hobby made a "crude attempt to escape public disfavor" by a "buckpassing" denial that the responsibility was hers in the first place.

In the education field, he said, Mrs. Hobby proposed an "unworkable" plan of Federal aid for school construction. In welfare, he said, Mrs. Hobby "vigorously opposed" adequate increases in social-security benefits.

Rauh urged Mr. Eisenhower "to replace Mrs. Hobby." In her place, Rauh said, "the country needs someone who lives in the real world where people seek compassionate and imaginative aid in their quest for health, education, and welfare."

JUNE 25, 1955.

To the PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: Secretary Hobby's fantastic fumbling of the Salk vaccine program has ended her usefulness as a public servant. More important, it has dramatized beyond doubt the extent to which Mrs. Hobby's new Department has abdicated responsibility for public health, education, and welfare.

In your message to Congress of March 12, 1953, you staked out the new Department's purpose: "To improve the administration of the vital health, education, and social-security functions now being carried on in the Federal Security Agency by giving them departmental rank. Such action is demanded by the importance in magnitude of these functions which affect the well-being of millions of our citizens."

But you also said, "* * * good intent and high purpose are not enough; all such programs depend for their success upon efficient, responsible administration." We heartily concur.

Mrs. Hobby's regime is bare of either responsibility or efficiency. In fact her self-righteous refusal to recognize government's responsibility for the health or welfare or education of the American people appears to be a matter of private principle; in so doing she professes to be resisting what she calls "back door socialism."

The consequent chaos and confusion in the United States vaccine distribution program is especially shocking when compared to the success of the Canadian program directed by a government which even Mrs. Hobby could hardly accuse of having succumbed to state socialism.

Even more appalling is Mrs. Hobby's crude attempt to escape public disfavor by indulging in the ordinary barracks variety of buckpassing. Her first failure was in failure to take responsibility. Equally incredible is her serene denial that the responsibility and the failure were hers in the first place.

Mrs. Hobby's negligence in the Salk vaccine program is typical of a 2-year record of evasion of the tasks for which her Department was charged with responsibility.

One has only to look at the record:

Most administration proposals in the field of health, as devised or presented by Mrs. Hobby's Department, have been transparent public relations gimmicks.

The proposal for reinsurance of private health plans suggested a $25 million solution to a $9 billion problem; it proposed applying relatively untried economic backstops for programs already working well for people who could afford them; it would give no aid at all to those for whom private health plans are economically out of reach.

The proposal to revise the Hill-Burton Act to encourage the construction of homes for the chronically ill was submitted to Congress at the same time that the administration was requesting less than half of the annual appropriations already authorized under this act for hospital construction. When it was pointed out to Mrs. Hobby's Department that the Hill-Burton Act was broad enough to construct the kind of facilities sought, the Department failed to forward a request for funds to construct the very nursing homes originally proposed.

The Health, Education, and Welfare Department has reluctantly requested aid to States and local communities for school construction, a request which only came after the administration had been in office for more than 2 years, and after the Democratic controlled Labor Committee began hearings on a Democratic proposal of direct Federal grants to States and local communities on a matching basis, and suggested instead an elaborate system of Federal guaranties for local and State bonds permitting local authorities to borrow money for school construction. The Hobby proposal, as presented to Congress, would undoubtedly have required a majority of States to amend their constitutions in order to benefit from it. Further, many State and local communities which are already unable to bear the burden of their school problems would be encouraged to overextend themselves further. It is hard to see how States which cannot now build schools for lack of money would be able to afford to pay the interest and service charges on the bond proposed by Mrs. Hobby.

Mrs. Hobby's Department has done nothing about the teachers' salary problem.

While the Department of Health, Education, and Welfare favored modest increases in social security benefits, it vigorously opposed increases to make social security benefits provide a really adequate standard of living. The Department opposed legislation which would have given immediate benefits to workers who have been permanently and totally disabled after they had worked long enough to gain coverage under the law.

Americans for Democratic Action respectfully urges you, as the person who must assume ultimate responsibility for the policies of your administration, to reverse the do-nothing course of your Health, Education, and Welfare Department and recognize in deeds as well as in words "the importance and magnitude" of its functions. The first step, we suggest, would be to replace Mrs. Hobby.

In her stead, the country needs someone who lives in the real world where people seek compassionate and imaginative aid in their quest for health, education, and welfare.

The inefficiency of Mrs. Hobby's administration is equaled only by its inhumanity. Surely it is time for a change.

Respectfully yours,

JOSEPH L. RAUH, Jr.,
National Chairman, ADA.

Applesauce on Capitol Hill

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. DAWSON of Utah. Mr. Speaker, my colleague from southern California is putting into the RECORD statements whimsically entitled "Bananas on Pikes Peak." They are typical of the unfounded exaggerations being circulated about the Colorado River storage project, and I submit they would have been more accurately entitled "Applesauce on Capitol Hill."

Water to be developed by the Colorado River storage project would not be used to grow bananas on Pikes Peak, or, indeed, anywhere else. But this water will be used to grow sinews and muscle for an expanding America.

The Geneva steel plant was built in my State, Mr. Speaker, during World

War II. It has continued in operation, under private ownership and management, and is now contributing substantially to the backbone of American industrial might—the output of steel.

The Geneva plant turns out 1.8 million tons of steel a year, and to achieve that production it consumes from 12 to 25 million gallons of water every day. That is a lot of water, especially in a dry country such as ours.

How, then, did the steel plant obtain the needed water? Mostly through reclamation development. Substantial quantities were purchased from a comparatively small reclamation project just being completed when the steel plant was first constructed—Deer Creek Reservoir. Other supplies were purchased wherever they could be found. But most important of all, land for the steel plant was purchased complete with appurtenant water rights. The water which for years had been used for irrigating farmland was purchased along with that farmland, and made possible this great industrial development.

The same pattern will be repeated many times in the future, as this great Nation grows and her industry expands. Water developed for use through the Colorado River storage project will, much of it, eventually be turned to the development and expansion of America's strategic industries—and repay the cost of development many times over.

Remarks of Hon. Clinton P. Anderson, of New Mexico, on the Program Youth Wants To Know

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EXTENSION OF REMARKS

OF

HON. CLINTON P. ANDERSON

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Monday, June 27, 1955

Mr. ANDERSON. Mr. President, on Sunday, May 15, 1955, I participated in the program entitled "Youth Wants To Know." I ask unanimous consent that the questions asked and my responses thereto be printed in the RECORD.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

The ANNOUNCER. Youth Wants To Know. The unrehearsed, spontaneous questions of today's young people.

And here is your moderator, Stephen McCormick.

Mr. MCCORMICK. Hello, I am Stephen McCormick welcoming you to another session of Youth Wants To Know, founded and produced by Theodore Granik.

Our guest today on Youth Wants To Know is Senator CLINTON P. ANDERSON, Democrat, of New Mexico, the chairman of the Joint Congressional Committee on Atomic Energy. Senator ANDERSON is a former Secretary of Agriculture and is also a member of the Senate Committees on Agriculture and Forestry and Interior and Insular Affairs.

Senator ANDERSON, it is a pleasure to have you with us as our guest on Youth Wants To Know today.

Senator ANDERSON. I am glad to be here, Steve. I like this program.

Mr. MCCORMICK. Good.

Well, the youngsters participating in the program under the auspices of the American Legion have many questions for you.

Question. Senator ANDERSON, do you think there should be a Secretary for Atomic Energy in the President's Cabinet?

Senator ANDERSON. No, I don't believe there should be. The atomic energy work cuts across many departments.

The Secretary of Defense is very much interested, for one, and the Secretary of Commerce, and all the various Government agencies have a part in it. I think it is better to have the program administered by a separate, independent Commission than by a Cabinet officer.

Question. According to the May 13, United States News & World Report, the recent atomic blast had been postponed for several days until the winds that had blown radioactive clouds over areas that had just about all the atomic radiation that the Atomic Energy Commission would allow, had shifted themselves. Is this true?

Senator ANDERSON. I don't blame the AEC for being cautious. It was a little more cautious than I would have been.

Question. Is that radiation reaching the danger level or is this talk we hear about the effects just Communist propaganda to slow down our weapons program?

Senator ANDERSON. It is not Communist propaganda, but it is sometimes a little overcautious. For example, I live at Albuquerque, N. Mex., and the radiation there is five times what it is in Phoenix, because we have certain industries close at hand.

Radiation is higher in Denver, which is a mile high, than at the seacoast, but the people in Denver bear up very well under it.

Mr. MCCORMICK. It isn't particularly harmful to them, is it, Senator?

Senator ANDERSON. No, not unless it is higher than it has become.

I don't blame the AEC for being careful. I believe it was unduly careful in laying out a pattern that enabled them to shoot about once every 20 days, if you followed that policy exactly. I think we can afford to be a little more liberal, because the danger isn't that great.

Question. Do you think that the Federal civil-defense laws need changing, at the present time?

Senator ANDERSON. Well, I don't know. I think we need to worry a lot more about civil defense than we are now doing, and I think we need to try to find out if we have come to some conclusions on civil defense that are valid. For example, I don't know whether you can evacuate a great city like New York and if that is the only type of civil defense we have, then it isn't very good.

I think there are other things we might do, probably by law, maybe better by practice.

Question. Senator ANDERSON, do you think universal disarmament is possible in the face of the H-bomb?

Senator ANDERSON. I am afraid I don't, David. I think until we have reached a position where we are able not only to have disarmament, but able to have inspection so we can go in and see what another country is doing in the manufacture of bombs, then and only then can we have any sort of disarmament.

Now this Government made a proposal at one time to Russia. Russia wouldn't accept it because it wouldn't grant the principle of inspection. We have to know, just as Youth Wants To Know, and our Government wants to know.

Question. Is the United States in such a position now that we cannot stop developing atomic weapons without defaulting to the Russians?

Senator ANDERSON. Well, I don't know how to answer that. We must not stop. That is the best answer I can give you, because we know that the Russians are pressing rapidly ahead and for the present, at least, the atomic bomb and the hydrogen bomb are the one great deterrent to war. Therefore we can't afford to be in a position where we can't deter a war, we can't stop somebody else from striking us. Therefore, we must keep our weapons program going.

Mr. MCCORMICK. Senator, should one conclude from your answer that possibly a Big Four meeting or a meeting in the summer would be unwise, then?

Senator ANDERSON. Oh, no, I think a meeting is wise and I think it is fine to talk about it, but until Russia will change her position and say, "We are willing not only to say we will disarm, but we will also permit constant inspection to see that we are not again building bombs," then we can't safely give up our weapons, because Russia does have a manpower that might be able to overrun Europe without something like the atomic weapon, and the atomic weapon, however, balances out this difference in manpower. Therefore, we must keep it, as long as we have that great difference in manpower.

Question. Senator ANDERSON, do you think it is wise to sacrifice a large mass land Army in favor of an atomic-backed Air Force?

Senator ANDERSON. Well, I think we have to sacrifice a large land mass army, because the fighting might take place in Europe or might take place in Asia, and we don't have an Army there, and they can't train an army in Asia very quickly and they aren't able to raise a large enough army in Europe to stand up against the present strength of the Russian Army, and therefore our atomic weapons are very, very essential.

Question. United States Intelligence recently disclosed that we have fallen behind Russia in air superiority. Do you feel this is really a desperate problem, or is there something we can do to remedy the situation?

Senator ANDERSON. I have heard the story that we have fallen behind. I don't believe our military people believe we have fallen behind and I would rather take their judgment than my own.

I think the Russians are moving ahead very rapidly in the development of aircraft and atomic weapons, and while that is true we simply cannot afford to take it easy.

Question. How are we with regard to the atomic stockpile, or the atomic element? Are we ahead of the Russians there, too?

Senator ANDERSON. The stockpile question is very, very much classified material and we don't know the score on Russia's stockpile but let me say this: We believe we are in very good shape and I have seen some figures that persuade me we are in pretty good shape. I just hope we stay in that good shape.

Question. Do you think that the present restrictions on the exchange of atomic information with our allies is hampering our atomic research program?

Senator ANDERSON. I think not. There are restrictions that have to be placed. We are developing our own research in excellent fashion. I do hope that as a result of the Geneva Conference, we will find it possible greatly to increase the scope of information being exchanged with our allies. I think it can safely be done now, but I think it has required a great deal of caution in the past and may require a substantial amount of caution in the future.

You can't tell exactly what someone else is going to do with the information once it reaches him and it's going to take a little trial and error testing before we know how safe it is to turn our secrets over to someone else.

I think we have many allies such as the Canadians with whom we can exchange any type of information without any danger whatever. How much farther it should go depends, really, upon those individuals in the State Department who are able to judge the reliability of foreign governments.

Question. Senator ANDERSON, why has the United States lagged so far behind England

in using atomic energy for industrial purposes?

Senator ANDERSON. Now, let me tell you, you must not believe all read in the papers about how far ahead of us Britain is. While Britain has done a fine job and is making a great show, I am one of those who believe we are still ahead of most of the rest of the world in the practical application of atomic energy.

I do think we need to turn our great industrial giants loose. I want to turn Westinghouse and Western Electric and General Dynamics loose in this field and let them run with the ball, and I think they will do a magnificent job.

I don't admit we are behind Britain in the slightest. We are just lacking a little in opportunity for our people to make practical application of what they already know.

Mr. MCCORMICK. You feel industry rather than Government, Senator, should take the full charge ahead?

Senator ANDERSON. Yes, and they want to. We have been a little slow.

Question. Will you cooperate with them in the future?

Senator ANDERSON. I will, but it requires something more than one individual. I believe we need a policy that presses ahead in that field. I believe we are coming to it, and the recent announcement that we would allow many different firms to build reactors and start in this field was a very encouraging one. These five who are now underway will do a lot toward proving how sound our theories are, and once they are completed I think it will be pretty well established that we are not behind the rest of the world. At least, I hope so.

Question. Senator ANDERSON, Mr. Hopkins, the head of General Dynamics, said that Britain and France are almost ready to put reactors into use for electricity, today, while the United States was just beginning. Do you have any comment on this?

Senator ANDERSON. Well, I heard Mr. Hopkins on that program, and I think I might agree with him, but remember that out of his own yard has come the *Nautilus*—the atomic-powered submarine. We are making some practical use of it.

The difference, I think, between Britain and the United States is that Britain has to depend upon a rather expensive coal supply for the generation of electricity. We have an enormous quantity of hydroelectric power. We have a lot of natural gas that generates electricity very cheaply. We have a lower generating cost, and therefore it is more desirable to develop energy in the high-cost areas such as Britain than in the low-cost areas like the United States. Even if atomic energy should 11 mills or 12 mills per kilowatt to generate in Britain, it is still very desirable because they want to keep their coal for another purpose. But we don't want to generate 11-mill electricity here. We want 3- and 4-mill electricity and therefore we approach it from a different economic standpoint.

Question. Senator ANDERSON, what will the U. N.'s Atoms for Peace Conference in Geneva accomplish?

Senator ANDERSON. If it accomplishes nothing more than forcing the Russians to show their hand while we show ours, I think it will be a good thing, because it will tend to show how far along we are in the development of atomic energy for peacetime purposes, and they will compete with us, and maybe out of that mutual competition there will come some emphasis on what is the real purpose of atomic energy.

In the long run, the peaceful uses of atomic energy will far outweigh in importance the military applications, and we want to start moving in that direction.

Mr. MCCORMICK. You feel, then, that the peaceful application might be that one element that might bring us together?

Senator ANDERSON. It could be. It isn't indicated yet, but I say the showing at Geneva could put such an emphasis on the peacetime uses of atomic energy that we might say, "Well, let's for a while be able to see if we can agree to put wartime applications in the background and see who can lead in this new field."

I hope that might be the result.

Question. Senator ANDERSON, at the recent conference between the United States and our allies and Russia in Vienna, do you think that the Russians are really sincere there?

Senator ANDERSON. I don't believe the Russians have been very sincere in international affairs for a long time.

Question. Then what is the use of even trying to make a treaty with them if they aren't going to keep it?

Senator ANDERSON. That is why I said we have to have inspection. We don't upon their written word if we have that sort of agreement. We don't depend upon their promises to disarm and never to build another bomb. We want to be able to go in and see whether they are building them or not. That is what broke up the other conference. That is why I like this program, Youth Wants To Know. I want to know and the United States Government wants to know whether Russia is living up to its agreements.

Question. Senator ANDERSON, don't you feel we should spend more money on guided-missile research in addition to atomic-energy research?

Senator ANDERSON. Well, you don't know how much we are spending on guided-missile research, and it might be quite a little.

I do feel we should spend a great deal, I think we are spending quite a good deal. I think that satisfactory progress is being made, but it is one of those things you can't discuss until it is all over. Once we have developed a good guided missile then someone will say, "Well, they were making wonderful headway all the time." We didn't have too much to say about the possibility that the atomic submarine would be a success, although we had tried out all the essential theories before it was built and we could almost predict it would be a success. It proved to be. When our guided missiles come along, I think they will prove that we are farther along than we probably now know.

Question. Are you in favor of the President's proposed atom-powered merchant ship which would cruise the world?

Senator ANDERSON. Well, maybe I'd better say I would like to see us devote that same energy to developing a merchant ship that would be usable, rather than one that would be used for a demonstration. I am not very much interested in using atomic power to show off, and I am afraid that is how this might be construed. I say that not in a partisan fashion, because Congressman COLE who is my predecessor or chairman of the joint committee is also critical of it. We would like to see a demonstration, I believe, of a merchant ship carrying usable cargo and demonstrating the useful applications of atomic energy and not as a display.

Question. Do you think the $30 million it would take to build it and the $600,000 each year it would take to run it could be used better in other propaganda endeavors, in food and so on?

Senator ANDERSON. Yes; I do believe so. Otherwise, I wouldn't have said I would like to try some other type of merchant ship.

I think, for example, if we could get an ocean liner that was carrying merchandise to other parts of the world—perhaps carrying part of our surplus food—that they would like to see atomic energy used for that more useful purpose than just for a demonstration. After all, being tied up at a dock, the people can't see what is unusual about it, because we are not going to take them down and let them see the power plant, anymore than you can come down and see the power plant of the *Nautilus*. We can show them what a nice deck we have. I would prefer that the deck would be carrying some useful goods to another part of the world. I am not against trying to demonstrate how well we are doing our job. And the President's proposal may come down to that, eventually. He didn't amplify it. I want to believe that he has in mind only the finest demonstration of our atomic energy development, and let's see what it proves to be.

Mr. MCCORMICK. Now, Senator, before taking the next question, it is time to announce the winner of this week's 30-volume set of the Encyclopedia Americana, America's first and oldest encyclopedia. The winner this week is Marie Morrison, 1605 W. Allegheny Avenue in Philadelphia, Pa. The station of the week, WPTZ in Philadelphia. For details of the contest, listen to the announcement at the end of the program. Now let's hear the winning question. Will you read it please.

Question. Will the continued development of atomic energy result in a gradual elimination of coal and gas in the electrical industry?

Senator ANDERSON. Well, that is a very interesting question. I think my answer to it would be a flat "No." For example, I think the fossil fuels will have a place in our whole economic life until they are perhaps exhausted. We use the waterpower plants we have now built. They will not be put out of existence by atomic energy. They will go on for 40 or 50 or 60 years, because our energy requirements are building up very rapidly and the atomic energy that is developed will just supplement what we now have. It may gradually supplant it, but not until the useful life of the present plants is well worn-out and as far as gas and oil are concerned, they may be required for many other things. Our coal may be wanted for a great petro-chemical industry, but certainly for the present there is no possibility that atomic energy will supplant it.

Question. Senator ANDERSON, what do you think will be the main election issues in 1956?

Senator ANDERSON. I think they will have to develop when we have finished this session and the next session of Congress. Primarily, I think people will want to know how well the Republican Party has kept its promises. They will want to know that about the Democrats, and I assume they will want to know the same thing about the Republicans. They will want to know how well we have balanced the budget. They will want to know how well we have gone about the principal business of the world, which is the preservation of peace.

Question. Senator NEUBERGER said he thought it would be conservation. Would you like to comment on this?

Senator ANDERSON. I think that will be an issue in many States and may result in the election of Senators and Congressmen and it may change some of those States, but Senator NEUBERGER is from an area that is very conscious of conservation and waterpower. That is not so much an issue in New York State, or Maine, or Vermont. Therefore, I think, across the country, it will not be quite as important as, perhaps, how well we have gone about the business of peace.

Question. Senator ANDERSON, do you think that Governor Shivers, along with other prominent Democrats who bolted against Stevenson in 1952, surely should not be treated as delegates to the convention in 1956?

Senator ANDERSON. I think that will depend a lot on the attitude of the Democratic convention and how it is getting along on its program of trying to bring about unification.

There is an obvious indication that the present chairman of the party, Chairman

Butler, wants to bring these Democrats back into the party.

I was one of those in the Chicago convention 2½ years ago, who tried to keep the Texas delegates in the convention and Governor Shivers and I talked there many times about it. And therefore I believe that perhaps by the time we get to the 1956 convention, we will be wanting to make sure that all the Democrats are inside the Democratic Party.

Question. Senator ANDERSON, should Mrs. Hobby resign from her position, who do you think will, or should replace her?

Senator ANDERSON. That is purely the prerogative of the President of the United States, and until he asks me for some advice I am not going to give him any.

Mr. MCCORMICK. You don't think that is likely for the moment, sir?

Senator ANDERSON. No, I don't think that is likely for the moment.

Question. Senator, would you say that the United States Government under President Eisenhower has mishandled the use of the Salk vaccine, the distribution and so on?

Senator ANDERSON. I have always found it a pretty wise thing not to comment on things I know very little about. I have not been one of those in close touch with the distribution of the Salk vaccine, and I don't know. It is a pretty easy thing, after the event, to criticize. If everything had worked out very well, we would have said "Isn't it fine we didn't put any controls on?" I don't know.

Mr. MCCORMICK. One thing you do know a great deal about is nuclear power, and I have been fascinated by that little yellow rock there. I wonder if you would tell us what it is.

Senator ANDERSON. That happens to be a piece of good uranium ore. I thought these young people, impressed by success stories of prospectors, wanting to go out and look around for some, might want to know what they are looking for.

This is just a little piece of yellow stone that proves to be very valuable. It is out on the Colorado Plateau, which is a very worthwhile part of the world these days, as a source for uranium and it's indicative of the fact that we have found inside this United States, a very wonderful supply of ore.

Mr. MCCORMICK. We will keep our eyes out for rocks that look like that.

Question. Are we developing another Dust Bowl in the West?

Senator ANDERSON. Well, we aren't, but somebody is. I am afraid that the weatherman is doing a bad job out there.

Yes; a Dust Bowl seems to be developing again. I was very familiar with the Dust Bowl that we had there in 1934, because I had the responsibility of moving some of those families out of the Dust Bowl when conditions got to a point where they couldn't live there. And now, again, we seem to be developing a very dry situation, and a great deal of dust. I hope it is not going to finally develop, but at the present time it is an extremely interesting prospect and could happen to us.

Question. Senator ANDERSON, we have been talking quite extensively about the use of atomic energy in industry. How about the use of atomic energy in agriculture?

Senator ANDERSON. It is a very interesting field. I brought along a package that I think is interesting. You know when I was Secretary of Agriculture, the toughtest problem we had was what to do with all the potatoes that were thrust upon us.

Here is a potato that has been irradiated and it's smooth and firm and good and will stay that way for a couple of years without undue problems. Here is a potato that was not irradiated and in 2 weeks it starts to sprout.

We have some potatoes that have been going a month or two and they look like a hairy ape.

Now, this is a sample of the fact that agriculture may change completely. It not only applies to potatoes, it applies to meat, it applies to a great many things. Not only that, but we are finding out how fertilizer is best used. We are finding out that new substances can be fed to animals that benefit them. I would like to give you a whole lecture.

Question. How would that potato taste after you cooked it after a year or so?

Senator ANDERSON. Just the same. If potatoes are fattening to you before, they are fattening to you after they are irradiated.

Question. Why does that potato stay good by being irradiated? What is the difference between its condition and the condition of the potato on the right?

Senator ANDERSON. The processes that start the development of these sprouts are killed by the irradiation. In other words, it becomes sterile.

Question. Do you think there is any chance for Hawaii or Alaska getting into the Union in the coming months?

Senator ANDERSON. I thought once that both of them would be in and I hope that both of them do come in. I think the prospect is a little less forbidding than it once was.

Question. Are Senators and Representatives playing politics with these two areas? That looks like what is happening.

Senator ANDERSON. Well, politics has something to do with how they get elected and it is not unusual that it continues to influence their lives to some degree.

I don't think it is just that. Many of us feel Alaska should be in the Union, along with Hawaii, that if Alaska is left out, it may never get in and we would rather insist it be brought in at the present time. I don't think you can change the reactions that human beings have to that. I have supported the admission of both Alaska and Hawaii. I do today and I will when I leave the Senate of the United States.

Mr. MCCORMICK. We certainly thank you, Senator ANDERSON, for helping to provide the answers that Youth Wants To Know.

And, now, I'd like you to meet a special guest, Dr. Alan T. Waterman, Director of the National Science Foundation.

Dr. WATERMAN. The United States has always been and still is the country's pioneers. Today the great unexplored areas are in the field of science. The country needs young men and women with trained minds and a sense of adventure to pioneer those fields.

Our industrial democracy depends very greatly upon basic research which seeks out the secrets of nature.

In their search for the unknown, scientists accumulate the fundamental knowledge that is applied to the needs of daily living. Scientists and engineers are essential to industry, to agriculture, to the creation of weapons for defense, to the Armed Services, to the war on disease, to the education of others. Unless an increasing number of gifted young people choose science as a career, there may be grave shortages of these essential skills in the years immediately ahead.

I do not mean, of course, that science should have more than a reasonable share of able people. For those whose aptitudes are along scientific lines, however, the career opportunities are many and the rewards great.

Scholarships and fellowships are available from many sources, for those who need assistance in acquiring an education.

The Federal Government is playing an important part through the support of research and education in the sciences. A career in science is an opportunity to serve your country.

When American young people realize there is a great need all along the frontiers of knowledge, I know that their spirit of adventure will respond.

Mr. MCCORMICK. Thank you very much, Dr. Waterman, Director of the National Science Foundation.

Summary of the Program of the National Historical Publications Commission

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EXTENSION OF REMARKS
OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1955

Mr. MILLER of California. Mr. Speaker, as a member of the National Historical Publications Commission, I am privileged to lay before the House a brief summary of its current program:

SUMMARY OF THE PROGRAM OF THE NATIONAL HISTORICAL PUBLICATIONS COMMISSION

A knowledge of their history is of great importance to a free people who are determined to preserve their liberties and their democratic institutions. Congress has created an agency that is charged with important responsibilities regarding the history of our country. This agency is the National Historical Publications Commission, which is composed of representatives of the legislative, executive, and judicial branches of the Government and of the historical profession. I have the great honor to represent the House of Representatives on this Commission, and I should like to report to you at this time on what it is doing.

The Commission is not engaged in writing history. Its function, rather, is to help preserve and make known by publication and otherwise, the documents that are basic to a knowledge and understanding of our national development—the raw materials from which history is written.

After extensive consultation with many persons throughout the country, the Commission has submitted to the President of the United States a report on a national program for the publication of historical documents. This outlines a comprehensive program for the preservation and the selective publication of documents that deal with the political, agricultural, industrial, scientific, technological, religious, and other important aspects of the history of the United States. All sections of our country and all periods of its history are covered, but emphasis is placed on the early years of our existence as a free and independent Nation.

One part of the proposed program would be the publication—by microfilm as well as by the printing press—of the correspondence, speeches, and other papers of individuals in the United States who have been leaders in many varied fields of activity. The Commission lists the names of more than 300 persons whose papers have been brought to its attention for possible inclusion in a publication program, and it provides some detailed information about more than 100 of these and the location of their papers. Another part of the program would deal with documents selected because of their relationship to important developments or significant events rather than to particular individuals. Such, for example, would be documents on the establishment of government under the Constitution, Indian relations, public-land policy, the westward movement of population, and the growth of a national transportation system.

The Commission feels that the program should be carried out objectively and impartially, free from partisan bias, and with-

out racial, religious, or other prejudice. It should be flexible. It should be undertaken cooperatively, participated in by many colleges and universities, historical societies, libraries, State and Federal agencies, and individuals.

Already, under various auspices, several projects for the collection and publication of papers within the broad framework of the program have been established. Among them are projects for publishing the papers of the following: John, John Quincy, and Charles Francis Adams, by the Massachusetts Historical Society, Harvard University, the Adams Manuscript Trust, and Life Magazine; Bishop Francis Asbury, by the Association of Methodists Historical Societies; Archbishop John Carroll, by the American Catholic Historical Association; John C. Calhoun, by the University of South Carolina, Clemson College, and the South Carolina Archives Department; Henry Clay, by the University of Kentucky; Benjamin Franklin, by Yale University and the American Philosophical Society; and Alexander Hamilton, by Columbia University. Plans are also well advanced for the publication of the papers of James Madison. Copies of the papers of John Marshall are being assembled by a group representing the Cincinnati Bar Association and the Law School of the University of Cincinnati. Copies of the papers of James Monroe are being assembled at the University of Virginia. The National Archives, with which the Commission is closely associated, is undertaking the microfilm publication of the official records of the Continental Congress, which was the governing body for the United States during and immediately following the American Revolution. The Commission itself is collecting papers which throw light on two of the most important events in our history—the ratification of the Constitution and Bill of Rights, and the work of the First Congress under the Constitution.

A program such as that outlined in the Commission's report was envisioned by President Truman in 1950. On the occasion of the publication at Princeton University of the first volume of a comprehensive edition of the papers of Thomas Jefferson, he said that there was need also to collect and publish the papers of other persons "who have made major contributions to the development of our democracy," and he requested the National Historical Publications Commission to look into this matter and report thereon. President Eisenhower has stated that the fulfillment of the program set forth in the Commission's report would be of lasting benefit to all Americans; that it is through the publication of the source materials of our history "that we will be reminded of the real wellsprings of our national strength."

As you see, the National Historical Publications Commission is making excellent progress and deserves, I think, the continuing support of Congress, the States, and the people of our country.

Latest Cold War Weapon Widely Supported by United States Press and Democratic Members of Congress

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, June 27, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, with funds supplied by the President's emergency fund, the United States is fighting the cold war on two new fronts. Both are important. And on both the Communists have a head start on us.

In the 5 years prior to 1955 the Soviet bloc exhibited at 122 trade fairs at which the United States was not represented. Their first shock was at Damascus last year, where they had a $500,000 exhibition. Awakening in time to what was happening, the United States was a last minute entry, presenting as one of its official exhibits the film Cinerama. The picture was the hit of the fair. It stole the entire show. The Communists protested violently, and when they heard the United States was planning a repeat performance at Bangkok they withdrew entirely. They could not take the competition.

Since that date the U. S. S. R. has withdrawn from at least five other fairs in which it was announced that the United States would exhibit, the Lyons International Fair and the Milan Sample Fair in April of this year, the Paris International Fair and the Tokyo International Fair in May, and the Canadian International Trade Fair in Toronto this month.

Under the program made possible during the current year by the President's $5 million emergency fund, the United States will have been represented at 15 fairs by July 1, 1955.

Bills to make the President's emergency fund a permanent part of the program of the United States in this cold-war period have been introduced by eight Democratic Members of the Congress. Hearings will begin on this legislation on July 5 before a subcommittee of the Committee on Education and Labor of the House of Representatives. So far, this legislation does not have the sponsorship of a single Republican Member of the Congress. Yet it has the support of the Hearst newspapers and has been widely supported in other publications from coast to coast. Included here is an article from the July 1, 1955, issue of U. S. News & World Report as well as an article of mine which appears in the July–August issue of the Music Journal.

[From the U. S. News & World Report of July 1, 1955]

ART AND ENTERTAINMENT: LATEST COLD WAR WEAPON FOR UNITED STATES

People around the world are beginning to find the cold war entertaining—at least in one of its latest phases.

America and the Communist bloc are sending their finest talent—musicians, ballet dancers, actors—everywhere to build prestige among intellectuals.

Europeans and Asians are eating it up. In big cities such as Paris, hardly a week goes by without a United States or Communist show on the platform, sometimes both at the same time. It is almost like an old-fashioned band contest, with the trumpets of one side trying to drown out the horns of another.

Even places as remote as Iceland or the town of Peshawar, at the foot of the Khyber Pass in northern Pakistan, see talent from both sides as the artistic warfare warms up.

It was Russia that launched its big cultural drive first, right after Joseph Stalin's death. In the last 8 months, 500 Soviet and other Communist performers have visited France alone. And they lose no chance to build up the old idea among intellectuals abroad that America is a barbaric nation, with little or no real culture.

CAN THE UNITED STATES CATCH UP?

The United States, getting started only recently, is making up for lost time.

Congress, last autumn, gave the State Department $2.25 million to help United States artists and athletes—selected by the American National Theater and Academy and the Amateur Athletic Union—make foreign tours that could not hope to meet expenses by commercial bookings.

That program, on top of the libraries, art exhibits, and lecturers sponsored by the United States Information Agency, now gives foreigners a look at American talent of all kinds—not just the gangsters, jive artists, and millionaires they see in Hollywood films and hear about from Communists.

The musical comedy Oklahoma swept French critics off their feet in Paris. It is booked for Italy, also, and may be sent around the world.

That show is just one feature of an American cultural display in Paris, Salute to France, which is helped by the United States Government. An American art exhibit drew heavy crowds. Actress Judith Anderson, in Medea, was praised by one critic as giving one of the most remarkable performances of our generation.

UNITED STATES MUSICAL TRIUMPH

Europeans are still talking about another musical from America, Porgy and Bess, now being sent to Latin America after a triumphal tour of seven countries in Europe and the Middle East.

In Milan, stronghold of traditional European opera, Porgy and Bess sold out 4 days before it opened, and it won thunderous ovations for 8 consecutive nights at La Scala. Even the Communist press called this folk opera about life on Catfish Row one of the masterpieces of the lyric stage.

In Tel Aviv, two-thirds of those wanting to see Porgy and Bess were turned away. At one showing, a crowd of 200 Israelis crashed through a window and squatted in the aisles.

Everywhere, United States diplomats report, Porgy and Bess did much to dispel the idea of foreigners that America has little culture. And many Europeans commented that its all-Negro cast, on this official tour, was an effective reply to widespread stories of racial tension in the United States.

"RAVE" NOTICES

In Europe, too, United States art exhibits draw people by the thousands—in Germany, Spain, Britain, and other nations. The New York City Ballet, at its Paris debut, was cheered by an overflow audience long after auditorium lights went on. The 102-man Philadelphia Symphony, on tour, got packed houses and "rave" reviews.

American officials now are trying to send more performers to Asia and Africa. In that part of the world, few American artists can get commercial bookings—and anti-American feeling among Asian artists and intellectuals is especially strong.

The United States, this year, is helping send a tennis team to the all-Asian tennis tournament in India. The Martha Graham dance troupe is to make a tour of Asia. Exhibits of American paintings, arranged by the United States Information Agency, prove popular in India and elsewhere.

Big United States cultural showpiece in Asia, right now, is the Symphony of the Air. This orchestra, trained and conducted for years by Arturo Toscanini, is touring the Far East with the help of a $200,000 Government grant. It stirs even wilder enthusiasm among Asians than Porgy and Bess did in Europe.

GIFTS AND FAN MAIL

In Tokyo, people stood in line 24 hours just to get standing-room tickets to Symphony

of the Air. Musicians were besieged for autographs.

Latin America, too, is getting a slice of officially backed United States ballet and art exhibits, in addition to Porgy and Bess.

These cultural missions by no means answer all the criticism of the United States abroad. Anti-Americans in Tokyo and elsewhere point out that the Symphony of the Air seemed to find very little American music worth playing. And there are complaints that United States artists have to attend too many high official receptions, unlike Russian artists who seek out students.

Generally, however, American performers are found to be making a good impression—and causing many foreigners to revise their idea of America as backward in the arts.

American performers occasionally show up their Communist rivals. A Soviet art exhibit in Ceylon was termed inferior to a showing of United States water colors there a few weeks earlier. Japanese comment was far more favorable to the Symphony of the Air than to the recent visit of a Soviet ballet troupe.

Communists, too, suffered a propaganda reverse when three of their performers deserted to the West while touring France in the past year.

SPEEDUP FOR REDS

These setbacks are forcing the Communists—old hands in official show business—to step up their efforts.

Russia, with a full-fledged Ministry of Culture that spends tens of millions of dollars annually, has concert artists performing throughout Europe and has even sent a ballet troupe to Canada. A Soviet company of 30 entertainers, including circus performers, toured India for 6 weeks, with Prime Minister Jawaharlal Nehru's government picking up the tab. And the London appearance of Russia's leading violinist, David Oistrakh, was a big event of the musical season.

Communist China is busy, too. A Chinese entertainment troupe made a big hit in New Delhi. And the Peiping Opera Co., turning up in far-off Paris, drew huge crowds and enthusiastic reviews from critics.

United States and Communist cultural competition, already warm, is to get warmer. The administration now is asking Congress for funds to continue officially backed overseas tours by American artists next year.

America's cultural drive, officials point out, has to overcome a big head start by the Communists. But United States, judging by audience reaction, is doing very well in the world-wide battle developing between American and Communist artists.

[From The Music Journal for July-August, 1955]

ARE THE COMMUNISTS RIGHT IN CALLING US CULTURAL BARBARIANS?

(By FRANK THOMPSON, Jr.)

Making Washington the cultural center of the world would be one of the very best and most effective ways to answer the Russian lies and defeat their heavily financed effort to have communism take over the world. As my friend Jacob K. Javits put it, "If we do not want to fight the Russians with the atom bomb, then we have got to defeat their effort with two other weapons, economic and culcural, but in the cultural field we have not even touched it."

I have introduced several bills in Congress which are designed to enhance the cultural and artistic prestige of our country, for I am convinced that this is as important as any of the "guns and butter" programs which we support. One of the major ways in which we might turn reluctant and uneasy military allies and the millions of uncommitted peoples into friends is to earn their respect for our own culture.

It is obvious, however, that if we have no respect for our own best cultural efforts, if we show no concern as a people and as a Nation for our own contemporary culture and our living artists, then the peoples of other countries are hardly to be blamed if they ignore and are indifferent to the cultural contribution which we have to give to the world. We have only ourselves to blame, for they take their cue from our own Federal Government. In this situation the Communist parties in various countries and the U. S. S. R. find it extremely easy to spread their lies that we are gum-chewing, insensitive, materialistic barbarians.

I, for one, do not propose to make it easy for the U. S. S. R. to win the minds, the hearts, and the loyalty of men and women throughout the world. I believe the time has come, and indeed is long overdue, for the United States of America to mount an important counteroffensive against the huge Soviet cultural drive which includes everything from violinists and ballerinas to athletes and chess players, and on which they are spending enormous sums. The fine arts are a unifying force, as Washington and Jefferson knew, and they are especially important to us now, when our country is assailed from within and without by divisive and undemocratic forces from the right and from the left. At no time in our history, perhaps, has it been more important than it is today for the dynamic and liberal forces to rally around the effort to place our National Capital in the vanguard of our country's cultural and artistic development, in order that the healing influence of the fine arts may become both practical and effective.

It has given me a great deal of pleasure to note that the administration has now begun to realize the importance of these matters as they were brought out last year in hearings before a committee of the House of Representatives.

In his state of the Union speech to the Congress last January, President Eisenhower said: "In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities. I shall recommend the establishment of a Federal Advisory Commission on the Arts within the Department of Health, Education, and Welfare, to advise the Federal Government on ways to encourage artistic and cultural endeavor and appreciation."

When the Secretary of that Department, Hon. Oveta Culp Hobby, presented the proposal for such a Commission to the House of Representatives, her message included the following statements: "Encouragement of the arts is a demonstration to itself and to others of a nation's belief in its spiritual resources and creative destiny. Throughout the great epochs of history, civilization has been importantly exemplified by masterworks of art and architecture, music and the dance, drama and literature. Achievements in these fields represent, of course, one of the enduring criteria by which history appraises any nation.

"The United States, despite its relative youth, is rich in artistic achievement. We have contributed new power of design in architecture, created new rhythms in music and developed a literature which commands worldwide attention. In the theater and film, and in the ancient form of the dance, we show a creative vitality. Our great museums, art galleries and orchestras are a source of pride for our people. Yet there are many respects in which we lag behind other nations in the general position we accord to the arts in our society. * * * There are in our Nation many persons of talent and genius, whose gifts need the encouragement and recognition which persons in other comparable fields enjoy. * * * Our National Government has not lent its encouragement and prestige to the arts to the extent that is desirable."

The sentiments expressed by President Eisenhower and Mrs. Hobby have been given legislative expression in a bill introduced by Representative STUYVESANT WAINWRIGHT, Republican, New York, which would provide for the establishment of a Federal Advisory Commission on the Arts. While this bill does not envision as complete a program in the cultural field as those which I have introduced, it is an important step in the right direction. At the moment, details are not too important. They may be worked out during the hearings on these bills and a program established which will satisfy the groups and individuals with a direct interest in these proposals. Nor is it necessary to dig up the old clichés about mixing politics in art. Federal recognition is an absolute must in this matter and the bills I have introduced provide the necessary safeguards since all programs will be in the hands of experts and not politicians. This should insure the realization of our esthetic ideals without favoritism and with no strings attached.

It is my hope that all music lovers and culturally minded people in general will do everything possible in support of these bills, most particularly by letting their own Congressman know how they feel. In this way we will be able to prove to the rest of the world that we are sincerely concerned with the ultimate realities of truth and beauty and that we are by no means a Nation of mere "cultural barbarians."

Secretary Dulles Tells Kremlin All It Has To Do To Get Peace and Relaxation of Tensions Is To Observe Faithfully the Charter of the United Nations

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EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 27, 1955

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include the following address given by Secretary of State John Foster Dulles at the 10th anniversary meeting of the United Nations in San Francisco on June 24, 1955. If the people of our own country and those allied with us will read and heed his penetrating analysis and sound counsel, we will continue steadfastly on the course which is beginning to get results, and not be tricked by the guile and wiles of our enemies into abandoning the sound policies of firmness and strength which give hope at last of forcing the Kremlin to abandon its program of world conquest:

ADDRESS BY THE HONORABLE JOHN FOSTER DULLES, SECRETARY OF STATE, AT THE 10TH ANNIVERSARY MEETING OF THE UNITED NATIONS, SAN FRANCISCO, CALIF., JUNE 24, 1955

Anniversaries can be both pleasant and useful occasions. This meeting is of that kind. We look backward and see much that was good. We look forward and see much of promise.

I

The United Nations has already shown that it is here to stay. One proof is the presence here of 37 foreign ministers who have come from all parts of the earth. Another proof is the fact that, since its founding, no member nation has sought to with-

draw; and there is a long, too long, waiting list of qualified nations which want to become members.

This esteem for the United Nations is based on solid accomplishments.

In the political field, there have been moments of triumph, as when the United Nations enabled Iran to bring about withdrawal of foreign troops from its soil. And when it helped Greece to overcome the threat of Communist subversion. And above all when it saved the Republic of Korea by organizing collective defense.

In the field of non-self-governing territories, the United Nations, working through the Trusteeship Council and otherwise, improves the lot of many dependent peoples and brings them nearer the goal of self-government or independence.

Through its Declaration of Human Rights, the United Nations holds aloft a standard which will lead increasingly to respect for the individual human being and his sacred God-given rights.

Through the Economic and Social Council, much is being done to improve the economic and social conditions of the less-developed areas of the world.

We live in the atomic age. And members of the United Nations, responding to President Eisenhower's stirring proposal, are joining together to create an international agency which will harness for human welfare what was only a weapon of war.

Above and beyond concrete actions is the all-pervading moral influence which the United Nations exerts. In fulfillment of the words of Arthur H. Vandenberg—a name never to be forgotten here—our General Assembly has become a "town meeting of the world," exercising a guiding and enlightening influence on the conduct of all nations.

These achievements explain why, throughout the world, the United Nations is held in high respect. As President Eisenhower said in his opening greeting to you, the United States takes pride in its loyal support of the United Nations in all these manifold activities which benefit mankind.

II

The vision of the founders was indeed a lofty one. They met, while war still raged, determined to save mankind from the scourge of future war. But the charter they wrote does not call for peace at any price. The peace of the charter is a peace of justice; it is a peace which will assure to all nations great and small the right to be genuinely independent; it is a peace which will enable all individuals, however humble, to enjoy their God-given right to freedom.

To attain these high goals, the charter calls upon the nations to work together. Fellowship is indeed the essence of the charter. No solidarity effort could win for any nation the charter's goals. Collective effort is needed to preserve freedom. Without collective strength despotism would have free rein; the rights of nations would be trampled under foot, and human beings would be made slaves.

The founders of the United Nations endowed the charter with the flexibility needed to keep alive this concept of collective effort that these unpredictable times demand. A secure peace still eludes us. But that spirit of collective effort implicit in the charter, if practiced in good faith and with creative will, can guide us toward the ultimate goal of man—peace with freedom.

III

We all know that certain of the activities of the United Nations have been gravely hampered by the use—abuse—of veto power in the Security Council. This has prevented the Security Coucil from discharging many of its intended functions. Also, the Security Council has never brought into being the security force which it was supposed to command. The reason is that the members have not sufficiently trusted each other to make it practicable for them to unite their forces.

Happily, the framers of the charter realized the limitations under which the Security Council might operate. They did not require the members to risk their future on a rigid all-or-nothing proposition. They provided alternatives. Article 51 permits like-minded nations with common problems of defense to join together under the charter for their collective protection against aggression. This has been widely availed of by nations which trusted each other and which felt bound together by a sense of common destiny.

The first so to act were the 21 American Republics. They had been closely associated for a century and a half. They knew each other, and they trusted each other. So, in 1947, they made their Rio Pact. It recognized that an armed attack against any American state was an attack against them all.

Others followed in that way. There was the Brussels Pact of 1948; the North Atlantic Treaty of 1949; and the Manila Pact of 1954. Now, there are the London and Paris Accords of 1954, which bring about the beginning of Western European Union, a union long dreamed of by men of vision and good will, but which, until now, has eluded human grasp.

Every one of these collective security arrangements embodies the basic principle of the United Nations Charter, a principle which in turn derives from the teachings of all the great religions, that people have the right and the duty to help each other.

Every one of these arrangements also gives added security even to the nonparticipants. There is less armament, because multiplication of armament is avoided when the force that protects one is equally at the service of many. Also, the military power and facilities of a coalition tend to become distributed and not within the control of any single nation.

In international affairs, as in domestic affairs, the sharing of power is the best safeguard against abuse.

Power which is shared among a group of independent sovereign nations cannot be used effectively unless the participating countries are in accord. Such accord would be totally unattainable except for collective self-defense.

Because collective security responds to the needs and highest aspirations of mankind, it has been invoked by many nations.

The United States, which in 1914 and again in 1939, sought safety in neutrality, has now learned by that hard experience that security lies in collective action. We believe that the power which we possess ought to be made available for the protection of others, just as we desire the help of others for our own defense. So, the United States is today a party to mutual security treaties which bind us collectively with the defense of no less than 44 countries. We are proud to have these multiple ties of trust and confidence.

These systems conform to the Charter of the United Nations. They carry into effect the charter ideal of fellowship. They operate under the principles of the charter, and they are subject to the influence of this organization. They have attacked no nation; they have threatened no nation; and they thwart no nation that does not covet the land and peoples over which collective security stands guard.

IV

Out of the evolutionary process I describe, much good has come. Speakers who preceded me have referred to encouraging international developments, particularly some of recent months. Wars have been ended in Korea and Indochina; the Austrian State Treaty has been signed; relations between the Soviet Union and Yugoslavia have improved; the Soviet Union seeks diplomatic and trade relations with the German Federal Republic; and peace talks have begun between the Soviet Union and Japan.

These are indeed significant developments. But in our rejoicing, let us not forget why they have occurred, or the sequence of events that have brought us where we are. If we forget that, we will have lost the key to a future of peace and prosperity.

What has happened is because certain nations backed steadfastly the principles of the United Nations and backed them with a resolve that, if need be, carried with it blood and treasure.

Today there is no longer fighting in Korea. But why? The reason is that 16 members responded to the call of the United Nations and fought the aggressor who had struck from the Communist North and almost immediately overran South Korea. After 3 years of bitter fighting, the aggressors were back at, or behind, their point of beginning. The aggression had failed. Then, and only then, did the aggressor accept an armistice and end the killing. It is indeed strange to hear this triumph of collective security now hailed as proof of the peace-loving character of the aggressor and its supporters. If they had had their way we would today be commemorating the fifth anniversary of the demise of the United Nations.

Today there is an armistice in Indochina. It was negotiated a year ago at Geneva. But shortly prior to the Geneva meeting several members of the United Nations made clear that continuance of the fighting would carry a threat to all of Southeast Asia and require consideration of collective defense within the framework of the United Nations Charter.

Today there is an Austrian Treaty. It is a treaty which could, and should, have been signed years ago. For nearly a decade Austria was deprived of its freedom and its economy was exploited by one of the occupying powers. During this period of travail Austria's courage was sustained by the moral and material succor of friendly powers and by the backing of its hopes by the United Nations. In the long run, that combination prevailed to win a victory for justice.

Today, Yugoslavia is no longer the target of abuse. An orchestrated threat began in 1948, when Yugoslavia asserted its national independence and broke away from an alien yoke. During the next 7 years Yugoslavia was helped militarily and economically by nations which differed from its government in almost every respect except for one, namely, the right of Yugoslavia to be a truly independent, sovereign nation.

Today, the Soviet Union seeks diplomatic and economic relations with the German Federal Republic. That development comes after many years of hostility, during which the Federal Republic was given security and economic support by those who believe in the right of the Germans to have an independent existence under a government of their own choosing.

Today, there is a possibility of peace between the Soviet Union and Japan. Four years ago, in this same room, 49 nations signed the Japanese Peace Treaty, a treaty of reconciliation. I recall how, from this very platform, that peace was bitterly assailed and rejected by some. But now, as a result of the treaty of San Francisco, Japan has resumed a place of honor and dignity in the community of nations, so that some nations now seek peaceful relations which 4 years ago they spurned.

Throughout all of these events, there runs a common theme, the theme of fellowship. Those who believed in the principles of our charter have helped each other, and in so doing, they have helped themselves.

Some say that what has happened marks the beginning of an era. I believe that can be. Certainly, the United States, I pledge you, will do all that lies within its power to make it so. But we do not forget, we dare

not forget, that some of those who now hail the recent developments are precisely those who sought for years to stop them.

It is not unprecedented to see men make a virtue of necessity. Today, the necessity for virtue has been created by a stalwart thwarting of efforts to subvert our charter. If we want to see that virtue continue, I suggest that it may be prudent to continue what has produced it.

Steadfastness to principle and sacrifice for principle are the proven price of the good that we have won. It would be reckless to expect further good at any lesser price. To achieve peace with justice, peace with sovereignty for nations great and small, peace with respect for human beings without regard to class, will require sustaining the effort, the sacrifice, the solidarity which has brought us where we are today. Much has been accomplished, but more, much more, remains.

There exists the problem of German unification. For 10 years, part of Germany has been severed from the rest. That unnatural division of a great people constitutes a grave injustice. It is an evil which cannot be indefinitely prolonged without breeding more evil to plague the world.

In Eastern Europe are nations, many with long and proud record of national existence, which are in servitude. They were liberated from one despotism only to be subjected to another, in violation of solemn international undertakings.

In Asia, there is a Chinese Communist regime which became an aggressor in Korea, for which it stands condemned by the United Nations. It promoted aggression in Indochina, and has used force and the threat of force to support its ambitions in the Taiwan area. Recent developments, including the influence of tne Bandung Conference, suggest that the immediate threat of war may have receded. Let us pray that this is so. But the situation in Asia remains one that cannot be regarded with equanimity.

Also, we cannot forget the existence of that apparatus known as international communism. It constitutes a world-wide conspiracy to bring into power a form of government which never in any country, at any time, was freely chosen by the people, and which destroys the reality of independence. At Caracas last year the Organization of American States found that the activities of international communism constituted alien intervention in the internal affairs of nations, and were a threat to international peace and security. This threat should end.

Finally, there is the urgent problem of limiting the crushing burden of armaments. For many years the United States and its friends have sought to find ways to carry out the mandate of the charter to reduce the diversion for armaments of the world's human and economic resources. Nearly a decade ago, the United States made a proposal to internationalize atomic energy. This, if accepted, would have prevented the present competitive production of these weapons of awesome destructive power.

This unprecedented proposal was made at a time when the United States was sole possessor of this weapon. It was rejected.

This proposal was subsequently followed up by new proposals for the control and regulation of armaments and the establishment of an international organ to supervise an honest disarmament program. These proposals too were spurned. But the Soviet Union recently indicated that it might be prepared seriously to consider the initiative which had been taken months before by other members of the United Nations Disarmament Subcommittee. Let us hope that these indications can be translated into concrete action making possible limitations of armament which are, in fact, dependable and not a fraud.

These are some of the problems that confront us as we face the future. They are problems which cannot be met if we shut our eyes to them, or if we are weak, confused, or divided. They are problems that can be met if we are faithful to the principles of our charter, if we work collectively to achieve their application, and if we are prepared to labor and sacrifice for the future as we have in the past.

The United States asks no nation to do what it is not prepared to do itself. Any nation that bases its actions and attitudes in international affairs on the principles of the charter will receive the wholehearted cooperation of the United States.

Admittedly, the problems we face are not easy to solve, and they will not be quickly solved. There is room for many honest differences of opinion. But the existence of hard, unsolved problems need not itself be a source of danger and hostility if the nations will bring to the common task the spirit of our charter.

There is one extremely simple method of bringing an end to what is called the "cold war"—observe the Charter of the United Nations; refrain from the use of force or the threat of force in international relations and from the support and direction of subversion against the institutions of other countries.

To bring the cold war to an end, seven points are not needed; this one is sufficient.

It is in that spirit that we go to Geneva, and we hope to find that spirit shared.

If so, we can find there new procedures, or at least develop a new impetus, which will help to solve some of these vast and stubborn problems that still confront us.

We shall not, at Geneva, assume to act as a world directorate with the right to determine the destinies of others. Good solutions do not come from such a mood. We shall seek to find procedures such that all nations directly concerned can fully assert whatever rights and views they have.

In other words, we shall try to carry into the Geneva Conference the spirit which has been generated by this commemorative gathering of 60 nations. The sentiments which have been here expressed can inspire new strength, new determination, and a new spirit of fidelity to the principles of the United Nations founders.

In conclusion, I can do no better than to cite the pledge made here last Monday by the President of the United States:

"We, with the rest of the world, know that a nation's vision of peace cannot be attained through any race in armaments. The munitions of peace are justice, honesty, mutual understanding, and respect for others.

"So believing and so motivated, the United States will leave no stone unturned to work for peace. We shall reject no method however novel, that holds out any hope however faint, for a just and lasting peace."

SENATE

TUESDAY, JUNE 28, 1955

(Legislative day of Monday, June 27, 1955)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rabbi David de Sola Pool, rabbi of the Spanish and Portuguese Synagogue in New York, N. Y., which was founded in 1654, offered the following prayer:

God of the spirit of all living, may Thy blessing rest on this assembly dedicated to serve our great land in keeping with the ideals with which Thou didst inspire its Founding Fathers.

Strengthen these Thy servants with wisdom from Thee in their ever-extending responsibilities. Through their vision and high purpose may the light of freedom and fellowship for all that was kindled in this Republic bring hope and courage to a world that shall be united in human brotherhood and good will beyond national frontiers.

Help and strengthen the Members of this powerful Government body to further Thy teachings of justice, compassion, and neighbor love, so that soon may dawn the day foretold by Thy prophet when nation shall not lift up sword against nation, neither shall they learn war any more, and all men, as children of Thee, the universal Father, shall dwell in peace on this earth as brothers. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 27, 1955, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

FINAL REPORT OF COMMISSION ON INTERGOVERNMENTAL RELATIONS — MESSAGE FROM THE PRESIDENT (H. DOC. NO. 198)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and with the accompanying report, referred to the Committee on Government Operations.

(For President's message, see House proceedings for today.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; and

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6295) to amend section 3 of the Travel Expense Act of 1949, as amended, to provide an increased maximum per diem allowance for subsistence and travel expenses, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DAWSON of Illinois, Mr.

FASCELL, and Mr. YOUNGER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5853. An act to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907;

H. R. 5892. An act to authorize officers and members of the Metropolitan Police force and of the Fire Department of the District of Columbia voluntarily to perform certain services on their time off from regularly scheduled tours of duty and to receive compensation therefor, and for other purposes;

H. R. 6259. An act to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board and for other purposes," approved June 4, 1948;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended;

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes;

H. R. 6795. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; and

H. R. 6829. An act to authorize certain construction at military, naval, and Air Force installations, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 880. An act for the relief of Paul Y. Loong;

H. R. 935. An act for the relief of Mrs. Marion Josephine Monnell;

H. R. 943. An act for the relief of Luzie Biondo (Luzie M. Schmidt);

H. R. 973. An act for the relief of Mrs. Elizabeth Dowds;

H. R. 977. An act for the relief of Mrs. Ellen Hillier;

H. R. 988. An act for the relief of Susanne Fellner;

H. R. 995. An act for the relief of Frieda Quiring and Tina Quiring;

H. R. 997. An act for the relief of Irmgard Emilie Krepps;

H. R. 998. An act for the relief of Meiko Shikibu;

H. R. 1028. An act for the relief of Melina Bonton;

H. R. 1047. An act for the relief of Armenouhi Assadour Artinian;

H. R. 1083. An act for the relief of Robert Shen-yen Hou-ming Lieu;

H. R. 1157. An act for the relief of Milad S. Isaac;

H. R. 1158. An act for the relief of Emanuel Frangeskos;

H. R. 1205. An act for the relief of Cynthia Jacob;

H. R. 1299. An act for the relief of Miss Toshiko Hozaka and her child, Roger;

H. R. 1300. An act for the relief of Luther Rose;

H. R. 1337. An act for the relief of Victorine May Donaldson; and

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H. R. 5853. An act to amend the act entitled "An act to regulate the practice of veterinary medicine in the District of Columbia," approved February 1, 1907;

H. R. 5892. An act to authorize officers and members of the Metropolitan Police force and of the Fire Department of the District of Columbia voluntarily to perform certain services on their time off from regularly scheduled tours of duty and to receive compensation therefor, and for other purposes;

H. R. 6259. An act to amend section 8 of the act entitled "An act to establish a District of Columbia Armory Board and for other purposes," approved June 4, 1948;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended; and

H. R. 6585. An act to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and for other purposes; to the Committee on the District of Columbia.

H. R. 6829. An act to authorize certain construction at military, naval, and Air Force installations, and for other purposes; to the Committee on Armed Services.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that following a brief executive session, there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

John C. Baker, of Ohio, to be the representative of the United States on the Economic and Social Council of the United Nations, vice Preston Hotchkis, resigned.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

HOME LOAN BANK BOARD

The Chief Clerk read the nomination of William J. Hallahan, of Maryland, to be a member of the Home Loan Bank Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk read the nomination of Gen. Matthew Bunker Ridgway to be placed on the retired list in the grade indicated under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I have a brief statement to make. Yesterday a number of extra bills were placed on the calendar. I understand the reports are available. I have communicated with the minority leader, and it is hoped that the Calendar Committees can be prepared on those bills, and that the Senate may be able to take action on them sometime during the week. I should like the Senate to be on notice that we may be prepared to have a call of the calendar again, and that we may move to proceed to the consideration of measures not passed on the calendar.

Also, Mr. President, four agreements were reported from the Foreign Relations Committee, relating to the Geneva Convention of August 12, 1949, which executive agreements were reported by the Senator from Montana [Mr. MANSFIELD]. I understand that the reports will be available soon. There will be a rollcall on each agreement. I should like the Senate to be on notice that perhaps we can proceed to those agreements later in the day or tomorrow.

Mr. President, I should also like to call the attention of the Senate again to the unfinished business, Calendar No. 559, S. 1713, to amend the act of July 31, 1947, and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes. It is hoped that we may be able to dispose of that bill early today.

Then it is planned to proceed to Calendar No. 542, S. 2220, the atomic energy construction bill.

It is then planned to proceed to consider Calendar No. 511, S. 1041, allowing certain State employees to be brought under the Federal retirement system;

Calendar No. 521, S. 1292, to readjust postal classification on educational and cultural materials;

Calendar No. 579, S. 63, to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with

the advice and consent of the Senate; and

Calendar No. 580, S. 1849, to provide for the grant of career conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

I am prepared to ask the Senate to proceed to the consideration of Calendar No. 627, S. 609, providing rewards for information concerning the illegal entry into the United States or the illegal manufacture of nuclear material or atomic weapons, if the Senate is able to dispose of the other bills.

In the event Calendar No. 689, S. 1077, to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947, is not passed on the calendar, I shall later move that the Senate proceed to its consideration.

I also wish to call the attention of the Senate to the fact that there are numerous conference reports which may be brought to the Senate including the report on the draft bill, and reports on various appropriation bills. Of course, the reports are privileged, and when they arrive I expect to ask the Senate to proceed to their prompt consideration.

The VICE PRESIDENT. Morning business is in order.

DISCUSSION AT THE FORTHCOMING GENEVA CONFERENCE OF STATUS OF NATIONS UNDER COMMUNIST CONTROL—RESOLUTION

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Lithuanian Americans of the city of Kenosha, Wis., favoring a discussion by the forthcoming Geneva Conference of the status of nations under Communist control.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas in 1940 Soviet Russia, in vicious conspiracy with Hitlerite Germany and in brutal violation of all the treaties and obligations solemnly underwritten by her, invaded Lithuania with armed forces and against the will of the people annexed Lithuania to the Soviet Union; and

Whereas communism has demonstrated to the world its essential evil in a repetitious, ghastly pattern: the millions of Russian and non-Russian people perished from starvation and destroyed during the ruthless political purges staged by the Kremlin; the 10,000 Polish officers slain like cattle at Katyn; the shooting of manacled American prisoners of war in Korea; the mass deportations and killings that have terrorized and depopulated Lithuania, Latvia, and Estonia, the first victims of the brutal and unprovoked Soviet Russian aggression; and

Whereas, until now, the horrifying and stupendous Communist evil has managed in condemning to slave-labor camps 15 million souls and in throttling the freedom of 800 million people living in nationwide prisons: Therefore be it

Resolved, That the United States delegation to the Geneva Big Four Conference bring up the question of the liberation of all Soviet enslaved countries, including Lithuania, the principal aim of such a policy being to reject entering into any agreement with Soviet Russia at the price of sanctioning all past, present, or future injustices inflicted upon many peoples in the last decade; and now be it finally

Resolved, That the Lithuanian Americans of Kenosha, Wis., once again reaffirming their loyalty to the principles of American democracy, pledge their wholehearted support of the administration and Congress of the United States of America in their efforts to bring about a lasting peace, freedom, and justice in the world.

PATRICK B. McGINNIS—RESOLUTION OF NEW HAMPSHIRE LEGISLATURE

Mr. BRIDGES. Mr. President, the New Hampshire Legislature on Thursday, June 9, 1955, adopted a resolution extending appreciation to Patrick B. McGinnis, president of the Boston & Maine Railroad, for an address delivered before both houses of the legislature. A copy of this resolution has been sent to each member of the New Hampshire congressional delegation, including my colleague, the junior Senator from New Hampshire [Mr. COTTON], myself, Representative CHESTER MERROW, and Representative PERKINS BASS, with the request that the resolution be made a part of the CONGRESSIONAL RECORD. On behalf of my colleagues as senior member of the delegation, I ask unanimous consent that the text of this resolution be made a part of the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

Whereas at the invitation of the house of representatives, Patrick B. McGinnis was cordially invited to address the members of the New Hampshire Legislature as to potential plans and ideas for the operation of the Boston & Maine Railroad; and

Whereas Patrick B. McGinnis has this date graciously accepted the invitation tendered, and delivered a speech of interest and encouragement to the entire State: Now, therefore, be it

Resolved, That we, the members of this legislature, extend our thanks to Mr. McGinnis for his splendid address, and further that we be recorded as expressing the sincere wish that Mr. McGinnis be enabled to place his plans and ideas in action as president of the Boston & Maine Railroad; and be it further

Resolved, That the speaker of the house and president of the senate deliver a copy of this resolution to Mr. McGinnis.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MORSE, from the Committee on the District of Columbia:

S. 667. A bill to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended; with amendments (Rept. No. 685).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 1792. A bill to amend section 10 of the Federal Employees Group Life Insurance Act of 1954, authorizing the assumption of the insurance obligations of any nonprofit association of Federal employees with its members, and for other purposes; with amendments (Rept. No. 686).

By Mr. LONG, from the Committee on Interior and Insular Affairs:

S. 464. A bill to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River; with an amendment (Rept. No. 687).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KILGORE:

S. 2345. A bill for the relief of Lilu Yuen Chuang; to the Committee on the Judiciary.

By Mr. SALTONSTALL (for himself, Mr. BRICKER, and Mr. DOUGLAS):

S. 2346. A bill to establish a permanent committee for the Oliver Wendell Holmes Devise, and for other purposes; to the Committee on Rules and Administration.

By Mr. ERVIN:

S. 2347. A bill for the relief of Dixie Novelty Co.; to the Committee on the Judiciary.

By Mr. BARRETT (for himself and Mr. O'MAHONEY):

S. 2348. A bill to establish certain requirements with respect to the notice of sale of certain isolated tracts of public land, and to limit the application of preference rights granted to owners of contiguous land in such sales; to the Committee on Interior and Insular Affairs.

By Mr. MARTIN of Iowa:

S. 2349. A bill for the relief of Miss Pilar A. Garcia; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2350. A bill to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests; to the Committee on Banking and Currency.

By Mr. ROBERTSON (for himself and Mr. BYRD):

S. 2351. A bill to authorize the conveyance of certain war housing projects to the city of Norfolk, Va.; to the Committee on Banking and Currency.

By Mr. BUTLER:

S. 2352. A bill for the relief of Maj. Luther C. Cox; to the Committee on the Judiciary.

By Mr. KUCHEL:

S. 2353. A bill for the relief of Mabel Dorothy Hoffman (or Clarke); to the Committee on the Judiciary.

By Mr. O'MAHONEY:

S. 2354. A bill for the relief of Jean Goedicke; and

S. 2355. A bill for the relief of Katina R. Landrum; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 2356. A bill for the relief of Julian William Pozenel; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 2357. A bill for the relief of Nenita Santos and Elizabeth Santos; and

S. 2358. A bill for the relief of Renate Karolina Horky; to the Committee on the Judiciary.

By Mr. WATKINS:

S. 2359. A bill to provide for the designation by the President of chief judges of the judicial circuits of the United States; to the Committee on the Judiciary.

CONVEYANCE OF CERTAIN PUBLIC LANDS TO CITY OF HENDERSON, NEV.—AMENDMENT

Mr. MALONE. Mr. President, I send to the desk an amendment intended to be proposed by me to the bill (S. 2267) to direct the Secretary of the Interior to convey certain public lands in the State

of Nevada to the city of Henderson, Nev., and ask that it be printed and referred to the Committee on Interior and Insular Affairs, and also printed in the RECORD at this point as a part of my remarks.

The amendment intended to be proposed by Mr. MALONE to the bill S. 2267, to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev., was received, referred to the Committee on Interior and Insular Affairs, ordered to be printed, and to be printed in the RECORD, as follows:

On page 2, at the end of line 7, insert the following: "east half of section 20; west half of section 21."

READJUSTMENT OF POSTAL CLASSIFICATION ON EDUCATIONAL AND CULTURAL MATERIALS—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him to the bill (S. 1292) to readjust postal classification on educational and cultural materials, which were ordered to lie on the table and to be printed.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION, ETC.—AMENDMENTS

Mr. McCARTHY submitted amendments, intended to be proposed by him to the bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed.

GIUSEPPE MINARDI—RETURN AND REENROLLMENT OF S. 195

Mr. KILGORE. Mr. President, I submit, for appropriate action, a concurrent resolution requesting the President of the United States to return to the Senate the enrolled bill (S. 195) for the relief of Giuseppe Minardi. The bill as it passed the Congress states that Minardi lost his United States citizenship under the provisions of section 404 (a) of the Nationality Act of 1940, whereas, in fact, the loss occurred by virtue of the second paragraph of section 2 of the act of March 2, 1907. The mistake was the result of a typographical error, and what was stated in the bill was not accurate. It is therefore necessary that the bill be returned so that the proper section of law under which Minardi lost his citizenship may be indicated. The concurrent resolution does not affect the bill in any other way.

Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. The concurrent resolution will be read for the information of the Senate.

The legislative clerk read the concurrent resolution (S. Con. Res. 45), as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the enrolled bill (S. 195) for the relief of Giuseppe Minardi; that if and when returned the action of the Speaker of the House of Representatives and the Acting President of the Senate pro tempore in signing the said bill be, and the same is hereby, rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed to enroll the said bill with the following change, namely: On line 4 of the Senate engrossed bill, strike out "section 404 (a) of the Nationality Act of 1940" and insert in lieu thereof "the second paragraph of section 2 of the act of March 2, 1907."

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. KILGORE. The wrong information was furnished by the immigration authorities. It was only after the bill was passed that the correct information was received.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 45) was agreed to.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JACKSON:

Letter written by him to the Secretary of Defense on June 27, 1955, regarding the progress the Soviet Union is making in the field of airpower.

Mr. JOHNSON of Texas. Mr. President, if no Senators desire to transact further morning business, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXTENSION FOR TEMPORARY PERIODS OF CERTAIN HOUSING PROGRAMS

Mr. JOHNSON of Texas. Mr. President, the distinguished chairman of the Banking and Currency Committee, the Senator from Arkansas [Mr. FULBRIGHT] wishes to have the Senate consider Senate Joint Resolution No. 85. I move that the Senate proceed to the consideration of Senate Joint Resolution 85.

The VICE PRESIDENT. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 85) to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, this is a resolution which will require action by the House. I have already discussed it with the able minority leader. He has notified me he has no objection to its consideration or its passage.

I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, this is a unanimous report from the Banking and Currency Committee. The joint resolution merely extends the 3 existing laws for 30 days, with no change whatsoever in any of the 3.

The VICE PRESIDENT. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 85) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the National Housing Act, as amended, is hereby amended—

(1) by striking "July 1, 1955" in section 2 (a) and inserting "August 1, 1955"; and

(2) by striking "June 30, 1955" in section 803 (a) and inserting "July 31, 1955."

SEC. 2. The second sentence of section 104 of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended by striking "July 1, 1955" both times it appears therein and inserting "August 1, 1955."

SEC. 3. The United States Housing Act of 1937, as amended, is hereby amended by striking the words "fiscal year 1955" in subsection 10 (i) thereof and substituting the following therefor: "period from June 30, 1954, to August 1, 1955."

SEC. 4. Subsection (a) of section 221 of the Small Business Act of 1953 is amended by striking "June 30, 1955" and inserting "July 31, 1955."

SEC. 5. The first sentence of subsection (a) of section 717 of the Defense Production Act of 1950, as amended, is hereby amended by striking "June 30, 1955" and inserting "July 31, 1955."

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Is the Senate still in the morning hour?

The VICE PRESIDENT. Without objection, the Senate will resume the transaction of routine business, in the morning hour.

SIXTH TRIENNIAL CONGRESS OF AMERICANS OF UKRAINIAN DESCENT—ADDRESS BY GOVERNOR HARRIMAN AND NEWSPAPER COMMENT

Mr. LEHMAN. Mr. President, over the past Memorial Day weekend the sixth Triennial Congress of Americans of Ukrainian Descent was held, under the auspices of the Ukrainian Congress Committee of America, at the Commodore

Hotel, in New York City. As many of the Members of the Senate know, this committee, led by its national chairman, Dr. Lev. E. Dobriansky, who also is a professor of Soviet economics at Georgetown University, represents the views and sentiments of about 1½ million Americans of Ukrainian descent, for whom the just cause of liberation and independence of Ukraine and the other non-Russian nations in the Soviet Union is in the vital interest of our own Nation.

The success of the congress was highlighted by the address of the Governor of the State of New York, the Honorable Averell Harriman. It was delivered on Saturday evening, May 28, at the banquet dinner of the congress, during which the Honorable Stephen J. Jarema, prominent Democrat in New York City, served as toastmaster; and the Honorable Perle Mesta, the Honorable Michael A. Feighan, of Ohio, the Honorable Charles L. Kersten, of Wisconsin, and the Honorable Edward M. O'Connor also spoke.

Mr. President, because of the striking pertinence of Governor Harriman's remarks regarding the scheduled conference at the summit, aircraft production output, the refugee problem, and the general plight of Ukrainians, I ask unanimous consent that his address, along with some of the editorials and press reports, be printed at this point in the RECORD, as part of my remarks.

There being no objection, the address, editorials, and articles were ordered to be printed in the RECORD, as follows:

ADDRESS BY GOV. AVERELL HARRIMAN AT THE UKRAINIAN CONGRESS COMMITTEE DINNER AT THE COMMODORE HOTEL, NEW YORK CITY, MAY 28, 1955

It is a pleasure to meet with the members of the Ukrainian Congress Committee. I feel a personal bond with the Ukrainian people.

I regard myself fortunate in that I have had the opportunity and the privilege of visiting the Ukraine.

During World War II, I arranged with the Soviet Government for the establishment of United States Air Force bases there for use in the shuttle bombing of the Nazi military establishments. In my visits to Poltava at that time, I was greatly warmed by the friendliness of the people of the Ukraine. They became so friendly with our airmen that the iron hand of the secret police clamped down in an effort to prevent this natural friendship.

I have been greatly impressed with the national culture of the Ukrainians—their literature, their art, their music. I shall never forget the beautiful songs I heard in the Ukraine. But what I admire most about the Ukrainians is the purity and persistence of their aspiration for freedom—an aspiration which has endured through centuries of oppression.

It has survived the division of the Ukrainian nation. It has survived the cruel attempts of conquerors to stamp out the Ukrainian language. It has survived the extermination of Ukrainian leaders and scholars. It has survived the autocracy of the Mongols and the Czars. And it will survive the godless tyranny of the Kremlin.

We know, as surely as we are here tonight, that the enslaved nations of Eastern Europe will again one day be free. The oppressed people behind the Iron Curtain will again one day worship God in their own way, will reestablish their democratic institutions, will restore to their people the priceless liberties that are the God-given rights of human beings everywhere.

When and how this will come about, we do not know. But we know it will come about, because—as the history of Ukrainia tells us—the love of liberty cannot be extinguished. In the long run it is a force more powerful than any tyranny.

I want to congratulate you of the Ukrainian Congress Committee of America for the work you are doing to keep alive in this new haven the culture of your ancestors. In doing so you add richness and strength to American life. And I applaud your splendid efforts in finding homes and employment for displaced persons and escapees from the Ukraine.

I realize that this work unfortunately has been brought almost to a halt by the inexcusable administration in Washington of the Refugee Relief Act of 1953.

In that act, the Congress authorized the admission into this country of 209,000 persons over a 3-year period. As of 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived on this country's shores under the act—and of these only 3,300 are refugees or escapees from behind the Iron Curtain. This is a mockery of the high promise of the act, which intended that we should do our share in providing homes for those who are fortunate enough to have escaped from the horror of Communist slavery.

Yesterday, the President sent to the Congress some recommended amendments to the law. It took almost 2 years of fumbling that reached the proportions of a national scandal before these amendments were proposed. That inaction is shocking enough. But what is even more shocking is that no changes are now proposed in the administration of the act.

We saw how a prominent member of the Administration's own party—Edward Corsi—went to Washington with the sincere purpose of putting impetus and humanity into the administration of the act. We saw how his efforts were thwarted at every turn, and when he persisted how he himself was arbitrarily fired from the program. I think it is safe to say that any changes in the law—however admirably drafted—will be a sham unless there are also changes in administration that will put the program into friendly instead of hostile hands. None of us who believe in offering haven to those who are fleeing Communist persecution can feel satisfied until that is accomplished.

I am sure you are all wondering today, as I am, what the latest turning in Soviet policy toward the West portends.

In recent weeks Soviet leaders have made a number of dramatic moves. They have agreed to a treaty of peace for Austria which leaves that country independent, they have made gestures toward Western positions on arms limitation and control, and they have made suggestions for a united Germany. These have superficial appeal to a fear-ridden world, but they need to be examined closely.

Now, the very fact that the Soviets have budged at all is highly important and to a degree encouraging. But we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed. The Kremlin has, it would appear, modified its tactics.

Now, I think most of us agree that our leaders have no acceptable alternative to talking and negotiating with the Soviets, either now or at any other time when there may be some chance of lessening the danger of war. But, as they negotiate, I earnestly hope that the American people—indeed, I hope all our allies—will not be beguiled by general concepts such as "neutrality," "disarmament," and "banning the atomic bomb." I hope there will not be, now, at the first sign of encouragement, another great pendulum swing of American opinion such as we have seen several times in recent years.

You recall how bitterly Americans felt toward the Soviets at the time of the Finnish war and the Nazi-Soviet pact in 1939. And then American opinion swung to another extreme—one of enthusiasm and comradeship—during the war against Hitler. I remember well the hostility with which I was received by many eminent journalists in 1945 when I said at the United Nations Conference in San Francisco that our aims and those of the Soviets were irreconcilable. Some wrote that I should be recalled as ambassador because I was too unfriendly toward our "gallant allies." But in the years thereafter the Soviet policies and actions provoked America to an extreme anti-Soviet feeling again. And now, already, there are some who would like to believe again that an era of peace and security is dawning. I pray that the American people will not let our high hopes and our love of peace interfere with an unemotional, shrewd, and hard-headed examination of every proposal which the Soviet Union makes.

The Soviet Union has recently made some proposals to give the impression it is the leading exponent of disarmament. What has really happened is that the Soviet Union has suddenly abandoned certain positions it has stubbornly held through endless negotiations, and now says it will accept absolute limitations on the size of armed forces and the principle of international inspection—things we have been urging for years.

We should, of course, be prepared to go just as far toward agreement on disarmament as it is safe to go. The rights of inspection teams will undoubtedly be a matter of official discussion and negotiation. But I want to suggest that our Government should raise with Soviet leaders the question of lifting the Iron Curtain to allow foreigners to enter freely, roam about and find out what is going on, and report out freely. This is absolutely necessary, it seems to me, if we are ever to agree upon and have confidence in any far-reaching measures of arms limitation and control.

In the meantime, it would be unforgivable if—pending absolute foolproof arrangements for mutual arms limitation and control—we or our allies let down our military guard.

There have been disquieting recent reports that the Soviets may have caught up with us in the development of intercontinental heavy bombers. And, day before yesterday, the Air Force announced it had decided to speed up production of our own newest heavy bomber, the B–52. This is a shocking admission that we have been holding back in our own bomber production—that we have been doing less than we could have been doing to maintain air supremacy—and this at a time of danger when we all know the Soviets have been proceeding full speed ahead.

Now I want to make clear that I have never believed and do not believe now that war is inevitable. In fact, if we maintain preeminence in the revolutionary new weapons and our ability to deliver them, there are grounds for long-run hope.

All things change in time—even in the Soviet Union. I think it is not unreasonable to hope that if we continue to build up the strength and unity of free nations, internal and external pressures may bring about a modification of basic Soviet behavior.

It will be increasingly difficult for the Kremlin to keep the varied peoples of the Soviet Union and the satellite nations in subjugation. As history proves, words and ideas can in time bring down the mightiest of empires. And to peoples living under foreign domination no words have greater force than those uttered a generation ago by that great American President, Woodrow Wilson:

"We believe these fundamental things:

"First, that every people have a right to choose the sovereignty under which they

shall live; second, that the small states of the world have a right to enjoy the same respect for their sovereignty and for their territorial integrity that great and powerful nations expect and insist upon."

These principles have the same validity today as the day that Wilson spoke them.

If we hold to our principles, if we are steadfast and patient and wise in our diplomacy, if we use a portion of our resources to help build and maintain the foundations of freedom throughout the world, I have no doubt that, with God's help, we shall be able to lead the world through the present terrible danger to a brighter day of security and peace.

[From New York Herald Tribune of May 30, 1955]

MR. HARRIMAN ON RUSSIA

Governor Harriman had some wise words to speak on the subject of Russia in a speech on Saturday before the Congress of Americans of Ukrainian Descent. The Governor, who was the American Ambassador to Russia from 1943 to 1946, understood well the forces at work in that country, and his advice, as evidenced in the recently issued Yalta papers, was remarkably sound. He is entitled to speak now on this subject, and his remarks deserve a careful hearing.

Mr. Harriman warned against one more swing of the pendulum in the American attitude toward the Soviets. This country has been by turns adamantly hostile and naively trustful. Now, with talk of negotiation in the air and a conference at the summit planned for this summer, there is danger that the sentimental or unduly optimistic tone will once more prevail. But, "We have no evidence," the Governor asserted, "that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

To negotiate, to seek settlements, to aim for peace; all this is essential. The administration is proceeding along this line. Yet the Governor adds an admonition, "I earnestly hope that the American people—indeed, I hope our Allies—will not be beguiled by general concepts such as neutrality, disarmament, and banishing the atom bomb." This appeal to the Allies, made with subtlety that befits a former diplomat, can be useful in mitigating pressures on the administration and is a fine example of bipartisanship in action.

The American people will not, we believe, be fooled. They will certainly not be if they take a long look and keep a steady mind.

[From the New York Times of May 29, 1955]

HARRIMAN SCORES LAXITY ON PLANES—SPEEDUP OF B–52 PRODUCTION TERMED "ADMISSION" NATION HELD BACK BOMBER OUTPUT

The Air Force's announcement on Thursday of a B–52 production speedup was a "shocking admission that we have been holding back in bomber production when the Soviets have been proceeding full speed ahead," Governor Harriman declared last night.

Speaking at a dinner of the Ukrainian Congress Committee of America at the Commodore Hotel, the Governor said the west must not be misled by recent outwardly peaceful Russian gestures.

"The very fact that the Soviets have budged at all is highly important and to a degree, encouraging," he said. "But we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

Governor Harriman said the United States and its allies should not be beguiled by what he called Moscow's modification of tactics.

"Our Government should raise with Soviet leaders the question of lifting the Iron Curtain to allow foreigners to enter freely, roam about, and find out what is going on, and report out freely," he declared.

Such a change in Russian policy is necessary, the Governor said, to make any pact on arms limitation and control effective. He said it would be unforgivable if the West let down its military guard short of foolproof control arrangements.

Governor Harriman said the hopeful way lay in a continued buildup of the strength and unity of free nations. Internal and external pressures then may bring about a modification of basic Soviet behavior, he said, adding:

"As history proves, words and ideas can in time bring down the mightiest of empires."

The Governor also scored "the inexcusable administration in Washington" of the Refugee Relief Act of 1953.

"In that act," he noted, "Congress authorized the admission of 209,000 persons over a 3-year period. As of 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived under the act, and of these only 3,300 are refugees or escapees from behind the Iron Curtain.

"This is a mockery of the high promise of the act, which intended that we should do our share in providing homes for those who are fortunate enough to have escaped from the horror of Communist slavery.

"Yesterday, the President sent to Congress some recommended amendments to the law. It took almost 2 years of fumbling that reached the proportions of a national scandal before these amendments were proposed."

Worse than that "inaction," he declared, "is that no changes are now proposed in the administration of the act."

The Governor cited the arbitrary firing of Edward Corsi when Mr. Corsi "sought to put impetus and humanity into the administration of the act."

"Any changes in the law," Governor Harriman insisted, "will be a sham unless there are also changes in administration that will put the program into friendly instead of hostile hands."

Other speakers included Representative Michael A. Feighan, Democrat, of Ohio; former Representative Charles J. Kersten, of Wisconsin; and Perle Mesta, former Minister of Luxembourg.

[From the Long Island Press of May 29, 1955]

AVE SLAPS AT IKE IN REFUGEE RHUBARB

Governor Harriman hit last night at what he called "the inexcusable administration in Washington of the Refugee Relief Act of 1953."

The Democrat told the Ukrainian Congress Committee in a prepared address:

"Yesterday the President sent to the Congress some recommended amendments to the law. It took almost 2 years of fumbling that reached the proportions of a national scandal before these amendments were proposed.

"That inaction is shocking enough. But what is even more shocking is that no changes are now proposed in the administration of the act."

Harriman said, "Any changes in the law, however admirably drafted, will be a sham unless there are also changes in the administration that will put the program into friendly instead of hostile hands."

The Governor said the act authorized admission of 209,000 persons over a 3-year period but that up to 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived. Of these, he said, "only 3,300 are refugees or escapees from behind the Iron Curtain." He said this is a mockery of the high promise of the act.

[From the Buffalo Evening News of May 31, 1955]

UKRAINIAN GROUP URGES LIBERATION

NEW YORK, May 31.—The Congress of Americans of Ukrainian Descent, Monday urged a policy of peaceful liberation for captive nations in the Soviet Union.

The group, closing its sixth triennial congress, also asked the United States Congress to ratify the United Nations genocide convention. The convention, outlawing mass extermination of entire human groups, was adopted 2 years ago, but has not yet been ratified by Congress.

Lev E. Dobrianski, of Washington, D. C., was elected chairman, chief executive, and chairman of the board of directors of the Congress.

[From the Buffalo Courier-Express of May 29, 1955]

HARRIMAN WARNS OF SOVIET AIMS

NEW YORK, May 28.—Gov. Averell Harriman, of New York, tonight warned the West to be wary of recent Soviet peace gestures.

Addressing the Sixth Congress of Americans of Ukrainian Descent at a dinner at the Commodore Hotel, Harriman cited signing of the Austrian peace treaty. Russian overtures on arms limitations and control, and suggestions for a united Germany, but described them as having superficial appeal and urged that they be examined closely.

"The very fact the Soviets have budged at all is highly important and to a degree encouraging," he told 88 delegates to the congress from all parts of the United States. "But we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

The congress, composed of native-born Americans and immigrants from the Ukraine, seeks to coordinate and intensify Ukrainian-American participation in peace efforts, to support the Ukrainian people in their struggle for freedom.

Harriman, who was Ambassador to Russia in 1941, said Soviet disarmament proposals calling for absolute limitation on the size of armed forces and the principle of international inspection are things we have been urging for years.

"Our Government should raise with Soviet leaders," he continued, "the question of lifting the Iron Curtain to allow foreigners to enter freely, roam about, and find out what is going on and report out freely."

BOMBER DELAY CRITICIZED

Harriman said the Air Force announcement last Thursday that it would speed up production of B–52 heavy bombers was a shocking admission that we have been holding back our own bomber production while the Soviets have been proceeding full speed ahead.

The Governor also criticized the inexcusable administration in Washington of the 1953 Refugee Relief Act.

Recalling that Congress authorized the admission of 209,000 persons over a 3-year period, Harriman said that "as of 2 weeks ago, with more than half of the life of the act expired, only 21,000 persons have arrived under the act, and of these only 3,300 are refugees or escapees from behind the Iron Curtain."

"This is a mockery of the high promise of the act, which intended that we should do our share in providing homes for those who are fortunate enough to have escaped from the horror of Communist slavery," he said.

Harriman congratulated the Ukrainian Congress for its work in keeping alive the culture of ancestors. Recalling his visits to the Ukraine during World War II, Harriman said what he learned to admire most about the Ukrainians is the purity and persistence of their aspiration for freedom—an aspiration which has endured rough centuries of oppression.

Harriman said that aspiration has survived division of the nation, the cruel attempts of conquerors to stamp out the language and the extermination of leaders and scholars, and declared it will survive the godless tyranny of the Kremlin.

Another speaker, Mrs. Perle Mesta, former Ambassador to Luxembourg, told of impressions she gathered of the Ukraine and its people while on a visit to Russia.

[From the Detroit News of May 29, 1955]

UKRAINIANS HEAR PLEAS FOR LIBERTY

(By James K. Anderson)

NEW YORK, May 28.—The triennial Congress of Americans of Ukrainian Descent, meeting at the Commodore Hotel, today registered 1,000 delegates from Ukrainian organizations in all parts of the country.

After speeches dealing with Ukrainian liberation from the Soviet Union and Ukrainian participation in American political and civic life, honorary doctorate from the Ukrainian Free University in Munich will be conferred tomorrow on Representative FEIGHAN, Democrat, of Ohio, and former Representative Kersten, who headed the House Committee on Soviet Aggression.

HEAR GOVERNOR HARRIMAN

At the congress' banquet tonight the delegates heard New York's Gov. Averell Harriman; Mrs. Perle Mesta, former Minister to Luxembourg, who traveled extensively through the Ukraine during a trip to the Soviet Union; and Edward M. O'Connor, former United States Commissioner on Displaced Persons.

Detroit and Hamtramck sent a large delegation to the congress, led by Dr. Michael Duzyj, president of the Detroit branch of the Ukrainian congress committee; Theodore Michaelezuk, vice president; Frank H. Huzil, secretary; William Dowhan, president of the Ukrainian Federation of Michigan; and Peter Rohatynsky, president of the Ukrainian congress committee in Hamtramck.

At the opening sessions today, Dr. Lev E. Dobriansky, congress president, and Dr. Dymtro Halychyn, vice president, urged the delegates to work on behalf of Ukrainian liberation.

[From the New York Herald Tribune of May May 29, 1955]

HARRIMAN SEES DANGER OF NEW SWING TO REDS

Governor Harriman warned yesterday against "another great pendulum swing of American opinion" in regards to Russia and expressed hope that love for peace will not prevent the American people from subjecting all Soviet peace moves to unemotional and hard-headed analysis.

Referring to recent Soviet peace overtures, notably the signing of an Austrian peace treaty, Governor Harriman said in a speech prepared for delivery at the sixth Congress of Americans of Ukrainian Descent at the Commodore that "now, already, there are some who would like to believe again that an era of peace and security is dawning."

"I pray that the American people will not let our high hopes and love of peace interfere with an unemotional, shrewd and hard-headed examination of every proposal which the Soviet Union makes," the Governor, who was American Ambassador to Russia from 1943 to 1946, declared.

URGES CLOSE STUDY

Governor Harriman said that the signing of the Austrian treaty and recent Soviet "gestures" toward Western positions on arms limitation and control are moves which must be studied closely by the West. But he added that up to now "we have no evidence that the ultimate Soviet aim to bring this entire planet under Communist domination has changed."

"Now I think most of us agree that our leaders have no acceptable alternative to talking and negotiating with the Soviets, either now or at any other time when there may be some chance of lessening the danger of war," the Governor said.

"But, as they negotiate, I earnestly hope that the American people—indeed, I hope our Allies—will not be beguiled by general concepts such as 'neutrality,' 'disarmament,' and 'banning the atomic bomb.' I hope there will not be now, at the first sign of encouragement, another great pendulum swing of American opinion such as we have seen several times in recent years."

SWING IN OPINION NOTED

Governor Harriman noted that American public opinion changed from bitterness toward Russia, during the Finnish War and the Nazi-Soviet Pact of 1939 to a sentiment of "enthusiasm and comradeship" during World War II, and then again back to anti-Soviet feeling because of Russia's policies during the postwar years.

In his speech, Governor Harriman also criticized the administration's handling of the Refugee Relief Act of 1953, asserting that the changes in the law proposed by President Eisenhower came only after "almost 2 years of fumbling." He declared that the nature of the law would not change unless its administration were put into friendly instead of hostile hands.

The Americans of Ukrainian Descent claim to represent 1,500,000 Americans of Ukrainian ancestry living throughout the United States. The group will hold sessions throughout today and close its congress tomorrow after voting on a series of resolutions, motions, and suggestions.

[From the Buffalo Courier-Express of May 31, 1955]

PEACEFUL LIBERATION OF CAPTIVE LANDS URGED

NEW YORK, May 30.—The United States was urged today to adopt a policy of peaceful liberation of the captive nations in the Soviet Union in the spirit of a universalized declaration of independence.

In a resolution adopted by the Sixth Congress of Americans of Ukrainian Descent at the Commodore Hotel, 600 delegates said the Ukrainian Congress would "redouble its efforts in the advancement of a steadily implemented policy of peaceful liberation which alone perceives the illusion of peaceful or competitive coexistence where iron curtains exist to divide nations and peoples."

In other actions, the Ukrainians resolved to support the efforts of 45 million Ukrainian people to regain political freedom and national independence from Soviet Russia and voted to persuade the Western nations that a Ukrainian underground opposes rule by Moscow and strives for a world free of the menace of Communist aggression.

The following officers were elected:

Lev. E. Dobriansky, Washington, D. C., chairman; Dmytro Halychyn, Jersey City, N. J., president; Michael Piznak, New York, treasurer; Antin Batiuk, Scranton, Pa., first vice president; Stephen Sprynsky, Philadelphia, second vice president; John Charumbura, Philadelphia, third vice president; Helen Lototska, Philadelphia, fourth vice president; Joseph Lesawyer, New York, fifth vice president; Stephen J. Jerema, New York, executive director; Ibnat Bilynsky, Philadelphia, secretary; John Roberts, New York, general counsel.

The UCCA is composed of native born Americans and immigrants from the Ukraine and seeks to coordinate and intensify Ukrainians American participation in efforts to achieve peace and to support the Ukrainian people in their struggle for freedom.

FIFTY THOUSANDTH CROSSING OF ATLANTIC OCEAN BY PAN AMERICAN AIRWAYS

Mr. FREAR. Mr. President, I should like to pay tribute to a historic milestone which the outstanding American organization, Pan American Airways, is observing today.

Mr. President, it seems as only yesterday that the entire world marveled at the unforgettable and epochmaking flight of Colonel Lindbergh, who first spanned the ocean barrier to Europe, alone. Now we observe the 50,000th crossing of the same ocean by Pan American Airways in what has become a routine operation. Time and distance have surrendered to modern aircraft, and today almost any spot on the earth is only hours away.

Mr. President, Pan American Airways has been a trailblazing pioneer in international air travel. It has helped to bring knowledge of America to peoples and nations thousands of miles away. Thus, in a real sense, this company fulfills the role of an ambassador.

I am happy to commend the officials of Pan American, its operating personnel, and all others associated with the company on the attainment of such an outstanding and safe record of flights across the Atlantic Ocean.

Mr. CAPEHART. Mr. President, at 5 o'clock this afternoon Pan American World Airways will make its 50,000th crossing of the Atlantic Ocean. I ask unanimous consent that there be made a part of the RECORD at this point some remarks I have prepared with reference to this mark in aviation history.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

At 5 o'clock this afternoon a distinctive mark will be made in aviation history by one of the pioneers of United States commercial flying.

At that time a Pan American World Airways DC–7B plane will take off from New York to make Pan American's 50,000th crossing of the Atlantic Ocean.

Since that first Atlantic flight was made by Pan American on June 24, 1939, those 50,000 flights across the Atlantic have carried 2,021,483 passengers a total distance of 200 million miles.

Those same planes carried more than 24½ million pounds of mail, the equivalent of more than one-half billion letters.

In addition, more than 35 million pounds of cargo were carried on those 50,000 flights.

It is a privilege to have this opportunity to bring official notice to the United States Senate of this glowing example of accomplishment possible under the American free-enterprise system.

I have had the pleasant experience to observe in many foreign countries served by Pan American the good will established there by Pan American representatives toward the United States.

The operations of Pan American and the conduct of its personnel in foreign lands have won for us many friend; friends for our country and friends for our system of government.

In many instances Pan American, as well as other United States-flag airlines, compete with Government-owned and Government-operated airlines.

The record of Pan American and the other United States-flag lines proves the capabilities of United States free enterprise to meet that competition.

It is good that this Senate takes cognizance of the advancement of United States business both at home and abroad.

It is equally good that the Senate takes cognizance of development of trade of all sorts with other countries.

I am a firm believer that trade among countries is the pathway to eternal peace in the world because, as I have said many times, trade makes jobs and jobs make trade, and when people are working they are not interested in fighting.

Happy landings, Pan American, for all the years to come.

ADDRESS DELIVERED BY THE PRESIDENT AT SKOWHEGAN, MAINE

Mr. PAYNE. Mr. President, yesterday afternoon, President Dwight D. Eisenhower delivered at the fairgrounds at Skowhegan, Maine, some informal remarks which I believe illustrate once again his innate friendliness and good will toward his fellow men. The President summed up his own basic aspirations and those of all the American people when he stated:

We want peace in the world. We want prosperity at home, a prosperity that is widely shared, with everybody happy in his job. We have come to realize these two aspirations are related. We cannot have prosperity without peace. And there can be no peace unless we are prosperous.

We are the world's leader—economically, productively; and because we are this, we must also take the lead in many other ways, morally and politically, in leading the free world to bind itself together in a common appreciation of these basic values: The dignity of man, his right to be free, his right to exercise all of his privileges of worship and of thought and of speech, of action and of earning—in fact, to exercise every personal privilege, as long as he does not violate similar rights of others.

Mr. President, no one can honestly doubt the sincerity of our desire for peace and prosperity while our Nation is led by a man such as President Eisenhower.

As one who in 1948 first urged the nomination of Dwight Eisenhower, as one who was privileged to lead the campaign for convention delegates in his behalf in Maine in 1952, and as one who has been privileged to have the highest record of effective voting support of the Eisenhower program in the United States Senate, I have never once had occasion to waver in my great respect for this man, whom the American people have called to bear the heavy burdens of the highest office in this great Nation.

It is my hope, as I am sure it is the hope of millions of other Americans, that next year Dwight Eisenhower will again answer the call of duty, and will stand for reelection. This is my hope because I am convinced that Dwight Eisenhower is the best qualified person to guide the destinies of our Nation in these difficult times and to help us and all mankind achieve the basic aspirations to which he referred at Skowhegan, yesterday—peace and prosperity.

Mr. President, I ask unanimous consent that the text of the President's remarks at Skowhegan, as they appeared in the New York Times this morning, be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF THE PRESIDENT'S REMARKS AT SKOWHEGAN, MAINE

Governor Muskie, Senator Smith, Senator Payne, Members of Maine's congressional delegation here present and my fellow Americans, no man can receive greater acclaim than to be received in friendly fashion by a gathering of real Americans. So from the bottom of my heart, I thank you—the Governor for his official welcome, Senator SMITH for all that she has so extravagantly said about my accomplishments, and each of you for the courtesy you have paid me by coming out here today that I might say hello.

There are no thanks due me for coming to this section of the United States, for long have I felt that my education was sadly lacking, in that I did not have an intimate acquaintanceship with this region. I have satisfied a long-felt desire to come here.

And, incidentally, I should like to point out one thing: The Office that I hold being what it is, I did not come alone. Now, there must be millions of Americans as ignorant as I was of the beauties of this region. And think of all the newspaper people, photographers and others that now should be educating those people. And possibly they will come and get the same first-hand knowledge that I had.

Now, if this does not happen, either the power of the press is not what we thought it was, or these newspaper people that travel with me haven't the proper sensibilities to appreciate beauty when they see it.

COMPLIMENTS TO "MIDGES"

I am grateful for the warmth of the welcome I have received all along the line, from young and old, from men and women, from workers and people who seem to be on vacation. And I might say, the most touching welcome that I received was from what the guides call "midges," and I call plain black flies. I am certain that during all these years when I did not come, they have been waiting on me, because they swarmed around me with their cannibalistic tendencies, and I am sure they will probably starve until I get back here.

My friends, as much as I have found here different, in the way of your scenery and your glorious lakes and streams and woodlands and piles of timber along the road which I have never seen, I find the basic beliefs, in our basic aspirations, in our hopes for the future and for our children, we are one.

We want peace in the world. We want prosperity at home, a prosperity that is widely shared, with everybody happy in his job. We have come to realize these two aspirations are related. We cannot have prosperity without peace. And there can be no peace unless we are prosperous.

We are the world's leader—economically, productively; and because we are this, we must also take the lead in many other ways, morally and politically in leading the free world to bind itself together in a common appreciation of these basic values; the dignity of man, his right to be free, his right to exercise all of his privileges of worship, and of thought and of speech, of action and of earning. In fact, to exercise every personal privilege as long as he does not violate similar rights of others.

ASKS FOR SACRIFICES

Now, if we are going to be bound together in these things we must realize that we can't do that, we can't attain them all without sacrifice. As your forefathers came into this region and built their homes, their cabins and began to conquer the wilderness, they had to sacrifice something, they had to sacrifice the safety of the lands from which they came, they had to part from loved ones, they had to make sacrifices to give to us what we have today.

If the world is going to be bound together in a system of mutual advancement—international security—with all of us sharing in that security and in that trade, here and there we must make sacrifices.

Let us make them courageously, as our forefathers did, so that we may enjoy real and secure and permanent peace, and not merely an uneasy cessation of the firing of the guns.

We want permanent peace based upon confidence, based upon justice and decency, wherever the American Government is represented. That is what we are struggling for—in every chancellery, in every capital of the world, those who are our friends and those who may be hostile to us.

We are coverting nobody's property. We want to assume power and rule over no one else. We want to live a life that gives to each of us the utmost opportunity for spiritual, intellectual and material and economic development, for ourselves and for our children.

I find in my few days that I have been privileged to travel across this northern tier of the New England States those sentiments are as widely shared and deeply felt as they are anywhere in the United States.

Indeed, may I say to you that because of this, though I come among you as a stranger, I have felt no more at home in any other town or city that I have visited in this country.

And so my real word of thanks is this: That you have let me feel that you do stand with one another shoulder to shoulder, and shoulder to shoulder with all of the other localities and States and regions of the United States—that all of us, together, may march along to that fuller life, strong, secure, but tolerant and ready to help the other fellow as we expect him to do his part in this great venture.

THANKS TO ALL

Now, before I leave, I would like to say thanks in a little bit more intimate way. Everywhere across this State today I have encountered smiles and shouts and "Hi Ikes" and waves of the hand—as I have met them here on this fairground. I can't reach each of you personally with a shake of the hand. I cannot even speak to all of the citizens I saw today. But if to you, and through you, I could let each of you know how sincerely I do appreciate the warmth of your friendliness, how earnestly I want to come back—as your governor said, no matter what my job may be—then indeed I shall be content.

And now one final word. In every audience such as this, there are literally hundreds of people who have served in the armed services during the period I was there—men and women. Some of them have served actively in the same theater, on the same battleground as I have.

To them I just want to say this one thing: During all those years that you were abroad, while your loved ones were suffering their fears for you, and you were encountering the dangers that finally won the war, we were upheld by a belief that we were fighting for freedom, for the rights of men as individuals, and for peace.

I believe that those aspirations, slowly and torturously it is true, but still steadily, are marching on toward achievement. And I believe that is the thought that all of us can take with us to our beds each night and thank our God that it is true.

CHARLES E. DANIEL, OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD, as a part of my remarks, an editorial entitled "One More Honor," published on June 22, 1955, in The State, a Columbia, S. C., newspaper. The editorial refers to the Distinguished Public Service Award of the American Legion, recently conferred upon former United

States Senator Charles E. Daniel, my immediate predecessor.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE MORE HONOR

It is gratifying to many South Carolinians and must be particularly so to Citadel men, that Charles E. Daniel, of Greenville, is coming into such notable prominence.

He has built himself a considerable empire in the construction field, gaining a national reputation in this line. He displayed a spirit of public service, including a gift of real magnitude, with a brother, to his alma mater, in the form of a carillon, and was appointed interim Senator by Governor Byrnes following the death of Burnet Maybank. He was signally honored some months ago by an extensive writeup in Fortune magazine.

And now he has received the American Legion plaque for distinguished public service to the State.

We extend congratulations to Senator Daniel on this new honor.

MULTIPLE USE OF SURFACE OF PUBLIC LANDS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of Calendar No. 559, Senate bill 1713.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

AMENDMENT OF 1872 MINING ACT OPENING WEDGE TO DESTROY SMALL MINES—OBJECTIVE: LEASING PUBLIC LANDS FOR MINING PURPOSES

Mr. MALONE. Mr. President, Senate bill 1713 has been accepted by many State mining organizations throughout the country under the threat that if they do not accept this amendment to the 1872 Mining Act, they will get something worse. It would establish a precedent for the leasing of all minerals and materials on public lands recommended by Government departments for 22 years, so that bureau heads in Washington may control all prospecting. So far they have not been able to bring it about to put their point over. What they want to do is to control, through a definite leasing system, all the prospectors and all the exploration work done on public lands.

EVERYTHING BUT THE BLUE SKY

The bill would establish a leasing system for sand, stone, gravel, pumice, pumicite, cinders, and clay, and vegetative materials, including, but not limited to, yucca, manzanita, mesquite, cactus, and timber or other forest products. This list includes everything but the blue sky, and would drive the ordinary prospector into his grave.

Forest reserves, parks, and other withdrawals take adequate care of the timber and scenic areas.

NO PRECEDENT FOR PENDING LEGISLATION

The argument is made that the precedent was set for this legislation through Public Law 250, passed by the 83d Congress, chapter 405, first session, under S. 1397.

That act merely coordinated the work on mining claims and ground leases for the development of different types of minerals, including petroleum, on regularly located mineral claims, and provided that the development for petroleum could be adapted to mining claims. If the mining-claim location were first made, then the oil-and-gas lease could not interfere with the mining and development of the minerals on the claim.

It also provided that a mineral claim could be located on the petroleum and gas lease, with the same provision, that the development of minerals should not interfere with a prior locator or lessor to develop the petroleum and gas on the particular land.

The act was a coordination of the development of different types of minerals, including petroleum.

It had nothing whatever to do with the leasing of the vegetation or the harvesting of the timber on a mining claim.

S. 1713 BUREAUCRATIC CONTROL BILL

A new precedent is being established under this bill, looking toward a leasing system under which Government departments and bureau heads would ultimately control all leasing operations.

The senior Senator from Nevada filed minority views on June 22, 1955, in which he pointed out, as set out in the minority views, that—

The purpose of the amendment to the 1872 mining law set forth in S. 1713 is, according to its sponsors, to prevent:

"1. Clearly invalid mining locations, unsupported by any semblance of discovery, and

"2. Mining locations having mineral disclosures which might satisfy the basic requirement of discovery, but which were in fact made for a purpose other than mining.

"3. To make it easier for the Federal bureaus to bring up for review claims and claimants which in their judgment includes land more valuable for another purpose."

That is the statement of the principal witness, Mr. Raymond B. Holbrook, an attorney employed by the United States Smelting, Refining & Mining Co. for 17 years, and who is the chairman of the public lands committee of the American Mining Congress. Mr. Holbrook was the nearest approach to a mining man who appeared for the bill.

TEN WITNESSES—GOVERNMENT BUREAU HEADS ALL BUT ONE

About 10 witnesses appeared at the hearings, which were held in Washington, D. C., only, where no ordinary prospector of mining could possibly come for the purpose of appearing before a committee. Only one man appeared before the committee who had ever had any mining experience. He appeared in opposition to the bill.

He is Robert S. Palmer, executive secretary of the Colorado Mining Association at Denver.

The witnesses who appeared before the committee consisted almost entirely of bureau officials and others who were hired to put this particular bill over, and to establish the precedent which I have already described.

Reading further from the minority views:

The first purpose, preventing invalid mining claims, is amply covered by the present mining law as interpreted over the years by the Supreme Court of the United States. Both the public and the prospector are fully protected, with recourse to the courts.

PROSPECTORS DEPRIVED OF RIGHTS

The second and third—

Purpose of S. 1713, the proposed amendment to the 1872 mining law—that 75-year-old law which laid down the principle with respect to what a prospector's rights are and which has been interpreted and supported by the Supreme Court—

are clearly an imposition on the rights of the prospector since they open the door for the first time in more than 80 years for a Government bureau employee to allege that the land is more valuable for another purpose than mining and bring the case before his own bureau where the only appeal is to a higher employee or official in that same bureau.

Reading further from the minority views:

CONGRESS COULD DESTROY INCENTIVE

Since it is even conceivable that evidence might show that the value for other purposes might temporarily be greater than the immediate value of a small mining property, it is inconceivable that the Congress would allow a bureau official, in no way connected with mining, such as the Forest Service or the Bureau of Land Management, and having no firsthand knowledge of the industry, to be the complainant, judge, and jury.

The history of mining is clear that you must have prospects before you have small mines and you must have small mines before you can have big mines—and that it often requires many years before the larger bodies of ore can be developed, even after they are known to exist.

FIRST LOCATOR SELDOM PROFITS

History also shows that the property may change hands many times through the first locators "going broke" and either relinquishing the claim to another locator or selling out for what they can get because of their inability to continue working the property, or because of lack of "assessment" work simply losing to another locator. Rarely does the first locator profit from the discovery.

There used to be a byword in the ranching business—that it was the third or fourth homesteader of a homestead that made it stick. The mining business is even tougher.

GOVERNMENT BUREAUS

The principal witness, Mr. Holbrook, further testified that—

I quote from Mr. Holbrook's testimony because he was the leading witness for the precedent-making proposal to break down the 75-year-old law, and the Supreme Court decisions, under which a prospector knows what his rights are.

I am reading from Mr. Holbrook's testimony, as set forth in the minority views:

We have had the pleasure of working with the Forest Service and the Bureau of Land Management and understand their position is that these problems could not be entirely met by effective administration of existing laws for the following reasons:

1. The available remedies are slow, expensive, and not conclusive, and

2. There is great difficulty in establishing the invalidity of a location, supported by discovery, on the basis that the location was made for a purpose other than mining.

The PRESIDING OFFICER. The Senate will be in order.

MINORITY VIEWS FURTHER OUTLINED

Mr. MALONE. Mr. President, reading further from the minority views:

The weight of evidence of the witnesses called—all but one holding some Government position—was that the Government bureaus should be given the clear power to determine the validity of a mining location within their own department.

This power in the hands of the bureau officials would destroy the prospector and reverse the Supreme Court decisions for more than 80 years.

They would also have the authority to determine whether or not the land is more valuable for another purpose than mining.

OBJECTIVE—LEASING SYSTEM

It is clear that the Government bureaus are still moving toward a leasing system which they have continually advocated for two decades.

DESTROY LAW INTENT AND COURT DECISION

The prospector can be moved under the 1872 law if he has not complied with it, which is the intent and the extent of the original law.

The Supreme Court decisions, for more than 80 years, have clarified and established the law.

It has been established that if the prospector has complied with the law in setting up his monuments—in filing with the county recorder—and has done the required "assessment" work that a Government department cannot move him or interfere with his work by alleging that "a reasonably prudent man would not expend his money and his effort in the hopes of developing a mine" (Holbrook, p. 91, May 18, 1955).

MINE DEVELOPMENT IMPERILED

I repeat that statement:

A reasonably prudent man would not expend his money and his effort in the hopes of developing a mine.

I read further from the minority views:

The amended act opens the door for continual interference by Government officials.

It limits the locators' inherent rights prior to patent—since when patent issues there is no change in the fee-simple ownership—and the timber, forage, and all other assets go to the patentee. It does not make sense to allow the Government to deplete his claim in accordance with their judgment before patent.

There may have been abuses under the law—but when investigated it will generally be found that the Government has not met its responsibilities under existing law and that the law itself or court decisions provide the remedy.

PROSPECTOR ON THE DEFENSIVE

As it now stands the Government must initiate any proceedings to prove the location invalid—which is exactly what was intended and must be maintained—under the proposed law the prospector will be on the defensive and will be continually harried and tormented by inexperienced and irresponsible bureau officals.

HEARINGS IN MINING AREAS

It is abundantly clear that hearings should be held in the mining areas of this Nation before any action is taken, since no real miners were heard and the mining associations of the several States were clearly intimidated through threats of more severe legislation unless they accepted the proposed legislation as written.

NEVADA MINING SPOKESMAN STATES HIS VIEWS

Mr. President, I have before me a communication from the executive secretary of the Nevada Mining Association, Inc., Reno, Nev., to whom I wrote for advice. In his letter he says:

DEAR GEORGE: Thank you for your letter of May 26. I have noted carefully all that you say therein.

As far as S. 1713 is concerned, please refer to my letter of May 14, 1955. Inasmuch as our members have voted under our prescribed voting system and the fact that all but four of our members voted in favor of the bill, it would ill behoove me to take any stand in contradiction to the expressed wishes of a large majority of the members of the association.

I have always said that if the present mining laws were enforced, there would be no need for new laws and if the present law is not enforced, I doubt if any new law will be.

However, the theory, as expressed by mining men throughout the West, is that unless they accept this law, something much more inimical to the industry will be enacted into law. Whether this is well founded or not, I do not know, but it is a factual condition and there is nothing I can do about it.

With kindest personal regards,

Very sincerely,

LOUIS D. GORDON.

NEW TACTIC EMPLOYED IN PRESSING BILL

Mr. President, the American Mining Congress is carrying on a campaign to secure the enactment of this bill. I am not critical of the American Mining Congress, if that is what they think should be done, but intimidating State associations throughout the Nation in the mining areas into thinking they must take this bill or something worse is not exactly the way business has been done in the public land-mining areas for the past 80 years.

Reading further from the minority views:

The present simple location system for acquiring prospecting ground for mining is the last stand for the man of small capital.

It requires no money—just a sack of beans and some coffee and many of them have been known to dispense with the coffee until they can show enough to acquire a "grubstake" from someone who is willing to gamble with them.

They can build a rock mound or stick up a stake and lodge the location notice on it—then set up the corners within 30 days and start the location work.

The ground is then his own as long as he does the required annual assessment work and files proof of it in the county recorder's office of his county.

It is not necessary to have a surveyor or an accurate placing of the corners of his property. If he inadvertently takes in too much territory then, when there is a conflict, which there will most certainly be when and if he makes a strike, he can only hold the 1,500 by 600 feet of the regulation mining claim.

MINING CLAIMS "FENCED IN"

Mr. President, if the prospector or miner does not take in the total amount, that is, the distance of 1,500 feet by 600 feet, and someone else locates next to him, he cannot enlarge his claim.

Reading further from the minority views:

Mining is a gamble—it is also a disease, which once acquired means that they will "hit" a mine or die broke. Where a very limited few develop a mine, thousands die broke, but it is the incentive of "striking it rich" that keeps them in the hills where the ore is to be found.

Probably 90 percent of the digging done by prospectors is on ground where no prudent man would dig—and this Nation can thank God that they have continued to dig on such ground, because most of the prospects developing into mines are discovered by these miners confirmed in the faith.

MOST MINES FOUND WHERE PROSPECTS DIM

Mr. President, no one knows better than does the junior Senator from Michigan [Mr. MCNAMARA] that that statement is true, namely, that 90 percent of the digging is done by prospectors on ground where no prudent man would dig, but that is where 98 percent of mining properties are eventually found.

I continue reading from the minority views:

The testimony by Government witness, and witnesses inexperienced in the actual prospecting operation, was to the effect that many mining claims are located on ground where no prudent man would dig—prospectors are not prudent men.

There was only one mining man at the hearing who testified and his testimony was emphatically against the bill unless modified—and he recommended that hearings be held in the mining areas before it was reported to the Senate floor. The witness was Mr. Robert S. Palmer, secretary-treasurer of the Colorado Mining Association, which is one of the largest and most important of such associations in this Nation.

Several witnesses have testified that a precedent for this proposed legislation was set in the passage of Public Law No. 250, 83d Congress, amending the 1872 Mining Act.

There could have been no precedent set in the previous legislation for this type of bill since it only dealt with coordinating the use of the same mining claims for different minerals—petroleum, uranium, and other minerals. The amended act provided that you could mine uranium on an oil claim but the petroleum producer had the priority and you could not interfere with him, and that you could develop and produce oil on a uranium claim but that you could not interfere with the operation of the prior locator.

It positively had nothing to do with timber or forage or sagebrush. It had absolutely nothing in common with S. 1713, which does set a precedent for leasing ground for materials.

Certainly hearings should be held in the mining areas. Let the miners have a chance to help work it out.

Quoting further from the minority views:

I believe that if this is done a satisfactory piece of legislation can be worked out that will benefit all concerned, and that will not curb the prospector, and that will not discourage independent investors and "grubstakers" interested in locating, developing, and producing minerals.

If the legislation is to be voted on today as set up without hearings in the mining areas of the country, then its application should certainly be confined to the forest reserve areas where most of the testimony before the committee applied.

INVESTIGATION OF FOREST SERVICE, LAND BUREAU URGED

Mr. President, I have here a letter from J. P. Hall, president of the Western Mining Council, Inc., dated June 11, 1955, which reads as follows:

DEAR SENATOR: Thanks for your help on the Dawson bill (H. R. 5561) and Anderson measure (S. 1713). At both our Redding, June 2, and Weaverville, June 3, meetings we concluded our best hope was to have you urge upon the Senate the move of a western investigation of what we consider the present illegal practices of the agents of

the Bureau of Land Management and the Forest Service relative to valid mining claims.

To back up this move a number of outstanding cases were cited. The Gerlinger case in Shasta County has just been heard by the court. The Bureau sold outright four claims belonging to Gerlinger Brothers, of Redding, the purchaser attempting to eject Gerlinger Brothers when they were doing their assessment work. The court found the claims to be valid but held valid the Bureau's deal of allowing a grazing patent on the claims. In other words, the court acted as if the Anderson bill is already law.

Our Trinity County Chapter cited the Pearl Wood case, which has been reviewed by Secretary McKay's office. The Forest Service sold Mrs. Wood's timber and in order to make the sale good proceeded to prove her claims invalid, even though her gravel has run (according to operating witnesses at the hearing) from $2 to $4 per yard. The Forest Service engineers tested the worst parts of the claims and when it was finally put to McKay's office, his attorney, Clarence Davis, came out with the ruling that the claims would have to show $1.50 to $2 to constitute a "discovery." The witnesses who showed gold taken from the claims were discredited with the statement: "How do we know you took that gold off Mrs. Wood's claim?"

In the same kind of treatment Mrs. Anna Vernon, Cle Elum, Wash., has $12 gold ore on the dump and high-grade assays as high as $1,500.

I have a letter from Mr. McKay's office that she would have to have ore running from $20 to $30 a ton to constitute discovery.

HOW SMALL MINES DEVELOP

Digressing from the letter, that is exactly the point I wish to make. Many a prospector has dug on claims and has passed them on to his successors, and they have been developed, but where only a trace of gold or a trace of some other mineral has been discovered.

But it is a valid discovery, the Supreme Court has said, and that is how a small mine develops. Thousands of prospectors may search, and very few of their claims may become producers and very few of the producers become mines of consequence.

No prudent person would dig where the ordinary prospector digs. Of course not.

BILL DOOMS SMALL PROSPECTOR

So the bill will finish the job on the prospector, the fellow who works without capital, or who goes to a friend for a grubstake; to someone who will gamble with him.

The practice of chasing prospectors off the claims is already going on, but there is a minimum of it because of Supreme Court decisions of 80 years' standing which set forth the rights of prospectors and miners.

This is positively the first bill ever to reach the Senate floor which sets the precedent, an act which will allow the inexperienced personnel of the Bureau of Land Management and the Forest Service to exercise control.

BUREAU BOSSES GREEN HANDS IN MINING FIELD

Ninety percent of them are inexperienced in the very field which they are supposed to know—the public range. They are absolutely inexperienced and green hands in the mining business.

They put the prospector on the defensive.

They allege that no prudent man would dig on that ground. Certainly no prudent man would dig on it. There are few if any prudent prospectors. That is the reason why we are in the mining business, because due to the 1872 Mining Act and the Supreme Court decisions the prospectors could control their ground.

PROTECTION DESTROYED IN 1934

Twenty-two years ago—1934—an act was passed which took away practically all the protection afforded the American workingmen, investors, and prospectors who made their stand in the hills, and put the 50-cent-a-day laborers in Burma in direct competition with the $12-or-$15-a-day American workmen. That is to say, the foreign workers had a $10-to-$13-per-day advantage.

There is a bill in the Committee on Finance which would lower the income tax on foreign-earned income by 14 percent. I am glad I am a member of that committee. Under the terms of the bill now before the committee, there would not only be the advantage of cheap labor in Burma and other foreign countries, but the investor could come back with his profits and pay 14 percent less income tax than if he had earned it in the United States.

PENDING BILL "LAST STRAW" FOR PROSPECTORS

There is not sufficient time today to describe all of the approaches to destroy this Nation; but when the foreigners seeking to divide our markets come in the door, and we shut the door, they come in the windows. When we shut the windows, they come up through the cellar door.

Now the last straw for a mining prospector is the proposal to allow a man who has never seen a mine to go to a prospector and tell him, "We are going to rent this ground to another person because no prudent man would dig on what you call your discovery."

PRESENT LAW AMPLE TO HALT ANY ILLEGALITY

I am not objecting to stopping an illegal entry. I am advised that the law allows plenty of leeway to stop a man who might try to locate an illegal claim on a forest reserve.

All that is necessary is to follow it through with the law as it now is. The Government can take a man off a claim under present law, if he does not have a valid discovery, but under the decision of the Supreme Court, invalidated through that act, you cannot take him off because a Bureau of Land Management official says that "no prudent man would dig there."

It has been said that someone set up a bar on a mining claim. He established a location and puts a bar on it. It It is the easiest thing in the world to prove such a thing and to dislodge such a person.

Some say they locate the claim for the timber. It is necessary to do $500 worth of development work on a mining project before it can go to patent, and it is necessary to convince a mineral surveyor, who is under $5,000 bond to the Federal Government, that the work has been done on a valid discovery. I was a licensed mineral surveyor for 25 or 30 years in Nevada and California. A mineral surveyor is under oath, and he must forfeit his bond, if when his ruling is investigated he is found to have sworn to an illegal or untrue statement.

NO NEW LAW NEEDED IF PRESENT LAW ENFORCED

So I return to the letter. It has been well said in the letter from Louis D. Gordon, secretary of the Nevada Mining Association, that if the present laws are enforced, "It is my opinion we do not need new ones."

If it is timber about which the Government is worried, why use the timber as the entering wedge to run mining prospectors off the public lands? In my State of Nevada, the public owns 87 percent of the lands. Why do they own it? Because there has been no law passed by Congress under which the land can be taken up and developed except the 1872 mining law. Water is not available for farming much of the land, but it can be located and developed under a mining claim.

When the prospector believes he has a discovery, and believes it strongly enough so that he will stay there and dig on the claim, eventually, with the hardihood of prospectors, he may establish a successful claim.

But I content that the Government has mortally injured many prospectors by the free-trade acts which Congress sought to pass almost without debate, except on the part of the senior Senator from Nevada.

HOW COLLEGE GRADS NOW RULE THE RANGE

The prospector is still in business, and he still continues to dig where no prudent man would dig; and so long as he continues digging, the Supreme Court has, in most cases, upheld him.

But now it is sought to amend the law, so that a college graduate from Yale or somewhere else, who has never seen a mine, who has never seen a piece of ore bigger than a sample, will be permitted to regulate the range on a mining claim. Many of the college graduates have never seen a cow, much less a mine. They have no knowledge of the range or of this particular subject. Yet they are mortally injuring the livestock men of this country under the same act now in the Bureau of Land Management, which was the Taylor Grazing Act of 1933.

Now they can tell a prospector, "You don't have a discovery, because it does not assay $20 a ton; and no prudent man would dig there." And they apparently make it stick.

BUREAU PROBE SHOULD PRECEDE LAW CHANGE

I read further from Mr. Hall's letter. He has reviewed specific cases, and then says:

These are just a few of the reasons why the illegal practices of the Bureau of Land Management and the Forest Service should be completely investigated before any attempt is made to fortify their position with such measures as the Dawson and Anderson bills.

Claimholders are not opposed to a just division of the timber on their claims but will oppose the Forest Service telling them

how, when, and where to cut their just portions. We are for your suggestion of western hearings of this situation before any new bills become law.

TIMBER AMENDMENT VAGUE

Mr. President, there was offered and accepted to the bill an amendment providing that if all the timber is cut while the land is still being prospected, while it is still in the location stage, and then the prospector or a successor discovers a mine, the Government will furnish the timber that is needed.

Mr. President, what would that entail? How much timber are they going to furnish? Are they going to go out and measure the stumpage?

MINING COUNCIL OPPOSITION DEFINED

I also have a telegram from Mr. J. P. Hall, president of the Western Mining Council, Inc., at Santa Cruz, Calif., dated the 7th of this month. It is addressed to Hon. GEORGE W. MALONE, United States Senate, Washington, D. C., and reads:

Western Mining Council, Inc., meeting in regular monthly session in Redding June 2 went on record as not opposed to equitable division of timber on plains and national forests but opposing other provisions of multiple use we urge hearings on bills in western areas before passage of S. 1713.

Mr. President, I have a letter from Mr. Harold M. Morse, of Morse, Graves & Compton, attorneys, Las Vegas, Nev., which reads:

Hon. GEORGE W. MALONE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MALONE: This will confirm our telegram in answer to your telegram of June 7.

LEGISLATION SPEEDED TO FLOOR WITHOUT AREA HEARINGS, INVESTIGATION

I was trying to find out how all this came about without the prospectors and the attorneys for the prospectors even knowing that the measure was headed for the Senate floor, and without hearings being held outside of Washington, D. C. Who would pay to come 3,000 miles to Washington? At least no prospector has the money to finance such a trip.

The way measures go through the Senate now, all that is necessary is to get them to the Senate floor, and they go through without any adequate investigation. Apparently everybody is embarrassed in opposing any measure, regardless of what it may do to the economy of the country.

The letter from Mr. Morse reads:

This will confirm our telegram in answer to your telegram of June 7.

I carefully read your letter of May 27. You are absolutely correct in stating in your said letter that the Federal Supreme Court has passed on all phases of an 1872 mining act as amended, and the act itself and the decisions of the Federal Supreme Court amply protect the Government and anyone else from any misuse of a mining claim, either before or after patent. I will send you a decision or two shortly to the effect that where a party located a mining claim in a national forest, which was open, however, for mineral entry, and then used the surface of the claim to conduct a saloon, the Department of the Interior was justified in voiding the patent even after it had been issued, on the grounds of fraud.

The remedies exist, Mr. President.

BILL BOON TO "TINHORN CZARS"

I read further from the letter:

It is interesting to note from your letter that the 8 or 10 witnesses heard by the committee were all Government officials. Even a blind man can read the great boon it would be to the Bureau of Land Management to have this bill passed. We would have more tinhorn czars running around than have existed since Stalin—and I mean this sincerely. Why in the name of God Congress would delegate to the Secretary of the Interior and through him to the Bureau of Land Management, to use discretion in granting surface rights and use thereof, etc., I will never know. They should by the same token surrender their oaths of office to themselves—but I guess I get too angry every time Congress does delegate their power and authority to some agency. They should begin to realize they are going to delegate themselves out of office entirely.

SENATE SHRUGGING OFF POWERS TO EXECUTIVE

Mr. President, over the last few years the Senate of the United States has done just about that. It has just about legislated itself out of existence, as far as effectiveness is concerned. Every proposal which comes to the Senate floor to delegate authority to the President of the United States is passed almost without question.

I have stood on the Senate floor for 9 years and watched that done, and it was done for 12 years prior to that time.

CONSTITUTIONAL RESPONSIBILITIES SET ASIDE

Act after act was enacted which delegated the constitutional responsibility of the legislative branch of Government to the executive branch. Then the executive delegates it to a person in a bureau of whom no one has ever heard and of whom no one will ever hear, but that person makes the decisions.

I suppose it is easier to do it that way, because to make one's own decisions here on the Senate floor might be criticized. One of these days Congress is going to be criticized for delegating its constitutional authority to the executive branch of the Government.

CONSTITUTIONALITY OF TRADE ACT UNDER TEST IN COURTS

There is now in court a case concerning the constitutionality of the 1934 Trade Agreements Act, the Geneva General Agreement on Tariffs and Trade, which is a Tinker-to-Evans-to-Chance setup.

The Constitution of the United States charges the legislative branch of our Government with the responsibility of regulating the national economy, foreign trade through setting the duties, imposts, and excises, which we call tariffs. What does Congress, the legislative branch do? It transfers that responsibility to the executive branch, and the executive branch transfers it to Geneva, 3,000 miles away, to GATT—the General Agreement on Tariffs and Trade—where representatives of 34 nations sit down to divide the markets of this Nation among them. There was no game until we decided to go into it for 3 more years through the House bill—H. R. 1. There would have been no game if we had not extended the 1934 Trade Agreements Act. But when we sat down in the game at Geneva we were putting in the pot our markets, so the game goes on with 34 nations—33 boosters in the sucker poker game—and us. Every other nation protects its own industry. We are the only people not for our country.

TRADE AGREEMENTS A DODGE TO AVOID TREATY ACTION IN SENATE

Mr. President, the communication from which I have just read is only one such communication. I have received dozens of them. Why did the Bricker amendment provoke a great controversy over the Nation, when almost two-thirds of the Senators voted for it? When that many Senators vote for such an amendment, the situation must be serious.

The people of the Nation are tired of Congress delegating its constitutional responsibility to the Executive. That is why that happened.

They are tired of having this Nation make trade treaties with foreign nations, calling them trade agreements, not treaties, to avoid coming before the Senate of the United States for a two-thirds vote.

These trade agreements are treaties, Mr. President. In the Federal district court in Washington the only woman Federal district judge has that question under consideration. I am of the opinion that she is a real American.

I refer again to the letter from Mr. Harold Morse:

To show you that other people are beginning to think about the racket that is now being operated by a mess of crooks selling surface rights to Government land, I am enclosing the following:

A letter which appeared in the Los Angeles Times of Sunday, June 5, 1955, from a person who apparently was stung and was advising others not to get stung likewise.

An advertisement which appeared in the Los Angeles Times on Sunday morning, May 15, 1955.

An editorial which appeared in the Los Angeles Times on Saturday morning, April 30.

Of course, at times it is a very conservative newspaper and perhaps you had read the editorial but in any event it answers in part that portion of your letter to me in which you stated you sometimes wondered if anyone appreciated your efforts along certain lines mentioned in your letter. I would say offhand that the editorial in the Times commends your personal efforts very highly, and I might add that if the late Harry Dexter White were now alive he would be red hot and riding full herd in support of the so-called multiple use of surface rights, being Senate file 1713.

I again respectfully urge you not only to write a minority report but to take the floor of the Senate, not only as a Senator but as a mining engineer, to see if you can't convince that body to leave our present mining laws alone as we certainly don't need any more State socialism or any more czars in the Bureau of Land Management—but I guess I'd better quit.

Sincerely yours,

HAROLD M. MORSE.

So even an attorney gets discouraged at times, Mr. President.

I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the dispatches referred to in the letter.

There being no objection, the letter, advertisement, and editorial were ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times of June 5, 1955]

CAUTION URGED ON LAND DEALS

This letter is written in the hope that it will spread a word of caution to people contemplating or already making application for lease and sale of United States Government 5-acre tracts near booming Las Vegas.

There is much misrepresentation and misunderstanding regarding the facts on the requirements of the Bureau of Land Management, United States Department of the Interior, to acquire title. As a consequence, there will be a lot of unhappy people after the 3-year lease period is completed.

So-called land locators are nothing but a private service and some of their salesmen are clouding the facts and exaggerating what must be done to meet requirements as laid down by the United States Government.

First check with the Bureau of Land Management, Nevada State Office, Post Office Building, Reno, Nev. This writer wishes that he had checked on facts on the three methods to meet requirements and not listened to double talk to determine if:

1. You only have to put up a shack, fence, or "bed down" a trailer on the 5 acres or if you have to construct a house or cabin in compliance with Clark County, Nev., Building and Sanitation Code.

2. You only have to dig a water hole 5 or 6 feet deep or if you have to have a domestic water well drilled by a licensed well driller in compliance with the specifications of the State engineer of Nevada (and this type of drilling runs into money).

3. You, in an outright purchase arrangement of the 5-acre tract, pay the Government's fee of $25 and the locator's fee (usually $100) plus what the locator told you was the appraised value per acre or if you pay the Government's fee of $25, the locator's fee, the appraised value per acre (set by the Government—perhaps not what the locator stated) plus $700 more to the Government.

Also if:

The payment of $25 and the locator's fee includes escrow, lawyers, and surveying fees or if no escrow or lawyer's fees are necessary and the only surveying done was done by the Government on a large scale (not for 5-acre tracts).

The appraised value of the 5 acres the locator quotes is the Government's figure or if the Government hasn't appraised the land as yet and when it does the appraised value will be much more than the salesman stated.

There are honest locators and there are dishonest ones.

The racket for the dishonest land locators is a sweet one. They receive $100 to make out a form, put it in an envelope and affix a 3-cent stamp and mail it. Then they have 3 years (during the lease period) to clean up and be on their way before the facts come to light and the roof blows off.

Be cautious—learn the facts from the party with whom you are doing business—the United States Government, Bureau of Land Management.

L. E. D.

LOS ANGELES.

[From the Los Angeles Times of May 15, 1955]

Exercise your rights as a United States citizen. You as a native-born or naturalized citizen over 21 have the privilege of claiming up to 5 acres of Government land. Choice locations now available near booming Las Vegas, Nev. Land-filing service open daily, including Sunday, 9 a. m. to 9 p. m., in Hollywood, 1213 North Highland, HO-56111; in San Fernando Valley, 14802 Ventura Boulevard, STate 49951; in Long Beach, 806 American Avenue, L. B. 77469.

[From the Los Angeles Times of April 30, 1955]

HEMISPHERE RESOURCES AND DEFENSE

There is an important paragraph contained in the report filed by the United States Senate's subcommittee entrusted with a study of the availability of strategic materials which would be needed in the event of another war. The paragraph is this: "The Western Hemisphere can be defended and will be the only dependable source to the United States of critical materials in the event of an all-out war."

COUNSEL BY EXPERTS

This was the summation of an investigation which took the better part of a year and in which more than 360 witnesses, representing some of our most distinguished scientists, engineers, military and economic experts, gave their advice and counsel. The end result was, in their opinion, that the United States and Canada, with the close cooperation of the countries of South America, can provide themselves with all of the materials of modern warfare without reliance on the countries of Asia and others scattered in far parts of the world.

These materials range from antimony and asbestos to vanadium and zinc with such familiar items as rubber, tin and manganese included in between. In all, there are 77 minerals and materials listed as essential to the capabilities of the United States in fighting a major war, and in practically every instance the subcommittee, which was headed by Senator GEORGE W. MALONE, of Nevada, reports that our own hemisphere is able to meet the needs that would arise in the time of a major war.

It is on the premise that we are not taking full advantage of the potentials that exist in our own production of strategic materials that the Malone committee report makes some of its strongest points. There is the case of titanium, for example. It is among the most modern of metals, light, durable and strong, and its use in modern fighting planes is a must if our Air Force is to be considered as a first-class fighting force.

TESTIMONY GIVEN

Yet the testimony presented before the Malone committee showed that we are producing approximately 2,000 tons of this metal annually—with two-thirds of our production concentrated in one State—when the considered judgment of witnesses before the committee was that we need a minimum of 150,000 tons annually in the production of military planes alone.

Titanium ores abound extensively not only throughout the United States but in such other countries as India, Australia, Norway, Brazil, Sweden, and—significantly—the Union of Soviet Socialist Republics. It is scarcely to be doubted that the Soviets are taking full advantage of all the titanium ores they can lay their hands on.

As far as titanium is concerned, it is a case of not making the most of our own natural resources. With such things as rubber and tin, however, we long depended on Malaya as a principal source of supply and our complacency in this direction received its first rude jolt when the Japanese plunged us into World War II. We built up a synthetic rubber industry, of course, which helped meet the emergency and we scraped and skimped on not only rubber but tin and scores of other materials that we formerly had brought to us from faraway shores.

The chief thing now, as the Malone report points out, is whether we are going to continue to depend on long-overwater shipments of vital materials to this country in the event of a new war. Such shipments were a hazardous enough undertaking in the days of World War II under the constant threat, as they were, of submarines and aircraft which have long since been outmoded.

POTENTIAL ENEMY

Convoys which were mauled and hurt in some degree by the Nazi submarine wolf packs in World War II would face obliteration in the explosive vaporization of a single atom bomb in the event of another world war. And there is no guaranty, either, that the foreign countries from which we obtained so many of our vital resources in the past would be kindly disposed toward selling them to us; particularly those which are within range of quick atomic destruction from our potential enemy.

The Malone report says that the natural resources and the technical ingenuity of the United States, Canada, Central and South America are such that this hemisphere with the proper planning and foresight can stand on its own two feet and live and protect itself, for and by itself alone, if ever such an emergency should arise.

It is an encouraging departure from the thought insidiously promoted in some sections of former administrations that the United States must always depend on the importation of certain strategic materials from lands far across the seas. Among the ardent advocates of such viewpoint in the Truman-Roosevelt administrations was the late Harry Dexter White, who has been revealed as an obedient servant of the Soviet espionage ring that was active in his time in Washington.

BIG INDUSTRY FOR SYSTEM—SMALL PROSPECTOR OUT IN COLD

Mr. MALONE. Mr. President, the Times editorial is a description of Senate Report No. 1627, a digest of 10 volumes of testimony of 360 witnesses showing how the Western Hemisphere can become self-sufficient in the production of critical materials. This report and hearings are by the Minerals, Materials, and Fuels Economics Subcommittee of the Interior and Insular Committee, of which I was the chairman.

Mr. President, I refer to page 192 of the printed proceedings of the hearings on S. 1713, which were held in Washington, D. C., in which 8 or 10 witnesses appeared, including only 1 man who had had any experience whatsoever in mining. All the rest were Government officials, or persons hired by an organization to put this bill over.

In this connection, I refer to the testimony of Mr. Holbrook. He was the principal witness. He works for a large company in Salt Lake City which would benefit from a leasing system.

Any large company which has the money to pay attorneys and engineers and keep them continuously on the payroll cannot lose under a leasing system; but a prospector who has nothing but his food supply—and many times a poor one—and who lives on one of these claims, would be put in jail for nonpayment of salary if he employed a lawyer or an engineer, because he does not have the money.

TESTIMONY OF COLORADO MINING SPOKESMAN CITED

I refer now to the testimony of Mr. Robert S. Palmer, executive vice president of the Colorado Mining Association. He is also in the uranium mining business. He was discussing minerals which are discovered by persistent prospecting and exploration. The prospector can own the mineral when and if he finds it.

Perhaps in one out of 500 locations a prospector will discover a small property which will produce some paying ore. The difference between ore and country rock is the profit—ore is country rock that can be mined at a profit. Out of 500 properties which produce some paying ore, there may be one big producer, if people are willing to gamble. But the gambling does not pay off for everyone. We hear only about the successful miners.

In connection with Virginia City in the old day, we hear about the Mackeys, the Floods, and the Fairs, making millions of dollars. We do not hear of the thousands of prospectors who honeycombed the hills around Virginia City, 17 miles out of Reno, and died broke.

If one were to calculate the value of the labor expended in those hills, he would probably find that more money in labor and supplies was put into those hills than was ever taken out--and a billion dollars was taken out.

PROPOSED BILL WOULD HAVE STYMIED WESTERN MINE DEVELOPMENT

What would have happened if those operations had been under the direction of an official of a Bureau of Land Management who handled cattle and sheep, and did not even know much about that subject? He would have told the prospector that no prudent man would dig where he was digging—and get rid of him.

For months a type of silver ore was being thrown away as waste, and the mines were not paying. It was a murky looking ore, a kind of blue mud. No one had ever seen anything like it. Most of the prospectors went broke and left or disposed of their holdings before the values were discovered. Then someone had the blue mud assayed, and that ore proved to be the highest paying silver mine in the world.

Under a leasing system, long before that time the prospectors would have been put off by a graduate of some college who came out there to regulate cattle and sheep, on the theory that no prudent man would dig there. And he would have been 100 percent right—but thank God they were not prudent men—they were prospectors and miners—fighters with the look of the eagle in their eyes.

After testifying for several minutes before the committee, Mr. Palmer said:

I say that officially we agree with you on this legislation. We are trying not to disagree with you. If it were sponsored by others we certainly might.

He is speaking to the acting chairman of the committee [Mr. ANDERSON], who has always supported the mining people. He said:

You are Chairman of the Joint Committee on Atomic Energy.

URANIUM EXPERIENCE CITED AS EXAMPLE

I should like to illustrate how wrong one can be with respect to this subject.

As late as a year ago the former Chairman of the Atomic Energy Commission wrote a book—I refer to Gordon Dean—

Mr. President, I have a high regard for Gordon Dean. I think he was one of the best chairmen the Atomic Energy Commission ever had. I think he is an honest man, an earnest man, a man of integrity, and a man who understands his business. He wanted to be helpful—but he was wrong. He was reporting, as of that time, the knowledge which was available.

As late as a year ago the former Chairman of the Atomic Energy Commission wrote a book—I refer to Gordon Dean—A Report on the Atom, which led the reader to conclude that there were no substantial amounts of primary uranium ore in the United States. In other words, the United States was largely dependent for its sources of atomic energy on outside sources.

PRESIDENT'S SPEECHES RECALLED

Mr. President, I digress from that testimony to say that 3 years ago the President of the United States made certain speeches on this subject. About certain areas that we must protect to secure certain minerals. I do not blame the President of the United States, because certain information was placed before him. He, of course, had no personal knowledge of the situation. He has not made any such speeches lately—not since last August.

Reading further from the testimony:

Senator ANDERSON. That is not the interpretation of that statement, I don't believe. Gordon Dean knows that the Colorado plateau is full of uranium, and says so in the book A Report on the Atom.

Mr. PALMER. Gordon Dean specifically stated in the book that there were no substantial amounts of primary uranium ore in the United States.

Senator ANDERSON. Is there?

Mr. PALMER. Since that report the people to whom you have referred as going out and locating mining claims have uncovered primary deposition of substance in the United States. Just before leaving the West it was announced—

This was on the 19th of May—

that in a new area in Utah which had previously been pronounced barren, uranium ore was being found as a result of drilling. Claims which some people would have condemned as invalid locations were now valid.

PROTECTING CLAIM NOW DIFFICULT, EXPENSIVE

We have even had testimony to the effect that a man who has plenty of money, and who is in the uranium business in that locality, has hired people to dig continually on each claim, so that there can be no doubt that it is a valid location, because if one of these bureau officials, who got all his information from a book or in school, but has acquired no actual experience, came out there, they would be able to put him off the land, because he could not hold the claim without a discovery on which a "prudent man dig" or have a man continuously digging to hold the ground even under the 1872 act if he was to hold the ground against the onslaught of the horde of bureaucrats.

Mr. Palmer goes on to say:

Claims which some people would have condemned as invalid locations were now valid. Because somebody had sense enough to put down a drill hole, and ore was found at a depth.

Mr. President, the Senator from New Mexico is quoted as stating:

Gordon Dean and I discussed that before his book was published and while he was engaged in the writing of it. So I say to you that it is a confusion of terms. He understands that there is uranium in this country.

HARRY DEXTER WHITE THESIS STILL HELD BY SOME OFFICIALS

However, Mr. President, high officials in this Government, especially those who are not particularly interested in this Government—the modern Harry Dexter Whites—were saying that there was no uranium in this country, as they had been saying for 20 years that we were running out of other minerals and as Harry Dexter White said in a memorandum to Secretary of the Treasury that we only had a 12-year supply of petroleum—that it must be saved for emergencies while we imported what we annually used. Silly but dangerous to our national security. The modern Harry Dexter Whites said that therefore we must defend Africa and we must defend Europe and Asia in order to import those critical minerals and materials.

HEMISPHERE SELF-SUFFICIENT IN URANIUM, CRITICAL MINERALS

After the Minerals, Materials, and Fuels Subcommittee had written its report and submitted it to the Senate on July 2, 1954—and the report had been printed as Senate Report No. 1627—I said to a high Government official, "If you will just treat our taxpayers half as well as you do the foreigners, you will have uranium running out of your ears in the United States within 2 years. If you add Canada and Mexico, that is all the area you need from which to get your uranium."

As I have said so often, and as it stated in the report, we could produce all the critical minerals and materials in the Western Hemisphere that we need to fight a war or to live in peace. No one has questioned that statement.

UNITED STATES MINERAL OUTPUT WILL INCREASE IF CONSTITUTION FOLLOWED

In the report we said that the production of critical minerals and materials could be materially increased in this country if we acted in accordance with the Constitution of the United States and recommendation No. 2 in the report. That Congress reassume its responsibility of regulating foreign trade and the national economy—in accordance with article I, section 8 of the Constitution.

PALMER TESTIMONY REPRINTED

Mr. President, I ask unanimous consent to have printed in the RECORD at this point Mr. Palmer's testimony on pages 193 to 204 of the hearings.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Senator ANDERSON. I am sure there must be a misunderstanding as to his use of the term because at the time he wrote the book, just prior to his writing the book, he discussed with me the large mining in New Mexico which has $100 million worth of uranium ore. You and I know which State now has the largest undeveloped uranium ore deposits in the Union.

Mr. PALMER. I recognize your leadership, sir.

Senator ANDERSON. Gordon Dean and I discussed that before his book was published

and while he was engaged in the writing of it.

So I say to you that it is a confusion of terms. He understands that there is uranium in this country.

Mr. PALMER. Yes as to the deposits which are not considered as primary. I think the term I am using is correct. I think the term used by Gordon Dean was correct at that particular time. I am not criticizing Mr. Dean. I have a very high regard for him.

But the point I make is that some people are criticized for making questionable locations, which later developments prove are very much in the public interest. The people who are primarily responsible for the uranium development in the United States are not major companies and are not necessarily engineers or capable locators but just average Mr. America. The people who have brought into production the major deposits of uranium in the United States have been the prospectors concerning whom Senator GEORGE MALONE has addressed a great many of his comments.

I wish to point the value of the prospectors.

Senator ANDERSON. I don't argue this question of prospectors, not only in these minerals but in oil. We all know the story as to who digs up the new fields and brings them in.

As I say, I recognize that you don't always succeed.

You are familiar probably with the mining venture that I got myself into in the northern part of New Mexico.

Senator MALONE. Mr. Chairman, I would say right at that point, and I think the distinguished Senator from New Mexico, if he stops to think, knows as well as the Senator from Nevada or the secretary of the Colorado Mining Association, that it is the wildcatters and prospectors without adequate funds, many times without any funds, to carry through the operation, that go out and find this material—oil, gas, and minerals—because they just have nothing better to do. They spend their lives doing that. If they hit it, they make some money; that is, if Washington does not interfere with it; and if they do not hit it, they die broke.

Hundreds die broke where one makes it. We all know that. It is a fever.

Now, the men with the money generally are represented by an engineer of some reputation. He sends his engineer in after the discovery has been made. These engineers really go out on exploration ahead of time.

Now, they do have some that do that, but the majority of the explorers and prospectors and wildcatters are financed by their friends or through selling stock.

I could name 5 or 6 men that have money or have backing, like Odlum, who has gone in and bought out 1 man that did not know any more about prospecting for uranium than my grandson, bought him out for $9 million or $10 million. He says himself in his life story that he knew nothing about uranium, but he went in there with his wife and they worked like a pair of slaves and they had a little luck of the Irish and they found some ore that the money was attracted to.

I could name 5 or 6 that have gone in there, but they did not go in and find it. They go in on some of these people that found it on the claims that these experts, these soft-cushion experts in Washington, would have run off the claim.

They are the people I am talking about.

The fellows that these men have testified to, this is the second day, would not let these people go. They would say no prudent man would put his money in there. Of course, they wouldn't. But they are not prudent men, these wildcatters, in the oil and gas. They are not prudent men these prospectors. They are men sometimes at the end of their rope. They have to do something and they have this fever. When they get the showing, which 1 out of every 100 maybe gets, gets something like Odlum or someone representing them, and they buy control.

Very often the man who sells it doesn't make much money, but it is a good deal to them. But they have money to lose. But the men we are interested in are the men these people have been talking about for 3 or 4 days. What did they call it? They had a name for it. Fraud. That is what they said. These are fraudulent claims that this man found this uranium and got $10 million. That is a fraudulent claim, if these fellows had examined it ahead of time.

Senator ANDERSON. That is not correct.

Senator MALONE. There is nothing in there that a prudent man would put money in.

Senator ANDERSON. Let me ask this question: Is it any cheaper for a miner to defend himself under the rules and procedure now established under the law of 1872 than it would be under S. 1713?

Mr. PALMER. The answer to that question obviously as to the validity of his claim is "no." But the full answer to the question is that there is an obligation placed upon the locator under the terms and conditions of this bill which does not exist in the present legislation.

Senator ANDERSON. As to surface rights not needed for mining?

Mr. PALMER. Well, of course, people may differ as to what surface rights needed for mining are.

May I point out, to you, Senator, that there are some other questions involved in this bill which are quite substantial. For example, at the present time, they are finding uranium in conjunction with coal beds. Now, under the terms and conditions of this bill it is possible for a licensee to acquire coal lands and to have a very definite advantage over a locator of uranium on the same area; that is a question which I do not think can be decided at this hearing, and undoubtedly will require some interpretation.

I understand the commission is giving it some thought and consideration at the present time.

Senator ANDERSON. Let me say that when that arrives, I will try just as hard as I tried on the original Public Law 585 to be fair and to be helpful to the people in that area as will Senator MALONE and everybody else. I do not believe we have different goals. I do believe very strongly that the continued filing of mining claims for the purpose of getting surface rights and not intending to try to get the minerals is placing the whole mining program in jeopardy. Such practices make it more difficult to be of assistance to mining than it has been in the past.

My whole purpose in sponsoring this proposed legislation from the very beginning was to try to make sure that we did not get so many bad practices that the prospecting for minerals would get into difficulties. I still hope to keep it on that basis.

Mr. PALMER. Will there be bad practices under your law as well as under present law?

Senator ANDERSON. I think there will not be. I think, for example, the people who go and try to acquire a piece of mineral land for the sake of water and timber will not do it.

Mr. PALMER. I wish to point out, Senator, and I am sure you are familiar with the area in which most of the uranium is being found, that it is not in a green forest with a babbling brook flowing through it but an isolated area where temperatures go as low as 25 or 26 below, where mud conditions are extreme and where sand and other difficulties are encountered causing a great hardship for those miners who seek to locate claims in these areas.

Senator ANDERSON. I agree with you completely. I wish you would do this, Mr. Palmer, if you have any additional suggestions with regard to this bill or any additional points that are at issue, that you would submit them to the committee.

We do not want you to feel that we are not interested in your opinion. We are very much interested.

Mr. PALMER. Thank you very much.

Senator MALONE. Mr. Chairman, I would like to ask Mr. Palmer a couple of questions because I think it might clear up some of the uncertainties in the testimony.

Would you for the record, Mr. Palmer, give us a statement on the coordination of the Federal and State laws as far as the location of mining claims is concerned, whether the Federal laws cover it and the area covered by State laws?

Mr. PALMER. May I call your attention to the fact, Senator, that the State of Colorado and the State of Wyoming have recently amended the location requirements?

Senator MALONE. This is important, Mr. Chairman.

Mr. PALMER. In other words, doing away with the necessity of the former requirement of a 10-foot pit or shaft. Both of those statutes have nothing to do with discovery but simply with location shafts and, under new procedure both in Colorado and Wyoming was adopted permitting other methods of discovery. These State laws were designed to do away with the criticism that bulldozers were being used across the country and ruining the grazing and forestry areas. No longer in these two States, nor in Utah for that matter, is it necessary to sink a location shaft.

I think the practice in Wyoming and Colorado will be to use other methods of discovery of minerals in place rather than digging a pit 10 feet deep; such a shaft is still required in Nevada, I believe.

Senator MALONE. That is a pit?

Mr. PALMER. That is right.

Senator MALONE. Now, you changed the law there so that the required amount of work, $100 worth of assessment work, can be done in a different way?

Mr. PALMER. A drill hole is sufficient.

Senator MALONE. If you spend $100 in diamond drilling, for example, you have done your work?

Mr. PALMER. And make a discovery.

Senator MALONE. That, then, is in the control of the State itself, is it?

Mr. PALMER. Well, the discovery provision is a Federal provision.

Senator MALONE. But the method of discovery?

Mr. PALMER. The method of discovery or the regulation is a matter of State requirement.

Senator MALONE. The discovery that is required by the Federal statute has nothing to do with the type of work?

Mr. PALMER. That is right.

Senator MALONE. Does it specify the amount of work?

Mr. PALMER. It simply is that the accepted definition of a discovery is a mineral in place and such quantities as will justify a reasonable person in pursuing the development of his claim.

Senator MALONE. That is now the law?

Mr. PALMER. That is the law.

Senator MALONE. The point is, then, that there is no requirement in the Federal law that any work be done at all. If you make your discovery in an exposed ledge, that is all that is necessary?

Mr. PALMER. That is right, except the annual assessment requirement of $100 a year.

Senator MALONE. That is a Federal law?

Mr. PALMER. That is a Federal requirement.

Senator MALONE. That is what I wanted to establish for the record. How you do that $100 worth of work is within the purview of the legislature of the State.

Senator ANDERSON. The discretion of the individual, is it not?

Mr. PALMER. The detailed requirements are generally set forth in State legislation on location. I know of no specific provisions on annual assessment work but the courts have

held consistently that the work must be done in improving the property.

Senator MALONE. You say that the law has changed from a 10-foot shaft in Colorado and in Wyoming to allow the work to be done in another manner, like the diamond drilling?

Mr. PALMER. That is right; that is in the establishment of your valid location.

Senator MALONE. And could be by a bulldozer?

Mr. PALMER. It can be done by a bulldozer, yes.

Senator MALONE. In Utah, you say it is still a law that you have to have this 10-foot shaft?

Mr. PALMER. No, it has never been the law in Utah but it is the law in Nevada, I believe.

Senator MALONE. But that has not been changed?

Mr. PALMER. That has not been changed.

Senator MALONE. And you still have to have the 10-foot shaft?

Mr. PALMER. That is right.

Senator MALONE. For discovery?

Mr. PALMER. Yes.

Senator MALONE. And to do the assessment work?

Mr. PALMER. It has nothing to do with the assessment work.

Senator MALONE. Establishing the location?

Mr. PALMER. Establishing the validity of your location; that is right.

Senator MALONE. In other words, if you in Nevada discovered a ledge, outcropping, you still have to sink your 10-foot shaft?

Mr. PALMER. Senator, that is a matter of Nevada law and I am not thoroughly familiar with the court interpretation in your State, but I feel reasonably sure they would follow the same reasoning and procedure which exists in Colorado.

Senator MALONE. But it is the law?

Mr. PALMER. It is the law.

Senator MALONE. Now, as long as that is the law, that you have to have a discovery, then, if I have followed your testimony, all the departments have to do is to enforce the law?

Mr. PALMER. That is correct.

Senator MALONE. Now, I am very much interested in your testimony and your resolution there that this act, if it is passed, be confined to the forest areas.

Does your resolution confine it to the forest areas or the forest reserves?

Mr. PALMER. To the national forests, the reason for that being that the complaint we have read in the press has generally been designed to impress the public with the incorrect idea that miners are going out and making locations in forests and destroying the forest reserves of the Nation.

If that is the intent and purpose of this legislation to correct that, then why should these isolated areas such as I have mentioned in the Four Corners district in which uranium is being found be placed under this particular type of legislation?

Senator MALONE. Is it not a fact that the areas in States like my own State of Nevada are practically all isolated when you get away from the small towns and the population centers?

Mr. PALMER. That is correct.

Senator MALONE. So that what we have been trying to do over the years is to induce people to go out there and do a little digging and to acquire property; is that not right?

Mr. PALMER. That is right.

Senator MALONE. What happens when a man locates a mining claim and he has a valid location filed, keeps up his assessment work; is he subject to the county assessor waiting on him just the same as any other property?

Mr. PALMER. That is correct. In Colorado and in your State they have the right to assess and in Utah they have the right to assess unpatented mining property.

Senator MALONE. That is up to the State?

Mr. PALMER. That is up to the State.

Senator MALONE. The Federal Government does not interfere with it one way or the other?

Mr. PALMER. That is correct.

Senator MALONE. Now, the Federal Government comes in and if there is an income from the sale of this ore or the sale of the property, then the United States Government gets is share according to the law?

Mr. PALMER. That is right.

Senator MALONE. I think you covered this particular question that I had in mind but are you familiar with the fact that prominent officials in this Government, very prominent I might say, are making continual speeches up until last summer that of course we had to defend Belgium in order to get uranium from the Belgian Congo because there was no adequate amount here and that it was just assumed up until very recently that there was no adequate amount of uranium in sight; is that a fact?

Mr. PALMER. That is correct.

I call your attention to the often-cited illustration of a meeting in the Blair House, at which time it was represented that unless certain secrets were disclosed with respect to the manufacture of atomic energy, that our foreign supply of uranium would be curtailed or cut off.

Senator ANDERSON. I have no knowledge of such a meeting.

Mr. PALMER. It was attended by the two Senators from Colorado—Senators Millikin and Johnson. I understand the decision was made that the information would not be disclosed and that the program of the Atomic Energy Commission was adopted which encouraged the production of uranium in the United States and we have found substantial deposits here which many feel would make us self-sufficient in case of an emergency.

Senator ANDERSON. When was that meeting?

Mr. PALMER. Approximately 1948, I would say.

Senator MALONE. There was much publicity at the time, not of the meeting, Mr. Chairman, but evidently the result of this meeting that unless publicity throughout the country fostered by international mining publishers, and I could name a good many of the people that would make us break down and cry, that unless we disclosed these secrets they would do the same thing in uranium that they had recently done in monazite sands in India.

They thought we did not have monazite sands so in peacetime India curtailed the shipment of monazite sands, not that they needed the money but they thought they could blackmail us into another agreement. That is exactly what was attempted under this uranium setup.

Now, this committee rendered a report last August with which the chairman of this committee is fully familiar and assisted in the work, and since that time there have been no such speeches made by any prominent Government official that you had to go across an ocean to get such material. I do not believe there will be any more made because it would be very embarrassing.

I want to call attention to the fact that this publicity is carried forward for another objective, in the opinion of the Senator from Nevada, to carry out something that they want to do, having an objective, and then they use this shortage of this material as a weapon.

Many people want to buy all of the materials from the foreign nations and I guess they are going to accomplish that unless the people rise up and destroy the foundation for it, which I feel they will do in time.

One more question in that regard. The people that have really discovered these minerals and are profiting by it, are they always the experts and engineers that have found them? What kind of people are they?

Mr. PALMER. No; I have stated that most of the men who have been the most successful are the inexperienced prospectors.

One man from Minneapolis found one of the most substantial deposits.

Senator MALONE. Do you think the experts in the Forest Service or the experts in the Bureau of Land Management would be qualified to determine whether a man had a valid location or not?

Mr. PALMER. Well, there has to be some reasonable gage, I will admit that. I will say that even in the opinion of Mr. Woozley, the field examiners have been incorrect in some of their examinations.

Senator ANDERSON. That, however, could likewise be said about some of the people who have made examinations of oil properties?

Mr. PALMER. Correct.

Senator ANDERSON. They said, "You have a good prospect here and a bad prospect there." You develop the bad prospect and get oil and the good prospect is a dud.

Senator MALONE. You are right, Mr. Chairman. For 50 years the geologists said there was no oil in a volcanic area. In Nevada we forgot it, they were experts.

I was in school when they first made that statement. Finally, in Utah some of these wildcatters got off the reservation and spent money in an area where the Bureau of Land Management would not let them locate in the first place and they hit an oil well.

We now have an oil well in the middle of Nevada and the geologists say that it is likely it will spread over a considerable area.

We are all familiar, of course, with the great worry of the Department of the Interior over a couple of decades that we were running out of oil and had to save it. Now it is running out of our ears and we do not know what to do with it, but due to the wildcatters, not the people who come out of Chicago and New York and get these nice jobs down here out of school and immediately become experts.

What is the history of mining? You have been familiar with it, Mr. Palmer, over a long period of years. When these fellows who do not know anything about it go out there and finally get it, 1 out of 5,000 of them because the rest die broke, what becomes of this prospect? Does he carry it through, or does someone with plenty of money set him up as part owner to go on and develop it, or how is it done?

Mr. PALMER. The trend on the plateau at the present time is consolidation with substantial financial interests in the further exploration and development of the properties. I think that has been the history of the mining industry, generally speaking, that many the small miner under trends in world events has been pushed out of business and some more substantial people have been able to take over properties and operate them.

I think that one of the tragedies throughout the United States is the slaughter of the small miners.

In your State of Nevada, I used to attend large meetings where there would be thousands of people who were in the mining business.

In Colorado we used to have thousands of small miners before the uranium boom.

In New Mexico, when I used to address the New Mexico Mining Association, it was composed of a large number of small operators.

I would say that conditions are quite changed today.

Senator MALONE. To what do you attribute the decrease in the number of enthusiastic small prospectors, miners?

Mr. PALMER. Well, there are quite a few factors. I would say that had this committee passed a piece of legislation in which our group was very much interested, or had the Congress passed that legislation, I

think much of the difficulties which exist would have been alleviated.

I think that it has been well established that with cheap transportation from abroad by boat, with low-cost labor abroad, with the international trend that seems to prevail, that it is possible to import materials into the United States at a much lower cost than they can be produced in the United States under American standards of living.

Senator ANDERSON. Could I break in to ask you if you had reference to S. 2105 that we struggled with in this committee as one of the things that might have helped?

Mr. PALMER. I want the chairman to know that the mining people throughout the Rocky Mountain region are still deeply grateful to the chairman and the other members of the committee for the great battle you put up in behalf of that legislation.

Senator ANDERSON. We tried hard. Senator MALONE and I went down together on each one of those rounds.

Senator MALONE. I want to follow just a little further.

Is the fact that we have put our miners in direct competition with these low-wage countries in the matter of the production of these minerals, has that had anything to do with the lack of young people going into this business?

Mr. PALMER. It has made the mining business, up until the incentives which were offered for uranium, very unattractive, and I think that in the event of an emergency in the United States, we are going to find a definite shortage of experienced miners.

Senator MALONE. This uranium incentive, that is a fixed price to 1962?

Mr. PALMER. Right.

Senator MALONE. I predict that after 1962, you will either have to extend the special price or guarantee for a substantial length of time or you will have to have a tariff on uranium to stay in business.

Is it not a fact for as long as I remember, which is quite a considerable length of time, that most of these prospectors and miners that are out there without capital, their chief hope is to discover something of a nature that an engineer that represents capital will come down and look at it?

Is that not the common talk which has been going around for 30 or 40 years?

Mr. PALMER. Well, I think that is correct, Senator.

Senator MALONE. Then the hope is that he will recommend that one of his clients spend a few thousand dollars to go deeper to find out whether he has anything; is that right?

Mr. PALMER. We find that $10,000 for developing a mining claim today is insignificant as compared with a few years ago.

Senator MALONE. Well, that is true, but as long as these people can make money with discovery, if they made a lead discovery or tungsten discovery, generally a prospector had a pretty good idea how rich it had to be to interest anyone but as long as the condition prevailed that when he discovered a deposit of a certain value per ton, they knew they would operate; would they not?

Mr. PALMER. Yes.

Senator MALONE. What is the reason they are not operating there now, that if they make the discovery they still cannot make any money?

Mr. PALMER. That is correct.

Senator MALONE. I think, Mr. Palmer, you have made a great contribution to the testimony. You are the only one, so far, with any mining experience to appear before the committee.

I say again, Mr. Chairman, that I would like very much that the importance of this legislation I have noticed over a period of years that it is not the legislation that you do not pass that hurts the country. If we could have time at the end of this session to hold hearings out through the mining country and get some evidence from people who perhaps cannot afford to come back here on their own and do not represent an association, and do not represent a Government department on an expense account, I believe this committee would be in a much better position to pass on a modification of the mining law.

I wanted to ask once more the question if you would have any particular objection to this act if it were confined to the forest reservation?

Mr. PALMER. That is the resolution of our association, that they would support the bill with that reservation.

Senator MALONE. One more. Does your association, your members, or any association that you know about, have they been flooded with information for a considerable time that they would either take some legislation like this or you would get a more restrictive act?

Mr. PALMER. Yes, I think that is the general sentiment; that was the information which has been passed on and is the explanation which has been given as to why some of the organizations which have felt that strict enforcement of the present law would answer the problem have succumbed and are endorsing this proposal.

Senator ANDERSON. Mr. Palmer, you mean in New Mexico? Have you talked in New Mexico to any miner who has that impression?

I have letters without end from down there and not one has told me that.

Mr. PALMER. That is correct.

Senator ANDERSON. Did Joe Taylor tell you that?

Mr. PALMER. No; Joe Taylor did not.

Senator ANDERSON. Can you find me one that did that I do know?

Mr. PALMER. I have a very high regard for Joe Taylor and I respect his judgment very highly.

Senator ANDERSON. You may.

Mr. PALMER. I think that it is a mistake for mining executives in eastern mining offices to make decisions on legislation as important to the average life of the average miner as this legislation is without consulting with the fellows who day after day are confronted with the problem of making valid locations.

I know there is more understanding in the mind of an executive than in the mind of the average miner. I am fully cognizant of the fact that there are pressures here which must be taken into consideration by the Congress, but I would say without any fear of contradiction that if hearings were held on this proposed legislation in most of the mining camps of the West, that there would be very strong opposition to its passage.

There has been strong opposition expressed to me not only by miners but by very, very prominent geologists and mining engineers whose names I would prefer not to mention. A certain amount of leadership is required here and a certain amount of understanding which I think is being exercised by the leaders of the mining congress and others.

If this is to set a precedent, however, then I feel that in other matters, when additional legislation is introduced it would be very much worthwhile to hold hearings in the areas where the miners themselves can attend and express their feelings.

Senator MALONE. Mr. Chairman, this would be embarrassing to some people, but it is not to me. I know all of these people and some of these larger organizations referred to by the secretary of the Colorado Mining Association. I have the highest regard for them. I think they are very efficiently run, they make money, they are wonderful people, and maybe if I were president of one of the companies I would do just what they are doing, because they are working for their stockholders. I want to say to you that legislation that does not touch those people, or if it does touch them it helps them, because any time you can make a thing more technical, make location a little harder to comply with, make it more technical, you help a going concern, large company, at the expense of the smaller fellow, because this thing, this evolution, is going on all the time.

When a man that did not know anything about uranium at all went out and stuck a stake down, and there are probably 5,000 of them out there that have done the same thing but have not made any money, other than this one man who came out with $10 million. Now, he is not too close from now on to the fellow like he was when he started because he is now doing the best he can to promote the whole setup, but he is not down there with them every day.

People that come in with the money, that an engineer represents, people that will spend $2,000, $5,000, $10,000, $50,000 to develop a prospect that a prospector has found, they are not prospectors, and it is making it easier for them to get this from the prospector because he does not have the money, for example, to do what someone testified to yesterday, that the large operators, they have a man on each claim out there. No prospector can do that. When he makes a new discovery he locates 7 or 8 mining claims around it, and you correct me if I am wrong, Mr. Palmer, you are an attorney long experienced in this business.

You can do your assessment work on one spot if it is reasonable to suppose that you can develop the whole group.

Mr. PALMER. If it tends to improve the whole group.

Senator MALONE. In other words, you do your best to locate along the line of the vein or discovery. Maybe you are right, and maybe you are wrong, but you can do it if you have 5 claims, you can do $500 worth of work on one place if you are reasonably sure that it will develop the whole thing?

Mr. PALMER. That is right.

Senator MALONE. Those things are well established in court, as Mr. Palmer has said.

I want to say to you, Mr. Chairman, one more time. I know a lot of these people. I grew up with them. I surveyed their mining claims in their locations and in their further patents, many of them. A lot of those fellows, if they have a tobacco can in their pocket and a piece of note paper to make the location, that is a secondary consideration.

He looks around for that after he makes his discovery. He gets to his county seat and that is as far as he is going to go, or he sends somebody; that location is made. If he had to file with somebody else or if he has to answer a newspaper advertisement to come in and defend himself, he is simply not going to do it in 99 percent of the cases.

Senator ANDERSON. And of course he does not have to.

Senator MALONE. He does not have to if he does not lose some stuff under this bill.

Senator ANDERSON. Not a thing in the world.

Senator MALONE. In other words, he will lose the timber.

Senator ANDERSON. Not if he needs it for mining.

Senator MALONE. If he does not establish it at that time, he has lost it.

Senator ANDERSON. No; he does not lose it.

Senator MALONE. All right, I will read it to you again. It says that after this notice, 9 consecutive weeks of having it published, that if this man does not come in within 150 days from the date of the first publication of such notice, "which date shall be specified in such notice, a verified statement which shall set forth, as to such unpatented mining claim," and then you have 1, 2, 3, 4, 5. I have already read them into the record.

Senator ANDERSON. Yes.

Senator MALONE. If he does not do that, he is subject to these other provisions.

Senator ANDERSON. Those provisions are that he loses his claim to the surface except what is needed for mining.

Senator MALONE. That is right, but he does not know what is needed for mining until several years have passed.

Senator ANDERSON. He does not have to. This preserves him. This preserves all of his rights.

Senator MALONE. In the meantime, they can take the timber off.

Senator ANDERSON. Exactly, and that is what Senator Millikin has suggested, and that is what we are going to try to correct.

Senator MALONE. I should say that there are several things we need to correct, and one of them is to confine it where the damage is being done.

I have no quarrel with the Forest Service, because we have 5 million acres that I hope to get reclassified sometime to put it out of the Forest Service. We will come to that someday here, because it ought to be in the public-land classification and should not be in the Forest Service at all; that is something we can take up later, because if it is a question then of damage done to timber, and it is more valuable for a forest reserve than anything else, and I hear that statement made all the time that, regardless of the mining location, if it is more valuable for something else, a miner should not be there.

I would go along with that, but, Mr. Chairman, I am very reluctant to go along with a bill that digs these fellows out of the canyons, and they have to come in and make a showing and register with an outfit, with a Federal registration, that they are simply, many of them, not only incapable of making without an attorney which they could not hire, but they do not have the money to come in and do it.

Mr. Palmer, I am very appreciative that you have come before this committee. I think you have assisted in establishing a good record.

Senator ANDERSON. I am, too.

Mr. PALMER. Thank you.

EXPERIENCED MINING EXPERTS EXPRESS VIEWS ON BILL

Mr. MALONE. Mr. President, I have in my hand a communication from three men who are in the mining business in Reno, Nev.

One of them is Mr. H. B. Chessher, a broker.

The second man is Mr. W. E. (Bill) Sirbeck, an alltime prospector. He does not claim to be an engineer, but I will take his judgment on a piece of ground long before I would take the opinions of the gentlemen who testified before the committee in connection with the pending bill.

The third is Joe E. Riley, who has produced probably more tungsten in Nevada than any other "small" miner anywhere in the West. He did not do it in Washington, D. C., and he did not do it by arguing with a bureau official who had never seen a mine or had never seen any ground that carried any minerals, because such an official would probably have told Joe, who has had only 30 years of experience in mining, that no "prudent man would dig" on that ground.

No prudent man would have dug on much of the ground that Mr. Riley dug on during the last 30 years. He is a well-to-do mining man today, and he made it all in mining because he was not a prudent man.

S. 1713 SHARPLY CRITICIZED

I hold in my hand a memorandum which I received from these three men. It is signed by them. They are men who are listened to in the mining fraternity. One of them is a broker. One is a prospector and miner. The third is a real down-to-earth miner. He is Mr. Riley.

TEXT OF MEMORANDUM

They addressed their memorandum to the senior Senator from Nevada, and in it they say:

It is our opinion that S. 1713, the companion bill to H. R. 5561, is too broad in its powers under sections 1, 4, and 5. Please note that under section 1, the Secretary of the Interior may dispose, under a lease, of any body of sand, stone, gravel, clay, and also timber and forest products, even including brush products, such as yucca, manzanita, mesquite, and cactus. The aforesaid materials and vegetation, in varying proportions, constitute the main part and parcel of any valuable mining claim. How could anyone expect a small mining claim owner to operate his valuable mining claim, and to make improvements thereon, if the Secretary is vested with the power to issue a lease upon the sandstone, gravel, and clay adjoining, or constituting a part of, the claim owner's ore body?

The bill in its present form, if enacted into law, will permit any large mining corporation, if it elects, to conspire to acquire the mining property of a small mining claim owner, to hire any applicant, so inclined, to apply for and obtain, as the henchman for the large mining corporation, a lease upon the sand, stone, gravel, clay, or any other products named in section 1 that might be found on the small mineowner's valuable mining claim, and in such a manner the effort to mine by the small mineowner could be seriously hampered and interfered with.

He could be forced to engage in endless litigation, thereby exhausting his limited resources until forced to sell his valuable mining claim directly or indirectly to the large mining corporation at the latter's price.

We believe that the entire text of said bill is designed and made to act as a vehicle for any large mining corporation to ride roughshod over the small mineowner, all to be done with the aid and assistance of the Secretary, who, if S. 1713 becomes law under its present text, might innocently act as an aid and accomplice to the scheming designs and fraud that might be inflicted upon the small mineowner. No wonder the large mining corporations, as a general rule, are in favor of the passage of S. 1713.

SMELTER SPOKESMAN PRESENTS CONTRASTING VIEW

Mr. President, I come back to the testimony of Mr. Raymond D. Holbrook, the attorney for the United States Smelting, Refining, & Mining Co., and chairman of the public lands committee of the American Mining Congress.

He speaks for the public lands committee of the American Mining Congress, but his real job, and for which he gets paid, is with a large smelting company, which does not prospect in the same way that prospecting is done by the small prospector I have described. They take them over after they have been discovered and developed to the point that their engineers judge there is a good chance to make a mine.

Mr. President, I was in the engineering business for 30 years. Engineers do not discover mines; they turn them down; they break the hearts of prospectors. But when they do see something they want as a result of the work of thousands of prospectors tramping the hills under the 1872 Mining Act, then, according to those authorities in the mining business they could enlist the Federal authorities in acquiring such ground—they say it is water on the wheel of the large mining companies.

SENATOR COMMENDS MINING COMPANIES IN NEVADA

Do not misunderstand me, Mr. President. I am for the large mining companies. There are some of the best and largest mining companies in the whole history of the United States situated in Nevada and Utah. They are all well-run companies. But sometimes they outsmart themselves. Sometimes we have to protect them from themselves. If we get these little fellows out of the hills, which can be done with an act like this, we will not continue to discover new prospects at the rate needed.

Mr. President, the man about whom I have spoken is Raymond B. Holbrook, attorney, United States Mining and Smelting Co., Salt Lake City. He is chairman of the Public Lands Committee of the American Mining Congress and is testifying as such, but his pay comes from the mining company. I think the American Mining Congress is a great organization, but they should not advocate such a radical change in the 1872 mining law without hearings in the public land mining areas.

NEVADA MINING TRIO'S MEMORANDUM CONTINUED

Continuing reading from the memorandum sent me by the three gentlemen in Nevada who are both experienced and prominent in the mining business there:

Section 4 (b) of the proposed law most certainly is viciously designed for creation of the circumstances hereinabove described. Do you believe any buyer would want to purchase a mining claim containing a valuable ore body from a small mine owner if a henchman of a large mining corporation held a lease from the Secretary of Interior upon any of the products named in section 1?

If you do, Mr. President, it shows lack of experience in this business.

Reading further from the memorandum:

The possibilities for continuous and expensive litigation are enormous and the small mine owner with a valuable ore body could be made the victim and ultimate loser at the instigation of the scheming desire of any large mining corporation.

Your attention is respectfully directed to section 5 of the proposed law. It is in effect an attempt to legislate a scheme by enactment of a retroactive law.

It contains the brazen attempt to force the small mining claim owner to hire an attorney and to spend traveling expenses and time for purpose of defending his valid title previously acquired under existing mining law. In other words, by the imposition of section 5 (b), there exists an attempt to take from the small mining claim owner the rights which the courts have repeatedly held were his, as is evidenced by a long list of mining decisions.

By enactment of the proposed law containing section 4, you will observe the bill is so written as to make all unpatented mining claims previously located subject to the stringent forfeitures set forth in section 5 (b) which thereby, under certain conditions which are adverse to the interests of the small mining claim owners, makes previously located mining claims subject to section 4, and if this is not a left-handed attempt to make the proposed law retroactive, then we must admit that we cannot read very well and that we do not understand the English language.

We fully comprehend that section 5 (b) provides that the small-mining-claim owner may prevent his rights being forfeited, and he my prohibit the automatic transition of his previously located mining claim to the application of the terms and conditions of section 4 if he wins the decision in the initial hearing to be conducted and refereed by an employee of the Department of the Interior. Do you believe the small-mining-claim owner will receive fair and equal treatment in such proceedings?

The above-described proceedings make it essential that the small-mining-claim owner shall possess the funds necessary to hire a lawyer and to pay traveling expenses and to lose the time, all being expenses necessary to defend a perfectly valid title against harsh terms and conditions imposed under section 5 (b) (c). We all know that there are thousands of small-mining-claim owners who do not have sufficient funds for purposes aforesaid. Why should any small-mining-claim owner, who has heretofore acquired a perfectly valid title under the existing mining law, be forced to stand the expense, time, and delay in defending his tile in any action brought by the Secretary of the Interior in an attempt to make retroactive, against a previously located mining claim, the proposed terms of sections 4 and 5?

It is our opinion that any attempt to pass S. 1713 and H. R. 5561 should be defeated. All anyone has to do is to read section 7, and in conjunction with the reference to section 5, you will note the subversive attempt to find a way to take advantage of the small-mining-claim owner who is unable to defend his title against vicious attempts of scheming adventurers. They endeavor to impose upon the small-mining-claim owner a series of legal difficulties and costs, which will make retroactive the stringent terms of section 4 if the small-mining-claim owner is financially unable to defend his title, is an act no Member of the United States Senate and House should be a party to.

To force the small-mining-claim owner to defend his title to previously located mining claims throughout a series of hearings, court trials, etc., which the Secretary of the Interior may, under section 5, be authorized to instigate against said small-mining-claim owner if the paid and prejudiced employee of the Department of the Interior, who will sit as a "referee" in the adjudication of the proceedings instigated under sections 4 and 5 of said proposed law, decides in favor of the Secretary of Interior in the initial hearing held under section 5 (c), is a scheme in which no Western United States Senator or United States Representative should participate or permit by voting for passage of said bill.

The small-mining-claim owner, if he elects to fight for his rights, could be kept in litigation for many years, all because the Secretary of the Interior may elect to take away from the small-mining-claim owner, under sections 4 and 5 the vested rights he has previously acquired under the present mining laws. Not only is the proposed bill an attempt to legislate retroactively, but it is also an attempt to confiscate the property of the small-mining-claim owner.

It is our opinion that the present mining laws contain sufficient protection to the people of the United States of America. The present law prohibits acquisition and holding of lands under which there is no valid discovery. Are we to believe that this great and magnificent branch of our Government, the Department of Interior, has to instigate and lobby for a bill designed to deprive the small-mining-claim owner of his rights in order to defeat abortive efforts of certain would-be mining claim locators who attempt without discovery of mineral in place, to acquire and hold parts of the public domain under alleged mining locations?

An alleged fraudulent attempt to unlawfully appropriate parts of the public domain by people who have no intention of mining, should not be the basis for imposing upon the small-mining-claim owner the stringent terms imposed by sections 4 and 5 of said S. 1713. The Department of Interior has plenty of ammunition to correct all abuses of the present mining laws, because the said laws contain sufficient provisions and penalties for removing any fraudulent locaters from the public domain. Is it possible that the Department of Interior wants to take more than that which, by law, it is entitled to take?

We believe you should strive diligently to defeat the passage of S. 1713 and H. R. 5561, and we respectfully petition the exercise of your efforts towards that end.

Respectfully submitted.

H. B. CHESSHER.
W. E. SIRBECK.
JOE E. RILEY.

RENO, NEV.

HEARINGS INADEQUATE ON BILL AFFECTING ALL PUBLIC LANDS IN UNITED STATES

Mr. President, in closing, I do not believe that a bill of this magnitude should be enacted, affecting as it does all the public lands of the United States, practically all of which are located in the 11 Western States, most of them west of the Rocky Mountains, without adequate hearings in the areas affected, and allowing the real prospectors and miners to help work it out.

The hearings in Washington are all right to start with and to end with, but certainly no legislation of this type should be enacted until the areas and the men affected have been heard.

FOREST RESERVE "REMEDY" BEING APPLIED AND SAGEBRUSH JUNIPER

Furthermore, if, as is believed by some persons, attempts have been made to gain control of some forest preserve land by locating mining claims thereon—I do not believe that is possible, because when one makes such a location, he does so subject to all the laws of the land—but if the testimony is to be believed, the chief trouble is to be found in the administration of the forest preserves, and not on the public lands, such as those which are located in my State of Nevada, where there are 5 million acres of forest preserve areas, but a very small acreage of real forests.

I have inspected every square mile in my State, both as State engineer and in my private engineering business. If there are more than 100,000 acres of real merchantable timber in Nevada included in the nearly 5,000,000 acres of forest preserves, I simply have not seen it. The 4,900,000 acres of forest preserve is comprised of sagebrush and of juniper, which ranchers cut for posts, when they can persuade forest officials that it is the right use to put the juniper trees on the public domain.

REAL PARTIES IN INTEREST DESERVE FULL, FAIR HEARING

Secondly, no such far-reaching legislation as embodied in S. 1713 should be passed until those who are vitally affected by it can be heard. The entire 11 Western public land States are affected.

Mr. President, I ask the Senate to defeat the bill.

PROPOSED TARIFF COMMISSION STUDY OF EFFECT ON UNITED STATES TEXTILE INDUSTRY OF RECENT GATT AGREEMENTS

During the delivery of Mr. MALONE's remarks,

Mr. THURMOND. Mr. President, will the Senator from Nevada yield briefly to me?

Mr. MALONE. I am glad to yield to the distinguished Senator from North Carolina.

Mr. THURMOND. Let me point out that I have the honor of being a Senator from the State of South Carolina.

Mr. MALONE. I beg the Senator's pardon; I should have said South Carolina.

Mr. THURMOND. However, either State is a mighty good one.

I thank the Senator from Nevada for yielding to me.

Mr. President, I rise to make a brief statement concerning a resolution which I intend to submit in the Senate, and to inform the Senate of my reasons for proposing such a resolution.

I am deeply concerned as to the likely effects of the recent agreements entered into between this country and other nations on the American Textile Industry and its employees. My information from a reliable source is that the tariff reductions agreed to in the GATT Conference in Geneva will run as high as 27 to 48 percent on the basic products of the textile industry.

As I have pointed out previously on the floor of the Senate, the textile industry of this Nation employs more than one million persons, approximately 133 thousand in South Carolina alone. Related industries in the Nation employ another million persons. In many sections of the Southeast and in New England, the whole economy is directly tied to the healthy operation of the textile industry.

Also, the textile industry is closely allied with production of items essential to national defense.

For these reasons, I am fearful that the agreements made in Geneva at the GATT Conference pose a threat of disaster to the textile industry and its million employees.

Although the agreements entered into were under provisions of the Trade Agreements Extension Act of 1951, and do not go into effect until September 10 of this year, I do not believe we should wait until it is too late to protect the people of our great textile industry.

Under statutory authority, the Tariff Commission may by resolution of the Senate be directed to make an investigation of the effect of the agreements entered into at Geneva. I believe it essential that such a study be started immediately on the effective date of the agreements, because of the severity of the tariff reductions entered into at the GATT Conference. In spite of the fact that, under provisions of H. R. 1, which I advocated and supported, no more reductions can be made on the items to which I refer, I now advocate prevention, instead of attempted remedy, of the damage which I fear will be done the textile industry.

The escape clause of the Trade Agreements Act provides that the Tariff Commission shall report if "actual or relative" imports of competitive products "cause or threaten serious injury to the domestic industry producing like or directly competitive products." Under the law, in determining whether cause or threat of injury has arisen, the Tariff Commission must take into consideration a downward trend of production, employment, prices, profits, or wages in the industry or a decline in sales; an increase in imports, either actual or relative to domestic production; a higher or growing inventory; or a decline in the proportion of a domestic market supplied by domestic producers.

Upon receipt of the Tariff Commission report, the President of the United States may make such adjustments in the rates of duty, impose such quotas, or make such other modifications as are found and reported by the Commission to be necessary to prevent or remedy serious injury to the respective domestic industry.

Mr. President, I believe the resolution which I intend to submit should be approved by the Senate as a preventive measure against disaster to a vital industry of the Nation. If the Tariff Commission should determine that no injury has been caused or threatened by the reduction of tariffs agreed to at Geneva, then no harm will have been done by the resolution. But if serious damage or the threat of serious damage is found by the Commission, time will have been saved by the adoption of the resolution which I shall submit. That time saved could well mean the difference between continued operation and curtailment of the operation of many of our textile plants.

Mr. President, I hope every Member of the Senate will give most serious consideration to this matter, and will support the resolution when it is submitted.

I ask unanimous consent to have the text of the proposed resolution printed at this point in the RECORD, as a part of my remarks; and I desire to state that all other Senators are invited to join in sponsoring the resolution.

There being no objection, the text of the resolution proposed to be submitted by Mr. THURMOND was ordered to be printed in the RECORD, as follows:

Whereas the tariff reductions on basic textile products agreed to at the recent negotiations in Geneva amount to as much as 27 to 48 percent of the present tariff rates; and

Whereas more than a million persons are employed in the textile industry of the United States and more than another million are employed in allied industries; and

Whereas in many sections of the Nation the entire economy of a community is tied directly to the healthy operation of the textile industry; and

Whereas the textile industry of this Nation is vital to defense production; and

Whereas the tariff reduction agreements entered into with other nations are scheduled to become effective September 10, 1955, and possibly will damage or pose the threat of damage to the textile industry of the United States: Now, therefore, be it

Resolved, That the United States Tariff Commission is directed to make an investigation pursuant to section 7 of the Trade Agreements Extension Act of 1951, as amended, to determine whether any textile product is, as a result, in whole or in part, of the duty or other customs treatment reflecting concessions granted by the United States under the agreement for the accession of Japan to the General Agreement on Tariffs and Trade signed at Geneva on June 8, 1955, being imported into the United States in such increased quantities (either actual or relative) as to cause or threaten serious injury to the domestic textile industry producing like or directly competitive products. The investigation required by this resolution shall be commenced with respect to any particular product on the date on which the concessions granted by the United States by the Geneva agreement become effective with respect to such product.

JAPAN AND GATT—TEXTILES AND THINGS

Mr. MALONE. Mr. President, will the Senator from South Carolina yield for a question?

Mr. THURMOND. I yield.

JAPAN TAKEN INTO GATT AS TRADE ACT EXTENDED

Mr. MALONE. Is the Senator from South Carolina aware that while he was voting for a 3-year extension of the 1934 Trade Agreements Act, the Geneva General Agreement on Tariffs and Trade was including Japan as a member of GATT with all rights and privileges, and at that moment was adjusting such duties or tariffs downward on textiles?

Mr. THURMOND. We understand that negotiations were under way at that time. Because we were fearful of the situation with regard to the textile industry, 16 other Senators joined me in submitting amendments which I presented to the Senate Finance Committee, and which were adopted.

Mr. MALONE. Yes.

Mr. THURMOND. The disaster we fear would not develop under the new law, which I voted for this year; I refer to the law as it was amended this year by the amendments reported by the Finance Committee. Instead, the disaster we fear would develop under the old law.

THE TEXTILE INDUSTRY MORTALLY INJURED

Mr. MALONE. Mr. President, if the Senator from South Carolina will yield further to me, let me ask him whether or not he understands that the amendments did not check in any way the transfer of constitutional responsibility of Congress for the regulation of our national economy and foreign trade to the President; and that the President has the last word now as he had under the original act of 1934, regardless of the amendments the Senator sponsored; and that the President can lower the duties or tariffs to the extent allowed by the law, without consulting Congress and that Congress has nothing to do with it.

Is he aware that through admitting Japan into GATT, that the President can finish the job on the textile industry, large sectors which are already mortally injured—and that this includes the Senator's great State of South Carolina.

Mr. THURMOND. The old law contained a provision under which if there were a disaster, or threatened disaster, to an industry, either body, the Senate or the House, could adopt a resolution asking the Tariff Commission to investigate the subject. That is all I am asking here. I am asking that there be adopted a resolution requesting the Tariff Commission to investigate the tremendous reduction in tariffs on textile products at the recent GATT Conference.

Mr. MALONE. Then, under the law, what will happen?

Mr. THURMOND. Under the old law the President could take action if the Tariff Commission made a recommendation to him, including the finding that there was a disaster or threatened disaster to any particular industry.

Mr. MALONE. Does the distinguished Senator understand that the President has taken only two affirmative actions as the result of numerous recommendations for relief by the Tariff Commission, which included a finding that harm was being done to an industry since 1934?

Mr. THURMOND. I am not familiar with the number of occasions on which he has acted.

SOUTHERN TEXTILE INDUSTRY ALREADY STRICKEN

Mr. MALONE. If the Senator will further yield, the harm has already been done to the textile industry in South Carolina. It cannot possibly survive the all-out attack from 19-cent-per-hour labor. The damage has already occurred. The industry in South Carolina is like the man who fought with an adversary who wielded a razor. When his adversary slashed at him he stepped back and said, "Never touched me." His antagonist said, "Just try to move your head." [Laughter.] All the industry in South Carolina has to do is to try to move its head. Then it will find out what has happened.

Mr. THURMOND. Under the law which was enacted this year, I feared there would be serious injury, and that is the reason I submitted certain amendments to the Senate Committee on Finance, in which I was joined by other Senators, to protect our textile industry.

Mr. MALONE. The Senator did the best he could and supported the extension of the 1934 Trade Agreements Act.

Mr. THURMOND. I realize now more than ever the importance of the adoption of those amendments. I am very grateful to the Senate Finance Committee and the Senate for including them in the bill.

TRADE ACT EXTENSION IS CAUSE OF INDUSTRY'S WOES

Mr. MALONE. All we had to do was just not extend the 1934 Trade Agreements Act, not just pass anything, and the textile industry in the Senator's State would be back in business, under the 1930 Tariff Act.

Under that act, the Tariff Commission could study the situation and recommend that the adjustable duty or tariff be fixed on the basis of the differential of cost between the wage standard of living, taxes, and other costs of doing business in this country, as compared with costs in the principal competing country on each product.

What is happening to the textile industry in the South now is what happened to it in New England when it

moved to the South because of lower wages than in New England. Now some foreign nation will get the business, paying less wages than your State of South Carolina. It is just as simple as that.

The difference is, of course, that we are one Nation, under one Constitution, and industry gets where the factors of labor, transportation, markets, power, and so forth add up the lowest cost of production.

MULTIPLE USE OF SURFACE OF PUBLIC LANDS

The Senate resumed the consideration of the bill (S. 1713) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

Mr. ANDERSON. Mr. President, the bill, S. 1713, to provide for multiple surface uses of the public domain, has been very carefully considered by the Senate Committee on Interior and Insular Affairs. I had the honor of introducing the measure on behalf of the senior Senator from Wyoming [Mr. BARRETT], the junior Senator from Utah [Mr. BENNETT], the senior Senator from Utah [Mr. WATKINS], and the senior Senator from Vermont [Mr. AIKEN], as well as on my own behalf.

The proposed legislation was drafted and introduced only after very extensive conferences with the executive agencies concerned, and with spokesmen for the industries that would be directly affected, namely, mining, lumbering, and stockgrowing industries, and with conservationists' and sportsmen's groups. At the very outset of the discussion I wish to pay tribute to the cooperation of all of these groups with me and the other sponsors of the bill and the members of the committee staff in our efforts to draft a bill that would meet a situation that is rapidly developing into a national emergency, and yet at the same time not interfere with existing rights or with bona fide mining activities, either now or in the future. I feel that our efforts have been successful in the main, and although the committee has made several amendments to the bill, all of them are of a perfecting or clarifying nature.

Exhaustive hearings on the measure were conducted by the full Committee on Interior and Insular Affairs, and all of its members had full opportunity to participate actively in questioning witnesses and obtaining complete information. The size of the hearings indicate that this was done. At the hearings spokesmen for all of the groups which would be affected by the measure were heard and cross-examined, as were officials representing the executive agencies concerned with administration. In addition, literally hundreds of letters and telegrams were received by members of the committee, and all were given careful attention.

Mr. President, S. 1713 would achieve its purpose to permit multiple, and more intensive, use of the resources of our public lands and forest lands by the following means:

First. Provide that deposits of common varieties of sand, building stone, gravel, pumice, pumicite, and cinders on the public lands, where they are found in widespread abundance, shall be disposed of under the Materials Act of 1947 rather than under the mining law of 1872.

Second. Amend the Materials Act to give to the Secretary of Agriculture the same authority with respect to those common, widespread materials located on lands under his jurisdiction as that which the Secretary of the Interior has with respect to lands under the jurisdiction of the Secretary of Interior.

Third. Amend the general mining law to prohibit the use of any hereafter located unpatented mining claim for any purpose other than prospecting, mining, processing, and related activities for development of mineral resources.

Fourth. Establish, with respect to mining claims located prior to enactment of S. 1713, particularly as to invalid, abandoned, dormant, or unidentifiable claims, a procedure in the nature of a quiet-title action, whereby the United States could expeditiously resolve uncertainties as to surface rights on such locations.

Mr. President, in view of some of the statements which have been and may be made concerning this measure, I emphasize that the holder of any claim in existence at the time of enactment of this legislation could retain all present rights to any and all surface resources on the claim by establishing, under prescribed procedures, his need for such surface resources for development of the claim's mineral resources. On a claim located after enactment, the locator would have full right to all surface resources of the claim which may be needed for carrying on mining activities.

His rights to subsurface resources remain unchanged on claims located both before and after enactment. Upon proceeding to patent, he would have full title in fee simple absolute, as heretofore, to both surface and subsurface.

Mr. President, mining is a major industry in my own State of New Mexico, as it is in Utah and Wyoming, which are represented in this body by other sponsors of S. 1713. My record as a Member of the House, as Secretary of Agriculture, and as a Member of the Senate shows conclusively that I always have tried to further the development of our mineral resources to the fullest possible extent. I have the most profound respect for the mining law of 1872, and have pride in the achievements that have been made under it.

The mining law of 1872, based as it is on private initiative and free enterprise, should and must be preserved. Senate bill 1713 does not in any way disturb the basic principles of that law.

S. 1713 specifically makes mining activity the dominant use—the "paramount" use, if I may use a word that became famous during our debate on submerged lands—on lands on which valid mining claims have been located. I call the Senate's attention to the provision in section 4 of the bill, found on page 5 beginning at line 19:

> Any use of the surface of any such mining claim by the United States, its permittees or licensees, shall be such as not to endanger or materially interfere with prospecting, mining, or processing operations or uses reasonably incident thereto.

Again, subsection (c) of section 4, page 6, line 15, recognizes that a mining claimant has the first right, the first call on any and all surface resources of his claim which he needs for carrying on activities related to mining. This affirmative right to use surface resources extends to timber he needs on his mine or processing operations, to sand and gravel to build his road, to grass for his mules, and the like.

Again, in section 7 of the bill, the affirmative rights of a mining claimant are recognized and protected, as are the full and unlimited rights of a claimant who proceeds to patent. The section provides:

> SEC. 7. Nothing in this act shall be construed in any manner to limit or restrict or to authorize the limitation or restriction of any existing rights of any claimant under any valid mining claim heretofore located, except as such rights may be limited or restricted as a result of a proceeding pursuant to section 5 of this act, or as a result of a waiver and relinquishment pursuant to section 6 of this act; and nothing in this act shall be construed in any manner to authorize inclusion in any patent hereafter issued under the mining laws of the United States for any mining claim heretofore or hereafter located, of any reservation, limitation, or restriction not otherwise authorized by law.

At this point it might be well to state again that S. 1713 does not in any way interfere with, or have any bearing upon, the full and complete ownership—ownership in fee simple absolute, as the lawyers say—of a mining claimant who proceeds to patent his claim. After enactment of the bill, as at present, a patentee will own both the surface and subsurface, and all their resources—mineral, animal, and vegetable. Both the bill and the report make this fact plain and clear beyond question or doubt.

One member of the committee, the junior Senator from Oregon [Mr. NEUBERGER], did not think the bill went far enough in this respect, and filed individual views, pointing out that a patentee of a mining claim located in forest lands could still get title to 20 acres of valuable timber, with no limit to the number of such 20-acre tracts. By way of reply, I point out to the able Senator that, first, there must be affirmative proof of a bona fide mineral discovery on the claim before a patent will issue on it. In practice, the Department of the Interior sends a minerals surveyor out to the claim, and he must be satisfied, and be able to satisfy the Secretary of the Interior, that ores in commercial quantities and quality have been discovered on the claim. The claimholder must also show he has done at least $500 worth of work on the claim.

During this time, if the claim is located on forest land with valuable standing timber on it, the executive agency administering the surface of the land will have ample opportunity to dispose of those of the surface resources that are not required for mining operation. Therefore, I believe, and the majority of the committee believes, that the danger pointed to by the junior Senator from Oregon is more apparent than real.

Mr. President, the committee report states the factual background of this legislation. The facts speak for themselves as to why it is necessary. It also explains why existing remedies are inadequate. I will not delay the Senate by repeating those facts here, but I commend those sections of the committee report to the attention of the Senate.

Also, I call the Senate's attention to the most impressive list of national organizations which have endorsed the bill.

The Committee on Interior and Insular Affairs earnestly recommends enactment of S. 1713, with the committee amendments.

The PRESIDING OFFICER (Mr. SCOTT in the chair). The amendments of the committee will be stated.

The amendments of the Committee on Interior and Insular Affairs were on page 1, line 7, after the word "to", to insert "common varieties of the following: "; on page 2, at the beginning of line 4, to insert "including, for the purposes of this act, land described in the acts of August 28, 1937 (50 Stat. 874), and of June 24, 1954 (68 Stat. 270),"; in line 8, after the word "including", to insert a comma and "but not limited to, the act of June 28, 1934 (48 Stat. 1269), as amended, and"; in line 19, after the word "municipalities", to strike out "or any person"; on page 4, line 3, after the word "except", to insert "that revenues from the lands described in the act of August 28, 1937 (50 Stat. 874), and the act of June 24, 1954 (68 Stat. 270), shall be disposed of in accordance with said acts and except"; on page 5, line 23, after the word "thereto", to insert a colon and "*Provided further*, That if at any time the locator requires more timber for his mining operations than is available to him from the claim after disposition of timber therefrom by the United States, he shall be entitled, free of charge, to be supplied with timber for such requirements from the nearest timber administered by the disposing agency which is ready for harvesting under the rules and regulations of that agency and which is substantially equivalent in kind and quantity to the timber estimated by the disposing agency to have been disposed of from the claim: *Provided further*, That nothing in this act shall be construed as affecting or intended to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the 98th meridian relating to the ownership, control, appropriation, use, and distribution of ground or surface waters within any unpatented mining claim"; on page 7, line 5, after the letter "(a)", to strike out "The Secretary of the Federal Department" and insert "The head of a Federal department or agency"; on page 17, line 8, after the word "any", to insert "reservation"; and in line 9, after the word "law", to insert "or to limit or repeal any existing authority to include any reservation, limitation, or restriction in any such patent, or to limit or restrict any use of the lands covered by any patented or unpatented mining claim by the United States, its lessees, permittees, and licenses which is otherwise authorized by law.", so as to make the bill read:

Be it enacted, etc., That section 1 of the act of July 31, 1947 (61 Stat. 681), is amended to read as follows:

"SECTION 1. The Secretary, under such rules and regulations as he may prescribe, may dispose of mineral materials (including but not limited to common varieties of the following: sand, stone, gravel, pumice, pumicite, cinders, and clay), and vegetative materials (including but not limited to yucca, manzanita, mesquite, cactus, and timber or other forest products) on public lands of the United States, including, for the purposes of this act, land described in the acts of August 28, 1937 (50 Stat. 874), and of June 24, 1954 (68 Stat. 270), if the disposal of such mineral or vegetative materials (1) is not otherwise expressly authorized by law, including, but not limited to, the act of June 28, 1934 (48 Stat. 1269), as amended, and the United States mining laws, and (2) is not expressly prohibited by laws of the United States, and (3) would not be detrimental to the public interest. Such materials may be disposed of only in accordance with the provisions of this act and upon the payment of adequate compensation therefor, to be determined by the Secretary: *Provided, however*, That, to the extent not otherwise authorized by law, the Secretary is authorized in his discretion to permit any Federal, State, or Territorial agency, unit or subdivision, including municipalities, or any association or corporation not organized for profit, to take and remove, without charge, materials and resources subject to this act, for use other than for commercial or industrial purposes or resale. Where the lands have been withdrawn in aid of a function of a Federal department or agency other than the department headed by the Secretary or of a State, Territory, county, municipality, water district or other local governmental subdivision or agency, the Secretary may make disposals under this act only with the consent of such other Federal department or agency or of such State, Territory, or local governmental unit. Nothing in this act shall be construed to apply to lands in any national park, or national monument or to any Indian lands, or lands set aside or held for the use or benefit of Indians, including lands over which jurisdiction has been transferred to the Department of the Interior by Executive order for the use of Indians. As used in this act, the word "Secretary" means the Secretary of the Interior except that it means the Secretary of Agriculture where the lands involved are administered by him for national forest purposes or for the purposes of title III of the Bankhead-Jones Farm Tenant Act or where withdrawn for the purpose of any other function of the Department of Agriculture."

SEC. 2. That section 3 of the act of July 31, 1947 (61 Stat. 681), as amended by the act of August 31, 1950 (64 Stat. 571), is amended to read as follows:

"All moneys received from the disposal of materials under this act shall be disposed of in the same manner as moneys received from the sale of public lands, except that moneys received from the disposal of materials by the Secretary of Agriculture shall be disposed of in the same manner as other moneys received by the Department of Agriculture from the administration of the lands from which the disposal of materials is made, and except that revenues from the lands described in the act of August 28, 1937 (50 Stat. 874), and the act of June 24, 1954 (68 Stat. 270), shall be disposed of in accordance with said acts and except that moneys received from the disposal of materials from school section lands in Alaska, reserved under section 1 of the act of March 4, 1915 (38 Stat. 1214), shall be set apart as separate and permanent funds in the Territorial Treasury, as provided for income derived from said school section lands pursuant to said act."

SEC. 3. A deposit of common varieties of sand, stone, gravel, pumice, pumicite, or cinders shall not be deemed a valuable mineral deposit within the meaning of the mining laws of the United States so as to give effective validity to any mining claim hereafter located under such mining laws: *Provided, however*, That nothing herein shall affect the validity of any mining location based upon discovery of some other mineral occurring in or in association with such a deposit. "Common varieties" as used in this act does not include deposits of such materials which are valuable because the deposit has some property giving it distinct and special value and does not include so-called "block pumice" which occurs in nature in pieces having one dimension of 2 inches or more.

SEC. 4. (a) Any mining claim hereafter located under the mining laws of the United States shall not be used, prior to issuance of patent therefor, for any purposes other than prospecting, mining, or processing operations and uses reasonably incident thereto.

(b) Rights under any mining claim hereafter located under the mining laws of the United States shall be subject, prior to issuance of patent therefor, to the right of the United States to manage and dispose of the vegetative surface resources thereof and to manage other surface resources thereof (except mineral deposits subject to location under the mining laws of the United States). Any such mining claim shall also be subject, prior to issuance of patent therefor, to the right of the United States, its permittees, and licensees, to use so much of the surface thereof as may be necessary for such purposes or for access to adjacent land: *Provided, however*, That any use of the surface of any such mining claim by the United States, its permittees, or licensees, shall be such as not to endanger or materially interfere with prospecting, mining, or processing operations or uses reasonably incident thereto: *Provided further*, That if at any time the locator requires more timber for his mining operations than is available to him from the claim after disposition of timber therefrom by the United States, he shall be entitled, free of charge, to be supplied with timber for such requirements from the nearest timber administered by the disposing agency which is ready for harvesting under the rules and regulations of that agency and which is substantially equivalent in kind and quantity to the timber estimated by the disposing agency to have been disposed of from the claim: *Provided further*, That nothing in this act shall be construed as affecting or intended to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the 98th meridian relating to the ownership, control, appropriation, use, and distribution of ground or surface waters within any unpatented mining claim.

(c) Except to the extent required for the mining claimant's prospecting, mining, or processing operations and uses reasonably incident thereto, or for the construction of buildings or structures in connection therewith, or to provide clearance for such operations or uses, or to the extent authorized by the United States, no claimant of any mining claim hereafter located under the mining laws of the United States shall, prior to issuance of patent therefor, sever, remove, or use any vegetative or other surface resources thereof which are subject to management or disposition by the United States under the preceding subsection (b). Any severance or removal of timber which is permitted under the exceptions of the preceding sentence, other than severance or removal to provide clearance, shall be in accordance with sound principles of forest management.

SEC. 5. (a) The head of a Federal department or agency which has the responsibility for administering surface resources of any lands belonging to the United States may file as to such lands in the office of the Secretary of the Interior, or in such office as the Secretary of the Interior may designate, a request for publication of notice to mining claimants, for determination of surface rights, which request shall contain a description of the lands covered thereby, showing the section or sections of the public land surveys which embrace the lands covered by such request, or if such lands are unsurveyed, either the section or sections which would probably embrace such lands when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument.

The filing of such request for publication shall be accompanied by an affidavit or affidavits of a person or persons over 21 years of age setting forth that the affiant or affiants have examined the lands involved in a reasonable effort to ascertain whether any person or persons were in actual possession of or engaged in the working of such lands or any part thereof, and, if no person or persons were found to be in actual possession of or engaged in the working of said lands or any part thereof on the date of such examination, setting forth such fact, or, if any person or persons were so found to be in actual possession or engaged in such working on the date of such examination, setting forth the name and address of each such person, unless affiant shall have been unable through reasonable inquiry to obtain information as to the name and address of any such person, in which event the affidavit shall set forth fully the nature and results of such inquiry.

The filing of such request for publication shall also be accompanied by the certificate of a title or abstract company, or of a title abstractor, or of an attorney, based upon such company's abstractor's, or attorney's examination of those instruments which are shown by the tract indexes in the county office of record as affecting the lands described in said request, setting forth the name of any person disclosed by said instruments to have an interest in said lands under any unpatented mining claim heretofore located, together with the address of such person if such address is disclosed by such instruments of record. "Tract indexes" as used herein shall mean those indexes, if any, as to surveyed lands identifying instruments as affecting a particular legal subdivision of the public land surveys, and as to unsurveyed lands identifying instruments as affecting a particular probable legal subdivision according to a projected extension of the public land surveys.

Thereupon the Secretary of the Interior, at the expense of the requesting department or agency, shall cause notice to mining claimants to be published in a newspaper having general circulation in the county in which the lands involved are situate.

Such notice shall describe the lands covered by such request, as provided heretofore, and shall notify whomever it may concern that if any person claiming or asserting under, or by virtue of, any unpatented mining claim heretofore located, rights as to such lands or any part thereof, shall fail to file in the office where such request for publication was filed (which office shall be specified in such notice) and within 150 days from the date of the first publication of such notice (which date shall be specified in such notice), a verified statement which shall set forth, as to such unpatented mining claim—

(1) the date of location;

(2) the book and page of recordation of the notice or certificate of location;

(3) the section or sections of the public land surveys which embrace such mining claim; or if such lands are unsurveyed, either the section or sections which would probably embrace such mining claim when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument;

(4) whether such claimant is a locator or purchaser under such location; and

(5) the name and address of such claimant and names and addresses so far as known to the claimant of any other person or persons claiming any interest or interests in or under such unpatented mining claim;

such failure shall be conclusively deemed (i) to constitute a waiver and relinquishment by such mining claimant of any right, title, or interest under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (ii) to constitute a consent by such mining claimant that such mining claim, prior to issuance of patent therefor, shall be subject to the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (iii) to preclude thereafter, prior to issuance of patent, any assertion by such mining claimant of any right or title to or interest in or under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims.

If such notice is published in a daily paper, it shall be published in the Wednesday issue for 9 consecutive weeks, or, if in a weekly paper, in 9 consecutive issues, or, if in a semiweekly or triweekly paper, in the issue of the same day of each week for 9 consecutive weeks.

Within 15 days after the date of first publication of such notice, the department or agency requesting such publication (1) shall cause a copy of such notice to be personally delivered to or to be mailed by registered mail addressed to each person in possession or engaged in the working of the land whose name and address is shown by an affidavit filed as aforesaid, and to each person who may have filed, as to any lands described in said notice, a request for notices, as provided in subsection (d) of this section 5, and shall cause a copy of such notice to be mailed by registered mail to each person whose name and address is set forth in the title or abstract company's or title abstractor's or attorney's certificate filed as aforesaid, as having an interest in the lands described in said notice under any unpatented mining claim heretofore located, such notice to be directed to such person's address as set forth in such certificate; and (2) shall file in the office where said request for publication was filed an affidavit showing that copies have been so delivered or mailed.

(b) If any claimant under any unpatented mining claim heretofore located which embraces any of the lands described in any notice published in accordance with the provisions of subsection (a) of this section 5, shall fail to file a verified statement, as above provided, within 150 days from the date of the first publication of such notice, such failure shall be conclusively deemed, except as otherwise provided in subsection (e) of this section 5, (i) to constitute a waiver and relinquishment by such mining claimant of any right, title, or interest under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (ii) to constitute a consent by such mining claimant that such mining claim, prior to issuance of patent therefor, shall be subject to the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, and (iii) to preclude thereafter, prior to issuance of patent, any assertion by such mining claimant of any right or title to or interest in or under such mining claim contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims.

(c) If any verified statement shall be filed by a mining claimant as provided in subsection (a) of this section 5, then the Secretary of the Interior shall fix a time and place for a hearing to determine the validity and effectiveness of any right or title to, or interest in or under such mining claim, which the mining claimant may assert contrary to or in conflict with the limitations and restrictions specified in section 4 of this act as to hereafter located unpatented mining claims, which place of hearing shall be in the county where the lands in question or parts thereof are located, unless the mining claimant agrees otherwise. Where verified statements are filed asserting rights to an aggregate of more than 20 mining claims, any single hearing shall be limited to a maximum of 20 mining claims unless the parties affected shall otherwise stipulate and as many separate hearings shall be set as shall be necessary to comply with this provision. The procedures with respect to notice of such a hearing and the conduct thereof, and in respect to appeals shall follow the then established general procedures and rules of practice of the Department of the Interior in respect to contests or protests affecting public lands of the United States. If, pursuant to such a hearing the final decision rendered in the matter shall affirm the validity and effectiveness of any mining claimant's so asserted right or interest under the mining claim, then no subsequent proceedings under this section 5 of this act shall have any force or effect upon the so-affirmed right or interest of such mining claimant under such mining claim. If at any time prior to a hearing the department or agency requesting publication of notice and any person filing a verified statement pursuant to such notice shall so stipulate, then to the extent so stipulated, but only to such extent, no hearing shall be held with respect to rights asserted under that verified statement, and to the extent defined by the stipulation the rights asserted under that verified statement shall be deemed to be unaffected by that particular published notice.

(d) Any person claiming any right under or by virtue of any unpatented mining claim heretofore located and desiring to receive a copy of any notice to mining claimants which may be published as above provided in subsection (a) of this section 5, and which may affect lands embraced in such mining claim, may cause to be filed for record in the county office of record where the notice or certificate of location of such mining claim shall have been recorded, a duly acknowledged request for a copy of any such notice. Such request for copies shall set forth the name and address of the person requesting copies and shall also set forth, as to each heretofore located unpatented mining claim under which such person asserts rights—

(1) the date of location;

(2) the book and page of the recordation of the notice or certificate of location; and

(3) the section or sections of the public land surveys which embrace such mining claim; or if such lands are unsurveyed, either the section or sections which would probably embrace such mining claim when the public land surveys are extended to such lands or a tie by courses and distances to an approved United States mineral monument.

Other than in respect to the requirements of subsection (a) of this section 5 as to personal delivery or mailing of copies of notices and in respect to the provisions of subsection (e) of this section 5, no such request for copies of published notices and no statement or allegation in such request and no recordation thereof shall affect title to any mining claim or to any land or be deemed to constitute constructive notice to any per-

son that the person requesting copies has, or claims, any right, title, or interest in or under any mining claim referred to in such request.

(e) If any department or agency requesting publication shall fail to comply with the requirements of subsection (a) of this section 5 as to the personal delivery or mailing of a copy of notice to any person, the publication of such notice shall be deemed wholly ineffectual as to that person or as to the rights asserted by that person and the failure of that person to file a verified statement, as provided in such notice, shall in no manner affect, diminish, prejudice or bar any rights of that person.

SEC. 6. The owner or owners of any unpatented mining claim heretofore located may waive and relinquish all rights thereunder which are contrary to or in conflict with the limitations or restrictions specified in section 4 of this act as to hereafter located unpatented mining claims. The execution and acknowledgment of such a waiver and relinquishment by such owner or owners and the recordation thereof in the office where the notice or certificate of location of such mining claim is of record shall render such mining claim thereafter and prior to issuance of patent subject to the limitations and restrictions in section 4 of this act in all respects as if said mining claim had been located after enactment of this act, but no such waiver or relinquishment shall be deemed in any manner to constitute any concession as to the date of priority of rights under said mining claim or as to the validity thereof.

SEC. 7. Nothing in this act shall be construed in any manner to limit or restrict or to authorize the limitation or restriction of any existing rights of any claimant under any valid mining claim heretofore located, except as such rights may be limited or restricted as a result of a proceeding pursuant to section 5 of this act, or as a result of a waiver and relinquishment pursuant to section 6 of this act; and nothing in this act shall be construed in any manner to authorize inclusion in any patent hereafter issued under the mining laws of the United States for any mining claim heretofore or hereafter located, of any reservation, limitation, or restriction not otherwise authorized by law, or to limit or repeal any existing authority to include any reservation, limitation, or restriction in any such patent, or to limit or restrict any use of the lands covered by any patented or unpatented mining claim by the United States, its lessees, permittees, and licensees which is otherwise authorized by law.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ANDERSON. Mr. President, I move that the Senate proceed to the immediate consideration of H. R. 5891, a bill to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ANDERSON. Mr. President, I move to strike out all after the enacting clause of H. R. 5891 and to insert in lieu thereof the provisions of S. 1713, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. MALONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	McClellan
Allott	Frear	McNamara
Anderson	Fulbright	Millikin
Barkley	Gore	Monroney
Barrett	Green	Morse
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kerr	Smathers
Clements	Kilgore	Smith, Maine
Cotton	Knowland	Sparkman
Curtis	Kuchel	Stennis
Daniel	Lehman	Symington
Douglas	Long	Thurmond
Duff	Malone	Thye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Williams
Ellender	Martin, Pa.	Young
Ervin	McCarthy	

Mr. CLEMENTS. I announce that the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeing in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. WELKER], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from North Dakota [Mr. LANGER] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is necessarily absent.

The PRESIDING OFFICER. A quorum is present.

The bill having been read the third time, the question is, Shall it pass?

Mr. MALONE. Mr. President, I wish to explain the bill for the benefit of the Senators who have entered the Chamber since the debate began.

H. R. 5891 GRANTS MORE POWER TO BUREAUCRATS

There is before the Senate a mining bill, House bill 5891, and S. 1713 which would place Washington officials, the heads of Government bureaus, in charge of prospectors and miners who have located mining claims on public lands under the 1872 Mining Act, and destroy much of their rights to hold it without undue interference from such bureau officials.

The 1872 act provided that any man, with or without capital, who made a discovery and set a stake down marking it, had 30 days to set his corners, and a certain length of time to do his assessment work.

Then, if he did $100 worth of assessment work a year—and such a requirement could be changed at any time, if $100 were deemed to be not enough, or too much—he could, by filing with the county recorder's office in his county affidavits to show that the assessment work had been done, hold the mining claim, just as a patented claim was held. After he had done $500 worth of work and had a valid discovery, and a mineral surveyor, who was under $5,000 bond, had made affidavit as to his discovery and to the $500 worth of work, the claim could be patented when the survey was completed and certain State and Government fees were paid.

HISTORIC ACT PROTECTED PROSPECTOR AND GOVERNMENT

The Government and the prospector were fully protected. I was a licensed mineral surveyor in two States, California and Nevada, for 25 or 30 years, in connection with my engineering business. If the affidavit of the licensed mineral surveyor proved to be wrong, he forfeited his bond and lost his license.

What is being sought is to place in the hands of the Bureau of Land Management, under the direction of persons who never understood mining, and are not required to understand it in their jobs, the authority to say that "no prudent man" would dig where a certain prospector was digging; therefore, he must abandon his claim. I say to Members of the Senate that no prudent man would dig where 98 percent of the prospectors dig because a prospector is not a prudent man and he is the man who discovers mines.

AREA HEARINGS ASKED BEFORE VOTE ON BUREAUCRATIC BILL

All I ask today, Mr. President, is that hearings be held in the mining areas—the public-land areas of this Nation—which is the 11 Western States. No such hearings were held on the pending bill.

The bill was cooked up in Washington. Eight or ten witnesses were heard. Only one had ever been even remotely connected with actual mining. An attorney for a mining company was one of the principal witnesses.

ONLY ONE ACTUAL MINING MAN HEARD ON MINING BILL

One witness, Robert S. Palmer, executive vice president of the Colorado Mining Association, is actually in the mining business and knows most of the miners of the West. He opposed the bill on the same ground the senior Senator from Nevada is opposing its passage—that no hearings have been held in the mining areas; that no small miner or prospector had had a chance to be heard.

Mr. President, any improvement of the 1872 Mining Act should be decided upon after hearings in the actual mining areas.

So, Mr. President, I move that House bill 5891 be referred to the Committee on Interior and Insular Affairs for that purpose, and I ask for the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada [Mr. MALONE].

Mr. MALONE. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada [Mr. MALONE] to refer House bill 5891 to the Committee on Interior and Insular Affairs.

The motion was rejected.

RESTRICTION OF BILL TO FOREST SERVICE LANDS SOUGHT

Mr. MALONE. Mr. President, I move that the terms of the bill be confined to the Forest Service acreage of the public land States. I do so because practically all the evidence was to the effect that the objection to the act was that invalid locations were made within the national forests with the objective of getting possession of timber.

On the other hand, we of the mining country know that it is impossible to have an invalid location on the forest lands or any public lands if the bureaus do their work.

However, if the pending bill is bound to be put through today, I move that the terms of the bill be confined to the acreage located within the forest reserves.

The PRESIDING OFFICER. The bill is not open to amendment at this time.

Mr. ANDERSON. Mr. President, a point of order. As I understand, the bill is not open to amendment.

The PRESIDING OFFICER. It is not open to amendment.

Mr. MALONE. What is the parliamentary situation?

The PRESIDING OFFICER. The question is on the final passage of the bill. The amendment is not in order. The bill has been read the third time. It is open to amendment only by unanimous consent.

AMENDMENT PERMITTED BY UNANIMOUS CONSENT

Mr. MALONE. Mr. President, I ask unanimous consent that I be allowed to offer an amendment, because I was trying to be courteous to the proponents of the bill, and I inadvertently allowed the bill to be read the third time before I offered my amendment. I ask unanimous consent that I be allowed to offer the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? (After a pause): The Chair hears none, and the Senator from Nevada may offer his amendment.

Mr. MALONE. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

Mr. MALONE. I proposed the amendment when I thought the bill was open for amendment. I propose in the amendment that the area affected by the bill shall be confined to the forest reserves.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nevada.

Mr. ANDERSON. Mr. President, I rise merely to request that the Senate reject the amendment. It is impossible to segregate at this time the forest lands from the rest of the lands. This proposal was presented to the committee, and it was voted down in the committee. It will be impossible to segregate the sections of the bill at this time. I ask that the amendment be rejected.

EXPLANATION ASKED

Mr. MALONE. Mr. President, I should like to have the Senator from New Mexico explain to the Senator from Nevada how it is impossible to determine the acreage to which the bill would be confined under my amendment. May I ask for an explanation?

Mr. ANDERSON. It is impossible to segregate the sections quickly under an amendment like this. The bill is an inclusive bill, and the Senator's motion is that we strike out everything in the bill except the forest lands. I know of no easy way of doing it. That is why I hope the amendment will be voted down.

SOLE QUESTION IS WHAT ACTION SENATE WANTS TO TAKE

Mr. MALONE. Mr. President, it is not a question of whether it is easy to do it or not. It is a question of whether the terms of the bill should be confined to the forest reserves.

Mr. BARRETT. Mr. President, I am opposed to the Senator's amendment. The purpose of his amendment is to make the bill effective only as to lands in the forest reserves and leave the public-domain lands in their present status. We are having a rush of uranium mining claim-filings in our State at this time. We need this bill to protect those people who presently have acquired the right to use these public lands for grazing and other purposes. Under the Senator's amendment a person might file a uranium-mining claim or any other mining claim on lands leased by the Government under the Taylor Grazing Act and acquire the right to the exclusive use of the surface resources and could exclude the person having the right to use the surface from the land. We need this bill just as badly for the public-domain lands as it is needed for the national forest lands. This is a good bill and will correct abuses that have existed for many years and will not interfere with legitimate mining operations.

SENATOR URGES MINERS BE PERMITTED TO BE HEARD

Mr. MALONE. That is the reason I moved to refer the bill to committee and to hold hearings in the Western States, and in that way permit the miners to be heard on this subject most important to them.

I further say to the Senator from Wyoming that his own State can determine the kind of assessment work that must be done. His State can make that determination through its own legislature.

Mr. BARRETT. Many of the mining claimants in my State and the people who use the surface of the public lands have discussed the matter on many occasions. It seems to me that the general opinion of the people of Wyoming is in favor of the pending bill. They are opposed to the provisions of the Senator's amendment, because they feel they need some protection on the public lands as well as they do on the forest lands. They believe this bill will work out to the best interests not only of the people who use the surface resources but also to the miners themselves and to the public generally.

BILL BEING THRUST DOWN MINERS' THROATS

Mr. MALONE. In answer to the distinguished Senator from Wyoming, I would say that in my own State—and I have discussed the matter with every State mining association in the West—people have been told numerous times in the past 2 years, "You will take this bill, or something worse."

I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill was read the third time, and passed.

Mr. ANDERSON. Mr. President, I ask unanimous consent that S. 1713 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959.

AMENDMENT OF UNIVERSAL MILITARY TRAINING AND SERVICE ACT—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. CASE of South Dakota. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. CASE of South Dakota. Will the Senator state what amendment was made?

Mr. RUSSELL. There was no substantial amendment to the bill as passed by the Senate. The Senate conferees agreed to a reduction in the maximum age at time of induction of medical registrants from 51 to 46 years. That is the only substantial change made in the bill as it was passed by the Senate. The House agreed to the Senate provisions relating to the National Guard.

Mr. CASE of South Dakota. Including, I presume, the provision that a man who enlisted in the National Guard at the age of 18½ would not be subject to the induction after he reached 28 years.

Mr. RUSSELL. That is correct. The House conferees agreed to the other changes made by the Senate.

Mr. CASE of South Dakota. I think the conferees on the part of the Senate did their duty in splendid fashion.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 542, S. 2220.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2220) to authorize appropriations for the Atomic Energy Commission for the construction of plants and facilities, including acquisition or condemnation of real property or facilities, and for other purposes.

Mr. ANDERSON. Mr. President, I ask the Chair to lay before the Senate a similar bill which has been passed by the House of Representatives.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes; was read twice by its title.

Mr. ANDERSON. Mr. President, at this stage, H. R. 6795 is identical with S. 2220, which has been considered and reported to the Senate by the Joint Committee on Atomic Energy. I ask unanimous consent that the Senate proceed to the consideration of H. R. 6795, in place of S. 2220.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

There being no objection, the Senate proceeded to consider the bill (H. R. 6795), to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

THE DIXON-YATES CONTRACT

Mr. KEFAUVER. Mr. President, at this time I wish to speak and inform my colleagues about a shocking piece of duplicity in connection with the handling, by a group of public utilities, of a contract known as the Dixon-Yates deal.

I desire to bring to the attention of the Senate the shocking effort to cover up an employee of the Federal Government, a consultant to the Bureau of the Budget, who with his associates obtained business for the corporation by which he was employed, thus carrying water on both shoulders, representing both the Government and the other side in this outrageous transaction.

I wish to show, Mr. President, the effort of a committee of Congress to secure the facts about this deal, and the apparent effort to conceal and hide the true facts from the Members of Congress and the public, notwithstanding an earlier pronouncement that the complete information from the inception to the end would be made public.

In what I shall say this afternoon, I shall bring out other examples showing that the more we delve into this contract, the more scandalous it becomes and the more it approaches the point of suggested violation of criminal law, which ought to be looked into by the Attorney General of the United States. I think committees of Congress which have charge of legislation looking to the consummation of this deal should be fully informed about what has taken place.

Mr. President, in the beginning, a great deal of criticism had been made of the fact that a contract, which was entered into without competition and which was wasteful of the Government's money, had been personally ordered to be executed with specific persons by the President of the United States. This is the first time in the history of this Nation that such an order, overruling the vote of the then existing members of an independent commission, has ever been made. After this order had been criticized, the President of the United States, in a press conference on August 18, 1954, declared that all the information and details from the beginning to the end were public information and could be seen by any members of the press, individually or together. Much was made, as shown by newspapers of that date, that all the facts and circumstances, documents, and all information about the contract were going to be made public. I have here, as an example, a copy of the Washington Post and Times Herald with a front-page story, in which it is stated:

> The President said every action he had taken in the matter of the contract was on record, and added that anyone could go to the files of the Bureau of the Budget and the Atomic Energy Commission and get the whole story.

I also have before me a copy of the New York Times, quoting the same thing said by the President of the United States.

I should like to read exactly what the President had to say about wanting all the facts about this matter made public, quoting the paraphrase published in line with the policy of not directly quoting the President. It is a quotation from press conferences, the New York Times, and other newspapers:

> He said he was not going to defend himself, as he had told reporters time and time again he should not. He merely said that of course he approved the recommendations for this action and every single official action he took involving contractual relationships of the United States with anybody, and except when the question of national security was directly involved it was open to the public. Any one of you present may, singly or in an investigation group, go to the Bureau of the Budget and to the Chief of the Atomic Energy Commission and get the complete record from the inception of the idea to this very minute.

That was all he had to say about it.

Mr. President, following the August 18, 1954, statement, that all the facts about this matter were public property and that anyone could see the reports, and so forth, Mr. Hughes, the Director of the Budget, appearing before the Joint Committee on Atomic Energy, made a similar statement, namely, that all the facts had been made public. Admiral Strauss made a similar statement before the joint committee. They undertook to issue a mimeographed release from both agencies giving the chronology and the history of what had taken place in connection with the negotiations and everything relating to the so-called Dixon-Yates contract. The chronology is found in the hearings before the Joint Committee on Atomic Energy of November 12 and 13, 1954.

It has been increasingly apparent, from bits of information which have been coming out piecemeal from time to time, that the chronology and information given out by the Atomic Energy Commission and the Bureau of the Budget are not complete; that very important meetings, in which important aspects of the contract were discussed and decided upon, were not reported in the chronology, as I shall show in a little while.

Also, it has become apparent, by piecemeal bits of evidence, that persons who were at the meeting and played an important part in the policy decision were not named in the chronology.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. BUTLER. Does the Senator refer to Mr. Wenzell when he says that

persons who made important policy decisions were not named in the chronology?

Mr. KEFAUVER. He is one of the persons to whom I am referring.

Mr. BUTLER. Did not the Director of the Bureau of the Budget, Mr. Hughes, testify yesterday under oath that Mr. Wenzell was a member of the staff, a mere consultant, and for that reason he had not mentioned Mr. Wenzell, or any other members of the staff, as distinct from persons who made policy, such as Mr. Strauss, or himself, as Director of the Bureau of the Budget?

Mr. KEFAUVER. Mr. Hughes, of course, tried to explain the failure to mention this important figure who negotiated in this matter. But Mr. Hughes was most conflicting in his testimony. He has refused to divulge the full facts about this matter, as I shall show later; and the President of the United States, too, is trying to cover up. There is evidence that that is taking place.

So it is necessary to rely upon other testimony, which shows conclusively that important meetings were held, which were not in the chronology, and that Mr. Wenzell played a very important part in the matter.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. BUTLER. Did not Mr. Hughes further testify under oath that Mr. Wenzell had nothing whatsoever to do with the establishment of policy? That the policy had been determined before Mr. Wenzell was called in, and that he was called in solely to give technical aid on only one phase of the matter, namely, the financing?

Mr. KEFAUVER. Yes; Mr. Hughes had one idea of what was important policy; but, to me, it is important that Mr. Wenzell was the genius who, in the first place, helped work up the whole arrangement for the liquidation, or the attempted liquidation, of the Tennessee Valley Authority. He was connected with the Bureau of the Budget and was one of the engineers of the whole idea of destroying or cutting down the public-power program of the United States, in connection with supplying power to such agencies as the TVA. That is the subject matter of a report made by Mr. Wenzell in September 1953, and there is evidence that that was what he was working on. It is that report which is now being concealed and is not being released.

Mr. Hughes stated in a letter to the senior Senator from Alabama [Mr. HILL] that Mr. Wenzell was working on the whole matter, so we must take it that he played an important part in the making of policy. If that be not true, what has the Commission or the Bureau of the Budget to hide or conceal at present? Why do they not put the facts on the table, as they said they would do?

Mr. BUTLER. Is not the Senator well aware of the fact that the executive branch must have some reasonable rule or regulation in connection with the inspection of their files? To throw all the executive department files open to any Member of Congress who sought to look into them certainly would be a violation of the doctrine of the separation of powers and would be destructive, I think, of good government.

Mr. KEFAUVER. I appreciate the statement by the Senator from Maryland. In some cases there are precedents for allowing the executive department files to be examined by committees of Congress.

But if the President did not want the facts to be known, if he did not want the files to be examined, if there was something he did not want the public to know about, then I see no justification for his statement of August 18, 1954, with all the fanfare accompanying it, changing that order, and inviting the public to see all the facts.

Mr. BUTLER. I respectfully say to the Senator from Tennessee that there has been no concealment whatsoever. Mr. Hughes came before the subcommittee——

Mr. KEFAUVER. If the Senator from Maryland will stay around, I think even he will agree that there has been very substantial concealment. If there has been no concealment, why do not the persons concerned stand by the word of the President? Why does not the President stand by his own word and let Congress and the public have the facts?

Mr. BUTLER. I answer the Senator from Tennessee by saying that the President has stood by his word, and that the subcommittee of which the Senator from Tennessee is chairman has received full and complete information in connection with the contract.

Mr. KEFAUVER. I shall develop that point. The Senator from Maryland was present when the officials concerned said they would let our staff have certain information.

Mr. BUTLER. I made certain that the record showed that when Mr. Hughes said the Senator from Tennessee could have access to the record, it would be in accordance with the terms of the Executive order of the President. The record is clear on that point.

Mr. KEFAUVER. The record is not clear. The record shows that the President held himself out as wanting the public to have the facts. The record is clear that the executive branch is now concealing them and is covering them up. They now do not want Congress and the public to have the facts.

Mr. BUTLER. Mr. Hughes is not that kind of man. He appeared before the subcommittee headed by the Senator from Tennessee, submitted to an oath, and told the truth. He has told the Senator from Tennessee that there is no additional information.

Mr. KEFAUVER. If the Senator from Maryland will be seated and will listen to my statement, I think he will be convinced that there is additional information. That will be developed as I proceed.

Mr. BUTLER. I do not intend to let the RECORD stand containing the statement that Mr. Hughes unequivocally said that the Senator from Tennessee or his staff could have access to the files, because Mr. Hughes did not so state. The record clearly shows he did not say what the Senator says he said.

Mr. KEFAUVER. The President of the United States said it. Now the President will not let the committee have all the information.

But if the Senator from Maryland will sit down and listen, I think he will agree that very important facts about the matter are being concealed, and that the executive branch does not want the public to learn about them.

Mr. BUTLER. Mr. President, will the Senator further yield?

Mr. KEFAUVER. I refuse to yield further at this point.

It has been brought out, for instance, that Mr. Adolphe Wenzell, beginning in May 1953, was employed by the Bureau of the Budget as a consultant. He became an employee of the United States and was paid a fee of $10 a day and his traveling expenses back and forth. From May 1953 to September 1953, he worked intermittently for the Bureau of the Budget.

It is important to consider who Mr. Wenzell is. Since 1934, he had been vice president of the First Boston Corp., which is an investment banking concern specializing in utility financing.

For the past 10 years, in addition to being vice president, he has been a director of the First Boston Corp., and he was a director at the time he was working for the Government.

It is shown by Mr. Hughes' own testimony and by his letter to the senior Senator from Alabama [Mr. HILL] that during the first period of time Mr. Wenzell worked upon the general matter of public versus private power, namely, costs, TVA methods of financing as opposed to private power methods of financing, and the like. That is contained in a letter which I shall introduce shortly. So, Mr. Wenzell participated in getting the facts together, upon which a very important decision has been made.

It is not easy to understand how in a campaign in October 1952, the Republican candidate for President of the United States promised, not once but several times, that he would fully support the Tennessee Valley Authority; that it would be continued to be operated at maximum efficiency; and that the people living in the Tennessee Valley Authority area did not have anything to fear from the Republican candidate for President of the United States; while later there was a complete reversal, and the TVA was labeled "creeping socialism."

There was a policy change; the factual situation was developed to bring about that policy change. Now there is evidence to warrant the belief that Mr. Wenzell, working both for the First Boston Corp. and for the Government of the United States, even though his activity in the matter was carefully concealed, is the man who played an important part in the policy decision.

Mr. Wenzell came back to the service of the Government. In January, Mr. Hughes himself called him on the telephone and asked him to come back. Mr. Wenzell participated in making the financial arrangements as to interest for the Dixon-Yates group. He read the contract, and helped in its preparation.

Mr. BUTLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Tennessee yield to the Senator from Maryland?

Mr. KEFAUVER. I yield.

Mr. BUTLER. I sat through all the hearings about which the Senator is talking. Mr. Hughes, under oath, said that when he called Mr. Wenzell in, he was called in for only one purpose, and that was to look into the interest rate so that the Bureau of the Budget would be in a position to know whether or not it ought to accept one or the other of the offers which it contemplated would be made in connection with the building of the plant. There was no mention whatever that I heard during the hearing of his having conferred with the Dixon-Yates group. He expressly denied he knew the Dixon-Yates group was in it. He was dealing with a purely technical question.

Mr. KEFAUVER. It is quite apparent that the Senator from Maryland does not have the record. Mr. Hughes, himself, in his sworn testimony before the SEC, which I was about to read, and shall read in a few minutes, testified Mr. Wenzell was in Washington working for both his corporation and the Government; that he did talk with the Dixon-Yates group, and that Mr. Hughes called him here.

Mr. BUTLER. That may be perfectly true, but Mr. Hughes' testimony was that he never knew anything about it.

Mr. KEFAUVER. I am not going to become too excited about Mr. Hughes' testimony, because he said he did not know the First Boston Corp. was in the picture.

Mr. BUTLER. That is the point I am making. He said he knew nothing whatever about it. The remarks of the Senator from Tennessee impugn his integrity and honesty.

Mr. KEFAUVER. If he is impugned, he has impugned himself. He said he did not know anything about the First Boston Corp., but later he said that the First Boston Corp. was not going to get any fee. Every statement I have made on the floor will be documented by sworn proof presented either before the SEC or before the committees of Congress, if the Senator will allow me to develop my facts.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. In view of what has now been said, I should like to ask leave to read into the RECORD at this point from the transcript of yesterday's testimony. The testimony appears beginning on page 44. Having addressed the chairman of the committee, I asked a few questions of the witness, Mr. Hughes. Let me read them, as follows:

Senator O'MAHONEY. You had called him down?

"Him" referred to Mr. Wenzell.

I tried to summarize all of the subjects and the matters that would be under discussion between you, and your answer was that you didn't remember all of that.

So now I want you to, if you will, give us two questions that you submitted to Mr. Wenzell when he came down in response to your call. Give me two things that you asked him to discuss with you and that justified your calling him in.

Mr. HUGHES. He would have to—he sat in, he sat in a discussion of a number of the conferences when he had a staff discussion of these various phases of the operation.

Senator O'MAHONEY. Well, name one phase.

Mr. HUGHES. Proposal——

Senator O'MAHONEY. Name one phase.

Mr. HUGHES. One particularly was the interest costs; that was one thing we wanted to get him in primarily.

Senator O'MAHONEY. The interest costs on the bonds?

Mr. HUGHES. That is right, what they could be financed for.

Another thing was what kind of a percentage could be paid against equity with bond financing; that we didn't know anything about at all.

Senator O'MAHONEY. Then you were aware of the fact that the equity in this deal was the capital of the generating company, $5,500,000?

Mr. HUGHES. It had not reached that stage at that time, Senator.

Senator O'MAHONEY. Well, that was the agreed-upon capital, was it not?

Mr. HUGHES. Finally; yes.

Senator O'MAHONEY. You were there when it was agreed upon, that the capital would be $5,500,000, and the debt $92,914,000?

Mr. HUGHES. Which is about 5 percent. The question was whether it should be 5 percent or 10 percent, or what the ratio should be to have the bonds the best marketable security.

Senator O'MAHONEY. Well, were you and Wenzell in conference on the determination of the question of the disparity between equity and debt, $5.5 million—

I had not finished my question when Mr. Hughes answered:

Mr. HUGHES. Along with many others.

It will be seen, Mr. President, that my question to Mr. Hughes was:

Well, were you and Wenzell in conference on the determination of the question of the disparity between equity and debt, $5.5 million—

Mr. Hughes' answer was:

Along with many others.

So that it is clear from the record that Mr. Wenzell was called in conference by Mr. Hughes, not alone with respect to the interest upon the bonds, but with respect also to the disparity of the equity and the debt.

If the Congress and the people of the United States are to understand this transaction, the importance of that fact is that the Director of the Budget told us that he thought a representative of the First Boston Corp. was engaged in discussions of the amount of capital which should be put up and the amount of debt which should be allowed; that there was an issue as between 5 percent and 10 percent. This issue was finally determined upon the basis of $5½ million capital and $92 million debt.

As was clearly demonstrated from the other papers on file, and of public record, the interest upon the debt and the payments which were to be made by the United States would carry the debt, and this was an arrangement all made in chamber, behind closed doors, with the purpose of supplying power to the Atomic Energy Commission through the TVA—a measure which was designed clearly, from the evidence already before us, to destroy the Tennessee Valley Authority by indirection.

But what has developed since that time has clearly demonstrated another fact, namely, that the Government of the United States was asked by the same Director of the Budget to appropriate $6½ million, $1 million more than the capital stock of the company, to build a transmission line. The issue now pending before this body is whether or not we shall plunge our hands into the people's Treasury and spend $6½ million to build a facility to transmit power for the generating company which was set up as a result of negotiations testified to at the hearing—generating company whose equity is only $5.5 million, and whose debt, as approved by Government officials, in secret session, is in excess of $92 million.

It is one of the most amazing and, I think, scandalous transactions I have ever heard about in all my experience with the Government.

Mr. KEFAUVER. I thank the Senator from Wyoming very much.

Mr. GORE. Mr. President, will my colleague yield to me?

Mr. KEFAUVER. Mr. President, the Senator from Wyoming brought all this out very clearly yesterday, in the hearings before the subcommittee. It is quite apparent that over a long period of time the Senator from Wyoming has been, and he continues to be, one of the most eminent authorities, not only in the Senate, but in the Nation, on such matters. He has pointed out how Mr. Wenzell was there, not only with reference to the interest rate, but also with reference to how much money the Dixon-Yates crowd should put up and what their equity would be.

It is also important to note that Mr. Hughes testified that at the time when the important question of how much the equity capital should be came up, and also the question of whether the Dixon-Yates contract should be executed—and he saw, and had a part in, the development of the two contracts, according to his own testimony—Mr. Wenzell was called to Washington because at that time the Bureau of the Budget had no expert along that line; that Mr. Wenzell was an expert on that kind of financing, and called in for the purpose of advising and directing and helping the Bureau of the Budget in connection with it.

Mr. GORE. Mr. President——

Mr. KEFAUVER. Mr. President, I yield now to my colleague from Tennessee.

Mr. GORE. Mr. President, I wish to point out to the distinguished junior Senator from Wyoming that the proposed transmission line to which he referred is not the only transmission line which goes to the Dixon-Yates combine, free of charge. There is capitalized within the Dixon-Yates contract another transmission line, to take the excess power to the Arkansas Power & Light Co., which transmission line is free of charge, to be paid for by the taxpayers of the United States. Does not the Senator from

Wyoming think that adds to the oddity of this contract?

Mr. O'MAHONEY. If I may reply, Mr. President, to the question, and may do so in the time of the senior Senator from Tennessee [Mr. KEFAUVER]——

Mr. KEFAUVER. I yield again to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator from Tennessee.

Then let me say, Mr. President, by way of reply, that, of course, I agree with the statement of the junior Senator from Tennessee, and it emphasizes another factor in this transaction, namely, that the so-called Dixon-Yates contract is represented to the people of the United States as a necessary project to supply power to the Atomic Energy Commission, whereas the contracts, the agreements, and all the official papers which have been signed in connection with it show that the company will produce much more power than is necessary for the Atomic Energy Commission, and will distribute the surplus power to subsidiaries or associates of the holding companies which manage the Mississippi Valley Generating Co., otherwise known as the Dixon-Yates plant. Yet the Government of the United States is appropriating funds for the purpose of enabling this company—which would not subscribe sufficient capital to carry on as a private enterprise—to operate in this way. This is being done in order to attack what has been called the creeping socialism of the TVA. I do not know what name we can apply to an agreement of this kind.

Mr. GORE. The Senator from Wyoming would not call it free enterprise, would he?

Mr. O'MAHONEY. It is not free enterprise, because the enterprisers do not put up the money which is necessary, according to the evidence before the SEC and the evidence before our committee. The Government of the United States is putting up the money.

Mr. GORE. The profit is free.

Mr. O'MAHONEY. And that is the reason why the transaction is being concealed. That is why the Director of the Bureau of the Budget—after having said to the committee, yesterday, that he would be glad to receive the staff members of the committee and give them the information he did not have with him then—this morning refused to grant the information.

Mr. GORE. And now that the city of Memphis has officially determined to build its own plant, the administration is insisting upon the appropriation of $6,500,000 of the people's money to connect a nonexistent plant with a nonexistent market, in order to try to legitimatize this thoroughly unjustified proposition.

Mr. KEFAUVER. I thank the Senator for his contribution.

Mr. BUTLER. Mr. President, will the Senator from Tennessee yield to me at this time? I ask him to yield only briefly.

Mr. KEFAUVER. I am anxious to get back to a discussion of the corruption in this transaction. We know already that the Dixon-Yates proposal is outrageous.

Mr. BUTLER. Mr. President, will the Senator from Tennessee yield to me at this point?

Mr. KEFAUVER. I yield.

Mr. BUTLER. I am only interested in Mr. Hughes. I was at the hearing yesterday, and I heard Mr. Hughes testify. I think the Senator from Tennessee has abused Mr. Hughes. I wish to say to the Senator from Tennessee that Mr. Hughes made perfectly clear that Mr. Wenzell had nothing whatsoever to do, insofar as Mr. Hughes' knowledge went, with the formation of any policy in connection with the Dixon-Yates contract. He did say—as the Senator from Wyoming has said, and as I said some few minutes ago—that he had to do with the financing aspects. I did not say "the rate of interest"; I said, "financing." And then a little later I pinpointed the rate of interest. But the testimony is unequivocal that Wenzell had nothing to do with policymaking.

Mr. KEFAUVER. I can say that if the decision as to the amount of equity is not a policy decision, then I do not know what a policy decision is. If Mr. Wenzell did not have anything to do with this matter, and if they are acting aboveboard and want the public to know the facts, then why do they conceal the facts today?

Mr. BUTLER. Mr. President, will the Senator from Tennessee yield once more to me—and then I will not bother him further.

Mr. KEFAUVER. Very well. I am anxious to have an opportunity to present my facts in an orderly manner.

Mr. BUTLER. The policy the Senator from Tennessee has talked about I assume is the so-called change of heart by the administration away from one of benevolence toward TVA.

Mr. Hughes said that the policy involved was whether the plant be built by free enterprise or at the taxpayers' expense. The administration set the policy that it be done by free enterprise. The method of carrying out that policy certainly has nothing whatever to do with anything but detail. It has nothing to do with the determination of the basic policy.

Mr. KEFAUVER. But the Senator from Maryland completely overlooks the fact that Mr. Wenzell was there, working for the First Boston Corp., carrying water on both shoulders.

Mr. BUTLER. But the testimony of Mr. Hughes was to the effect that he knew nothing whatever about that.

Mr. KEFAUVER. The Senator from Maryland is so wrong. Mr. Wenzell was there from May 1953, until September 1953; and the policy decision was made in November or December. As for Dixon-Yates itself, Mr. Wenzell returned to the Bureau of the Budget on January 14 and at that time there was no Dixon-Yates. He participated at the meetings at which the deal was being formulated.

Mr. BUTLER. But Mr. Hughes expressly said that insofar as his knowledge went—and he was in charge of the transaction—Mr. Wenzell had nothing to do with policy, but only with questions of financing.

Mr. KEFAUVER. Then why is Mr. Wenzell's report concealed? Why is it not put out on the board, where we can see it?

Mr. BUTLER. His report has not been concealed; and I take exception to the statements about "concealing."

Mr. KEFAUVER. Then why could not the staff get it, this morning?

Mr. BUTLER. The staff went there on a fishing expedition, and got no fish; that is all.

Mr. KEFAUVER. I shall read one paragraph of Mr. Hughes' letter, which I received about noon. I shall read the remainder of the letter, later on. The paragraph of Mr. Hughes' letter to me, which I shall read, is as follows:

> Under these circumstances we have also reviewed the report which Mr. Wenzell made as an adviser in September 1953, and find that that had nothing to do with the Dixon-Yates contract; and, as a confidential document, under the general ruling, therefore, cannot be available to your committee.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. ANDERSON. I should like the Senator from Tennessee to recognize that the discussion about free enterprise and creeping socialism is a pretty serious one to throw into this transaction. Actually, we built a plant known as the Ohio Valley Electric Co. plant. It was initiated during a Democratic administration. It was initiated by a Democratic member of the Commission. It involved a 100-percent use of so-called public utilities. They were privately owned utilities, and they supplied the power for the plant at Portsmouth—far more power than is involved in the Dixon-Yates contract.

Secondly, with respect to the plant at Paducah, the offer was made to the companies to take more power than they were furnishing. Private utility companies were supplying all the current they were willing to supply. The only reason TVA got as much business as it did was that the private companies could not take care of the demand. To say that that is no private enterprise is, in my judgment, a pretty serious misstatement of the fact. But this contract is neither free nor enterprise. You just sit down and eat watermelon, and do not have to spit out the seeds. [Laughter.]

Mr. KEFAUVER. I thank the Senator. No Member of the Senate is better qualified to analyze the contract than is the distinguished Senator from New Mexico, who is chairman of the Joint Committee on Atomic Energy.

Mr. President, I desire to get back as soon as possible to the question of corruption, and the fact that the Senate and the people have not been treated fairly in this matter.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to my colleague.

Mr. GORE. I realize that the Senator wishes to proceed with his speech. However, the question has been raised as to what is policy and what is not policy. I hold in my hand the articles of incorporation of the Mississippi Valley Generating Co. I read from article 7:

> The amount of paid-in capital with which the corporation will begin business is $300.

I ask my colleague if it is a matter of policy, or is not a matter of policy, to award a contract, without competition, to two men who have not yet even incorporated, and then agree to allow them to begin business with $300, and give them, without competition, a contract for $120 million. That is the kind of transaction in which Mr. Wenzell participated.

Mr. KEFAUVER. That may be policy, but it is a kind of policy which might well be concealed. I am not surprised that there is an effort to cover up and conceal it. That is exactly what Mr. Wenzell participated in. He was the financial expert and technician, working on this project long before the present contract was made. He was called back specifically by Mr. Hughes to help with the consummation of it. If he was not an important personage in this transaction, I do not know who was important. His name has been deliberately omitted from the chronology of both Mr. Strauss and Mr. Hughes. Such chronology consists of hundreds of pages.

To summarize briefly, the Dixon-Yates contract had been severely criticized. The administration had been criticized for entering into it. Whereupon the President of the United States, with much fanfare and much acclaim for wanting all the facts known, stated, on August 18, 1954, that the press and everyone else were invited—not merely permitted, but invited—to examine any papers in connection with the transaction, and get the complete record "from the inception of this idea to this very minute; and it is all yours."

I have referred to the fact that, following that statement, these so-called releases were made by Mr. Hughes and Mr. Strauss, with much fanfare. They boasted of having given out all the facts.

I have shown that in the testimony before the Securities and Exchange Commission, it developed that Mr. Adolphe Wenzell played an important part in this transaction, carrying water on both shoulders, working, at the same time, for the corporation which became the financial agent, and also for the Government. His name is not mentioned in the chronology.

I have spoken about a speech by the Senator from Alabama [Mr. HILL] bringing out certain facts. I have said that there were other meetings, which apparently have been purposely concealed from view and omitted from the chronology. I have said that there was reason why a meeting of a subcommittee of the Committee on the Judiciary was held yesterday to try to develop the entire story, put it all together, and ascertain just what part Mr. Wenzell played, as well as the part played by his associate, Mr. Miller. I shall discuss him later. We wanted to find out what happened at these unrecorded meetings.

We held a meeting yesterday. The Senator from Wyoming [Mr. O'MAHONEY] was present. The Senator from Maryland [Mr. BUTLER] was present. Mr. Hughes could be present for only a limited length of time. We were unable to discuss with him all the subjects we wished to discuss. So there will have to be further meetings.

At the hearing yesterday there was pointed out to Mr. Hughes President Eisenhower's order as to full disclosure. Then Mr. Hughes was asked quite a number of times whether he would make certain records available, whether the staff of the committee could go over certain records. Mr. Hughes stated, in substance, that so far as he was concerned, it was all right with him; that there was a general rule about reports, and so forth, but that, inasmuch as the President had made a statement, he did not see any objection.

I read one paragraph from page 13:

Senator KEFAUVER. Are you in conformity with the press conference remarks that the President wanted every bit of information disclosed to the public, it being a question that a committee of the Congress——

Mr. HUGHES. I shall try my best to work it out in conjunction with these too, and you will have to let me look at it first to make sure, but I see no objection at the present time.

Later he was asked if we could see the travel vouchers of Mr. Wenzell, and he said we could see the travel vouchers. Later we asked him if we could see the report made by Mr. Wenzell in September 1953. He said that our staff could see the report. The matter was summarized, and, so far as he was concerned, he felt it would be all right.

In colloquy, the Senator from Wyoming [Mr. O'MAHONEY] asked about certain things. Finally Mr. Hughes said:

As far as I can see, I can see no reason—

Referring to no reason why the staff could not see certain memoranda and other information in this connection.

After a little further colloquy about specific requests, Mr. Hughes said:

I have no purpose in hiding anything, despite the implications of some of the questions. I have no intention of hiding anything, but I would not want to give incorrect information. I would not want to give misleading information.

Mr. President, this morning Mr. Keeffe and members of the staff of the committee went to the office of the agency to see the records and to get the full story, as we thought the President wanted the public to have it, and as the press had been invited to get it. They were met with a stone wall. They could not see anything. They could not see the travel vouchers. They could not see the report. No papers were available for them. Nothing was available for the staff of the committee.

Shortly before noon today I received a letter from Mr. Hughes, and I ask that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., June 28, 1955.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR KEFAUVER: As I told you yesterday, with regard to your request for any material in our files in addition to that which had already been released relative to Dixon-Yates and then also that your staff come down and go through our files, talk with Bureau staff, and determine for themselves what miscellaneous papers, interoffice memorandums, etc., they wish to extract, we have reviewed the situation to see what steps can be taken toward complying with your request. As pointed out to you, we operate under the President's general instructions with regard to interoffice and intraoffice staff material, that such material is not to be made public. All documents which involve final decisions of public policy have, of course, already been made public. You pointed out that you interpreted the President's statement at a press conference last fall to indicate that they did not apply in this case. I have checked on this matter and I am authorized by the President to state that his general instructions stand, but that we, of course, stand on the decision to make every pertinent paper or document that can be made public under this ruling available to you. A quick review of our files last night disclosed no other papers or documents to be added to the somewhat voluminous releases already made, but we shall make a full and careful search in the next few days to confirm this or to pick out material, if any, which should be added to that previously released.

Under these circumstances, we have also reviewed the report which Mr. Wenzell made as an adviser in September 1953 and find that that had nothing to do with the Dixon-Yates contract and, as a confidential document under the general ruling, therefore cannot be made available to your committee.

We will arrange, in order to be of such assistance as we can, to have Mr. Focke, our legal adviser, available for Mr. Keeffe so that Mr. Keeffe may make requests of him in writing for any particular paper or information that he thinks should be properly made available. Every such request will be considered on its merits and we will do our best to cooperate where we can do so properly.

Sincerely,

ROWLAND HUGHES,
Director.

Mr. KEFAUVER. The letter states:

All documents which involve final decisions of public policy have of course already been made public. You pointed out that you interpreted the President's statement at a press conference last fall to indicate that they did not apply in this case. I have checked on this matter and I am authorized by the President to state that his general instructions stand, but that we, of course, stand on the decision to make every pertinent paper or document that can be made public under this ruling available to you.

Mr. Hughes states that he will look around to see if he can find anything else.

It appears from this situation, and because of the scandal of Mr. Wenzell's employment by both the Government and the First Boston Corp., that there is an effort to conceal certain meetings in which he participated and to which I shall refer, and also to conceal from the public other important information. There is now a repudiation of the agreement to let members of the press and others have access to all the information. Members of the press are said to be entitled to it. Members of the United States Senate and their staff apparently are not to get it.

What is meant by saying that all the cards are on top of the table, when some of them are held under the table and up the sleeve, and when information is not disclosed, particularly when we are faced with the duplicity of this man working for both a private corporation and the Government?

Mr. President, this kind of thing will not stand up. It is one thing to get a big headline about wanting all the information to be made public, but another thing, apparently, when the rub comes, and information which will hurt someone is about to come out, to clam up and refuse to release any more information.

Let us see what some of the things are that we would like to inquire into.

Mr. ANDERSON. Mr. President, will the Senator yield for a moment at that point?

Mr. KEFAUVER. I yield.

Mr. ANDERSON. Before the Senator from Tennessee enumerates the things he would like to inquire into, I should like to suggest to him two matters concerning which I would appreciate obtaining some information when Mr. Wenzell testifies. First of all, I should like to see the financial contract which has been drawn between Dixon-Yates and the suppliers of the money. There are some provisions, at least, referred to in the general report to the Atomic Energy Commission, which we are not able to find. I think it would be very interesting to ascertain exactly what the terms and circumstances are.

Secondly, I believe the Senator himself, coming from Tennessee, would be very much interested in finding out the length to which Mr. Wenzell went to obtain information on the Tennessee Valley Authority; that is, whether he did not call for information far more detailed than had ever heretofore been requested, with the obvious thought of some day of making the TVA go through the banking houses of New York for financing.

Mr. KEFAUVER. The Senator from New Mexico has brought up two very important matters which bear directly on this deal. However, I must point out to the Senator that, although there was a great deal of publicity about how this transaction being open and above board, I know of no way of getting that information, because those in authority have repudiated their agreement, they have gone back on what they said about candor in this matter, and are now adopting a policy of concealment. I hope we may be able in some way to find out about the two important matters the Senator has mentioned, although I do not know how we will do it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. KEFAUVER. I am glad to yield to the distinguished minority leader.

Mr. KNOWLAND. In the first place, is it not correct to say that the question relative to the authorization for this type of contract was rather fully discussed in the United States Senate a year ago in a protracted debate, which continued so long that we even held some long night sessions; that subsequently to that time the matter of the contract under the legislation was brought before the Joint Committee on Atomic Energy, and very prolonged hearings were held by the Joint Committee on Atomic Energy, in which there was full disclosure and full discussion of the matters leading up to the negotiation of the so-called Dixon-Yates contract?

The matter has been before the Committee on Appropriations, and it has been discussed on the floor of the House, where a move was made to strike out the appropriation for the transmission lines.

The Senator is also aware of the fact that the amount of power to be made available to the Valley of the Tennessee under the so-called Dixon-Yates contract is 600,000 kilowatts.

I know the Senator went before the Committee on Appropriations when we were discussing the matter, and the testimony before the committee was that even with the Dixon-Yates 600,000 kilowatts, and with the additional power generating facilities in existing plants, by the year 1958, I believe it was, there would still be a shortage of power in the valley of the Tennessee.

I am sure the Senator is also aware of the fact that the position of the President of the United States was that he did not want to deprive the people of the Valley of the Tennessee and the Tennessee Valley Authority area of any opportunity to move ahead in their development both industrially and domestically; and for that reason this suggestion was made.

The testimony, as I am sure the Senator well knows, is that at the present time the amount of the steam generation in that area, as distinct from hydroelectric power, is approximately 60 percent, and ultimately, by 1957 or 1958, will be almost 70 percent. The reason for the position of the President of the United States is that he felt we would get into a field in which, as a matter of public policy, Congress and the American people ought to determine whether the Federal Government should go into each of the 48 States of the Union and build hydroelectric plants——

Mr. KEFAUVER. Mr. President——

Mr. KNOWLAND. If the Senator will permit me to continue——

Mr. KEFAUVER. I do not desire to cut the Senator off, but I want to get back to the issue I am discussing here today—one of corruption—and I do not wish to argue the Dixon-Yates matter on its merits at this time. However, I will not interrupt the Senator.

Mr. KNOWLAND. I will say to the distinguished Senator from Tennessee that he should disclose to the Senate and to the country that hearings, which were very prolonged were held before the Joint Committee on Atomic Energy, and hearings have been held before the Committee on Appropriations. The Senator called a meeting of his subcommittee of the Judiciary Committee in the absence of the ranking minority members of the committee——

Mr. KEFAUVER. Just a minute.

Mr. KNOWLAND. I believe that the ranking minority member of the Committee on the Judiciary in a telegram to the Senator from Tennessee requested that he be given 1 week and that the matter be taken up next week. I am sure the Senator from Tennessee would be the first to admit that he has not been entirely disinterested and an unprejudiced chairman in regard to the Tennessee Valley matter. It seems to me not at all unreasonable, from the standpoint of a sound public policy, that the minority should not be deprived of their representation in a hearing of this kind, where an effort is made further to embarrass the President of the United States and the administration on a program about which there may be an honest difference of opinion, but which cannot truthfully to be said to involve any corruption—a program by which the President was endeavoring to help the people of the Valley of the Tennessee to meet their power requirements, and one with respect to which I believe Congress should establish the basic policy.

Mr. KEFAUVER. I should like to answer briefly the Senator from California. However, I do want to get back as soon as I can to the thread of this story.

In the first place, I should like to respond to the Senator's suggestion concerning the committee. He usually has his facts entirely accurate, but this time he apparently has missed the boat.

The chairman of the Committee on the Judiciary appointed a special subcommittee, composed of the Senator from North Dakota [Mr. LANGER], a Republican; the Senator from Wyoming [Mr. O'MAHONEY]; and myself, to conduct a hearing on the subject and on matters growing out of it. The matter was taken up with the Senator from North Dakota [Mr. LANGER], who suggested that the hearing proceed. He was anxious that it be not held up. So the minority was consulted, and full agreement was reached with the minority.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield at that point?

Mr. KEFAUVER. I received a telegram from the Senator from Wisconsin [Mr. WILEY] on Sunday afternoon, saying he hoped the hearing could be postponed to some time when he could be present.

I telegraphed him that he was not a member of the subcommittee designated to hear the matter. Request was made in the Senate to hold a hearing, and there was no objection. The Senator from Maryland [Mr. BUTLER] was present. I cannot see why the Senator from California would want the hearing held up when it was designed to bring out matters which the President of the United States, in August 1954, said he desired to have brought out. I should think the Senator would wish to cooperate.

Mr. KNOWLAND. If the situation were reversed——

Mr. KEFAUVER. Mr. President, I have not finished answering the Senator from California. I shall not yield until I have finished.

It is true that the whole matter has been debated, but it has not been in the light of all the facts. I am certain that the Senator from California would want a decision reached when all the facts are brought out, so that we could see who was involved, the background, and so forth. We have now struck an obstacle. We are having difficulty getting the facts.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield at that point? In other words——

Mr. KEFAUVER. I refuse to yield until I have finished my answer.

I am sure the Senator would agree that Mr. Wenzell was not mentioned in all the hearings and debate, although he played an important part in the matter, as both an officer of the First Boston Corp. and an employee of the Bureau of the Budget. If the minority leader can find in all the debate and in all the records any record of Mr. Wenzell, I will yield the floor and sit down now. I should think the minority leader would be very anxious to have a full disclosure made, particularly when there is a very strong suggestion that the Criminal Code has been violated.

Title 18, paragraph 434, of the Criminal Code, as the minority leader no doubt knows, reads as follows:

INTERESTED PERSONS ACTING AS GOVERNMENT AGENTS

Whoever, being an officer, agent, or member of, or directly or indirectly interested in the pecuniary profits or contracts of any corporation, joint stock company, or association, or any firm or partnership, or other business entity, is employed or acts as an officer or agent of the United States for the transaction of business with such business entity, shall be fined not more than $2,000 or imprisoned not more than 2 years, or both.

We have desired to find out about that. I do not think the Senator from California, honorable as he is, would want us to be deprived of information which would enable us to determine whether the Criminal Code has been violated.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. KNOWLAND. I think sound public policy is not being followed when the minority is deprived of representation in a Chamber which is divided 49 to 47. The ranking minority member of the Committee on the Judiciary was entitled to be consulted and his recommendation obtained before the subcommittee was appointed. I think it was a very highhanded move to appoint a committee and to start hearings without the minority having representation and without the ranking minority members of the full committee being given the courtesy of being consulted. If I were on the other side of the situation, having 49 votes to 47, I would not consider it proper treatment of the minority to have a committee engaged in a pursuit of this kind go ahead on an investigation of this sort without the minority being represented, and when the ranking minority member of the committee had requested a 1 week's delay so that he could be present. I think that was a reasonable request.

It is not at all unusual for both Democratic Presidents and Republican Presidents to hold inviolate certain executive papers which constitute interoffice memorandums. The history of this country, from the time of George Washington until now, is replete with instances of the executive branch refusing to open up papers and documents to a general fishing expedition.

Mr. KEFAUVER. I may say in response to the Senator that the Senator from North Dakota [Mr. LANGER] was chairman of the Judiciary Committee in the Republican Congress. The hearing was held with his consent and his knowledge. He was anxious for it to be carried on. I do not know that it is usual to hold up a subcommittee hearing to accommodate some Senator who is not a member of the subcommittee, particularly in view of the fact that the Senator from Maryland [Mr. BUTLER], an able member of the Committee on the Judiciary, was present. I am certain he will verify the statement that if he desired to ask any question he was recognized for that purpose.

If a suggested violation of the criminal code is involved, I should think the Senator from California would not wish any delay or any obstacle to be placed in the way of obtaining the information. That may be what the situation here is.

Mr. ANDERSON. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wonder if the Senator knows how hard we tried to find, when the previous debate on this subject was going on, whether there had been a broker involved in handling the Dixon-Yates deal. Day by day we tried to find out the name of the broker, who it was who had participated, and the answer steadily given was, "No one." Yet, by a mere accident one day, there was found a memorandum containing the name of Wenzell. There never was a report by any person connected with the Bureau of the Budget that Wenzell was involved in the transaction. But here was a name which no one could explain. We went around asking, "Who is Wenzell?" It was a long time afterward that we found the man was connected with a financing company. If there had been any disclosure that this was going on, the whole debate might have taken a different turn.

Mr. KEFAUVER. I am sure that no Members on the majority or minority side would have wanted the deal to go through if they had found out about this skullduggery.

Mr. ANDERSON. We considered a waiver which permitted the Dixon-Yates plant to go ahead. An election had been held. It was well known that if there was a delay the matter would naturally come to the 84th Congress, and the waiver would not be granted. Many of us pleaded for delay. But there was no delay, because there were enough votes at that time, and there would not be enough votes after January 1, 1955.

I have in my hand a Holding Company Act Release No. 12857, which was before the Securities and Exchange Commission April 27, 1955, in the matter of the Mississippi Valley Generating Co. On the second page it says that the generating company has entered into a joint purchase agreement with two life insurance companies which have agreed to purchase not exceeding $92 million principal amount of the generating company's 3⅝ percent first mortgage bonds.

If the able Senator from Tennessee could get hold of a copy of that agreement, which I have not been able to do, I would be deeply grateful to him.

Mr. KEFAUVER. I will say to the Senator that it sounds to me like pertinent information. I do not know how we can put side by side the Senator's request for pertinent information and my request for pertinent information, and reconcile them with the President's statement of August 18, 1954, when he said:

Any one of you present might, singly or in an investigation group, go to the Bureau of the Budget or to the chief of the Atomic Energy Commission and get the complete record from the inception of this idea to this very minute, and it was all yours.

I understand that some of the members of the press tried to get more than mere handouts, and they were refused. But it looks as if the chairman of the Joint Committee on Atomic Energy should be able to get those documents, particularly when there was so much fanfare and so many editorials about this transaction being entirely above board, with nothing concealed. But when we come to get the facts we want, when we come to evidence of a man serving two masters, we find a closed door. I do not know how the Senator can get the facts.

Mr. GORE. Mr. President——

Mr. KEFAUVER. I yield to my colleague, the junior Senator from Tennessee.

Mr. GORE. The senior Senator from California referred to the Senate debate on the Dixon-Yates contract, then to the committee hearings, and then to subsequent Senate debate and action on the matter. As I understand, that is not the subject of the inquiry of the senior Senator from Tennessee. Those are all matters of public record.

It has now been testified under oath that there was a prior meeting—that is, a meeting prior to the Senate debate—between Mr. Dixon, representing a private power company; Mr. Adolphe Wenzell, who it now appears was representing both the Bureau of the Budget and the First Boston Corp.; Mr. Lewis Strauss, Chairman of the Atomic Energy Commission; and Mr. Roland Hughes, Director of the Bureau of the Budget.

Is it not about what was done at such meetings as that that the senior Senator from Tennessee wishes information? He is not seeking information about the debate on the floor of the Senate and the proceedings before congressional committees, because those proceedings are matters of record; they are above board and in the open. It is the covert meetings about which the Senate and the country deserve information.

Mr. KEFAUVER. The Senator is correct. I should think there ought to be a unanimous effort to help the President carry out what he said he wanted to have done. It is somewhat disconcerting to find people talking both ways about these matters. Especially in a highly suspicious deal such as this, in which so many precedents have been broken, I think there should be no resistance to supplying the information which is sought by the chairman of the Joint Committee on Atomic Energy, the junior Senator from New Mexico [Mr. ANDERSON], and by the chairman of the subcommittee of the Committee on the

Judiciary. It is information that perhaps the Attorney General of the United States might need in considering whether the criminal code has been violated.

Mr. Hughes himself in his testimony has brought out some matters which need to be gone into much further. He said that Mr. Wenzell came into the Government in May 1953, and stayed until September, when all the reports were called in from the TVA, and power studies were made. Of course, by the time immediately before the big policy decision was made, Mr. Wenzell had got together the facts, apparently, upon which to make that policy decision. He made a report to the Bureau of the Budget, so Mr. Hughes was asked if he would furnish it to the committee.

Mr. Hughes said he would endeavor to furnish it to the committee. It was thus understood that he would furnish the report to the staff of the committee today. But when the staff of the committee asked for the report today, they could not see it. What is in the report? What is there to hide? Mr. Hughes apparently is willing, or said he was willing, to have it submitted.

Mr. President, I have never seen such withholding, holding back, or covering up; but I can understand it, because it is necessary to have a lot of covering up to get a contract like this through Congress.

Let us see what else Mr. Hughes had to say. He did not even remember, or did not even know, that the merged First National City Bank had become the financial agent for the bond transaction. The First National City Bank was the bank of which he had been the comptroller.

I may say frankly for Mr. Hughes that there is no evidence that he had anything to do with the First National City Bank, the bank with which he had been associated before he came to Washington, being the agent chosen under the indenture arrangement. But as the Director of the Bureau of the Budget, who is supposed to know all about the matter, he did not even know that the First National City Bank had been made the financial agent.

Another strange thing was that Mr. Hughes wrote two letters to the senior Senator from Alabama [Mr. HILL]. I want to examine those letters, to see if my colleagues in the Senate think he acted quite fairly with the senior Senator from Alabama.

The senior Senator from Alabama made a speech in the Senate in which the Wenzell matter was referred to. Prior to that, on February 11, the senior Senator from Alabama had called Mr. Hughes—apparently he got Mr. McCandless—in an effort to get a message from Mr. Hughes about who Mr. Wenzell was.

On February 11, 1955, Mr. Hughes wrote a letter to the senior Senator from Alabama, which appears on page 1716 of the RECORD of February 18. I shall read the letter. It is a very remarkable document. The letter was from the Director of the Bureau of the Budget, who had the leading oar in the whole matter, and who had been working on the financing from May to September.

Mr. Hughes personally called Mr. Wenzell back in January. He was there during all the transactions with Mr. Hughes. This is the letter which Mr. Hughes wrote to the senior Senator from Alabama:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 11, 1955.

Hon. LISTER HILL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR HILL: This is in reply to your inquiry of earlier today as to whether Mr. Adolphe H. Wenzell had ever been employed by the Bureau of the Budget and, if so, the nature of his employment.

Bureau of the Budget records show that on May 20, 1953, Mr. Wenzell was invited to serve as a consultant without compensation, to Mr. Joseph M. Dodge, then Director of the Bureau of the Budget. Mr. Wenzell's consultative services were used intermittently for a total of 34 days between May 20, 1953, and March 2, 1954, when he completed his work.

Mr. Dodge advises me that Mr. Wenzell was engaged as a technical expert to advise the Director of the Budget regarding the accounting system of the Tennessee Valley Authority, particularly as to comparison of its annual reports of earnings with those of private industry, which has differing requirements as to taxes, interest, etc. Mr. Wenzell was requested to analyze and explain the differences in the two types of accounting systems and their significance in measuring real results. Mr. Wenzell was also asked to review the allocation system for distribution of costs between power, navigation, flood control, and other purposes, concerning which the Bureau of the Budget makes recommendations to the President.

I trust that this provides the information you desire.

Sincerely yours,
ROWLAND HUGHES,
Director.

Mr. Hughes used the words, "Mr. Dodge advises me that Mr. Wenzell."

Mr. Dodge was not the Director in February 1955. Did not Mr. Hughes know what Mr. Wenzell was doing? It was Mr. Hughes who called Mr. Wenzell back. Mr. Hughes was previously the Deputy Director. He knew what Mr. Wenzell was doing; he testified that he knew what Wenzell was doing.

In the original letter is there not a definite effort to conceal the fact that Mr. Wenzell was working on the Dixon-Yates contract? The senior Senator from Alabama in his speech brought out the fact that Mr. Wenzell had been working on the TVA contract.

Following the speech by the senior Senator from Alabama, and apparently not wanting to let the matter stand in that situation, Mr. Hughes wrote the Senator from Alabama another letter, in which he brought out what the Senator already knew, namely, that Mr. Wenzell had been engaged by the Bureau for an additional period of time, and that during that time he had been working on the proposal made by the Dixon-Yates group.

Mr. President, that does not quite stand up. These letters do not ring true.

An important thing happened after the Senator from Alabama [Mr. HILL] made his speech. Mr. Hughes testified he wrote the President a letter and took it to the White House, or sent it there, with the speech of the Senator from Alabama. That is one of the documents we wish to find out about. What did Mr. Hughes say about the situation? What did he do about it? That is one of the documents we are denied today.

Mr. President, I do not like the attitude Mr. Hughes took toward a very distinguished Member of the Senate, in the face of uncontroverted evidence of what Mr. Wenzell was doing and what he knew. I asked Mr. Hughes, as appears on page 60 of the hearings of yesterday:

Mr. KEFAUVER. Well, you read Senator HILL's speech in February?

Mr. HUGHES. I was told it was not true.

Senator KEFAUVER. We will get to that later. I think there has been anything but sincerity in giving any information to a distinguished Member of the Senate, Senator HILL.

You read his speech, did you, Mr. Hughes?

Mr. HUGHES. I read it at the time.

Then he said he took it over with a memorandum and gave it to the President.

Mr. President, the speech of the Senator from Alabama was a very mild statement of the outrageous activities of this man who worked for both parties. It was a very mild statement of the concealment of that fact by the Director of the Bureau of the Budget. In the face of knowlege of that fact, the statement by him that "I was told it was not true" does not measure up to the respect which the Senate is entitled to receive, and it is certainly not playing fair with a distinguished Member of the Senate, the Senator from Alabama [Mr. HILL].

A very remarkable thing in this matter is that after finding out all about Mr. Wenzell, apparently, if it was not known before, nothing has been done. The speech of the Senator from Alabama was made on February 18. Nothing has been done to bring the facts before the public. Nothing has been done about making any apology or correcting the record with respect to a man who worked for both the Government and the First Boston Corp.

Let us consider some of the other matters about which we would like to get records, if we could have an opportunity to do so.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the distinguished Senator from New Mexico.

Mr. ANDERSON. Speaking about Mr. Wenzell, I wish to refer to the hearings which the Joint Committee on Atomic Energy held November 4 through about the 13th, 1954, considering the waiver of this contract. Admiral Strauss testified before our group. As appears on page 249 of the hearings, Representative HOLIFIELD questioned Admiral Strauss, saying he would like to get some idea of where the Dixon-Yates project was first brought to his attention, and asked if it was by Mr. Dodge. Admiral Strauss said no; it was by Mr. Williams. Then Mr. HOLIFIELD asked:

Do you know if Mr. Dodge was advised by a consultant who is now employed by any of the Dixon-Yates utility companies?

Admiral Strauss answered:

I have no knowledge of any consultants that Mr. Dodge may have had, or whether he had any.

Did I understand the Senator from Tennessee to say it was well known Mr. Wenzell was a consultant to Mr. Dodge?

Mr. KEFAUVER. I appreciate the Senator's referring to that matter. It would seem to me to be highly unlikely, in view of all the security measures in effect in the Atomic Energy Commission, that, in the first place, Mr. Wenzell, and Mr. Miller, his associate, of the First Boston Corp., could come into Admiral Strauss' office with Mr. Hughes and meet with him on the contract and consult with him in a very vital conference, without Admiral Strauss knowing he was a consultant. Mr. Wenzell testified he was with Admiral Strauss, that he had the original February contract, that Mr. Wenzell went over it, and that he also helped to make a second contract.

Mr. ANDERSON. Was that prior to November 13, 1954?

Mr. KEFAUVER. That would have been in January, February, or March, 1954. That was long prior to Admiral Strauss' testimony. One does not go to a secret meeting in the Atomic Energy Commission, with all the security clearances necessary in the Commission, without somebody knowing he is there. One does not turn over a contract to someone for revision, without someone in the Commission knowing he was there. I think the facts must fully substantiate Mr. Wenzell's own testimony that Admiral Strauss knew where Mr. Wenzell was, that he met Admiral Strauss, that he took part in the negotiations. Yet Admiral Strauss did not mention his name in the chronology released by the Atomic Energy Commission.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to my colleague from Tennessee.

Mr. GORE. Does not the Senator think it is rather strange that this important figure, Adolphe Wenzell, is unmentioned in the chronology furnished by the Bureau of the Budget and the Atomic Energy Commission? Does the Senator not recall, in that connection, that Mr. Hughes acknowledged yesterday, before the Senator's committee, that he and Admiral Strauss conferred as to the contents of the report which was finally released?

Mr. KEFAUVER. Yes, he testified that they conferred about it. The report was apparently drawn up purposely leaving out several meetings which Mr. Wenzell attended. In my discussion I shall come to a very important meeting in New York to which Mr. Hughes sent Mr. Wenzell to talk to Ebasco and the Dixon-Yates group, a very important meeting of March 2, 1954. That matter is not referred to.

Senators will find many other names mentioned, but nowhere is there mentioned the name of Mr. Wenzell, vice president and director of the First Boston Corp.

Let us take the testimony of Mr. Wenzell before the Securities and Exchange Commission. Mr. Wenzell testified before the Securities and Exchange Commission on June 17, 1955. Many objections to questions were sustained, so that full information could not be secured from him. That is one of the reasons why we need to see certain records from the Atomic Energy Commission. However, we do have some very interesting testimony from Mr. Wenzell. He said he was the one who received the telephone call on January 14 from Mr. Hughes to come to Washington. Yet Mr. Hughes, in his first letter to the Senator from Alabama [Mr. HILL] did not seem to know anything about what he was doing. He had to ask Mr. Dodge about it. He said he reported everything he did to Mr. Hughes. Mr. Hughes did not seem to know very much about what he was doing, and did not even know that First Boston Corp. had become the financial agent.

Mr. Wenzell said he prepared memoranda from his discussions with various persons, including Mr. Hughes. Then he was asked this question:

In this February period that I mentioned earlier, this period that predated the February 25 proposal—

And a little later the question is:

Did you communicate that information with anyone?

Answer. I communicated it, I am sure, to Mr. Dixon and to Mr. Yates.

Question. Did you communicate it to the Bureau of the Budget?

Answer. I certainly did.

And a little later:

Question. At that time, as I understand your testimony, you were also performing as an official of the First Boston Corp. Is that right? You were not devoting full time to the work of the Bureau of the Budget?

Answer. That is right. I had many other duties.

Mr. President, that is some of the information we would like to have; and I think we should have cooperation in finding just what Mr. Wenzell did report.

Here is another question, appearing on page 797 of the SEC hearings:

Question. Did you see this letter before it was submitted to the AEC?

The letter being referred to was an important policy letter in connection with the Dixon-Yates contract.

He replied:

Yes; I saw it.

Question. And did you at the time discuss with Mr. Dixon and Mr. Yates the statement made in this paragraph which I have just read?

Answer. Let me amend my first answer. I think I saw it before it went in.

Then, on page 799, we find an astonishing statement. In connection with all of his work at the Bureau of the Budget, he was asked this question:

Did anyone else talk to Mr. Dixon and Mr. Yates from the First Boston Corp. at that time other than yourself?

Answer. I was the mouthpiece, as far as I know.

So he was being paid by the Government at the same time that he was the mouthpiece for the First Boston Corp., in talking with Messrs. Dixon and Yates. If Senators will examine the chronology, they will find that no meeting on March 2, 1954, is listed in it. But we have come across a memorandum of Mr. Tony Seal—Mr. T. G. Seal—of Ebasco Services, dated March 3, 1954, in which Mr. Seal, representing Ebasco, refers to Mr. McCandless, of the Bureau of the Budget; and Mr. Seal says, in the memorandum:

Those present at the Budget Bureau included Mr. Wenzell, Mr. McCandless, Mr. Schwartz, Mr. Warner, Mr. Pilcher, Mr. Donnelley, and Mr. Grahl and the undersigned.

That was a meeting with Mr. Seal, of Ebasco, who was doing part of this work or was arranging part of the contract for Dixon-Yates.

In the memorandum, at almost the end, Mr. Seal has this paragraph:

Following my visit with Mr. Cook—

Of the Atomic Energy Commission—

Mr. Wenzell rejoined me in our office about 5 p. m., when he had finished his day with the Budget Bureau people and told me that the memorandum had been finished and that Mr. Clapp, of the TVA, and General Nichols, of the AEC, and the Budget Bureau people were to get together today, March 3, in Mr. Hughes' office at 9 a. m. for further intragovernment discussions. We hope to hear how these discussions eventuate later today.

So on that date Mr. Wenzell was, at one and the same time, conferring with the Bureau of the Budget and conferring with Mr. Seal, of Ebasco services. Mr. Wenzell's presence at the conference was enough, in Mr. Seal's estimate, to cause him to put Mr. Wenzell's name first in the list of those present at the conference. This is discussed in the testimony; and we find that the important meeting of March 2 is discussed in the memorandum. Mr. President, I ask unanimous consent to have the memorandum printed at this point in the RECORD, as a part of my remarks.

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Is there objection?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MARCH 3, 1954.

Monday night, March 1, I went to Washington at the request of the Budget Bureau people and Mr. R. W. Cook, of the Atomic Energy Commission, to further discuss the recent proposal by Middle South Utilities and the Southern Co. to furnish 600 mw of power to TVA for the account of the AEC. Those present at the Budget Bureau included Mr. Wenzell, Mr. McCandless, Mr. Schwartz, Mr. Warner, Mr. Pilcher, Mr. Donnelley, and Mr. Grahl and the undersigned.

The discussion was largely a review of what had been presented on the preceding Friday, except that it was a little bit more extended because the Budget Bureau people were still concerned about the $200 of capital required per kilowatt of capability. Their comments were not critical so much as they represented an effort to get thoroughly posted on the reasons for the figures, anticipating an argument from TVA, etc.

It will be remembered that at the conference on the preceding Friday we made considerable of the point that TVA's investment figures for any of their powerplant projects did not include interest during construction, working capital, or transmission facilities, and this idea had been pretty

generally accepted. It had been accepted to the point that Messrs. Donnelley and others had worked up figures to show that interest, transmission, and working capital should probably be of a magnitude that would raise the TVA's $180 figure to $200. While this represented considerable of a concession, I pointed out that he was still computing his transmission investment on a purely incremental basis but that I would, of course, readily admit that we had done the same thing. I conceded that if TVA's transmission account were to be evaluated on a system average basis which it will tend to attain over the years, that his figure was too low. We also had some mild disagreement about the size of his fuel inventory, but I told him it was purely a matter of judgment, that we had thought to have inventories adequate for reasonable contingencies, including work stoppages, etc.

The Budget Bureau people had drafted a memorandum which I was permitted to look at in its early stages, which was to be presented to Mr. Hughes last evening on his return from some trip. They were dissatisfied with certain parts of the memorandum and that is why they had asked me to come down.

There was considerable discussion of the effect of the joint proposal on the cost of power and I gave them a memorandum, copy attached, of my concept of how the thing would work. This seemed greatly to clear the air because we had had considerable discussions on the telephone a time or two on Monday about the mechanism.

It was developed that the base price involved in the proposal of $2.73 per kilowatt-month for 693 kilowatt-hours compared with $2.49 for the same service from TVA at Shawnee at the TVA base rate, and that this is $2.88 per kilowatt-year and for 600 mw the increased cost to the AEC would be $1,728,000 per year, and that this compared with an immediate outlay of probably $120 million which the Government would have to make for a Fulton of comparable capacity with all charges included. I took the position that this was due to the additional capital required compared with Shawnee, although I had to admit that Shawnee's $145 per kilowatt did not include working capital, interest during construction or transmission investment. This did not seem to be regarded as too important, however.

Messrs. Schwartz and McCandless finally stated that notwithstanding all the detailed argument, the problem was what the impact of the program would be on the Government, and wanted to know if I had anything to say about that. I told him that to me it was quite simple; that the Government had to get up lots of money at once if they were to permit TVA to build Fulton, whereas under our proposal the amount of money the Government had to get up to pay us was such that it would take many years for them to reach it. Messrs. McCandless and Schwartz thought this was a good argument. One or two of the technical people thought that it should be recognized the interest factor might enter into it. Messrs. McCandless and Schwartz said it was a budget problem.

Upon completion of the foregoing discussions I was excused about 1 p. m. and asked to get in touch with Mr. Cook. I finally was able to do this about 3 p. m. and went to his office, at which place he said that he apparently had a lot of misconceptions about the proposal and would I be good enough to tell him exactly what we had in mind. I told him much of the same thing we had previously told the Budget Bureau people on the preceding Friday. Generally, it was that we had determined the capital requirements from a study made previously as a basis for a proposal to TVA for a lesser amount of power; that we had used the unit costs developed there; that we had no idea as yet of what the exact installation would be; that our figures included about $108 million for production facilities, about $7 million for transmission which was to be used for back-up standby purposes, and somewhere between $4 million and $5 million for working capital; that our annual price, exclusive of taxes, was about $16.04 per kilowatt-year. That I knew that the TVA base rate had already escalated some but that I did not know how much. I did know, however, that representations had been made to the Congress about a year ago at the time of the legislation for cancellation payments, to the extent of about 48 cents per kilowatt-year; and I made it as plain as I knew how that we expected to have the same words and figures in any contract we made with them for the energy charge portion of our rate. That we had no exact idea of how much coal would cost and, while we had investigated to some considerable extent, there was no precedent for the transportation and delivery of coal in the quantities we were thinking about in this area and that it would undoubtedly cost more than it did at Shawnee but that for obvious reasons we had stuck to a base rate.

Some considerable discussion was had about the installation again, and I reiterated that we had no idea what we were going to install but that there was obviously not enough money in the capital requirements we had set up to greatly exceed what was necessary to fulfill the offer to the Commission.

I was then told that they were able to get a very poor understanding of just how the thing would work from our proposal, and was asked what we had in mind and I thereupon gave them the same two sheets (attached) that were referred to above in connection with the discussions at the Bureau of the Budget. This seemed to clarify the matter for them. Mr. Myer was with Mr. Cook during this discussion. I had previously been told that the Budget Bureau had done week-end figuring in connection with the proposal and that some of the AEC people had been participating in the figures.

I did not attempt any arguments with Mr. Cook or Mr. Myer, but tried to confine myself to facts underlying our proposal and the concept upon which it has been put together. This can, of course, be briefly stated as one by which, from our study of the entire situation, the least capital and hence the least total cost would be imposed upon everybody concerned, having in mind the places where TVA needed power as against the places where they had it.

At both the Budget Bureau and at Mr. Cook's office I again, as emphatically as I knew how, when the question came up, took the position that the offer was for the AEC in the interest of all the things the AEC does, but was not to be construed in any way as an offer which we would make to the TVA.

Following my visit with Mr. Cook, Mr. Wenzell rejoined me in our office about 5 p. m. when he had finished his day with the Budget Bureau people and told me that the memorandum had been finished and that Mr. Clapp of the TVA and General Nichol of the AEC and the Budget Bureau people were to get together today, March 3, in Mr. Hughes' office at 9 a. m. for further intra-Government discussions. We hope to hear how these discussions eventuate later today.

A copy of this memorandum is being sent to Messrs. Barry, Dixon, and Yates.

T. G. SEAL.

I. TVA will continue delivery of 600 mw and accompanying energy to AEC at Paducah and AEC will:

A. Pay TVA for 600 mw of capacity by furnishing to TVA (by means of contract with new company) 600 mw of capacity at State line near Memphis.

B. Pay TVA for accompanying energy by—

1. Substituting energy to TVA from new company at Memphis for that amount of energy required by TVA load in Memphis area; and

2. At the present rate, in the present contract for the difference in energy furnished to AEC by TVA with 600 mw of capacity and the amount substituted in IB (1) herein.

II. New company will deliver 600 mw of capacity to TVA at Memphis and no less energy than specified in IB (1) and AEC will—

A. Pay new company for 600 mw of capacity.

B. Energy delivered to TVA in IB (1).

Example:

(a) Assume AEC load has a load factor of 95 percent.

(b) Memphis area load has a load factor of 65 percent.

(c) Present rate for AEC/TVA energy is 2.0 mills per kilowatt-hour.

(d) Rate from new company for energy is 2.0 mills per kilowatt-hour.

(e) Capacity rate for TVA to AEC is $1.10 per kilowatt-month.

(f) Capacity rate for new company is $1.34 per kilowatt per month.

Then—

	AEC bill for 1 kilowatt and 693 kilowatt-hours		
	New company	TVA	Total
Kilowatt-hours at 95 percent load factor	475	218	693
Rate for energy (mills per kilowatt-hour)	2.0	2.0	2.0
Energy charge	$0.95	$.44	$1.39
Capacity charge	1.34	0	1.34
Total	2.29	.44	2.73
Average rate (mills)	------	------	3.94

Mr. KEFAUVER. Mr. President, there is no record whatsoever of this important meeting in the chronology of either the Bureau of the Budget or the Joint Committee on Atomic Energy.

Mr. ANDERSON. Mr. President, will the Senator from Tennessee yield to me at this point?

Mr. KEFAUVER. I yield.

Mr. ANDERSON. I hope the Senator from Tennessee will not lose the memorandum, because it is the first tip-off that anyone named Wenzell was involved in the deal. This memorandum set off the whole chain of circumstances which eventually made it possible to find out that there was a "broker" in the deal.

So I am very happy the Senator from Tennessee has put the memorandum in the RECORD, so it may have some permanence there.

Mr. KEFAUVER. I thank the Senator from New Mexico. I have read the testimony before the Joint Committee on Atomic Energy, showing the tremendous effort made by the Senator from New Mexico and other members of the Joint Committee to learn who the "broker" in this deal was, but they never were able to find out. But the memorandum mentioning Mr. Wenzell happened to get around, and that was the "leak." However, since his name has been mentioned, the executive department has "clammed up." Mr. President, what do they wish to hide? I do not understand. If it was all right for Mr. Wenzell to be there, doing public service and at the same time carrying water on

both shoulders, so to speak—in short, taking a part in helping this official agency deal with the corporation, and also helping the corporation sabotage the TVA—why will not the Administration let the facts be known? I think the American people certainly are entitled to have the facts known.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the March 16, 1955, letter sent by the Director of the Bureau of the Budget, Mr. Hughes, to the Senator from Alabama [Mr. HILL]. The letter should be in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
March 16, 1955.

Hon. LISTER HILL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR HILL: On February 11, in response to your urgent request for an immediate reply that day, I wrote you concerning the consultative services of Mr. Adolphe H. Wenzell to the Bureau of the Budget. Although the condition and nature of Mr. Wenzell's services are set forth in that letter, supplementary information as to the period when his services were used has come to my attention and I am sending it to you to complete the record.

In addition to the services of Mr. Wenzell described in my letter of February 11, our records show that Mr. Wenzell attended, at our request, a few meetings between March 2 and April 3, 1954. Our records further show that these meetings were concerned with technical aspects of the proposal then being made by the Dixon-Yates group.

Sincerely yours,

ROWLAND HUGHES,
Director.

Mr. KEFAUVER. Mr. President, we have some remarkable evidence showing the extent to which Mr. Wenzell was used as the chief consultant and agent and negotiator for the Bureau of the Budget. Mr. Wenzell was questioned regarding a meeting held about the first of February. I read now from the testimony:

Question. Will you tell us how that meeting came about?

Answer. I think that was a meeting that was—I think my first meeting with Mr. Seal was in New York, and I think that was along, as I said, about the first of February, and I think it came about from a suggestion from Mr. Hughes and Mr. Dixon to meet with some other people in Mr. Dixon's office. I think that time it was Mr. Seal and possibly Mr. Canaday. I think that was the first meeting I had with Mr. Seal. I think that was the origin.

Question. And at that time, at that meeting, were you representing the Bureau of the Budget?

Answer. Yes, sir.

Question. Was the Dixon-Yates proposal discussed at this meeting?

Mr. President, that question was objected to, and apparently the objection was sustained.

That meeting is not recorded in the chronology; I refer to the meeting held when Mr. Wenzell was sent to meet, in New York, with Mr. Seal and Mr. Dixon.

A very unusual thing comes about in connection with the fee to be obtained by the First Boston Corp. The First Boston Corp. acted as the financial agent in the so-called OVEC financing, in which a number of companies got together and built a plant for furnishing electric energy for the atomic energy installation at Portsmouth, Ohio. For that they were paid a fee of $150,000.

Mr. Wenzell says in his testimony that when he came down here first he would not have expected the First Boston Corp. to have received compensation. But, Mr. President, the man he had working for him, Mr. Miller, said that he wanted First Boston to get the business. In testimony before the Arkansas Public Service Commission at Little Rock, Ark., Mr. Canaday, who is an officer of Dixon-Yates, testified that the First Boston Corp. and Lehman Bros. helped a great deal and did considerable work for them, and would probably be paid a fee in connection with the loan.

It is a remarkable fact that after this transaction had been going along for quite a long time on the assumption that they were going to get a fee, as late as May 11, 1955, suddenly, when Mr. Wenzell's identity is finally evolved, there is a decision by Mr. Wenzell and his group apparently not to take a fee. I do not think that makes any difference under the criminal code. If they are working for the Government and, at the time they are doing their work, in the beginning or at any other time, if they expect to be compensated by, or are doing some work for a corporation in which they are interested, and which expects to get some business, and if at the same time they are being paid by the Government, there is likelihood that they have violated the criminal code. I am amazed that after this possible or probable violation of the criminal code came to notice nothing was done about it except to conceal the facts.

On page 851 of the testimony before the Securities and Exchange Commission, Mr. Wenzell was asked:

Now, reference has been made in the evidence as to meetings which you attended. Did you attend any meetings with Middle South representatives or Southern representatives, including personnel of Ebasco, other than at the request of the Bureau of the Budget?

Mr. Wenzell replied:

I did not.

Again, with respect to the meeting of March 2, which is not in the chronology, there is a long colloquy about Mr. Hughes directing Mr. Wenzell to attend that meeting.

We also have another person in this transaction, a Mr. Paul Miller. Mr. Miller is an employee of the First Boston Corp. and an expert on bond financing. Apparently after Mr. Wenzell got down here, in his dual capacity, he called Mr. Miller to come down to be his associate. Mr. Miller was not employed by the Federal Government. He was employed by First Boston Corp.

What did Mr. Miller do? Mr. Miller attended meetings at the Atomic Energy Commission. He attended meetings at the Bureau of the Budget. He was kept fully informed on the progress of the transaction. He expected First Boston Corp. to get the business. He testified to these things before the Securities and Exchange Commission.

He was asked:

Had you anticipated prior to that time that First Boston would get the business?

Answer. I certainly had personally hoped so.

Question. State whether or not you felt that your working with them would lead to getting the business.

Answer. I cannot state how I felt. I certainly hoped it would be. We were all going in the same direction.

What kind of situation is this, in which an agent trying to get business for his bonding house can come to Washington and attend secret meetings of the Atomic Energy Commission, with Admiral Strauss, discussing the Dixon-Yates contract, and also attending meetings with the Bureau of the Budget? That is not mentioned anywhere in the chronology. That is certainly information which the public and the Senate are entitled to have.

Mr. President, this is the fifth unusual procedure in connection with this contract.

The first unusual precedent, which has never been heard of in Government before—and Mr. Hughes so testified—was that the President ordered an independent agency, over its objections, to negotiate a specific contract. Mr. Hughes said there was no precedent for it. He had never heard of it being done before. Particularly there is no precedent for it if it is accomplished against the consent of the director of the independent agency, which was the case here.

The second unprecedented action of the President in this matter was specifying a particular firm to get the contract, without competition. It will be remembered, from this record, that the Director of the Bureau of the Budget was ordered to have the Atomic Energy Commission negotiate, not with a group of people, but with one outfit, Dixon-Yates. That is unprecedented.

The third unprecedented feature is that the President dictated the terms of the contract as set forth in the memorandum of the hearings.

The fourth is that he ordered complete tax reimbursement. The Government was to completely reimburse the contractor for all taxes.

The fifth unprecedented feature is that, after we start digging into the facts, there is a coverup of the activities of a very important person. There is a coverup with respect to certain important meetings. The Chairman of the Joint Committee on Atomic Energy is denied certain information. A subcommittee of the Senate Committee on the Judiciary is denied certain information.

Mr. President, these five things are unprecedented. Apparently this concealment is with the consent of the President. The letter shows that Mr. Hughes has talked with him about it. I do not know where the idea came from, but I know that his newspaper release of August 18, 1954, cannot be reconciled with the facts of this particular transaction.

Mr. President, it is a strange thing that Mr. Hughes should invite people to come and get the facts, but that when the committee staff, headed by a capable

lawyer, goes to the Bureau to get the facts, they should be denied the facts. It is a strange thing for the press to be invited to get information, but to have the information denied to a committee of Congress. It is a strange thing that we should hear a great deal of talk about putting all the cards on the table, and then find strenuous efforts made to prevent the facts from being revealed.

I hope the appropriate committees of Congress will appreciate the fact that in this matter there has been a great deal of blowing hot and cold. I have seen enough of it to know that this is an effort to conceal and to hide and to prevent disclosure of pertinent information, and it is further evidence of the fact that we have not yet obtained all the information.

Sooner or later all the information is going to come out, in one way or another. I hope the committees of Congress, who have the great responsibility of deciding whether this contract, which has been commenced in iniquity and fostered in a very unusual and unfair manner, shall be continued; and I hope that the committees will be on notice that there is information about this matter which will have to be brought out and which they ought to know, and that it is very difficult to legislate on this matter without having all the information about it made available. Certainly the committees do not want to be a party to furthering something that must be hidden and concealed.

Mr. President, it is the determination of the subcommittee to do our very best to get the facts, notwithstanding the fact that an effort is made to close the door in our face.

We had Mr. Hughes before the subcommittee for an hour and a half or 2 hours yesterday. He said he could not appear before the committee very long, and for that reason we did not finish with his testimony. He said he had engagements for all of this week during the daytime. Therefore we expect to hold some night sessions of the subcommittee, in order to have Mr. Hughes appear before the subcommittee to give us the information we want.

The withholding of information is making it very difficult, but I am certain that the public will demand a full disclosure. I know that the Members of the Senate, before they pass judgment finally on this issue, will want to have a full disclosure of all the facts. We certainly invite the cooperation of all interested Senators and committees in helping us to secure the information.

Mr. President, I yield the floor.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

Mr. ANDERSON. Mr. President, the bill before the Senate, H. R. 6795, is the first measure presented to the Congress for the specific purpose of authorizing appropriations to the Atomic Energy Commission for acquisition or condemnation of real property, or for plant or facility acquisition, construction, or expansion.

It will be recalled that last year the Atomic Energy Act of 1946 was revised and many new statutory provisions added thereto. One of the additions modified the Atomic Energy Commission's authority to request appropriations and reads in part as follows:

> SEC. 261. Appropriations.—There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act except such as may be necessary for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion.

The purpose of this added language—the exception clause—was, as set forth in the report accompanying this bill, to require the Commission to "obtain congressional approval of new construction or expansion of its plants."

Prior to last year's revisions of the Atomic Energy Act of 1946, the Atomic Energy Commission had general authority to seek appropriations for the acquisition of land or the construction of new facilities as it deemed necessary.

The appropriating committees of both Houses have done a diligent job since 1946 in reviewipg programs and appropriating the necessary money for operating expenses as well as for plants and equipment. These funds have made it possible for this country to remain strong in the field of atomic energy.

In revising the act last year, it was deemed advisable to give the Congress additional control of the Commission's program by adding a provision which requires the joint committee to initiate authorizing legislation for plant and facility items for the AEC, just as the Military Affairs Committees do for the Department of Defense.

Thus we now have the statutory committee, which is in possession of detailed and current knowledge of the entire field, passing upon the programmatic aspects of the Commission's proposed budget for new endeavors and for expansion and replacement, and thus certifying to the appropriating committees, as is done in the case of the military, that the programs are essential.

Starting with a $2 billion production system inherited from the Manhattan Engineer District, the wartime atomic energy agency, it is understandable that the Commission, of necessity, had to feel its way for several years. This, in turn, made difficult the accurate forecasting of construction needs in a rapidly changing program such as atomic energy. Among the many problems confronting the Commission during those early years was that of keeping this Nation strong in nuclear weapons and trying to anticipate the future trend of international affairs in order to judge how much effort could be devoted to the peacetime development of atomic energy. It is basic to our democratic system to desire that this great new source of energy should be directed toward peaceful applications. In this respect a remarkable job has been done in making progress on a very wide front encompassing both the national defense needs and the many peaceful applications of atomic energy.

During past years, as the dual program of the AEC unfolded, the appropriating committees have seen fit to place certain restraints or limitations upon the money appropriated for the Atomic Energy Commission's use. These limitations have served effectively in controlling expenditures.

In H. R. 6795 we have legislation which combines the best features of the experience gained during these past years in dealing with the Commission's financial operations while at the same time providing for the necessary flexibility to permit rapid progress in all the varied and essential programs which the Commission needs to continue or deems advisable to undertake.

The joint committee, and its authorizing legislation subcommittee, has considered the items in this bill at great length. The Commission has testified in detail on each of the items which appear in this bill. It is the considered opinion of the joint committee that they all are essential to a well-rounded and forceful program for the development of atomic energy. An examination of the bill will reveal that there are roughly as many projects for peaceful applications of atomic energy as there are items for expediting the military phase of the Commission's programs. I, therefore, can state unequivocally that this legislation authorizes a sound and adequate program.

Senators will note that this bill consists of five sections, the first of which, section 101, lists by item the various construction projects for which authorization is sought. Each of the items carries an identification number. This feature is somewhat new to this type of legislation, but the joint committee felt it desirable to number projects authorized in order to facilitate its future review of the Commission's activities and accomplishment.

Some of the items, it will be noted, are for completely new plants or production facilities while others are additions or modifications to existing plants or facilities for the purpose of continuing programs already underway. An example of the latter category are two items for construction of additional buildings and equipment to facilitate development of aircraft nuclear reactors.

The joint committee has considered each of these items as to their individual importance and as to their essentiality to the overall program. It has not endeavored to establish a hard and fast monetary value for each of these programs, except to set upper limits, but leaves the final consideration of this matter to the responsible appropriating committees of both Houses.

The second section of this bill, section 102, sets forth certain restrictions, deemed advisable by the joint committee, to limit the authority which this bill seeks to give the Atomic Energy Commission for requesting appropriations. These limitations are a combination of

the best features of restrictions contained in previous appropriation bills plus others which the joint committee thought advisable.

It will be recalled that in the previous fiscal year, the Commission was authorized to start construction on all of its projects if, at the time the project was initiated, the estimated cost thereof did not exceed by 35 percent the original estimated cost when the budget was presented to the Congress.

The scarcity of materials and the crash nature of some of the Commission's earlier programs were such that cost estimates were more often than not highly unrealistic and the Commission therefore needed and was given considerable flexibility.

The joint committee now feels, however, that this agency has matured to the point where most of its programs can be anticipated sufficiently far in advance for the preparation of detailed engineering drawings and more accurate cost estimates. Therefore, it has set forth in this bill three categories of construction items which have different degrees of financial flexibility.

The first group, which has been given a leeway of 25 percent—10 percent less than last year—contains projects which the committee feels have enough elements of uncertainty so as to make this degree of flexibility desirable. The second category carries a limitation of 10 percent deviation. Into this group fall the more or less conventional type of building and research equipment for which estimates should be quite accurate and for which only a nominal amount of flexibility needs to be provided. In the third category, which allows no deviation from estimated cost, is the access roads program in the Colorado Plateau area. This is such a routine construction job that no flexibility was deemed necessary.

The pending bill provides authority to request funds for all of the items requested by the executive department except one, and that is the $21 million for construction of a reactor for a nuclear-propelled cargo ship. This request was submitted with no advance notice after hearings had been started by the subcommittee on the original group of construction items.

Testimony received from the best technical authorities on the subject furnished the committee with convincing proof that the proposed propulsion system for the cargo ship—which utilizes a reactor of the type installed in the submarine *Nautilus*—is not the most efficient or desirable for accomplishing this very worthwhile purpose.

The testimony which convinced the joint committee on this point was to the effect that construction of this reactor, which is a copy of one already built, will not advance the art of reactor development one iota and will divert technicians and production facilities from more urgent and worthwhile work. At the same time, it would be an uneconomical use of valuable nuclear fuel.

After a full review of the matter, it was the concensus of the joint committee that better means were available to accomplish the same end. For this reason, the committee voted to eliminate this item.

Agreeing that this construction of an economically justifiable, atomically propelled cargo ship was desirable, the committee urges the Commission and the executive department to accelerate an already active program which was initiated months ago to develop a new and more efficient reactor powerplant for a large surface ship. This development envisions the use of multiple reactors, components of which would be suitable for installation in a cargo-type ship. The committee has been assured that this is feasible and that the amount of time which would be lost in awaiting the final testing of such a powerplant would be nominal, and that a more economical and much more highly developed propulsion system would be available for merchant ship use if this course is followed.

I, therefore, want to make it abundantly clear that a majority of the committee is not opposed to the basic idea of building an economically sound, nuclear-propelled merchant ship. It believes that in emphasizing the program identified as item 56–b–3 in section 101 this country can produce a really economic and convincing example of America's advance position in the peacetime application of atomic energy.

To assist the executive department in its program to demonstrate the American desire to exploit the atom for the benefit of mankind, the committee added an item identified as project 56–g–7 in section 101 of the bill. This item seeks authorization for an appropriation of $5 million to be expended in furtherance of the President's recently announced plan to provide scientific- and medical-type reactors to those nations which are willing to enter into bilateral agreements for cooperation. This amount of money would provide about 20 swimming-pool type reactors to recipient countries who will agree to finance half the cost thereof. By unanimous vote, the committee is happy to cooperate wholeheartedly in assisting the carrying out of this desirable program. This is the only item in the bill that has not been officially approved by the Budget Bureau.

Section 103 of this bill authorized the Commission to make use of funds available to it for advance planning for new buildings and projects. The committee feels that the Commission should have this authority so that it can make necessary plans to replace plants and equipment which become obsolete quite rapidly in the fast-moving business of atomic energy, and also to be prepared to put into production new materials and weapon designs as rapidly as they may be needed. This authority would permit the Commission to obtain the necessary architect and engineering services to prepare preliminary plans from which accurate cost estimates can be made. It would also save the Commission much time in getting construction underway on a competitive-bid basis if such projects were subsequently authorized, and will lead to closer estimates of final cost.

Section 104 of this bill provides the Commission with authority to utilize any money available to it to initiate replacement of or repair to any of its plants or equipment which might become damaged or completely destroyed in the event of a catastrophe.

Section 105 of the bill authorizes the appropriation of such funds as may be currently available to the Commission for the purposes of carrying out this act. It will be noted that this authority is in addition to that which is sought under section 101 of this bill. The purpose of this section is to permit the Commission to utilize money which it might have available as a result of economies in the construction of authorized projects.

Section 106 provides for the transfer of money authorized by this bill for a given project to another project provided that the substitution meets very precisely defined conditions and that the Commission will certify that such a substitution is essential to the common defense and security of the United States. Under this section the project substituted must not exceed the cost of the authorized project for which it is being substituted. Further, the substitution must be brought about by changes in weapon characteristics or logistic operations. Finally, the Atomic Energy Commission must certify that it is unable to enter into a contract with any person, on terms satisfactory to the Commission, to furnish from a privately owned plant or facility the product or services to be provided by the new project.

The joint committee recognizes that in the rapidly developing technology of atomic energy, particularly in the military applications thereof, the Commission needs some flexibility. It is for this purpose and after full consideration that the joint committee decided to recommend this flexibility so that the Commission will be enabled at all times to meet its program goals, and at the same time afford a closer control to the Congress on the initiation or modification of construction, acquisition or expansion of plants and facilities.

I therefore earnestly urge the passage of this bill so that the necessary request for authorization can be made by the Atomic Energy Commission, and it may then go forward without any delay with its important programs.

Mr. JOHNSON of Texas. Mr. President, on behalf of the distinguished minority leader and myself, I send to the desk a unanimous-consent agreement, which has been cleared with the distinguished chairman of the Joint Committee on Atomic Energy and with the ranking minority member. I ask that the proposed agreement be read.

The PRESIDING OFFICER. The Secretary will read the unanimous-consent agreement.

The Chief Clerk read as follows:

Ordered, That, during the further consideration of the bill H. R. 6795, to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*,

That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection?

Mr. HICKENLOOPER. Mr. President, I should like to address a question to the majority leader. I have an amendment, which I intend to offer. I would not be precluded from offering it by the unanimous-consent agreement, would I?

Mr. JOHNSON of Texas. Oh, no.

The PRESIDING OFFICER. The unanimous-consent agreement does not preclude the offering of amendments.

Is there objection to the unanimous-consent agreement? The Chair hears none, and the order is entered.

Mr. ANDERSON. Mr. President, I have an amendment at the desk which might be stated at this time.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The CHIEF CLERK. On page 3, line 11, after the comma following the word "Tennessee", it is proposed to strike out "$750,000" and to insert in lieu thereof "$2,200,000."

On page 1, line 4, after the words "the sum of", strike out "$267,709,000" and insert in lieu thereof "$269,159,000."

The PRESIDING OFFICER. If there is no objection, the amendments will be considered en bloc.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. As I understand, under the unanimous-consent agreement the proposer of an amendment has 30 minutes, the time to be controlled by the mover of the amendment and the majority leader.

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. I am in favor of the amendment, so the distinguished minority leader will control the time against the amendment. I have told the distinguished Senator from Delaware [Mr. WILLIAMS] that I would yield him 10 minutes, and would yield 1 minute to the Senator from Maryland [Mr. BUTLER].

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Maryland.

ATTEMPTS TO SCUTTLE THE AMERICAN MERCHANT MARINE

Mr. BUTLER. Mr. President, even a policy of moderate internationalism, while hopefully intending to fortify the community of free nations, can at the same time unwittingly erode some of the most sensitive foundations of our industrial and economic structure. This unfortunate condition was brought sharply into focus last week when a two-forked attack was directed at legislation which would reserve for American shipping at least 50 percent of all Government-purchased or Government-financed cargoes.

Today, in the House, the recommendation of the House Foreign Affairs Committee to eliminate this vital provision is being debated, and I therefore ask unanimous consent, Mr. President, to include in the body of the RECORD a statement which I made to the press on Saturday, June 25, 1955.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

If the House of Representatives wants to scuttle the American merchant marine, it could not have devised a more destructive time bomb than to abolish the 50–50 cargo preference.

Congress has decreed that the protection as guaranteed by this provision was essential to preserve our merchant marine in a healthy state in order that it might survive unfair and cheap-labor foreign competition. Now the House Foreign Affairs Committee, in reporting out the Mutual Security Act of 1955, proposes to remove this fundamental security. If this action is endorsed by the Congress, it will be a body blow to American shipping.

As coauthor of the 50–50 cargo-preference legislation, known as the Butler-Tollefson bill, enacted by the Congress last year for the purpose of preserving the American flag on the high seas, I fear that the American merchant marine is being placed on the sacrificial block in our haste to dispense our surplus agricultural commodities and benevolence abroad. This latest development assumes greater incredibility when it is recalled that the Department of Agriculture, in May of 1954, specifically stated that it had no interest in the Butler-Tollefson measure.

Now, 13 months later, it is alleged that dispatching of surplus commodities, from the vast storage accumulated at great expense to the American taxpayers, has slackened through the unavailability of United States vessels. This is an assertion which in my considered judgment is open to grave question. Within the past 6 months, following extensive hearings conducted by the House Merchant Marine and Fisheries Committee, at which all interests were represented, it was concluded that the 50–50 provision did not, in any way, deter the effective disposal of surplus commodities. Furthermore, the Maritime Administration accepted the function of notifying other governmental agencies as to any fluctuations in the availability of American bottoms with the view that foreign vessels could be utilized in the event of shortages.

It is unfortunate, at best, that the House Foreign Affairs Committee, did not give weight and credence to these earlier detailed and objective considerations of a matter so basic to the maritime and shipping industries of our country. Regardless of their motives or intentions in recommending the removal of the 50–50 reservation for American-flag shipping, one can only assume that the members of the committee did not realize the real significance and magnitude of the problem.

Were this recommendation to be sustained by the Congress, American shipping would suffer another 25-percent loss in cargoes. Contrasted with the fact that our own ships now carry a meager 29 percent of our own cargoes, further privation could only be alarmingly disastrous. Also, it cannot be argued that American shipping would be denied only infinitesimal tonnages through the elimination of the 50–50 shipping clause, from the $3.4 billion mutual aid bill or, if passed, about 75 percent of all foreign aid and agricultural commodity shipments would be transported in foreign ships.

Maryland, and particularly Baltimore, is vitally affected in this matter. We have an important port in Baltimore, and we have large shipping activities which will most assuredly suffer from unfair competition from foreign shipping subsidized by American assistance funds. It is indeed ironical that United States funds are granted to build foreign shipping to compete unfairly with American shipping, and then to add insult to injury every reasonable protection devised to cushion our own industry against such United States financed competition is removed.

Congress must defeat this disgraceful plan to scrap the 50–50 provision. Realistic judgment, rather than ill-conceived expediency, must prevail. If not, full responsibility for scuttling the American Merchant Marine must be assumed by those in Congress and elsewhere who seem bent on the destruction of our fourth arm of defense and an essential segment of our peacetime national economy.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Delaware [Mr. WILLIAMS].

LOOPHOLES IN RETIREMENT LAWS

Mr. WILLIAMS. Mr. President, on previous occasions the Senator from Kansas [Mr. SCHOEPPEL], and I have called to the attention of the Senate certain loopholes in our retirement laws. Today, on behalf of the Senator from Kansas [Mr. SCHOEPPEL], and myself, I am reporting on four other cases wherein the individuals involved found a way to beat the Government retirement systems.

Contrary to what many people think, all Government employees are not under the same retirement system; in fact, the Government has over 20 different systems with various formulas under which Government employees can qualify. For a long time I have been advocating their consolidation.

In enacting Public Law 730, 84th Congress, Congress did partially correct these loopholes; however, loopholes such as I am calling attention to in these four cases today will never be effectively corrected until such consolidation has been arranged along with the adoption of a formula wherein employees will be given credit only for that period of Government service during which they made contributions according to the standard formula provided in the law.

The four cases are as follows:

CASE NO. 1

The individual's employment record prior to the manipulation is:

February 21, 1917, to September 24, 1919, Agriculture Extension Service.

February 1, 1922 to June 30, 1941, Agriculture Extension Service.

July 1, 1941, to December 22, 1950, Tennessee Valley Authority.

Had he retired at this point he would have been eligible for annual retirement benefits in the amount of $1,400.20 per year. However, he had a friend in the appropriate place, and instead of retiring with this annuity of $1,400.20 as most other employees would expect to do, he began certain maneuvers.

First, he withdrew from the Tennessee Valley Authority retirement system all his contributions in the amount of $5,632.41 plus interest of $501.68, or a total refund of $6,134.09.

Ten days later, on January 1, 1951, he was given a new appointment as Acting District Agent of the Extension Service, whereby he automatically became eligible to register under the regular civil-service-retirement system.

He held this position just 3 months, or until March 31, 1951, during which time he contributed into the civil-service-retirement fund a total of $64.04.

He then on April 1, 1951, retired under the civil-service retirement system claiming credit for all previous Government service, but the law did not require any restoration of the $6,134.09 previously withdrawn as contributions for his past service. His retirement benefits at this time, however, instead of being $1,400.20, were $3,612 per year.

Summarizing this case, the man withdrew from one Government retirement system $6,134.09, paid $64.04 into another, and hiked his retirement credits from $1,400.20 to $3,612, all with 3 months of maneuvering. This represents a 250 percent increase in his retirement benefits and a windfall of over $6,100.

CASE NO. 2

The early employment record of the second individual is:

September 17, 1891, to November 24, 1903, Post Office Department.

September 6, 1918, to February 23, 1919, Department of Labor.

September 26, 1923, to May 31, 1925, Department of Justice.

He was not under any retirement system and made no contributions to any retirement system during any of this service.

On August 1, 1953, then being at the age of 85, he was appointed as a staff member of a congressional committee at a salary of $619.83 per month, which position he held for exactly 1 month, retiring on August 31, 1953.

During this 1-month employment period he registered under civil service retirement and made a contribution of $37.19.

After this 1-month's employment he retired, claiming credit for all previous Government service but not making any back contributions, and as a result he was awarded an annual annunity of $720 a year.

CASE NO. 3

The early employment record of this individual is as follows:

October 1, 1900, to February 28, 1913, letter carrier, Post Office Department.

During this period he was under no retirement system since the Civil Service Retirement Act was not enacted until May 22, 1920.

January 3, 1939, to January 2, 1949, Member of Congress.

While serving as a Member of Congress he came under the congressional retirement system, and being of retirement age when his service ended on January 2, 1949, he filed for retirement benefits effective February 1, 1949, being eligible at that time to draw an annuity of $2,625, based solely upon his 10 years of service as a Member of Congress.

However, he was not satisfied with this, and in the meantime, on January 3, 1949, the day following his termination as a Member of Congress, he was appointed as a clerk to another Member of Congress at a salary of $2,189 per year, which position he held for exactly 28 days, during which time he elected to come under the regular civil service retirement system. His total contribution from his 1 month's salary to the civil service retirement fund was $10.22.

The sole purpose of this 28-day employment as a clerk to a Member of Congress was to qualify him under the regular civil service retirement fund, thereby making it possible for him to retroactively claim credit for his previous Government service other than as a Member of Congress, even though contributions had not been made to cover that period.

Effective February 1, 1949, he resigned from this latter position and filed for additional retirement credits under the civil service retirement system, claiming credit for his previous 12 years and 5 months as a letter carrier as well as for the 28 days as a clerk to the Member of Congress, whereupon he was awarded a second annuity in the amount of $444 per year. This $444 was in addition to the $2,625 he would draw from the congressional retirement system.

Thus, in this instance we find that this former Member of Congress, with a contribution of only $10.22, boosted his annual retirement annuity by $444.

CASE NO. 4

The early employment record of the fourth individual is as follows:

February 2, 1914, to June 30, 1917, Extension Service.

June 1, 1928, to September 7, 1933, Extension Service.

September 1, 1933, to May 15, 1952, TVA.

May 15, 1952, position abolished.

May 15, 1952, to May 15, 1953, served with TVA under a personal service contract.

May 15, 1953, resigned.

On that date—May 15, 1953—by leaving all his contributions in the fund he would have been eligible for retirement benefits under the Tennessee Valley Authority retirement system in the amount of $3,150.52.

Instead of retiring under that system, however, he too decided to do a little manipulating. First, he elected to withdraw all his contributions to the previous retirement systems and thereby received a check in the amount of $12,701.72, plus the accumulated interest of $2,132.88, making a total refund of $14,834.60.

Thirty days later, on June 15, 1953, he received a special appointment to the Extension Service, which position he held until October 1953, during which time he filed under the civil service retirement system, making a contribution of $136 from his salary.

He then made a deposit with the civil service retirement system of an additional $11,505 representing partial payments for prior Government service.

At the end of October 1953, he again resigned and retired at an annual annuity of $3,948 plus a survivorship annuity of $2,148 for his wife.

Thus we have this situation: This employee withdrew from one Government retirement fund a total of $14,834.60, then paid into another Government retirement system a total of $11,641, leaving him a cash windfall of $3,193.60, and by so doing increased his personal retirement benefits from $3,150.52 to $3,948 and gained in addition a survivorship annuity for his wife in the amount of $2,148.

In calling these four cases to the attention of the Senate it should be pointed out that these manipulations on the part of these Government employees, whereby they collected substantial refunds and at the same time pyramided their retirement credits, could not have been possible without the full knowledge and cooperation of the top officials of the agencies, congressional committees, and Members of Congress involved.

Again the Senator from Kansas [Mr. SCHOEPPEL] and I appeal to the Senate Post Office and Civil Service Committee and to the Civil Service Commission to join in recommending the necessary legislation to effectively close these loopholes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 666. An act to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia;

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes;

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum;

H. R. 968. An act for the relief of Max Kozlowski;

H. R. 3005. An act to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals and by extending the authority to require the special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes; and

H. R. 4549. An act for the relief of John J. Braund.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 28, 1955, he presented to the President of the United States the following enrolled bills:

S. 666. An act to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia;

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; and

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

AUTHORIZATION OF APPROPRIATIONS FOR THE ATOMIC ENERGY COMMISSION

The Senate resumed the consideration of the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, the time for the quorum call to be charged to the time allotted to me on the amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. I am prepared to yield back the time controlled by me in opposition to the amendment, because I am not opposed to the amendment.

Mr. ANDERSON. Mr. President, I merely wish to make a short statement relative to the amendment, which pertains to an addition to the Oak Ridge, Tenn., barrier plant.

I have discussed the amendment with the distinguished senior Senator from Iowa and other members of the committee. We are all in agreement that the increase is justifiable.

The amendment has been requested by the Atomic Energy Commission, and is justified by extensive tests recently completed after the committee's hearings, which show that this expenditure will result in substantial increases in the output of U–235, as well as in important increases in plant efficiency.

The original item of $750,000 for this purpose was presented to the committee at a time when test results were not final. The AEC thought then that improvements might be made to the plant by a different but more complicated device requiring a longer time to produce and install.

Fortunately, the device now decided upon lends itself to rapid production and installation in the Oak Ridge production facilities, so that the increased production of U–235 can begin to be realized by the end of this year if the amendment shall be accepted, and the necessary increased funds made available to the Commission.

I need not remind the Senate of the vital part U–235 plays in our national defense program, as well as its essentiality as a nuclear reactor fuel. Every extra kilogram we can produce is immediately reflected in an increase in our military posture and also in our ability to expand the peacetime uses of atomic energy.

Based upon detailed classified information supplied the joint committee, I can state that this increased expenditure is a good investment. It will pay large dividends in increased production of U–235 all out of proportion to the cost thereof.

I urge, therefore, that the amendment be adopted.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the senior Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, there is no disagreement, so far as I know, over the amendment offered by the junior Senator from New Mexico. I think the committee is united in its position that the amendment is worthwhile, and should be adopted. It will result in increased Uranium–235 production.

The actual processes and equipment to be fabricated and installed with funds authorized to be appropriated by the amendment are highly classified and cannot be discussed on the floor of the Senate. I can assure the Senate, however, that the competent technical personnel of the Atomic Energy Commission have informed the committee that the new developments are highly desirable and technically sound.

I support the amendment and urge its adoption.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time on the amendment.

Mr. ANDERSON. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing en bloc to the amendments offered by the junior Senator from New Mexico [Mr. ANDERSON].

The amendments were agreed to.

Mr. HICKENLOOPER. Mr. President, I call up my amendment, which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the senior Senator from Iowa will be stated.

The LEGISLATIVE CLERK. On page 2, after line 20, it is proposed to insert the following new subsection:

11. Project 56–b–11, design, construction, and installation of a reactor facility and auxiliary facilities and equipment to provide power for a merchant ship, $21,000,000.

On page 1, line 4, it is proposed to strike out "$269,159,000" and insert in lieu thereof "$290,159,000."

Mr. KNOWLAND. Mr. President, will the Senator from Iowa yield to permit me to ask that the yeas and nays be ordered, so that all Senators will be on notice with respect to the amendment?

Mr. HICKENLOOPER. I yield.

Mr. KNOWLAND. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that, without the Senator from Iowa losing his right to the floor, there may be a quorum call, the time for the quorum call to be charged to neither side.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without the time for the quorum call being charged to either side, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. JOHNSON of Texas. Mr. President, reserving the right to object, I should like to ask the minority leader if my understanding is correct. The pending amendment is the Hickenlooper amendment, on which the yeas and nays have been ordered, and 30 minutes are allowed to each side on the amendment. Therefore, 1 hour from now, if all the time is used, there will be a yea-and-nay vote on the Hickenlooper amendment. Is that correct?

Mr. KNOWLAND. The Senator is correct. It is possible that some time may be yielded back, so that a vote may come sooner than that.

Mr. HICKENLOOPER. Mr. President——

The PRESIDING OFFICER. Just a moment, please. The Senator from Texas reserved the right to object to the rescinding of the order for a quorum call.

Mr. ANDERSON. Mr. President, the Senator from Texas is willing to withdraw his objection.

The PRESIDING OFFICER. Without objection, the order for the quorum call is rescinded.

The Senator from Iowa is recognized.

Mr. HICKENLOOPER. Mr. President, I yield myself such time as I may need within the 30 minutes available. It will probably be 10 minutes, but I cannot be certain.

Mr. President, I understand the amendment as read at the desk is technically two amendments. One is the amendment proposing the authorization of $21 million for the design, construction, and installation of a reactor facility and the auxiliary facilities and equipment to provide power for a merchant ship.

The second part, which I originally assumed was a part of the same amendment, must be considered as a different amendment. All it does is to increase the amount of the total authorization by $21 million, if the first part of the amendment is adopted. It will be necessary, if the first part of the amendment is adopted, to ask unanimous consent that the second part of the amendment be adopted as a conforming amendment.

Mr. KNOWLAND. Mr. President, might not the procedure be better if unanimous consent were obtained to have the amendments considered en bloc, and let them rise or fall together?

Mr. HICKENLOOPER. It is satisfactory to me to have them considered en bloc, so that they may rise or fall together, but I had understood the proper procedure to be to have them considered separately.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the amendments of the Senator from Iowa be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HICKENLOOPER. Mr. President, on April 25, 1955, the President announced that the Atomic Energy Commission and the Maritime Administration were developing specifications for the construction of a nuclear-powered merchant ship. He said he would shortly thereafter submit a request to the Congress for the necessary authorization of

funds to carry out the project. The request has been submitted.

I shall not take very much time, Mr. President, for I think all Members understand what the amendment proposes to do. The Joint Committee on Atomic Energy considered the request for the authorization of an appropriation of $21 million for the construction of an atomic powerplant to be installed in a merchant-ship-type hull. That amount does not include the cost of the hull.

I understand that in the House of Representatives, Representative PATTERSON has introduced a bill providing, among other things, for the construction of at least 1 hull of this type, and authorizing an appropriation in the amount of $12,500,000.

Mr. President, at the very outset I wish to say that the atomic powerplant which is proposed to be installed in this merchant-ship hull will cost more to operate than will a conventional powerplant, and will cost more to build than will a conventional powerplant.

Stated simply, this proposal, if carried out, will mean that the United States has launched upon perhaps one of the most important and one of the most far-reaching programs in which we have ever engaged, in attempting to convince the world that the atom can be used and will be used by the United States for peaceful purposes.

Granted that $21 million for the powerplant is much more than the cost of a conventional powerplant in a ship, and granted that it will cost more per hour or per day to operate an atomic powerplant in a merchant ship; but it will be designed to show the people of the world that the United States is preeminent in the peaceful use of atomic energy, and is therefore proposing to use a powerplant which although it will cost more than the ordinary powerplant, will demonstrate that there is a practical use for atomic energy—a use which they can see and can observe in action. It is entirely conceivable that we can use many other means of showing this to the people of the world.

This ship will be a cargo ship, and it will have utility; for it can carry American products to foreign ports; or, if that is desired, it can be used—and I refer now to the ship's atomic-energy powerplant—to generate electricity in foreign ports. When the ship enters a foreign port, those in charge of the ship can be instructed to disconnect the atomic powerplant, and to hook it up with the electric powerplant of the city or port, and then light at least certain portions of the city, thus showing the people living there that the United States is pioneering in and is the leader in the peaceful use of atomic energy.

As a propaganda weapon for good and to demonstrate the peaceful intentions of the United States and our determination to aid the rest of the world in this great, new field, I think this ship will be invaluable.

Mr. PASTORE. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. PASTORE. Is the distinguished Senator from Iowa quite sure that there will be an electric generating plant aboard the ship?

Mr. HICKENLOOPER. I am not sure. Our committee has advocated that, but that is a matter about which a decision will have to be made. I hope the ship will be provided with an electric drive, and that it will have electric generating facilities. But that decision will have to be made in the executive branch of the Government, and I think at this moment it is not to be made in the legislative field.

Mr. President, objection may be made because of the cost differential, that is, the cost of operating the ship as compared to a conventional-type ship, and also the cost of building it, although the cost of constructing it is fairly well known.

Today, we have in the ocean a completely operatable atomic-powered submarine. It is operating with far greater efficiency than we had hoped. It is operating much more successfully—I was about to say much more successfully than we had imagined in our fondest dreams. I shall not say that; but it is operating far more successfully than one would have believed possible, judging from the practical predictions of several years ago. The powerplant of that submarine is a fantastic one, and it can do things that no powerplant ever before developed in the world could do.

Mr. President, I cannot overemphasize the fact that I am not attempting to convince the Senate that the ship will be the most efficient one. But from the standpoint of carrying the message of this pioneering activity on our part in connection with the peacetime use of atomic energy, the ship will afford a dramatic demonstration

If this authorization bill is passed today by the Senate, and if the required appropriations are forthcoming, I think we shall be first in the field with an atomic-powered ship, and will be the first to provide a peacetime demonstration of a practical nature that the maritime nations of the world can understand and can see and can really appreciate.

So I think this matter is very important.

There is one more facet of this matter to which I desire to refer. The President of the United States, in his drive for accentuation of the peacetime use of the atom, has said to the other countries of the world—he did so in April, and he has repeated it—that the United States is going to build such a powerplant to be placed in a ship, to demonstrate what such a powerplant will do and what its possibilities will be. The President has said that one of our ships, having such an atomic powerplant, will be on the high seas.

Mr. President, if one considers the difference between the cost of a ship powered with such an atomic powerplant and the cost of a ship having a conventional powerplant, I think it will be found that the difference will be but a small expense, indeed, in comparison with the long-range good it will do for us, and the proof it will give of our good will in connection with the peacetime use of the atom, and the understanding it will carry to the various countries of the world.

I could talk for a long time about the details of the ship, but I do not believe that is necessary. The question is just this simple: Do we wish to take this step at this time, in supporting the statement the President of the United States has made to the world? If we do not, I fear there are countries which will say, "Well, our propaganda is right. After all, the Americans cannot run a ship with atomic power."

Mr. President, we know that the Russians have said that. They have said that we do not have an atomic-powered submarine, and that any statements to the effect that we do have such a submarine are false American propaganda.

So, Mr. President, if Congress refuses to permit this practical demonstration to be made—a demonstration by means of a ship which we can send into every deep-water harbor of the world—I wish to point out that there are possibilities of adverse propaganda value to those who would like to destroy our preeminence or to destroy the idea of our preeminence in the field of atomic energy.

So, Mr. President, the question before the Senate is just that simple. At the moment the details are not so important. They are technical details, which will have to be worked out by the Commission and by those who know how to construct ships and who know what they wish to have placed in the ships.

But the question now before the Senate is one of putting upon the ocean a peacetime ship which other countries will be able to see—and a ship which will prove our peacetime efforts.

Mr. SALTONSTALL. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. Yes, although we are proceeding on limited time, and other Senators wish to make brief statements. However, I yield.

Mr. SALTONSTALL. Although I agree with the Senator from Iowa in his statement about the principal reason for putting such a vessel on the high seas, I desire to point out that I in part represent a State which is tremendously interested in and active in ship construction. I understand that the ship will be between 10,000 and 12,000 gross tons. Is that correct?

Mr. HICKENLOOPER. Its tonnage will be in that neighborhood, I believe.

Mr. SALTONSTALL. Although the nuclear powerplant to be used in the ship may not be so efficient as one which ultimately will be worked out, for use in commercial vessels, yet it will be a useful nuclear powerplant, and, if installed in this ship, may be adapted to some other ship at a future time; is that correct?

Mr. HICKENLOOPER. It will be an efficient powerplant, and the ship will have commercial utility—perhaps not as great commercial utility as other ships, but it will have utility.

Mr. SALTONSTALL. It will have utility in that it can be a cargo-carrying ship as it goes around the world.

Mr. HICKENLOOPER. That is correct. It will demonstrate the practical ability of nuclear-powered ships to carry cargo in commerce in the peacetime activities of the world.

Mr. SALTONSTALL. I am a member of the committee. We build prototype ships of various types. We build prototype tankers. We have authorized one, and have appropriated for it. We build prototype ships in various fields. This will be a prototype ship, and while perhaps it may be half again as expensive as a conventional commercial type ship, it will be a prototype ship, which will help us in the future in connection with the design of nuclear-powered vessels.

Mr. HICKENLOOPER. The Senator is correct. I think the cost of the hull will be comparable with the cost of any other hull. The increased cost will be in the powerplant which goes into the ship, as compared with the conventional powerplant.

Mr. SALTONSTALL. So while the principal purpose is the purpose which the Senator has so ably described, the ship will not be a total loss by any means. The nuclear powerplant will not be a total loss. The ship will be a prototype, and will provide a demonstration to the Bethlehem Steel Co., the New York Shipbuilding Co., and the Navy plants as to how to build this type of ship.

Mr. HICKENLOOPER. The Senator is correct.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I must yield to the Senator from Vermont [Mr. AIKEN] who wishes about 5 minutes. I yield for a question.

Mr. BUTLER. I suggest to the Senator that the great port of Baltimore, in my State of Maryland, which produced the famous frigate *Constellation*, the famous Baltimore clippers which in their day were known throughout the world for their speed and design and which has since built many of our present merchant fleet has the know-how and facilities to build an atomic merchant ship and would like to be favorably considered if this ship becomes a reality.

Mr. DWORSHAK. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. DWORSHAK. Item No. 3, on page 2, line 6, of the bill, reads as follows:

3. Project 56-b-3, surface ship reactor facility, $25 million.

Is that project related directly to the proposal being considered at this time, or is it something else?

Mr. HICKENLOOPER. I shall have to inquire as to how much I can say about that particular item. It has nothing to do with the cargo commercial type of ship. It is primarily designed as a prototype development for a large carrier for military purposes.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield for a question. My time is limited.

Mr. GORE. Does not the distinguished Senator think it would be a more readily available, a more economical, and a more practical demonstration of atomic propulsion if the *Nautilus* were to make a trip across the Atlantic, which it could do, as the Senator knows, entirely under atomic power?

Mr. HICKENLOOPER. The Senator has a very good suggestion, which I think is not amiss. The *Nautilus* is going to make such demonstrations. However, from the psychological standpoint, the *Nautilus* is not a cargo-carrying ship. It is not a commercial ship. It is a war vessel. We are attempting to build this ship as a ship of peace. There are those—and I agree with them—who say that to use a warship as a demonstration of atomic power might carry the wrong psychology with it. It is considered that we had better have a ship of peace, which has utility, rather than a ship of war.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. SALTONSTALL. Is it not also true that if a commercial ship such as the Senator is advocating goes into a port, a great many hundreds of people can go aboard and look at it, which would be helpful from the point of view of the United States. People cannot conveniently go aboard a submarine in large numbers.

Mr. HICKENLOOPER. I think there is a great deal to that suggestion. It is impracticable for a large number of people to go aboard a submarine and examine it. However, they can go aboard a cargo ship by the thousands. For demonstration purposes, the cargo ship would be the better.

Mr. ANDERSON. Mr. President, I yield myself 12 minutes.

I must oppose this amendment, because I think this is a poor way to spend $21 million.

The question arose a moment ago as to whether or not the nuclear plant could be taken out of this ship and used in another ship. Of course it could not. This is the highest cost powerplant we could have. It is fine for a submarine. It uses enriched fuel. We would not attempt to operate a commercial vessel by the use of such fuel. It has been proposed that the atomic plant which is in the *Nautilus* be placed in a commercial ship. That is an entirely different field. That is primarily the reason why the joint committee was not attracted to this proposal.

The joint committee heard all the arguments and weighed them very seriously, and reached the firm conclusion that it could not be a party to this project. Not a single witness, from either the Atomic Energy Commission or the Maritime Commission, contended that the proposed ship would be economical. Its capital cost would be five times that of a comparable conventional-type ship. The estimate of operating costs runs as high as 10 times the cost of an equivalent conventional ship.

How does it help us to show how far away we are from the use of nuclear power? Only a few days ago one of the newspapers carried a story headed "Atomic Ships Put 15 to 20 Years Away." If we do not start development of these atomic ships on a proper basis, if we start using high-cost fuel, which makes it still further away, then I think we shall be doing a great disservice to the shipbuilding industry to which the Senator from Massachusetts [Mr. SALTONSTALL] referred.

Is this ship a step along the road of technical development toward a truly economical merchant ship? The answer from witness after witness was "no." It might yield some engineering experience, but even in that field it was agreed that the same experience can be acquired cheaper, better, and even faster, by other means.

Would this ship be a contribution to the development of better atomic powerplants for ships and other uses? Far from it. In fact, it was argued quite the contrary. Not only would this ship make no contribution, but it was argued that it would be possible to build it on the President's proposed 2-year time schedule only because it would involve no development work. It would consist of carbon copies of the *Nautilus* submarine reactor, which we have already been told is obsolete by comparison with reactors nearing design completion. We learned a great deal in building the *Nautilus*. We should be using that knowledge.

What, then, are the merits of the proposed ship? Would it be good propaganda? Would it convince anyone of our peaceful atomic intentions? I think not. This ship is supposed to sail into foreign ports as a smokestackless wonder, convincing all who see her that we are using atomic energy for peaceful purposes.

I wish I could say that such an atomic-powered ship is indeed now practical and ready for construction. I cannot say it, because it is not so. That is why there is in the bill, on page 2, line 6, project No. 3—

3. Project 56-b-3, surface ship reactor facility, $25,000,000.

That item is in the bill so that the United States can have practical, economical, atomic-powered surface ships for peaceful and military purposes as soon as possible. As I have said, that item is already in the bill; but this floating museum is completely unrelated to it.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. PASTORE. Would it be good propaganda for the Senator to buy a brandnew Cadillac and go around showing it off to all his poor relatives?

Mr. ANDERSON. I do not think it would be very good. That is why I do not think this ship would be very good.

The average country cannot afford to put $21 million into a type of nuclear plant which we now recognize is already obsolete. Admiral Rickover says it is obsolete. The *Sea Wolf* is a far different pattern; and the fleet submarines to follow will be a great improvement over existing ships. Why repeat the mistakes we have already made?

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JACKSON. Is it not true that in this situation what we are really doing is telling the world, "Look what we have, and look what you do not have"? What are we doing in this proposal to share

the peaceful atom with the other free peoples of the world?

Mr. ANDERSON. I do not think we are doing anything along that line.

I realize that the purpose is desirable. We need to demonstrate to the world that we have made a contribution. I would far rather accept the proposal made by the Senator from Tennessee [Mr. GORE] a moment ago for sending the *Nautilus* across the ocean. I, for one, would be happy to see the submarine *Nautilus* cross the ocean and come up on the other side, so that the people might know what we have accomplished. That would be a very fine thing.

However, taking that powerplant, designed for a submarine, designed to operate on enriched fuel, constituting the costliest type of powerplant, and putting it into an old vessel and then sending it across the ocean into foreign ports, I do not believe would make much of an impression on foreign people.

I am persuaded that there are other countries which might want to do something along that line. However, to build a new type of ship of this kind will take some hardheaded business experience. I do not believe any country will build that kind of ship on an outmoded pattern. The *Nautilus* was outmoded on the day it was launched, thanks to the genius of the men who kept working toward new ideas.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. SALTONSTALL. I have listened with a great deal of interest to the Senator from New Mexico. He has spoken entirely, as I see it, from the economic side, namely, the cost of building a commercial ship, and he has referred to the fact that the nuclear powerplant is not efficient under the most modern conditions.

My question is this: Has the Senator not forgotten the psychological factor that would be involved in this type of commercial ship going among peoples who are under great strain, and who have a deep sense of insecurity, and showing them that we are building atomic vessels for peace, not merely for war?

Let us assume that we spend $21 million for such a vessel—and the Senator from New Mexico and I have the same feeling about wasting money—that is only a drop in the bucket. Is there not a psychological factor and a factor of faith and optimism involved here?

Mr. ANDERSON. It is about as much of a psychological factor as there would be if we were to take a modern automobile and put into it the powerplant of a Stanley Steamer and then say, "We will take this automobile to Europe to show how our automobile industry has advanced." No man who is interested in the designing of surface ships would even contend that this should be done. He knows that it will not be done.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. PASTORE. Is it not a fact that recently before the President made his speech, with reference to sharing one-half the cost of medical research reactors to be built and sold under some of the bilateral agreements which have been negotiated between the State Department and foreign governments, the members of the joint committee were unofficially canvassed, and they were unanimous that psychologically that was something which should be done, but that in the case of the merchant ship the same members felt it was a waste of money?

Mr. ANDERSON. That is exactly correct. When the proposal for the medical reactors came before the joint committee, the President had not even sent up his request for an appropriation for it, and we wrote it into the bill quickly, because we thought it was a fine thing to put $5 million in the bill for it, and we felt that if he needs more money for it he will have no difficulty getting it.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JACKSON. The distinguished senior Senator from Massachusetts has made a good point with reference to the need for making the proper impression throughout the world of our interest in the peaceful atom. I should like to ask this question of the Senate. Would the Senate rather appropriate $35 million for a merchant ship, about which we can brag to the world, or would the Senate rather make available medical reactors of the type that we are going to build at Brookhaven, which will cost $765,000 each? We can make 40 of them available to the free world in the fight against cancer.

I ask the Senator which would be more effective, to appropriate $35 million, for which we could build a fine atomic museum to boost our atomic ego and tell the world just what the Communists accuse us of, namely, that we are the "haves" and they are the "have nots," or, on the other hand, take some of that money and build 40 medical reactors to make them available to the less fortunate areas of the world? I do not know how we could better dramatize the peaceful atom for the good of mankind.

Mr. ANDERSON. That is what I am trying to suggest, namely, a better way to spend the money.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. CAPEHART. A great deal has been said about telling the world, "We have something you don't have." Is that not the purpose of the Voice of America and of the technical-assistance programs and of the other programs?

Mr. JACKSON. Would the Senator have us monopolize the use of the peaceful atom?

Mr. CAPEHART. That argument does not make much impression on me.

Mr. JACKSON. Does the Senator feel that we ought to brag to the world that we have a monopoly of the peaceful atom? The President's program calls for sharing the atom. This would not share it. This would display and monopolize it.

Mr. CAPEHART. The Senators are making the argument that we should go forth and brag to the world that we have something that other people do not have. We have spent literally hundreds of millions of dollars for motion pictures and all sorts of things, to show the world that they ought to follow our pattern and our type of Government and that they should raise their standards of living and do the things we are doing. I am amazed that Senators on the other side of the aisle should make that argument. It does not make sense to me.

Mr. ANDERSON. When the Senator from Indiana was making a certain type of product, I am sure he did not use crystal sets in the construction of his radios. If he had, he would not have sold any of his radio sets. We do not want to take a type of powerplant which is designed for a submarine and put it in a merchant ship, where it could not possibly be a success, and then take the merchant ship around the world to show the people of the world how wonderful we are. That would not be a very smart thing to do.

Mr. CAPEHART. If industry had followed the argument of the Senators on the other side of the aisle, we would never have built any automobiles or radios or television sets, or any other modern products, because there never was a time when such products were put on the market that they were not already obsolete in the laboratory and in the engineering offices.

Mr. ANDERSON. The point we are trying to make is that we should show the people of other countries something that is practicable. This kind of ship could not possibly be practicable. On the other hand we have other devices which we can send throughout the world. For example, we have medical reactors, which we can send to other countries for very useful purposes. We will send one to the Philippines, and we will send one to Switzerland and sell it to that Government. We will send them all over the world. That is a very fine thing to do. Long before the request came to Congress the committee put money into the bill for that purpose.

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. CAPEHART. Why do we not do both?

Mr. ANDERSON. I yield myself another minute. We will do both. We are putting $25 million in the bill for the careful development of the type of reactor which will do the job, which will be designed for use in a surface ship, and which can be used in carriers and cargo ships as well, but which will not be the equivalent of the kind of reactor that is used in a submarine. That is what we want to spend our money for.

Mr. HICKENLOOPER. Mr. President, I yield 5 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I cannot emphasize too strongly my support of the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER]. I find

it very difficult to understand the opposition to the construction of an atomic-powered merchant ship for demonstration for experimental purposes.

The United States for years has maintained leadership in the development of atomic energy. When the security of the free world was threatened, we developed atomic power for war, and we proposed to develop it for peace. Now other nations claim to have surpassed us.

Are we to sit back and let them prove to the world the truth of their assertion? Are we going to let them outdo us and send their own atomic-powered ships into the ports of the world to prove that we follow but do not lead in promoting the peaceful uses of atomic energy?

It has been said that the proposed ship will not be economic. Who expects it to be an economic ship? It will be the first atomic-powered merchant ship, and it certainly will not be economic.

As the Senator from New Mexico has said, the powerplant probably will cost five times as much as the powerplant of a conventional ship. Undoubtedly it will cost three times as much to operate such a ship as it costs to operate a ship with a conventional powerplant.

However, Mr. President, should we wait for a better ship before building one? Did we wait for the economic production of oil from shale before authorizing the construction of a pilot plant? Did we wait for the economic use of taconite ore before authorizing a pilot plant for getting it into use? Did we wait for a better ship before authorizing the construction of the submarine *Nautilus*, which, as the Senator from New Mexico has said, was outmoded the day it was finished? Why, then, do we wait for a better atomic-powered merchant ship before constructing the first one? Are we going to wait for England, Germany, Russia, or some other country, or are we going ahead on our own? Can we build a better ship than one which opens the way to peaceful uses of atomic energy?

Let us not fall behind other nations in the eyes of the world, for that is what some countries would like to have us do. Let us not quibble over the cost—a few million dollars for the greatest demonstration project which we could probably provide at this time. We cannot weigh the value of an atomic messenger of peace in dollars and cents. If we delay, can we explain to the world why we hastened to build a ship for destructive purposes, but refused to authorize one dedicated to the purpose of peace?

We have a great opportunity to convince the world of our superiority in the atomic field. We have a great opportunity to convince the world of our determination to seek the way of peace and better living for mankind. We must not foolishly pass by this opportunity.

I find the opposition to the amendment offered by the Senator from Iowa almost unbelievable.

Mr. HICKENLOOPER. Mr. President, I yield a few minutes to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, I wish to join with the Senator from Iowa and others in recommending the adoption of the amendment, because it seems to me we should and must agree to it.

I do not quite understand the opposition, because I know something about engineering and developing, and I know it takes time and money. Of course, the first prototype built is always very expensive and inefficient, but as we go on from day to day, from month to month, and from year to year, we improve it. That has been the history of all our modern improvements in automobiles, radio, television, airplanes, and other products.

I can think of nothing which would create more good will and which would be visited by more people than would such a ship going around the world and docking in various ports, carrying items made in the United States. To me it would be one of the finest sales mediums we could have. It would enable us to secure the necessary experience in building atomic ships.

As I have said, Mr. President, I do not quite understand the opposition to the amendment. We have heard about a $25 million ship. I now understand that that has reference to some kind of a plant on land with which experiments will be made. But as one who has been in the experimenting and manufacturing business, I know it is essential to build things and get them into the hands of the people where they will be tested under the same conditions as those under which they left the factories. Otherwise, the tests are not very effective.

Senators say it will be an inefficient powerplant. Why should it be inefficient? We are going to appropriate X amount of money to build a ship. I have confidence that those who design it and build it will put into it everything they know at this time. Anything beyond that will come as the result of experience. At least, I am hopeful that that is the way it will work.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The time of the Senator from Indiana has expired.

Mr. ANDERSON. Mr. President, I yield 5 minutes to the Senator from Rhode Island [Mr. PASTORE].

Mr. PASTORE. Mr. President, I think we are entirely missing the point when we say we must have the first before we can have the second. There is no experimental value to the type of reactor about which we are talking. There is not one single thing we can learn from it we do not already know. But this we do know, that when we come to construct a reactor to be used on a surface ship, we will not build one that burns U–235, because that is the most expensive fuel that can be used in a reactor, and it will not be used in a commercial ship.

I hope the discussion will not degenerate into another Dixon-Yates controversy. I hope we will not divide this issue by the middle aisle, because it is not a Republican question or a Democratic question. It is a question of what we shall do to convince the world that we are willing to share our knowledge of atomic energy.

When the President made his speech before the United Nations in December of 1953 he electrified the world because he had a good idea. It was a good program in connection with atoms for peace. I do not know who advised the President concerning this particular project, but someone sold him a wrong bill of goods, because if we wish to prove our willingness to share our great knowledge of atomic energy with the rest of the world, we will not do it by building a reactor such as was placed in the *Nautilus*, and placing it in a surface ship. Admiral Rickover said it was about the worst thing we could do. We should take advice from the man in whose mind the *Nautilus* was born.

Mr. President, no important decisions made by the Joint Committee on Atomic Energy have been predicated upon purely partisan considerations. This is not a Democratic question or a Republican question. I think it would be a serious mistake to expend $21 million to build a surface ship of the kind we have been discussing. If we want to spend $21 million to prove to the free world that we are willing to share our nuclear knowledge, let us build something that is worth while. Let us build medical reactors and prove that we are willing to eradicate pestilence and starvation from the deprived nations of the world. Do not drive a Cadillac in front of the home of a poor relative and say, "Look how rich I am, and how poor you are."

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. SALTONSTALL. The Senator has stated that the kind of nuclear powerplant which is in the *Nautilus* will not be put into a commercial ship. I disagree 100 percent with the Senator when he says it would be a waste of money to provide for the ship now proposed because if we can send such a ship into a harbor and show that atomic energy can be used for peacetime purposes as well as for wartime purposes, we shall be giving a lift of faith to the people that they would not receive in any other way.

The Senator from New Mexico spoke about a Cadillac engine being placed in a Stanley Steamer. The Stanley cars were built in Massachusetts, and the Duryea was built in Massachusetts, but they were not built for war purposes. If we put nuclear power into a peacetime ship and send it across the sea, is that not helpful as showing the people that there is some other purpose to which atomic power can be put than merely to kill people?

Mr. PASTORE. Yes; it would have a very telling effect upon the free world if we could put a reactor in a surface ship and say that atomic energy can be used for commercial purposes. But we do not put into a surface ship a reactor that uses U–235.

Mr. HICKENLOOPER. Mr. President, will the Senator from Rhode Island yield?

Mr. PASTORE. I yield.

Mr. HICKENLOOPER. When I was a small boy the newspapers announced that someone had built what was called an automobile and that it had bicycle wheels on it, but no one in my section of the country had ever seen one, and no one thought it would run.

But there was a genius in our town, a blacksmith, who took an old one-

cylinder gasoline engine, which was used for turning a wood saw——

Mr. PASTORE. The Senator from Iowa is asking a question on 2 minutes of my time. I hope he will use some of his time for the question.

Mr. HICKENLOOPER. Mr. President, I yield myself 1 minute.

The man used an old one-cylinder motor, mounted on a series of planks, to which he attached wagon wheels. He cranked up the engine, and ran the contraption up and down the streets of our little town. Everyone in that area on the frontier said, "By golly, there is such a thing as an automobile. We saw one chugging up and down the street."

It was 3 years before we saw a manufactured automobile in our town, but what we saw proved to us that there was such a thing as an automobile.

Mr. PASTORE. There is one thing the Senator forgets. We are not trying to impress people with the idea that we can sail a surface ship with or without a reactor. That is not the question we are trying to prove at all. All we are trying to say is that the type of reactor which is in the *Nautilus*, and is identical with the reactor that would be installed in a surface ship, is not the kind of reactor we should sell to ourselves or try to sell to the world, because when it comes to using atomic energy for the purpose of sailing a ship on the surface of the water, the Senator from Iowa knows better than I do that the type of reactor used in the *Nautilus* will not be used in a surface ship. We might as well recognize that now. If the Senator can contradict that statement, I should like to have him do so.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the able Senator from Indiana.

Mr. CAPEHART. Mr. President, numerous industrial firms throughout the Nation spend millions of dollars a week in advertising on television and radio and in the press.

As one who knows something about advertising and selling, I may say that if the Government spends $21 million, or whatever the amount may be, for an atomic installation on a surface ship which will be sent around the world, the United States will receive in return, in my opinion, hundreds of millions of dollars' worth of advertising value, and will create good will, because millions of people will inspect the ship. We shall have been the first nation to have built an atomic merchant ship.

I think we are completely, 100 percent, missing the point. If we want to sell the people of the world upon the United States, we ought to be willing to spend a few million dollars on projects of this type.

Mr. ANDERSON. Mr. President, I yield 3 minutes to the junior Senator from Washington.

Mr. JACKSON. Mr. President, in my judgment, there are two simple considerations in connection with the pending proposal.

First, we should consider whether the project is technically feasible. Second, will it promote the peaceful program envisaged by the President for our country?

Much has been said about the technical considerations of the proposed atomic ship. One would think that if the program were sound, there would at least be some scientific backing for it. The truth is that the technical personnel who are responsible, who have the know-how, and who understand atomic propulsion, have failed to support the proposal. Admiral Rickover, who is, as the junior Senator from Rhode Island [Mr. PASTORE] has pointed out, the father of atomic propulsion, has said that this program is not feasible.

How can Senators talk about the great technical advantage the United States will have in developing this type of propulsion system, when they fail to consider the fact that the persons who have the technical know-how are opposed to it? The matter is that simple.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HICKENLOOPER. I call attention to the testimony of Admiral Rickover, which appears on page 15 of the hearings, in which he said—and I shall not quote it all:

> If you are going to get the job done fast, there is no other recourse but to use the *Nautilus* reactor. That is all I can say.

Mr. JACKSON. That is correct; but he also went on to say——

Mr. HICKENLOOPER. The Senator from Washington said that the *Nautilus* type of reactor was not feasible.

Mr. JACKSON. Admiral Rickover pointed out that if the job is to be done properly, an engine should be developed specifically for a surface vessel. He said that any kind of engine could be put into any kind of ship in order to get some movement. But Admiral Rickover told the members of the committee that he disapproved of such a project as is proposed. He saw no advantage, from the technical or scientific side, in supporting the proposal.

Admiral Rickover continued by saying that such a proposal would interfere with the Navy program. I quote now from his testimony on page 86 of the hearings, when he was interrogated, first, by Representative DURHAM, and then by Representative HOLIFIELD:

> Representative DURHAM. We are going to get into a priority of building these reactors.
>
> Admiral RICKOVER. Yes; with this merchant ship we are already in a priority, and it will delay the Navy program in doing this job.
>
> Representative HOLIFIELD. In other words, this will take the place of the *Sea Wolf*?
>
> Admiral RICKOVER. It wont' take the place of anything, but it will result in delay.
>
> Representative HOLIFIELD. In delay?
>
> Admiral RICKOVER. Yes.

It does not make sense to me that we should attempt to cram down the throats of the scientists, those who have the know-how, a program which is not workable.

Second, will such a program promote peace? It is obvious that if we want to make clear our peaceful intentions in the field of atomic energy, we ought to continue with the program which the President originally initiated.

This is a fine program because it involves the sharing of the peaceful atom. The present proposal fails to share the peaceful atom. One important thing which the Communists have been able to exploit is the fact that, as the Senator from Indiana [Mr. CAPEHART] has mentioned, we export moving pictures which portray our wealth, but we offer no formula to solve the problems of that part of the population of the world which wakes up hungry every morning and which cannot participate in the abundant life.

If the program of atoms for peace is to have meaning, we should make it possible for the people in other parts of the world to participate in the program.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, without the time being charged to either side, I may suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	McCarthy
Allott	Frear	McClellan
Anderson	Fulbright	McNamara
Barkley	Gore	Millikin
Barrett	Green	Monroney
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Clements	Kerr	Smathers
Cotton	Kilgore	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Douglas	Lehman	Symington
Duff	Long	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Young

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). A quorum is present.

Do the Senators who control the time desire to yield back the remaining time? There is remaining a total of 13 minutes.

Mr. HICKENLOOPER. Mr. President, I yielded 2 minutes to the Senator from Ohio.

Mr. BRICKER. Mr. President, a year ago it was my privilege to travel in many nations of the world on a commission charged with developing the peaceful uses of atomic energy. I welcomed that opportunity, because every day then we saw, as now we see in the headlines of the papers, articles indicating the destructive possibility of atomic weapons, and I found in all the countries which I visited tremendous fear for the future if war should break out. The people know of the destructive possibilities of the terrible weapons which have been developed.

I found likewise a yearning and a very keen desire to know more and more of the peaceful uses of atomic energy and its byproducts. I found everywhere that the leaders of the nations which we visited knew something about the possibilities of the use of atomic energy in agriculture, in health, and in the production of power; and everywhere there was a shortage of power and everywhere there was a need for peaceful and health-giving uses of radiation and atomic energy.

So when the President made his recommendation, I could not help recalling those experiences, and realizing the tremendous impact which would be made by a ship powered by atomic energy, carrying not alone an atomic reactor for propulsion purposes, but likewise exhibits illustrating the peaceful uses of atomic energy in agriculture and in the domain of medicine. Everywhere we found the same reaction and the more we thought of the peacetime uses of atomic energy, the more possibilities we could see regarding the beneficent results of its application, and the less likelihood there would then be of war in the world.

So I wish to say to my colleagues that, as a result of that experience, I must heartily concur in the President's recommendation and also in the amendment which has been submitted by the Senator from Iowa. I know of nothing which would so actively engage the minds and hopes of the peoples of the world—many of whom are now depressed—for a better tomorrow than this exhibition, which would be sent around the world, into the various ports, and there would emphasize the peaceful and beneficial uses of atomic energy, and would promote better living for mankind, and thereby, we hope, would prevent emphasis upon war and the use of atomic power for destructive purposes.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. ANDERSON. Mr. President, I do not know that those of us on this side of the question will use all the time available to us.

Again, I wish to point out that we regard the proposed expenditure as very unwise, because, in the first place, it is technically bad. No merchant ship will be powered by a single atomic reactor; that will not be the pattern of development. We shall make no contribution if we put an atomic powerplant, such as the one designed for the submarine *Nautilus*, into a merchant ship. All the power experts oppose doing so. There was no testimony to the effect that such equipment would be of the type which eventually will be used.

We wish to stress the point that the bill calls for the authorization of an appropriation of $25 million for the development of the correct type of atomic power. But we shall do no good if we provide for placing atomic-powered propulsion machinery in a ship of the type now proposed. If we should equip such a vessel with atomic power, under the present proposal, I think it would do no good, because the people of the earth would not have a chance to participate in the development. No foreign nation will have a chance to participate in the design or in the use of such a design.

How much better it will be if we use atomic power in connection with developments which will be helpful to all of us for instance, medicinal developments which will be very worth while.

Already many questions are being asked. Among them are the following: Who will decide how to handle or manage the ship while it is in a foreign port? Who will decide what will be done with the atomic wastes coming from it?

I say it is far better to proceed with the normal atomic reactor program, and to spend $25 million or more on work which will lead to future progress, rather than to send the proposed vessel to the various harbors of the earth, where those who would be in charge of the ship would say, "Look. We have built this ship and this powerplant for it. It is not what we want, but we have built it, even thought it is not good."

I believe it would be far better for us to do something which would be good—not as the *Nautilus* submarine is good—but for us finally to construct a ship which will be useful in hauling cargoes.

Therefore, I believe that the amendment of the Senator from Iowa is bad, and should be rejected; and I hope the committee's proposal will be sustained.

Mr. HICKENLOOPER. Mr. President, I yield 1 minute to the Senator from California [Mr. KNOWLAND].

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. KNOWLAND. Mr. President, as a member of the Joint Committee on Atomic Energy, I am supporting the amendment of the Senator from Iowa [Mr. HICKENLOOPER].

It is true that in the joint committee, there was a difference of opinion, just as differences of opinion develop in connection with many matters, in many fields, before other committees. But the President of the United States has made a special plea for the construction of this merchant vessel, which will have atomic power for its propulsion. The President believes that the construction of such a vessel will serve well our foreign policy, and will constitute an essential part of it.

All over the world, the Soviet propaganda machine has been grinding out statements to the effect that the United States does not have an atomic-powered vessel of any kind. Furthermore, in my judgment the Soviet propagandists have been interested in seeing to it that the United States is pictured only as a warmonger, and as owning an atomic bomb, and as not having any interest in the general welfare of humanity.

The President has made recommendations—and I think they are good ones—regarding the use of atomic reactors for medical and scientific purposes. The committee has supported that part of the program.

I say frankly that I think it would have been better if the President had made this suggestion to the committee, prior to the delivery of his speech in New York. That might have ironed out some of the difficulties.

But the fact is that the President, as the Chief Executive of our Nation, has made this recommendation and has submitted this request; and I hope the Senate will not repudiate it.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. HICKENLOOPER. Mr. President, I believe I have 3 minutes remaining.

The PRESIDING OFFICER. That is correct; the Senator from Iowa has 3 minutes remaining under his control.

Mr. HICKENLOOPER. Mr. President, I hope I shall not use that much time.

I merely wish to say that there is no argument, on the part of anyone of whom I know, that the proposed vessel's propulsion will be economically sound, in comparison with present-day conventional propulsion, or that it will be economically feasible, as compared with atomic-powered ships as of 10 or 15 years from today.

On the other hand, I call attention to the fact that the proposed ship is to constitute a practical demonstration of ship propulsion, by means of atomic force, for peacetime uses.

Let us consider what such a ship, when constructed, will do. The ordinary men and women of foreign countries cannot observe the application of atomic reactors in connection with medical developments. They can only read about them, at best. I am in favor of helping in that connection; but the proposal now before us does not exclude our doing so.

I call attention to the fact that at the fairs at Bangkok and Rangoon, all sorts of fancy gadgets, materials, and machinery were displayed. The Russians had there an exhibit of what Russia was doing. But what stole the show, and where did the crowds go? They went to see Cinerama. At one point the Russians became so disgusted that they removed their exhibit—because the Americans were stealing the show, with Cinerama.

So this vessel, when constructed, when we are able to send an atomic-powered ship of our own into the harbors of the world, will constitute a most impressive demonstration. It will attract the attention and capture the imagination of the people of all the countries it visits, and will show them that the United States is making a practical peacetime use of atomic energy.

One Senator has said that the United States would not today send abroad a Stanley steamer, because the Stanley steamer is now obsolete. Of course that is true, although at one time the Stanley steamer was very practical indeed. Furthermore, let me point out that in the case of every airplane which has been manufactured, its design was obsolete by the time it left the drawing boards.

Certainly it is true that new developments will occur in the field of atomic energy, and certainly it is true that we shall have atomic-powered airplanes. However, we continue to build the conventional airplanes, until the new ones are proved to be efficient.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. ANDERSON. Mr. President, I am prepared to yield back the remaining time available to our side.

Mr. JOHNSON of Texas. Mr. President, has all time been yielded back?

The PRESIDING OFFICER. The Senator from New Mexico has approximately 4 minutes remaining.

Mr. JOHNSON of Texas. Then, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	McCarthy
Allott	Frear	McClellan
Anderson	Fulbright	McNamara
Barkley	Gore	Millikin
Barrett	Green	Monroney
Beall	Hayden	Mundt
Bender	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Ives	Purtell
Byrd	Jackson	Robertson
Capehart	Jenner	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Clements	Kerr	Smathers
Cotton	Kilgore	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Douglas	Lehman	Symington
Duff	Long	Thurmond
Dworshak	Malone	Thye
Eastland	Mansfield	Watkins
Ellender	Martin, Iowa	Williams
Evins	Martin, Pa.	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing, en bloc, to the amendments offered by the Senator from Iowa [Mr. HICKENLOOPER]. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McCARTHY (when his name was called). On this vote I have a pair with the senior Senator from New Jersey [Mr. SMITH]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], and the Senator from Oregon [Mr. MORSE] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. GEORGE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Oregon [Mr. MORSE], and the Senator from Montana [Mr. MURRAY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. WELKER], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from North Dakota [Mr. LANGER] is absent by leave of the Senate.

The Senator from New Jersey [Mr. SMITH] is necessarily absent, and his pair with the Senator from Wisconsin [Mr. McCARTHY] has been previously announced.

The result was announced—yeas 41, nays, 42, as follows:

YEAS—41

Aiken	Cotton	Millikin
Allott	Curtis	Mundt
Barrett	Duff	Payne
Beall	Dworshak	Potter
Bender	Flanders	Purtell
Bennett	Hickenlooper	Saltonstall
Bricker	Hruska	Schoeppel
Bridges	Ives	Smith, Maine
Bush	Jenner	Thurmond
Butler	Knowland	Thye
Capehart	Kuchel	Watkins
Carlson	Malone	Williams
Case, N. J.	Martin, Iowa	Young
Case, S. Dak.	Martin, Pa.	

NAYS—42

Anderson	Hayden	McClellan
Barkley	Hennings	McNamara
Bible	Hill	Monroney
Byrd	Holland	Neely
Clements	Humphrey	Neuberger
Daniel	Jackson	O'Mahoney
Douglas	Johnson, Tex.	Pastore
Eastland	Johnston, S. C.	Robertson
Ellender	Kefauver	Russell
Ervin	Kerr	Scott
Frear	Kilgore	Smathers
Fulbright	Lehman	Sparkman
Gore	Long	Stennis
Green	Mansfield	Symington

NOT VOTING—13

Chavez	Langer	Smith, N. J.
Dirksen	Magnuson	Welker
George	McCarthy	Wiley
Goldwater	Morse	
Kennedy	Murray	

So Mr. HICKENLOOPER'S amendments were rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 6795) was read the third time and passed.

REWARDS FOR INFORMATION CONCERNING ILLEGAL INTRODUCTION INTO OR ILLEGAL MANUFACTURE OR ACQUISITION IN THE UNITED STATES OF SPECIAL NUCLEAR MATERIAL AND ATOMIC WEAPONS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 627, Senate bill 609.

The VICE PRESIDENT. The clerk will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 609) to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States of special nuclear material and atomic weapons.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 609) which had been reported from the Joint Committee on Atomic Energy with an amendment on page 4, line 20, after the word "includes", to insert "the Commonwealth of Puerto Rico", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Atomic Weapons Rewards Act of 1955."

SEC. 2. Any person who furnishes original information to the United States—

(a) leading to the finding or other acquisition by the United States of any special nuclear material or atomic weapon which has been introduced into the United States, or which has been manufactured or acquired therein contrary to the laws of the United States, or

(b) with respect to an attempted introduction into the United States or an attempted manufacture or acquisition therein of any special nuclear material or atomic weapon, contrary to the laws of the United States,

shall be rewarded by the payment of an amount not to exceed $500,000.

SEC. 3. An Awards Board consisting of the Secretary of the Treasury (who shall be the Chairman), the Secretary of Defense, the Attorney General, the Director of Central Intelligence, and of one member of the Atomic Energy Commission designated by that Commission, shall determine whether any person furnishing information to the United States is entitled to any award and the amount thereof to be paid pursuant to section 2. In determining whether any person furnishing information to the United States is entitled to an award and the amount of such award, the Board shall take into consideration—

(a) whether or not the information is of the type specified in section 2, and

(b) whether the person furnishing the information was an officer or employee of the United States and, if so, whether the furnishing of such information was in the line of duty of that person.

Any reward of $50,000 or more shall be approved by the President.

SEC. 4. If the information leading to an award under section 3 is furnished by an alien, the Secretary of State, the Attorney General, and the Director of Central Intelligence, acting jointly, may determine that the entry of such alien into the United States is in the public interest and, in that event, such alien and the members of his immediate family may receive immigrant visas and may be admitted to the United States for permanent residence, notwithstanding the requirements of the Immigration and Nationality Act.

SEC. 5. The Board established under section 3 is authorized to hold such hearings and make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this act.

SEC. 6. Any awards granted under section 3 of this act shall be certified by the Awards Board and, together with the approval of the President in those cases where such approval is required, transmitted to the Director of Central Intelligence for payment out of funds appropriated or available for the administration of the National Security Act of 1947, as amended.

SEC. 7. As used in this act—

(a) The term "atomic energy" means all forms of energy released in the course of nuclear fission or nuclear transformation.

(b) The term "atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

(c) The term "special nuclear material" means plutonium, or uranium enriched in the isotope 233 or in the isotope 235, or any other material which is found to be special nuclear material pursuant to the provisions of the Atomic Energy Act of 1954.

(d) The term "United States," when used in a geographical sense, includes the Commonwealth of Puerto Rico, all Territories and possessions of the United States and the Canal Zone; except that in section 4, the term "United States" when so used shall have the meaning given to it in the Immigration and Nationality Act.

Mr. ANDERSON. Mr. President, S. 609 is virtually identical with the Atomic Weapons Rewards Act bill which was proposed last year, unanimously adopted by the joint committee and passed by the House on voice vote.

This year the bill was introduced again in both Houses and was unanimously reported by the joint committee.

Mr. President, if I may take just a moment so that the Members may have some idea of what this is about, first, let me assure you that it does not constitute an authorization for the expenditure of money which is not now presently authorized.

It does not constitute a grant of authority for the grant of an award that is not now presently authorized.

In substance it authorizes a reward of up to $500,000 to any person who may provide information or evidence leading to the detection of an atomic weapon which has been smuggled into this country or illegally manufactured in this country.

It is unnecessary for me to call to the attention of the Senate the dire consequences of a weapon surreptitiously brought into this country. The reward of $500,000 is a pittance in comparison with the value of the detection of the existence of such a weapon.

A board is created by this bill to pass upon the amount of the award and the entitlement to it. That board is composed of the Secretary of the Treasury, the Director of Central Intelligence, one member of the Atomic Energy Commission and the Secretary of Defense.

The one committee amendment this year was to include the words "the Commonwealth of Puerto Rico" within the definition of the United States, in order to clarify the status of that Commonwealth.

Mr. HICKENLOOPER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HICKENLOOPER. Mr. President, I wish to join in the statement made by the Senator from New Mexico. I have been familiar with the bill for the past 2 years. I approve of what he has said, and I agree that the bill is a good bill to pass from a psychological standpoint. I hope the Senate will accept it.

Mr. ANDERSON. I thank the Senator from Iowa.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 609) was ordered to be engrossed for a third reading, read the third time, and passed.

CAREER APPOINTMENTS IN THE COMPETITIVE CIVIL SERVICE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 580, Senate bill 1849.

The VICE PRESIDENT. The clerk will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 1849) to provide for the grant of career conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. KNOWLAND. Mr. President, I understand that this bill is to be made the unfinished business.

Mr. JOHNSON of Texas. The Senator took the words out of my mouth.

Mr. President, I am prepared to yield to any Senator who wishes to make an insertion in the RECORD.

THE PROPOSED HELLS CANYON DAM

Mr. NEUBERGER. Mr. President, the largest and most influential newspaper of the intermountain West, the Denver Post, published a cogent and effective editorial on June 24, 1955, entitled "The Dilemma of the Hells Canyon Dam."

The editorial underscores the fact that even the Federal Power Commission examiner who recommended construction of a small Idaho Power Co. dam actually recognized the superior efficiency and capacity of a high Federal dam at that site.

The editorial in the Denver Post stated, quite clearly and emphatically, that—

He (the examiner) found in favor of the high Hells Canyon Dam and said it was his "inescapable conclusion that with the marked and substantial advantage of the Government's credit, the high dam would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake."

Palmer Hoyt, nationally known publisher of the Denver Post, and his able editor, Robert W. Lucas, have done a service to sound resource development both in their own Rocky Mountain region and in the Pacific Northwest by publishing this splendid editorial. I commend the editorial to some Rocky Mountain Senators, who want their own $1,659,000,000 upper Colorado project, and yet are raising all kinds of specious and picayune objections to the $365 million Hells Canyon project.

I ask unanimous consent to have the editorial printed at this point in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DILEMMA OF THE HELLS CANYON DAM

A decision by William J. Costello, presiding examiner for the Federal Power Commission, in the Snake River development case puts the Department of the Interior, the Congress of the United States, and the Commission itself in a very awkward position.

We are fearful, too, that what the administration does about the problem on the Snake will be decisive with respect to the passage of the upper Colorado River and the Arkansas-Fryingpan projects—both so critical to the economic welfare of Colorado and the Rocky Mountain States.

The case involves a petition by the Idaho Power Co. to erect three low-head hydroelectric dams in the Snake where it forms the common border of Idaho and Oregon. Opponents of the petitioning company are trying to obtain congressional authorization for one huge, high-head dam at Hells Canyon, which would be built in same same area.

The conflict between the two propositions has grown into a nationwide controversy between public versus private power.

In 1953 the Department of the Interior under Secretary McKay announced it was withdrawing former Secretary Chapman's objections to the private company's petition for a license to dam the Snake in Hells Canyon. The Department said it was the duty of the Federal Power Commission to referee the matter, and that the Department would abide by the Commission's decision. Speaking to the Idaho State Reclamation Association in Boise on November 4, 1953, Under Secretary Ralph A. Tudor said, "You should know that the Federal Power Commission has the right, and, I believe, the responsibility for recommending that the Federal Government go ahead with the high Hells Canyon project if, in the opinion of the Federal Power Commission, this is the proper answer."

Mr. Tudor had also said that the Department had "advised the Commission that if it should grant the license (to Idaho Power) certain restrictions should be placed on the Idaho Power Co. which would assure that their development would be adequate and would be integrated into the Northwest power pool."

In May of that year, the Department, in an official statement withdrawing its petition for intervention before the Commission on the Hells Canyon case, said: "The Department of Interior would be playing the reprehensible part of 'a dog in the manger' if it insisted on opposing a badly needed development that private capital is ready and willing to undertake if the plan proposed by the Idaho Power Co. is reasonably comparable as to results, while the Department itself has no assurance that it can carry out its plan without extended delay." The emphasis at that time was on the Idaho utility's petition to build 3 dams, Hells Canyon, Oxbow, and Brownlee.

Now, let's examine the provisions of the law fixing the jurisdiction of the Commission and setting forth its obligations in such matters. Does the examiner's decision answer the question raised by the Department of Interior? Does the decision meet the specifications of "adequacy" and "integration" so specifically demanded by the Department?

Section 7 of the Federal Water Power Act (as amended) provides that * * * "When-

ever, in the judgment of the Commission, the development of any water resources for public purposes should be undertaken by the United States itself, the Commission shall not approve any application for any project affecting such development, but shall cause to be made such examinations, surveys, reports, plans, and estimates of the cost of the proposed development as it may find necessary, and shall submit its findings to Congress with such recommendations as it may find appropriate concerning such development."

Mr. Costello sidestepped that section for his own reasons, later explained.

Section 10 of that same act directs that any plan approved for licensing by the Commission shall be such "as in the judgment of the Commission will be best adapted to a comprehensive plan for improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, for the improvement and utilization of water power development, and for other beneficial public uses, including recreation purposes."

The examiner's decision admitted that the plan accepted was not the best available.

Mr. Costello's decision, issued May 6, was in clear conflict with the statute setting forth the responsibilities of the Commission. He found in favor of the high Hells Canyon Dam and said it was his "inescapable conclusion that with the marked and substantial advantage of the Government's credit, the high dam would be dollar for dollar the better investment and the more nearly ideal development of the Middle Snake." But he recommended that a license be granted the Idaho Power Co. to build only one dam, instead of three, "because of the applicant's failure to show a market which would provide some assurance that the licensee would proceed at once with the development of all of the sites."

Mr. Costello did not turn down the utility's application. He amended it and then recommended it for license. He did not make recommendations for the more feasible and adequate Federal development as directed by statute. Why? Because, in his own words, "the likelihood of the * * * appropriation for * * * the high dam project is so remote as to make a recommendation to the Congress * * * a completely useless action."

Mr. Costello's findings of fact rejected the argument that the Snake River's flow, even in a full low-water cycle, would not fill the gigantic Hells Canyon Dam reservoir; or that future upriver irrigation would draw down the river so as to make the big dam infeasible in the future. That demolished two of the Idaho Power Co.'s principal points of opposition to the high dam. And it also spiked the fear planted in the minds of upriver irrigators that their water rights would be jeopardized by a future conflict of interests—power versus farming.

Mr. Costello accepted the cost-benefit superiority of the high dam. And he affirmed the contention of the big dam's proponents, that it was a key unit in the main control program for the whole Columbia River basin. But Mr. Costello's decision referred only to the adequacy of one dam in serving the applicant's own market, and took no account of integrating the output of three dams in the Northwest power pool.

So by reference to the Department of the Interior's own public statements as of May and November 1953, Mr. Costello's decision would permit no "reasonably comparable development of the natural resources involved" as explicitly set forth by the Department as one of "two basic questions involved." And although Mr. Costello's findings clearly imply that the private utility's plan is not the "best adapted to a comprehensive plan for improving or developing a waterway" as required for the granting of a license, the license is recommended for grant anyway. Why?

Well, Mr. Costello concluded that, in his opinion, inadequate development of the middle Snake is better than no development at all. He put it this way: "I am convinced that the nonutilization of water resources could be in some circumstances just as shortsighted as less than maximum development."

So by tortured reasoning, by evasion of statutory responsibility and by what appears to us as an arbitrary invasion of the legislative function, Mr. Costello has contrived to justify a private utility's grab of a great power site. And then, as if his conscience were bothering him, he suggests on page 57 of his decision that, "If the Congress feels that the Commission has not performed its functions in the public interest and in accordance with the provisions of the statute, the Commission's power to issue a license may be withdrawn or suspended at any time."

We're not certain that Mr. Costello himself is to blame for this exhibit of doubletalk. But we cannot see how the Department of the Interior can accept the decision and abide by it—unless it is willing to face the charge of double-crossing the people of the Pacific Northwest. And acceptance of the findings by Congress will make a dead letter of its own Federal Water Power Act, while undermining the authority of the FPC and its future usefulness.

Mr. Costello's reference to the impact of the Supreme Court's Roanoke Rapids decision on any effort to reserve, forever, public development of a river simply because Congress, at one time, made it part of a "comprehensive plan" is well taken. But the responsibility of the Commission in view of its own examiner's findings of fact is clearly mandated in law. And the Department of the Interior—having insisted upon comparable development as a condition of licensing the private utility, will appear ridiculous if it lets the examiner's recommendations go without challenge.

ORDER FOR ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that upon the conclusion of its business for today, the Senate adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ATOMIC ENERGY AGREEMENTS FOR COOPERATION

Mr. KEFAUVER. Mr. President, the Washington Atomic Energy Report, an independent weekly publication on the development of nuclear energy for civilian purposes, in its issue for June 13, 1955, contains the following statement:

> The President has initialed Agreements for Cooperation with Argentina, Spain, Italy, Switzerland, Denmark, and Lebanon.

Certain information is given relative to the development of atomic energy, and reference is made to the allocation for lease to each country of six kilograms of uranium-235 for the construction and operation of research reactors. I am certain all of us agree that this is a fine program. I understand the agreements or pacts were sent to the Joint Committee on Atomic Energy on June 13.

But, Mr. President, I do not believe that Congress should put the stamp of approval on a transaction with Dictator Peron after his mobs have slain hundreds of Argentine people whose only crime was a desire for freedom of worship.

I do not think we can afford to give prestige and backing to Mr. Peron, who has violated, as I see it, every principle of civil and religious liberty. At least, I wish to be recorded against doing so.

As I understand, the Joint Committee has 30 days from the time the agreements were submitted to Congress in which to consider and to take action on them. I hope they will be given careful consideration.

I think the matter should be thought over very seriously before any backing in this way is given to the Argentine dictator.

AMON G. CARTER

Mr. DANIEL. Mr. President, the sad news of the death of one of our greatest Texans, Amon G. Carter, came to the floor of the Senate last Friday while I was conducting hearings for a Senate Judiciary Subcommittee in New York.

Therefore, I take these few minutes today to express a word of tribute to his memory and a word of sympathy to his family and host of friends.

Mr. President, in the passing of Amon G. Carter, Texas and the Nation have lost one of the most able and patriotic citizens of our generation.

Amon G. Carter's patriotism and good citizenship began with his home town of Fort Worth. No man ever loved his city more. Few men have ever accomplished more for their city and its people than did Amon G. Carter.

I first knew Mr. Carter when I was a high school student in Fort Worth. He helped promote Boys' Week, during which Fort Worth boys were elected to and served in every city and county office. My first view of public service was as Boys' Week City Manager. Mr. Carter gave a banquet for us at the Fort Worth Club and encouraged us to take a keen interest in the processes of self-government. Later I served as a string reporter on his Fort Worth Star-Telegram. Throughout the years he inspired boys and girls to love their city and led men and women to work for it.

Lincoln once said:

> I like to see a man who is proud of the place in which he lives and who so lives that the place is proud of him.

Amon G. Carter was that type of man. He was proud of the place in which he lived, and he so lived that the place and all of its people were proud of him.

Typical of men with love and loyalty for their hometown, Amon G. Carter had the same love and patriotic zeal for his State and Nation. He was generous with his time and money in many efforts to promote better government and a stronger national security.

A brief summary of the more colorful side of his life was contained in the Associated Press story announcing his death. I ask unanimous consent that the article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Amarillo (Tex.) Globe-Times of June 24, 1955]

FROM DISHWASHER TO MILLIONAIRE: SUCCESS STORY, TEXAS STYLE, ENDS AS AMON G. CARTER DIES

FORT WORTH, TEX., June 24.—Amon G. Carter, who rose from poverty to become the colorful multimillionaire publisher of the Fort Worth Star-Telegram, one of the major newspapers of the United States, died last night at 75.

His career started as a dishwasher and waiter in a Bowie, Tex., boardinghouse—and for all his life he was proud of his humble beginnings.

From there he traveled to the Indian Territory of Oklahoma to sell gilt-framed pictures, then to San Francisco as an advertising man, later to Fort Worth as head of his own advertising company, then organization of the newspaper.

In the 1930's, Carter became a very wealthy oilman—after his first 99 holes were dry—and turned his great fortune into philanthropy.

The publisher suffered 3 heart attacks early in 1953, but gained strength, took 2 cruises, and conducted some business, but this year decreased his activities to conserve his strength.

In 1952, he relinquished the presidency to his son, Amon Carter, Jr., but continued as chairman of the board and publisher of Carter Publications.

Carter was a booster of Texas, particularly Fort Worth and west Texas. He was a leader in bringing airplane, motor, and other plants to the Fort Worth area. His efforts led to the building of the large new international airport here and grateful citizens named the field and administration buildings for him.

He was noted for his entertainment, particularly at his Shady Oak farm on the outskirts of Fort Worth. He was the friend of Presidents, royalty, industrial executives, railroad leaders, bankers, cowhands, and many others. Many national figures wore the "10-gallon" hats he gave away profusely.

Courage in the oil business brought him great wealth. He drilled or had a substantial interest in 99 dry holes before his first strike, in the Mattix pool, Lea County, N. Mex., July 19, 1953. He drilled the discovery well in the Wasson pool which extended over two west Texas counties. To his credit also was the Keystone Ellenburger pool in Winkler County.

On September 1, 1947, his Wasson pool holdings in one county were sold to Shell Oil for $16.5 million, the largest oil deal in Texas to that time. This became the nucleus of the Amon G. Carter Foundation, which has poured millions into charitable and educational channels.

His gifts ranged from small ones for individuals to large ones for hospitals, schools, parks, and other purposes. Deprived of a formal education, much of his energy and funds went to schools, both public and private. It was as a result of his interest and that of others that Texas Technological College was established at Lubbock. He received the first honorary degree given by that institution. He also was a heavy contributor to Texas Christian University here.

Carter was a recipient of numerous honors. He was called "range rider of the air" for his contributions to aviation; "west Texas' top cowhand" for his support of that area, and the legislature appointed him "ambassador of good will" for the State. He was an official of several major companies.

In politics, Carter was an independent Democrat but supported Eisenhower for President.

He was a close friend of Franklin D. Roosevelt and once, when the late President passed through Bowie, Carter sold him a chicken sandwich for a dime—just as Carter had done to travelers when he was a youth.

Probably his best-known friendship was for Will Rogers, the humorist who was killed in a plane crash in Alaska in August 1935. Carter always kept a light burning, day and night, over Rogers' photo on Carter's desk.

Carter, then owner of an advertising firm, formed the Fort Worth Star, February 1, 1906, with D. C. McCaleb and A. G. Dawson. Thirty-five months later, Carter, with the aid of Col. Paul Waples, negotiated the purchase of the opposition Telegram. In 1925, the Star-Telegram purchased the Record, owned by William Randolph Hearst, and entered the morning field for the first time.

Carter and other Star-Telegram owners established radio station WBAP and WBAP-TV.

Although internationally known, Carter's greatest fame in his home State of Texas probably stemmed from the old Fort Worth-Dallas feuds which remain to this day.

But even in Dallas he was widely known and greatly admired.

Former Vice President John Nance Garner, the "Cactus Jack" of the early Franklin D. Roosevelt era, once said of the tall, husky, and handsome Carter:

"Amon Carter wants the Government of the United States run for the exclusive benefit of Fort Worth and, if possible, to the detriment of Dallas."

But the Dallas Morning News, on its front page, said today:

"Actually, through his aggressiveness for his beloved Fort Worth, Carter was a great stimulant to Dallas businessmen."

In 1939 the News said Carter had been made a honorary citizen of Dallas because "he punched Dallas like cowboys are wont to do slow steers in a shipping chute."

He had worked with Dallas civic leaders on a plan to make the Trinity River navigable from the Gulf of Mexico to Fort Worth.

He served as a director of the West Texas Chamber of Commerce, director of the Southwestern Exposition and Fat Stock Show, chairman of the first board of Texas Tech, a school for whose founding the Star-Telegram campaigned, and president of the Fort Worth Chamber of Commerce.

A Fort Worth high school, the Fort Worth airport terminal, and a stadium bear his name. He was highly instrumental in the building of Fort Worth's Will Rogers Memorial Coliseum, the Municipal Auditorium, the Texas Hotel, the Fort Worth YMCA, and Texas Christian University's stadium.

In 1936, when Texas celebrated its centennial, the State exposition was held in Dallas. But not to be outdone, Carter hired Billy Rose for a 100-day stint at $1,000 per day and put on a frontier celebration at the same time. The slogan at the Fort Worth show was:

"Dallas for education, Fort Worth for entertainment."

Billy Rose put on musicals at the Casa Manana, paraded beautiful show girls to music from the orchestra of Paul Whiteman. And not all the money spent on "going to the centennial" was spent in Dallas, to put it mildly.

Always the Texan, always a standout, his long polo coat and big western hat became trademarks and probably as much as any man ever will, he became and until his death remained "Mr. Texas" to the Nation.

Praise came for Carter from all sides today, from lonely ranch homes on the west Texas prairies and from marble halls in Washington.

Representative JAMES C. WRIGHT of Weatherford, Carter's Congressman, summed it up well:

His death, said WRIGHT, "leaves a void which no other person can quite fill. He was one of a very few truly great Americans.

"He has been the prime moving spirit in the growth and development of our region and an inspiration to many of us who have shared vicariously in his many great accomplishments.

"Fort Worth and all of Texas were the beneficiaries of his life; all are the losers in his death."

Survivors other than his son include his wife, Mrs. Minne Meacham Carter; daughter, Mrs. J. Lee Johnson III, the daughter of Mrs. Burton Carter, of Fort Worth; a sister, Mrs. Addie Brooks, Covington, Ky.; three half brothers—Roy E. Carter, Kermit; Grady Carter, San Antonio; and Ralph Carter, Houston—and five grandchildren. Mrs. Hugo Speck, a daughter of his marriage to Mrs. Zetta Thomas Carter, now of Chicago, died in Dallas, September 1, 1952.

Mr. DANIEL. Mr. President, the earthly life of this great American is ended, but his memory will continue to remind others of the opportunities which this country affords and the responsibilities which we owe to our communities, our country, and our fellow men.

Also, Mr. President, I ask that the following representative editorials be included in the body of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Dallas Morning News of June 25, 1955]

AMON CARTER

To a much greater degree than can be ascribed to more than a very few men in a very few places, Amon Carter was responsible for the development of Fort Worth. By the time of his death Thursday, the city had grown to be too big to be only the enlargement of a single man, but for many, many years before the city attained full size, there was more truth than humor in terming our Dallas neighbor Cartersville.

From 1909, when two newspapers were combined, as the Fort Worth Star-Telegram's directing genius, Carter devoted almost his entire thought and energy to making Fort Worth see itself as a metropolitan rival of larger Dallas. He used the influence of his newspaper to that singleness of purpose. He may have liked power for itself but it is more probable that he saw it as a tool to develop his city. Certainly he used power—political, financial, journalistic—to achieve that result. Fort Worth has come a long way under the tremendous incentive that Amon Carter imparted to it. Today's Fort Worth is his lengthening shadow.

While Amon Carter's objective was city building, he saw clearly that this did not require personal service in public office but his journalistic leadership. In building a great Fort Worth, he proved himself simultaneously an able and successful publisher. When William Randolph Hearst bought the Fort Worth Record and invaded Carter's territory, the latter had already made his position secure for a newspaper battle. A Hearst newspaper took one of the chain's few defeats, ultimately disposing of the Record to the Star-Telegram. Carter fought Hearst as resolutely as he had fought for Fort Worth. That he had done the latter was the basis of his victory over Hearst.

Had Dallas fought Fort Worth as Carter fought Dallas, the results might have been different. Doubtless Carter recognized, as Dallas has always done, that there is ample room for two great cities on the Trinity within a few miles of each other. But Carter could only impart his own vision to his city by making Dallas the whipping boy of its ambition.

Amon Carter has written a remarkable and unique chapter both in Texas journalism and Texas city building. Fort Worth is his monument.

Texas and Texans will miss him.

[From the Big Spring (Tex.) Herald of June 24, 1955]

WEST TEXAS LOSES A GOOD FRIEND

Texas—and west Texas in particular—has lost one of its most distinguished and useful citizen in the death of Amon Giles Carter, Fort Worth publisher, oilman, philanthropist.

Many people came to consider Fort Worth and Amon G. Carter synonymous, and well they might. His list of promotions and benefactions in his home city are almost endless. Several institutions bore his name in testimony of his leadership and generosity.

There were two sides to Amon Carter—one the colorful showman who loved to do the dramatic and who undeniably basked in the limelight; the other a man who sincerely believed in his community and State and who gave back to them far, far more than he ever received from them.

More than most people realize, Amon Carter was one means by which national attention was focused more and more upon Texas. This was achieved in part by his ability to attract people of national prominence into Texas and Fort Worth; by his boldness in promotion, such as the fabulous Casa Manana during the centennial days; by his vision in many fields such as in the field of air passenger service.

These were some of the things which made news and which put the spotlight of public attention upon him. However, long after these things are forgotten, the deeper contributions of the man will stand as evidence to his fierce pride and big heart toward a city and region he loved. Amon Carter was given the trust of great wealth and power in his day, and when the wheat is shaken from the chaff, it is certain that he made wise use of them for his fellow man.

[From the New York Herald Tribune of June 25, 1955]

AMON G. CARTER

They called him "Mr. Fort Worth," because of his loyalty to the city where most of his adult life was spent—and the name was not unfitting. He represented the successful striving, the pride of locality the hospitality, and the zest of a great and growing city.

Both Amon G. Carter and Fort Worth could tell of small beginnings and great achievements. The man swept floors and washed dishes in a boardinghouse at 12 and controlled large newspaper and business interests before he was 50. The city numbered 30,000 in 1923 and 300,000 30 years later. They grew together—Texas style—with an appreciation of broad horizons, or natural wealth that needed only courage and hard work to make it productive, or keen, tough competition among men and cities alike.

It would take much space to list the activities and accomplishments of Amon Carter—the Star-Telegram which he built up, the encouragement he gave to aviation, the Texas Technological College he helped to found, his charities, and his untiring efforts on behalf of Texas and Fort Worth. It is enough to say that it is a very American story, with just that added sweep and gusto that Texas has added to the saga of the States. The country—and the Southwest in particular—has lost one of its most impressive and colorful figures. But Amon G. Carter's monuments are everywhere in the city and State he loved and served so well.

[From the Houston Post]

AMON CARTER—"MR. FORT WORTH"

No one in the last quarter century wielded a greater influence in the affairs of west Texas than Amon G. Carter. He was the mainspring of Fort Worth's great development and, to a great extent, west Texas, since the early 1920's.

His newspapers, the morning and evening Star-Telegram, blanketed a farflung area from the Panhandle down through and beyond the South Plains, and from the Trinity Valley to the New Mexico line, molding public opinion throughout. In the history of that section his stature looms gigantic.

Amon Carter's influence extended even beyond the borders of Texas—all the way to Washington. He was on intimately friendly terms with the great and the near great. Few notables visited Fort Worth without calling upon Mr. Carter. Many of these friends also became friends of public endeavors which he advocated for Fort Worth and west Texas—war industries, hospitals, schools, Federal buildings, an international airport, railroad terminals, and so on.

The Carter influence was felt in most of the major economic and cultural developments in Fort Worth. At one time or another he headed virtually every important civic activity. He gave not only of his energy and leadership, but of his means. He made probably more money in the oil business than from his newspapers. The sale of part of the vast Wasson pool in 1947 brought him $16½ million. This went into a foundation, through which he contributed generously to many causes.

Born in a log cabin in Wise County 75 years ago, Mr. Carter's early life was one of hard struggles. Thus he had the "common touch"—and he never lost it. It was one of the secrets of his success.

Innumerable honors came to Amon Carter in recognition of his good works. Perhaps the most distinguished and most fitting of them all was the unofficial title—"Mr. Fort Worth."

[From the New York Journal-American of June 25, 1955]

AMON CARTER, AN AMERICAN PIONEER

A fellow who knew Amon Carter, Mr. Fort Worth, for 25 years, must feel bad that he is gone. He was a real American. One of the tough-fibered, never back-up, or give-up, sort that has been so important in the history of the country.

Not a pioneer of the type of Dan Boone, Kit Carson and the widely sung Davy Crockett, of course, Amon was a true pioneer, nevertheless.

A builder of the country, making the mistakes and blunders common to all men, but forever seeing a bright and wonderful future ahead and building toward it with foresight, hope, and almost unbelievable energy.

Born bone-poor in the land of the cowpony, where ponies came cheap, he never was affluent enough to have a horse to ride until he was a grown man.

Without formal education, or ever much of any, except the kind he picked up with his native sense, he was yet, years later, one of the first to see that the airplane was the transportation of the future, and he lived to see that future become today.

Once, not many years after World War I, he said to me about planes: "They get you there faster and when you're going somewhere, the way to get there is fast."

But it is not for such things as that, that I'll remember Amon. I'll remember him as a friend. As a generous-hearted friend, who, liking you, got pleasure from doing a favor in a quick, generous, and open-handed way.

Such as this one, which came before he hit the big jackpot under the ground that cured him of financial troubles, of which, too, for a lot of years, he had his full share.

There were years, and many of them, when he must have been able to pick a dry-hole oil well more unerringly than any man in all of Texas.

WITH AMON, NO QUIBBLE

There was a cartoonist here in New York, and a good one, who had run into more bad luck of various kinds than as nice a fellow as he was deserved to have.

This man came to see me one day, sick and despondent. He was taking a bus to California, he said, but he doubted that things would be better for him when he got there.

"Must it be California?" I asked him.

"Where else?" he asked me, "at least it's warm out there."

"I was thinking about a friend of mine in Texas," I told him. "Would you give it a hard hustle, if I could get you a job on his newspaper?"

"Yes, if you can get me the job," he replied, "but you won't."

I called Amon at the Fort Worth Star-Telegram and told him briefly the tale. There was no quibbling on his part. No story about the paper being oversupplied with cartoonists. No questions of the fellow's habits, or his looks, or beliefs, or anything at all.

"You say he's good, Bill?" he asked.

"One of the best for sure," I told him.

"When'll he be here?"

"Four or five days from now, I guess."

"Tell him to see me personally, and if I don't happen to be here, to wait until he can. Tell me his name again, and how it's spelled."

A few years later I was in Dallas and heard the rest of the story. The man walked into Carter's office and got a welcome so warm that he felt at home even before he sat down before the publisher's desk.

"You went on the payroll last Monday at X dollars a week. Do you think that's fair for a beginning?" asked Amon.

The man gulped and nodded; not perhaps that the salary was munificent but that it was there. He was an artist with a job again.

"O. K.," said Carter, "now I'll show you your office."

He led him into a pleasant sunny office on which, by some chance, the man's name had been painted on the glazed glass of the door.

The big winner, of course, was the man who that day began a bright and successful new career. He was that day a top member of the Star-Telegram staff. But Amon lost nothing, either.

On the contrary, he wound up with a great cartoonist, who proved to be a star for his newspaper. A paper for which, incidentally, he never ceased to be the top advertising salesman.

But the credo of living was what always intrigued me—that a friend of his was going to be all right with him. You don't find so many of those.

And so I'm sad that he's gone. It would be very hard for anybody to say, I think, that he wasn't quite a man in quite a State of quite a country.

If they walk and talk big in Texas, the jokes notwithstanding, it shouldn't be overlooked that they do pretty big, too.

AMON WAS TEXAS, ALL OVER

Amon Carter was one of them. He was Texas all over. So typical, indeed, that in the dark of night in Timbuctoo, one would have had to say: "Here comes Carter, here comes Texas."

I don't think that's bad. I think it's great.

I believe Amon Carter was in his time, by his lights and by his opportunities, an outstanding American citizen. I know he was a good American. I know that he was a good friend.

He worked like six Trojans to accomplish the things that he accomplished. He also had fun in sports with his beloved Horned Frogs and Dutch Meyer of TCU, Sammy Baugh, Davey O'Brien, Ky Aldrich, Fort Worth baseball, golf tournaments, racing, and the rest.

It was nice that he had that fun.

At 75, he had walked a full beat. He was a gentleman to have known. I'm glad I knew him pretty well. Because, as a fellow gets older, pleasant memories are nice to have.

SILLIMAN EVANS

Mr. KEFAUVER. Mr. President, will the Senator from Texas yield?

Mr. DANIEL. I yield.

Mr. KEFAUVER. I wish to join with the junior Senator from Texas in paying high tribute to Mr. Carter. It was my pleasure to have known him for a number of years. He was a great citizen not only of Texas, but also of the Nation, and was one of the outstanding newspapermen of our time.

I call the attention of the Senate to the fact that he was a backer and sponsor of Mr. Silliman Evans, who became the publisher and president of the Nashville Tennessean. Mr. Evans went to Texas to attend the funeral services of his old friend and associate, Mr. Amon G. Carter, and the following morning Mr. Evans himself passed away while in Fort Worth.

Thus the Nation has lost two of its outstanding men in the newspaper field, and the South has lost two men who have fought valiantly for the economic and social development of our section.

PAN AMERICAN AIRLINES' 50,000TH FLIGHT ACROSS THE ATLANTIC

Mr. MONRONEY. Mr. President, with the departure of a Pan American DC–7B from Idlewild Field, New York City, at 5 p. m. this afternoon, Pan American Airlines will be making its 50,000th flight across the Atlantic.

The first flight was made 16 years ago, and since that time the airline has carried 2,021,483 passengers a total distance of 200 million miles across the ocean.

The captain of the first flight was Harold E. Gray, now executive vice president of Pan American.

During the 16 years, the airline has run up an impressive total of 24,540,000 pounds of airmail, the equivalent of 552 million letters. More than 35,275,394 pounds of cargo have been carried by air across the Atlantic. This would total more weight than 11,700 modern automobiles weigh. The categories of freight airlifted range from heavy machinery weighing more than a ton to dresses fresh from the showrooms of the Paris designers and weighing only ounces.

It is interesting to note that for 2 years before that first flight, 16 years ago, Pan American conducted survey flights, and collected all possible data to guide them in their operations. For 5 years before the first flight, expeditions had been conducted in the Arctic to compile the necessary information on Atlantic weather, communications problems, and flying conditions.

The visit of King George VI and his Queen had just been completed, and the World's Fair was in full swing in New York, when Pan American's flying boat, the *Yankee Clipper*, cut through the waters of Long Island Sound near Port Washington for its flight to Southampton, England.

Once a week the 42-ton flying boat, weighing only a little more than half the weight of modern clippers, followed the northern route to Europe. It had a speed of only 140 miles an hour, and often required more than 24 hours to make the trip to Europe. The route went via Botwood, Newfoundland, and Foynes, Ireland, to Southampton. Each week the sister ship, the *Dixie Clipper*, flew the mid-Atlantic route through Bermuda, Horta in the Azores, Lisbon, Portugal, to Marseilles in France.

Often flights were long delayed because of high seas. Ice often held up flights in New York, and sometimes three-foot swells at the Azores could delay flights for days. With the war came intermediate landing fields, and the line changed over to landplanes.

The DC–4's came on the line in 1945, but as they were unpressurized, their altitude was limited to 10,000 feet. With the Constellation in 1946 came the first flights above weather, as the pressurized cabins permitted this new and safer service. This was followed in 1949 by the Boeing Stratocruiser, a double-deck, all-sleeper plane, with horsepower rated at 3,500 per engine.

With new planes, including the Super-Stratocruiser, the Douglas DC–6B, and now the DC–7B, flying time has gone from the 140-mile-per-hour speed to 353 miles per hour. Instead of 24 hours required to reach London, the flying time today is only 11 hours. Within sight of early delivery is the new Douglas DC–7C, which will have a flight range of 5,000 miles.

The pioneers in transatlantic flying paid off big dividends during World War II, when experience, training, and weather knowledge made it possible for the United States to maintain close contacts with Europe by air. Among the famous persons flying to Europe by Pan American during the war was President Franklin D. Roosevelt, who flew to the Casablanca conference in 1943, marking the first time that a President had flown while in office. Others included Gen. Dwight D. Eisenhower, Gen. George C. Marshall, Queen Wilhelmina of the Netherlands, and many other notable persons.

The airlift of cargos was vital, too, and often dangerous. Under PAA's contract with the Air Transport Command, loaded shell fuses reached General Montgomery's troops at the critical moment before the battle of El Alamein.

Technically, the pilots say, progress has been made little by little during the past 16 years. The "least time track" has served to take advantage of the path having the most favorable tailwinds, so that in 1949 a record was set for New York to London nonstop of only 8 hours, 55 minutes.

Pressurized airplanes have made possible greater safety by flying over the weather, and have added much to passenger comfort as well. Radiophone has replaced the laborious dot-and-dash method. Navigation was greatly improved by the addition of the loran gear, a method of locating planes more accurately while in flight, and improvements have been made in octants and in the installation of radio altimeters.

Longer-range airplanes gave pilots more choices of alternates, and higher octane fuel provided more power for engines and lower fuel consumption. Supercharging and the use of power-recovery devices again improved performance. Bad weather landings were made safer by radar at airports. The logical outgrowth of ground radar is airborne radar, now just coming into use.

In addition to the improvement of flight techniques, additional services and travel plans have continued to build up a demand for transatlantic service. First came the off-season rates put into effect in the winter of 1947 to smooth out offseason peaks. Next came the inauguration in May 1952 of two-class service, and the inauguration of tourist trips at a 25-percent reduction in cost. Business increased some 69 percent in this innovation of lower cost fares. Other plans may lower present costs, with a projected family plan being readied for next fall.

While the service of transatlantic flying looms large in the international travel picture, we must never overlook its importance in keeping alive air transport that can be useful for our defense of the great Atlantic community. The long-range, four-engine fleet could deliver to Europe a total of 7,600 troops a day in case of need.

ADJOURNMENT

The VICE PRESIDENT. What is the pleasure of the Senate?

Mr. MONRONEY. Mr. President, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 1 minute p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, June 29, 1955, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 28 (legislative day of June 27), 1955:

HOME LOAN BANK BOARD

William J. Hallahan, of Maryland, to be a member of the Home Loan Bank Board for a term of 4 years expiring June 30, 1959.

IN THE ARMY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947:

To be general

Gen. Matthew Bunker Ridgway, O5264, Army of the United States (major general, U. S. Army).

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 28, 1955

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the great companion of our hearts and the counselor of our minds, Thy eternal truth is our light and Thy spirit of love the bond of unity among men and nations.

We penitently acknowledge that in these dark and perilous days the hope of establishing peace on earth seems at times so remote and unreal.

Help us to believe that there is no crisis we cannot face if our inner life is armored with Thy divine righteousness and controlled and guided by a desire to do Thy will.

Grant that our President, our Speaker, our Congress, and all who represent our beloved country in the field of international relations may be blessed with the art and the resources of statesmanship and diplomacy but above all with a faith that never wavers and a courage that never falters.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 880. An act for the relief of Paul Y. Loong;

H. R. 935. An act for the relief of Mrs. Marion Josephine Monnell;

H. R. 943. An act for the relief of Luzie Biondo (Luzie M. Schmidt);

H. R. 968. An act for the relief of Max Kozlowski;

H. R. 973. An act for the relief of Mrs. Elizabeth Dowds;

H. R. 977. An act for the relief of Mrs. Ellen Hillier;

H. R. 988. An act for the relief of Susanne Fellner;

H. R. 995. An act for the relief of Frieda Quiring and Tina Quiring;

H. R. 997. An act for the relief of Irmgard Emilie Krepps;

H. R. 998. An act for the relief of Meiko Shikibu;

H. R. 1028. An act for the relief of Melina Bonton;

H. R. 1047. An act for the relief of Armenouhi Assadour Artinian;

H. R. 1083. An act for the relief of Robert Shen-yen Hou-ming Lieu;

H. R. 1157. An act for the relief of Milad S. Isaac;

H. R. 1158. An act for the relief of Emanuel Frangeskos;

H. R. 1205. An act for the relief of Cynthia Jacob;

H. R. 1299. An act for the relief of Miss Toshiko Hozaka and her child, Roger;

H. R. 1300. An act for the relief of Luther Rose;

H. R. 1337. An act for the relief of Victorine May Donaldson;

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education; and

H. R. 4549. An act for the relief of John J. Braund.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3359. An act for the relief of Raymond George Palmer.

The message also announced that the Senate had passed bills, a joint resolution, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 288. An act to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within such school district by the Department of the Interior;

S. 501. An act for the relief of Ki Young Kwan;

S. 578. An act for the relief of Edmund Lowe and Richard Lowe;

S. 871. An act for the relief of Dominic Gaetano Morin;

S. 1159. An act for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling;

S. 1522. An act for the relief of Lieselotte Brodzinski Gettman;

S. J. Res. 21. Joint resolution to establish a Commission on Government Security;

S. Con. Res. 42. Concurrent resolution favoring the suspension of deportation in the case of certain aliens; and

S. Con. Res. 45. Concurrent resolution providing for the reenrollment of S. 195, for the relief of Giuseppe Minardi.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 4904) entitled "An act to extend the Renegotiation Act of 1951 for 2 years," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD, Mr. GEORGE, Mr. KERR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1464) entitled "An act to authorize the Secretary of the Interior to acquire certain rights-of-way and timber-access roads," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LONG, Mr. ANDERSON, Mr. NEUBERGER, Mr. MALONE, and Mr. DWORSHAK to be the conferees on the part of the Senate.

APPROPRIATIONS FOR DEPARTMENT OF COMMERCE AND RELATED AGENCIES, 1956

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on the bill (H. R. 6367), making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERMISSION TO SIT DURING SESSION OF THE HOUSE TODAY

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Education and Labor dealing with school construction may sit this afternoon during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that a special subcommittee of the Committee on Education and Labor dealing with Public Laws 815 and 874 may be permitted to sit during general debate in the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

SPECIAL ORDER GRANTED

Mr. STAGGERS asked and was given permission to address the House for 5 minutes today following the legislative business of the day and any special orders heretofore entered.

ALASKA TIDELANDS

Mr. BARTLETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BARTLETT. Mr. Speaker, I am today introducing a bill conveying title in Alaska tidelands to the Territory of Alaska.

In general, the provisions of this bill follow those of the Submerged Lands Act of 1953. The bill, among other things, transfers ownership of the lands beneath those navigable waters lying within the boundaries of the Territory of Alaska to the people of the Territory, and likewise gives them ownership of and management powers over natural resources in and under these waters. Such resources include fish; management of that resource has been sought by the citizens of the Territory for ever so long. It is interesting to note that the statehood bill which was recently before this House used the language of the Submerged Lands Act of 1953 in pointing out and emphasizing that the fishery resource should go to Alaska instead of having ownership and management remain in the Federal Government.

The bill expressly provides that the Territory may not sell the submerged lands or any of the natural resources. The bill requires that development of such resources shall proceed only under leasing arrangements in accordance with laws to be passed by the Legislature of Alaska.

Mr. Speaker, I trust that early and affirmative consideration may be given this proposed legislation. During the many discussions of and debates on Alaska statehood it has not been argued to my recollection that the Federal Government has ever done enough for Alaska in the way of making resources available so that proper development may be accomplished under sound conservation policies. The great land has been locked up; this is an effort to turn the key part way in that lock. Under Federal management policies, which at one time blow hot and at another time

blow cold, and which are always attended by the limitations inherent in a vast Federal bureaucracy, we can look forward to little in the future if the experiences of the past are duplicated. Here we seek to strike out for ourselves in a search for long-delayed utilization of our resources. Such utilization will, I am confident, proceed under soundest policies not only because it will be the intent and desire of Alaskans to have it so but because the bill itself through its leasing requirements will prevent any giveaways.

Enactment of this bill and enactment of other bills to give Alaska more home rule and more opportunity for growth certainly should be granted now that statehood has been denied us. I have a bill pending to transfer to the Territory of Alaska 20 million acres out of the vast Federal holding amounting to over 350 million acres. I have other bills approval of which would, I am sure, place Alaska in a position where its economic soundness could never again be disputed. Doubtless I shall be introducing other bills for other changes and improvements. We Alaskans continue to hope and believe that our Government will not deny us the right to grow up and prosper under the same rules which brought about growth elsewhere in the West. Passage and approval of the submerged lands bill for Alaska would be a massive prop in the foundation for a prospering Alaska.

SPECIAL ORDER GRANTED

Mr. FLOOD asked and was given permission to address the House for 30 minutes tomorrow, following the legislative program and any special orders heretofore entered.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill (H. R. 6645) and that that permission may also apply to any minority report or separate minority views.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMISSION ON INTERGOVERNMENTAL RELATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 198)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed with illustrations:

To the Congress of the United States:

Pursuant to the provisions of Public Law 109—83d Congress, as amended, I hereby transmit to the Congress of the United States the final report of the Commission on Intergovernmental Relations.

One hundred sixty-eight years ago the Founding Fathers designed our Federal form of government in response to the baffling and eminently practical problem of creating unity among the Thirteen States where union seemed impossible. The farmers of our Constitution reached a solution now recognized as one of the most significant advances in the history of representative government.

Since their day, our Federal structure has been adapted successfully to such phenomenal changes as a fortyfold increase in our population, the industrialization of our economy, and the rapid urbanization of our society. No other federal system, since established, has so effectively blended the capacity for energetic and responsible national action and the spirit of local initiative and autonomy.

In our time, however, a decade of economic crisis followed by a decade of war and international crises vastly altered Federal relationships. Consequently, it is highly desirable to examine in comprehensive fashion the present-day requirements of a workable federalism.

The interests and activities of the different levels of government now impinge on each other at innumerable points, even where they may appear to be quite separable. The National Government's defense policies and programs, for example, have important repercussions on virtually every phase of State and local activity. Conversely, the effectiveness of our national defense policies depends on a myriad of State and local activities affecting the health, safety, and social and economic welfare of our people.

Because of this increasingly intricate interrelationship of National, State, and local governments, it is important that we review the existing allocation of responsibilities, with a view to making the most effective utilization of our total governmental resources.

To this undertaking the Commission on Intergovernmental Relations has made a notable contribution. Its report includes numerous specific recommendations. Insofar as these would entail action by the executive branch, I shall see that they are given the most careful consideration. I commend to the attention of the Congress, as well as of State and local executives and legislatures, the recommendations pertaining to them.

The Commission on Intergovernmental Relations is the first official body appointed to study and report on the general relationship of the National Government to the States and their local units. Consequently, the Commission wisely devoted much of its time to an examination of the general nature of our Federal system, and of the means whereby it can be made to work more effectively. I am confident that its report will result in increased and sustained interest in this vitally important problem of government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *June 28, 1955.*

PROPOSED RESEARCH ASSISTANT

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, there seems to be considerable misunderstanding about a proposal to readjust salaries of certain employees of the House of Representatives, to increase certain allowances for postage, telephone, telegraph, and travel expenses for Members of the House, and to include the addition of another employee in each Member's office to be known as a research assistant, at a salary in excess of $12,000 per year.

I am opposed not only to many of the proposals that have been made, but am unalterably opposed to the addition of the research assistant on the basis indicated in the proposal.

Not only am I opposed to many of the proposals, but this opposition is further emphasized by the procedure which has been followed in attempting to secure not only approval for, but for the appropriation which would be necessary in taking care of this increase in the cost of operation of the House, which totals more than $5 million annually.

This proposal has not been adequately considered by the House Committee on Administration, which, in this instance, appears to be surrendering its authority, responsibility, and duty by attempting to transfer to the House Committee on Appropriations the responsibility for studying and drafting the necessary legislation granting the authority for this $5 million increase.

As a member of the Committee on House Administration, I feel that this committee should accept its responsibility in dealing with this proposal. The House should have an opportunity to express itself on a clear-cut proposition and a bill carrying all of these items should be brought to the floor under an open rule under which amendments would be in order.

To include this proposal, which has not even been recommended by the full Committee on House Administration, in a legislative appropriations bill would be contrary to the established custom of the House, if not an actual violation of the rules of the House. If, on the other hand, this proposal should be included in an appropriations bill I am hopeful it will be under a rule whereby Members will have an opportunity to express themselves on a record rollcall vote. I know I am expressing the views of many Members of Congress who, like myself, want the opportunity to vote against such a proposal.

STOP AND START NATIONAL DEFENSE

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, in the time that has passed since we acted on appropriations for the armed services, some significant events have occurred.

Despite attempts by the administration to laugh off reports of the rapid development of Soviet air power, the administration itself finally felt compelled to announce that a step-up was needed in our own aircraft procurement.

The great crusaders who used to talk about a "mess in Washington" managed to produce their own incredible confusion and bungling. The Vice President made a speech one day about the upcoming Big Four Conference and solemnly proclaimed that it offered perhaps the world's last chance. He was promptly denied endorsement by his own administration's State Department, and a few days later President Eisenhower himself denounced fatuous expectations about the Conference and warned that it could offer, at most, the beginning of a quest that may last a generation.

The Secretary of Defense first ridiculed the report that Soviet modern long-range bombers were already flying in combat formations. But a few days later he admitted that the Pentagon was taking a very good look at our own needs. Then the Air Force announced a step-up in B–52 production and asked the Senate for supplemental appropriations. Assurances were given that there would be an increase in fighter-plane procurement. The Senate declined to concur in administration proposals to slash the Marine Corps.

Mr. Speaker, it has been my belief that we should not take on naked trust assurance and economy measures offered by an administration that obviously has been guided by inadequate information, that contradicts itself or changes its mind in public about every third day. It has been my belief that we should have an agonizing reappraisal, if necessary, by the Armed Services Committee, to fulfill our responsibilities for the security of the country.

We know now, at least, that the administration itself has admitted that its proposed budgetary figures were too low, and the Senate acted on the appropriations bill with the knowledge of that admission. This should bear weight with the Members of this body serving on the joint conference committee. The situation has changed since we acted in the House—and the administration acknowledges the change. I would urge the conferees of the House, in their wisdom, to take this situation into account in their discussions with the Senate conferees.

FOREIGN AID PROGRAM

Mr. DAVIDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DAVIDSON. Mr. Speaker, I will vote for the foreign-aid program which our committee has reported. However, I must say in honesty that I have misgivings about it. Do not misunderstand me. I believe the program to be in America's best interest. I think the economic and technical assistance portion of it too small and would prefer a larger authorization. In my judgment, the proposal before us, recommended by the administration, lacks vision and life. It is niggardly advanced and so couched in militaristic terms as to belie our purely defensive and peaceful purpose. It is a far cry from the bold new plan the administration hinted at.

We are asked to approve a program of $3,285,800,000, of which $2,472,500,000 is for military use. We are asked to approve one vast global program without the breakdowns formerly furnished. I vote for it only because nothing more will pass due to the apathetic attitude of the administration. General MacArthur recently said it very plainly: It is our leaders who are laggards. The people regard our foreign affairs as the most crucial issue before us. The administration concentrates on the budget and big business.

In the past there have been regional breakdowns of military aid funds. The authorization this year is global. In view of conditions in the Middle East, we should be informed as to how much military aid is going there and to whom it is going. Certainly, it is in the interest of the United States to encourage the development of strong and free democratic governments throughout the world. Certainly, too, these friendly countries should be strengthened so that they can defend themselves against aggression. There are 3 paramount sources of aggression today: First, The Soviet Union; second, Communist China; and third, the Arab States unceasing propaganda and economic warfare directed against Israel.

Since they obtained United States military aid, Iraq has never once changed or modified its attitude toward Israel. Only a short time ago, when Egypt's dictator belligerently stated Egypt was ready to go to war again if need be, Iraq promptly announced she would go to Egypt's aid—New York Times, June 5, 6, 1955.

The strategic importance of the Middle East is well known. It is geographically most significant; its natural resources are needed by the West; the Suez Canal is a vital economic and military facility. Continued unrest and the threat of war in that area is not in our best interest and plays into the Communists' hands, as the Bandung Conference indicated.

The secret arming of some of the Middle Eastern countries does not help this situation. We should know the amount of arms going to each country. Certainly it would be preferable that no arms at all be sent to this area until there is a real peace there.

The one thing which will help and which Israel has constantly sought, and which the Arabs have constantly opposed, is a full-scale peace conference between Israel and the Arab States.

It should be borne in mind that the basic cause of the present Near East tension is the refusal of the Arabs to sit down at such a conference and fully discuss with Israel the issues which divide them. Actually, the primary source of trouble may readily be found at the Egyptian door. There are no outbreaks along Israel's borders with Syria and Lebanon. Unless the Egyptians sit down at such a conference in good faith, the unrest and tension will continue. The Times reported again yesterday that the Egyptians have once more refused to do so. In these circumstances, I submit that it is reckless on our part to furnish arms to the Arabs. The spectacle of our supplying arms to those who abjure peace is most strange.

Our Government should make a concerted and direct effort now to obtain such a peace conference. Israel is willing to discuss any and all issues at such a conference. Long distance name calling will not resolve the differences. A conference will.

In summation, it seems to me that the administration proposal relegates the foreign economic development and technical assistance program to a back place. It is obvious that the Communists are engaged in an all out propaganda campaign to capture the support of the world. They picture us as militaristic, and materialistic only. We must refute this lie. We must balance our defensive preparations with understandable efforts to encourage democracy and freedom. Such phrases as "massive retaliation" and "agonizing reappraisal" are not calculated to win us friends. The bombastic tone of self-appreciation and infallibility exhibited by our foreign affairs spokesman gains us no new friends and only antagonizes those we have.

When President Eisenhower speaks out personally, he helps correct this appalling state of affairs. The difficulty is that he is apparently so hemmed about with advisors that he does not speak often enough or forcefully enough.

I hope Mr. Speaker, that we can go forward quickly with this program. Both its aspects, defense and economic development, should be stabilized at high levels. Increased economic and technical assistance is urgently needed in many areas. I share the concern others have expressed in any reductions in this program, particularly in the Near East. The situation remains critical there; it is equally tense in Asia; in Guatemala conditions appear to be going from bad to worse.

If we are to achieve victory in what seems to be a new period of peaceful competition, we need a truly dynamic program which will foster understanding, good will and knowledgeable long-range planning as the Marshall and Truman plans once did.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. VINSON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 98]

Alexander	Green, Pa.	Meader
Bell	Gubser	Miller, N. Y.
Berry	Henderson	Morrison
Bolton, Oliver P.	Holt	Moulder
Boykin	Horan	Mumma
Buckley	Jackson	O'Konski
Canfield	James	Polk
Chatham	Kearney	Powell
Davis, Tenn.	Kearns	Quigley
Dingell	King, Pa.	Reed, N. Y.
Doyle	Knox	Rivers
Eberharter	Knutson	Robsion, Ky.
Ellsworth	Krueger	St. George
Frelinghuysen	Lovre	Scherer
Gamble	McDowell	Simpson, Pa.
Gray	McGregor	Steed
	Mack, Ill.	Tumulty

The SPEAKER. Three hundred and eighty-two Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

1955 AMENDMENTS TO THE UNIVERSAL MILITARY TRAINING AND SERVICE ACT

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 902)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the '1955 Amendments to the Universal Military Training and Service Act'.

"TITLE I

"SEC. 101. (a) Subsection (a) of section 6 of the Universal Military Training and Service Act, as amended, is amended by inserting at the end thereof the following new sentence: 'Any person who subsequent to June 24, 1948, serves on active duty for a period of not less than eighteen months in the armed forces of a nation with which the United States is associated in mutual defense activities as defined by the President, may be exempted from training and service, but not from registration, in accordance with regulations prescribed by the President, except that no such exemption shall be granted to any person who is a national of a country which does not not grant reciprocal privileges to citizens of the United States: *Provided*, That any active duty performed prior to June 24, 1948, by a person in the armed forces of a country allied with the United States during World War II and with which the United States is associated in such mutual defense activities, shall be credited in the computation of such eighteen-month period.'.

"(b) Subsection (b) of such section is amended by amending paragraph (3) to read as follows:

"'(3) Except as provided in section 4 (i) of this Act, and notwithstanding any other provision of this Act, no person who (A) has served honorably on active duty after September 16, 1940, for a period of not less than one year in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (B) subsequent to September 16, 1940, was discharged for the convenience of the Government after having served honorably on active duty for a period of not less than six months in the Army, the Air Force, the Navy, the Marine Corps, or the Coast Guard, or (C) has served for a period of not less than twenty-four months (i) as a commissioned officer in the Public Health Service or (ii) as a commissioned officer in the Coast and Geodetic Survey, shall be liable for induction for training and service under this Act, except after a declaration of war or national emergency made by the Congress subsequent to the date of enactment of this title.'.

"(c) Subsection (c) (2) (A) of such section is amended by inserting at the end thereof the following new sentence: 'No person who has been or may be deferred under the provisions of this clause shall by reason of such deferment be liable for training and service in the Armed Forces by reason of the provisions of subsection (h) hereof after he has attained the twenty-eighth anniversary of the date of his birth.'.

"(d) Subsection (h) of such section is amended by inserting immediately after *'Provided further,'* the following: 'That the existence of a shortage or a surplus of any agricultural commodity shall not be considered in determining the deferment of any individual on the grounds that his employment in agriculture is necessary to the maintenance of the national health, safety, or interest: *And provided further,*'.

"SEC. 102. Section 17 (c) of the Universal Military Training and Service Act, as amended, is amended by striking out 'July 1, 1955' wherever such date appears therein and inserting in lieu thereof 'July 1, 1959'.

"SEC. 103. Section 16 of the Dependents Assistance Act of 1950, as amended, is amended by striking out 'July 1, 1955' wherever such date appears therein and inserting in lieu thereof 'July 1, 1959.'.

"TITLE II

"SEC. 201. Sections 4 and 7 of the Act entitled 'An Act to amend the Selective Service Act of 1948, as amended, so as to provide for special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes', approved September 9, 1950 (64 Stat. 826), as amended, are amended by striking out 'July 1, 1955' wherever such date appears therein and inserting in lieu thereof 'July 1, 1957'.

"SEC. 202. The last sentence of paragraph (1) of section 4 (i) of the Universal Military Training and Service Act, as amended, is amended (1) by inserting immediately after the word 'subsection' the following: '(A) after he has attained the thirty-fifth anniversary of the date of his birth, if he applies or has applied for a commission in one of the Armed Forces in any of such categories and is or has been rejected for such commission on the sole ground of a physical disqualification, or (B)', and (2) by striking out 'fifty-first' and inserting in lieu thereof 'forty-sixth'.

"SEC. 203. Section 203 of the Career Compensation Act of 1949 (63 Stat. 809), as amended, is amended by striking out 'July 1, 1955' wherever such date appears therein and inserting in lieu thereof 'July 1, 1959'."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
DEWEY SHORT,
L. C. ARENDS,
Managers on the Part of the House.

RICHARD B. RUSSELL,
HARRY F. BYRD,
LYNDON B. JOHNSON,
LEVERETT SALTONSTALL,
STYLES BRIDGES,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3005) to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all after the enacting clause in the House bill, made several changes in the regular draft act and added as a separate title the extension of the Doctors Draft Act together with the special pay for physicians and dentists.

There were several major and some minor differences between the House version with respect to the extension of the regular draft law and the amendment as passed by the Senate.

EXTENSION OF AUTHORITY TO DRAFT INDIVIDUALS UNDER THE REGULAR DRAFT

1. Both the House bill and the Senate amendment provided for a 4-year extension of the regular draft.

2. Both the House bill and the Senate amendment provided for a 4-year extension of the Dependents Assistance Act.

3. The House bill provided that individuals who enlist in National Guard units prior to attaining the age of 18½ would not be liable for induction beyond the age of 26. Under existing law such individuals are liable up to age 35. The Senate amendment makes such individuals liable for induction up to age 28. This is the first significant difference between the House bill and the Senate amendment. The House managers agreed to this portion of the Senate amendment.

4. The House bill contained an amendment which reduced the age of liability from age 35 to age 26 for an individual who was deferred for physical reasons as a result of being rejected by an Army examining station or induction station. The Senate amendment struck out this language from the House bill and thus continues in effect the present law which makes these individuals liable up to age 35. The House managers agreed to this portion of the Senate amendment.

5. Both the House bill and the Senate amendment contained language to the effect that the supply of an agricultural commodity may not be taken into consideration either in denying or granting deferments. The Senate amendment merely rearranged the wording of the House bill without changing the effect of the House bill in this respect.

The House managers agreed to this portion of the Senate amendment.

6. The next difference between the House bill and the Senate amendment involved the amount of service necessary to qualify for exemption from induction on the basis of prior service. The House bill provided that an individual who served honorably on active duty after September 16, 1940, for a period of 6 months or more in the Armed Forces (or 24 months in the Public Health Service) would not be liable for induction except upon a declaration of war or national emergency by the Congress. The Senate amendment provided that an individual shall be considered as qualified for exemption if he serves on active duty for a period of 1 year in the Armed Forces unless he was discharged for the convenience of the Government after having served 6 months or more. The Senate amendment also added the Coast and Geodetic Survey to the 2-year active duty requirement to qualify for such exemption. The House managers agreed to this portion of the Senate amendment.

7. The Senate amendment provided for the exemption from registration and induction of members of the Reserve components of the Armed Forces while employed as veterinarians of the United States Department of Agriculture. This same provision was also applied to prior-service exemptions by another subsection of the Senate amendment which provided that no member of the Reserve component "who has been employed as a veterinarian by the United States Department of Agriculture for a period of 24 months from and after the date of enactment of this paragraph shall be liable for induction except in time of war or national emergency declared by the Congress."

The House managers objected to this portion of the Senate amendment on the grounds that these civilian employees of the Department of Agriculture are not serving in such employment as members of the uniformed services. The Senate managers receded from their insistence on this portion of the Senate amendment.

8. The Senate amendment also added a new exemption from induction of any person who, subsequent to June 24, 1948, served on active duty for a period of not less than 18 months in the Armed Forces of a nation with which the United States is associated in mutual-defense activities if the country of which such person is a citizen grants the same privilege to citizens of the United States. A similar proposal was contained in H. R. 9007 which passed the House in the last Congress, but did not pass the Senate. The House managers agreed to this portion of the Senate amendment.

EXTENSION OF THE DOCTORS DRAFT ACT

The Senate amendment added a separate title to the bill as it passed the House under which the Doctors Draft Act would be extended for 2 years, and entitlement to the additional extra pay for doctors would be continued for doctors entering on active duty prior to July 1, 1959. In addition, the Senate amendment contained an amendment to the Doctors Draft Act which provided that an individual after July 1, 1955, who had attained the 35th anniversary of the date of his birth and applied for a commission in one of the Armed Forces as a physician or dentist, and who was thereafter rejected for such commission on the grounds of physical disqualification, would no longer be liable for service under the doctors draft law.

In extending the Doctors Draft Act the Senate amendment made no change in the maximum age of liability of induction for physicians and dentists which, under existing law, is 51 years of age.

The House managers insisted that the age of liability for doctors under the Doctors Draft Act be substantially reduced from the present age of 51. The House managers attempted to reduce the age of liability to 41 on the grounds that this would provide physicians to take care of the medical needs of the Armed Forces for the next 2 years so long as no medical-school graduates are deferred during the next 2 years for purposes of residency training. Failing in this effort the House managers attempted to reduce the age to 42, 43, 44, and 45, but in each instance the Senate managers insisted that the age of liability remain at 51. The Senate managers insisted that the availability of physicians numberswise was not the sole criterion with regard to the procurement of physicians. The Senate managers likewise insisted that any age below 50 with regard to the Doctors Draft Act would fail to take into consideration any upward revision in the strength of the Armed Forces during the next 2 years. The Senate managers were of the opinion that members of the uniformed services are entitled to the best possible medical care and that such medical care would not be available unless more experienced physicians and specialists served side by side with young men who have recently completed their internships. The House managers fully concur in the absolute need for experienced physicians for our Armed Forces. The Senate managers insisted that specialists, in particular, would not be available in adequate numbers if the draft age were reduced below 46. In view of the urgency of the situation and the insistence of the Senate managers, the House managers agreed to a maximum draft age under the Doctors Draft Act of 46. In other words, no doctor will be liable for service under the doctors draft law after attaining his 46th birthday.

The House managers, however, after agreeing to a draft age of 46 for doctors, insisted that any doctor over the age of 35 who had applied for a commission as a physician or dentist in one of the Armed Forces and had been rejected at any time, or is hereafter rejected, on the sole basis of a physical disqualification, should no longer be liable for service under the doctors draft law. The Senate managers agreed to this amendment to the Senate amendment.

The managers of the House and Senate likewise discussed the situation with regard to optometrists. Both the House and Senate managers are conscious of the fact that the Department of the Army are using optometrists in their professional capacity as enlisted men. It is the opinion of both the House and Senate managers that the armed services should, if they utilize optometrists in their professional capacities, offer such individuals commissions. In other words, if an optometrist who is inducted under the regular draft act is utilized as an optometrist he should be offered a commission commensurate with his professional attainment.

There was no disagreement between the House and Senate managers with regard to the continuation of existing law, which authorizes additional pay for doctors serving on active duty.

CARL VINSON,
OVERTON BROOKS,
PAUL J. KILDAY,
DEWEY SHORT,
L. C. ARENDS,
Managers on the Part of the House.

Mr. VINSON (interrupting the reading). Mr. Speaker, in view of the fact that the report and the statement of the conferees have been printed in the RECORD for the last 2 days, I ask unanimous consent that further reading of the statement may be dispensed with and that it be printed in the RECORD at this point.

The SPEAKER pro tempore (Mr. BONNER). Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER pro tempore. The gentleman from Georgia is recognized for 1 hour.

Mr. VINSON. Mr. Speaker, I yield myself 25 minutes.

The SPEAKER pro tempore. The gentleman is recognized.

Mr. VINSON. Mr. Speaker, the conference report before the House deals with four very essential laws affecting our national security. These laws are the basic props of our national defense and must be passed before July 1—2 days hence.

What are these laws?

First. It extends the authority to induct men into the Armed Forces as regular registrants under the regular draft law.

Second. It extends the Dependents Assistance Act—the act under which enlisted personnel receive additional allowances from the Government for their dependents.

Now both the Dependents Assistance Act and the Draft Act are to be extended for 4 years.

Third. The conference report provides for the extension of the Doctors Draft Act for 2 years, and

Fourth. It provides for the continuation of special pay for doctors who enter on active duty prior to July 1, 1959.

Now, Mr. Speaker, last February 8, this House passed, by a vote of 394 to 4, the regular draft law.

In this same bill we passed the extension of the Dependents Assistance Act.

The House Committee on Armed Services did not attach the extension of the Doctors Draft Act to the regular draft, but instead reported a separate bill, H. R. 6057 to the House.

This report was filed on May 10, and on that same day I requested the Rules Committee to hold a hearing on the bill H. R. 6057 in order that we might debate this matter before the House in the Committee of the Whole.

We appeared before the Committee on Rules on May 17.

On June 17, 4 months and 9 days after the House passed the draft extension bill, the Senate passed H. R. 3005, the extension of the regular draft act with an amendment which extended the Doctors Draft Act for 2 years.

This bill was passed on June 17, 1 month after I had appeared before the Rules Committee to request a rule on a separate bill to extend the Doctors Draft Act. On Monday, June 20, I asked unanimous consent to take from the Speaker's desk H. R. 3005, disagree to the Senate amendments, and agree to the conference requested by the Senate. This was granted, and thereafter we held a full and free conference with the Senate on June 21, and as a result filed a conference report in the House.

Now let us see what the conference report provides.

It extends the regular draft act for 4 years until July 1, 1959.

It also extends the Dependents Assistance Act for 4 years until July 1, 1959.

And it makes some changes in the existing draft act.

As you know, under the law young men can enlist in the National Guard prior to attaining the age of 18½. They are deferred from induction so long as they participate in the National Guard. But remember that under the present

law, anybody deferred for any reason remains liable up to age 35. And this applies to National Guard men and any other person who gets a deferment. So the House bill provided that these individuals would not remain liable after they passed the age of 26.

The Senate bill accepted this principle of a reduction in the age of liability, but raised the age to 28.

Now the next question involved the amount of prior service necessary to qualify for exemption as a veteran under the draft law.

The conferees agreed that if a person was discharged with 12 months of service, or 6 months of service if discharged for the convenience of the Government, he would be classified as a veteran.

The Senate amendment provided a new exemption for persons who served on active duty for a period of not less than 18 months in the Armed Forces of a nation in which the United States is associated in mutual-defense activities so long as that country grants reciprocal privileges to American citizens residing in such foreign countries. Since the House passed a similar proposal last year, we agreed to the Senate amendment.

To sum up, let's see what kind of a draft law we will have after the conference report becomes law.

First. All young men attaining the age of 18 will still be required to register.

Second. They will not be liable for induction until they reach the age of 18½ and even then they can't be inducted if there is any person registered in their local board who is available and is over the age of 19. Today they are drafting men at the age of 21.

Third. Young men will still be deferred to complete high school or go to college.

Fourth. The exemptions will remain the same.

Fifth. Young men will still be able to appeal their classifications. The appeal processes remain the same.

Sixth. Young men will still be able to join the National Guard prior to attaining the age of 18½ and will be deferred from the draft so long as they satisfactorily serve in the National Guard up to the age of 28.

Seventh. Any man discharged for the convenience of the Government after serving 6 months on active duty will be considered a veteran and will be exempt from induction except in time of war or national emergency. All others discharged after completing 12 months or more of active service will be considered a veteran and will be exempt from induction except in time of war or national emergency.

Now that's the picture of how the new draft law will operate.

That brings us to the Doctors Draft Act which was added as a separate title by the Senate to the bill that extended the regular draft act.

The House Armed Services Committee reported a doctors draft bill to the House last May 10, as I have already mentioned. We appeared before the Rules Committee on May 17 for a rule. In the meantime, I discussed the matter with many Members of the House and with officials from the Department of Defense to determine whether we could possibly reduce the draft age of doctors, and had considerable correspondence with the chairman of the Rules Committee.

After going over the figures carefully with representatives of the Department of Defense; after carefully studying the testimony; and after going over the statistics with people from Selective Service, I asked the Armed Services Committee to authorize me to offer an amendment to the bill which we had reported to the House to reduce the age from 51 to 45 insofar as physicians and dentists are concerned.

The committee agreed to such an amendment.

Mr. Speaker, I have just as much respect for the medical and dental professions as anyone else. None of us like the necessity of drafting doctors, but we all know that the health of the armed services comes first.

We know that we cannot in good conscience extend a law to draft the young men of our Nation without assuring them the best possible medical care and that is the sole purpose of extending the law.

The Senate conferees were insistent that the age of liability for physicians and dentists remain at 51 as it is today.

We agreed upon a draft age of 46. No physician or dentist may be drafted under the doctors draft law after he attains the age of 46.

In other words, the Senate conferees agreed to come down 5 years from the present law.

Now let me give you the reasoning behind the draft age of 46.

There are just so many physicians in this country who are liable for service who will be graduating from medical schools and will complete their internships within the next 2 years.

In fact, there are only 6,691 physicians in this category.

Now the requirements for the uniformed services for the next 2 years amounts to 7,771, so if we took every single available medical school graduate during the next 2 years we would still be short 1,152 from our requirements.

But, in addition, we have got to think about the future.

If we take all our available medical school graduates for the next 2 years, then we will have no source of experienced physicians to call upon who will be liable under the regular draft act 2 years from now when the doctors draft law expires.

Some 1,800 of our available medical school graduates will be deferred to take residency training so that they can become specialists or more experienced physicians.

Now we suggested to the Senate conferees that we take all of the medical school graduates and not defer any one for residency training. When we did this we fully realized that in offering that suggestion we were creating a problem for ourselves that might be insurmountable 2 years from now.

The Senate conferees refused to go below a draft age of 46.

They said that a draft age below 46 would not assure the armed services of experienced physicians and specialists after the doctors draft law expires. We knew this was true.

They said that if we take all of the medical school graduates during the next 2 years and just a handfull of special registrants, we will have a medical service in the Armed Forces made up mostly of young men who have just completed their internships. In other words, most of the doctors treating our servicemen would be young, inexperienced doctors. We knew this would be the fact.

And finally, the Senate conferees said that if we limited the draft age for physicians to a point where it is barely able to provide physicians even by taking all of the medical school graduates for the next 2 years and deferring none, that we would be in serious difficulty particularly if there was any increase whatsoever in the size of our Armed Forces in the next 2 years.

We know how unsettled world conditions are and that no one can say with certainty what the size of our Armed Forces will be in the future. Last week's incident in shooting down a Navy plane in the Bering Sea is evidence of unsettled conditions that daily confront us.

Now a draft age of 46 will give us enough physicians to fill the requirements of the uniformed services for the next 2 years and at the same time will permit us to defer enough medical school graduates so there will be an adequate source of experienced physicians available still within the draft age 2 years from now when the doctors draft law expires.

Bear in mind that any person deferred for any reason since June 19, 1951, remains liable up to age 35 under the regular draft law. This is the way we will get physicians 2 years from now when the doctors draft law expires.

The Senate did agree to a provision which was contained in the bill we reported to the House that any physician or dentist who applied for a commission at any time in the medical or dental corps and who was rejected for physical reasons would not be liable under the doctors draft law after attaining the age of 35. This means that if a man tried to obtain a commission in the medical corps of the Army, for example, and was rejected for physical reasons and he is now 35 years of age, he is no longer liable under the doctors draft law.

Now it has been argued by some that there would be no need for a doctors draft law if we stopped treating dependents of service personnel and others who are entitled to medical care from service doctors in accordance with law.

Let us analyze this and see what the facts are.

Under the law medical care is authorized for civil service employees, foreign service employees, employees of the Bureau of Indian Affairs, certain nationals of foreign governments, seamen, and certain beneficiaries of the Veterans' Administration.

And in addition to that, medical care is authorized for the dependents of service personnel.

These authorizations are based upon law. But let us see if these laws are being abused.

In 1954 the beds occupied by patients in hospitals and infirmaries under the jurisdiction of the Department of Defense averaged 48,000 daily. Of this number, only 2,400 were not service personnel, retired personnel, or dependents of service personnel.

Of this 2,400, practically all, with the exception of veterans, were serving outside the continental limits of the United States in a civilian capacity or were employed by the Department of Defense in a remote area of the United States where no civilian medical facilities are available.

Are we going to ask civilian employees to work overseas with the Department of Defense and not assure them of an adequate American standard of medical care?

Are we going to ask civilian employees of the Department of Defense to work for the Federal Government in remote areas of the United States where the only doctors available are service doctors and refuse them the right to be treated by service doctors?

We have traditionally provided medical care for the dependents of service personnel and retired personnel.

I can think of nothing that would do more to destroy the morale of our Armed Forces than to deny the dependents of our service personnel medical care on a space and facilities available basis.

In other words, if the hospital is not there or the facility is not there, or it is overcrowded by service personnel, the dependent cannot receive treatment.

All of the dependents and service people know this.

But if there is space and if the facility is available, then these dependents are entitled by law to medical care. If the Congress wants to take away this privilege, it will have to be done by legislation.

Now widows and dependent children of deceased personnel of the Armed Forces are also entitled to medical care. But the actual number who benefit by this entitlement is a different matter.

The number of these people who occupy beds in hospitals and infirmaries is considerably less than 1 percent of the total average occupied by patients in hospitals and infirmaries under the jurisdiction of the Department of Defense.

Our committee has gone into the matter very thoroughly. As a matter of fact, I asked the Department of Defense to give me an estimate as to the number of uniformed physicians who are considered to be devoting a major portion of their duties to the treatment of individuals other than Armed Forces personnel and dependents of armed services personnel.

I was advised that if all medical care were abolished for all personnel now entitled to medical care from the armed services other than armed services personnel and their dependents we would only be able to eliminate about 40 uniformed physicians throughout the entire Armed Forces. That is veterans, civil-service employees, foreign-service employees, seamen, foreign nationals, and employees of the Bureau of Indian Affairs.

If we abolished all dependent medical care for the members of the armed services in the United States, we would only be able to reduce the number of uniformed physicians in our armed services by approximately 581.

I want to emphasize this point:

If we abolished all dependent medical care in the United States and all medical care for all civil-service employees and veterans who are admitted to the service hospitals in the United States and overseas, we would only reduce the call of uniformed physicians for our armed services by 621 physicians.

Now some of you may ask, Why do we not use more civilion physicians?

Well, the armed services do employ 311 civilian physicians in industrial dispensaries, ordnance depots, and places of that nature. There is no limitation on the number of physicians that may be employed by the Department of Defense—but a practical limitation is contained in the inability of the armed services to hire civilians under existing civil-service wage scales. It is a little difficult to compete with the net income of the average physician which is now in the neighborhood of $15,000 annually.

Now someone might say, Well we wouldn't have to take these older physicians if we took the younger doctors who have already served in the Armed Forces.

I am not going to support any program that requires us to force a doctor who is a veteran under the law to serve his country twice when there are many doctors in this country who are under the age of 46 who have never served a day in their life. The doctors who are coming in during the next 2 years will be doctors who have never served on active duty, and they are now in Priority III.

Mr. Speaker, we have looked at this proposition from every angle. And distasteful as it may be, discriminatory as it may be, disturbing as it may be, inconvenient to the doctors as it may be, nevertheless the servicemen of our Nation are entitled to to the best medical care we can provide. They will not get it unless you pass this conference report.

We cannot have adequate national security without proper medical care, and the only way we are going to get proper medical care for the next 2 years is by extending the Doctors Draft Act for 2 years.

Two years from now there should be enough physicians graduating from medical school who are nonveterans, plus those who have been deferred to take specialty and residency training to meet the needs of the Armed Forces if the strength of the Armed Forces stands where it is today.

For the next 2 years, there is no other solution to this problem but to pass this conference report extending the doctors draft law for 2 years.

The law I am asking you to extend gives the President the authority and the discretion to issue special calls under such regulations as he may prescribe as to how many doctors will be called to meet the needs of the services.

Now let me get this point across. The doctors draft law is an authorization law. If the facts change and no longer warrant its implementation, then the President has the authority to modify or change the calls to meet the conditions as they arise.

I have confidence in the President to administer this law in such a manner as to avoid arbitrary calls on physicians and dentists, and at the same time to assure the armed services adequate medical care.

The issue here is simple.

We either pass this conference report and assure an adequate source of medical and dental personnel for our Armed Forces and inconvenience some physicians and dentists who have never served a day of active duty in their life, or we let the convenience of a few physicians and dentists jeopardize the health of our armed services and the national security.

I have received telegrams from every dental and medical society in the United States, as I am sure every one of you have. They all oppose the draft law for doctors.

Not a single one of them, however, can assure the Armed Forces of an adequate source of physicians and dentists without the doctors draft law.

And as far as I am concerned, when it comes to a choice between the health of our Armed Forces and the desires of the American Medical Association and the American Dental Association, I shall elect to assure the members of our Armed Forces that they will receive the best possible medical and dental care.

We either vote to give to the men we draft or the men who volunteer the best in medical care, or we bow to the dictates of the American Medical Association.

I have before me a telegram from the American Medical Association urging that this conference report be recommitted.

Now what will you accomplish if you recommit this conference report.

Today is the 28th of June. These four important laws, the very props of the defense of the Nation, expire on midnight June 30—60 hours from now.

What would be the consequence if this conference report is recommitted and no agreement can be reached?

Everything stops on midnight June 30. The draft stops; the dependent wives and children will have their checks stopped and the whole machinery of these four main props of the defense of the Nation will be brought to a halt.

In a letter from General Hershey, dated June 24, he said:

> It is estimated that, should the Congress fail to extend the induction authority prior to July 1, 1955, at least 50 percent of the 10,000 men already called for induction in July would be affected to the extent that their orders for induction would have to be canceled.
>
> With respect to the effect of a failure to extend the so-called Doctors' Draft Act prior to its scheduled termination date on July 1, 1955, it should be pointed out that immediately upon termination of this act all actions of the Selective Service System with respect to classification and selection of physicians and dentists would be rendered void.

I ask you not to jeopardize the security of the Nation in such a manner.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield for a question? I wanted to ask the gentleman a question about the ratio of physicians in the Army including the dependents that they take care of as compared with the civilian population. Can the gentleman give us any information on that?

Mr. VINSON. I do not have that information.

Mr. MILLER of Nebraska. I understand that the ratio is about 4 physicians to 1,000 in the Army, and in the civilian population the ratio is 1 to 1,200 people in the United States.

Mr. JONAS. I want to ask the gentleman about the action of the other body in striking out an amendment I proposed on the floor and which was agreed to on the floor at the time the bill was originally passed by the House.

Mr. VINSON. That is in the conference report. They agreed to that.

Mr. JONAS. No, sir. That is not in the conference report. It was eliminated in conference.

Mr. VINSON. That is the provision with reference to a man who had been before the Board and rejected because of a physical disability. He cannot be called back. That is in the conference report. A man who has been passed on and to whom a commission has been refused because of a physical disability—that is the end of it—he cannot be called back.

Mr. KILDAY. Mr. Speaker, if the gentleman will yield, the gentleman from Georgia, of course, has correctly stated the provision with reference to doctors who have previously been denied a commission on account of physical disability, but I believe the gentleman from North Carolina [Mr. JONAS] is referring to the amendment adopted on the floor.

Mr. JONAS. That is correct. The amendment proposed by me and which the House adopted.

Mr. KILDAY. That is the regular draft extension which was adopted by the House under which a man who had been rejected at an induction station could not be called back.

Mr. JONAS. That is correct. The amendment was put in the bill on the floor and provided that if a registrant should be rejected at an induction station solely on the grounds of physical disability, his liability for service would expire at the age of 26. Why did the conferees agree to the elimination of that provision after the House, following considerable debate and thorough consideration, affirmatively approved it?

Mr. KILDAY. Mr. Speaker, if the gentleman will yield, that particular provision is not in this bill. The conferees of the other body were adamant in their opposition notwithstanding the very sincere effort to retain the provision because it was a provision put in on the floor of the House. We did not prevail on that and that is not in this bill.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. McCORMACK. I congratulate the gentleman from Georgia on the able and powerful speech he has made. It is a speech which should convince the great majority of the membership of the House, and I join with the gentleman from Georgia in urging that the conference report be agreed to.

Mr. DIXON. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. DIXON. Mr. Speaker, during the hearings on the extension of the draft law in the Senate the junior Senator from Utah, WALLACE F. BENNETT, indicated that, if necessary, he would propose an amendment to section 16 (g) of the Universal Military Training and Service Act, as amended, for the purpose of clarifying the exempt status of those persons called to serve as ministers of the Church of Jesus Christ of Latter-day Saints—Mormons—assigned to serve in the missions of the church.

The problem to which he sought solution has arisen because some local boards and State administrators have failed to recognize the IV–D status of these ministers—despite the fact that the National Director of Selective Service has always considered that the young men of this church, who are ordained as ministers and assigned to serve in the missions of the church, were within the definition of ministers of religion as defined in section 16 (g) of the act. In those instances where the local and State boards have failed to recognize the true status of these ministers the Director has had to rely on appeal procedure in order to get the proper classification.

After hearing Senator BENNETT'S explanation of the problem, and General Hershey's testimony to the effect that he has always regarded these ministers as included in the definition of section 16 (g), the Senate Armed Services Committee concluded that the amendment proposed by Senator BENNETT was unnecessary.

The committee made the following report of the proposed amendment:

Exemption of ministers of the Church of Latter-day Saints (Mormon): The junior Senator from Utah, Hon. WALLACE F. BENNETT, appeared before the committee in connection with a possible amendment to section 16 (g) (1) of the Universal Military Training and Service Act to specifically insure the exemption of those persons called as ordained ministers of the Church of Jesus Christ of Latter-day Saints (Mormon) and assigned to serve in the missions of the church. Assurances given in writing by the Director of Selective Service to the Senator from Utah reflected that such amendment was unnecessary inasmuch as Selective Service considers that these individuals are already entitled to IV–D classification under existing law. The letter referred to and a letter from the Assistant Secretary of Defense for Manpower and Personnel appear in the printed hearings.

This report, coupled with Senator RUSSELL'S statement in the RECORD of June 16, 1955, to the effect that the committee expressly considers any clarifying amendment unnecessary inasmuch as these ministers are in fact already entitled to IV–D status under existing law clearly defines the position of our colleagues in the Senate.

I should like to ask the distinguished chairman of the House Armed Service Committee if he and his committee share that opinion in the light of General Hershey's testimony and the confirmatory comments of the Senate committee?

Mr. VINSON. Mr. Speaker, let me say to the gentleman from Utah that I concur completely with the report of the Senate Armed Services Committee and Senator RUSSELL'S statement that no clarifying amendments are needed to the Universal Military Training and Service Act with regard to the exemption of ministers of the Church of the Latter Day Saints. It is my understanding that these young men are exempt so long as they are ordained ministers and assigned to serve in the missions of the church. As soon as they have completed their work in the missions, which I understand is 2½ years, the exemptions then cease and they become subject to induction like all other individuals.

The SPEAKER. The time of the gentleman from Georgia has again expired.

Mr. VINSON. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I always hesitate to take issue with the distinguished gentleman from Georgia, my very close and dear friend [Mr. VINSON]. I do not think any man has lived in our generation who has done more for national defense than the distinguished chairman of that committee, the gentleman from Georgia [Mr. VINSON], and I want to take this opportunity to compliment him on the great service he has rendered to the country.

Unfortunately, he is human. All human beings sometimes make mistakes, and this time it when he made a bloomer. It is a shame that the House is not permitted to have an opportunity to know what this is all about, but here the House has been deprived of an opportunity to discuss the doctors' draft by reason of this parliamentary maneuver which took place in another body. The gentleman says that the Committee on Rules did not give them a rule. It is true he came before the Committee on Rules. We were so unconvinced, and so thoroughly convinced that it was wrong, that no rule was granted, and the matter lay there for some time. Finally, I fixed a date on a Thursday for the final hearing on that bill. The day before the final hearing this little maneuvering went on, and the bill was adopted as a rider to the regular draft bill in another body. Then the chairman advised me that he did not want a rule, so no rule was granted.

That bill is on the calendar, and if it came to the floor we would have an opportunity to find out whether it was right or wrong. But I am going to tell you in the few minutes allotted me, and I am sorry it is not more, just what is the matter with it, as far as I have had time to see it.

In the first place, it is a thoroughly discriminatory bill. No other class of citizens in the United States is discriminated against and drafted into service simply because of their vocation in life. I expect I have done more than most members of the Committee on Armed Services, because I have read every page of the hearings and I know what I am

talking about. There is no need for a doctors draft. The evidence in these hearings shows that there is no need for it. It is admitted that there are ample graduates coming out of the medical schools to fill every need. The Health Resources Advisory Committee from the Defense Department which deals with this subject notified the American Medical Association in December of last year that the doctors draft was not needed and would not be asked for. Subsequently they came in and asked for it. The only reason they could give for changing their minds was that they wanted to defer 1,000 of the young doctors for further training and take in old doctors. That was the only reason. If they would use the young doctors who are coming out of the schools there would be no need for this draft, and the evidence quite clearly shows it.

During the Korean war when people were getting killed and wounded the Army got along fine with 1.6 doctors per thousand. Today, in time of peace, they are asking you for 2 doctors per thousand, more than they used in time of war.

Why do we have this need in peacetime? Here are five reasons:

First. They are treating 1,100,000 civilian employees of the Defense Department.

Second. They are treating all dependents of servicemen.

Third. All retired personnel and dependents.

Fourth. All the personnel of the foreign Embassies.

Fifth. All wards of the Bureau of Indian Affairs.

There will be a motion to recommit this conference report. I am not permitted, under the rules of the House, because I happen to be on the majority side, to make that motion, but I would if I could make a motion to recommit with instructions to strike out the doctors draft, but I am not permitted to do so. My astute friend wants to choke this thing down your throats without ever giving you an opportunity to know what you are doing, or to vote on the direct issue.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Not at the moment.

Mr. JUDD. In connection with the motion to recommit.

Mr. SMITH of Virginia. I will yield later if I have time.

Do you know you are drafting American citizens here to treat the personnel of foreign embassies in this country? I asked the chairman of the committee when he was before the Rules Committee: "Do you think it is the right American thing to do to draft an American citizen doctor 46 years old to treat the cook of the Russian Embassy?" That is what you are doing.

Sometimes there are questions of principle; this is a question of principle. I do not care about the doctors, but I do care about the vicious principle involved in this bill.

You are drafting, in the fifth place, doctors to treat all the Indians, the wards of the Bureau of Indian Affairs. Did you know that? How many of the Members knew it? But after all that, since the time the Army notified the American Medical Association that they would not ask for the draft of doctors, since that time it has been decided to reduce the Army by 450,000 men, yet they are still asking for a greater proportion of doctors than they did in the heat of hot war.

Mr. Speaker, are we going to stand for this? Are you going to stand here and push this thing down the throats of American citizens and not voice your protest?

This bunk about its going back to the conference committee and not having a draft bill, I want to say to you I voted for every draft bill that ever came before us. I was one of those who by one vote extended the draft 3 months before Pearl Harbor; so I am not any no-draft man, I voted for every draft bill.

When this bill goes back to conference it can be settled in 15 minutes, and we can bring the doctors draft bill to the floor of the House where we can do the right thing. If you vote for it, it is all right with me, but I insist, and I ask you to stand on the question of principle and not permit yourself to have you mouths closed and your opportunity for consideration denied to you by a parliamentary maneuver such as that with which we are confronted this afternoon.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. In just a moment. I want to make a statement about one or two little things.

Talking about these civilian employees of the Army, your drafted doctors in 1948 delivered 42,000 babies for personnel of various and sundry people of the armed services, 42,000 babies. All of that could have been done by civilian doctors under contract. In 1948 they delivered 42,000 babies, but in 1953 the doctors delivered 145,000 civilian babies. Is not that fine?

The answer to the problem is simple, and the chairman of the committee, my dear friend, the gentleman from Georgia [Mr. VINSON] told the War Department in these hearings:

> Now, by the 15th of May you come up here with a plan to treat these civilians through contact with local doctors.

Nothing was ever heard of that. Apparently the armed services simply ignored that demand.

In connection with the conference report, may I say that the House conferees fought valiantly to reduce the age limit. They tried to reduce it to 40; they tried it to 42. They fought valiantly for their position and just as valiantly surrendered and signed the conference report.

I am asking you to send this back. Let them get together over there, and let them do the right thing. Let us also put out a little warning that the House is not going to sit supinely by and have its prerogatives taken away from it and not be given the opportunity to consider a matter that involves as great a principle as anything that ever came before this body.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Minnesota.

Mr. JUDD. With respect to the motion to recommit, the gentleman said he would not be given that privilege because he is on the majority side. May I say that I tried as a member of the minority side to get the privilege of offering a motion to recommit with instructions to strike out title II. That would give the House a chance to vote on this issue by itself. But I was denied that privilege on my side. So there will be offered by someone else on this side a straight motion to recommit which I hope will pass because it is better than letting the conference report go through in its present form.

Mr. VINSON. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Speaker, I hope, too, that this measure will be sent back to the conferees.

I realize that we have serious considerations at stake, since the Universal Military Training and Service Act expires on June 30. This circumstance, however, is not the fault of this body, since the House passed the bill extending the draft on February 28, with no thought of including the doctors draft extension in the basic draft legislation. Now, the present difficulty arises because the Senate saw fit to tack on to the draft bill a new title, not previously considered by the House, effecting the extension of the Doctors Draft Act and other related matters.

I am definitely opposed to such a legislative procedure. The doctors draft legislation is a highly important and controversial matter, which affects the welfare and health of the entire population of the United States. This measure could have been considered in the House as a separate piece of legislation in the usual way and in ample time, had not the other body combined the two pieces of legislation.

The Doctors Draft Act was a necessity born of an emergency. I have been opposed to it all along because it is "class" legislation and as such is not the American way of doing things. I went along with its original enactment and subsequent extensions, however, because I felt it was necessary during the Korean crisis. Now we have reduced our Armed Forces and I seriously doubt the wisdom of continuing this legislation which we all frankly admit is discriminatory.

From the evidence produced at the hearings on the doctors draft extension, and from my examination and study of this whole subject, I am convinced that if the armed services utilized all the medical skills and personnel available, and effected a better distribution of physicians and skilled medical personnel, we would not need to enact this class legislation. I know personally of doctors now classified as surgeons who are being used for nothing more than bandaging surface wounds and administering cathartic pills. These ministrations could be carried out by trained and available personnel if proper organization and planning are brought to bear on the subject.

There is no question but that all of us want to take care of the health and welfare of our men in the armed services and their dependents, but I believe this can be adequately provided for in the basic draft law if applied to doctors and dentists as to all other persons, without again inflicting class legislation on a particular occupational group.

The conflicting testimony on the necessity for drafting doctors and dentists before both House and Senate committees poses some grave questions as to the advisability of continuing this draft of specialized personnel for 2 years longer.

Dr. Frank B. Berry, Assistant Secretary of Defense, Health and Medical, told the Senate committee that—

> We have today slightly more than half of the total number of medical officers authorized for the regular corps of the three services. * * * In addition we have only a handful of career medical and dental Reserve officers on active duty.

This last statement points up the urgent need for the Department of Defense to formulate a determined program to attract and retain career medical personnel on a voluntary basis.

Earlier in the Senate hearings Dr. Reuben R. Chrisman, Jr., representing the American Medical Association, called attention to the figure announced by the Secretary of Defense for the planned military strength of the country, this figure being 2,900,000. By direction of the Secretary, the authorized physician ratio is 3 doctors per 1,000 troop strength, which would call for 8,700 doctors. Dr. Chrisman pointed out, however, that in earlier hearings before the House committee, the physician strength was shown to be 10,360 as of March 31, 1955. Estimated losses during the next 2 fiscal years were shown to be 7,424, leaving physicians on duty in the Armed Forces to the number of 2,936. Thus the number necessary to bring physician strength up to maximum authorization would be 5,764, although the Department of Defense claims a requirement of 6,926 replacement physicians, which includes 845 for the Public Health Service. This number would provide a greater ratio than 3 doctors per 1,000 troops, and the inclusion of 845 doctors, through draft, for Public Health Service raises a grave question of propriety.

In the face of this testimony, there is the report of the Health Resources Advisory Committee of the Office of Defense Mobilization in January 1955, which states that if mobilization continues at presently announced levels, it will be possible to maintain the present physician staffing ratios of the armed services with the new graduates of medical schools who are liable for service under the basic draft act.

The task force of the Hoover Commission is of this same opinion. The task force also recommends that the doctors draft law not be extended and expressed the belief it was unfair in principle and has in the past been abused in administration.

Testimony from the American Dental Association called attention to the conflicting estimates of the number of dental officer replacements needed by the Armed Forces and affirmed its belief that dental graduates subject to the draft could very effectively constitute the main source of dental officer replacements, especially so if the present dental officer staffing pattern is improved.

Serious questions have been raised in testimony before the committee indicating the need for the Defense Department to launch programs to attract to the services career physicians and specialists on a voluntary basis, to obtain services of civilian doctors in areas where they are available, to provide medical care for civilian employees and civilian dependents by other than drafted physicians, and related problems. The whole subject of how best to care for dependents of military personnel needs also to be thoroughly explored with the possibility of using civilian physicians and facilities wherever possible. In this connection a questionnaire filled out by 1,600 physicians separated from the service during the first half of the year 1954—reported by the AMA in its official journal on January 22, 1955—shows that military doctors spent 61.6 percent of time on their civilian patients. Of this amount of time, 28 percent went to dependents and 32 percent to other civilians. This was in the United States. Overseas the percentage was higher. Military doctors overseas spent 72 percent of time caring for civilians, with 8.4 percent of time going to civilian dependents.

Now, according to the AMA estimates, the total number of doctors in the United States totals 221,000 in a population of 165 million. This is a ratio of 1 doctor to every 747 civilians, as contrasted to the ratio of 3 per 1,000 troop strength in the armed services. Also, the Department of Defense ratio does not take into consideration the interns in military hospitals and only considers one-half of the military residency physicians on the grounds that they do not actually give medical care.

Mr. Speaker, in my opinion, the problems in the doctor's draft legislation are too large and too important to push this legislation through as an afterthought and as a mere appendage to the basic draft law. I urge that the bill be recommitted to the conferees for deletion of the title relating to the doctors draft.

Mr. VINSON. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I voted for the doctors draft in August 1950. We were at war. It was necessary to enlarge our Armed Forces on a crash basis, calling back into active service tens of thousands of men who had already fought for years in World War II. The medical services had to be expanded in just as rapid and, to some extent, disorderly manner. Much as I regretted having to vote for a measure which openly discriminated against one group of our citizens, because of their professional skills in the healing arts, I was willing to swallow my convictions with respect to the Constitution of the United States under those circumstances, for the very reasons presented by the gentleman from Georgia. But his reasons do not apply today. We are not at war today and have not been for 2 years. Our Armed Forces have been substantially reduced.

I would vote to extend the doctors' draft law now if it could be demonstrated to be necessary to get enough doctors for the men in the Armed Forces. But that has not been and I think cannot be demonstrated. So I cannot vote for title II of this conference report under the circumstances now prevailing.

First. The procedure under which this conference report is brought before us is wrong, as the gentleman from Virginia has so well pointed out. We are asked to swallow here, without even gulping, a very controversial piece of legislation we have never been permitted to consider, debate, and amend under the usual rules and practices of the House of Representatives.

Even worse, the whole principle of discriminating against one group of citizens is wrong—and certainly unjustifiable unless it can be shown to be absolutely necessary. And that cannot be shown. The Health Resources Advisory Commission of the Office of Defense Management in January of this year said the doctors' draft was not needed to get enough doctors.

The Hoover Commission Task Force on Federal Medical Services, on February 19, of this year, specifically recommended that this piece of legislation, the doctors' draft law, not be extended or reenacted. Those are its words.

Then why does the Pentagon say it is necessary? You know the reason. It is a lot easier to get doctors and dentists by force than by building up an attractive medical service that doctors will be glad and proud to enter as a career. As long as the military can get them by compulsion under a draft, they will never build up again an adequate professional medical service.

The gentleman from Georgia asked, "How are you going to get doctors if you do not draft them?"

The answer is, "Get them the same way we get other specialized personnel—that is, provide a greater incentive."

What did we do when we could not get or keep enough sergeants and various types of specialized technicians in the Armed Forces? We passed a bill just a few months ago to make the positions more attractive. It is working.

We did not say, "We are going to draft you and make you spend 3 more years in the Marines because we need expert technicians, expert mechanics, and expert electricians in order to give our boys every proper service."

We did not go down to the filling stations and airplane hangars and grab all the top mechanics up to 45 years of age, to guarantee that the boys whom we draft to fly our planes and drive our tanks have the finest specialists to make sure their machinery is in tiptop shape and their lives will not be endangered. Why not?

We do not go down to the Statler and the Mayflower Hotels and say, "We are going to draft all your chefs under 45 because our boys must have the very best nutrition possible." Why not?

Just why do we pick out one particular group of our citizens and say that even in peacetime it has got to render a dif-

ferent type and degree of service than any other group of citizens, and at a time when the agencies set up to study this very problem say that it is not necessary?

Who should know more about it and give a more unbiased report than the Office of Defense Mobilization and the Hoover Commission? They say this doctors' draft is no longer needed.

Interestingly enough, the Department of Defense reported that the number of available doctors under the regular draft during the next 2 years would be 6,200. Surgeon General Armstrong testified there would be 6,600. The Health Resources Advisory Committee of the Office of Defense Mobilization said there would be 7,000. Now, here are 3 agencies of the executive branch that ought to know most about the matter and they come up with 3 different figures. Apparently they do not have enough of sufficiently expert accountants. Maybe we ought to draft into the Armed Forces all the CPA's under 45 years of age, and see if they cannot determine what the correct figure is.

Another reason why the military say they do not have enough doctors is because they do not use them efficiently. Almost every doctor in the service will tell you that.

Another is that it uses them to treat 3 million dependents and more than 1 million civilian employees. That may be necessary overseas, but not in most American communities.

Another is that it details them for various civilian medical agencies like the Public Health Service. That is a wonderful organization doing a very important work. But since when is it our system to draft men in middle age for civilian jobs?

Why, then, does the Pentagon say the draft is needed? Because it can get its doctors this way easily. They have not taken the trouble to develop a really attractive career service. And if the House passes this bill today, I venture to predict that they will be here 2 years from now, and then 2 years from that time, asking for further extension. It is human nature never to do voluntarily the things necessary to correct a situation, as long as one can overcome it by the coersive power of the Government.

Mr. Speaker, I hope the motion to recommit will be adopted. Then we can tackle this problem and solve it in the regular American peacetime way. No one in the Armed Forces is going to suffer for lack of sufficiently trained and experienced doctors.

Mr. VINSON. Mr. Speaker, I yield 8 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, I shall not take 8 minutes which the chairman of the committee has so generously allotted me.

We have got to face a reality more than a theory here today. It is pretty tough when you are caught between the millstones of two great, able, and fine gentlemen like the gentleman from Georgia, the chairman of the committee, and the gentleman from Virginia [Mr. SMITH], the chairman of the Committee on Rules. It only goes to show that there can be an honest difference of opinion between wise and good men on a highly controversial issue.

None of us wanted to vote for the doctors draft law when we originally passed it. We frankly admitted that it was discriminatory. But how in the world are you going to draft the youth of this Nation into the different branches of our armed services without providing adequate and well-trained and highly qualified medical care for them?

The gentleman from Virginia [Mr. SMITH] says that the doctors in our Military Establishment have delivered 45,000 babies. Well, I am glad that the population goes on. I do not know how you are going to control human nature, which is a powerful thing, by passing a bill on the floor of this House. And who wants to stop all the fun?

I cannot understand why anyone would vote for the extension of the general draft bill for 4 years and extend the dependency benefits, which we do in this bill, and which is absolutely necessary for our national security, and then refuse to vote not only for an adequate number of doctors, but doctors who are trained and well-qualified. Our armed services must have some experienced doctors and not all neophytes.

I want to point out to the House here that in conference the Senate was very adamant on this particular point. They pointed out that even if all the young graduates of our medical schools were taken in the Armed Forces we would still be 1,152 short of the required number; but that we could go from 51 down to 46 years of age and still defer perhaps about 1,200 doctors who could take their 2 years of residency.

What Member of this House would want his son or daughter in the service, regardless what branch of service, to be treated, or to be operated upon by a youngster just out of medical school, until he has had at least 1 year internship and 2 years of residency? Members of our armed services even in times of peace perform hazardous duties and in times of war face the gravest dangers. They suffer violent shock, the severest wounds, and the most intense pain. Who is there among us who would deny them the best—the very best—of medical care? We should insist upon quality as well as quantity of physicians. It is a mathematical problem. It is not difficult for anyone to compute. If you go below the age of 46 you will have such a narrow margin that practically all the men in our armed services will have to be treated by rather young and inexperienced physicians.

I might say that as a national policy the services have drafted doctors not older than 38 years of age, but we all know as a matter of practical, commonsense you must have older doctors sandwiched in with these new recruits or graduates out of our medical schools if you are going to protect the health and maintain the morale of our armed services.

I think the doctors by and large are fairly well satisfied. They are patriots. Of course, they do not like it. You can understand that. But there are only a few doctors who have been bitter in their criticism so far as I know. I have had two or three call on me. But when you realize that the vast majority of doctors that will be brought in under this extension of the act for 2 years are men who have never served a day in the armed services, I do not see what justification there is for much complaint about it. Some of these doctors got their education at Government expense and I do not want to recall doctors with prior service. It is just about as simple as that.

There are very few changes in these bills except we did lower the age of the men who enlisted before their 18½ birthday in the National Guard, liable under present law for call to duty up to 35 years of age. The House lowered that to 26, the Senate extended the age to 28. We have agreed to the Senate provision. I think it is an improvement in the present general draft law.

In the doctors draft law, we voted not only to lower the limit by 5 years, from 51 to 46, which will allow many doctors to escape service, but we will get a sufficient number so that these doctors that are brought in will be not only graduates of medical schools but will have had their residency training. I repeat we want quality as well as quantity and the best is none too good.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. May I indulge your patience at this particular point. I would like to read from the statement that Rear Adm. Lamont Pugh of the United States Navy, former surgeon general of the Navy and now retired, made before this committee I think in 1953, which indicates why the doctors draft legislation is necessary:

In December of 1948 the American Medical Association addressed a letter to each of 7,610 doctors in the United States who were then less than 26 years of age urging them to volunteer for active duty. Special reference was made to those who had received V–12 or ASTP training. The letters pointed out their liability for induction under the Selective Service Act which had been passed earlier that year and gave other pertinent information regarding the situation. Cards were enclosed for the recipient to fill out and return to the AMA, which in turn forwarded the cards to the Surgeon General of the appropriate armed service. The Bureau of Medicine and Surgery addressed a letter to each of the doctors from whom a card was received, giving complete information on how and where to apply for a commission and active duty. For those not holding commissions in the Medical Corps Reserve, the Bureau of Medicine and Surgery prepared an application letter, including a franked envelope addressed to the nearest office of naval officer procurement so that all that was necessary on their part to obtain the application forms was to affix their signature and mail the letter. A copy of the Bureau letter to each of these young doctors was also sent to our district medical officers and the appropriate officer-in-charge of naval officer procurement in order that they might contact each doctor and assist him in every possible way. Only 33 medical officers out of the total of 7,610 receiving the letter came on active duty for a period of 2 years as a result of this program.

Mr. SHORT. That is very true. But it does not reveal the true feelings of the doctors of America. They are fine men.

Let me say this in closing: Your conferees fought hard and diligently with the conferees of the other body trying to maintain every one of the positions of the House, but you know that all legislation is the result of compromise. We had to give as well as take. Those gentlemen over there were adamant. Both these laws are going to expire just 60 hours from now, on midnight Thursday. This administration, the White House, the Department of Defense, are very eager to have this conference report adopted today. I hope the House will go along with us, because we did succeed in persuading the Senate to lower the age from 51 to 46 for doctors.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman has referred to reducing the age limit in the regular draft from 35 to 28. What is the status of a man now who has already reached the age of 28? Will he be drafted under the new law if he is in class 1–A?

Mr. SHORT. If he is in class 1–A, he could be drafted under the law as it is today.

Mr. AUGUST H. ANDRESEN. But after the present law expires on June 30, does he come under the new law then, so that if he has reached the age of 28 he will not be drafted?

Mr. SHORT. I doubt if they can draft anyone after that.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the distinguished minority leader.

Mr. MARTIN. I would like to ask the gentleman from Missouri if it is not true that the President and the administration is very much opposed to the motion to recommit this conference report and are anxious to have this legislation passed because they know how pressing time is.

Mr. SHORT. Of course, it is as I stated. We are faced with a reality and not a theory. I rather deplore the fact that we did not have a full and open discussion of the extension of the doctors' draft as well as of the general draft law, but we did not have, although our committee reported out both bills weeks ago. Unless we act today, we imperil the safety of this Nation.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MADDEN. Mr. Speaker, it is indeed unfortunate that this legislation which includes the complicated and involved doctors-draft bill, comes before the House through the back door. The chairman of the Armed Services Committee and several Members appeared before the Rules Committee some time ago in order to get a rule dealing with the doctors draft legislation. For some reason which is not clear, the chairman of the Armed Services Committee and members of the conference committee saw fit to attach the complicated doctors-draft legislation to the extension of the original draft bill after it passed the other body. As a consequence, 435 Members of the House are barred from debating, speaking, and amending the doctors-draft legislation because it comes in here under the limited 1-hour debate allotted to a conference report.

There is no question that the doctors-draft legislation is class legislation and it involves the welfare and families of thousands of doctors throughout the country. It also indirectly affects thousands of families in regard to their medical attention and services. Every Member of Congress should be given an opportunity to express himself if he so desires, to offer and to vote on amendments to legislation of this importance. Under the present back-door approach which the conferees have seen fit to use in order to carry out the recommendations of the Pentagon, I am compelled to vote to recommit this draft legislation with the recommendation that the doctors-draft amendment thereto be brought back to the floor as a separate piece of legislation.

I voted for the doctors draft in 1950 when we were in active war in Korea and voted for the extension on two different occasions. This is the first time Congress has been asked to consider the drafting of doctors or any other professional or classified segment of our economy in times of peace. There has been a lapse of 5 years since the original doctors-draft law was passed and today it calls for a more complete study involving change and improvement. A great deal of testimony was presented to the Armed Services Committee, setting out that the doctors-draft law is not necessary at this time. We do know that the present policy of the administration has been to curtail and shrink our Army personnel, but in spite of this decrease, the present medical-draft bill calls for more doctors in the miiltary than during wartime.

I am very much in favor of every member of the military and his family securing all the necessary medical attention to which he is entitled, by reason of his patriotic service, and I will gladly vote for any draft legislation that is essential for our military and for our defense. Considering the steamroller tactics used in ramming through the House this important medical-draft legislation as an appendage to the extension of the original draft bill, it is not fair to the public, the Members of the House, or the medical profession of the Nation. Therefore, I shall vote to recommit this bill with instructions that the doctors-draft legislation be returned to the House where it can be amply debated, amended, and passed in fairness to all concerned.

Mr. VINSON. Mr. Speaker, I yield the remainder of the time to the gentleman from Texas [Mr. KILDAY].

Mr. JUDD. Mr. Speaker, will the gentleman yield for a short question?

Mr. KILDAY. It will have to be very short as my time is limited.

Mr. JUDD. Accepting the argument that we must not draft boys into the armed services without giving them the very best medical care, does the gentleman think it is proper and constitutional to draft 845 physicians supposedly into the armed services to take care of our soldiers, and then detail them to work in a civilian agency—the Public Health Service and the National Institute of Health?

Mr. KILDAY. Mr. Speaker, I decline to yield further. I have such a short period of time. I hope to cover that in my remarks.

Mr. JUDD. I thank the gentleman.

Mr. KILDAY. Mr. Speaker, history has a way of repeating itself. Sometimes it has an alarming and frightening way of repeating itself. Those of us who were here in the summer of 1945 recall the letters we received within a matter of 2 or 3 days after V–J Day, "To get my boy out of the service". We remember that we helped to preside over not the demobilization of the finest fighting machine that was ever organized in the history of man—we did not see it demobilized—we saw it disintegrate before our eyes. Here we are talking about a draft in time of peace and we have it thrown out to us that we are attempting to draft doctors to treat the cook at the Russian Embassy. The Russians agreed to a meeting at the summit. Molotov traipses across the United States smiling—and we are willing to demobilize. For a period of more than 30 days the extension of the doctors draft was stymied before the Committee on Rules. We have pending as unfinished business before the House a minimum Reserve plan which is caught in a parliamentary snarl—so much so that there has been reported out of the Committee on Armed Services today another minimum Reserve plan in the hope that we can break that parliamentary snarl. Instead of talking about the cook at the Russian Embassy, let us talk about the Russian MIG's off the coast of Alaska which 1 week ago tomorrow shot down in flames an American plane flying so close to American territory that it crash landed on the beach of an American island. The American people are willing to seize upon the prospect of one smiling Russian and ignore the American plane in flames because it is what they want to believe—that things are going to be all right.

There has been no argument here against the drafting of young men for service—the argument is whether we should extend the doctors draft to take in doctors who have not done any military service at all. These unorganized youths with no spokesmen are to be drafted. Then it is said that we can get the doctors under the regular draft. In every draft law that we have ever passed, we have placed a provision that no man shall be inducted until adequate housing and adequate medical care is available for him. Are we now going to say that we are going to take these young men into military service, go wherever the dictates of necessity may demand, and we are not going to carry out what

we have done in the past to assure that they have the best of medical care available? Suppose you can get from the medical schools the number required, are you going to say that a young fellow who is out dealing with these horrible instruments of war, tanks, cannon, and guns, and whatnot, should his bones be broken in numerous places, that a man who has just completed his internship is going to doctor him, or are you going to say that he is going to have the best orthopedic surgeon that we can find at his disposal? This is just as simple and just as important as that. These are crucial times.

I have seen our Military Establishment go to pieces, but I hope not to see it again. I am sorry that a dispute has arisen between the chairmen of the two committees. I would have preferred to have discussed the doctors draft thoroughly on its merits. I would have agreed that the doctors draft is highly discriminatory and that it cannot be supported by reason and logic. It can only be supported because of the dire necessity that we must have the best of medical care when we draft the youth of the Nation and send them into service where they are subject to the dangers which exist.

Our laws have always provided for dependents of military personnel. It is traditional. We have all been alarmed in the recent past at our inability to retain career personnel, and we finally came to the conclusion that because we had been whittling away at the traditional benefits possessed by the military that we had lessened the attractiveness of a military career, and we have just begun to restore those traditional things when we are faced with this demand that they be eliminated.

How many doctors are assigned to all of these activities other than the military and veterans? Cooks for the Russian Embassy, if you please, and Government employees? A total of 40. A total of 40 are assigned to that type of duty. Eliminate them all and you have eliminated no part of the necessity of the extension of the Draft Act. Are you going to cut out the dependency care in an action such as this? I am in favor of providing an alternate program for taking care of the dependents. I propose to see to it that we get something done about it. Let us go to a group of doctors in the United States who know more about this subject than any other doctors in the United States. They were represented before our committee and the testimony appears at page 2674, Dr. William B. Walsh. He said:

> I appear here today as president of the National Medical Veterans' Society. I extend my gratitude on their behalf for your courtesy at similar hearings 2 years ago and at the opportunity to once again appear before this committee.
>
> The National Medical Veterans' Society supports the extension of the doctor-draft law for another 2-year period. After much soul searching and the consideration of the needs put forth by the military, we have no alternative but to support this discriminatory legislation.

He then explains the alternative for taking care of these dependents. Dependents consume, as the chairman has said, 800 of the total military personnel; the vast majority of these doctors are required for the active-duty military personnel. We must extend the draft notwithstanding the smiling Molotov in Chicago and San Francisco. We dare not send the President of these United States to a summit conference with it known throughout the length and the breadth of the world that the Congress of the United States has weakened in its support of the military program of the United States. Are we going to send him to a conference at the summit with it known by others participating in that conference that he can get so basic a thing as adequate medical care only through the greatest of effort and the bitterest of debate.

These things have plagued our Nation from the very beginning. Washington had them, so did Andy Jackson prior to the Battle of New Orleans; and again they plagued both sides after the first Battle of Bull Run, or the Battle of Manassas. And just before the Battle of Trenton, Thomas Paine wrote:

> These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country; but he that stands it now deserves the love and thanks of man and woman.

That is where we stand here now when we are not in a shooting war and when we want to prevent a shooting war.

Let us not be summer soldiers and sunshine patriots; let us adopt this conference report right now.

The SPEAKER. The time of the gentleman from Texas has expired. All time has expired.

Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on agreeing to the conference report.

Mr. SMITH of Virginia. Mr. Speaker, I have a motion to recommit.

Mr. MASON. Mr. Speaker, I have a motion to recommit.

A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MASON. When is the proper time to offer a motion to recommit?

The SPEAKER. The proper time to offer a motion to recommit is after the ordering of the previous question.

Is the gentleman from Illinois opposed to the bill?

Mr. MASON. I am, definitely.

Mr. SMITH of Virginia. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. SMITH of Virginia. I offered a motion to recommit and I was recognized.

The SPEAKER. The gentleman had not been recognized by the Chair.

Mr. SMITH of Virginia. I had been recognized. I was looking at the Speaker and the Speaker was looking at me.

The SPEAKER. The point of order is overruled. The Clerk will report the motion to recommit of the gentleman from Illinois.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. I notice in the rules of the House, rule 16, section 787, that a motion to recommit can be amended. I have a motion to amend the gentleman's motion to recommit; when would it be in order?

The SPEAKER. Not until the motion to recommit is reported. Then the Chair thinks the gentleman from Georgia would move the previous question before there were any opportunity to offer an amendment.

The Clerk will report the motion of the gentleman from Illinois.

The Clerk read as follows:

> Mr. MASON moves that the bill be recommitted to the conference committee.

Mr. VINSON. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Under the rule the motion to recommit is subject to amendment, and I have an amendment.

The SPEAKER. The gentleman from Georgia has moved the previous question on the motion to recommit. If the motion for the previous question is voted down the Chair will then recognize the gentleman from Nebraska to offer his amendment to the motion.

The question is on ordering the previous question.

The question was taken and on a division (demanded by Mr. MILLER of Nebraska) there were—ayes 158, noes 80.

Mr. JUDD. Mr. Speaker, I demand the yeas and nays on the motion ordering the previous question.

The yeas and nays were refused.

So the previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. JUDD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 171, nays 221, not voting 42, as follows:

[Roll No. 99]

YEAS—171

Abbitt	Burnside	Durham
Adair	Byrd	Fallon
Alexander	Byrne, Pa.	Fascell
Andersen, H. Carl	Cannon	Fenton
	Carlyle	Fino
Andresen, August H.	Carrigg	Flynt
	Cederberg	Forrester
Ashmore	Celler	Fountain
Bailey	Chase	Frazier
Barden	Chenoweth	Friedel
Barrett	Chiperfield	Garmatz
Baumhart	Christopher	Gathings
Beamer	Chudoff	Gentry
Bell	Church	Granahan
Bennett, Mich.	Clark	Gregory
Bentley	Colmer	Gross
Berry	Crumpacker	Harris
Betts	Curtis, Mo.	Harrison, Va.
Blatnik	Davidson	Harvey
Blitch	Davis, Ga.	Hays, Ohio
Bow	Denton	Hiestand
Bowler	Dies	Hill
Boyle	Dollinger	Hinshaw
Brown, Ohio	Dolliver	Hoeven
Brownson	Donohue	Hoffman, Ill.
Broyhill	Donovan	Hoffman, Mich.
Budge	Dorn, N. Y.	Holifield
Burdick	Dorn, S. C.	Holtzman
Burleson	Dowdy	Hosmer

Hull	Morgan	Sheehan
Hyde	Multer	Shuford
Jenkins	Natcher	Siler
Jennings	Nelson	Simpson, Ill.
Jensen	Nicholson	Smith, Kans.
Johansen	O'Brien, N. Y.	Smith, Va.
Jonas	O'Hara, Ill.	Smith, Wis.
Jones, Mo.	O'Hara, Minn.	Staggers
Jones, N. C.	Passman	Talle
Judd	Patterson	Thompson,
Kee	Pelly	Mich.
Kilgore	Philbin	Tollefson
King, Calif.	Phillips	Tuck
Klein	Powell	Udall
Lane	Prouty	Utt
LeCompte	Ray	Van Pelt
Lipscomb	Reed, Ill.	Vorys
Long	Rees, Kans.	Wainwright
Lovre	Reuss	Watts
McCulloch	Robeson, Va.	Weaver
McDonough	Robsion, Ky.	Westland
McDowell	Rogers, Colo.	Whitten
McVey	Rogers, Fla.	Wier
Mack, Wash.	Rogers, Tex.	Williams, Miss.
Madden	Rutherford	Williams, N. J.
Mason	Schenck	Withrow
Matthews	Schwengel	Wolverton
Miller, Nebr.	Scudder	Young
Mollohan	Selden	Younger

NAYS—221

Abernethy	Ford	O'Neill
Addonizio	Fulton	Osmers
Albert	Gary	Ostertag
Alger	Gavin	Patman
Allen, Calif.	George	Perkins
Allen, Ill.	Gordon	Pfost
Andrews	Grant	Pilcher
Anfuso	Green, Oreg.	Pillion
Arends	Griffiths	Poage
Ashley	Hagen	Poff
Aspinall	Hale	Preston
Auchincloss	Haley	Price
Avery	Halleck	Priest
Ayres	Hand	Rabaut
Baker	Harden	Radwan
Baldwin	Hardy	Rains
Bass, N. H.	Harrison, Nebr.	Reece, Tenn.
Bass, Tenn.	Hays, Ark.	Rhodes, Ariz.
Bates	Hayworth	Rhodes, Pa.
Becker	Hébert	Richards
Belcher	Herlong	Riehlman
Bennett, Fla.	Heselton	Riley
Boggs	Hess	Roberts
Boland	Hillings	Rodino
Bolling	Holmes	Rogers, Mass.
Bolton,	Hope	Rooney
Frances P.	Huddleston	Roosevelt
Bonner	Ikard	Sadlak
Bosch	Jarman	Saylor
Bray	Johnson, Calif.	Scott
Brooks, La.	Johnson, Wis.	Scrivner
Brooks, Tex.	Jones, Ala.	Seely-Brown
Brown, Ga.	Karsten	Shelley
Buchanan	Kean	Sheppard
Bush	Keating	Short
Byrnes, Wis.	Kelley, Pa.	Sieminski
Carnahan	Kelly, N. Y.	Sikes
Chelf	Keogh	Sisk
Clevenger	Kilburn	Smith, Miss.
Cole	Kilday	Spence
Cooley	King, Pa.	Springer
Coon	Kirwan	Steed
Cooper	Kluczynski	Sullivan
Corbett	Landrum	Taber
Coudert	Lanham	Taylor
Cramer	Lankford	Teague, Calif.
Cretella	Latham	Teague, Tex.
Cunningham	Lesinski	Thomas
Curtis, Mass.	McCarthy	Thompson, La.
Dague	McConnell	Thompson, N. J.
Davis, Wis.	McCormack	Thompson, Tex.
Dawson, Ill.	McIntire	Thomson, Wyo.
Dawson, Utah	McMillan	Thornberry
Deane	Macdonald	Trimble
Delaney	Machrowicz	Tumulty
Dempsey	Magnuson	Vanik
Derounian	Mahon	Van Zandt
Devereux	Mailliard	Velde
Diggs	Marshall	Vinson
Dixon	Martin	Vursell
Dodd	Merrow	Walter
Dondero	Metcalf	Wharton
Edmondson	Miller, Calif.	Wickersham
Elliott	Miller, Md.	Wigglesworth
Engle	Miller, N. Y.	Williams, N. Y.
Evins	Mills	Willis
Feighan	Minshall	Wilson, Calif.
Fernandez	Morano	Wilson, Ind.
Fine	Moss	Winstead
Fisher	Murray, Ill.	Wolcott
Fjare	Murray, Tenn.	Wright
Flood	Norblad	Yates
Fogarty	Norrell	Zablocki
Forand	O'Brien, Ill.	Zelenko

NOT VOTING—42

Bolton,	Gubser	Meader
Oliver P.	Gwinn	Morrison
Boykin	Henderson	Moulder
Buckley	Holt	Mumma
Canfield	Horan	O'Konski
Chatham	Jackson	Polk
Davis, Tenn.	James	Quigley
Dingell	Kearney	Reed, N. Y.
Doyle	Kearns	Rivers
Eberharter	Knox	St. George
Ellsworth	Knutson	Scherer
Frelinghuysen	Krueger	Simpson, Pa.
Gamble	Laird	Widnall
Gray	McGregor	
Green, Pa.	Mack, Ill.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Moulder for, with Mr. Mack of Illinois against.

Mr. McGregor for, with Mr. Buckley against.

General pairs:

Mr. Morrison with Mrs. St. George.

Mr. Polk with Mr. Simpson of Pennsylvania.

Mr. Eberharter with Mr. Jackson.

Mr. Dingell with Mr. Holt.

Mr. Quigley with Mr. Horan.

Mr. Chatham with Mr. Scherer.

Mr. Green of Pennsylvania with Mr. Ellsworth.

Mr. Gray with Mr. Gubser.

Mr. Rivers with Mr. Henderson.

Mr. Boykin with Mr. Kearns.

Mrs. Knutson with Mr. James.

Mr. Doyle with Mr. Knox.

Mr. Davis of Tennessee with Mr. Frelinghuysen.

Mr. BAKER changed his vote from "yea" to "nay."

Mr. MOLLOHAN changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the conference report.

Mr. VINSON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 389, nays 5, answered "present" 1, not voting 39, as follows:

[Roll No. 100]

YEAS—389

Abbitt	Bell	Byrnes, Wis.
Abernethy	Bennett, Fla.	Cannon
Adair	Bennett, Mich.	Carlyle
Addonizio	Fentley	Carnahan
Albert	Berry	Carrigg
Alexander	Betts	Cederberg
Alger	Blatnik	Celler
Allen, Calif.	Blitch	Chase
Allen, Ill.	Boggs	Chelf
Andersen,	Boland	Chenoweth
H. Carl	Bolling	Chiperfield
Andresen,	Bolton,	Chudoff
August H.	Frances P.	Church
Andrews	Bonner	Clark
Anfuso	Bosch	Clevenger
Arends	Bow	Cole
Ashley	Bowler	Colmer
Ashmore	Boyle	Cooley
Aspinall	Bray	Coon
Auchincloss	Brooks, La.	Cooper
Avery	Brooks, Tex.	Corbett
Ayres	Brown, Ga.	Coudert
Bailey	Brown, Ohio	Cramer
Baker	Brownson	Cretella
Baldwin	Broyhill	Cunningham
Barrett	Buchanan	Curtis, Mass.
Bass, N. H.	Budge	Curtis, Mo.
Bass, Tenn.	Burdick	Dague
Bates	Burleson	Davidson
Baumhart	Burnside	Davis, Ga.
Beamer	Bush	Davis, Wis.
Becker	Byrd	Dawson, Ill.
Belcher	Byrne, Pa.	Dawson, Utah
Deane	Jones, Ala.	Reed, Ill.
Delaney	Jones, Mo.	Rees, Kans.
Dempsey	Jones, N. C.	Reuss
Denton	Judd	Rhodes, Ariz.
Derounian	Karsten	Rhodes, Pa.
Devereux	Kean	Richards
Dies	Keating	Riehlman
Diggs	Kee	Riley
Dixon	Kelley, Pa.	Roberts
Dodd	Kelly, N. Y.	Robeson, Va.
Dollinger	Keogh	Robison, Ky.
Dolliver	Kilburn	Rodino
Dondero	Kilday	Rogers, Colo.
Donohue	Kilgore	Rogers, Fla.
Donovan	King, Calif.	Rogers, Mass.
Dorn, N. Y.	King, Pa.	Rogers, Tex.
Dorn, S. C.	Kirwan	Rooney
Dowdy	Klein	Roosevelt
Durham	Kluczynski	Rutherford
Edmondson	Laird	Sadlack
Elliott	Landrum	Saylor
Engle	Lane	Schenck
Evins	Lanham	Schwengel
Fallon	Lankford	Scott
Fascell	Latham	Scrivner
Feighan	LeCompte	Scudder
Fenton	Lesinski	Seely-Brown
Fernandez	Lipscomb	Selden
Fine	Long	Sheehan
Fino	Lovre	Shelley
Fisher	McCarthy	Short
Fjare	McConnell	Shuford
Flood	McCormack	Sieminski
Flynt	McCulloch	Sikes
Fogarty	McDonough	Siler
Forand	McDowell	Simpson, Ill.
Ford	McIntire	Sisk
Forrester	McMillan	Smith, Miss.
Fountain	McVey	Smith, Va.
Frazier	Macdonald	Smith, Wis.
Friedel	Machrowicz	Spence
Fulton	Mack, Wash.	Springer
Garmatz	Madden	Staggers
Gary	Magnuson	Steed
Gathings	Mahon	Sullivan
Gavin	Mailliard	Taber
Gentry	Marshall	Talle
George	Martin	Taylor
Gordon	Matthews	Teague, Calif.
Granahan	Merrow	Teague, Tex.
Grant	Metcalf	Thomas
Gray	Miller, Calif.	Thompson, La.
Green, Oreg.	Miller, Md.	Thompson,
Gregory	Miller, Nebr.	Mich.
Griffiths	Miller, N. Y.	Thompson, N. J.
Gross	Mills	Thompson, Tex.
Gwinn	Minshall	Thomson, Wyo.
Hagen	Mollohan	Thornberry
Hale	Morano	Tollefson
Haley	Morgan	Trimble
Halleck	Moss	Tuck
Hand	Multer	Tumulty
Harden	Murray, Ill.	Udall
Hardy	Murray, Tenn.	Utt
Harris	Natcher	Vanik
Harrison, Nebr.	Nelson	Van Pelt
Harrison, Va.	Nicholson	Van Zandt
Harvey	Norblad	Velde
Hays, Ark	Norrell	Vinson
Hays, Ohio	O'Brien, Ill.	Vorys
Hayworth	O'Brien, N. Y.	Vursell
Hébert	O'Hara, Ill.	Wainwright
Herlong	O'Hara, Minn.	Walter
Heselton	O'Neill	Watts
Hess	Osmers	Weaver
Hiestand	Ostertag	Westland
Hill	Passman	Wharton
Hillings	Patman	Whitten
Hinshaw	Patterson	Wickersham
Hoeven	Pelly	Widnall
Hoffman, Ill.	Perkins	Wier
Holifield	Pfost	Wigglesworth
Holmes	Philbin	Williams, Miss.
Holtzman	Phillips	Williams, N. J.
Hope	Pilcher	Williams, N. Y.
Hosmer	Pillion	Willis
Huddleston	Poage	Wilson, Calif.
Hull	Poff	Wilson, Ind.
Hyde	Powell	Winstead
Ikard	Preston	Withrow
Jarman	Price	Wolcott
Jenkins	Priest	Wolverton
Jennings	Prouty	Wright
Jensen	Rabaut	Yates
Johansen	Radwan	Young
Johnson, Calif.	Rains	Younger
Johnson, Wis.	Ray	Zablocki
Jonas	Reece, Tenn.	Zelenko

NAYS—5

Barden	Hoffman, Mich.	Smith, Kans.
Crumpacker	Mason	

ANSWERED "PRESENT"—1

Christopher

NOT VOTING—39

Bolton, Oliver P.	Gubser	Morrison
Boykin	Henderson	Moulder
Buckley	Holt	Mumma
Canfield	Horan	O'Konski
Chatham	Jackson	Polk
Davis, Tenn.	James	Quigley
Dingell	Kearney	Reed, N. Y.
Doyle	Kearns	Rivers
Eberharter	Knox	St. George
Ellsworth	Knutson	Scherer
Frelinghuysen	Krueger	Sheppard
Gamble	McGregor	Simpson, Pa.
Green, Pa.	Mack, Ill.	
	Meader	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Mack of Illinois for, with Mr. McGregor against.

General pairs:

Mr. Morrison with Mr. Simpson of Pennsylvania.
Mr. Doyle with Mr. Scherer.
Mr. Moulder with Mrs. St. George.
Mr. Buckley with Mr. Frelinghuysen.
Mr. Green of Pennsylvania with Mr. Ellsworth.
Mr. Chatham with Mr. Horan.
Mr. Boykin with Mr. Holt.
Mr. Rivers with Mr. Jackson.
Mr. Polk with Mr. James.
Mr. Eberharter with Mr. Kearney.
Mr. Quigley with Mr. Kearns.
Mr. Dingell with Mr. Henderson.
Mr. Davis of Tennessee with Mr. Gamble.
Mr. Sheppard with Mr. Gubser.
Mrs. Knutson with Mr. Canfield.

Mr. BARRETT changed his vote from "nay" to "yea."

Mr. CHRISTOPHER changed his vote from "yea" to "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Ast, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 85. Joint resolution to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3005) entitled "An act to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals, and to extend the benefits under the Dependents Assistance Act to July 1, 1959."

SELECT COMMITTEE ON SURVIVOR BENEFITS

Mr. HARDY. Mr. Speaker, I ask unanimous consent that the Select Committee on Survivor Benefits may have until midnight tonight to file a report on a bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

MUTUAL SECURITY BILL FOR 1955

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 288 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes, and all points of order against said bill are hereby waived with the exception of the language beginning on page 16, line 24, down through and including line 11, page 17, and the language contained on page 19, lines 7 to 16, inclusive. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. DELANEY. Mr. Speaker, I yield one-half of my time to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, House Resolution 288 makes in order the bill S. 2098, which is the mutual security bill for 1955.

The amount in this bill is considerable. As passed by the Senate it provided an authorization of $3,425,000,000. The Committee on Foreign Affairs recommends an authorization of $3,285,800,000, which is a difference of $139,200,000.

Without attempting to go into the specific items, the Committee on Rules provides 4 hours of general debate. This is an open rule. Points of order are waived except in two instances that refer to the carrying of cargo in American ships. At the proper time points of order will be made to strike out those parts.

I know of no objection to the rule and recommend and urge its adoption.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MARTIN] such time as he may require.

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, 30 years ago there was an important event in the political history of Massachusetts, when our State selected its first woman Representative in Congress, Mrs. EDITH NOURSE ROGERS. Mrs. ROGERS was elected by an overwhelming vote. I am very happy to say that through the years her majorities have been increasing because of the able and intelligent service she has rendered. Mrs. ROGERS blazed the way for a good many women who later became Members of Congress because of her excellent service. Today we have 16 women Members of the House, including the Delegate from Hawaii.

I remember very well her initial campaign. Having been just elected to Congress, the Republican State committee sent me over to aid in her election as successor to her husband, the late John Jacob Rogers. I find her to be an excellent campaigner and a candidate with appeal.

Through the years Massachusetts and New England have never had a more valiant fighter for its interests than EDITH NOURSE ROGERS. She was a champion in behalf of New England industries. She is particularly known not only in Massachusetts and New England but throughout the country as a valiant champion of the rights of veterans. She came naturally by her solicitude for the veterans. In the First World War, while her husband was a Member of Congress, she very generously gave her time and was a hospital worker not only here in Washington but abroad as well. That devoted interest to the veterans has been increased through the years. So we from the State of Massachusetts are very proud of EDITH ROGERS. We are proud of her record and proud of the efficiency and ability with which she serves as Congresswoman. No one ever comes to her door and asks for aid but what they find a ready champion. I am happy to rise here today and pay tribute to her great service; service which I am sure she will continue as long as she desires, and may she have many years of useful service ahead.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. CHURCH. I thank our distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN]. Mr. Speaker, the women of the House do honor to themselves in paying tribute to Mrs. ROGERS. I knew her here before I myself became a Member of the Congress. I can attest throughout the years to her humanity and her great kindness and her deep interest in the problems of all who come to her. She indeed did pioneer in the House of Representatives; and I think some of us who have followed her would particularly praise her for her endurance, if I may say so. But we honor her in fact not only for what she is herself as a woman, but for what she has done as a legislator. I think that there is no one in the House who is second to her in courage, patience and persistence. Her record of legislative accomplishment for our veterans speaks for itself. We only hope that there will be 30 more years of service for EDITH NOURSE ROGERS.

Mrs. FRANCES P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I am very happy to associate myself with everything that the gentleman from Massachusetts has said as well as what my colleague, the gentlewoman from Illinois [Mrs. CHURCH] has said. I do have the best of it, however, when compared with all the other women in the House as I have had 15 of those 30 years with our very distinguished colleague EDITH NOURSE ROGERS. She was on the Committee on Foreign Affairs when I first began my service on

that committee. I shall never forget the first time I was in committee. We had the lend-lease bill up. I was very, very new and at the very bottom of the committee. I did not know what questions to ask. I had not even been to a committee hearing before. I asked a question which had been passed down to me by a member of the committee. I did not see anything out of order in the question, but all of a sudden there was a revolution in the committee—outside—and everywhere else—and the witness was forbidden to reply. Edith got up and with the most wonderful understanding she plead my cause. I have never forgotten it. That first meeting of the Committee on Foreign Affairs at which I was present was a really great time in my life. Since then I have had many opportunities to watch this charming woman who has given herself unstintingly to service in this House for 30 constructive years.

I went abroad during the war as she did to the camps and into the hospitals. Everywhere I went I found that the boys loved and trusted—EDITH ROGERS. They felt that she was constantly doing everything possible for them.

I am happy to add my congratulations not only to Mrs. ROGERS for the long years of selfless service that have been hers, but also to this House of Representatives and to all the people in her district and elsewhere whom she has served directly and indirectly. And today I join with all her colleagues in hopes that the years of service that be ahead of her will be as full of joy as those which have gone.

I thank the distinguished minority leader, the gentleman from Massachusetts [Mr. MARTIN] for the opportunity he has made possible to us all to express our appreciation of EDITH NOURSE ROGERS.

Mrs. HARDEN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentlewoman from Indiana.

Mrs. HARDEN. It is a very great pleasure for me to pay tribute today to my dear friend and colleague, the distinguished Representative from the Fifth District of Massachusetts, Mrs. EDITH NOURSE ROGERS.

When I became a Member of this House in the 81st Congress, my first committee assignment was on the Veterans' Affairs Committee—EDITH ROGERS was the ranking minority member of that committee.

I shall never forget the many courtesies she extended to me and her timely and helpful advice. She was always patient, gracious, and kind to me, a freshman on her committee. Her interest in veterans' affairs and her untiring efforts in behalf of all veterans are unsurpassed.

Mrs. ROGERS, I congratulate you upon your 30 years of distinguished service in the United States Congress. I also congratulate the people of the Fifth Massachusetts District upon the splendid representation which they have enjoyed during these years.

Mrs. ROGERS, you merit the honor as dean of the women of the House of Representatives. We love and respect you. May God bless you with health, happiness, and continued success.

Mrs. KELLY of New York. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. KELLY of New York. Mr. Speaker, I am very happy that the gentleman from Massachusetts has taken this occasion to pay this deserving tribute to our colleague, EDITH NOURSE ROGERS, of Massachusetts. I, too, join in paying tribute to her because by her patience and by her courage and persistent efforts for all our boys in the service, she has earned for herself the esteem and love of countless members of our armed services as well as the love and esteem of all her colleagues in the House of Representatves. I deeply hope that, with God's blessings, she will be permitted to be with us for many, many years to come.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. SULLIVAN. Mr. Speaker, I am very pleased that the minority leader, our former Speaker, the gentleman from Massachusetts [Mr. MARTIN], has called to the attention of the House this significant 30th anniversary of the start of what has been one of the most distinguished careers in Congress, that is the election 30 years ago of the gentlewoman from Massachusetts, Mrs. EDITH NOURSE ROGERS. I join with my fellow feminine Members of Congress who have already spoken in expressing my congratulations to Mrs. ROGERS.

I would certainly want to mention the very gracious and wonderful way that Mrs. ROGERS has treated new women Members of Congress. She was especially helpful, friendly, and kind to me during my first term. I shall never forget what this meant to me at the time, for it was a friendly hand and a very encouraging and reassuring experience. As the ranking woman Member of Congress, Mrs. ROGERS has shown us all a good example in sponsoring and furthering legislation of the kind which will help people, including our veterans and particularly our wounded and disabled veterans. When her party was in the majority in the Congress she was, I know, an outstanding chairman of the Committee on Veterans' Affairs, and as the ranking Republican on that committee she is ever alert to the needs of the veterans and to the kind of legislation which we must pass in their behalf.

Of course, the esteem in which she is held by all the Members of Congress, and particularly by the women Members, breaks down all the barriers of political difference. I congratulate the people of the Fifth District of Massachusetts for sending EDITH NOURSE ROGERS back to Washington all these years to represent them in the halls of Congress.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. NICHOLSON. Mr. Speaker, I want to join with the gentleman from Massachusetts in every single word he said in paying tribute to our colleague, the gentlewoman from Massachusetts [Mrs. ROGERS]. She has been a great friend of mine since I came to the Congress. She has gone out of her way to help me. I suppose I could stand here for another 5 or 10 minutes extolling her virtues, but I do not have to do it, Mr. Speaker, because the Members of the House know Mrs. ROGERS too well.

Mrs. BUCHANAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. BUCHANAN. Mr. Speaker, I am very happy to join my colleagues in paying tribute to the beloved gentlewoman from Massachusetts who, on June 30, will observe her 30th anniversary of selfless service as a distinguished Representative of the Fifth District of Massachusetts.

She will always be remembered as the champion of legislation in behalf of the welfare of veterans and for her outstanding contributions as chairman of the Committee on Veterans' Affairs in the 80th and 83d Congresses.

She is a most charming, kindly, and gracious lady and it has been a privilege, indeed, to serve with her in this House. EDITH NOURSE ROGERS has earned the respect and admiration of all of us and I wish to offer her my sincere and heartiest congratulations. The many tributes paid to her today by her colleagues, regardless of political affiliation, show what a great inspiration she has been to her fellow Members of this body.

Mr. HALE. Mr. Speaker, I want to join the gentleman from Massachusetts [Mr. MARTIN] in the sentiments which he has expressed. It may not be as well known as it should be that the gentle lady from Massachusetts, Mrs. ROGERS, had her origin in Saco, Maine. She is a frequent visitor in Saco, Maine, in the district which I have the honor to represent. I consider her one of my most distinguished constituents. The people there are proud of her and of her record. She knows that area of Maine as well as anybody knows it. I frequently solicit her assistance and advice, and I am proud to have her as a constituent.

During the 13 years I have had the honor of serving in this House, I wish to say that I have had the happiest associations with her. In fact, she was conspicuously gracious and hospitable to my wife and me from the moment of our first arrival here. I wish her long life and long continued service in this body. I am sure that her district will keep her here as long as she lives.

Mr. MARTIN. I yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I have known Mrs. ROGERS longer than I have known any other Member of the House of Representatives. I knew her before she was a Member of this body. Back shortly after World War I, I was a minor official of the old Veterans' Bureau when she came to California as a dollar-a-year woman, representing the then President of the United States. She was making the fight for veterans. It was my privilege to accompany her throughout the 12th district of the old Veterans' Administration comprising the States of California, Nevada, and Arizona. I remember going to Prescott, Ariz., one cold evening to make a survey of the Whipple Barracks Hospital. While the staff traveling with her sought

the comfort of the hotel, she spent the rest of the night sitting up with a tubercular patient who was dying. This was characteristic of the nobleness of her character.

I have seen the bigness of her heart. I want to pay tribute to her, and I want to tell you that the veterans of this country will never know the great contribution she has made toward their welfare.

Mr. MARTIN. Mr. Speaker, I yield to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, I wish to associate myself with the remarks which have been made in honor of Mrs. ROGERS.

I think it appropriate to emphasize something which every Member of this House knows; that is, her warmhearted concern for veterans.

In the almost 5 years I have served with her on the Committee on Veterans' Affairs, I have observed, time after time, her willingness to give her time and attention to that great cause. She deserves not only the commendation of the House but of veterans generally.

Mr. MARTIN. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. PATTERSON].

Mr. PATTERSON. Mr. Speaker, I, too, want to pay tribute to Mrs. ROGERS, a Representative from New England. I assure you that Mrs. ROGERS is held in high esteem by all of our veterans, especially those who are disabled. In fact, she is symbolic of the hope and future of our disabled American veterans. Mrs. ROGERS' devotion to the people of her district and the country at large has won for her a reputation of a great leader, humanitarian, and above all, the highest honor that can be paid a person, that of a great American. Seldom do we find in any one person the many excellent qualities possessed by EDITH NOURSE ROGERS. I extend to her my most fond respects and personal best wishes for many more years of good health and service in this Congress where she has no peers.

Mr. MARTIN. Mr. Speaker, I yield to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Speaker, I join with the minority leader in paying tribute to Mrs. ROGERS and the wonderful work she has done.

EDITH ROGERS symbolizes help to the veterans of our country. As the chairman and as ranking members of the Veterans Committee of the House she has for years carried the torch for the veterans. This reputation is deserved and she is undoubtedly known by more veterans in the United States, as their friend, than any other person. Sometimes I wondered if she was not doing too much for veterans. I mentioned it to her and her answer was "You cannot do too much for disabled veterans" and after careful reflection, I agree with her. Men who have had their bodies broken for the protection of our country deserve everything we can do for them. Also, I am beginning to think that all veterans, especially combat veterans, should receive liberal consideration. Every segment of our population made big money during the wars—the First World War and the Second World War. Why should not those who made the victory possible also receive generous consideration?

EDITH ROGERS is also a great supporter of proper defense for our country. Since I have spent 13 years on the Armed Services Committee I can testify that many times she had discussed defense problems with me and those conversations have displayed a keen knowledge by her of what our country needs in the defense field.

As a friend and colleague, Mrs. ROGERS is wonderful. She is friendly, helpful, and kind in her contacts with Members.

I only hope we may have her with us for many more years as she is a distinct asset to the House of Representatives.

Mr. MARTIN. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BENNETT of Florida. Mr. Speaker, I wish to join in the tribute being paid to Congresswoman ROGERS on her service to veterans, to the armed services, and to our country generally. She is a gracious, warm-hearted person of courage and determination. I will always treasure her friendship. It is a pleasure to honor her on the important anniversary of her public service.

Mr. MACK of Washington. Mr. Speaker, I am happy to join with my colleagues in paying tribute on her 30th anniversary as a Member of Congress to Mrs. EDITH NOURSE ROGERS.

I had the privilege of being a member of the House Veterans Committee during the 83d Congress during which she was the able and result-getting chairman of that committee. American veterans and the veteran families of all our wars owe much to the distinguished gentlewoman from Massachusetts for the ability, zeal, and diligence which she always has employed in protecting their best interests.

Mrs. PFOST. Mr. Speaker, it was a lucky day for the people of the Fifth Congressional District of Massachusetts—and an even more fortunate day for the country at large—when, exactly 30 years ago, EDITH NOURSE ROGERS was elected to the House of Representatives. In her long and illustrious career she has written a record of achievement that few Members can equal.

She is best known, of course, for her great understanding of the veteran and his problem, and for the many fine measures she has sponsored for the benefit of those to whom we owe our liberty. She has twice served as chairman of the House Veterans Committee—the first Republican woman to head a House Committee—and is now the ranking minority member. She has demonstrated again and again that rare combination—a great heart and a deep-seated practicality.

Today EDITH NOURSE ROGERS is the revered and respected dean of women in the House—I frequently refer to her as the "Queen of the House." She has served longer than any other woman—there are few men who outrank her.

It is always a pleasure when a woman in public life has the opportunity to pay tribute to another woman in the same field. It is, however, with particular pride and sincere affection, that I, a comparative newcomer and a Democrat, pay tribute here today to EDITH NOURSE ROGERS, of Massachusetts. I glory in the record she has made and I thank her for what she has done to help pioneer the way for the rest of us.

Mr. LONG. Mr. Speaker, upon her completion of 30 years of service in the House of Representatives—an honor which few men ever attain, and perhaps no other woman—I am privileged to pay appropriate tribute to a great lady, our colleague from Massachusetts, the Honorable EDITH NOURSE ROGERS.

Throughout her years in Congress, and even before that time, Mrs. ROGERS has distinguished herself as a champion of the veteran's cause. Without a doubt her name will go down in history as the greatest single champion of veterans' rights and benefits.

When I first came to Congress only a few years ago, I was appointed to the Committee on Veterans' Affairs which she at that time headed as chairman. I say without fear of contradiction that her unswerving loyalty to the veteran, his widow and his orphan, was felt by every member of that committee during her tenure as chairman—a completely nonpartisan attitude which is still manifest. If her views were ever biased, it was certainly in the veteran's favor. It is my understanding that she became a member of the original committee of the House having jurisdiction over legislation for veterans soon after she was first elected to Congress, and has served continuously on the committee for the full tenure of her congressional career. She is the only Member of the House at the present time who served on that original committee.

Service and devotion to veterans go even beyond her tenure in Congress, for I am informed that prior to her election she was appointed by several Presidents as their personal representative in care of disabled veterans.

Hers is truly an enviable record. I know of no other Member of this body who, aside from service to his own constituents and State, has dedicated himself so completely to a single cause.

We are privileged, Mr. Speaker, to have her with us still, and I hope for many years to come.

Mr. MARTIN. Mr. Speaker, I yield to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Speaker, when I first came to the Congress, the dean of the Ohio delegation [Mr. JENKINS] suggested that I become a member of the Committee on Veterans' Affairs. I shall never forget his statement at that time, when he said: "You will have the privilege of working with one of the most understanding, humanitarian Members that has ever come to the Congress, in Mrs. ROGERS." It has been my privilege to sit next to her for almost 4½ years, and I say, Mr. Speaker, there probably is not nor ever will be a more humanitarian and understanding Member of this body than you, Mrs. ROGERS.

Mr. MARTIN. I yield to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, I am very glad to join in the remarks of my friend from Massachusetts [Mr. MARTIN] and the remarks made by other Members in relation to Mrs. ROGERS. I have profound respect for Mrs. ROGERS. I do not know a more outstanding legislator. She has indomitable courage, and is one of the most courageous legislators I have ever served with. Mrs. ROGERS is not only a great legislator and a great American, but her charitable acts are known by countless thousands of persons, not only in Massachusetts but elsewhere.

May I also say that as a great legislator and statesman, in my opinion, Mrs. ROGERS has the best political sense of any Member of the House, and I highly compliment her for it.

Mr. MARTIN. Mr. Speaker, I yield to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Speaker, on behalf of the Rogers bloc in Congress we recognize the lady, EDITH NOURSE ROGERS, as our dean and leader, because her accomplishments have upheld the name so well in the Congress of the United States. We like to pay tribute with our other colleagues to the outstanding work and human kindness that have been expressed by her in her service in this Congress.

Mr. MARTIN. Mr. Speaker, I yield to another of the Rogers bloc, the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Speaker, joining with the Rogers bloc in Congress, I want to associate myself with all the wonderful remarks that have been made today in behalf of our "cousin," EDITH NOURSE ROGERS, of Massachusetts. I also want to say that Hon. WALTER ROGERS of Texas has asked us to convey his best wishes also.

We wish the gentlewoman from Massachusetts many more years of service, and we are proud to be associated with her in this body.

Mr. MARTIN. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I want to join with the other Members in congratulating our distinguished gentlewoman from the State of Massachusetts because of her outstanding record. I have had the pleasure of serving with her on the Veterans' Committee. She is a real fighter. She is also a lady throughout; but when the time comes that she wants a bill through, you can rest assured that she has made the name "ROGERS" so well known in getting behind that bill that she will be remembered for many generations as the great champion of the veterans of all wars.

I want to commend her for her devoted work in the Congress and hope she will have many more years of service in this House.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Tennessee.

Mr. COOPER. Mr. Speaker, in my early service as a Member of this body it was my privilege to serve with Mrs. ROGERS on a committee and to observe her splendid understanding of legislative problems as they were presented.

I join with the distinguished gentleman from Massachusetts and other colleagues in paying deserved tribute to her, a lady who possesses the highest attributes of Christian character, a most accomplished legislator, and one who deserves the admiration and respect not only of all her colleagues, but also of the people of this country.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 4 minutes to the gentlewoman from Massachusetts, [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, Mr. Minority Leader, Mr. Majority Leader, and all of the Members who spoke, I am deeply grateful for your very generous and very kind words. If I talked for 24 hours I could not express my full appreciation of all you have meant to me in my service in the Congress of the United States and of the privilege I have always felt membership in this body to be—the greatest legislative body in the world. With all of its ups and downs I have enjoyed every minute of my service here.

I am and always have been deeply grateful to those who first elected me and who have reelected me all these years, my very kind and generous constituents of the wonderful Fifth Massachusetts District I represent. I have tried terribly hard to be worthy of that trust and to be a worthy Member of this great legislative body.

With all my heart I thank you.

To those of you who wish me more years of service here may I say that the first 30 years are the hardest.

Mr. DELANEY. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, as we are considering the rule for the mutual security program I think it is appropriate to call to the attention of the House that 16 years ago today the first commercial airline from the United States made its first flight across the ocean to foreign countries. At that time, 16 years ago, the Pan American Clipper made the first flight which brought the nations of the world closer together.

A Pan American DC–7B, newest of any over-ocean plane, will take off from New York at 5 p. m. this afternoon—Tuesday—to make the airline's 50,000th crossing of the Atlantic.

In the 16 years since the first flight, the airline has carried 2,021,483 passengers a distance of 200 million miles across the ocean—the equivalent of moving the entire population of Philadelphia 870 times to the moon.

Harold E. Gray, captain of the first flight, is now executive vice president of Pan American.

With the completion of the 50,000th flight, Pan American will have carried across the Atlantic 24,540,618 pounds of mail, the equivalent of 552 million letters. At the rate of 100 an hour, it would take almost 630 years to shove that amount into a post box.

In the interval between the first and 50,000th flight, Pan American has sped 35,275,394 pounds of cargo across the ocean. This amounts to as much as 11,700 modern automobiles weigh. But it was all sorts of cargo, from machinery weighing more than a ton to dresses fresh from Paris salons and weighing ounces.

Pan American's passenger flight No. 1 across the Atlantic on June 24, 1939, was the industry's first as well. Two years had been spent on careful survey flights and another 5 before that on expeditions to the Arctic to compile necessary information on Atlantic weather, communications problems, and flying conditions.

The world's fair was in full swing in New York, and King George VI and his Queen had just left for England after a tour of the United States and Canada when Pan American's flying boat, the *Yankee Clipper*, cut through the waters of Long Island sound near Port Washington for its flight to Southampton.

This 42-ton flying boat, a little more than half the weight of modern clippers, had a speed of 140 miles an hour and often required more than 24 hours to make the trip to Europe. Once a week it followed the northern route via Botwood, Newfoundland, and Foynes, Ireland, to Southampton Once a week, its sister ship, the *Dixie Clipper*, flew the mid-Atlantic route through Bermuda, Horta in the Azores, Lisbon, Portugal, to Marseilles in France.

First came the unpressurized DC–4's in 1945, limited to 10,000 feet. The Constellation in 1946 was the Atlantic's first pressurized Clipper permitting flights above the weather. It was followed in 1940 by the Boeing stratocruiser, a double-deck, all-sleeper plane with 3,500 horsepower per engine as compared with the flying boat's 1,500. The superstratocruiser, modernized since 1949, is the most luxurious aloft.

Douglas contributed the DC–6B in 1952, which carried the largest loads up to that time—82 passengers across the Atlantic. New in service is the DC–7B, the fastest modern airplane—353 miles an hour, 11 hours to London, as against 140 miles an hour and 24 hours in 1939. Coming next year is the 5,000-mile range DC–7C.

Clipper captains remember these highlights of the 16 years:

FIRST PRESIDENT TO FLY

President Franklin D. Roosevelt traveled PAA to the Casablanca Conference in 1943, marking the first time a President had flown while in office. Other famous wartime passengers: Queen Wilhelmina, of the Netherlands; Chiang Kai-shek; King Peter, of Yugoslavia; Gen. George C. Marshall; Gen. Dwight D. Eisenhower.

Cargoes were vital, too, and sometimes dangerous. Several flights under PAA's contract with the Air Transport Command were loaded with shell fuses bound for General Montgomery's troops in Egypt at a critical moment before the battle of El Alamein. More routine were flights carrying crude rubber from the

jungles of the Amazon to England and others carrying a 7,500-pound shipment of bombing tables for the Eighth Air Force.

LEAST TIME TRACK

Its years of weather research paid off with speed records as the company learned to use the "least time track" rather than the Great Circle course to arrive at its destination with the help of the most favorable tail winds. Pan American still holds the record for a New York to London nonstop of 8 hours and 55 minutes made on November 22, 1949, with the help of a monster tailwind.

Technically, the pilots say, progress has been made a little at a time during the 16 years. Pressurized airplanes made possible flying "over the weather," a great advance in passenger comfort and in safety. Radio phone replaced the laborious dot-and-dash method. Navigation was greatly improved by the addition of Loran gear, a method of locating planes more accurately while in flight, improvements in octants, and installation of radio altimeters.

Longer-range airplanes gave the pilots more choices of alternates. Higher octane fuel provided more power for engines and lower fuel consumption. Supercharging and the use of power-recovery devices again improved performance. Bad weather landings were made safer by radar at airports. The logical outgrowth, airborne radar, is now just coming into use.

SELLING ATLANTIC TRAVEL

Selling Atlantic travel has a history, too. Pilots remember the off-season fares first put into effect in the winter of 1947 to help smooth out the peaks and valleys of transatlantic sales.

But the first really significant milestone in bringing transatlantic flying to the average man was the inauguration of tourist-class service in May of 1952. Pan American first proposed a two-class service, with less frills for the tourist class, higher density seating and a fare of approximately 25 percent less as early as 1948. But it was not until 1952 that all airlines were ready. Business since has increased by 69 percent.

The familiar American habit of buying on time was first applied to air transportation successfully on May 1, 1954, when Pan Am's "Pay Later" plan went into effect. Over $4 million worth of business was done in the first year and the estimate is that 80 percent of the customers would not have flown abroad at all without the convenience of the financing.

FAMILY FARES THIS FALL

Newest promotional plan is next fall's family fares whereby the head of the family will pay full fare on a trip to Europe while each member of his family pays $300 less on first class and $200 less on tourist.

Clouds of war were on the horizon in 1939, 50,000 flights ago. And in World War II, Pan American alone was privileged to make more than half the total United States airline contribution. Pan Am's wings today are stronger than ever. Its long-range four-engine fleet could deliver to Europe 7,600 troops a day to help defend members of the great Atlantic community in case of need.

In the meantime, however, the bright new Clippers are contributing heavily to the ever-increasing prosperity of our peaceful neighbors across the Atlantic.

Mr. Speaker, I include as a part of my remarks the following editorial from the New York Times of Tuesday, June 28, 1955:

FIFTY-THOUSANDTH CROSSING

One day in June 16 years ago, when the world's fair in Flushing Meadows was in full swing and ominous rumblings of war were sounding across the ocean, a big Pan American clipper rose into the air from Port Washington and headed seaward. It was the first commercial flight across the North Atlantic.

Today a plane about twice the Yankee Clipper's size, a 353-mile-an-hour Pan American DC–7B, will take off from Idlewild on a nonstop flight to Paris. This is the line's 50,000th crossing of the Atlantic. In between these events lie a dazzling pyramid of statistics: 2,021,483 passengers, 20 million miles, more than 24,540,618 pounds of mail and 35 million pounds of cargo.

Today Pan American has some 30 flights a week across the ocean. Harold E. Gray, executive vice president, who was captain of the first flight, notes that planes are not only faster, they carry twice as many passengers. And Pan American today transports 17,000 persons a month across the Atlantic, compared to an average of 300 in the early days.

Great liners of the air come into Idlewild now flying the flags of many nations. Well over a hundred flights a day wing in from or take off for some foreign port. By 1946 the traffic on the Atlantic lanes alone had risen to 150,000 persons annually, counting the volume in both directions. Last year it was 590,000.

Pan American deserves much credit for its share in developing this traffic. From the beginning they saw far, and they dared. The record shows that Pan American took the lead in pressing for tourist class, for lower rates in both passenger and cargo business and for other ideas to sell air travel and transport to every far corner of the globe.

Mr. BEAMER. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Indiana.

Mr. BEAMER. Mr. Speaker, it has been my pleasure and privilege to visit some foreign countries on Pan American planes. It is appropriate that the word "American" is in their name because this company is another organization that serves as an ambassador of good will wherever it goes.

American businessmen have carried the best of our culture to all parts of the world. The advancement of aviation has made neighbors of all countries.

For this and for many reasons, I am pleased to add my tribute to Pan American World Airways on the occasion of their 50,000th transocean flight without 1 fatal accident. This is an accomplishment of which their company indeed can be proud. As a member of the House Interstate and Foreign Commerce Committee that is charged with legislative problems of transportation, I share this justifiable pride.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Connecticut.

Mr. MORANO. I wish to associate myself with the remarks just made and to say that I have the honor of representing the district and live in the very town in which reside both the president, Mr. Juan Trippe, and the vice president, Mr. Samuel Pryor, Jr., of the Pan American Airways.

Mr. HARRIS. I thank the gentleman for his contribution.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an editorial from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. KLEIN. Mr. Speaker, I should like to add a few words to the remarks made by our colleague, the gentleman from Arkansas.

I have done a good deal of traveling by air, both abroad and in this country. I have always been most happy when we chose Pan American Airways as our means of transportation. I should like to add my congratulations to this fine airline on the occasion of its 50,000th crossing of the Atlantic Ocean at 5 o'clock today, and to its officers and personnel. The record of safety and of excellent service consistently maintained by them is really outstanding. I trust that they will continue to maintain this wonderful record, and to aid in keeping the American flag aloft throughout the world.

Mr. DELANEY. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

INDIA AND YUGOSLAVIA

Mr. CELLER. Mr. Speaker, I would like to address myself briefly to the question of aid to Yugoslavia and India. There seems to be generating an opinion that aid should be denied those countries because of their recently improved relations with the Soviet Union. I take it, and I believe, that these better relations do not mean and should not mean a worsening of our relations with these same countries. I say this despite the recent joint demarche of Tito and Bulganin and Nehru and Bulganin.

What determines who the beneficiaries of United States aid shall be?

Is it not because we are a fortunate people blessed with spiritual and material strength and that our tradition as a people so blessed moves us to share with those less favored. Our aid is not a bribe. We are a people alive to suffering. We have given aid in the recent past to Red China, East Germany, Czechoslovakia, and Albania, all Communist-ruled countries. Indeed, throughout our history, we have rushed aid to disaster areas. More than 30 years ago under Herbert Hoover's leadership, we helped to feed the populations of the Soviet Union, when they were confronted with famine.

We are concerned with development of peoples everywhere as we are for ourselves in reaching upward to embrace principles of a just and moral civilization.

Surely we are concerned with peoples faced with great economic need who search for an answer and have not committed themselves to the false gods dangled before them by Communist Russia.

But also, we are concerned where our own self-interest demands that peoples not so committed be lured, through our own default, into the Soviet camp which spells for them captivity and ultimate disaster.

These reasons, among others, must compel us not to deny our aid, either to Yugoslavia or to India.

True, Yugoslavia is a Communist country, but equally and forcefully as true is the fact that Yugoslavia has wrenched itself free from Soviet domination; has demonstrated dramatically to the world that it can successfully defy the power of the Soviet Union, and this is of crucial importance to any negotiation or discussion the Western powers may have with the Soviet Union on the status of its now satellite states. It is acknowledged throughout Yugoslavia that United States aid, without strings attached, is more welcome a choice than the Soviet Union heavy-handed interference and attempted control of the Yugoslav people. They are a happier people spared the bleakness of dire economic want, because of the United States, and on the other hand because of our aid they were spared the tragedy of Soviet domination, and because of the United States aid they are enabled to resist the recent Soviet courtship. Starving people make desperate choices. If United States aid to Yugoslavia were now withdrawn, a severe blow would be delivered against world peace. A noncommittal joint statement released by the Soviet Union and Yugoslavia at the termination of the Soviet delegation's last visit revealed a suspected but heretofore unproven chink in the armor of the Soviet Union. Let it not be thought for a moment that the leaders of international communism in all parts of the world did not take notice and shudder. A blind trust which international Communist leaders had in many of the still free countries of the world was shaken. It is too soon for any of us to be able to measure the repercussions, but they are there, and the lesson of Yugoslavian resistance will not be forgotten. Yugoslavia will be watched carefully and as it grows in economic strength, it will be further demonstrated that the milk of peace and plenty does not always flow from the bosom of Mother Russia. This is a realization which will grow upon the wavering countries of Asia and upon those in the other countries of the world who have slavishly sold their hearts and their intelligence to the mint of Soviet omnipotence.

Like Yugoslavia, India has adopted a fierce independence, and while superficially it may appear that India looks with kinder eyes upon the Soviet Union than it does upon the West, the fact still remains that India with its newly-won independence stands fiercely jealous of her rights, her benefits, her privileges as a free nation, it is because of this stubborn independence that the Soviet Union works unceasingly to win with these countries.

I have been in India and encountered at first hand the sensitive, searching pride of the Indian people, the probing intelligence of its leaders. We have been critical of India as India has been critical of us. These are the attributes of sovereignty. There have been mistakes and misunderstandings on both sides. There is a gap in India's knowledge of our tradition, of our way of life just as there is a gap in our understanding of India and her life. We cannot dismiss the stubborn fact that India is an independent country and we cannot make her very independence the reason for withdrawal of aid. India is poor, India is struggling. Can we, in our own good fortune demand that Indian people eat not, because we disagree with some of her ways of life. If we use our material wealth as a whip to silence independent countries and by their silence make them eligible for our aid, then we stand condemned before the world as spiritually impoverished. It is time we exploded this caricature of the United States which Soviet propaganda has drawn of us and implanted in the minds of peoples of the East and in the West. Only the Soviet Union, so Soviet propaganda goes, is concerned with the welfare of people as people. The West wants only to buy friendship, says the Soviet Union. We, the Soviet Union not the United States, care about the hungry. It is this kind of talk which is the chain which holds international communism together. India is not a Communist nation. There are pools of Communist agitators in India, just as there are pools of Communist agitators in France and Italy. But the Indian leadership is keenly aware of the threat of internal subversion and is taking steps to counter it, as we have seen in the recent local elections in that country.

Let us now and forever divorce ourselves from any talk that United States aid exists only because of the Soviet threat. United States aid existed long before the ugliness of Soviet aggression and subversion. To this tradition we must be loyal. Let it not be said of us that if the Soviet aggression did not exist, the United States would have no concern with the starving peoples of other countries.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Utah [Mr. DAWSON].

Mr. DAWSON of Utah. Mr. Speaker, today the House Interior and Insular Affairs Committee approved legislation to authorize the upper Colorado River storage project. Since this overall basin development program was first conceived 5 years ago, it has been the center of controversy and misinformation. The most controversial feature was the inclusion in the project of Echo Park Dam within Dinosaur National Monument.

The measure as approved by the committee today and as it will appear before you for your action, does not call for construction of Echo Park Dam. This controversial structure is not in the bill. The opposition from conservation organizations has been such as to convince us in the four-State area directly benefiting from the project that authorizing legislation could not be passed unless this dam was taken out. We hated to lose it. I still feel that it would be better for the monument if it were built. But we in the sparsely settled, arid West have neither the money nor organization to cope with the resources and mailing lists of the so-called conservationists.

In dropping Echo Park Dam from the project, we now feel free to call upon those same organizations to change their attack to support. Time and again in testimony, spokesmen from conservation groups made it plain that their opposition was directed only toward the dam in Dinosaur and not to the overall project itself.

Leading spokesman for conservation groups and one of the most effective critics of Echo Park—Gen. Ulysses S. Grant III—testified as follows before the House Interior Committee:

> With a sincere desire to provide for the sound economic development of the upper Colorado Basin, we strongly recommend to your committee the passage of legislation (1) authorizing the immediate construction of the following dams, namely, Flaming Gorge, Cross Mountain, Whitewater (Bridgeport), and Glen Canyon; and (2) authorizing and directing the Bureau of Reclamation to proceed with the revision of the 1950 upper Colorado storage project eliminating therefrom the Echo Park and Split Mountain Dams.

General Grant is a noted engineer and president of the American Planning and Civic Association.

Many members have been approached by members of Izaak Walton Leagues in their districts on the subject of the upper Colorado River project and Echo Park Dam. With the elimination of Echo Park Dam from the project, supporters of this overall basin development should have the backing of league members for the bill.

Here is how J. W. Penfold, of the Izaak Walton League, testified before the House committee on this project:

> Colorado and western members of the league, and league nationally, are not opposed to the development of the Colorado River. We endorse the fundamental purposes and objectives of the upper Colorado storage project. We recognize that if the West is to develop along sound resource lines there must be a sound and coordinated program for the conservation and use of the limited supplies of water. We recognize that much of the water originating at elevations up to and exceeding 14,000 feet and dropping nearly 3 miles on its journey to the sea can and should create energy to serve human, agricultural, industrial, and commercial needs.
>
> We recognize that world demands as well as those of our expanding populations mean that America must plan for the optimum production of foods and fibers from all suitable lands including those suitable for irrigation. We recognize that under the 1922 compact, there must be some such storage plan as that now proposed, if the upper basin States are to be able to make full beneficial use of the waters allotted to them.
>
> Moreover, we in the league are thoroughly convinced that the arid and semiarid West must have a complete water-conservation program that extends from the very ridgepole of the Continental Divide to the sea.

From his testimony, it is apparent that the league's opposition was against Echo Park Dam only, not against the entire project.

The National Parks Association also has supported this project—provided it did not include Echo Park Dam. Here is what the organization's executive secre-

tary, Fred M. Packard, had to say to the House committee last session:

> The national conservation organizations have not opposed the upper Colorado River project, and have no desire to impede orderly development of the water resources of the Western States. They have objected unanimously to one aspect of the plans for this project, namely, the including of Echo Park and Split Mountain Dams proposed to be constructed within Dinosaur National Monument.
>
> We urge that the desirability of authorizing now other dams outside the national monument be considered by this committee, dams that are not injurious to other significant values, and about which no serious controversies have arisen. We suggest to the people of Utah and Colorado that they support the proposed revision, not only because it is in the national interest, but also because they stand to gain from it. They can realize the maximum local benefits in water and power, and still have available the great resource of a magnificent national park system area as an attraction to people from all over the country. We have been assured by delegates to Congress from these States that they will welcome a practical alternative proposal that will safeguard the national monument. We have presented such a proposal, and hope it will be adopted, with such refinement as may be desirable, as being in the interest of the local economy as well as of the Nation.

We in the upper Colorado Basin States are not so naive as to think that attacks against this project will cease because of the deletion of Echo Park Dam. Southern California interests will continue to finance vast propaganda programs in order to prevent us in the intermountain area from using the water promised us by solemn compact in 1922. But we do expect the responsible, genuine conservation organizations who opposed Echo Park as an invasion of the national park system to come to our support. There is no conservation program as vital to the Nation as the conservation of our soil and water. This project does just that and provides that the Government will be reimbursed entirely for the money advanced.

I urge all Members of Congress to look through the specious cost figures being circulated in order to determine the cause and originators of the attack. It is no coincidence that opposition to reclamation such as is directed against the upper Colorado only comes when any project would use water that ultimately flows through California. Southern California would rather have the upper basin States go dry. They would continue the present situation whereby our water wastes into the sea because, in the course of its wasting, it turns turbines in the lower basin and subsidizes industry with power sold at dump rates.

A vote against the Colorado River project is a vote to waste water and to subsidize southern California industries. A vote for it is a vote to continue the development of an area whose mineral riches are responsible, in a large measure, for the wealth and strength of this Nation.

Mr. DELANEY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KLEIN] may be permitted to extend his remarks in the RECORD immediately following those of Mr. HARRIS of Arkansas.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2090, with Mr. TRIMBLE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. RICHARDS. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the so-called mutual security bill before us authorizes the funds necessary to continue the mutual security program for another year. The total authorized is $3,285,800,000, which is $139,200,000 less than the amount requested by the executive branch. It exceeds the amount appropriated last year for the same purpose by $504,300,000.

This year I do not believe that it is necessary to take up the time of the Committee discussing why we have a mutual security program. This year I think it is readily apparent that the enormous investment which we have made in providing assistance to other nations is beginning to pay off. We can see signs in all areas of the world that this is true.

There are some members of our Committee on Foreign Affairs, who are just as conscientious as the majority of the committee, which reported out this bill by a vote of 20 to 4, who have filed a minority report. That they certainly had a right to do. I am sure that in their hearts, when they are against the foreign-aid program, as was shown by their vote last year, and their vote this year, and perhaps the year before last, they are just as conscientious as I am in the position they take. Although they do not agree with our position, I honor them for filing this minority report, even though I think it unfortunate that it comes from the minority side, which represents the administration of President Eisenhower in this great body.

I did not think the time would ever come when I would have to try to defend the President's mutual security program, not only to some few members of my own party, but to defend it from attacks and onslaughts of a very able and conscientious segment of the Committee on Foreign Affairs, who are Republicans.

There is another distinguished minority member of the committee who will be offering many amendments to this bill. He is a dear neighbor and friend of mine. I am sure he finds himself in a rather anomalous position. He will probably carry the ball for the administration on his side, yet will probably attempt to improve the bill by an amendment of his own. Though I love him and admire him, I am wondering how he is going to accomplish those two purposes and bring his aims together on any ground.

At the recent Conference at Bandung, we had a demonstration that the newer nations of the world, in spite of their deep-seated resentment against what they regard as the past injustices they have suffered at the hands of their recent colonial masters, nevertheless spoke out firmly, with courage and determination, against Soviet imperialism.

In Europe, after years of negotiation and frustration, a substantial and definitive step was taken to bring about a united defense organization in which national pride has been submerged in a common effort in order to meet the realities of the present world situation. The treaty establishing the Western European Union has been ratified, and today we can see France, Germany, Italy, Belgium, Luxembourg, and the Netherlands united to meet Soviet aggression as a single unit.

In our own hemisphere we have seen the people of Guatemala rise against the advocates of world communism and, with the firm backing of the other American Republics, throw out the Communists and reestablish democratic government.

We see today that there is a new party line for the foreign policy of the Soviet Union. I want to make clear that I believe it to be nothing more than a change in the party line. I am sure that the basic policies and intentions of the leaders in the Kremlin have not changed and that the danger to the free nations of the world has not diminished in any way. Nevertheless, it seems to me that the evidence is clear that the Soviet dictators have found the tide beginning to run against them throughout the world, so that they have decided that it is necessary for them to invoke new measures in their effort to stave off the inevitable disaster with which they are confronted.

I am sure that everyone understands that in spite of my optimistic remarks, I do not believe that we are yet out of the woods. The situations which I have cited are only indications; none of them is decisive in itself. The danger which confronts us is as great as ever, and the problems which we have to solve are challenging. The fact remains, however, that this year we can point to significant favorable results of the policy which we have continued so long and which has been so costly to us.

In previous years, in defending the mutual security legislation on the floor of the House, the primary argument in its support was merely that it made sense. Most people agree that the only argument the Soviet Union understands is strength; therefore, it is essential that the United States do all it can to build strength. It has been clear, also, that if the resources of Europe, Asia, and Africa were lost to the Soviet Union, the United States would be significantly weakened and the power of the Soviet Union would be very much greater as a

consequence. It made good sense also that the United States should have bases in various locations throughout the world from which defensive action against Soviet aggression could be taken. It has always been clear that we could not have such bases unless we had the organized support of the nations where the bases are located in carrying out a common effort. Further it has made good sense to have the forces of other nations organized, armed, and equipped in order to meet a Soviet attack. The only possible way of attaining this objective was for us to contribute substantially to this end.

As I have said, the logic of this argument has been stated many times and has been accepted by the overwhelming majority of the American people. This afternoon it is possible, however, to say that this logic has been put to the test in a number of important instances, and the results of these tests are favorable.

Mr. Chairman, I propose to devote most of my time this afternoon to certain questions which I am sure exist in the minds of many Members of the House in connection with this bill. I want to touch briefly on four principal matters: First, why are we authorizing more money this year than we last year appropriated? Second, why are we providing so much of what is commonly called economic aid? Third, why do we authorize so much new money when there is so much carryover? And, fourth, why do we give money to countries like Yugoslavia and India, who do not seem to be firmly committed to our side?

Let me begin with the fact that we are authorizing more money for fiscal 1956 than was appropriated for fiscal 1955. I think that, for more than any other reason, the answer is this. We have an enormous worldwide program under way which is beginning to pay off, and we want to keep it going. The important point is that the program is organized, and it is in operation. As a result, the choices as to its structure and its magnitude have already been made.

There is a certain analogy in considering the fuel requirements of a launch as compared to an ocean liner. There is no question but that the foreign-aid program we have is on the scale of an ocean liner rather than a motorboat. This fact limits our maneuverability. This year we have better evidence than ever before that the program we have developed is working. There are undoubtedly some who believe that it should have been developed on a motorboat scale. If we try today, however, to redesign and reconstruct the program in this way, it would mean cutting out major types of aid and leaving out major areas of the world.

Such a course would seem to be dangerous when the evidence we have points to the fact that the operation is working. One thing is very clear: an ocean liner has to have more fuel than a motorboat, or it won't run. There is nothing more futile than providing funds on a motorboat scale for this program.

I would like to remind the Members of the House in this connection that a foreign-aid program is a new development in the field of foreign policy. No country ever tried it before. The principles of foreign policy which our European ancestors developed over a period of centuries do not give us too much guidance as to how such a program should be run. We learn a little more how to do it each year. It is very possible that sometime in the future we will find that we have been spending millions to accomplish results that could have been accomplished with thousands. The fact remains that on the basis of what we know today, the present program is the best we know how to develop. We know further that it will not work unless we provide the funds necessary to keep it going.

One further point: I do not believe that there are many in this House or among the American people who believe that we can cut down on our foreign-aid program because the danger is diminishing so that we can relax. Personally, I have encountered no American who has any illusions about the significance of the present Soviet line. Evidence that this belief is supported by most Americans, I think, can be found in the fact that our national-defense appropriation for fiscal 1956 will be about $2 billion higher than it was last year. We all know that we must continue to strengthen our own military forces in spite of the peace talk that we hear everywhere. Those who believe, as I am sure most of us do, that the mutual-security program promotes the security of the United States, recognize the necessity of maintaining it while the danger continues.

Next I want to refer to the question of why there is so much of what people commonly refer to as economic aid in this bill. The actual authorization for military assistance for fiscal 1956 is $1,133,000,000. The total nonmilitary authorization is $2,152,800,000. It is not at all uncommon to hear the argument made that supplying guns and tanks to foreign countries seems to make a certain amount of sense but that economic aid is a giveaway program which cannot be justified.

In the first place, it is important to recognize that nonmilitary assistance includes several different elements. Some forms of so-called economic aid are directly connected with military assistance and the justification is very much the same. Consider the situation in Formosa and that in Spain. On the island of Formosa there is a large Chinese army which is too big for a country of that size to support. The demand which such an army makes on the economy of that country tends to distort the entire economic structure. As long as the United States regards Formosa as being of strategic importance to us, and as long as we regard the Chinese forces there as being worth maintaining, it is essential that we contribute to the support of the Formosan economy. We cannot have strong forces there if the general population is hungry or if there is widespread unemployment and discontent.

The situation in Spain is similar. The strategic importance of Spain to the United States is apparent to everyone. We have already embarked on a large-scale program for the construction of air and naval bases in that country. We are committed to strengthen the Spanish military forces. From an economic point of view, Spain is in a bad way. Spain is not rich in natural resources at best. Her capital equipment has run down continuously since the days of the Spanish revolution before the war. It is essential that aid be given to Spain for rebuilding transportation facilities, providing capital equipment, and improving the standard of living for that country if the United States military program in Spain is to be successful.

We are giving a very substantial amount of nonmilitary aid to countries which do not have military programs. We recognize, however, that these countries are important in the world struggle against communism. The danger in most of them, however, is not from armed attack. The problem in so many of the newer nations and underdeveloped areas of the world is that of subversion. The United States can never afford to forget that the Soviet leaders are the acknowledged masters of the techniques of conquest by infiltration and subversion. They prefer to make their conquests in that way. They are focusing their efforts in areas where there is unrest among people who believe that they have been unjustly denied the better things of life.

The United States has to recognize also that the Communists will always be able to talk better than we will. It is easy to make promises and it is easy to use slogans and arguments which have appeal when it is possible to disregard the truth. The only way we know of preventing the people in many parts of the world from viewing the situation entirely through Communist eyes is for us to demonstrate through our deeds primarily that there are better alternatives than those offered by Moscow.

A major reason why the nonmilitary aid is relatively large in the 1956 program is the shift of emphasis of the entire program from Europe toward Asia. Actually, the only nonmilitary aid planned for Europe in the year to come will go to Spain, Yugoslavia, the city of Berlin, and a small—$5 million—program of technical assistance for all Europe. None of the countries which originally participated in the Marshall plan are to receive any economic assistance at all. In Asia, on the other hand, we are attempting to provide all the direct military assistance that can possibly be used, but we recognize that in this area there is not yet a military structure in existence which can be built up and equipped on a large scale or in a short time. Our biggest problem, therefore, is that of subversion, and our major effort must be in the direction of helping people develop their own resources and raise their living standards.

I want next to devote a few minutes to the matter of carryover of funds and unexpended balances. The latest and best estimate that I have, and this was submitted only a few days ago, is that on June 30, next Thursday, there will be $8,717,100,000 unexpended of funds already appropriated for the mutual-security program. On this same date there will be a total of $670 million unob-

ligated and unreserved. These are enormous amounts and I can understand why the question is so often asked: Why then do we need more money?

Let me refer first to the matter of the unexpended balances. Of the total that I gave of eight-billion-seven-hundred-odd million dollars as being unexpended, $8 billion is already obligated or reserved. That means that $8 billion of this total has been committed already to pay for airplanes, tanks, and weapons which are on order. There is a further factor in the case of foreign-aid spending which is not present when the United States makes appropriations for its own procurement. This arises from the fact that this money is already programed and committed to other nations; that is, in our defense plans for Europe, Asia, and other parts of the world, we have told the individual countries that if they would raise so many divisions, build so many airfields, or train so many pilots, we would deliver to them so many items of equipment, so many planes, and so forth. I want to make clear that these are not legal commitments which it is impossible for us to get out of. All such agreements have been made with the understanding that United States action is subject to the will of Congress. I merely want to emphasize the point that the $8 billion that is unexpended but obligated has very definite strings attached to it, not only in terms of contracts and other arrangements with suppliers but also in terms of agreements with nations whose own defense plans are tied to the delivery of military equipment on schedule.

There is no question but that what nations actually will receive in the form of weapons, equipment, airplanes, and so forth will be financed almost entirely from these unexpended funds which I am talking about. Very few of the 1956 requirements will be financed with the funds authorized in this bill. Most of these funds go to supply nations after 1956. The best available indication of how these unexpended funds will be used is shown on page 11 of the committee report, where there is a short table showing the distribution of these funds by geographic areas. The total shown on that page is less than the one I have just given you because it is based on an earlier estimate.

Let me point out to the House that there is a good deal of dissatisfaction with the situation reflected by this $8 billion of unexpended funds. The Appropriations Committee, which knows much more about such matters than I do, has explored the matter rather thoroughly and is dissatisfied with what it has found. I believe it is generally agreed that an $8 billion unexpended balance is too large for this program, and the Committee on Foreign Affairs was informed by the Honorable Struve Hensel, Assistant Secretary of Defense, that this balance should and would be worked down to a lower level in the next year. I am aware also that the Appropriations Committee has required a number of changes in procedure to improve this situation which will undoubtedly be effective.

My point is that I am not able to defend the magnitude of the $8.7 billion unexpended balance figure. I have every reason to think it is too large.

I do say, however, that this $8 billion fund is not just lying in the bank waiting to be spent; it is pretty much already committed. I say further that if the mutual-security program is to continue to operate, we have to feed some new money into it each year. The Defense Department in submitting its request for funds to the committee did not bring in this year a long list of programs of guns, ammunition, tanks, and airplanes for individual countries; instead, the Defense Department recognized that the immediate requirements of the armed forces of these countries were already covered in these unexpended funds to which I have referred. The Defense Department did, however, point out that the United States has already entered into commitments with other governments, which require additional financing, and that current funds have to be authorized for training costs, administrative expenses, spare parts and maintenance.

The situation which confronted the committee and which confronts the Congress today is that we have an enormous military-aid program in the works. $8 billion has already been committed for this purpose. This $8 billion, however, has strings attached to it. In addition to this program that is already in the works, there are additional commitments that require funds. These commitments have been entered into with other nations as a result of their committing themselves to call up manpower, to build bases or permit us to build bases, and so forth. At the same time the United States must continue to supply substantial amounts of spare parts and maintenance equipment each year. The tanks, the planes, and the electronic equipment are for the most part only manufactured here, and it is unlikely that the spare parts and other equipment for these items will be obtainable for some years to come from any other source. In addition, the training costs and the administrative expenses of the program are financed on a year-to-year basis. The funds must be provided or the program stops.

The matter of the unobligated and unreserved balances presents a different problem. You will recall that I stated a moment ago that the latest estimate is that there will be $670 million of such unobligated funds.

When the committee began its consideration of the foreign-aid bill this year, we were told that the estimated unobligated balance at the end of the current fiscal year would be $100 million. Then about the middle of June after the Senate had included in its bill a limitation that no more than $200 million of unobligated balances could be carried over into fiscal 1956, we were informed that the unobligated balance would exceed $200 million so that the Senate requirement would involve a substantial cut in military funds. Finally, on June 21, the day before the Foreign Affairs Committee completed its markup of the present bill, we received word that the estimated unobligated balance on June 30 would be $670 million.

I am aware that there are certain technical reasons why this situation occurred. The rules governing the process of obligation of funds were changed this year by the appropriations legislation, and this has interfered with operations in the Pentagon. The Appropriations Committee knows all about the significance of these changes and is in a position to make the necessary adjustments when it passes on the appropriation for this program.

I do know this, however, that if we had known when our basic work on the military aid authorization was being done that over $600 million of unobligated funds were going to be carried over into fiscal 1956, our authorizations would have been different. Consequently the committee has retained the Senate amendment limiting the unobligated carryover to $200 million, since it was impossible for us to redo our work in the light of the new evidence that came to us at the very end of our consideration of the bill.

We must not lose sight, however, of the fact that we have a going program in operation. Each year we have to put in some new money in spite of the fact that there is old money in the pipeline. The authorization in this bill has been carefully considered and represents the best judgment which the committee could make as to what the proper amount this year should be.

Perhaps the most troublesome aspect of this bill to many people is the fact that it authorizes assistance to Yugoslavia and to India. I suppose that every Member of this House has asked himself why we should continue to supply assistance to these countries when their leaders perform as they do.

The answer is a simple one. The only objective that the United States has toward each of these countries is that it remain free. Neither country is in a position to do very much for the United States. If either of them applied for statehood, we would in all probability regard it as a liability rather than an asset. Their resources are limited; their standard of living is low. It is not nearly as important to us that they join anything as that they refrain from joining with the Soviet Union or falling under its influence.

In the case of Yugoslavia, we have to recognize that it occupies an important strategic location from a military point of view. If that country were occupied by Soviet forces, the defense of Italy, Greece and Austria would be much more difficult than otherwise. We have to consider also that Yugoslavia has a very great symbolic significance, particularly to the other Balkan nations which now lie behind the Iron Curtain. The fact that Marshal Tito has been able to follow a course of defection and get away with it gives constant encouragement to dissident elements in those countries which may some day bear fruit.

I believe that Marshal Tito in merely following his own selfish interests will take action that will benefit the United States. If he is ready to defend his country against invasion to the last man, it

seems to me that that is all we could ask him to do. I would like to point out, moreover, that in all probability he knows too much about the Soviet Union, its policies and its techniques of subversion to join up again with them. What has he to gain? I do not believe that he wants to invite the Soviet spies, saboteurs and assassins back into his country. He knows from first-hand experience that Russia is not a land of milk and honey, where great economic benefits will automatically flow to his nation if he casts his lot with the Soviet Union. It seems clear to me that Tito will definitely be better off if he remains independent, and it is clear to me that he needs United States aid if he is to do so.

I want to make it clear that I am not in any way endorsing the Tito regime or the way in which our own aid program has been administered in Yugoslavia. I wholeheartedly concur in this statement, contained in the committee report:

> The committee gave special consideration to the situation in Yugoslavia and explored carefully the question of continuing assistance to that country. The committee reached the conclusion that no specific limitations should be imposed on the supplying of aid to that country. Testimony disclosed, however, that the Yugoslav Government has not been fully cooperative in carrying out the requirement of the Mutual Security Act that United States representatives be permitted "continuous observation and review" of the use made of equipment supplied by the United States.
>
> The provisions of the law are clear in this respect and the committee believes that United States officials responsible for the administration of the mutual assistance program have not been sufficiently insistent that the Government of Yugoslavia live up to the terms of its agreements. The committee has refrained from including in the bill legislative restrictions on further assistance to Yugoslavia only because it is confident that henceforth the letter and the spirit of the law will be carefully observed.

Now in reference to India, let me say that I believe that Mr. Nehru and the overwhelming majority of the people of India want to remain free. I dislike Nehru's talk and actions as much as anyone can. During my service at the United Nations 2 years ago I was in daily contact with Mr. Krishna Menon, who is one of Mr. Nehru's principal advisers. Mr. Menon deliberately opposed and insulted the United States whenever possible, and never failed to support the proposals of the Soviet Union. Nevertheless, I am convinced that Menon does not speak for the majority of officials and the rank and file of India. I do not believe that Nehru plans to lead his country into the Communist camp.

The danger in India is subversion. The opportunity for subversion will come if that country fails to bring better things to its people. It has been possible for many years for the people of India to blame their unfortunate lot upon the British. Now the British are gone. They are finding that the task of raising the standard of living of the masses of that very large country is enormously difficult and complex. If they cannot show results, the people of India will have the strongest incentive to listen to the voice of Moscow as pointing the way to the attainment of the things which they desire.

I believe it is in our interest to help. We may be better off if Nehru prefers not to ally himself with us or enter into other formal commitments to us. The important thing is that India does not fall under Russian domination.

Mr. Chairman, let me remind you in closing the situation which confronts us. I concede that this authorization involves a large sum of money and that it imposes a very heavy burden on the American people. Let us keep in mind that the United States has appropriated since the war $344 billion for our own defense.

The United States military expenditures alone for World War II were $290 billion. One unofficial estimate from the Pentagon places as the military cost to the United States of the Korean war at $18 billion.

Everyone here will agree that the $50 billion we have spent on foreign aid since World War II will not have been wasted if it prevents world war III. As we meet this afternoon we can see scattered indications that the program is beginning to produce the results which its advocates have always anticipated.

Let us not do anything today which may prevent the program from working as it should.

Now in general terms that is the program. As we go along there will be some differences of opinion, but I am confident this House in the long run will not seriously hurt this bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. GROSS. First I want to commend the gentleman for the wise choice of words that he used in his opening remarks when he called this "so-called mutual-security bill." I appreciate the so-called mutual security.

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. RICHARDS. I yield myself 2 additional minutes.

It has been called the Marshall plan, mutual security, foreign aid—I do not care what the gentleman likes best. I like to satisfy the gentleman.

Mr. GROSS. I do not like any of those sugar-coated titles. The gentleman can have them.

Mr. RICHARDS. I know you do not.

Mr. GROSS. I have been troubled about this direct forces support, military assistance, economic aid, and so on. Will you tell us how you separate economic aid from defense support or direct forces support?

Mr. RICHARDS. I tried to do that. Military assistance as such is the end item, such as guns and munitions that the Army has to have. Direct forces support goes directly to the armed services of the recipient countries and includes gasoline, copper for shells, machinery for government arsenals and so forth. Defense support is economic aid to keep up the military establishments, which cannot afford to use so much of their manpower and capital for defense if they did not have our help.

Mr. GROSS. Then, what is economic aid? Where does that fit into the picture?

Mr. RICHARDS. All of that is economic aid.

Mr. GROSS. That is what I thought.

Mr. RICHARDS. It is economic aid, but it has an entirely different purpose than the Marshall plan originally had. The program started as a recovery program. It is now a defense program. Everyone agrees that Europe has recovered. The trouble with Europe now is that without our help in a few countries their defense effort would decline.

There is old-fashioned economic aid for Asia and Africa in the boon of development assistance. These countries do not have defense programs, but we give aid to try to keep the Communists from taking them over.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. JUDD. As a matter of fact, is not the truth the reverse of what the gentleman from Iowa [Mr. GROSS] said? Practically all of it used to come in under the heading of economic aid. Now it is broken down into different categories so that nothing will be disguised. It is more specific under the present bill than before.

Mr. RICHARDS. That is right. We use these terms to avoid fooling anybody.

Mr. GROSS. But under "defense support" you are fooling or misleading again.

Mr. JUDD. No. It is aid that goes to a country to enable it to support the military establishment, which our own military people believe that country must have if it is to make its full contribution to our mutual defense.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GAVIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and one Members are present, a quorum.

Mr. VORYS. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. VORYS. Mr. Chairman, this is a foreign policy bill. It does not appropriate a dime, but determines policies. We will have an appropriation bill on this program in a few days, when we can decide on how much money to spend on these policies.

This is the bill where the House has its chance to implement the foreign policies of President Eisenhower or to wreck them.

I think before we get into the details of this bill a general review of what it is about might be helpful.

This bill carries forward the law that last year replaced 14 different acts, but this is still a package bill that covers all of the programs and policies that were in those acts, covers all areas of the world and involves our relations with the United Nations and with regional organizations such as NATO, the Organization of American States in the Western Hemisphere, the Southeast Asia

Treaty Organization in Asia; it covers the whole world.

There has been talk about how much of it is economic aid. Let us remember that as far as the United States taxpayer is concerned all of it is economic aid, the whole $3,285,000,000 is economic dollars. It is true that $1,133,000,000 is spent for military hardware and training.

It is true that $2,472,000,000 is spent in support of military purposes. But if you want to fuss about words, all of it is economic aid, but you should also remember that all of it is needed because of the security interests of the United States.

To show what I mean by saying that military aid is dollar aid, consider the reimbursable military aid provided in this program. Up to April 30, $843 million in military weapons have been purchased from us. Canada, for instance, pays for all the weapons she obtains from us. If this reimbursable aid program could be expanded further we might get the weapons where we need them for mutual security without having to bear the dollar burden. Most of the countries, however, cannot afford to buy all the weapons they need. Hence they need dollar aid from us in obtaining these weapons.

In this bill, our target is a program for the whole world; and we are aiming at a moving target, because the world situation is changing all the time. The figures we get in committee are out of date before we can bring them to the floor because the program is going on all the time, deliveries are being made, plans are being changed to meet events, and it will continue to go on unless and until we falter or fail.

It is interesting that under the Republican administration this statutory consolidation has taken place of the various parts of our foreign-aid program. I will speak a little later about the change in organization that has taken place.

It is also interesting and somewhat gratifying to me that the Republicans have been in power for 3 years and if we compare the previous 3 years of the Democratic administration beginning with fiscal 1952, we will find that the last 3 years of this program under Democratic administration involved appropriations to the extent of $21,271,300,000. In the 3 years under the Republican administration the appropriations, including this present authorization, will total $10,598,800,000, or a little less than half of the previous 3-year period. We are trying to get this thing down to size.

Here are the figures:

Fiscal year:	
1951	$7,940,500,000
1952	7,328,900,000
1953	6,001,900,000
Total	21,271,300,000
Fiscal year:	
1954	4,531,500,000
1955	2,781,500,000
1956	3,285,800,000
Total	10,598,800,000

Our committee felt it was unnecessary to attempt to reevaluate the fundamental principles involved in this program. However, my beloved brethren and sistern in their minority views made some statements that cause me to think that perhaps some reevaluation is needed.

They say:

> This bill demonstrates a shocking lack of confidence in the fundamental principles which have made this Nation great.

They also say:

> In the past we have urged what to us has seemed natural and logical—a thorough study, a reappraisal, a redefining of foreign policies, techniques and statutes concerned with the goal of international peace and security, which we all seek.

They also say:

> The executive branch has not seen fit to do this before submitting this bill to the Congress.

In the hearings you will find the brilliant reevaluation of the program by Secretary Dulles, and a complete reevaluation by many other executive witnesses. Let me call your attention, however, to the message of the President of the United States sent up here on April 20, 1955. It is an interesting document because it states fundamental principles that have made our Nation great. It is not in the hearings or in the report because it has been distributed to every Member and is in the RECORD, but it is available at the table and in your offices.

Here is what the President said in his reevaluation of the fundamentals:

> I consider the program an indispensable part of a realistic and enlightened national policy.
>
> The fixed, unwavering objective of that policy is a just, prosperous, enduring peace. On this fundamental position we base our broad approach toward our world trade, our military alliances, our exchange of information and of persons, our partnership with free nations through the mutual-security program. This partnership is rooted in the facts of economic and defense interdependence and also in the understanding and respect of each partner for the cultural and national aspirations of the other.

Then the President proceeded to a "study, reappraisal, and redefining of our policies, techniques, and statutes" in every area of the world.

Toward the end of his message the President had this to say:

> The other free nations need the United States, and we need them, if all are to be secure. Here is a clear case of interwoven self-interest. The necessary expenditures to equip and maintain United States Armed Forces of air and land and sea at strategic points beyond our borders are never called aid. The necessary expenditures to enable other free nations associated with us to equip and maintain vital armed forces at these same strategic points beyond our borders should not be considered as aid. These, in fact, are defense-alliance expenditures clearly safeguarding in the most desirable manner, and at times in the only possible way, the security of the United States and of other free nations.

Mr. Chairman, we also had before us Admiral Radford, Chairman of the Joint Chiefs. We asked him about the security features of this bill.

Let me say in passing that we are in a very warm stage of the cold war. Recently an American was shot down off the coast of Alaska. Yesterday an American officer was in a plane shot down near Matsu by a plane reported to have had a Russian pilot. In December I flew high over Hokkaido in northern Japan and could see the Kurile Islands airstrip at Tofutsu which the Soviet MIG's used when they shot down an American B–29 over Japan. This is a rather hot cold war. Admiral Radford, appearing before us, said, page 239 of the hearings:

> First of all, I would like to state that the military-aid program is part and parcel of the United States Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, or objective from our own military expenditures. The fact that this part of our program is not included in the Defense Department budget is more a matter of procedure and administration than of substance.
>
> In this connection, I can assure you that were it not for the strength which has been generated in the past 5 years by our allies and in most instances made possible by our aid programs, the requirements of our own programs would be much larger.

Then I asked him about where these forces were placed, and I commend Admiral Radford's full statement for your consideration. I said to Admiral Radford—see page 243 of the hearings:

> Mr. VORYS. As I get it, if these forces are placed where we think they should be, we help equip them as we think they should be equipped, and thus they contribute to our security?
>
> Admiral RADFORD. That is correct.

What about the economy to us of this sort of aid, call it military or not, which we furnish to our allies? Well, the cost of maintaining an average United States serviceman is $5,900 a year, consisting of personnel cost, $3,200, maintenance and operation $2,700 per man, and excluding the cost of equipment, new construction, cost of items for Reserve components, and other items. The cost of an American abroad in the place where our security demands forces is $5,900 a year without a gun in his hand. The cost to the United States taxpayer of a foreign serviceman as paid for in this bill is $747 per serviceman. This means that we have someone placed where it is important in our security and armed, for a cost of $747 per year, whereas it costs us to put one of our men there $5,900 a year without a weapon in his hands.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from California.

Mr. JOHNSON of California. It has been my privilege to visit almost every single military assistance group in the world. It started in 1950 and has continued almost up to the present time. And, I got a good impression of what those groups were doing; that they were really doing something for America. I would like to have the gentleman's appraisal: Does he think those groups are worth while and are they affording protection for the United States in our effort to bring about a peaceful world?

Mr. VORYS. They certainly are, and they are located in strategic places all over the world, surrounding our possible enemies.

Now, I mentioned that an organizational change was taking place. Next Thursday, June 30, FOA goes out of existence as an independent organization and goes into the State Department under Hon. John B. Hollister, from Cincinnati, Ohio, former law partner of our beloved Senator Taft, a man who served with President Hoover in overseas work and who has served as the executive officer of the Hoover task forces in their most recent studies. He is, of course, giving the whole program a new look. We found throughout the hearings that in the Defense Department they are giving the military program a new look. The joint force goals are being reviewed to see whether they are realistic in view of the present situation. I think, therefore, we can feel safe in going ahead with this program. It is in the process of being made increasingly realistic and effective.

Now, it has been mentioned that I am particularly interested in the matter of having as much of this program as possible in the form of loans. That is true.

Everyone agrees that our foreign aid should not be a mere "giveaway" program; that we should plan to get value received in one way or another, for whatever we do. There is general theoretical agreement with the proposal that our economic-aid program should emphasize loans rather than grants, wherever possible. There is disagreement as to the best way to carry this out in practice.

Experience shows that the tendency will be to make grants, not loans, in administration. It is argued that a percentage limitation militates against the placement of a greater percentage of loans. The record does not sustain this argument, for wherever loans have been permitted but not required, few or none have been made. It is said that a percentage figure is interpreted by would-be recipients as a maximum loan figure, rather than a minimum. If our officials accept the interpretation of our laws made by other countries, rather than their own, Congress can correct this. If a minimum percentage figure is inconvenient administratively, a minimum fixed amount can be used. Both types of minimum requirements were made by Congress last year. A 30-percent requirement in title II—section 201—on development assistance, and an overall requirement of not less than $200 million in loans—section 505. Neither of these requirements will apply to the amounts authorized in the committee bill this year. There is a requirement that 50 percent of the new $200 million Asian development fund be in loans—section 4187. This year's bill authorizes more economic aid than last year's appropriation. Thus, as economic aid goes up, required loans go down. I believe this tendency should be reversed.

THE RANDALL COMMISSION

My recommendations follow those of the Randall Commission, of which I was a member. This Commission studied and reported on the general possibilities of "Trade, Not Aid," and recommended that trade be increased, and economic aid decreased. Its recommendations as to trade have been generally accepted and acted upon by the administration and Congress. Its recommendations as to aid have apparently been forgotten.

The Randall report said:

The Commission recommends that economic aid on a grant basis should be terminated as soon as possible.

In cases where our security is importantly involved, the Commission believes that moderate grants-in-aid may serve the national interest of the United States.

The Commission recommends further that where support is needed to maintain military forces to conduct military operations connected with our own security beyond the economic capacity of a country to sustain, grants should be made, not loans. In other cases where substantial economic aid is necessary in the interest of the United States but cannot be obtained from private or international sources, loans should be made, not grants.

The President endorsed these recommendations of the Randall Commission in his message to the Congress on foreign economic policy of the United States last year, as follows:

I subscribe, therefore, to the principle that economic aid on a grant basis should be terminated as soon as possible, consistent with our national interest. In cases where support is needed to establish and equip military forces of other governments in the interest of our mutual defense, and where this is beyond the economic capacity of another country, our aid should be in the form of grants. As recognized by the Commission, there may be some cases in which modest amounts of grant aid to underdeveloped countries will importantly serve the interest of security. I further agree that in other situations where the interest of the United States requires that dollars not otherwise available to a country should be provided, such support to the maximum extent appropriate should be in the form of loans rather than grants.

GOVERNMENT FOREIGN LOANS

It is often said that Government loans are the same as gifts, that they are never repaid, and always create hard feelings. Our postwar experience does not bear this out. Here is the record, according to Department of Commerce figures:

Postwar loans by the United States to foreign countries

Total credits	$14,147,769,000
Total principal collected	3,176,216,000
Total interest collected	1,331,284,000
Total	4,507,500,000

Congress has required a series of loans in aid bills, largely through provisions originating in our committee. All of them were opposed by the executive branch. None of them were refused by the executive branch. All of the loans were accepted in other countries. None of the loans have been defaulted by any government. None of them have caused hard feelings.

Here is the series:

Loans required under ECA, MSA, and India wheat loan

Original ECA Act (Public Law 472, 80th Cong.)	$1,000,000,000
Loan to Spain (Public Law 759, 81st Cong.)	62,500,000
India Emergency Food Act of 1951 (Public Law 48, 82d Cong.)	190,000,000
Mutual Security Act of 1951 (Public Law 165, 82d Cong.) (10 percent of ECA assistance)	$335,547,000
Mutual Security Act of 1954 (Public Law 665, 83d Cong.)	[1] 200,000,000
Total	1,788,047,000

[1] Loans of $194,500,000 have already been made under this requirement. Negotiations now in progress are expected to bring the total to the required amount.

Here is the status of the loans under the mutual-security program as of December 31, 1954:

	Amount authorized	Interest collected	Principal repaid
Asia and Pacific	$16,500,000	$375,000	
Europe	1,419,047,000	70,897,000	$278,000
Indian wheat	190,000,000	11,769,000	
Spanish loan	62,476,000	3,045,000	
Deficiency materials	177,201,000	4,642,000	24,631,000
Total	1,865,224,000	90,728,000	24,909,000

In 1948, when Congress enacted the first of the above loan requirements, by requiring $1 billion of the Marshall plan money to be in loans, there were executive protests. We were told that these were "fuzzy" loans, Europe was "all loaned up," and that these aid loans would overburden the economies of the recipient countries. Now that Europe has recovered so phenomenally with Marshall plan help, does anyone hear complaints that recovery was delayed by these loans? Is anyone claiming that these loans will never be repaid?

Last year, the executive position was that only $100 million of the program should be in loans. Congress required $200 million overall minimum and 30 percent of development assistance. The required minimums have all been loaned. No one is claiming that this crippled the program.

PROSPECT OF REPAYMENT

The above record, showing over $4.5 billion collected on postwar loans, including over $115 million on aid loans, would indicate that there is considerable prospect of repayment of these loans.

The Hoover Commission, in its report to Congress in May on overseas economic operations, said—recommendation 2 (f):

Wherever assistance is necessary and there is no prospect of repayment of a loan the assistance should be in the form of an outright grant.

There will be general agreement on this, but who decides whether there is "prospect for repayment"? Bankers? Must aid loans be "bankable" loans?

In this country our Government has loaned billions to its citizens on projects that were not bankable. During the depression thousands of homes, farms, and businesses were saved in this way and the loans have been repaid, although "prospects for repayment" looked dim for a while.

The policy of making foreign-aid loans was first suggested to me by remarks of former President Hoover in 1947, after he had finished his survey of relief needs

for President Truman. He urged that we should not make outright gifts of our aid, but should always require an obligation from the recipient. He first suggested the counterpart device, which was written into a relief bill on the floor, over administration opposition, and has been extremely useful ever since. As to loans, he pointed out that, even though "prospect for repayment" was not bright, there were two great psychological differences between loans and grants: First, a person asking for a loan tries to make his proposition as good as possible, but someone asking for a grant tries to make his condition look as bad as possible, so he will not be asked to repay; second, a person asking for a loan knows that he might have to repay it, and therefore asks for as little as possible, whereas someone asking for a grant asks for as much as possible.

Experience since then has shown that this same psychology applies to nations, and that nations, like individuals, tend to repay nonbankable loans.

DEVELOPMENT ASSISTANCE

In recent years we have started a new type of assistance, which is not relief, not military aid, not for war recovery, not mere technical assistance. Development assistance means substantial economic aid to nations with which we have no mutual-security agreements. Congress provided last year that 30 percent of such assistance should be in loans, and should end on June 30, 1955. Instead of winding up, $382 million of such assistance is in this bill as follows: In title II, section 201, development assistance, $182 million; in title IV, section 418, President's fund for Asian development, $200 million.

The definition of "development assistance" is broad, the limitations are few, but, in general, the idea is that we help undeveloped countries to develop as free countries, raise their standards of living, develop their resources. They have among their resources vast amounts of critical and strategic materials.

On the other hand, we are rapidly becoming a have-not country in natural resources, especially in critical or strategic materials, as shown time and again in our hearings this year.

If we furnish development assistance in loans repayable, not next year but over 10, 20, or 30 years, we will be helping these countries when they need help, and they can pay us back when we need help, in raw materials from the resources we helped them develop.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Mississippi.

Mr. WINSTEAD. If I understood the gentleman correctly, the gentleman showed figures there for the expenditure of military personnel in some of the other countries amounting to about one-fifth of what it would be in this country to maintain a soldier.

Mr. VORYS. Yes; I think less than that.

Mr. WINSTEAD. Per soldier in the foreign country, as compared with the cost of maintaining one in this country?

Mr. VORYS. Yes.

Mr. MORANO. It is about one-seventh.

Mr. VORYS. It is about one-eighth. If the gentleman will refer to page 243 he will see that the average cost ratio is approximately 8 to 1.

Mr. WINSTEAD. Eight to one. And is it not true that 1 American soldier would be worth 100 of most of those the gentleman talks about? This argument is used on the floor of this House year after year to show that this foreign-aid program is largely a military program for the security of this country.

Mr. VORYS. I think that in all modesty and realism we should appreciate that while we feel the American soldier is the best in the world, those of us who in various wars have fought against some of our opponents have found that there are some mighty good men in other forces. Those who fought recently in Korea had the highest praise for the individual ROK.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RICHARDS. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Chairman, I wish to join the distinguished chairman of the Committee on Foreign Affairs [Mr. RICHARDS] and my colleagues of the committee in urging speedy and favorable action on the mutual security legislation before us. I want to reassure the House that the legislation has received thorough and conscientious study in our committee. Each section of the bill has been gone over carefully and every effort has been made to eliminate all expenditures and other provisions which are not of vital importance to the program. The committee worked on this bill many days and stayed late in session, several days into the late hours of the night.

We earnestly believe that the resultant piece of legislation is sound and conservative. There will be many arguments made that we ought to discontinue aid in some areas of the world. Amendments no doubt will be offered to discontinue the $200 million authorization for the President's Special Fund, as well as the continuance of aid to India.

I should like to refer the Members of the House to the committee report, because I think in the report we state more adequately, more concisely, why assistance should be continued to India, and why the $200 million authorization fund for Asia, the President's Special Fund, should be approved.

On page 19 of the report we find this committee statement:

> Before the committee reached a decision on further assistance to India, it carefully considered the effects of such assistance not alone on India but in the larger context of our Asian policy. It is clear that India's foreign policy is often divergent from that which the United States pursues. The committee believes that neutral or even hostile expressions by Indian Government leaders must not obscure the fact that our stake is in the preservation of the Indian subcontinent as an independent state.

Mr. GAVIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-three Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 101]

Barden	Green, Pa.	Moulder
Bass, N. H.	Gubser	Mumma
Bell	Holt	O'Konski
Bolton, Oliver P.	Horan	Polk
	Jackson	Powell
Boykin	James	Prouty
Buckley	Kearney	Quigley
Burdick	Kearns	Reece, Tenn.
Canfield	Keating	Reed, Ill.
Celler	Kilburn	Reed, N. Y.
Chatham	Knox	Rivers
Clevenger	Knutson	St. George
Cooley	McDowell	Scherer
Davis, Tenn.	McGregor	Simpson, Pa.
Dingell	McMillan	Thomson, Wyo.
Doyle	Mack, Ill.	Vursell
Eberharter	Mason	Wharton
Ellsworth	Meader	Wier
Frelinghuysen	Morrison	Wilson, Calif.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill, S. 2090, and finding itself without a quorum, he had directed the roll to be called when 377 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. ZABLOCKI. Mr. Chairman, I repeat that the Committee on Foreign Affairs, anticipating the opposition to continuation of assistance to India and opposition to the President's special fund of $200 million for the Asiatic area, made a careful study as to what effect such assistance will have.

Just before the point of order, I called to the attention of the membership to page 19, of the report of our Committee on Foreign Affairs, wherein the committee further stated that it believes that our assistance to India as elsewhere in the free world is directed toward strengthening the democratic base of government.

Mr. SIEMINSKI. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from New Jersey.

Mr. SIEMINSKI. Has the gentleman read the editorial in today's Washington Post and Times Herald entitled "Our Independent Friends"?

Mr. ZABLOCKI. It has been called to my attention; yes.

Mr. SIEMINSKI. I think it is a splendid editorial. It commends the Committee on Foreign Affairs for its judgment in clarifying the criticism on Yugoslavia and India, and it is my intention at the proper time to ask unanimous consent to have the editorial appear at this point in the RECORD:

OUR INDEPENDENT FRIENDS

> The House Foreign Affairs Committee used good judgment in qualifying its criticism of Yugoslavia in the report on the foreign aid bill. Deliberate attempts to frustrate full observation of the use of American military equipment of course must be called to account. But it is the feeling of some

American experts that any lack of cooperation by Yugoslavia has been more the fault of bureaucratic indifference in lower echelons than of conscious policy. The House committee refrained from writing restrictions into the bill because it is "confident that henceforth the letter and the spirit of the law will be carefully observed."

This is a proper response. The United States has every right to insist that it know what is done with the military equipment it furnishes. At the same time, some caution on the part of Yugoslavia is at least understandable. One reason for the 1948 break with the Soviet Union was the degree of control the Russians tried to exercise over the Yugoslav army. It is not illogical that the Yugoslavs should be wary of anything that might smack of similar control by the United States. Of course that is not our intention; but suspicion and misunderstandings may easily arise.

Fortunately, Yugoslav officials reportedly have been anxious to remedy individual complaints. So long as this attitude exists aid to Yugoslavia is a good risk. The reason the United States undertook aid in the first place was not because it approved of Yugoslavia's political or economic system, but because Yugoslav independence from the Soviet bloc and willingness to fight against any Soviet aggression serve the free world cause.

The same basic consideration governs economic assistance to India which the committee also approved in full. The committee wisely avoided making agreement the test of aid. It recognized that although Indian foreign policy often is widely divergent from American policy, "neutral or even hostile expressions by Indian government leaders must not obscure the fact that our stake is in the preservation of the Indian subcontinent as an independent state." What is essential is to help the democratic base of government succeed.

This is an enlightened formula. Relations between India and the United States are improving as each country comes to respect more the other's individualism and motivations. Misgivings over Prime Minister Nehru's statements in Moscow—which, by the way, were a good bit more restrained than they might have been—ought not to cloud the basic point. An independent India and an independent Yugoslavia determined to remain that way meet the essential test for aid. We hope the full House will show similar understanding and forbearance when it votes on the aid bill this week.

Mr. ZABLOCKI. I thank the gentleman.

We must remember that India is a country adjacent to China, and though its leaders may not entirely follow the policy that we would like them to follow, nevertheless, if India fails, so much more important will Communist China appear to the other countries in that area of the world. I do hope, therefore, that those who are opposing assistance to some of the countries in that area of the world will carefully read the committee's report.

As was so adequately pointed out by our esteemed chairman of the committee the gentleman from South Carolina [Mr. RICHARDS] and the gentleman from Ohio [Mr. VORYS], the mutual security authorization proposed in this bill is smaller than any considered by this House during the past 10 years, yet it is a very vital authorization because it will bring us more in terms of national security and economic well-being than a similar amount spent for any other purpose.

The principles on which the mutual security program is based have been studied, reviewed, and approved by this House on a number of previous occasions, and these very principles are embodied in the bill before us. They may be summarized in a very few words.

Through the mutual security program we solidify and strengthen our collective defense against aggression, against war. Through this program we bring modern weapons and training to the armed forces of our allies.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. I would like to inquire of the gentleman if in this bill there is any aid for the Peron government of Argentina. If there is, I hope to offer an amendment to strike it out. Could we spell into the RECORD whether or not there is any aid in this bill for Argentina?

Mr. ZABLOCKI. I can assure the gentleman there is no aid for Argentina, military defense support or economic.

Mr. O'NEILL. How about under title 3, economic aid?

Mr. ZABLOCKI. I just mentioned that there is not.

Mr. O'NEILL. Is there any possible way under title 1 in which Argentina would secure aid under this bill?

Mr. ZABLOCKI. It is my understanding that there is not.

Mr. O'NEILL. I thank the gentleman.

Mr. ZABLOCKI. There are over 30 nations with which we have mutual defense agreements. We thereby secure, for mutual defense, the strength of those nations determined to resist any totalitarian onslaught.

In addition, we safeguard our bases in friendly countries located thousands of miles from our shores. In the age of the guided missile, of the jet plane, and of nuclear weapons, the value of these overseas bases cannot be overestimated.

Finally, through the mutual security program we promote the economic strength of our own Nation, and of the friendly nations whose well-being and stability are of vital importance to us. Through this program, we assure a flow of resources essential to our economy, and to our Military Establishments. We must remember that we are dependent on imports for 100 percent of our natural rubber, 100 percent of our tin, 99 percent of our chromite, 95 percent of our manganese, 72 percent of our tungsten, and for many other vital natural resources.

These advantages accrue to us for a small fraction of what it would cost us to provide an equivalent degree of security by building up our own armies, our own resources. This is an important point that we must bear in mind. Through this program, we obtain, at small cost, a great degree of security.

This is an important point that we must bear in mind, that we are dependent upon other countries of the world; that we are not self-sustaining and we are not self-sufficient in many of these items, and through this program, therefore, we obtain at a small cost a great deal of security. For these reasons, I earnestly hope that this bill will receive the careful consideration and the approval of this body.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the distinguished chairman of our committee, the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, I favor the passage of S. 2090, a bill to amend the Mutual Security Act of 1954. The purpose of this bill is to continue the mutual-security program for another year. I believe we must do this.

There are indications that the mutual-security program and other related programs of our foreign policy are beginning to pay dividends.

In Europe the Western European Union is an accomplished fact. This includes an armed Western Germany which together with the other countries of the Union greatly strengthens the defense of Western Europe. The Austrian Treaty is also a reality. Military arrangements have been made with Spain. In general, economic conditions in Europe have improved and strong defense forces have been established.

In the Near East new stability has been created in Iran and Egypt. There are military alliances between Pakistan, Turkey, and Greece which strengthens the defense of that area.

In the Far East there is an uneasy peace in Korea, Indochina, and the Formosa area. SEATO has also been created establishing a military alliance against aggression of the southeast Asian countries; also we have a treaty with Japan and a military alliance with Formosa. At the Bandung Conferences the free peoples of the Far East did not fall for the Communist line.

Guatemala has thrown out the Communist regime in Central America.

All these accomplishments and others have apparently forced Russia to realize the strong deterrent we have set up to resist aggression and bring about peace. This has caused the Communists, at least on the surface, to change their line of propaganda and methods.

We all know the meetings of the Big Four at the summit are to take place in a very short time. Our programs are apparently paying off now and this crucial period is no time to ease up on them. Exactly the reverse is true. We must continue the initiative we have gained and remain firm. At this critical time if we do not continue these affirmative programs it might reflect on the success or failure of the coming conferences. We must strengthen the hand of the President and Secretary Dulles at these meetings. The best way to do it is to pass this bill intact.

In this bill 39.6 percent is provided for the military defense assistance program, 9 percent for direct forces support, 28.3 percent for defense support, 4.7 percent for development assistance, 4.9 percent for technical cooperation, 5.7 percent for the President's fund for Asian economic development, 2.8 percent for the Presi-

dent's contingency fund, and 5 percent for other purposes.

When you exclude the military items, the greatest part of our aid will be allocated to Asia, 68.1 percent. Latin America would receive 2.5 percent, Europe 4.5 percent, Near East and Africa 14.5 percent, and nonregional areas 10.4 percent.

So the two large items are for military defense and economic aid. The latter is primarily for Asia and the Near East.

The military assistance in this bill was reduced by $145 million. This in my opinion is justified because the bill contains an unallocated item for a similar amount which is simply a reserve fund set up for contingencies.

We have also increased the aid to Spain by $22 million to facilitate her effort in constructing United States military bases in that strategic country.

We also provided that Greece should have the same amount in defense support as she had in 1955. This should enable her to keep her army at a level commensurate with NATO goals.

In Latin America we provided a fund of $15 million to Guatemala to meet acute economic problems faced by the new anti-Communist government. This will enable Guatemala to get back to normalcy after the disastrous Communist regime.

I believe we should not cut aid at this time to Yugoslavia although I certainly do not agree with some of the actions of that government. In the committee report we warned that continued aid to Yugoslavia could not continue indefinitely until we had the full cooperation of that government to permit full inspection of the aid we are giving them. A conference to accomplish this result has just been completed and indications are that compliance with our conditions will be met.

Certainly we of the free world do not believe in neutralists. On the other hand such a large country as India must not be driven into the hands of the Communists. The aid which we are giving to keep India on our side is of a negligible character compared to what we have at stake.

In my opinion if loan provisions are placed in this bill rather than grants they should be on a flexible basis so the administration can adjust its program to meet the varying conditions in the countries with which they are negotiating. Certainly I hope the administration will make loans rather than grants wherever possible.

The contingent fund the President is requesting for the Far East seems reasonable. The fluid conditions in those countries are changing rapidly and it would be unwise to try to work out a rigid program at this time. It would be much more to our interest to permit the President to meet emergency situations as they arise.

I have on previous occasions indicated I feel the point 4 program for rehabilitation of so-called backward countries should be continued and implemented. I do not know of any program from which we receive more benefit for as few dollars. However, we must be careful in its implementation that we confine it to its original purpose, namely, to help those countries to help themselves by giving them scientific knowledge and the know-how in the fields of education, agriculture, health, and sanitation. We should not permit these programs to grow into a worldwide WPA.

The President has said of the mutual-security program and its related policies:

> The fixed, unwavering objective of that policy is a just, prosperous, enduring peace.

I agree thoroughly with the President's statement. Unless this policy is successful all other issues become inconsequential.

Our foreign policy has expanded to all parts of the world, involving us in tremendous economic and political problems, until the very existence of our Nation depends upon their correct solution.

If we should become involved in the holocaust of a worldwide war with its H-bomb, jet planes, and the mechanized weapons of modern warfare, not only the future of our Nation but even the world would be at stake.

It is a slow, tedious and expensive program that we have undertaken but I believe if we continue it will help to bring about the permanent peace and security that the United States and all the free world is so devotedly striving to accomplish.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, first of all I want to express my regret for not carrying my part of the load when the hearings were in progress in our committee. Members of the committee, however, are aware of the reasons for my failure to attend many of the hearings. I know that the committee has worked diligently. I know that the chairman has been under pressure—I think too much pressure. Not sufficient time was allowed so the committee could consider all phases of this program. I think this is a program that requires thorough attention every time it comes before us; it should have minute scrutiny. I, for one, would express the hope that the time will come when we can consider the basic philosophy, of this kind of legislation and thus have sufficient time to thresh out some of the differences in committee of those of us in the minority. We believe it was our duty to file minority views on this bill.

In that connection I want to say that printed minority views are to be found on the desk where the majority report is on file. It was signed by the gentlewoman from Illinois [Mrs. CHURCH], by the gentleman from Indiana [Mr. ADAIR], and the gentleman from Michigan [Mr. BENTLEY].

I want to agree with one of the best witnesses I listened to when I was at the hearings, and that was Mr. Hensel. So far as my experience on the committee is concerned, the presentation that he made was outstanding. He pulled no punches. He was honest with the committee. When he concluded his presentation I believe we had a better understanding of what was involved in the military phases of this program than from any witness who has ever appeared before us. He very frankly said that this is one of the programs we should take a look at. I want to quote some short excerpts from his testimony which Members may find in our minority views. He said:

> I spoke to you about the fact that although these programs had been made up, had been approved by the military authorities and by the Congress, we had certain skepticism about them, at least enough to require a review, because they had been made up on the basis of criteria, some of which were now open to question.

He also said:

> It is not too difficult just to spend money. It is much more difficult to spend it intelligently.

Also he said in conclusion on that particular phase of his testimony:

> I think Congress ought to examine very carefully into the manner in which the money is administered, because you cannot run it from here, expressing your opinion in a rigid statute, that executes itself. It just will not work.

From this, Mr. Chairman, the committee is justified in making a detailed study of the military requests covered by this bill. If Secretary Hensel and his Department have some doubts about the criteria heretofore considered as a basis for these requests certainly the Foreign Affairs Committee should carefully examine the requests that are before us.

That brings me to the position I have taken on this legislation heretofore, and I may say that this is the phase that I object to most strenuously. It is the question of these large carryovers and I think the majority members of the committee have brushed aside consideration of this important matter.

I had rather anticipated that the majority report would include a statement as to just how large a carryover we would have in this program. It did not, so we on the minority thought that we ought to set it up, we should indicate to members of this committee the balance that is expected to be carried over, at least, unexpended as of the 30th of June. There will be $8,717,000,000 as a carryover and yet the bill before us would authorize $3½ billion. This is incredible.

I know that my very good and able friend, the chairman of the committee, will say that this is necessary because we have this long pipeline to keep filled up. I call your attention to the fact that in all of the history of this legislation those who are administering this program have never been able to spend more than $6 billion, yet there is an anticipated unexpended balance as of the 30th of June of $8,817,000,000, I repeat we are authorizing by this legislation $3.5 billion more, and there are available in counterpart funds in other countries of the world over $900 million, almost another billion.

I say that we ought to stop and look. We ought to consider ourselves members of a board of directors. We are called upon to administer this program and to conserve wherever we can the taxpayers' money.

In view of the spending ability of the administrative departments, or lack of it,

I say to you that so far as the present authorization is concerned we need not authorize a dime and yet the program would not be affected in any way.

If we were sitting as a board of directors, we would say to the general manager of the plant, "How much can you spend?" I say to the administrators of this program, "How much can you spend?" It is an open record that $6 billion has been the top. It takes a lot of programing and good management to spend $5 billion a year.

I call your attention to our minority views again. You will note the table. It is interesting to observe that the carryovers this program has had every year since it was set up. In 1950 we had a carryover of $3,521,000,000; 1951, $7,145,000,000; 1952, $9,895,000,000; 1953, $10,000,000,000; 1954, $9,914,000,000; and for this year, 1955, $8,717,000,000.

If you take what we are going to have as of the 30th of June and add to it the request in this authorization, you will have close to $12 billion again. This is gross mismanagement. Has not the Congress lost control of this program? It seems to me it has. If your constituents came to you today and asked you how you justify appropriating $3½ billion when you have almost $9 billion on hand—how could you answer? I think in suggesting a review of this whole program that this carryover situation is one that commands attention.

The Hoover report speaks in very strong language of these carryovers and points out again, as I have, that by going along with our present policy the Congress has lost complete control of the financial phases of the program. We are defeating our very objectives.

The chamber of commerce in a very interesting report said, "This fund should be held to the lowest possible level to insure retention of firm congressional control over the program. Furthermore, the carryover funds should be reviewed annually by the Congress regardless of whether they have been committed."

The answers to the arguments that I am making in part is this: First, is the one of the pipeline, keeping it full, and then, secondly, the answer that this money while unexpended, yet is obligated under valid contracts. I would like to know whether or not the presentation teams presented, or are able to present signed contracts in justification for the money that is being requested? I would like to have an answer to my question. I am sure it would be a very, very interesting answer.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. RICHARDS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I want to call to the attention of the House that even though 4 hours are provided for general debate on this authorization bill I could not get 2 minutes on my side, and I had to go over to the Democratic side to get 2 minutes, and all I could get was the 2 minutes even though I doubt if they will use up all time available.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. WILLIAMS of Mississippi. Time being so valuable to the gentleman, I think all of us should be here to hear him, and I make the point of order that a quorum is not present.

Mr. GAVIN. The gentleman's point is well taken. Thank you for consideration given.

The CHAIRMAN. The gentleman from Mississippi makes the point of order that a quorum is not present. The Chair will count. [After counting.] One hundred and twenty-three Members are present, a quorum.

Mr. GAVIN. Mr. Chairman, I merely want to call to the attention of the Members that when the postal increase pay bill was up, we argued for hours and days on 7.6 percent and 8.2 percent, and there were 10 or 12 or 14 or 16 million dollars involved, which would go into the pockets of the American postal workers. Most of the Members were on the floor at all times. It was politically expedient to be in attendance. They all knew there would be careful check on the legislation as it affected the voters back home. Hours were spent on it. It was fully debated. But here is a bill today authorizing assistance to the foreign countries of the world that involves $3.5 billion, and yet we are unable to keep anything like a quorum on the floor of the House on this important authorization bill that will cost the American taxpayers billions of dollars. We quibble over a few million dollars for American postal workers, yet we complacently pass legislation involving billions of dollars with but little opportunity to debate the matter. In fact, I could get but 2 minutes to express my opinions. We have $8.7 billion in the pipeline, which makes $12.2 billion. A million dollars is a thousand thousand dollars, and a billion dollars is a thousand million dollars; and here is twelve thousand million dollars, and you have only a handful of Members on the floor of the House. I think this is a very important piece of legislation, and should be fully and carefully debated and clearly understood. Certainly, if the American taxpayers were in the galleries I feel quite certain that legislation involving billions of dollars would be given more definite and careful consideration. To pass over—with a few hours of debate—an authorization bill involving this amount of money is something I cannot understand. If the American people knew it, they also would be amazed.

My position on this foreign spending for economic recovery is well known. I have been listening year after year, and year after year, to the statement that we are going to stop these programs of spending billions for economic aid, yet we come up this year again with $3.5 billion, of which $375 million goes for economic aid, $172 million goes for technical cooperation, $165 million goes for development assistance.

In my State we have distressed coal areas. Thousands of miners are unemployed in Pennsylvania and West Virginia. Do you think one could get consideration for the situation existing in Pennsylvania's coal areas. Do you think anybody would sit down and make the study and effort to develop a plan or program of Federal aid to help the distressed coal areas of Pennsylvania? No. But, here, inside of a couple of hours you will authorize an appropriation of $3.5 billion even through you have available $8,700,000,000 authorized but unexpended. There is also a debt of $280 billion facing the American taxpayers today. Nobody talks about that even though the American taxpayer will eventually have to pay this bill. The American people have been sympathetic to the unfortunate people of the world for the past 10 years and it is time for foreign economic aid to be curtailed. Try to get some help for the people in your own back yard who are really in dire distress, and see how much you will get and how much attention and consideration will be given. I regret I have been given but 2 minutes as there is much I would like to add.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GAVIN] has expired.

Mr. RICHARDS. Mr. Chairman, I yield 10 minutes to the gentlewoman from New York [Mrs. KELLY].

Mrs. KELLY of New York. Mr. Chairman, before I discuss the necessity for and the merits of the Mutual Security Act of 1955, I want to pay tribute to the chairman of the Committee on Foreign Affairs, Hon. JAMES P. RICHARDS. By his patience and courtesy to both witnesses before and to members of the committee, he has earned the high esteem and devotion of all of us. His keen sense of humor is always a welcomed aside. We are very proud not only to address him as Chairman, but as Judge, and now Doctor. I would like to make brief reference to the remarks of the previous speaker, my colleague from Wisconsin [Mr. SMITH] when he referred to the minority report. He quoted remarks from the Assistant Secretary for International Security, Mr. Hensel. Those remarks in that paragraph were in the hearing. Right after that paragraph there was a discussion off the record, and then Mr. Hensel's remarks were returned to the public hearing. He at that time said that we were trying to do two things in that respect in order to make a somewhat short-range study to make certain we did not deliver items that would probably be unnecessary, pointing out that we were taking some risks, and so forth.

But in the real interpretation of his remarks I would say that he never questioned the need for this program. He only questioned that it is smart policy to always review the basic program of any administration. That has been the procedure over the years, and I am sure that it will be continued and that we will demand a review of all of our program.

I believe this legislation is essential, and it will be essential until a just peace is arrived at in this world. It is an essential part of our national policy, and was so stated by President Eisenhower on April 20 in his message to Congress in reporting to us the mutual security program. He said:

> I consider the program an indispensable part of a realistic enlightened national policy.

He has also stated that the program reflects greatly improved conditions in Europe and provides for the critical needs of Asia.

Thus it is an admitted fact that the mutual security programs of the past have begun to show a return on our investment, and it is essential that this investment be continued, that the effectiveness of the past program be maintained. The effectiveness of this past program is well stated by Mr. Stassen, also in the hearings at page 53, where he emphasizes the improvement of the conditions in Europe at this time.

This is concrete proof to me that the foreign policy of the United States under the previous Democratic administration was sound and was built upon a firm foundation. It is from our vantage point of strength that the United States can now proceed, and the interest of the United States and the free world must be maintained. I trust that nothing we do or that I might attempt to do in this bill will weaken that position.

The Marshall plan was pointed up as an indispensable factor in contributing to free world strength. This you will find on page 50 of the hearings.

Furthermore, as many of my colleagues have already pointed out, the moral principles upon which our country is founded make it further essential that we assist those who are less fortunate.

And, finally, as my colleague from Wisconsin brought out so ably, it is most essential for the United States' economic stability in order to maintain our industrial capacity. The United States is the largest exporting nation in the world. In 1954 the exports ran to $15,077,000,000. The imports were $10,267,000,000. The imports reflect raw materials needed to maintain United States industry. He ably brought out also the fact that we are a 100-percent importer of the necessary raw materials needed to maintain our industry. These factors are also brought out in the hearings at page 60 and at page 58.

At this particular time I want to emphasize a few facts relative to Europe. Of the nonmilitary funds authorized in this program, only $117 million, 5 percent of the total, is planned for Europe. As far as the military needs are concerned, they are not broken down by area or country, so that no indication of the proportion of these funds destined for Europe is possible; there is no way that we can tell at all today how much of the military authorization in this bill will ultimately be allocated to European countries.

The breakdown of this $117 million nonmilitary aid is as follows: Spain, $50 million; Yugoslavia, $40,500,000; Berlin, $20 million.

You will note that except for minor items for technical assistance none of the original Marshall plan countries is to receive nonmilitary aid.

In the case of Spain, we realize its strategic importance; and I also want to say that the Committee on Foreign Affairs included in the bill a provision that Spain is to get not less than $50 million of defense support funds. Reports from Spain indicate that the United States has received the full cooperation of the Spanish Government and the Spanish people. The information from Spain is that our program there is going very well.

There is no doubt of the necessity for additional assistance to the city of Berlin, this city isolated and surrounded as it is by the Iron Curtain.

As to Yugoslavia, I regret that there is this large item in the pending bill, but speaking from a military point of view, I want to say that this year, the past year, has shown the moneys that we have put into NATO defense has brought forth not the EDC plan of the past but a Western European union which will now make it possible for Germany to rearm.

It is true, as has been brought out by my colleague, that $5 billion of unexpended funds from previous appropriations remain to be spent in providing military assistance to Europe, but these funds, it must be realized, are all programed and a great deal of it—this is no secret—will go to assist the rearmament of Western Germany.

It is a source of great satisfaction to me that I can say that the mutual security program for Europe this year represents a tapering off of our efforts in that area. I share the optimism expressed by General Gruenther in his statement to the Committee on Foreign Affairs, which included this evaluation of the European situation:

> To summarize, I think it fair to say that thanks to major efforts on the part of all the NATO allies, the free world is today operating from a position of strength which has already paid great dividends. To make the most effective possible use of that situation, we must under no circumstances permit a weakening or relaxation of our effort, for that would inevitably have the effect of reducing the effectiveness of what we have done to date. One important material factor in attaining this position—and in my view assuring that we will keep it—is the United States mutual security program, current appropriations for which you are not considering.

He goes on to say:

> They recognize that the problem of the defense of the West will be solved together and in common or it will not be solved at all. Moreover, we now have a common concept for implementing that defense.

So, Mr. Chairman, I hope that the present legislation will be approved in order to maintain the present vantage point of free world unity and collective strength and hope. I also hope that nothing in this bill will hurt the appropriation or continuation of the program. The committee realized, as has been said, and recognizes the fact that we need to curtail the expenses of the United States; however, at the present time there is no practical alternative to us but to implement this program.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, this is without doubt the worst of the so-called, as the chairman of the committee well said, mutual assistance bills that we have had before us. I have contended in the past and I still contend that there is nothing mutual about these acts nor is there any particular security contained in them despite the fact that we have spent some $60 billion since the end of World War II on various projects all over the world.

We have printed hearings before us today, but these hearings ought to carry a subtitle reading as follows: "Off the record discussion." If you will read these hearings you will get down to the payoff on an important question only to find that the committee has gone off the record and the reader is left completely unenlightened. But it is possible to find a few things worth noting in the hearings. What is still unclear to me, Mr. Chairman, is the necessity for these labels: defense support, direct forces support, military assistance, and then elsewhere, economic aid. Now, what is the difference? The gentleman from Minnesota, I find in the hearings, very properly called this one-package thing we have before us a blank check, but he said "I am in favor or it." And, of course, that is where the gentleman from Minnesota and I part company.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield but not for one of the gentleman's speeches that are often made when he is yielded to.

Mr. JUDD. I will just give you the first chapter. I was complimenting Mr. Hensel because he had frankly said that in previous years it had been the custom to present a so-called illustrative program to the committee, so many dollars for this specific purpose and so many dollars for that, right down to the last farthing. Then when they received the total amount, arrived at by adding the cost of all these projects, and started to use it, they would find that some of the proposals simply did not fit the situation and drastic changes had to be made. We always kicked about that later. So he was perfectly honest with us and said, "We are not going to try to present such an illustrative program this year. We are asking you for about what we believe is needed and we can use effectively. The details will have to be worked out as we use it." It was then that I congratulated him on that forthright approach. "We know it amounts to almost a blank check. The control we have is by keeping your feet to the fire and your knowledge that when you come back next year you will have to justify the use of the funds given you before getting more."

Mr. GROSS. I thank the gentleman. I think the gentleman has had enough of my time. Let me read what the gentleman said on that occasion:

> What it amounts to, in a sense, is that you will hereafter ask us to give you essentially a blank check, and the way we can exercise control is the knowledge in your department that when you come in the next year you will be put on the pan as to how the money was spent that we gave you.

They will be put on the pan all right, but it will be off the record. The gentleman further said:

> I think that is a far better way to do it.

And, I say again, that is where I part company with the gentleman.

Now, coming back to these labels, the distinguished gentleman from South

Carolina, the chairman of the committee, at one place in the hearings said that to him that, too, was a $64 question; direct forces support, military assistance, defense support, and so on and so forth. He was apparently unable for a time to distinguish what the witnesses were talking about as between those labels and economic aid. I hope he has figured it out in his mind now, and if he can enlighten me, I will be glad to yield to him. What is the difference between defense support, direct-forces support, military assistance, and economic aid. I do not know. As I understand it, we are not now going to give economic aid to the so-called Marshall-plan countries. Is that correct? But we are going to give them military assistance. Is that correct?

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RICHARDS. That is correct. As to the original Marshall-plan countries, there will not be any economic aid except for $5 million for technical exchange and for the city of Berlin, on account of the situation there.

Mr. GROSS. Yes; and that is due to the sellout at Yalta when Berlin was left an island of isolation.

Mr. RICHARDS. I will yield the gentleman 2 additional minutes if I take too much of his time.

The only other countries in Europe getting economic aid were not in the original Marshall plan. They are Yugoslavia, where there is a peculiar military and economic situation, and Spain. That is all.

Now, I tried to answer the gentleman's question which he asked awhile ago as to what is the difference between direct forces support and defense support and economic aid. Certainly it is economic aid, but I tried to show the gentleman that direct forces support, while of an economic nature, is something directly that the military forces need to perform their functions, such as oil, tents, and materials for uniforms. That is economic aid. Now, defense support, true, is economic aid, but it is the kind of economic aid that is calculated to be necessary to keep up the military effort of a country. Now, this is the distinction. When the Marshall plan started, the purpose of economic aid was to put the countries on their feet economically. Military aid started later on. Marshall plan economic aid had no other purpose except to promote the recovery of the European countries after the war. We did not realize that we needed a military program at first. That is the way it is. I hope it is plain to the gentleman.

Mr. GROSS. In response to the gentleman, last year he talked about that old swamp owl down in South Carolina or Mississippi—I do not remember which—and it does not make any difference how thick or how thin you slice the meat off that old owl, it is still economic aid, is it not? If somebody were to take over the production of tanks in this country or the production of airplanes or aircraft carriers for this country, we would have more money to spend on the economy of this country, would we not?

Mr. RICHARDS. Certainly it is economic aid.

Mr. GROSS. Certainly it is. You bet your life it is.

Mr. RICHARDS. But it is also military aid.

Mr. GROSS. But you are saying that we no longer aid them economically.

Mr. RICHARDS. It is also military aid. It is military aid of an economic nature.

Mr. GROSS. But the illusion is created here that we are not giving them economic aid.

Mr. RICHARDS. The Committee on Foreign Affairs is not trying to create any illusions. We are trying to be absolutely plain about this matter and honest about it, about the carryover of funds and about what economic support is and what direct-forces support is and what military aid is. I am giving all the facts, to the best of my ability.

Mr. GROSS. Is it not true, too, that these unexpended balances, totaling $8 to $9 billion can be used for economic aid in these NATO countries, the funds which are in the handout pipeline, can be used that are not already obligated, for economic aid? Is it not true, even though there is no economic aid in this bill, that economic aid can be given to them through the use of unexpended funds in the pipeline?

Mr. RICHARDS. We have never authorized the use of unexpended funds for anything but their original purpose.

Mr. GROSS. Is it not possible to do that now, to give them economic aid through the use of the unexpended funds, from money that has already been authorized but is unexpended?

Mr. RICHARDS. If Congress says so.

Mr. GROSS. Only if Congress says so? The President has no authority over that?

Mr. RICHARDS. Not unless Congress has appropriated the money. And the Appropriations Committee has to approve every dollar of it before any of the funds can be spent.

Mr. GROSS. But under section 533 of the act that we approved last year, the President would have authority, would he not, to spend the funds in this bill or the carryover from last year in any way he sees fit?

Mr. RICHARDS. The only way they can spend the unexpended balances is by spending them for the same things they were originally authorized for unless Congress should specifically vote some other use. So far that has never happened.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Briefly.

Mr. JUDD. On pages 231 and 232 of the hearings, there is a full discussion of this whole question. We sought to have a clear breakdown of the various kinds of aid. While half of it is economic, part of that goes directly to armed forces for their use. That is, the commodities go into the hands or for the use of the soldiers in the countries aided. Other parts go to support of the general economy, and so forth.

If the gentleman wants further discussion and more detailed definitions—and not off the record—they are in this big book which sets out each kind of aid, broken down into categories and country by country. This book covers aid of all of the European countries and the Middle East and Africa. This other book covers all of the countries we are assisting in Latin America and the Far East. There are hundreds of pages of specific information here which is not off the record.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. RICHARDS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GROSS. Mr. Chairman, I would rather refer the Members of the House to the tables to be found on page 46 of the hearings, which show that only one other country in the world contributed of their national budgets to military buildups in 1954 as much as did the United States, which contributed 62.8 percent. As to all but one of our so-called allies, we have expended 3 to 4 times as much as they have.

In reference to the appropriation authorized in this bill for Yugoslavia, I suppose it is necessary to give them some $36 million because they are going to need a lot of money if they keep on traveling over to Moscow and keep on entertaining delegations from the Kremlin in Belgrade. I suppose we ought to allot plenty of money in this bill for them.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. If I may have the attention of the chairman of the committee, instead of pushing these 2 voluminous volumes at us, could the gentleman break down the $8,717,000,000 authorized but unexpended so we will know where it is going, who is going to get it, and what it is going to be spent for? Nobody has the time to go through this kind of material. Could the gentleman give it to us item by item?

Mr. RICHARDS. If I had known that the gentleman was going to yield time in order to push that volume at me, I would not have yielded him time.

Mr. GAVIN. That is all right, but simplify it.

Mr. RICHARDS. I want to answer the gentleman's question. He will find on page 11 of the report a breakdown of the military-assistance program. I think that will answer the gentleman's question.

Mr. GAVIN. I am not talking about the military-assistance program; I am talking about the $8,817,000,000 authorized but unexpended. I want to know what you are going to do with that.

Mr. RICHARDS. That is it right there, on page 11, which I have called to the gentleman's attention. That is the breakdown of the unexpended funds, nearly all of which are military, we had when the report was printed. They are the very thing the gentleman is talking about, $7,779,000,000. That was the best figure which at that time could be furnished us. Since that time it amounts to over $8 billion.

Mr. GAVIN. That economic aid to Europe is not going to stop, that is quite

evident, because we have $5,246,000,000 for that.

Mr. RICHARDS. The gentleman asked about military aid, eight billion dollars and something. This is the breakdown of the military aid.

Mr. JUDD. That is all planes and tanks and other implements of war, manufactured here to be shipped to them. That money goes to American producers, most of it does not go abroad.

Mr. GAVIN. It is for the defense of Europe?

Mr. JUDD. That is right.

Mr. GAVIN. Then why did the French take our equipment and ship it down to north Africa to fight the Arabs down there? Was the money expended for that particular purpose?

Mr. JUDD. No; but the part of north Africa they are shipping it to is a department of metropolitan France, just as much a part of France as any other province of mainland France.

Mr. RICHARDS. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. DONOVAN].

Mr. DONOVAN. Mr. Chairman, I wish merely to point out to the gentleman from Iowa [Mr. GROSS] that I did not observe him objecting particularly to the $36.5 million for Yugoslavia. Am I correct in my assumption that the gentleman knows very well that practically all of that is surplus agricultural products?

Mr. GROSS. I would object to giving $36 million to Yugoslavia. I object to the whole bill, period.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentlewoman from Ohio [Mrs. FRANCES P. BOLTON].

Mrs. FRANCES P. BOLTON. Mr. Chairman, I would like also to pay my little homage to my chairman. This session has brought very heavy responsibility to him with more difficulties than in any year that I have known. I want to compliment the distinguished gentleman from South Carolina [Mr. RICHARDS] on his patience, his tolerance, his understanding, and his delicious sense of humor. This last alone saved many situations. It is a privilege to serve on his committee, just as it was a privilege to serve with him at the United Nations.

In the presentation of this bill, which is brought to the floor after exhaustive hearings and much study on the part of the members, both the chairman and my distinguished colleague from Ohio have given you a broad picture, and other members have brought out certain definite points.

I would like to bring to you certain other phases of S. 2090 which to my mind have a worldwide significance in our efforts to reestablish a climate long lost in which peace can grow. I am not attempting to give you a smooth presentation. Rather am I trying to fill in a certain portion of the picture so that the total knowledge you glean will not be too arid. For instance, I would like to tell you about the Children's Fund. From a global long-range standpoint raising the children of today to be healthy, productive, and good citizens of tomorrow is a most important consideration in our total effort to achieve worldwide peace and economic stability. The attitudes people develop in their youth become completely ingrained and have a decided bearing on the will of the people to live in an atmosphere of peaceful productivity in the world community. Considerable progress has been made to date in improving the welfare of children. When we realize that two-thirds of the world's 900 million children lack adequate food and clothing and protection against disease, it make this work seem more than worthwhile.

It should be noted that UNICEF assistance no longer emphasizes the emergency handout. It works in a much more realistic fashion and it submits its programs to certain criteria.

First. The Government desiring assistance must initiate the request for aid to UNICEF.

Second. UNICEF emphasizes the aid to economically underdeveloped countries, particularly in the rural areas.

Third. UNICEF aid is concentrated on a few types of programs which deal with basic inadequacies in child care and which generally have a mass impact on the particular community.

These programs include assistance to rural maternal and child welfare centers in areas where child-care services are nonexistent or totally inadequate; extensive health campaigns against diseases affecting large numbers of children, such as tuberculosis, malaria, and yaws; and the raising of nutritional standards of children through better diets, including a wider use of milk.

Fourth. The assisted government must agree to match the funds allocated by UNICEF with a substantial contribution of its own toward each program. The amount of the matching contribution, which consists of local currency or services, is at least equal to and is generally more than the international funds assigned to a program. In 1954, governments receiving aid contributed a total of $32.5 million compared to the $17.1 million allocated from the central account, or an average of $1.90 for every $1 allocated.

Fifth. UNICEF aid is used to make a lasting contribution to the welfare of large numbers of children, through projects which the assisted countries can eventually carry on themselves. Programs are geared to the administrative and financial capacities of countries. Community participation is emphasized in all stages of the program. Thus a solid base is laid at national, provincial, and local levels enabling countries to continue the programs when UNCEF aid is terminated.

Sixth. The project should be useful as a demonstration to the requesting country and should result in the development of local organizational patterns which can be duplicated and extended elsewhere in the country.

UNICEF has been increasingly successful in stimulating self-help on the part of governments and assisted peoples. Self-help is not only evidenced by the substantial amount of "matching" funds which the governments are contributing, but is also reflected in a number of other ways. These include the actual taking over by governments of projects started with UNICEF aid; increased public health budgets for child health programs; the recruitment of more competent personnel for maternal and child health work; and, in some instances, the creation of maternal and child health or welfare departments. Even more significant perhaps than the record of Government action are the added desire and efforts made by the people to help themselves in improving their own conditions.

A clear division of responsibilities exists between UNICEF and such other international organizations as the World Health Organization, WHO, and the Food and Agriculture Organization, FAO, which are concerned generally with matters of health and nutrition. UNICEF provides the supplies and equipment which are not locally available; while the WHO or FAO, as appropriate, furnishes the technical assistance and know-how requested by the governments both in the planning and execution of the programs. This clear-cut difference in emphasis simplifies the question of coordination, and assures that "the resources of the United Nations in health, nutrition, and welfare are alined in a unified approach in helping governments meet children's needs."

In 1954 UNICEF continued to make significant progress in reaching larger numbers of children in a larger number of countries. During the year the fund aided 250 projects in 88 countries and territories. Thirteen of these countries received assistance for the first time. More than 28 million children and mothers benefited from UNICEF aid in 1954, as compared to 21 million in 1953. Over 13 million children were vaccinated against tuberculosis; 7 million children and mothers were protected from malaria and other insect-borne diseases; 1.5 million children were treated for yaws, and 1.3 million given a food supplement under the long-range feeding programs. For the 3-year period 1952–54, UNICEF furnished basic equipment and supplies for approximately 5,500 maternal and child health centers in rural areas. UNICEF also provided limited emergency aid to children in countries affected by catastrophes such as floods, droughts, and typhoons. UNICEF allocations for 1954, amounting to $17.1 million, are summarized by area and by type of program in the attached table.

UNITED STATES CONTRIBUTION TO UNICEF

The UNICEF program operates on a calendar-year basis, whereas the appropriation of a United States contribution is currently on a fiscal-year basis. This tends to complicate somewhat the pledging and contribution of funds by the United States, including the percentage question. The difficulties caused thereby have resulted in situations both in 1954 and 1955 in which the other governments have not known in advance in either year the total amount which the United States was prepared to contribute or the percentage applicable to our contribution to UNICEF's programs for these 2 years. This may well have resulted in less contributions than would otherwise have been forthcoming had the

other governments known and been able to take into consideration United States intentions before determining the extent of their commitments. For example, in announcing the United States contribution last September for the period January 1, 1954, to June 30, 1955, the United States representative stated he hoped other governments would assume a greater share of the costs of the program than they had borne in the past, and stated further that the percentage of the United States contribution would be reduced to 60 percent by June 30, 1955. However, the majority of the other governments had already made their pledges prior to the United States announcement, and could therefore not take the reduced United States percentage into account in determining the amounts of their 1954 contributions.

A similar situation prevails with respect to pledges and contributions to UNICEF's 1955 program. The United States is not able to pledge an amount or indicate a percentage applicable to UNICEF's total 1955 program since funds for the last 6 months of this calendar year—the first 6 months of fiscal year 1956—have not yet been appropriated and the United States does not make any pledge or other commitment for a contribution to UNICEF until the funds have been appropriated by the Congress. The next United States pledge will not be made until the Congress has completed action on the current request. The governments were told last September of the intention of the United States to reduce its contribution to 60 percent by June 30 of this year, and this goal will definitely be reached. In fact, as a result of vigorous efforts on the part of UNICEF following announcement of the United States pledge, this goal was almost achieved 6 months ahead of time—61 percent as of December 31, 1954. Since, as stated above, the United States has given no indication of the amount or percentage of the United States contribution in the last half of this year's program for the benefit of other governments in determining the amounts of their pledges to the total year program, and since the United States contribution has already been reduced by 12 percent over the comparatively short period, it is recommended that the United States not reduce its percentage further for the remainder of the calendar year 1955 at such short notice. However, in accordance with the policy that the United States should reduce the percentage of its contribution on a gradual basis, and that such action should be so regulated that it will not have an adverse effect on the UNICEF program, it is proposed that the United States contribution could be further reduced in calendar year 1956 to 57.5 percent.

Now I want to talk to you about these two problem countries—India and Yugoslavia. I wonder if you appreciate the fact that this program of ours is unique in the history of the world? On the one hand, we have America's long tradition of humanitarianism, the religious and moral concept of our way of life that always encourages us to help those who are less fortunate than ourselves. On the other hand, we have the ever-present struggle for survival with political, economic, and military facts which build our own security and which must be constantly strengthened. This program does the extraordinary thing of equating humanitarianism with national security. International developments this year have proved as never before that we have used sound judgment in authorizing this program.

Mr. Chairman, there are some very serious questions in the minds of certain distinguished Members of the House as to whether this aid should be continued to these two nations—India and Yugoslavia. It seems to me we must look at the situation in its very broadest aspects. India is a newly independent nation of 400 million people. It is, by its very existence, proving that free people can survive and prosper in Asia. It is a growing concern. Its people are no longer willing to accept conditions under which they have lived for centuries. They are helping themselves.

The upheavals in undeveloped areas have caused much ferment in Asia and in this chaos India and China are competing for leadership of the Asian nations. I would remind the House that India, under the provisions of this legislation, has been carefully planned for. All of Asia, which has been heavily propagandized with China's alleged productive gains, is watching the final result of India's 5-year plan, and this is the fifth year. If we let India down now, what will happen? She will be forced, in her need, to go to the only other power that would give them to her, which of course is Russia.

May I call attention at this point to an observation made by the committee on the question of continued aid to that country. You will read in our report that before the committee reached a decision on further assistance to India, it carefully considered the effects of such assistance not alone on India but in the larger context of our Asian policy. It is clear that India's foreign policy is often divergent from that which the United States pursues. The committee believes that neutral or even hostile expressions by Indian Government leaders must not obscure the fact that our stake is in the preservation of the Indian subcontinent as an independent state. In making a final determination on continued assistance, the committee points out that India insists it is a neutral country and it has a representative form of government which internally is strongly anti-Communist. The committee believes that our assistance to India as elsewhere in the free world is directed toward strengthening the democratic base of government. The more successful we are in achieving that objective, the more we make it possible for India to resist Communist threats and blandishments and to remain a part of the free world.

Mr. JUDD. Mr. Chairman, will the gentlewoman yield?

Mrs. FRANCES P. BOLTON. I yield.

Mr. JUDD. The gentlewoman has properly pointed out the effect on India if at this moment she were to be cut loose without any other place to go for assistance except the Kremlin. But equally important are a half dozen other countries in that part of the world who are watching the results.

Mrs. FRANCES P. BOLTON. The gentleman feels it would have a great effect on those countries?

Mr. JUDD. If Communist China surpasses, they are going that way. If democracy prevails it is very likely that they will stay with us.

Mrs. FRANCES P. BOLTON. I thank the gentleman for his helpful contribution.

Now, I go to Yugoslavia, which in 1948 was a full-fledged member of the Soviet bloc because of historical circumstances, idealogical affinity, and the natural inclinations of its rulers. But in 1948 Tito defected. He broke away. In the face of Moscow's violent campaign of subversion against the Tito regime which continued from 1948 to 1953, the Yugoslavs were forced to turn to the West for support. This experience taught them the dangers of over-dependence on foreign nations, especially great powers. The alternative, which has since guided Yugoslav policies, was to follow a course guaranteeing the maintenance of Yugoslav independence and freedom of action.

The switch in Soviet tactics over the past year in the world in general, and toward Yugoslavia in particular, has already allowed Tito to put his post-1948 lessons into practice. The lessened threat from the East has reduced his dependence on the West. Yugoslavia is thus relatively free to carve its own niche on the European and world scenes. Yugoslavia wishes to do this to enhance its own prestige and to gain a chance to influence world events, a chance which small nations rarely get. The country's chief aim is to avoid war, which would not only be a disaster in physical terms but would seriously endanger the continuance of the regime, regardless of which group of major contesting powers might win the war. Tito feels that he has the right to explore his own methods of helping the world to avoid war. These methods largely coincide with those also practiced by India under Nehru and by some other countries under the general term "active peaceful coexistence."

Tito has been anxious to normalize his relations with the U. S. S. R. and the Soviet bloc as part of the job of strengthening his nation's influence and bargaining power. He especially wants to be able to exercise this influence in eastern European countries where the U. S. S. R. is now dominant. Hence Tito's great desire is to see Soviet controls over eastern European states loosened so that they can play independent roles again and perhaps eventually even line up with Yugoslavia, India, and similar countries in a group of uncommitted powers.

Tito wanted an official apology for past Soviet conduct, as well as the payment of damages for various economic losses suffered by Yugoslavia. He was also anxious to have the Soviets acknowledge that it was permissible for him to associate with satellite bosses whom he could then try to influence toward greater independence. This permission was obtained when the Soviet leaders agreed in effect that there were

legitimate alternate roads to socialism and that the U. S. S. R.'s path need not be slavishly followed by other leftist nations. Tito also received the right to exchange Socialist experience with Soviet and satellite parties, trade unions, youth groups, and so forth, thus gaining a means of contacting satellite officials.

Tito apparently paid very little for these Russian concessions. The policy declarations made in Belgrade on June 3 were largely reiterations of previous Yugoslav position, for example, on the admission of Red China to the United Nations, opposition to the existence of military blocs, and so forth.

The United States has supported Tito because his fight with the U. S. S. R. weakened the latter not only in geopolitical terms, but also as the self-proclaimed leader of world Communist forces. An independent Yugoslavia instead of a satellite Yugoslavia made for an improved Western military posture in the Mediterranean Sea and Central Europe. We have never pretended to support Tito because we approve of his regime, which is a somewhat modified Communist dictatorship, since we obviously strongly dislike such a system of government. Tito is an avowed Communist—if an independent one. He often interprets world events as do other Communists loyal to Moscow because all use Marxist analyses and Leninist dogmas and prejudices. And apart from ideology, he sometimes sees world issues differently from us, as do other nations. Nor would we wish otherwise since our aim in the world has been to build strong independent nations impervious to Soviet threats and not to obtain vassal states dominated by us. However, where Yugoslavia's own national interests come into play, Tito defends these against all comers. This explains his adherence to the Balkan Alliance with such strongly anti-Communist states as Greece and Turkey.

From our point of view, the Yugoslavs may indulge in some wishful thinking on the changes allegedly taking place in Soviet-satellite relations, but we withhold our judgment for the time being. Our only concern is that the Yugoslavs do not overestimate their own capacity as an independent and unalined nation—not backed up by the strength of any coalition save the Balkan Alliance—to deal effectively and bargain on equal terms with the Soviet Union and Soviet orbit. The Yugoslav state, however, that their eyes are wide open and that they can guard their own position.

The American stake in this picture is clear. With major help from us to the Yugoslav economy and army, Yugoslavia can now stand up to the strongest nation in Europe. Its position is proof to all Muscovite Communists everywhere that the Kremlin is not infallible. Soviet concessions to Yugoslavia open up the possibilities of ideological confusion and division in the heretofore monolithic Soviet bloc.

This result is what we have striven for in our Yugoslav policy, even though we could hardly have foreseen the exact course of events. For this gain to continue, Yugoslavia must remain reasonably strong and independent. Our aid will provide that in physical form, as well as be a concrete token of our continued moral support of a nation against threats of aggression. It will not now mean support of communism, even Tito's brand of communism, any more than in the past 5 years.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield?

Mrs. FRANCES P. BOLTON. I yield.

Mr. GROSS. Does the gentlewoman think Tito had to normalize his country by saying he would hand Formosa over to the Chinese Communists?

Mrs. FRANCES P. BOLTON. I am saying very definitely, I may say to my very distinguished colleague from Iowa, that we do not agree with Yugoslavia in many things. But I say further that the important thing is to see that the Yugoslav people have a chance to broaden their own freedom within the Tito community, and so be able to keep outside the Kremlin bloc.

The CHAIRMAN. Each side has 1 hour and 14 minutes remaining.

The gentleman from South Carolina is recognized.

Mr. RICHARDS. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, so many fine things that I endorse have already been said that I shall move very swiftly over some references I had intended to make. I subscribe to the complimentary references to our beloved chairman and also to his own kindly statements about the minority who have filed a vigorous dissent. It is obvious to those of us who have had to labor hard over a technical bill of this kind that all are trying to do a patriotic duty. It is easy to recognize with hard work day after day and night after night, that all are trying to do the best we can for our common country. While there are, of course, points in the debate at which feelings become rather tense, I think it would be helpful for us, at this stage, to take a broad view of the problems that confront the Nation at this time.

The world is still full of danger. How different the world is from what we had anticipated at the conclusion of the war when our victory over Germany and Japan and those allied with them was so impressive, how different the congressional service some of us enjoy from the service we had anticipated. When I first aspired to be a Member of Congress back in the thirties, I thought of things I might do for the farmers of the Ozark region, but my energies have been devoted largely to international problems, not unrelated to the farmers of Arkansas, it is true, but quite different in character from the problems I thought I wanted to wrestle with as a Member of this legislative body.

We are living in a world that forces recognition of the fact that our interests are identified with those of other nations. It is not that we who sponsor legislation that will help other countries are more concerned about them than our own country, it is a matter of intelligently identifying our interests with others.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from North Carolina.

Mr. BONNER. I was out of the chamber when the gentleman began to speak, but I heard him talking about farmers. Was the gentleman addressing his words to the telegram that the Farm Bureau sent out, the misleading telegram they sent out?

Mr. HAYS of Arkansas. I did not have any telegram in mind. I am not surprised however that the Farm Bureau is favoring this bill, if that is what the gentleman alludes to. I hope the gentleman from North Carolina will take plenty of time to develop his point of view, because I think a debate along that line will be very wholesome. The farm interests of this country are well served by this legislation. But it is not a farm bill. We would make a great mistake as conceivably we did make in the development of arguments for the Marshall Plan to rest the case upon opening markets for our farm products. I think the Marshall Plan had to be justified not because it provided a new farm market, though it did just that, but because it placed us in a position to help defend the free nations of western Europe. Without that expenditure they would not be where they are today, as the distinguished gentleman from South Carolina so effectively pointed out in his address.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I notice the gentleman said this is not a farm bill or a farm surplus-disposal bill, and I agree with him. Neither is it a ship subsidy bill.

Mr. HAYS of Arkansas. That is correct. Unless we keep our eye on the target and think in terms of the security of our country, we are going to miss the central idea of this legislation. It might make it easier to convince some at home of its wisdom to emphasize its farm market aspects but we are not looking for a quiet political refuge for ourselves. We are confronting this issue honestly and I know you expected us to do that. Our chairman showed that in the direct and honest language he used in reply to the gentleman from Iowa in saying that obviously some of it is economic aid. But he made the point that that does not mean it is without military significance.

Would the gentleman from Iowa insist, for example, that it is good sense for us to put a gun in the hands of a lad who will fight with our own, if war should come, and then withhold the goods that are necessary to equip him or not to help provide the food that every army needs? You cannot separate these things. It is one problem, the problem of making strong the nations that have the same interests that we have.

I want to speak to the point made by the gentleman from Pennsylvania [Mr. GAVIN] who implied that we are thinking only about helping other nations. Did he overlook the fact that his committee brought into this House yesterday a bill that was approved by all

but two Members of the House involving an expenditure of $636 million outside continental United States? It involved expenditures in Iceland, the Caribbean, Okinawa and countries around the globe. It was reported by his committee and we were glad to approve it because we know it would be folly for us to construct defenses only on these shores. If we are to defend ourselves against an enemy who has aggression always in mind, then we must have allies with us who are able to help us stop him when he starts.

If we do not recognize our identity of interests then we are pursuing a disastrous course. As I have already indicated, it is not because this appeals to me by temperament. I think the gentleman knows me well enough to realize that I would much prefer to rely on the processes of reason and good will. But as the Foreign Minister of Great Britain, Mr. McMillan, said one day, "If those whose passions are unrestrained cannot be controlled by reason or love, then there is but one way to deter them and that is by fear or force. There is no other way."

The history of our country reveals that it was with great reluctance that we built a great Military Establishment. When we inaugurated these phases of our foreign policy in 1947 it took us into a great new realm involving the rehabilitation of Western Europe. We did that reluctantly, but it was good sense. When General Marshall announced that plan we decided then that if we were to do it at all we should do it boldly, with a charter and program that envisaged an expenditure of some $17 billion. For what purpose? To rehabilitate Europe economically, to restore a continent that was prostrate.

We knew if we were to have the benefit of her technology, her industry, her manpower, it had to be by restoring that great area with its 270 million people. If Russia should take it, it would double her coal supply, it would double her steel. So, we determined under a program, well planned, to strengthen our allies. What did we spend? Not $17 billion but $12 billion in that particular project, and in the years that we have been pursuing this policy $6 billion has gone to the farmers of the United States to send across the ocean the farm surpluses that our allies needed. So, I point out in passing that this has provided markets and in providing markets has greatly strengthened people who believe as we do—no, not in all details, for their culture is not ours, but essentially as we do, in freedom. And, if I did not believe it, I would not vote for a single dollar contained in this authorization bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman spoke of the military security that we have bought, or effectively that. I have searched through the hearings with a fine-tooth comb to find out how many combat-ready divisions, exclusive ready divisions, we have in NATO today. Will the gentleman tell me that?

Mr. HAYS of Arkansas. No; I will not.

Mr. GROSS. Why not?

Mr. HAYS of Arkansas. I will not divulge classified information. Now, there are some things that we are all entitled to know, and I will, before the debate is concluded, try to find figures in the hearings that throw light on the question.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Let me say this to the gentleman. He raised that point once before, and he claimed that some of the information here is being withheld. But, I would call to the attention of the gentleman that this information is not classified by the Committee on Foreign Affairs, even though we had executive sessions on the subject. So far as I am concerned, I wish we could give it all, but the Department of Defense and the State Department classified it, and we have to honor that classification.

Mr. HAYS of Arkansas. The chairman has stated my position.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. VORYS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Ohio.

Mr. VORYS. I would like to make this comment, that while these figures this year are classified—and, of course, the figures are improving—I believe that last year we were authorized to state that it involved 175 divisions, 1,500 craft, and I think over 100 squadrons of aircraft. I will check last year's debate and correct these figures in the record if I am wrong. But, those were the estimates that were given during the debate last year. This year the figures are classified. For instance, last year we gave the amount of military aid to certain countries. This year those amounts have been classified. Two years ago I was authorized to give the figure that there were 4.9 million servicemen who were supported in part by this program.

Mr. GROSS. The gentleman does not want to let the figure of 175 divisions stand for NATO, does he?

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I will say to the gentleman that we were proud of that authorization bill that we brought from the Committee on Armed Services.

Mr. HAYS of Arkansas. So was I.

Mr. GAVIN. I want to see this great Nation of ours build the greatest national defense that we have ever had.

Mr. HAYS of Arkansas. No one who knows the gentleman could question that.

Mr. GAVIN. And never again let down our guard in a critical and chaotic world. But the point I was trying to make in the 2 minutes allotted to me was the fact that we should be just as much concerned about the distressed areas of our own country as we are in the other sections of the world. But we cannot get any consideration. In my great State of Pennsylvania we have 10 million people in distressed areas, thousands of miners out of work, destitute, poverty stricken. So the point that I was trying to bring to the attention of the Members of the House is that we should be just as considerate about our own unfortunate people in this country as we are in any other distressed areas of the world, but we are not.

Mr. HAYS of Arkansas. Now, Mr. Chairman, I was glad to yield to my friend for that purpose, and I want to address myself to it for just a moment. I am glad that the gentleman brought out this point. If I have developed any conviction as a result of the studies that we have made in the Committee on Foreign Affairs it is that in this program we serve all of our people. The people the gentleman refers to, his unemployed, are served when we protect that which is basic to our Nation's safety. And that is what this is. It would be a great mistake for us to set one interest against the other. I have constituents in Arkansas who are unemployed and some who are underemployed. There is just not the opportunity at their doorstep that I think we ought to have for them. But I can go back home and say in all honesty in voting funds to equip those allied with us in this global struggle that I am serving their interest.

The gentleman and I are not in disagreement as to helping people at home. He feels that not enough has been done for Pennsylvania and he will always find me responsive in practical ways of helping them. He knows that.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from California.

Mr. JOHNSON of California. Is it the gentleman's viewpoint that these are various military assistance groups who are really the outposts of the American defense system?

Mr. HAYS of Arkansas. That is a very good way to put it.

Mr. JOHNSON of California. In various parts of the world; in Formosa, in Indochina, in Malaya, in Siam, and around the Mediterranean.

Mr. HAYS of Arkansas. That is right.

Mr. JOHNSON of California. They are just the fringes of our defense. And if we do not have them, when trouble comes, we will have to send American boys over to man those outposts.

Mr. HAYS of Arkansas. I am indebted to the gentleman from California [Mr. JOHNSON] for putting it that way. They are outposts.

Mr. JOHNSON of California. Is it the gentleman's view that they are paying big dividends in protection of the United States of America?

Mr. HAYS of Arkansas. It is, exactly. This country has already decided that. We had a choice. I join in the tributes that have been paid to Mr. Hensel, and he stated that we had these two choices. We can continue this program—and that is what it is; it is not a new program—we can continue this program and do as the gentleman from California [Mr. JOHNSON] suggests, have those strong outposts who stand between us and the enemy, or we can retreat to Fortress America, which would be a ridiculous policy. We have already made that decision.

Mr. CHIPERFIELD. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Illinois.

Mr. CHIPERFIELD. Mr. Chairman, I should like to call attention to these figures. During the last 5½ years the NATO nations in Europe have spent approximately $43 billion from their own budgets in the creation of military strength. During the same period we have spent only $7.8 billion on NATO. So the European nations are doing a great deal for themselves.

Mr. HAYS of Arkansas. I thank the gentleman.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Minnesota.

Mr. JUDD. Following up the excellent statement the gentleman made a moment ago, yesterday the chairman of the Committee on Armed Services in presenting the bill for the construction of our own military installations around the world, made the point very emphatically that our radar and various other installations necessary for our own national security right in Pennsylvania and Arkansas and Minnesota, had to be placed long distances away to be effective. How are we going to put them out there where the gentleman from Pennsylvania's committee think they ought to be if we are not on the best of terms with those countries?

Mr. HAYS of Arkansas. I think that is an excellent addition to our discussion.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Following up the point with regard to bases, by keeping these bases in friendly countries, are we not able to strike at a possible enemy in half the time, and over half the distance than if we tried to strike the enemy from our own good country? It does give us a tremendous strategic advantage, even though we may never use it.

Mr. HAYS of Arkansas. I agree with the gentleman.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I should like to make an observation and perhaps the gentleman would like to comment on this. With reference to the point the gentleman made about $40 billion having been spent in the last 5 years by our NATO friends, when I was in Rome and Paris I asked this specific question. I asked them if they did not do a whole lot more in 1938 than they are doing today. I pointed out when I was in Rome that they had 7 million men under arms in 1938; they had the third largest navy in the world and the third largest air force. At the same conference they turned around and pointed out that their agricultural production was 45 percent greater than it was in 1938 and their industrial production was 50 or 55 percent greater. Yet they could not put in the field one-fortieth of what they had in 1938.

I ran into the same problem in Paris. I asked them this question—and I commend the gentleman from Arkansas [Mr. HAYS] because he has always been fair. But I asked them this. I said, "How much of your income tax levy are you collecting in Italy and in France?" And they said, "Oh, about 35 percent." I told them the American people were having to pay from 95 to 100 percent or go to jail. They told me, "Well, they have two sets of books here, one for the tax collector and one for their own personal use. They generally give the tax collector a case of champagne or something and he goes on his merry way." I do not think that is fair to the American taxpayers or to the American people.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. RICHARDS. Mr. Chairman, I yield 5 additional minutes to the gentleman from Arkansas, and suggest he let the gentleman ask him a question.

Mr. HAYS of Arkansas. I must ask the gentleman to bring it to a close, but I will try to be liberal.

Mr. DORN of South Carolina. That was a preface to my question. Why do not we as the custodians of the American taxpayers' money demand of England and France and some of these other countries that they collect their taxes, that they put their own house in order, and that they put at least 1/5 as much into the field as they did in 1938 and 1939?

Mr. HAYS of Arkansas. I think the gentleman has put his finger on a very difficult problem, and I wish to speak to this point, but I yield to the gentleman from South Carolina now.

Mr. RICHARDS. The gentleman from Iowa and the gentleman from Pennsylvania have been talking about what we have done, what we have accomplished. Some of the information about where our airfields are situated, and what kind of planes we have, and how much is going to a particular country, is classified.

Mr. GAVIN. That was the gentleman from Iowa, not I.

Mr. RICHARDS. The gentleman from Iowa, then.

I would like to refer to the testimony of General Gruenther before our committee. He said:

> Our forces have developed to a degree that even the most optimistic of us did not believe possible 4 years ago.
>
> Since 1951 when our military effort was first initiated, our divisional strength has increased to a point where we now have between 90 and 100 divisions, roughly 3 to 4 times what we had originally. The divisions we have today are, of course, at varying stages of effectiveness, but the scale of what has been accomplished is apparent. In the air, at the time that Allied Command Europe was organized, there were fewer than 2,000 military aircraft available to the NATO effort in Europe. Please note that I have simply referred to military aircraft. I could not, by even the most generous of definitions, arrive at anywhere near that number if I talked in terms of effective or modern aircraft. However, from that pitifully inadequate beginning we have increased until today we have over 6,000 aircraft available, and I am now talking in terms of modern fighting airplanes. The naval forces of Allied Command Europe have shown similar growth, and we have today several times the naval effectiveness that we had when our buildup started some 4 years ago.
>
> Talking simply in terms of numbers, as encouraging as that may appear, does not do our effort full justice. In addition to the quantitative increase, the forces of all three services have undergone major re-equipping programs and are now equipped with effective and modern weapons and are being trained to function as an efficient modern fighting force. To all of this must be added what we have realized as a result of the NATO infrastructure program; we have well over 130 airfields available for use today which we owe to that program; we have new communications systems; we have provision for a pipeline system for the distribution of jet fuel. Finally, we will have a substantial augmentation of our strength because of the forces which the Federal Republic of Western Germany will furnish. All of this adds up to a very substantial military capability.

Mr. GROSS. Exclusive of the United States contribution to NATO, how many combat-ready divisions of NATO are there today ready to take the field?

Mr. RICHARDS. It was testified that some of these divisions had been just on paper, paper tigers, if you want to call them that. They are now fully equipped and at fighting strength and ready to go. That makes the difference.

Mr. GROSS. How many of them are there?

Mr. JUDD. Was it not made clear to us that the key thing is not the number, it is the quality and fighting capacity of the divisions? Our major effort for 3 years has been to build up first-rate divisions not just more divisions.

Mr. HAYS of Arkansas. May I say to the gentleman from Iowa that I wish to apologize to him for having said so bluntly that I would not give him the information. Of course he is entitled to the information but he realizes there are limitations upon the discussions here.

Now, as to the question raised by the gentleman from South Carolina [Mr. DORN], there is ample evidence that there are great exertions by the NATO countries, and a good index to use is the gross national product. Yugoslavia is devoting 15 percent of her gross national product to defense. France and the other countries in NATO are devoting an average of about 10 percent, and we are devoting about 12 percent. That gives you some idea of the relative effort. You may say, "Well, should not they come up to our exertion? Why should we devote 12 percent and they devote 10 percent?" But you see our gross national product per capita is much more than theirs. If England can devote 10 percent of her $941 per capita, then that looks pretty good compared with our 12 percent of $2,200. It is what you have left that counts, when you are measuring exertions. I would like to generalize to this extent. I do not think anyone can say that Great Britain, for example, is not exerting herself, and that she has not called for the same sacrifices from her people that we have. There are tax problems in Europe, in some countries, such as the gentleman from South Carolina referred to, that we have tried to help work out. In Germany, you find it in their constitutional difficulties, and I

think they will work it out. We are counseling with France and Italy and they are getting some results in straightening out their tax system, but we also have that at home.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. SPRINGER. I would like to ask the gentleman from Arkansas this one question. I believe he has gone into it a little bit, but has not developed it. Over the period of the last 6 or 7 years, we have developed a policy in which we have said that in these various countries lie defense interests of the United States; is that not correct?

Mr. HAYS of Arkansas. That is correct.

Mr. SPRINGER. Thus, instrumentalities have been brought into effect by virtue of NATO and the extension of NATO and actually, I believe the gentleman from Iowa supported the Formosa resolution, that was one point in this year in which we said to the world that we have defensive interests in the maintenance of Formosa independently from Communist China. Now we come today, is it not true, to the question: How are we going to implement that policy which we have already established over the last 6 or 7 years, and which we have been following all those years? This is merely a way in which the policy which has already been made is to be implemented; is that not true?

Mr. HAYS of Arkansas. That is correct.

Mr. SPRINGER. Therefore, these expenditures follow that line; is that not correct?

Mr. HAYS of Arkansas. Exactly.

In view of the fact that an effort will be made to restrict some of the authorizations to 100 percent loans, I wish to discuss that feature of the bill. Under the Mutual Security Act of 1954 there are three mandatory provisions referring to loans. Section 505 provides that of all funds made available pursuant to the act and foreign currencies generated under the sales of agricultural surpluses under section 402, the equivalent of not less than $200 million shall be available only for the furnishing of assistance on a loan basis. Section 201 provides that 30 percent of funds appropriated for development assistance shall be available only for furnishing assistance on a loan basis. Section 501 provides that 30 percent of funds transferred from other titles into the development assistance category shall be available only for furnishing aid on a loan basis.

I understand that no serious difficulty has been encountered in carrying out these provisions. Approximately $215 million of assistance furnished with funds already appropriated will be on a loan basis, and the 30-percent minimum for loans in connection with development assistance will have been exceeded. Let me quote one of the FOA officials:

> Although these mandatory provisions have not proved unworkable, the executive branch requests that the Congress not place any floor or ceiling on loan requirements for fiscal year 1956. This request does not imply any slackening of effort on the part of the executive branch toward furnishing a maximum amount of assistance on a loan basis. On the contrary, we are on record as attempting to increase both in absolute amounts and percentages the amount of assistance which it will furnish in the future on a loan basis. The request for removal of dollar amounts and percentages from the Mutual Security Act of 1955 was made in order to provide an amount of flexibility in negotiating with recipient countries which we believe will result in more loans, rather than less loans. The fact that the current legislation states a percentage of 30 percent, for example, has led countries to believe that this should be a ceiling upon the percentage of loans which they should be expected to absorb. Although such an interpretation has no legal substance, it has nonetheless made the negotiating problem that much more difficult.

The Senate bill which we are now considering provides that at least 50 percent of the Presidential Development Fund for Asia should be provided on a loan basis, and the administration insists that this provision can be complied with without embarrassment or harm to the program. With respect to other funds, however, I believe that a mandatory percentage or dollar figure would not produce the desired result; namely, to place a maximum amount of assistance on a loan basis.

It is estimated that certain countries, such as India and Iran, can absorb considerably more than 30 percent of their assistance on a loan basis. Other countries, however, including some who have the greatest need for aid, cannot be expected to assume a high percentage of loans.

In Egypt, in an important area for example, we are providing $40 million of development assistance during the current fiscal year, and $7.5 million of that assistance is on a loan basis. Next year, it is anticipated that development assistance should be continued to Egypt, but no basis is seen for assumption by that country of a substantially higher percentage of loans. Egypt is one of the few countries in the world where per capita national income is going down rather than up, and the country is committed to the construction of a number of expensive projects which are the only hope for the development of the country.

The ability of other countries in the Near East to absorb loans varies. Countries such as Lebanon and Syria should be able to absorb a high percentage, if not all of their development assistance on a loan basis. I am told that others, such as Jordan and Libya, have neither the immediate prospect nor the long-range prospect of repaying loans on their development projects.

In Latin America, where the majority of the remaining development assistance funds are to be provided, there are similar problems. It is now estimated that some $15 million of development assistance may be necessary for Guatemala. This country is suffering a severe economic crisis at this time, and they must concentrate on projects which will reduce the serious unemployment problem in the country, largely in the field of road building. Their prospects for the repayment of additional loans are not good. Bolivia is in at least as bad shape economically. The country is completely out of reserves, and is in serious balance of payments difficulties. Haiti, another possible recipient of development assistance, is in similar straits, and the credit worthiness of that country, which is still struggling to rebuild after the devastation of Hurricane Hazel, will be used up to the limit in servicing Export-Import Bank loans now under consideration. The United States obviously has a stake in the development of the economies of these countries.

The foregoing cases are cited to indicate the inadvisability of a mandatory provision for a high percentage of loans with respect to development assistance. However, we are assured that the administration intends to exceed by a good margin the 30 percent requirement which was contained in the 1954 legislation. Considering the wide variance in the absorption capacity for loans among individual countries, it seems that the mandatory percentage provision creates many more problems than it solves for those who have to negotiate these agreements. I think in other words, that we must not put the negotiating officials in a straitjacket.

It has been pointed out that loans made under the Mutual Security Act need not conform with the standard criteria for bankability applied by lending institutions. The act has been administered on a basis quite different from the normal lending practices of these institutions. Loans made under the mutual security program have been made on a 30 to 40 year basis, with an option of repayment either in local currencies or in dollars, and at very low interest rates—4 percent for repayment in local currencies and 3 percent for repayment in dollars. Moreover, the loan agreements provide for a 3-year moratorium on the payment of both principal and interest. Any terms softer than these would tend to make loans inadvisable from a policy point of view. Even the Hoover Commission recommends that where assistance is necessary and there is no prospect of repayment of a loan, such assistance should be in the form of an outright grant.

Now, Mr. Chairman, may I revert to the questions asked by the gentleman from Iowa [Mr. GROSS]. I read the following from the CONGRESSIONAL RECORD, volume 100, part 7, page 9082 from a speech by the gentleman from Ohio [Mr. VORYS]:

> Let us talk about the economy involved. United States forces are now 3,046,000 men; 17 divisions-plus; 115 air wings now, and a navy, and the cost this year, in the bill we passed the other day, is $28 billion. This present bill will furnish arms and training and support for 175 divisions spread all over the earth; 220 Air Force squadrons; 1,500 naval aircraft, and considerable naval forces, and the cost will be about $3 billion.
>
> It costs to maintain one American serviceman overseas $5,866 a year, without a weapon in his hand. Look at page 156 of our hearings. It costs to maintain one European serviceman $1,112 a year with no weapon in his hand. By this bill we spend about $700 per man for these 175 divisions scattered all over the earth, to put weapons in their hands and to contribute partially toward their maintenance.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. SELDEN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Chairman, I think it is well to remind ourselves that the measure now before us for consideration merely authorizes the funds to carry out the mutual security program for the coming fiscal year. This legislation authorizes the maximum, not the minimum, amount that can be spent.

The Congress, as you know, will have an opportunity later to actually appropriate the funds for this program and, if history repeats itself, the appropriation will be less than the authorization.

Therefore, in supporting this authorization, I do not feel that one estops himself from voting for a reduction in the Mutual Security Appropriation bill when it reaches this body for consideration.

The authorization bill does, however, set up certain broad policies that are usually followed, and these policies should certainly be considered carefully before one votes on this legislation.

After a study of our foreign aid program, the Randall Commission recommended the adoption of a policy whereby our trade would be increased and economic aid on a grant basis would be decreased wherever possible. The President, in a message to Congress last year, endorsed these Randall Commission recommendations. The Congress has also followed many of the Randall Commission's trade recommendations and last year made a start in connection with the recommendations dealing with foreign economic aid.

I refer specifically to the 1954 Mutual Security Act in which Congress provided that development assistance should be terminated by June 30, 1955. Also, it placed certain minimum loan requirements in the 1954 act. Yet, despite this noteworthy start, the measure now before us indicates we are slipping backward rather than moving ahead in our efforts to decrease these economic aid grants. To be specific, more economic aid grants will be authorized by this legislation in its present form than were appropriated by the Congress last year.

The view that our economic aid program should emphasize loans instead of grants whenever possible has, I believe, much merit, and I feel that certain amendments to the legislation now under consideration should be adopted if we are to strengthen rather than weaken that policy.

Our Government has loaned substantial sums to foreign governments since World War II and the record indicates that none of these loans are in default. Of the $14,147,769,000 made in loans, the sum of $3,176,216,000 has already been repaid and interest in the amount of $1,331,284,000 has been collected. In other words, the taxpayers of this country are more than $4.5 billion better off today than they would have been had this aid been in the form of grants rather than loans.

In the bill now before us, we find an item of $182 million listed as development assistance. Also, we find listed the amount of $200 million in the President's Fund for Asian Economic Development. Both of these items, a total of $382 million, consist primarily of economic aid in the form of grants that will be made to nations, most of whom have no mutual defense agreements with us.

The broad purpose of this development assistance is, as I understand it, to help undeveloped free countries raise their standards of living and develop their resources. Among the resources of some of these nations are large amounts of critical and strategic materials which cannot be found in sufficient amounts in this country. For example, the United States relies on foreign countries for 100 percent of our natural rubber, 100 percent of our tin, 99 percent of our chromite, 95 percent of our manganese, 72 percent of our tungsten, and for a large proportion of many other commodities essential to our military strength and economic well-being.

If we furnish development assistance to foreign countries in loans that are repayable, then it may be possible in years to come for those same countries to repay us in the very raw materials that were developed with our loans. There is, of course, always the possibility that some or all of these loans may never be repaid. Yet, if this development assistance is left as a gift instead of being placed on a loan basis, you can be certain those funds will be gone forever.

It is my belief, therefore, that Congress should at this time adopt a firm policy whereby economic aid of this type will be made in the form of loans rather than grants, and it is my intention to support all amendments that will strengthen such a policy. I trust a majority of the Members of the House will do likewise.

Mr. FEIGHAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FEIGHAN. Mr. Chairman, I should like to record myself as in favor of those programs advocated by the President which are necessary to the security and well-being of the American people, faced as we are with the constant threat of Communist aggression. In the past, I have unhesitatingly supported all such programs and am proud to say that my voting record is 100 percent favorable to such programs.

The mutual-security program which we now have before us, in principle, deserves the unwavering support of this House. I have made a very careful examination of this act and I find only one part which does not advance the security and welfare of the American people. That section I refer to has to do with aid to Tito's Yuogslavia.

On June 17 I had the privilege of appearing before the House Foreign Affairs Committee to present my views with respect to giving either military or economic assistance to Tito's Yugoslavia. I reminded the committee members that last year when the mutual-security appropriation bill was before the House, I offered an amendment to that section which authorized the use of $70 million, which I was informed would, in part, be used to support the tyranny of Tito, which read as follows:

Provided, That no part of these funds shall be used for or on behalf of Yugoslavia.

I also repeated to the committee the same arguments in support of this position which I presented on the floor on July 27, 1954, when we were considering appropriations for an almost identical act to the one we have before us today. I believe those reasons are more valid today than they were in 1954 and consequently I would like to bring them to the attention of the House at this time.

First, Tito has never really broken with his Russian-Communist friends. As a matter of fact, keen students of the Yugoslav problem question whether the present dictator of Yugoslavia is really Josip Broz. It is quite possible that the present-day Tito is just another Russian boy trying to make good in a big way for his mentors in the Kremlin.

Second, present-day Yugoslavia under Tito will never fight on the side of the United States in the event of a conflict with the Russian Communists. In the event of war, the Yugoslav people, under Tito, will move in one or two directions. The most likely is that they will take advantage of war to liquidate Tito and all his followers, thus causing widespread internal revolution. The second possibility is that the people of Yugoslavia, the Croats, the Serbs, the Slovenes, and the Montenegrans, will be forced to fight against the West with Russian machineguns at their back.

Third, the present-day Tito under the cover of "national communism" has been able to penetrate important segments of the organized defense community of the free world which has been created to prevent further Communist aggression. The North Atlantic Treaty Organization has been publicized as the symbol of western unity against atheistic communism. Tito's Yugoslavia would not be eligible for admission into NATO because admitting Tito to NATO would immediately destroy the symbolism which has been built up. So to prevent this question from being raised, the Department of State took the initiative in creating a small entente with our gallant and proven allies, Turkey and Greece, being put in the same bed with Tito which opens a special back door for Tito into the NATO community. The false cover of national communism also permits Tito to place his agents in many strategic positions and in general permits him the opportunity to carry out an intense campaign of "neutralizing" the free world so that it will be paralyzed in the event the Russian Communists make a sneak attack on the United States.

Fourth, Tito has never proven that he is a steadfast friend of the West. Unfortunately, we have never put him to any real test to determine where he stands on the critical issue of the United States against Russian communism. In the hysteria created by some of our striped-pants negotiators, we have deserted some of our best friends and strangely have now accepted as our supposed friends, proven advocates of world socialism. I suppose it is impolite to remind the Members of Congress that Marshal Tito has just reestablished diplomatic relations with Moscow and that it is common gossip along the highways and byways of Europe that the relationship between the Russian Communists and Tito Communists has always been on a most friendly and cordial basis.

Fifth, in any case, the people of Yugoslavia under the Tito brand of communism, will never be united behind anything Tito stands for. As a good example of my point, let us look at what Tito's brand of communism has done to the traditional food-producing capacity of the people of Yugoslavia. Before World War II Yugoslavia was a surplus food area of Europe, always in a position to export millions of dollars worth of food each year. Today, under Tito, the enslaved people of Yugoslavia, the Croats, the Serbs, the Slovenes, the Montenegrins, are hungry. The United States has been required on at least two occasions to bail Tito out and to keep him in power by sending some of our surplus agricultural commodities to Yugoslavia in order to prevent open rebellion against Tito's regime.

Sixth, there is the practical possibility that the arms and other strategic material which we made available to Tito may later find their way behind the Iron Curtain, where the Communist stooges of the Kremlin who are responsible for the enslavement of those once free nations, will store these arms and other important strategic materials for future aggressions against the free world. I am certain that a real investigation of this matter would reveal some startling evidence.

I then urged upon the committee the need for the Foreign Affairs Committee itself to make an on-the-spot investigation of the situation obtaining with reference to Yugoslavia. I did so because I am firmly convinced that any objective investigation would substantiate in full the observations I have outlined for you this afternoon.

It is a well-known fact that, despite the fact we have given abundantly to Tito, both in terms of economic aid and military assistance, we have not been able to obtain the right to inspection over the use of those funds and military end items despite the fact the law requires it. The hard cold facts are that we do not know what Tito does with all the military and economic aid he has inveigled from the United States. It is quite possible that military equipment received from the United States has been filtered into Albania,, or to Hungary, Rumania, or Bulgaria by Tito and his henchmen. Moreover, since we do not have the right to inspect all military installations, depots, roads, or railroads in Yugoslavia having to do with military defense, we are not even in a position to determine whether Tito receives more aid from Moscow than he receives from Washington.

I am very happy to note that the committee report which accompanies Senate bill 2090 completely concurs in my statement that we do not have inspection authority in Yugoslavia over our economic or military assistance programs. I should like to read for you from that report the section dealing with aid to Yugoslavia which bears upon that point:

AID TO YUGOSLAVIA

The committee gave special consideration to the situation in Yugoslavia and explored carefully the question of continuing assistance to that country. The committee reached the conclusion that no specific limitations should be imposed on the supplying of aid to that country. Testimony disclosed, however, that the Yugoslav Government has not been fully cooperative in carrying out the requirement of the Mutual Security Act that United States representatives be permitted "continuous observation and review" of the use made of equipment supplied by the United States.

The provisions of the law are clear in this respect, and the committee believes that United States officials responsible for the administration of the mutual assistance program have not been sufficiently insistent that the Government of Yugoslavia live up to the terms of its agreements. The committee has refrained from including in the bill legislative restrictions on further assistance to Yugoslavia only because it is confident that henceforth the letter and the spirit of the law will be carefully observed.

Now, surely ample reason has been demonstrated for the need of the House Foreign Affairs Committee to make an on-the-spot investigation before any additional aid whatsoever is given to Tito.

Under the 5-minute rule, I will offer an amendment to the act which will require a full inspection of all the military installations, depots, roads, and railroads in Yugoslavia, and a favorable report thereon to the effect that our assistance has been put to the advantage of the cause of human freedom before any additional funds or assistance can be given to Tito. Only a few weeks ago the Russian Communist leaders, Khrushchev and Bulganin, visited their buddy, Tito, in Belgrade. Some may call this little more than a part of the Russian diplomatic campaign to isolate the United States. But on the facts this was clearly a public demonstration of the unbroken bond between Tito and the Russians.

It is most significant that when the love feast came to an end the joint communique held these demands to be common both to Tito and the Russian Communists.

(a) That Red China be admitted to the United Nations.

(b) That the use of nuclear weapons be outlawed and permanently banned—under the infamous Russian formula.

Now, examining these two demands we immediately see that they are directly opposed to the basic foreign policy position of the United States. Any schoolchild knows that our superiority in nuclear weapons and our certain capability to deliver them has been the only practical deterrent to Russia occupying all of the Eurasian Continent. Now Tito wants to take from us the only sure means we have of preventing world war III or worse still preparing the way for our abject surrender to the Russian despots.

As to Red China—who can ever forget the treacherous part she played in the Korean war, how she now holds so many of our citizens in dungeons without cause and how she has been beating the drums of war and further aggression in South Asia. But Tito sees no evil in this—he wants Red China admitted to the U. N. in order to legalize a criminal regime, give the Russians another vote in the Security Council, cause us to desert more of our friends and thereby generally advance their objective of Communist world domain.

It is also significant that the agreement signed by the Russian Communists and Tito contains a section on the exchange of populations. This agreement calls for the repatriation of all Russians living in Yugoslavia—and this includes Russians who left Russia after the 1918 revolution and have been legal residents of Yugoslavia. It also includes people who elected to remain in Yugoslavia after the so-called Cominform split of 1948—the ones who opposed the Cominform—you can guess what will happen to them.

Similarly, there are Yugoslav Communists living the the U. S. S. R. Those are the ones who stayed with Moscow when the so-called Cominform break was made by Tito in 1948. They are 100 percent pro-Russian and 100 percent anti-American. These people will return to Yugoslavia to help ease world tensions and to tighten the chains of slavery on the good people of Yugoslavia.

The agreement does not specify that this exchange of population will be voluntary. That means it will be forced—in typical Communist fashion.

It is also interesting to recall that before Khrushchev and Bulganin arrived in Belgrade the Russian secret police arrived well in advance and made a round-up of about 160 people and had them put in jail. The Russian secret police provided a list and required that all the people on that list be put behind bars. Tito, of course, promptly compiled with this request. What sort of independence of action does this indicate?

On the subject of neutralizing the enemies of Moscow, which I charged Tito with being dedicated to, it is important to note that Moscow recently called for a campaign to neutralize all the countries on the borders of the Russian-Communist empire. In particular: A neutralized Austria, Germany, Turkey, Greece, India, Indonesia, and Japan. That, my friends, is known as the global strategy of neutralism. It intends to create a neutral belt between Moscow and what is left of the free world. That neutral belt will be most fertile soil for the Trojan-horse methods of Moscow. It will be only a matter of a few years before the so-called neutral belt is firmly attached to the ever-expanding Russian-Communist empire.

Tito is the main cog in the Russian geopolitical strategy of creating a global neutral belt around their empire. Right after their visit to Belgrade the Russians visited Hungary and Rumania and publicly announced their plan to establish better relations with Turkey and Greece. This means they are going to go all out to neutralize them. In this maneuver Tito is their key. Recall that there is a small alliance between Greece, Turkey, and Yugoslavia created largely on the initiative of the State Department of the United States.

I also would like to draw attention to a peculiar situation in which our proven allies Turkey and Greece must allow complete inspection of our military and economic aid programs. I say it is peculiar, because we do not get the same quid pro quo from Tito. Turkey provided over 40,000 men for the fight for freedom in Korea, and Greece contributed proportionately of her best trained soldiers. We will never forget how they fought side by side with our sons in that Moscow-created war. Tito sat on the sidelines for that one.

Now by comparison we are treating Turkey and Greece with suspicion and at the same time have embraced Tito as a proven and stanch friend. Don't misunderstand my point. I am in favor of complete inspection powers over all forms of military and economic aid we give. My point is, Why do we excuse Tito from complete inspection over our aid and then demand it for our stanch and proven friends? The House of Representatives would do well to get an answer to that question.

Only yesterday we were informed that Tito would soon visit his buddies in the Kremlin to resume the love feast which was so well demonstrated in their joint meeting at Belgrade. Tito feels absolutely safe in visiting the Russians on their home ground. This is indeed a peculiar situation when one considers that Tito has been described by the Kremlin itself as the archenemy of what they describe as the "people's democracy." It is also a well-known fact that if Tito was not absolutely certain that he would not be picked up by the Russian MVD, he would not dare to make his "good will" trip to Moscow. The reason I have cited this is that we are told over and over again that Tito is a friend of the West and an enemy of the Russian Communists. How strange therefore, that the status of Tito has been changed by the Russian Communists themselves into one of a close and endearing friend when we are still referring to Tito as an enemy of Russian communism.

Mr. Chairman, I feel strongly that not one single penny should be given to Tito from funds collected from the taxpayers of the United States. I held this position right from the beginning on the mutual-security programs. I repeat, last year I offered an amendment, the objective of which was to prevent the use of any of our taxpayers' money by Tito, but I want to do everything possible to make easy the way of our Secretary of State in his difficult task of building a free world alliance which can bring about the ultimate defeat of the international Communist conspiracy. Therefore, rather than offering an amendment barring any aid to Tito, I will propose an amendment which requires the Foreign Affairs Committee to make an on-the-spot investigation of how our former assistance to Yugoslavia has been used, and whether such assistance supports the security and well-being of the United States.

Mr. LONG. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. RICHARDS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes, directed him to report it had come to no resolution thereon.

REVISING 1946 TRADE AGREEMENTS WITH THE PHILIPPINES

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 289, Rept. No. 988) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6059) to authorize the President of the United States to enter into an agreement with the President of the Republic of the Philippines to revise the 1946 trade agreement between the United States of America and the Republic of the Philippines, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

WAR-RISK HAZARD AND DETENTION BENEFITS

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6871) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 201 of the act of December 2, 1942 (ch. 668, 56 Stat. 1033), as amended, is further amended by deleting the words "July 1, 1955" and inserting in lieu thereof "July 1, 1956."

SEC. 2. Section 5 (b) of the act of July 28, 1945 (ch. 328, 59 Stat. 505), as amended, is further amended by deleting the words "July 1, 1955" and inserting in lieu thereof "July 1, 1956."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENTS TO RESERVE OFFICER PERSONNEL ACT, 1954

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1718) to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) the second sentence of section 201 of the Reserve Officer Personnel Act of 1954 is amended by striking out the word "two" and substituting in lieu thereof the word "three."

(b) Section 205 of such act is amended by inserting at the end thereof the following new subsection:

"(c) (1) A Reserve officer serving on active duty who, on the date he would otherwise be removed from active status under sections 325, 327, 411, 522, 524, or 611 of this act, is within 2 years of qualifying for retirement under either title II of the Army-Air Force Vitalization and Retirement Equalization Act of 1948 (32 Stat. 1084), or section 6 of Public Law 305, of the 79th Congress (60 Stat. 27), may, in the discretion of the Secretary, be retained on active duty for a period not to exceed 2 years if he will then be entitled to the benefits of such provisions of law and will not earlier attain the maximum age at which transfer from an active status or discharge is required by this act. He shall not be removed from an active duty status so long as he remains on active duty.

"(2) The term 'maximum age' as used in this section shall, in the case of any officer covered by sections 325 and 327 hereof, be the age authorized by the first paragraph of section 326 (a) of this act."

(c) Section 339 (c) of such act is hereby repealed.

SEC. 2. Section 333 of the Reserve Officer Personnel Act of 1954 is amended (1) by striking out "A Reserve" and inserting in lieu thereof "(a) Except as provided in subsection (b) hereof, a Reserve", and (2) by inserting at the end thereof the following new subsection:

"(b) A Reserve office on active duty who has not completed his period of required active duty as a member of a Reserve component under any provision of law or regulations, and who is recommended or found qualified for promotion, may not be promoted until he completes that period of required active duty, or until he is temporarily promoted to that higher grade. Upon completing that period of required active duty or upon being temporarily promoted to that higher grade, he shall, if he applies therefor, be promoted, be subject to subsection (a), and be credited with the amount of promotion service in the higher grade that he would have had if he had been promoted but for the provisions of this subsection."

SEC. 3. (a) Section 402 (d) of the Reserve Officer Personnel Act of 1954 is amended by striking out the period at the end thereof and inserting a comma and the following: "except that until July 1, 1960, each such number authorized in this section for each grade may, if necessary, be increased by not to exceed 10 percent by the Secretary to permit promotions under this title."

(b) Section 403 of such act is amended by adding at the end thereof the following sentence: "Within the number to be selected which the Secretary may furnish to a selection board considering Naval Reserve line officers in any grade, the Secretary may further specify numbers of officers of stated qualifications and experience who are required to meet mobilization needs in the next higher grade."

(c) The second sentence of section 405 (b) of such act is amended by striking out "ineligible" and inserting in lieu thereof "eligible."

(d) Section 405 (d) of such act is amended by adding at the end thereof the following new sentence: "An officer whose name is so withheld from consideration from two selection boards for promotion to the same next higher grade shall be deemed to have failed twice of selection. An officer who has

met all requirements for eligibility for consideration but whose name is omitted by administrative error from the list of officers furnished a selection board, shall be considered not to have failed of selection by that board and if selected by the next selection board to consider for promotion officers of the same grade he shall be entitled to the same date of rank and to pay and allowances of the higher grade for duty performed from the same date as if he had been selected by the board from which his name was withheld by error."

(e) Title IV of such act is amended by adding at the end thereof the following new section:

"SEC. 414. Officers who prior to July 1, 1955, were selected for promotion under appropriate Naval and Marine Corps regulations promulgated pursuant to subsection 216 (a) of the Armed Forces Reserve Act of 1952, as amended, may be promoted under the authority of this act with precedence and entitlement to pay and allowances as prescribed by this act."

SEC. 4. (a) Section 501 (b) (1) of the Reserve Officer Personnel Act of 1954 is amended to read as follows:

"(1) 'Promotion service' means—

"(A) service in an active status in current grade; and

"(B) all service in an active status subsequent to June 25, 1950, and prior to the effective date of this act (i) during which an officer was eligible for permanent promotion on the basis of service in a higher temporary grade, (ii) in an equivalent or higher permanent grade in the same or another service, including service in a federally recognized commissioned status in the Army and Air National Guard, except that any such service authorized under this subparagraph shall be counted but once for promotion purposes."

(b) Section 502 of such act is amended by adding at the end thereof the following new subsection:

"(d) To carry out the provisions of this title a promotion may be made effective before, on, or after the date accomplished, and the officer shall be entitled to pay, allowance, and benefits authorized by law for the higher grade from such effective date unless expressly provided otherwise in this act."

(c) Section 504 (a) (2) (B) of such act is amended by striking out "longest service as a commissioned officer (including service in the federally recognized National Guard or in a federally recognized status therein prior to 1933)" and inserting in lieu thereof "greatest number of total years of service."

(d) Section 506 of such act is amended (1) by striking out subsection (a) thereof, and (2) by striking out "(b)" and inserting in lieu thereof "(a)."

(e) The last sentence of section 508 (c) of such act is amended by inserting after the word "sections" the following: "502 (d), 511 (c)."

(f) Section 509 of such act is amended (1) by striking out in subsection (a) thereof "subsection (b)" and inserting in lieu thereof "subsections (b) and (c)," and (2) by adding at the end thereof the following new subsection:

"(c) Whenever the Secretary determines that there are vacancies in the permanent grade of first lieutenant, Reserve officers in the grade of second lieutenant under regulations prescribed by the Secretary, may be promoted to the permanent grade of first lieutenant before completion of 3 years of promotion service."

(g) Section 510 (b) of such act is amended by striking the period at the end of paragraph 2 thereof and inserting a semicolon and the following: "and

"(3) only those Reserve officers of the Air National Guard of the United States who must be considered at that time in accordance with the provisions of subsection (a) of this section."

(h) Section 511 of such act is amended by striking out subsection (b) and inserting in lieu thereof the following new subsections:

"(b) Except as provided in subsection (c) hereof, a Reserve officer on active duty who is promoted to a grade higher than that in which he is serving shall continue to serve on active duty in the grade in which he was serving immediately before that promotion, and may be appointed in a temporary grade which is equal to that lower grade. An officer who is so appointed in a temporary grade is considered to have accepted the appointment upon the date of the orders announcing it unless he expressly declines it, and need not take a new oath of office upon being so appointed. However, he may decline the appointment within 6 months after the date of the order announcing it, and shall be released from active duty.

"(c) A Reserve officer on active duty who has not completed his period of required active duty as a member of a Reserve component under any provision of law or regulations, and who is recommended or found qualified for promotion, may not be promoted until he completes that period of required active duty, or until he is temporarily promoted to that higher grade. Upon completing that period of required active duty or upon being temporarily promoted to that higher grade, he shall, if he applies therefor, be promoted, be subject to subsection (b), and be credited with the amount of promotion service in the higher grade that he would have had if he had been promoted but for the provisions of this subsection.

"(d) A Reserve officer who, while he is serving on active duty, is promoted to a grade higher than the grade in which he is serving, may not serve on active duty in the grade to which promoted, or be entitled while on that period of active duty to the rank, pay, and allowances of that higher grade unless he is ordered to serve on active duty in that higher grade or is temporarily promoted to that higher grade."

(i) Section 523 of such act is amended (1) by striking out in subsections (a), (b), and (c), the words "date upon" wherever they appear therein and inserting in lieu thereof the words "last day of the month in", and (2) by striking out in the first sentence of subsection (d) the word "Each" and inserting in lieu thereof "Effective 5 years after the effective date of this act, each."

(j) Section 524 of such act is amended (1) by striking out in subsection (a) thereof "two years" and inserting in lieu thereof "five years", and (2) by striking out in the first sentence of subsections (b), (c), (d) (1), and (d) (2) thereof the word "Each" and inserting in lieu thereof "Effective five years after the effective date of this act, each."

(k) Title 5 of such act is amended by adding at the end thereof the following new sections:

"SEC. 527. Notwithstanding any other provision of this act, a Reserve officer who becomes a civilian employee of the Air National Guard prior to the effective date of this act may not, before attaining age 60, while so employed and without his consent, be removed from active status by reason of any mandatory promotion provisions contained herein, except for cause, physical disability, or by reason of being twice passed over for promotion to the grade of captain, major, or lieutenant colonel.

"SEC. 528. Notwithstanding section 701 of this act, the Secretary is authorized to take, prior to the effective date of this act, such administrative actions, including the convening of appropriate selection boards, as may be necessary to insure that the act may be implemented upon its effective date."

SEC. 5. (a) Section 606 (b) of the Reserve Officer Personnel Act is amended by adding at the end thereof the following new paragraph:

"(4) If a running mate is retarded in rate of promotion or has attained the highest rank to which he may be promoted, the new running mate shall be the officer of the Regular Coast Guard who is next senior to the old running mate, exclusive of extra numbers, or if there be no such Regular officer then the Regular officer of the same grade who is next eligible for promotion. An officer shall be considered to have been retarded when another officer in his grade junior to him is eligible for promotion ahead of him. If subsequently the old running mate is promoted and is restored to the precedence he would have held but for the retardation, he shall be reassigned as the running mate of the Reserve officer concerned."

(b) Section 608 of such act is amended by striking out "and shall be allowed the pay and allowances of the higher grade for duty performed from the date his running mate became entitled to such pay and allowances" and insert in lieu thereof "and a Reserve officer so promoted shall be allowed pay and allowances of the higher grade for duty performed from the date of his appointment thereto."

(c) Title 6 of such act is amended by adding at the end thereof the following new section:

"SEC. 619. Officers who, prior to July 1, 1955, were selected for promotion under appropriate regulations may be promoted under the authority of this act with precedence and entitlement to pay and allowances as prescribed by this act."

With the following committee amendments:

Page 3, line 11, strike out all of section 3 (a) and insert:

"SEC. 3. (a) The first sentence of section 402 (c) is amended by changing the period at the end of the sentence to a colon and adding the following: *'Provided,* That until July 1, 1960, the percent in the grade of major may be 22 percent, in the grade of captain, 45 percent, and in the combined grades of first and second lieutenant, 25 percent, if, in the opinion of the Secretary, such increased percentages are required to permit promotions under this title'."

Page 11, line 15, insert:

"SEC. 6. Subsection 302 (f) (1) is amended to read as follows:

"'(f) "Promotion service" means the aggregate of the following:

"'(1) Any period an officer has held, or is credited by the Secretary with having held, a permanent appointment in his current grade in the Army or, in the discretion of the Secretary any other armed force of the United States while—

"'(A) in an active status; or

"'(B) on an active list of a Regular component;

"'(2) For an officer who was on active duty prior to September 3, 1945, any period served on active duty prior to January 1, 1949, in the Army or, in the discretion of the Secretary, any other armed force of the United States while in a temporary grade equal to or higher than his current grade; and

"'(3) Any period credited under section 305 (b).

No period may be counted twice as promotion service. For a person credited with service under section 201 or subsection 305 (c) or (d), no period prior to appointment or transfer may be counted under (1) or (2) as promotion services.'

"SEC. 7. Section 303 is amended by adding the following new subsections:

"'(f) The promotion of a Reserve officer under investigation or against whom proceedings of a court-martial or board of officers are pending may be delayed by the Secretary until such investigation or proceedings are completed.

"'(g) Based on the results of an investigation or the proceedings of a court-martial or board of officers, the Secretary may remove from the recommended list the name of any officer who in his opinion is not qualified for promotion. A nonunit officer so removed from a recommended list shall, for the purposes of section 311 be deemed to have been considered and not recommended for promotion.'

"SEC. 8. Section 314 is amended by inserting the words 'other than the Judge Advocate General's Corps' after the words 'special branch' appearing in subsection (a) and by substituting 'sections 303, 311, or 333' for 'section 311' appearing in subsection (d).

"SEC. 9. Section 325 is amended by inserting a colon after the words 'Retired Reserve', by deleting that portion of the section following such colon, and by adding the following new subsections:

"'(a) If not on active duty, within 90 days after the second selection board submits its report to the convening authority; or

"'(b) If on active duty, 120 days after being notified of his second nonselection.'

"SEC. 10. Section 333 is amended to read as follows:

"SEC. 333. (a) A Reserve officer on active duty who is promoted to a grade higher than that in which he is serving shall continue to serve on active duty in the grade in which he was serving immediately before that promotion and shall, unless he expressly declines such promotion, be deemed to have accepted, effective on the date of such promotion, a temporary appointment in the grade in which serving. If he does not desire to continue on active duty in the grade in which serving, he may, except as provided in subsection (b) hereof, elect to be relieved from active duty and shall be promoted on the day subsequent to such relief or on the day he would have been promoted had he remained on active duty, whichever is the later. If his relief from active duty occurs subsequent to the date he would have been promoted had he remained on active duty, he shall be credited with the amount of promotion service that he would have had if he had remained on active duty and been promoted.

"'(b) A Reserve officer on active duty who is recommended or found qualified for promotion and who has not completed his period of required active duty as a member of a Reserve component under any provision of law or regulation shall not have the election of relief from active duty as provided in subsection (a) hereof but may decline a promotion if he does not desire to serve on active duty in a grade lower than his permanent grade. A person who so declines a promotion shall, if he applies therefor, be promoted upon being temporarily promoted to that higher grade or, subject to subsection (a), upon completing his period of required active duty.'

"SEC. 11. Section 337 of such act is hereby repealed."

The committee amendments were agreed to.

The bill was ordered to be read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. JOHNSON of California. Mr. Speaker, these are all technical amendments, and I ask permission to file a statement gotten up by our counsel, telling exactly what these amendments do.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, S. 1718 is a bill to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954. This law was enacted during the 83d Congress, and goes into effect on July 1 of this year. Since its enactment, several amendments have become necessary in order to provide clarification of various provisions of the law, and to correct certain errors which were made when the bill was written.

Most of these amendments are technical and clarifying, but I will point out four which are substantive.

The first provides that a qualified Reserve officer who has served on continuous active duty for a period of 18 years will be given the opportunity to remain on active duty until qualified for retirement under title II of Public Law 810, provided he will not exceed the maximum age for officers of his rank, and provided that the period during which he remains on active duty does not exceed 2 years. As a matter of fact, all of the military departments are doing this administratively at the present time. This merely writes into law a policy which is now in effect.

There are three amendments contained in the bill which will validate the actions of selection boards who have completed their findings prior to June 30, the day before the law goes into effect. The reason for these amendments is that the selection boards have met during the past year and have announced their selections for promotion but, in many cases, the promotions will not be made until after the effective date of the act. Legal opinions have been rendered which hold that if these amendments are not adopted, all of the promotions based on the selection boards which have not been consummated prior to the effective date of the act will not be valid, and the selection boards will again have to meet to reconsider the individuals previously selected.

Such a procedure would be unsatisfactory, because, inasmuch as the selections have been made and announced—although the promotions have not been made—there is a possibility that a new board might not select the same officers. Furthermore, it is obviously a waste of time and effort to require the departments to go through the selection procedure a second time.

Another amendment protects pilots within the Air National Guard squadrons from being promoted out of their billets due to any accelerated promotion program. There are provisions of the Reserve Officer Personnel Act which allow for an accelerated promotion program when vacancies exist. Although the Air National Guard is most desirous of seeing their officers promoted on time, it wishes to make certain that the promotions do not accelerate to the point where there are no vacancies in the Air National Guard squadrons and, consequently, pilots would be promoted out of a squadron billet. This amendment is peculiar to the Air National Guard and does not affect the other services by its adoption, but it will correct a situation which might become harmful to the Air Guard.

The other substantive amendments are peculiar to the Air Force, inasmuch as the other services are not affected under their titles of the law. There are provisions of the Reserve Officer Personnel Act which deal with forced attrition, and provide that after an officer has served a certain length of time, he is transferred to the Retired Reserve, if he so requests, or is discharged. It has now been discovered that a large number of Reserve officers who are well qualified will be forced off active duty on July 1 of this year unless these provisions of law are modified.

Consequently, the amendments would defer these provisions from going into effect for 5 years. As a matter of fact, this amendment will bring the Air Force into line with the other military services and will allow it to retain these officers on active duty and, in most cases, the officers can qualify for retirement by continuing in the active service.

Mr. Speaker, those are the substantive amendments to the law, and the balance of the amendments are corrections of typographical errors, language changes, and clarification of existing provisions.

The committee amended the bill in several respects. Again, many of the amendments were clarifying, but I will point out one committee amendment which changes the authorized percentages in grade for the various ranks in the Marine Corps.

Since the enactment of the law, the Marine Corps has discovered that they have a hump in the ranks of captain and major that, if the mandatory percentages in those ranks are not increased, it will be unable to promote officers in these ranks. Of course, one of the primary purposes of the Reserve Officer Personnel Act is to maintain a steady flow of promotions for Reserve officers. Consequently, the committee was of the opinion that for a period of 5 years the percentages in the lower ranks of the Marine Corps officers should be increased so that promotions could be made in these ranks.

Another committee amendment would give the Secretary of the Army authority to withhold the promotion of an officer who is under investigation or against whom there are court-martial proceedings in process. This is done in the Regular services, but there is no authority to do so for Reserve officers.

This will place Reserve officers on the same basis as Regulars in this respect.

SMALL BUSINESS ACT OF 1953, DEFENSE PRODUCTION ACT OF 1950

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 85) to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. VORYS. Reserving the right to object, Mr. Speaker, has that been checked?

Mr. McCORMACK. Yes. That has been cleared.

This is to extend for a short period of time three activities that expire on June 30. They have been cleared with the leadership on the gentleman's side.

Mr. GAMBLE. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. GAMBLE. What is the length of the extension?

Mr. McCORMACK. One is extended from June 30 to July 31 and two are extended from June 30 to August 31 of this year.

Mr. GAMBLE. I thank the gentleman.

Mr. VORYS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

Resolved, etc., That the National Housing Act, as amended, is hereby amended—

(1) by striking "July 1, 1955" in section 2 (a) and inserting "August 1, 1955"; and

(2) by striking "June 30, 1955" in section 803 (a) and inserting "July 31, 1955."

SEC. 2. The second sentence of section 104 of the Defense Housing and Community Facilities and Services Act of 1951, as amended, is hereby amended by striking "July 1, 1955" both times it appears therein and inserting "August 1, 1955."

SEC. 3. The United States Housing Act of 1937, as amended, is hereby amended by striking the words "fiscal year 1955" in subsection 10 (i) thereof and substituting the following therefor: "period from June 30, 1954, to August 1, 1955."

SEC. 4. Subsection (a) of section 221 of the Small Business Act of 1953 is amended by striking "June 30, 1955" and inserting "July 31, 1955."

SEC. 5. The first sentence of subsection (a) of section 717 of the Defense Production Act of 1950, as amended, is hereby amended by striking "June 30, 1955" and inserting "July 31, 1955."

The Senate joint resolution was ordered to be read a third time, was read the third time and passed.

A motion to reconsider was laid on the table.

CONVEYANCE OF OLD COLONY PROJECT TO THE BOSTON HOUSING AUTHORITY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6980) providing for the conveyance of the Old Colony project to the Boston Housing Authority.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding the provisions of any other law, the Housing and Home Finance Administrator is authorized and directed to sell and convey all right, title, and interest of the United States (including any off-site easements) at fair market value, as determined by him on the basis of an appraisal made by an independent real-estate expert selected by him in and to War Housing Project MASS–19051, known as Old Colony project, containing 873 dwelling units and nondwelling facilities, on approximately 18 acres of land in Boston, Mass., to the Boston Housing Authority, for use as a relocation project under applicable local law. The sale pursuant to this act shall be on such terms and conditions as the Administrator shall determine: *Provided*, That full payment to the United States shall be required within a period of not to exceed 30 years with interest on the unpaid balance not to exceed 5 percent per annum: *Provided further*, That the provisions of this act shall be effective only if the sale is consummated within 6 months after the time of approval of this action: *And provided further*, That the Administrator may extend the time for the consummation of the sale for such additional period or periods of time as he may deem advisable.

Mr. McCORMACK. Mr. Speaker, this is a bill I introduced providing for the conveyance of the Old Colony project to the Boston Housing Authority. The purpose is to enable negotiations to be made between the Administrator of the Federal Housing and Finance Agency and the officials of the city of Boston in connection with the possible sale of a housing project in Boston.

The necessity for this legislation is to take advantage of certain preferences under existing law so these negotiations can take place.

Mr. Speaker, I offer two technical amendments.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 1, line 9, after the word "him" insert a comma.

The amendment was agreed to.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Page 2, line 11, strike out the word "action" and insert in lieu thereof the word "act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STUDY OF GOVERNMENTAL PRINTING NEEDS BY THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 262, Rept. No. 989), which was referred to the House Calendar and ordered to be printed:

Whereas Federal printing facilities are presently operating at near excess of their manpower, machinery, and storage capacities; and

Whereas there are increasing evidences of costly and unnecessary duplication of printed matter which has little or no demand, thus creating vast stores of unused and outmoded publications; and

Whereas greater economies can be effected with a view to securing increased services for all branches of Government by elimination of said needless duplication and extraneous publications; and by the elimination of unnecessary paperwork: Therefore be it

Resolved, That the House Subcommittee on Printing is authorized and directed to conduct a full investigation and study of the operations of federally operated printing services with particular reference to the administration, by rule, regulation, or otherwise of the provisions of law to Government printing, binding, reproduction, and distribution services, the sale and distribution of Government publications and Government paperwork in general. For the purpose of carrying out this resolution the subcommittee is authorized to sit and act during the present Congress at such times and places in the United States whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the subcommittee or any member of the subcommittee designated by him, and may be served by any person designated by such chairman or member.

With the following committee amendment:

Strike out the preamble and all after "Resolved" and insert the following: "That the Committee on House Administration, or any subcommittee thereof, is authorized to conduct a full investigation and study of the operations of federally operated printing services with particular reference to the administration, by rule, regulation, or otherwise of the provisions of law to Government printing, binding, reproduction, and distribution services, the sale and distribution of Government publications, and Government paperwork in general. For the purpose of carrying out this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places in the United States whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by such chairman, and may be served by any person designated by such chairman or member."

Amend the title so as to read: "Resolution to authorize the Committee on House Administration to make studies and inquiries relative to unnecessary Government printing and paperwork."

EXPLANATION OF ABSENCE OF CERTAIN MEMBERS OF THE COMMITTEE ON AGRICULTURE FROM SESSIONS OF THE HOUSE

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, on yesterday, and over the preceding weekend, the two subcommittees of the Committee on Agriculture were absent from the city on official committee business.

The members were assured, within reasonable limits, that there would be no record votes on Monday.

I note from reading the RECORD today that 2 votes were recorded, as well as 1 quorum call.

I invite to the attention of the House that it was only with the assurance of no record vote that the following were absent from the floor on yesterday: E. C. GATHINGS, of Arkansas; PAUL C. JONES of Missouri; HARLAN HAGEN, of California; CHARLES B. HOEVEN, of Iowa; HAROLD O. LOVRE, of South Dakota; ROBERT D. HARRISON of Nebraska; LESTER R. JOHNSON of Wisconsin; and CLARK W. THOMPSON of Texas.

Also accompanying the committee were two Members from cotton-producing districts of Texas: Hon. OLIN E. TEAGUE and Hon. JOHN DOWDY.

DISTRESS CONDITIONS IN THE COAL-PRODUCING AREAS

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. KELLEY] is recognized for 15 minutes.

Mr. KELLEY of Pennsylvania. Mr. Speaker, it is hardly necessary for me to call attention to the depressed conditions in the coal areas of this country. During debate on the bill to extend the Reciprocal Trade Agreements Act, Congress received complete statistics on the alarming number of unemployed persons in the coal-producing States. Last month we who are directly concerned with the welfare of the miners and their families took the floor of the House to call your attention to the need for making a wider variety of foodstuffs available to our hungry people. I remind you that more than a million persons in Pennsylvania are depending upon surplus commodities for subsistence, as are many more of our citizens in West Virginia, Virginia, Kentucky, Illinois, and other coal-producing States.

The executive branch of our Government has also been alerted to depressed conditions in the coal industry. Time and again Members have asked the White House that unfair competitive hindrances be removed in order that the coal industry might have an opportunity to regain some of its lost markets. The President's Advisory Council on Energy Supplies and Resources Policy unequivocally declared that the coal industry must maintain a level of operation which will make possible rapid expansion in output in the event of an emergency. This report was apparently accepted as a fuels standard by the White House; at least, some of the Members who are close to the President gave that impression during debate in the other body on H. R. 1.

The report offered several recommendations for maintaining coal production to meet mobilization base requirements. One recommendation was in reference to establishment of a sensible Government fuel-purchasing policy. It stated:

> Prior to the purchase of any fuel by a Federal Government agency having a large annual use of fuel, that agency should request advice from the Office of Defense Mobilization as to how this purchase can contribute to the maintenance of a strong mobilization base within the fuels industry.

Unfortunately, it appears that the White House report has apparently not reached all Government agencies, or else it is being ignored by responsible authorities in the same manner that recommendations of Congress are being ignored.

Despite the fact that the national welfare and security demand greater markets for coal, the tendency is to favor natural gas or oil over coal even when the latter fuel would be more acceptable from an overall cost standpoint. Perhaps the most glaring examples in this regard are offered by the Veterans' Administration, whose fuel buying policy has generally become directly contradictory to the plan outlined in the White House report.

My distinguished colleague the gentleman from Pennsylvania [Mr. WALTER] is making a detailed study of what appears to be an all-out program to shift away from coal consumption at VA facilities, and I am sure that he will soon be ready with a positive program to discourage the VA from continuing on this course. Meanwhile, I want it known by the Veterans' Administration and other Government agencies that Members of Congress from coal-producing States are deeply resentful of this attitude toward the coal industry at a time when it is so hard hit by lost markets and when the international picture requires that all basic industries remain in vigorous condition.

I am not certain what is behind the VA's fuel purchasing program, but I am hopeful that the distinguished gentleman from Pennsylvania who is looking into the matter will come up with the answer in a short time. It is difficult to ascertain whether incompetent engineering personnel, pressure from the powerful natural gas and oil industries, or complete ignorance of the Nation's fuel problems is responsible for VA's apparent determination to shift away from our most economical and dependable source of energy.

Not long ago it was learned that the veterans' hospital at Indianapolis was contemplating removal of its coal-burning equipment. Combustion engineers who looked into the situation informed authorities at the hospital that the plan was ill-advised and would actually result in higher cost for providing heat and power in that Government-owned facility. Some of Indiana's mines are within 50 miles of Indianapolis, and every ton of coal under the soil in the State is not more than 150 miles away from that city. In all there are some 25 billion tons of recoverable coal reserves in Indiana, enough to last more than 1,000 years at present rates of production. With such a dependable fuel supply so close at hand, what justification would there be for the VA decision to dispense with this native fuel?

The customary excuse for throwing coal out of Veterans' Administration facilities is that smoke and fly ash constitute a menace to surrounding neighborhoods. Indianapolis was no exception. The fact remains, however, that with proper combustion equipment the coal supplied from Indiana mines would not contribute seriously to air pollution. Unnecessary smoke can be eliminated if coal is burned in correctly designed and engineered plants. Such equipment should, of course, be provided for in the original plant design; in cases where combustion equipment already in use proves to be obsolete or unadaptable, the VA, or whatever other Government facility is involved, should utilize the services of qualified combustion engineers to plan the necessary repairs or replacements. Under no circumstances should authorities summarily decide to discontinue using coal without competent engineering counsel. I therefore feel that the decision on the part of VA officials in the Indianapolis project should not be accepted as adequate reason for the switch from coal.

It is a sound principle of engineering not to use a high-grade fuel for low-grade use. America, however, has been so richly endowed with energy resources that this principle has been disregarded by the habitual profligacy of these resources. The fact is that natural gas and petroleum together constitute less than 2 percent of our conventional energy resources. In contrast, coal comprises 92 percent of our resources, with oil shale making up the remainder.

Thus to use natural gas and oil extravagantly, when coal can serve as well, is a violation both of economic standards and engineering principle. It is also a serious infraction of our inheritance inasmuch as it will deprive succeeding generations of the benefits of the short-term fuels which we are now using without regard to conservation practices.

I might add that testimony before the Joint Committee on the Economic Report disclosed the fact that if we had to have an all-out mobilization we would be in a coal economy overnight. I can testify that is true from our past experience. The wars which we had, beginning with World War I, World War II and the Korean affair, have proven that we were in desperate straits for coal in the beginning of those conflicts.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. BAILEY. The fact that the gentleman himself is engaged in the production of coal as an operator prompts me to ask this question: Is it not true that if a coal mine is abandoned for a period of 6 months to a year you practically have to reopen a new mine? You cannot go back and rehabilitate it in case we had another war emergency come on. Those mines have to be kept in perfect condition. In my State of West Virginia over 61 percent of the coal operation has closed down.

Mr. KELLEY of Pennsylvania. That is true. I can say to the gentleman if the coal is mined for any period of time and it is necessary to reopen you will have to spend a great deal of money and in many instances where the natural conditions of the strata and where water are problems, those mines may not be opened at all.

Mr. BAILEY. Would the coal industry be in position to make the tremendous outlay that would be necessary to meet an emergency?

Mr. KELLEY of Pennsylvania. In my opinion, no, not immediately, not for months.

Mr. BAILEY. That means a drain on the Government to put the mines back into operation?

Mr. KELLEY of Pennsylvania. Yes.

Mr. BAILEY. And we could lose the war while we were doing that.

Mr. KELLEY of Pennsylvania. Yes. It is a very important source of energy. It is the greatest source of energy which we have.

Mr. BAILEY. Mr. Speaker, will the gentleman again yield?

Mr. KELLEY of Pennsylvania. I yield.

Mr. BAILEY. To what extent is this conversion taking place in areas where coal is the major fuel?

Mr. KELLEY of Pennsylvania. I could not tell the gentleman what number, but I am informed that quite a number of them are contemplating changing from coal to gas or oil.

Mr. BAILEY. It is hardly conceivable that a veteran's operation, say in western New York, would use southwest gas coming from Texas or Louisiana and that they would convert when they are within a reasonable distance of coal production. I hear that repeatedly.

Mr. KELLEY of Pennsylvania. New York would be within 80 or 100 miles from the anthracite fields, and they are within 200 or 250 miles from the bituminous fields. So, there is no excuse for it.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate the gentleman on his remarks and also the observations made by the gentleman from West Virginia [Mr. BAILEY]. There is a very serious problem involved here concerning millions of Americans and it should be solved in the most effective way possible. I want the gentleman and those he represents, as well as other people in coal areas, to know that we from other sections of the country appreciate the situation and within our limitations are only too glad to contribute to the maximum extent possible.

Mr. KELLEY of Pennsylvania. I might say to the gentleman that we appreciate that Members from other sections of the United States are well aware of the difficulties that confront us with regard to this fuel problem. As I pointed out in my statement, it is a problem of the future. Oil and gas are limited; they may last 20 years, perhaps even 50 years. But coal will last almost indefinitely in this country, all grades of coal taken together.

There is no reason why we should use oil and gas for the generation of steam. That is a low grade use while those are high grade fuels. We have plenty of coal to do that.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. KELLEY of Pennsylvania. I yield to the gentleman from Kentucky.

Mr. PERKINS. I wish to compliment my colleague on the splendid statement that he has made today on behalf of the coal industry.

Mr. KELLEY of Pennsylvania. I thank the gentleman very much.

PROGRAM FOR THE BALANCE OF THE WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I do this in order to get the program for tomorrow and the balance of the week. Would the majority leader be good enough to inform me?

Mr. McCORMACK. I shall be glad to do that. Tomorrow we meet at 12 o'clock. I want to serve notice that we will probably meet earlier on Thursday and perhaps on Friday; but in any event and in all probability earlier on Thursday, perhaps 10 o'clock.

Tomorrow there will be the District of Columbia judges conference report and also a conference report on the Commerce Department appropriation bill.

Mr. MARTIN. Those, of course, will precede the bill now before the House.

Mr. McCORMACK. Yes; as conference reports come in we shall consider them as quickly as we possibly can, perhaps even interrupting the consideration of other bills, if necessary; particularly appropriation bills as we have in mind that the end of the fiscal year is only a few days off.

After the bill now before the House has been disposed of, the military manpower bill will be the next order of business.

Mr. MARTIN. I thank the gentleman.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. BAILEY. I am wondering whether the session on Thursday, which the gentleman from Massachusetts suggests may start at 10 o'clock will conclude by perhaps 5 or 6 o'clock, as the West Virginia delegation has its annual Jefferson-Day dinner at Charleston, which we all want to attend. I know we are going to have some very important legislation under consideration on Thursday.

Mr. McCORMACK. I am hopeful that the situation will be such that the delegation from West Virginia will be able to be accommodated along the lines indicated. Of course, that cannot be guaranteed.

Mr. BAILEY. There is no assurance that a vote on the reserve bill may go over until Friday?

Mr. McCORMACK. I should not want to be held to a commitment on that because once I make a commitment, I keep it, no matter how embarrassing it might be.

Mr. MARTIN. It might be embarrassing to others who have already planned for a vote on Thursday.

Mr. McCORMACK. Exactly so. If my friend will rest upon the inquiry he has made and the answers I have given, that would be better all around.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. GROSS. We start with a totally new bill in connection with military manpower, do we not?

Mr. McCORMACK. That is so.

AMENDMENT OF THE SOCIAL SECURITY ACT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 20 minutes.

Mr. PERKINS. Mr. Speaker, I am particularly concerned about the social-security legislation pending before the Ways and Means Committee at the present time. Early this year, I introduced H. R. 2172, a bill to amend the Social Security Act to reduce, for purposes of old-age and survivors insurance benefits, the age requirement from 65 to 60. I also introduced H. R. 6415, a bill to amend the Social Security Act to provide disability insurance benefits for totally disabled individuals, and for other purposes.

When the Ways and Means Committee went into executive session to consider social-security legislation recently, I wrote the following letter to Hon. JERE COOPER, chairman of that committee:

JUNE 22, 1955.

Hon. JERE COOPER,
Chairman, Committee on Ways and Means, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: The improvement of the social-security program beginning with the 1939 amendments has gone far toward making this a successful family insurance program. However, experience has shown certain weaknesses remain. Your past release of June 17 points out the outstanding ones.

The retirement age was set at 65 on the theory that this represented a time in life after which the average worker would be unable to hold a job. It is recognized that in some fields a worker may well be able to continue working years beyond this retirement age, while at the same time those in other occupations would not be able to remain on the job after attaining the age of 55 or 60 years.

It is obvious that this retirement age does not have to be the same for both men and women. Experience also shows that all workers will not retire or even a majority of workers will not retire when they attain retirement age if their occupation is such that they are able to continue working beyond this age. The lowering of the retirement age to 60 would not mean that all workers would retire at age 60, but rather only those workers in occupations where the physical requirements are severe would retire at 60, while those others would continue so long as their physical condition allowed them to earn a living wage. The fact that the average retirement age is now 69 clearly indicates that few workers retire so long as they retain their physical ability to continue earning regular wages.

It is my considered opinion that the Social Security Retirement Provisions are being accepted as was intended in the original act to pay retirement benefits to those who no longer retain their ability to earn a living. The age of 65 was assumed to mean disability for work. It would be more realistic if the program included a provision to initiate retirement payments to any worker who becomes physically or mentally disabled regardless of their age.

In this connection, a provision of the Social Security Act requires that a disabled worker must have both six quarters of coverage during the last 13, and 20 quarters of coverage during the last 40.

This dual requirement in the disability provisions in the Act should be changed so that a worker may be eligible for more benefits with 6 quarters of coverage in the last 13, or 20 quarters of coverage in the last 40. The fact that a person becomes disabled too often means that their health has not been good during the 10 preceding years and, while not being totally disabled, their working time is curtailed to an extent that this dual eligibility requirement may not be met. This should be corrected.

Another inequity which you have pointed out is the failure of the act to recognize the fact that disabled dependents are not recognized as such if they are more than 18 years of age. This should be corrected and such dependents should be placed on the same basis as the dependents in other Government programs, such as the Veterans' program. At the same time, consideration should be given to provide increases for retired workers in line with the wage increases now being given to both governmental and industrial employees.

It is hardly fair for a worker who retired in recent years and now receives a monthly social-security payment of $65, which, under the present law, he will continue to receive through 1960, at which time one of his coworkers will be retired from the same job with a monthly payment of $85, or even in some cases, $108.50.

The act should be amended to provide increases in retirement payments which equalize, in part at least, the increased wages now being given to those workers who have not retired.

There are numerous other phases of this program that should be given consideration. Coverage should include self-employed workers such as dentists, attorneys, and other professional workers.

The cost of these changes will not be great and there is a real probability that the above changes can be made without any increases in the tax rates, other than those that the act now provides for through 1974.

Sincerely yours,

CARL D. PERKINS,
Member of Congress.

Mr. Speaker, today I again want to urge the membership of this body to support amendments to the social security law which will provide social security benefits for those Americans who have been forced to retire from their jobs because of a severe disability; lower the eligibility age for retirement benefits from age 65 to 60; and entitle permanently handicapped children to continue to receive their dependent's benefits after the age of 18. These are improvements in the social security system which have been close to my heart for many years, and they are badly needed.

During my first term in Congress, I had the privilege of voting for amendments which would have provided benefits for the totally and permanently disabled workers of this land, regardless of their age. This provision, as you know, was passed by the House but lost out in the Senate and in conference. During each Congress since that time I have introduced bills which would add such disability benefits to the protection now given to the working man and woman through their social security system. I have also been greatly concerned with lowering the retirement age to 60 years, and have repeatedly introduced bills which would take this important step.

I certainly wish to commend the House Ways and Means Committee for considering this all-important legislation during this session. I hope we have reached the point where we will be able to make considerable progress toward writing these vital improvements in our social security system without further delay. Within recent years we have made other very important changes in the social security system.

In 1939 it was substantially strengthened in one area. For in that year were added the benefits for dependents—for the surviving widow, the wife of the retired worker, and for widowed mothers and their children under 18. But no significant changes had been made in the coverage of the system or the amount of the benefits it provided. Only 3 out of 5 of the workers of the country were covered by the plan, and the benefits it paid averaged around $27 per month. Up until 1948 the system was practically the same as it had been in the original act way back in 1935 except the improvement in 1939 just mentioned.

I am proud of the fact that I have had the opportunity during my tenure in Congress to vote for an extended coverage so that now practically all the people earning their living in this country—or 9 out of 10—have social security protection.

As a result of the 1950 amendments some 9.2 million Americans have been added to the social security rolls. Included in that number were practically all self-employed people except farmers—such as merchants, barbers, businessmen and salesmen—as well as full-time farmworkers, regular household workers and, on a voluntary basis, those employees of State and local governments who did not have their own retirement systems, and persons working in nonprofit institutions.

In the 1954 amendments, which went into effect last January, we covered another 8 million jobs. At this time, self-employed farmers were covered for the first time. So were professional engineers, accountants, architects, and funeral directors. Household workers and hired farmworkers who work only part-time for one employer were also covered as well as those employees of State and local government who now have a retirement system and vote for coverage.

I believe that all Americans who work to support themselves and their families should have such protection, including those who were left out of last year's amendments, such as dentists, lawyers, and certain part-time agricultural workers.

I am also proud of the fact that I have been able to participate in the substantial increases which have been made in the amount of the benefits. Back in 1948 the maximum primary benefit—and I emphasize, maximum—was $45 per month. The present maximum for the retired worker is $108.50 per month, and the family maximum is $200 per month. I know something of what these increases have meant to those retired workers who have been able to qualify for substantial benefits. I know, too, that because the coverage of the system is now practically complete, most Americans will be covered for all of their working life and the amount of benefits they receive will substantially increase in the coming years.

The story of what these improvements have meant to my own State of Kentucky illustrates how much the amendments made since 1948 have meant. For in 1948, the average social-security benefit in Kentucky was just $16.46 per month and only 33,900 Kentuckians were receiving benefits. Six years later, as of last December—the latest date for which such figures are available—the amount of the average benefit was $42.30—or more than three times the 1948 figure.

In December 1948 the total amount of benefits paid to all Kentuckians was just $558,000. But by December 1954 that total was greater by more than $4 million, for it stood at $4,644,670. This simply means that the social-security system has added more than $4 million to the income and purchasing power of the people of Kentucky in a 6-year period.

I could wish that more of the people in the district which I represent could have shared in this improvement. For I am acutely aware of the fact that many of them—farmers and most agricultural workers, as well as schoolteachers, employees of State and local governments, most domestic workers, and certain self-employed professional people were excluded from social security until January 1 of this year. The fact that they are now covered will mean that, in the near future, most of the people in the district which I represent will be entitled to social-security benefits when they retire, and will thus be spared the ignominy of submitting to the need test of public assistance, under which they must be practically destitute before any aid can be given.

I am glad that Congress has seen fit since 1949 to extend coverage in order to narrow the gap in the future of those people dependent upon old-age assistance. The chief reason why fewer people must ask for such assistance is, of course, that many more have been able to qualify for social-security benefits which are paid with no questions asked. The saving to the taxpayers of Kentucky is obvious since social security is entirely self-financing and requires none of the State or local tax funds used in assistance programs. But even more important, in my mind, are the gains in human dignity which arise because these social-security benefits are paid as a matter of right, in recognition of a lifetime of productive work and of a regular contribution on the part of each worker, while he is employed, toward his future security.

The principles of our social-security system have demonstrated their soundness, then, and the pattern has been set. We have made progress. But, as I have said, still further improvements are urgently needed.

One of the most vital adjustments to our times, in my opinion, is the lowering of the retirement age. I am convinced that we should lower it to age 60.

First of all, I call your attention to the fact that no change has been made in the eligibility age for retirement benefits since the system was first established away back in the depression days of 1935. Since that time we have substantially shortened the workweek, but no change has been made in our social security system to allow for the shortened work life which is one of the results of the tremendous change in our productive capacity per man-hour. This change is illustrated by experience in the coal industry. The average miner in Kentucky can produce 8 tons of coal per day, in an 8-hour shift.

The result is that the gap between the time when a workingman is retired from his job and the time when he is eligible for his social-security benefit is widening. And, as a result, millions of our older citizens are being told that they must get along some way—any way—for a period of 3, or 4, or 5 years until they reach their 65th birthday. We have in effect set up a period of "endurance," then, which says to our older Americans that if they can manage to exist during this period they will be entitled to benefits when they reach age 65. Too many of them, I am afraid, will not reach that 65th birthday and therefore will receive no benefits at all, in return for their lifetime of contributions, beyond the lump-sum death benefit.

These, then, are some of the factors we must bear in mind when we are considering this legislation. I know that the argument will be made that lowering the retirement age to 60 will cost money. But, Mr. Speaker, I say to you that the cold hard figures, the actuarial estimates, the bland assumptions as to what people should do, overlook the cost to the human spirit of waiting, and struggling to get along on a pittance during this period of endurance. I submit that this is not a matter for cold calculation, or for further oratory by experts. I believe that we should hear from the American people on this subject. For it is, after all, their social-security system, and it is supported by their contributions.

For this reason, I propose to read into the RECORD some of the letters I have received from the people in the district that I represent on this question.

A 61-year-old retired worker writes:

What is going to become of the old one? If something is not done very soon, a lot of us who own our homes, if we can't get work, we will be forced to sell our homes to pay taxes and buy groceries to live on until we get to be 65.

A widow in her late fifties writes me:

It seems unfair for a woman who has no breadwinner to have to wait until she is 65 to draw this, and my husband paid into it for so many years.

Another elderly widow writes:

I think having to deed our homes away to get to draw the old-age pension is not right. I feel deep down in my heart that it is not right.

A retired worker writes:

We can leave our homes and families and go away to industrial cities to seek employment, and we are turned down if we have passed the age of 35 or 45 at the outside. Us mountain people have to depend upon our labor for a living. We have raised our families, and hardly any of us laboring people have saved enough money to live on for 15 or 25 years without employment before we can draw our social security.

From Local Union No. 6095 of the United Mine Workers in Argo, Ky., came a resolution which reads as follows:

Be it resolved, That due to the increasing unemployment of young men and women, that you use your wisdom and influence in securing an amendment to the social security law lowering the age limit from 65 years of age to 60 for retirement; and be it further

Resolved, That by lowering the age limit and removing old men and ladies out of employment and replacing them with younger employees, that we will be contributing much to solve or lessen the amount of crime committed by our young people due to pressing economic problems.

Mr. Speaker, these letters speak for themselves, and for millions of Americans in similar circumstances. What will be our answer to them?

I believe we must begin to understand that our unemployment insurance system—which pays benefits for only a few months of unemployment—is providing almost no protection for those older workers whose periods of unemployment are measured not in months but in years. Statistics show us that 1 out of 3 applicants for work are over age 45, but that only 1 out of 7 placements can be made in this age group.

The logical thing to do—the humane thing to do—is to recognize these facts of our time and lower the retirement age for social security to 60 years of age.

The second improvement which we must make without further delay is to provide benefits for those workers who are retired from the labor force by a crippling disability at any age. The need for such protection has long been recognized.

In connection with the 1950 amendments to the Social Security Act, the report of the Ways and Means Committee reads as follows on this subject:

The old-age and survivors insurance system does not now meet the needs of those who become disabled before they reach the normal age of retirement * * *. Diseases of the heart and arteries, cancer, rheumatism, arthritis, kidney diseases, and other chronic ailments have become the major causes of permanent disability and death. The addition of permanent and total disability benefits will inject more realism into the retirement concept.

This, then, is from the record. Here are some opinions from Kentucky. A veteran of the coal mines writes:

Now we are disabled and can't work so we must wait until we reach 65 and in so waiting our social security payments are being reduced because we are not making the quarterly payments that we might receive the maximum benefits.

Another miner writes:

I have been laid off at age 58 because of a disability. Many men who have been laid off like myself will not live to be 65.

From Crown, Ky., comes another letter which reads:

The ones that was drawing social security they got a raise. But what was done about social security for the crippled and disabled? They got nothing. They have been forgotten. They have been put aside with nothing to live on. A man and his wife are entitled to live.

And I would like to add that this fine man's 15-year-old granddaughter, whom he has cared for since childhood, was forced to discontinue her school work because of the lack of any income in this family.

A citizen of Garrett, Ky., writes:

We the total disabled are still waiting and watching for something to turn up that will help us to draw our social security at any age while we live. There is nothing available for them who become disabled like myself at an early age.

A father's letter reads:

I was injured in the mine and am totally disabled to work and I need help. I have 6 kids and 4 in school, and there are hundreds of others in need like this.

Mr. Speaker, how much security is our social security system providing for these people? How long can we continue to debate this matter while human suffering and want continue to grow? The only fair and the only proper answer to the millions of Americans in similar circumstances is to enact this bill into law as speedily as possible so that these conditions can be remedied.

It is true, of course, that the Congress established a "disability freeze" provision in last year's amendments so that disabled men and women would no longer be penalized in the amount they receive when they reach age 65. But, in the meantime, no benefit was provided. Under our present system, then, we are able to tell a man whether or not he is totally and permanently disabled. But we can't pay him his social security benefit at that time. He and his family must wait—and wait—and wait until he gets to be 65 years old before the benefit can be paid.

Moreover, in that "disability freeze" provision, the 83d Congress set up a number of requirements. The law reads that, in order to be entitled to a "disability freeze"—no disability benefit, mind you—a worker must have been in covered employment for 20 of the last 40 and 6 of the last 13 quarters preceding his disability. I have in my files a form letter from the Social Security Administration to one of my constituents which illustrates how this works. My constituent was clearly disabled, they decided. Moreover, he had worked 10—4 more than the required 6—of the 13 quarters immediately preceding his disablement. But he did not qualify for the "freeze" because he had not met the other requirement. He had worked 19—instead of 20 quarters before he was disabled. If he could have worked another month—or perhaps another week, depending upon his wages—he would have qualified for the "freeze". But the form letter informed him that he was disqualified.

Mr. Speaker, is our social security system to become a sort of numbers game, in which you qualify if you land on the right numbers? This is the reason why my bill to provide for disability benefits would pay them to "currently insured"—that is, they have worked 6 of the last 13 quarters in covered employment—as well as for those who meet the longer requirement. We pay benefits under these circumstances to the surviving family of workers who die. Why should we deny them to the worker who manages to survive the tragedy of being totally disabled, which befalls him through no fault of his own?

It is not enough to merely lower the retirement age for women who become widows after 55 by making them eligible for benefits when they reach 60.

Any legislation prohibiting disabled workers from participating in social security benefits until they reach the age of 50 would be discriminatory against

hundreds of thousands of workers who have become totally and permanently disabled in their late 20's, 30's, and 40's after they have contributed to the social security fund in many instances for years. Age should not be a requirement in order to qualify for social security benefits under the disability provision.

I hope that the Congress of the United States will act expeditiously to modernize our social security system in these important respects. These are not new proposals. We have held hearings on them repeatedly. We have all the facts and figures at our fingertips. We have considered these matters at length. The time has come, Mr. Speaker, to act on these matters so that we can bring our social security system up to date, and give more and better security to the working man and woman in America.

NATURAL GAS INDUSTRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, the gentleman from Arkansas [Mr. HARRIS] and the gentleman from New Jersey [Mr. WOLVERTON] have introduced resolutions in the House proposing investigations of various phases of operations of the natural gas industry. I think their proposals are indicative of the great concern of the American people in the natural gas industry and its ability to serve them. I say that, truly, any legislation to amend the Natural Gas Act of 1938 is of the widest national interest and of the greatest importance to every American.

When the House approved the Natural Gas Act of 1938, it clothed the production and distribution of this fuel with a public interest. We said then that—

> It is hereby declared that the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof and foreign commerce is necessary in the public interest.

That statement of national policy is even more true today. Since 1938, natural-gas sales have increased 660 percent. Under the sponsorship and paternal encouragement of the Federal Power Commission, a network of natural-gas pipelines laces most of continental United States—north, south, east, and west. Millions of Americans have installed costly gas equipment in their homes—at an average cost of about $1,000 per family, I would guess—in the expectation that this industry and our national policy will always assure them of a steady supply of this fuel.

I now ask: Can they be sure of a steady supply? Do we have the natural-gas resources to continue our present rate of consumption? Have we not reached a "peril point" in natural-gas reserve below which it is folly to go?

As you know, this question of a continuing supply of natural gas to meet present consumption rates was raised by the producers and gatherers of natural gas. They have petitioned Congress to pass legislation to overthrow the Supreme Court's decision in the Phillips Petroleum Co. case and exempt independent producers from Federal Power Commission jurisdiction over wellhead prices. They have told the House Committee on Interstate and Foreign Commerce that unless such exemption is granted, our supply of natural gas will dry up.

As a member of the Interstate and Foreign Commerce Committee, I sat through the long weeks of hearings which have only recently been concluded. I heard the producers state their case. I heard other interested parties dispute their contentions. But there is one fact which was brought out and which was never disputed, either by the producers who first raised this question of sufficient supplies, or by anyone else. I want the House to know this.

The single undisputed fact made in our hearings on Natural Gas Act amendments was this: The reserve life index of natural gas has declined to 22½ years.

This index was computed by the American Gas Association. It showed a decline of 10 years since 1946. Even if the Federal Power Commission refused to certificate any further requests for additional natural-gas service, we probably could not reverse the trend toward exhaustion of our natural-gas reserves. I want to emphasize that this exhaustion of our reserves occurred during a period of complete freedom from Federal regulation. Producers and gatherers have been completely free all the time this index was declining to discover all the new supplies they could.

The undisputed testimony is that they failed to discover enough new reserves to offset the enormous increase in consumption of the past few years to avert a decline in the reserve life index. This failure ought to be a red flag of warning, an alarm signal, for this House to investigate thoroughly what has happened to our precious resources of natural gas—and what will happen when they are exhausted.

If the natural-gas industry continues its present reckless course, encouraged by a Federal Power Commission without conservation standards to guide it, there will be customers, pipelines—but no natural gas. And if this House permits the present policies and practices to continue, we will be guilty of negligence against the American people.

Therefore, I urge that any investigation of natural-gas operations be broad enough to look into this matter of the effect of our present policies on our future supply. I am convinced that the results will show a need for the kind of legislation I have introduced directing the Federal Power Commission to enforce a national policy of conservation of our scarce natural-gas resources. Conservation of natural gas for those superior uses for which it is best suited is in the best interest of the pipelines, gas distributors, the banks and insurance companies which have invested so heavily in them, the industries competitive with gas, American labor, and, above all, the millions of our people who are depending upon a continuing supply of this fuel.

I intend to sponsor an amendment to the Harris bill, or a substitute bill, which will exempt all small producers in the United States, and certainly all producers in the State of West Virginia will be exempted.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. CELLAR.

Mr. ASHLEY in two instances and to include extraneous matter.

Mr. FLOOD and to include a statement.

Mr. OSTERTAG and to include extraneous matter.

Mr. BONNER, and to include a reply to a telegram sent out by the American Farm Bureau in regard to the 50–50 provision in the existing act.

Mr. BONNER, and to include a resolution of the Committee on Merchant Marine and Fisheries with respect to the 50–50 provision in this bill.

Mr. WILLIAMS of New Jersey and to include extraneous matter.

Mr. RABAUT (at the request of Mr. ALBERT) and include extraneous matter.

Mr. THOMPSON of New Jersey (at the request of Mr. ALBERT) in four instances, in each to include extraneous matter.

Mr. GARMATZ (at the request of Mr. KELLEY of Pennsylvania) and include therein his testimony before the Banking and Currency Committee on housing legislation.

Mr. KLEIN (at the request of Mr. MCCORMACK and to include extraneous matter.

Mr. MINSHALL.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. MOULDER (at the request of Mr. JONES of Missouri), on account of official business.

Mr. HOLT (at the request of Mr. HINSHAW), from Wednesday, June 22, until Wednesday, June 29, on account of a serious illness of his mother.

Mr. JACKSON (at the request of Mr. HALLECK), for 2 weeks, on account of official business.

SENATE BILLS REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 288. An act to provide for the reimbursement of Meadow School District No. 29, Upham, N. Dak., for loss of revenue resulting from the acquisition of certain lands within such school district by the Department of the Interior; to the Committee on the Judiciary.

S. 501. An act for the relief of Ki Young Kwan; to the Committee on the Judiciary.

S. 578. An act for the relief of Edmund Lowe and Richard Lowe; to the Committee on the Judiciary.

S. 871. An act for the relief of Dominic Gaetano Morin; to the Committee on the Judiciary.

S. 1159. An act for the relief of Wilma Ann Schilling and her daughter, Ingertraud Rosalita Schilling; to the Committee on the Judiciary.

S. 1522. An act for the relief of Lieselotte Brodzinski Gettman; to the Committee on the Judiciary.

S. Con. Res. 42. Concurrent resolution favoring the suspension of deportation in the case of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 880. An act for the relief of Paul Y. Loong;

H. R. 935. An act for the relief of Mrs. Marion Josephine Monnell;

H. R. 943. An act for the relief of Luzie Biondo (Luzie M. Schmidt);

H. R. 968. An act for the relief of Max Kozlowski;

H. R. 973. An act for the relief of Mrs. Elizabeth Dowds;

H. R. 977. An act for the relief of Mrs. Ellen Hillier;

H. R. 988. An act for the relief of Susanne Fellner;

H. R. 995. An act for the relief of Frieda Quiring and Tina Quiring;

H. R. 997. An act for the relief of Irmgard Emilie Krepps;

H. R. 998. An act for the relief of Meiko Shikibu;

H. R. 1028. An act for the relief of Melina Bonton;

H. R. 1047. An act for the relief of Armenouhi Assadour Artinian;

H. R. 1083. An act for the relief of Robert Shen-yen Hou-ming Lieu;

H. R. 1157. An act for the relief of Milad S. Isaac;

H. R. 1158. An act for the relief of Emanuel Frangeskos;

H. R. 1205. An act for the relief of Cynthia Jacob;

H. R. 1299. An act for the relief of Miss Toshiko Hozaka and her child, Roger;

H. R. 1300. An act for the relief of Luther Rose;

H. R. 1337. An act for the relief of Victorine May Donaldson;

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education;

H. R. 3005. An act to further amend the Universal Military Training and Service Act by extending the authority to induct certain individuals and by extending the authority to require the special registration, classification, and induction of certain medical, dental, and allied specialist categories, and for other purposes; and

H. R. 4549. An act for the relief of John J. Braund.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 666. An act to extend the period of authorization of appropriations for the hospital center and facilities in the District of Columbia;

S. 1582. An act to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; and

S. 1755. An act to amend the act of April 6, 1949, as amended, and the act of August 31, 1954, so as to provide that the rate of interest on certain loans made under such acts shall not exceed 3 percent per annum.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 880. An act for the relief of Paul Y. Loong;

H. R. 935. An act for the relief of Mrs. Marion Josephine Monnell;

H. R. 943. An act for the relief of Luzie Biondo (Luzie M. Schmidt);

H. R. 973. An act for the relief of Elizabeth Dowds;

H. R. 977. An act for the relief of Ellen Hillier;

H. R. 988. An act for the relief of Susanne Fellner;

H. R. 995. An act for the relief of Frieda Quiring and Tina Quiring;

H. R. 997. An act for the relief of Irmgard Emilie Krepps;

H. R. 998. An act for the relief of Meiko Shikibu;

H. R. 1028. An act for the relief of Melina Bonton;

H. R. 1047. An act for the relief of Armenouhi Assadour Artinian;

H. R. 1083. An act for the relief of Robert Shen-yen Hou-ming Lieu;

H. R. 1142. An act for the relief of Capt. Moses Aaron Rudy;

H. R. 1157. An act for the relief of Milad S. Isaac;

H. R. 1158. An act for the relief of Emanuel Frangeskos;

H. R. 1205. An act for the relief of Cynthia Jacob;

H. R. 1299. An act for the relief of Miss Toshiko Hozaka and her child, Roger;

H. R. 1300. An act for the relief of Luther Rose;

H. R. 1337. An act for the relief of Victorine May Donaldson;

H. R. 1825. An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center;

H. R. 2973. An act to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education;

H. R. 3659. An act to increase criminal penalties under the Sherman Antitrust Act.

H. R. 4221. An act to amend section 4004, title 18, United States Code, relating to administering oaths and taking acknowledgments by officials of Federal penal and correctional institutions;

H. R. 4954. An act to amend the Clayton Act by granting a right of action to the United States to recover damages under the antitrust laws, establishing a uniform statute of limitations, and for other purposes; and

H. R. 6499. An act making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes.

ADJOURNMENT

Mr. BOYLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p. m.), the House adjourned until tomorrow, Wednesday, June 29, 1955, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

934. A letter from the Secretary of Defense, transmitting the semiannual report of the Secretary of Defense, together with those of the Secretaries of the Army, the Navy, and the Air Force, for the 6-month period from July 1 to December 31, 1954, pursuant to section 202 (d) of the National Security Act of 1947, as amended; to the Committee on Armed Services.

935. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend section 212 of the Merchant Marine Act, 1936, to authorize research and experimental work with vessels, vessel propulsion and equipment, port facilities, planning, and operation and cargo handling on ships and at ports"; to the Committee on Merchant Marine and Fisheries.

936. A letter from the Chairman, United States Commission for the Celebration in 1955, of the 200th Anniversary of the Birth of John Marshall, transmitting a report by the United States Commission for the Celebration of the 200th Anniversary of the Birth of John Marshall, pursuant to section 3 of the joint resolution of August 13, 1954 (Public Law 581, 83d Cong.); to the Committee on the Judiciary.

937. A communication from the President of the United States, transmitting a proposed indefinite appropriation and draft of proposed provisions pertaining to increased pay costs for the fiscal year 1955 (H. Doc. No. 197); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. H. R. 6277. A bill to amend subsection 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station; without amendment (Rept. No. 966). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6600. A bill to amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes; with amendment (Rept. No. 967). Referred to the Committee of the Whole House on the State of the Union.

Mr. CARLYLE: Committee on Interstate and Foreign Commerce. S. 928. An act to provide research and technical assistance relating to air pollution control; with amendment (Rept. No. 968). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLEIN: Committee on Interstate and Foreign Commerce. H. R. 5222. A bill to amend the Flammable Fabrics Act to exempt from its application scarves which do not present an unusual hazard; without amendment (Rept. No. 969). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 7049. A bill to revise, codify, and enact into law title 10 of the United States Code entitled "Armed Forces" and title 32 of the United States Code, entitled "National

Guard"; without amendment (Rept. No. 970). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Colorado: Committee on the Judiciary. H. R. 6248. A bill to provide for the maintenance of a roster of retired judges available for special judicial duty and for their assignment to such duty by the Chief Justice of the United States; without amendment (Rept. No. 971). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 65. A bill to amend the act of August 23, 1954 (Public Law 632, 83d Cong.); with amendment (Rept. No. 984). Referred to the House Calendar.

Mr. ROGERS of Colorado: Committee on the Judiciary. H. R. 4792. A bill to amend section 372 of title 28, United States Code; without amendment (Rept. No. 985). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6573. A bill to authorize renewals of a lease of the Annette Island Airport to the United States; without amendment (Rept. No. 986). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS of Louisiana: Committee on Armed Services. H. R. 7000. A bill to provide for strengthening of the Reserve Forces, and for other purposes; without amendment (Rept. No. 987). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 289. Resolution for consideration of H. R. 6059, a bill to authorize the President of the United States to enter into an agreement with the President of the Republic of the Philippines to revise the 1946 trade agreement between the United States of America and the Republic of the Philippines; without amendment (Rept. No. 988). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 262. Resolution to authorize the Subcommittee on Printing to make studies and inquiries relative to unnecessary Government printing and paperwork; with amendment (Rept. No. 989). Referred to the House Calendar.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 605. A bill to provide for the abolition of the 80-rod reserved spaces between claims on shore waters in Alaska; with amendment (Rept. No. 990). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6331. A bill authorizing the Territory of Hawaii, through its duly designated officers and boards, to negotiate a compromise agreement, exchange with, sell or lease to the owners of certain shorelands, certain tidelands, both in the Territory of Hawaii, and to make covenants with such owners, in settlement of certain damage claims and for a conveyance of littoral rights; without amendment (Rept. No. 991). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. H. R. 6645. A bill to amend the Natural Gas Act, as amended; without amendment (Rept. No. 992). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARDY: Select Committee on Survivor Benefits. H. R. 7089. A bill to provide benefits for the survivors of servicemen and veterans and for other purposes; without amendment (Rept. No. 993, Pts. I and II). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRESTON: Committee of conference. H. R. 6367. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes; to the Committee on Appropriations (Rept. No. 994). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURDICK: Committee on the Judiciary. H. R. 1172. A bill for the relief of Allison B. Clemens; with amendment (Rept. No. 935). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 3728. A bill for the relief of Mrs. Hannah Mae Powell; without amendment (Rept. No. 936). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 3979. A bill for the relief of Pasquale Gentile; with amendment (Rept. No. 937). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4410. A bill for the relief of William E. Ryan; without amendment (Rept. No. 938). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5282. A bill for the relief of Mario Botoshansky; with amendment (Rept. No. 939). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6706. A bill for the relief of Gay Street Corp., Baltimore, Md.; without amendment (Rept. No. 940). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 42. An act for the relief of Selma Rivlin; without amendment (Rept. No. 941). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 88. An act for the relief of Maximilian Karl Manjura; without amendment (Rept. No. 942). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 90. An act for the relief of Nejibe El-Sousse Slyman; without amendment (Rept. No. 943). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 94. An act for the relief of Esther Cornelius, Arthur Alexander Cornelius, and Frank Thomas Cornelius; without amendment (Rept. No. 944). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 95. An act for the relief of Peter Charles Bethel (Peter Charles Peters); without amendment (Rept. No. 945). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 99. An act for the relief of Xanthi Georges Komporozou; without amendment (Rept. No. 946). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 118. An act for the relief of Leon J. de Szethofer and Blanche Hrdinova de Szethofer; without amendment (Rept. No. 947). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 323. An act for the relief of Luigi Orlando; without amendment (Rept. No. 948). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 378. An act for the relief of Giuseppina Latina Mozzicato and Giovanni Mozzicato (John Mozzicato); without amendment (Rept. No. 949). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 429. An act for the relief of Franciszek Janicki and his wife, Stefania Janicki; without amendment (Rept. No. 950). Referred to the Committee of the Whole House.

Mr. WALTER; Committee on the Judiciary. S. 467. An act for the relief of Dr. Luciano A. Legiardi-Laura; with amendment (Rept. No. 951). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 481. An act for the relief of Gerard Lucien Dandurand; without amendment (Rept. No. 952). Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 502. An act for the relief of Elsa Lederer; without amendment (Rept. No. 953). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 938. A bill for the relief of Mrs. Elena Apostolescu Bustiuc; without amendment (Rept. No. 954). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 939. A bill for the relief of Laura Safir; without amendment (Rept. No. 955). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1019. A bill for the relief of Casimir Krzyzanowski; with amendment (Rept. No. 956). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1185. A bill for the relief of Jose Domingo Quintanar; with amendment (Rept. No. 957). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1191. A bill for the relief of Marcel Duvivier; without amendment (Rept. No. 958). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 1423. A bill for the relief of Raymonde Rouxel Williams; with amendment (Rept. No. 959). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1752. A bill for the relief of Johanna Juresic Grgurich; with amendment (Rept. No. 960). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1878. A bill for the relief of Mrs. Gertrud Maria Schurhoff; without amendment (Rept. No. 961). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1958. A bill for the relief of Ingeborg Luise Fischer; without amendment (Rept. No. 962). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2494. A bill for the relief of Maria del Pilar Valcarcel Calderon Armistead; with amendment (Rept. No. 963). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2738. A bill for the relief of Teresa Jurjevic; without amendment (Rept. No. 964). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 6617. A bill for the relief of Boris Kowerda; without amendment (Rept. No. 965). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1078. A bill for the relief of Dr. Robert C. Jalbuena; without amendment (Rept. No. 972). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1667. A bill for the relief of Lieselotte Boehme; without amendment (Rept. No. 973). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2078. A bill for the relief of Salvatore Cannizzo; without amendment (Rept. No. 974). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2296. A bill for the relief of Simone Gilliland; without amendment (Rept. No. 975). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 3726. A bill for the relief of Mr. Gino Evangelista; without amendment (Rept. 976). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 4147. A bill for the relief of Angelo DeVito; without amendment (Rept. 977). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 4468. A bill for the relief of Margarethe Bock; without amendment (Rept. 978). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 904. A bill to provide preference right to certain land in Alaska to Bert Arthur Paraday of Anchor Point, Alaska, and for other purposes; with amendment (Rept. No. 979). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 897. A bill to provide preference right to certain land in Alaska to Robert Henry Soyk, of Kenai, Alaska, and for other purposes; with amendment (Rept. No. 980). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 896. A bill to provide preference right to certain land in Alaska to Joseph Booth of Anchorage, Alaska, and for other purposes; with amendment (Rept. No. 981). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 902. A bill to provide preference right to certain land in Alaska to Patrick Harold Johnson of Anchor Point, Alaska, and for other purposes; with amendment (Rept. No. 982). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 905. A bill to provide preference right to certain land in Alaska to Carl E. Robinson, of Anchor Point, Alaska, and for other purposes; with amendment (Rept. No. 983). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILLIS:

H. R. 7049. A bill to revise, codify, and enact into law, title 10 of the United States Code, entitled "Armed Forces," and title 32 of the United States Code, entitled "National Guard"; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 7050. A bill to amend the act of October 15, 1949, with respect to the rate of compensation of the Chairman of the Council of Economic Advisers; to the Committee on Post Office and Civil Service.

By Mr. ALGER:

H. R. 7051. A bill to establish general policies for mobilization purposes governing industrial properties of the United States; to the Committee on Armed Services.

H. R. 7052. A bill to repeal section 601 of Public Law 155, 82d Congress; to the Committee on Armed Services.

H. R. 7053. A bill to add a new title relating to real property management to the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Government Operations.

By Mr. BAKER:

H. R. 7054. A bill to amend the Internal Revenue Code of 1939 to provide a credit against the estate tax for Federal estate taxes paid on certain prior transfers; to the Committee on Ways and Means.

By Mr. BARTLETT:

H. R. 7055. A bill to grant the Territory of Alaska title to certain lands beneath navigable waters within the boundaries of the Territory of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BURDICK:

H. R. 7056. A bill to protect the integrity and independence of national banks by strengthening the laws relating to ownership of stock in such banks; to the Committee on Banking and Currency.

By Mr. CURTIS of Missouri:

H. R. 7057. A bill relating to income-tax treatment where taxpayer recovers a substantial amount held by another under claim of right; to the Committee on Ways and Means.

By Mrs. FARRINGTON:

H. R. 7058. A bill to amend the Hawaiian Organic Act in respect of the compensation of supreme court justices and circuit court judges; to the Committee on Interior and Insular Affairs.

By Mr. HERLONG:

H. R. 7059. A bill to exempt certain additional foreign travel from the tax on the transportation of persons; to the Committee on Ways and Means.

H. R. 7060. A bill to amend section 4141 of the Internal Revenue Code of 1954 for the purpose of repealing the manufacturers' excise tax on phonograph records; to the Committee on Ways and Means.

By Mr. HYDE:

H. R. 7061. A bill to authorize the Board of Education of the District of Columbia to borrow motor vehicles for use in a motor vehicle driver education and training course in the public schools of the District of Columbia, to excuse the owners of vehicles loaned to public, private, or parochial schools for driver training purposes from the payment of certain fees and taxes during the period of such loan, and for other purposes; to the Committee on the District of Columbia.

By Mr. MAGNUSON:

H. R. 7062. A bill providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States; to the Committee on the Judiciary.

H. R. 7063. A bill to provide for the creation of an 11th judicial circuit to be comprised of Alaska, Idaho, Montana, Oregon, and Washington, and for the circuit judges constituting the 9th and 11th circuits; to the Committee on the Judiciary.

By Mr. MILLS:

H. R. 7064. A bill to amend section 421 (a) of the Internal Revenue Code of 1954 to extend the period for exercise of restricted stock options after termination of employment; to the Committee on Ways and Means.

By Mr. TAYLOR:

H. R. 7065. A bill to provide for the issuance of a postage stamp in commemoration of the 200th anniversary of the founding of Whitehall, Washington County, N. Y.; to the Committee on Post Office and Civil Service.

By Mr. FLOOD:

H. R. 7066. A bill to provide for the conservation of anthracite-coal resources through measures of flood control and anthracite-mine drainage, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MACDONALD:

H. R. 7067. A bill to require certain vessels to have a two-way radio; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARTHY:

H. R. 7068. A bill to extend the period during which claims for floor-stocks refunds may be filed with respect to certain manufacturers' excise taxes which were reduced by the Excise Tax Reduction Act of 1954; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 7069. A bill to amend the Small Business Act of 1953, and for other purposes; to the Committee on Banking and Currency.

By Mr. RODINO:

H. R. 7070. A bill to require any attorney at law practicing before a Federal court, or appearing before a congressional committee as counsel for a witness testifying before such committee, or appearing as counsel before any department or agency in the executive branch of the Government of the United States, to file a non-Communist affidavit; to the Committee on the Judiciary.

By Mr. SPENCE:

H. R. 7071. A bill to extend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

By Mr. FALLON:

H. R. 7072. A bill to amend and supplement the Federal Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mr. HARDY:

H. R. 7073. A bill to authorize the conveyance of certain war housing projects to the city of Norfolk, Va.; to the Committee on Banking and Currency.

By Mr. HARDY, from the Select Committee on Survivor Benefits:

H. R. 7089. A bill to provide benefits for the survivors of servicemen and veterans, and for other purposes.

By Mr. COUDERT:

H. J. Res. 361. Joint resolution to establish a Commission on Immigration and Naturalization Policy; to the Committee on the Judiciary.

By Mr. NELSON:

H. J. Res. 362. Joint resolution providing for the revision of the Status of Forces Agreement and certain other treaties and international agreements, or the withdrawal of the United States from such treaties and agreements, so that foreign countries will not have criminal jurisdiction over American Armed Forces personnel stationed within their boundaries; to the Committee on Foreign Affairs.

By Mr. THOMPSON of New Jersey:

H. J. Res. 363. Joint resolution to establish a Commission on Immigration and Naturalization Policy; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. Con. Res. 179. Concurrent resolution expressing the sense of Congress that certain countries should be granted membership in the United Nations; to the Committee on Foreign Affairs.

By Mr. O'BRIEN of New York:

H. Con. Res. 180. Concurrent resolution expressing the sense of Congress that certain countries should be granted membership in the United Nations; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. PRESTON: Resolution of the Georgia House of Representatives relative to Federal appropriations for the construction of dams, locks, and basins in Georgia and other purposes; to the Committee on Appropriations.

By the Speaker: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the

United States relative to providing Santa Clara, San Benito, and Santa Cruz Counties with a supply of water from the Central Valley project; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the construction of proposed National Forest Highway Route 74; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H. R. 7074. A bill for the relief of Mr. and Mrs. Charles H. Page; to the Committee on the Judiciary.

By Mr. BOSCH:

H. R. 7075. A bill for the relief of Bunge Corp., New York, N. Y.; to the Committee on the Judiciary.

By Mr. COOLEY:

H. R. 7076. A bill for the relief of Mrs. Maria Lonyay Bagley; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 7077. A bill for the relief of Serafino Tercovich; to the Committee on the Judiciary.

H. R. 7078. A bill for the relief of Rodolfo Nacinovich; to the Committee on the Judiciary.

H. R. 7079. A bill for the relief of Libero Mihaich; to the Committee on the Judiciary.

By Mrs. FARRINGTON:

H. R. 7080. A bill for the relief of Mrs. Liu Cha Tsung Tsai, alias Mary Lau; to the Committee on the Judiciary.

By Mr. GRANAHAN:

H. R. 7081. A bill for the relief of Alexander Golubintsev; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 7082. A bill for the relief of Pavol Jozef Olas; to the Committee on the Judiciary.

By Mr. LANKFORD:

H. R. 7083. A bill for the relief of Eftalia G. Stathis and Ariadni Vassiliki G. Stathis; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 7084. A bill for the relief of Dr. Lucy Lee; to the Committee on the Judiciary.

By Mr. ROBSION of Kentucky:

H. R. 7085. A bill for the relief of Mrs. Frank O. Taafel; to the Committee on Interior and Insular Affairs.

By Mr. ROOSEVELT:

H. R. 7086. A bill for the relief of Joseph Kirschner, Theresa Kirschner, Frank Kirschner, and Mary Kirschner; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 7087. A bill for the relief of Pedro Diaz (Ramirez); to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 7088. A bill for the relief of Juliette Rose Lee; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 290. Resolution providing that the bill, H. R. 6987, and all accompanying papers shall be referred to the United States Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

338. By Mr. DIGGS: Petition of the board of supervisors of the county of Wayne, Mich., requesting that the Detroit-Wayne Major Airport be utilized exclusively for commercial air transport and other commercial air activities, and that this board recommends that the Willow Run Airport be utilized by all of the armed services; to the Committee on Interstate and Foreign Commerce.

339. By Mr. HOEVEN: Petition of 41 members of Chapter 277, National Association of Retired Civil Employees, Sioux City, Iowa, urging immediate hearings on legislation to increase annuities for retired civil employees; to the Committee on Post Office and Civil Service.

340. Also, petition of 73 saleswomen of Younker-Davidson's Department Store, Sioux City, Iowa, urging amendments to the Social Security Act to lower the benefit age for women; to the Committee on Ways and Means.

341. By the SPEAKER: Petition of the president, Kenosha Chapter American Lithuanian Council, Kenosha, Wis., petitioning consideration of their resolution with reference to reaffirming their loyalty to the principles of American democracy, and pledging their support of the administration and the Congress of the United States of America in their efforts to bring about a lasting peace, freedom, and justice in the world; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Kamp and Americanism

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1955

Mr. KLEIN. Mr. Speaker, under leave to extend my remarks, I include herewith a statement made by our colleague, Mr. EBERHARTER, of Pennsylvania, with regard to Joseph P. Kamp.

I personally think the most effective way to handle a rabble-rouser such as this individual would be to disregard him completely. The only possible way to explain this character and others of his ilk is to assume that the venom which they spew is the result of a psychotic personality. However, some of my colleagues who have met up with him feel that his activities should be exposed.

I am happy to insert Representative EBERHARTER's remarks and emphasize that I agree with him wholeheartedly:

KAMP AND AMERICANISM

Mr. EBERHARTER. Mr. Speaker, I feel it my duty to speak out in opposition to what I consider one of the most vicious and unpatriotic attacks I have ever heard on leading Jewish organizations. I refer to the recent April issue of a pamphlet circulated under the title of "Headlines." This scurrilous sheet is dominated and disseminated by one Joseph P. Kamp, a leading hate monger in the United States. In an article entitled "Cowards in the United States Congress," he not only attacks the House Un-American Activities Committee in such a manner as to put him in contempt of Congress, but he also scurrilously attacks the Anti-Defamation League of B'nai B'rith, an organization which all of us know has a long and meritorious record in the fight against communism and other dictatorships.

Although Mr. Kamp denies that he is anti-Semitic, I would like to quote a statement by him attacking the great Jewish organization, B'nai B'rith:

"Pro-Communists professionals have been in control of the Anti-Defamation League for many years. It has sponsored Communist-line speakers, its literature has been authored by Communist-fronters, and its spy and smear network has continually harassed and persecuted anti-Communists, while maintaining a 'phony' pose of anti-Communism."

I think it might be interesting to Members of the House for me to briefly review the record of this man, Joseph Kamp, who apparently believes he is qualified to judge the patriotism of an organization such as B'nai B'rith, and so blatantly proclaims his judgments. This is a man, Mr. Speaker, who has for years tried by various means to engender bigotry, hate, and intolerance in this country—all the characteristics which are prevalent in totalitarian countries and so abhorrent to all real Americans.

In the fall of 1933, he organized a pro-Fascist newspaper entitled "The Awakener." Until 1937, he was listed as the editor of this sheet, and on his staff was the known Fascist propagandist, Harold Lord Barney, and also the notorious Lawrence Dennis, who authored "The Coming American Fascism." When "The Awakener" suspended publication, Joe Kamp wrote to a follower: "The work will be carried on by the Constitutional Educational League." Of Kamp and the Constitutional Educational League the American Legion has this to say: "The Constitutional Educational League's main activity is pamphleteering. Pamphlets issued by the group try to create religious hostility. In its accusations of Communist infiltration, it makes malicious and irresponsible charges against responsible and respected groups and individuals who are working to strengthen and improve our democracy. The league is a personal vehicle of Kamp's which sells its pamphlets at profiteering prices in order to insure a good living for him." (Sunday Herald, Bridgeport, Conn., April 22, 1951.)

While head of the Constitutional Educational League, Mr. Kamp published a pamphlet entitled "The Fifth Column in Washington," a copy of which was sent to every Member of the House and Senate. This publication seems to have enjoyed brisk sale at meetings held under the auspices of the German-American Bund and the Christian Front. According to Kamp, the real fifth column apparently was an insidious band of Government employees, ranging from Attorney General Jackson (later United States Supreme Court Justice) and Secretary of the Interior Harold Ickes to a charwoman employed in the Capitol Building, all of whom Mr. Kamp designated as Communists or practically Communists.

In the spring of 1933, while on a so-called lecture tour and in the course of one of Kamp's speeches, he made statements about our Government that were apparently even too un-American for the Constitutional League. As a result he was told he could not talk politics under the auspices of the league. Thereupon connections with the league were discontinued, but this severance only lasted until 1937.

Some of the titles of publications by Mr. Kamp are an indication of his views, such as "Join the CIO and Help Built a Soviet

America" (1937), "Vote CIO and Get a Soviet America" (1944), "To Hell With GI Joe" (1944).

He has twice been cited for contempt of Congress—first in 1944 for his refusal to answer questions of the House Campaign Expenditures Committee. He faced further possible contempt proceedings for having refused to name his financial backers when he appeared before the Special House Lobby Investigating Committee in June 1950. After he first refused to testify voluntarily, he appeared after being subpoenaed. On August 30, 1950, Congress voted to cite Mr. Kamp for defying the House Lobby Activities Committee in refusing to produce records, and on November 27, 1950, a Federal grand jury in Washington, D. C., indicted him for contempt of Congress.

Mr. Speaker, here is a man who for years has been agitating and advocating what most of us think are undemocratic and totalitarian ideas, and who is still continuing unwarranted and disgraceful attacks on organizations and groups which stand for the very principles upon which America was builded and has become great.

Report of the Commission on Intergovernmental Relations

EXTENSION OF REMARKS
OF
HON. HAROLD C. OSTERTAG
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. OSTERTAG. Mr. Speaker, the Commission on Intergovernmental Relations, which has just submitted its report to the President, has had a remarkable and unique opportunity to make a telescopic and also a microscopic examination of our country and our Government. Our assignment, as embodied in Public Law 109, was "to study the proper role of the Federal Government in relation to the State and their political subdivisions to the end that these relations may be clearly defined, and the functions concerned may be allotted to their proper jurisdictions."

This was a large assignment. It necessitated a journey through history to the beginnings of our Republic, and the reassessment of government activities today at national, State, and local levels, as a prelude to laying down some guidelines for the future.

The result is a 300-page report which takes cognizance of the immutable principles of the Constitution, but is keyed to the realities of our times. It says, in many ways, that the basic strength of our country is in our people and our communities. It says that "a fundamental objective of our system of Government should be to keep centralization to a minimum and State-local responsibility to a maximum."

It says that, if we are to realize that objective, State and local government must be strengthened, while the national Government needs a discriminating sense of "when not to act."

Because there is so much of far-reaching value in the report to students, legislators, and the general public, Mr. Speaker, I ask leave to include in the RECORD a series of excerpts from it, which I shall insert in the coming days, of which the first is taken from the introduction:

EXCERPT FROM THE REPORT OF THE COMMISSION ON INTERGOVERNMENTAL RELATIONS

Out of the trying events of this past quarter-century, and out of the accompanying doubts and fears, has come a deeper understanding of what is required to maintain a proper division of activities between the National Government and the States. As with all governmental institutions in our society, the basic purpose of the division of powers is to provide a climate that favors growth of the individual's material and spiritual potential. Power will not long rest with any government that cannot or will not make proper use of it for that end. Our system of Federal government can be in proper balance, therefore, only when each level is effective and responsible.

Responsibility implies restraint as well as action. The States have responsibilities not only to do efficiently what lies within their competence, but also to refrain from action injurious to the Nation; the National Government has responsibilities not only to perform, within the limits of its constitutional authority, those public functions the States cannot perform, but also to refrain from doing those things the States and their subdivisions are willing and able to do.

People in the United States, as elsewhere, have looked more and more to government for assistance in solving their social and economic problems. The National Government has sometimes responded more readily than have the State and local governments. The Commission does not deal with the issue of whether or not governments rather than individuals should satisfy these needs. What it faces is the fact that the National Government has gradually undertaken some new activities which are susceptible of a larger measure of State and local handling. The Commission does not essay a judgment as to whether unreadiness on the part of the States and localities or overzealousness on the part of the National Government, or both, may have caused the existing division of activities. It merely emphasizes the fact that the more effectively our State and local governmental structures, procedures, and policies can be adapted to present-day governmental objectives, the less occasion there will be for bypassing State action in the future.

Far from weakening the National Government, the strengthening of State and local government would increase its effectiveness. The responsibilities that unavoidably must fall on the National Government are formidable. The fullest possible utilization of the resources of the State and local governments is desirable both to supplement national action where national action is necessary, and to relieve the National Government of having to divert its resources and energies to activities that could be handled as well or better by the States and their subdivisions.

The National Government has therefore an interest, as well as a responsibility, in scrutinizing with the greatest care the degree of national participation in existing or proposed programs. It is not enough to ascertain that the contemplated activity is within the constitutional competence of the National Government and that there is a national interest in having the activity performed. In the light of recent Supreme Court decisions, and in our present highly interdependent society, there are few activities of Government indeed in which there is not some degree of national interest, and in which the National Government is without constitutional authority to participate in some manner.

The degree and limits of national participation must therefore be determined by the exercise of balanced judgment. In addition to appraising carefully in each instance the need for national participation, the National Government should hold essential participation to the minimum required for attaining its objective. In all of its actions the National Government should be concerned with their effects on State and local governments.

The preservation and strengthening of our Federal system depend in the last analysis on the self-restraint and responsibility, as well as the wisdom, of our actions as citizens. If we are not willing to leave some room for diversity of policy, to tolerate some lack of uniformity in standards, even in many matters which are of national concern and about which we may feel strongly, the essence of federalism, even if not the legal fiction, will have been lost. We must also realize that it can be lost, or its vitality sapped, by nonuse of State and local initiative as well as by overuse of national authority. We have therefore as citizens a responsibility to see to it that those legitimate needs of society that could be met by timely State and local action do not by default have to be met by the National Government.

Precise divisions of governmental activities need always to be considered in the light of varied and shifting circumstances; they need also to be viewed in the light of principles rooted in our history. Assuming efficient and responsible government at all levels, national, State, and local—we should seek to divide our civic responsibilities so that we:

Leave to private initiative all the functions that citizens can perform privately; use the level of government closest to the community for all public functions it can handle; utilize cooperative intergovernmental arrangements where appropriate to attain economic performance and popular approval; reserve national action for residual participation where State and local governments are not fully adequate, and for the continuing responsibilities that only the National Government can undertake.

Ninth District Ohioans Answer Poll On National Issues

EXTENSION OF REMARKS
OF
HON. THOMAS L. ASHLEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. ASHLEY. Mr. Speaker, under unanimous consent, I ask to have reprinted in the CONGRESSIONAL RECORD a tabulation of the answers I have received in response to my questionnaire on current national issues published last month in the Toledo Blade. Replies were returned by 1,152 persons, all but 30 of them residents of my district, which includes the city of Toledo and the rest of Lucas County, Ohio.

The purpose of the poll was simply to provide me with a cross section of opinion from our district on matters of importance to the entire country. I think most people agree that their Representatives should be guided by the facts available to him, rather than by public opinion alone. However, people are entitled to know why their Representative votes as he does, particularly if it appears to be contrary to the majority views.

Results of the poll are as follows:

1. Do you favor direct Federal grants to States to help build schools? Yes, 722; no, 408; no answer, 22.

2. Do you favor extension of the low-rent public-housing program which would provide 35,000 public-housing units during each of the next 2 years? Yes, 696; no, 427; no answer, 29.

3. Do you approve of universal military training as a means of meeting the defense needs of the Nation? Yes, 691; no, 415; no answer, 46.

4. Do you favor an Armed Forces Reserve program as a means of building a civilian-military reserve? Yes, 880; no, 190; no answer, 82.

5. Do you believe the present minimum wage should be raised to: 90 cents an hour, 214; $1 an hour, 290; $1.25 an hour, 528; no answer, 82; no raise, 38.

6. Do you favor continued United States support of the health, educational, and technical assistance program of the United States? Yes, 799; no, 302; no answer, 51.

7. Do you favor continued United States economic assistance to Europe? Yes, 602; no, 454; no answer, 96. To Asia? Yes, 559; no, 449; no answer, 144.

8. Are you in favor of granting statehood to Alaska? Yes, 850; no, 254; no answer, 48. To Hawaii? Yes, 831; no, 266; no answer, 55.

9. Do you favor amending our present immigration law to allow more equal entry of immigrants to the United States from the various geographical areas of the world? Yes, 538; no, 571; no answer, 43.

10. Do you feel that top Government sources are keeping the American people accurately informed on the conduct of the United States foreign policy? Yes, 341; no, 744; no answer, 67.

I am frankly disturbed that so many people indicated that they do not feel that the present administration is keeping the American people adequately informed on the conduct of the foreign policy of the United States. However, I am pleased with the healthy response to the questionnaire as a whole and I hope again to use this method of giving my constituents an opportunity to express their views.

Reply to a Telegram of the American Farm Bureau Regarding the 50-50 Shipping Provisions of the Existing Mutual Security Act

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. BONNER. Mr. Speaker, I understand the Farm Bureau Federation is sending telegrams to all Congressmen, reading substantially as follows:

> Urge your support Burleson amendment, Mutual Security Act. Cargo preference clause now in effect forces farmers subsidize United States shipping industry and places them at competitive disadvantage farmers others countries having advantage lower rates.

The above contains the incorrect statements:

First. The 50–50 "forces farmers subsidize United States shipping industry."

Second. That 50–50 places United States farmers "at competitive disadvantage [to] farmers [in] other countries."

Third. That foreign farmers have "advantage lower [shipping] rates."

First. United States farmers of course do not subsidize United States shipping when the United States Government places a portion of cargoes generated by and paid for by the Government, in American ships. Indeed, in the case of cargo liners where there is no differential between foreign-flag and American-flag rates, not even the United States Government absorbs any difference in cost as between foreign-flag and American-flag transportation. In the case of United States tramp ships, where a differential generally does exist in favor of the low-cost foreign tramp ships, the Government, not American farmers, absorbs a differential which generally does not exceed 10 to 15 percent. In no case does the United States farmer bear any part of this differential, which prevails only in the case of tramp shipping. Tramp ships carry only from 20 to 30 percent of agricultural cargoes as a whole.

Second. The 50–50 shipping provision cannot place United States farmers at a competitive disadvantage to foreign farmers because it is applicable only to Government, not private, shipments. Under the agriculture disposal program American farmers make no sales. The sales are all made by our Government pursuant to Government-to-Government arrangements. Although the Government uses private channels of trade, the sales in all cases are for the account of the Government, that is, American taxpayers. It is true the United States Government sells the commodities, but not below world market prices, and even then it sells the agricultural products only for foreign currencies, not dollars. Since the agricultural surplus disposal programs are solely Government, not private, transactions, the United States farmer cannot be placed at any disadvantage by reason of the 50/50 shipping provision.

Third. Foreign farmers do not have the advantage of lower shipping rates insofar as surplus agricultural products are concerned. This is because under the programs the importing country is not required to deposit foreign currency in any amount above world foreign-flag shipping rates. Thus, even the purchasing country itself is at no disadvantage because of the 50–50 shipping provision since, under the programs, it never pays more than the world foreign-flag shipping rates. Whatever differential may exist as between foreign-flag tramp rates and United States-flag tramp rates, is absorbed not by the importing country nor by the American farmer, but only by the United States Government. Furthermore, the importing countries, under the shipping arrangements of the Department of Agriculture, do not pay dollars where, as is true in most cases, dollar freights are charged by foreign-flag lines—as well as American lines—on all movements outbound from the United States. Instead, the United States Government pays United States dollars to the foreign-flag lines concerned, and accepts reimbursement from the importing country in its own foreign currency. Therefore, the shipping arrangements under the surplus agriculture disposal programs are, in effect, a dollar subsidy payable to foreign-flag liners to the extent that they charge dollar freights payable to the importing country. Accordingly, there is no basis whatsoever for the statement or implication by the Farm Bureau Federation that foreign farmers have any advantage of lower shipping rates, since in all cases and under all circumstances the importing country pays no more than the prevailing worldwide foreign-flag shipping rates.

The net effect of the so-called Burleson amendments would be to make the United States Government pay a substantially increased dollar subsidy to foreign-flag lines. This is because in the absence of the 50–50 shipping provision, foreign-flag lines would carry substantially all of the exported commodities—instead of only 50 percent—would charge dollar freights for most of such commodities, and would be paid dollar freights by the United States Government for such shipments. The Burleson amendments would therefore amount to a further American subsidy of competing foreign-flag steamship lines and at the same time would effectively deprive our own American industry of the opportunity of carrying a fair and reasonable proportion of these cargoes, generated and paid for by American taxpayers.

Moses Cleveland Grabs a Whale by the Tail

EXTENSION OF REMARKS
OF
HON. WILLIAM E. MINSHALL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. MINSHALL. Mr. Speaker, on June 23 the German freighter *Nady* came into the Cleveland Stevedore Co. docks with the first boatload of crude sperm oil ever imported into Port Cleveland.

On hand for this historic occasion were representatives of the city of Cleveland, the Cleveland Chamber of Commerce, the Cleveland Junior Chamber of Commerce, the Cleveland Port Authority, and the Werner G. Smith, Inc., of Cleveland, who were responsible for bringing the cargo, and, of course, scores of onlookers anxious to see this epic event which brought ocean shipping to this Lake Erie metropolis.

The sperm oil was produced in the Antarctic on board giant floating factory whaling ships and rendered from hundreds of whales caught this spring. The shipment then moved from the Antarctic through the St. Lawrence Seaway directly to Port Cleveland as an experiment to learn the advantages of through-shipload delivery to Great Lakes ports.

The experiment worked, Mr. Speaker, and this historic boatload will be the forerunner of other boatloads of sperm oil unloading this summer in Cleveland.

Through-ocean shipping has proved its value, and this industrial event in Cleveland heralds a new era of progress and prosperity in the Great Lakes area, for with the advent of St. Lawrence Seaway, ocean-lake shipping will open even greater worldwide channels for peaceful commerce.

Werner G. Smith, Inc., is to be lauded as a pioneer in Great Lakes progress. Their courage and foresight is in the true American tradition.

Regulating the Price of Gas

EXTENSION OF REMARKS
OF
HON. THOMAS L. ASHLEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. ASHLEY. Mr. Speaker, I wish to place in the CONGRESSIONAL RECORD an excellent letter sent to the editor of the Washington Post and Times-Herald by my colleague from Massachusetts, Mr. MACDONALD. This letter clearly sets forth why the Harris compromise proposal to amend the Natural Gas Act does not give adequate protection to gas consumers. I am happy to endorse the position set forth in this letter and to commend it to the attention of our colleagues.

The letter follows:

REGULATING THE PRICE OF GAS

I feel that your editorial endorsement of June 14 of the Harris compromise proposal to amend the Natural Gas Act, which cleared the House Interstate and Foreign Commerce Committee by a 16 to 15 vote, requires further analysis. You infer that the compromise bill affords a substantial measure of consumer protection, but this demonstrably is not so. The powers attributed in the editorial to the Federal Power Commission to "set maximum prices in the various fields" and to "invalidate rate increases under escalator clauses" do not exist under the compromise in such form as to provide any effective consumer protection.

The issue before the Congress is whether the producers of natural gas should be subject to Federal regulation with respect to their sales in interstate commerce. The Supreme Court a year ago, in the now famous Phillips case, expressly held that the interstate sales by producers are subject to regulation under the Natural Gas Act. Thus comprehensive regulation of the natural gas industry presently exists. The Federal Government has the power through the Federal Power Commission to regulate the interstate aspects of the industry and the States have the power to regulate local distribution at retail.

The objective of the Harris bill is to exempt producers from Federal regulation, and, in effect, overturn the Supreme Court's decision in the Phillips case. Having encountered strong opposition to the bill as originally drafted, the proponents of exemption have in the compromise proposal altered the form, but not the substance, of the objective. The definitions of "transportation of natural gas in interstate commerce" and "sale in interstate commerce of natural gas for resale" clearly reverse the Phillips decision.

The real vice in the compromise proposal is that it affords no greater measure of consumer protection against the continuing sharp increases in the field price of gas than did the original Harris bill. It cannot be too strongly emphasized that the bill does not give the Federal Power Commission power to "set maximum prices in the various fields." The bill does not expressly or inferentially provide power for such a purpose.

One alleged consumer protection of the compromise is based on the theory that the Federal Power Commission can lawfully deny pipeline companies the recovery through rates of any payments made to producers under new or renegotiated contracts which exceed the "reasonable market price" of the gas. Aside from the dubious constitutionality of such form of indirect regulation, the "reasonable market price" standard in and of itself would make any regulatory effort an exercise in futility. This high-sounding phrase is entirely misleading because it gives the impression that there is a balanced market which, in the absence of regulation, will provide stability in prices.

Market prices depend upon the supply-demand relationship. Natural gas has been in short supply for several years and no evidence is at hand that this situation will improve in the future. The resource is exhaustible and the only feasible means of transportation is by pipeline. Producers are, naturally, taking advantage of the seller's market they presently enjoy and are charging whatever the traffic will bear.

Thus, if the Commission is compelled to use the market price standard, no relief from higher gas rates can be expected. Moreover, the pipeline companies owning natural-gas reserves would receive tremendous increases in their profits above a fair return, as the Commission would be compelled to use the same standard in regulating pipeline company rates. In this respect, the compromise is simply the Moore-Rizley bill of the 80th Congress in a new dress.

The reasonable market price standard is misleading for still another reason. The words of limitation on this standard set forth in the compromise proposal are designed to make certain that the reasonable market prices will continually advance to higher levels. The bill expressly provides that the determinants of reasonable market price are (1) "whether such price has been competitively arrived at," (2) "the effect of the contract upon the assurance of supply," and (3) "the reasonableness of the provisions of the contract as they relate to existing or future prices."

As thus restricted, reasonable market price does not afford any restraint on the upward trend of field gas prices, but actually gives legislative sanction to the acceleration of the rate of increase which currently characterizes the industry.

Your editorial endorsement also was based on the conclusion that the compromise bill empowers the Federal Power Commission to invalidate rate increases under escalator clauses. However, it is quite clear from a mere reading of section 3 (d) of the compromise bill that no effective control is provided for escalator and favored nation clauses, since the prices brought about by the operation of such clauses only need meet the reasonable market price standard set forth above.

Another legal boobytrap is concealed in section 3 (e) of the bill which purportedly relieves a pipeline company of its obligation to pay a producer the contract price if the Federal Power Commission finds such price to exceed the reasonable market price. However, the very sales transaction referred to is defined in section 2 of the bill as not being in interstate commerce. Thus Congress would be subjecting to regulation under the commerce clause a transaction which it has defined as not being in interstate commerce.

The editorial recognizes the importance of the actual cost of production as an element in determining reasonable price, but fails to recognize, in my opinion, that under the reasonable market price standard as defined in the bill neither the producer's cost of production nor his profits can be taken into account. Thereby, the regulatory standard set up in the bill is contrary to the whole philosophy of utility regulation as developed in this country which is opposed to the use of market price as a regulatory standard.

I am confident that the 15 members of the committee who voted against the compromise are not in favor of regulation of natural gas producers unless it is absolutely necessary in the public interest. I know I am of that mind. We feel some regulation of producers' prices is in the public interest. We feel, I am sure, that the Harris compromise does not afford adequate protection to gas consumers.

The questions which Mr. HARRIS asks concerning the large spread between the price of gas in the field and the rate at the consumer's meter have already been answered in the testimony of witnesses before both the House and Senate committees. The makeup of the cost of transmission and distribution of natural gas are contained in the published reports of these utilities and in sworn reports to regulatory commissions. I would not hesitate to predict that the investigation, if ever made, will not disclose the existence of exorbitant profits derived from the transmission and distribution of natural gas at the present time.

The increasing cost of gas in the field and at the city gate in the last few years has squeezed out most of such profits. Undoubtedly a few companies have earned excessive returns in recent years, but many more will be found that are distributing natural gas at rates which yield the utility less than what is normally considered a fair return.

I trust that after the majority and minority reports of the House committee are available the Washington Post and Times Herald will reappraise the Harris compromise bill and will reconsider its present endorsement of that measure.

TORBERT H. MACDONALD,
Member of Congress from Massachusetts.

Vidovdan: A Tribute to Serbians

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following commemorative statement made by me on the occasion of Vidovdan, or feast day of St. Vitus, a day on which Serbians pay homage and rededicate themselves to their great national traditions and rich history:

Among Serbians, Vidovdan is a day of national dedication. It is a day on which all Serbs commemorate not a victory but a defeat for their nation. More than that, it is a day on which all the great national traditions of the Serbian people are commemorated with all the honor and respect they so richly deserve.

Centuries ago an empire of the first order emerged in the Balkans, and at the head of this Serbian Empire was Stephen Dushan. In the past disunity had plagued Serbia, and with the decline of the Byzantine Empire, the Balkan Peninsula was further exposed to the Turkish invaders. Realizing this menace to Serbia, Dushan, a name of endearment among Serbians meaning "the soul,"

tried to counterbalance Turkish power by replacing the declining Byzantine empire with a Serbo-Greek empire. Gradually Dushan extended his domain throughout the Balkan Peninsula until 1345 at which time he proclaimed himself "emperor of the Serbs and the Greeks." On Easter of the following year he was crowned.

Furthermore, Dushan began the codification of all Serbian laws which were finally published in 1345. Historically, Dushan's codification was a clear indication of the substantial advancement of Serbia among the nations of Europe.

However, Dushan met an untimely death in the campaign of 1355 to strengthen the unity of his empire as a defensive measure against the Turks. Subsequently Serbian princes carried on the general foreign policies laid down by the former Serbian ruler, but with limited success. At Maritza in 1371 the Serbs were badly defeated by the Turks, a somber foreboding of the great and tragic defeat that was to come at Kosovo. Serbia's political position was substantially weakened by this defeat. Moreover, the lack of unity that prevailed in the empire after Dushan was an added factor contributing to the weakness of the Serbian empire.

Serbia was, however, fortunate in having Lazar Hrebelyanovich elected as its ruler in 1374. To prevent the further disruption of the empire and to organize a Christian League against the Turks were the primary objectives of the new Serbian rulers. The Turkish Sultan could not, however, permit these Serbian policies to succeed, and thus in 1389 the Turks launched a campaign which ultimately led not only to the subjugation of the Bulgarians but the defeat of the Serbs as well.

It was on the plains of Kosovo on Vidovdan, the feast day of St. Vitus, on June 28, 1389, when the armies of the Turkish Sultan Murad I and the Serbian Lazar met in mortal conflict. Serbs, Bulgars, Albanians, Croats, and even Roumanians fought with the armies of Lazar, while the Sultan in addition to his Turkish forces even had Christian vassals under his command.

The Serbian defeat at Kosovo was an important event in Serbian history. Indeed, it was a decisive battle in European history because the defeat of the Serbs prepared the way for the Turkish conquests of the Balkan Peninsula, a conquest that was to last until the 19th century. The Serbian forces fought with great courage and resourcefulness to stop the onrushing Turks, but victory was not to be theirs. Both commanders of the contending forces were killed; the Turks won the battle, and with that victory the hope of continued Serbian independence and empire vanished. For the Serbian people Vidovdan—June 28, 1389—was a day of national mourning and sorrow.

The consequences of the Serbian defeat at Kosovo were far-reaching. Nearly all the Serbian princes and noblemen, including the heroic Lazar, who had fought in that battle, were killed in combat or afterwards beheaded. Thus, the flower of Serbian aristocracy, the nation's leadership, was destroyed beneath the sword of the Turkish warrior. Vidovdan meant also that the Turkish Crescent fell across Serbia. Disunity and anarchy increased, and in 1459 the Serbs fell under complete Turkish domination. Subsequently, the Serbian language and all political, cultural, religious, and national traditions of the Serbian people were compelled to succumb to the despot who brought to Serbia tyranny, oppression, sorrow, and a decadent civilization which were destined to remain for the next 345 years.

Among the Serbs, Vidovdan calls to mind a day of great national humiliation; but, it also calls to mind a day when Serbian courage and heroism reached a peak seldom achieved by any nation. Vidovdan is to the Serbs a time of national dedication. It has long been the custom of Serbians to go on an annual pilgrimage to the tomb of Lazar, the fallen hero of Kosovo, resting in the monastery at New Ravanitza. That Lazar was more than a military and national hero to the Serbs is indicated by his canonization by the Serbian Orthodox Church. In poetry, literature, and in music this great battle of Kosovo became for Serbians a theme of great national importance. Even Goethe, the great German poet, compared many of the Serbian epic poems depicting the tragedy of Kosovo with the Iliad and the Odyssey.

Thus, among the Serbian people Vidovdan is a day of national dedication—dedication to the joy and sorrow of a great historic event. Vidovdan has taken on a broader meaning, however, than originally conceived. To Serbs the world over Vidovdan is a day of prayer and commemoration of all the glorious traditions of the Serbian past. In a sense Vidovdan, a religious feast day and a national holiday, represents the spiritual and historic fusion of all the ideals and traditions of the Serbian people.

On this occasion, therefore, commemorating Vidovdan all America takes cognizance of the great national traditions of Serbia, and to Serbians everywhere may this Vidovdan serve as a source of renewed inspiration for the future.

Progress of Soviet Union in Airpower

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Tuesday, June 28, 1955

Mr. JACKSON. Mr. President, on June 27, yesterday, I directed a letter to the Secretary of Defense relating to the progress the Soviet Union is making in the field of airpower. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 27, 1955.

The Honorable the SECRETARY OF DEFENSE.

DEAR MR. SECRETARY: As a member of the Senate Armed Services Committee and as chairman of the Military Applications Subcommittee of the Joint Committee on Atomic Energy, I have been sorely troubled by the massive and growing evidence of the extraordinarily rapid progress the Soviet Union is making in the field of airpower.

Six years ago, American air-atomic might was incontestable. In addition to our atomic monopoly, we possessed the B–36, the world's only true intercontinental bomber and we had already flown the B–47, the world's first strategic jet bomber. Yet the Soviets broke our atomic monopoly in 1949—years before the expected date. Their first hydrogen explosion occurred in the summer of 1953—only 9 months after our own first full-scale hydrogen test.

Coupled with this, the Soviet Union has made ominous—and unexpected—strides in the development of delivery vehicles. It is no exaggeration to say that their May Day demonstration of 1954—when they first exhibited jet bombers comparable to our own medium-range B–47 and long-range B–52—caught our defense planners by surprise. Our responsible officials were likewise caught by surprise by the Moscow fly-overs of 2 months ago, when the Soviets flew both their medium- and long-range jet bombers in operational numbers, and when they also flew large numbers of a new day fighter and a new all-weather interceptor.

In the wake of these recent fly-overs, our only comfort today lies in the fact that—in certain types of planes, such as our B–47—we still appear to be ahead of the Soviets. In 1949, in short, our airpower lead was incontestable. Today, 6 years later, we find ourselves trying to keep up with Soviet progress in delivery vehicles—rather than being decisively ahead.

What concerns me even more than the existing precarious balance of airpower is my fear that if present trends continue, the Soviets will be demonstrably ahead of us in airpower—both quantitatively and qualitatively—5 years from now. We must assume that what is past is prologue. The Soviets have been narrowing the technological gap between our two nations with awesome speed. In all honesty, the ineluctable logic of present trends impels me to fear that the Soviets will be our unquestionable superiors in airpower a few short years hence, unless we do something about it now.

I am thinking not only of Russian progress in the development of manned aircraft, but—still more important—their effort in the field of ballistic missiles of intercontinental or continental range. I believe it is a simple statement of fact to say that Soviet victory in this race for discovery could turn the balance of world military power upside down.

On this score, one point particularly troubles me. If the Soviets build a ballistic missile of merely continental range—that is, 1,500 to 2,000 miles—at an early date, all of free Europe might feel itself at the mercy of Moscow, since such a weapon could blanket all the capitals, industries, and military installations of Western Europe. If this occurs, it could well cause the breakup of the free world's alliance system.

Our entire defensive effort has been predicated upon offsetting Communist superiority in conventional forces with American superiority in airpower and anvanced weapons systems. As you know, in fact, the administration has gone on record as favoring a cutback in American ground forces—which I have opposed. We have always conceded to the Communists superiority in manpower and conventional forces, and we have sought to cancel out such superiority with our trump card of technological supremacy—particularly in the air-atomic field. What troubles me now is that the Soviets may be setting the stage to take this trump card out of our hands. Should this happen, military disaster could well result.

Accordingly, I would greatly appreciate receiving from you, in written form, your personal answers to the following questions. Permit me to express the hope that your reply will be as explicit and categorical as possible, since the very survival of our Nation may hinge upon remaining decisively and unquestionably ahead of the Soviets in this field.

1. Is it accurate to say that the Soviets may now be quantitatively equal to us in the production of long-range jet bombers?

2. Is it accurate to say that, even with the proposed 35 percent accelertation in B–52's, the Soviets may have more long-range jet bombers in their air force by 1958 than we will?

3. Is it accurate to say that the new day fighter and all-weather interceptors recently unveiled over Moscow in operational numbers are better planes, performance-wise, than any comparable aircraft we now have in squadron service?

4. Is it accurate to say that, in terms of numbers of advanced fighters in operational service, the Soviets are now overwhelmingly ahead of us?

5. Is it accurate to say that the Soviets have produced and flown jet engines with greater thrust than we ourselves have?

6. Is it accurate to say that our defense planners underestimated the date on which the first Soviet long-range jet bomber was flown?

7. Is it accurate to say that our defense planners underestimated, by a very considerable margin, the date on which the Soviets would fly operational numbers of their long-range jet bombers?

8. Is it accurate to say that the Soviets have been able to tool up for mass production of aircraft more quickly than we have—in other words, that their lead time from the design of prototype aircraft to mass production models is shorter than ours?

9. Is it accurate to say that, by 1960, the Soviets will probably have more scientists and engineers working in the airpower field than we ourselves will have?

10. Is it accurate to say that, if present trends continue, the Soviets may be ahead of us in airpower—both quantitatively and qualitatively—by 1960?

11. Is it accurate to say that the Soviets may achieve a continental ballistic missile—one with a 1,500 to 2,000 mile range—before we will? If so, what degree of likelihood do you attach to this possibility?

12. Is it accurate to say that the Soviets may achieve an intercontinental ballistic missile before we do? If so, what degree of likelihood do you attach to this possibility?

Since I am sure that the members of the Military Applications Subcommittee will wish to study your answers to these questions before the adjournment of the Congress, I would greatly appreciate receiving a reply by the earliest possible date.

Thank you for your attention to this matter.

Sincerely yours,

HENRY M. JACKSON,
Chairman, Military Applications Subcommittee.

Resolution of the Committee on Merchant Marine and Fisheries Concerning Mutual Security Act Amendments

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. BONNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

RESOLUTION OF COMMITTEE ON MERCHANT MARINE AND FISHERIES CONCERNING MUTUAL SECURITY ACT AMENDMENTS, S. 2090

Whereas Public Law 664 (83d Cong., 2d sess.), the Cargo Preference Act was enacted after full hearings and most careful consideration by the Committee on Merchant Marine and Fisheries; and

Whereas the Cargo Preference Act amended the Merchant Marine Act of 1936 so as to adopt as permanent legislation the principle that at least 50 percent of all Government-generated cargoes, including agricultural surpluses which are financed directly or indirectly by the public funds of the United States Government, shall move on United States-flag vessels to the extent that they are available at fair and reasonable rates; and

Whereas in February 1955 the Committee on Merchant Marine and Fisheries held extensive hearings on the administration of the Cargo Preference Act, finding among other things that there is no basis in fact for charges that shipments to foreign countries of surplus agricultural commodities are being, or can be, delayed by reason of the provisions of the act; and

Whereas the Mutual Security Act of 1955, S. 2090, has been reported to the House with amendments which would eliminate the 50-50 shipping requirement from the transport of agricultural commodities not only under the Mutual Security Act, but also under Public Law 480, the Agricultural Trade Development and Assistance Act of 1954, thus in effect repealing in large part the Cargo Preference Act; and

Whereas members of the Merchant Marine and Fisheries Committee were not invited nor given opportunity to testify on the amendments in question and in fact the indications are that no testimony was taken on this subject from persons understanding merchant marine matters: Now, therefore, be it

Resolved, That it is the sense of the members of the Committee on Merchant Marine and Fisheries that the following provisions of S. 2090 should be stricken from the bill when it is considered in the House:

On page 17, lines 2 and 3, strike out the words "insert '(except surplus agricultural commodities)' after 'commodities', and."

On page 19, strike out lines 7 through 16, inclusive.

Monsignor of the Shoeshine Boys

EXTENSION OF REMARKS
OF
HON. HARRISON A. WILLIAMS, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. WILLIAMS of New Jersey. Mr. Speaker, on Christmas Eve of 1944 an Irish priest walked through the war-damaged streets of Naples and saw the thousands of homeless youngsters who were sleeping out on that bitterly cold night.

When he returned to Rome, Msgr. John Patrick Carroll-Abbing asked Pope Pius XII to relieve him of some of his duties in the Vatican service so that he could dedicate his life to the cause of these homeless youngsters.

He rapidly became known as the Monsignor of the Shoeshine Boys because of the centers that he set up to give a home and a chance in life to these poor vagrants whom many people already called "juvenile delinquents." Monsignor Carroll had faith in these boys.

Today, Monsignor Carroll is in the United States trying to spread the wonderful story of his Boys' Towns of Italy. Ten years ago he had 1 bombed-out villa, $20, and 2 sacks of flour. Today he has built 8 beautiful Boys' Towns equipped with their own farms, their schools, their factories, and trade centers. He has also founded a home for emotionally disturbed boys and, only a few weeks ago, opened his first Girls' Town. In addition to these imposing institutions, he has erected 27 day-care centers in the poverty-stricken areas of southern Italy, where communism has been taking advantage of the great misery in order to win over the people. The Boys' Towns of Italy have been called bulwarks of American democracy overseas, not only because they were made possible because of the contributions of men and women in the United States, but also because they have trained thousands of young boys in social living and in democracy in action. Thousands of young men, who have now left the Boys' Towns, look to America as the country that gave them a chance in life. Monsignor Carroll, who told the wonderful story of Italy's lost children of the war in his book, A Chance in Life, has now written a second book, a novel, Journey to Somewhere.

It is easy to imagine what the story is: It tells of one of the thousands of Italy's war orphans who experienced every handship, but eventually began his Journey to Somewhere when he was given a chance.

Americans of every national origin and of every creed are proud of the Boys' Towns in Italy. They are the outstanding examples of what a voluntary foreign-aid program should be. They are direct manifestations of good will from the people of the United States to the people—and particularly the children—of Italy; the effort is nationwide in America, the results are nationwide in Italy; the contributors have seen the immediate and easily identifiable results of their own personal gift or the gift of their community. In New Jersey we are all very happy to be sharing in this great work.

In a world where so much of the news makes men pessimistic regarding the future of the human race, the message of the Italian Boys' Towns is like a ray of light and of hope shining in the darkness and indicating the way to a better world, one which is built on brotherhood and kindness.

On Saturday, May 14 of this year, I was privileged to attend the Union County, N. J., committee's benefit dinner and dance for the Boys' Towns of Italy. It was truly an inspiring occasion and I want to commend the president of the committee, Mr. Arthur Venneri, and all the committee members for their outstanding contribution to this most worthwhile cause.

In recognition of their great campaign, I ask that Mr. Venneri's greeting to the friends of Boys' Towns of Italy be included in the RECORD:

We are tonight again assembled in unity to express our enthusiasm and continuing confidence in the youth of Italy. We are earnestly carrying the torch handed to us by our inspirational leader, Monsignor John Patrick Carroll-Abbing.

Because of your traditional and sympathetic understanding, Boys' Towns in Italy today abound in good, wholesome living for hundreds of otherwise homeless boys.

This year, Monsignor Carroll has inaugurated the first Girls' Town of Italy—certainly a necessary and worthy development to our project.

The child centers and nurseries multiply in ever-increasing numbers—fulfilling a need among those in need.

This great humanitarian work continues largely because of your wholehearted support and loyalty evidenced in many cases by your willingness to defer a luxury to give a child a necessity.

May I thank you personally, and in behalf of the little ones we are privileged to help, and may God continue to bless you for your fine efforts.

Library of Congress Requests Authorization for 3-Year Study of Archaic Copyright Law of 1909—I

EXTENSION OF REMARKS
OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, on January 20, 1955, I introduced a bill, H. R. 2677, creating a Federal commission to study the copyright laws and to make recommendations for their revision.

On June 7, 1955, Dr. L. Quincy Mumford, Librarian of Congress, and Arthur Fisher, Register of Copyrights, in testimony before the Subcommittee on Legislative Appropriations, described the Copyright Act of 1909 as "archaic" and requested the creation of a number of new positions in the Copyright Office to undertake a 3-year study looking toward revision of the domestic law. Excerpts from that important testimony are presented here:

COPYRIGHT OFFICE

Mr. NORRELL. We will go on to the next item which is the "Copyright Office" on page 90 of the bill. The estimate for 1956 is $1,195,284 and in 1955 you had $1,100,000. An increase is desired this coming year of $95,284. We will insert page 26 of the justifications in the record at this point.

(The matter referred to is as follows:)

Salaries and expenses, Copyright Office

1955 regular bill	$1,100,000
1956 estimate	1,195,284
Net increase	+95,284

ANALYSIS OF INCREASES REQUESTED

1. Federal employees group life insurance	+$3,386
The cost of Federal employees group life insurance, which is being absorbed during 1955, is specifically requested for 1956 as an item of increased cost. The estimate is based on experience during 1955 which indicates a cost of about ⅓ of 1 percent of the total requirement for personal services.	
2. Ingrade increases	+16,818
Increases in salary costs of staff subject to such increases in 1956 over 1955 due to periodic ingrade increases.	
3. New positions requested	+75,080
The annual cost of 21 new positions requested as follows:	
Studies relating to the revision of the copyright law:	
7 GS–7	$29,435
3 GS–4	9,525
Workload—Increased volume of business:	
7 GS–5	23,870
1 GS–4	3,175
2 GS–3	5,900
Compliance activity:	
1 GS–4	3,175
Total positions (21)	75,080
Total increase	+95,284

Mr. NORRELL. Will you give us a short statement regarding your item for the Copyright Office? Will you describe especially the need for the 21 new positions which are proposed in 1956?

Dr. MUMFORD. Yes, sir. May I mention that in the case of the first two items, "Federal employees group life insurance," and the "ingrade increases," the same principle prevails here as mentioned in respect to the other appropriation.

REVISION OF THE COPYRIGHT LAW

Then, proceeding to the "New positions," the request for the 10 new positions is for the revision of the copyright law for a special 3-year program. This is intended to provide 7 attorneys to participate in studies relating to revising and redrafting the copyright law or to relieve experienced attorneys on the Copyright Office staff to do this work, and 3 clerk-stenographers to perform clerical duties in connection with this work.

The present copyright law of the United States, title 17 of the United States Code, as codified and enacted into positive law by the act of July 30, 1947, and amended by subsequent acts is basically and substantively the act of March 4, 1909.

Now, Mr. Fisher, the Register of Copyrights is here, and I would be glad to have him elaborate upon the need for this assistance for the proposed revision of the copyright law.

Mr. NORRELL. I think we would be glad to hear him for a few minutes. State your name and how long you have been in this kind of work.

Mr. FISHER. Mr. Chairman, and gentlemen of the committee, my name is Arthur Fisher. I have been either Register, Acting Register, or Associate Register of Copyrights for about 7 years.

I appreciate very much the opportunity to appear before the subcommittee to explain the problems and the needs of the Copyright Office.

REVISION OF THE COPYRIGHT LAW

Now, the third item is for the revision of the law, the item under discussion as I came in.

May I say just a word about the general problem of the revision of the law. As the Librarian just said, the act we operate under is really the act of 1909. There have been minor revisions, and the codification of the act brought about just as I came to the Office, but there have been no revisions of the fundamental provisions of the law.

Since the law of 1909 was enacted there have been tremendous technical and organizational changes, which can even be said to be revolutionary. For example, there was no radio or television industry at that time. The motion-picture industry was just a fragment. The recording industry had not developed. Many modern methods of mass reproduction were still unknown.

So the copyright law of 1909, under which we operate in the United States, is out of date, archaic, and this is generally so recognized. The several committees of the American Bar Association and the other associations concerned with copyrights have urged a general revision of the law for many years. In the past three American Bar administrations I have dealt directly with personnel of those committees.

We have taken the position for the last 6 years that we were engaged in a very difficult international problem of securing better protection for American works abroad. I might say parenthetically that the motion-picture industry, for example, out of a total annual business of that industry running about $1½ billion, with something less than half of that dollar volume in the producing companies, 42 percent of that production company business is overseas. That is a very large amount of business, and is very important in the representation of American interests abroad.

We gave the foreign situation a priority. After 6 years of work we have secured the adoption of the Universal Copyright Convention, which required certain changes in domestic law and is going into effect in the next few weeks. A short waiting period is provided for.

We heard yesterday that Germany has completed its ratification and the United States has also, so we now have ratification of 11 countries out of the 12 necessary.

We took the position over these last 6 or 7 years that we should not deal with the domestic revision of the law beyond the minimum extent necessary in connection with the universal convention and the foreign situation. We were successful in doing that. If we had taken on the general revision, we never would have gotten through with the universal convention.

That leaves us with the problem of the proposals made with respect to the domestic American law, both on the west coast and New York. We have persuaded people submitting such amendments to postpone them until there could be a comprehensive revision. We have now come to the point where we should deal with that.

We have had a number of detailed changes. In talking to the members of the Judiciary Committee, who have worked very closely on all amendments to the copyright law, I have noted that some of them express the view that we should not do this piecemeal, as an uncoordinated revision, but that we need to accomplish a fundamental revision.

We feel that for this task the Copyright Office has the staff and the experience. It is very difficult to find impartial people competent both in these industries and in copyright problems. What we should do in the domestic field is the same as was done in the foreign field, namely, do the spade work on the facts, analyze these very complicated problems, present alternatives, and follow procedures where the Congress itself can decide policy questions.

We will have to use our most experienced examiners and attorneys in order to do this. However, in order to release them and still keep current, we need to recruit a small group of new examiners. Our requirements are very small, compared either to our total staff or the Patent Office. We estimate we should have 7 additional juniors to do the current examining work, the current routine technical work, plus 3 clerical people; with these we can keep up to date in our normal work and really do a good job on this long-overdue revision of the law.

In summary, we are only asking for $95,000 increase. In comparison with this sum the total of cash turned over to the Treasury, plus the value of deposits, is very much in excess of the amount I come before you to request.

SUMMARY OF NEEDS AND PROBLEMS OF COPYRIGHT OFFICE

Mr. FISHER. Mr. Chairman, I have prepared a brief summary of what I have said. Could that be given to you for inclusion in the record?

Mr. NORRELL. All right. We will place this in the record.

(The statement is as follows:)

"As Register of Copyrights, I appreciate the opportunity to summarize the needs and problems of the Copyright Office.

"Piecemeal revision expensive and undesirable

"Many individual administrative and other changes have been found necessary in the law. To accomplish these piecemeal is an expensive and unsatisfactory procedure. For the past several years subcommittees of the American Bar Association and other associations concerned with copyright have been established to seek a general revision of our copyright law.

"Domestic law revision postponed for 6 years

"In view of the effort to draft and secure United States adherence to the Universal Copyright Convention, now successfully achieved, these efforts for a general revision of the domestic copyright law were discouraged during the past 6 years. It was felt necessary, if the universal convention was to be completed on schedule, that changes in the domestic law should be limited to those essential to the approval of that convention.

"Assurances, however, were given to those who urged the importance of revision of the domestic law that such a revision in the domestic law would be undertaken as soon as the changes related to the international convention were accomplished.

"The matters of domestic revision, therefore, is overdue and should now be promptly undertaken. The first step, if the same success is to be achieved in the domestic field as in the foreign, is to make factual studies, careful analyses of existing law, with presentation of alternative solutions.

"Copyright Office to make factual and analytical studies, final policy decisions by Congress

"The final determination of policy will, of course, rest with the appropriate committees of Congress. No matter what form any bill takes or the detailed procedure adopted, the Copyright Office will be looked to, to do the impartial spadework and analyze the alternatives.

"Fundamental revision of domestic law now needed

"The matter is not merely one of codification but of fundamental revision. Several of the most competent personnel and attorneys experienced in the work of the Office and the administration of the law would devote themselves to this task. They cannot be spared from current activities unless replaced at least temporarily by other examiners. A minimum of 7 attorneys and 3 supporting clerical staff is estimated as needed for this purpose."

Dr. MUMFORD. Finally, I should like to emphasize, Mr. Chairman that the proposal for the revision of the law is for only a 3-year project.

Mr. NORRELL. All right.

Library of Congress Requests Authorization for 3-year Study of Archaic Copyright Law of 1909—II

EXTENSION OF REMARKS
OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 28, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, great interest has been expressed in a study prepared for me by the American Law Division of the Library of Congress of the major attempts to modernize the copyright law of 1909. Among those expressing interest in this study have been representatives of the National Broadcasting Co., the firm of Covington & Burling, the American Society of Composers, Authors, and Publishers, and the Government of Switzerland. An excerpt from this historic study is included here:

V. RESPITE

In the 70th Congress the bill for the general revision of the copyright laws was again introduced by Mr. Vestal as H. R. 8912. This bill was the same as H. R. 10434 of the 69th Congress. No hearings were held by the committee on H. R. 8912, and no action was taken with respect to a major revision throughout the entire Congress.

VI. THE VESTAL BILL OF 1930

The Vestal bill was again introduced in the 71st Congress as H. R. 6990. Hearings were held by the Committee on Patents on April 3, 4, and 11, 1930. At the beginning of the hearings, the chairman, Mr. Vestal stated with respect to design copyrights and mechanical reproductions that separate hearings had been held upon bills dealing with those subjects and that therefore the witnesses should touch lightly upon them, but with respect to the rest of the bill the committee would like to have a thorough discussion.[1]

Those in favor of the bill were:

Will Irwin, Authors League, American Center of the P. E. N. Club.

Marc Connelly, dramatist, Authors League.

Elmer Davis, writer, Authors League.

Miss Thyra Samter Winslow, Authors' League.

Chester Crowell, Authors League.

John Paine, American Society of Composers, Authors, and Publishers.

Frederick Melcher, editor of Publishers' Weekly, the National Association of Book Publishers.

Frederick A. Stokes, chairman, Copyright Committee, the National Association of Book Publishers.

John Benbow, Longman's, Green & Co.

J. W. Lippincott, publisher.

Cass Canfield, executive vice president, Harper Bros.

Lynham B. Sturgis, the Century Co.

George P. Brett, Jr., treasurer and general manager, the Macmillan Publishing Co.

Edward H. Hart, husband of Mrs. Hart, writer.

Hon. Sol Bloom, Representative in Congress from New York.

Mrs. William Atherton Dupuy, the League of American Pen Women, Dramatist Guild, the Authors' League.

Austin Strong, dramatist.

Joseph P. Bickerton, Jr., representing various theatrical producing managers, dramatists, and magazines.

John Golden, the John Golden Theater, New York.

Arthur McKeough, editor, Good Housekeeping.

Lyman Beecher Stowe, grandson of Harriett Beecher Stowe, author of Uncle Tom's Cabin.

Fred G. Cooper, illustrator.

John J. A. Murphy, Guild of Free Lance Artists.

Charles Scribner, Jr., Charles Scribner's son.

John Macrae, president, E. P. Dutton & Co.

Carl Cannon, the American Library Association.

Arthur Guiterman, poet.

Miss Marguerite Widdemer, poet.

Karl W. Kirchwey, the Hurst Organization.

Mrs. Mateel Howe Farnhan, novelist.

Mrs. Gladys Shaw Erskine, novelist and poet.

Mrs. Elizabeth Newport Hepburn, the Pen and Brush Club of New York.

William H. Osborne, the Authors' League.

William O. Tufts, the map publishers.

C. Augustus Norwood, the Christian Science publishing interest.

Arthur W. Weil, Motion Picture Producers and Distributors of America.

Louis Swarts, Paramount Famous, Lasky Corp.

W. D. Wiechmann.

Louise M. Silicox.

R. R. Bowker, president, R. R. Bowker Co., magazine publishers.

Those who testified against the bill or certain features of the bill were:

Prof. Henry G. Doyle, George Washington University, the American Association of University Professors.

George C. Lucas, executive secretary, National Publishers' Association.

William B. Warner, National Publishers' Association.

Elisha Hanson, American Newspaper Publishers' Association.

William Klein, attorney, the Shubert Theater Corp.

Lee Shubert.

Al H. Woods.

William L. Brown, Assistant Register of Copyrights, Library of Congress.

John W. Ziegler, vice president, the John C. Winston Co.

Wallace McClure, Assistant Chief, Treaty Division, United States State Department.

Jean Monk, manager, National Fellowship Club, Inc., Washington, D. C.

M. L. Raney, American Association for the Advancement of Science.

O. R. Barnett, attorney.

After all the testimony was in, a new committee bill, H. R. 12549 was introduced by Mr. Vestal, the chairman. In reporting the committee bill the House Committee on Patents stated:

"H. R. 6990, introduced in the House of Representatives during the first session of the 71st Congress, is in general revision of the national copyright law. A similar bill was introduced in the year 1926 and has been before the patents committee ever since its introduction in that year; and there have been many hearings upon it before the committee, a large amount of testimony taken and a multitude of conferences between various interests held. The committee has successfully reconciled the differences. The context of the bill has been changed in various particulars from time to time to meet valid suggestions on the part of one interest or another and the present bill, H. R. 12549, combines the results of all hearings and all conferences.

"It has been found that practically all the industries and all the authors have united in support of this revision. The authors, playwrights, screen writers, composers, and artists support it. The book publishers, the motion-picture producers, the newspapers and magazines, the allied printing trades unions, the librarians, the majority of the theatrical managers, all of these have appeared at the hearings and have supported the principles of the bill.

"This general revision of the copyright law provides for—

"(1) Automatic copyright by which the copyright is conferred upon the author upon creation of his work, a right so limited by various provisions of the bill as to be made a privilege;

"(2) Divisible copyright, which permits the assignee, grantee, or licensee to protect and enforce any right which he acquires from an author without the complications incident to the old law;

"(3) International copyright, which enables American authors merely by complying with the provisions of this act, to secure copyright throughout all the important countries of the world without further formalities."[2]

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[1] U. S. Congress, House Committee on Patents, hearings on H. R. 6990, pp. 14–15.

[2] House Rept. No. 1689, 71st Cong., 2d sess.

Library of Congress Requests Authorization for 3-Year Study of Archaic Copyright Law of 1909—III

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, I am including the concluding portion of section 5 of the study prepared for me by the American Law Division of the Library of Congress of the major attempts to modernize the copyright law of 1909. I do this because of the great interest which has been expressed in this study:

However, things did not go as smoothly as the committee report seemed to indicate. The report itself contained a minority report which was an attack upon the bill with respect to divisibility of copyrights.

The bill was recommitted twice before it was debated.[3] The first recommittal was for compliance with the Ramseyer rule, House rule XII, section II (a). Thereafter the bill was again reported out (H. Rept. 1898, 71st Cong.). The second recommittal was on request of the committee chairman due to the discovery of an irregularity in the adoption of the report (CONGRESSIONAL RECORD, vol. 72, p. 11994). The bill was reported out the third and last time as House Report No. 2016, 71st Congress.

After being debated the bill passed the House[4] on January 5, 1931, and was referred to the Senate Committee on Patents. This committee also held hearings. At the hearings it was evident that opposition was developing. The chairman, in opening the hearings, stated:

"I may say to those assembled here at this hearing that today and tomorrow have been set aside by the committee to have a hearing upon this bill, H. R. 12549. This hearing was called at the instance of opponents of the bill as a whole or as opponents to some specific portion of the bill. It is the purpose of the committee today to allow all of today, if necessary, to those opposing the bill either as a whole or in part. If there are people here who have had their day before the House committee we do not care to spend time in hearing them repeat what they said before the House committee. We can read that. However, if they spoke before the House committee and they have some new proposition that reaches beyond what they said at the House hearing, of course we shall be glad to hear them."

"After the opponents of the bill or parts of it have been heard, we will then listen to those first who approve the bill in its present form and, second, those who approve the bill generally, who have some minor amendments to suggest. We desire those who oppose this bill or who will direct their energies to opposition to specific portions of it, to arrange this hearing in their own way and to select their own speaker or speakers, giving to the committee the name and address of the person or persons who are to address the committee. We do not want people called here to talk to us over the same matters that have been talked of in the House and I think we will discover pretty soon whether or not the speaker is keeping within that limitation or whether he is not. We want to get through with this bill. We want to give you a full hearing, as full as is necessary, but we do want you to pin your statements right down to the specific things that appear in the bill as it is before the Senate, and we want your statements to go to the things that you object to. We want to know in a concise way why you object, and, if you have an amendment which you propose on the general theory that some legislation is to pass, we request that you have your amendment prepared and put it up to us in order that we can have the benefit of it. In other words, you cannot be too concise, too direct, in your criticism, nor too specific."[5]

The lineup at these hearings was as follows. Those in favor of the bill were:

William H. Osborne, Council of the Authors' League.

Chester T. Crowell, the Authors' League.

Gene Buck, American Society of Composers, Authors, and Publishers.

Otto C. Wierum, the Bar Association of the City of New York.

Frederick G. Melcher, vice president, R. R. Bowker Co., National Association of Book Publishers.

Louis D. Fraelich, American Society of Composers, Authors, and Publishers.

Wallace McClure, Assistant Chief, Treaty Division, United States State Department.

M. J. Flynn, America's Wage Earners Protective Conference.

George C. Lucas, executive secretary, National Publishers' Association.

McDonald De Witt, attorney, Conde Nast Publishing Co.

Carl Cannon, American Library Association.

Arthur W. Weil, Motion Picture Producers and Distributors of America.

Louis E. Swarts, Motion Picture Producers and Distributors of America.

Walter G. Wiechmann, National Association of Book Publishers.

Those opposed to the bill or certain features of the bill were:

Karl Fenning, attorney, Washington, D. C.

Oswald F. Schuette, Radio Protective Association.

Eugene C. Brokmeyer, National Association of Retail Druggists.

H. E. Capehart, representing Manufacturers of Slot Machines and Automatic Phonographs.

William S. Hedges, National Association of Broadcasters.

Louis G. Caldwell, National Association of Broadcasters.

William A. Brady, theatrical producer.

Thorvald Solberg, Register of Copyrights, Library of Congress.

William L. Brown, Assistant Register of Copyrights, Library of Congress.

J. H. McCracken, The American Council of Education.

Herman H. B. Meyer, Library of Congress.

M. L. Raney, representing 21 national organizations such as the American Chemical Society, the American Council of Learned Societies, etc.

Frank D. Scott.

John W. Ziegler, vice president, John C. Winston Co., publishers.

A. Julian Brylawski, the Motion Picture Theater Owners of America.

F. J. Rembusch.

Senator Bronson Cutting, of New Mexico.

William Neidel, secretary, Funk & Wagnalls Co.

Hearings on the bill closed on January 29, 1931. The committee, however, did not report the bill until February 23. In its report it stated:

"Bills not unlike the one under consideration have been before the House of Representatives since the year 1926. Many hearings have been had and a large volume of testimony adduced before members of the Committee on Patents of that body, as well as to your committee during its consideration of the measure now under review. It will be noted that notwithstanding the extended consideration given to this and other measures by committees of the House of Representatives, your committee has seen fit to modify the bill as it came from the House of Representatives in many respects. The bill as now presented to the Senate is the result of all this extensive study and consideration. It is safe to say that practically all of the industries and all of the authors and composers have united in support of this measure. The authors, playwrights, composers, and artists are in favor of its enactment. The book publishers, the motion-picture producers, the publishers of newspapers and magazines, the allied printing-trade unions, the librarians, a majority of the theater managers—all of these have appeared at one or another of the several hearings and have expressed their approval of the principles of the bill, as well as most of its provisions.

"MAJOR AMENDMENTS PROVIDED BY H. R. 12549

"What might be called the major amendments to the existing copyright law that are provided in this bill may be summarized under three heads as follows:

"(1) Automatic copyright, by which a copyright is conferred upon the author immediately he creates a work.

"(2) Divisible copyright, which permits the author to dispose of his several rights which he has in his creation and to enable his assignee, grantee, or licensee to protect any such right which he acquires, and this without the many complications arising under existing law.

"(3) International copyright, which guarantees to American authors the copyright of their works throughout all the important countries of the world without compliance with any formalities."[6]

Intermittent debate in the Senate started on February 26 and continued until the early morning hours of March 2, 1931. From a reading of the debate[7] it is evident that strong opposition had developed. As a matter of fact the situation in the dying hours of this Congress was such to cause Senator Reed to state:[8]

"If it has taken 6 hours to do 9 pages, it is going to take about 40 hours to do the remaining 40 pages. There are only about 34½ hours left of this Congress."

After numerous efforts to recess, the hour then being later than 1 o'clock in the morning (a. m.), the Senate finally recessed with no vote on final passage of the bill. Thereafter, the bill was never taken up again and, of course, died with the adjournment of the 71st Congress.

Testimony on H. R. 377, Garmatz Public Housing Bill

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. GARMATZ. Mr. Speaker, I am disappointed that the Committee on

[3] CONGRESSIONAL RECORD, vol. 72, pp. 10595, 11549.

[4] CONGRESSIONAL RECORD, vol. 72, pp. 11994, 11996, 12018, 12473, 12474; vol. 74, pp. 2006, 2019, 2022, 2037, 2080, 2081.

[5] U. S. Congress. Senate. Committee on Patents. 71st Cong., hearings on H. R. 12549, pp. 1–2.

[6] S. Rept. No. 1732, 71st Cong., pp. 19–20.

[7] CONGRESSIONAL RECORD, vol. 74, pp. 6102, 6234, 6237, 6244, 6449, 6458, 6463, 6470, 6474, 6480, 6486, 6640, 6654, 6706, 6709, 6712, 6717, 6721, 6722, 6727, 6906 (Mr. Jones).

[8] Op. cit., p. 6719.

Banking and Currency reported out a bill which provided for only 35,000 public housing units a year. I had introduced H. R. 377 which would have restored the program to the one that was adopted in 1949, for 135,000 units per year average and a maximum of 200,000 per year. The bill approved by the Senate carried out the recommendations made in my bill, H. R. 377, in this respect. However, when the housing bill comes before the House, I certainly will support any amendment to substitute the Senate bill's provisions on public housing, or otherwise increase the number of units authorized from this very inadequate figure of 35,000.

My reasons are contained in the following statement which I gave to the Banking and Currency Committee on my bill, H. R. 377:

TESTIMONY BY HON. EDWARD A. GARMATZ, DEMOCRAT, OF MARYLAND, BEFORE HOUSE COMMITTEE ON BANKING AND CURRENCY ON HOUSING LEGISLATION

Chairman SPENCE and members of the committee, I am appearing here today primarily as the sponsor of H. R. 377, which I introduced on the opening day of this session of the Congress, to repeal the various restrictions adopted in recent years to cripple public housing. The evidence before this committee is clear that public housing construction has come to a standstill, and to all intents and purposes is dead and buried as a program of Government.

While my testimony will be devoted largely to my own bill on this one phase of housing—that is, the public housing program—I want to say at the start that I am very much in accord with other measures before you to expand and accelerate the urban redevelopment work which has been so successful in the larger cities of the country. Baltimore has been one of the leaders in urban renewal as well as in public housing and in the rehabilitation of existing housing, and so we are naturally very much interested in seeing the basic authority for all of these programs continually kept up to date with current needs.

Before going into the details of H. R. 377, I will tell you first what it is I would like to see accomplished. It is this: I would like to see this committee restore the public housing program—that is, the legislative authority for public housing—to the dimensions provided for in the Housing Act of 1949. This act, which the late Senator Taft helped to write—and I mention that to show that we Democrats are not the only ones to favor an effective public housing program—the 1949 act, I repeat, provided a standard of 135,000 public housing units a year. It permitted as many as 200,000 in any 1 year.

That is what I would like to see it go back to. If this committee and the Congress should adopt that objective of H. R. 377, it would not mean, of course, that the Government would have to build that many units each year. The President would have a wide amount of discretion—in fact he would have complete discretion—in putting the program into effect each year at the levels he thought commensurable with the need and with the economic situation generally.

That is a very important point that is often lost sight of. When President Eisenhower says he is willing to settle for 35,000 units a year for just a few years, my bill would not force him to construct more than that during his term. It would allow him, however, to look at the whole problem of public housing not from the standpoint of what he thought he might be able to wheedle out of a reluctant Congress in any one year but rather from the standpoint of what the country needed.

I think it is pretty clear that even the limited authority which now rests in the administration to build public housing has not been used in the past year or two with any degree of effectiveness or even interest. If you go through the construction statistics you find public construction of residential building hitting what appears to be new lows, with public housing starts during 1954 and half of those of 1953, which, in turn, were only about half of the number in 1951. Instead of a monthly average of 3,000 or more public-housing units which we were still reaching in 1953 on the basis of previous commitments, the record since the adoption of the Housing Act of 1954 shows monthly totals of 200 units, 300 units, 700 units, 900, and so on, with few months showing more than 1,000. So obviously we are not making any kind of production record on public housing; we are not even holding our own—not coming anywhere near building the number of units authorized by the restrictive legislation now in effect.

Nevertheless, I think we can now acknowledge the mistakes of last year, admit that they have resulted in the virtual death of public housing, and go on from there.

The bill which I have introduced attempts not only to correct the mistakes and restrictions of last year's bill but to go back to other legislative roadblocks beginning with the Independent Offices Appropriation Act of 1953.

Thus H. R. 377 would repeal this language of the 1953 Appropriation Act:

"Notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949 * * * (2) after the date of approval of this Act, enter into any agreement, contract, or other arrangement which will bind the Public Housing Administration with respect to loans, annual contributions, or authorizations for commencement of construction, for dwelling units aggregating in excess of 35,000 to be authorized for commencement of construction during any one fiscal year subsequent to the fiscal year 1953, unless a greater number of units is hereafter authorized by the Congress."

Now this, of course, was, at the time, a serious blow for public housing and was one of the first big victories since 1949 for the group which has been opposing public housing so vigorously. As the members of this Committee know, President Truman's budget provided for only 75,000 public housing units a year while the Korean war was in progress, but when this rider to the appropriation bill for the 1952–53 year reduced that further to 35,000 units, the program kept going, and it kept going to the full limit of that authorization.

The following year, however, the 83d Congress, in the first Independent Offices Appropriation Act for the 1953 fiscal year starting July 1, 1953 contained this further restriction:

"Notwithstanding the provisions of the United States Housing Act of 1937, as amended, the Public Housing Administration shall not, with respect to projects initiated after March 1, 1949 * * * (2) after the date of approval of this Act, enter into any new agreements, contracts, or other arrangements, preliminary or otherwise, which will ultimately bind the Public Housing Administration during fiscal year 1954 or for any future years with respect to loans or annual contributions for any additional dwelling units or projects unless hereafter authorized by the Congress to do so."

Now this, of course, completed the hatchet job on public housing through riders on appropriation bills. From 35,000 units a year—a cut in half from the Truman budget—we then went down to no units—no new units—as the law of the land.

H. R. 377, therefore, repeals the continuing prohibitions on public housing from both the 1953 and 1954 appropriation acts.

The third legislative provision on public housing which H. R. 377 would repeal is section 401 (I), Housing Act of 1954:

"Notwithstanding the provisions of any other law, the Public Housing Administration may, with respect to low-rent housing projects initiated after March 1, 1949, enter into new contracts, agreements, or other arrangements during the fiscal year 1955 for loans and annual contributions pursuant to the United States Housing Act of 1937, as amended, with respect to not exceeding 35,000 additional units: *Provided*, That no such new contract, agreement, or other arrangement shall be made except with respect to low-rent housing projects to be undertaken in a community in which there is being carried out a slum clearance and urban redevelopment project, or a slum clearance and urban renewal project, assisted under title I of the Housing Act of 1949, as amended, and the local governing body of the community undertaking such slum clearance and urban redevelopment project, or slum clearance and urban renewal project, certifies that such low-rent housing project is necessary to assist in meeting the relocation requirements of section 105 (c) of title I of the Housing Act of 1949, as amended: *And provided further*, That the total number of dwelling units in low-rent housing projects covered by such new contracts, agreements, or other arrangements shall not exceed the total number of such dwelling units which the Administrator determines to be needed for the relocation of families to be displaced as a result of Federal, State, or local governmental action in such community."

This provision gives the impression that we have a public-housing program but as a practical matter we know that virtually none of the 35,000 units it purports to authorize has actually been approved for construction. Many of us warned last year that it would build no housing and, of course, it has built no housing. It should be repealed in toto.

And rather than settle for this very inadequate number of 35,000 units a year recommended by the President, I urge you to go back to the 1949 act, as my bill would do, and let us have once again a public housing program that builds public housing, that builds enough public housing to make at least a dent in the serious needs of our cities. As the spokesman for the American Municipal Association, Mayor Clerk, of Philadelphia, told you earlier in these hearings, Philadelphia alone needed 70,000 new units all by itself as of 1950. In the case of Baltimore we have been working steadily at the problem of expanding our housing facilities and our housing authority, which is one of the best, has had a number of projects waiting in line for authorizations and for construction commitments, projects which have been held up because of the restrictions in the 1954 act.

The red tape, the statistical analyses, the studies and surveys required under the 1954 act before a community could get any part of the 35,000 units which were supposed to have been authorized by the act have made a frightful and chaotic situation out of public housing everywhere. Even a city like Baltimore which has been on top of this whole problem over a period of years and which has had certainly one of the best "workable programs" in the country has been put to tremendous work tied up in the most elaborate kind of red tape.

For these and other reasons well known to this committee, I urge you with all the emphasis I can command to repeal these bad mistakes which Congress has made on public housing in the last 2 years and, as I said, give us a real program, a workable program,

and effective program which will help get people out of slums and into decent accommodations at rents they can afford. Bring sunlight into the lives of people living in dark alleys.

Four Chaplains' Memorial Fountain To Be Dedicated on September 25, 1955, at 2 p. m., at National Memorial Park, Falls Church, Va.

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. CELLER. Mr. Speaker, it was a decade ago, during World War II, that four chaplains of the United States Army, Lts. John Patrick Washington, a Catholic priest, from Newark, N. J.; Alexander D. Goode, a Jewish Rabbi, from Temple Beth Israel, York, Pa.; Clark V. Poling, a Baptist minister from Schenectady, N. Y., and George L. Fox, a Methodist minister from Vermont, in a spirit of unity and sacrifice, gave up their lifejackets and went down on the torpedoed steamship *Dorchester*.

On September 25, 1955, at 2 p. m., the first large permanent memorial in the Washington area to these four brave men of God—the Four Chaplains' Memorial Fountain—will be dedicated, with appropriate ceremonies, at National Memorial Park, Lee Highway, Falls Church, Va.

Commissioned 3 years ago by Mr. Robert F. Marlowe, president of National Memorial Park, at a cost of $50,000, the Four Chaplains' Memorial Fountain was designed and created by the well-known sculptor, Constantino Nivola, of New York, and the prominent Washington architect, Walter Marlowe.

Set against dense green trees, the Four Chaplains' Memorial Fountain consists of a great ship, 22 by 24 feet, of reinforced white concrete, arising as if in its final moment from a large four-pointed, star-shaped pool. Twenty-four jets of water pour from the keel of the vessel into the large pool, cascading as if a whirlpool into a smaller oval pool below. Hovering an inch above the water are four panels, joined at right angles, each portraying a significant facet of each of the four men's faiths.

The dedication of the Four Chaplains' Memorial Fountain is under the auspices of the National Conference of Christians and Jews and the Reserve Officers Association of the United States, and has the active cooperation and participation of the armed services, veterans' organizations, religious groups, and many other community organizations. The United States Army Band will present a concert and Dr. Daniel A. Poling, prominent churchman, will speak.

A highlight of the program will be the presentation of the four chaplains' award to a chaplain of the Navy and Air Force who best exemplifies the spirit of the service. This is an annual award presented by the Reserve Officers Association of the United States.

The united strength of all faiths, the devotion and sacrifice of men of God, whose leadership has made our country strong, symbolized in the Four Chaplains' Memorial Fountain at National Memorial Park, deserves the complete endorsement of the community.

As is inscribed on the Four Chaplains' Memorial Fountain—

The four chaplains have not gone, for they won immortality through the simple dignity of faith. Their courage is its own poet, its own praise.

Greater love hath no man than this, that a man lay down his life for his friends. (John 15: 13.)

Senator Kennedy's Proposal for Bipartisan, High-Level Commission on Immigration and Naturalization Should Be Supported

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, for some time the Immigration and Naturalization Acts have been the center of controversy. Almost everyone interested in the subject has admitted that changes are desirable and necessary. For example, on May 27, 1955, the President submitted certain recommendations to the Congress which he said were vital to the administration of the acts. At that time he pointed out that "the purposes of the act—the Refugee Relief Act—are not being achieved as swiftly as we had all hoped." Numerous bills have been introduced to affect changes in our laws relating to this subject both in the Senate and the House. I, myself, have introduced 2 bills which, if passed, would clarify many of the more confused sections of the law on this subject and would bring the immigration policy of the United States into line once more with the traditional attitudes of the American people on this matter.

I am introducing today a companion measure to Senate Joint Resolution 84, introduced in the Senate yesterday by Senator JOHN F. KENNEDY, of Massachusetts. Because the subject is both controversial and vitally important to our Nation, the creation of a blue-ribbon investigative body seems to me to be the most workable approach to the problem. We are a Nation dedicated to the idea of providing a land of opportunity for the oppressed of other lands. This has been one of the cornerstones of our democracy and it has helped to make us the great Nation that we are. Today, however, because of the Communist conspiracy, we must examine our immigration policies in the light of a serious security problem. The conflict between our traditional desires and security has created the legislative impasse which now exists. A nonpolitical commission composed of men of unimpeachable reputation should find it possible to take both sides of this controversy into account and report legislation designed to establish a workable policy in both respects. Without such a balanced study our security complex is likely to destroy both our traditions and the high esteem in which we are held by the peoples of other nations because of our traditions. I sincerely hope the Congress will see fit to pass this resolution promptly. The text of my proposal follows:

Joint resolution to establish a Commission on Immigration and Naturalization Policy

Resolved, etc.,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of the Congress to maintain a program of sound and orderly immigration and naturalization of desirable immigrants on a basis consistent with the best interests of our national security and national economy, and consistent with basic American ideals; to promote effective, vigorous, and efficient administration and enforcement of such a program; and to provide for a reexamination periodically of such a program and its actual operation in order to achieve these ends.

ESTABLISHMENT OF THE COMMISSION ON IMMIGRATION AND NATURALIZATION POLICY

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this joint resolution, there is hereby established a commission to be known as the Commission on Immigration and Naturalization Policy (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of 12 members as follows:

(1) Four members appointed by the President of the United States, two from the executive branch of the Government, and two from private life;

(2) Four members appointed by the President of the Senate, two from the Senate, and two from private life; and

(3) Four members appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(c) Of the members appointed to the Commission not more than two shall be appointed by the President of the United States, or the President of the Senate, or the Speaker of the House of Representatives from the same political party.

(d) Any vacancy in the Commission shall not affect its powers, but such vacancy shall be filled in the same manner in which the original appointment was made.

(e) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(f) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(g) Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 3. (a) Members of the Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be

reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) The members of the Commission from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 4 (a) (1) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(2) The Commission may procure, without regard to the civil-service laws and the Classification Act of 1949, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat 810), but at rates not to exceed $50 per diem for individuals.

(b) All employees of the Commission shall be investigated by the Federal Bureau of Investigation as to character, associations, and loyalty and a report of each such investigation shall be furnished to the Commission.

EXPENSES OF THE COMMISSION

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this joint resolution.

DUTIES OF THE COMMISSION

SEC. 6. The Commission shall study and investigate—

(1) the administration of the existing immigration and naturalization laws and their effect on the national security, the foreign policy, the economy, and the social welfare of the United States; and

(2) such conditions within or without the United States which, in the opinion of the Commission, might have any bearing on the immigration and naturalization policy of the United States.

POWERS OF THE COMMISSION

SEC. 7. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (2 U. S. C. secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this joint resolution, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

REPORTS

SEC. 8. The Commission shall submit interim reports to the Congress and the President at such time or times as it deems advisable, and shall submit its final report to the Congress and the President not later than April 30, 1956. The final report of the Commission may propose such legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

TERMINATION OF THE COMMISSION

SEC. 9. Ninety days after the transmittal to the Congress of the final report provided for in section 8 of this act, the Commission shall cease to exist.

Will the Voices of the Baltic Peoples Be Heard at the Summit?

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 28, 1955

Mr. RABAUT. Mr. Speaker, with prayerful expectation the world awaits the much-heralded meeting at the summit, that nether, nether land habitated by the titular heads of powerful states—some the elected representatives of their peoples, others the self-appointed managers of their people's fates. Whatever their sovereign status the fact still remains that the lives of countless millions will weigh heavily in the balance of their decisions. But what of the great multitude of people who will not have voice or representation on this hallowed summit? Who is to decide their case? Who is to give voice to their feeble cries for freedom? Their erstwhile protectors will see to it that the embarrassing questions about inhumane and criminal treatment that is foisted upon them will never appear before this world forum.

The freedom-hungry peoples that I refer to are the Estonians, Latvians, and Lithuanians; sometimes referred to as the Baltic States. Their incorporation into the Soviet Union was itself a miscarriage of national justice, if there be such a legal entity; but the mass deportation of these peoples to the mining and slave-labor camps of Russia will take its place among the irremovable blights upon the conscience of all humanity. I ask my colleagues to take cognizance of these inhumanities and to join me in denouncing the inhuman acts of its perpetrators.

I should like to include with my remarks a letter which accompanied the resolution that was drawn by the Baltic Nations Committee of Detroit on the occasion of their commemoration of the mass deportations that took place in their countries on June 12, 1941. My Michigan colleague, the Honorable JOHN D. DINGELL, previously published the resolution which appears in the July 27 RECORD. The letter follows:

THE BALTIC NATIONS
COMMITTEE OF DETROIT,
Highland Park, Mich., June 12, 1955.

The Honorable LOUIS C. RABAUT,
House of Representatives,
Washington, D. C.

SIR: On the occasion of the 14th anniversary of mass deportations from Baltic States by the Communists and on the 15th anniversary of the incorporation of Estonia, Latvia, and Lithuania into the Soviet Union, commemorated by Estonians, Latvians, and Lithuanians in Detroit area on June 12, 1955, the enclosed resolution was adopted which we would respectfully call to your attention.

Since national freedom and independence are dear to all freedom-loving people, our nations look to the leaders of the free world for help in restoring freedom to the enslaved people of Estonia, Latvia, and Lithuania.

Any assistance that you, as honorable Member of the House of Representatives of the United States, could give to restore the freedom of our beloved countries will be forever appreciated by the people of Estonia, Latvia, and Lithuania.

Very truly yours,

THE BALTIC NATIONS COMMITTEE OF DETROIT,
SIGURDS RUDZITIS,
Chairman; President of the Latvian Association in Detroit.

SENATE

WEDNESDAY, JUNE 29, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, in whose peace our restless spirits are quieted, quicken our understanding; take Thou the dimness of our souls away; help Thy servants in this Chamber of governance to lift the difficult decisions of the public service into Thy holy light. Flood our darkness with the radiance of the Eternal. Grant us inner greatness of spirit, purity of heart, and clearness of vision, to meet and match the vast designs of this changing, demanding day, that we may keep step with the drumbeat of Thy truth, which even across this shaken earth is marching on to its coronation in the affairs of men.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 28, 1955, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 28, 1955, the President had approved and signed the following acts and joint resolution:

S. 67. An act to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes;

S. 120. An act for the relief of Vasilios Demetriou Kretsos and his wife, Chryssa Thomaidou Kretsos;

S. 284. An act for the relief of Margarita Oy Wan Chan;

S. 471. An act for the relief of Aina Brizga;

S. 574. An act for the relief of Martin P. Pavlov;

S. 600. An act to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter;

S. 604. An act for the relief of Alick Bhark;

S. 640. An act for the relief of Roger Ouellette;

S. 650. An act for the relief of Antonios Vasillos Zarkadis;

S. 676. An act for the relief of Robert A. Borromeo; and

S. J. Res. 60. Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 85) to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

The message also announced that the House had passed the bill (S. 1718) to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 30, 40, and 47 to the bill, and concurred therein, and that the House had receded from its disagreement to the amendments of the Senate numbered 43, 29, and 48 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6871. An act to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956; and

H. R. 6980. An act providing for the conveyance of the Old Colony project to the Boston Housing Authority.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 6871. An act to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956; to the Committee on Labor and Public Welfare.

H. R. 6980. An act providing for the conveyance of the Old Colony project to the Boston Housing Authority; to the Committee on Banking and Currency.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Investigations of the Committee on Government Operations was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, before the Senate proceeds further, I should like to announce the program for the day and the remainder of the week, insofar as it is now known.

The pending business is Calendar No. 580, S. 1849, relating to career conditional and career appointments for certain indefinite civil-service employees. In addition, it is expected to complete action today on three other bills from the Post Office and Civil Service Committee. These are Calendar No. 511, S. 1041, to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States; Calendar No. 521, S. 1292, to readjust postal classification on educational and cultural materials; and Calendar No. 579, S. 63, to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate. All of these bills have been previously announced.

It is also expected that the Senate will receive today from the House conference reports on the Commerce appropriation bill and the bill providing for salary increases for District of Columbia judges.

Tomorrow I hope there may be a call of the calendar of measures to which there is no objection, beginning from where we left off on the last call.

I should also like to inform the Senate that in the event certain bills which have been cleared for floor consideration do not pass on the call of the calendar, motions will be made on the floor for their consideration.

I should like to have the distinguished minority leader follow me carefully at this stage of my statement, because I am not certain that I have discussed with the minority leader the measures to which I am about to refer. I refer to such bills as H. R. 619, to provide that all United States currency shall bear the inscription "In God We Trust"; S. 756, to provide that the United States shall aid the States in wildlife-restoration projects; S. 1077, to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16–17, 1947; as well as other measures now on the calendar.

I also plan to have action taken tomorrow on H. R. 6992, providing for a temporary extension of the increased debt limit; that is, provided it is reported from the Committee on Finance and the report is available. I just left the committee, and they are hopeful that the hearings and report will be available. The committee is also expected to report today H. R. 5560, relating to the free importation of household and personal effects brought into the United States under Government order.

I will say to the minority leader in explanation, so the RECORD may also show it, that of course none of the bills which have not been reported will be brought up by motion tomorrow unless he is agreeable to that course.

Among the bills which will be considered on motion tomorrow, following the call of the calendar, will be Calendar No. 256, S. 669, the District home rule bill; Calendar No. 258, S. 184, making certain amendments in the laws governing the regulation of public utilities in the District; Calendar No. 269, S. 1633, authorizing members of the Alaska Legislature to become candidates for election to a constitutional convention; and Calendar No. 594, S. 987, authorizing a boundary survey between Maryland and Delaware.

Mr. President, I hope that on Friday the Senate can consider the military construction authorization bill. It has been indicated by the able chairman of the subcommittee, the Senator from Mississippi [Mr. STENNIS] that the bill will be considered by the full Committee on Armed Services tomorrow. If the bill is reported tomorrow and if the reports are available, I am hopeful that bill can be brought up on Friday. It is an authorization measure, which must precede an appropriation. I understand the Executive will request action on it before Congress adjourns.

In addition, the Senate will consider any of the bills previously announced which have not been disposed of by that time, as well as any new proposed legislation which has been reported to the Senate and which is noncontroversial.

Mr. President, I have gone into some detail in referring to some measures which are generally regarded as being of minor importance but I did so in order that every Senator may be on notice of the legislative plans of the leadership. The minority leader himself is very hopeful that measures involving no great controversy will be brought up in the Senate on Friday, as well as on next Tuesday, in order that Senators may be protected, so far as we are able to protect them, when they are away on speaking engagements.

If the Appropriations Committee reports the public-works bill in ample time, it is my hope to bring that bill up on Tuesday, to have general discussion thereon, and perhaps act on minor amendments or noncontroversial amendments. It is our hope and plan to avoid any quorum calls or yea and nay votes

on that day. That is no guaranty, because no leader, no two leaders, no number of leaders, can ever assure the Senate that there will not be quorum calls or yea and nay votes. However, the legislative program will be arranged with the objective in mind which I have stated.

M. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished minority leader.

Mr. KNOWLAND. I wonder if the Senator will give some advice to the Senate respecting action on the treaties on the calendar. Under the general understanding, there will be yea and nay votes on the treaties. I had understood the treaties might be taken up next week. I wonder whether the Senator would have in mind having the treaties taken up on perhaps next Wednesday or Thursday, if that will fit into the program, so Senators may be on notice.

Mr. JOHNSON of Texas. Mr. President, I had announced yesterday, or the day before, that the Senate would probably have a vote on the treaties today or tomorrow. After that announcement was made I received the very cheering information that our beloved colleague, the chairman of the Foreign Relations Committee, the senior Senator from Georgia [Mr. GEORGE], would be likely to return to the Senate next Tuesday. I conferred with the minority leader, regarding the treaties, and he expressed the hope that the Senate might perhaps have yea and nay votes on the treaties next Wednesday or Thursday. That is perfectly agreeable to me. I am not in a position to say positively that the chairman of the Foreign Relations Committee will be back at that time. As soon as a definite date can be fixed, I will announce it. No date will be set except with the knowledge and concurrence of my colleague, the minority leader. The nearest date on which the Senate is expected to vote on the treaties is, as the minority leader has suggested, next Wednesday or Thursday.

Mr. KNOWLAND. I thank the Senator from Texas.

ORDER FOR CALL OF CALENDAR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that following the completion of the morning business tomorrow, there may be a call of the calendar of measures to which there is no objection, beginning with Order No. 642.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the nomination on the Executive Calendar will be stated.

UNITED NATIONS

The Chief Clerk read the nomination of John C. Baker, of Ohio, to be a representative of the United States of America on the Economic and Social Council of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate resumed the consideration of legislative business.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that during the morning hour, in connection with the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, there be the usual 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SEMIANNUAL REPORT OF SECRETARY OF DEFENSE

A letter from the Secretary of Defense, transmitting, pursuant to law, his semiannual report, together with those of the Secretaries of the Army, the Navy, and the Air Force, for the period July 1 to December 31, 1954 (with an accompanying report); to the Committee on Armed Services.

AUDIT REPORT ON FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Fish and Wildlife Service, Department of the Interior, for the fiscal year ended June 30, 1954 (with an accompanying report); to the Committee on Government Operations.

REPORT ON INTELLIGENCE ACTIVITIES

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission on intelligence activities, dated June 1955 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF MERCHANT MARINE ACT, RELATING TO RESEARCH AND EXPERIMENTAL WORK WITH VESSELS

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize research and experimental work with vessels, vessel propulsion and equipment, port facilities, planning, and operation and cargo handling on ships and at ports (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT OF COMMISSION FOR 200TH ANNIVERSARY OF BIRTH OF JOHN MARSHALL

A letter from the Chairman, United States Commission for the Celebration in 1955, of the 200th Anniversary of the Birth of John Marshall, transmitting, pursuant to law, a report of that Commission (with an accompanying report); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of Georgia; to the Committee on Appropriations:

"House Resolution 15

"Resolution relative to Federal appropriations for the construction of dams, locks, and basins in Georgia; and for other purposes

"Whereas the construction of the Fort Gaines dam and lock will mark the completion of the Apalachicola-Chattahoochee-Flint waterway from Columbus, Ga., to the Gulf of Mexico, which project was approved by Congress and authorized for the purposes of providing hydroelectric power, means of navigation, flood control, recreation, and other benefits; and

"Whereas when the Apalachicola network is connected with the Intracoastal Waterway it will be of great strategic importance to the United States; and

"Whereas the construction of the Hartwell Dam on the Savannah River and the construction of a turning basin in the Savannah River to implement the efficiency of the Georgia Ports Authority will provide untold benefits for the Nation, and more particularly for the people of this State; and

"Whereas it is highly desirable that all these projects be completed at the earliest possible time: Now, therefore, be it

"*Resolved by the General Assembly of Georgia*, That the United States Congress be urgently requested to sustain the recommendation of the House Appropriations Committee for beginning construction moneys for the Fort Gaines dam and lock; funds toward the completion of the cut across St. George's Island, which will connect Apalachicola Bay and the harbor with the Gulf of Mexico, and necessary amounts for Apalachicola River Channel improvement; and that Congress be requested to appropriate necessary funds with which to begin construction of the Hartwell Dam on the Savannah River, and the total sum necessary for construction of the turning basin in the Savannah River to implement the efficiency of the Georgia Ports Authority; be it further

"*Resolved*, That all the Members of the Georgia congressional delegation be urged to pursue these matters as diligently as possible in order that this State may reap the benefits which would be forthcoming; be it further

"*Resolved*, That a copy of this resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, and each Member of the Georgia congressional delegation.

"MARVIN E. MOATE,
"Speaker of House.
"J. P. BORN,
"Clerk of House."

A resolution adopted at a mass meeting of United States citizens of Lithuanian, Latvian, and Estonian descent, at Los Angeles, Calif., protesting against continued Russian occupation of the Baltic States, and so forth; to the Committee on Foreign Relations.

A resolution adopted by Lithuanian Americans of the city of Kenosha, Wis., favoring a discussion of the liberation of all Soviet-enslaved countries at the forthcoming Geneva Conference; to the Committee on Foreign Relations.

HOSPITAL AND MEDICAL EXPENSES OF VETERANS OF THE CIVIL WAR—RESOLUTION

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a letter which I have received from E. A. Rousseau, commander of David Wisted Post, No. 28, of the American Legion, Duluth, Minn., dated June 25, 1955, enclosing a copy of the resolution which was passed by that post, relating to a bill which I had introduced in behalf of Albert Woolson, the last survivor of the Grand Army of the Republic.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
DAVID WISTED POST, NO. 28,
Duluth, Minn., June 25, 1955.

Hon. EDWARD J. THYE,
United States Senator, Minnesota,
United States Senate,
Washington, D. C.

DEAR SENATOR ED: The attached resolution, unanimously approved by the members present at our election and installation meeting held June 23, 1955, expresses our sincere appreciation for your efforts and cooperation in behalf of our comrade, Albert Woolson, who is the last survivor of the Grand Army of the Republic.

Very truly yours,

E. A. ROUSSEAU,
Commander.

Whereas it was called to the attention of David Wisted Post No. 28, The American Legion, Department of Minnesota, that no provisions have been made by our Government to take care of hospital and medical expenses of veterans of the Civil War, and

Whereas our comrade, Albert Woolson, of Duluth, last survivor of the Grand Army of the Republic, has been ill and has contracted hospital expenses; and

Whereas, this was called to the attention of Senator EDWARD J. THYE in Washington by David Wisted Post, No. 28; and

Whereas said Senator introduced a bill which became law on June 21, 1955, to take care of all accrued and future medical expenses of Mr. Woolson: Now, therefore, be it

Resolved, That said David Wisted Post, No. 28, commend and thank Senator THYE for his efforts in putting this bill through and that a copy of this resolution be sent to Senator THYE.

DAVID WISTED POST, NO. 28,
THE AMERICAN LEGION,
DEPARTMENT OF MINNESOTA,
E. A. ROUSSEAU,
Commander.
LEE M. LARSON,
Adjutant.

RESOLUTION BY MINNESOTA STATE BAR ASSOCIATION ENDORSING WARREN E. BURGER FOR CIRCUIT JUDGE OF THE COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a letter which I have received from Bert A. McKasy, executive secretary of the Minnesota State Bar Association, enclosing a resolution endorsing Warren E. Burger, a member of the Minnesota State Bar Association, for appointment as circuit judge of the Court of Appeals for the District of Columbia.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

MINNESOTA STATE BAR ASSOCIATION,
Minneapolis, Minn., June 27, 1955.

Hon. EDWARD THYE,
United States Senate,
Washington, D. C.

DEAR SENATOR THYE: Enclosed herewith is a resolution unanimously adopted by the Minnesota State Bar Association in convention assembled in St. Paul, Minn., June 24, 1955.

Yours truly,

BERT A. MCKASY,
Executive Secretary.

Whereas Warren E. Burger, a member of the Minnesota State Bar Association, has been appointed circuit judge of the Court of Appeals for the District of Columbia Circuit; and

Whereas said Warren E. Burger is highly regarded by his fellow members of the Minnesota State Bar Association as a fit and proper person to assume the duties of a judge of the above appellate court: Now, therefore, be it

Resolved by the Minnesota State Bar Association, That it endorse the appointment by the President of the United States of the said Warren E. Burger as judge of said circuit court and that his appointment be confirmed by the Senate of the United States; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States and the chairman of the Senate Committee on Judiciary and Senators THYE and HUMPHREY, of Minnesota.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. CHAVEZ, from the Committee on Public Works:

S. 1577. A bill to enable the State of Connecticut to proceed with its program of highway modernization; with amendments (Rept. No. 691).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMATHERS (for Mr. KENNEDY):

S. 2360. A bill to establish general policies for mobilization purposes governing industrial properties of the United States;

S. 2361. A bill to facilitate the transfer of storage facilities between the military departments; and

S. 2362. A bill to amend section 601 of Public Law 155, 82d Congress, relating to certain real property transactions involving more than $25,000; to the Committee on Armed Services.

S. 2363. A bill to make the Alaska Railroad subject to the Government Corporation Control Act;

S. 2364. A bill to amend the Federal Property and Administrative Service Act of 1949, as amended, and for other purposes;

S. 2365. A bill extending the authority of the General Services Administration with respect to warehouses and other storage facilities operated by civilian agencies of the Government;

S. 2366. A bill relating to the traffic management functions of the General Services Administration;

S. 2367. A bill relating to the authority of the Administrator of General Services with respect to the utilization and disposal of excess and surplus Government property under the control of executive agencies;

S. 2368. A bill to add a new title relating to real property management to the Federal Property and Administrative Services Act of 1949, as amended; and

S. 2369. A bill to provide for improving accounting methods in the executive branch of the Government, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. SMATHERS when he introduced the above bills, which appear under a separate heading.)

By Mr. PURTELL:

S. 2370. A bill for the relief of Constantine Salmon, also known as Dervin James; and

S. 2371. A bill for the relief of Charles Black, also known as Joseph Clark; to the Committee on the Judiciary.

By Mr. MCCLELLAN:

S. 2372. A bill to amend the act to promote the conservation of wildlife, fish, and game in order to promote the integration of wildlife-conservation programs with water-resource developments; to the Committee on Interstate and Foreign Commerce.

By Mr. KERR:

S. 2373. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. KERR when he introduced the above bill, which appear under a separate heading.)

By Mr. KERR (for himself, Mr. CHAVEZ, Mr. GORE, Mr. SYMINGTON, Mr. NEUBERGER, Mr. THURMOND, Mr. MCNAMARA, Mr. MARTIN of Pennsylvania, Mr. CASE of South Dakota, Mr. KUCHEL, and Mr. COTTON):

S. 2374. A bill to authorize the Secretary of the Army to enter into contracts to furnish water for municipal water supplies from

flood control and river and harbor projects; to the Committee on Public Works.

By Mr. EASTLAND:

S. 2375. A bill to provide for 5-year terms of office for members of the Subversive Activities Control Board with one of such terms expiring in each calendar year; and

S. 2376. A bill to amend the Subversive Activities Control Act of 1950 to provide for the preliminary evaluation of derogatory information concerning individuals seeking Government employment, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. EASTLAND when he introduced the above bills, which appear under a separate heading.)

SUNDRY BILLS IMPLEMENTING RECOMMENDATIONS OF THE HOOVER COMMISSION

Mr. SMATHERS. Mr. President, on behalf of the Senator from Massachusetts [Mr. KENNEDY], I introduce, for appropriate reference, a series of 10 bills, implementing the legislative recommendations made by the Hoover Commission. I ask unanimous consent that a statement, prepared by the Senator from Massachusetts relating to these bills, may be printed in the RECORD.

The VICE PRESIDENT. The bills will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bills, introduced by Mr. SMATHERS, for Mr. KENNEDY, were received, read twice by their titles, and referred as indicated:

To the Committee on Armed Services:

S. 2360. A bill to establish general policies for mobilization purposes governing industrial properties of the United States;

S. 2361. A bill to facilitate the transfer of storage facilities between the military departments; and

S. 2362. A bill to amend section 601 of Public Law 155, 82d Congress, relating to certain real-property transactions involving more than $25,000.

To the Committee on Government Operations:

S. 2363. A bill to make the Alaska Railroad subject to the Government Corporation Control Act;

S. 2364. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes;

S. 2365. A bill extending the authority of the General Services Administration with respect to warehouses and other storage facilities operated by civilian agencies of the Government;

S. 2366. A bill relating to the traffic management functions of the General Services Administration;

S. 2367. A bill relating to the authority of the Administrator of General Services with respect to the utilization and disposal of excess and surplus Government property under the control of executive agencies;

S. 2368. A bill to add a new title relating to real property management to the Federal Property and Administrative Services Act of 1949, as amended; and

S. 2369. A bill to provide for improving accounting methods in the executive branch of the Government, and for other purposes.

The statement presented by Mr. SMATHERS is as follows:

STATEMENT BY SENATOR KENNEDY

I am introducing today 10 bills which would, in part, implement a number of the legislative recommendations made by the Commission on Organization of the Executive Branch of the Government, the Hoover Commission. These bills are based upon recommendations in the various reports of the Hoover Commission referred to the Subcommittee on Reorganization of the Government Operations Committee of which I am the chairman.

The Hoover Commission, upon which the distinguished chairman of the Government Operations Committee, the senior Senator from Arkansas; the distinguished senior Senator from New Hampshire; and the distinguished former Senator from Michigan, Ambassador Ferguson, served, has made many recommendations designed to bring efficiency and economy to the operations of the Government. I have attempted to select from among the recommendations included in the reports referred to my subcommittee some which in my judgment merit careful consideration. I wish to make it clear that my introduction of these bills should not be construed as a personal endorsement of all of them; I am introducing them so that the Reorganization Subcommittee will have an opportunity to consider them in detail. To that end I have scheduled the first Senate hearings on the Hoover Commission reports for next week.

I wish to acknowledge the tremendous efforts exerted by the distinguished and prominent citizens who served on the Hoover Commission and its many task forces in their comprehensive study of the executive branch of Government with a view to eliminating wasteful practices and thereby reducing the cost of Government. I know full well that the very nature of the recommendations made by the Commission makes it certain that controversy will rage about many of them, but I wish to assure the Senate, the Congress, and all of the people of the United States that the Reorganization Subcommittee will do everything in its power to translate into better government and reduced expenditures those recommendations of the Hoover Commission which in our judgment will have those desired results.

The bills I am introducing at this time relate to the utilization and disposal of surplus property; the improvement of accounting practices and methods in the executive agencies; the management of real property of the Government; the policies concerning the Nation's industrial reserve facilities; the handling of the warehousing and storage problems of the executive agencies; the management of the Government's traffic functions; and the handling of Government records.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT OF 1933

Mr. KERR. Mr. President, I introduce, for appropriate reference, a bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes. I ask unanimous consent that a statement, prepared by me, relating to the bill, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2373) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes, introduced by Mr. KERR, was received, read twice by its title, and referred to the Committee on Public Works.

The statement presented by Mr. KERR is as follows:

STATEMENT BY SENATOR KERR

The proposed legislation would provide new sources of capital for the TVA power system to finance new generating capacity as it is required by the growing demands of the region.

Principal provisions of the bill are as follows:

1. TVA would be empowered to issue its own revenue bonds to be secured by power revenues and to be sold to private investors. TVA bonds would not be guaranteed by the Treasury, and would not add to the national debt.

2. It is also contemplated that additional power capacity might be made available to TVA under power purchase, lease, or lease-purchase agreements with agencies of the region which could finance new construction.

3. The new financing measures would be supplementary to present sources of capital, namely the appropriations provided by Congress and the revenues available from TVA power operations.

4. TVA would be required to pay into the Treasury a return on the net appropriations made for power purposes, at the average cost of money on the Treasury's marketable obligations. In lieu of the present requirement that TVA repay within 40 years appropriated funds invested in power, TVA would be required either to reinvest from revenues at least the equivalent of depreciation accruals, of reduce its capital obligations correspondingly, thereby maintaining the security of the Government's investment.

5. TVA would charge rates adequate to cover its operating expenses, statutory payments to States and counties in lieu of taxes, interest, and principal on bonds, payment of the return to the Treasury, and such a margin as would be desirable in TVA's judgment, consistent with maintaining the lowest practicable rates.

6. The TVA Board would continue to report its power operations and budget programs annually to the President and the Congress.

7. The receipts and expenditures of the TVA power system would not be considered in determining the amount of any national budgetary deficit or surplus, except as Congress may provide appropriations in the future and except for payments made by TVA to the Treasury for return on, or repayment of the Federal investment in the TVA power system.

TERMS OF OFFICE FOR MEMBERS OF SUBVERSIVE ACTIVITIES CONTROL BOARD—AMENDMENT OF SUBVERSIVE ACTIVITIES CONTROL ACT

Mr. EASTLAND. Mr. President, I introduce two bills, and ask that they be received and referred to the Committee on the Judiciary.

The need for both these measures was clearly indicated in a recent conference between members of the Subversive Activities Control Board, representatives of the Department of Justice, and members of the Senate Internal Security Subcommittee, which is charged with observing administration of the Subversive Activities Control Act.

One of these bills would extend the term of members of the SACB from 3 years to 5. As the subcommittee pointed out in a report just made public, the Subversive Activities Control Board is a continuing body, with highly important functions of a quasi-judicial nature. Board members have many duties similar to the duties of a judge. Experience has shown that Board members grow in their capacity to handle their work as their knowledge in this special field increases.

In addition to providing for the longer period of service, this bill would fix the terms so that one would expire each year, thus assuring a continuing membership. Any member appointed to fill a vacancy occurring prior to the expiration of the term to which his predecessor was appointed would serve only for the remainder of that term, unless he should then be appointed to succeed himself.

The other measure would provide a means by which an applicant for Government employment, who believes he is barred by derogatory reports against him, could have those reports evaluated.

Under this bill, the evaluation would be undertaken by the Subversive Activities Control Board and the process could be used by an applicant either for a Government job or for work with a Government contractor, or for active military service.

At present, contractors in Government work will not employ persons on a job where security clearance is required, if anything of a derogatory character appears in the application for employment.

Security clearance may be obtained now only if a person is employed. Thus, the employer, if he desires to use the individual's services, must keep him on an unclassified job until his security status can be established. The proposed new procedure would entitle an applicant, if his record is satisfactorily explained, to a certificate of clearance.

This legislation would not exempt an applicant for Government employment from the customary agency loyalty procedures nor would it authorize the Board to entertain an appeal from any loyalty board decisions.

It is intended primarily to give an applicant for employment an opportunity to clear his record, if he considers that he has been denied employment in either of the three categories because of derogatory information possessed by any Government agency.

The procedure is simple. The individual would apply to the Board for a decision, declaring his loyalty to the Government of the United States; and give a full statement of the denial of his application for employment, and of the basis for his belief that the denial was based on derogatory information concerning him.

The Board will assign the case to an examiner, who will assemble, review, and evaluate all information possessed by any Government agency regarding the applicant. He also may take an oral or written statement from the applicant.

The Board will designate one of its members to review and take action on the examiner's report. If no probable ground has been found for belief that the applicant is a security risk, a certificate of that finding would be issued. If the inquiry shows otherwise, the Board will give the applicant written notice and no further action will be taken by the Board or any other Government agency.

If an employment officer, knowing that an applicant has been given a security certificate, denies him work solely on the ground of unevaluated derogatory information, the employment officer is subject to a fine of $1,000 or imprisonment, or both.

I believe that these two proposals are sound and necessary and merit the favorable consideration of the Congress.

The VICE PRESIDENT. The bills will be received and appropriately referred.

The bills, introduced by Mr. EASTLAND, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 2375. A bill to provide for 5-year terms of office for members of the Subversive Activities Control Board with one of such terms expiring in each calendar year; and

S. 2376. A bill to amend the Subversive Activities Control Act of 1950 to provide for the preliminary evaluation of derogatory information concerning individuals seeking Government employment, and for other purposes.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATIONS—CONFERENCE REPORT

Mr. HOLLAND. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of today.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield for a brief question?

Mr. HOLLAND. I yield.

Mr. JOHNSON of Texas. Is this a unanimous report on the part of the Senate conferees?

Mr. HOLLAND. It is unanimous on the part of the Senate conferees. It is unanimous on the part of the House conferees, except for the fact that one conferee, Mr. HORAN, of Washington, was not present. There was no dissent of any kind on the part of any conferee who participated.

Mr. JOHNSON of Texas. I thank the Senator, and congratulate him upon another job well done.

Mr. HOLLAND. I thank the distinguished majority leader.

Mr. President, I think it will be unnecessary to make any exhaustive report, other than that which is made in the formal conference report. As usual, the managers on the part of the House have made a somewhat more extended statement, and the fact that that statement and the conference report have been immediately accepted by the House indicates rather clearly that there is no serious trouble in connection with the conference report.

It might be well to say that, in connection with the increase made by the Senate in the appropriations for the Federal-aid road program, the Senate conferees and the House conferees divided the difference between the two bills. Senators will remember that the Senate, in this field, stepped up the House appropriation by $80 million, and that amount was divided in half.

In connection with the appropriation for the Civil Aeronautics Board for subsidies for air carriers, Senators will remember that the House amount was $40 million. The Senate amount was $55 million. The amount shown by the conference is $52,500,000.

In the matter of subsidies for maritime carriers, Senators will recall that the House amount was $90 million. The Senate amount was the budget amount of $115 million. The amount in the conference report is $110 million.

There are two other items which I should like to mention specifically. One is that the Senate amount, which would permit the handling of the full first year's program of the accelerated inter-American highway construction, was accepted by the House, so that the full amount of authorizations now available, that is, $25,250,000, is covered by the appropriation, as shown by the conference report, and is available in the first year, that is, in fiscal 1956.

Also, I should like to have the RECORD show that the amendment offered by the distinguished Senator from Rhode Island [Mr. GREEN] to the Weather Bureau appropriation, covering an enlarged program for the acquisition of new facilities to allow improved hurricane warning service, tornado warning service, and heavy storm warning service was agreed to by the House. It was in the amount of $2,500,000 to be available over the next 4 years. The House accepted that floor amendment which increased that item to $7,500,000, and also accepted the amendment of $2,100,000, which was in the Senate bill, over and above the amount provided by the House bill for annual operations in that same field of activity in fiscal 1956.

Mr. President, if there are any questions with respect to any features of the bill, I shall be glad to attempt to answer them.

In closing, let me repeat that the Senate conferees were unanimous. The House conferees were unanimous, except that one of them was not in the city and could not participate.

So far as I know, the entire conference was pleasantly and agreeably concluded with the unanimous concurrence of all who could participate.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6367, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.
June 29, 1955.

Resolved, That the House recede from its disagreement to the amendments of the

Senate numbered 30, 40, and 47 to the bill (H. R. 6367) entitled "An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 43, and concur therein with an amendment, as follows: Change "SEC. 105." to "SEC. 104."

That the House recede from its disagreement to the amendment of the Senate numbered 29, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage-foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; and for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets: *Provided*, That not to exceed $1,500,000 of the funds of the vessel operations revolving fund may be used during the fiscal year 1956 for the purposes set forth in this paragraph."

That the House recede from its disagreement to the amendment of the Senate numbered 48, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 206. Notwithstanding the provisions of any other law, the officer of the Army now serving as Governor of the Canal Zone shall, effective upon the day preceding his retirement, be considered to hold the grade of major general for all purposes, without regard to any limitations on the number of officers in that grade, and shall receive the pay and allowances of an officer of that grade and his length of service, and when retired under any provision of law shall be advanced on the retired list to such grade and shall receive the retired or retirement pay at the rate prescribed by law computed on the basis of the basic pay which he would receive if serving on active duty in such grade."

Mr. HOLLAND. Mr. President, before making the motion which I am about to make, I wish to report that in the field of appropriations for the Civil Aeronautics Administration the House agreed with the Senate that we should not close any safety installations at this time, but should await a report on a permanent program in that field. So the House agreed to the restoration of the appropriations up to the full budget amount, but not to the added amount of $975,000; but in the conference report we reaffirmed the Senate directive which will prohibit closing any of the currently operating facilities.

I now move that the Senate concur in the amendments of the House to the amendments of the Senate Nos. 29, 43, and 48.

The motion was agreed to.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a table indicating the amounts for the various appropriations contained in the Commerce Department and related agencies appropriations bill, as passed originally by the Senate, as passed originally by the House, and finally as passed by both Houses, under the conference agreement.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Department of Commerce and related agencies appropriation bill for fiscal year ending June 30, 1956

Appropriation item	1955 appropriation	1956 estimate	House allowance	Senate allowance	Conference allowance
(1)	(2)	(3)	(4)	(5)	(6)
TITLE I. DEPARTMENT OF COMMERCE					
OFFICE OF THE SECRETARY					
Salaries and expenses	[1] $2,050,000	$2,300,000	$[illegible],000	$2,217,300	$2,172,000
BUREAU OF THE CENSUS					
Salaries and expenses	6,200,000	7,400,000	6,200,000	7,100,000	6,900,000
Census of agriculture	16,000,000	6,000,000	5,500,000	5,500,000	5,500,000
Censuses of business, manufactures and mineral industries	8,430,000	4,655,000	4,000,000	4,000,000	4,000,000
Intercensal housing survey		500,000		500,000	0
Total	30,630,000	18,555,000	15,700,000	17,100,000	16,400,000
CIVIL AERONAUTICS ADMINISTRATION					
Operation and regulation		106,150,000	103,000,000	107,125,000	106,150,000
Establishment of air-navigation facilities	5,000,000	23,000,000	18,500,000	16,000,000	16,000,000
Establishment of air-navigation facilities (liquidation of contract authorization)		7,000,000	7,000,000	7,000,000	7,000,000
Grants-in-aid for airports		11,000,000	20,000,000	20,000,000	20,000,000
Federal-aid airport program, Federal Airport Act (liquidation of contract authorization)		7,500,000	7,500,000	7,500,000	7,500,000
Maintenance, and operation, Washington National Airport	1,350,000	1,415,000	1,350,000	1,415,000	1,350,000
Construction Washington National Airport	340,000	[2] 525,000	525,000	525,000	525,000
Maintenance and operation of public airports, Territory of Alaska	600,000	750,000	600,000	750,000	600,000
Air navigation development	1,050,000	2,000,000	1,050,000	1,600,000	1,050,000
Salaries and expenses	[3] 98,730,000				
Technical development and evaluation	700,000				
Federal-aid airport program, Federal Airport Act	22,000,000				
Claims, Federal Airport Act	69,449				
Land acquisition, additional Washington airport	16,297				
	129,855,746	159,340,000	159,525,000	161,915,000	160,175,000
CIVIL AERONAUTICS BOARD					
Salaries and expenses	3,777,000	4,125,000	3,900,000	4,125,000	4,125,000
Payments to air carrier	[4] 48,900,000	63,000,000	40,000,000	55,000,000	52,500,000
	52,677,000	67,125,000	43,900,000	59,125,000	56,625,000
COAST AND GEODETIC SURVEY					
Salaries and expenses	10,200,000	[5] 10,400,000	10,200,000	10,225,000	10,225,000
BUSINESS AND DEFENSE SERVICES ADMINISTRATION					
Salaries and expenses	6,320,000	[5] 7,300,000	6,198,000	6,975,000	6,198,000
BUREAU OF FOREIGN COMMERCE					
Salaries and expenses	2,000,000	2,200,000	1,800,000	2,200,000	2,000,000
Export control	[7] 3,481,000	3,000,000	2,500,000	2,800,000	2,650,000
	5,481,000	5,200,000	4,300,000	5,000,000	4,650,000
OFFICE OF BUSINESS ECONOMICS					
Salaries and expenses	900,000	1,000,000	975,000	900,000	900,000

[1] Excludes comparative transfer of $122,000 from "Salaries and expenses, Business and Defense Services Administration."
[2] Excludes proposed supplemental of $2,600,000 transmitted in H. Doc. 171.
[3] Includes $650,000 derived by transfer pursuant to Public Law 24, 84th Cong.
[4] Includes supplemental appropriation of $3,900,000 contained in Public Law 24, 84th Cong.
[5] Excludes proposed supplemental of $159,000 transmitted in H. Doc. 171.
[6] Includes amendment of $250,000 contained in H. Doc. 126.
[7] Excludes $119,000 transfer to other appropriations pursuant to Public Law 24, 84th Cong.

Department of Commerce and related agencies appropriation bill for fiscal year ending June 30, 1956—Continued

Appropriation item (1)	1955 appropriation (2)	1956 estimate (3)	House allowance (4)	Senate allowance (5)	Conference allowance (6)
TITLE I. DEPARTMENT OF COMMERCE—Continued					
MARITIME ACTIVITIES					
Ship construction	$82,600,000	[8] $102,800,000	$64,700,000	$102,800,000	$86,450,000
Operating-differential subsidies	[9] 115,000,000	115,000,000	90,000,000	115,000,000	110,000,000
Salaries and expenses	[10] 13,900,000	15,100,000	14,000,000	14,700,000	14,350,000
Maritime training	2,200,000	[11] 2,085,000	2,085,000	2,085,000	2,085,000
Repair of reserve fleet facilities	[12] 970,000				
Repair of reserve fleet vessels (liquidation of contract authorization)	12,000,000	6,000,000	6,000,000	6,000,000	6,000,000
State marine schools	[13] 610,000		660,000	660,000	660,000
Ship mortgage-foreclosure or forfeiture contingencies	[14] 2,019,000				
Vessel operations revolving fund (limitation)		[15]	Disallowed	[15]	(1,500,000)
War Shipping Administration liquidation (limitation)	(6,000,000)	(5,900,000)	(5,900,000)	(5,900,000)	(5,900,000)
	229,299,000	240,985,000	177,445,000	241,245,000	219,545,000
INLAND WATERWAYS CORPORATION					
Administrative expense limitation	(14,000)	(14,000)		(14,000)	(14,000)
PATENT OFFICE					
Salaries and expenses	11,500,000	12,000,000	14,000,000	14,000,000	14,000,000
BUREAU OF PUBLIC ROADS					
Federal-aid highways (liquidation of contract authorization)	[16] 595,000,000	680,000,000	600,000,000	680,000,000	640,000,000
Forest highways (liquidation of contract authorization)	[17] 18,500,000	25,000,000	18,500,000	25,000,000	21,750,000
Inter-American Highway	5,750,000	[18] 74,980,000	8,000,000	25,250,000	25,250,000
Public-lands highways (liquidation of contract authorization)	[19] 875,000	2,000,000	2,000,000	2,000,000	2,000,000
Reimbursement to the highway fund, District of Columbia	290,000				
	620,415,000	781,980,000	628,500,000	732,250,000	689,000,000
NATIONAL BUREAU OF STANDARDS					
Expenses		7,750,000	7,000,000	7,450,000	7,000,000
Plant and equipment		[20] 1,015,000	995,000	995,000	995,000
Operation and administration	1,000,000				
Research and testing	3,150,000				
Radio propagation and standards	2,100,000				
Construction of laboratories (liquidation of contract authorization)	115,000				
	6,365,000	8,765,000	7,995,000	8,445,000	7,995,000
WEATHER BUREAU					
Salaries and expenses	[21] 24,940,000	27,850,000	29,900,000	32,000,000	32,000,000
Establishment of meteorological facilities		5,000,000	5,000,000	7,500,000	7,500,000
	24,940,000	32,850,000	34,900,000	39,500,000	39,500,000
Total, title I	1,130,632,746	1,347,800,000	1,105,810,000	1,298,897,300	1,227,385,000
TITLE II. THE PANAMA CANAL					
CANAL ZONE GOVERNMENT					
Operating expenses	[22] 14,018,000	15,017,000	14,500,000	14,800,000	14,500,000
Capital outlay	1,415,000	1,881,000	1,800,000	1,800,000	1,800,000
	15,433,000	16,898,000	16,300,000	16,600,000	16,300,000
PANAMA CANAL COMPANY					
Administrative expense limitation	(3,589,000)	(3,850,000)	(3,589,000)	(3,740,000)	(3,740,000)
Total, title II	15,433,000	16,898,000	16,300,000	16,600,000	16,300,000
TITLE III. INDEPENDENT AGENCIES					
Advisory Committee on Weather Control	120,000	295,000	175,000	295,000	275,000
St. Lawrence Seaway Development Corporation (administrative expense limitation)	(250,000)	(280,000)	(280,000)	(280,000)	(280,000)
Tariff Commission	1,327,000	1,400,000	1,400,000	1,400,000	1,400,000
Total, title III	1,447,000	1,695,000	1,575,000	1,695,000	1,675,000
Grand total, titles I, II, and III	1,147,512,746	1,366,393,000	1,123,685,000	1,317,192,300	1,245,360,000

[8] Excludes proposed supplemental of $12,650,000 transmitted in H. Doc. 171.
[9] Includes supplemental appropriation of $50 million contained in Public Law 24, 84th Cong.
[10] Includes supplemental appropriation of $400,000 contained in Public Law 24, 84th Cong.
[11] Excludes proposed supplemental of $115,000 transmitted in H. Doc. 171.
[12] Contained in Public Law 24, 84th Cong.
[13] Excludes $50,000 transferred to other appropriations pursuant to Public Law 24, 84th Cong.
[14] Excludes $481,000 transferred to other appropriations pursuant to Public Law 24, 84th Cong.
[15] Language authorizing use of fund for ship mortgage foreclosure, etc.
[16] Includes supplemental appropriation of $95 million contained in Public Law 24, 84th Cong.
[17] Includes supplemental appropriation of $3,500,000 contained in Public Law 24, 84th Cong.
[18] Includes amendment of $69,230,000 contained in H. Doc. 126.
[19] Contained in Public Law 24, 84th Cong.
[20] Includes amendment of $765,000 contained in H. Doc. 126.
[21] Includes $190,000 derived by transfer pursuant to Public Law 24, 84th Cong.
[22] Includes supplemental appropriation of $230,000 contained in Public Law 24, 84th Cong.

NOTE.—Parenthetical figures are not added in totals appropriated; they are limitations on use of corporate or appropriated funds.

AWARD OF DEGREE OF DOCTOR OF HUMANE LETTERS BY HAMILTON COLLEGE TO SENATOR SMITH OF MAINE

Mr. PAYNE. Mr. President, early this month my distinguished colleague, the senior Senator from Maine, added another well-deserved honor to the many she has received in recognition of her outstanding service in the United States Senate. On June 5, 1955, Hamilton College in Clinton, N. Y., one of the Nation's oldest and finest men's liberal arts colleges, awarded Senator MARGARET CHASE SMITH an honorary doctor of humane letters degree. It is indeed fitting that Hamilton, which has sent so many of its distinguished sons to the Senate, including the present senior Senator from New York, should now make Senator SMITH an adopted daughter.

I ask unanimous consent that there appear at this point in the RECORD the text of the citation read at the commencement following the presentation of Senator SMITH for the degree by Senator IRVING M. IVES.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

HAMILTON COLLEGE, CLINTON, N. Y.—CITATION—MARGARET CHASE SMITH, DOCTOR OF HUMANE LETTERS

MARGARET CHASE SMITH: "As Maine goes, so goes the Nation," reads a political axiom.

If "as Maine goes" is to encompass the New England insight with which your constituents have returned you to Washington for these past 15 years, the Nation is indeed fortunate. You have been successively a teacher and businesswoman when in 1936 your husband became a Member of Congress and you, his secretary. To that task you brought both energy and talent, so that on your husband's death you were able to fill his unexpired term with great merit. You, yourself, were then elected to Congress and later, in 1949, to the United States Senate—a double tribute never before accorded a woman. In Washington, you are known as one who in party councils and in the committee room exercises a leadership that is quiet, firm, and positive. You have refused to surrender principles and freedoms to expediency. And, what is sometimes most difficult in a day when labels are flung about carelessly, you have remained a prophet with honor in your home State as attested by its increasing support. Hamilton holds precious in these times your willingness to enter public life and bring America courageous, intelligent leadership.

Acting on the authority of the board of trustees, I confer upon you the degree of doctor of humane letters of Hamilton College, admitting you to all of its rights and privileges. In token whereof, we invest you with this hood and present you this diploma.

JUNE 5, 1955.

AMERICAN FOREIGN POLICY—THE GENEVA CONFERENCE—DOMESTIC AFFAIRS

Mr. BENDER. Mr. President, in the past few weeks the people of America have been deluged by a flood of peace propaganda. As a nation dedicated to international peace, we have welcomed this change. Nevertheless, we must not be misled by this new climate of goodwill emanating from the Soviet Union.

The Trojan horse was child's play by contrast with the methods used by the Communists. William Shakespeare gave us a good line. He wrote, "A man may smile and smile and be a villain still." Let us not be taken in by Mr. Molotov's "new look." All of us remember the week before Pearl Harbor. We were entertaining a few gentlemen who were talking about peace at almost the moment their countrymen were bombing Hawaii.

I do not say that we are in imminent danger of a similar event. I hope not. But we would be foolish indeed if we went to sleep. We must not be misled into so drastic an error. This is the time to keep our guard up.

I say this, particularly, because we are on the eve of a most important international meeting. The usual technique of the Communists is to extend an olive branch before every conference. Then they withdraw it when the meetings take place. Their idea is simple. Build up high hopes and then dash them to earth. Forewarned should be forearmed. We should go into the Geneva meeting with few expectations of a lasting peace program.

President Eisenhower knows the facts. He has been telling us regularly that the Geneva meeting will not be an answer to the world's problems. It will be very much like the first round of a carefully planned boxing match. The participants will be sparring with each other. No one will be ready to go all out in any direction. In spite of this, I believe that the conference may serve a useful purpose. It will give the world a chance to see a new group of leaders at work. We know what happened at Versailles in 1919. We know what happened at Yalta. With this knowledge, President Eisenhower is not going to let the same things happen in Geneva.

I have devoted a good deal of this discussion to our foreign policy because it is the key factor in our domestic program. Our spending for military defense will amount to more than $31 billion in the next fiscal year. Many of our Federal agencies are staffed with thousands of employees as a direct result of our military needs. Foreign aid spending depends entirely upon our foreign relations policy. In virtually every field, there is a direct or indirect connection between what we do at home and our program overseas.

During the past few weeks, Congress has been concerned with the problem of Organized Military Reserves. Our National Guard units and our Army Reserve forces are often overlooked by the people of our country. I believe that we must correct this condition. In our present state of civilian unpreparedness, these men would be our secondary line of home defense along with our community police forces and fire departments in the event of any sudden attack. They would be called upon to take over vital emergency operations. Although they do not come to public attention very often they might play a major role in our security.

Foreign policy is the No. 1 item in our entire spending program. On June 3, 1955, the public debt of our Nation stood at $273,500,000,000.

It is possible that next year's spending may touch the old permanent debt limit of $275 billion.

Congress has been asked to raise this permanent ceiling to $281 billion. That is a lot of money. We ought to be thinking of ways and means of reducing the debt, not increasing it. I hope that we can. But I am sure that the people of our country agree that if it takes money to preserve our freedom, we must provide the money.

There are a few favorable signs on the horizon which I should like to mention. We are never going to eliminate all of our foreign spending until our friends in Europe and elsewhere can maintain adequate military forces without help. In Europe today, a new effort is being made to create a federal union of western European countries.

One of France's leading public figures has just left his position as chairman of the European Coal and Steel Community. He is now campaigning for a United States of Europe. This will not be a true political union. It may lead to one some day. But right now its supporters believe they can unite for economic purposes.

A Council of Europe has been established, with Great Britain, Ireland, Denmark, Norway, Sweden, Western Germany, Turkey, Greece, Italy, and France working together. This is still a debating society, but it is designed as the framework for a European political federation at some future date. It would be overly optimistic to think of this as something that can be done in a generation or even two. But it points the way toward relieving Uncle Sam of some of his tremendous financial burdens.

Whatever does this, I approve. We must begin thinking now in terms of helping our people at home. We cannot go on forever assisting nations all over the globe and forgetting our own people. We have been fortunate. Times are good. More Americans are working than ever before. We enjoy a level of prosperity unknown anywhere in world history. But the same world history teaches us that great empires have crumbled under the burden of taxation. We must plan realistically for the future of America by outlining a program to cut taxes before they shatter our great prosperity.

I hope that we may have the wisdom and the foresight to achieve this goal.

TRIBUTE TO THE MAJORITY LEADER

Mr. BIBLE. Mr. President, in this morning's mail I received the usual newsletter from the Independent Editorial Service, edited by Gen. T. A. McInerney. Included in the newsletter this morning was a very fine article on our very distinguished majority leader, the Senator from Texas [Mr. JOHNSON]. I heartily subscribe to everything in the article and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SKILLFUL LYNDON

While the foes of bigotry are about it, they could very well try to wipe out the prejudice in this country against a southerner as President. Some people are making the long-range prediction that in 1960 LYNDON BAINES JOHNSON, of Johnson City, Tex., will be elected President of the United States on the Democratic ticket.

Their reasoning seems good, and is based upon Senator JOHNSON'S record to date and probable dominance in party affairs when 1960 rolls around. There hasn't been anyone around like JOHNSON in many a moon. His skill at handling the divergent elements of his own party, and his polished ease in dealing with the Republicans have attracted the keen attention of such pundits as Arthur Krock, of the New York Times, Walter Lippmann, and Frank Kent. JOHNSON is the only Democrat Kent has spoken kindly of since Cleveland.

JOHNSON is a new-style southern statesman, in that he never has been able to bring himself to the verge of burlesque in filling his role.

He is probably the handsomest man in the Senate, except for GEORGE SMATHERS, of Florida. He dresses like a Wall Street broker, and talks with only a faint Texas accent.

He has never worn his hair long, worn a heavy watchchain, and has never roared in public with stentorian accents. As a stage southern Senator, he would be a flop, and he knows it.

He has reached the ripe age of 45, with nothing in his record but success. He has capacity, energy, and the profound gift of charting his own course and keeping his own counsel.

There has not been a majority leader of the Senate in many years with his good sense, his attractiveness or his skill. When Arthur Krock gets off his lofty perch to re-

mark about a Senator, the man has to have something, and JOHNSON's got it.

Now, assuming that he is a logical candidate in 1960, how can the old and long-lasting opinion that no southerner can be elected President be overcome? To begin with, JOHNSON does not advertise Texasism, which is given the same bad name as fascism in New York and elsewhere in the North.

He is a keen and nervy debater, and can hold his own with the best. He is natural, free-swinging, and able on television. His oratory is of the best. He made Ike look sad at a Gridiron dinner a couple of years ago. His record in the Senate and in the House before that shows a pious regard for the general public interest and the public dollar.

Despite the pressures from special interests in Texas, he never has been known as an oil angel or a cattle savior. He has voted them as he sees them. He has a stock answer when he is importuned to vote against his views. "I can't, I just can't," he says, and the conversation is over.

JOHNSON has enough platform ability to rouse the interest of hosts of voters in the North. He has his ambitions, but does not let them run away with him—outwardly at least.

A sage, self-disciplined man, he has destiny around and in him.

THE MILITARY RESERVE

Mr. NEUBERGER. Mr. President, one of the most controversial issues to come before this Congress is the strengthening of the military Reserve through compulsory membership requirements. How long should the military have a hold on our young men after they have completed several years of active duty is a question on which I have not fully made up my mind. One of the strongest and most compelling arguments I have seen in support of a strong military Reserve was in the form of a letter to me from Mrs. Marguerite Wright, whose husband, Thomas, is an officer with the 929th Field Artillery Battalion of the Army Reserve.

Mrs. Wright, the mother of three small girls, is the capable editorial assistant to former Oregon Governor Charles A. Sprague, the editor and publisher of the Oregon Statesman at Salem. Mrs. Wright was also the first co-ed ever selected to edit the Oregon Daily Emerald, official University of Oregon student newspaper.

All too frequently the important and vital contribution to national defense by the Reserve components of our military forces is overlooked and belittled. The military Reserve stands as a bastion of defense, ready to be called in time of national peril.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD this excellent letter by Mrs. Marguerite Wright, of Salem, Oreg.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SALEM, OREG., *June 19, 1955.*

The Honorable RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: This is Father's Day—a perfect Oregon June day, perfect for a picnic in the patio, or a family outing to the coast or to Santiam Canyon fishing lakes. But our three children are doing without their daddy today; as headquarters battery commander of the 929th Field Artillery Battalion, USAR, he's spending the day on the old firing range at Camp Adair. His Reserve unit is practicing small arms fire preparatory to their annual 2 weeks at the Yakima Firing Center summer camp.

The children and I, and the families of Tom's fellow reservists, will again spend our summer vacations without the fathers.

But I have never heard any of the wives complain. Instead, they take a quiet pride in the fact that their men are citizen-soldiers. Quiet, I guess, because it isn't good form to talk about things like patriotism except on specially designated occasions like the Fourth of July. Sure, you hear a lot about patriotism from the professional flagwavers and from certain politicians. But no one really takes that seriously anyway.

What is serious and what is important is how the average American thinks of his country and responds to its needs—not in pious words but in effective action. I think that the families represented in Tom's Reserve unit are about as typical a group of average Americans as you could wish.

I know them well. They are the kind of people you would want as neighbors. They work hard at their civilian jobs—businessmen, farmers, insurance men, lawyers, craftsmen, policemen, newspapermen. They pay their taxes, go to church, work in service organizations, attend PTA meetings. Most of them have children in school—the company commander has five. They take active interest in civic affairs. They vote.

Most Americans do as much. But these men do more: They give a good deal of time, energy, and talent to their Army Reserve training. They devote many evenings, some weekends, and their vacations to the proposition that, if war comes, the survival of this Nation may depend upon the readiness of a strong, well-trained, well-informed, well-disciplined Reserve.

They don't talk about it much. They kid about it; I've heard a lot of jokes about Korea, Indochina, Formosa. (This helps keep the wives up, sometimes rather breathlessly, on foreign and national affairs.) It's an American characteristic to disguise deep convictions and apprehensions behind a wisecrack and a big laugh.

No laughing matter, though good for some sarcastic chuckles, is the status of the proposed Reserve legislation in Congress. Everyone who is familiar with the problems of recruiting Reserve volunteers knows that a strong Reserve in the present atmosphere of pseudosecurity is impossible without compulsory Reserve requirements.

That is not because the average American is unpatriotic. But Americans have always been slow to express their patriotism in such concrete actions as joining the Armed Forces. It has always been only a small handful of dedicated men who responded voluntarily to the need. George Washington had a terrible time getting enough patriots into uniform. The enlistment troubles of the Union Army are a historical scandal. Even when the Japanese shelled the Pacific Coast, Americans had to be drafted to defend their own shores, so to speak. Once in uniform, these reluctant warriors have given good account of themselves, however, and quite forgotten that they had to be dragged under penalties of the law to perform that duty to country of which so many speak so highly so often.

The constitutional duty to bear arms in the defense of the Nation, right now, thank God, does not mean long separation from home and family and service on the battlefield. All that is required now is adequate training and preparation for future eventualities. In the Reserves that means a few evenings each month, a couple of weeks out of the year.

How very little that is to ask of any citizen of this blessed land.

But it must be asked. Senator, I hope that by your vote you will ask it.

I want my children to be especially proud of their daddy on this Father's Day because he is off on that firing range instead of taking them to the beach. But my pride is tempered by the realization that the efforts of these few volunteer Reservists will be foolishly, tragically wasted unless the entire Reserve program is strengthened by your votes.

Very sincerely yours,
MARGUERITE WRIGHT.
(Mrs. Thomas G. Wright, Jr.).

CAREER APPOINTMENTS IN THE COMPETITIVE CIVIL SERVICE

Mr. JOHNSON of Texas. Mr. President, if morning business is concluded, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, which is S. 1849.

The Senate resumed the consideration of the bill (S. 1849) to provide for the grant of career conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

Mr. JOHNSTON of South Carolina. Mr. President, S. 1849 provides that certain indefinite employees who are serving in the competitive civil service would have their status changed from indefinite to permanent. The Civil Service Commission estimates that a maximum of 10,000 employees would be involved.

The only employees involved are those who took a regular civil service examination and were eligible for a regular appointment that would have given them permanent status but who were not so appointed because they were already working for the Government.

The irony of the situation is that if these employees had resigned their positions with the Government and then turned around and accepted a different position with the Government they would now have permanent status. The committee does not believe that a technicality of this kind should serve to deprive these employees of the status to which they are entitled.

Following are two typical examples of the type of cases that would be corrected under S. 1849:

First. John Doe took the regular civil service examination for the position of organization and methods examiner. He passed the examination and was placed on the register for appointment. An agency of the Government sent him an offer of appointment. When he reported, the organization and methods job had been filled by promotion from within. However, the agency offered him an appointment as a statistical clerk. He accepted the offer. Sixty days later he was transferred from the position of statistical clerk to the position for which he was originally recruited. Had he been appointed directly to the latter position, he would now have permanent status. He could have resigned and been reappointed and he would now have permanent status. However, under existing rules of the

Civil Service Commission, he is still an indefinite employee and will not obtain a permanent status.

S. 1849 will give this employee the status to which he is entitled.

Second. Helen Roe worked for the Army as a stenographer. Her appointment was indefinite and was not made from a regular register. She took a prescribed civil service examination and was offered a position with another agency. The agency where she was employed persuaded her to remain in her job. They talked her out of resigning to go with another agency. Had she not stayed with the Army—if she had resigned to accept the job with the other agency—she would now have permanent status. Because she didn't resign and take the other offer she is still indefinite.

S. 1849 would give the employee permanent status.

Mr. President, S. 1849 is not a blanketing-in proposition. It is a measure to correct an inequity. It should be enacted.

The VICE PRESIDENT. The bill is open for amendment.

Mr. CARLSON. Mr. President, as stated by the distinguished Senator from South Carolina [Mr. JOHNSTON], the bill received favorable consideration by the membership of the committee, and is before the Senate for action. I think it is well to point out, however, that the Civil Service Commission does not favor the enactment of the bill. The chairman of the committee has well presented some of the inequities to be corrected by the bill, but I think it is only fair to say that in making these corrections, other inequities may be created.

I should like to quote one or two sentences from the report of the Civil Service Commission in a letter dated June 14, 1955, addressed to the chairman of the committee. I read from the sixth paragraph of the letter in which the effects of the bill are discussed:

> There are many other employees, however, with claims to consideration that may be equal to or greater than those of employees who would be covered by the bill.

I read another sentence from the same paragraph:

> There are, for example, employees who failed to apply for examinations announced by the Commission for indefinite appointment because they were already serving in the same type of job, at the same grade, and under the same type of indefinite appointment made without competitive examination. There was no advantage to such employees to apply at the time, but if they had applied they might later have become eligible for conversion under Executive Order 10577. Some of these employees have undoubtedly had longer service than many employees who would be covered by S. 1849.

Mr. President, I think it is recognized by every member of the committee that there is merit in the bill as reported by the committee. I believe it will correct some inequities, but I did not want the Senate to pass the bill without my stating that it will create other inequities.

I should like to quote further from the letter of the Civil Service Commission with reference to the proper way to take care of the situation:

> In our opinion, the only practicable way to recognize all of the equities of indefinite employees who are not converted under Executive Order 10577 would be to blanket into the competitive service all such indefinite employees without regard to their standing on competitive registers. The Commission is not in favor, however, of conferring competitive status on employees who have not earned it as a result of meeting the competitive requirements of the civil-service laws, rules, and regulations except where sound public policy dictates such action.

Mr. President, I am supporting the bill today, but I did not want it to pass the Senate without directing the attention of the Senate to the fact that there will be some inequities resulting from its passage. It may create some greater inequities. I sincerely hope those employees who are covered herein will benefit if the bill becomes law.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to thank the Senator from Kansas for his statement, and also to invite the attention of the Senate to the fact that the Civil Service Commission converted approximately 400,000 employees without too much difficulty, and the bill involves only 10,000 employees. I realize that the bill will not clear up all the inequities, but it will do a great deal of good.

Mr. President, I should like to read what the Comptroller General of the United States said in reference to the bill:

> We feel that the bill would be beneficial upon the morale of the involved employees, and it would seem that the satisfactory performance of their duties in their respective positions for the period covered by the bill would amply demonstrate their qualifications for permanent appointments.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1849) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That each employee (a) who on the effective date of this act is serving under an indefinite appointment in a position in the competitive civil service other than a position whose salary rate is fixed by the act of July 6, 1945 (59 Stat. 435), as amended, and was so serving on January 23, 1955, and (b) who between June 30, 1950, and January 23, 1955, was certified and within reach for consideration for indefinite appointment from a competitive civil-service register appropriate for filling a position in which he served between such dates shall have his indefinite appointment converted as of the effective date of this act to a career-conditional appointment, or a career appointment, as determined appropriate under the civil-service regulations applied in conversions under section 201 of Executive Order 10577 of November 22, 1954.

SEC. 2. Each individual who between January 23, 1955, and the effective date of this act was separated from the service without cause and who otherwise would have been eligible for conversion under section 1 of this act shall be eligible for reinstatement within 2 years of the effective date of this act, under career-conditional or career appointment in the competitive civil service in a position for which qualified.

SEC. 3. The United States Civil Service Commission is authorized and directed to promulgate regulations for the administration and enforcement of this act.

SEC. 4. This act shall take effect 90 days from the date of enactment.

INCLUSION OF FEDERAL-STATE SERVICE IN RETIREMENT COMPUTATION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 511, Senate bill 1041.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1041) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on Post Office and Civil Service with amendments on page 4, line 13, after the word "this", to strike out "Act." and insert "Act;"; after line 13, to insert:

> (D) such period of service is excluded from credit for the purposes of any annuity received by such officer or employee from a State.

After line 16, to strike out:

> If the annuity computed under this act of any individual entitled to the benefits of this paragraph, when combined with any annuity received by him from a State, exceeds an amount equal to 80 percent of the highest average annual basic salary, pay, or compensation received by such individual during 5 consecutive years of allowable service under this act (including service allowed by this paragraph), the annuity payable under this act shall be so reduced that the aggregate amount received from such annuities shall not exceed an amount equal to 80 percent of such highest average annual basic salary, pay, or compensation.

On page 5, after line 4, to strike out:

> SEC. 2. The first paragraph of section 6 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding at the end thereof the following: "Such time limitation may also be waived by the Civil Service Commission in the case of an officer or employee who failed to file the required application for retirement within the prescribed time limit because at the date of separation from service the position he was occupying was not considered to be within the purview of this act, but the application in such case must be filed with the Civil Service Commission not later than 6 months after the determination that such position is within the purview of this act, except that in the case of any such person heretofore separated from service, application may be filed within 6 months after the date of the enactment of this sentence."

After line 19, to insert:

> SEC. 2. The annuity of any person who shall have performed service described in the second paragraph of section 5 of the Civil Service Retirement Act of May 29, 1930, as added by this act, and who before the date of enact-

ment of this act shall have been retired on annuity under the provisions of the act of May 22, 1920, as amended, section 8 (a) of the act of June 16, 1933, or the act of May 29, 1930, as amended, shall, upon application filed by such person within 1 year after the date of enactment of this act and compliance with the conditions prescribed by such second paragraph, be adjusted, effective as of the first day of the month following the date of enactment of this act, so that the amount of such annuity will be the same as if such paragraph had been in effect at the time of such person's retirement.

So as to make the bill read:

Be it enacted, etc., That section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting after the first paragraph thereof the following:

"Subject to the conditions contained in this paragraph, there shall be included, in determining for the purposes of this act the aggregate period of service rendered by an officer or employee who is serving in a position within the purview of this act (other than a position described in this paragraph) at the time of his retirement or death, all periods of service rendered by him as an employee of a State, or any instrumentality thereof, exclusively or primarily in the carrying out of—

"(1) the program of a State Rural Rehabilitation Corporation created for the purpose of handling rural relief the funds for which were made available by the Federal Emergency Relief Act of 1933 (48 Stat. 55), the act of February 15, 1934 (48 Stat. 351), and the Emergency Appropriation Act, fiscal year 1935 (48 Stat. 1055), and any laws or parts of laws amendatory of, or supplementary to, such acts;

"(2) the Federal-State cooperative program of agricultural experiment stations research and investigation authorized by the act of March 2, 1887, as amended and supplemented (7 U. S. C., ch. 14);

"(3) the Federal-State cooperative program of vocational education authorized by the act of February 23, 1917, as amended and supplemented (20 U. S. C., ch. 2);

"(4) the Federal-State cooperative program of agricultural extension work authorized by the act of May 8, 1914, as amended and supplemented (7 U. S. C., secs. 341–348);

"(5) the Federal-State cooperative program of forest and watershed protection authorized by section 2 of the act of March 1, 1911 (16 U. S. C., sec. 563), and by the act of June 7, 1924, as amended and supplemented (16 U. S. C., secs. 564–568b);

"(6) the Federal-State cooperative program for the control of plant pests and animal diseases authorized by the provisions of law set forth in chapters 7 and 8 of title 7 and in section 114a of title 21 of the United States Code.

The period of any service specified in this paragraph shall be included in computing length of service for the purposes of this act of any officer or employee only upon compliance with the following conditions:

"(A) the performance of such service is certified, in a form prescribed by the Civil Service Commission, by the head, or by a person designated by the head, of the department, agency, or independent establishment in the executive branch of the Government of the United States which administers the provisions of law authorizing the performance of such service;

"(B) the officer or employee shall have to his credit a total period of not less than 5 years of allowable service under this act, exclusive of service allowed by this paragraph;

"(C) the officer or employee shall have deposited with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the credit of the civil-service retirement and disability fund a sum equal to the aggregate of the amounts which would have been deducted from his basic salary, pay, or compensation during the period of service claimed under this paragraph if during such period he had been subject to this act;

"(D) such period of service is excluded from credit for the purposes of any annuity received by such officer or employee from a State.

"As used in this paragraph the term 'State' includes Alaska, Hawaii, and Puerto Rico."

SEC. 2. The annuity of any person who shall have performed service described in the second paragraph of section 5 of the Civil Service Retirement Act of May 29, 1930, as added by this act, and who before the date of enactment of this act shall have been retired on annuity under the provisions of the act of May 22, 1920, as amended, section 8 (a) of the act of June 16, 1933, or the act of May 29, 1930, as amended, shall, upon application filed by such person within 1 year after the date of enactment of this act and compliance with the conditions prescribed by such second paragraph, be adjusted, effective as of the first day of the month following the date of enactment of this act, so that the amount of such annuity will be the same as if such paragraph had been in effect at the time of such person's retirement.

Mr. JOHNSTON of South Carolina. Mr. President, S. 1041 amends the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion for retirement purposes of certain periods of Federal-State service not now creditable.

The bill applies to certain present Federal employees who at some time in the past were employed on Federal-State projects financed wholly or in part by the Federal Government. S. 1041 provides that such service shall be credited for retirement purposes provided:

First. The performance of such service is certified by the head of the executive department of the Federal Government which administers the law authorizing the program;

Second. The employee has at least 5 years of Federal service in a position within the purview of the act, other than in a position described in this bill, at the time of his retirement, or death; and

Third. The employee deposits to the credit of the civil-service retirement fund an amount equal to the sum which would have been deducted from his basic compensation had he been subject to the Civil Service Retirement Act plus the requested interest.

This means they will pay the amount of the principal plus about 4 percent interest since the date the amount was due. If they decide to withdraw from the retirement fund, they will be repaid the amount paid in plus 3 percent—a difference of 1 percent.

The bill relates to the following services and employees:

Extension Service	2,500
Soil conservation	1,400
Farmers' Home Administration	600
Agricultural research	450
Other agricultural programs	150
Total	5,100

Hearings developed the fact that employees in these programs work side by side doing the same kind of work, yet because of a technicality as to their different types of appointment some receive credit for retirement purposes and others do not. S. 1041 will remove the inequity that now exists by making all such service potentially creditable for retirement. This right must be exercise; it is not compulsory.

Mr. CARLSON. Mr. President, the bill under consideration, S. 1041, which was reported favorably by the committee, is similar to S. 496 which I introduced on January 18, 1955. It seems to me that the persons who are covered by the bill are fairly entitled to an opportunity to receive the benefits of the retirement system, as has been stated by the chairman of the committee. I urge that the Senate approve the proposed legislation.

The individuals concerned are persons who served for many years in various capacities in State governments, but have been unable to take advantage of their years of service under the agricultural and other joint programs. Therefore, I not only endorse the bill, but I urge its passage by the Senate.

Mr. STENNIS. Mr. President, to my mind, the bill represents the final consummation, in a way, of long delayed justice to a number of agricultural workers who many years ago were, in effect, on the rolls of the Department of Agriculture. They were rendering their services by doing pioneer work, so to speak, back in the socalled lean days of the varied agricultural programs. Through oversight and misunderstanding, or perhaps neglect on the part of those in authority, the names of the persons involved were not carried on the civil-service rolls in such a way as to make them eligible for certain benefits which accrued to all the other workers, some of whom even sat at desks beside the ones who will be cared for by the bill.

I know something about the subject matter of the bill because many of those whom it affects are persons in my own State, whom I have known personally for a number of years. I knew them when they were doing the pioneer work for small salaries and were pulling against the grain in establishing the programs. Many of them did the real groundwork on which the vast agricultural programs of today were built and are resting.

I think it would be a tragic miscarriage of elemental justice for Congress, not as a matter of favoritism, but as a matter of fundamental right, to fail to include these persons, who worked in the Federal-State service, and to make them eligible for the benefits after they have paid, with interest, the full amount which is due.

I do not want this to be done at the sacrifice of the soundness of the plan or program, but I am fully convinced that the elemental and fundamental principles of justice and right will be neglected and carelessly cast aside unless a bill of this kind shall be passed.

I congratulate the committee for having been able to prepare a bill, not on a generous basis at all, but on a fair basis of right and justice.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CARLSON. I wish to compliment the junior Senator from Mississippi on his statement about the merits of including these persons, who have labored long and hard in many State agencies. As he has well said, this is not something which we are giving to them, because they will have to contribute the back costs in order to come under the program. But, in my opinion, the bill will provide the same entitlement they should have had years ago. Under these conditions, I think the bill is just and fair.

Mr. STENNIS. Mr. President, as I understand, the bill would merely make it possible to correct an unfortunate situation which developed in the early days, when records were not kept as they are now. It would accord justice to the worker at desk B, who sat alongside an employee at desk A, who was covered. Both were doing virtually the same type of work, but the worker at desk A had previously received all the benefits of the program, while the worker at desk B has been excluded.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the Senator from Mississippi and the Senator from Kansas for their remarks.

Mr. STENNIS. I appreciate the interest of the Senator from South Carolina in the matter. What I have said, in thumbnail sketch, relates to the justice of the case, as I see it.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

READJUSTMENT OF POSTAL CLASSIFICATION ON EDUCATIONAL AND CULTURAL MATERIALS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 521, Senate bill 1292.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1292) to readjust postal classification on educational and cultural materials.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with amendments.

Mr. CARLSON. Mr. President, I wonder if the distinguished chairman of the committee would be willing to have a quorum call now. I believe some Senators feel they should be advised when the bill is under consideration. I have no personal desire for a quorum call, but I think it might be well to have one for the benefit of other Senators. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PAYNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the committee amendments.

The first amendment of the Committee on Post Office and Civil Service was, on page 2, line 1, after the word "Congress", to insert "except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection for matter under this classification."

The amendment was agreed to.

The next amendment was, on page 2, in line 9, after the numeral "(2)", to insert "bound volumes of academic theses in typewritten or other duplicated form; (3)."

The amendment was agreed to.

The next amendment was, on page 2, in line 12, after the word "theaters", to strike out "(3)" and insert "(4)."

The amendment was agreed to.

The next amendment was, on page 2, in line 13, after the word "form", to strike out "(4)" and insert "(5)."

The amendment was agreed to.

The next amendment was, on page 2, in line 18, after the word "mark", to strike out "(5)" and insert "(6)."

The amendment was agreed to.

The next amendment was, on page 2, in line 19, after the word "music", to insert a semicolon and "(7) unbound books, texts, or lessons in looseleaf form, when mailed to or from schools, colleges, universities, or public libraries; (8) recordings."

The amendment was agreed to.

The next amendment was, on page 3, line 10, after the word "Congress", to insert "except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection for matter under this classification."

The amendment was agreed to.

The next amendment was, on page 4, after line 18, to insert:

SEC. 3. (a) The last paragraph of section 207 (b) of the act of February 28, 1925, as amended (45 Stat. 942; 39 U. S. C. 247), is amended by inserting before the word "greater" the following: "more than 15 percent."

(b) The paragraph under the heading "General Provisions" under the appropriations for the Post Office Department contained in chapter IV of the Supplemental Appropriation Act, 1951 (64 Stat. 1050; 31 U. S. C. 695), is amended by striking out "the receipt of revenue from fourth-class mail service sufficient to pay the cost of such service" and inserting "that the cost of fourth-class mail service will not exceed by more than 15 percent the revenues therefrom."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. JOHNSTON of South Carolina. Mr. President, there is, at the desk, an amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment to the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 4, it is proposed to strike out line 19 to 22, inclusive.

On page 4, line 23, it is proposed to strike out "(b)" and insert in lieu thereof "Sec. 3."

On page 5, line 5, it is proposed to strike out "15 per centum" and insert in lieu thereof "10 per centum."

Mr. JOHNSTON of South Carolina. Mr. President, S. 1292, as originally introduced, is noncontroversial, and has the wholehearted endorsement of thousands of people who run our colleges, libraries, and other public institutions.

It would accomplish the following:

First. Expand the categories of materials on which regular book rate is applicable to include scholarly bibliographies, printed music, whether in bound or sheet form, printed objective test materials used by or in behalf of educational institutions, and manuscripts for books, periodical articles, and music.

Second. Revise the special book rate provision (a) to limit it to the loan or exchange of the specified material between schools, colleges, universities, or public libraries, and religious, educational, scientific, and other enumerated nonprofit organizations, or between them and their members, readers, and borrowers; (b) to specify the types of material hereunder as book, scholarly bibliography, or reading matter with incidental blank spaces for student notes, printed music, whether in bound or sheet form, bound volumes of typewritten or duplicated, or photographic form or in the form of unpublished manuscripts; and (c) to make this an unzoned rate charge by omitting the limitation on this rate contained in the law to mailings not beyond the third zone, and also to omit the alternative usage of third- or fourth-class rates where these are lower.

Third. Limit shipments of 16-millimeter films and other similar types of material at the special book rate to packages not in excess of 70 pounds.

In each instance it is explicitly stated that these rates shall apply until otherwise provided by Congress.

Section 2 of the bill would place Congress on record as endorsing a governmental policy of applying the optional provision of the Universal Postal Convention of 1952 which allows a 50-percent reduction in postage on printed matter in the international mails to the export through private, commercial, and eleemosynary channels of American publications, and literary, artistic, and scholarly works.

Several minor technical corrections proposed by the Post Office Department were adopted by the committee.

Mr. President, in addition to these changes adopted to Senate bill 1292, as introduced, the committee unanimously agreed to insert a new section 3.

Unfortunately, the intent of this language has been misinterpreted by the officials of the Railway Express Agency.

Because of the adoption of a rider to an appropriation bill in 1950, whenever the cost to the Post Office Department for handling parcel-post mail exceeds the revenue by any amount, the Postmaster General must immediately file a petition with the Interstate Commerce Commission, in an effort to increase the rates of parcel post sufficiently to balance the budget. The parcel-post rate increases have been in excess of 100 percent during the last few years, and for the past 3 years the revenue has been equal to the cost.

However, many of the Members of the Senate will remember that a bill which was passed by Congress just a few days ago, increased the salaries of postal employees. This will, of course, add additional cost to the parcel post. How much it will add cannot be determined now, because included in the Postal Pay Act was a provision giving the Postmaster General the authority to reclassify the salaries of all postal employees. He has been given a total of 180 days in which to carry out this reclassification plan. In other words, the Postmaster General has no way of knowing what the additional cost will be, until sometime next year. The committee unanimously felt that the Postmaster General ought to have some discretion and some time in which to determine the cost, before he has to file with the Interstate Commerce Commission his petition to gain increased parcel-post rates. Section 3 was added to the bill with the clear intention of giving the Postmaster General this discretion. It merely provides that the Postmaster General is not required to file his petition until the cost exceeds the revenue by at least 15 percent.

Mr. President, I am sure that all of us have been bombarded with the organized campaign of the Railway Express Agency. I am sorry this has occurred. I have submitted my amendment to the committee amendment in section 3, in order to make it absolutely clear that the committee does not desire to subsidize the parcel-post mail. My amendment to the committee amendment will strike out the reference in section 3 to the act of 1925, which in some quarters has been interpreted as making the subsidy mandatory. In addition, it will change the 15 percent to 10 percent. That amendment to the committee amendment has already been adopted, I believe.

Mr. CURTIS. Mr. President, will the Senator from South Carolina yield to me?

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CURTIS. How much revenue is received, on an annual basis, from the parcel post?

Mr. JOHNSTON of South Carolina. Somewhere in the neighborhood of between $490 million and $500 million.

Mr. CURTIS. So the 10 percent could equal $50 million, could it not?

Mr. JOHNSTON of South Carolina. It could, if the Postmaster General failed to exercise his function. He has a right to act, but that is discretionary with the Postmaster General.

Mr. CURTIS. Why will he need 10 percent? If he must have this discretion, in order not to have to go to the Interstate Commerce Commission until he knows what the costs will be, why not hold down the percentage to 5? It seems to me that $50 million involves quite a little discretionary authority.

Mr. JOHNSTON of South Carolina. In the hearings to determine the cost, sometimes it is very difficult to say exactly what the cost will be and how much shall be assigned to the first, second, third, and fourth classes. It would not be treating any class properly, to make it compulsory for one class to carry the load, when the Postmaster General does not know how exactly what the cost will be. It is all a matter of making estimates; and we thought 10 percent would be within reason.

Mr. CURTIS. Earlier the Senator from South Carolina said that one of the reasons for section 3 was the increase in postal pay; is that correct?

Mr. JOHNSTON of South Carolina. No, I think the Senator from Nebraska misunderstood me. That only enters into the picture, and probably will in the future, when the estimates are being made.

The estimates cannot be made until it is known what the reclassification will be. When the officials decide on the reclassification, then the assistants of the Postmaster General can make an estimate of the cost. The salary of every mail handler and mail clerk will be increased, and all those increases must be included in the total cost.

Mr. CURTIS. Is it the legislative intent that the Postmaster General shall continue to operate the parcel post without a deficit?

Mr. JOHNSTON of South Carolina. That is exactly correct.

I should like to say that I have been in touch with the Post Office Department, and this morning I have been informed that the Post Office Department is wholeheartedly in agreement with the amendment, and desires to support it.

Mr. CURTIS. With which amendment?

Mr. JOHNSTON of South Carolina. With the amendment I have submitted to the committee amendment.

Mr. CURTIS. Does the Senator from South Carolina refer to the 10-percent amendment?

Mr. JOHNSTON of South Carolina. Yes; the 10-percent amendment.

Mr. CURTIS. The Senator did not inquire whether a lesser percentage would be sufficient?

Mr. JOHNSTON of South Carolina. No. We have only the statement of the Department with respect to this amendment.

Mr. CURTIS. How much loss in revenue to the Post Office Department is involved in sections 1 and 2?

Mr. JOHNSTON of South Carolina. It is difficult to tell how much revenue will come in. This provision may cause more people to do business in this field than heretofore. If that should prove to be the case, the loss will be reduced somewhat, but it is estimated to be somewhere in the neighborhood of $500,000.

Mr. CURTIS. The attitude of the Postmaster General on that subject was that sections 1 and 2 were satisfactory if we provided other revenue. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. CURTIS. And no other revenue is provided.

Mr. JOHNSTON of South Carolina. No other revenue is provided. When the revenue bill comes over from the House, we can amend it.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. I think the chairman has offered a very satisfactory amendment. I think it would help the situation. As a member of the committee who favored allowing certain leeway, and helped to write in the 15 percent provision, I think 10 percent is an improvement. With the 10 percent leeway and striking subsection (a) we in no way prevent the Postmaster General from going before the Interstate Commerce Commission whenever there is a deficit.

Mr. JOHNSTON of South Carolina. That is true.

Mr. CARLSON. It may be 1 percent, 2 percent, or less than 10 percent, but I think it is important at this time that there be some leeway. I cannot imagine a situation which could change so rapidly as that with respect to parcel post costs. As the distinguished chairman has said, they are affected by the postal pay increase. They could easily be affected by changes in transportation rates by various agencies which carry parcel post. These factors all enter into the problem. Some time is required to solve some of these problems. While the difference might be only 1 or 2 percent, under existing law the Postmaster General would be required to go before the Interstate Commerce Commission and present evidence. That procedure is very costly. In all frankness, I think the Senator has offered a very fair proposal. I am glad the chairman has made the figure 10 percent. I think it is more satisfactory than our first figure of 15 percent.

My personal feeling was that the Postmaster General is entitled to some leeway, just as any other businessman would be in the operation of a business. I hope the Senate will approve this provision. I know there is opposition to it. There has been considerable opposition. I think much of the opposition is based upon unfounded fears. Nevertheless, it exists, and every Member of the Senate has been flooded with telegrams.

As ranking member of the Committee on Post Office and Civil Service, I think this amendment should be approved by the Senate.

Mr. JOHNSTON of South Carolina. I thank the Senator from Kansas for his remarks.

The amendment which I have offered to the committee amendment would give the Postmaster General sufficient time to determine his full cost as the result of the enactment of the postal pay bill

before he is required to file his petition with the Interstate Commerce Commission for increased parcel-post rates. Should this amendment be enacted there is absolutely nothing that would prohibit the Postmaster General from filing his petition immediately, even before the cost exceeds the revenue by 10 percent.

I hope this amendment will be adopted, because in my opinion it is absolutely necessary to enable the Postmaster General to administer properly the laws affecting parcel-post mail.

Mr. CARLSON. Mr. President, will the Senator yield at that point?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CARLSON. I think the last statement the Senator has made is most important. It is not the intention of the committee that the Postmaster General shall be prevented from going before the Interstate Commerce Commission when there is a deficit in parcel-post revenue. He should do it. At the same time, this amendment would give him a little time to do some studying with regard to costs and rates. Also he would be allowed a little leeway in the operation of this big business which, as the Senator has stated, is probably a half billion dollar business.

Mr. JOHNSTON of South Carolina. The Senator is entirely correct.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. ERVIN. I strongly favor the provisions of the original bill to readjust the postal classification on educational and cultural materials. However, I am not satisfied as to the advisability of making any further changes in the law; and while I support those provisions of the bill, I should like to have the RECORD show that I am opposed to the proposed committee amendment inserting a new section 3, and also to the amendment to the committee amendment offered by the chairman of the committee.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. NEUBERGER. I should like to say to the distinguished chairman of the committee that, as a person who has made his living as an author, I have received letters about certain portions of the bill from writers, authors, journalists, poets, and composers all over the United States. I am sure that I speak for thousands of them when I thank the chairman of the Committee on Post Office and Civil Service for the provisions of the bill which would make it easier and less expensive for people who have creative talent to send their manuscripts, musical scores, and other original material to publishers, editors, and others.

It has been the policy of this great Nation for many decades to encourage creative work in the arts, because often such works express the culture of a country, and contribute to its development and progress.

I think the chairman of the committee and the other members of the committee—among whom I am proud to be numbered—have made a contribution to the welfare of those engaged in the creative arts, and on behalf of them, I should like to thank the distinguished chairman for the increased latitude, increased privileges, and lower postal rates accorded people doing creative work in this country, in Senate bill 1292.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. FREAR. I am very sorry to have missed the earlier discussion with respect to Senate bill 1292.

I have a very great interest in section 3 of the bill. I should like to ask the chairman of the Committee on Post Office and Civil Service a question or two.

Mr. JOHNSTON of South Carolina. I shall be delighted to try to answer the Senator's questions.

Mr. FREAR. First, is this proposal a violation of the principle laid down by Congress when it established parcel post rates in the beginning, to insure that the cost of carrying parcel post would be borne by those using the parcel post service—in other words, the principle that parcel post should pay its own way?

Mr. JOHNSTON of South Carolina. The provision which we are proposing to amend at the present time was placed in an appropriation bill in 1950. Up until that time the determination was left with the Postmaster General. I do not know whether or not the Senator realizes that we propose to amend the bill in certain particulars. The amendment which has been offered provides that if parcel post revenues fall below the level where parcel post pays for itself, the Postmaster General may petition the Interstate Commerce Commission for an increase in the rates. A leeway of 10 percent is proposed in the pending amendment.

In an appropriation bill in 1950, a section was inserted which provided that the Postmaster General must petition the Interstate Commerce Commission whenever parcel post revenues fell below the level at which they paid for the cost of the service. The pending amendment allows a 10 percent leeway.

At the present time the Postmaster General could not know, for 180 days, or until the reclassification is completed, the cost of carrying each of the various classifications. The Postmaster General has approved the amendment which we offer.

Mr. FREAR. Do I correctly understand the distinguished chairman to say that the amendment provides that the Postmaster General may petition for an increase if the revenue from parcel post is between zero and 10 percent under the cost? Is it within the discretion of the Postmaster General?

Mr. JOHNSTON of South Carolina. Between zero and 10 percent, it is discretionary with the Postmaster General. When the difference is more than 10 percent, he must petition. It is mandatory.

Mr. FREAR. I understood the chairman to say that he must petition the Interstate Commerce Commission.

Mr. JOHNSTON of South Carolina. Yes.

Mr. FREAR. Can the Postmaster General increase parcel-post rates without authority of the Interstate Commerce Commission?

Mr. JOHNSTON of South Carolina. He cannot do it without going to the ICC. He petitions the ICC, and it has been almost unwritten law that when he petitions the ICC, it follows his recommendations.

Mr. FREAR. To the extent of the recommendation of the Postmaster General, or to their own way of thinking? I should like to ask one other question of the Senator from South Carolina. As I understand, if the revenue goes down to 8 percent, for example, the Postmaster General may go to the ICC with his request under the "may" clause, to which the Senator has referred. If the revenue goes down further to 11 percent or 10 percent, he must go to the ICC. Is that correct?

Mr. JOHNSTON of South Carolina. There is no law at the present time making it compulsory upon the ICC to increase the rate. However, as I said, when the Postmaster General petitions the ICC it has been almost unwritten law that the ICC goes along with the Postmaster General.

Mr. FREAR. The only discretion the Postmaster General has under the proposed amendment is that when the charges fail to come within 10 percent of meeting the actual cost, the Postmaster General may petition the ICC for an increase in the parcel-post rates. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. FREAR. But if the deficit goes to 10 percent or above, he must petition the ICC. Is that correct?

Mr. JOHNSTON of South Carolina. He must petition the ICC.

Mr. FREAR. Under what section of the bill must he do that? Is that mandatory provision contained in the present law? Is that provision already in existence?

Mr. JOHNSTON of South Carolina. That provision was written into the 1950 appropriation law. That is the law at the present time.

Mr. FREAR. Even though the provision was written into an appropriation bill, it still has the effect of being a separate statute today. Is that correct? Is that the situation, even though the provision was added as a rider to an appropriation bill?

Mr. JOHNSTON of South Carolina. It is permanent legislation.

Mr. FREAR. The Postmaster General must petition the ICC. Is that correct?

Mr. JOHNSTON of South Carolina. He must.

Mr. FREAR. I do not like to continue my questioning of the chairman, but I wish to be thoroughly satisfied that the discretion of the Postmaster General extends only from zero to 10 percent. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. FREAR. When the deficit gets above 10 percent he must petition the ICC. Is that correct?

Mr. JOHNSTON of South Carolina. He must. That is the law today.

Mr. FREAR. I thank the chairman.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina [Mr. JOHNSTON] to the committee amendment beginning on page 4.

Mr. BARRETT. Mr. President, I wish to take this opportunity to compliment the committee for reporting a very excellent bill. I am very much in favor of the provisions of the bill, except the section the Senators have been discussing. I should like to address a question to the distinguished chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON]. I should like to ask if the record for the last year shows that the Post Office Department has been breaking about even on the parcel-post rates.

Mr. JOHNSTON of South Carolina. I believe the Department has been breaking about even. That is the report we have.

Mr. BARRETT. What is the reason that we need an amendment of this character?

Mr. JOHNSTON of South Carolina. The reason for the proposed amendment is that a few days ago Congress passed a pay bill which increased the rate of pay for postal employees. Included in that bill was a reclassification section. The reclassification may not be completed for 180 days. The amendment gives the Postmaster General some latitude in that regard.

Mr. BARRETT. As I understand, the committee will offer an amendment reducing the percentage. Is my understanding correct?

Mr. JOHNSTON of South Carolina. The pending amendment to the committee amendment would cut it down from 15 percent to 10 percent.

Mr. BARRETT. I thank the Senator. I may say, however, that I was hopeful that the committee would see fit to withdraw the amendment.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. FREAR. Were any hearings held on this subject?

Mr. JOHNSTON of South Carolina. We held extensive hearings, and the committee reported the bill unanimously, or almost unanimously. I inquire of the Senator from Kansas [Mr. CARLSON] whether the vote in commitee was unanimous. I do not recall, but if it was not unanimous, it was almost so.

Mr. CARLSON. I assume it was unanimous.

Mr. JOHNSTON of South Carolina. I do not remember any opposition to the bill.

Mr. FREAR. Did the chairman of the committee say earlier that the Postmaster General favored the pending amendment?

Mr. JOHNSTON of South Carolina. He favored this particular amendment.

Mr. FREAR. Amending the 15-percent provision?

Mr. JOHNSTON of South Carolina. No; the 10-percent provision.

Mr. FREAR. What was his position on the 15-percent provision?

Mr. JOHNSTON of South Carolina. He was opposed to the original amendment, because it amended the 1925 act. We eliminated that entirely in the pending amendment to the amendment.

Mr. FREAR. I am not familiar with the 1925 act. I do not know what was eliminated.

Mr. JOHNSTON of South Carolina. The Postmaster General thought our original amendment made it mandatory for him to wait until the revenue derived showed a loss of 15 percent.

Mr. FREAR. I am sorry if I am repetitious, but, as I understand, the pending amendment gives to the Postmaster General discretion to go to the ICC to request an increase in rates when the cost of handling the articles exceeds the revenue from the postal rate charges by from zero to 10 percent.

Mr. JOHNSTON of South Carolina. That is correct.

Mr. FREAR. But when it reaches 10 percent, or goes above, he is required to go to the ICC and request additional rates. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct. That is the way the amendment reads. There was some question under the original bill. That was the situation before the pending amendment to the amendment was offered.

Mr. FREAR. The chairman has already stated that the Postmaster General approves of the amendment now pending before the Senate. Is that correct?

Mr. JOHNSTON of South Carolina. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina [Mr. JOHNSTON] to the committee amendment, beginning at page 4.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

Mr. CARLSON. Mr. President, there has been very little discussion of the pending bill, with the exception of section 3. The Senator from Oregon [Mr. NEUBERGER] made a very excellent statement. We held extended hearings on the question of expanding our postal system so as to encourage the dissemination of educational and cultural materials through the postal system. It is a very important piece of legislation, and I did not want it to be passed with all the debate revolving around section 3, which deals with giving the Postmaster General leeway on the question of fixing parcel post rates. Many splendid cultural organizations appeared before our committee through their representatives. The bill, if enacted, will be very beneficial, I am sure.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That sections 204 (d) and (e) of the Postal Rate Revision and Federal Employees Salary Act of 1948 (39 U. S. C. sec. 292a (d) and (e)), are amended to read as follows:

"SEC. 204. (d) the following materials when in parcels not exceeding 70 pounds in weight may be sent at the postage rate of 8 cents for the first pound or fraction thereof and 4 cents for each additional pound or fraction thereof, and this rate shall continue until otherwise provided by the Congress, except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection for matter under this classification: (1) Books permanently bound for preservation consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (2) bound volumes of academic theses in typewritten or other duplicated form; (3) 16-millimeter films and 16-millimeter film catalogs except when sent to commercial theaters; (4) printed music whether in bound form or in sheet form; (5) printed objective test materials and accessories thereto used by or in behalf of educational institutions in the testing of ability, aptitude, achievement, interests, and other mental and personal qualities with or without answers, test scores, or identifying information recorded thereon in writing or by mark; (6) manuscripts for books, periodical articles, and music; (7) unbound books, texts, or lessons in loose-leaf form, when mailed to or from schools, colleges, universities, or public libraries; (8) recordings.

"SEC. 204. (e) (1) The following materials when in parcels not exceeding 70 pounds in weight when loaned or exchanged between (A) schools, colleges, universities, or public libraries, and (B) religious, educational, scientific, philanthropic, agricultural, labor, veterans' or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, or between such organizations and their members or readers or borrowers, shall be charged with postage at the rate of 4 cents for the first pound or fraction thereof and 1 cent for each additional pound or fraction thereof, and this rate shall continue until otherwise provided by the Congress, except that the rates now or hereafter prescribed for third- or fourth-class matter shall apply in every case where such rate is lower than the rate prescribed in this subsection for matter under this classification: (a) Books consisting wholly of reading matter or scholarly bibliography or reading matter with incidental blank spaces for students' notations and containing no advertising matter other than incidental announcements of books; (b) printed music whether in bound form or in sheet form; (c) bound volumes of academic theses in typewritten or other duplicated form and bound volumes of periodicals; and (d) other library materials in printed, duplicated, or photographic form or in the form of unpublished manuscripts.

"(2) The rate provided in paragraph (1) for books may apply to 16-millimeter films, filmstrips, projected transparencies and slides, microfilms, sound recordings, and catalogs of such materials when sent in parcels not exceeding 70 pounds in weight to or from (A) schools, colleges, universities, or public libraries, and (B) religious, educational, scientific, philanthropic, agricultural,

labor, veterans' or fraternal organizations or associations not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual."

SEC. 2. It is the sense of the Congress that every reasonable encouragement should be given as a matter of Government policy to the export through private commercial and eleemosynary channels of American publications and literary, artistic, and scholarly works and therefore the United States Government should take advantage of the optional provision of the Universal Postal Convention of 1952 to reduce by 50 percent the regular printed matter rate in the international mails for newspapers, periodicals, books, pamphlets, music, and maps as other leading countries of the world have done.

SEC. 3. The paragraph under the heading "General Provisions" under the appropriations for the Post Office Department contained in chapter IV of the Supplemental Appropriation Act, 1951 (64 Stat. 1050; 31 U. S. C. 695), is amended by striking out "the receipt of revenue from fourth-class mail service sufficient to pay the cost of such service" and inserting "that the cost of fourth-class mail service will not exceed by more than 10 percent the revenues therefrom."

APPOINTMENT OF HEADS OF REGIONAL AND DISTRICT OFFICES OF THE POST OFFICE DEPARTMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 579, S. 63.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill, S. 63, to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I understand that the junior Senator from California has a brief statement to make.

UNITED STATES INFORMATION AGENCY

Mr. KUCHEL. Mr. President, the Congress will shortly have before it the question of whether to accept during the coming year the recommendations of the President of the United States with respect to the appropriation for the United States Information Agency. I cannot say that I am qualified to speak as an expert in the field of constructive American propaganda for public relations before the world, but I think I can say, on the basis of my own study and the opportunities which have been presented to me to talk with people who know and in whom I have faith, that over the years the United States Information Agency has done a very great service for the cause of free America and the free world. It has made real progress in making friends for the United States all around the globe.

Mr. President, a national magazine some time ago indicated that the Union of Soviet Socialist Republics appropriates in excess of $3 billion a year for propaganda purposes exclusively. President Eisenhower recommended for the next fiscal year a budget of $88.5 million for the purposes of the United States Information Agency, a modest request when compared to the Communist program of propaganda.

I regret that the House of Representatives saw fit to cut the Presidential request by $10 million. I appeared before the appropriate subcommittee of the Senate Committee on Appropriations and urged, speaking for myself alone, the restoration by that committee of the deletion made by the House. I was tremendously gratified that the Senate subcommittee, and then the entire Committee on Appropriations, saw fit to restore the amount which the House reduced and to approve the rather modest appropriation which the President recommended.

I very much hope that the conferees will submit to the Senate a conference report which will include the appropriation the Senate Committee on Appropriations has approved; that is to say, the amount recommended by President Eisenhower.

Mr. President, a few days ago, in a distinguished newspaper in my State, the Sacramento Bee, there appeared an excellent editorial strongly favoring action by the Congress along the lines which I have indicated. I wish to insert it in the RECORD. I desire to do it at this time because I think it would be of advantage to the conferees of both the House and the Senate to read this succinct and persuasive statement of why this country needs to continue putting its best foot forward in the field of public relations by continuing a program which, in my judgment, has done excellent service for the cause of the free Government of the United States. I, therefore, ask unanimous consent that the text of the editorial to which I have referred be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONLY A FOOLISH NATION BLACKENS ITS OWN EYE

President Dwight D. Eisenhower recommended to Congress an appropriation of $22 million to finance the farflung activities of the United States Information Agency during the next fiscal year. The House of Representatives arbitrarily reduced this amount by $10 million in spite of the fact such projects as the Library program the Agency is carrying on in West Germany are doing a magnificent job in winning friends for America.

The full effects of this piece of legislative iconoclasm are presented graphically in a detailed analysis by Neal Stanford of the Washington, D. C., staff of the Christian Science Monitor. What he says reveals the House action as truly incredible.

Here are some of the things which will happen next year if the Senate goes along with the slash in the appropriation:

The USIA program will have to be eliminated in all of Africa with the single exception of Egypt.

It will come to an end too in Sweden, Peru, and Hong Kong.

Drastic retrenchment will be necessary in West Germany, Finland, and Australia.

Plans to extend the program to Israel, Formosa, and Korea will go by the board.

There will be no more leaders or specialists coming to the United States from Turkey, Paraguay, or Australia. There will be no more visiting teachers from Laos, Haiti, Afghanistan, and a dozen other countries.

The student-exchange program will have to be drastically curtailed.

In a recent issue of Newsweek was this paragraph:

"The Communist world spends about $3,400,000,000 a year on propaganda to keep its own subjects in line and to convert others to its cause."

In that connection it is relevant to note that David Sarnoff, chairman of the board of the Radio Corporation of America, proposed recently to President Eisenhower that the United States spend the equivalent of 5 to 7½ percent of its military budget on psychological warfare.

That would amount to from $2,200,000,000 to $3,200,000,000 a year. And the House cuts $10 million from the proposed $22 million budget for an agency which already is doing yoeman service on the frontline of this same psychological warfare. It makes as much sense as a man boasting of how he has blackened his own eye.

The move by Senator THOMAS H. KUCHEL, of California, to get the full amount restored in the Senate, if successful, will save Uncle Sam from foolishly doing that very thing to himself.

CONSTITUTIONAL CONVENTION IN ALASKA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 269, Senate bill 1633.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The Senate has not yet disposed of Senate bill 63, which was taken up on motion a few moments ago.

Mr. JOHNSON of Texas. The majority leader is aware of that fact. I will say, in explanation, that Senators who care to discuss the bill are not available at the moment, and after consultation with the minority it has been agreed that the Senate will consider other measures, and at some appropriate time the Senate will resume consideration of Senate bill 63.

The PRESIDING OFFICER. The bill which the Senator from Texas has moved to consider will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1633) relating to a constitutional convention in Alaska.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the bill has been reported by the Committee on Interior and Insular Affairs. It has been cleared by the distinguished minority leader and the Republican policy group, as well as by the Democratic leadership and the Democratic Policy Committee.

The bill merely permits members of the Legislature of Alaska to be candidates for election and to serve as delegates to a constitutional convention. Alaskan legislators, I understand, are now prohibited by law from serving as such delegates.

So far as I am aware, there is no opposition to the bill. The committee carefully considered it, and it has been reported. As I have stated, both the minority and majority leaders have agreed that it be considered at this time.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1633) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 11 of the act entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes," approved August 24, 1912 (48 U. S. C., sec. 82), any member of the legislature may be a candidate for election as a delegate in the formation of a constitutional convention and if elected may serve at such convention.

Mr. JACKSON subsequently said: Mr. President, earlier in the day the Senate passed S. 1633. I ask unanimous consent that a statement I prepared on the bill be printed at the appropriate place in the RECORD in connection with the consideration of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JACKSON

The bill S. 1633 would permit members of the territorial legislature of Alaska to become candidates for election as delegates to a constitutional convention which will be held under territorial law next fall.

It is identical in philosophy and spirit with a bill enacted in the 81st Congress by which members of the territorial legislature of Hawaii were authorized to become candidates for election to the constitutional convention held under the laws of Hawaii in 1950.

As in the case of Hawaii, this Alaska bill is necessary because of a provision in the 1912 Organic Act for Alaska. This provision reads:

"No member of the legislature shall hold or be appointed to any office which has been created, or the salary or emoluments of which have been increased, while he was a member, during the term for which he was elected and for 1 year after the expiration of such term."

I am certain the Members of the Senate realize the advantage of permitting the popularly elected legislators, who have had direct experience and direct responsibility in connection with the governing of the Territory, to serve as members of the convention which will draft a proposed basic constitution for the government of Alaska.

The precedent both for the drafting of a constitutional convention and for having territorial legislators serve as delegates is one of long standing in our American system. In a number of instances, our western Territories held constitutional conventions prior to any enabling legislation by Congress, and members of the territorial legislatures were permitted to serve as delegates to the convention.

The Members of the Senate will note that the closing date for filing was May 10. Obviously, that date is passed. I am informed by the Delegate from Alaska that a number of legislators filed as candidates for election to the convention, but that a Federal judge in the Territory has ruled they could not serve, if elected, because of the prohibition contained in the organic act which I have just read. Therefore, if the Territory is to have the opportunity to take advantage of the experiences of these men who have been serving as members of the legislature, S. 1633 must be enacted.

I should perhaps state the obvious for the sake of the RECORD. The passage of S. 1633 would not in any way constitute admission of Alaska to statehood. One need look only at the example of Hawaii. In Hawaii a constitutional convention was held, and a constitution drafted, a full 5 years ago, but Hawaii is today no nearer to statehood than is Alaska.

The members of the Senate Committee on Interior and Insular Affairs unanimously urge enactment of S. 1633.

WILDLIFE-RESTORATION PROJECTS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 643, Senate bill 756.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 756) to provide that the United States shall aid the States in wildlife-restoration projects, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 756), which had been reported from the Committee on Interstate and Foreign Commerce with an amendment to strike out all after the enacting clause and insert:

That there is hereby authorized to be appropriated, out of the Federal aid to wildlife restoration fund established by the act entitled "An act to provide that the Unitd States shall aid the States in wildlife-restoration projects, and for other purposes," approved September 2, 1937, as amended (16 U. S. C. secs. 669–669i), for the 1956 fiscal year and for each fiscal year thereafter, an amount equal to 20 percent of the accumulated unappropriated receipts in such fund on the date of enactment of this act, until the accumulated unappropriated receipts in such fund on such date have been appropriated and expended. Funds appropriated under the authority of this section shall be made available to the States in accordance with the provisions of, and under the apportionment formula set forth in, such act of September 2, 1937, and shall be in addition to the funds appropriated under section 3 of such act.

SEC. 2. Section 8 of such act of September 2, 1937, as amended, is amended by adding at the end thereof the following: "Notwithstanding any other provision of this act, funds apportioned to a State under this act may be expended by the State for management (exclusive of law enforcement and public relations) of wildlife areas and resources, but not more than 30 percent of the total amount apportioned to a State for any fiscal year may be expended for such purpose."

Mr. JOHNSON of Texas. Mr. President, this bill comes to the Senate on the recommendation of the Committee on Interstate and Foreign Commerce, to which it was referred.

The bill would make disposition to the States of some $13,467,468.61 of unexpended funds in the Federal aid to wildlife restoration fund. This fund was established by the Wildlife Restoration Act of September 2, 1937, as amended (50 Stat. 917; 16 U. S. C. 669). Into it, under the act, were routed revenues derived from the excise tax on firearms, shells, and cartridges, with the provision that Congress would make annual appropriations for wildlife restoration, equal to the yearly revenues from the excise tax cited. However, during the period from 1939 to 1947, inclusive, congressional appropriations for wildlife restoration purposes were less than the amount of excise-tax revenues placed in the fund, with the result that there was the accumulation of funds noted, which S. 756 and S. 1172 seek to distribute.

The 1937 act provided for distribution of these funds to the States on a matching basis, with the States supplying $1 for each $3 allotted by the Federal Government. The formula for distributing the funds was based on the area of the States and the number of paid hunting-license holders in the States, with a further equalizing provision that no State could be given more than 5 percent nor less than one-half of 1 percent of the total apportioned to all of them. Where States fail to match the funds allotted to them, the funds in question revert, according to statute, to the Migratory Bird Conservation Fund.

S. 756, as introduced, would allot the unexpended funds now on hand to the States over a 5-year period, 20 percent each year, without the requirement for matching funds. S. 1172, also considered by the committee, would use the entire amount for distribution to the States for use in fiscal 1956, on the statutory matching basis, and would therefore allot the yearly excise-tax receipts on firearms, shells, and cartridges for use in the second fiscal year following their receipt. This would make it possible for the States to know, well in advance, exactly how much matching funds would be required of them for each fiscal year, so that provision could be made on that basis.

S. 1172 also would amend the Wildlife Restoration Act of 1937 so that a portion of the program funds would be used in connection with activities involving "management, exclusive of law enforcement and public relations."

Mr. BRICKER. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. BRICKER. Does this bill appropriate the unexpended amounts of excise taxes for the purpose of buying refuges and for other State uses?

Mr. JOHNSON of Texas. It is my understanding that under its terms the bill would make the unexpended balances available for disposition by the States.

Mr. BRICKER. And there is no allocation for administrative purposes which changes the former allocation?

Mr. JOHNSON of Texas. Not so far as I am aware.

Mr. BRICKER. The bill is satisfactory to me.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 756) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the appropriation of accumulated receipts in the Federal aid to wildlife restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources."

SELF-GOVERNMENT FOR THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 256, Senate bill 669.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 669) to provide an elected mayor, city council, school board, and nonvoting delegate to the House of Representatives for the District of Columbia, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INSCRIPTION ON ALL UNITED STATES CURRENCY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the pending business, which is Senate bill 669, Calendar No. 256, be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 642, H. R. 619.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas? The Chair hears none, and it is so ordered.

The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 619) to provide that all United States currency shall bear the inscription "In God We Trust."

Mr. JOHNSON of Texas. Mr. President, this bill would require that all currency and coins of the United States bear the inscription "In God We Trust." At the present time, this inscription appears on all coins, but is required by law only upon those denominations of silver coins on which it was inscribed prior to May 18, 1908. There is no comparable statutory requirement in regard to currency.

Currency has been issued by the United States Government since 1861. Thus, for almost a century, there has been no inscription on our currency reflecting the spiritual basis of our way of life. One reason that this situation has not been remedied heretofore has been the prohibitive cost involved in the necessary redesigning of the dies used in printing currency. However, the Bureau of Engraving and Printing is now planning technological improvements in its printing equipment which will require the preparation of new dies. Therefore, the inscription "In God We Trust" can be incorporated in the new dies with very little additional cost.

The committee which considered the bill believes the changeover in equipment presents an excellent opportunity to correct an oversight of many years standing.

The distinguished Senator from Oklahoma [Mr. MONRONEY] reported the bill from the committee. I shall be glad to have him make a statement, if he desires to do so.

Mr. MONRONEY. Mr. President, I merely wish to say that the bill was voted for unanimously in the subcommitee and the full committee. The bill was passed unanimously by the House. I know of no objection to the bill either from inside or outside Congress.

Mr. CARLSON. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield.

Mr. CARLSON. I wish to commend the Senator from Texas for having the bill considered at this time, and to commend the members of the committee who considered it and reported it to the Senate. I believe placing the inscription "In God We Trust" on our currency is most appropriate. Earlier this year I introduced a bill to put the words "In God We Trust" on new issues of postage stamps. I would not want to embarrass the majority leader or Senators who sponsored the pending bill by offering my bill as an amendment to it, but I wondered if the majority leader would have any objection to my offering such an amendment. Personally, I think it has merit. It would deal only with new issues of stamps. Would the Senator from Texas have any objection to such an amendment?

Mr. JOHNSON of Texas. I would not object to the proposal of the Senator from Kansas to have put the words "In God We Trust" on postage stamps. However, I would wish to explore the matter before I would agree to the suggestion as an amendment to the pending bill. Has the Senator from Kansas introduced a bill to that effect?

Mr. CARLSON. Yes; I have. S. 12 of this Congress.

Mr. JOHNSON of Texas. Was it referred to a committee?

Mr. CARLSON. Yes. It was referred to the Committee on Post Office and Civil Service. No action has been taken on it.

Mr. JOHNSON of Texas. I am always extremely reluctant to object to any suggestion made by my friend, the distinguished junior Senator from Kansas. He is an outstanding member of the Post Office and Civil Service Committee. I believe he is the ranking minority member of it. He was formerly chairman of that committee. I hope he will follow the orderly procedure, and will request the chairman to take action on the legislation he has proposed. I should be glad to join with the Senator in making that request. The schedule of the Senate is such that if the committee approved the bill, the leadership would have the means of bringing it before the Senate.

I am not in opposition to consulting with all the members of the Banking and Currency Committee, which reported the pending bill, but we thought the bill would not involve amendment. I would hesitate to take it upon myself to accept an amendment, even though I realize that what the Senator has in mind is a sound and good amendment, and certainly could not have better sponsorship. However, I do not wish to assume responsibility for accepting the amendment.

Mr. CARLSON. As I stated, I certainly would not wish in any way to embarrass the majority leader or Senators who sponsored the pending bill. It is a House bill, and it has gone through the Senate committee. For that reason I shall not offer an amendment. I myself think that a proposal to place on new issues of stamps the words "In God We Trust" has much merit. I hope the proposal will be considered in the near future.

Mr. JOHNSON of Texas. I appreciate the attitude of the Senator from Kansas.

Mr. CASE of South Dakota. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield to the distinguished Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, some time ago I was contacted by the Reverend Carl Loocke, of Rapid City, S. Dak., relative to changing the design on the dollar bill to provide that on the reverse side of the bill, where appears the word "one" in large letters, the figures of the heads on Mount Rushmore National Memorial should be placed. The idea was developed by Rev. Dr. Loocke and Mr. George Vesely, of Rapid City, S. Dak., and has been endorsed by the Honorable Joe Foss, Governor of South Dakota; by the Honorable John A. Bland, president of the Mount Rushmore National Memorial Society; and by the Honorable William Williamson, a trustee of the society, and for many years a distinguished Member of the United States House of Representatives.

If one will examine a dollar bill, he will note that the word "one" appears in each of the four corners on the re-

verse side, and the center of the bill is taken up with the three letters "o-n-e" in very large type. The words "One Dollar" also appear as the bottom line.

It occurred to Rev. Dr. Loocke that a great deal of space was consumed on the reverse sides of $1 bills simply to say it was a $1 bill.

I think the space used by the letters "o-n-e" on the dollar bill would make a splendid place on which to place the historic figures which are shown on Mount Rushmore National Memorial. The figures of heads which appear at the memorial are those of George Washington, Thomas Jefferson, Abraham Lincoln, and Theodore Roosevelt. The design on Mount Rushmore was created by a sculptor named Gutzon Borglum, one of the great sculptors of our generation.

I might call to the attention of the Members of the Senate the fact that there are four figures in Statuary Hall and in the rotunda which were sculptured by Gutzon Borglum. I think that is the largest number of pieces in the Capitol carved by any one sculptor. They are the figures of Stephens, Vance, Greenway, and the head of Abraham Lincoln. I mention that to illustrate the character of the work Gutzon Borglum has done.

We in South Dakota particularly believe the work done in Mount Rushmore national memorial is the greatest of the American memorials today. The fact that likenesses of the heads of four former Presidents have been sculptured, Presidents who are recognized as Presidents of all the people, would make it particularly appropriate to have that design appear on the reverse side of the dollar bill.

The pending measure proposes that when new dies for the printing of currency are adopted in connection with the current program of the Treasury Department to increase the capacity of presses utilized by the Bureau of Printing and Engraving, the dies shall bear an inscription of the words "In God We Trust." This is an appropriate time, it seems to me, to bring to the attention of the Senate this suggestion by Rev. Dr. Loocke and his associates that the likenesses of the heads of Presidents appearing on Mount Rushmore should be placed on dollar bills.

I should like to have the comment of the distinguished majority leader and the distinguished Senator from Oklahoma as to how they would feel about an amendment to provide for the proposal I have expressed in connection with the pending bill.

Mr. JOHNSON of Texas. Mr. President, I am prepared to comment, but I yield to the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, I will say to my distinguished colleague from South Dakota that I think the idea is a sound one and a very good one. However, the pending bill is a House bill, although a similar bill was introduced in the Senate by the distinguished chairman of the Banking and Currency Committee, the Senator from Arkansas [Mr. FULBRIGHT]. It was thought that by keeping the provisions of the bill identical with those of the House bill, when it passed the Senate a conference would be avoided.

The distinguished Senator from South Dakota well knows that if the pending bill were amended by inserting new matter such as he suggests, it would probably result in a delay, and that the sponsors of the bill would raise certain questions, since the amendment would open up a new subject matter, rather than reaffirm a policy which has been in existence for over 75 years by way of expressing our trust in God. Therefore, I hope the distinguished Senator from South Dakota, with his ability and enthusiasm for carrying out any project which he proposes, will introduce his proposal as a separate measure, and permit the Banking and Currency Committee of the Senate to explore it as rapidly as it can.

Mr. CASE of South Dakota. I appreciate having the comments of the distinguished Senator from Oklahoma. I wonder if he would not agree with me that the representations of the heads of the Presidents which are sculptured on Mount Rushmore are of relatively noncontroversial political figures as of today.

Mr. MONRONEY. I certainly do agree with that statement. The only point I was attempting to bring out was that the bill provides for the placement on our currency of words which have been carried on our coinage for many years, and that the bill has already passed the House and has unanimously received the approval of the Senate committee. The introduction of any new matter into the bill, no matter how worthwhile, would delay the passage of the bill and its enactment into law, and would perhaps require our receiving comments on the suggestion from the Department heads, whereas we now have complete agreement regarding the bill.

I appreciate the worthiness and the need of honoring the great Mt. Rushmore monument to the former Presidents of the United States depicted there; but I hope the distinguished Senator from South Dakota will handle his proposal in a bill to be introduced separately, and will permit the pending bill to be passed now, rather than to have it amended, and then have to go to conference.

Mr. CASE of South Dakota. Mr. President, the distinguished majority leader said he would like to make a comment in connection with this matter. I should be very glad to have him do so at this time.

Mr. JOHNSON of Texas. Mr. President, the junior Senator from South Dakota knows that it is very difficult to turn down any proposal he makes. However, I must agree with the Senator from Oklahoma that to adopt the amendment now suggested by the Senator from South Dakota would not achieve the result the Senator from South Dakota wishes to have achieved.

Furthermore, of course I would not be in favor of adding to the bill at this time an amendment which had not been considered by the committee. So I am not in a position to pass on such an amendment, although I state frankly that any amendment suggested by the Senator from South Dakota always receives my serious consideration.

If the Senator from South Dakota desires to introduce his proposal as a separate bill, of course it will receive our serious and careful consideration.

Mr. CASE of South Dakota. Mr. President, I deeply appreciate the statement the Senator from Texas has made and his offer of cooperation.

Let me say that I have submitted this matter to the Secretary of the Treasury, who has said that when the dollar bill is redesigned, he will give consideration to the proposal.

I have not cared to introduce a bill on the subject, for I fear that the Treasury Department might hesitate to take such action during the pendency of such a bill. However, I desire to take up this matter with the members of the Banking and Currency Committee.

Mr. President, in conclusion I should like to emphasize that the great Presidents of the United States depicted at Mount Rushmore are not the subjects of controversy. They were great Presidents of the United States who made outstanding contributions to the development of the entire Republic.

In adopting my proposal, I think we would not so much be honoring them as we would be honoring ourselves, and demonstrating our appreciation of American ideals. That is why I propose that we include on the reverse side of the one-dollar bills a portrayal, as depicted at Mount Rushmore, of the heads of George Washington, Thomas Jefferson, Abraham Lincoln, and Theodore Roosevelt.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 619) was ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6795) to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 45) providing for the reenrollment of S. 195, for the relief of Giuseppe Minardi.

SELF-GOVERNMENT FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 669) to provide an elected mayor, city council, school board, and nonvoting delegate to the House of Representatives for the District of Columbia, and for other purposes, which

had been reported from the Committee on the District of Columbia with amendments.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. The home rule bill for the District of Columbia is now the unfinished business, is it not?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. The distinguished chairman of the Committee on the District of Columbia [Mr. NEELY] is present, and is prepared to give an explanation of the bill.

Mr. NEELY. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. NEELY. Mr. President, the District of Columbia home rule Senate bill 669, which is now before us, is sponsored by 33 other Senators who joined me in introducing it. These 33—16 Democrats and 17 Republicans—are among the most prominent and useful Members of this body.

Twice in recent years the Senate, by overwhelming majorities, passed home rule bills similar to the pending measure. Apparently prolonged debate in the discharge of our present duty would be as superfluous as argumentation in behalf of the faultlessness of the Ten Commandments, or the perfection of the Sermon on the Mount.

In the circumstances, my remarks will be limited to a brief statement of the objects of the measure as they were specified by the eminent Senator from Oregon [Mr. MORSE] in his excellent committee report to the Senate, as follows:

The bill provides for the following:

(a) A popularly elected mayor; (b) a popularly elected city council; (c) a popularly elected school board; and (d) a popularly elected nonvoting Delegate to the House of Representatives.

The bill creates a Board of Elections consisting of five members appointed by the President by and with the advice and consent of the Senate, which Board shall conduct all elections provided for in the bill.

The objectives of the measure are threefold: First, to relieve the Congress of the detail of District affairs, as has been done in the case of the Territories, while still retaining the control in Congress required by the Constitution; second, to create a representative local government for the District of Columbia chosen by the qualified electors; and third, to provide ways and means of making that government economical and efficient.

The first provision of the bill to become effective, if enacted, is that which provides for a referendum on the proposed charter. If a majority of those voting approve the charter, it would take effect next year; and in October a mayor, council, school board, and nonvoting Delegate to the House of Representatives would be elected, to take office in January 1957.

The mayor and council would take over the functions of the present Board of Commissioners, which would be abolished. The council would be endowed with local legislative power, subject to certain enumerated restrictions and to the overriding power of Congress to repeal, amend, or initiate local legislation and to modify or revoke the charter itself. This endowment of local power is patterned after the similar grants of power to Territorial legislatures. The Board of Education would inherit the powers of the present Board to administer the District schools. The Delegate would have privileges coextensive with those granted the Delegates from Hawaii and Alaska.

Mr. President, I urge a favorable vote on the bill without further delay.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. CASE of South Dakota. Mr. President, let me inquire what request the Senator from Texas has made.

Mr. JOHNSON of Texas. I have asked unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 1, after the enacting clause, strike out:

"That this act, divided into titles and sections according to the following table of contents, may be cited as the 'District of Columbia Charter Act'."

And in lieu thereof, insert:

"That subject to the retention by Congress of the ultimate legislative authority over the Nation's Capital which is granted by the Constitution, it is the intent of Congress to restore to the inhabitants of the District of Columbia the powers of local self-government which are a basic privilege of all American citizens; to reaffirm through such action the confidence of the American people in the strengthened validity of principles of local self-government by the elective process; to promote among the inhabitants of the District the sense of responsibility for the development and well-being of their community which will result from the enjoyment of such powers of self-government; to provide for the more effective participation in the development of the District and in the solution of its local problems by those persons who are most closely concerned; and to relieve the National Legislature of the burden of legislating upon purely local District matters. It is the further intention of Congress to exercise its retained ultimate legislative authority over the District only insofar as such action shall be necessary or desirable in the interest of the Nation. Finally, it is recognized that the restoration of the powers of local self-government to the inhabitants of the District by this act will in no way change the need, which arises from the unique character of the District as the Nation's Capital, for the payment by the Federal Government of a share of the expenses of the District government; and it is intended that such restoration shall affect neither the continuance of the established policy of paying such a share nor the amount thereof."

On page 5, in the table of contents, in section 1302, after the word "District", strike out "for period ending June 30, 1957"; after section 1705, insert: "Title XVIII—Title of Act

"SEC. 1801. Title of act."

On page 7, line 10, after the word "territory", strike out "which was ceded by the State of Maryland to the Congress of the United States for" and insert "constituting"; on page 8, after line 5, insert:

"(c) Nothing contained in this section shall affect the boundary line between the District of Columbia and the Commonwealth of Virginia as the same was established or may be subsequently established under the provisions of title I of the act of October 31, 1945 (59 Stat. 552)."

On page 11, line 18, after the word "undertaking", strike out "or"; in line 20, after the word "of", strike out "title VI.", and insert "title VI; or"; after line 20, insert:

"(7) enact or pass any act inconsistent with or contrary to the act of June 6, 1924 (43 Stat. 463), as amended by the act of April 30, 1926 (44 Stat. 374), and by the act of July 19, 1952 (66 Stat. 871); and the act of May 29, 1930 (46 Stat. 482), as amended, and the Council shall not pass any act inconsistent with or contrary to any provision of any act of Congress as it specifically pertains to any duty, authority, and responsibility, of the National Capital Planning Commission; except insofar as the above-cited or other referred-to acts refer to the Engineer Commissioner or the Board of Commissioners, the former of which terms, after the enactment of this act, shall mean the Mayor or some District Government official deemed by the Mayor to be best qualified, and designated by him to sit in lieu of the Mayor as a member of the National Capital Planning Commission and the National Capital Regional Planning Council, and the latter term shall mean the District Council."

On page 13, line 8, after the word "or", insert "of"; on page 20, line 14, after the word "commissions", strike out "and personnel to occupy positions formerly occupied by one or more members of the Board of Commissioners, all subject" and insert "who under laws in effect on the date of enactment of this act are subject to appointment and removal by the Commissioners, and personnel to occupy positions formerly occupied by one or more members of the Board of Commissioners, which appointments and removals shall, until changed by act of the District Council establishing a merit system, be subject."

On page 23, line 12, after the word "budget", insert "estimates"; on page 24, line 8, after the word "those", insert "therefore"; in line 9, after the word "appropriated", strike out "pursuant to section 504"; in the same line, after the word "extent", strike out "unobligated" and insert "unappropriated"; in line 10, after the word "purpose", strike out "unobligated" and insert "unappropriated"; on page 30, line 9, after "Sec. 622.", strike out "In" and insert "For"; in line 18, after the word "year", strike out "in" and insert "for"; on page 32, line 9, after the word "budget", insert "estimates"; on page 36, line 12, after the word "the", strike out "budget" and insert "budget approved by the District Council"; on page 37, line 3, after the word "appropriate", strike out "fund" and insert "funds"; on page 41, line 13, after the word "which", strike out "adequate" and insert "reasonable"; on page 43, line 2, after the word "necessary", strike out "The Secretary shall receive a salary at a rate to be fixed by the Board of Education"; on page 65, line 12, after the word "district", strike out "for period ending June 30, 1957"; in line 16, after the word "otherwise", strike out "appropriated, for the fiscal year ending June 30, 1957" and insert "appropriated"; on page 66, line 13, after the numerals "III", insert "title V"; after line 14, insert "and";

in line 16, after the word "day", strike out "after the day"; in line 17, after the word "takes", strike out "office; and" and insert "office."; after line 18, strike out:

"(3) title V shall be applicable only with respect to the fiscal year ending June 30, 1958, and each succeeding fiscal year."

On page 67, line 19, after the word "offices", strike out "(other than in the District of Columbia) where on the ballot, or in voting for District Delegate certifies that he has not, within 2 years prior to such registration, voted in any election (other than in the District of Columbia), for candidates to public office", and insert "were on the ballot", and on page 80, after line 11, insert:

"TITLE XVIII—TITLE OF ACT

"SEC. 1801. This act, divided into titles and sections according to table of contents, and including the declaration of congressional policy which is a part of such act, may be cited as the 'District of Columbia Charter Act.'"

Mr. CASE of South Dakota. Mr. President, Senate bill 669, which was introduced by the distinguished Senator from West Virginia [Mr. NEELY], on behalf of himself and a large number of other Senators, in which I am proud to be included, represents the accumulated study, over a period of years, of the Committee on the District of Columbia, on the subject of home rule legislation for the District of Columbia.

When I first came to the Senate, I was assigned to the Committee on the District of Columbia, and served on it under the inspiring leadership of the distinguished Senator from West Virginia [Mr. NEELY]. One of the first hearings I attended was on home-rule legislation. In the 82d Congress, the committee reported a home-rule bill, and it was my privilege to present the bill on the floor of the Senate. At that time it was debated extensively. The Senate finally passed the bill by a substantial majority.

During the 83d Congress I was chairman of the Committee on the District of Columbia. Again we reported a bill which carried forward the work which had been done in connection with an earlier bill, and presented it to the Senate. Because of the public works bill and other major District legislation of considerable urgency at the time, including the corporation bill, the omnibus crime bill, and other general legislation of interest to the District of Columbia, we did not obtain floor consideration for the home-rule bill. However, the Senate did pass a District primary bill, and took some other steps toward home rule in the District of Columbia.

The bill which comes to the floor at this time represents the consolidated work of the committees during the past two Congresses, at least, and to some extent even before that, plus intensive study by the Senate Committee on the District of Columbia in this Congress. I feel that it represents a great deal of interested, intelligent work on the part of members of the committee in the 84th Congress, and that it has had the benefit of counsel of citizens of the District who have attended hearings and offered their proposals and suggestions over a period of years.

We use the term "citizens of the District of Columbia," but I stutter every time I use it because the people who live in the District of Columbia are not citizens in the sense of the word which implies that they have a voice in their government. I do not believe there is any group of people who live in continental United States who are disfranchised to a greater extent than are those who have spent their lives in the District of Columbia, or who come to the District of Columbia from other portions of the country and, for one reason or another, are unable to maintain a voting residence in one of the States.

The people of the District of Columbia have no effective voice in their own government. I make that statement categorically because, although the citizens of the District have a commendable zeal in their District associations and in their community groups, yet they have no way to express themselves in such a manner that Congress must take cognizance of what they say. They have no voice in the selection of the Commissioners of the District of Columbia, who are appointed by the President of the United States and whose nominations are confirmed by the Senate.

They have no voice in the selection of the Advisory Council to the Commissioners. The Advisory Council to the Commissioners was created under the reorganization plan for the District of Columbia. Its members are appointed or selected by the Board of Commissioners themselves. It is true that the Advisory Council consists of very able and respected people. They are persons of excellent repute and good judgment, but they are selected by the Commissioners themselves, and, so long as they are, they necessarily reflect the point of view of the Commissioners. While there is some value in their review of what the Commissioners propose, they have no veto power. They can only suggest. They necessarily tend to be more or less of a ratification body for what the Commissioners do.

That is not to suggest in any degree a lack of ability on the part of the Commissioners. I think the District of Columbia has been blessed by the selection of good Commissioners, generally speaking, over a period of years, and, of course, the Senate has a voice by way of confirmation of their nominations.

In a study which I made of the residence of Commissioners of the District of Columbia last year, I found that in 50 years there has not been a Commissioner appointed who lived east of 16th Street NW. or south of Pennsylvania Avenue. In other words, the Commissioners of the District of Columbia, excellent men though they may be, have come from not merely one quarter of the city but less than a quarter of the city. Try as best they can, they cannot bring to the government of the District of Columbia the viewpoint which would exist were the members of the governing body or the administrative group for the District of Columbia selected from various portions of the city.

The pending bill was conceived to insure that there would be representation of the several residential portions of the city, as well as the industrial and business sections. Although the candidates might be voted on at large, they would be nominated from wards or districts.

Unless the people of the District of Columbia are given a voice in their local government, a mockery is made of the protestations of this country that we believe in representative government. There is nothing that is so weak in the representation which our ministers abroad make as to democracy in the United States as the single fact that the people of other countries can point to the city of Washington, D. C., the Capital of the United States, and say, "The people who live there do not have a voice in their own Government. How can you preach democracy to us, how can you talk about representative government to us, when in your Capital City, of which you boast so proudly, you do not practice the principle which you preach, namely, the idea of representative government?"

So, Mr. President, I feel that the bill comes to the Senate at a time when it ought to be passed. There is nothing that the Congress of the United States could do, in my judgment, which would more definitely and clearly show to all the nations of the world and all peoples everywhere that the United States believes in representative government than the adoption of a method of government for the District of Columbia which would give the people here a voice in their own Government. The President of the United States, Dwight D. Eisenhower, has recognized this and has repeatedly called for enactment of home rule for the District of Columbia. It is definitely a part of the administration program.

The bill ought to be passed.

Mr. NEELY. Mr. President, let me express my appreciation of the tireless, effectual, faithful service which the outstanding Senator from South Dakota [Mr. CASE] has rendered the District of Columbia, first, as a member of the District Committee and later as the committee's chairman. He, more than anyone else, was responsible for the preparation and the passing through this body of the home-rule bill which was the immediate progenitor of the one on which we are about to vote. The District owes Senator CASE a lasting debt of gratitude for his service.

Mr. CASE of South Dakota. Mr. President, if the Senator will indulge me for a brief word, if I was able to do anything effective in connection with the work of the Committee on the District of Columbia, I should like to have the RECORD show that my tutelage was spent under the chairmanship of the distinguished Senator from West Virginia.

Mr. NEELY. I thank the Senator with all my heart.

Mr. McNAMARA. Mr. President, there is very little left to be said in favor of the passage of the pending bill. However, I should like to add to what the able Senators have already said the statement that those who appeared before the subcommittee, as well as the full committee, in favor of the passage of the bill would have convinced any Senator who listened to them of the justification for its passage.

I am sure that this year there was less opposition than ever before to home-rule legislation for the District of Columbia. I urge passage of the pending bill, so that we can eliminate the practice of taxation without representation, which now prevails in the Capital of our great Nation.

Mr. CASE of New Jersey. Mr. President, I have no desire to delay unduly the proceedings in the Senate today, but I do wish to associate myself with the three members of the committee, including the distinguished chairman, the Senator from West Virginia [Mr. NEELY], the distinguished former chairman, the Senator from South Dakota [Mr. CASE], and my distinguished colleague from Michigan [Mr. MCNAMARA], in whole-hearted support of the pending bill.

It is utterly wrong that any body of our citizens should be not only without the right to vote, but without the responsibilities which go with citizenship. I firmly believe in the division of powers which, in our country, is so significant. One of the reasons why I believe in it is not merely that concentration of power in the hands of any one individual is a serious evil, but that the division of power and the division of responsibility which goes with power are essential if we are to have effective, working democracy. To have the measure of citizenship of residents of the District of Columbia reduced to less than 1 percent of that which those of us elsewhere in the country enjoy is a situation the correction of which is long overdue. Therefore, I wish to associate myself with my colleagues on the committee.

For myself, I express to the present chairman of the committee, Mr. NEELY, and to his predecessor, Mr. CASE of South Dakota, my personal thanks for the zeal with which they considered the bill and the efforts they devoted to it until it was finally reported to the Senate and made ready for action. I wish also to say a word for my former colleague in the House, Representative AUCHINCLOSS of New Jersey, who for many years has been an ardent and very effective advocate of home rule in the District of Columbia.

The important fact is not that we will necessarily get better men to run the affairs of the District. It is that without the participation of the citizens of the District of Columbia in the government of the city in which they live we shall not have an effective and working democracy in our Nation's Capital.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. MORSE. Mr. President, I wish to make a very brief statement in support of the bill, as chairman of the judiciary subcommittee of the Committee on the District of Columbia.

I wish to extend my very sincere commendations to the Members of the Senate who have done such very effective and able work in the preparation of the bill, in conducting the hearings on it, and in bringing to the floor of the Senate a bill which represents such a marked step forward in providing democratic processes to the people of the District of Columbia.

The privileges granted by the bill are long overdue. I would not wish Senators to vote for the bill in the belief that it represents the completion of the job. The bill is a step forward in providing the citizens of the District of Columbia with first-class citizenship. We still have a very important task ahead of us, in working out the constitutional problems involved in providing to the citizens of the District of Columbia full voting privileges as citizens of the United States.

I do not share the throwing-up-of-hands and desperate attitude of some who seem to believe that giving the citizens of the District of Columbia full citizenship so far as voting privileges are concerned is a legal impossibility.

With the passage of the bill today, I shall continue to do everything I can in working for the greater objective, which is to give to the citizens of the District of Columbia voting representation in Congress and the precious right to vote for the President of the United States. It is important that we do that, so that we may hold up our heads before the world and say with honesty that there is no second-class citizenship in the United States of America. In passing the bill today, we shall take a great step forward toward that very desirable goal.

As chairman of the Judiciary Subcommittee of the Committee on the District of Columbia, I am pleased to recommend the bill most highly to my colleagues in the Senate.

Mr. ALLOTT. Mr. President, it is my purpose, in speaking very briefly in support of the pending bill, to put myself on record as stating that the members of the Committee on the District of Columbia, particularly the able chairman and the chairman during the last Congress, deserve to be commended and congratulated for the steadfastness with which they have encouraged and pushed the proposed legislation.

It was particularly encouraging to me to observe the fervor and desire of the people of the District for representation in their own government.

I address myself to the very able chairman of the committee when I say that perhaps we take and wear our own citizenship rights too lightly and think of them too lightly. It was a reaffirmation of the typical American spirit to observe the people of the District of Columbia, one and all, express their desire and wish and determination to have a voice in their own government.

I associate myself with the remarks of my colleagues, and I support the bill unqualifiedly.

The PRESIDING OFFICER. The question is on the final passage of the bill.

Mr. ALLOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. BEALL. Mr. President, I ask unanimous consent to have printed in the RECORD preceding the vote on S. 669 a statement which I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

On behalf of S. 669, it should be noted that the bill was sponsored by 17 Republican Senators and 17 Democratic Senators, which is a solid indication of the bipartisan nature of this legislation; and that the platforms of the two political parties favor self-government for the residents of the Nation's Capital.

S. 669 would give the people of the District effective control over their own affairs and is long overdue. The District of Columbia is the only locality in the Nation where the citizens have no voice in their own local government.

The very basic concept of our representative form of government lies in the fundamental right of the people to elect those who shall govern them; otherwise we could not with propriety and honesty subscribe to the truism expressed so often that ours is a government of the people, by the people, and for the people. The residents of the District of Columbia should have this right.

Washington is our Nation's Capital and it should be a model for the rest of the country. The Congress of the United States does not have the time to serve as a city council for a city with an annual budget of $175 million and 20,000 employees.

Therefore, I feel it would be in the interest of good democracy as well as good business to enact S. 669.

The PRESIDING OFFICER. The question is on the final passage of Senate bill 669. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY] the Senator from Washington [Mr. MAGNUSON], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

On this vote the Senator from Virginia [Mr. BYRD] is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting the Senator from Virginia would vote "nay" and the Senator from Washington would vote "yea."

I further announce that if present and voting the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Sena-

tor from Montana [Mr. MURRAY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BUTLER], the Senator from New Jersey [Mr. SMITH], the Senator from Ohio [Mr. BENDER], the Senator from Indiana [Mr. JENNER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Delaware [Mr. WILLIAMS], and the Senator from Connecticut [Mr. PURTELL] are necessarily absent.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Arizona [Mr. GOLDWATER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Idaho [Mr. WELKER], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from North Dakota [Mr. LANGER] is absent by leave of the Senate.

If present and voting the Senator from Ohio [Mr. BENDER], the Senator from Maryland [Mr. BUTLER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Connecticut [Mr. PURTELL], the Senator from New Jersey [Mr. SMITH], and the Senator from Delaware [Mr. WILLIAMS] would each vote "yea."

The result was announced—yeas 59, nays 15, as follows:

YEAS—59

Aiken	Duff	Martin, Pa.
Allott	Dworshak	McNamara
Anderson	Flanders	Millikin
Barkley	Green	Monroney
Barrett	Hayden	Morse
Beall	Hennings	Neely
Bennett	Hickenlooper	Neuberger
Bible	Holland	O'Mahoney
Bricker	Hruska	Pastore
Bush	Humphrey	Payne
Capehart	Ives	Potter
Carlson	Jackson	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Kerr	Scott
Chavez	Kilgore	Smathers
Clements	Knowland	Smith, Maine
Cotton	Kuchel	Symington
Curtis	Lehman	Thye
Daniel	Mansfield	Watkins
Douglas	Martin, Iowa	

NAYS—15

Eastland	Johnston, S. C.	Robertson
Ellender	Long	Russell
Ervin	Malone	Stennis
Frear	McClellan	Thurmond
Hill	Mundt	Young

NOT VOTING—22

Bender	Gore	Purtell
Bridges	Jenner	Smith, N. J.
Butler	Kefauver	Sparkman
Byrd	Kennedy	Welker
Dirksen	Langer	Wiley
Fulbright	Magnuson	Williams
George	McCarthy	
Goldwater	Murray	

So the bill (S. 669) was passed.

Mr. NEELY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Mr. President, I move to lay on the table the motion of the Senator from West Virginia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota to lay on the table the motion of the Senator from West Virginia.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I have always supported home rule for the District of Columbia since I have been a Member of the Senate, and I again voted for home rule today when I voted for the bill which has just passed the Senate. I had not expected to make any statement whatever, but in view of the fact that several proponents of the bill indicated that, in their view, home rule was coupled with the idea of giving voting representation in the Congress of the United States to the residents of the District of Columbia and, likewise, was coupled with admitting the residents of the District of Columbia to full participation in presidential elections, I just wish to have the RECORD clearly show that I do not regard those 2 matters as having anything to do with home rule, and I do not support those 2 objectives. I think they are completely out of conformity with the idea of a Federal district such as was conceived by the Founding Fathers.

Home rule was enjoyed by the inhabitants of the District of Columbia before the creation of the District, and for many years thereafter, and my support of home rule now is animated by the desire to restore to them a large measure of control of their local governmental affairs.

Senate bill 669, as passed, is as follows:

Be it enacted, etc., That subject to the retention by Congress of the ultimate legislative authority over the Nation's Capital which is granted by the Constitution, it is the intent of Congress to restore to the inhabitants of the District of Columbia the powers of local self-government which are a basic privilege of all American citizens; to reaffirm through such action the confidence of the American people in the strengthened validity of principles of local self-government by the elective process; to promote among the inhabitants of the District the sense of responsibility for the development and well-being of their community which will result from the enjoyment of such powers of self-government; to provide for the more effective participation in the development of the District and in the solution of its local problems by those persons who are most closely concerned; and to relieve the National Legislature of the burden of legislating upon purely local District matters. It is the further intention of Congress to exercise its retained ultimate legislative authority over the District only insofar as such action shall be necessary or desirable in the interest of the Nation. Finally, it is recognized that the restoration of the powers of local self-government to the inhabitants of the District by this act will in no way change the need, which arises from the unique character of the District as the Nation's Capital, for the payment by the Federal Government of a share of the expenses of the District government; and it is intended that such restoration shall affect neither the continuance of the established policy of paying such a share nor the amount thereof.

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TITLE I—DEFINITIONS

Definitions

SEC. 101. For the purposes of this act—

(1) The term "District" means the District of Columbia.

(2) The term "District Council" means the Council of the District of Columbia provided for by title III.

(3) The term "Chairman" means the Chairman of the District Council provided for by title III.

(4) The term "Mayor" means the Mayor provided for by title IV.

(5) The term "qualified elector" means a qualified elector of the District as specified in section 906, except as otherwise specifically provided.

(6) The term "act" includes any legislation adopted by the District Council, except where the term "act" is used to refer to this act or other acts of Congress herein specified.

(7) The term "expenditure", when applied to any period of time, includes an obligation to expend incurred during such period, but does not include a disbursement made in such period if the obligation to make such disbursement was incurred in a prior period.

(8) The term "person" includes an individual, partnership, association, joint-stock company, trust, or corporation.

(9) The term "capital project," or "project," means (a) any physical public betterment or improvement and any preliminary studies and surveys relative thereto; (b) the acquisition of property of a permanent nature; or (c) the purchase of equipment for any public betterment or improvement when first erected or acquired.

(10) The term "pending," when applied to any capital project, means authorized but not yet completed.

TITLE II—STATUS OF THE DISTRICT

Status of the District

SEC. 201. (a) All the territory constituting the permanent seat of the Government of the United States shall continue to be designated as the District of Columbia. The District of Columbia is hereby declared to be a body politic and corporate in perpetuity for governmental purposes and as such may sue and be sued, contract and be contracted with, and have a corporate seal. Such body politic and corporate is the successor of the District of Columbia created by section 2 of the Revised Statutes relating to the District of Columbia and continued by the first section of the act of June 11, 1878 (D. C. Code, 1951 edition, sec. 1–102). So far as is consistent with the provisions of this act, all powers, rights, privileges, immunities, duties, obligations, assets, and liabilities of the District of Columbia created by such section 2 are hereby transferred to, vested in, and imposed upon the body politic and corporate created by this section.

(b) Section 1 of the act of February 21, 1871 (16 Stat. 419), and section 1 of the act of June 11, 1878 (20 Stat. 102), are hereby repealed.

(c) Nothing contained in this section shall affect the boundary line between the District of Columbia and the Commonwealth of Virginia as the same was established or may be subsequently established under the provisions of title I of the act of October 31, 1945 (59 Stat. 552).

TITLE III—THE DISTRICT COUNCIL

PART 1—CREATION OF THE DISTRICT COUNCIL

Creation and membership

SEC. 301. There is hereby created a Council of the District of Columbia consisting of nine members elected as provided in title IX.

Qualifications for holding office

SEC. 302. No person shall hold the office of member of the District Council unless he (1) is a qualified elector, (2) is domiciled in the District and resides in the ward from which he is nominated, has, during the 3 years next preceding his nomination resided and been domiciled in the District and has for 1 year preceding his nomination, resided and been domiciled in the ward from which he is nominated, (3) holds no other elective public office, and (4) holds no appointive office for which compensation is provided out of District funds. A member of the Council shall forfeit his office upon failure to maintain the qualifications required by this section.

Compensation

SEC. 303. Each member of the District Council, except the Chairman, shall receive compensation at a rate of $3,000 per annum, payable in equal monthly installments. The Chairman shall receive compensation at a rate of $5,000 per annum, payable in equal monthly installments. All members shall receive such additional allowances for expenses as may be approved by the District Council to be paid out of funds duly appropriated therefor.

PART 2—PRINCIPAL FUNCTIONS OF THE DISTRICT COUNCIL

Functions heretofore exercised by the Board of Commissioners

SEC. 321. (a) Except as otherwise provided in this act, all functions granted to or imposed upon the Board of Commissioners of the District are hereby transferred to the District Council except those powers hereinafter specifically conferred on the Mayor.

(b) The Board of Commissioners of the District is hereby abolished.

Functions relating to zoning

SEC. 322. The Zoning Commission created by the first section of the act of March 1, 1920, creating a Zoning Commission for the District of Columbia, as amended (D. C. Code, 1951 ed., sec. 5–412), is hereby abolished, and its functions are transferred to the District Council.

Certain delegated functions

SEC. 323. No function of the Board of Commissioners of the District which such Board has delegated to an officer or agency of the District shall be considered as a function transferred to the Council by section 321. Each such function is hereby transferred to the officer or agency to whom or to which it was delegated, until the Mayor or Council, or both, pursuant to the powers herein granted, shall revoke, modify, or transfer such delegation.

Powers of and limitations upon District Council

SEC. 324. (a) Except as provided in subsection (b) and subject to the reserved powers of the Congress as provided in section 324 (d), there shall be vested in the District Council complete legislative power over the District with respect to all rightful subjects of legislation not inconsistent with the Constitution or with the laws of the United States which are applicable but not confined to the District: *Provided*, That such subjects are within the scope of the power of Congress in its capacity as the legislature for the District of Columbia as distinguished from its capacity as the National Legislature. The District Council shall, by majority vote of those present, confirm or reject nominees proposed by the Mayor, and shall have power, by vote of two-thirds of its members, to override any veto by the Mayor.

(b) The District Council may not pass any act contrary to the provisions of this act or—

(1) impose any tax on property of the United States;

(2) grant any exclusive privilege, immunity, or franchise;

(3) authorize any lottery or the sale of lottery tickets or authorize any form of gambling;

(4) authorize the use of public money in support of any sectarian, denominational, or private school;

(5) lend the public credit for support of any private undertaking;

(6) authorize the issuance of bonds except in compliance with the provisions of title VI; or

(7) enact or pass any act inconsistent with or contrary to the act of June 6, 1924 (43 Stat. 463), as amended by the act of April 30, 1926 (44 Stat. 374), and by the act of July 19, 1952 (66 Stat. 871); and the act of May 29, 1930 (46 Stat. 482), as amended, and the Council shall not pass any act inconsistent with or contrary to any provision of any act of Congress as it specifically pertains to any duty, authority, and responsibility, of the National Capital Planning Commission; except insofar as the above-cited or other referred to acts refer to the Engineer Commissioner or the Board of Commissioners, the former of which terms, after the enactment of this act, shall

mean the mayor or some District government official deemed by the mayor to be best qualified, and designated by him to sit in lieu of the mayor as a member of the National Capital Planning Commission and the National Capital Regional Planning Council, and the latter term shall mean the District Council.

(c) An act, except as otherwise provided in this act, shall become effective 30 days after the passage or at such later time as the Council may designate: *Provided*, That an act may become effective at any time after its passage if the Council by vote of two-thirds of its members shall state in such act that an emergency exists requiring such earlier effective date. Every act or resolution shall include a preamble, or be accompanied by a report, setting forth concisely the purposes of its adoption. Every act or resolution shall be published, within 7 days after its passage, as the District Council may direct.

(d) The Congress of the United States reserves the right, at any time, to exercise its constitutional authority as legislature for the District of Columbia, by enacting legislation for the District on any subject, whether within or without the scope of legislative power granted to the District Council by this act, including without limitation legislation to amend or repeal any law in force in the District of Columbia prior to or after the enactment of this act or of any provision of this act.

PART 3—ORGANIZATION AND PROCEDURE OF THE DISTRICT COUNCIL

The Chairman

SEC. 331. The District Council shall elect from among its members a Chairman who shall be the presiding officer of the District Council, and a Vice Chairman, who shall preside in the absence of the Chairman. When the mayor is absent or unable to act, or when the office is vacant, the Chairman shall act in his stead. The term of the first Chairman shall expire at the close of December 31, 1958, and at the close of December 31 of each succeeding even-numbered year the term of office of the incumbent Chairman shall expire.

Secretary of the District Council; records and documents

SEC. 332. (a) The District Council shall appoint a secretary who shall serve at the pleasure of the District Council as its chief administrative officer, and such assistants and clerical personnel as may be necessary. The secretary shall receive a salary at a rate to be fixed by the District Council by act.

(b) The secretary shall (1) keep a full record of the proceedings of the District Council, (2) keep a journal showing the text of all acts and resolutions introduced, the substance of the debates, and the ayes and noes of each vote, (3) authenticate by his signature and record in full, in a book kept for the purpose, all acts and resolutions passed by the District Council, and (4) perform such other duties as the Council may from time to time prescribe.

Meetings

SEC. 333. (a) The first meeting of the District Council after this part takes effect shall be called by the member who receives the highest vote in the election provided in title IX. He shall preside until a Chairman is elected. The first meeting of the District Council in each odd-numbered year commencing with 1959 shall be called by the Secretary of the District Council for a date not later than January 7 of such year.

(b) The District Council shall provide for the time and place of its regular meetings. The District Council shall hold at least one regular meeting in each calendar week except that during July and August it shall hold at least 2 regular meetings in each month. Special meetings may be called, upon the giving of adequate notice, by the Mayor, the Chairman, or any three members of the Council.

(c) Meetings of the District Council shall be open to the public and shall be held at reasonable hours and at such places as to accommodate a reasonable number of spectators. The records, journals, and books of the Council provided for in section 332 (b) shall be open to public inspection and available for copying during all regular office hours of the Council Secretary. Any citizen shall have the right to petition and be heard by the Council at any of its meetings, within reasonable limits as set by the Council Chairman, the Council concurring.

Committees

SEC. 334. The Council Chairman, with the advice and consent of the Council, shall appoint such standing and special committees as may be expedient for the conduct of the Council's business. All committee meetings shall be open to the public except when ordered closed by the committee chairman, with the approval of a majority of the members of the committee.

Acts and resolutions

SEC. 335. (a) The Council, to discharge the powers and duties imposed herein, shall enact acts and adopt resolutions, upon a vote of a majority of the members of the Council, unless otherwise provided herein. Acts shall be used for all legislative purposes. Resolutions shall be used to express simple determinations, decisions, or directions of the District Council of a special or temporary character.

(b) (1) The enacting clause of all acts passed by the District Council shall be, "Be it enacted by the Council of the District of Columbia:".

(2) The resolving clause of all resolutions passed by the District Council shall be "The Council of the District of Columbia hereby resolves,".

Passage of acts

SEC. 336. The District Council shall not pass any act before the 13th day following the day on which it is introduced. Subject to the other limitations of this act, this requirement may be waived by the unanimous vote of the members present.

Procedure for zoning acts

SEC. 337. (a) Before any zoning act for the District is passed by the District Council—

(1) the District Council shall deposit the act in its introduced form, with the National Capital Planning Commission. Such Commission shall within 30 days after the date of such deposit, report to the District Council whether the proposed act is in conformity with the comprehensive plan for the District of Columbia. The District Council may not pass the act unless it has received such report or the Commission has failed to report within the 30-day period above specified; and

(2) the District Council (or an appropriate committee thereof) shall hold a public hearing on the act. At least 30 days' notice of the hearing shall be published as the Council may direct. Such notice shall include the time and place of the hearing and a summary of all changes in existing law which would be made by adoption of the act. The District Council (or committee thereof holding the hearing) shall give such additional notice as it finds expedient and practicable. At the hearing interested persons shall be given reasonable opportunity to be heard. The hearing may be adjourned from time to time. The time and place of the adjourned meeting shall be publicly announced before adjournment is had.

(b) The District Council shall deposit with the National Capital Planning Commission each zoning act passed by it. If in the opinion of the Commission such act, as passed, would adversely affect the interests of the Federal Government, the Commission, shall within 30 days after the date of such deposit certify to the District Council its disapproval of such act. If such certification of disapproval is not made within such 30-day period, the zoning act shall take effect as law on the day following the expiration of such period. If the Commission makes such certification of disapproval within the 30-day period above specified, the zoning act shall take effect as law only if, within 30 days after the day on which such certification is received, the act be readopted by the affirmative vote of at least two-thirds of the members of the District Council; in which case the zoning act shall take effect as law on the day following the day on which it is readopted, or at such later date as the Council may designate.

Investigations by District Council

SEC. 338. (a) The District Court, or any committee or person authorized by it, shall have power to investigate any matter relating to the affairs of the District; and for that purpose may require the attendance and testimony of witnesses and the production of books, papers, and other evidence. For such purpose any member of the District Council (if the District Council is conducting the inquiry) or any member of the committee, or the person conducting the inquiry, may issue subpenas and may administer oaths.

(b) In case of contumacy by, or refusal to obey a subpena issued to, any person, the District Council, committee, or person conducting the investigation shall have power to refer the matter to any judge of the United States District Court for the District of Columbia, who may by order require such person to appear and to give or produce testimony or books, papers, or other evidence, bearing upon the matter under investigation; and any failure to obey such order may be punished by such court as a contempt thereof as in the case of failure to obey a subpena issued, or to testify, in a case pending before such court.

TITLE IV—MAYOR

Election, qualifications, and salary

SEC. 401. (a) There is hereby created the office of Mayor of the District of Columbia. The Mayor shall be elected as provided in title IX.

(b) No person shall hold the office of Mayor unless he (1) is a qualified elector, (2) is domiciled and resides in the District and has during the 3 years next preceding his nomination been resident in and domiciled in the District, (3) holds no other elective public office, and (4) holds no appointive office for which compensation is provided out of District funds. The Mayor shall forfeit his office upon failure to maintain the qualifications required by this section.

(c) The Mayor shall receive an annual salary of $15,000, and an allowance for official expenses, which he shall certify in reasonable detail to the District Council, of not more than $2,500 annually.

Powers and duties

SEC. 402. The Mayor shall be the chief executive officer of the District government. He shall be responsible for the proper administration of the affairs of the District coming under his jurisdiction or control, and to that end shall have the following powers and functions:

(1) He shall act as the official spokesman for the District and as the head of the District for ceremonial purposes.

(2) He shall appoint and may remove personnel in the executive office of the Mayor, the executive departments of the District, members of boards and commissions, who under laws in effect on the date of enactment of this act are subject to appointment

and removal by the Commissioners, and personnel to occupy positions formerly occupied by one or more members of the Board of Commissioners, which appointments and removals shall, until changed by act of the District Council establishing a merit system, be subject to the provisions of existing law relative to the appointment, promotion, and dismissal of officers and employees of the Police and Fire Departments, the Department of Public Welfare, the Department of Corrections, and the Office of the Recorder of Deeds, and also subject to the provisions of the Executive order of November 18, 1930 (No. 5497) relative to the appointment of District of Columbia personnel and section 1101 (d), except that appointments of department heads, members of boards and commissions, and appointments made pursuant to section 904 shall be by and with the consent of the Council.

(3) He shall, through the heads of administrative boards, offices, and agencies, supervise and direct the activities of such boards, offices, and agencies.

(4) He shall, at the end of each fiscal year, prepare reports for such year of (a) the finances of the District, and (b) the administrative activities of the executive office of the Mayor and the executive departments of the District. He shall submit such reports to the District Council as soon as possible thereafter.

(5) He shall keep the District Council advised of the financial condition and future needs of the District and make such recommendations to the District Council as may seem to him desirable.

(6) He may submit drafts of acts to the District Council.

(7) He shall perform such other duties as the District Council, consistent with the provisions of this act, may direct.

(8) He may delegate with the consent of the District Council any of his functions (other than the function of approving contracts between the District and the Federal Government under section 1001) to any officer, employee, or agency of the executive office of the Mayor, or to any director of an executive department.

(9) He shall within 10 days after the adoption of any act by the District Council approve or disapprove such act, in the event of disapproval stating his reasons therefor. If the Mayor shall not act thereon within 10 days, such act shall become law as provided in this act. Upon such disapproval, such act shall not become law unless pursuant to section 324 (a) it shall subsequently within 30 days after such veto be readopted by vote of two-thirds of the members of the District Council, whereupon it shall become law in accordance with the provisions of this act.

(10) The Mayor or the District Council may propose to the Congress legislation dealing with any subject not falling within the competence of the Mayor and the District Council as provided in this act.

(11) As custodian he shall use and authenticate the corporate seal of the District in accordance with the rules of the District Council.

(12) He shall have the right, under the rules to be adopted by the Council, to be heard by the Council or any of its committees.

TITLE V—THE DISTRICT BUDGET

Fiscal year

SEC. 501. The fiscal year of the District of Columbia shall begin on the 1st day of July and shall end on the 30th day of June of the succeeding calendar year. Such fiscal year shall also constitute the budget and accounting year.

Budgetary details fixed by District Council

SEC. 502. The District Council shall provide for (1) the preparation and submission to it by the Mayor of the annual budget estimates of the District and budget message, (2) the form and contents of the budget and budget message, and (3) the manner and extent to which estimated revenues and proposed expenditures shall be classified and itemized.

Adoption of budget

SEC. 503. The District Council shall by act adopt a budget for each fiscal year not later than May 15, except that the District Council may, by resolution, extend the period for its adoption. The effective date of the budget shall be July 1 of the same calendar year.

Budget establishes appropriations

SEC. 504. The adoption of the budget by the District Council shall, from the effective date thereof, operate to appropriate and to make available for expenditure, for the several objects and purposes therein named, the several amounts stated therein as proposed expenditures, subject to the provisions of section 702.

Supplemental appropriations

SEC. 505. The District Council may at any time adopt an act by vote of two-thirds of its members appropriating funds in addition to those theretofore appropriated to the extent unappropriated funds are available; and for such purpose unappropriated funds may include those borrowed in accordance with the provisions of section 621.

TITLE VI—BORROWING

PART 1—BORROWING FOR CAPITAL IMPROVEMENTS

Borrowing power; debt limitation

SEC. 601. The District may incur indebtedness by issuing its bonds, either negotiable or nonnegotiable, to finance any capital project which it may lawfully construct or acquire: *Provided,* That the District shall at no time become indebted under this part to an amount in the aggregate exceeding 2 percent of the assessed value of the taxable real property in the District according to the last general assessment previous to incurring debt: *Provided further,* That nothing in this part shall affect or be affected by the borrowing authority of the District under other law.

Referendum on bond issue

SEC. 602. (a) Bonds shall be issued only when authorized by an act which has taken effect in the manner provided in subsection (b) of this section.

(b) In case of an act authorizing the issuance of bonds, the Board of Elections shall submit such act to the qualified electors as defined in section 906 for a referendum thereon at the first election which is held not less than 30 days after the date of enactment of such act. If an act so submitted is approved by a majority voting thereon, it shall take effect on the day following the day on which the Board of Elections certifies the result of the referendum.

(c) The Board of Elections is authorized to prescribe such regulations as may be necessary or appropriate to carry out the provisions of subsection (b) of this section.

Contents of borrowing legislation

SEC. 603. An act authorizing the issuance of bonds for one or more capital projects may be enacted by a majority of the council members and shall contain at least the following provisions:

(1) A description of each project in brief and general terms sufficient for reasonable identification.

(2) A statement of the estimated maximum cost of each project.

(3) An appropriation for each project.

(4) To finance the project or projects, an authorization of a single bond issue in a stated amount.

(5) A determination of the period of usefulness of each project, and (if the bond issue is for more than one project) the average period of usefulness of all the projects, taking into consideration the amount to be raised for each project by such bond issue.

Maximum maturity of bonds

SEC. 604. (a) Bonds may be issued for terms not exceeding 30 years. Within such maximum period, (1) bonds issued to finance one capital project shall mature not later than the expiration of the period of usefulness stated in the act authorizing the issue, and (2) bonds issued to finance more than one capital project shall mature not later than the expiration of the average period of usefulness stated in the act authorizing the issue.

(b) The period of usefulness of each project, and the average period in the case of two or more projects combined in one authorized issue, shall be computed from the effective date of the act by virtue of which the bonds are issued. The determination of the District Council in the act, as to the period of usefulness or average period, shall be conclusive in any action or proceeding involving the validity of the bonds.

Bonds payable in annual installments

SEC. 605. All bonds issued pursuant to this act shall be paid in consecutive annual installments, no one of which shall be more than 50 percent in excess of the smallest prior installment. The first annual installment shall be paid not more than 1 year after the effective date of the act of the District Council by virtue of which the bonds are issued. The last annual installment shall be paid not later than the date of expiration of the period of usefulness of the project for the financing of which such bonds are issued, or of the average period of two or more combined projects, as determined in the act authorizing the issuance of the bonds.

Publication of borrowing legislation

SEC. 606. Within 3 days after the effective date of an act authorizing the issuance of bonds the mayor shall cause the same to be published once, as the District Council may direct, together with a notice in substantially the following form:

"NOTICE

"The act authorizing the issuance of bonds published herewith has become effective, and the 20-day period of limitation within which a suit, action, or proceeding questioning the validity of such ordinance can be commenced as provided in the District of Columbia Charter Act has begun to run from the date of this publication.

"(Signed) ----------,
"Mayor."

Short period of limitation

SEC. 607. When 20 days shall have elapsed after the date of the publication of notice pursuant to section 606 in respect of an act authorizing the issuance of bonds (1) any recitals or statements of fact contained in such act, or in the preambles or recitals thereof, shall be deemed to be true for the purpose of determining the validity of the bonds thereby authorized and the District and all others interested shall forever thereafter be estopped from denying the same; (2) such act shall be conclusively presumed to have been duly and regularly passed by the District and to comply with the provisions of this act and of all laws; and (3) the validity of such act shall not thereafter be questioned by either a party plaintiff or a party defendant, except in a suit, action, or proceeding commenced prior to the expiration of such 20 days.

Public sale

SEC. 608. All bonds issued under this act shall be sold at public sale upon sealed proposals after (1) at least 10 days' notice published at least once in a publication carrying municipal bond notices and devoted prima-

rily to financial news or to the subject of State and municipal bonds, and (2) at least 10 days' notice published at least once, as the District Council may direct, in the District. No such proposal shall be considered unless there is deposited with it, as a downpayment, a certified check for an amount equal to 10 percent of the offered purchase price. Whenever a proposal is rejected the check deposited with it shall be returned.

Other proceedings by resolution

SEC. 609. All matters in connection with the authorization, sale, and issuance of the bonds not specifically required to be provided in the act authorizing the issuance of bonds may be determined by the District Council by resolution.

PART 2—SHORT-TERM BORROWING

Borrowing to meet supplemental appropriations

SEC. 621. In the absence of unappropriated available revenues to meet supplemental appropriations made pursuant to section 505, the District Council may by act authorize the issuance of notes, in a total amount not to exceed 5 percent of the total appropriations for the current fiscal year, each of which shall be designated "supplemental" and may be renewed from time to time, but all such notes and renewals thereof shall be paid not later than the close of the fiscal year following that in which such act becomes effective.

Borrowing in anticipation of revenues

SEC. 622. For any budget year, in anticipation of the collection or receipt of revenues of that budget year, the District Council may by act authorize the borrowing of money by the execution of negotiable notes of the District, not to exceed 20 percent of the total anticipated revenue, each of which shall be designated "Revenue Note for the Budget Year 19 ." Such notes may be renewed from time to time, but all such notes, together with the renewals, shall mature and be paid not later than the end of the budget year for which the original notes shall have been issued.

Notes redeemable prior to maturity

SEC. 623. No notes issued pursuant to this part shall be made payable on demand, but any note may be made subject to redemption prior to maturity on such notice and at such time as may be stated in the note.

Sale of notes

SEC. 624. All notes issued pursuant to this part may be sold at not less than par and accrued interest at private sale without previous advertising.

PART 3.—PAYMENT OF BONDS AND NOTES

Payment of bonds and notes

SEC. 631. The power and obligation of the District to pay any and all bonds and notes issued by it pursuant to this title shall be unlimited and the District Council shall apply the proceeds of such taxes and other revenues as may be necessary to pay the principal of and the interest on such bonds and notes. The faith and credit of the District is hereby pledged for the payment of the principal of and the interest on all bonds and notes of the District hereafter issued pursuant to this title, whether or not such pledge be stated in the bonds or notes or in the act authorizing their issuance.

TITLE VII—FINANCIAL AFFAIRS OF THE DISTRICT

PART 1—FINANCIAL ADMINISTRATION

Surety bonds

SEC. 701. Each officer and employee of the District required to do so by the District Council shall provide a bond with such surety and in such amount as the District Council may require. The premiums for all such bonds shall be paid out of appropriations for the District.

Financial duties of the Mayor

SEC. 702. The Mayor, through his duly designated subordinates, shall have charge of the administration of the financial affairs of the District and to that end he shall—

(1) prepare and submit in the form and manner prescribed by the District Council under section 502 the annual budget estimates and budget message;

(2) supervise and be responsible for the disbursement of all moneys and have control over all expenditures to insure that appropriations are not exceeded;

(3) maintain a general accounting system (including inventory and property control records) for the District government and each of its agencies; keep books for each agency; keep a separate account for each item of appropriation, the amounts paid therefrom, the unpaid obligations against it, and the unencumbered balance; require reports of receipts and disbursements from each receiving and spending agency of the District government to be made daily or at such intervals as he may deem expedient;

(4) submit to the District Council a monthly statement of all receipts, disbursements, and obligations in sufficient detail to show the exact financial condition of the District;

(5) prepare, as of the end of each fiscal year, a complete financial statement and report;

(6) supervise and be responsible for the assessment of all property within the corporate limits of the District for taxation, make all special assessments for the District government, prepare tax maps, and give such notice of taxes and special assessments as may be required by law;

(7) supervise and be responsible for the collection of all taxes, special assessments, license fees, and other revenues of the District for the collection of which the District is responsible and receive all money receivable by the District from the Federal Government, or from any court, or from any agency of the District;

(8) have custody of all public funds belonging to or under the control of the District, or any agency of the District government, and deposit all funds coming into his hands, in such depositories as may be designated and under such terms and conditions as may be prescribed by act of the District Council;

(9) have custody of all investments and invested funds of the District government, or in possession of such government in a fiduciary capacity, and have the safekeeping of all bonds and notes of the District and the receipt and delivery of District bonds and notes for transfer, registration, or exchange; and

(10) approve all proposed expenditures; unless he shall certify that there is an unencumbered balance of appropriation and available funds, no appropriation shall be encumbered and no expenditure shall be made.

Work programs; allotments; control of appropriations

SEC. 703. The District Council may provide for (1) the submission of work programs by the various departments and agencies, (2) the allotment by periods of the sums appropriated to such departments and agencies for the entire budget year, (3) the transfer during the budget year of any unencumbered appropriation balance for one item of appropriation to another item of appropriation, and (4) the allocation to new items of funds appropriated for contingent expenditure.

Accounting supervision and control

SEC. 704. The Mayor, through his duly authorized subordinates, shall—

(1) prescribe the forms of receipts, vouchers, bills, and claims to be used by all the agencies of the District government;

(2) examine and approve all contracts, orders, and other documents by which the District government incurs financial obligations, having previously ascertained that moneys have been appropriated and allotted and will be available when the obligations shall become due and payable;

(3) audit and approve before payment all bills, invoices, payrolls, and other evidences of claims, demands, or charges against the District government and with the advice of the legal officials of the District determine the regularity, legality, and correctness of such claims, demands, or charges; and

(4) inspect and audit any accounts or records of financial transactions which may be maintained in any agency of the District government apart from or subsidiary to the accounts kept in his office.

When contracts and expenditures prohibited

SEC. 705. No officer or agency of the District shall, during any budget year, expend or contract to expend any money or incur any liability, or enter into any contract which by its terms involves the expenditure of money, for any purpose, in excess of the amounts appropriated for any item of expenditure. Any contract, verbal or written, made in violation of this act shall be null and void. Any officer or employee of the District who shall violate this section, upon conviction thereof, may be summarily removed from office. Nothing in this section, however, shall prevent the making of contracts or of expenditures for capital improvements to be financed in whole or in part by the issuance of bonds, nor the making of contracts of lease or for services for a period exceeding the budget year in which such contract is made, when such contract is permitted by law.

Lapse of appropriations

SEC. 706. Except as may be provided in the budget approved by the District Council, all appropriations shall lapse at the end of the budget year to the extent that they shall not have been disbursed or lawfully encumbered. Six months after the close of a fiscal year encumbered balances may be pooled and held until all encumbrances have been liquidated, but for a total period not to exceed 2 years immediately following the close of such fiscal year.

General fund

SEC. 707. The general fund of the District shall be composed of the revenues of the District other than the revenues applied by law to special funds. All moneys received by any agency, officer, or employee of the District in its or his official capacity shall belong to the District government and shall be paid promptly to the mayor, or his duly authorized subordinates, for deposit in the appropriate funds.

Contracts extending beyond 1 year

SEC. 708. No contract involving expenditure out of the appropriations of more than 1 year shall be made for a period of more than 5 years; nor shall any such contract be valid unless made or approved by act of the District Council.

PART 2—ANNUAL POST AUDIT BY GENERAL ACCOUNTING OFFICE

Independent annual post audit

SEC. 721. (a) The General Accounting Office shall audit the financial transactions of the District for the fiscal year ending June 30, 1958, and for each fiscal year thereafter, under such rules and regulations as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where the accounts are normally kept. The representatives of the General Accounting Office shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the District and necessary to facilitate the

audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians.

(b) (1) A report of each such audit for each fiscal year shall be made by the Comptroller General to the mayor and to the District Council not later than January 15 following the close of the fiscal year for which such audit is made. The report shall set forth the scope of the audit and shall include such comments and information as may be deemed necessary to keep the mayor and the District Council informed of the operations and financial condition of the District, together with such recommendations with respect thereto as the Comptroller General may deem advisable. The report shall also show specifically every program, expenditure, or other financial transaction or undertaking, which, in the opinion of the Comptroller General, has been carried on or made without authority of law.

(2) After the mayor and his duly authorized subordinates have had an opportunity to be heard, the District Council shall by resolution provide for the publication of such report together with such other material as it deems pertinent thereto.

(3) The Mayor, within 90 days after the report has been made to him and the District Council, shall state in writing to the District Council what has been done to comply with the recommendations made by the Comptroller General in the report.

Cost of audit

SEC. 722. The cost (as determined by the Comptroller General of the United States) of making the audit provided for by section 721 shall be borne by the District in the manner prescribed by section 731.

Amendment of Budget and Accounting Act

SEC. 723. Section 2 of the Budget and Accounting Act, 1921 (U. S. C., 1946 edition, title 31, sec. 2), is hereby amended by striking out "and the municipal government of the District of Columbia."

PART 3—ADJUSTMENT OF FEDERAL AND DISTRICT EXPENSES

Adjustment of Federal and District expenses

SEC. 731. Subject to section 1001 and other provisions of law, the Mayor, with the advice and consent of the District Council, and the Director of the Bureau of the Budget, are authorized and empowered to enter into an agreement or agreements concerning the manner and method by which amounts owed by the District to the United States, or by the United States to the District, shall be ascertained and paid.

TITLE VIII—BOARD OF EDUCATION

Creation and membership

SEC. 801. There is hereby created a Board of Education, consisting of nine members elected as provided in title IX.

Transfer of functions

SEC. 802. The Board of Education provided for in section 2 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the board of education of the District of Columbia," approved June 20, 1906, is hereby abolished and its functions are hereby transferred to the Board of Education created by section 801.

Functions and limitations

SEC. 803. (a) Subject to the provisions of section 321, the Board of Education shall—

(1) determine appropriate policies for the District with respect to the maintenance and operation of public schools;

(2) appoint the Superintendent of Schools;

(3) prescribe such regulations, not inconsistent with the provisions of this title, as may be necessary or appropriate for the purposes of the operation of this title; and

(4) appoint such standing and special committees, and allocate to them such duties, as may be necessary or appropriate for the purposes of the operation of this title.

(b) In contracting with any person to serve as Superintendent of Schools of the District, the Board of Education shall not obligate the District for a period longer than the 3-year period commencing on the date of contracting. Each contract shall reserve to the Board the right to remove the incumbent for cause.

(c) Final action by the Board of Education shall not be taken on any proposed regulation until the 13th day following the day on which it was submitted; but the Board of Education may take earlier final action at a regular meeting, or at a special meeting for which reasonable notice has been given, upon vote of two-thirds of the members present.

Qualifications for holding office

SEC. 804. No person shall hold the office of member of the Board of Education unless he (1) is a qualified elector, (2) resides and is domiciled in the ward from which he is nominated, has, during the 3 years next preceding his nomination resided and been domiciled in the District, and has for 1 year preceding his nomination, resided and been domiciled in the ward from which he is nominated, (3) holds no other elective public office, and (4) holds no appointive office for which compensation is provided out of District funds. A member of the Board of Education shall forfeit his office upon failure to maintain the qualifications required by this section.

Compensation of members

SEC. 805. Members of the Board of Education shall receive $20 per meeting attended.

President of the board of education

SEC. 806. (a) The Board of Education shall elect from among its members a presiding officer, to be known as the President of the Board of Education. The term of the first such president shall expire at the close of December 31, 1958, and at the close of December 31 of each succeeding even-numbered year the term of office of the incumbent president shall expire. The Board of Education may by resolution remove the President of the Board of Education from his office as such.

(b) The President of the Board of Education shall, with the approval of the Board, designate a member of the Board to act as president during his absence or disability. If a vacancy occurs in the office of president, the Board shall elect from among its members a president for the unexpired term.

Secretary of the Board of Education: Records

SEC. 807. (a) The Board of Education shall appoint a secretary who shall serve at the pleasure of the Board, and such assistants and clerical personnel as may be necessary.

(b) The secretary shall keep a full record of the proceedings of the Board and shall perform such other duties as the Board may from time to time prescribe.

Meetings

SEC. 808. (a) The first meeting of the Board of Education after this section takes effect shall be called by the member who receives the highest vote in the election provided by title IX. He shall preside until a president is elected. The first meeting of the Board in each odd-numbered year commencing with 1959 shall be called by the secretary of the Board for a date not later than January 31 of such year.

(b) The Board of Education shall by resolution provide for the time and place of its regular meetings. The Board shall hold at least one regular meeting in each calendar month during the school term. Special meetings may be called, upon the giving of adequate notice, by the president or any three members of the Board.

(c) Meetings of the Board shall be open to the public and shall be held at reasonable hours and at such places as to accommodate a reasonable number of spectators. The record provided for in section 807 (b) shall be open to public inspection and available for copying during all regular office hours of the Board secretary. Any citizen shall have the right to petition and be heard by the Board at any of its meetings, within reasonable limits as set by the Board president, the Board concurring.

TITLE IX—ELECTIONS IN THE DISTRICT

Board of Elections

SEC. 901. (a) (1) There is hereby created as an agency of the District government a Board of Elections, consisting of five members who shall be appointed, without regard to political affiliation, by the President by and with the advice and consent of the Senate. The terms of office of the first members shall expire, as designated by the President, one at the close of December 31 of each of the following years: 1958, 1959, 1960, 1961, and 1962. The term of each subsequently appointed member (except in the case of an appointment to fill an unexpired term) shall be 6 years from the expiration of the term of his predecessor. Any person appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessor. When a member's term of office expires, he may continue to serve until his successor is appointed and has qualified.

(2) Members of the Board of Elections shall be appointed from among the qualified electors who reside and are domiciled in the District; and no individual shall be so appointed unless he executes an affidavit that he resides and is domiciled in the District.

(b) The Board of Elections shall—

(1) maintain a permanent registry;

(2) conduct registrations and elections;

(3) in addition to determining appeals with respect to matters referred to in sections 907 and 911, determine appeals with respect to any other matters which (under regulations prescribed by it under subsection (c)) may be appealed to it;

(4) print, distribute, and count ballots, or provide and operate suitable voting machines;

(5) divide the District into three wards as nearly equal as possible in population and of geographic proportions as nearly regular as possible, and establish voting precincts therein;

(6) operate polling places;

(7) certify nominees and the results of elections; and

(8) perform such other functions as are imposed upon it by this act.

(c) The Board of Elections may prescribe such regulations not inconsistent with the provisions of this title, as may be necessary or appropriate for the purposes of this title, including regulations providing for appeals to it on questions arising in connection with nominations, registrations, and elections (in addition to matters referred to it in sections 907 and 911) and for determination by it of appeals.

(d) The officers and agencies of the District government shall furnish to the Board of Elections, upon request of such Board, such space and facilities in public buildings in the District to be used as registration or polling places, and such records, information, services, personnel, offices, and equipment, and such other assistance and facilities, as may be necessary to enable such Board properly to perform its functions.

(e) In the performance of its duties, the Board of Elections shall not be subject to the authority of any nonjudicial officer of the District.

(f) Members of the Board of Elections shall hold no other office or employment in the District government.

(g) Each member of the Board of Elections shall be paid compensation at the rate of $1,500 per annum.

(h) The Board of Elections, and persons authorized by it, may administer oaths to persons executing affidavits pursuant to sections 901 and 907. It may provide for the administering of such other oaths as it considers appropriate to require in the performance of its functions.

(i) The Board of Elections is authorized to use the registration lists and other materials transferred to it from the Charter Referendum Board, to the extent that such materials are suitable for the purposes of this act.

(j) The Board of Elections may employ necessary personnel.

What elections shall be held

SEC. 902. (a) The Board of Elections shall conduct a general election—

(1) in each even-numbered calendar year commencing with 1956; and

(2) in any odd-numbered calendar year commencing with 1957, if an act authorizing the issuance of bonds required by section 602 to be submitted for a referendum at an election is enacted at least 30 days prior to the date for conducting the election in such year.

(b) Such general elections shall be held on the fourth Tuesday before the Tuesday in November prescribed hereafter for runoff elections.

(c) Any runoff elections required to be held pursuant to section 905 shall be held on the first Tuesday after the first Monday in November.

Elective offices; terms of office

SEC. 903. (a) The offices of the District to be filled by election shall be the elective offices on the District Council and on the Board of Education, the Mayor and the District Delegate.

(b) The term of an elective office on the District Council shall be 2 years beginning on January 1 of the odd-numbered year following such election.

(c) The term of an elective office on the Board of Education shall be 2 years beginning on January 1 of the odd-numbered year following such election.

(d) The term of office of the Mayor shall be 4 years, beginning on January 1, 1957, and on January 1, following such election, of every other odd-numbered year thereafter.

(e) The term of office of the District Delegate shall be 2 years beginning at noon on January 3 of the odd-numbered year following such election.

Vacancies

SEC. 904. (a) Vacancies in the office of Mayor, in the District Council or in the Board of Education shall be filled at the next general election held pursuant to section 902 for which it is possible for candidates to be nominated following the occurrence of the vacancy. A person elected to fill a vacancy shall take office as soon as practicable following the certification of his election by the Board of Elections and shall hold office for the duration of the unexpired term to which he was elected but not beyond the end of such term.

(b) If the office of Delegate becomes vacant at a time when the unexpired term of such office is 6 months or more, a special election and, if necessary, a runoff election shall be held, at such time and in such manner (comparable to that prescribed for general elections) as the Board of Elections shall prescribe.

(c) Until a vacancy in the office of Mayor, in the District Council or in the Board of Education can be filled in the manner prescribed in subsection (a) hereof, a vacancy in the office of Mayor shall be filled by appointment by the District Council; and a vacancy in the District Council or in the Board of Education shall be filled by appointment by the Mayor. No person shall be qualified for appointment to any office under this subsection unless, if nominated, he would have been a qualified candidate for such office at the last election conducted prior to or on the date the vacancy occurred. A person appointed to fill a vacancy under this subsection shall hold office until the time provided for an elected successor to take office, but not beyond the end of the term during which the vacancy occurred.

What candidates are elected

SEC. 905. At any general election, a candidate for Delegate or a candidate for Mayor who receives a majority of the votes validly cast for such office shall be elected. At any general election, each of the 3 candidates in each ward for positions on the District Council and each of the 3 candidates in each ward for positions on the Board of Education, receiving the highest number of valid votes, shall be elected if he receives more than one-sixth of the total number of votes validly cast in the District for all candidates in his ward for the position for which he is a candidate. In case any office is unfilled because of failure of any candidate to receive in any general election the necessary proportion of votes validly cast, there shall be a runoff election to fill such office. In such runoff election the candidates shall be the persons who were the unsuccessful candidates for the unfilled offices in the general election, and who received the highest number of valid votes in that election, to the number of twice the offices to be filled. The candidate or candidates receiving the highest number of votes validly cast in the runoff election shall be elected. In any election in which there are two or more similar positions to be filled in any ward, a vote for any candidate for such a position in that ward will be valid only if the ballot records votes for as many candidates for such positions in that ward as there are positions to be filled.

Qualified electors

SEC. 906. No person shall vote in an election unless he is a qualified elector and, except as provided in section 907 (b), is registered in the District. A qualified elector of the District shall be any person (1) who has maintained a domicile or place of abode in the District continuously since the beginning of the 1-year period ending on the day of the next election or, if such period has not begun, maintains a domicile or place of abode in the District, (2) who is a citizen of the United States, (3) who is, or will be on the day of the next election, at least 21 years old, (4) who has never been convicted of a felony in the United States or, if he has been so convicted, has been pardoned, (5) who is not mentally incompetent, as adjudged by a court of competent jurisdiction, and (6) who certifies that he has not, within 2 years prior to his registration, voted in any election at which candidates for any municipal offices (other than in the District of Columbia) were on the ballot, or in voting for District Delegate certifies that he has not, within 2 years prior to such registration, voted in any election (other than in the District of Columbia), for candidates to public office. A person who is qualified shall not be otherwise disqualified by being entitled to vote in another jurisdiction.

Registration

SEC. 907. (a) No person shall be registered unless—

(1) he is a qualified elector; and

(2) he has maintained a domicile or place of abode in the District continuously since the beginning of the 9-month period ending on the day he offers to register; and

(3) he executes a registration affidavit (unless prevented by physical disability) on a form prescribed by the Board of Elections, showing—

(A) that he meets each of the requirements specified in section 906 for a qualified elector for the office for which he intends to vote;

(B) that he meets the requirements of paragraph (2) of this subsection; and

(C) that he has no intention of doing any act which would prevent him from being a qualified elector on the day of the next election.

(b) If a person is not permitted to register, such person, or any qualified candidate, may appeal to the Board of Elections, but not later than 3 days after the registry is closed for the next election. The Board shall decide within 7 days after the appeal is perfected whether the challenged elector is entitled to register. If the appeal is denied the appellant may, within 3 days after such denial, appeal to the Municipal Court for the District of Columbia. The court shall decide the issue not later than 18 days before the day of the election. If the appeal is upheld by either the Board or the court, the challenged elector shall be allowed to register immediately. If the appeal is pending on election day, the challenged elector may cast a ballot marked "challenged", as provided in section 911.

Qualified candidates

SEC. 908. The candidates at an election in the District shall be the persons, registered under section 907, who have been nominated as provided in section 909. Members of the Board of Elections may not be such candidates.

Nominations

SEC. 909. (a) Nomination of a candidate shall take place when the Board of Elections receives a petition (prepared and presented in accordance with rules prescribed by the Board) nominating the named person as a candidate for office on the District Council, as District Delegate, Mayor, or on the Board of Education. The petition shall be signed by not less than 1,000 persons registered under section 907 for nomination as District Delegate or as Mayor, and by not less than 1,000 of the voters registered under section 907 in the ward from which the candidate seeks nomination, for nomination to the District Council or to the Board of Education. The petition shall be accompanied (1) by a filing fee of $100 in the case of a candidate for Mayor, District Delegate, or an office in the District Council, or $25 in the case of a candidate for an office in the Board of Education, and (2) by an affidavit executed by the individual proposed to be nominated stating that he is qualified as provided in this act. All such fees shall be deposited in the general fund of the District.

(b) No person may be a candidate for more than one office in any election. If a person is nominated for more than one office he shall, within 3 days after the last day on which nominations may be made (as prescribed by the Board of Elections), notify the Board of Elections for which such office he elects to run.

Nonpartisan elections

SEC. 910. Ballots and voting machines shall show no party affiliations, emblem, or slogan. Sections 594, 595, 598, 600, 601, 604, 605, 608, and 611 of title 18, United States Code, shall not apply with respect to the election of members of the District Council or the Board of Education.

Method of voting

SEC. 911. (a) Voting in all elections shall be secret. Voting may be by paper ballot or voting machine.

(b) The ballot shall show the wards from which each candidate (other than for District Delegate and Mayor) has been nominated. Each voter shall be entitled to vote for 9 candidates for the District Council, not more than 3 from each ward; for 9 candidates for the Board of Education, not more than 3 from each ward; for 1 candidate for Mayor and for 1 candidate for District Delegate. No person shall be a candidate from more than one ward.

(c) The ballot of a person who is registered as a resident of the District shall be valid only if cast in the voting precinct where the residence shown on his registration is located.

(d) Absentee balloting shall be permitted under regulations adopted by the Board of Elections.

(e) Each qualified candidate may have a watcher at each polling place, provided the watcher presents proper credentials signed by the candidate. No one shall interfere with the opportunity of a watcher to observe the conduct of the election at that polling place and the counting of votes. Watchers may challenge prospective voters who are believed to be unqualified to vote.

(f) If the official in charge of the polling place, after hearing both parties to any such challenge or acting on his own initiative with respect to a prospective voter, reasonably believes the prospective voter is unqualified to vote, he shall allow the voter to cast a paper ballot marked "challenged." Ballots so cast shall be segregated, and no such ballot shall be counted until the challenge has been removed as provided in subsection (g).

(g) If a person has been permitted to vote only by challenged ballot, such person, or any qualified candidate, may appeal to the Board of Elections within 3 days after Election Day. The Board shall decide within 7 days after the appeal is perfected whether the voter was qualified to vote. If the Board decides that the voter was qualified to vote, the word "challenged" shall be stricken from the voter's ballot, and the ballot shall be treated as if it had not been challenged.

(h) If a voter is physically unable to mark his ballot or operate the voting machine, the official in charge of the voting place may enter the voting booth with him and vote as directed. Upon the request of any such voter, a second election official may enter the voting booth to assist in the voting. The officials shall tell no one what votes were cast. The official in charge of the voting place shall make a return of all such voters, giving their names and disabilities.

(i) A voter shall vote only once with respect to each office to be filled.

(j) Copies of the regulations of the Board of Elections with respect to voting shall be made available to prospective voters at each polling place.

Recounts and contests

SEC. 912. (a) After the Board of Elections certifies the results of an election, any person who voted in the election may petition the United States District Court for the District of Columbia to review such election. In response to such a petition, the court may (A) set aside one or more of the results so certified and declare the true results of the election, or (B) void all or part of the election. To determine the true results of an election the court may order a recount or take other appropriate action. The court shall void all or part of an election only for fraud, mistake, or other defect, serious enough to vitiate the election (or part thereof) as a fair expression of the will of the registered qualified electors of the District voting therein. In any proceeding under this section the court may appoint a commission for the purpose of receiving evidence and making findings of fact.

(b) If the court voids all or part of an election under this section, and if it determines that the number and importance of the matters involved outweigh the cost and practical disadvantages of holding another election, it may order a special election for the purpose of voting on the matters with respect to which the election was declared void.

(c) Special elections shall be conducted in a manner comparable to that prescribed for regular elections and at times and in the manner prescribed by the Board of Elections by regulation. A person elected at such an election shall take office on the day following the date on which the Board of Elections certifies the results of the election.

(d) Vacancies resulting from voiding all or part of an election shall be filled as prescribed in section 904.

Interference with registration or voting

SEC. 913. (a) No one shall interfere with the registration or voting of another person, except as it may be reasonably necessary in the performance of a duty imposed by law. No person performing such a duty shall interfere with the registration or voting of another person because of his race, color, sex, or religious belief, or his want of property or income.

(b) No registered voter shall be required to perform a military duty on election day which would prevent him from voting, except in time of war or public danger or unless he is away from the District in military service. No registered voter may be arrested while voting or going to vote except for a breach of the peace then committed or for treason or felony.

Violations

SEC. 914. Whoever willfully violates any provision of this title, or of any regulation prescribed and published by the Board of Elections under authority of this title, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $500 or imprisoned for not more than 6 months, or both.

TITLE X—MISCELLANEOUS

Agreements with United States

SEC. 1001. (a) For the purpose of preventing duplication of effort or of otherwise promoting efficiency and economy, any Federal officer or agency may furnish services to the District government and any District officer or agency may furnish services to the Federal Government. Except where the terms and conditions governing the furnishing of such services are prescribed by other provisions of law, such services shall be furnished pursuant to a contract (1) negotiated by the Federal and District authorities concerned, and (2) approved by the Director of the Bureau of the Budget and by the Mayor, by and with the advice and consent of the District Council. Each such contract shall provide that the cost of furnishing such services shall be borne in the manner provided in subsection (c) by the Government to which such services are furnished at rates or charges based on the actual cost of furnishing such services.

(b) For the purpose of carrying out any contract negotiated and approved pursuant to subsection (a), any District officer or agency may in the contract delegate any of his or its function to any Federal officer or agency, and any Federal officer or agency may in the contract delegate any of his or its functions to any District officer or agency. Any function so delegated may be exercised in accordance with the terms of the delegation.

(c) The costs to each Federal officer and agency in furnishing services to the District pursuant to any such contract shall be paid, in accordance with the terms of the contract, out of appropriations made by the District Council to the District officers and agencies to which such services are furnished. The costs to each District officer and agency in furnishing services to the Federal Government pursuant to any such contract shall be paid, in accordance with the terms of the contract, out of appropriations made by the Congress to the Federal officers and agencies to which such services are furnished.

Personal interest in contracts or transactions

SEC. 1002. No member of the District Council and no other officer or employee of the District with power of discretion in the making of any contract to which the District is a party or in the sale to the District or to a contractor supplying the District of any land or rights or interests in any land, material, supplies, or services shall have a financial interest, direct or indirect, in such contract or sale. Any willful violation of this section shall constitute malfeasance in office, and any officer or employee of the District found guilty thereof shall thereby forfeit his office or position. Any violation of this section with the knowledge express or implied of the person contracting with the District shall render the contract voidable by the mayor or the District Council.

Compensation from more than one source

SEC. 1003. (a) Except as provided in this act, no person shall be ineligible to serve or to receive compensation as a member of the District council, the board of education, or the board of elections because he occupies another office or position or because he receives compensation (including retirement compensation) from another source.

(b) The right to another office or position or to compensation from another source otherwise secured to such a person under the laws of the United States shall not be abridged by the fact of his service or receipt of compensation as a member of the District council or either such board, if such service does not interfere with the discharge of his duties in such other office or position.

(c) For the purpose of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99), no person shall, by reason of membership on the District council, the board of education, or the board of elections or by reason of his serving in any position in or under the government of the District of Columbia, be considered to be an officer or employee of the United States.

TITLE XI—SUCCESSION IN GOVERNMENT

Transfer of personal, property, and funds

SEC. 1101. (a) In each case of the transfer, by any provision of this act, of functions to any agency or officer, there are hereby transferred (as of the time of such transfer of functions) to such agency or to the agency of which such officer is the head, for the use in the administration of the functions of such agency or officer, the personnel (except the members of boards or commissions abolished by this act), property, records, and unexpended balances of appropriations and other funds, which relate primarily to the functions so transferred.

(b) If any question arises in connection with the carrying out of subsection (a), such question shall be decided—

(1) in the case of functions transferred from a Federal officer or agency, by the Director of the Bureau of Budget; and

(2) in the case of other function (A) by the Distirct Council, or in such manner as the District Council shall provide, if such functions are transferred to the District Council or to the Board of Education, and (B) by the Mayor if such functions are transferred to any other officer or agency.

(c) Any of the personnel transferred to any agency by this section which the head of such agency shall find to be in excess of the personnel necessary for the administration of his or its functions shall, in accordance with law, be retransferred to other positions in the District or Federal Government or be separated from the service.

(d) No officer or employee shall, by reason of his transfer by this act, be deprived of a civil-service status held by him prior to such transfer.

Existing statutes, regulations, and so forth

SEC. 1102. (a) Any statute, regulation, or other action in respect of (and any regulation or other action issued, made, taken, or granted by) any officer or agency from which any function is transferred by this act shall, except to the extent modified or made in-

applicable by or under authority of law, continue in effect as if such transfer had not been made; but after such transfer references in such statute, regulation, or other action to an officer or agency from which a transfer is made by this act shall be held and considered to refer to the officer or agency to which the transfer is made.

(b) As used in subsection (a), the term "other action" includes any rule, order, contract, policy, determination, directive, grant, authorization, permit, requirement, or designation.

Pending actions and proceedings

SEC. 1103. (a) No suit, action, or other judicial proceeding lawfully commenced by or against any officer or agency in his or its official capacity or in relation to the exercise of his or its official functions, shall abate by reason of the taking effect of any provision of this act, but the court, unless it determines that the survival of such suit, action, or other proceeding is not necessary for purposes of settlement of the questions involved, shall allow the same to be maintained, with such substitutions as to parties as are appropriate.

(b) No administrative action or proceeding lawfully commenced shall abate solely by reason of the taking effect of any provision of this act, but such action or proceeding shall be continued with such substitutions as to parties and officers or agencies as are appropriate.

Vacancies resulting from abolition of Board of Commissioners

SEC. 1104. Until July 1, 1957, no vacancy occurring in any District agency by reason of section 321, abolishing the Board of Commissioners, shall affect the power of the remaining members of such agency to exercise its functions, but such agency may take action only if a majority of the members holding office vote in favor of it.

TITLE XII—SEPARABILITY OF PROVISIONS

Separability of provisions

SEC. 1201. If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

TITLE XIII—TEMPORARY PROVISIONS

Powers of the President during transition period

SEC. 1301. The President of the United States is hereby authorized and directed to take such action during the period following the date of the enactment of this act and ending on the date of the first meeting of the District Council, by Executive order or otherwise, with respect to the administration of the functions of the District of Columbia government, as he deems necessary to enable the Charter Referendum Board and the Board of Elections properly to perform their functions under this act.

Reimbursable appropriation for the District

SEC. 1302. (a) The sum of $500,000 is hereby authorized to be appropriated for the District of Columbia, out of any money in the Treasury not otherwise appropriated, for use (1) in paying the expenses of the Charter Referendum Board (including compensation of the members thereof), (2) in paying the expenses of the Board of Elections (including compensation of the members thereof), and (3) in otherwise carrying into effect the provisions of this act.

(b) The full amount of expenditures out of the appropriations made under this authorization shall be reimbursed to the United States, without interest, during the fiscal year ending June 30, 1958, from the general fund of the District of Columbia.

TITLE XIV—EFFECTIVE DATES

Effective dates

SEC. 1401. (a) As used in this title and title XV the term "charter" means titles I to XII, both inclusive, and titles XVI and XVII.

(b) The charter shall take effect only if accepted pursuant to title XV. If the charter is so accepted, it shall take effect on the day following the date on which it is accepted (as determined pursuant to section 1506) except that—

(1) part 2 of title III, title V, title VII, and sections 802 and 803, shall take effect January 1, 1957; and

(2) section 402 shall take effect on the day upon which the mayor first elected takes office.

(c) Titles XIII, XIV, and XV shall take effect on the day following the date on which this act is enacted.

TITLE XV—SUBMISSION OF CHARTER FOR REFERENDUM

Charter referendum

SEC. 1501. (a) On August 3, 1956, a referendum (in this title referred to as the "charter referendum") shall be conducted to determine whether the registered qualified electors of the District of Columbia accept the charter.

(b) As used in this title, the term "qualified elector" means a person (1) who has a place of abode or has been domiciled in the District of Columbia continuously since August 3, 1955; (2) who is a citizen of the United States; (3) who is or will be on August 3, 1956, at least 21 years old; (4) who has never been convicted of a felony in the United States or, if he has been so convicted, has been pardoned; (5) who is not mentally incompetent, as adjudged by a court of competent jurisdiction; and (6) who certifies that he has not, within 2 years prior to his registration, voted in any election at which candidates for any municipal offices were on the ballot. A person who is qualified shall not be otherwise disqualified by being entitled to vote in another jurisdiction.

Charter Referendum Board

SEC. 1502. (a) There is hereby created as an agency of the District of Columbia government a Charter Referendum Board, consisting of 5 members, as follows: (1) The President of the Board of Commissioners of the District of Columbia, and (2) 4 individuals who are not employees of the District, appointed by the President of the United States from among the qualified electors who reside and are domiciled in the District. No individual shall be so appointed unless he executes an affidavit that he resides and is domiciled in the District. The President of the United States shall designate the member who shall act as Chairman of the Board.

(b) The Charter Referendum Board shall—

(1) prepare and maintain a registry;

(2) conduct the charter referendum provided for by section 1501;

(3) in addition to determining appeals with respect to matters referred to in sections 1503 and 1505, determine appeals with respect to any other matters which (under regulations prescribed by it under subsection (c)) may be appealed to it;

(4) print, distribute, and count ballots, or provide and operate suitable voting machines;

(5) divide the District of Columbia into appropriate voting precincts, each of which shall contain at least three hundred and fifty registered persons;

(6) operate polling places;

(7) certify the result of the charter referendum; and

(8) perform such other functions as are imposed upon it by this title.

(c) The Charter Referendum Board may prescribe such regulations not inconsistent with the provisions of this title, as may be necessary or appropriate for the purposes of this title, including regulations providing for appeals to it on questions arising in connection with registrations and voting (in addition to matters referred to in sections 1503 and 1505) and for determination by it of appeals.

(d) The officers and agencies of the District of Columbia government shall furnish to the Charter Referendum Board, upon request of such Board, such space and facilities in public buildings in the District of Columbia to be used as registration or polling places, and such records, information, services, personnel, offices, and equipment, and such other assistance and facilities, as may be necessary to enable such Board properly to perform its functions.

(e) In the performance of its duties, the Charter Referendum Board shall not be subject to the authority of any nonjudicial officer of the District of Columbia.

(f) Members of the Charter Referendum Board other than the President of the Board of Commissioners shall hold no other office or employment in the District of Columbia government. Not more than three members shall be registered members of the same political party.

(g) Each member of the Charter Referendum Board except the President of the Board of Commissioners shall be paid compensation at the rate of $250 a month, but not to exceed a total of $1,500.

(h) The Charter Referendum Board, and persons authorized by it, may administer such oaths as it considers appropriate to require in the performance of its functions.

(i) The Charter Referendum Board may employ necessary personnel and may fix their compensation without regard to the Classification Act of 1949, as amended.

(j) The records and accounts of the Charter Referendum Board shall, subject to such limitations prescribed by such Board as are reasonably necessary to the exercise of its functions, be open to public inspection during regular business hours. Such requirements shall not extend to records and accounts the disclosure of which would tend to defeat the lawful purpose which they are intended to accomplish.

(k) The Charter Referendum Board shall cease to exist at the close of the day on which the charter is accepted (as determined pursuant to section 1506), or at the close of December 31, 1956, whichever is earlier.

(l) If the charter is accepted under this title, the function of winding up the affairs of the Charter Referendum Board shall be exercised, after such Board ceases to exist, by the Board of Elections created by section 901. If the charter is not accepted under this title, such function shall be exercised, after such Board ceases to exist, by the Board of Commissioners of the District of Columbia.

Registration

SEC. 1503. (a) The Charter Referendum Board shall conduct within the District of Columbia a registration of the qualified electors of the District, commencing as soon as practicable after the enactment of this act (but in no event later than June 15, 1956) and continuing until July 15, 1956.

(b) Prior to the commencement of such registration, the Charter Referendum Board shall publish, in daily newspapers of general circulation published in the District of Columbia, a list of the registration places and the dates and hours of registration.

(c) No qualified elector may vote in the charter referendum unless he is registered in the District of Columbia.

(d) No person shall be registered unless—

(1) he is a qualified elector; and

(2) he executes a registration affidavit (unless prevented by physical disability) showing—

(A) that he meets each of the requirements specified in section 1501 (b) for a qualified elector; and

(B) that he has no intention of doing any act which would prevent him from being a qualified elector on August 3, 1956.

(c) In any case where a person is not permitted to register, such person may appeal to the Charter Referendum Board, but not later than July 18, 1956. The Board shall decide within 7 days after the appeal is perfected whether the challenged elector is entitled to register. If the appeal is denied, the appellant may, within 3 days after such denial, appeal to the Municipal Court for the District of Columbia. The court shall decide the issue not later than August 1, 1956. If the appeal is upheld by either the Board or the court, the challenged elector shall be allowed to register immediately.

Charter referendum ballot—Notice of voting

SEC. 1504. (a) The charter referendum ballot shall contain the following, with the blank space appropriately filled:

"The District of Columbia Charter Act, enacted_____, proposes to establish a new charter for the District of Columbia, but provides that the charter shall take effect only if it is accepted by the registered qualified electors of the District in this referendum.

"By marking a cross (×) in one of the squares provided below, show whether you are for or against the charter.

☐ For the charter

☐ Against the charter"

(b) Voting may be by paper ballot or by voting machine. The Board of Elections may make such changes in the second paragraph of the charter referendum ballot as it determines to be necessary to permit the use of voting machines if such machines are used.

(c) Not later than July 29, 1956, the Charter Referendum Board shall mail to each person registered (1) a sample of the charter referendum ballot, and (2) information showing the polling place of such person and the date and hours of voting.

(d) Not later than August 1, 1956, the Charter Referendum Board shall publish, in daily newspapers of general circulation published in the District of Columbia, a list of the polling places and the date and hours of voting.

Method of voting

SEC. 1505. The applicable provisions of section 911, with respect to method of voting, notwithstanding the fact that such section does not otherwise take effect unless the charter is accepted under this title shall govern the conduct of voting in the charter referendum, except that for such purpose—

(1) references therein to the Board of Elections shall be considered to apply to the Charter Referendum Board; and

(2) the Charter Referendum Board shall appoint suitable watchers at each polling place.

Acceptance or nonacceptance of charter

SEC. 1506. (a) If a majority of the registered qualified electors voting in the charter referendum vote for the charter, the charter shall be considered accepted as of the time the Charter Referendum Board certifies the result of the charter referendum to the President of the United States, as provided in subsection (b).

(b) The Charter Referendum Board shall, within a reasonable time, but in no event later than August 19, 1956, certify the result of the charter referendum to the President of the United States and to the Secretary of the Senate and the Clerk of the House of Representatives.

Interference with registration or voting

SEC. 1507. (a) No one shall interfere with the registration or voting of another person except as it may be reasonably necessary in the performance of a duty imposed by law. No person performing such a duty shall interfere with the registration or voting of another person because of his race, color, sex, or religious belief, or his want of property or income.

(b) No registered voter shall be required to perform a military duty on the day of the charter referendum which would prevent him from voting except in time of war or public danger or unless he is away from the District of Columbia in military service. No registered voter may be arrested while voting or going to vote except for a breach of the peace then committed or for treason or felony.

Violations

SEC. 1508. Whoever willfully violates any provision of this title, or of any regulation prescribed and published by the Charter Referendum Board under authority of this title, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $500 or imprisoned for not more than 6 months, or both.

TITLE XVI—DELEGATE

District delegate

SEC. 1601. (a) Until a constitutional amendment and subsequent congressional action otherwise provide, the people of the District shall be represented in the House of Representatives of the United States by a Delegate, to be known as the "Delegate from the District of Columbia", who shall be elected as provided in this act. The Delegate shall have a seat in the House of Representatives, with the right of debate, but not of voting. The Delegate shall be a member of the House Committee on the District of Columbia and shall possess in such committee the same powers and privileges as in the House of Representatives, and may make any motion except to reconsider. His term of office shall be for 2 years.

(b) No person shall hold the office of District Delegate unless he (1) is a qualified elector, (2) is at least 25 years old, (3) holds no other public office, and (4) is domiciled and resides in the District and has during the 3 years next preceding his nomination been resident in and domiciled in the District. He shall forfeit his office upon failure to maintain the qualifications required by this subsection.

(c) (1) Subsections (a) and (b) of section 601 of the Legislative Reorganization Act of 1946, as amended, are hereby amended by striking out "from the Territories."

(2) Paragraph (10) of section 3A of the Civil Service Retirement Act of May 29, 1930, as amended (U. S. C., 1946 edition, title 54, sec. 693–1), is hereby amended by striking out "from a Territory."

(3) The second paragraph under the heading "House of Representatives" in the Act of July 16, 1914 (U. S. C., 1946 edition, title 2, sec. 37), is hereby amended by striking out "from Territories."

(4) Paragraph (i) of section 302 of the Federal Corrupt Practices Act, 1925, as amended (U. S. C., 1946 edition, title 2, sec. 241), is hereby amended by inserting after "United States" the following: "and the District of Columbia."

(5) Section 591 of title 18, United States Code, is hereby amended by inserting "and the District of Columbia" before the period at the end thereof. Section 594 of such title is hereby amended by inserting after "Territories and possessions" the following: "or the District of Columbia". The first paragraph of section 595 of such title is hereby amended by inserting after "from any Territory or possession" the following: "or the District of Columbia."

TITLE XVII—REFERENDUM

Power of referendum

SEC. 1701. (a) The qualified electors (as defined in section 906) shall have power, pursuant to the procedure provided by this title, to approve or reject in a referendum any act of the District Council which has become law, whether or not such act is yet operative. This power shall not extend, however, to acts authorizing the issuance of bonds, which shall be subject to the referendum provisions contained in section 602, or to acts continuing existing taxes or making appropriations not in excess of those for the preceding fiscal years. Within 45 days after an act subject to this title has become law, a petition signed by qualified electors equal in number to at least 10 percent of the registered voters at the last preceding general election may be filed with the Secretary of the District Council requesting that any such act be submitted to a vote of the qualified electors.

(b) The District Council is authorized to prescribe such regulations as may be necessary or appropriate with respect to the form, filing, examination, amendment, and certification of petitions for referenda. The Board of Elections is authorized to prescribe such regulations as may be necessary or appropriate with respect to the conduct of a referendum held under this title.

Effect of certification of referendum petition

SEC. 1702. When a referendum petition has been certified as sufficient by the Secretary, the act specified in the petition shall not become operative, or further action thereunder shall be suspended if it shall have become operative, until and unless approved by the electors, as provided in this title.

Submission to electors

SEC. 1703. An act with respect to which a petition for a referendum has been filed and certified as sufficient shall be submitted to the qualified electors at a referendum to be held in connection with the first general election which occurs not less than 30 days nor more than 1 year from the date on which the Secretary files his certificate of the sufficiency of the petition. The District Council shall, if no general election is to be held within such period, provide for a special election for the purpose of conducting the referendum.

Availability of list of qualified electors

SEC. 1704. If any organization or group requests it for the purpose of circulating descriptive matter relating to the act to be voted on at a referendum, the Board of Elections shall either permit such organization or group to copy the names and addresses of the qualified electors or furnish it with a list thereof.

Results of referendum

SEC. 1705. An act which is submitted to a referendum which is not approved by a majority of the qualified electors voting thereon shall thereupon be deemed repealed. If a majority of the qualified electors voting thereon approve the act, it shall become operative on the day following the day on which the Board of Elections certifies the results of the referendum. If conflicting acts are approved by the electors at the same referendum, the one receiving the greatest number of affirmative votes shall prevail to the extent of such conflict.

TITLE XVIII—TITLE OF ACT

SEC. 1801. This act, divided into titles and sections according to table of contents, and including the declaration of congressional policy which is a part of such act, may be cited as the "District of Columbia Charter Act."

AMENDMENTS TO RESERVE OFFICER PERSONNEL ACT OF 1954

Mr. JOHNSON of Texas. Mr. President, there is at the desk a message from the House relating to amendments to the Reserve Officer Personnel Act of 1954.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1718)

to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954, which were, on page 3, strike out lines 11 through 17, and insert:

SEC. 3. (a) The first sentence of section 402 (c) is amended by changing the period at the end of the sentence to a colon and adding the following: "*Provided*, That until July 1, 1960, the percent in the grade of major may be 22 percent, in the grade of captain, 45 percent, and in the combined grades of first and second lieutenant, 25 percent, if, in the opinion of the Secretary, such increased percentages are required to permit promotions under this title."

And on page 11, after line 4, insert:

SEC. 6. Subsection 302 (f) (1) is amended to read as follows:

"(f) 'Promotion service' means the aggregate of the following:

"(1) Any period an officer has held, or is credited by the Secretary with having held, a permanent appointment in his current grade in the Army or, in the discretion of the Secretary any other Armed Force of the United States while—

"(A) in an active status; or

"(B) on an active list of a regular component;

"(2) For an officer who was on active duty prior to September 3, 1945, any period served on active duty prior to January 1, 1949, in the Army or, in the discretion of the Secretary, any other Armed Force of the United States while in a temporary grade equal to or higher than his current grade; and

"(3) Any period credited under section 305 (b).

No period may be counted twice as promotion service. For a person credited with service under section 201 or subsection 305 (c) or (d), no period prior to appointment or transfer may be counted under (1) or (2) as promotion service."

SEC. 7. Section 303 is amended by adding the following new subsections:

"(f) The promotion of a Reserve officer under investigation or against whom proceedings of a court-martial or board of officers are pending may be delayed by the Secretary until such investigation or proceedings are completed.

"(g) Based on the results of an investigation or the proceedings of a court-martial or board of officers, the Secretary may remove from the recommended list the name of any officer who in his opinion is not qualified for promotion. A nonunit officer so removed from a recommended list shall, for the purposes of section 311 be deemed to have been considered and not recommended for promotion."

SEC. 8. Section 314 is amended by inserting the words "other than the Judge Advocate General's Corps" after the words "special branch" appearing in subsection (a) and by substituting "sections 303, 311, or 333" for "section 311" appearing in subsection (d).

SEC. 9. Section 325 is amended by inserting a colon after the words "Retired Reserve", by deleting that portion of the section following such colon, and by adding the following new subsections:

"(a) If not on active duty, within 90 days after the second selection board submits its report to the convening authority; or

"(b) If on active duty, 120 days after being notified of his second nonselection."

SEC. 10. Section 333 is amended to read as follows:

"SEC. 333. (a) A Reserve officer on active duty who is promoted to a grade higher than that in which he is serving shall continue to serve on active duty in the grade in which he was serving immediately before that promotion and shall, unless he expressly declines such promotion, be deemed to have accepted, effective on the date of such promotion, a temporary appointment in the grade in which serving. If he does not desire to continue on active duty in the grade in which serving, he may, except as provided in subsection (b) hereof, elect to be relieved from active duty and shall be promoted on the day subsequent to such relief or on the day he would have been promoted had he remained on active duty, whichever is the later. If his relief from active duty occurs subsequent to the date he would have been promoted had he remained on active duty, he shall be credited with the amount of promotion service that he would have had if he had remained on active duty and been promoted.

"(b) A Reserve officer on active duty who is recommended or found qualified for promotion and who has not completed his period of required active duty as a member of a Reserve component under any provision of law or regulation shall not have the election of relief from active duty as provided in subsection (a) hereof but may decline a promotion if he does not desire to serve on active duty in a grade lower than his permanent grade. A person who so declines a promotion shall, if he applies therefor, be promoted upon being temporarily promoted to that higher grade or, subject to subsection (a), upon completing his period of required active duty."

SEC. 11. Section 337 of such act is hereby repealed.

Mrs. SMITH of Maine. Mr. President, I move that the Senate concur in the amendments of the House of Representatives to Senate bill 1718. The amendments are primarily technical and do not change basically any of the provisions of the Reserve Officer Personnel Act of 1954.

The PRESIDING OFFICER. The question is on the motion of the Senator from Maine.

The motion was agreed to.

Mr. CASE of South Dakota. Mr. President, I should like to ask a question of the Senator from Maine. Do the amendments take care of a situation where some officers would be promoted out of the Reserve, when there is an inadequate number of officers?

Mrs. SMITH of Maine. That provision was taken care of partially by the Senate bill, and that which has not been taken care of can be covered by regulations.

Mr. CASE of South Dakota. The bill would not interfere with that situation in any way, would it?

Mrs. SMITH of Maine. It would not.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF MAJ. GEN. ROBERT NICHOLAS YOUNG

As in executive session,

From the Committee on Armed Services, Mr. JOHNSON of Texas submitted the following report:

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504 in rank as follows:

Maj. Gen. Robert Nicholas Young, United States Army, in the rank of lieutenant general.

Mr. JOHNSON of Texas. Mr. President, I have discussed the nomination with the minority leader. We have been informed by the staff that it is necessary for General Young to assume his new duties tomorrow. I ask unanimous consent that the nomination be considered and confirmed.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination?

There being no objection, the nomination was considered and confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

MEETINGS OF ASSOCIATIONS OF PROFESSIONAL HAIRDRESSERS OR COSMETOLOGISTS IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 690, S. 667.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 667) to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 8, after the word "scheduled", to strike out "monthly or" and insert "national", and in line 9, after the word "annual", to strike out "meeting of any" and insert "convention of any national", so as to make the bill read:

Be it enacted, etc., That the provisions of the act of June 7, 1938 (52 Stat. 611; title 2, ch. 13, D. C. Code, 1951 edition), and of paragraph 10 of section 7 of the act approved July 1, 1902 (32 Stat. 622), as amended (sec. 47–2310, D. C. Code, 1951 edition), shall not be applicable to activities conducted in connection with any bona fide regularly scheduled national annual convention of any national association of professional hairdressers or cosmetologists, from which the general public is excluded.

The amendments were agreed to.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, the pending bill comes to the Senate with the unanimous vote of the District of Columbia Committee. It is a very simple bill. The cosmetologists are going to have a convention in the District of

Columbia in the near future, and they would like to put on demonstrations of their work at that convention, but under existing District of Columbia law, there is a question whether or not that can be done without the operators of the demonstrations being licensed under District of Columbia law.

The bill has been taken up with representatives of the cosmetologist organization in the District of Columbia, and they have reached an agreement in support of the bill.

Very simply, the bill has to do with the matter of making an exemption in the District of Columbia law as it relates to manicurists and other cosmetologists appearing at demonstrations held in conventions in the District of Columbia which are put on as a part of the program of such conventions.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SETTLEMENT OF CLAIMS FROM THE DISASTER AT TEXAS CITY, TEX.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 689, S. 1077, and I call the bill to the attention of the able senior Senator from South Carolina [Mr. JOHNSTON].

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 1077) to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That this act may be cited as the "Texas City Claims Act."

NECESSITY FOR LEGISLATION

SEC. 2. As a result of evidence adduced before various committees of the Senate and the House of Representatives, the Congress hereby finds that—

(1) The catastrophe known as the Texas City disaster of 1947, in which over 570 persons were killed, 3,500 persons were injured, and great property losses occurred, was the result of explosions of ammonium nitrate fertilizer on board vessels destined for France as a part of this Nation's program of foreign aid to various war-ravaged and famine-stricken areas overseas.

(2) The two shiploads of ammonium nitrate fertilizer exploding at Texas City, Tex., on April 16 and 17, 1947, had been produced and distributed at the instance, according to the specifications, and under the control of the United States, and despite the highly explosive nature of the fertilizer, it was not so labeled or marked to warn those who conducted its handling and loading.

(3) The Congress recognizes and assumes the equitable and compassionate responsibility of the United States for the damages sustained by reason of these explosions and fires and hereby provides the procedure by which the amounts shall be determined and paid.

PROCEDURE ON CLAIMS

SEC. 3. (a) That exclusive and special jurisdiction be, and the same is hereby conferred upon the United States District Court for the Southern District of Texas, notwithstanding any prior determination, or any statute of limitations, to hear, determine, and render judgment for the damages suffered for property loss, death, and personal injuries, resulting from the explosions and fires at Texas City, Tex., on April 16 and 17, 1947, commonly referred to as the "Texas City disaster."

(b) The United States District Court for the Southern District of Texas, with the aid of the masters appointed as provided for herein, shall receive evidence of, investigate, and allow and fix the amount to be awarded in each of the claims for damages against the United States sustained by individuals, firms, companies, associations, and corporations as a result of the Texas City disaster, subject to exceptions and limitations hereinafter provided.

(c) Under such rules as the senior judge of the United States District Court for the Southern District of Texas may promulgate, the court may appoint such number of masters, commissioners, and clerical assistants, on a temporary basis, as may be necessary to determine and report the amounts due under each suit filed, it being the desire and purpose of the Congress that the United States District Court for the Southern District of Texas appoint as many masters and commissioners as shall be sufficient in number to avoid any impairment of the regular work of that court. The masters or commissioners so appointed shall receive reasonable fees, to be fixed by the court, not to exceed $50 per diem each, such fees to be taxed by the court against the United States Government as costs to be included as a separate item in each judgment entered and certified to the Secretary of the Treasury for payment in accordance with section 7 (b) and the compensation of clerical assistants so appointed shall be fixed by the Director of the Administrative Office of the United States Courts without regard to the Classification Act of 1949, as amended. Such masters, commissioners, and clerical assistants shall be reimbursed for necessary travel and subsistence expenses incurred by them while traveling on official business, in accordance with regulations promulgated by the Director of the Administrative Office of the United States Courts. Appropriations for salaries of supporting personnel and for travel and miscellaneous expenses contained in the Judiciary Appropriation Act, 1956, are hereby made available for the payment of the fees, compensation, and expenses authorized to be paid under this subsection, and there are hereby authorized to be appropriated such additional amounts as may be necessary for such purposes.

SEC. 4. (a) The United States District Court for the Southern District of Texas, with the aid of the masters and commissioners provided for in section 2 (c), shall limit itself to the determination of (1) the amount of damages sustained by each claimant and to be paid pursuant to this act, and (2) the individuals, firms, companies, associations, legal representatives, and corporations entitled to receive the same, it being the intention and purposes of this act, and of the Congress, to recognize and assume the equitable and compassionate responsibility and liability for the damages sustained at Texas City as a result of that disaster on April 16 and 17, 1947, and to submit only to the judicial determination of the United States District Court for the Southern District of Texas the damages to be fixed and allowed in each suit filed.

(b) The United States, as the defendant, may appear in any and all proceedings before the United States District Court for the Southern District of Texas, and any hearings held by that court, or the masters and commissioners provided for, and oppose the grant and entry of any judgment and the amount of damages to be awarded, if any, by the court, subject to the limitations contained in subsection (a) of this section.

SEC. 4. (a) A copy of the petition in each suit against the United States filed under this act shall, within 20 days after the filing thereof, be served by delivery thereof to the office of the United States attorney for the southern district of Texas. Any reply or pleading in response to any such petition so filed shall be presented and filed with the clerk of the court within 20 days after service thereof on the office of the United States attorney.

(b) Prior to the expiration of 60 days after the effective date of this act, the United States District Court for the Southern District of Texas shall promulgate and publish special rules of procedure for handling the suits to which this act applies. Unless otherwise in conflict with such special rules, the rules of civil procedure, and the local rules of the Southern District of Texas, as amended, shall be controlling in the handling of such suits.

(c) The United States District Court for the Southern District of Texas, with the aid of the masters provided for, shall determine and fix damages, if any, in the case of each suit presented, within 12 months from the date on which the claim is submitted.

LIMITATIONS AND EXCEPTIONS

SEC. 5. (a) No judgment shall be allowed in any suit unless, prior to the expiration of 180 days after the effective date of this act, the claimant shall have filed his suit in writing with the United States District Court for the Southern District of Texas, in accordance with the rules prescribed by that court, or the rules of civil procedure and local rules where not in conflict with any special rules promulgated by the court.

(b) No judgment for recovery on any damages or any claim filed shall be entered by the United States District Court for the Southern District of Texas for payment under this act unless it shall have first been found by the court that such a claim on which a judgment is entered was a part of a civil action filed against the United States in a United States district court prior to April 25, 1950: *Provided*, That the United States district court, for good cause shown by evidence presented, may waive the failure of filing a claim prior to April 25, 1950, where it is shown that the claimant, because of infancy, insanity, or other legal disability, was unable to bring such civil action.

(c) Claims for death, personal injuries, and property damage, made by individuals, firms, companies, associations, and corporations, other than insurance companies, shall be limited to actual damage sustained, as determined by the laws of the State of Texas, less any payment received by the claimant from an insurance company. The term "an insurance company" as used herein means any insurance corporation, firm, or association, which, under the laws of the State of Texas, has a right of subrogation, or which would have such right except for this subsection. No insurance company shall have any right to receive any part of any claim approved under the foregoing provisions of this act. No part of any judgment entered under the provisions of this subsection shall be paid over to any insurance company, and whoever violates the provisions of this subsection shall be fined not to exceed $5,000.

SEC. 6. (a) Any final judgment entered by the United States district court, fixing and awarding money damages on claims filed under this act, shall be subject to review on appeal as to the extent of such damages so

awarded, and as to the individuals, firms, companies and legal representatives, and corporations entitled to receive the same, in the same manner and to the same extent as other judgments of the United States district courts: *Provided, however,* That no appeal may be taken on any issue of liability of the United States for such damages resulting from the Texas City disaster.

SEC. 7. (a) The Attorney General, acting through the United States district attorney for the southern district of Texas, may negotiate, compromise, or settle any suit cognizable under this act, provided the same is approved by the court and entered as an agreed judgment.

(b) Each and every final judgment certified by the United States District Court for the Southern District of Texas pursuant to this act shall be paid by the Secretary of the Treasury out of the moneys in the Treasury not otherwise appropriated.

(c) Any payment under the provisions of this act of any judgment so reported shall be in full settlement and discharge of all claims against the Government of the United States made by the particular claimant in the suit in which the judgment so certified was entered.

SEC. 8. (a) The Secretary of the Treasury, before paying any judgments certified to him, shall require of, and receive, from the claimants, persons, firms, corporations, and legal representatives awarded any part of the damages found by the district court judgment, an assignment to the United States to the extent of the payment to be made by the Secretary of any right of action arising out of the Texas City disaster, which such parties participating in the judgment award may have against a third party.

SEC. 9. (a) The United States District Court for the Southern District of Texas, with the aid of the masters and commissioners provided for herein, shall, as a part of such judgment, award, or settlement, determine and allow reasonable attorneys' fees which shall not exceed 10 percent of the amount so recovered, to be paid out of, but not in addition to, the amount of the judgment awarded, to the attorneys of record representing the claimants and parties named in said judgment. Any attorney who charges, demands, receives, or collects for services rendered in connection with such a claim any amount in excess of that allowed under this section, if recovery be had, shall be fined not more than $2,000 or imprisoned not more than 1 year, or both.

Mr. JOHNSTON of South Carolina. Mr. President, the subject matter of the bill has been under consideration at several sessions of the Congress over a period of several years. There have been four hearings by separate committees of the House and Senate. A subcommittee of the House visited the scene of the disaster several years ago, heard many witnesses, and submitted a rather lengthy report covering every phase of the damage suffered by the citizens of Texas. The report also covered property damage resulting from the explosions of two shiploads of so-called fertilizer.

The conclusions of all the committees are that the Government is responsible. They can be pointed up in the remarks of Mr. Justice Jackson, when the Supreme Court considered these cases, in a test case, so far as concerns placing the responsibility directly on the Government for the cause of the great loss of life and property damage involved. Mr. Justice Jackson in *Dalehite* v. *United States* (346 U. S. 15, 48), said:

> This was a man-made disaster; it was in no sense an "act of God." The fertilizer had been manufactured in Government-owned plants at the Government's order and to its specifications. It was being shipped at its direction as part of its program of foreign aid. The disaster was caused by forces set in motion by the Government, completely controlled or controllable by it. Its causative factors were far beyond the knowledge or control of the victims; they were not only incapable of contributing to it, but could not even take shelter or flight from it.

This view from the minority opinion from the Supreme Court—the decision was by a vote of 4-to-3—is not in disagreement with the basic ruling of the majority of the Court, for at page 24 of the opinion, the Court held:

> Even assuming their correctness arguendo, though, it is our judgment that they do not establish a case within the act. This is for the reason that as a matter of law the facts found cannot give the district court jurisdiction of the cause under the Tort Claims Act.

Over 570 persons were killed, and over 3,500 were injured. There was property damage estimated in the millions of dollars. The 4 committees of Congress agreed with the trial court in its finding of fact that the record discloses blunders, mistakes, and acts of negligence, both of omission and commission, on the part of the Government's agents and employees. The so-called fertilizer, with its high content of ammonium nitrate, and the special treatment given it to keep it from solidifying, were from the beginning of its manufacture, down to the very day of the disaster in the hold of the ship, under the complete control, supervision, and domination of the United States Government. These people were killed suddenly, without any warning or notice. Thousands were maimed and wounded by the spontaneous explosion. As said by Justice Jackson, they had no knowledge of the dangerous character of the substance they were handling. They could neither control it nor could they take shelter or flight from it.

Mr. President, the Members of the Senate will realize that if the Government had let it be known how dangerous handling the fertilizer was, much more than the amount the Government paid for handling it would have had to be paid.

In the test case the Court relieved the Government of liability, by reason of a technical provision of the Federal Torts Act, holding that the shipment of the fertilizer was in the exercise of a discretionary, governmental function. The moral, equitable, and compassionate responsibility could not be considered under the Federal Torts Act.

Mr. President, the bill, as the committee proposes that it be amended, will eliminate the provision for the creation of an executive or administrative commission to consider the claims, but will substitute the United States District Court for the Southern District of Texas, so as to have it, with the aid of masters, hear the complaints and fix the damages. The committee felt that a judicial function, rather than an executive or administrative function, was involved. The committee felt that the court could better award damages through its masters than could an executive commission.

Claims of insurance companies, in the nature of subrogated claimants, have been eliminated from S. 1077.

The committee was unanimous in recommending that attorneys' fees not exceeding 10 percent be allowed in the discretion of the court, such sums to be carved out of the total award, and not to be in addition to it. These attorneys have worked for years before the courts and the committees of Congress, in presenting the claims of those who suffered by reason of the Government's negligence.

The committee was in full accord with the view that the representatives of those killed, those injured, and those whose property was destroyed, had never had their day in court, since the Supreme Court and the circuit court of appeals held, in effect, that they were denied an opportunity to assert their claims, by reason of the exceptions contained in the Federal Torts Act. In the press, there have been statements to the effect that S. 1077 creates a giveaway program. Those statements are not true. Nothing of the kind is provided in the bill. These claims are like any other claims against the Government and all other claims against the Government which the Congresses from the beginning of our Government have allowed, prior to the passage of the Federal Torts Act. A part of the responsibility for certain claims was vested in the United States courts by the Torts Act. S. 1077 vests jurisdiction in the Texas court, which, without the enactment of the bill, has no jurisdiction to consider the claims for the dead and injured, or for the property damaged in this wholly and completely mad-made disaster, which both the courts and several congressional committees have said is solely attributable to the Government, by reason of its negligence of omission and commission.

Mr. President, heretofore the Senate has passed a similar bill, and the House of Representatives has done likewise. But it seems that such a bill has never before been passed by both Houses at the same session.

The committee has made a unanimous report in favor of passage of the bill.

Mr. DANIEL. Mr. President, I desire to express to the Senator from South Carolina the appreciation of my colleague from Texas and myself for the work the Senator from South Carolina has done on this bill. We are grateful to him and to his subcommittee and to the full Committee on the Judiciary.

As he has stated, the bill now is limited to the payment of damages to those whose loved ones were killed in the explosion, and to those who were injured and who suffered property damage.

Mr. President, our Government has been very quick to compensate those who suffered loss because of our atomic tests in the Pacific. The Congress has been very quick to compensate those who have suffered loss as a result of the other actions of our Federal officials.

These explosions and fires at Texas City resulted from a foreign-aid program to help the war-ravaged areas of France. The fertilizer involved in this case was being shipped to France under that program. The explosions occurred on the

boat loaded with that highly explosive ammonium nitrate. Those who suffered as a result of the explosion should be compensated—as both the Senate and the House of Representatives decided last year.

So, Mr. President, I hope the bill will be passed.

Mr. JOHNSON of Texas. Mr. President, will my colleague yield to me?

Mr. DANIEL. I yield.

Mr. JOHNSON of Texas. Mr. President, I desire to express publicly my sincere appreciation of the very fine work done by my distinguished colleague, the junior Senator from Texas, who has coauthored the bill with me. I greatly appreciate the many hours of work he did in the committee, and the thoroughness with which he went into all the details of the bill. I am very fortunate in having a colleague like Senator DANIEL, and I am most grateful to him.

I also desire to express my very deep appreciation of my friend, the Senator from South Carolina [Mr. JOHNSTON], who always is very helpful, and who carries a very heavy committee load. He is a distinguished member of three Senate committees. I know of no Member of the Senate who handles more legislative proposals than does the able senior Senator from South Carolina, or who handles them better on the floor of the Senate. I express to him my deep appreciation, on behalf of my constituents. He and the other members of the committee are about to see the Senate pass a bill which I think will do both justice and equity.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF FEDERAL EMPLOYEES LIFE INSURANCE ACT OF 1954

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 691, Senate bill 1792.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1792) to amend section 10 of the Federal Employees Group Life Insurance Act of 1954, authorizing the assumption of the insurance obligations of any nonprofit association of Federal employees with its members, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service, with an amendment, to strike out all after the enacting clause and insert:

That (a) section 5 (c) of the Federal Employees' Group Life Insurance Act of 1954 is amended to read as follows:

"(c) The sums withheld from employees under subsection (a) and the sums contributed from appropriations and funds under subsection (b) shall be deposited in the Treasury of the United States to the credit of a fund which is hereby created. Said fund is hereby made available without fiscal year limitation for premium payments under any insurance policy or policies purchased as authorized in sections 7 and 10 of this act, for the payment of any obligations under agreements assumed pursuant to section 10 of this act, and for any expenses incurred by the Commission in the administration of this act within such limitations as may be specified annually in appropriation acts: *Provided,* That appropriations available to the Commission for salaries and expenses for the fiscal year 1955 shall be available on a reimbursable basis for necessary administrative expenses of carrying out the purposes of this act until said fund shall be sufficient to provide therefor. The income derived from any dividends or premium rate adjustments received from insurers shall constitute a part of said fund."

(b) Section 5 of said act is amended by adding the following subsection at the end thereof:

"(d) The Secretary of the Treasury is authorized to invest and reinvest the moneys in the fund created by section 5 (c), or any part thereof, in interest-bearing obligations of the United States and to sell such obligations of the United Stats for the purposes of the fund. The interest on and the proceeds from the sale of any such obligations shall become a part of the fund."

SEC. 2. (a) The third proviso of section 7 (d) of said act is hereby repealed.

(b) Section 7 (e) of said act is amended to read as follows:

"(e) The companies eligible to participate as reinsurers, and the amount of insurance under the policy or policies to be allocated to each issuing company or reinsurer, may be redetermined by the Commission for and in advance of any policy year after the first, on a basis consistent with subsections (c) and (d) of this section, with any modifications thereof it deems appropriate to carry out the intent of such subsections, and based on each participating company's group life insurance in force in the United States on the most recent December 31 for which information is available to it, excluding that under any policy or policies purchased under this act, and shall be so redetermined in a similar manner not less often than every 3 years or at any time that any participating company withdraws from participation: *Provided,* That if, upon any such redetermination, in the case of any issuing company or reinsurer which insured employees of the Federal Government on December 31, 1953, under policies issued to an association of Federal employees, the amount which results from the application of the formula referred to in subsection (d) of this section is less than the total decrease, if any, since December 31, 1953, in the amount of such company's insurance under such policies, the amount allocated to such company shall be increased to the amount of such decrease: *Provided further,* That any increase in the amount allocated to such company by application of the preceding proviso shall be reduced by the amount or amounts of any policy or policies purchased from such company under the authorization of section 10 of this act, and in force on the date of such redetermination."

SEC. 3. Section 10 of said act is amended to read as follows:

"SEC. 10. (a) The Commission is authorized to arrange with any nonprofit association of Federal or District of Columbia employees for the assumption by the fund created by section 5 (c) of all life-insurance agreements, including all benefits contained therein, obtained or provided by such association for its members.

"(b) The Commission is authorized, without regard to other sections of this act and without regard to section 3709 of the Revised Statutes as amended, to purchase from one or more life-insurance companies, as determined by the Commission, a policy or policies of group life insurance to insure all or any portion of the life-insurance agreements obtained or provided by an association for its members and assumed under this section: *Provided,* That any such company must be either (1) the company then insuring such members under a policy or policies issued to such association; or (2) a company which is an insurer or a reinsurer under section 7 of this act. The Commission may at any time discontinue any policy or policies it has purchased from any insurance company.

"(c) Any association accepting such arrangement shall, in consideration therefor, pay over and transfer to the Commission (1) an amount equal to the actuarial value, as determined by the Commission, of the insurance obligations assumed by the fund created by section 5 (c), or (2) the total assets of the life insurance fund of such association, whichever is the lesser. Such payment and transfer shall be a premium for the purchase of the Government insurance arrangement, shall be deposited in the fund created by section 5 (c), and shall be accomplished in accordance with the procedures and conditions prescribed by the Commission, and in accordance with the requirements of applicable law.

"(d) The arrangements authorized by this section shall be made within 6 calendar months following the date of enactment of this amending act, or such later date as the Commission may agree when there are extenuating circumstances, but not later than August 17, 1957, and such arrangements shall apply only to life-insurance agreements existing on both the date of the approval of this amendment and on the date of the respective arrangement.

"(e) Any such arrangement shall provide that the continuation of the insurance coverage of such members shall be conditioned upon their payment to the fund created by section 5 (c), in such manner and under such conditions as the Commission may prescribe, of premium payments equal to the premiums or dues previously payable by them for such insurance coverage.

"(f) The members of such associations shall not by reason of any such arrangements be disqualified from any other insurance benefits provided by this act if otherwise eligible therefore."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. JOHNSTON of South Carolina. Mr. President, the bill as proposed to be amended is designed to make possible the continuance of the life-insurance protection held by about 135,000 Federal employees, both active and retired, as members of various nonprofit beneficial associations. This would be accomplished by an arrangement made by the Civil Service Commission and each interested association, whereby the Employees' Life Insurance Fund would assume the insurance obligations and receive the association's assets together with future premium payments. The bill also authorizes the Commission to insure the obligations so assumed with the life-insurance company now underwriting the association insurance, or with any other company which is an insurer or reinsurer under the act.

The bill represents agreement between the Civil Service Commission, the associations, and the insurers that it offers a workable solution to a problem which has given the committee great concern.

It became known soon after the Federal Employees' Group Life Insurance

Act of 1954 was enacted that section 10 was unworkable and inequitable and would have to be amended in order to protect and perpetuate the life-insurance policies of over 135,000 present and former Federal employees held with various beneficial associations.

S. 1792 was introduced on April 25, 1955. It was designed to provide the necessary protection but would have continued the beneficial associations in business for the collection of premium payments by the policyholders and the liquidation of assets on their books.

The Civil Service Commission submitted draft legislation to Congress on May 18, 1955. The suggested legislation would have protected the policies of retired Federal employees but would give no protection to active Federal employees.

Subsequent to the introduction of S. 1792 and the submission of draft legislation by the Civil Service Commission a series of meetings were held between the Commission and representatives of the 135,000 policyholders as a result of which the language of S. 1792, as amended, was mutually agreed to by all concerned. The only difference between S. 1792 as introduced and S. 1792, as amended, is that the Civil Service Commisison will serve as the agency for the collection of premium payments instead of the beneficial associations. The Commission believed this would prove to be more economical and the associations agreed.

The bill before the Senate at the present time represents the combined work of the committee and the Commission on this particular legislation. We ask that the bill be passed.

Mr. CARLSON. Mr. President, as the distinguished chairman of the Committee on Post Office and Civil Service has stated, this bill comes from the committee with a unanimous report.

In the 83d Congress I was chairman of the Committee on Post Office and Civil Service. At that time I introduced the Federal employees group life insurance program, on which our committee held hearings. The bill was reported to the Senate, passed by the Congress, and signed by the President. It is a part of the President's program for improving the welfare and working conditions of Federal employees.

As has been stated by the Chairman, it developed that section 10 of the bill would require some additional consideration. The Civil Service Commission has made studies, as have the various insurance agencies which, previous to the time of Federal group life insurance, were taking care of the insurance of Federal employees. Some provision must be made to protect the interests which have been accumulated over the many years during which certain employees have been paying into the various insurance funds.

It was for this reason that the bill before the Senate today was presented by the Civil Service Commission, which handled the group life insurance program. It is willing to assume the obligations of the private companies, in order to protect the interests of employees who for many years have contributed money to the various insurance funds.

I think this is not only a timely bill but that it is one which must be passed in order to protect our Government employees, who were frugal enough to build their own life insurance programs. Now that we have a Federal group life insurance program, it is only fair that we assume these obligations and protect the interests of the policyholders and the various private agencies which desire to participate in the program as originally provided.

I hope the Senate will pass the bill unanimously.

Mr. JOHNSTON of South Carolina. Mr. President, I thank the Senator for his remarks. Last year we thought the situation was being properly taken care of. When I learned this year that it was not, I immediately introduced a bill to clarify the situation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Federal Employees' Group Life Insurance Act of 1954."

REPORTS OF COMMITTEE ON FINANCE

Mr. JOHNSON of Texas. Mr. President, on behalf of the chairman of the Committee on Finance, the Senator from Virginia [Mr. BYRD], I report 3 bills from that committee; 1 is the bill (H. R. 5560) relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes, 1 is the bill (H. R. 4182) for the relief of the Highway Construction Company of Ohio, Inc., and the third is the bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public-debt limit, and I submit reports thereon, and ask that the reports be received and printed.

For the information of the Senate, one of these bills is a bill to provide for an increase in the public debt. I expect to call up the bill tomorrow if the printed report is available.

The second is a bill extending to citizens on foreign assignments the right to bring in, free of duty, their personal household goods. That right would be extended to citizens of the United States who have foreign assignments in the service.

The third is a private bill. I hope the printed reports on all three bills will be available. I serve notice that they may be called up in the Senate tomorrow.

The PRESIDING OFFICER. The reports will be received and the bills will be placed on the calendar.

The bills reported by Mr. JOHNSON of Texas (for Mr. BYRD) are as follows:

H. R. 6992. A bill to extend for 1 year the existing temporary increase in the public-debt limit; without amendment (Rept. No. 688);

H. R. 4182. A bill for the relief of the Highway Construction Company of Ohio, Inc.; with an amendment (Rept. No. 689); and

H. R. 5560. A bill relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes; with an amendment (Rept. No. 690).

ANNOUNCEMENT OF PROGRAM FOR TOMORROW

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to announce that the conferees on the District of Columbia appropriation bill and the conferees on the Defense Department appropriation bill have reached agreement. As the Senate knows, the House will consider the conference reports first. If the House adopts the reports early tomorrow, I expect to ask the Senate to proceed forthwith to their consideration. I ask all Senators to be on notice in that regard.

In that connection I should like to commend the distinguished chairmen of the subcommittees who brought about agreement on the disagreeing votes of the two Houses, the able Senator from Mississippi [Mr. STENNIS], who now occupies the chair, and the very able senior Senator from New Mexico [Mr. CHAVEZ]. They have done an excellent job, and I am very proud to commend them.

The PRESIDING OFFICER. What is the pleasure of the Senate?

ISSUANCES OF PATENTS FOR CERTAIN LANDS IN FLORIDA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 692, Senate bill 464.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 464) to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering on Indian River.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 1, line 3, after the enacting clause, to strike out:

That the Secretary of the Interior is authorized and directed to issue patents to persons, or their predecessors in interest, in township 27 south, range 37 east, Tallahassee meridian, who hold in good faith and in peaceful, adverse possession, and who had been issued patents, prior to January 1, 1954, applying to lands abutting upon the record meander line of the east bank of Indian River as originally determined, for lands lying between such line and a line subsequently determined by the Secretary. Payment to the United States shall be made for lands so patented at the same price paid to the United States for areas in the original patent, but in no case less than $1.25 per acre. All persons seeking to patent lands under this act shall make application to the Secretary of the Interior within 1 year from the date of enactment of this act, and the

Secretary shall issue no patents until the conclusion of such period.

And in lieu thereof to insert:

That the Secretary of the Interior shall issue patents for the public lands erroneously omitted from the survey which are situated between the position of the record meander line represented on the plat approved March 10, 1845, and the actual shoreline of the Indian River in sections 11, 13, 14, 23, 24, 25, and 36 township 27 south, range 37 east, Tallahassee meridian, Florida, to persons who hold such public lands in good faith and in peaceful adverse possession, if they or their predecessors in interest have been issued patents, prior to January 1, 1954, for the upland tracts adjoining such erroneously omitted lands. Payment to the United States shall be made for lands so patented at the same price per acre as that at which the land included in the original patent was purchased, but in no case less than $1.25 per acre. No patent shall issue for any tract unless application for the tract is made by a qualified person within 1 year from the date of enactment of this act. The Secretary shall issue no patents until the conclusion of such period. The Secretary may, by public sale at not less than the appraised value or under any appropriate public land law, dispose of any tract of public land subject to this act which is not applied for by a qualified person within the 1-year period.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior shall issue patents for the public lands erroneously omitted from the survey which are situated between the position of the record meander line represented on the plat approved March 10, 1845, and the actual shoreline of the Indian River in sections 11, 13, 14, 23, 24, 25, and 36, township 27 south, range 37 east, Tallahassee meridian, Florida, to persons who hold such public lands in good faith and in peaceful adverse possession, if they or their predecessors in interest have been issued patents, prior to January 1, 1954, for the upland tracts adjoining such erroneously omitted lands. Payment to the United States shall be made for lands so patented at the same price per acre as that at which the land included in the original patent was purchased, but in no case less than $1.25 per acre. No patent shall issue for any tract unless application for the tract is made by a qualified person within 1 year from the date of enactment of this act. The Secretary shall issue no patents until the conclusion of such period. The Secretary may, by public sale at not less than the appraised value or under any appropriate public land law, dispose of any tract of public land subject to this act which is not applied for by a qualified person within the 1-year period.

SEC. 2. Upon the filing of a plat of resurvey under section 1 of this act, the Secretary shall give such notice as he finds appropriate by newspaper publication or otherwise of the opening of the lands to purchase under this act.

SEC. 3. Nothing in this act shall affect valid existing rights.

Mr. JOHNSON of Texas. Mr. President, if there are no Senators who desire to address the Senate at this time, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, it is my understanding that the purpose of the bill as amended is to make clear that the relief granted by the bill to persons, or their successors in interest, would be afforded only to the extent to which they were misled by the erroneous or fraudulent surveys. The bill was referred to the Committee on Interior and Insular Affairs. It authorizes the Secretary of the Interior to issue patents for lands in Florida bordering upon the Indian River. The committee considered the bill carefully and reported it unanimously to the Senate.

It may be that the distinguished Senator from Florida [Mr. SMATHERS] will care to elaborate on the brief statement which I have made, which was extracted from the report accompanying the bill. If he cares to do so, I shall be glad to yield to him at this time.

Mr. SMATHERS. Mr. President, I thank the Senator from Texas.

There is no desire on my part to elaborate except to say that it is the opinion of the Bureau of the Budget and of the Director of the Bureau of Land Management that this measure is necessary and desirable in order to eliminate an inequity which had resulted, not through the fault of anyone in particular, but through faulty engineering work done in 1846. The purpose of the bill is to remove that inequity.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 464) was ordered to be engrossed for a third reading, read the third time, and passed.

CHANGES IN REGULATION OF PUBLIC UTILITIES IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 258, Senate bill 184.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 184) to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia, with amendments.

Mr. JOHNSON of Texas. Mr. President, I merely wish to make that bill the unfinished business. I desire to make an announcement.

The PRESIDING OFFICER. The Senator from Texas has the floor.

LEGISLATIVE PROGRAM—ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, the Senate has previously been informed that it is the intention to consider conference reports, to call the calendar tomorrow, and to consider any other measures on the calendar that I may be able to get cleared. There are now less than a dozen general bills on the calendar. I am hopeful that committees will make a review of the measures pending before them, and that if there are any meritorious bills pending in committees, they will be reported and be placed on the calendar, so that the Senate may take action on them.

Mr. President, if there are no Senators who care to address the Senate at this time, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 45 minutes p. m.) the Senate adjourned until tomorrow, Thursday, June 30, 1955, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, June 29, 1955:

CIRCUIT COURTS, TERRITORY OF HAWAII

Luman N. Nevels, Jr., of Hawaii, to be judge of the third circuit, circuit courts, Territory of Hawaii, for a term of 4 years, vice Maurice Sapienza, term expired.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Maj. Gen. Robert Miller Montague, O12261, United States Army, in the rank of lieutenant general.

CONFIRMATIONS

Executive nominations confirmed by the Senate, June 29, 1955:

UNITED NATIONS

John C. Baker, of Ohio, to be a representative of the United States of America on the Economic and Social Council of the United Nations.

IN THE ARMY

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504 in rank as follows:

Maj. Gen. Robert Nicholas Young, O15068, United States Army, in the rank of lieutenant general.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 29, 1955

The House met at 12 o'clock noon.

Rev. Father Walter J. Schmitz, Sulpician Fathers, Washington, D. C., offered the following prayer:

O Lord God, Creator of all things, grant that the people of every land, torn apart by the wound of sin and pride and avarice, may know that Thou art our God.

Guide and direct our lawmakers, O Lord, and bless this place that there may be in it health and holiness, virtue and glory, humility, goodness, gentleness, docility and the fullness of rule and order, obedience and thanksgiving to God, so that by the law and example of this

country so blessed by God Almighty, we may have an everlasting peace, a peace that will extend throughout the world but never at any price be sacrificed here at home. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 5891. An act to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes; and

H. R. 6795. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 609. An act to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States, of special nuclear material and atomic weapons.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the District of Columbia appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATIONS, 1956

Mr. PRESTON. Mr. Speaker, I call up the conference report on the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 994)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 3, 6, 7, 9, 13, 14, 22, 25, 37, 42, and 44.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 8, 10, 12, 18, 35, 36, 38, 39, 41, 45, and 46 and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,900,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$106,150,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$52,500,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,650,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$82,500"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert "construction as authorized by sections 701 and 702 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1191, 1192), of one prototype tanker; for"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$86,450,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$110,000,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$110,000,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the number proposed in said amendment insert "nineteen hundred and fifty"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$14,350,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,215,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$7,180,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$640,000,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$288,500,000"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$21,750,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: ", which sum is composed of $19,000,000, the remainder of the amount authorized to be appropriated for the fiscal year 1955, and $2,750,000,"; and the Senate agree to the same.

Amendment numbered 49: That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$275,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 29, 30, 40, 43, 47, and 48.

PRINCE H. PRESTON,
ALBERT THOMAS,
JOHN J. ROONEY,
SIDNEY R. YATES,
JOHN F. SHELLEY,
DANIEL J. FLOOD,
CLARENCE CANNON,
CLIFF CLEVENGER,
FRANK T. BOW,
EDWARD T. MILLER,
JOHN TABER,
Managers on the Part of the House.

SPESSARD L. HOLLAND,
ALLEN J. ELLENDER,
HARLEY M. KILGORE,
WARREN G. MAGNUSON,
JOHN STENNIS,
EARLE C. CLEMENTS,
MARGARET CHASE SMITH,
STYLES BRIDGES,
WILLIAM KNOWLAND,
EDWARD J. THYE,
CHARLES E. POTTER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6367) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—DEPARTMENT OF COMMERCE

Office of the Secretary

Amendment No. 1—Salaries and expenses: Appropriates $2,172,000 as proposed by the House instead of $2,217,300 as proposed by the Senate.

Bureau of the Census

Amendment No. 2—Salaries and expenses: Appropriates $6,900,000 instead of $6,200,000 as proposed by the House and $7,100,000 as proposed by the Senate.

Amendment No. 3—Intercensal Housing Survey: Deletes appropriation of $500,000 proposed by the Senate.

Civil Aeronautics Administration

Amendment No. 4—Operation and regulation: Appropriates $106,150,000 instead of $103,000,000 as proposed by the House and $107,125,000 as proposed by the Senate. The conferees direct that within the amount provided no stations or facilities now operating be discontinued by the Civil Aeronautics Administration, until after there is reported for consideration by the Appropriation Committees of the Senate and the House of Representatives a comprehensive plan for future air traffic control routes, facilities, and stations. In any event such a plan shall be submitted prior to the consideration of the budget for fiscal year 1957.

Amendment No. 5—Establishment of airnavigation facilities: Appropriates $16,000,000 as proposed by the Senate instead of $18,500,000 as proposed by the House.

Amendment No. 6—Maintenance and operation, Washington National Airport: Appropriates $1,350,000 as proposed by the House instead of $1,415,000 as proposed by the Senate.

Amendment No. 7—Maintenance and operation of public airports, Territory of Alaska: Appropriates $600,000 as proposed by the House instead of $750,000 as proposed by the Senate.

Amendment No. 8—Air navigation development: Provides $175,000 for administrative expenses as proposed by the Senate instead of $50,000 as proposed by the House.

Amendment No. 9—Air navigation development: Appropriates $1,050,000 as proposed by the House instead of $1,600,000 as proposed by the Senate.

Civil Aeronautics Board

Amendment No. 10—Salaries and expenses: Appropriates $4,125,000 as proposed by the Senate instead of $3,900,000 as proposed by the House.

Amendment No. 11—Payments to air carriers: Appropriates $52,500,000 instead of $40,000,000 as proposed by the House and $55,000,000 as proposed by the Senate.

Coast and Geodetic Survey

Amendment No. 12—Salaries and expenses: Appropriates $10,225,000 as proposed by the Senate instead of $10,200,000 as proposed by the House.

Business and Defense Services Administration

Amendment No. 13—Salaries and expenses: Appropriates $6,198,000 as proposed by the House instead of $6,975,000 as proposed by the Senate.

Amendment No. 14—Salaries and expenses: Strikes provision to make $345,000 available only to the Area Development Division as proposed by the Senate.

Bureau of Foreign Commerce

Amendment No. 15—Salaries and expenses: Appropriates $2,000,000 instead of $1,800,000 as proposed by the House and $2,200,000 as proposed by the Senate.

Amendment No. 16—Export control: Appropriates $2,650,000 instead of $2,500,000 as proposed by the House and $2,800,000 as proposed by the Senate.

Amendment No. 17—Export control: Provides $82,500 for advance to "Salaries and expenses", Office of the Secretary, instead of $75,000 as proposed by the House and $90,000 as proposed by the Senate.

Office of Business Economics

Amendment No. 18—Salaries and expenses: Appropriates $900,000 as proposed by the Senate instead of $975,000 as proposed by the House.

Maritime Activities

Amendment No. 19—Ship construction: Provides for the construction of one prototype tanker as authorized by sections 701 and 702 of the Merchant Marine Act, 1936, instead of one prototype tanker and two prototype cargo ships as proposed by the Senate.

Amendment No. 20—Ship construction: Appropriates $86,450,000 instead of $64,700,000 as proposed by the House and $102,800,000 as proposed by the Senate. The amount agreed upon includes $10,000,000 for one prototype tanker, $44,750,000 for title V construction, $23,000,000 for the tanker trade-in-and-build program, $4,200,000 for acquisition of cargo ships, $2,500,000 for the research and development program, and $2,000,000 for administrative and warehouse expenses.

Amendment No. 21—Ship construction: Provides that not to exceed $1,000,000 may be transferred to "Salaries and expenses" instead of $900,000 as proposed by the House and $1,275,000 as proposed by the Senate.

Amendment No. 22—Ship construction: Restores language proposed by the House and stricken by the Senate.

Amendment No. 23—Operating-differential subsidies: Appropriates $110,000,000 instead of $90,000,000 as proposed by the House and $115,000,000 as proposed by the Senate.

Amendment No. 24—Operating-differential subsidies: Provides a limitation of 1,950 voyages instead of 1,847 as proposed by the House and 2,000 as proposed by the Senate.

Amendment No. 25—Operating-differential subsidies: Restores language proposed by the House and stricken by the Senate.

Amendment No. 26—Salaries and expenses: Appropriates $14,350,000 instead of $14,000,000 as proposed by the House and $14,700,000 as proposed by the Senate.

Amendment No. 27—Salaries and expenses: Provides $1,215,000 for maintenance of shipyard facilities and operation of warehouse instead of $1,085,000 as proposed by the House and $1,345,000 as proposed by the Senate.

Amendment No. 28—Salaries and expenses: Provides $7,180,000 for reserve fleet expenses instead of $6,960,000 as proposed by the House and $7,400,000 as proposed by the Senate.

Amendment No. 29—Vessel operations revolving fund: Reported in disagreement.

Amendment No. 30—Inland Waterways Corporation: Reported in disagreement.

Bureau of Public Roads

Amendment No. 31—Federal-aid highways: Appropriates $640,000,000 instead of $600,000,000 as proposed by the House and $680,000,000 as proposed by the Senate.

Amendment No. 32—Federal-aid highways: Provides that $288,500,000 shall be applied to the fiscal year 1955 authorization instead of $248,500,000 as proposed by the House and $328,500,000 as proposed by the Senate.

Amendment No. 33—Forest highways: Appropriates $21,750,000 instead of $18,500,000 as proposed by the House and $25,000,000 as proposed by the Senate.

Amendments Nos. 34 and 35—Forest highways: Provide that, of the amount appropriated, $19,000,000 shall be applied against the authorization for 1955 and $2,750,000 shall be applied against the amount authorized for 1956.

Amendment No. 36—Inter-American Highway: Appropriates $25,250,000 and authorizes the purchase of 5 passenger motor vehicles as proposed by the Senate instead of $8,000,000 as proposed by the House.

National Bureau of Standards

Amendment No. 37—Expenses: Appropriates $7,000,000 as proposed by the House instead of $7,450,000 as proposed by the Senate.

Amendment No. 38—Plant and equipment: Provides for the construction of an electronic calibration center as proposed by the Senate.

Weather Bureau

Amendment No. 39—Salaries and expenses: Appropriates $32,000,000 as proposed by the Senate instead of $29,900,000 as proposed by the House.

Amendment No. 40—Salaries and expenses: Reported in disagreement.

Amendment No. 41—Establishment of meteorological facilities: Appropriates $7,500,000 as proposed by the Senate instead of $5,000,000 as proposed by the House.

General Provisions—Department of Commerce

Amendment No. 42: Strikes language proposed by the Senate.

Amendment No. 43: Reported in disagreement.

TITLE II—THE PANAMA CANAL

Canal Zone Government

Amendment No. 44—Operating expenses: Appropriates $14,500,000 as proposed by the House instead of $14,800,000 as proposed by the Senate.

Amendment No. 45—Capital outlay: Authorizes the purchase of 8 passenger motor vehicles for replacement only as proposed by the Senate instead of 9 as proposed by the House.

Panama Canal Company

Amendment No. 46: Provides that not to exceed $3,740,000 of the funds available to the Panama Canal Company shall be available for administrative expenses as proposed by the Senate instead of $3,589,000 as proposed by the House.

General Provisions—The Panama Canal

Amendment No. 47: Reported in disagreement.

Amendment No. 48: Reported in disagreement.

The conferees on the part of the House and the Senate agree that the language of the House report with regard to free kindergarten instruction to children of United States citizens in the Canal Zone should prevail.

TITLE III—INDEPENDENT AGENCIES

Advisory Committee on Weather Control

Amendment No. 49—Salaries and expenses: Appropriates $275,000 instead of $175,000 as proposed by the House and $295,000 as proposed by the Senate.

PRINCE H. PRESTON,
ALBERT THOMAS,
JOHN J. ROONEY,
SIDNEY R. YATES,
JOHN F. SHELLEY,
DANIEL J. FLOOD,
CLARENCE CANNON,
CLIFF CLEVENGER,
FRANK T. BOW,
EDWARD T. MILLER,
JOHN TABER,

Managers on the Part of the House.

Mr. PRESTON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: Page 7, line 3, insert:

"Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage-foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets; and for payment of expenses of emergency repairs of ships in reserve fleets: *Provided*, That said fund shall be credited with all receipts from charter of Government-owned ships under the jurisdiction of the Secretary of Commerce."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur with the Senate amendment with an amendment.

The Clerk read as follows:

Mr. PRESTON moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage-foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; and for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets: *Provided*, That not to exceed $1,500,000 of the funds of the vessel operations revolving fund may be used during the fiscal year 1956 for the purposes set forth in this paragraph."

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: Page 17, line 20, insert:

"Inland Waterways Corporation (administered under the supervision and direction of the Secretary of Commerce): Not to exceed $14,000 shall be available for administrative expenses to be determined in the manner set forth under the title 'General expenses' in the Uniform System of Accounts for Carriers by Water of the Interstate Commerce Commission (effective January 1, 1947)."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 40: Page 24, line 11, insert: "of which $4,250,000 shall be available only for the improvement and operation of hurricane, severe storm, and tornado warning services in the United States, including research related thereto, and construction of necessary facilities."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 43: Page 26, line 9, insert:

"SEC. 105. Hereafter the position of Budget Officer of the Department shall be in GS–17 of the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment, with an amendment.

The Clerk read as follows:

Mr. PRESTON moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur in the same with an amendment as follows: Change "SEC. 105." to "SEC. 104."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47: Page 31, line 14, insert:

"SEC. 205. The Governor of the Canal Zone and the President of the Panama Canal Company, in computing allowances for the cost of travel on home leave for persons who elect at their expense to take other than the lowest first-class travel to the United States, shall take into account as the cost to the United States the actual cost, as computed by the General Accounting Office, of travel by United States owned and operated vessels rather than a reduced-fare rate which is available for such employees when traveling on their own account."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 48: Page 31, line 24, insert:

"SEC. 206. Notwithstanding the provisions of any other law the officer of the Army now serving as Governor of the Canal Zone shall, effective July 1, 1955, be considered to hold the grade of major general for all purposes, without regard to any limitations on the number of officers in that grade, and while so serving shall receive the pay and allowances of an officer of that grade and his length of service, and when retired under any provision of law shall be advanced on the retired list to such grade and shall receive the retired or retirement pay at the rate prescribed by law computed on the basis of the basic pay which he would receive if serving on active duty in such grade."

Mr. PRESTON. Mr. Speaker, I move that the House recede and concur in the Senate amendment, with an amendment.

The Clerk read as follows:

Mr. PRESTON moves that the House recede from its disagreement to the amendment of the Senate numbered 48, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 206. Notwithstanding the provisions of any other law, the officer of the Army now serving as Governor of the Canal Zone shall, effective upon the day preceeding his retirement, be considered to hold the grade of major general for all purposes, without regard to any limitations on the number of officers in that grade, and shall receive the pay and allowances of an officer of that grade and his length of service, and when retired under any provision of law shall be advanced on the retired list to such grade and shall receive the retired or retirement pay at the rate prescribed by law computed on the basis of the basic pay which he would receive if serving on active duty in such grade."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION

Mr. DURHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 6795, an act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, strike out "$267,709,000" and insert "$269,159,000."

Page 3, line 10, strike out "$750,000 and insert "$2,200,000."

Page 3, line 18, strike out "vandium" and insert "vanadium."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN. Reserving the right to object, Mr. Speaker, simply to inquire if this is satisfactory to the minority members on the committee.

Mr. DURHAM. It has been cleared by all Members on the Republican side.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

COMMITTEE ON HEALTH, EDUCATION, AND WELFARE

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that a subcommittee of the Committee on Health, Education, and Welfare may sit during general debate today and tomorrow, if necessary.

The SPEAKER. Is there objection?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. WILLIAMS of New Jersey asked and was given permission to address the

House on tomorrow for 30 minutes, following the legislative business of the day and any special orders heretofore entered.

Mr. HOLIFIELD asked and was given permission to address the House for 30 minutes today following the legislative business and any special orders heretofore entered.

GIUSEPPE MINARDI

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 45, providing for the reenrollment of S. 195, for the relief of Giuseppe Minardi.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the enrolled bill (S. 195) for the relief of Giuseppe Minardi; that if and when returned the action of the Speaker of the House of Representatives and the Acting President of the Senate pro tempore in signing the said bill be, and the same is hereby, rescinded; and that the Secretary of the Senate be, and he is hereby, authorized and directed to enroll the said bill with the following change, namely: On line 4 of the Senate engrossed bill, strike out "section 404 (a) of the Nationality Act of 1940" and insert in lieu thereof "the second paragraph of section 2 of the act of March 2, 1907."

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IN LIEU TAX PAYMENTS

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, today I am introducing a measure to establish a general policy and procedures with respect to in lieu tax payments to State and local governments by the Federal Government on real and tangible personal property owned by the Federal Government.

In the county of San Diego, which I represent, 53 percent of the real property is owned and occupied by agencies and departments of the Federal Government. While it is true that certain of these facilities provide their own utilities, it is further true that the taxpayers of my district contribute substantially and bear an inordinate tax load because of the location of these facilities. This is not to imply that we do not welcome and enjoy having in our midst these facilities. Quite to the contrary. A major contribution to the social and economic life of our community and to the defense of our country, is made by these facilities and the employees of the facilities.

There have been two recent actions which have resulted in the removal of property from the tax rolls which will result in a direct annual loss in taxes of some $230,000 to San Diego County.

On March 17, 1955, the Reconstruction Finance Corporation conveyed title to Plancor 993, a building occupied by the Rohr Aircraft Plant in Chula Vista, Calif., to the United States. During the time this property was owned by the RFC, local tax authorities collected approximately $50,000 annually. Now that the property is in the hands of the General Services Administration, this property is no longer on the tax rolls. Additionally, however, I am advised by the Commissioner of Public Buildings, General Services Administration, that the $50,000 which has been going for taxes will be collected by the Federal Government in accordance with a ruling of the Comptroller General. This is so that the lessee shall not derive an unfair competitive position from this situation. Because of existing law, this $50,000 cannot be turned over to local taxing authorities.

The Armed Services Committee has just approved acquisition of Plancor 20, occupied by Convair, a division of the General Dynamics Corp. The tax revenue to San Diego city and county from this piece of property has been approximately $183,000 per year. Now that title will become vested in the Government of the United States, this revenue will likewise be lost to local taxing authorities. It is anticipated that there will be an increase of local taxes for 1956 of 12 cents per $100 evaluation. Part of this increase is attributable to these acquisitions.

Many other districts throughout the country are faced with this difficult problem. It, therefore, seems completely appropriate and I urge that the Congress conduct hearings and take appropriate action to provide seriously needed relief to the local taxpayers of districts so affected.

THE LATE COL. WILLIAM MITCHELL

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I have today introduced a resolution to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, as of the date of his death in 1936.

It will come as a surprise to many who know of the pioneering exploits of Gen. Billy Mitchell, to learn that he was never given the permanent rank of general. At the time of his death, Mitchell was a colonel, although he had been temporarily promoted to brigadier general while serving as Assistant Chief of the Army Air Service from July 16, 1920 to April 26, 1925. He reverted to his permanent rank of colonel at the end of his service as assistant chief.

Surely, time has healed the raw spots that understandably developed out of Billy Mitchell's zealous advocacy of the importance of airpower. He was a pioneer, and as such, he suffered the "slings and arrows of outrageous fortune" that so often befall a pioneer.

The 79th Congress recognized Billy Mitchell's contributions to aviation by granting him the Medal of Honor. Today, the National Air Museum, through the kindness of George Stephenson, of Philadelphia, is preparing a bronze sculpture of Billy Mitchell, and it seems fitting that the rank of major general be accorded to Colonel Mitchell, so that his monument may carry the designation of generalship, which he held at the time of his history-making activities.

Billy Mitchell's career was in the best American tradition. He entered Federal service as a private in the Spanish-American War, working his way up through the ranks of the Signal Corps, from which evolved the Air Service, later to become the Air Corps and, eventually, the Air Force.

Although Mitchell's widow is still living, no allowances or other financial payments will result from the enactment of this resolution.

FREDERICK B. RENTSCHLER, LEADER IN UNITED STATES AVIATION

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, yesterday I had the distinct pleasure to include in the RECORD a statement made by Frederick B. Rentschler, chairman of United Aircraft Corp.

The race for jet airpower, as Mr. Rentschler so aptly pointed out, has become a subject of much confusion through the speculation of those who have no basis for their statements. Although this is hardly the time for rosy optimism toward our Nation's ability to defend herself, neither is its appropriate for widespread rumbles of hopeless pessimism.

I think Mr. Rentschler has given us a cold and accurate appraisal of the facts. He draws on his many years as an expert in the field of aviation and his knowledge of the comparative airpower of the Russians. In the light of his statement, it appears the United States has not relinquished her long-standing lead in the race for jet airpower. The American Sabre F–86 has been proven superior over the Russian-made MIG–15 by direct experience in Korea. During the 1950–55 period it is likely that we have maintained our lead with jets of greater thrust, expert engineering know-how, research, and development. Above all this, as Mr. Rentschler brings out, we have a capacity for production of aircraft which is unsurpassed. When Germany was producing 10 to 15 thousand planes annually

during World War II, America reached an annual output of 100,000.

It is by these truths spoken out by Mr. Rentschler and others who are leaders and authorities in the United States aviation that the public can be made aware of our true air potential.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 102]

Bolton, Oliver P.	Horan	Mumma
Boykin	Jackson	O'Konski
Canfield	James	Polk
Chatham	Kearney	Powell
Dingell	Kearns	Priest
Doyle	Knox	Prouty
Eberharter	Knutson	Reed, Ill.
Ellsworth	McDowell	Reed, N. Y.
Evins	McGregor	Rivers
Gamble	Mack, Ill.	Scherer
Gubser	Morrison	
	Moulder	

The SPEAKER. On this roll call, 402 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

STRENGTHENING OF RESERVE FORCES

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 291, Rept. No. 995), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7000) to provide for strengthening of the Reserve Forces, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMMITTEE ON EDUCATION AND LABOR

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may be permitted to sit during general debate this afternoon.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1956

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight tonight to file a conference report on the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SUBCOMMITTEE ON RIVERS AND HARBORS OF COMMITTEE ON PUBLIC WORKS

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Rivers and Harbors be allowed to sit this afternoon during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDING MUTUAL SECURITY ACT

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from South Carolina.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, S. 2090, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from South Carolina [Mr. RICHARDS] had 53 minutes remaining; and the gentleman from Ohio [Mr. VORYS] had 1 hour and 10 minutes remaining.

The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, I think I ought to say something, which has already been said much better than I can say it, and that is to express appreciation to the chairman of our committee who has presided in our committee hearings so graciously and fairly. My deep appreciation to him. Also to those who have control of the time on our side, who have seen to it that those of us who hold opposing views have been granted an opportunity to express those views. For that I am grateful.

Now permit me to point out some of the reasons why I think this bill is not in the form in which this House ought to accept it; and there are many such reasons. Some of them have already been pointed out by previous speakers. In the minority views, which four of us filed, we said a thing which is in the minds and hearts of many Members on this floor, I am certain. That is, that there are many good parts in this bill which is here before us for action at this time. There are many portions of this bill, I repeat, which have merit and ought to be supported. Unfortunately, there are other parts of overriding importance, which are not the type of legislation that this House at this time ought to enact. To try to point out some of those portions to the Members of this House, in the first place, we ought clearly to understand that the American people feel friendship for the peoples of nations throughout the world. We contend that some of those peoples do not have the type of leadership that they ought to have, and that is tragically unfortunate at this time, but between our people and peoples throughout the world, we cherish and hope for an understanding friendship. In that connection, Mr. Chairman, we must remember I think always that the mere giving of dollars does not buy friendship. It takes more than that. It takes understanding. It takes communications back and forth. It takes the knowledge of the problems which confront the people of our country and the peoples abroad. I think we run grave danger in this country when we say to ourselves, as I fear some people do, that if we pass a bill authorizing an appropriation of $3,285,000,000 for foreign aid in this coming year, by that act we have assured the safety of this Nation, that by that act we have discharged our obligation as citizens of this Nation. It is not enough for us simply to give dollars. I think for too long we have relied upon that philosophy, but if we are to be successful in our fight against communism, if we are to build a world which is free and in which the various nations have independence, it involves more than merely authorizing the appropriation of dollars and walking out of this Chamber saying: "We have done what we can; we have made dollars available."

You may ask yourselves: "For how long will this type of program continue?" To that I think none of us on the committee and possibly no one in the executive departments can give a definite answer; so that in itself ought to set up a warning signal for us. You are carrying forward, if you vote for this bill, a program for which there is no foreseeable termination date at this time. We must therefore ask ourselves: "Are we prepared to vote for this type of program indefinitely in the future? Are we prepared to say to our taxpayers, those who work to earn the dollars which go to pay their taxes, are we prepared to say to them 'You must look forward year after year and year after year to a continuation of this program.'?"

I think not.

I think we as representatives have an obligation not to embark upon such a program, for which there is no foreseeable termination.

Next, there is in this bill more than in any other similar legislation which has been brought before the House during my period of service here, a looseness, a lack of congressional and executive control which I think perhaps is the most dangerous thing in the whole piece of legislation.

If you have read the bill and if you have then related it to the measure which was enacted last year, which you must do to read it understandingly, you will find that we are moving in the direction of making great sums of money available to be used in large areas of the earth without by this legislation pinning it down to specific purposes and to specific areas. The term "blank check" is frequently used, but I must say in all honesty, Mr. Chairman, I believe here is a bill which more than any other foreign aid legislation in my service here, I repeat, is a blank check.

We in the Congress have lost control over the expenditure of these funds. We are not discharging the obligation fully for which we were sent here if we enact this legislation and, just as important, I am convinced that the executive department also has lost control. Let me illustrate what I mean by that.

Some month or 6 weeks ago the executive department said they would have committed, in their opinion, all of the funds which have been heretofore authorized and appropriated, by June 30, 1955, except $100 million. When this matter was then considered in the other body it appeared that that was not the case, that there would be more than $100 million uncommitted and unspent at that time. So the other body wrote into this bill a limitation of $200 million, as the amount the executive departments will have to spend of money heretofore appropriated but not committed. In other words, all the money previously committed will be available plus the $200 million.

We now get further reports upon this matter and do we find that $200 million is enough? Indeed, we do not; we find that there will probably be at least $600 million of the previously authorized money which is not committed and which will not be committed on June 30 of this year.

As the bill now stands, of course, the $200 million limitation is still there. But the point I am trying to make to the House at this time is this: That here is one demonstration of the fact that not only the legislative but the executive branch has lost control of these funds. Those in charge of the program are not sure of the amount of money that is expended or that is unexpended at any given time. They are not sure how much money will be available for future expenditures. If we find that kind of looseness in this measure and the way it is administered, then I say we as Representatives of the people of the United States have an obligation to try to write into this bill stricter controls.

Previous speakers have said that there are certain implications of foreign policy in this measure. I agree with that point of view. We recognize that the first obligation with respect to the making of foreign policy lies with the Executive, but, certainly, a measure like this does relate itself to foreign policy. If we agree with that, then it seems to me, if we propose and enact legislation of this kind, that we ought to build a policy which strengthens our friends.

If this is a measure which contains benefits for those nations that have been our friends and at the same time benefits for those nations that have not seen fit to go along with us in the field of foreign policy, then I say to my colleagues we are doing a very poor job of implementing our foreign policy.

We in this Congress have an opportunity to improve this legislation. We have an obligation to discharge our responsibilities. Let us face the situation and let us discharge our responsibility as Representatives of the people of the United States.

Mr. BEAMER. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Indiana.

Mr. BEAMER. I want to compliment my colleague for his able presentation to the House. I feel that his remarks should have been listened to by every Member of the Congress. He made a point, are we getting friends with this program? I have had the privilege of visiting many countries with my own committee which also has to do with foreign relations but from an entirely different point of view. So many times I have heard this statement made: You cannot buy our friendship, you have to earn it. I think that is what my colleague is saying. Now may I ask this question: Does the gentleman remember in previous Congresses when this particular measure was considered we have always been told that this is the last request we will make, we will not ask for another one next year, or something of that kind?

Mr. ADAIR. There have been implications, I may say to the gentleman, that we were drawing near the end of the program, but unfortunately we cannot say that now, we do not see an end to the program.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Minnesota.

Mr. JUDD. I think my friend will agree that some of us have said from the very beginning that there is no way we can end this program until we win the struggle in which we are engaged.

Mr. ADAIR. That is true.

Mr. JUDD. We have never concealed the fact or tried to give the impression that this was anything but a long-term program, and that if we do not stay at it until we win the cold war, we are going to have a hot war.

Mr. ADAIR. The gentleman from Minnesota has been one of those who has seen that it would be a long-term program.

Mr. DODD. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Connecticut.

Mr. DODD. I have been very much interested in the gentleman's remarks and I find myself in considerable agreement with them. I wonder, though, if he can tell us more specifically what he would suggest we do. For myself, I do not find it enough to say that we should be better friends. Can he tell us specifically how?

Mr. ADAIR. In the little time I have, obviously I cannot do that. There are many ways in which it can be accomplished. Generally, it would be in the development of people-to-people programs rather than relying upon governmental operations.

Mr. RICHARDS. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. JARMAN].

Mr. JARMAN. Mr. Chairman, I would like to join my colleagues on the committee in paying tribute to our chairman, the gentleman from South Carolina [Mr. RICHARDS] for his friendly and courteous and very capable handling of our hearings on this major piece of legislation. I would like also to add my tribute to the able and dedicated efforts of the staff who helped us so much in bringing this piece of legislation to the floor.

Mr. Chairman, in recommending that Congress authorize a continuation of the mutual security program, President Eisenhower stated that he considers this program an indispensable part of a realistic and enlightened national policy. The President added that the fixed unwavering objective of that policy is a just, prosperous, enduring peace.

Forty-eight witnesses, some of them civilian and military leaders of our Nation, appeared before our committee in behalf of S. 2090 presenting additional facts and arguments to justify the President's request. No witness appeared in opposition.

Mr. Chairman, this is my first year on the Foreign Affairs Committee and I do not pretend to be an expert on the legislation now before the House. However, I have given a lot of thought to the issue of extending the mutual security program for another year and I have listened carefully to the evidence. I am convinced that the welfare of the United States and of the free world, in meeting the challenge of communism on a global scale, requires me to cast my vote for S. 2090 and a continuation of this program.

Mr. Chairman, I have made clear my support for S. 2090. In doing so, however, I am compelled to underscore that portion of the committee report which is critical of results under the investment guaranty program. In particular, I refer to that language on page 42 of the report, stating:

> The committee is not satisfied that broad criteria have been applied by the executive branch to the guaranty provisions nor that the participation of private enterprise is being facilitated or increased to the maximum extent practicable. From testimony and other evidence before the committee it is clear that the interpretation placed by the executive branch on the type of investment covered has been unduly narrow, contrary to the intent of Congress. The committee, which drafted these provisions, states that it has always been its intent and is now its intent that the executive branch exercise the utmost imagination and effort to expand the investment guaranty program beyond this narrow and unintended concept to include indirect investments as well as direct investments.

Supporting the principal of mutual aid as I do, it is not pleasant for me—or for our committee—to be critical of the way one of the major operations under the program is being administered. Yet the time has come when we must speak candidly and even bluntly.

Since the inception of the aid program in 1948, the Congress has laid great stress on the need to stimulate private foreign investment as an indispensable objective of mutual security. Direct aid out of public funds has been regarded as a stopgap measure. In the long run, we hoped to restore and develop the economies of other nations to the point where the normal flow of private foreign investment would be adequate to carry on the program. Nor should it be overlooked that any increase in private foreign investment tends to reduce the drain on public funds for mutual aid and lessen the taxpayers' burden.

Recognizing, however, that private investors were properly wary of foreign investment because of the political and economic uncertainties of the international situation, the Congress did more than utter pious platitudes in the direction of private foreign investment. In the very first aid bill in 1948, largely at the insistence of our committee and this House, the Congress authorized the guaranty or insurance of new foreign investments against the risks of inconvertibility of foreign currencies. Later, in 1950, the guaranty authorization was extended to include protection against the risk of foreign confiscation of these investments. Thus, the Congress has said that for a small insurance premium, the private investor wanting to invest abroad may obtain insurance against the major noncommercial risks he faces in making such investments.

But an examination of what has happened will reveal there is every indication that the executive branch has never been particularly enthusiastic about this guaranty program. Not that this lack of enthusiasm has manifested itself by any open or direct opposition. On the contrary—fond lip service has been paid to the need for more private foreign investment and approval was given the guaranty program. But the fact is, not enough has happened under this program despite all congressional efforts to encourage it.

Year after year after year our committee first patiently but finally impatiently, demanded to know why there were not more tangible results under the guaranty program. Time after time we have urged the executive branch to come forward with constructive proposals to make the program more effective or to offer realistic alternatives thereto. Yet the grim fact is that until very recently the results were seriously disappointing, when measured in terms of the problem. It was sometimes hard not to ask one's self whether the persons responsible for this program in the executive branch were honestly sympathetic to it and its objectives. I do not believe these persons are incompetent so I exclude that reason as a cause of failure. Neither do I believe there is a trace of partisan politics involved. A Republican-controlled Congress first inaugurated this program in 1948 with full bipartisan support. It was first administered by a Democratic administration and now by a Republican administration. Always the results have been highly disappointing.

Let us be concrete: In the 7 years since 1948 total guaranties aggregate only ninety-odd million dollars. The fact that FOA succeeded in stimulating $90 million in new foreign investment in 7 years is no small miracle in view of all the obstacles they faced. Still, we must recognize the fact that in the same 7-year period, the Congress has appropriated almost $40 billion of the taxpayers' money for aid in support of the same general objectives. Thus, the relative inadequacy of results under the guaranty program reflects itself in the stupendous amounts we are called upon year after year to appropriate as mutual aid.

The only hopeful or encouraging developments are:

First. In the past year the Guaranty Branch of FOA has almost doubled the amount of insurance it has written and the number of pending applications indicates real investor interest in the program, if only we can blast open administrative bottlenecks.

Second. At long last the executive branch is beginning to take a little interest in using the guaranty program in Latin America. The executive still insists on demanding difficult country agreements—not required by the law—but it is encouraging to see any favorable results in Latin America—an area we know the American investor is interested in.

Third. The men responsible for administering this program in FOA have first-class reputations and show every indication of taking their responsibilities seriously. Given the right kind of cooperation, I believe these men in FOA might produce some dramatic results.

Fourth. Your committee heard testimony that FOA is seriously interested in extending the guaranty program to the indirect or portfolio type of investment. In fact we learned that a concrete proposal has been put forward to organize an investment company or mutual fund to specialize in portfolio investments of foreign securities and that such company will be organized if FOA will provide its customary insurance guaranties. Our committee was most interested in this proposal and its potential implications for opening up a whole new source of private foreign investment.

Taken as a whole, these four developments would be highly encouraging except for one important fact, namely, the degree to which other agencies of the Government appear to be dragging their heels and frustrating FOA's efforts to capitalize on these new developments. I shall not name names or make specific charges at this time. All I will say is that I have commenced a little informal study of what really seems to be holding up this guaranty program and I do not like what the record appears to be developing.

I will add this: Right now I am strongly inclined to suspect that year after year we have been criticizing the persons actually administering this program, whereas in fact they have been doing their level best to make progress. However, every time they try to expand the program into a new field as Congress has directed, they must get policy approval from other interested Government agencies and they run squarely into a stone wall of passive opposition and stalling tactics. Again, without pointing any finger of accusation but for purposes of illustrating my point, I will direct attention to the fact that under the law—Bretton Woods Agreement Act as amended by the Economic Cooperation Act of 1948—the broad policy aspects of the guaranty program come under the scrutiny of an all powerful Cabinet committee called the National Advisory Council on International Monetary and Financial Problems—commonly called the NAC. This is a highly desirable instrument for coordinating international economic policy at the executive level. At the same time I emphasize that the NAC was established by the Congress to further the policies of this Government as defined by law and not for the purpose of defeating or emasculating those portions of such policies with which individual Cabinet members may personally disagree. If they disagree they should have the courage to come out in the open and tell Congress. They should not hide behind the cloak of anonymity afforded by NAC to vent their opposition to the law.

Mr. Chairman, I think I have made clear what is bothering me—and I believe others—about what is happening under the guaranty program. All I wish to add is that if we are aware of the real situation, the Congress can keep its eyes open and be on the alert for further signs that remedial action is called for.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to associate myself fully with what the gentleman has said. As he knows, we worked together in committee for an enlarged investment guaranty program. There has been a certain psychological factor which has hindered the program. Some of our officials have taken the position that if these countries were in good enough shape, then they could get loans through regular banks. That is true, but it is like saying to a man with pneumonia, "You get well and then we will give you the penicillin." If he could get well on his own, he would not need any penicillin. It is precisely because some countries are not in good enough conditior to justify regular banking loans that the investment guaranteed program is needed.

It is a means by which in many cases we can give aid from private sources without drain upon the taxpayer through appropriating public funds for direct aid.

I want to say now that as the gentleman knows, I intend at the appropriate time, to offer an amendment to increase the present authorization from $200 million to $300 million because, in the last 6 months, there has been a marked increase in applications. There are now pending applications for guaranties in the amount of $189 million. They are doubtless not all sound projects and will not all be granted. But it is clear there are already active applications taking us above the present ceiling. Certainly we ought to provide an authorization adequate to take care of all additional applications that may be

approved by the proper authorities. I commend the gentleman for his interest in and support of this program.

Mr. JARMAN. I thank the gentleman and say that I shall suport his amendment, because I think it is a further expression of the already established position of the Congress on this matter.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. I think the gentleman has made a very fine statement. He has pointed out that until political conditions are stabilized we cannot expect much in the way of foreign investment. It seems to me that that is the basis for this whole loan program. Until we have something in the way of stabilized conditions, we are not going to attract very much money in certain parts of the world.

Mr. JARMAN. I thank the gentleman for his contribution. Of course, the gentleman will remember one witness who appeared before the committee who indicated that the mutual company he represented was prepared to issue a $25 million foreign securities investment program, if it could get the necessary guaranties, and such guaranties are possible under existing law. Congress has established the policy in favor of a liberal approach to such guaranties and the Executive should be carrying out that policy.

Even under the limited operation of the investment guarantee program, guarantee contracts in the sum of 91,400,000 had been issued as of June 30, 1955. As of June 24, 1955, applications were pending in the sum of $189 million. These figures are indicative of the possibilities that are inherent in this program, because the program is just beginning.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I commend my colleague on the quality of his statement, and personally thank him for the fine contribution he has made.

Mr. JARMAN. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman will have to contend with the United Nations which, with the United States representative opposing it, about a year ago passed a resolution saying in effect that "At any time we see fit we will nationalize industries in our countries, expropriate, or do anything we want to do." Notice was served on us then. How under those circumstances can the gentleman feel that there is a climate of friendship for American investment?

Mr. JARMAN. I would say to the gentleman that under the law and under the operation of the program, an agreement between the United States and the nation in which the investment is to be made must be reached before the individual investment is covered by the guaranty. The best answer to the gentleman's comment is the fact that 26 countries have already signed the necessary agreements with the United States.

Mr. JUDD. If the gentleman will yield, the fact that there are unstable conditions is the basic reason for the investment guarantee program. Of course, we guarantee them against only two things—inconvertibility and expropriation. If the investors make some money we guarantee they can convert it into dollars; and too, we guarantee reimbursement if their property should be expropriated by action of their government. We do not guarantee them against riot, disorder, mobs, or war—but just against those two contingencies, in order to induce our investors to put their own money into what they and our authorities agree are sound projects. We have been operating it for 6 years and it has not cost us anything. In fact, we have received a little over a million dollars in premiums, which amounts to half a percent of the total amount of the guaranty. It is a premium like that charged by the Federal Deposit Insurance Corporation for insuring deposits in banks.

Mr. JARMAN. The point the gentleman from Minnesota makes is certainly worth bearing in mind, because this program has not cost the Government a dime. We have made a million and a quarter dollars on the premiums paid. It has great possibilities in private investment that will obviate the necessity for Government aid.

Mr. CHIPERFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, Senate bill 2090, which the Committee presently has under consideration, authorizes a total amount of nearly $3.3 billion in foreign military and economic aid for the coming fiscal year of 1956. This is a substantial increase over the amount of approximately $2.8 billion which was appropriated by the last session of the 83d Congress for the same purpose.

While I rise in opposition to this bill because of the nature of many parts of the program, and because of the amount of money involved, an amount which I believe to be excessive, I am not opposing the concept of foreign aid as such. I believe that there have been many occasions in the past when foreign assistance was eminently desirable and probably saved many free countries of the world from Communist conquest and subversion. I believe that certain parts of this program have merit, such as the technical assistance features, and I would vote for appropriations to continue such parts. But the undesirable portions of the program are such that I cannot, in good conscience, vote for its passage.

I must, however, take this occasion to thank the chairman of our committee, the distinguished gentleman from South Carolina, and ranking members on both sides of the aisle for their consideration and kindness to those of us who signed the minority report. I personally deeply appreciate their attitude shown to those of us who are in honest and sincere opposition to the legislation now under consideration. I would also like to thank the members of the committee staff for being unfailingly helpful and courteous to all of us who differed with the majority of the committee. I especially want to thank Mr. Sheldon Kaplan, of the staff, for the invaluable assistance he rendered in the preparation of the minority report.

Mr. Chairman and Members of the Committee, you have before you a minority report on Senate bill 2090, signed by the gentleman from Wisconsin, the gentlewoman from Illinois, the gentleman from Indiana, and myself. None of us is opposed to this bill merely for the sake of opposition or even primarily for the sake of economy. We all recognize the need for the continuance of some foreign aid in some form. But we are in opposition to the program which is now presented to you.

At this point, Mr. Chairman, I should like to read an editorial from the April 22 issue of the Detroit Free Press entitled "More Billions in Foreign Aid," and which calls for closer scrutiny of this program than has been the case in the past. No one in good faith can accuse the Free Press of being an isolationist organ, and the editorial which I now read sums up the reasons for the degree of concern with which many of us view the pending legislation:

The American people have been asked by President Eisenhower to provide $3½ billion in tax money for military and economic aid, mainly for Asia.

We are told this is an indispensable part of a realistic and enlightened foreign policy. That the objective is a just, prosperous, enduring peace. That the money is needed to meet the threat of Communist aggression and subversion, especially in Asia.

And that is about all the American people know about $3½ billion in foreign aid.

We submit that it is not nearly enough information on which to base an intelligent, realistic decision.

How much of that sum was suggested to foreign governments as a gift by Washington bureaucrats whose job it is to give away dollars?

How much money actually was requested by responsible leaders of foreign nations? Would it be too much to ask these foreign leaders to discuss openly and frankly why they asked for our money and what they intend to do with it?

We know what our objectives are in making the money available: To maintain friendship and defenses against further spread of communism, to serve humanity by helping underprivileged people.

But, what are the objectives of the nations to be aided? If they are parallel with ours why don't representatives of those peoples say so, instead of having our own foreign aid employees "interpret" the objectives of hundreds of millions of peoples in the far corners of the earth?

What precautions will be taken to insure that our $3½ billion is spent for the stated purposes should it be appropriated?

There have been well-documented cases in the past which prove supervision on our part and responsibility on the part of our foreign friends have been badly lacking.

We are not opposed to the principle of foreign aid as such. It can be made to accomplish a great deal in developing backward nations—and that can be a great boon not only to the nation involved but to the whole world through strengthening free governments and discouraging the growth of communism—which feeds on poverty and ignorance.

In addition, the promise is that we are building future markets for our goods. And, if our economy is to keep on expanding that is an important consideration.

We do believe, however, that the American people are entitled to much more complete and frank answers than they have received in the past before our representatives in Washington can conclude that public opinion supports the appropriation of $3½ billion for foreign aid.

It is reasonable to expect our Congressmen to seek straightforward answers, not only from our foreign aid officials, but from the leaders of governments which are requesting help.

We are confident that in this way a solid foreign aid program could be put together. It hasn't been done in the past because we have been too shy or stupid to ask proper questions and safeguards; or because we have been too eager to get rid of some of our money.

My three colleagues and I not only do not feel that sufficient scrutiny and study has not been given the present program but that the whole foreign aid picture itself is getting further away from congressional control than has been true in the past. Take this $200 million for the Asiatic development fund. All we have been told is that it is going to be spent in free Asia sometime before June 30, 1958. We do not know where it is to be spent, how it is to be spent, nor what it is expected to accomplish. The executive branch does not have such information nor indeed any planned program for this money. How could Congress be expected to have it? Indeed, not even the Asian countries themselves have any clear idea of what they are going to do with the money.

Mr. Chairman, I consider that such cases where we are asked to appropriate money for a program which has not yet even reached the planning stage is a perfect example of how Congress is being asked to abdicate its responsibility in such matters. But even when we know where and how money is to be spent, grave criticisms arise in respect to the use of the funds.

Take the case of Yugoslavia, for example. In section 142 of the present legislation, the Mutual Security Act of 1954, there is found this proviso:

No assistance shall be furnished to any nation under this title unless such nation shall have agreed to permit continuous observation and review by United States representatives of programs of assistance authorized under this title, including the utilization of any such assistance.

Now, in its majority report the committee admitted that the Yugoslav Government has not been fully cooperative in carrying out these requirements.

That means, in effect, that provisions and conditions of eligibility have been violated and the House would be fully justified in eliminating all aid to Yugoslavia from this bill until she fully lives up to her terms of the bargain.

I have defended aid to Yugoslavia in the past, not only on the floor of this House but in many speeches in my own State, sometimes before bitter anti-Tito groups. I did it on the same basis as I justified aid to Spain; we did not endorse either form of government, but we needed them both, and we were convinced that both Tito and Franco were genuinely opposed to the Kremlin. But how different the situation today. We could not ask for more cooperation we have received from Franco, we could not find a more determined anti-Communist state in all of Europe. I will support every penny of aid to Spain that is in this bill. But what are we to think when we observe the growing friendship between Belgrade and Moscow? What are we to believe when Tito announces his intention to visit the Kremlin as an honored guest? What are we to say when our military representatives in Yugoslavia are barred from seeing the disposition of the jet planes we have sent to strengthen the Yugoslav air force? How can we take a Communist dictator to our bosom who has received millions of dollars from us and who has not paid out one cent of reparations, who has not even expressed his regrets over shooting down American planes and killing American boys only 9 years ago? Those, Mr. Chairman, are questions which I cannot answer.

There are those who claim that to deny aid to Tito would drive him into the arms of the Kremlin. Can such people ever believe that Tito would ever fully trust the bosses in Moscow or that they would trust him? I tell you that Tito would not dare to go back to the Kremlin even if he wanted to. He is enough of a realist to know that he could never be fully absolved from the sin of Communist heresy no matter how much he recanted. Our memory may be too short to recall the incidents of 1946, but the Cominform's memory is long enough to remember the break of 1948. Tito will never abandon his pretense of independence and so-called neutrality, regardless of what we do here this afternoon.

Mr. Chairman, we might also think for a moment of the people of Yugoslavia. Tito was never freely chosen or elected by those people, and his only popular support has been derived from his defiance of the Kremlin. The people of Yugoslavia today do not have freedom, real freedom, freedom of opposition to those institutions of which they may disapprove. Do you think that a debate such as we are conducting here this afternoon would be possible in the Yugoslav Parliament? Now I have heard in Congress and elsewhere much talk about freedom for Poland, for Czechoslovakia, for Hungary, and the other Communist satellites. I am afraid that freedom for Yugoslavia from the Communist dictatorship of Tito is something that has been forgotten. And yet we are being asked to vote more millions to keep this dictatorship in power and to keep the Yugoslav people in slavery. The inconsistency of such an argument appalls me.

Take a look now at another part of the program, of that other self-styled independent neutralist, Prime Minister Nehru. I sometimes think that Tito and Nehru are engaged in a contest to see who can hew more closely to the Communist line without actually becoming a satellite of Moscow. To strengthen my own opinions in this matter, I turn again to the Detroit Free Press of June 25 and read an editorial entitled, "Nehru Likes Any Color Just So Long as It's Red":

Five years ago today, with neither warning nor provocation, Communist North Korea invaded South Korea.

The given reason: South Korea's refusal to be taken over by Moscow carpetbaggers.

The avowed objective: total conquest.

That same day the United States Security Council issued a cease-fire order, termed the Red's attack a breach of peace.

Two days later, President Truman ordered intervention by United States forces. Within hours after that, the U. N. Security Council asked all U. N. members to help the South Koreans.

From first to last, and ever more conspicuously, North Korea acted as a Russian puppet.

It was the Moscow papers which 4 days before the invasion published North Korea's militant demands upon South Korea. They called for merging the legislative bodies of north and south. The U. N. Commission in South Korea was to be ordered out. "Enemies of peaceful unification" were to be arrested as traitors.

Russian-built tanks dominated the early battles. When General MacArthur's forces verged on victory, Red Chinese divisions were poured in to shift the balance. Shortly the Russians, in person, began to appear. They flew fighter planes and did the jobs for which their Oriental catspaws lacked technical capacity. MIGs struck from north of the Yalu.

That was the pattern from first to last, including the bad faith and obstructionism which dragged out peace negotiations for 2 years and 17 days. The pattern has continued with flagrant violation of truce terms by the Reds.

Against this background, consider an event of the past week.

At Moscow, India's Prime Minister Nehru and Soviet Premier Bulganin issued jointly a document they were pleased to call a communique.

Here are some of the things it called for: mutual respect for others' territorial integrity and sovereignty.

Nonaggression.

Noninterference in others' internal affairs for any reason of an economic, political, or ideological character.

Peaceful coexistence.

With this went a demand that we give Formosa to the Communists and the customary Soviet hypocrisy about banning atomic weapons—all implying that your Uncle Sam is the real villain on the international stage.

The world has had time to become accustomed to the flagrant, almost idiotic, disregard for fact with which the Kremlin concocts its pronouncements.

But Nehru is still new enough to produce amazement when he lends himself to furtherance of Moscow's big lie technique. The Prime Minister of an avowed Red satellite, with Moscow's noose around his neck, could be no more obliging nor have a greater look of unquestioning servility.

Obviously Nehru is not a simple-minded man.

That doesn't account for his ability to look at the facts of the war which started 5 years ago today and at the same time put his name to such nonsense as the past week's joint communique.

The only other possible conclusion is that far from being the neutralist which his apologists try to make out, the Prime Minister of India is a Kremlin man through and through.

This reference to Nehru's recent trip to Moscow as an honor guest and the joint statement which he issued with Marshal Bulganin should be borne in mind by all Members before they vote $70 million for development assistance funds for India, the only country in Asia to get such money except a small amount for Nepal.

I am sure that the last of Nehru's studied and unprovoked gestures of hostility toward this Government are fresh in the minds of all of us. Do you recall

2 years ago when he termed President Eisenhower a warmonger and a threat to world peace? More recently, he has arbitrarily curtailed service to India by two United States airlines, an action which will cost the American taxpayers still more money through the necessity of increased subsidy payments. He has placed an order with the Soviet Union for a million-ton steel mill for which he is reported to be paying $91 million. He has consistently parroted the Communist line with regard to Formosa, Indochina, and indeed our entire Far Eastern program.

The majority report states that India claims to be a neutral country. I take issue with such a claim. I regard some countries, such as Sweden and Switzerland, to be neutrals in the true sense of the word but I have examined the record carefully and it would appear that Indian neutrality is entirely weighted in favor of communism. Name me one instance during the last 2 years when Nehru has attempted to balance the record, when he has criticized the Soviet Union in terms as sharp and hostile as he has continually employed against us. I do not think you will find such an example for I believe there is none there.

Of course, I sympathize with and approve of what the Indian Government is trying to do for its own underdeveloped peoples. Of course I would regard it as an international tragedy if India went Communist. I believe our technical assistance program to India should be continued. But look at what this $70 million figure includes: $4 million for fertilizer, $4 million for deep irrigation wells, $2 million for river valley development, $5 million to construct electric power facilities, $15 million for steel, $6 million for transportation, $4 million to extend malaria control and $30 million of surplus agricultural commodities whose proceeds will go for local costs of irrigation, flood control and power.

Why is it necessary for our Government to continue to pour such vast sums into India, almost alone of all the countries of free Asia. I will tell you why. It is because the Indian Government is basically a Socialist government and consequently is unwilling to guarantee a favorable atmosphere for American private capital and industry to do the job although this would mean the task would be done at no expense to the American taxpayer. I would like to warn my colleagues that if they vote for this $70 million for India, they should be prepared to explain to their constituents why they are voting subsidies to a Socialist state which is unwilling to permit private investment and capital to come in from outside and operate at greater efficiency and with 100-percent savings to this Government.

Let us now go back to the matter of military aid in Europe. Only a short time ago this House unanimously adopted a sense resolution, sponsored by the distinguished majority leader, the gentleman from Massachusetts, to the effect that the United States should support other peoples in their efforts to achieve self-government or independence. That was a noble resolution and I voted for it, as did every other Member of the House present at that time. But now we are being asked to vote millions of dollars in military equipment to nations who practice just the opposite of what we have already endorsed.

We have all gone on record against any and all forms of colonialism. Are we now going to vote money for those countries who still practice colonialism, countries which still deny self-government and independence to the people under their rule? We are told that we must furnish this aid to certain west European powers under our NATO treaty obligations. What are we then expected to do when France removes troops and planes from West Europe, in violation of her NATO commitments, and sends them to North Africa for the purpose of consolidating her colonial rule. This again appears to be a completely illogical part of the present foreign-aid program. I believe that our conditions of eligibility for military aid should include a requirement that the recipient nations also endorse the principles contained in House Concurrent Resolution 149, the McCormack anticolonial resolution, and I intend to offer an amendment today to that effect, as I have already advised my colleagues.

Mr. Chairman, I honestly believe that this foreign-aid program requires a reappraisal and a "New Look." I have only pointed out a few faults and inconsistencies in the bill, but there are many others. I would be happy to see this bill returned to committee for further study and examination. Do not be afraid of crippling the program by such action. There are already more than $8 billion worth of funds which have not been expended, funds which are still in the pipeline, funds to keep the program moving for another 2 years at present rate of expenditures. The American people are not happy about foreign aid, for which they have voted so many billions in the past. And in new funds for the coming fiscal year alone you are being asked to vote approximately $20 for every man, woman, and child in the United States.

Not too many weeks ago my friends on the majority side of the aisle were making a great argument about the value of a $20 tax cut and the effect it would have upon this Nation's economy. Their arguments were rejected because of the inflationary effect it would have had upon our unbalanced budget. But if you voted to send this foreign-aid program back to committee and refused to authorize any new funds for the coming fiscal year, if you confined yourself to merely reauthorizing the unexpended balances of eight-billion-dollars plus, you would be, in effect, accomplishing the same result by a $20 tax saving to everyone in this country. I can assure you that that would be a very welcome gift to your people, indeed.

Mr. Chairman, history has proven the utter and complete failure of so-called pocketbook diplomacy, of our many attempts to purchase friendship throughout the world. Those friends that we do have, let us take notice of that friendship and perform accordingly. Those nations that wish to be neutral or independent of both us and the Soviets, let us respect their desires but let us stop trying to bribe them to remain on their chosen path. Those nations who wish to achieve the maximum in concessions from both East and West and who plant one foot in Moscow while the other is in Washington and who have their hands out on both sides of the Iron Curtain, let us tell them that the wealth and resources of this country are not to be used for international blackmail. Give us an opportunity to review the program in this light, a realistic, American light, with due respect for the rights of others but asking that all free countries make equal sacrifices in the cause of independence and democracy. If we in Congress are going to write out a $3.2 billion check, let us make sure that we understand what the money is to be used for, where it is to be spent and what we expect to accomplish by it. Those questions, to me, remain unanswered in the provisions of S. 2090. I am opposed to the bill in its present form.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. JOHNSON of California. When the State Department comes before your committee and makes these requests, which are for tremendous sums of money, I assume that they always justify every item that they are asking for. Did you do that in this case?

Mr. BENTLEY. They attempted to justify a great deal of the money which they requested, but I may say I believe there were only 10 days of hearings on this particular legislation before our committee as compared with much longer periods of time in the past. But, I think the point I failed to put across to the distinguished gentleman is that nowhere do we have a statement on the part of any of the responsible officials of the foreign governments as to how much they wanted or what the money was to be used for or any of the objectives to be accomplished.

Mr. JOHNSON of California. I would assume that the Department through their people abroad contacted the governments that are making the requests and justified it to themselves before they went before you.

Mr. BENTLEY. They may have justified it to themselves, but I cannot recall where any statements on the part of the foreign officials of the recipient governments were quoted to us during the hearings.

Mr. JOHNSON of California. Perhaps my question was not clear. I was not referring to the officials of the foreign governments justifying these requests to themselves, but these requests certainly should be justified to our Secretary of State and he should pass the word on to you and justify these requests.

Mr. VELDE. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. VELDE. I commend the gentleman on his statement, and at this time I want to say that I associate myself with the gentleman from Michigan and the other three Members who signed the minority report on this bill.

Mr. VELDE. Mr. Chairman, I ask unanimous consent to extend my remarks following the remarks of Mr. BENTLEY.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. WINSTEAD. The impression I gathered on a trip I made to some of these countries, together with the gentleman from California [Mr. JOHNSON], is that our employees in the FOA are going out and encouraging these people to accept this money. That is the impression I gained when we visited our own employees in this setup.

Mr. BENTLEY. On the basis of my own 9 years of foreign service abroad in the service of our Government, I would say that the tendency to encourage foreign governments to take money was very prevalent in the past and I assume it still continues.

Mr. WINSTEAD. And we felt also that many of the leaders of some of these countries are very much disturbed because the strain was so heavy on their government to match what we were spending in order to carry on their part of this program.

Mr. BENTLEY. I would like to make for a moment what I think is an interesting point. This morning we have a very distinguished guest coming to visit our country, the Prime Minister of Burma, who, I believe, is expected to arrive this morning. The Burmese Government a short time ago told us that they did not want any more foreign economic aid from us.

The circumstances are somewhat complicated, but anyway it was the idea that we should not give them any more foreign aid. I venture to say that relations between the United States and the Government of Burma have improved since that time rather than deteriorated.

Mr. WINSTEAD. May I point out also that most people in this country would support a foreign aid program if we would do a little better selecting. I contend that we have better friends in the countries where we made loans and guaranteed business establishments than we have in most of the countries where we have just made donations in a lump sum.

Mr. BENTLEY. I thank the gentleman for his comment.

Mr GROSS. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentleman for his statement. And I also want to commend the gentleman from Indiana [Mr. ADAIR], the gentleman from Wisconsin [Mr. SMITH], and the gentlewoman from Illinois [Mrs. CHURCH] for the excellent minority statement.

Mr. BENTLEY. I thank the gentleman.

Mr. VELDE. Mr. Chairman, I wish to associate myself with the position taken by the intelligent and courageous signers of the minority report on this bill, the gentleman from Wisconsin [Mr. SMITH], the gentlewoman from Illinois [Mrs. CHURCH], the gentleman from Indiana [Mr. ADAIR], and the gentleman from Michigan [Mr. BENTLEY].

Sometimes I think that we Members forget the fact that the obligation of providing money for the operation of our Government rests squarely upon the shoulders of the House of Representatives. In the furtherance of our duty in this respect, it is my opinion that it is absolutely necessary and proper that we secure all the facts available before acting on any authorization which will later require an appropriation. The House Committee on Foreign Affairs has not secured these necessary facts in this bill.

There is a good deal to be said, of course, for the theories of the majority report on this bill. There is no question but that the executive department should keep secret some of the details regarding the expenditures made under the mutual-security bill, especially those relating to some military expenditures. However, there is no good reason, under any stretch of the imagination, why the executive department should keep secret from the House of Representatives those expenditures already made or contemplated for economic expenses of foreign countries.

I do not mean to say that I am opposed to either economic or military aid to foreign countries. I am merely saying that I am strongly opposed to the manner in which aid has been and is now being granted in this bill. We cannot truthfully say that we are representing opinions of our constituents when we flagrantly violate the customs and traditions which the House of Representatives has followed in making appropriations in the past.

Furthermore, I cannot conscientiously vote for the economic-aid portions of this bill when I consider the following:

First. Our American highways and waterways—strong elements in the defense of our country, and their need for repair and extension.

Second. Our educational system, which is necessarily a part of our security, needs improvement in physical facilities as well as in teaching facilities.

Third. Our hospitals throughout the country are in vital need of Federal assistance if we are to maintain the same standards of health and welfare that are traditional in this great Nation of ours.

Fourth. We still have in this country a dearth of national parks, forest preserves, and other recreational facilities which our American citizens are entitled to before spending billions abroad.

The four examples I have cited are only a few of the many reasons why we should be reluctant to grant foreign assistance until we are certain that our own citizens are being cared for in the highest standards that our Republic is able to offer.

I have previously voted against foreign aid, whether it be under the appellation of relief, security, or assistance, on the grounds that we should first of all balance our budget, and secondly, be assured our own people are educated, housed, fed, clothed, and have the health and recreational facilities our citizens so justly deserve. I shall continue to vote against such foreign giveaway programs as long as these conditions have not been met.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, under this program a revolving coal fund of $20 million was set up by Presidential order last October. To date $19,173,000 has been used.

Under this arrangement FOA buys coal which is sent abroad. The receiving country puts up local currency. With this money the United States buys some commodities for a third country program. Dollars are deducted from that third country's program and put back in the coal fund.

Tonnage purchased to date

From—	
Kentucky	200,000
Alabama	60,000
Illinois	160,000
Washington	29,000
Utah	40,000
West Virginia	40,000
Indiana	100,000
Oklahoma	40,000
Pennsylvania	140,000
Total	809,000

In addition, FOA funds have been used for commercial procurement. In fiscal 1955 this has totaled 2,644,000 tons, principally from West Virginia.

An additional 127,000 tons have been bought with United States funds for Korea and Indochina with FOA money.

In fiscal 1955 gross tonnage purchased has been 3,580,000—4,009,600 net tons.

Since May 31, 1955, additional authorizations have been issued to purchase 120,000 tons from the Pittsburgh area and 80,000 tons from 5 Western States—an additional amount of 200,000 tons.

Since October 1954, total annual coal exports, including commercial purchases, have been running over 24 million tons. This compares with 14 million tons a year ago.

Mr. RICHARDS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, when the Congress first initiated the foreign-aid program the approach was divided from a military standpoint and an economic standpoint. I supported the program, to start with, but after the program had been in operation a year I caught them building a pottery plant in Leghorn, Italy; the Army was building a large pottery plant in Bavaria. The occupied forces in France were building a tremendously large glass plant; and another one in England. All of this was designed to take jobs away from the pottery and glass industry in my State of West Virginia. I quit voting for economic aid. I continued to vote for military aid so long as they were separate and I could vote for the military part of it. I found the appropriation so consolidated last year that I could not separate the military from the economic aid, and I find the pending authorization and the appropriation which will follow will be so confused that you cannot

distinguish between military aid and economic aid.

Now, let us talk for just a minute on the question of economic aid. We have a situation existing in the State of West Virginia that is far worse, from an economic standpoint, than exists in the nations you propose to assist with your economic aid. All of this has been done by deliberate acts of Congress. Nine-tenths of our difficulty in the State of West Virginia can be laid to our trade policy. We prayed and we begged for relief within the past few weeks. We were refused that relief. The situation still exists. The Congress has done nothing about it. Our situation was brought about by deliberate acts of this Congress.

Mr. Chairman, if you have $2,500,000,000 or $3,500,000,000 to give to foreign countries, you have money to do something for the citizens of West Virginia; and until such time as you do I propose to vote against such appropriations as this.

Mr. VORYS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I made some remarks yesterday and incorporated some remarks in our committee report on the subject of loans rather than grants in this program. I wish to announce that at the appropriate time later in the day I shall offer substantially the following amendment in three places:

> Such assistance may be furnished on such terms and conditions as the President may specify and shall emphasize loans rather than grants wherever possible.

I shall offer that amendment to the section on development assistance; to the section on the President's fund for Asian development, and to the general section with reference to loans and sales that applies to the whole bill.

There are some Members who have asked about the type of amendment I intended to offer and I thought I would announce it at this time.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I take these 5 minutes to call to the attention of the House certain activities on the part of foreign nations which have disturbed me considerably over the past months.

The bill pending before the Committee contains a provision which seeks to nullify the provisions of the Cargo Preference Act which Congress adopted last year. This Cargo Preference Act is termed the 50–50 legislation. It simply provides in effect that of Government-sponsored cargoes, such as relief cargoes and surplus agriculture-disposal cargoes, 50 percent should be shipped in American bottoms.

On 9 different occasions this House has supported the view that 50 percent of Government-sponsored cargoes shall be carried in American-flag ships.

The Foreign Affairs Committee by two provisions in this bill seeks to nullify the provisions of the permanent 50–50 law, and at the proper time the chairman of our committee will offer amendments, I am sure, to strike those two provisions from the bill.

What I want to call to the attention of the House is that when we had the 50–50 legislation before our committee and we were taking testimony, an official representative of the Department of State came before our committee and opposed the legislation. On questioning him it was learned that the basis for the Department's opposition was nine diplomatic notes sent to the Department of State by foreign nations opposing the proposed 50–50 legislation.

As a Member of Congress I expect to have pressure brought to bear upon me; I expect to have American people and organizations seek to influence my vote, and the vote of other Members, but I resent tremendously pressures and influences by foreign nations.

The House adopted the permanent 50–50 legislation overwhelmingly, without a single dissenting vote. Notwithstanding that fact, the early part of this year, the foreign nations had not given up in their efforts to defeat the 50–50 legislation, at least defeat or forestall the applicability of it. So they began flooding us with a lot of propaganda through their news periodicals seeking to convince people in the Department of State and the Department of Agriculture—and, yes, even seeking to influence Members of Congress—to believe that the 50–50 legislation was impeding or interfering with the disposal of surplus agricultural commodities.

They succeeded in convincing some people in the Department of State and in the Department of Agriculture that that was a fact and they have, I am afraid, succeeded in influencing some Members of Congress. That effort has continued. In the first place, we disproved the propaganda, and it was labeled "propaganda" by our American press. We disproved that propaganda, but the efforts have been continued to date. At the appropriate time in the debate we will be able to point out that as late as a month ago the foreign nations have been seeking to nullify the provisions of a law of Congress. I resent that sort of thing and I call it to the attention of the Members of the House.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I want to concur in the gentleman's statement. I intend to support his amendment. When the Congress has expressed its opinion on this proposition on nine different occasions, that should be sufficient. Why should the Foreign Affairs Committee, after the Congress has expressed itself nine times, continue to put this thing in? Because a few willful men in the State Department want it changed. Certainly the membership of this House and their wishes and expressions should be respected. I do not think it belongs in the bill in the first place. After we have expressed our thinking, that should be sufficient, yet they come back year after year and try to make us accept it.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. RICHARDS. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I would like for the gentleman to explain to me the inference he is drawing that the opposition to this so-called 50–50 provision in the law is based on foreign propaganda or foreign influence. I would like for him to explain to me this: Would he consider the farmers of this country who are trying to dispose of surplus commodities affected by some insidious foreign propaganda? If the gentleman is going to put in a situation like that and claim this action was taken as a result of some subversive propaganda from overseas, he is going to further endanger his case. The whole purpose of the committee, as I understand it, was designed to help move commodities that are so largely in surplus today.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

Mr. VORYS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from North Carolina.

Mr. BONNER. I would like to ask my distinguished friend, chairman of the Foreign Affairs Committee, to give me a little time. I asked for it all day yesterday, to answer my friend from Mississippi [Mr. SMITH], who is a hard-working and distinguished Member of the Congress. He has raised a point here, and I would like to have an opportunity to show him a few facts and figures.

Mr. RICHARDS. If the gentleman will be patient, he is going to get time.

Mr. BONNER. I would also like to answer the gentleman's remarks about subsidies in respect to the Farm Bureau's telegram that came in yesterday.

Mr. RICHARDS. I will yield to the gentleman some time.

Mr. TOLLEFSON. Mr. Chairman, I would like to answer briefly the remarks of the gentleman from Mississippi. In the first place, he has put words in my mouth. I am simply calling to the attention of the House exactly what has transpired on the part of certain foreign nations. Those are facts which can be proven. We have the facts in the hearings held by our committee. I am not imputing anything to the members of the Foreign Affairs Committee, who are just as sincere in their views as I am in mine. The only thing I said with respect to Members of the House was that some Members of the House have apparently succumbed to this propaganda. I am afraid that some inaccurate information has also been supplied to the Farm Bureau. I hope we will have an opportunity to go into it at greater length later.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Connecticut.

Mr. MORANO. I am looking for clarification. Does the Cargo Prefer-

ence Act say 50–50 or at least 50 percent shall be carried in American bottoms?

Mr. TOLLEFSON. It says at least.

Mr. MORANO. If it says at least 50 percent, then 90 percent could be carried in American bottoms?

Mr. TOLLEFSON. That is possible.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield.

Mr. RICHARDS. In view of the gentleman's statement that this amendment does not give encouragement to the shipment of commodities abroad and is propaganda, I would just like to say that when Mr. Stassen was before the Senate committee, Senator BARKLEY asked about it:

> If this provision was not in the bill, would it not expedite the movement of farm commodities?

And Mr. Stassen said:

> That is right. There is no question but what we could move more cotton, more wheat, more tobacco, more coal if it were not for the 50–50 shipping clause, because that does add to the cost.

He recognizes, as I do, that we should not play favorites here. This is not a shipping bill or a farm bill. This is a mutual-security bill.

Mr. TOLLEFSON. I think later on in the debate we will give figures to indicate that this law has not impeded the disposal of surplus commodities.

Mr. RICHARDS. If you can do that, fine.

Mr. TOLLEFSON. Let me show you how far the foreign agents have gone. A representative of one of the largest foreign nations came to a Member of Congress from an agricultural State and said: "We would like to buy $50 million of your agricultural products, but we will not do it if we have to take the shipment under the 50–50 legislation." And that sort of activity is going too far for me.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. RICHARDS. Mr. Chairman, I yield 13 minutes to the gentleman from West Virginia [Mr. BYRD].

Mr. BYRD. Mr. Chairman, 400 years before the beginning of the Christian era, Pericles, one of the noblest of the Athenians, addressed his countrymen in this manner: "Fix your eyes upon the greatness of your country and remember that her greatness was won by men with courage, with knowledge of their duty, and with a sense of honor in action."

Mr. Chairman, the greatness of our country likewise was won by men with courage and with a knowledge of their duty. It will require a great deal of courage upon the part of many Members to support this bill. I represent the largest coal-producing district in the United States. I come from an area in which the economy has been seriously impaired, and I know that it would be a very popular thing for me to approach my constituents and tell them that I voted against this bill. It would be exceedingly popular if I were to catch up that inflammatory phrase "giveaway" and say to those unemployed coal miners that I voted against a giveaway program.

But where does duty lie at this moment? I sat on the Committee on Foreign Affairs during the hearings, and, although I do not know all there is to know about the mutual-security program, the knowledge I have of it leads me to believe that this program is in the best interests of our country. Whether I come back to serve in this august body again is of little moment. The thing that matters most is that America must continue to be the land of the free and the home of the brave. I do not believe that any Member of this House would, year after year, support a measure which would provide for the giveaway of moneys to foreign countries without expecting something in return. I do believe that every member of this committee and every Member of the House who votes to support this measure believes that America is getting something in return, that we are getting real dollar value in defense.

We have witnessed the progress made by our allies under this program. It has contributed to the economic virility, the political stability, and the military strength of our allies, and through it we are encouraging the marshaling of mighty forces into a combined military strength which we could not hope to attain without jeopardizing our solvency, exhausting our resources, and enlisting the total manpower of this Nation.

Money spent in establishing a front-line defense thousands of miles from our shores; money spent in the defense of our native land, directly or indirectly; money spent in saving the lives of American men and women is not money given away. History may very well return the verdict that these dollars are the most wisely spent dollars we have ever authorized, and I hope that this House will support, enthusiastically and overwhelmingly, the bill which is before us today.

During my remaining time, I wish to address myself to another very important component of our national defense and our national strength. Some may think it not apropos at a time when we are discussing the military and economic aspects of our national defense to refer to the spiritual component. And I do not introduce it as an argument or a justification for the passage of this bill. But I do think that as this great body deliberates upon a program, the purpose of which is to increase our military strength throughout the world, it is a most appropriate time to recall to my fellow countrymen that, unless America places the emphasis upon spiritual strength, our efforts will have been in vain. And we, as leaders of this mighty Nation, must take cognizance that military and economic strength alone cannot achieve the peace, nor gain the victory if the conflict comes. We must seek to build a more enduring spiritual awareness. And we, the leaders of this Nation, have the responsibility of leading our people toward that end.

I was pleased to listen to Gen. Carlos P. Romulo of the Philippines speak over a local television station last Sunday afternoon on a program entitled "Face the Nation." General Romulo referred to the opening remarks of the conference in Bandung, and he said that, in the great majority of those opening speeches, there was an invocation to the Almighty. And he went on to say that Chou-En-lai of Red China was forced on the defensive by this spiritual offensive; that he had to cast aside his sword-rattling speech which had been prepared; and that he had to water it down and come up with a speech asking for tolerance of atheism. That, to me, was profoundly significant because it proved to the world the compelling powers which can be wielded over the Communists by forcing them into the realm of the spiritual; a realm in which they can be readily shorn of their fancy trappings and revealed in their true light; a realm in which they can find no weapon with which to defend their ideologies.

Now, if I may, I wish to amplify this point and develop it further. In this bill, we are authorizing additional money to the United Nations and its specialized agencies.

In April 1945, I was disappointed, when the United Nations met in San Francisco and was called to order, to hear the chairman ask the representatives of nations gathered there to stand for 1 minute in silent meditation. There was no reference to the Father of Light; no reference to Him who flung the stars from his fingers and placed the planets in their orbits; to Him who established the earth and created man in His own image. There was no recognition of the God who governs this universe and guides the destinies of all nations. But I was highly pleased and deeply gratified when, on June 20, 1955, Dr. E. N. van Kleffens of the Netherlands convened that historic meeting commemorating the 10th anniversary of the United Nations by asking the representatives of the nations assembled to stand for 1 minute in silent meditation or prayer.

That, too, was a most significant and encouraging development over the years. I herald it as a harbinger of greater things to come, because I sincerely believe that the representatives of the nations of the free world have at last come to the conclusion that our forefathers reached many years ago, that "Except the Lord build the house, they labor in vain that build it; except the Lord keep the city, the watchman waketh but in vain."

I realize that there are problems when men and women of many faiths and religions come together. Nevertheless, we must recognize the fact that, unless we accord recognition to the presence of an Almighty God, and invoke His wisdom and guidance in our international conferences, we shall succeed no better than did the builders of Babel.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. BYRD. I will be delighted to yield to my friend.

Mr. VORYS. I am deeply moved by the words of the gentleman from West Virginia. I am reminded of a paragraph in a report the chairman of our committee and I filed after we made a survey mission to the Far East, South Asia,

and the Middle East, last year. This is what we said as part of our conclusions:

Spiritually, we, in this country, have one great asset in common with the people of this area; communism has one great liability. Despite deep differences in religion, we all believe in a Higher Power than man; we are conscious of our ultimate weakness without Divine help; we deny the godless, materialistic doctrine of international communism. We believe together that moral force, not military or material force, will rule the world. This basic faith is our great common bond in the struggle against organized atheism.

I thank the gentleman for permitting me to interrupt.

Mr. BYRD. I thank the gentleman for his contribution. He and my chairman are to be congratulated. It takes courage and strong convictions to file a report like that.

Now, Mr. Chairman, let me, if I may, refer to one instance in American history in which the founders of our great Republic emphasized the truths to which I, in my humble way, am attempting to address myself today.

I have in mind that historic meeting in Philadelphia in 1787 when those noble men met to write a Constitution upon which this Republic might be founded. Day after day over a period of 112 days they labored before they achieved their goal. But, after the first 4 or 5 weeks had passed, it seemed that their efforts would end in vain. One day, the oldest man in that gathering, a man 81 summers young and whose name was Benjamin Franklin, arose to his feet and addressed the chair in which sat Gen. George Washington. He said:

I have lived, sir, a long time and the longer I live, the more convincing proofs I see of this truth—that God governs in the affairs of men. And if a sparrow cannot fall to the ground without His notice, is it probable that an empire can rise without His aid?

He went on to say:

We have been assured, sir, in the sacred writings, that "except the Lord build the house, they labor in vain that build it."

I, therefore, beg leave to move that henceforth prayers imploring the assistance of Heaven and its blessings on our deliberations be held in this assembly every morning before we proceed to business, and that one or more of the clergy of this city be requested to officiate in that service.

Mr. Chairman, from that day forward, they made progress. They gave to the world the finest and most perfect document of its kind that was ever written, and who am I to say that that document was not divinely inspired when it was written by men of faith, and when upon it has been builded a Republic which has become the admiration and hope of the world?

Mr. Chairman, I feel that this moment is a moment in history when Americans from all over the country echo my sentiments in saying that we must bring God into our conferences, into NATO, into SEATO, into the United Nations. I am confident that, if we do that, our people's support for this continued program will be assured, and the purpose of it will be successfully consummated.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. RICHARDS. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BYRD. Mr. Chairman, the apostle Paul said, "We walk by faith, not by sight." My friends, let us continue to have faith in this program. I thank you for your kind attention. I am one of the newer Members here and it has been with some trepidation that I have taken the floor today. I congratulate the chairman and this great committee upon their deliberations and the effort and study that they have given toward this bill, and I sincerely hope that we, as Americans and as leaders who love our country, will support and pass this legislation. If we err, let us err upon the side of strength.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. BYRD. I yield to my chairman.

Mr. RICHARDS. I congratulate my colleague on the very splendid statement he has just made and congratulate him on the dedicated sentiments he has expressed. I join with him in that expression and join with my former chairman with whom I traveled in Asia last year on this common ground—we may authorize and appropriate billions for defense—this Congress may authorize and appropriate billions for foreign aid—but unless we have the blessings and the consent of a power higher than the United States, this program will never succeed. I believe we are right and that this program will succeed.

The CHAIRMAN. The time of the gentleman from West Virginia has again expired.

Mr. RICHARDS. Mr. Chairman, it is a great pleasure to yield 5 minutes to the distinguished and able chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, I shall not attempt to make an address on the bill as a whole. I merely wanted to call to the attention of the House two articles which I placed in the CONGRESSIONAL RECORD yesterday, fearing that the time would be so precious that I would not have time to say to the House what those articles convey.

The first article is on a telegram sent by the Farm Bureau to Members of Congress. I am a member of the Farm Bureau. I own a farm. I am active for the Farm Bureau. But the Farm Bureau should blush. I believe in subsidies. I believe in agricultural aid, but the writer of this telegram certainly did not know what he was talking about when he drafted the telegram. The very idea that the 50–50 shipping program placed the farmer at a competitive disadvantage with other countries having the advantage of lower agricultural rates, is absurd. If the farmer wants to know the truth, the merchant marine, our reserve fleet anchored down here in the James River, up in New York and out on the Pacific coast, has supplied free subsidy to the agricultural program, over 400 vessels for free storage of grain that the Commodity Credit Corporation has not paid one cent for. As for foreign governments, they have a right to run their business as they want to. Tobacco in some foreign countries is a monopoly. When this year came in there begins to be in the press of foreign countries adverse articles on our 50–50 program. The Washington Post and Times Herald had an article, so immediately I called our Committee on Merchant Marine and Fisheries together and held hearings. I brought down the top men who handled this program in the Department of Agriculture, in FOA, and General Services. In the report, which is conclusively borne out by the hearings, here is this statement:

There was unanimity among all witnesses from both Government and industry on one point. There was no basis in fact whatsoever for the charge that shipments to foreign countries of surplus agricultural commodities are being delayed by reason of the Cargo Preference Act.

I was approached and told that one great nation would buy so much of an agricultural product in which I am interested, if this act were repealed. There was also in that bill of goods cotton and some other commodities. This great nation did not complain about cotton to the Department of Agriculture. They did not complain about other commodities. They complained about one commodity in which I happened to be interested. There was no amendment introduced to repeal the 50–50 law, and that country has since bought the commodities that they were negotiating for.

It has come to a sad state of affairs as shown by the former chairman of the Merchant Marine Committee, the distinguished gentleman from Washington [Mr. TOLLEFSON] when he speaks of the tactics used by foreign countries in their propaganda against the 50–50 shipping act—their effort is in behalf of their own merchant marine—and against our welfare.

This morning before the Committee on Merchant Marine the question was asked of the president of one of the great shipping lines of this country what effect the repeal of this 50–50 act might have on the merchant marine. Commodore Robert C. Lee, vice president of the McCormick Line, answered as follows:

We believe that it would mean a layup of from 10 to 15 ships, displacing many men from employment. For a great many years the Congress of the United States has sought as a goal an American merchant marine that would carry the majority of its foreign commerce. The owners certainly have maintained that position as far as we could with foreign shipping countries; and with the repeal of this—

He says—

it would show the foreign nations that we are no longer interested in the American merchant marine.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. BONNER. Will the gentleman from South Carolina give me 1 additional minute?

Mr. RICHARDS. I am terribly sorry, my time is allotted.

Mr. BONNER. Will the gentlewoman from Ohio give me 1 minute of her time?

Mrs. FRANCES P. BOLTON. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina.

Mr. BONNER. I thank the gentlewoman.

On page 505 of the hearings the gentleman from Ohio [Mr. VORYS] is interrogating Mr. Paul. Mr. Paul has been with this program since its inception. He asked:

What effect does the 50–50 bill have on cost to the program?

That is on page 505:

Mr. VORYS. How much of the $13 million is to go in American bottoms?

The dialogue continued and Mr. Paul said:

We cannot give it to you at the present time.

They say they will furnish it later. On page 778 we find it has been placed in the record with the statement:

The following information has been submitted for the record in response to Mr. VORYS' inquiry on page 505.

With reference to an inquiry by Congressman VORYS, it is estimated that there will be an added cost of $55,000 resulting from compliance with the 50–50 shipping requirements.

Now, there is the case.

Mr. RICHARDS. Mr. Chairman, I yield 8 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, I have listened with a great deal of interest to the optimistic speeches delivered by proponents of this measure. I wish I could share in their optimism; I wish there were some foundation in fact to support that optimism. It would be a very comforting feeling to me if I thought that by an appropriation of billions of dollars we could ensure the peace and freedom of the world. But, Mr. Chairman, I am compelled to be realistic when I realize that I am the custodian and the trustee of future generations, that the money authorized to be expended here today will not represent money earned by this generation or paid by this generation, that it represents money that will have to be paid by our children and by their children and that for every dollar they will pay in principal they will be compelled to pay an additional dollar or more in accumulated interest.

I have read the preamble to this report in which the committee seeks to prove its case by affirmation, and you know that is one of the favorite methods of proof—by affirmation—you affirm a fact, you say, "If it had not been for the millions and billions we spent we would already be at war, or Russia would be far more formidable than she would have been in the absence of the program." Of course, you can neither prove nor disprove that statement. The truth of the matter is that Russia has made tremendous strides and this program has not prevented it. Today she presents a more formidable menace to the world than she did 4, 3 or even 2 years ago. Every year communism is biting off more and more of the earth and the population and the resources of the earth. In fact, they could not move any faster if they wanted to because they are compelled to digest as they move forward in their aggressive course.

Mr. Chairman, of course I would not preclude or foreclose the possibility of a peaceful solution of this fundamental issue between the free world and Russia. It is not within my province nor within my gift to forsee what will happen in the future. However, I can only judge by history and from what I read in history.

I have never known of a militarized country, which built up a juggernaut of terror, and which devoted a large part of its revenues and resources to military armament, that did not eventually precipitate a world struggle. It is not a matter of whether the present rulers of Russia want to fight or not. They are usurpers, they are holding their power, not with the consent of the people, not legitimately, but because they seized, ruthlessly and illegally, the reins of power and hold their subjects or slaves in subjugation. They dare not stop. As Napoleon Bonaparte said, "I wanted peace, but I dared not stop."

There is no stopping point for Russia. Russia is biting off something every year and the non-Communist countries are retreating. Can you name a single year that we have not surrendered something? Have we not surrendered recently some of the islands surrounding Formosa? Are we not preparing to surrender Matsu and Quemoy, and are not the apologists already laying the predicate for the surrender of other positions?

Mr. Chairman, Russia is the strongest military power in Europe and Asia, and if she wanted to advance her armies tomorrow she could do so without successful opposition on continental Europe. Does anyone believe that France could interpose any serious obstacle to the invasion of France or that Belgium could stop her? Russia, with the greatest land army on the face of the earth, is devoting a large part of her resources and her revenues to the increase of her great armament. Yet, you tell the people of America that by the expenditure of $3½ billion or 10 or 20 billion dollars you are building a military and economic machine abroad that will stop Russia?

Do you know what has stopped Russia to date? Two things. One, she has been able to gain what she wanted without fighting for it. The rulers of Russia have been very clever. As long as they can get a large share of Indochina, of Korea, of the Far East and of Europe, as long as they can enlarge their dominion short of war, they have been content to do so. Another thing that has deterred Russia has been the possession by the United States of nuclear weapons, but that great advantage is being overcome. The only thing that America can do, if we are realistic, is to make ourselves so strong militarily, economically, and spiritually that, with the help of free and willing allies, we can deter the aggression of Russia as long as possible, and finally, when the Russian dictators do what Mussolini, Hitler, Charlemagne, Napoleon, Caesar, and all dictators have done in the history of the world without a single exception, that we will be prepared to defend the peace, the freedom, and the integrity of the United States and the free world. But, to say that we can continue to pour billions of dollars into the East or into Europe and thereby purchase freedom, and security, is simply to ignore the lessons of history.

Mr. Chairman, I compliment the gentlemen upon their high and noble purposes, but we have sought by unrealistic and unpractical policies for several decades to deal with Russia. We went through a period of 20 years of appeasement in which we coddled the Communists at home and abroad, and then we tried the policy of bluff and talk and that did not work. Then we embarked upon a program of trying to buy friends throughout the world. Of course after World War II it was wise and necessary to extend economic aid to countries which had been ravaged by war and were particularly vulnerable to communism. But the program has outlived its usefulness.

Let me make this prediction in closing: The day will come when every one of you will deeply regret having voted these billions of dollars of your great grandchildren's money to continue this program indefinitely.

Mr. RICHARDS. Mr. Chairman, I yield myself 8 minutes.

Mr. Chairman, I have listened with great interest to my friend, the gentleman from Texas [Mr. DIES], as I always do. I heard him charge this committee and this country with defeatism. I heard him say that we are retreating. Yet, he gets up here and espouses a policy that would be the essence of defeatism and the extreme of retreat. I have great respect for the record of the gentleman from Texas in uncovering subversion in this Government and in exposing communism, but I would call to the attention of the gentleman from Texas that a disease may strangle you from without as well as poison you from within. My friend is a great historian, and he talks about Caesar and Alexander the Great and Napoleon. On other days I have heard him talk about the military genius of Stonewall Jackson and Robert E. Lee. But, does not the gentleman remember that the South was defeated not around Richmond by great armies at the center, at the heart of the body? The South was defeated when the Confederacy was divided by taking over the Mississippi and the defeat at Vicksburg. The South was not defeated at Richmond by the armies of Grant. The South was defeated because the South was blockaded. It was cut in half by taking control of the Mississippi and because Sherman marched through the South and brought about the situation which Sheridan described in the Shenandoah Valley, that when a crow flew over it, it would have to carry its own rations.

Now, the gentleman has voted for $344 billion for defense since the Second World War. He voted to spend $290 billion in fighting the Second World War to defeat another form of imperialism, and if he had been here, he would no doubt have voted to spend $18 billion in the Korean conflict, and now he says we are making a vital mistake because we are going abroad to find some friends to stand at our side.

The gentleman from Texas [Mr. DIES] talks about Rome. Does the gentleman

remember the Punic wars, when the Carthaginian host was encircling Rome? Year after year, general after general tried to defeat the Carthaginians under Hannibal. But they did not. Cato rose in the Roman Senate, month after month and year after year and said, "This is the wrong thing to do. You are trying to defeat the armies of Carthage on the plains of Rome. What you have to do is to destroy Carthage." It was not until Rome changed its strategy that Carthage was defeated. Had Rome insisted on fighting her battles at home the history of the world would have been different. This House and this Congress and this administration have a fight on their hands to destroy communism. You will not do it by having great armies and spending great funds and sending our boys out to fight and to die and at the same time refuse to spend one-tenth of those amounts to help other countries to stand by our side.

The gentleman says that they will not stand there. I say to him to read what General Gruenther said, as set out in the report. He says we can stop the Russians now. Out of this program there will be 6,000 well-manned planes and there will be division after division that was nothing but a shell before. They are ready in Europe. Tank after tank, division after division, plane after plane are standing there and at last we have developed a unified Europe and a unified command.

That is what we have to have. We have got to defeat international communism. Lenin said and Stalin said that there would be a battle sooner or later to the death. The gentleman agrees that there will be a battle to the death and we are determined that we are not going to be the ones to die. But we will never defeat them if we are so circumscribed and narrow in our views that we make a Fortress America and keep ourselves from being poisoned from within, but do nothing to keep ourselves from being strangled from outside.

I do not have any issue with communism, if it is not international communism. If the peoples of Russia or Yugoslavia or any other country say that is the kind of government they want, that is their business. But when they go into international communism, then they are out to destroy us and we have to defeat them. But we will never do it, if we plan our program to defeat them on the doctrine of the gentleman from Texas [Mr. DIES].

I assume the gentleman is against this foreign aid program. He was against it last year. He has a perfect right to be against it. But I say he is standing on weak ground in the argument that he makes. The gentleman talks about there being weakness on the Communist side today. I do not know whether anyone here saw a reprint in one of the Washington papers not long ago of some few lines by Kipling. They are just as true today as they were 40 or 50 years ago, when he said, "Beware of the Russian Bear when he whines."

Believe me, he is whining today. If he were not whining, he would never have gone to Austria. If he were not whining, he never would have gone to Yugoslavia, where one of his former minions practically turned up his nose at him. If he were not whining, you would not find Mr. Molotov in San Francisco. If he were not whining, then you would not find Mr. Molotov running all over this country seeking good will. So beware of the Russian bear when he whines.

Mr. Chairman, have you ever seen a champion prizefighter in action? Does he let up when his opponent is hurt? The armed services do not believe in letting up, because this year there is $2 billion more in appropriations for them than there was last year. I am for that. And I believe the gentleman is for that. But the gentleman is not for one single dollar to help anybody anywhere, who are his friends. I do not think that doctrine makes sense. A champion when he has his opponent on the ropes and hurt moves in to finish the job, and that is the job we have to do here today.

Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS of Arkansas. Mr. Chairman, the gentleman from Iowa [Mr. DOLLIVER], the gentleman from New York [Mr. OSTERTAG], the gentleman from Michigan [Mr. DINGELL], and I had planned to ask the House today to hear us in a discussion of the important message the President sent to the House on yesterday reporting on the work of the Commission on Intergovernmental Relations. It is not an appropriate time to discuss it, but certainly we should not let this day pass without calling attention to what the President said. One short sentence relates to our efforts here. He said:

> In our time, however, a decade of economic crisis followed by a decade of war and international crises vastly altered Federal relationships. Consequently it is highly desirable to examine in comprehensive fashion the present-day requirements of a workable federalism.

For that reason, Mr. Chairman, I expect within the next few days to ask the House for an opportunity to present some of the recommendations of the Commission, composed of 10 Members of the House and 15 others appointed by the President.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to my friend, the gentleman from Iowa.

Mr. DOLLIVER. Mr. Chairman, I express the hope here and now that Members of Congress will give some attention to the report of the Commission on Intergovernmental Relations. This Commission is the creation of Congress; and the creator should not ignore its own handiwork.

This report has some very significant suggestions in it which I believe will be of value to the Congress and to the State and local governments. Perhaps these suggestions could be termed "guide lines." Obviously this is not the time to call these specifically to the attention of the Members.

I express again the hope that this volume which came to your desks this morning will receive some attention from each and every Member of this great body. I further express the hope that the work of the Commission may prove illuminating and helpful in the arduous work of the Congress.

Mr. HAYS of Arkansas. Mr. Chairman, I trust that the Committee on Government Operations will be able to give attention to the details of this report, and that appropriate legislative action will follow.

Mr. OSTERTAG. Will the gentleman yield?

Mr. HAYS of Arkansas. I am glad to yield to my friend, the gentleman from New York, a member of the Commission on Intergovernmental Relations.

Mr. OSTERTAG. Mr. Chairman, some 2 years ago, the President recommended and Congress approved the creation of a Commission on Intergovernmental Relations. Its assignment, as defined in Public Law 109, was to study the proper role of the Federal Government in relation to the States and their political subdivisions, to the end that these relations may be clearly defined and the functions concerned may be allocated to their proper jurisdiction.

This week the Commission submitted its report to the President and to Congress. It is the first official study of national-State-local relationships since the Constitutional Convention of 1787. It will, I believe, prove to be a valuable landmark in the development of our Federal system of government. Taking its bearings on the North Star of our system, the Constitution of the United States, the study provides a useful and significant chart of where we started, where we are today, and where we are going. It pinpoints some of the reefs and shoals that should be avoided, some of the storm signals we should heed.

One of its major contributions is its emphasis on the need for cooperation rather than competition among the three major levels of government. If we are to have a strong Union of strong States and localities, each must contribute its best citizens, its best thinking, its fullest support to that grand design.

There will be more than enough for every level of government to do in the coming years. If each level performs at maximum efficiency, dedicating its best efforts to the tasks within its jurisdiction and competence, we need have no worry as to overcentralization or the destruction of our federalism.

Politics, like nature, however, abhors a vacuum. The Commission's studies, together with the studies of its committees, highlighted the shift of power that has undoubtedly taken place in our Government in the past 20 years, but found that it was due in some measure to the dynamic growth of our society, and the failure at the State and local levels of government to recognize the implications of that fact. This is a finding without an assessment of blame. It is simply a fact with which we must reckon. The power to change it, to correct such imbalance as has occurred, still resides in the people. They can redress the balance any time they wish to do so. The Commission's report lays down the guidelines and suggests the rationale for continuance of our system of cooperative federalism. It is, among other things, a

guide on how not to create governmental vacuums.

In submitting the report, Mr. Chairman, I believe every member of the Commission felt that it was an unfinished document. Had there been more time, we might have produced a better report.

This report can hardly be regarded as more than the groundwork for continuing studies along the same lines. With my colleagues, I share the hope that in the future, there will be periodic reexaminations of our Federal system, to ballast it, and insure that we hand it on to future generations in sound and workable form. Macaulay once warned that our Constitution was "all sail and no anchor," and students of government have sometimes feared there was more truth than poetry in the phrase. The tremendous stresses of the past 50 years, to which our Government has been subjected, may, for all we know, be only a foretaste of what will happen in the next 50 years. A periodic reexamination of our federalism, such as has been made by the Commission on Intergovernmental Relations, should help to insure not only that the ship of state has an anchor, but that it, and the anchor line, are in good repair, and ready for use as needed.

Finally, Mr. Chairman, I wish to say a word about the personnel of the commission. It was bipartisan in character, but nonpartisan in spirit. Although the members represented the greatest diversity of viewpoints, they worked almost single-mindedly, under the skilled and consummate chairmanship of Meyer Kestnbaum, to hammer out the widest possible areas of agreement. The result is a report which will, I believe, command wide attention, and which certainly deserves the most careful study.

Mr. VORYS. Mr. Chairman, I yield 30 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, this debate on American foreign policy and what we should do in the mutual security program in support of that policy—has been going on at this time of year for about 8 years now. It comes this year during a period that is particularly interesting and crucial.

For 8 years we have been fighting a sort of trench warfare. We began in 1947 with our backs almost against the wall for we had disarmed after World War II.

Once in a while you hear somebody say, "You can't blame the Soviets for being suspicious and difficult. They have to arm and extend their control over their neighbors in order to defend themselves against United States encirclement."

We should not let anybody get away with that charge because the facts deny it totally. At the end of the war the United States had greater military, industrial, and economic superiority over any potential enemies than any country in history ever had—on the land, in the air, on the sea, and under the sea. If we had had in our national soul a single grain of imperialistic design on any other country, we could have imposed our will on the Soviet Union and on the Communists in China easily.

What did we do with our military superiority? You know the answer—and so do the Communists. We took it to pieces within 1 year and threw it out the window.

When we began reluctantly to rearm and to build this program of aid to other threatened countries in 1948 and especially after Korea, we really made great strides. But everything we have done in all these years has been the belated consequence, not the cause of Soviet aggression and imperialism. We have been in the trenches, so to speak, defensively fighting back, trying to save ourselves and a free world.

Now, in trench warfare you can hold back an enemy and keep from getting run over; but you do not win a war in trenches. Some day you have to move out of the trenches and try to get a victory in the relatively open field of maneuver.

WHERE ARE WE NOW?

That is the point at which we have arrived as we discuss this year's program. Our leaders are going now to a conference at the so-called summit. We are moving out into more open fields. The dangers there are greater than they have been at any time in the last 8 years because one wrong step, one miscalculation, one succumbing to the clever tricks and wiles of the enemy could lead to disaster. But on the other hand, getting out into the open after having built up a stronger position than we occupied a few years ago, gives us a chance, perhaps, to win a victory.

It has been said here today that we cannot foresee what will happen if we continue this program. That is right. I cannot foresee exactly what will happen or how long it must go on, and neither can anyone else. But I can foresee what will happen if we do not continue the program, and so can you. The free world will go down.

The gentleman from Texas [Mr. DIES] has just said that there is no stopping the Communist conspiracy and that the Soviet Union, like every other aggressor in history, will not stop and cannot stop until it is checked. I could not agree with him more. But how does the gentleman propose to check the aggressor? That is the question. As my distinguished and beloved chairman [Mr. RICHARDS] has already asked: how does the gentleman propose to check it?

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. DIES. Evidently, the gentleman does not understand my position at all. My point is that you do not check him by this program.

Mr. JUDD. What program does the gentleman suggest?

Mr. DIES. While this program after World War II was essential and was helpful because of the weakened condition of many of the countries, like many other programs, once it begins, it never ends. My point is there is no justification for the permanent continuation of this program, and you are making it a permanent program.

Mr. JUDD. It must go on, my friend, until we win. The alternative is to lie down and surrender. The gentleman, I am sure, does not suggest that.

Mr. DIES. Suppose that Russia decides to prolong the cold war. Suppose that Russia since she profits by the cold war because she gets money from her allies and carrying on the cold war is not a liability to her because her allies are not a liability, but are a source of revenue—suppose Russia decides to prolong the cold war.

Mr. JUDD. There is reason to believe Austria, today, and perhaps East Germany also, have become a liability to Russia; and so she has let Austria go, under the guise of promoting peace, making a virtue out of a necessity.

Mr. DIES. Suppose that Russia wanted to continue the cold war for another 50 years; do you advocate the continuation of this program for another 50 years?

Mr. JUDD. I hope the gentleman will listen and I will try to deal specifically with that very question.

Mrs. FRANCES P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to my distinguished colleague on the committee.

Mrs. FRANCES P. BOLTON. I merely want to call to the gentleman's attention the fact that the gentleman from Texas has not answered his question.

Mr. JUDD. No, he has not.

Mrs. FRANCES P. BOLTON. Some of us would like to have the answer as to what the gentleman from Texas would suggest.

Mr. DIES. If you would give me some time, I would tell you what I propose to do. If you had listened to me 15 or 20 years ago, you would not have had this thing.

Mr. JUDD. Others of us can say that also—and with equal truthfulness. But that does not help us with our present problem.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. GROSS. Is the gentleman saying that Austria was a liability to Russia and that she got out of there for that reason?

Mr. JUDD. Yes, there is a lot of evidence to show that Austria had become a liability to the Soviet Union in her new peace posture.

Mr. GROSS. With the millions of dollars that she has collected in reparations and will continue to collect?

Mr. JUDD. She is still getting those reparations, but Austria and East Germany to some extent have become more of a liability than an asset to the Soviets. They know they cannot count on the East Germans. And the men in the Kremlin are smart enough to try to get rid of a liability, especially if they can gain an advantage thereby. They will always trade off a pawn, such as Austria, if thereby they think that maybe they can fool us into letting them get the king, which is a neutralized, demilitarized Germany. Does the gentleman want to let that happen?

MSA HAS PRODUCED GOOD RESULTS

Mr. Chairman, this program has certainly cost us a lot of money—but it has also produced a lot of good results.

You are not satisfied, and I am not satisfied, with those results. But there is nothing to gain by underestimating or denying them. When we started in 1947, Greece was wavering on the fence. Turkey was hanging in the balance. Everybody was holding his breath with respect to Italy. France was on the ropes. Without our aid none of them could have made it. Then Germany would have been surrounded on three sides, England isolated, and all Europe behind the curtain, working for the Kremlin against us.

Look at them today. Some, to be sure, are still not in too healthy condition. But Greece is free. Turkey is free. Italy is free. France is free. The Low Countries and Denmark and Norway are free. West Germany is free, stronger than anyone could have expected, and on our side. Best of all, they are united. And England too, has joined the European team for the first time in centuries. Anything in that record to be ashamed of?

In the Far East, South Korea is still in bad shape because of mistakes in judgment we and our European allies made in 1951 in not seizing victory there when it was within our grasp. But the Republic of Korea is still free. The patient is not well—but he is alive.

Japan is still free—and what would Japan's prospects be if Korea were not free?

Formosa is still free—and strong and steadfast. Free China never could have made it without this program of assistance.

The Philippines are still free. Most of southeast Asia is still free.

I do not like some of the statements of Mr. Nehru, but more important than his statements is India. He will not be there forever, but India will be. And India is free.

How can anyone say the mutual security program has failed? Show me any results from any other program, comparable to these. Actually it has saved us money—given us more defense at less cost.

PART OF OWN DEFENSE PROGRAM

I will take my guidance on this point from the Chairman of the Joint Chiefs of Staff, and I ask you to read our hearings, beginning on page 239, where Admiral Radford said:

> First of all I would like to state that the military aid program is part and parcel of the United States Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, or objective from our own military expenditures. The fact that this part of our program is not included in the Defense Department budget is more a matter of procedure and administration than of substance.
>
> In this connection, I can assure you that were it not for the strength which has been generated in the past 5 years by our allies, and in most instances made possible by our military aid programs, the requirements of our own program would be much larger.

You vote against this mutual security program and you vote to spend more money, not less. This is the Chairman of the Joint Chiefs of Staff telling you what it would cost us to build strength of our own:

> The United States and its allies have established a series of bilateral and multilateral defense alliances designed to deter aggression and to prevent war. These alliances must be given full support by all participants if they are to be effective. Our participation cannot be limited to the buildup and maintenance of our own Armed Forces. The provision of military assistance to our allies, when combined with the resources which they contribute, results in the development of collective military strength much larger than the United States could provide or maintain on its own.

BASIC PHILOSOPHY SOUND

Mr. Chairman, that is the justification for this program. You can find plenty of mistakes in it, as in every program. It is our duty to police it, discover and eliminate the waste, try to plug the loopholes, adjust to meet new situations, correct bad judgment, and so forth. But the basic philosophy is sound. Why abandon what is succeeding?

Some complain that this ally or that leader does not like us. May I say once again that the objective is not to make other people like us. It is to help them stay free, to give them the capacity to maintain their own independence, to enable them to keep their countries out of the hands of the Kremlin, so that their territory, their manpower, their resources, their strategic bases cannot be used by the enemy against us.

I asked the gentleman from Texas what he would propose that we do. Let me for a moment analyze the possible courses, just as a doctor sits down and examines all the things that he might conceivably do for a sick patient.

WHAT COURSES ARE OPEN?

What are the main possible courses that we might follow? There are about five, it seems to me.

I. SURRENDER?

First, we could give up. Peace is the easiest thing in the world to get—if you are willing to surrender. You can have that kind of peace anytime—the peace of enslavement. But we will not do that. We are not that kind of people. So I pass that one by.

II. SHOWDOWN NOW?

What is the second possibility? A showdown now. Mr. Churchill says there may be about 3 years in which we will still have atomic superiority. Well, then, why not settle the issue now, finish the thing up while we can win it?

If we were strictly logical and had only electronic brains instead of human minds and hearts, doubtless that is what we would do. But we are not strictly logical. We are not mechanical devices. We are human beings. We have a certain kind of culture, and if we were to start a preventive war, we would have abandoned that culture and would be destroying the very things that we talk about arming ourselves to defend. We could do it, but we will not. You know it, and I know it. So it is unrealistic to spend any more time on that course.

III. DRIFT AND VACILLATE?

What is the third possibility? We could continue to do what we have done too often, namely, drift—stumble is perhaps a more accurate word—from one crisis to the next. We get into a jam, and we take a strong, firm stand until it begins to get results. Then what do we do? The Kremlin pulls out its bag of tricks, and we tend to abandon the strong, firm policy which is working, and go back to the soft, weak policy which always fails. We have done that again and again.

REDS SOFT WHEN LOSING—WE SOFT WHEN WINNING

Contrast our conduct with that of the Kremlin. When the Communists are winning they are as hard as nails. They would not give the French even a 24-hour truce at Dien Bien Phu to evacuate the wounded. But when they are losing or in trouble, as the gentleman from South Carolina has pointed out, they become, oh, so gentle and so friendly.

When you watch a prizefight on television, you sometimes see one fighter along about the eighth round suddenly become very affectionate with his opponent. How ardently he embraces him. But you do not misunderstand that maneuver. You do not imagine that means the first fighter has decided he does not want to win the fight, that he loves his opponent so much he just wants to give up. You know that a clinch means the boxer is in trouble. He clinches so that he can rest, or recover from a blow, or gain time in order to be able perhaps to come back in the next round and knock the opponent out. A clinch is not to end the fight, but to try to win it.

What does his opponent do? Does he obligingly help him out? No; he knows that is the time to pour it on, keep the weakened man in trouble, press him to the ropes, and win the fight.

I do not remember much from my military training in World War I. But I do remember a maxim to the effect that the most profitable operation in war is to pursue a retreating enemy.

But we generally do not follow that maxim in diplomatic and economic warfare. In fact, we do the opposite. When we are losing, we are tough; we get up off the floor after our Pearl Harbors, tighten our belts, and go to it until we win. But when we are winning, that is the time we go soft. The Commies know it. That is why they are now turning on the charm. Their truculence made us firm and strong. We have gained ground. They want us to let up, to become soft and weak again.

When people ask us what we should do, now that the Commies seem to be getting human, seem to want peace, the answer is not to weaken or abandon the firmness and strength that are getting results, but rather to stick to them, to keep doing resolutely just what we have been doing.

COMMUNIST BAG OF TRICKS

What is in the Communist bag of tricks with which they hope to beguile us again as they have on several previous occasions?

A. SMILE

The first and easiest trick is to smile. That does not cost them anything at all and it has proved singularly effective in the past.

When Vishinsky was their representative at the United Nations and things were going badly for them anywhere, he would return from Russia, smile for reporters, shake hands, speak civilly for as long as a week; and thousands of good Americans would say, "Why, they are getting real friendly, there must have been a drastic change of policy in the Kremlin, they now want peace, too." And away would go at least 25 percent of our resolve.

Molotov has been using it on his present mission to San Francisco. He tries on a cowboy hat instead of scowling. Chou En-lai used the same trick with great success at Bandung, as he had with our representatives in Chungking in 1945–46.

The object always is to disarm us, to put us off guard, to make us hesitate or waver. But if we look at it coldly, we know that any change of attitude on the part of the Communists has come about not because of our weakness, but because of our strength and the strength of the free world. Let us not foolishly abandon the cause of our success at the very moment when it is beginning to achieve success.

B. OFFER OF TRADE

The second trick that the Kremlin pulls to soften us up is to offer trade. Lenin said: "We can always count on the cupidity of the capitalists."

They used it in 1933. It was a time of mass unemployment and economic depression in our land. Litvinov smiled and said: "Why not recognize the Soviet Union? We will be glad to expand greatly our trade with the United States and help you out of your depression—if you will just recognize us."

We recognized them. What was the result? Did our trade increase? No; it promptly decreased. It has never been as high a single year since 1933 as it was each of the 5 years prior to 1933. Why? Because trade to the Communists is a weapon, just like a bomb or a bayonet. They do not trade as we do, for commercial reasons, to better the lot of their people, to improve relations with other countries. Their objective in 1933 was recognition. Having achieved that, why should they help us out of our depression? They loved it that we had mass unemployment. They hoped it would get worse, that we would crack up, have riots and disorder, even revolution.

When the Reds were being pushed back in Korea and they wanted to liquidate that blunder on their part, Moscow announced a big trade conference in Moscow. We did not go; we were beginning to wake up. But some of our European allies rushed right over. They urged us to make a deal with the Communists in Korea in order to expand everybody's trade. The Kremlin promised that it would increase its trade with the free world more than 300 percent in 1 year. What happened? The West gave up its advantageous position in Korea and accepted a stalemate there more readily, I am sure, than Moscow expected. So trade between Russia and the free world, instead of going up 300 percent as promised, went down 40 percent. It is a good trick. And it is being pulled again right now.

C. PRISONER-OF-WAR TRICK

The third trick the men in the Kremlin and their colleagues in Peking use—the cruelest one—is the prisoner-of-war trick. To let out some prisoners of war does not cost them anything. That is what they have been saving the prisoners for—to use them for bargaining purposes when the going gets rough.

If they refuse to release our prisoners, we are tempted to make greater concessions in order to get our boys home. If they do release a few, we are tempted to make greater concessions in order to show our gratitude. The Reds win either way.

They worked the trick with great skill in Korea when they were losing there. Remember Little Switch? That was used to get us into negotiations for Big Switch. But they did not let out all the prisoners in Big Switch as they promised. They held some back to buy us off the next time we might perhaps get the upper hand.

And just to keep us from forgetting those still held, they let out a few occasionally as a means of tantalizing and torturing the relatives, squeezing the hearts of the mothers whose sons are prisoners of war. It is a cold, calculating exploitation of the concern we have for our citizens, for any human beings. They do not care about the men or what happens to them, but they know we do care. We already have paid a big price at Panmunjom, supposedly to get these prisoners home. But if they can make us buy them again with concessions in the Formosan Straits, or admission of Red China into the U. N., why not? It is a wonderful trick, the prisoner-of-war trick. But I do not believe we are going to fall for that one again.

D. "PEACE" TRICK

We come now to their fourth trick, another old one, but perhaps the most successful—the "peace" trick. Lenin taught them that it is just as important to know when to retreat as it is to know when to advance. But he counseled that if they must retreat, then they should try to make it look like an advance. If they must accept a defeat, camouflage it as a victory.

In the spring of 1951 they were licked in Korea; 2 or 3 of their divisions were demoralized; they were overextended and overstrained. The Trans-Siberian Railway, bringing supplies, had broken down. Their aggression had failed. They had to give up the effort. But how could they extricate themselves and make their defeat look like a victory? First, they got our allies to pressure us to withdraw MacArthur and handcuff Van Fleet in order, so it was said, "to avoid extension of the war."

Even so, our forces and the South Koreans fought with such bravery and skill that finally in June of 1951 Malik had to get up and propose "truce talks." But did he suggest that the Reds wanted a truce because they were defeated in battle? No, indeed. It was only because Communists are so opposed to bloodshed. And then they started the chant, all over the world, "We want peace. We want peace. We want peace."

They are doing the same thing again today and millions of high-minded, sincere people are falling for it—I do not criticize, I am trying only to analyze and to urge that we keep awake and understand the situation this time. Millions are tempted to say, "Well, since they now want peace let us have it."

But genuine peace is not what they want. They want victory. And talk of peace is the means by which they hope to get, not peace, but the fruits of victory.

TRUCE IS MILITARY TACTIC

As I said here last January during the debate on the Formosa resolution, quoting Chou En-lai:

A truce is the military equivalent of the political tactic of coalition.

A truce to us means a step toward ending a war; to them it is a military tactic designed to win the war. Why should we fall for that trick again?

Does this mean we should refuse to talk with them? Of course not. We have no ulterior motives or designs, nothing to be embarrassed about, nothing to hide. We should always be willing to present our case—with the maximum objective of a genuine agreement that will end aggression and liberate the enslaved; and the minimum objective of making clear to all the world that if no just agreement can be reached, then it is they, not we, who are blocking peace.

I must add frankly that a study of Communist theory and practice makes one doubt an agreement based on liberty and justice can be reached. But I am sure they will want an agreement to talk further, because indefinite, long drawn-out talks can be to their advantage. Remember it was during the 2 years of Communist stalling in the talks at Panmunjom that they got the H-bomb and thereby drastically reduced our military superiority.

TALK—DON'T YIELD

It is right that we should talk but we must not yield on matters of honor, justice, or human liberty. On protocol and procedure, yes; on principle, no.

Jesus talked even with the Devil, but He did not give in to him.

We have every right and duty to go and present our position, but we must never again take Communist words as a substitute for deeds.

Because we in the West are accustomed to settling disputes by negotiations and then signing pieces of paper, we insist that procedure is the only alternative to a war with the Communist bloc. So in the past when we went to a conference, we generally got a piece of paper while they got a piece of territory. Whereupon we would have another conference, at which we got another piece of paper and they got another piece of some one's territory. And then still another conference so that we could get still another piece of paper and they another piece of someone's territory. Naturally they would like to have us do it again.

Fortunately, I think our present administration is awake to this situation and does not intend to fall into that sort of trap.

What is needed for our representatives to win for freedom at coming conferences? Two things: One is strength; the other is skill in the use of that strength. We here cannot do anything about the skill. That is in the hands of our Chief Executive and his team. We trust and hope and pray that he will have adequate skill and resourcefulness with God's help. I think he will.

PRESIDENT HAS EXPERIENCE AND SKILL

Recently I sent to the President a statement I had made elsewhere of my views on certain aspects of this subject. He wrote back in part as follows:

> I do not construe your letter and enclosure as divergent from our present policies, although you do seem to be apprehensive that we may be outfoxed one way or another. We shall do our best not to be.

I read that for the benefit of any here who may be apprehensive on this point. Our President was a careful, but resourceful and brilliantly successful soldier. He has had plenty of experience in Europe with this present adversary. It was he who organized free Europe to resist it. We can be sure he does not intend, as he puts it, to be outfoxed now.

But he cannot win without strength. This is the ingredient we in Congress can do something about. The Commander in Chief and his associates have got to do the talking and the maneuvering but no matter how great their skill, they cannot be successful unless we provide the strength. We shall determine today what kind of cards they are to have in their hands tomorrow.

This is not a poker game, where bluff may be a decisive factor. Our representative cannot win by bluff because the Communists know very well what our cards are. Our men have got to have the cards; and a sound and strong mutual-security program is one of the highest cards that we can possibly put into their hands.

Mr. Chairman, it is said we must have peaceful coexistence with the Communists. But how can you coexist with a tiger?

One way is inside the tiger.

Another way is to have the tiger in a cage—containment.

Still another way is to be strong enough to compel peaceful coexistence.

No man who understands tigers goes into the cage empty handed, trusting to the good will of the tiger. For it is not the nature of tigers to deal with men on the basis of good will.

So no man who wants to live ever gets into a cage with a tiger without a chair to hold the tiger off, a whip to divert the tiger's attention, and a gun to use if worst comes to worst. He has to be strong enough to compel peaceful coexistence.

Likewise, no sensible person gets into the same room with a man who is trying to kill him—unless he is strong enough to restrain the would-be murderer.

IV. MUST BE FIRM AND STRONG

That is the fourth possible course we can follow with the Communist enemy. Because of the nature of that enemy, its will to deception and conquest, it is the course we must follow. Not surrender; not preventive war; not drifting and vacillating; but steady, patient, consistent firmness and strength to compel peaceful coexistence and to defend human freedom.

A. KEEP OUR COUNTRY STRONG

To pursue such a course with success requires first of all that we keep our own country firm and strong—our moral position, our economy, our military establishment, our national will.

B. KEEP THE FREE WORLD FREE

It requires also that we do our best to keep the free world free. It has two parts, the strong countries and the weak.

The first step in the Communist's program is not war; that is the last step. The first step is subversion. Since they cannot readily subvert the strong countries, they concentrate their efforts on subverting the weak. Where are they? Mostly in Asia and Africa.

What do they do with the strong? They seek to divide the strong.

That has been and still is their world program: To divide the relatively strong countries—mostly in Europe and around the North Atlantic; while seeking to subvert the weak countries—mostly in Asia and Africa.

1. KEEP THE STRONG UNITED

That tells us what our program must be—we must not let them succeed in either dividing the strong or subverting the weak. We must, if possible, hold together the coalition of the strong around the North Atlantic, while preventing any more losses to the Communists in Asia. Or, to turn it around, we must resolutely work to build greater strength and unity among the peoples still free in Asia, while blocking the skillful efforts of the Reds to break up NATO and our other alliances with the stronger countries in the West.

That means the President and the Secretary of State must, in a sense, carry water on both shoulders. We cannot do all our western allies would like—or we would lose Asia. We cannot do all we could and would like to do in Asia, for example, with respect to Free China and Viet-Nam—or we might jeopardize our ties with certain western allies, particularly Britain and France.

We could have complete unity around the North Atlantic, for a time, if we were willing to let Asia go. Or we could concentrate largely on Asia, where some European allies do not cooperate too well, and possibly be alienated from those allies.

Neither of those results would be good for our own security. So we have to go ahead with a two-pronged policy, because our own security requires that both Europe and Asia be in the hands of friends, rather than of enemies.

It is a tough job—and it is easy to find fault with us. One group charges us with "selling out" Asia to please England. The other group charges us with endangering our alliances in the West, "to go it alone," or "save Chiang Kai-shek and Syngman Rhee"—as they put it.

Yet we see with increasing clearness that we must keep both Europe and Asia free, if we are to save either. The planet is now one strategic area. A major breakthrough on any front will have disastrous effects on the others.

2. HELP THE WEAK BECOME STRONG

How can we prevent subversion of the weak? The answer is simple, though very difficult. Help the weak become strong.

How can we help the weak become strong? To many the answer was to give them lots of American money. That was our first instinct. Naturally we tried it and of course it did not succeed.

Then the idea was to give them American goods—millions of tons of food, fertilizer, fiber. That helped, but of course it too was not enough. It was like a transfusion that tides a patient over an acute emergency, it keeps him alive until those forces can perhaps be brought into operation that will enable him to start building his own blood. But he cannot live indefinitely on somebody else's blood.

Then many said, "Let us give them our tools and our know-how." But, that too was not enough. For our money, our goods, our tools are all results; what they need most is the causes—so they can produce those results for themselves.

What are the causes which have led to our superior tools and machinery, more productive know-how, more plentiful goods, and greater wealth? It is not that we are smarter than they are, or have greater basic resources. It is because of a philosophy of life and Government, a political and economic system you and I inherited from our forefathers which gives opportunity and incentive for every man to get ahead, to improve his lot. The really unique thing we have to contribute is not the results of the system, but the secret of it. It is certain of our ideas that they need most.

In our preoccupation with sharing our gadgets, we almost forgot for a time that others would not use our machines efficiently until they had the ideas; and once they have the ideas, they will produce more and more of their own tools, goods, and wealth.

The main thing, as the gentleman from West Virginia [Mr. BYRD] said earlier, is to share with them the ideas, the spiritual concepts, the concern for individual human beings and their welfare that are the real source of all the greatness that has been achieved here.

Once again, we have to have a two-pronged program, a judicious balance as we seek to contribute both the fundamental concepts and values, and the concrete results of those concepts and values—with the former increasing and the latter decreasing.

C. PREVENT FURTHER RED GAINS

But are all these enough? No. In addition to keeping ourselves strong, and helping the weak to become strong, our foreign policy must have also the objective of trying to prevent any more gains by the enemy. We must not let it win any more victories—whether political, diplomatic, economic, or military.

That is why we have in this bill another reaffirmation of American opposition to the admission of Communist China to the United Nations. It is not

just because there is no legal or moral basis for admitting a declared lawless aggressor into a union of supposedly peace-loving states; but because such admission would be a tremendous, perhaps decisive, political victory for the Communists.

Most of the governments of Asia are still young and shaky. Our purpose is to enable them to become strong enough to resist Communist pressures and blandishments. But how can we expect small, weak countries right across the border from giant Communist China to defy her, if the U. N. accepts her? How can the weak resist if the strong embrace? To admit Red China to the U. N. would be to give communism the ball game in Asia.

1. DON'T RECOGNIZE RED CHINA

It is because the countries there know this, even if we do not, that some of them are flirting with Red China. If the West is ultimately going to recognize the Communist regime—as so many shortsightedly advocate—why should the Asians not get in on the ground floor, and perhaps thereby gain some good will from the Reds? It will not succeed. Recognition would not satisfy the Communist objectives. It would only increase their capacity to gain their objectives which include all of Asia. But if a good many in the West are fooled, why should anyone be surprised that some Asians are taken in too?

Mr. Nehru, for example, is not pro-Communist; he is scared, and he imagines he is a realist. He obviously is convinced the Chinese Communists are going to prevail. Why then should he not try to make a deal or a compromise with them that will perhaps save him and his own country?

2. DON'T EXPAND RED TRADE

We also cannot let the Communists achieve any more economic victories. That is why we cannot resume or expand trade with them. If they are not an enemy, why are we drafting our boys and taxing our people to build stronger armies, navies, and air fleets against them? If they are an enemy, how can anybody seriously suggest that we do anything to make them stronger? And what they need most right now in addition to a breathing spell and relaxation of our pressures on them, is a chance by expanded trade to overcome their grave deficiencies.

D. SUPPORT ALLIES BEHIND THE IRON CURTAIN

Mr. Chairman, there is one more component we must not forget as we plan a foreign policy adequate to the problems and dangers we face. Our concern for the free is not enough; we must also keep faith with the enslaved. We must help them become free again.

When any proposal is made, no matter from what source, we should first test it by this criterion: What would be its probable effect on the more than 800 million people behind the Iron Curtain? We must never forget them. They are our strongest allies; they cannot be fooled; and they are in a position to do the enemy most damage at the right time—which means they are the most important allies we have. They must be encouraged and enabled to resist from within as the free world resists from without.

Right now they are demonstrating both their will to resist the Communist tyrants and the effectiveness of their resistance. Why are there severe food shortages in Russia and the satellites? It is not because of drought, it is not because of floods, it is not because of insufficient land; those are countries that have always had agricultural surpluses.

It is because the people there obviously want freedom more than they want food. They are deliberately cutting down food production, even at the expense of their own calories, in order to weaken the despotic regime over them.

Mr. Chairman, we must never do anything to destroy the hope or weaken the will, or strike despair into the hearts of the enslaved peoples behind the Iron Curtain. They cannot be expected to continue to weaken the tyrants from within if we help those tyrants from without. Our true hope is in the oppressed, not in the oppressors.

How long must we continue all these necessary elements in pursuing resolutely the course of patient firmness and strength in support of human freedom? Until the Communist conspiracy fades or changes.

It will fade or change ultimately, I am completely confident, because of its own inherent cruelties, contradictions, and immoralities. We cannot now know when that will be; but however long the time, we have got to be united, firm, and strong to compel peaceful coexistence—until the forces of religion, of education, of human desire for freedom can change the Communist movement. That is the fifth course and the only ultimate solution.

V. MUST CHANGE MEN

Governments can hold back armies, governments can feed hungry millions, governments can help other governments, governments can buy time. But governments seldom win people, or change them.

So let us not fool ourselves by overestimating this governmental program of building strength any more than we should underestimate it. What we must do is to pursue it with intelligence and vigor in order to hold back the forces of destruction and slavery until they can be changed, until we and the free world can create such better conditions that their attraction and appeal cannot be kept from penetrating to those now cut off behind the Iron Curtain, and cannot be indefinitely resisted by those who erected that curtain.

Mankind will not have a secure peace until the Communist movement abandons its program of world conquest. That can happen only when it ceases to be Communist.

That is the truly fundamental task—to change Communists, which means to change men.

To change men is the business of religion and education. They must work at this fifth course while governments are following the fourth course of firmness and strength, doing all they can to provide greater opportunity for private forces like religion and education to bring their influence to bear.

NO TIME TO FALTER

Well, Mr. Chairman, here we are moving out of the trenches into open field maneuvering. The payoff of years of effort is at hand. This is no time to hesitate or falter. I recognize fully all the difficulties and the dangers and the weaknesses and the inadequacies of the mutual security program. But I do not see how anyone can study the whole situation and escape the conclusion that most of our hope for the future lies in continuing and constantly improving that program.

When people ask, "What shall we do in view of the Kremlin's recent shift in tactics?" The answer is, "Keep on doing what we have been doing—only better." It is what we have been doing that is responsible for the shift in tactics. Hold fast to the course which is beginning to succeed. If we do that, please God, we may be nearer an end of this awful struggle than we realize.

In conclusion, Mr. Chairman, let me summarize the three paths we are being urged by various groups to take.

Some say we should be prepared just to continue this cold war for 30, 40, or even 50 years. I doubt that we could or would do that. It would be too costly and too frustrating for Americans to accept.

Some say that since we cannot continue for decades, we have to end it now. But the only way we can end it now is on terms that would mean we had lost it.

Rather, we have to win the cold war. And we have to win it before they are in a position to start a hot war. If we do not do that, if we just continue the cold war without decision until they can become strong enough to start the hot one, we will have failed. For to win the cold war then, would only precipitate the hot war which it is our hope and purpose to avoid.

Mr. Chairman, the only way to end a war with this kind of an enemy anywhere is to win it.

To win the cold war requires that we weaken the enemy's capacity or will—or both—to start a hot war. That will have been accomplished when he no longer has hope of victory.

This bill is dedicated to helping win the cold war as the surest way to end it and to prevent the atomic war we want so desperately to avoid if we can without loss of honor or freedom. That is the surest way to make possible the dawning at last of the peace for which so many millions have longed and labored, a peace that will last because based on justice and freedom and human brotherhood.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all Members have the right to extend their remarks on this bill at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. PELLY. Mr. Chairman, when I learned the House Foreign Affairs Committee had adopted an amendment to

S. 2090, the Mutual Security Act of 1955, which eliminated the 50–50 American-flag shipping preference clause, I happened to recall a survey made some years ago. This survey was a research study into shipping in my State of Washington.

I am sorry the information in that study is not available to me. I used information from it as a basis of a radio talk once and, as I remember, it was found that when an American ship came into the port of Seattle, over and above shoreside wages for loading and unloading, on the average $18,000 was spent by the operators for food, supplies, laundry, and other requirements. Food and farm produce was a very substantial item, but the point I want to make is that this survey showed that 75 percent of the farms of my State of Washington directly benefited by the presence and purchases of American ships in our ports. Products from 75 percent of the farms of my State went to supply American ships, and that represents a lot of money to the farmers if we have an American merchant marine and shipping is active. If I represented an agricultural district, I would think a long time before I would vote against the cargo preference for American vessels.

I do not like direct or indirect subsidies any more than other Members of the House, but in the national interest our merchant marine has to be subsidized—just like our farmers.

The cheapest form of subsidy is to provide cargoes. Eighty percent of our Government-generated cargoes under a preference clause goes at the same cost as foreign-flag vessels would charge. The balance costs the Government, not the farmer, a slightly higher freight rate as against low-wage foreign shipping rates. But compared with the boost it gives our merchant marine, the cost is low. Yesterday, the distinguished chairman of the Foreign Affairs Committee, the gentleman from South Carolina [Mr. RICHARDS], commented that this is not a ship-subsidy bill. That is true, but this is a security bill, and all the aid in this bill, both military and economic, is not worth much if a war comes and we do not have ships and crews to supply our NATO allies. Yes, this is a mutual-security bill and it is to the best interests of the United States and our friendly allies that America maintains a merchant marine. Should we subsidize idle vessels and set up more marine graveyards? How much better to simply say that half American taxpayer-financed cargoes should be transported on American taxpayers' ships. The 50–50 preference is the lowest cost and the most sensible type of self-help possible.

I have not heard anyone disagree with the Defense Department and the National Security Council and say an adequate American merchant marine is not essential. What are we supposed to do? Subsidize a lot of empty vessels and send them all over the world so our sailors can make a lot of friends in foreign ports. Our Navy does enough of that. Is it not the most logical thing in the world to send American-flag goods in American-flag ships?

I strongly urge the members of this committee to support a provision for the so-called 50–50 preference in transporting agricultural commodities.

I repeat: Send American-flag goods in American-flag ships.

Mr. MARSHALL. Mr. Chairman, one of the problems that we have is to evaluate the worthwhileness of the technical assistance program. On every occasion I am glad to discuss this with people who have had a firsthand knowledge of the work. Some people have criticized the program because they feel that it has not brought about the glamorous results that some of the proponents thought it would have upon its inauguration. At times, because some of these results have not been as glamorous as some have expected, they have been inclined to look at the program as a failure.

In talking with many of the people who have participated in it and observed it, I have come to the conclusion that it has made steady progress. It is a program that is winning a substantial number of friends to our side. It is a program that is bringing about prompt development. The program has materially improved the economic problems of some areas of the world that have been suffering from low standards of living because of low income.

Recently I had the opportunity of visiting with an old friend of mine, Prof. A. J. Schwantes, head of the division of agricultural engineering, University of Minnesota. Professor Schwantes is not a theoretical dreamer; much to the contrary, he is a realist in every sense of the word. Recently, he did some work in Egypt and informs me that the progress in that area has been significant. During the time that he was there, an agricultural extension system was set up that is similar to the one in the United States. The office of the Director of Extension was set up in the Ministry of Agriculture and extension offices were established in various parts of the country. This is an entirely new concept of education in that country and should go a long way toward informing the people of new methods and improvements.

The basic idea is to assist these underdeveloped countries in helping them to help themselves. As Professor Schwantes stated, the setting up of an Extension Service is certainly a great step forward for the people of that disease-infested, poverty-ridden area. Out of this start, I predict that much will come to improve the lot of the people of Egypt. Because of our assistance we certainly will have friends that otherwise we would not have had. A kinder feeling will be generated to the people of the United States that will be of a lasting benefit to us.

Recently on Edward R. Murrow's program, an old friend of mine, Walter Packard, was given recognition for the work which he had done in Greece. A statue was erected to commemorate his work in a farm community in Greece that was rapidly coming under the dominance of communism. Because of Walter Packard's energy and forsightedness, that area in Greece has overthrown the threat of communism. The economic conditions have improved and they are friendly to the United States.

Time does not permit me to go into all of the areas of the world where we show progress. I readily admit that there are areas where we have failed. Sometimes our personnel have not exercised the common sense and industry that they might have to make the best use of the opportunities that the Congress has provided. I have tried to weigh the results of this program by evaluating the information which I receive and upon that evaluation, I am willing to support this program. One of the distinguished Members of the other body made a remark that we would have to learn to live with the world or die together. My feeling is that those words were well spoken. We will do more to bring about peace on earth, goodwill toward men, by giving a helping hand than we will by extermination through the sights of a gun barrel or the wipeout of our civilization with a hydrogen bomb.

Mr. Chairman, I am willing to support this program because I believe that it is a fundamental program that provides peace and security to the United States of America.

Mr. WOLVERTON. Mr. Chairman, the bill now before us to continue the Mutual Security Act authorizes the appropriation of $3,285,800,000 to continue the mutual security program for another year. This is $139,200,000 less than the amount requested by the executive branch. If approved by the Congress it will exceed the amount appropriated last year for the same purpose by $504,300,000.

This foreign-aid program was inaugurated at a time when it was necessary. The purpose was justified, namely, to strengthen nations that were weak and threatened to be engulfed by communism. These nations required both military and economic strength if they were to withstand the onslaughts of forces opposed to free government. We recognized the necessity of our giving help to them. We have done so unstintedly. In fact lavishly. No one will deny that great good has been accomplished and that some of the weaker nations were saved from communism. Even some of the larger nations were similarly benefitted.

The major part of our military and economic assistance has been given to European nations in past years. Now, however, the need for our financial aid in that area has greatly diminished, but, the need in the Far East has increased tremendously. In this latter area communism has already made gains to such an extent that a real genuine peril exists. If the inhabitants of Asia are not strengthened as they seek to stem the tide of communism they will all fall under the power of Soviet Russia. Already many millions of them have come under the power and influence of communism. The battle that confronts the free nations of the world is now largely in Asia. It would be disastrous if we should lose that battle. We cannot afford to lose it. We must win it if we have any regard for our welfare in the years that lie ahead.

While I am fully cognizant of the dangers that beset us and the free peoples of the world, and, while I recognize the necessity of our extending aid in the continuing struggle against the forces of communism wherever it shows its ugly head, yet, I am conscious of the fact that America should not be expected to carry the entire financial burden. I am fearful that there are some nations that are perfectly willing to have us do so and will permit us to do so as long as we are willing.

I am of the opinion that the time has come when we must give a careful consideration not only as to the need but the extent to which we can or should be the sole source of aid. It is becoming more and more apparent to our people that our continuingly giving aid throughout the world is draining our own resources and compelling our people to carry a heavy tax burden and deny themselves many worthwhile projects that otherwise would be possible. Our need for schools, hospitals, more adequate old-age assistance, and improved living conditions by elimination of slum areas is apparent to all of us. And yet we do not meet these obligations as fully as we should because of the heavy burden we have assumed in giving aid throughout the world.

It is imperative that we consider this whole matter from the standpoint of our own national welfare as well as our obligation to the world. If we destroy our financial stability by a too openhanded giving throughout the world, then we could be of no further help to either the world or ourselves. We must be realistic. Thus, it seems to me that it would be highly appropriate as well as necessary to carefully consider whether it is necessary to authorize the full amount provided for in this bill, namely, $3,285,800,000 when there is at the present time an unexpended balance of $8.7 billion. It may be that some of this has been obligated, and, if so, that fact would have to be taken into consideration. However, it does not seem to me that there has been any satisfactory explanation as to the status of this sum of over $8 billion, and, that consequently as it does not appear to have been expended, then there is no need or necessity to appropriate the full sum of $3,285,800,000 authorized in the pending bill.

I trust that before the actual appropriation of this or any similar sum is made that a careful study will be made. We should not overlook the fact that if the amount authorized in this bill or any considerable part of it could be saved, then we could look forward to an approach to a balanced budget within a comparatively short time.

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Mutual Security Act of 1955".

SEC. 2. Title I, chapter 1, of the Mutual Security Act of 1954, which relates to military assistance, is amended as follows:

(a) In section 103 (a), which relates to authorizations, add "(1)" after "(a)", and add the following new paragraph:

"(2) In addition, there is hereby authorized to be appropriated to the President to carry out the purposes of this chapter not to exceed $1,278,000,000 to remain available until expended."

(b) Section 103 (c) is hereby repealed, and the following is substituted therefor:

"(c) When appropriations made pursuant to subsection (a) of this section are used to furnish military assistance on terms of repayment within 10 years or earlier such assistance may be furnished, notwithstanding sections 105, 141, and 142, to nations eligible to purchase military equipment, materials, and services under section 106."

(c) Amend section 105 (b) (1), which relates to conditions applicable to military assistance, to read as follows:

"(1) The Congress welcomes the recent progress in European cooperation and reaffirms its belief in the necessity of further efforts toward political federation, military integration, and economic unification as a means of building strength, establishing security, and preserving peace in the North Atlantic area. In order to provide further encouragement to such efforts, the Congress believes it essential that this act should be so administered as to support concrete measures to promote greater political federation, military integration, and economic unification in Europe."

(d) In paragraphs (2) and (3) of section 105 (b), strike out "Near East, Africa, and South Asia" and "the Far East and the Pacific" and insert "Near East and Africa" and "Asia," respectively.

(e) In paragraphs (2) and (3) of section 105 (c), which relates to geographic delivery ceilings, strike out ", Africa, and South Asia" and "the Far East and the Pacific" and insert "and Africa" and "Asia", respectively.

(f) In section 108, which relates to transfer of military equipment to Japan, strike out "1955" and insert "1956".

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendment: On page 2, line 2, strike out "$1,278,000,000" and insert in lieu thereof "$1,133,000,000."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: on page 2, line 4, insert:

"(b) In section 103 (b), after the word 'chapter', insert 'and of section 124'."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 6, strike out "(b)" and insert "(c)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 14, strike out "(c)" and insert "(d)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 1, strike out "(d)" and insert "(e)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 5, strike out "(e)" and insert "(f)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 3, line 9, strike out "(f)" and insert "(g)."

The committee amendment was agreed to.

Mr. BENTLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENTLEY: On page 2, line 2, strike out "$1,133,000,000" and insert in lieu thereof "$1,033,000,000."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. Mr. Chairman, I believe the committee has just worked its will on that amendment, so that the gentleman's amendment is not in order.

The CHAIRMAN. The gentleman is correct. The committee amendment had already been adopted. The point of order is sustained.

Mr. BENTLEY. Mr. Chairman, may I reintroduce my amendment as an amendment to the committee amendment?

The CHAIRMAN. It would be subject to the point of order that the gentleman from Ohio has just made. The committee amendment has already been adopted. The gentleman should have offered his amendment as an amendment to the committee amendment.

Mr. BENTLEY. Mr. Chairman, I was seeking recognition.

Mr. Chairman, I ask unanimous consent to introduce my amendment as an amendment to the committee amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. VORYS. Mr. Chairman, reserving the right to object, and I hate to object, I think if we start upon that course, after we dispose of something then to go back and redebate it, we will be here a long time. I feel constrained to object.

The CHAIRMAN. Objection is heard.

Mr. DIES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Minnesota and the gentleman from South Carolina took me to task for my remarks in opposition to this bill.

There is one very grave implication which I got from their speeches; that is, we are not only called upon to vote this authorization but it will be our obligation to continue to authorize funds as long as there is a cold war.

If that is true, then we face bankruptcy or the fulfillment of Lenin's interview in the New York Telegram in 1924 when he said:

Some day the Soviet Union will compel the United States to spend itself to destruction.

They ask me, "What would you do?" I will tell you what I would do. I would proceed upon a realistic premise. I would take the Kremlin's leadership at their word. They have said since the very beginning of the revolution that their ultimate objective is world conquest, and that they will never stop until they conquer the world. Having accepted that premise, I would build America so strong economically and militarily and spiritually that the Kremlin would not dare attack us. Or, if they did attack us, we could prevail. I would seek

the real and honest cooperation of every country interested in preserving its integrity and independence.

You cannot build this country economically strong when you continue to pour billions of dollars abroad to countries that in time of emergency may fold up over night.

What is wrong about being realistic? What is wrong about being truthful and candid? I am convinced that some countries are playing us for a bunch of suckers, and you know it and I know it. They are getting everything they can from the United States. The program was justified immediately after the war when the countries were bankrupt, but why can we not tell our friends, if we have friends abroad, that we owe more money than all of the rest of the world put together? If we will tell our friends the truth they will not expect us to continue a spending program which endangers our solvency.

What are you going to do about your children and your grandchildren? If we are honest as a nation, can we justify these programs when the burden of them will fall not upon us but upon our children?

If we really believe in this program, why do we not vote new taxes now to pay for it? I would like to see how many of these great bleeding hearts will be willing to pour their money out; how many of them are willing to give their own money?

I have an acquaintance who inherited a lot of money. She rides around in a big automobile. She is always talking about how she sympathizes with the oppressed people in the world and what America should do to help unfortunate countries and peoples. I once asked her, "If you really believe that, why don't you give away your money? Why don't you share some of your own wealth?"

If we really want to help the peoples of Europe and believe that this is a sound and a justifiable program, why has not this Congress and this administration the honesty and the candor to impose the necessary taxes so that out of your pocketbook and mine the money will come? Why do you continue to put it on your helpless offspring and leave them a staggery legacy of debt?

What proof do you have that your program is working? Is Russia any less strong today than she was when your program began? Has she less armies, has she less submarines, has she less airplanes?

I say to you and I say to you very frankly, Mr. Chairman, that I believe that much of the urge for this money is the desire to continue this appearance of prosperity by creating foreign markets for our products with our children's money. I think a lot of it is pure politics just as it was after World War I, to continue inflationary conditions. Suppose we had to do what the States and the cities do when we spend money? If we had to go out in an honest and open market to get this money; do you think we would spend it? Why does not your State of Georgia or the State of Texas and the other States accumulate great deficits? They do not do so because they cannot inflate the currency. They cannot go down to the Federal Reserve System and by the painless but dangerous method of trading Government bonds for Government credit create something out of nothing.

Mr. Chairman, I know that nothing I can say will in any respect stop this program. I simply want to go on record as saying that it is a foolish program. It is not justifiable.

Mr. ROOSEVELT. Mr. Chairman, I have two amendments at the Clerk's desk and inasmuch as they deal with the same subject, I ask unanimous consent that they may be considered together.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. ROOSEVELT: Page 2, after line 13, insert the following subsection and reletter subsequent subsections accordingly:

"Amend section 105 (a) by inserting (in lieu of the last sentence) the following two sentences:

" 'The President shall be satisfied and shall receive commitments, that such equipment and materials will not be used to undertake any act of aggression against any nation. The President shall report to the Congress pursuant to section 534 of this act, giving complete information with respect to said commitments received by him.' "

Amendment offered by Mr. ROOSEVELT: Page 3, after line 8, insert the following new paragraph:

"Amend subsection (a) of section 106 by adding at the end thereof, a new sentence as follows:

" 'The President shall report to the Congress pursuant to section 534 of this act, giving complete information with respect to said commitments received by him.' "

Mr. ROOSEVELT. Mr. Chairman, I ask consideration of these amendments because as the chairman of the Committee on Foreign Affairs will remember, I appeared before the committee on behalf of those who are seriously disturbed that our commitment to send arms and equipment to various places, particularly in the Middle East was going to contribute not to peace but possibly to future aggression. I believe that through these amendments, the Congress can become informed of the particular commitments made by such nations as they receive American help, that true aggression will not take place. This is called for by the law as it presently stands. But, the Congress especially, does not have adequate information as to the exact forms in which these commitments may have been made. I believe in future years, as has been predicted here, certainly the Congress cannot continue to provide the money and particularly it cannot give arms and cannot sell arms unless it knows that truly adequate commitments have been received by the President of the United States. I believe, too, that if we expect the rest of the country to support this program, they are entitled to know these facts which are in possession of the President. Unfortunately, in the past while they have been referred to, they have not been made public and made a part of the RECORD on which this Congress would act in future years. It may be said that some of this information, perhaps, is classified, and, perhaps, it might affect the security of our country. But, I would like to call attention to the fact that in section 534, there is already sufficient discretion given to the President. In making his semiannual, 6-month report, it is stated that he need not give any information which he deems incompatible with the security of the United States. So it obviously already protects the President from having to disclose any information which may be injurious to our common cause. Therefore, I hope that the chairman of the committee will feel it is possible for him to accept this amendment in line with the testimony I gave before his committee.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. WILLIAMS of Mississippi. The gentleman made reference to a situation that exists in the Middle East which prompted him to offer this amendment. Could he say what countries are receiving arms which are liable to become aggressors?

Mr. ROOSEVELT. The nation of Iraq is now receiving military aid. It has been said that this military aid was given only after receiving assurances that it would not result in aggression, but I think the gentleman will agree with me that there is considerable reason to feel that unless this commitment was in very substantial form, in view of the past record of those countries in the Middle East, including Iraq, that such commitments would not be worth much. Therefore I think it is important that the commitment be made known so that the Congress can judge whether that military aid in the future is justified.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Iowa.

Mr. GROSS. How does the gentleman propose to determine "aggression?"

Mr. ROOSEVELT. I think that armed aggression against any country can be readily described as the crossing of the border of one nation by the armed forces of another for the purpose of invasion.

Mr. GROSS. But who is going to determine who starts this aggression? We have a lot of aggression nowadays. The shooting down of an American airplane off Alaska is either aggression or target practice. But who is going to determine what constitutes aggression?

Mr. ROOSEVELT. I will say that I presume the President of the United States is going to determine the aggression. I would term that kind of an incident "aggression." All I can say is that we have instructed the President to receive commitments that there will be no aggression, for whatever it may be worth, but I think when he receives them at least it is good policy for the Congress of the United States to know in what form those commitments have been received.

The CHAIRMAN. The time of the gentleman from California [Mr. ROOSEVELT] has expired.

Mr. RICHARDS. Mr. Chairman, I take the position that what the gentleman seeks here is provided by existing law, and there is no necessity for the amendment. There is no necessity for piling up language. Under existing law, section 105, the Mutual Security Act of 1954, which we seek to amend, we have a chapter on "Conditions applicable to military assistance." It says:

> Equipment and materials furnished under this chapter shall be made available solely to maintain the internal security and legitimate self-defense of the recipient nation, or to permit it to participate in the defense of its area or in collective security arrangements and measures consistent with the Charter of the United Nations. The President shall be satisfied that such equipment and materials will not be used to undertake any act of aggression against any nation.

That is the law today. I do not see any use in pinpointing any particular situation. This law covers the whole area.

Section 535 of the same law deals with reports to the Congress. I mention this in reply to one of the amendments proposed by the gentleman from California. Section 535 says:

> The President, from time to time, while funds appropriated for the purpose of this act continue to be available for obligation, shall transmit to the Congress reports covering each 6 months of operation, in furtherance of the purposes of this act, except information the disclosure of which he deems incompatible with the security of the United States.

What more could the gentleman want than is already provided for in existing law?

Mr. ROOSEVELT. I agree with what you have read, and I agree that you have read the law correctly, but when a President makes that report I want to be sure that this information is in that report, because I feel that it has a great bearing not only upon the future backing up by the citizens of our country for this program, but it seems entirely possible that the President might choose to ignore this particular and most important subject, as he has in the past.

Mr. RICHARDS. I am sure the gentleman will admit that he can envision a situation where possibly it might not be well for the President of the United States to divulge such military information. The gentleman seemed to approve this in the provision in existing law, and existing law provides that the President—and properly so—when the security of the United States is involved should not be compelled to divulge this information.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. ROOSEVELT. That is exactly why I did not ask for the repeal of that provision. Therefore, this report that I have asked for can be made and at the same time it will be left to the President's discretion.

Mr. RICHARDS. It would not change anything, if that is the case.

Mr. ROOSEVELT. I think it would pinpoint it and bring information to us.

Mr. RICHARDS. It would simply pinpoint it.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. VORYS. Do not these series of amendments merely say, "Let's be sure that the law is enforced?" They do not ever say, "Let's be sure," they just say it in a tweedledee and tweedledum way. Is it not true that the mutual security agreements the gentleman is hinting about have been reported to our committee as provided by law and that the provisions he is worried about are in it?

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN of Michigan. Mr. Chairman, this bill on page 2 carries the item, or did carry the item of $1,278,000,000. If I understand the situation correctly, the committee or some members of the committee being advised that my colleague from Michigan [Mr. BENTLEY] intended to offer an amendment substantially reducing that amount, wrote a committee amendment cutting it $145 million, I think it is.

I want to compliment the gentleman in charge of this bill for the very efficient, shrewd, and vigorous way in which he muzzles my colleague from Michigan [Mr. BENTLEY]. I do not believe in muzzling anyone. Permit me to call the attention of the committee to the fact that over on the next page there is an item of $317,200,000. Then on subsequent pages there are other figures. On page 7 there is an item of $24 million, and so on through the bill. So if it is desired to shut off anyone who wants to make a substantial cut in any bill brought in by the Committee on Foreign Affairs, all that is needed is to get some member of the committee to offer an amendment in the committee or on the floor reducing the amount stated in the bill by anywhere from $1 to 50 cents; then when the bill comes on the floor with an amendment to really do something substantial the attempt will be met by a point of order which will be sustained, properly, under the rules, and the attempt fails.

If that kind of procedure is to be followed, all attempts to make substantial reductions in a bill will be made impossible. I do not like the way my colleague is being treated. The gentleman from Texas [Mr. DIES] asked the question here: "Why do we not levy taxes to pay the appropriations we make?" I know one reason that I have heard in the lobbies here, confidential, it was top secret, it must not be divulged; and the reason that was given there was that if we did the right thing we would all be defeated. It seems most selfish to vote huge sums to be given away and pass on to those who follow the job of paying the debt we create. Nobody in the House, as far as I know, is in favor of a pay-as-you-go policy, especially the Members who want to serve here. We vote to give away billions but we will not vote to provide the money.

I am against this bill. I intend to vote against it because it has not proved out in the past to be worth while. This bill imposes an additional burden on our taxpayers. But in addition to being opposed to the bill and wanting to strike out the enacting clause permit me to say that I do not like the procedure that was used against my colleague from Michigan [Mr. BENTLEY]. When any Member from Michigan is the victim of a procedure that is unfair, whether he asks me or not—and my colleague did not ask me to make any protest—I intend to do so. Whenever that happens here I am going to make a protest and do what I can to stop that kind of adroit, efficient, legal, but unfair action.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

Mr. VORYS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. VORYS. Mr. Chairman, I rise in opposition to the preferential motion offered by the gentleman from Michigan.

In the first place I hope we will have a vote on this motion to strike out the enacting clause. If it prevails, we can save a lot of time, because that would kill the bill right away. I think a vote on it will possibly show the degree of interest that exists at this stage of the consideration of the bill, and the result will show overwhelming interest.

So far as the point of order is concerned, I will gladly withdraw that myself. I did identify the item the gentleman had in mind. I feared very much if we started yielding to these unanimous-consent requests to return to matters that had been disposed of we would unduly prolong our consideration. But I offered to the gentleman informally, and I offer to him before the whole House my own unanimous-consent request that the point of order against the amendment be withdrawn. It is quite true that it is an item that was discussed in committee.

Mr. RICHARDS. Mr. Chairman, I would like to join in the gentleman's unanimous-consent request.

The CHAIRMAN. Does the gentleman from Ohio desire to submit a unanimous-consent request?

Mr. VORYS. Mr. Chairman, I ask unanimous consent that the point of order made to the amendment offered by the gentleman from Michigan [Mr. BENTLEY] be withdrawn.

The CHAIRMAN. Is there objection of the request of the gentleman from Ohio?

Messrs. GAVIN and MASON objected.

Mr. VORYS. Mr. Chairman, then may I say that is the only way I know of to correct that action. I do not agree that during the afternoon we will permit Members to go back to something that we have covered. That was the first instance and I possibly spoke too soon. However, I want to point out that the reduction of $145 million in this first item is no trifling amount. It was an item that was taken out after considerable study in the committee and the reasons for it are shown at the bottom of page 10 of the report. That is, the $145 million, which was presented as

being essentially a reserve item for contingencies, we felt could be eliminated from the bill. I think it is a most important amendment and I was glad to see it adopted.

Mr. JUDD. I think it ought to be said for the RECORD that the motion to delete the $145 million was made by the gentleman from Ohio in the committee.

Mr. VORYS. I sponsored it when another Member offered it.

Mr. MILLER of Nebraska. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Ohio yield for a parliamentary inquiry?

Mr. VORYS. I yield.

Mr. MILLER of Nebraska. Would it not be possible if the gentleman wishes to return to the amendment that the gentleman from Michigan wished to offer for either the gentleman from Ohio or the chairman of the committee to move that we return to that item?

The CHAIRMAN. That cannot be done by a motion. It has to be by unanimous consent.

Mr. VORYS. Mr. Chairman, once more I renew my unanimous consent request that the amendment offered by the gentleman from Michigan [Mr. BENTLEY] be considered in order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Messrs. GAVIN and MASON objected.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The question was taken; and on a division (demanded by Mr. HOFFMAN of Michigan) there were—ayes 44, noes 112.

So the motion was rejected.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. GROSS. I yield.

Mr. DAVIS of Georgia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DAVIS of Georgia. If the gentleman from Michigan [Mr. BENTLEY] should offer his amendment again at this time, would he not have the right to ask unanimous consent that it be considered?

The CHAIRMAN. The Chair will entertain any unanimous-consent request that is presented. The Chair might state that when the committee amendment was read, the gentleman could have offered his amendment to the committee amendment at that time. The Chair put the question on the committee amendment, and it was adopted by a vote. It was not one of those that was adopted without objection. It was put to a vote of the Committee.

Mr. DAVIS of Georgia. My inquiry is, if he desires at this time to ask unanimous consent to offer that same amendment, he has that right, does he not?

The CHAIRMAN. The Chair will entertain the unanimous-consent request if it is presented.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, one of the speakers earlier this afternoon, the gentleman from West Virginia, said that it was improper to call this a giveaway bill. I seem to recall that the Man from Galilee at one time warned certain people not to give away their country, and I seem to recall that less than a quarter of a century after the crucifixion the great capital of that country was torn apart block by block. Perhaps it is improper to call this a giveaway bill. Let me amend it to call it the foreign grab-bag bill.

Now, the gentleman from South Carolina, the distinguished chairman of the committee [Mr. RICHARDS], injected the Civil War into the debate this afternoon. The gentleman from Texas [Mr. DIES] needs no defense from me, but I am surprised that the gentleman from South Carolina did not mention the fact that no foreigners came trooping in with billions of dollars for relief for the southerners after the Civil War. Instead of that, out of the North—and I suspect there were some foreigners among them—came an army of carpetbaggers. They did not get help down there; the southerners worked their way out of their tragic plight after the Civil War. The gentleman also referred to the testimony of General Gruenther before his committee. I suggest that Members read the testimony of General Gruenther, and they will find that almost all of it is off the record.

I have been trying here for 2 days to find out what kind of military forces there are in NATO upon which we have showered billions of dollars. I cannot find out. General Gruenther told the committee that the Russians have 179 divisions and the satellite countries another 80 divisions, or approximately those figures. But I assume that the committee believes and General Guenther believes—since the discussion off the record was within the discretion of the Committee on Foreign Affairs—that the Russians have no intelligence system and that they do not know how many battle-ready divisions there are in NATO. We know all about the divisions the Russians have and the satellite countries have, but we cannot find out anything about the number of divisions we have been buying or have not been buying in NATO. Who is kidding whom in this matter?

I should like to ask the gentleman from South Carolina [Mr. RICHARDS] about Battle Act enforcement. I believe there is some $1,700,000 in this bill for enforcement of the Battle Act. Did the testimony before the committee develop that there have been any violations of the Battle Act?

Mr. RICHARDS. No direct violations were cited before the committee. We were assured by witnesses that they were trying to tighten up enforcement of the Battle Act.

Mr. GROSS. There were no violations, but they were going to tighten it up. Why tighten it up if there were no violations?

Mr. RICHARDS. None were cited before the committee. Certainly there have been violations, I would assume. What I am trying to say to the gentleman is that this bill does not try to loosen enforcement of the Battle Act.

Mr. GROSS. That is not what I mean. It is proposed to appropriate here $1,700,000 for enforcement of the Battle Act. Has that enforcement been effective? Was there any testimony before the gentleman's committee that it has been effective or ineffective? Is there need to continue the appropriation? Is the Battle Act a dead letter in the law? That is the question I want the gentleman to answer.

Since I cannot find out anything from the chairman of the committee with respect to the Battle Act, I shall have to find the proper point in the bill where I may offer an amendment to cut out the $1,700,000 proposed.

Mr. RICHARDS. The gentleman has raised 3 or 4 questions which he has referred to me. If I had the time, I would be glad to answer them. I do not want to take the gentleman's time. I shall try to answer them later.

Mr. GROSS. Can the gentleman tell us whether the Battle Act has been effective?

Mr. RICHARDS. I think so. I do not guarantee that it will not be necessary to amend the Battle Act later. I do not know what will be done later. But I say that I think it has been effective.

Mr. GROSS. The gentleman says that the Battle Act has been effective and will continue to be effective?

Mr. RICHARDS. I do not guarantee that it will continue to be effective. The evidence before us was that it has been effective.

Mr. GROSS. I have here a news item off the news ticker and I think the House, while it is considering this bill, and particularly the appropriation proposed for the enforcement of the Battle Act, ought to have this information. It reads as follows:

> Great Britain served notice today that she will use warships if necessary to keep the sea lanes open for her merchant ships to trade with Communist China. "Her Majesty's ships in the Far East have instructions to afford protection to British ships on their lawful occupation of the high seas," R. H. Turtin, Under Secretary of State for Foreign Affairs, told the House of Commons.

I wonder if, in the light of this item that was carried on the news wires at 1:28 this afternoon, the gentleman will still say that the Battle Act is being enforced or can be enforced? Here is printed notice that if we try to stop trade with Communist China the British Navy will run over us.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. I appreciate my friend's yielding. He mentioned aid

to the South. I would like to remind my friend that 70 years after the Civil War we got some aid long overdue to develop the great Tennessee Valley—70 years after the Civil War was over. But some of the very people who are espousing this great foreign-aid program of some $50 billion since World War II realize that we have only received 2 percent of that amount of money which we will and are repaying and yet they are doing everything they can to take that aid, which we received in the South, away from us and put us back into economic chaos again.

Mr. GROSS. You waited 70 years, but the global spenders did not wait long to go over and build hydroelectric plants in Italy and France, did they?

Mr. BASS of Tennessee. The gentleman is absolutely correct.

Mr. DORN of South Carolina. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to speak for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina.

There was no objection.

Mr. DORN of South Carolina. Mr. Chairman, I am very diffident and somewhat reluctant today to take this floor at all. All of you know the high affection and regard I have for my distinguished chairman of the South Carolina delegation. But I cannot conscientiously sit here year after year and see this program promulgated indefinitely into the future.

Just 2 or 3 weeks ago I read a newspaper article by the Honorable Harold Stassen in which he stated that America must share its wealth with all of the peoples of the world. He went further and said that this program should be permanent. I want to ask this House today, by what right or what justification should we come here year after year and now possibly for generation after generation and ask the American people to support this fantastic foreign aid program? On one hand we are asked to increase the national debt, as we did the day before yesterday, and then we are asked today for $3.5 billion more for countries around the world.

I am told by many Members here from time to time that this foreign-aid program has helped stop the onward march of communism. Where do they get that information? It comes from the great generals, the so-called experts on foreign matters, presidents and prime ministers of other nations, those who have jobs in the aid program, and the foreign diplomats. These are the people who, I think sometimes, know less about it than anyone else or who stand to benefit by the program.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I yield to the gentleman from Florida.

Mr. HALEY. I wonder if anybody has heard from the American taxpayers? They have not had an opportunity to present their case here yet.

Mr. DORN of South Carolina. Absolutely not. That is a good point.

A few years ago I made a trip around the world, but before speaking of that I want to go back further and give you some experiences I had as an enlisted man serving under our great general in Western Europe in 1944 and 1945.

I remember well when committees of Congress, diplomats, and generals came over there to see how we, the enlisted men, were getting along. We had to clean the barracks, cut the grass, eat one good meal on the day these gentlemen came by to see how we were living, and then they came back and reported to the American people how well everything was getting along on the western front.

They did not tell about the shortage of ammunition, they did not tell about the fact that the beef was held up by strikes in New York and a lot of other places. The American people did not get the whole picture. We are certainly not getting the true picture today.

When I am overseas and I want to find out what is going on in the foreign-aid program, do you know what I do? Do you know what I did in Calcutta and do you know what I did in Manila? I listened to all of these diplomats who came in with these vast statistics—trying to prove to us what they were doing in foreign soil. But do you know what I did that night? I talked to the American businessmen in Calcutta, the representatives of many great business firms, the men who have to earn their livelihood by selling their products to the peoples of foreign countries. Without one single exception they said, "Are you men going to go back to the United States and continue to foist this humbug, this sham, on the United States of America and on the countries of the world?" These patriotic Americans were trying, by example, to tell the world about our wonderful opportunity system. But were often undermined in their efforts by this "something for nothing" program. One businessman told me that our aid representatives were driving people into the Communist Party by talking about Hollywood, automobiles, and luxury living in America. When these poor, illiterate foreigners who had been pleased just to be alive could not get their Cadillac or TV set, then they joined the Communists. Naturally the ones charged with administering the aid program overseas told everyone what a wonderful job he was doing so he could keep that job with servants and per diem.

I can tell you today I have a high regard for General Gruenther. Of course, he is a brilliant commander and a brilliant organizer. But do you think for one moment he can find out exactly, being way up at the top in his fine hotel in Paris, what the real thinking is at the grassroots level? What can he possibly know about the determination, the courage and stamina of our so-called allies? Ladies and gentlemen of the House, I have yet to see one single enlisted man come back and talk to me in my private home in Washington or in South Carolina but who says that this program is going to ruin the United States of America. These men tell me we are losing friends. They tell me about their buddies being beaten up, about their automobiles being damaged and signs painted on them reading "Go home, you dirty Yank."

Yes, Mr. Stassen and his crowd are for it. They want to make it permanent—because they have the best job giving away money that they ever had in their lives. Oh, my friend, America is being misled by these dreamers and idealists. Now let us have the real situation. The factories that we are building for jet aircraft in northern Italy, and other places are not only with 5 minutes of the Russian Air Force, but they are within a few hours of the Panzer Divisions of the great Russian land Juggernaut. I charge today that in some war in the future, my fellow countrymen, these resources of the taxpayers of America will be used against us all. The little people of the United States, are in just as poor condition, at least many of them, as the average Frenchman, Englishman, or Italian. I can tell you I saw more fur coats in Rome and Paris than I see in many sections of America. Yet we are the ones who are supporting this program of luxury for others. In fact, I saw more evidence of luxury in Rome and Paris than I see in Washington.

The world is on a spree and hayride with America picking up the check. This is fallacious foundation for friends, allies, and permanent peace.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I am delighted to yield to my colleague from Iowa.

Mr. GROSS. I would like to read one paragraph from the hearings and the testimony of former Ambassador Bowles. He said:

> Simply pouring money into countries that are not facing up to their own internal problems and their relations with their neighbors is folly. For instance, when you see Cadillacs and French perfume, champagne and evening gowns eating up a nation's foreign exchange so the people can't have bulldozers, fertilizer, electric motors, and penicillin, something is wrong. I, for one, grow weary of seeing us subsidize such situations.

It is of record that nowhere in the hearings of this committee, did any member of the committee, who supports this bill, ask the former ambassador to pinpoint the shocking situations he was talking about.

Mr. DORN of South Carolina. I thank the gentleman for his contribution. Of course, that is the situation in the world today.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I am delighted to yield to the gentleman.

Mr. FULTON. On this particular program, 40 percent of this is military hardware.

Mr. DORN of South Carolina. I am glad you mentioned that point. Most of this military hardware that we have poured overseas—in the first place, we helped Russia. Then we helped the satellites of Russia. Now we are helping those within easy striking distance of the Russians. That is, within striking distance of the Russian Air Force and which can be taken over by their army. I say that most of this military equipment

around the perimeter of Russia will be used against us when the real war starts. I would rather see 1 plane in the hands of a good, patriotic American than 25 planes in the hands of Nehru or Tito or the Italians or the French. I have seen them in combat. I know what I am talking about. We are pouring this military equipment and aid all over the world to be shot back at us just like the scrap iron which we sent to Japan was shot back at us by the Japanese. Do not forget, too, that many of the people in England loaned Hitler the money with which to build his great military organization and it came right back at the British people. Yes, I agree with the gentleman from Texas this aid is a fraud and waste and will help Russia in her dreams of world conquest.

Mr. FULTON. May I ask the gentleman a question.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent that the gentleman from South Carolina may proceed for 2 additional minutes so that I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FULTON. If the gentleman starts from the position where he feels we must defend America and America alone, have an island fortress out of this country, I disagree with him.

Mr. DORN of South Carolina. Let me answer that.

Mr. FULTON. But does the gentleman not feel that we should arm 500,000 German troops that are now coming into being and help them along and keep them on our side?

Mr. DORN of South Carolina. Yes, but I think they can arm themselves. They did a pretty good job of arming themselves under Hitler.

Mr. FULTON. Then you are partly for this bill.

Mr. DORN of South Carolina. No; but I voted for the Greek loan, and I voted for the Turkey loan. I have voted against every foreign-aid bill since then. Time and time again I favored bringing Spain into NATO. I introduced one of the first resolutions in 1948 calling for an Atlantic alliance. I spoke time and again in favor of Spain. But I did not advocate bribing them with money nor do I today.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. DORN of South Carolina. I yield to the gentleman from California.

Mr. ROOSEVELT. Would not the gentleman agree that if we are going to give arms, the more information we can get about the conditions under which those arms are given, the more the American people have a right to it?

Mr. DORN of South Carolina. That is exactly right.

I want to say in answer to the gentleman from Pennsylvania [Mr. FULTON]: There has been a lot of talk about withdrawing to fortress America. I say we ought to adopt a positive policy. As the gentleman from Texas said, build the greatest air force in the world, and we could have had overwhelming superiority in the air today with the money that we have already thrown away. Then declare a Monroe Doctrine for the free world. The Monroe Doctrine did not cost anything. No one has ever violated the territorial integrity of South or Central America for any length of time. I say that with the money we have squandered all over the world we could have the greatest air force in the world today, and we could have told Russia a long time ago, "Stay out of Western Europe. Stay out of southeast Asia." Russia would not have dared violate that doctrine any more than the greedy, power-hungry dictators of Europe dared to violate the Monroe Doctrine. When America has absolute control of the air, over the world we will have many friends and allies. If we become weak and hopelessly in debt we will find ourselves alone in a hostile world. That is what I believe. That is my philosophy. I am only trying to say today that you cannot buy courage, determination, the will to resist, fortitude, and honor with the money of the taxpayers of the United States.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. DORN] has again expired.

Mr. GAVIN. Mr. Chairman, I move to strike out the last word.

Mr. MORANO. Will the gentleman yield for a parliamentary inquiry?

Mr. GAVIN. No. I do not want to take up the time.

Mr. FULTON. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may have 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORANO. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. GAVIN. Yes, I yield.

Mr. MORANO. Is there an amendment pending before the House, Mr. Chairman?

The CHAIRMAN. There is an amendment now pending, the amendment offered by the gentleman from California [Mr. ROOSEVELT].

Mr. GAVIN. Mr. Chairman, at times I deeply sympathize with my good friend from the South. They brought up in this debate the War Between the States. But you know, with all my sympathy for you, I just wonder what you fellows would have done to the North had you won that war. Then again, I sympathize with you for the carpetbaggers' tactics and some of the abuses following the war. But let me tell you, my friends, that what the New Deal and the Fair Deal has done to us in the North in the last 20 years has been terrific. Certainly you have well repaid us in the North for any indiscretions that might have occurred immediately following the War Between the States. We have paid plenty. So I would say, let us forget about that war because you are now pretty much even. You have leveled it off pretty well in a very definite manner. I want to thank my good friend and colleague from Pennsylvania for giving me this additional time.

I have listened for 2 days to these flowery remarks about the chairman and minority chairman of the committee. I tried to get 2 minutes from my chairman and he flatly, and not too graciously, refused, even though we had 4 hours of general debate. Finally I got 2 minutes from the distinguished gentleman from South Carolina [Mr. RICHARDS]. I asked him for 1 more minute, and even though it appeared he might run out of speakers, he could not give it to me; but to the next speaker following me he gave 4 or 5 times an additional 5 minutes. So this opportunity is the only time I have had to really present my thinking on this bill.

Now they start off discussion today on economic recovery.

Then they switch over to national defense. What's in this bill pertaining to national defense no doubt can be readily accepted. However they did not want to get on to the economic features of this proposed legislation; they did not want a word about that. Let me tell you, after having made four or five trips to Europe as a member of the Armed Services Committee, that the people over there are well fed, well shod, well clothed. They are doing all right for themselves and let no one tell you otherwise. Consequently I feel it is about time that we sloughed off a little on our foreign aid spending and let them slug it out a little harder, and provide some relief for the long-suffering American taxpayer who has been carrying the load for the last 9 or 10 years. We have been deeply sympathetic to the unfortunate people all over the world for years. The American people have turned in a magnificent performance in aiding the peoples of the world. We can well be proud of this great record. Of late we have been talking about balancing the budget, let us get down to business and balance the budget. However, if we continue to extend the debt limitation as we did the other day by $6½ billion we will never balance the budget. Today the Foreign Operations Administration has $8,717,000,000 that is authorized but unexpended. Think of that, Mr. Chairman, they have $8,717,000,000 unexpended. As I have said before, a million dollars is a thousand thousand dollars and a billion dollars is a thousand million dollars. They still have $8,000 million that have been authorized but still unexpended; and yet the committee comes in here today and asks for $3.5 billion more, which will give them $12.2 billion for spending. It will take them at least 2 years to spend the $8 billion already authorized but unexpended. I do not know what is the matter with our thinking. This spending must be contagious; I cannot understand the reasoning of the House to continue to authorize money when this agency has $8,717,000,000 on hand to spend.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. No; I am sorry I cannot yield to my good friends. I just want to say that this morning the proponents rose to heights of great oratory; they emotionalized and dramatized; they were entrancing. I was spellbound and

nearly succumbed myself. They were quoting the classics; they recited verses; they were most appealing. The chairman and the ranking minority Member were engaging in as fine a demonstration of orating as I have ever heard on the floor of this House. However, being just an ordinary, practical, realistic American, I wondered what all this was about and how all these classics and literature were injected into the debate. Then the debate took another turn. After we got through the dramatizing the chairman of the committee got on the communistic threat. You know, that is the argument we have been listening to for years and it is pretty well worn out. We have heard that for 10 years and nothing has happened. It is time for a new theme. What we need today in our diplomatic areas around the world is just a little less British accent and a little more American guts. Are we still going to be scared into bankruptcy by this bogey of communism, we, America, without question the greatest Nation in all the world? Every time there is a growl from the Russian bear or a breeze wafts from the Kremlin, we look around to see where we can pour in more foreign aid. We—America—this great country of ours—why should we back up from anybody? Why should we take any threat from anybody? It is time to take a stand.

In 1947 when I came back from Europe, I recommended the immediate need for the rearmament of Germany. I talked and talked and worked. However, it took our diplomats almost 4 years before we finally recognized the sovereignty of Germany and today that Germany will be rearmed. So my colleagues, it is my opinion that you will not have any trouble with the Russians; they will be so busy looking after the Germans from now on that the Russians will not be harassing and taunting us or worrying us. Recently you did not see them come to the help of the Chinese Communists, did you? When we took a stand what happened? They backed away and you have not heard much about it recently.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I decline to yield to my good friend, whom I greatly admire but with whom I do not agree. Permit me to continue. When sovereignty was granted to Germany and the Russians realized that the Germans were going to take their place along the defense line with the French, the British, and the Americans, they changed their attitude mighty quick. Believe me, from now on out you are not going to be hounded, harassed, or taunted by the Russians.

This situation reminds me of when I was a boy; in all modesty I did not get hold of myself as quickly as I should have but I finally caught on. I was pushed and booted around quite often by the bullies in the neighborhood. One day I said: "Well, I have had enough of this." I moved in with everything I had. I still have a broken knuckle as evidence that I did a pretty good job. When I moved in on them ready to do business, why from that day on they let me alone and I had no further trouble. It taught me a lasting lesson and I have had no more trouble from that day to this.

Mr. Chairman, I say we have been pushed around long enough; it is time we showed the fighting spirit of the American pioneer who created, and built, and developed America into the greatest Nation in the world. They did not back away; they stood up and met every situation that came along head-on. So let us quit talking about Communist threats to sell foreign-aid programs. I for one am tired of hearing about Communist threats.

Now, getting back to practical, realistic thinking, we owe $280 billion. That is a lot of money, two hundred and eighty thousand million dollars that the generations to follow us will have to pay by going out and earning the money by the sweat of their brows to pay the taxes to pay this bill—if it is ever paid. Even if we paid it off on the basis of $3 billion a year, it would take us from 75 to 90 years to pay it off. So keep on until we spend ourselves into bankruptcy and you will get pushed around.

Mr. Chairman, a few days ago we were considering the postal pay increase bill. We heard for hours a lot of arguments pro and con. It was politically expedient to be in attendance. Why? Because you knew the boys back home were going to check the vote and, therefore, you were going to get recorded on that bill. But that was for only 12 or 14 million dollars, and you spent days on it even though it was for increased pay for our own people. Here today you complacently sit by and consider in a few hours' debate, spending $3½ billion when you have $8 billion of an unexpended balance. If you screened this bill as carefully as you microscoped the postal workers' pay bill, you could save the American taxpayers some money.

There is a chart in the report here of how the pie is to be cut so far as the $3½ billion is concerned, but they do not show you the picture of the pie so far as the $8,717,000,000 that is authorized and unexpended is concerned. They do not show you how that is divided up and where and who is to get it. Now, I am not much of a geographer; however, you will note they do have that $8 billion divided into hemispheres. How do you like that division. It is so colossal a sum that they have hemisphered it to confuse you. They do not cut the pie in pieces and show you a chart of how the $8,717,000,000 is going to be spent. That is in reserve. Oh, they are careful operators. They keep on building up the reserves. So even if foreign aid and these programs stop tomorrow they would be able to go on for 3 or 4 years after it is discontinued. By that time this infectious foreign-aid spending contagion would again spread over the Members and they would again be ready for another dose at foreign-aid program. I personally believe that this will be part of our annual budget set up the same as any other department of Government.

You just do not seem to have the courage to take a stand. I do not know what you are going to say to the folks back home when they ask you why you did not balance the budget, why you did not give them a tax reduction, why you did not give them relief from the back-breaking burden of taxes. What are you going to say? You are going to say: Well, if we are to continue to carry on these colossal programs and responsibilities all over the world therefore we cannot give tax relief to the long-suffering American taxpayers. One of these days you will hear from the folks back home and I am afraid it will be the kind of music you will not enjoy.

So let us think this thing through before we vote. That is all I am asking you to do.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, this is the first time I have spoken on this bill. I thought perhaps I would not say anything about it, but my good and distinguished friend from South Carolina moved me to make a few remarks.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Is the gentleman talking about me?

Mr. HAYS of Ohio. No; the gentleman from South Carolina, General DORN.

What we are doing here today is supplementing $31 billion that we voted for the Armed Forces of the United States. I know some of the things that have been said here are going to look good back in the hometown newspapers, but if the people back there stop and think a little bit about some of the things that have been said about building a tremendous Air Force and Navy and Army so that America can stand alone, if they stop and think what that implies, that America stand alone against all the world, well, then I say you had better look at the census figures and see how many people there are in the world and whether you believe we could stand alone against all the world. It is fantastic, it is incredible, and it is impossible. I hope war does not come, but I am a little bit about that like I am about some of the preparations for civilian defense. They do not do much about it, and so, if a holocaust comes and millions of people are killed, well, the people that did not do anything about it are not going to get blamed, because there will not be anybody here to blame them, and if it does not come, they can say, "Well, I said all along there was no use spending money for civilian defense, because it did not happen." So, some of these people take the same position. If a hot war does not come, they can stand up and say, "I said back in so and so that it was foolishness." But, if a war does come and we try to stand alone, if we listen to these voices and if we let the Communists nibble off the free world nation by nation and little country by little country until we are alone and then we are overwhelmed, then they are not going to have to answer to anybody, anyway.

I would like to point out that the committee has cut this bill, and there will be probably some amendments offered to cut it some more. I offered an amendment in committee to cut it by $100 million, and it was defeated by 1 vote. But, the point

I want to make crystal clear is this, that a lot of the nations to which you people have been objecting about getting aid are not in this bill. The job has been done. They have been cut off. I heard a lot in the campaign 2 years ago, 3 years ago, and 1 year ago about aid for Asia.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HAYS of Ohio. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. I heard the question asked, "Are you going to let Asia go down the drain?" Well, you examine the report on this bill, and you will find that a great deal of this money is the recommendation of the President to prevent Asia from going down the drain. I have not always been convinced that every nickel that has been spent has been spent wisely, but I think the bulk of it has been spent to our advantage, and I believe enough in this administration and the people who are running it, the names of whom have been mentioned—General Gruenther, Admiral Radford, and the others—to believe that they are going to put that money to good use, and for every dollar that they spend out there now it may save us spending millions of dollars and countless of American lives later on. We have to look a little ahead and weigh that in the balance, and then some of the speeches may not read quite as brilliantly as they might otherwise.

Mr. LONG. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LONG. Mr. Chairman, I have listened to many fine speeches here today. Very few of those who made them felt very much concern for the American taxpayer.

I have heard some of our friends speak of the spiritual side. I am not as good a man as I would like to be or as I should be. But as far as my prayers go, for this great country of ours and the American people and the soldiers who fought in our foreign wars, my prayers have gone for them every night, as sincerely as I know how to pray. And just as sincerely I hope to discuss this bill with my colleagues here today.

I cannot see, for the life of me, how we here in Congress can keep going down into the pay envelope of the little laboring man who can hardly feed and clothe his own little boys and girls, the great Americans who are going to be some day; how we can keep going down into the pocketbooks of many who do not even have a home, how we can keep going to men who are out of work all over this country, and take their money for this purpose.

I do not care what you say. I travel over this country too. In my own district, if you took every dime on earth, that some of those poor laboring people have, and put them together, their whole outfit would not bring a thousand dollars. Those people need help. May I remind those who speak of the spiritual side that charity begins at home, and that he that provideth not for his own household is worse than the infidel. That is what the Bible says.

Are we doing that here today? Are we being honest with ourselves? As the gentleman from Texas [Mr. DIES] said, "Are we honest with ourselves when we vote billions of dollars to be paid by children yet unborn?"

I think that is something we ought to think about very seriously at this particular time. Oh, yes; some say they are afraid that we are going to have to go it alone. Let me tell you what the late Senator Taft—whom I knew personally many years ago—told me when I first came to Congress—and I believe it today. I went to him and said, "I am not asking this for publication, but I am talking as a new Congressman. I want to do the right thing. I want to know what condition this great country of ours is in now. What would you say of our allies? What would you say about going it alone"

And he said, "Only for the fact that I am one of the leaders in the majority party at this time, and I must go along with my party to a great extent, I would say and you can say we are alone. We are alone today."

Let us not fool ourselves. These people trade with Communist China and they do that even though we furnished all the soldiers to fight in Korea and provided all the money. And our boys by the thousands died over there. But not a Russian lost his life—not one.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield to my friend from South Carolina.

Mr. DORN of South Carolina. The gentleman is making a splendid contribution to this debate. On that very point, I would like to say to my very good friend from Louisiana that I was here in 1948 when the Marshall plan was passed by this Congress. They said then that it would buy friends, just as they are saying today. But then the great test came, when the armies of North Korea, backed by Russian equipment and backed by the Red Chinese Army, on the 25th of June, 1950, came across the 38th parallel, after we had spent those billions of dollars, where were our friends? They made no real effort to help us in Korea. They traded with and indirectly helped the Communists. That is a good example of what will happen when the real war starts in a few years. The contributions of all of them put together in Korea was a mockery and insult to the American people and our whole aid program.

Mr. LONG. Yes, and you talk about doing something. You talk about fixing people so they will fight by our side. We fixed China, did we not? We fixed Japan, did we not, when we sold her scrap steel, and they shot the same material back at our boys on the battlefields?

Do not be fooled. A lot of this is big business. Do not be deceived. We are sending this money to Europe not to build arms, we are sending it not for the military, we are sending it to buy machinery. It is for the manufacturers. We are subsidizing those fellows by way of the back door, and nobody that knows anything about it can deny that those are the cold facts.

Yes, it is all right to get excited. They talk about how they want to defend this great country of ours. Nobody wants to defend it any more than I. I was in the Army in World War I, not for very long, but I was there with the uniform on when peace came and the armistice was signed, ready to go to the defense of my country, and if there is need now, I will guarantee you a pretty good job of fighting.

I repeat, let us not take the money out of the envelope the poor little taxpayer has and then sit here and refuse to reduce his income tax, but instead give it to foreign countries and yell that we are doing it in order that we may have allies when the time comes.

Maybe I should not say what I am going to say, but if England will gain more by joining Russia tomorrow, she will join them, and do not fool yourself about that. She is already using her ships to ship men and materiel in order that they may kill the very boys that are over there trying to fight communism to defend them. We helped to bail England out twice when she would have absolutely been destroyed.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield to the gentleman from Iowa?

Mr. GROSS. She served notice on us today that she would use her warships to run over us if we tried to interfere with her trade with Communist China.

Mr. LONG. I thank the gentleman for his contribution. That is exactly what I am talking about.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield to the gentleman from Texas.

Mr. DIES. The gentleman has been in public life many, many years and has been an efficient and able public servant. He has had a lot of experience. Has he ever known of an instance when he could buy a friend? Has he ever in a campaign for any public office made any headway or seen anyone make any headway when they had to pay money in order to have friends to support them?

Mr. LONG. I thank the gentleman from Texas.

There is no way on earth that can be done. They take your money and put it in their pocket, whether it is a campaign or a war, and use it for their own purposes, just as France and England both are trying to do.

Since 1945 we have given away $50 billion of our substance to help others. Over $11 billion are still available from unexpended funds, and now we have been asked to supply an additional $3.5 billion.

Mr. Chairman, others will debate the pro and con aspects of our foreign-aid program. I will not speak of the blossoming of programs one after the other since 1945. I will not elaborate on the

fact that in my opinion most of our foreign-aid programs have outlived their usefulness. I do not wish to enlarge on our growing Federal debt in relation to our national product as compared to the federal debts of beneficiary countries. I do not wish to emphasize the well-established fact that Europe does not need any more aid since she has recovered her prewar productive position. I do not wish to draw attention to the postponement of public projects in our country, such as the deplorable lack of schoolrooms, modern highways, rebuilt airports, and so forth. Nor will I stress the fact of income taxes to pay for foreign aid. These adverse aspects of the foreign-aid program are so self-evident and so much in the minds of every thinking American who bears the brunt of this extravagance until it is hardly necessary to enlarge on them.

On the other hand, I do wish to mention the fact that population increases are often given as excuses for the need of foreign assistance. In my opinion, overpopulation is a convenient formula to cover up a lack of effort to revamp obsolete laws and to denationalize; to clean out bureaucracy, corruption, and tax cheating; to reform engrained habits of leisurely inactivity and inefficient fiscal operations. To put it plainly, it is much easier to ride the bandwagon and do nothing toward self-help while the weary taxpayers of America foot the bills.

Another popular argument in defense of foreign aid which again fails to measure up is the one dealing with technical and military aid to foreign nations. It is said by proponents of this aid that if we furnish the technical know-how, then the foreign nations, for the most part, will be able to furnish the manpower. Only a few days ago Admiral Radford stated that our allies can very well provide in their own and adjacent countries most of the defensive ground forces and the local naval and air power. But, Mr. Chairman, let us be ever mindful, as the gentleman from South Carolina has implied, that in the Korean conflict Uncle Sam furnished up to 97 percent of the manpower. These theories are easily propounded, but the proof is in the actual workings of such theories, and they have failed to measure up in the above case, as well as in others designed to make foreign aid more palatable to the American public.

I wish to emphasize the fact that most of our foreign aid since 1945 has been given overwhelmingly to foreign governments who seem to have pinned their hopes on socialistic planning. Hand and hand with this planning have come continuous deficits and a continuing need for dollars in their payments of international debts. In my opinion, the continuous deficits of several European countries are caused by the increasing need of capital to operate and expand nationalized and subsidized industries. In the case of France and Italy especially, once the States established full-fledged monopolies, the process is almost irreversible. This has even been the experience in England, with the exception of a few industries.

A major part of our Marshall plan funds has gone to inefficiently managed State enterprises. Even today, in France, many of the State enterprises are operating at a loss, and the indebtedness of the so-called big public services is increasing year by year. In addition, these State enterprises show evidences of inflated personnel coupled with an amazing amount of wastage, abuses, and frauds.

Newspapers have noted time and again the ruthless exploitation of foreign citizens by local politicians and their coteries. To a greater or lesser degree such is the situation in the Mediterranean countries, in the Philippines and in Indonesia. All of these countries have been recipients of substantial amounts of foreign aid distributed largely by these same politicians. It is not a matter of ethics alone. In the Orient "politics" means corrupt practices by individuals as it so often does in the Occident by pressure groups.

We are confronted with a picture of certain men in power having the ultimate say over aid extended by us; but I wish to reemphasize my point that our Marshall plan aid will not save any one country, whether in Europe or the East, if the public morality is so low as to negate the rational operation of government.

I wish to draw attention to another facet of our aid program, namely, the encouragement of foreign competition. We have helped foreign countries not only to rehabilitate their industries, to get access to supplies of raw materials, and increase their exports by lowering our tariff walls, but we have encouraged them to send productivity teams to our country to study our latest mass production methods. The effectiveness of such aid has been seen lately, for example, in the successful competition by foreign bicycle makers in our own domestic market by which our bicycle producers are being driven rapidly to the wall. The same thing is happening in textiles, electrical equipment, glassware, ceramics, rubber goods, and so forth.

Many of the countries assisted by us are engaging in rampant commercial warfare in the free markets of the world and are actually supplanting us in certain areas, for example, in the Latin American market.

Mr. Chairman, we seem to have an extraordinary sensitivity to anything that happens abroad to other people and we do everything in our power to help them. But, we seem to portray a singular lack of sensitivity where it concerns our own people. I wish to draw specific attention to the flagrant abuse of treaty rights by our so-called ally, namely, France, against the American business community in Morocco.

This may be a sore question to mention, but I feel impelled to mention it because France is one country which has received an enormous amount of aid from us. Since 1945 we have assisted France to the tune of $5.2 billion, in addition to the vast sums under lend-lease previously rendered. We have assisted France in every way to recover from the ravages of war. We have assisted her by men and means to settle her difficulties in Indochina and we are currently engaged in assisting her in large measure in her overseas colonies. For example, since 1945 we have given her over $450 million to be spent in Morocco alone—in 1954 the amount spent was $171 million. The totals spent in French possessions for military construction and mutual security are classified, but I can assure you that the sums are stupendous.

The discrimination I refer to concerns United States commercial treaty rights in Morocco. Morocco is a sovereign state under French protection. The 1906 Treaty of Algeciras between Morocco and the United States, France, and other world powers limited customs duties to 12.5 percent, set up valuation procedures, and established a completely free economy and equality in Morocco for all the signatory nations. Despite this treaty protection, since World War II France has used her protector status to virtually monopolize Morocco's economy and freeze out foreign competition, particularly American competition.

Congress took up this issue in 1949 and the Department of State promised to negotiate the matter. However, in that year France instituted an embargo against foreign products. Approximately 40 American businessmen have, since 1945, established a fairly profitable business in Morocco. Their businesses were practically wiped out overnight due to the embargo. These businesses were destroyed illegally and the American owners have not been compensated.

In 1951 Congress placed in the appropriation for foreign aid an amendment intended to call off aid to France should the violations and embargo continue. Our Department of State, in the meantime, arranged with France to submit the issue to the International Court at The Hague. In 1952 this Court ruled that the United States should have complete equality with France in Morocco's economy and that free competitive enterprises could be maintained and that the customs procedures should be modified. The fact is that France has not taken one step to fulfill the decision of this International Court. During the time that this question was before the Court, we continued to give France substantial foreign aid. Even in the 1954 and 1955 appropriations for aid we placed little restriction on France except concerning the use of counterpart funds, but have rather increased our military assistance to get her out of the morass of colonial difficulties.

Mr. Chairman, on March 27 of this year a stricter embargo placed by the foreign-protectorate government on certain American goods went into effect, further stifling American imports and placing additional and illegal pressure designed to obstruct business with the United States on this American commercial community.

Mr. Chairman, I have deliberately mentioned the case of Morocco because I think this is a flagrant abuse of our kindness. We have extended every possible aid to her on the one hand, and on the other hand she seems to have deliberately placed hindrances in our

way. In other words, to paraphrase a Biblical sentiment, if you help your friends too much, they will not be thankful.

It is a fine thing to be helpful to the needy, to extend a hand to those who are in trouble, to work to help someone recover from a setback, but it departs from the realm of kindness, even from the realm of logic, to continue to extend help when the recipient fails to make an effort to adjust and rehabilitate, and it further fails to make sense to continue making these vast foreign-aid expenditures when we neglect our own improvements and needs and overburden the taxpayers just the same. We simply do not have the money to continue wasting it trying to support so many nations of the world who could and should stand on their own feet.

Mr. Chairman, the tragedy of the whole thing, to me, is that we seem to think more of the children of foreign countries than we do of our own children.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

To reduce the argument to a more specific basis, I rise in opposition to the amendment of the gentleman from California [Mr. ROOSEVELT].

The Congress must look at this foreign military aid program as it really is, and not the way we would like it to be. We have to look at this world practically as it is, and not as we would like it to be. If the United States could simply run the world and we could run it from this Congress, it would be a fine world to me to live in, but Congress cannot do that by right and should not by force. We in the United States are only 165 million people out of 2.4 billion people in this world. Now let us look at this legislation. This legislation has the backing of both of the great parties of this country. It is fully endorsed in the Republican Party platform and it is likewise fully endorsed in the Democratic Party platform. The strategy that is behind this bill, the military strategy, is backed unanimously by the United States Joint Chiefs of Staff, heads of the Military Establishment of the United States. Both President Eisenhower and former President Truman heartily endorse the continuation of this program.

The top military officials of this country have come before the Committee on Foreign Affairs and said, "We want $1,400,000,000 worth of military hardware during 1955 to protect this country."

I believe that the amendment offered by the gentleman from California would tie the President's hands and force him to divulge, in all probability, what should not be divulged on the implementation and planning in carrying out this program. Secondly, the amendment has a slight feeling in it of insufficiency in previous action by the President, when there is already provision in the present law that there shall be reporting by the Executive. We, on the Foreign Affairs Committee, on both sides, Republican and Democratic, know that this administration has reported every time that some important question or event has come up. We Foreign Affairs Committee members do not find one complaint at all about the reporting by the President, Secretary of State Dulles, the State Department, or the Department of Defense.

I have never heard a complaint in the Committee on Foreign Affairs on this administration's reporting on events abroad during this particular session of the Congress nor have I heard it from members of the Committee on Armed Services of the House of Representatives. Therefore, the reporting must be adequate.

John Foster Dulles, the Secretary of State, when he recently returned from Vienna within 1 hour after getting off the plane was before the Committee on Foreign Affairs of the House, not the other body, reporting on what had taken place in the meeting of Ministers in Vienna. That is full cooperation with this House. So I say to you, unless the amendment offered by the gentleman from California is defeated, it is a slight nod to this administration that the reporting has not been adequate. My position is that the reporting has been fully and completely adequate, and I believe this House should so find.

Let us look and see what this general military aid program actually does. My argument now will be in general support of this military-aid program against the position of those Members who advocate its defeat, and not in reference to the amendment of the gentleman from California [Mr. ROOSEVELT]. This program in the first place keeps our allies with us and also keeps our long-range airpower in full force and effect with a powerful system of foreign bases, and a worldwide network of supply lines and centers.

General Gruenther spoke to us on the Foreign Affairs Committee, saying we must support our long-range airpower and be sure that we have the capability of doing it because that is keeping the United States safe. A strong potential United States offensive airpower is our greatest defense.

If Congress should defeat this bill today, the United States then withdraws from our defense bases in friendly foreign countries where we have worked out a program. In this bill we have not only most of the recommended $1,400,000,000 for military aid, but we have a continuation of $7,779,000,000 already authorized for military assistance programs around the world, but not yet completed.

What Member of this Congress now would say in a vote against this bill, after all the sacrifices we citizens have made in Korea with our United States troops, to pull the props out from under South Korea and let the Communists move in? That is what Congress will be doing if we defeat this bill.

What Member of this House would say to the people of Formosa who have fought to the bitter end against communism that we are going to pull the props out from under them today? What Member of Congress is going to say to them that we think you are riding around in automobiles and wearing fur coats and we do not think you are doing a good job? We do not believe that because we know that the people of Europe and free Asia are standing up against communism.

Would you say to the people of Thailand, or southern Indochina, who are right under the Communist menace, standing strongly by our side, that Congress will no longer protect them by military aid in this bill? Of course, responsible Members will not do that. We are reasonable.

Should Congress say to the people of the Philippines, many of whom have fought and bled and died right beside many of the Members who are in this House today, that the United States is now going to pull back to fortress America, as advocated on the floor this afternoon? Of course not—we are dependable and loyal allies.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. NICHOLSON. Mr. Chairman, reserving the right to object, I am not going to object, but after this gentleman is through I am going to object to anybody asking for more time.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from California.

Mr. ROOSEVELT. I just wanted to make sure that the argument the gentleman has just made is not directed to my amendment.

Mr. FULTON. That is true. My latter statements are general arguments for the bill; and to meet the arguments of those opposed to the whole legislation, which I understand the gentleman favors, for which I commend him; although opposing strongly his amendment.

One other point on the defense of this country: The chief defense of our industrial cities—and, as you know, I represent Pittsburgh—is the fact that the United States can retaliate with our great United States long-range airpower in case we in our industrial United States areas are struck first. One of the great defenses of this country is that we can strike in half the time that a possible enemy can strike at us, and we can use half the fuel that they will have to use in a war which they might start. That all gives the United States a tremendous strategic advantage.

In this legislation these airfields, necessary for the operation and success of the United States long-range airpower, and required supporting bases that we are maintaining abroad in friendly territories are taken care of and adequately provided for for some time. So purely on the ground of United States defense, separate and apart from overlooking many things we do not like about our allies, and our allies do not like about us, let us pass this legislation and get down to business.

Moderate the mutual security legislation where you will, but know it is for the defense of America. As one of the moderates on this foreign-aid program, I offered an amendment that reduced

this bill $145 million on military aid. The Foreign Affairs Committee adopted this amendment. So that we on the committee have cut out everything that should be cut out. This bill should be passed for the safety and security of the American people and our free world, but primarily to insure the defense of this country we all love so well.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FULTON] has again expired.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I like mirth, ridicule, and fun. I indulge in it on occasions. But whether you believe it or not, we are considering serious legislation today. We are considering whether we will go along and implement that $35 to $45 billion that was voted for military installations and military aid, the cost of our Army, Navy, Marines, and Air Force. The money that is provided in this legislation means not only arms, but in some cases it means food, shelter, and clothing; and what is still more, faith.

The gentleman a while ago at this microphone asked if he could buy a friend. You do not go out and buy a friend like you buy a coat or a pair of shoes. Sometimes a little money or some of the real things that people need helps to cement a friendship. I moved a few times from the neighborhood in which I had been living, and I learned long ago that in order to have a friend in the community I had to take a friend in that new community when I went there. In other words you have to be a friend yourself in order to have friends. The same is true with nations.

Some of our colleagues are worrying about money. If we get into an atomic and nuclear war our money will do us no good. There will not be anything for us to buy with it; there will not be anyone here to spend it or anyone here to sell us anything.

Some Members speak of making this country so strong we could not be attacked successfully. That is not possible in this day and age, and any thinking person knows it is not possible. The world has shrunk in size; oceans offer us no protection, and let me warn you here today: God pity the nation that drops the next bomb. Of one thing, however, I am sure: This country will not drop the next atomic or hydrogen bomb; some other country will have to drop a bomb on us before we retaliate.

I judge this legislation in great measure by the people who are sponsoring it, and who have sponsored it in the past. Harry Truman sponsored this legislation when he was President of the United States. President Dwight D. Eisenhower is sponsoring this legislation; our great generals are sponsoring this legislation. Our military men think it is a good thing, and I, for one, am willing to take their judgment in the case rather than my own.

One other thing I want to refer to: The gentleman from Pennsylvania, I think it was, referred to what the New Deal and the Fair Deal had done to the North. Everything the New Deal and the Fair Deal did to the North made the North better and made it a better place to live in. I want to remind the gentleman from Pennsylvania that the President of the United States has hugged to his breast every piece of legislation that constitutes the New Deal and the Fair Deal, hugged them to his breast, lock, stock, and barrel; and he says he is seeking not to destroy them but to make them better.

I am favoring this legislation, but I do not think we ought to leave undone things that need to be done in these United States. We are rich enough to do what needs to be done here as well as carry out this program. Our farmers need to have their price supports restored to 90 percent of parity and some action should be taken in regard to our coal miners in West Virginia and Pennsylvania. We should not lose sight of our domestic problems, but we should also invest in peace and safety, not only for the world but ourselves as well.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROOSEVELT].

The amendment was rejected.

By unanimous consent the pro forma amendments were withdrawn.

The Clerk read as follows:

SEC. 3. Title I, chapter 2, of the Mutual Security Act of 1954, which relates to southeast Asia and the western Pacific, and direct forces support, is amended by adding after section 123, the following new section:

"SEC. 124. Direct forces support: There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed $317,200,000 to provide assistance in the form of direct forces support to be delivered or rendered directly to the military forces of nations eligible for military assistance under chapter 1 of this title. The President may, notwithstanding the provisions of section 501, consolidate all or any part of appropriations made pursuant to this section with appropriations made pursuant to section 103. Programs authorized by this section may be administered in accordance with the provisions of chapter 1 or chapter 3 of this title."

With the following committee amendment:

Page 3, strike out the last two words of line 14 and all of line 15, and insert the following: "as follows:

"(a) In section 121, which relates to southeast Asia and the western Pacific, strike out the fourth word of the third sentence, 'section', and insert 'title.'

"(b) Add after section 123 the following new section:"

The committee amendment was agreed to.

Mr. ADAIR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADAIR: Page 3, line 25, after the period, strike out all the language through and including the period in line 4, page 4.

Mr. ADAIR. Mr. Chairman, this amendment is offered in an effort to do a thing about which I spoke this morning during general debate. That is, to tighten the provisions of this bill. As the proposed measure is before us now, there is provided for military assistance the sum of $1,133 million which we might logically expect to go, as has been previously pointed out, for military hardware; military end items. Then in the section which was just now read there is the sum of $317 million plus which is said to be for direct forces support, those things which go toward the maintenance of an army in the field, beans, shirts, coats, caps, oil, and all that sort of thing. You may say, that is fine, we have these two amounts separated and they will go for the purposes for which they apparently have been earmarked and subject only to the general rights of transferability which exist in the legislation. But, Mr. Chairman, that is not necessarily true.

If this sentence which I have asked to be taken out of the bill is not removed, the President of the United States may lump these 2 sums of money together to make a total of approximately $1,450 million and he may spend all or any part of that sum either for military end items, on the one hand, or for direct forces support on the other. By taking out this sentence, as I have requested by my amendment, you are simply asking those in charge of this program to use the money for the things for which it was ostensibly put in there.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from New York.

Mr. DONOVAN. Is it not true that by Executive order this year the President has already accomplished this fact? Is it not true that as of the 30th of June by Executive order this whole category that is described as direct forces support is now in the hands of the Pentagon?

Mr. ADAIR. I will say to the gentleman from New York that as a part of the reorganization of the foreign aid setup that is a possibility?

Mr. DONOVAN. In other words, the purpose of the gentleman's amendment is to override the Executive order of the President that was signed this year?

Mr. ADAIR. That is correct, if the Executive order can be taken to do that thing. I feel that it is a fundamentally important thing that this House retain control over these moneys. We simply cannot lump almost a billion and a half dollars together and say to the Executive: This is available for military hardware or it is available for direct forces support. Do you realize that if those words stay in there it would be possible that the entire $1,450,000,000 could be used for shirts, beans, or caps and not a bit of it for the hardware of war. It is also true that the whole thing could be used for hardware.

What I am pleading with the Members of the House for this afternoon is that we do write some restrictions into this bill, that we do try to say to the executive branch that if we put money in here for hardware we mean hardware, if we put money in here for direct forces support we mean direct forces support.

There are certain rights of transferability already in the bill, which may be briefly stated as 15 percent as relates to military items and 10 percent as relates to other items. Those rights of transferability have been used by the President and I think that is a sufficient authority for the Executive to have in that respect. If you want to reassert not

only the prerogatives but in my opinion the duties of this House to exercise some small share of control over the funds in this bill, then I urge you to adopt this amendment and you will have taken at least a step in that direction.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. This bill needs trimming up, as the gentleman has indicated, and I believe his amendment should be adopted.

Mr. ADAIR. I thank the gentleman.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Michigan.

Mr. MEADER. If I understand the gentleman correctly, under present law the people who have asked for this money are permitted to be 10 percent wrong on economic aid and 15 percent wrong on military aid, and now they want the right to be 100 percent wrong.

Mr. ADAIR. As respects the money for military assistance and direct forces support, there would be complete transferability.

Mr. FINO. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Chairman, in the pursuit of a vigorous foreign policy one must deal fundamentally in absolutes. There can be no compromise of basic principles, whatever the circumstances; there can be no appeasement; nor can there be indifference and unconcern. To be effective our policy must be a global policy; it must be laid down along broad but definite lines; it must be consistent in principle, unrelenting in implementation; and above all, it must be adjusted to the realities of international relations.

Our foreign policy has been and continues to be based upon the premise that Soviet imperialism and Communist expansion are threats to world freedom, to world peace, and thus a threat to our national interest. Basic in the implementation of our policy has been our desire to counteract those communistic forces that threaten us. To do this we have placed great reliance upon foreign aid, both economic and military, to our allies and friends. In one form or another we have been pursuing this course since the close of World War II. Is this not the time, therefore, for this Congress to reevaluate our foreign-aid program? Is this not the time to consider the wisdom of examining the underlying premises of our aid program to determine whether they square with the realities and requirements of our true national interest?

The criterion upon which a future policy of aid should be based ought to be an affirmative answer to the question: Has the country for which aid is proposed acted as an ally and loyal friend? I wonder if Yugoslavia and India, nations which have received millions in American aid, could meet this test. To be sure, Yugoslavia has never joined NATO which in my mind would have been a forthright declaration of allegiance to the West. But despite gestures toward the West, Yugoslavia has been "on-the-fence" in the cold war. We assumed a calculated risk by pouring into Yugoslavia millions of dollars of economic and military aid. To be precise, the United States has given Yugoslavia more than $650 million since 1945. The price of this calculated risk has been costly. We have strengthened the Tito regime, a thoroughly communistic government, which has of late demonstrated a tendency toward neutralism in the cold war. From Belgrade we now hear that the West can coexist with the Soviet Union. As if to underscore his professed convictions, Tito has resumed diplomatic relations with Soviet Russia, the Soviet satellite states, and recently Red China. In reality, the Tito regime has donned the cloak of neutralism, appeasement, and compromise, and thus has assumed a posture clearly inconsistent with American interests. Important to realize is the fact that Tito's recent actions are just the beginning.

How can we trust Tito when all of his actions reveal a desire to cement closer ties with Russia? How much longer are we going to continue to do business with him and continue to give him money, goods, and technical help? How can we say that Yugoslavia has acted as an ally and loyal friend? Those are the questions that we, as Members of Congress and as representatives of the taxpayers of this Nation, must answer now. In determining whether to render further aid to Yugoslavia it will, therefore, be our responsibility to consider the long-range consequences of this new tieup between heretofore bitter enemies.

Let us also consider India. Can we say that India has measured up to the criterion of consistent friendship? Can we say India is neutral when she calls for the surrender of Formosa to the Chinese Communists and the admission of Red China to the United Nations?

Can we say that India is our friend and ally in the light of a speech Nehru made in Moscow recently praising the Soviet Union? Can we say India is our friend when she tells her people that the United States is upsetting peace in Asia? Can we call India a true and loyal ally when she urges all countries to stay out of NATO?

In the eyes of India we are not her friend or her benefactor, in spite of the millions of dollars and tons of American wheat, as well as other aid, which we have provided and which we are still giving to the needy people of India.

All of India's actions and movements have been contrary to the best interests of our country.

How can we overlook the overt acts of friendship between India and Communist China as evidenced by the trade agreement and treaty of friendship recently signed between the two countries?

How can we forget that during the crisis in Indochina, India refused to permit American planes carrying desperately needed French troop reenforcements to fly over India?

How can we dismiss the resentment shown by India over American gestures toward Pakistan?

How can we close our eyes to India's disapproval of the Southeast Asian Collective Defense Treaty, an instrument intended to check Communist expansion in Asia?

And yet, notwithstanding these actions which are contrary to our best interests, we have given India over $330 million in aid since 1946. Is it not time, therefore, that we should equate more realistically the effects of Indian policy upon our global policy, especially in relation to the amount of aid we should send to that country?

In carrying out the global concept of our foreign policy, there ought to be no toleration of neutralism. Neutralism, in effect, deprives us of allies and aids our enemies. Both India and Yugoslavia have been taken in by the current Moscow tactic, "peaceful coexistence," a timeworn propaganda device and nothing more. It would be better termed "peaceful infiltration," for such is fundamentally the Communist intent. More than that, Nehru and Tito have in a recent conference announced a policy of nonalinement, which, they stated with an air of innocence, was neither neutrality nor neutralism.

Neutralism is not a doctrine calculated to strengthen our cause; nor are the gestures of conciliation, compromise, and appeasement by Yugoslavia and India to the Communist bloc calculated to encourage the ranks of the free world. It seems to me that now is the proper time for Congress to reevaluate our foreign-aid program so that its benefits will be bestowed only upon those who deserve our friendship.

It is for these reasons that I shall vote against further aid to Yugoslavia and India.

Mr. ANFUSO. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANFUSO. Mr. Chairman, I propose that no military assistance be given to Iraq or any other of the Arab States, unless the same or proportionate military aid is given to Israel.

Our country has found in Israel a devoted ally and a staunch friend. Israel is shaping its way of life in the image of American democracy. The people of that country believe in the same principles of freedom and human dignity as we do. During the past 7 years or more since Israel has been established as an independent and sovereign state, a warm bond of friendship has developed between that country and the United States.

Unfortunately, during the past year our State Department has embarked upon an erroneous policy in the Middle East which is endangering this cordial relationship. In its efforts to gain Arab favor, the State Department is going all out to appease the Arab States. But while to date little headway is being made with the various Arab States, Israel is being isolated politically and economi-

cally in the area; its national security is being threatened militarily by its Arab neighbors; in fact, its very existence is at stake as the Arab States grow stronger militarily because of the military assistance given them by the United States and Great Britain.

I believe that this is an unwise policy and it should be stopped or discarded immediately because it is upsetting the military balance in that strategic area of the world. If a military imbalance should lead to a renewal of the Arab-Israel conflict in the region it would be a great blow to us and our allies because it would weaken a vital spot in our defense structure.

If our State Department is anxious to gain Arab adherence to a defense pact in the Middle East, whether on a unilateral or multilateral basis, then I say that I am in favor of it—but we must insist that it should not be done at the expense of Israel. If we enter into defense alliances with the Arab States and we agree to extend military assistance to them—then we should do the same for Israel by giving her a similar or proportionate amount of such assistance. If our Government cannot see its way clear to grant military aid to Israel, it should also desist from giving such aid to the Arab States.

This is the fair way to approach this problem. This is the just way. This is the way the free nations of the world would expect us to deal with this matter. Showing favoritism to one side and appeasing it is not the American way.

Mr. Chairman, I would urge our Government at this time to take two steps:

First. To grant military aid to Israel on the same scale as that given to the Arab countries, in order to maintain a balance of power in the Middle East; if this is not possible, then we should refrain from any further military aid to the Arab countries until a peace agreement is reached between them and Israel.

Second. I strongly urge the United States Government to conclude a mutual defense pact with Israel whereby the security of that country would be guaranteed and the integrity of its borders respected.

I think these two proposals make sense. I believe they are fair and just. I am convinced that if these two proposals are fulfilled, tension in the Middle East will be ended, the stability of the region will be strengthened, and a peaceful settlement will be attained between Israel and the Arab States at an early date.

If we state firmly here today that we do not approve military assistance to one side while refusing it to the other side, it will impress the peoples of that area that we are serious about maintaining peace and stability there.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am opposed to the amendment the gentleman proposes, for this reason. Under existing law and the Executive order of the President transferring certain powers formerly exercised by FOA to the State Department and to the Defense Department, the provision for military aid end items and also the provision of direct forces support are in the hands of the Defense Department. I think that this amendment would greatly confuse the situation. I think if you require that direct forces support money be kept separate in every respect from end item money in the hands of the Defense Department, that that would confuse the situation. I think the decision as to whether or not there should be transfers between the two categories should be in the hands of the Defense Department and under the direction of the President, the Commander in Chief. I believe it would be bad for this amendment to be adopted.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Indiana.

Mr. ADAIR. Would the chairman concede that I am correct in stating that if the wording remains in the bill as it is now, it has the effect of lumping these two sums into one fund which can either be used for military end items or direct forces support?

Mr. RICHARDS. Yes, that is right. But I think the gentleman's amendment would be bad.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the gentleman from South Carolina a question. Do I understand that on page 2, by the Richards amendment, which has been in the law regarding EDC, the European Defense Community is stricken out in this bill?

Mr. RICHARDS. Mr. Chairman, if the gentleman will yield, the so-called Richards amendment which is in the law now referring to the European Defense Community is out. I personally agreed to have it come out, because now, although EDC was not ratified by all the nations, the Western European Union has been ratified by the parliaments of the nations concerned, I thought there was no necessity for the provision.

Mr. GROSS. By adopting this amendment in the bill now, we are confirming the failure to put through in Europe a European Defense Community program; is that correct?

Mr. RICHARDS. No. In many respects the Western European Union is better than EDC. For instance, under the new arrangement we have commitments of four British divisions to the continent of Europe. You did not have those commitments before. So, the essence of the thing is that my amendment has done its job. According to the Secretary of State, it helped bring about the desired unification under the Western European Union although not under EDC.

Mr. GROSS. My point is that we had NATO before your EDC provision was written into the Mutual Security Act. We had NATO before that, yet we went on and supported you, and now you are pulling it out of this bill. And, I say again, the fact is here being confirmed in the House of Representatives that EDC failed; that there is no reason to expect that there will ever be an EDC despite all the glittering assurances we have to that effect.

Mr. RICHARDS. No, there were 6 or 7 nations in EDC. There are 14 in NATO. Four of those nations had ratified the European Defense Community pact, two of them had not. In the meantime, they got together in the Western European Union organization, which is certainly better than nothing, and I think in many respects better than the European Defense Community setup.

Mr. GROSS. I want to ask the gentleman one other question. In what part of the bill is carried the appropriation for domestic expenses?

Mr. RICHARDS. That would be under title IV.

Mr. GROSS. That is contained in the lump-sum appropriation under title IV?

Mr. RICHARDS. I think that is what the gentleman has reference to. When he says domestic expenses I assume he means expenses for administration.

Mr. GROSS. I only know there is money authorized in this bill under the label of domestic expenses. I cannot find out the lump sum wherein it is contained.

Mr. RICHARDS. If the gentleman means administration, that comes on page 12, line 1, of the bill.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. ADAIR].

The question was taken; and on a division (demanded by Mr. ADAIR), there were—ayes 47, noes 102.

Mr. ADAIR. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ADAIR and Mr. RICHARDS.

The Committee again divided; and the tellers reported that there were—ayes 62, noes 111.

So the amendment was rejected.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do this for the purpose of advising my colleagues that the Committee will rise not later than 5:30 and thereafter the conference report on the District judgeship bill will come up.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. MARTIN. That bill is one on which we had a rollcall before and we may have a rollcall on it at this time, so the Members had better stay on the floor.

Mr. McCORMACK. I would think they should. That is why I am making this statement.

It is the intention of the leadership, if the House permits, to meet tomorrow at 10 o'clock. The first order of business will be the conference report on the defense appropriation bill, and thereafter the conference report on the District of Columbia appropriation bill, followed by the continuation of the consideration of the pending bill under the 5-minute rule and the military Reserve manpower bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. Title I, chapter 3, of the Mutual Security Act of 1954, which relates to defense support, is amended by adding to section 131 the following new subsections:

"(c) There is hereby authorized to be appropriated to the President for the fiscal year

1956 to carry out the provisions of this section, not to exceed—

"(1) $70 million for Europe (excluding Greece and Turkey);

"(2) $102,500,000 for the Near East (including Greece and Turkey) and Africa; and

"(3) $827,800,000 for Asia.

"Funds made available for assistance to Korea from appropriations authorized by this section may be used in accordance with the applicable provisions of section 132 of this act.

"(d) In providing assistance in the procurement of commodities in the United States, United States dollars shall be made available for marine insurance on such commodities where such insurance is placed on a competitive basis in accordance with normal trade practice prevailing prior to the outbreak of World War II: *Provided*, That in the event a participating country, by statute, decree, rule, or regulation, discriminates against any marine insurance company authorized to do business in any State of the United States, then commodities purchased with funds provided hereunder and destined for such country shall be insured in the United States against marine risk with a company or companies authorized to do a marine insurance business in any State of the United States."

With the following committee amendment:

Committee amendment: Page 4, line 13, strike out "$70,000,000" and insert "$92,000,000."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 14, before the semicolon insert: "not less than $50,000,000 of the funds made available under the authority of this subsection shall be used for assistance to Spain in accordance with the provisions of this section."

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask a question about this amendment. This is a case where whoever drafts these amendments gets pretty verbose and sometimes they destroy the meaning which might be expressed much more simply. I want to ask the Chairman if I am correct that with the amendment this would have the effect of reading $92 million for Europe excluding Greece and Turkey and not less than $50 million of which shall be used for assistance to Spain in accordance with the provisions of this section.

Mr. RICHARDS. That is correct. Of the $92 million, $50 million would be used in Spain. That is for defense support.

Mr. JONES of Missouri. Here is what I am trying to get at. I am not finding fault with the amendment, but when we could use one word, namely, the word "which," they put in the phrase "funds made available under the authority of this subsection" and without any punctuation there it makes it more difficult to interpret what the meaning is. So if you strike out "the funds made available under the authority of this subsection" and just put in one word "which" it would make it much more clear than it is in its present form. I am not going to insist on it, but it seems to me many times in the drafting of these bills, someone gets hold of it and makes it rather complicated.

Mr. RICHARDS. What does the gentleman want to put in—the words "of which" or "which"?

Mr. JONES of Missouri. It ought to read "of which shall be used * * *" and so on. That is all you would need to do, but I am not insisting on this.

Mr. RICHARDS. I would not object to that language.

Mr. JONES of Missouri. You are leaving out some punctuation there, and if you are going to use the present wording of the bill, there should be a punctuation mark there. I am not insisting upon it, but I do think that whoever has the responsibility, and I do not know who I am criticising, is not using the English language as well as they might.

Mr. RICHARDS. May I say to the gentleman that I have not looked into this matter which the gentleman proposes. It has not been called to my attention. Perhaps it may have been called to the attention of the staff, but I would want to look into it a little because it would appear to me that the gentleman is making a worthwhile suggestion.

Mr. JUDD. Mr. Chairman, could not the situation be corrected by asking that the amendment be modified by inserting after the parenthesis "Provided, That"?

Mr. JONES of Missouri. But, that would do the same thing, and you are just getting more words in there. If you just put the one word "which" in there, you would have the whole thing solved. As I say, I am not insisting upon the matter.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 4, line 19, before the semicolon insert: ": *Provided*, That the amount made available for Greece for fiscal year 1956 shall not be less than that made available for such country for fiscal year 1955."

The committee amendment was agreed to.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 5, after line 16, insert the following section and renumber subsequent sections accordingly:

"SEC. 5. Such chapter 4 is amended by adding at the end thereof the following new section:

"'SEC. 143. Priorities: In order to give priority to the unfilled strategic requirements of our own United States forces, as well as our allies who have entered into mutual defense pacts with the United States, no jet planes of late model being currently procured for the United States or friendly countries under the Mutual Security Program shall be delivered under this act to any country which has not joined with the United States in agreements of mutual self-defense until such authorized requirements have been certified by the Secretary of Defense to be adequately met, or such country has entered into mutual defense agreement or arrangements with the United States upon such terms or conditions as are satisfactory to the President.'"

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FULTON] is recognized in support of his amendment.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Minnesota.

Mr. JUDD. Does not the gentleman's amendment belong on page 4, following the next section?

Mr. FULTON. No. I am adding it at this particular point.

Mr. JUDD. The amendment says it is to chapter 4. We have not got to chapter 4 yet. The next section amends chapter 4.

Mr. FULTON. My amendment is a condition on the military aid being supplied. If the staff feels that it is not at the proper place I will yield the floor. However, this amendment was prepared to be offered at this particular place in the bill as suggested by our own committee staff. I will be glad to explain the amendment.

This amendment states that the policy of the Congress of the United States is that we fill our own strategic requirements for recent model jet planes, as well as the requirements for modern jet planes of our allies who are in alliance with us, before the United States will supply countries who are not in alliance with us. So, in effect, it says to the Yugoslav Communists "You will not be supplied the modern jet airplanes under this program unless you enter into binding agreements of mutual aid with the United States satisfactory to the President." This means that unless Tito actually agrees to aline himself with the West, Yugoslavia will get no recent model jet planes under this program.

It does not shut Yugoslavia off completely, because this amendment leaves the strategic determination to the Secretary of Defense. If the Secretary of Defense certifies that the strategic needs of our own United States forces and those of our allies under the mutual-aid pacts are adequately fulfilled, so that the present strategic deficiencies are met, then Yugoslavia would get recent model jet planes. Otherwise Tito will not get modern United States jet planes until the United States has our own Air Force and our allies satisfied as to their requirements first.

We must remember that Yugoslavia is in the middle, playing the East against the West, and each against the other, where they can. The question is, Will Tito go the other way or will he go with the West? This says to Yugoslavia: "If you want to go along with the West, join in mutual-defense pacts against aggression and the United States will treat you better on foreign aid." But I oppose giving jet planes to Yugoslavia when the committee has said that Yugoslavia is not living up to the right of inspection of the United States arms program. I am afraid these birds will fly away, or be used against our own United States fliers.

On August 19, 1946, an unarmed American transport plane, en route from Austria to Italy was shot down by Yugoslavia on orders and five of its occupants died. A similar but not fatal attack had occurred 10 days earlier and the personnel of the United States plane had been taken into Yugoslav custody after it

crash landed. Have we American citizens forgotten?

The Yugoslav-Communist Government has attacked religion and the Catholic Church, and has imprisoned many Christian patriots. Archbishop Stepanic was imprisoned for 16 years and was still in his prison cell in 1951 when he was interviewed, and still remains jailed, and religious liberties suppressed. Let us look at newspaper headlines: March 1952 headline, "Yugoslavs Plan Purge of Courts."

In August 1953, "Yugoslav Reds Plan Purge, Tighten Party's Discipline."

October 1953, "Yugoslavs Attack Three Allied Embassies."

In 1954, January, "Tito's Purge Plan Stills Yugoslavs. Liberals Go Silent on Djilas Ouster as Leader Frowns on Western Ideas."

October 1953, "United States Student Beaten Up in Belgrade."

March 1954, "Yugoslav Chiefs Bar Free Politics."

November 1954, "Yugoslavs Widen Rift With Church."

In 1954, "Cleric Pleads Guilty on Yugoslav Charge. Bishop Arsenije Bradvarevic, 71-Year-Old Orthodox Metropolitan of Montenegro, Pleaded Guilty to Charges of Conspiring Against the Yugoslav State at His Trial Here Today." We in the United States know what pressures are put by Communists to obtain such phony confessions.

February 1955, "Yugoslav Press Assails United States Foreign Policy. Washington's Acts in Far East and Latin America Subject of Unusual Criticism."

June 2, 1955, "Tito's Stand on Atom Irks United States."

June 2, 1955, "Tito and Russians Concur on China and German Unity."

June 2, 1955, "Tito's Policy of Coexistence Shows a Slight Bias to the Left."

The question here then is whether instead of giving such planes to Yugoslavia we shall simply say to Tito: "Look, the United States does not like the Communist government actions, Yugoslav version. You will get better treatment if you join with the West and stop the repression of the fine Yugoslav people." This amendment also says to Communist Dictator Tito, "While you are in your present policy where you will not give the United States military assistance group in Yugoslavia the right even to see the military equipment the United States delivers, then the United States will not deliver to you the most modern jet planes." Why should the United States deliver modern jet planes to a Communist dictatorship which is suppressing the Yugoslav people, and threatening by such jet force our good allies, the Italian people?

Mr. Chairman, this amendment is a defense matter for the United States of America and a slight warning to Tito.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the facts are we have agreements with Yugoslavia as required of every country getting military aid, but we do not have a mutual-defense pact. I think that is as it should be. I would not want this country to be committed to go to war just because Yugoslavia wanted to go to war.

But the real point I want to make is that the gentleman's agreement does not meet the issue of aid to Yugoslavia. It does not even say we will not give aid to Yugoslavia; it says there will not be any modern jet planes to send to Yugoslavia. I think the whole matter should be left to the discretion of the President as to what military aid should be given. It might be of one kind or another; the need might be for something entirely different than we foresee today. I am sure we are not going to send jet planes or anything else if it is not in the interest of the United States.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. HAYS of Ohio. If the gentleman will note the amendment, it does not say "jet planes"; it merely says "new, late model jet planes."

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. JUDD. Does the gentleman have any information that we have ever asked Tito to go into a mutual defense pact with us?

Mr. RICHARDS. No; we do not want it; we have not indicated that we wanted it.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I believe we would like Tito, as United States policy, to join an organization like the North Atlantic Treaty Organization.

Mr. RICHARDS. I do not know whether we would or not.

Mr. FULTON. He will not say that he is with the West, and he is completely against our position in the Far East. Certainly we should not program late model jet planes to him without some conditions on them. I want the conditions.

Mr. RICHARDS. Tito has a military alliance with Greece and Turkey, and everybody admits that Greece and Turkey are two of the strongest and most determined allies we have. That is an entirely different situation. That involves their military security. Suffice it to say, the United States is not bound militarily to anything Yugoslavia might do and neither is Yugoslavia bound to the United States in anything it might do.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Minnesota.

Mr. JUDD. Would it be a good idea to have Yugoslavia in NATO at the present time? Would we want to invite Yugoslavia into NATO?

Mr. RICHARDS. I do not know about that. I do not think anybody would seriously propose that.

Mr. DODD. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Pennsylvania, who has offered this amendment, if he would agree to insert it in the name of Yugoslavia? It appears that might satisfy some people here who have raised a question about it. If that is what the gentleman is driving at, why not say so and give us an opportunity to vote directly on the question?

Mr. FULTON. That is meant, of course. It is just Tito who is getting jet planes from the United States without a mutual-security pact, so it does concern Yugoslavia military aid directly.

Mr. DODD. I know it hits Tito, but it may hit a lot of other people we do not want to hit.

Mr. FULTON. I would be glad to state that it is my intention by this amendment to restrict modern jet airplane shipments to Tito. The amendment means that the Yugoslav Communist regime should not get recent model jet planes while there are strategic requirements of the United States forces unfilled and strategic requirements of our allies unfilled.

Mr. RICHARDS. Mr. Chairman, if the gentleman wishes to propose an amendment to the amendment I should like to clarify the situation. He has not offered an amendment to the amendment. As I understand it, there is no other amendment pending but the gentleman's amendment?

The CHAIRMAN. There is nothing pending except the amendment offered by the gentleman from Pennsylvania.

Mr. FULTON. I am stating the intention of my amendment.

Mr. DODD. Mr. Chairman, could we have the amendment offered by the gentleman from Pennsylvania read again?

The CHAIRMAN. Without objection, the Clerk will again report the amendment offered by the gentleman from Pennsylvania.

There was no objection.

The Clerk reread the Fulton amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The amendment was rejected.

The Clerk read as follows:

SEC. 5. Title I, chapter 4, of the Mutual Security Act of 1954, which relates to general provisions relating to mutual defense assistance, is amended by changing section 142, which relates to agreements, as follows: Strike out the word "and" at the end of subsection (10) and change the semicolon preceding that word to a period; change the portion of subsection (11) preceding paragraph (1) thereof to read as follows:

"(11) In cases where any commodity is to be furnished on a grant basis under chapter 2 or chapter 3 of title I or under title II of this act under arrangements which will result in the accrual of proceeds to the recipient nation from the import or sale thereof, such assistance shall not be furnished unless the recipient nation shall have agreed to establish a special account, and—".

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 5, line 20, after the colon insert: "After 'SEC. 142. Agreements:' insert '(a)'"

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment. Page 5, line 22, strike out "subsection" and insert "paragraph."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment. Page 5, line 23, after the semicolon insert "and."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment. Page 5, line 24, strike out "subsection" and insert "paragraph."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment. Page 5, line 24, strike out "paragraph" and insert "subparagraph."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment. Page 5, line 25, after the colon insert: "and in lieu of all of that part of the present paragraph (11) which precedes subparagraph (i) thereof, insert the following."

Mr. RICHARDS. Mr. Chairman, I offer an amendment to the committee amendment. There is an error in the print on line 25 which has just been read.

The Clerk read as follows:

Amendment offered by Mr. RICHARDS to the committee amendment: On page 5, line 25, after the colon, strike out the words "and in lieu" and on page 6 strike out all on lines 1 and 2.

The amendment was agreed to.

The committee amendment as amended was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 6, line 3, strike out "(11)" and insert "(b)."

The committee amendment was agreed to.

Mr. BENTLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENTLEY: Page 5, line 17, before the word "Title", insert "(a)"; and on page 6, after line 9, insert the following subsection:

"(b) That part of section 142 of the Mutual Security Act of 1954 which, by subsection (a) of this section, has been designated as subsection (a), is further amended as follows:

"(1) At the end of paragraph (10) thereof strike out the period and insert a semicolon and the word 'and.'

"(2) After such paragraph (10) insert the following new paragraph:

"'(11) administer its policies and programs, and exercise its influence in international organizations of which it is a member, so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.'"

Mr. BENTLEY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Chairman, referring to the episode of a little while ago, I certainly want to express my appreciation of the support I found from my colleague from Michigan, and I also wish to assure the members of the committee that I am happy about everything that took place, and not mad at anyone, including my very good friend from Ohio. I sometimes see parliamentary maneuvers taking place on the floor which makes me feel I am very much of a sophomore as far as the House is concerned.

Mr. Chairman, the language of this amendment should sound rather familiar to the committee, because I have adopted the language in part from a resolution which the House unanimously passed last week, to wit, House Concurrent Resolution 149, which was offered by the distinguished majority leader, the gentleman from Massachusetts [Mr. MCCORMACK]. And, if the memory of the committee is short, I would like to read that concurrent resolution. It says:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should administer its foreign policies and programs and exercise its influence through its membership in the United Nations and in other international organizations so as to support other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

My amendment, Mr. Chairman, would come into the present legislation under section 142 entitled "Agreements of the Mutual Security Act of 1954," which starts off by saying:

No assistance shall be furnished to any nation under this title unless such nation shall have agreed to.

Then there are various conditions laid down for agreements on the part of the recipient nations before they can receive assistance. My idea is to take the language of House Concurrent Resolution 149, which we adopted as the sense of the House last week, and ask that that be added to the list of requirements for the recipient nations. In other words, that the recipient nations, the nations that are going to get our military aid, administer their policies, their programs, exercise their influence in international organizations, so as to support other people in their efforts to achieve self-government or independence. That is what I want to have done.

I understand that some people may say, "Well, you cannot hold a gun to other people's heads and make them do this sort of thing." I refer again to the language of House Concurrent Resolution 149 adopted by the House last week. It says:

It is the sense of the Congress that the United States should administer its foreign policies and programs.

To carry this out.

If we are not talking about a foreign policy and about a foreign program today, frankly I do not know what we are discussing. My amendment very simply would require any country that wants to get military assistance, be it one of the former colonial nations or otherwise, to carry out their own policies and programs, and to lend their influence in the U. N. and in other places to follow along the sense of what is the keystone of our own foreign policy, to wit: That the other peoples who want self-government and independence shall be able to achieve that.

Of course, we can all think of various places in the world where that might apply. It might apply to the Island of Cyprus, where there have been some rather startling developments in the last few days, according to the papers. It might apply to certain portions of north Africa where we have seen recently that our French friends took planes and troops out of Europe, where they were supposed to be stationed under NATO commitments, and sent them to Africa for the purpose of putting down a rebellion.

I do not say that these territories and these countries should immediately be given independence from their former overlords, so that the overlords would qualify for our military assistance. But I do say that all powers, colonial and otherwise, should endorse the principles which the House has already itself adopted as the keystone of the United States foreign policy.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Actually the gentleman's amendment says that these countries shall receive no aid unless they enter into the fight affirmatively against colonialism and communism. So automatically that would bar both kinds of communism, and would bar Tito, too, would it not?

Mr. BENTLEY. That is true.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from New York.

Mr. DONOVAN. If we adopt the gentleman's amendment and other amendments that he has heretofore espoused and some which he may offer before this bill is read to completion; and if, for example, we went a little bit further and gilded the lily in the direction of all the hues and tints the gentleman suggests, and specifically provided, no more aid to our ally, France, if she did not give Morocco its freedom immediately; and went a little bit further and said to our ally, the United Kingdom, "We will extend no military aid to you unless you immediately set up a free state, call it Mau Mau, in east Africa; if all those suggestions were adopted in this bill, would the gentleman conceivably vote for this bill on final passage?

Mr. BENTLEY. I will say to my very good and able committee colleague from New York that in the first place I have no further amendments to offer on this bill. The only other amendment which I offered originally——

Mr. DONOVAN. If the gentleman will forget the parenthesis and just answer the question.

Mr. BENTLEY. I will say this, that if we were able to get these other countries to go along with us on the keystone of our foreign policy, which we have already adopted, so that we could——

Mr. DONOVAN. Will the gentleman please answer my question? If the bill were decorated in all the tints and hues and colors the gentleman desired, would he vote for it on final passage?

Mr. BENTLEY. I am glad to say to my distinguished friend from New York that I made the statement this morning, in my opening remarks, that I was not opposed to foreign aid.

Mr. DONOVAN. That was a simple yes or no question; would the gentleman vote for the bill?

Mr. BENTLEY. Yes; but seriously——

Mr. DONOVAN. Now, is it "yes" or "no"?

Mr. BENTLEY. The answer is "Yes." But I would like the gentleman to listen to what I am about to say. One of the reasons for the trouble we have had in the Far East and the Near East in the past is because we have been tarred with the colonial brush. Maybe it was not our fault, but we found out at Bandung that we had some pretty good friends among the former colonial nations of the world. I think the adoption of House Concurrent Resolution 149 last week was a tremendous encouragement to those people. I think the fact we have not only been putting that forth as our own foreign policy but have been endeavoring to get our friends and allies to go along with us in such a sense would be a further encouragement to the nations whose help we so much require in this world.

Mr. DONOVAN. Would the gentleman agree to this: If the gentleman's amendment were adopted, it is true, is it not, that we could not lend aid to France as long as France had divisions in French Morocco putting down the French Morocco revolution?

Mr. BENTLEY. May I say this to the gentleman?

Mr. DONOVAN. That is a simple question.

Mr. BENTLEY. No; it is not. I want to tell the gentleman this. Any country that did not get aid if this amendment were adopted would be disqualifying itself.

Mr. DONOVAN. The answer to my question is "Yes"?

Mr. BENTLEY. They would not have to give independence to their colonies immediately; they would merely have to say they would go along.

Mr. DONOVAN. Is the answer to my question "Yes"?

Mr. GROSS. I wonder how the gentleman from New York voted on the resolution the other day.

Mr. BENTLEY. I think he voted "yes" if he were here. I did not see any negative votes.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from California.

Mr. McDONOUGH. Is not the gentleman saying in effect that if we meant what we said when we voted for that resolution the other day this is the only practical opportunity we have to implement it and say to the world that we do not agree with that kind of government, and we ought to put it into this bill and tell the world we do not like that kind of government?

Mr. BENTLEY. I will say to the gentleman from California, again, if we stated in this resolution we should administer our foreign policy and program so as to support other peoples in their efforts for freedom, if there is a better way to implement it than in this bill I do not know what it is.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. HAYS of Ohio. I am serious about trying to get information. The French say Morocco is part of France, so would the gentleman's amendment apply in that case?

Mr. BENTLEY. I will say that the administration of this amendment, if it is adopted, would be left up to those people who are administering the rest of the bill and who are already charged under the law with respect to the administration of the rest of the provisions.

Mr. HAYS of Ohio. They would have to decide?

Mr. BENTLEY. They would have to make the decision subject to congressional approval and review.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I believe the gentleman mentioned the McCormack resolution unanimously expressing the opinion of Congress as being against communist colonialism.

Mr. BENTLEY. And other forms of colonialism.

Mr. RICHARDS. That was passed just a few days ago. Is it not a fact that if the gentleman's amendment is adopted it will tend to prevent military aid from going to certain colonial areas where we have military bases of our own located?

Mr. BENTLEY. May I say to my distinguished chairman, and I repeat, I think that any country that does not get aid if this amendment is adopted is thereby disqualifying itself. We are not saying they have to give immediate independence to all countries under their sovereignty. They would not be disqualifying themselves unless they refused to endorse the principles which we have already adopted here in the Congress. That is all I am saying. I am not asking for immediate independence for all of these people, some of whom may not be able to digest independence. I merely say the recipient nations, our friends and allies, I hope, will go along with us on the principles we have already adopted.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Texas.

Mr. POAGE. Would the gentleman suggest whether he considers this would be applicable to India in connection with the occupation of the Kashmir?

Mr. BENTLEY. I do not think so, because this is applied only to those countries getting military assistance.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Minnesota.

Mr. JUDD. Does the gentleman think his amendment would include aid to Spain because of its possession of Spanish Morocco?

Mr. BENTLEY. Has the gentleman from Minnesota any information that the people of Spanish Morocco want independence?

Mr. JUDD. No; but I want to be sure exactly what is included in the gentleman's amendment. I am asking for information.

Mr. BENTLEY. I would say it would apply to other peoples in their efforts to achieve self-government and independence. If those other peoples have not made such efforts, I would not say it would apply.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would say the gentleman's statement is that Congress intends to implement in the foreign policy of the United States the policies that were adopted by this Congress by unanimous vote in passing House Concurrent Resolution 149, which I helped sponsor.

Mr. BENTLEY. This is the first foreign policy bill we have had to act on since the passage of House Concurrent Resolution 149. I think it would be a very fine implementation on the part of the House to carry it out.

Mr. FULTON. The administration is left with the Department of State, where it should be?

Mr. BENTLEY. Quite properly so.

Mr. HAYS of Arkansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I agree thoroughly with what the gentleman has said about our purposes and our desire to cooperate in the elimination from our world of every vestige of colonialism. That is the sentiment of this House, as has been repeatedly stated in the House, particularly on the day Concurrent Resolution 149 was adopted. I was interested enough in his purpose to attempt to work out language which would be acceptable from all points of view. The committee did adopt language appearing on page 21, which I think goes as far as the Congress would be justified in going. That language says:

> It is the sense of the Congress that assistance under this act shall be administered so as to assist other peoples in their effort to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

Of course, the committee will recognize that the language is almost identical with the language of the McCormack resolution. The gentleman from Michigan proposes to add two things—one, that no funds shall be expended under this act to a nation which does not conform to this—and who is to determine it? The administration. That is an impossible task which we would be putting on them. Second, the gentleman proposes to add that no nation shall participate in this program that does not, through its representatives in the United Nations, conform to this standard. So, if we should adopt the gentleman's language, we would not only create a complex problem for the administration, but we would destroy the sense of community

and cooperation in NATO, in the United Nations, and wherever we and our allies sit down together to make common cause to prevent aggression. It is for that reason that I think it would be disastrous to adopt this language as proposed by the gentleman from Michigan. It is only because we would say by the gentleman's language that not a dollar could be spent if it goes to France, for example, as long as any trace of colonialism remains in Africa or Indochina or anywhere in the world; that it would erect barriers that would cripple our united defense program.

Or consider Portugal. Portugal has two small enclaves in India. What would we do about plans already worked out for the Azores which are an integral part of our European defense? Portugal is not going to release the enclaves, at least not within the foreseeable future, if we can go by her declarations. Yet I think she ought to release them, and I share the gentleman's feeling on that point. But do we want to sacrifice a defense area because Portugal has a different idea?

Mr. Chairman, if anything is evident from the developments of this century, it is that the peoples of the world are demanding independence everywhere. But this movement involves very complicated relationships in government. The British Commonwealth has altered its policies in conformity to these pressures, and they ought to alter them. Jamaica has already a new status. Only 2 days ago the island of Cyprus was given to understand by Britain that her policies there will be altered. It certainly involves domestic problems as well as principles or colonialism. Suppose others should say to us if our representatives should have to declare we cannot proceed further with our military program for General Gruenther's operations, for example, because of this language—suppose they should say, "Well, when does the United States expect to give statehood to Hawaii?"

Many of us think we have done pretty well in giving a degree of self-government to Puerto Rico and to others but it is controversial in this very field. We made a wonderful demonstration in the Philippines, but we are charged with having colonial policies in some of the Pacific islands. We will be tying the hands of our administration if we write such language into the bill. I say that with great respect for the gentleman from Michigan whose idealistic approach has a strong appeal.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield.

Mr. BENTLEY. May I ask my good friend, the gentleman from Arkansas, if he does not think that the friendship of the former colonial peoples in the Far East and in the Near East is as important to us as the friendship of colonial nations in Europe?

Mr. HAYS of Arkansas. I think the friendship of the former colonial peoples is, indeed, extremely important. I am not sure that we have done all that we should. I agree with the gentleman's implied criticism. We did, however, help Indonesia. We strained our relationship perhaps with the Netherlands Government because it was evident in tangible ways that we proposed to help Indonesia. But for the gentleman to adopt language, which he agrees would have the effect which I described, means that we might as well not approve this bill if it were to be faithfully observed. It is only because it presents such difficulties in the field of diplomacy that I offer this word of caution and suggest that we confine our expressions about colonialism to the language on page 21 of the bill.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in deep sympathy with the objectives of the amendment offered by the gentleman from Michigan, but I share the fear of my colleague from Arkansas [Mr. HAYS] and others, that it would tie up the administration of this bill into an impossible situation.

For instance, let us look at some of the other countries' problems. Perhaps we are going into an internal matter that we should not, but take the case of French Morocco. I do not know whether the gentleman's amendment would apply to that or not. The French consider that to be a part of France. Morocco has the privilege of sending 30 deputies to the French Chamber of Deputies. Those deputies vote and have all of the prerogatives of any member of the Chamber of Deputies in France, which is more than we do for Hawaii and Alaska.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. MEADER. I am wondering if the gentleman is not thinking of Algeria. I think French Morocco is a protectorate.

Mr. HAYS of Ohio. I thank the gentleman for his correction. It is Algeria that has the privilege to send members to the French parliament. French Morocco is a protectorate. But when Mr. DONOVAN and Mr. SELDEN and I were in France a few weeks ago we talked about this problem to the Prime Minister of France, and he said he hoped to work out a similar arrangement for the other French protectorates in Africa, and a slightly different one for Tunisia, and he said he was much aware of the problem. I do not think I am giving away any secret when I tell you that I said to the Prime Minister: "I hope you do not pull out of North Africa right now, because if you do the whole thing might collapse." It would certainly create a vacuum for the Communists to move in. I said: "I hope you can work out something with these people that will be mutually satisfactory to the French and to them."

So I say, if we adopt this amendment we might be tying the hands of people who are really trying to work out an agreement. I have faith in the sincerity of the Prime Minister of France. I think the proof is in the fact that he has succeeded in satisfying the Tunesians, that the French have released the Tunesian leader and he has gone back to Tunis, and that they have a long-range program giving that country its independence. But these things cannot happen overnight.

Mr. BENTLEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Michigan.

Mr. BENTLEY. Has the gentleman any explanation why the French took those troops and sent them to Algeria?

Mr. HAYS of Ohio. Of course I have an explanation, but I can give you more than that. I think the Communists were trying to stir up a revolution down there. The French are trying to keep order. There are three radio stations daily which are beaming broadcasts, one of them from Rumania, which is behind the Iron Curtain, urging those people to rebel, urging them to rise against the French; and, incidentally, urging them to throw the Americans and their bases out of North Africa. I think the French sent the troops down there to keep order. We have a terrific investment down there. Our military people say that strategically these bases are worth a lot to us. In fact, they are something that we cannot afford to give up, at least not until such time as we get our bases in Spain completed, where we have a more firm arrangement, where we have the blessing of the government, but these things take time.

Mr. BENTLEY. Does the gentleman think it is the Communists rather than a nationalist movement?

Mr. HAYS of Ohio. Well, I think the Communists are exploiting it, and I am sure the gentleman thinks so too. They always exploit anything where they can create a dispute. They broadcast from behind the Iron Curtain and that would certainly add proof to the fact that they are exploiting it.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. CELLER. Is it not a fact there are broadcasts going out from Cairo and from French Morocco along with the others?

Mr. HAYS of Ohio. I mentioned three stations, one from Cairo, one from Rumania.

Mr. CELLER. Then there is one in Tetuan, in Spanish Morocco.

Mr. HAYS of Ohio. I had not heard of that. Then that would be four.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. FEIGHAN. We, by a vote of 367 to nothing told the world very recently that we are opposed to any form of colonialism. Must we give up that idea if we are afraid to put into this bill the fact that that vote represents what the people of the United States feel, namely, that we will support those people who seek national independence and national self-government and that we ask those free nations to whom we extend assistance to join with us in support of that principle. We must do our utmost to give the people what we agreed they are entitled to when we passed the McCormack resolution last week; the right to national sovereignty and individual liberty and protection.

Mr. HAYS of Ohio. I agree with the gentleman's statement. I am for the resolution, but in this instance the amendment is getting a little more

specific. I do not know when the proper time is to implement the McCormack amendment. Take the case of the Mau Maus in Africa. Are they ready for nationalism? I do not think they are ready for self-government, and while they have been subject to colonialism it is the sort of colonialism that has educated them, improved their status. I do not see that it is necessary for other nations to show their support of this principle by declaring war immediately to gain their independence. There is a difference between stating a principle and implementing it.

Mr. FEIGHAN. We are not saying: "You have got to do this." We are saying: "If you get our taxpayers' money you have got to do certain things."

Mr. HAYS of Ohio. Then we are saying they have got to do it. It is to be hoped they will gain their freedom ultimately. We do not have to tell them exactly how to do it.

Mr. FEIGHAN. I disagree. The point is, nations which refuse to recognize the principle of national self-determination disqualify themselves from getting assistance from us. What we do is give them a choice—we do not tell them what choice to make. In this manner we stand by our basic principles and make clear to all the people of the world what we stand for.

Mr. HAYS of Ohio. I again say you are going beyond the principle and in effect telling these nations how they must put the principle into practice. This would require different solutions for different problems.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. BENTLEY].

The question was taken; and on a division (demanded by Mr. BENTLEY) there were ayes 41, noes 126.

So the amendment was rejected.

Mr. RICHARDS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes, had come to no resolution thereon.

LEGISLATIVE APPROPRIATION BILL, 1956

Mr. NORRELL. Mr. Speaker, the Committee on Appropriations expects to report the legislative appropriation bill on Thursday next. I ask unanimous consent that it may be in order on Friday to consider on that day, if reached in the disposition of business before the House, the legislative appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CONSTITUTIONAL CONVENTION IN ALASKA

Mr. DELANEY from the Committee on Rules, reported the following privileged resolution (H Res. 292, Rept. No. 1025), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5166) relating to a constitutional convention in Alaska. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6367) entitled "An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments numbered 29, 43, and 48 to the above-entitled bill.

COMMITTEE ON PUBLIC WORKS

Mr. KLUCZYNSKI. Mr. Speaker, by direction of the Committee on Public Works I ask unanimous consent that that committee may have until midnight tonight to file a report on the bill H. R. 3210.

Mr. MARTIN. Mr. Speaker, what is that bill?

Mr. KLUCZYNSKI. It is the water development bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. BYRNES of Wisconsin. Mr. Speaker, I object.

MISSING PERSONS ACT

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6726) to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas.

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I shall not object because I understand this must be passed today or the law will lapse.

Mr. KILDAY. That is correct. It is simply an extension of 1 year.

Mr. GROSS. Mr. Speaker, reserving the right to object, does this concern the military personnel?

Mr. KILDAY. This involves the Missing Persons Act that was passed in 1942 and which expired in 1947 and reenacted in 1948 under which the dependents of missing military personnel are paid while the status of the personnel is missing.

Mr. GROSS. It is not being carried on then for the purpose of further concealing the number of losses we had in Korea?

Mr. KILDAY. No.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 15, Missing Persons Act (56 Stat. 147, 1093), as amended, is further amended by deleting the word "July 1, 1955" and inserting in lieu thereof "July 1, 1956."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KILDAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2266) to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956, which is similar to the bill just passed.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 15, Missing Persons Act (56 Stat. 147, 1093), as amended, is further amended by deleting "July 1, 1955" and inserting in lieu thereof "July 1, 1956."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby the bill H. R. 6726 was passed were vacated, and that bill laid on the table.

SALARIES OF THE JUDGES OF THE COURTS OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (S. 727) to adjust the salaries of the judges of the municipal court of appeals for the District of Columbia, the municipal court for the District of Columbia, the juvenile court of the District of Columbia, and the District of Columbia tax court, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman form South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 920)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 727) to adjust the salaries of the judges of the Municipal Court of Appeals for the District of Columbia, the Municipal Court for the District of Columbia, the Juvenile Court of the District of Columbia, and the District of Columbia Tax Court, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That the fourth sentence of the sixth paragraph of section 6 of the Act entitled 'An Act to consolidate the Police Court of the District of Columbia and the Municipal Court of the District of Columbia, to be known as "The Municipal Court for the District of Columbia", to create "The Municipal Court of Appeals for the District of Columbia", and for other purposes', approved April 1, 1942, as amended (D. C. Code, sec. 11–711), is amended by striking out '$14,500' and inserting in lieu thereof '$19,000', and by striking out '$14,000' and inserting in lieu thereof '$18,500'.

"SEC. 2. The fourth sentence of section 2 of such Act of April 1, 1942, as amended (D. C. Code, sec. 11–753), is amended by striking out '$13,500' and inserting in lieu thereof '$18,000', and by striking out '$13,000' and inserting in lieu thereof '$17,500'.

"SEC. 3. The first sentence of the second paragraph of section 2 of title IX of the District of Columbia Revenue Act of 1937, as amended (D. C. Code, sec. 47–2402), is amended by striking out '$13,000' and inserting in lieu thereof '$17,500'.

"SEC. 4. The last sentence of section 19 of the Juvenile Court Act of the District of Columbia (D. C. Code, sec. 11–920) is amended to read as follows: 'The salary of the judge shall be $17,500 per annum.'"

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

JOHN L. MCMILLAN,
OREN HARRIS,
SID SIMPSON,
JOS. P. O'HARA,
Managers on the Part of the House.

WAYNE MORSE,
ALAN BIBLE,
ROMAN L. HRUSKA,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 727) to adjust the salaries of the judges of the Municipal Court of Appeals for the District of Columbia, the Municipal Court for the District of Columbia, the Juvenile Court of the District of Columbia, and the District of Columbia Tax Court, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The first section of the Senate bill increased the salary of the chief judge of the Municipal Court of Appeals for the District of Columbia from $14,500 to $20,000 per annum, and the salaries of the judges of such court from $14,000 per annum to $19,500 per annum. The corresponding section of the House amendment provided an increase to $17,500 for the chief judge and to $17,000 for the judges of such court. The conference agreement fixes the salary of the chief judge to be $19,000 and the salaries of the judges to be $18,500.

Section 2 of the Senate bill increased the salary of the chief judge of the Municipal Court for the District of Columbia from $13,500 per annum to $19,000 per annum, and the salaries of the judges of the Municipal Court from $13,000 per annum to $18,500 per annum. The corresponding section of the House amendment provided an increase to $16,500 for the chief judge and to $16,000 for the judges of such court. The conference agreement fixes the salary of the chief judge of such court to be $18,000 per annum and the salaries of the judges to be $17,500.

Section 3 of the Senate bill (which corresponds to section 4 of the House amendment and the conference substitute) established the salary of the judge of the Juvenile Court of the District of Columbia at $18,500 per annum. Under existing law the salary of such judge is fixed under the Classification Act of 1949, and is at present $11,800 per annum. The House amendment provided that the salary of the judge of the Juvenile Court should be $14,800. The conference agreement fixes the salary of such judge to be $17,500.

Section 4 of the Senate bill (which corresponds to section 3 of the House amendment and the conference substitute) increased the salary of the judge of the District of Columbia Tax Court from $13,000 per annum to $18,500 per annum. The House amendment increased the salary of such judge to $16,000. The conference agreement fixes the salary of such judge to be $17,500.

JOHN L. MCMILLAN,
OREN HARRIS,
SID SIMPSON,
JOS. P. O'HARA,
Managers on the Part of the House.

Mr. McMILLAN. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, in order to explain this conference report, I would like to state that this is the second time that the conferees have brought this conference report back for your consideration. It took almost 1 month to get a second conference with the Members of the other body, and I hope that the House this time will accept the conference report even though it may not be just what we would all like to have. We all know that the House passed the salary increase bill giving the judges $3,000 increase, and the Senate passed a similar bill giving the judges $5,500 increase. In this report you will note that the conferees on the part of the Senate reduced their request by $1,000 and the House had to up their figure by $1,500. We divided almost evenly between the House figure and the Senate figure.

I realize that a number of Members on the floor of the House feel that these judges should not receive more than circuit judges and State judges in their own States, but we have no jurisdiction over those judges. My only responsibility is to the judges here in the District of Columbia in legislation over which the Committee on the District of Columbia has jurisdiction. If I were a member of the Legislature of the State of South Carolina I would vote to increase the salaries of the judges of my own State.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. FULTON. Is this amount backed by the administration—the amount in this compromise?

Mr. McMILLAN. The administration requested $4,000.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. WILLIAMS of Mississippi. Is it not a fact that the House by a majority vote on the conference report about 3 weeks ago instructed the conferees to stand by the House version of the bill? The conferees, after about 2 weeks, finally met with the conferees from the other body and argued for a lesser length of time than Bobo Olson stayed in the ring the other night with that fellow up in New York, before getting knocked out. After 15 minutes, the House went up $1,500 and the Senate came down $500; is not that true?

Mr. McMILLAN. The Senate came down $1,000.

Mr. WILLIAMS of Mississippi. And is it not a fact, in view of the position that the House took, that this matter should have gone back to the floor of the Senate for instructions from the Senate? Was that suggestion made in conference?

Mr. McMILLAN. We made that request and it was denied.

Mr. WILLIAMS of Mississippi. And yet the House conferees were under instructions from the House to stand by the House version; were they not?

Mr. McMILLAN. I feel that there is no reason to have a conference if we are both to stand exactly as we came into the conference.

Mr. WILLIAMS of Mississippi. Is it not a fact that the conferees were instructed by the House to stand by the House version of the bill? First, can the gentleman tell us how long this conference deliberated that afternoon?

Mr. McMILLAN. We had three votes. If the gentleman wants some time, I shall be glad to yield him some time.

Mr. WILLIAMS of Mississippi. I am just trying to get some information from the chairman of my committee, and the chairman of the conference committee. I will repeat that question. How long did the conference committee stay in session before the House surrendered?

Mr. McMILLAN. We stayed in session long enough to take three votes.

Mr. WILLIAMS of Mississippi. How long was that?

Mr. McMILLAN. About 30 minutes.

Mr. RABAUT. Mr. Speaker, will the gentleman yield to me?

Mr. McMILLAN. I yield to the gentleman from Michigan.

Mr. RABAUT. Mr. Speaker, we have a situation here that I feel calls for little or no debate. We raised our own pay. We raised the pay of the members of the armed services. We had a pay-raise bill for employees of the Post Office Department. We have had a pay-raise bill for the classified workers in the Federal service. We have taken care of the Federal judges. Now we come down to the District of Columbia and the attitude of some is that we are going to push them around. Let us live up to the responsibility that comes to Members of the House.

We are talking here about a conference report. I have sat in a few conferences in my 19 years of service here. When you get over there you find out that all legislation is a compromise. That is what the chairman of the committee is saying here today. He had to make a compromise.

I was over there last night and I was so sure that we could file a report last night. But when I got over there we hit one item and found it a stumbling block and had to go back today. This morning we settled it.

So the chairman of the committee has a compromise and he has come here with the best that he could do. I hope the conference report will be adopted.

Mr. McMILLAN. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, there is no one in this House that I know of who is trying to prevent the municipal judges of the District of Columbia from getting a pay raise. The House passed the bill which gave these judges, who are judges of a court of limited jurisdiction, a $3,000 per year increase. The other body passed a bill which gave them a $5,500 increase. The House insisted by its vote on the first conference report on this matter that our conferees insist upon the House position.

I just want to point out this one fact before you vote on this question. If this conference report is adopted today, these judges will be the highest paid municipal judges in this Nation. The judges in New York City, Detroit, and all the other cities are not paid as much as these judges will be paid.

Let me remind you again that they will be paid more than the judges of the supreme court of every State in this Union except 7, and that they will be paid more than the judges of the courts of general jurisdiction in all the States with the exception of 6.

Mr. CELLER. The gentleman is in error as to New York City.

Mr. JONES of North Carolina. I will show the gentleman a statement inserted in the record at the hearing compiled by the District Commissioners in which they listed the city judges of comparable jurisdiction in the 12 largest cities of this Nation, and their annual salaries. The salary of a New York City municipal judge is listed at $15,000.

Mr. CELLER. What was the date of that report?

Mr. JONES of North Carolina. The date was February 21, 1955.

Mr. CELLER. There have been increases since then.

Mr. McMILLAN. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. DODD].

Mr. DODD. Mr. Speaker, may I ask the chairman if it is not a fact that there are only 18 judges included?

Mr. McMILLAN. Fifteen municipal judges and three court of appeals judges.

Mr. DODD. Are not these the only judges who are nominated by the President of the United States, and whose nominations must be confirmed by the Senate, who were left out of the general pay raise this Congress voted all Federal judges?

Mr. McMILLAN. That is correct.

Mr. DODD. Is it not also a fact that the job on the municipal court of the District of Columbia is a very tough court assignment and a difficult assignment, and it is not to be compared with the average police court throughout the country?

Mr. McMILLAN. That is what I understand.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DODD. I yield to the gentleman from Iowa.

Mr. GROSS. Is it not also a fact that they have appointive 10-year terms and do not have to run for office every 2 years as most municipal judges do?

Mr. McMILLAN. That is correct.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DODD. I yield.

Mr. HOFFMAN of Michigan. The gentleman from Michigan, my very delightful colleague [Mr. RABAUT] said we had raised our own salaries, the salaries of the postal employees, the civil employees of the Government, and I do not know how many other groups. He forgot to say we had also raised the payments that the taxpayers must make to the Government.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I urge favorable action of the House on this conference report. This is the second time we have had a conference report on this question. I think the conferees have reached the best compromise they can.

I am probably the only Member of this House who has practiced extensively in this court. When I started to practice in it it had six judges. It met in a little old tumbledown house on C street near Fourth Street. Since that time it has increased to 13 judges. The importance and scope of its work has increased.

It is different from many of the municipal courts with which you gentlemen are familiar. It hears cases arising not only under local law but cases under the Federal law. This court also hears appeals from various decisions of administrative boards. In other words, it is a different type of court, it is a unique type of court. There is no other court like it in the United States.

Now we are considering more increases and changes in the jurisdiction of this court. The probabilities are that under a Federal law its jurisdiction in civil cases may go to $10,000. It now has equity jurisdiction. We are now considering in the Committee on the District of Columbia a bill which will probably give it jurisdiction in divorce cases. So I say to the Members of this House not to get this court confused with many of the courts like the trial magistrate courts and many other courts such as you have in the several States. Moreover, may I point out that the salaries of the judges in this court have traditionally been within $1,000 or $2,000 of the salaries of the judges in the local United States district court.

For example, when the judges of the local United States district court were getting salaries of $10,000, the judges in this court got around $7,500. When the judges of the United States district court got around $15,000, the judges of this particular court got around $13,000 or $13,500 and the Municipal Court of Appeals $14,000. Now we have increased the salaries of the judges in the district court to $22,500. This bill will make the salaries of the judges of this municipal court within $4,000 or $5,000 of the salaries of the judges of the United States district court. So, Mr. Speaker, I cannot urge too strongly upon this House the necessity for keeping men of high caliber in this court. We have had difficulty in the past in getting men of high caliber to sit in this court. Bear in mind, it is in these lower courts by far that the majority of our people get their first and only impression of the administration of law. I think we have been shortsighted in many of our States in the terms of appointment and election, if you please, of members to our lower courts because it is there that the majority of the people of our Nation learn whatever they might know about the administration of law. So, Mr. Speaker, I strongly urge upon the House favorable action on this conference report.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Speaker, I hesitate to trespass upon the time of the House at this late hour over what has been represented to be a rather minor matter. But it is not minor. It will set a very bad precedent for the District government. It will result in greater deficit financing. It is contrary to the recommendation of the City Commissioners.

The municipal court is not a part of the Federal court system. It is simply the police court of the city. It is in this court where traffic cases and simple misdemeanors and the police offenses are tried. This court regardless of what has been or may be said about it is comparable to the justice of the peace courts in your own districts. I will concede that it does have jurisdiction over a few matters of a little higher degree than those that are ordinarily vested within the jurisdiction of your justice of the peace courts. But, nevertheless, so far as the District of Columbia is concerned, this is the justice of the peace court for the District of Columbia. It has the lowest jurisdiction of any court in the district. It is positively and absolutely nothing more than a glorified justice of the peace court coupled with police court jurisdiction.

There has been no matter before the House this year or in the long time that I have been here affecting the District that has been lobbied as much as this bill. These judges have practically surrendered the bench in the last few days and laid aside their duties in the interest of this bill. They and their friends have kept the telephones in the cloakrooms busy calling Members and pleading for the support of this conference report. It is not my purpose to name

names, but I will be happy to do so if you insist. I repeat that everyone around here knows that the municipal court has practically been suspended for the past few days. I have been informed by one of our colleagues that some of these judges have left their jobs, come to the Capitol, and have been hanging around here presumably lobbying for this bill. What a shame. Now, their conduct would make just as much sense if the generals in the Pentagon left their desks and spent their time lobbying with Members of the House of Representatives for a raise in pay. It would be just as undignified. But when you consider the fact that this is hardly more than a J. P. court, then I presume we cannot expect much of them. Incidentally, there have been some business interests downtown that have gotten interested in this thing, both retail and wholesale. They have made some calls to the House Members. Maybe you can read between the lines and determine who they are. If you do not know and want to know, I will be happy to tell you. This has been a heavy lobby, inspired by men who preside over what is supposed to be a dignified court. It has been a shameful and disgraceful thing. It would not be so bad if the demand was not so unreasonable.

The District of Columbia is in poor financial circumstances at this time. The responsibility for the legislative financing of the District of Columbia belongs to you and it belongs to me. Just a few days ago the House of Representatives saw fit to cut the sum of $4 million off the Federal payment to the district. This threw the District's budget further out of balance. Most of you voted for that cut. Now, where do you expect the District to get this additional money? You cut off the source of revenue and the next day increase the expenditures. What sort of legislating is that? Furthermore, the teachers of the District of Columbia with bachelor degrees have beginning salaries as low as $3,400 a year. Yet here are judges who are serving in capacities only slightly above that of a justice of the peace coming here and asking for $18,000 a year. It is ridiculous. Raises are needed among some employees of the District—justifiable raises—but this court certainly is not one of them.

Furthermore, the Commissioners of the District of Columbia have opposed such a high raise from the very inception. They reluctantly agreed to $4,000. Are you going to strike down their views? Are you going to ignore and run this thing over the officials of the District who have the responsibility of running the District government? If you do, how can you criticize them for the financial distress of the city as you did a few weeks ago when you reduced their revenues by $4 million? Under extreme pressure, the Commissioners finally agreed on a raise of $4,000 and the House recommended $3,000. In other words, the House has agreed to raise the salary of these police court judges 23 percent. That is a pretty good raise by anyone's estimate. When the bill was considered in the Senate the raise was fixed at $5,500 or a 42-percent increase. You have fussed around here for more than a year over a 7- or 8-percent increase for postal workers and Federal employees.

Then we went to conference. The other body made a $500 compromise—not much of a compromise in my book. It was no compromise at all. So this House sent its conferees back to do the job over. You instructed us by a majority vote to stand pat, to insist on the House bill.

With all deference to my chairman, we stood for only 14 minutes. Just exactly that. The conference went into session 2 minutes before 3 o'clock, and at 3:13 the conference report was being signed by everyone but me. I attempted to stand, to carry out your orders, to preserve the position of the House and the integrity of the House. Conferees of the other body dropped down another $500, you might say another inch. If this conference report is adopted, it will mean a raise of 34.5 percent. It will be contrary to the position of your Committee on the District of Columbia. It will be contrary to the position of the House. It will be contrary to the recommendation of the City Commissioners. It is wrong. It is too much. It is unreasonable.

I am willing for these judges to have a raise. I supported the $3,000 raise. It will bring their salaries up to $16,000, a pretty good salary for presiding officers of the lowest court in the city. They will become the highest paid employees of the city.

The question involved here is not the amount of money involved. It is one of principle. If you fix the salaries of these judges at the high figure recommended in the conference report, are you not going to have to raise the salaries of other officials to a comparable level? Who would dare say the judges of the police court are more important or hold a higher position in the city government than the City Commissioners, or the Corporation Counsel, or the Chief of Police, the Fire Chief, the Director of Public Health, and so on? Where will this end? What will be the effect upon the city treasury? Who is going to pay the bill? And where will the money come from?

I said in the beginning of my remarks that these judges were not a part of the Federal court system of the District of Columbia. Some have attempted to so compare them but there is no comparison. This is a city court, a police court, the lowest court in this town.

The Commissioners of the District of Columbia draw a salary of only $13,800, and they are the officers who run the town. Are you going to subrogate them, salarywise, to the police court?

The SPEAKER. The time of the gentleman from Mississippi [Mr. ABERNETHY] has expired.

Mr. McMILLAN. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. ABERNETHY. The Director of Highways of the District of Columbia has a salary of $13,800; the Corporation Counsel a salary of only $13,400; the Director of Public Health, $13,400; the Director of Vehicles and Traffic, $12,600; the Chief of Police, only $12,900; Chief of the Fire Department, $12,900; the Superintendent of the City Schools, $14,000. Yet we have been faced with a big lobby to pay these police court judges $18,500 a year. As a lawyer myself of 30 years' experience, I can think of no easier job. And, it certainly requires the least judicial skill of any court in this vicinity. This is just too much for me to swallow. Furthermore, I would be doing this House and the people of the District a disservice if I did.

The so-called compromise before the House is no compromise at all. Personally, it makes no difference with me what the House does with this report. But in fairness to the House, the City Commissioners and the taxpayers of the District, this matter ought to go back to conference with directions and instructions to the conferees to stand by the House bill.

The SPEAKER. The time of the gentleman from Mississippi has again expired.

Mr. McMILLAN. Mr. Speaker, I yield 7 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Illinois.

Mr. ARENDS. Would you tell us how many judges are involved and how much money is involved in this whole argument?

Mr. O'HARA of Minnesota. There are 18 judges involved, and the difference between what the House passed and the conference report is the grand total sum of $27,000 in annual salaries. That is what we are fussing about today.

I would like to say, following the remarks of my good friend, the gentleman from Maryland [Mr. HYDE], that one thing that has stymied us in the conference has been that the other body has taken the position of traditional precedent which has existed since the establishment of the district courts in the District of Columbia.

The municipal court has had a traditional difference of $2,000. When the appeal court was organized there was only a difference of $1,000. The chief judges of each of those courts get an additional $500.

When salaries were increased in 1949 the traditional difference was maintained; in other words, the municipal court of appeals got $14,000 and the municipal court got $13,000.

Now we are reducing that traditional difference considerably by increasing them only to the amount that has been recommended in this conference report. I realize that my good friend from Mississippi [Mr. ABERNETHY], when he was quoting figures on these municipal officers, had not taken into consideration the increase they got recently and the other basic increases in legislation dealing with these specific officers.

It is also true that in the States where the salaries have been lower that now with the $22,500 we voted to the Federal district judges it is going to increase the salaries of the judiciary all over the country.

I hope we are not going to be niggardly and treat these judges unfairly, because they are doing a marvelous job. Both the municipal court and the municipal court of appeals are current with

their calendars, as is the Tax Court, which has unlimited jurisdiction in tax matters.

I say to you in all fairness, let us dispose of this matter.

I want to say to you frankly if you are opposed to all salary increases as many of my good friends who have spoken here are—they voted against the salary-increase bill for the judges in the first place, they voted against the increase for Members of Congress, and they have a perfect right to do that. But I say to you in this case it is only simple justice and decency to give these judges what is a commensurate raise in salary and dispose of this matter, or else it means they are going to get no increase at all. I think we should be responsible and considerate people here and give these judges the increase recommended by the conferees.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. SIMPSON of Illinois. I would like to know, Mr. Speaker, if this includes the juvenile court which has not been mentioned.

Mr. O'HARA of Minnesota. It does.

Let me say further that the income of the municipal court is about $1,500,000 a year. The expense of operation of the court is in the neighborhood of $700,000 or $800,000. At least 80 percent of the judges' salaries is paid by the taxpayers of the District of Columbia. We, as responsible people legislating on this thing, must, if we are going to have better judges, keep the salary commensurate with the traditional difference that has existed and not destroy the morale of the court.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. DONDERO. What do these judges now receive?

Mr. O'HARA of Minnesota. $13,000 and $14,000; and each of the chief judges gets $500 additional.

The juvenile court gets less.

Mr. Speaker, I yield back the balance of my time.

Mr. McMILLAN. Mr. Speaker, I held the hearings on this legislation. I think it is one of the most deserving pieces of legislation that has come before our committee. The amount involved is not worth quibbling about for hours.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

Mr. ABERNETHY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ABERNETHY. I am.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion.

The Clerk read as follows:

Mr. ABERNETHY moves to recommit the conference report on the bill S. 727 to the conference committee with instructions to the managers on the part of the House that they insist on the amendments adopted in the House.

The SPEAKER. The question is on the motion to recommit.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 158, nays 226, not voting 50, as follows:

[Roll No. 103]

YEAS—158

Abbitt	Fountain	Nelson
Abernethy	Frazier	Norblad
Adair	Frelinghuysen	Norrell
Alexander	Gary	O'Konski
Alger	Gentry	Ostertag
Andresen, August H.	George	Patman
	Gross	Pilcher
Ashmore	Gwinn	Pillion
Aspinall	Hagen	Poage
Bailey	Haley	Poff
Bass, N. H.	Hand	Rees, Kans.
Bass, Tenn.	Hardy	Rhodes, Ariz.
Bates	Harrison, Nebr.	Riley
Bell	Harrison, Va.	Roberts
Bennett, Fla.	Harvey	Robeson, Va.
Bentley	Hayworth	Robsion, Ky.
Berry	Henderson	Rogers, Colo.
Blitch	Herlong	Rogers, Fla.
Boland	Heselton	Rutherford
Bow	Hill	St. George
Bray	Hoeven	Saylor
Brooks, Tex.	Hoffman, Ill.	Schwengel
Brown, Ga.	Hoffman, Mich.	Selden
Brownson	Holt	Shuford
Budge	Hope	Sikes
Burleson	Huddleston	Smith, Kans.
Cannon	Hull	Smith, Miss.
Carlyle	Jarman	Springer
Carrigg	Jennings	Steed
Cederberg	Jensen	Taber
Chase	Johansen	Teague, Calif.
Chelf	Johnson, Calif.	Thompson, Mich.
Chiperfield	Johnson, Wis.	
Church	Jonas	Thomson, Wyo.
Cole	Jones, Mo.	Tuck
Colmer	Jones, N. C.	Utt
Coon	Kean	Van Pelt
Cramer	Keating	Vursell
Cretella	Kee	Wainwright
Crumpacker	Kelley, Pa.	Walter
Davis, Wis.	Kilgore	Watts
Deane	Krueger	Weaver
Dies	Laird	Westland
Dixon	Landrum	Whitten
Dondero	Lovre	Widnall
Dorn, S. C.	McCulloch	Williams, Miss.
Dowdy	McIntire	Williams, N. Y.
Durham	Mack, Wash.	Wilson, Calif.
Edmondson	Magnuson	Wilson, Ind.
Evins	Mahon	Winstead
Fisher	Marshall	Wright
Fjare	Matthews	Younger
Flynt	Miller, Nebr.	
Forrester	Murray, Tenn.	

NAYS—226

Addonizio	Byrnes, Wis.	Fine
Albert	Carnahan	Fino
Allen, Calif.	Celler	Flood
Allen, Ill.	Chenoweth	Fogarty
Andersen, H. Carl	Christopher	Forand
	Chudoff	Ford
Andrews	Clark	Friedel
Arends	Clevenger	Fulton
Ashley	Cooper	Gamble
Auchincloss	Corbett	Garmatz
Avery	Coudert	Gathings
Ayres	Cunningham	Gavin
Baldwin	Curtis, Mass.	Gordon
Barrett	Curtis, Mo.	Granahan
Baumhart	Dague	Gray
Beamer	Davidson	Green, Oreg.
Becker	Davis, Ga.	Griffiths
Belcher	Davis, Tenn.	Hale
Bennett, Mich.	Dawson, Ill.	Halleck
Betts	Dawson, Utah	Harden
Blatnik	Delaney	Harris
Boggs	Dempsey	Hays, Ark.
Bolling	Denton	Hays, Ohio
Bolton, Frances P.	Derounian	Hébert
	Devereux	Hess
Bonner	Diggs	Hiestand
Bosch	Dodd	Hillings
Bowler	Dollinger	Holifield
Boyle	Donohue	Holmes
Brooks, La.	Donovan	Holtzman
Brown, Ohio	Dorn, N. Y.	Hosmer
Broyhill	Elliott	Hyde
Buckley	Engle	Ikard
Burdick	Fallon	Jenkins
Burnside	Fascell	Jones, Ala.
Bush	Feighan	Judd
Byrd	Fenton	Karsten
Byrne, Pa.	Fernandez	Kelly, N. Y.
Keogh	Morgan	Seely-Brown
Kilburn	Moss	Sheehan
Kilday	Multer	Shelley
King, Calif.	Murray, Ill.	Short
King, Pa.	Natcher	Sieminski
Kirwan	Nicholson	Simpson, Ill.
Klein	O'Brien, Ill.	Sisk
Kluczynski	O'Brien, N. Y.	Smith, Va.
Knox	O'Hara, Ill.	Staggers
Lane	O'Hara, Minn.	Sullivan
Lanham	O'Neill	Talle
Lankford	Passman	Taylor
Latham	Patterson	Teague, Tex.
LeCompte	Pelly	Thomas
Lesinski	Pfost	Thompson, La.
Lipscomb	Philbin	Thompson, N. J.
Long	Powell	Thompson, Tex.
McCarthy	Preston	Thornberry
McConnell	Price	Tollefson
McCormack	Prouty	Trimble
McDonough	Quigley	Vanik
McMillan	Rabaut	Van Zandt
McVey	Radwan	Velde
Macdonald	Ray	Vinson
Machrowicz	Reece, Tenn.	Vorys
Madden	Reed, Ill.	Wharton
Mailliard	Reuss	Wickersham
Martin	Rhodes, Pa.	Wier
Meader	Richards	Wigglesworth
Merrow	Riehlman	Williams, N. J.
Metcalf	Rodino	Willis
Miller, Calif.	Rogers, Mass.	Withrow
Miller, Md.	Rogers, Tex.	Wolcott
Miller, N. Y.	Roosevelt	Wolverton
Mills	Sadlak	Yates
Minshall	Schenck	Young
Mollohan	Scott	Zablocki
Morano	Scudder	Zelenko

NOT VOTING—50

Anfuso	Gregory	Perkins
Baker	Gubser	Phillips
Barden	Hinshaw	Polk
Bolton, Oliver P.	Horan	Priest
	Jackson	Rains
Boykin	James	Reed, N. Y.
Buchanan	Kearney	Rivers
Canfield	Kearns	Rooney
Chatham	Knutson	Scherer
Cooley	McDowell	Scrivner
Dingell	McGregor	Sheppard
Dolliver	Mack, Ill.	Siler
Doyle	Mason	Simpson, Pa.
Eberharter	Morrison	Smith, Wis.
Ellsworth	Moulder	Spence
Grant	Mumma	Tumulty
Green, Pa.	Osmers	Udall

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Morrison with Mr. McGregor.
Mr. Eberharter with Mr. Siler.
Mr. Dingell with Mr. Simpson of Pennsylvania.
Mrs. Knutson with Mr. Horan.
Mr. Polk with Mr. Jackson.
Mrs. Buchanan with Mr. James.
Mr. Doyle with Mr. Kearney.
Mr. Moulder with Mr. Baker.
Mr. Anfuso with Mr. Kearns.
Mr. Rooney with Mr. Smith of Wisconsin.
Mr. Cooley with Mr. Osmers.
Mr. Chatham with Mr. Canfield.
Mr. Rains with Mr. Mason.
Mr. Tumulty with Mr. Ellsworth.
Mr. Udall with Mr. Hinshaw.
Mr. Mack of Illinois with Mr. Scrivner.
Mr. Boykin with Mr. Reed of New York.
Mr. Green of Pennsylvania with Mr. Dolliver.
Mr. Rivers with Mr. Scherer.
Mr. Sheppard with Mr. Phillips.
Mr. Priest with Mr. Oliver P. Bolton.
Mr. Grant with Mr. Mumma.
Mr. Gregory with Mr. Gubser.

Mr. SCHENCK changed his vote from "yea" to "nay."

Mr. BUCKLEY changed his vote from "yea" to "nay."

Mr. CARNAHAN changed his vote from "yea" to "nay."

Mr. BYRD changed his vote from "yea" to "nay."

Mr. MAHON changed his vote from "nay" to "yea."

Mrs. HARDEN changed her vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken and on a division (demanded by Mr. WILLIAMS of Mississippi) there were—ayes 197, noes 42.

So the conference report was agreed to, and a motion to reconsider was laid on the table.

SALE OF CERTAIN LAND IN ALASKA

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4853) to authorize the sale of certain land in Alaska to the Pacific Northern Timber Co., with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out all after line 22 over to and including line 18 on page 3 and insert:

"SEC. 2. That the land shall be sold to the said Pacific Northern Timber Co. at a reasonable appraised price to be fixed by the Secretary of the Interior, plus the cost of survey and preparation of a plat of survey. Conveyance shall be made only if the said Pacific Northern Timber Co. makes the total payment due within 1 year after notification by the Secretary of the Interior of the amount due: *Provided*, That the coal, oil, and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

ACQUISITION OF CERTAIN RIGHTS-OF-WAY BY SECRETARY OF THE INTERIOR

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1464) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads, with a House amendment thereto, insist on the amendment of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ENGLE, ROGERS of Texas, METCALF, SAYLOR, and DAWSON of Utah.

AMENDMENT TO ACT OF JULY 31, 1947 (61 STAT. 681), RELATING TO MINING LAWS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5891) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes, with Senate amendment thereto, disagree to the Senate amendment, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. ENGLE, ROGERS of Texas, METCALF, SAYLOR, and DAWSON of Utah.

ESTABLISHING A COMMISSION ON GOVERNMENT SECURITY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Joint Resolution 157 to establish a Commission on Government Security and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the House joint resolution, as follows:

Resolved, etc.—

DECLARATION OF POLICY

SECTION 1. It is vital to the welfare and safety of the United States that there exists at all times adequate protection of the national security (including the safeguarding of all national defense secrets and public and private defense installations) against loss or compromise arising from espionage, sabotage, disloyalty, subversive activities, or unauthorized disclosures.

It is, therefore, the policy of the Congress that there shall exist a sound Government program—

(a) establishing security procedures with respect to the hiring or continued employment of Government employees (including investigation, evaluation, and, where necessary, adjudication), and also maintaining appropriate security requirements with respect to persons who are privately employed or occupied on work requiring access to national defense secrets or on work affording significant opportunity for injury to the national security;

(b) for vigorous enforcement of effective and realistic security laws and regulations; and

(c) for a careful, consistent, and efficient administration of this policy in a manner which will protect the national security and at the same time preserve basic American rights.

ESTABLISHMENT OF THE COMMISSION ON GOVERNMENT SECURITY

SEC. 2. (a) For the purpose of carrying out the policy set forth in the first section of this joint resolution, there is hereby established a commission to be known as the Commission on Government Security (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government, and two from private life;

(2) Four appointed by the President of the Senate, two from the Senate, and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives, and two from private life.

(c) Of the members appointed to the Commission not more than two shall be appointed by the President of the United States, or the President of the Senate, or the Speaker of the House of Representatives from the same political party.

(d) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(e) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(f) The Commission shall elect a chairman and a vice chairman from among its members.

(g) Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 3. (a) Members of the Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) The members of the Commission from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 4. (a) (1) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(2) The Commission may procure, without regard to the civil-service laws and the Classification Act of 1949, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(b) All employees of the Commission shall be investigated by the Federal Bureau of Investigation as to character, associations, and loyalty, and a report of each such investigation shall be furnished to the Commission.

EXPENSES OF THE COMMISSION

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this joint resolution.

DUTIES OF THE COMMISSION

SEC. 6. The Commission shall study and investigate the entire Government security program, including the various statutes, Presidential orders, and administrative regulations and directives under which the Government seeks to protect the national security, national defense secrets, and public and private defense installations, against loss or injury arising from espionage, disloyalty, subversive activity, sabotage, or un-

authorized disclosure; together with the actual manner in which such statutes, Presidential orders, administrative regulations, and directives have been and are being administered and implemented, with a view to determining whether existing requirements, practices, and procedures are in accordance with the policies set forth in the first section of this joint resolution, and to recommending such changes as it may determine are necessary or desirable. The Commission shall also consider and submit reports and recommendations on the adequacy or deficiencies of existing statutes, Presidential orders, administrative regulations, and directives, and the administration of such statutes, orders, regulations, and directives, from the standpoint of internal consistency of the overall security program and effective protection and maintenance of the national security.

POWERS OF THE COMMISSION

SEC. 7. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this joint resolution, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpena may be issued under the signature of the Chairman of the Commission of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this joint resolution, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

INTERFERENCE WITH CRIMINAL PROSECUTIONS AND INTELLIGENCE FUNCTIONS

SEC. 8. Nothing contained in this joint resolution shall be construed to require any agency of the United States to release any information possessed by it when, in the opinion of the President, the premature disclosure of such information would jeopardize or interfere with a pending or prospective criminal prosecution, or with the carrying out of the intelligence responsibilities of such agency.

REPORTS

SEC. 9. The Commission shall submit interim reports to the Congress and the President at such time or times as it deems advisable, and shall submit its final report to the Congress and the President not later than January 15, 1956. The final report of the Commission may propose such legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations. The Commission shall cease to exist 90 days after submission of its final report.

With the following committee amendments:

Page 6, line 23, after "subcommittee", strike "or member."

Page 7, line 5, strike out "or member."

Page 7, line 7, strike out "of such subcommittee, or any duly designated member," and insert "or the chairman of any subcommittee with the approval of a majority of the members of such subcommittee."

Page 7, line 11, strike out "or member."

Page 8, line 6, strike out "premature."

Page 8, line 11, strike out "shall" and insert "may."

Page 8, line 14, strike out "January 15" and insert "December 31."

The committee amendments were agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOOVER COMMISSION REPORT

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, the Hoover Commission Report on Intelligence Activities of the Executive Branch was submitted earlier today to the Congress. I would like to say a few words about this report.

The task force of the Hoover Commission, headed by Gen. Mark Clark and including such distinguished men as Capt. Eddie Rickenbacker, Adm. Richard L. Connolly, Lt. Gov. Ernest F. Hollings, of South Carolina, Dr. Donald S. Russell, and Harry Kearns, spent 8 months investigating United States intelligence activities both at home and abroad. The report submitted by this distinguished group is both enlightening and encouraging. It indicates that the task force has found no valid ground for the suspicion that our intelligence agencies are infested with security risks. The Commission further reported that our Government intelligence activities are led by sincere and dedicated men, and that the personnel recruitment programs of the intelligence agencies is reassuring.

The Commission did find, however, that there are improvements which should be made in this vital field. I believe that it is of particular significance that the Commission recommended the establishment of a "watchdog" committee to review and check the operations and the expenditures of our nine major intelligence agencies.

In this respect, the Commission's recommendations parallel and support the proposal which I have been advocating during the past 3 years—the proposal embodied in House Concurrent Resolution 28, calling for the establishment of a Joint Committee on Intelligence Matters.

During the 1st session of the 83d Congress, together with the gentlewoman from New York [Mrs. KELLY], I sponsored House Concurrent Resolution 169, which called for the creation of such a joint committee. I reintroduced this proposal in the present Congress, and I was delighted when 19 other Members joined in sponsoring similar resolutions. This action demonstrated the growing awareness of the dire need for closer congressional review of our intelligence activities.

As I pointed out on a number of other occasions, our intelligence activities have been handled from a congressional standpoint in a piecemeal fashion. The importance of these activities to our national security demands that they be brought under responsible scrutiny. The proposed Joint Committee on Intelligence Matters would be an appropriate body to perform this vital task.

I was, indeed, pleased when I learned that the Hoover Commission in effect concurred in the sentiments which I have been expressing for the past 3 years by recommending the establishment of a watchdog congressional committee to oversee the administrative and financial operations of our intelligence agencies. I earnestly hope that this recommendation will aid in securing early consideration of House Concurrent Resolution 28 by the Rules Committee, or by some other appropriate group. My efforts will continue to be devoted to the attainment of this end.

ANNOUNCEMENT

Mr. DAVIS of Tennessee. Mr. Speaker, when rollcall No. 99 took place I was unavoidably detained from the House. Had I been present I would have voted "yea."

TRADE AGREEMENT DETRIMENTS MULTIPLY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in two instances.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, every day some new protest reaches me containing concrete evidence of the unfair effects upon segments of American industry of the recent trade treaty agreements with Japan at Geneva.

In my recent remarks relative to this subject, I discussed principally the textile industry, but there are other industries in my district that will be profoundly and adversely affected by this latest example of under-the-table negotiations and ill-considered concessions, which our American representatives recently were responsible for at Geneva.

I am particularly concerned also about the direct effect upon certain branches of the precision industry business since under the new Japanese agreements some of the competitive products of this industry will be able to come into the United States in larger volume and that perhaps will have a devastating effect on businesses located in my own district, and on others throughout the Nation.

It has come to my attention, moreover, that our State Department concluded these negotiations and made these incredible concessions without substantial consultation with the industries affected. No reasonable person would construe that a mere opportunity to submit views in opposition to pending proposals on a

solely unilateral basis before the Committee on Reciprocity Information could possibly fulfill the requirements for hearing and consultation contemplated by the Congress in legislation governing trade treaties.

I do not have the slightest doubt that the officials charged with negotiating these treaties had full information concerning the adverse effects upon the industries in question caused by imports during the past few years. It is clear, also, that the agency well knew that some of these industries were trying to work out a fair, equitable solution of their problems with other Government agencies charged with a degree of responsibility in these matters.

It is my personal belief that, in enacting this legislation, the Congress assumed that its provisions would be complied with in letter and in spirit and that industries and parties, which would be adversely affected by proposed tariff rate decreases would have those opportunities to present their views and objections, which are characteristic of and inherent in the due process clause of our Constitution as affecting administrative and quasi-judicial proceedings. The requirements of this long-established principle are never complied with by mere colorable pretenses and gestures. There must be substantial and full opportunity given under law to aggrieved parties, not only to present their views and voice their objections, but to combat the views and claims of opposing interests.

From current information, I do not believe that this standard has been met in laying the basis for the trade concessions made to Japan at Geneva, and I think that the action taken so arbitrarily and, in a sense, so furtively, is not only contrary to accepted principles of American political and judicial procedure, but will cause damage and havoc to some of the industries which, as a result thereof, will be forced to compete against the low, sweatshop, peonage-system standards of other nations.

These industries have a right to know where they stand. They have a right to be heard, not colorably, but honestly, fairly, and fully. They have a right to present all their views. They have a right to contend against the views of other interested groups. They have the right to be treated under American principles of law and equity.

The American people are entitled to an answer to the questions implicit in this situation:

Will the views of bleeding hearts, one-worlders, and extreme internationalists dominate our governmental policy respecting trade treaties?

Will huge trusts and combines, possessed of powerful secret influences in political councils, representing multi-billion-dollar export industries, be permitted to secure overriding favorable consideration in trade-treaty matters adverse to other business interests and adverse to American workers and adverse to American standards of living?

Will we have fair-trade treaties predicated on fair hearings that will give proper weight to our own national interests, or will we pursue the fantastic, unsound program of giveaway and harmful concessions that are inevitably bound to impair and weaken the American industrial structure and displace millions of our faithful workers?

Will this program be operated for the interests of Americans or for the interests of foreign nations?

These are questions which the American people want answered, and I doubt very much that our great President would ever take the position that they should not be answered affirmatively, in a way that would indicate strongly that in word and deed, in thought, and in action, he intends to protect American interests and American workers.

I admit that the position of those of us who oppose the objectives, methods, and techniques of the trade treaties as presently operating is unenviable and exceedingly difficult. The Congress has just passed another trade-treaty law. The State Department has just been armed with a fresh mandate. It is notable that the terms of the Japanese agreements were not released until this mandate had been received from the Congress. Nevertheless, the organic law, as recently adopted by Congress, we were assured, contained safeguards to protect American industry damaged or threatened to be damaged by the operation of any of these treaties. I hope that the President will personally insist that these protective provisions are carried out in their entirety, and I most respectfully urge that he give this question his able, personal attention.

I do not speak in support of any narrow provincial point of view. Like most Americans, I believe in trade with other nations on a mutually and advantageous basis. But I must protest again as strongly as I possibly can against the end result of the Japanese agreements and the methods by which they were consummated. If such disregard for fundamental American principles are allowed to dominate this program, and if such concessions as have been made in this instance are extended to other industries as well may be the case, I hate to think of what will happen to American industry, because in that event, in not too distant future time, much of it will be crippled and laid prostrate by massive, cutthroat foreign competition which it cannot meet under any conditions.

I earnestly hope that the President and the Department will consider the plight of these affected industries and move before it is too late to apply remedies and to extend them a helping hand in keeping alive the prosperity of their business, in protecting the employment of millions of Americans, who, together with their families and communities, are so gravely affected.

REVISE ICC RATES HARMING PORT OF BOSTON

Mr. PHILBIN. Mr. Speaker, I am greatly disturbed about the decline of the business at the port of Boston in relation to other ports on the eastern seaboard.

Boston is a great historic and industrial city, the center of thriving business enterprise and rich culture. It has made incalculably valuable contributions throughout our national history, which are well known to all Members of Congress and the American people and need no reiteration by me.

A principal reason for the decline in the port of Boston, unfortunately, has to do with the current inland rail rate differential, which the ports of Baltimore and Philadelphia have long enjoyed over Boston to and from territory west of Buffalo and Pittsburgh.

I am the last to want to raise sectional questions on the floor of this House, because I earnestly and honestly believe in keeping all sections of the United States prosperous and strong. In this instance, however, it is clear to me, and I believe it can be substantiated by the facts, that grossly discriminatory railway rates are in substantial measure responsible for the steady, alarming decline of Boston port business. These rates are, not only discriminatory, but they are unfair and unjust since they permit other cities to enjoy advantages and to receive benefits that are not given to Boston under the rulings of the Interstate Commerce Commission.

It is unfortunate that these conditions were ever permitted to arise. Such discriminatory rates never should have been established in the first place. Now that they are a definite reality, however, and are inflicting such extensive damage to the port of Boston, they should be immediately revised so that rates between Boston and other ports are equalized, as they should be under sound, fair principles of law.

It may well be that at an early date, this question will be presented again to the Interstate Commerce Commission and at that time I intend to make my views known to that agency and urge the elimination of current discriminatory rates and the establishment of fair rates that will put the port of Boston on a parity with every other port on the northeastern seaboard.

Boston is the great port of New England. It is tied to the New England economy which in turn is tied to the rich sources of raw materials and markets of other sections of the country. Of late years our section has undergone marked industrial, social, and economic changes which are still in process. For complex reasons many of our industries have moved to other States where lower labor and social standards and government grants and subsidies have created more favorable conditions. New England and Massachusetts pay huge sums in taxes to the Federal Government but receive comparatively little in return by way of special Government grants.

There is a shifting of population and redistribution of industry taking place in Boston. Desire to relocate in the periphery of the metropolitan district or even beyond it in smaller communities removed from stagnating traffic congestion and in the sunshine and fresh air of less settled areas where property costs and tax rates are more consonant with the financial means of average families, has contributed to these shifts.

The St. Lawrence Seaway now under construction is expected to divert additional heavy traffic and business from

the port of Boston. In this event there will be even greater urgency for the elimination of the current discriminatory and baneful rate differential. In the interest of our great port, I propose to render every assistance in my power to promote a just readjustment of the rates in question when this matter is pending before the ICC.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 10 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATIONAL OLYMPIC DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 359) to authorize the designation of October 22, 1955, as National Olympic Day.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

Whereas the XVIth Olympic games of the modern era will be held in Melbourne, Australia, November 22 to December 8, 1956, with Winter Games to be held at Cortina d'Ampezzo, Italy, January 26 to February 5, 1956; and

Whereas these games will afford an opportunity of bringing together young men and women representing more than 70 nations, of many races, creeds, and stations in life and possessing various habits and customs, all bound by the universal appeal of friendly athletic competition, governed by rules of sportsmanship and dedicated to the principle that the important thing is for each and every participant to do his very best to win in a manner that will reflect credit upon himself or herself, and the country represented; and

Whereas the peoples of the world in these trying times require above all else occasions for friendship and understanding, and among the most telling things which influence people of other countries are the acts of individuals and not those of governments; and

Whereas experiences afforded by the Olympic games make a unique contribution to common understanding and mutual respect among all peoples; and

Whereas previous Olympic games have proved that competitors and spectators alike have been imbued with ideals of friendship, chivalry, and comradeship and impressed with the fact that accomplishment is reward in itself; and

Whereas the United States Olympic Association is presently engaged in assuring maximum support for the teams representing the United States at Melbourne and Cortina d'Ampezzo; and

Whereas a day set aside by this Nation for a rededication to the amateur ideal could accomplish great good in encouraging good will for these games: Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating the 22d of October 1955 as National Olympic Day and urging all citizens of our country to do all in their power to support the XVIth Olympic games and the Winter Games to be held in 1956, and to insure that the United States will be fully and adequately represented in these games.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BILL DESIGNED TO OFFSET DECLINING EMPLOYMENT

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 30 minutes.

Mr. FLOOD. Mr. Speaker, today I introduced a bill designed to offset declining employment by providing for Federal assistance to States and local governments in projects of construction, alteration, expansion or repair of public facilities and improvements.

I am informed that the most recent figures compiled by the Census Bureau show that unemployment in February of this year remained at the high figure of over 3,380,000 persons. Further, the Labor Department reports the number of persons claiming unemployment insurance stood at over 1,900,000 for the first week in March.

With an average of approximately 1 out of 20 covered workers unemployed throughout the Nation and in some localities, such as Wilkes-Barre, Pa., 1 out of 7 without employment, it is certainly past time for lengthy discussion. It is time for action. I consider it important however, that my colleagues be given a clear picture of the national as well as local need for a public facilities program—not only to provide employment opportunities, but to assist in building the economy of this Nation.

I represent an area which is classed as IV–B by the Employment Service. That is the category used to designate areas with very substantial labor surpluses and where unemployment affects 12 percent or more of the area's work force. In this area, Luzerne County, Pa., which includes the 4 cities of Pittston and Nanticoke, Wilkes-Barre and Hazelton, the impact of mine closings, permanent curtailment of operations in food, leather products and fabricated metals, and a lower level of employment in textiles, paper, electrical and nonelectrical machinery, has resulted in very high unemployment for the past 2 years. The figure of 13,150 in January, 1953 rose to 15,800 in November 1953. On November 15, 1954, there were 21,550 reported as unemployed or 14.7 percent of the 146,200 civilian labor force available. This figure rose slightly to 21,950 as of January 1955. I am glad to add that there is reported to be some very recent improvement in the employment situation. But there is no assurance that such a trend will continue. What is necessary in my opinion is a flexible program of needed public facilities or works which can be directed to providing employment in these distressed labor areas and at the same time, improve the standard of living in the areas.

I am quite familiar with the events and issues leading to the passage of the Full Employment Act of 1946. I joined this body as a Member during the 79th Congress. At that time, since many of us were fearful that there would be serious economic dislocations as an aftermath of World War II, we enacted the Full Employment Act as well as a program of advance planning of local public works projects.

Fortunately, the immediate post-war years did not bring an economic recession, so we did not need to activate a public works program at that time.

But conditions have changed in the past 2 years, as evidenced by the figures to which I have referred.

I am glad to note that the use of public works to bolster the economy has recently been given some attention by the President's Council of Economic Advisers and more recently by the Joint Committee on the Economic Report. The President, in his Economic Report transmitted to the Congress in January 1955, states that the need for public works projects throughout our Nation has accumulated so greatly during the past 15 years, when a large part of our resources were required for war and defense, that now this backlog of needs for roads, schools and hospitals, for water, sanitary and community facilities, for conservation and recreational works should be taken care of. He refers to the Economic Report of January 1954, noting the vast backlogs and the continuing expansion of needs, and recommended that a larger part of the Nation's effort be devoted to public works, in order that our economy may grow without hindrance and states that the Federal Government shares with State and local governments the responsibility for removing this obstacle to economic expansion.

As one example of the large backlogs of construction requirements, it is of interest to analyze briefly the need for water and sewerage works throughout this country. We all realize the value of water and sanitation to the health and strength of our people. The Department of Commerce, in the March issue of Construction Review, states that the water and sewerage utilities of our Nation are confronted with the problem of providing adequate service for expanded and rapidly increasing domestic, commercial, and industrial requirements of urban and suburban areas. In terms of 1954 construction costs, it is estimated that the present accumulated backlog amounts to $10 billion worth of work, to which must be added $15 billion over the next 10 years to offset obsolescence and depreciation and to provide for population growth and increased per capita use. This amounts to a need for an annual average expenditure of $2½ billion during this period, compared with recent outlays running at the record annual rate of a little over $1 billion.

The Department further states that this staggering backlog of sewer and water supply needs will be difficult to attain, principally because of problems of local financing. However, the estimated requirements are realistic and if they are not met, increasing water

shortages or restrictions on water use and increasing stream pollution will result. During the past 3 years, over a thousand communities experienced such problems.

Back to the Economic Report of the President—it further states that the responsibility for different types of public construction is dispersed among many agencies of Federal, State, and local governments; that effective forward planning and execution of our Nation's public works therefore involves coordination of the activities of numerous Federal agencies, stimulation of advance planning by States and localities, and cooperation with State and local agencies engaged in public construction.

Now, I do not disagree with what the President has said. But, in my opinion, he did not go far enough. He did not outline a plan of action.

On the other hand, the Joint Committee on the Economic Report has more searchingly explored the situation. This committee unanimously criticized the economic report for not dealing adequately with the needs of distressed localities and industries. It indicated that if progress is to be made toward achieving the objective of the Employment Act in minimizing unemployment, the problem should be recognized and dealt with as a local, as well as a national and State problem.

The need for remedial measures were particularly stressed in the supplemental views of the chairman and a majority of the committee members who recognized that some areas of our country suffer from chronic unemployment resulting from long-term difficulties in coal, textile, and certain durable goods industries; others may experience temporary shutdowns from time to time resulting from seasonal or cyclical factors.

They further stated a point that I consider very important but often overlooked, that is, that distressing conditions are not confined to the locality or industry directly affected, but excess workers migrate to other areas where they add to the labor surplus, increase unemployment, or the number dependent on subsistence farming. Also, unployment and low incomes in these distressed segments reduce the markets for goods and services produced elsewhere, thus decreasing employment and incomes throughout the economy.

The majority members of the committee also said that public works can be justified on a broad economic basis as well as purely humanitarian; that the difficulty has been in timing and magnitude. Further, that consideration should be given to developing a public works project like that of the 1930's under the Department of the Interior where local communities could request Federal aid on a matching basis for public works they wished to initiate. They said that "this would give an opportunity to many small communities, where there is critical unemployment, to assist in aiding themselves."

In commenting on the seriousness of the problem and inadequacies with which they were dealt in the President's report, the majority said that a program can no longer be postponed. They referred to many of the measures to which such communities are now being driven—for example—competitive tax cuts in bidding for new industries, as not a satisfactory solution since they merely shift the burden to other industries and localities. They concluded that a positive program should be undertaken immediately, consisting of such important points as area development programs, unemployment compensation, and Federal research in new products and processes, such as coal to oil, and so forth. But number 1 on the list was that an aggressive public works program with Federal support should begin in all areas of labor excess classified as IV–B, namely, with 12 percent of the covered workers classified as unemployed. These communities, like other communities, are in need of schools, hospitals, highways, and slum clearance. If the agencies involved were to concentrate upon facilitating projects in these areas, substantial relief might be provided.

I am convinced that this administration has taken the need for immediate measure to bolster the economy of depressed areas of the Nation too lightly. I am happy that the Joint Committee on the Economic Report has recognized the problem and has proposed an action program. I agree that accelerated essential construction activity is only one, but a very important step, of many steps necessary. Further, I feel strongly that a public works program should be directed primarily to providing those facilities and improvements which are useful to the community, which will encourage further private investment and which, by their very existence, will provide continuing employment opportunities.

The bill I have introduced provides for the planning and construction of useful public facilities to alleviate substantial unemployment. Patterned along the lines of the PWA program of some years ago, a commissioner would be appointed by the President to head a Public Facilities Construction Administration. In carrying out the objectives of the Employment act the commissioner would study needs for public works in areas designated as having a surplus of labor, and determine what facilities would best alleviate this surplus. He could modify and could approve proposals submitted, but could not approve a project where Federal aid might be available under another law. Federal funds for useful public facilities would be alloted in a ratio of $45 of Federal assistance for every $55 of State or local funds. $3 billion would be authorized to be appropriated to carry out this act.

This bill is intended to supplement rather than incorporate any present programs of Federal assistance to States and communities for construction. We now have many essential programs relating to highway construction, flood control and navigation works, provision of airports, hospitals, housing projects and many more. If necessary, these programs generally can be expanded under present authorizations merely by increasing the appropriations.

May I also point out that this bill does not lessen the need for a coordinator of public works planning within the executive office of the President, as proposed by the President and supported by the Joint Committee on the Economic Report. To be sure, better overall coordination is desirable. This need has been recognized for years.

Mr. Speaker, the purpose of this bill is to open the way for States and localities to provide facilities not presently eligible for Federal assistance. Further, it is emphasized that this bill calls for close cooperation with the Council of Economic Advisors in order to assure that the facilities program will materially assist in carrying out the objectives of the Employment Act of 1946.

We all realize that sound development of public works and facilities takes time. Blueprints alone do not yield projects. Financing, land acquisition, and site development all have to be completed before actual construction work can begin. It takes, on the average, close to a year and a half to bring a public works project to the construction stage. Peacetime preparedness is just as urgent a necessity as military preparedness for defense. It means readiness to do the job which needs to be done when it should be done and on the scale proportionate to the need.

However, we do not need to wait a year or two to provide a start on actual construction. Because of the foresight of the 79th Congress, there are now available a number of public facilities projects for which plans have been substantially completed. For example, in my constituency, Luzerne County, Pa., projects at some 20 locations consisting principally of sewer construction estimated to cost about $16,500,000 are in the advanced planning stage or are practically ready to go. Over $300,000 has been loaned or advanced by the Federal Government for planning at these localities. One of these projects estimated to cost over $3 million is at Wilkes-Barre—one estimated at about one-half that amount, at Hazleton.

These are worthwhile projects which were approved for allocation of advanced planning funds that will add to the wealth of the communities. No leaf raking or boondoggling are included.

In conclusion, I will simply say this: I have endeavored to show that to provide necessary employment opportunities, to properly build our economy, and to invest in the future, we need a program of facility construction. Such a program will assist in meeting requirements of a growing population and a rising standard of living. I maintain that the people of this Nation possess great intelligence and ingenuity. Let us combine this intelligence with the great resources of this country to the end that we can move steadily forward for the good of all.

ATTEMPTED CONCEALMENT OF DISSENTING VIEWS ON WATER RESOURCES AND POWER REPORT OF THE HOOVER COMMISSION

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, the long-awaited report on water resources and power of the Hoover Commission is being submitted to the Congress and released to the press tomorrow, Thursday, June 30.

I wish to call to the attention of the Members a most reprehensible action in connection with the issuance of this report.

The separate dissenting statements of four Commissioners—Herbert Brownell, Jr., Arthur S. Flemming, James A. Farley, and myself—are not printed in the same volume as the Commission majority report. The dissenting statements are printed in a separate volume.

Anyone who glances at volume I—the Commission majority report—would get no inkling whatever that four Commissioners have taken exception to the report in whole or in part.

The table of contents in volume I makes no mention of the dissents. The text makes no mention of the dissents. There is only the terse legend on the bottom of the outside cover that "This report is printed in two volumes."

The decision to print the views of dissenting Commissioners in a separate volume is a most unusual event. It has never occurred before in the history of 2 Hoover Commissions which together issued some 37 reports, not counting task force reports.

I have tried without success to find out who is responsible for this slick maneuver which allows the Commission majority report to be distributed without informing the public that its findings have been challenged. This should be the subject of investigation by the committee charged with jurisdiction over the report in question.

The purpose of the maneuver is obvious. The views of the minority can be ignored or suppressed by the simple expedient of distributing large quantities of the Commission majority report as if it were the complete document. This fits in very well with the work of the so-called citizens committee for the Hoover report, which advertises the work of the Hoover Commission majority, but never presents the views which challenge the Commission majority.

The decision to break off the dissenting views and put them in a separate volume was made without the knowledge or approval of the full Commission. Had the matter been presented to the Commission, as it should have been, at the final meeting on Thursday, June 23, I positively believe that the Commission would have turned it down. Why should an exception be made in this single report when all other reports of the Hoover Commission contain majority and minority views in the same report?

The gentleman from Ohio [Mr. BROWN], who has served with me on the Hoover Commission, will bear out my statement that the Commission itself was not advised of this trick. I am sure he will agree with me that the Commission as such would have no part of it. Such unfair and petty maneuvering behind the back of the Commission is an insult to its dignity and standing.

I first learned of this development from a newspaperman who had an advance copy of the two separate volumes of the report on water resources and power. Then I called Neil MacNeil, the editorial director of the Hoover Commission, who gave me some evasive double-talk about who was responsible and tried to make me believe that the Government Printing Office had to print two volumes for reasons of time and binding requirements.

I hold up the two volumes here and, as any one of the Members of the House who are present can see, the two together come to less than one-half inch, which is much smaller than some of the Task Force reports and other reports that have been turned out.

My inquiries at the Government Printing Office make it clear that there were no technical reasons for printing the report in this fashion. The report could have been printed as a single volume, like all other reports of the Hoover Commission, in time to meet the deadline of the Commission's release date for the report. Furthermore, printing in two separate volumes is more costly.

After discussing the matter further with those Commissioners whom I could contact, I advised the Joint Committee on Printing while the gentleman from Ohio [Mr. BROWN] spoke personally to Mr. Hoover. As a result of these efforts by Commissioner Brown and myself, and the fine cooperation of the Joint Committee on Printing, the Government Printing Office will bind together the two separate volumes of the 10,000 copies held by the Superintendent of Documents for sale to the public. Another 6,000 copies already have been sent to the Hoover Commission for distribution through its mailing list. I understand that 600 of these, earmarked for the Members of Congress, will have the 2 volumes clamped together.

It is not my intention, Mr. Speaker, to discuss the contents of the Commission report on water resources and power, which will be released tomorrow. I will leave that for a later day. My dissenting views on the report analyze in detail the majority findings and recommendations.

I find it necessary, however, to draw attention to a statement made by Mr. Hoover in connection with the dissenting views. Mr. Hoover, as Commission Chairman, undertook to express a prefatory remark in volume II, which contains the dissenting views of four Commissioners. The sense of Mr. Hoover's remark is that the dissents ignore the Commission's fundamental purpose and legislative mandate or misunderstand the recommendations of the Commission majority report.

The Members of Congress and the public can judge for themselves when the report is released, whether Mr. Hoover's assertion has any validity. But I must say, Mr. Speaker, that it is a most remarkable thing for the Chairman of the Hoover Commission to characterize in a prefactory comment the remarks of dissenting Commissioners, after these have been submitted; and furthermore, to characterize them as lacking in understanding. Just imagine, by analogy, the Chief Justice of the United States writing a preface to dissenting opinions of the Supreme Court Justices which asserts that they don't know what they are talking about.

Those Members who take the time to read my dissenting remarks on the Commission's majority report on water resources and power probably will be disposed to ask themselves: Was it worth almost half a million dollars to undertake this Hoover Commission study of water resources and power?

I have here the page proofs of the task force study on the subject. They number about 1,800 separate pages. Dividing the total cost, each page represents an expenditure of about $250. So far the Commission has refused to make public the task force report. On Thursday, June 30, the Commission officially goes out of existence. As far as I am concerned, there is no longer any justification for keeping the stamp of secrecy on this mass of material. Anyone from the press or public who cares to inspect the page-proof copy of the task force report on water resources and power after Thursday may do so by calling at my office.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Miss THOMPSON of Michigan and include a statement.

Mr. BROYHILL and to include extraneous matter.

Mr. REECE of Tennessee.

Mr. YOUNG (at the request of Mr. WILSON of California) in two instances, in each to include extraneous matter.

Mr. WILSON of California and to include extraneous matter.

Mr. ROGERS of Colorado and include a news release by Mr. RODINO.

Mr. CANNON and to include a tribute to former Congressman Thatcher, which is estimated by the Public Printer to cost $420.

Mrs. SULLIVAN and to include a statement she made to the House Committee on Agriculture.

Mr. VAN ZANDT (at the request of Mr. MARTIN).

Mr. BROOKS of Louisiana.

Mr. HAYS of Arkansas, the remarks he made in the Committee of the Whole and to include certain quotations.

Mr. TEAGUE of Texas and to include extraneous matter.

Mr. THOMSON of Wyoming and to include extraneous matter.

Mr. JOHNSON of Wisconsin.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DOYLE, Mr. MOULDER, Mr. JACKSON, and Mr. SCHERER (at the request of Mr. WALTER) on account of hearings of Committee on Un-American Activities.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of following titles:

S. 391. An act to provide for the bonding of certain officers and employees of the Government of the District of Columbia, for the

payment of the premiums on such bonds by the District of Columbia, and for other purposes; and

S. J. Res. 85. Joint resolution to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

ADJOURNMENT

Mr. HALEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 50 minutes p. m.) under its previous order, the House adjourned until tomorrow, Thursday, June 30, 1955, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

938. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956 and prior fiscal years in the amount of $1,013,951 for the District of Columbia (H. Doc. No. 199); to the Committee on Appropriations and ordered to be printed.

939. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956 in the amount of $2,650,000 for the Department of Labor (H. Doc. No. 200); to the Committee on Appropriations and ordered to be printed.

940. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting its report on intelligence activities, pursuant to Public Law 108, 83d Congress (H. Doc. No. 201); to the Committee on Government Operations and ordered to be printed.

941. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Fish and Wildlife Service, Department of the Interior, for the fiscal year ended June 30, 1954, pursuant to the Budget and Accounting Act, 1921 (31 U. S. C. 53), and the Accounting and Auditing Act of 1950 (31 U. S. C. 67); to the Committee on Government Operations.

942. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956 in the amount of $2,988,000 for several independent offices (H. Doc. No. 202); to the Committee on Appropriations and ordered to be printed.

943. A letter from the Acting Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380), as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

944. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to validate payments of mileage made to United States Army and Air Force personnel pursuant to permanent change-of-station orders authorizing travel by commercial aircraft, and for other purposes"; to the Committee on the Judiciary.

945. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1956 in the amount of $27,700,000 for the Small Business Administration (H. Doc. No. 203); to the Committee on Appropriations and ordered to be printed.

946. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1956 in the amount of $294,700,000 for the Atomic Energy Commission (H. Doc. No. 204); to the Committee on Appropriations and ordered to be printed.

947. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1956 in the amount of $1,150,000 for the General Services Administration (H. Doc. No. 205); to the Committee on Appropriations and ordered to be printed.

948. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1956 in the amount of $200,000 for the District of Columbia (H. Doc. No. 206); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Committee on Rules. House Resolution 291. Resolution for consideration of H. R. 7000, a bill to provide for strengthening of the Reserve Forces, and for other purposes; without amendment (Rept. No. 995). Referred to the House Calendar.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 7034. A bill to provide permanent authority for the relief of certain disbursing officers, and for other purposes; without amendment (Rept. No. 996). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 7035. A bill to amend section 1 of the act entitled "An act to authorize relief of accountable officers of the Government, and for other purposes," approved August 1, 1947 (61 Stat. 720); without amendment (Rept. No. 997). Refefred to the Committee of the Whole House on the State of the Union.

Mr. MOSS: Committee on Government Operations. House Joint Resolution 330. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes; with amendment (Rept. No. 998). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 292. Resolution for consideration of H. R. 5166, a bill relating to a constitutional convention in Alaska; without amendment (Rept. No. 1025). Referred to the House Calendar.

Mr. BLATNIK: Committee on Public Works. H. R. 3210. A bill to authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; without amendment (Rept. No. 1029). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee of Conference. H. R. 6042. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 1030). Ordered to be printed.

Mr. RABAUT: Committee of Conference. H. R. 6239. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 1031). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Miss THOMPSON of Michigan: Committee on the Judiciary. House Concurrent Resolution 167. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; with amendment (Rept. No. 999). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. House Concurrent Resolution 168. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; with amendment (Rept. No. 1000). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1486. A bill for the relief of Anna Anita Hildegard Sparwasser; with amendment (Rept. No. 1001). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1668. A bill for the relief of Frank Budman; with amendment (Rept. No. 1002). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1673. A bill for the relief of Spiros Tzaferis and Erini Averino Tzaferis; with amendment (Rept. No. 1003). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1910. A bill for the relief of Blanka Goldstein; without amendment (Rept. No. 1004). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1973. A bill for the relief of Mrs. Chiu-An Wang (nee Alice Chiacheng Sze); with amendment (Rept. No. 1005). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2065. A bill for the relief of Sada Zarikian; without amendment (Rept. No. 1006). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2480. A bill for the relief of Dr. Klaus Schwarz; without amendment (Rept. No. 1007). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 2735. A bill for the relief of Inako Yokoo and her minor child; without amendment (Rept. No. 1008). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2949. A bill for the relief of Jose Armando Quaresma; with amendment (Rept. No. 1009). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 3188. A bill for the relief of William Lawler; without amendment (Rept. No. 1010). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3275. A bill for the relief of Richard Raffo Hanson; without amendment (Rept. No. 1011). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan; Committee on the Judiciary. H. R. 3375. A bill for the relief of Dr. James C. S. Lee, his wife Dora Ting Wei, and their daughter, Vivian Lee; without amendment (Rept. No. 1012). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 3723. A bill for the relief of Freda H. Sullivan; with amendment (Rept. No. 1013). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 4289. A bill for the relief of Vladislav Bevc; without amendment (Rept. No. 1014). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan; Committee on the Judiciary. H. R. 914. A bill for the relief of Erika Marie Dietl and her two children, Caroline Dietl and Robert Dietl; with amendment (Rept. No. 1015). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1084. A bill for the relief of Dorothy Antonia (Suk-fong) Leong; with amendment (Rept. No. 1016). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1092. A bill for the relief of George Henry Mahoney; with amendment (Rept. No. 1017). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1458. A bill for the relief of Rosa Edith Manns Monroe; with amendment (Rept. No. 1018). Referred to the Committee of the Wole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 2363. A bill for the relief of Lino Santi and his wife, Dinora Santi, nee Balestri; with amendment (Rept. No. 1019). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 2782. A bill for the relief of Josefa Martinez Infante; without amendment (Rept. No. 1020). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 3037. A bill for the relief of Jakob Hass, Roza Hass, and Mala Hass; without amendment (Rept. No. 1021). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 4146. A bill for the relief of Adelheid (Heidi) Glessner (nee Schega); without amendment (Rept. No. 1022). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 4185. A bill for the relief of Zabel Vartanian; without amendment (Rept. No. 1023). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 5283. A bill for the relief of Artur Swislocki or Arthur Svislotzki; with amendment (Rept. No. 1024). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2049. A bill for the relief of Anastasios Selelmetzidis; without amendment (Rept. No. 1026). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 6396. A bill for the relief of Valerie Anne Peterson; without amendment (Rept. No. 1027). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6613. A bill for the relief of Yuji Doi and Mrs. Matsuyo Yamaoka Doi; with amendment (Rept. No. 1028). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 7090. A bill to further amend the Agricultural Adjustment Act of 1938, and for other purposes; to the Committee on Agriculture.

By Mr. FINO:

H. R. 7091. A bill to extend the Federal old-age and survivors insurance system to individuals engaged in the practice of law; to the Committee on Ways and Means.

By Mr. KARSTEN:

H. R. 7092. A bill to provide for the improvement of the Mississippi River at and in the vicinity of St. Louis, Mo., for flood control; to the Committee on Public Works.

By Mr. KING of California:

H. R. 7093. A bill to amend section 37 of the Internal Revenue Code of 1954 so as to conform its provisions respecting retirement income-tax credit to the corresponding liberalized provisions of the social-security amendments of 1954, and to extend its provisions to members of the Armed Forces; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. R. 7094. A bill to amend section 120 of the Internal Revenue code of 1939 (relating to unlimited deduction for charitable contributions); to the Committee on Ways and Means.

H. R. 7095. A bill to provide that the tax on admissions shall not apply to certain athletic events held for the benefit of the United States Olympic Association; to the Committee on Ways and Means.

By Mr. ROOSEVELT:

H. R. 7096. A bill—

FOR FREEDOM OF CHOICE IN TRADE

To amend sections 3 and 4 of the Clayton Act to free those in commerce from restraints of trade and to allow small-business men freedom of choice in the conduct of their respective businesses as independent enterprises; to the Committee on the Judiciary.

By Mr. SELDEN:

H. R. 7097. A bill to provide for the reconveyance of oil and gas and mineral interests in a portion of the lands acquired for the Demopolis lock and dam project, to the former owners thereof, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILSON of California:

H. R. 7098. A bill establishing a general policy and procedures with respect to payments to State and local governments on account of Federal real property and tangible personal property, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FLOOD:

H. R. 7099. A bill to offset declining employment by providing for Federal assistance to States and local governments in projects of construction, alteration, expansion, or repair of public facilities and improvements; to the Committee on Public Works.

By Mr. McMILLAN (by request):

H. R. 7100. A bill to provide full and fair disclosure of the character of charitable, benevolent, patriotic, or other solicitations in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 7101. A bill to amend article I, title V, of the District of Columbia Revenue Act of 1937, as amended, relating to inheritance taxes; to the Committee on the District of Columbia.

H. R. 7102. A bill to amend the act approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422), so as to provide for the appointment by the Commissioners of the District of Columbia of special policemen, and for other purposes; to the Committee on the District of Columbia.

H. R. 7103. A bill to authorize the Commissioners of the District of Columbia to designate employees of the District to protect life and property in and on the buildings and grounds of any institution located upon property outside of the District of Columbia acquired by the United States for District sanatoriums, hospitals, training schools, and other institutions; to the Committee on the District of Columbia.

H. R. 7104. A bill to authorize the Commissioners of the District of Columbia to fix rates of compensation of members of certain examining and licensing boards and commissions, and for other purposes; to the Committee on the District of Columbia.

H. R. 7105. A bill to amend the law relating to residence of assistant assessors for the District of Columbia; to the Committee on the District of Columbia.

By Mr. SISK:

H. R. 7106. A bill to confer jurisdiction upon the United States District Court for the Southern District of California to hear, determine, and render judgment in a civil action to determine who has title to the real property in Fresno County, Calif., known as Sewer Farm; to the Committee on the Judiciary.

By Mr. TEAGUE of Texas (by request):

H. R. 7107. A bill to amend the Servicemen's Readjustment Act of 1944 to conform to accepted policies and procedures in the GI housing program; to the Committee on Veterans' Affairs.

By Mr. HILLINGS:

H. R. 7108. A bill to amend the Japanese-American Evacuation Claims Act of 1948, as amended, to expedite the final determination of the claims, and for other purposes; to the Committee on the Judiciary.

By Mr. WATTS (by request):

H. R. 7109. A bill to establish a system of distribution of surplus agricultural commodities to unemployed persons; to the Committee on Agriculture.

By Mr. LANE:

H. Con. Res. 181. Concurrent resolution expressing the sense of Congress that certain countries should be granted membership in the United Nations; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRD:

H. R. 7110. A bill for the relief of Gertrud H. Schoetz; to the Committee on the Judiciary.

By Mr. CHASE:

H. R. 7111. A bill for the relief of Pil Nyi Kwak; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 7112. A bill for the relief of Anton Jugo and Rosanda (Rosana) Jugo; to the Committee on the Judiciary.

By Mr. HOFFMAN of Illinois:

H. R. 7113. A bill for the relief of Pasquale Montano; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7114. A bill for the relief of Frank G. Gerlock; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 7115. A bill for the relief of Mrs. Hertha L. Wohlmuth; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 7116. A bill for the relief of Charles Joel Herzberg; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. J. Res. 364. Joint resolution authorizing the President to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, and for other purposes; to the Committee on Armed Services.

EXTENSIONS OF REMARKS

High Honors Well Bestowed—Former Representative Thatcher Receives Tributes and Awards at Testimonial Luncheon of Society of Mayflower Descendants

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1955

Mr. CANNON. Mr. Speaker, in the roster of patriotic and genealogical societies of the Nation no one of them is more loyal to American ideals and institutions than the General Society of Mayflower Descendants and its constituent State societies. Among the latter none is more prominent than the Society of Mayflower Descendants in the District of Columbia. In the general society, and in that of the District of Columbia, no member has been more effective in the effort to uphold the aims and purposes of the societies than former Representative Maurice Hudson Thatcher, of Kentucky and Washington; and no one has more effectively labored to oppose communism and communistic influence in our midst and to promote sound Americanism, than himself. As governor of the District of Columbia society, and as deputy governor general and counselor general of the general society, he has distinguished himself in these and other important fields and connections.

In recognition of these outstanding services, and also because of his splendid labors in various roles of his public and private career, the District society, on June 11, 1955, gave for him, at the Shoreham Hotel in this city, a testimonial luncheon. He and Mrs. Thatcher—who also received a full measure of tributes during the program—were the special guests of honor. Between 150 and 200 members and friends of the Thatchers were in attendance—among them a number of members of the Society of Mayflower Descendants in the Commonwealth of Virginia, which was organized by him. The two Houses of Congress were represented by Senator THOMAS E. MARTIN of Iowa; Representatives JOHN M. ROBSION, JR., and EUGENE SILER, of Kentucky; and myself. Presiding was the District society's present governor, Mr. Charles T. Macdonald, of the Federal Trade Commission staff. The chairman of the committee on arrangements was Mr. Leigh L. Nettleton, former governor of the society, and member of the Board of Immigration Appeals. A splendid program was provided, the printed motto of which was, "While yet we live let's honor those yet living." At the conclusion of the addresses, Chairman Nettleton presented to Governor Thatcher the District society's certificate of merit and accompanying citation—the first ever bestowed by the society. The formal addresses were delivered by Representative ROBSION and Capt. Miles P. DuVal, United States Navy, retired, the former dealing with the general background and public activities of Governor Thatcher, excepting those of isthmian character which were presented by the latter, a well-known historian of Panama Canal and isthmian subjects. Following the formal addresses, Miss Mattie Richards Tyler, of Louisville, Ky., and Washington, herself a poet and writer of distinction, read a number of poems written by Governor Thatcher.

The occasion was notable and outstanding in character. It is believed that an account of the proceedings merits a place in the CONGRESSIONAL RECORD to constitute an enduring record of the high honors thus paid a former and highly esteemed Member of this body, and a greatly beloved member and officer of the Societies of Mayflower Descendants. Accordingly, under leave granted, I am including, as a part of these remarks, the pertinent features of the program, together with the testimonial addresses.

The program began with an appropriate invocative service by Mrs. Fletcher Quillian, the society's elder. Then came the pledge of allegiance to the flag, led by Clarence I. Peckham, captain of the society. Next came the Pilgrim Pledge, composed by Governor Thatcher, as follows:

THE PILGRIM PLEDGE
(By Maurice H. Thatcher)

In the name of God, Amen.

I pledge myself to help hold aloft the lamps of civil and religious liberty lighted by the Pilgrims at Plymouth Rock; to recall and cherish the sacrifices and struggles made by them for the common good; to study their lives, deeds, faith, courage, and character, and to draw inspiration therefrom; to emulate their spirit; to be loyal to the flag and institutions of the country whose founding was so greatly aided by their work and wisdom; to do everything within my power to deserve and preserve the heritage; and in all things, and in all ways, to profit by the Pilgrim example.

The other more important features of the program follow in sequence.

Governor Macdonald read a number of wires and letters from distinguished personages, unable to be in attendance, with congratulations for the occasion, and paying tribute to Governor Thatcher.

Called on by Governor Macdonald, Senator MARTIN, Representative SILER, and myself made brief remarks, now given:

Senator MARTIN. My good friends, Mrs. Martin and I are delighted to meet with you on this memorable occasion to do honor to an outstanding American leader, Gov. Maurice H. Thatcher.

Throughout my 17 years of service in Congress I have found the wise and kindly counsel of Governor Thatcher most useful and inspiring. He is, indeed, one of the best informed and soundest thinkers of our time, and he is noted for his friendly encouragement and guidance.

To Mrs. Thatcher belongs a real share of the credit for their outstanding record. No one is more deserving of the honors accorded today than Governor Thatcher.

More power to both of them, and best wishes for many more years of their fine and genial leadership.

Representative SILER. I am quite happy to be here and enjoy this occasion with a group that is seeking to honor one to whom honor is due. Hon. Maurice H. Thatcher, my fellow Kentuckian, has had a long and distinguished career of good service that is in every way worthy of memorialization at this time. We all trust and hope that he will have many additional years in which to continue to shed the radiance of the great and worthy light of that service among his fellow men.

Representative CANNON. It is a much-appreciated privilege to have the opportunity of being here and breaking bread with the society, and especially to be permitted to say a word in grateful appreciation of the distinguished service of Dr. Thatcher on this very happy occasion.

Kentucky has produced many great men. Champ Clark once said that the State of Kentucky had contributed so many governors, Senators, Congressmen, judges, generals, and other distinguished citizens to surrounding States that he often wondered what would have happened had they all stayed at home together. Whether they were permitted to contribute to the upbuilding of other States of the Union, or whether they remained at home, Dr. Thatcher would still rank as one of the greatest living Kentuckians.

He is a great statesman, a great diplomat, a great Isthmian governor, a great lawyer, a great American; and especially great in his friendships.

A nation, a people, who do not appreciate and honor their great men will not long produce men worthy of honor and appreciation. So it behooves us to extend honor to those to whom honor is due, and certainly that would include Dr. Thatcher.

And how appropriate it is that we take advantage of the opportunity to pay this honor and this testimony to him, and to his great service to the society, and to the Nation, and to humanity in general.

"If with pleasure you are viewing any work a man is doing;
If you like him; if you love him—tell him now.
Don't withhold your approbration till the parson makes oration,
And he lies with snowy lillies on his brow.
If he earns your praise—bestow it; if you like him—let him know it;
Let the words of true encouragement be said; do not wait
Till life is over, and he's underneath the clover—
For he cannot read his tombstone when he's dead."

"If you love him, if you like him, tell him now." Dr. Thatcher, we do like you. We do love you, and we are grateful for this opportunity to tell you how much we appreciate you and how much we and the rest of the world owe you.

May you live forever.

INTRODUCTION OF REPRESENTATIVE ROBSION

Governor MACDONALD. The next speaker today is a distinguished Kentuckian. He attended the George Washington, Georgetown, and National Universities; was admitted to the bar in 1926; and in 1929 became Chief of the Law Division of the United States Bureau of Pensions. In 1935 he entered upon the practice of law in Louisville, Ky., where he has since made his home. In Louisville he became prominent in civic and political affairs, and in World War

II served with distinction overseas, part of the time on the staff of Gen. Mark Clark.

He is a member of the American Legion, Veterans of Foreign Wars, and the Military Order of the World Wars. In 1952 he was elected to represent the Louisville and Jefferson County, Ky., district in the United States House of Representatives—the same district formerly represented by him whom we are today honoring; and he was reelected for a second term in 1954. He is a member of the important Judiciary Committee of the House, and last year he was the author of a greatly needed enactment on the subject of subversives.

It is my privilege—indeed, my great pleasure—to present Hon. JOHN M. ROBSION, JR., who will tell us something about the career of his friend, and now, also, his constituent, Governor Thatcher.

Representative JOHN M. ROBSION, JR. Governor Macdonald, Senator Martin, Congressman Siler, Congressman Cannon, and Mrs. Thatcher, distinguished guests, at the outset I must express by deep appreciation for the honor accorded in placing me on this program to speak somewhat of the life and deeds of the man to whom you pay tribute today. Your own society and your national organization are doing much in these difficult and troubled times to keep alive in the hearts and minds of our people the sentiments and practices of Christian virtue, loyalty to the ideals of civil and religious liberty and practical idealism, which so greatly distinguished your Pilgrim ancestors. They gave a great impetus to the splendid principles which they held, and this Nation of free men and women owe them a debt which can never be paid except in following their example.

In the time permitted I can only touch upon certain of the more prominent features of a career so filled with worth as that of Maurice H. Thatcher, and it is very gratifying to me that I am now representing, in Congress, the identical district which, for a good many years, was so ably represented by him; that is to say the district made up of Jefferson County, Ky., including the city of Louisville.

Maurice Hudson Thatcher grew up in western Kentucky in the Green River section of the State. His paternal line runs back to the very beginning of New England history, and his earliest American ancestor was Elder William Brewster, one of the Mayflower passengers, the spiritual leader of the Plymouth colony. His father was born in Connecticut, and his mother in Tennessee. He obtained his education in public and private schools and through broad personal experience. In his earlier life he lived on a Butler County, Ky., farm. In his teens he was employed in the county offices, and he learned the printer's art in the composing room of the county newspaper. In these years he acquired the habits of close application to his tasks and of industry and integrity which have always characterized him. Not long after he reached his majority he was elected clerk of the Circuit Court of Butler County, and discharged the duties of the office so well that he soon came to be known as one of the most efficient circuit court clerks in the State of Kentucky. After several years of service as circuit clerk he went to Frankfort, the State capital, to serve on the State auditor's staff, meanwhile continuing his legal studies. Later he became a licensed attorney and received an appointment as assistant attorney general of the State. In this post he met his duties and responsibilities in the most praiseworthy manner. Upon the conclusion of this particular service he removed to Louisville and entered into the private practice of law.

In 1901 he was appointed assistant United States district attorney for Kentucky and served until 1906, most of the time for the western district, making a fine record as an able and fearless prosecutor. In 1908 Mr. Thatcher was chosen as State inspector and examiner for Kentucky, and during the ensuing 2 years he made an outstanding record. He collected more revenue from delinquent officials throughout the State than had been collected by all his predecessors. In addition he conducted the most exhaustive investigations of the State's charitable and penal institutions and brought about substantial reforms. Also in 1908 he was selected to be chairman of the campaign of former Gov. William O. Bradley for United States Senator, and contributed in very large degree to Governor Bradley's election.

In April 1910, Maurice Thatcher was appointed by President Taft as member of the Isthmian Canal Commission, which was charged with the supervision and performance of the work of building the Panama Canal. As regards his labors and achievements in that unique and highly important post, and touching his subsequent accomplishments growing out of his Isthmian service, I shall yield to another speaker who is eminently qualified to speak of them.

After returning from Panama he again engaged in the practice of law in Louisville and again became effectively active in politics. In the Louisville-Jefferson County campaign for city and county offices in 1917 he rendered important party service; and his labors constituted a substantial contribution to his party's complete success at the polls. Following that election he was chosen as a member of the board of public safety of the city and made an excellent record in that position during the ensuing 2 years. In 1919 he became department counsel of Louisville and served in that capacity for 4 years, and in that responsible post performed his duties with outstanding ability.

The year 1922 brought Maurice Thatcher the Republican nomination for Congress from the Louisville district, and in November of that year he was elected to the House of Representatives. Four times he was reelected to Congress, serving altogether 10 years—March 1923 to March 1933. As a Member of the House he strove always to act for the best interests of his district and his constituents, and in addition, did much for the State and the Isthmus of Panama. While in Congress he sought to serve the people of his district and State regardless of party or partisan considerations. In consequence of which he became very popular in his district, and always in his congressional races received a substantial number of Democratic votes and the bulk of the independent vote. This popularity was well attested by the fact that in 1926 he was elected without opposition, and by the further fact that in 1928 he was reelected over a distinguished opponent by more than 32,000 majority—a result which I believe has never been equaled in the district by any candidate for a major office in a contested campaign. As a Member of the House of Representatives, Congressman Thatcher's interests and efforts were varied. Throughout his congressional tenure he was a member of the powerful House Committee on Appropriations, and in that connection rendered important national service. In addition to his regard for Panama Canal, Isthmian, and Latin American affairs, he was especially active—and successful—in his efforts in behalf of national parks, public highways, public buildings, aviation and airmails, benefits for the blind, and other matters of general import. Thus, in Congress, he was the author of various enactments dealing with these subjects, as, for, instance, the following:

Act for the establishment of the Mammoth Cave National Park in Kentucky; act for permanent improvement and maintenance of the Lincoln birthplace farm in Kentucky; act creating the Zachary Taylor National Cemetery in Kentucky; act authorizing the construction of the municipal bridge across the Ohio River at Louisville (formally named the George Rogers Clark Memorial Bridge)—a pioneer piece of legislation obviating the necessity of bond vote issues, with financing processes resulting in ultimate freedom from bridge tolls; act (joint author) for the same type of bridge financing for the State of Kentucky; legislation and appropriations for the construction in Louisville of a new Federal post office, customs, and courthouse building, a new marine hospital at Louisville, a veterans' hospital at Lexington, Ky.; an act increasing appropriations for the making of braille books and apparatus for the blind children of America; and an act for the benefit of the "underdogs" of the Treasury, the storekeepergagers of the Nation. In Congress he was one of the leaders responsible for the building up of our systems of domestic and foreign airmails.

In addition his efforts contributed greatly to the conversion of Camp Knox, in Kentucky, into the permanent military post of Fort Knox. Also he led the successful effort for the naming of the United States Battle Cruiser *Louisville* for his home city, and made the dedicatory address at Bremerton Navy Yard when the vessel was launched, Mrs. Thatcher acting as formal hostess for the occasion. Then he was also author and sponsor of the creation of the Eastern National Park-to-Park Highway project linking together the great national parks east of the Mississippi, Tidewater Virginia, and the National Capital over established roadway systems; and is yet serving as president of the Eastern National Park-to-Park Highway Association, organized by him in 1931. Other enactments of an isthmian character will be mentioned by a later speaker. Since he left Congress he has continued his interest and labors in behalf of the more important of the subjects which engaged his interest during his congressional period.

Congressman Thatcher's record of public service is, indeed, one of outstanding and distinguished character. In the typically American way he has moved from farm boy to posts of honor and distinction without the aids of wealth and extraneous influence. He has fairly earned and fully deserved the honors which have come to him. By loyalty to duty, through high purpose and untiring effort, he has accomplished much; and his life, character, and deeds are truly inspirational. His interests have been wide and varied, and his labors have well served his district, his State, and his country; and, I would add, his loyal wife, Anne Bell Thatcher, has materially aided him in his achievements.

Much more might be said of this man and the labors of his life; but this, and what may come hereafter, may suffice. Your society has done well to pay him formal honor—not only for what he has done in your behalf, but, as well, for his services to his country and international causes. We are all very happy that he and Mrs. Thatcher are yet in health and strength, and are continuing in their appointed tasks. I join you in the hope that they may be long spared for further usefulness.

In conclusion, permit me to say that it is a real pleasure to meet the officers and members of this unique and patriotic organization and its distinguished guests. And thanks again for the opportunity given me to participate in this program and to speak somewhat of the life and deeds of one of your most highly esteemed and deserving members—my fellow-Kentuckian, Maurice Hudson Thatcher.

INTRODUCTION OF CAPTAIN DUVAL

Governor MACDONALD. Our next speaker is a graduate of the United States Naval Academy, class of 1919. He has had a distinguished naval career, both ashore and afloat, including combat command in World War II. While on duty in Washington he took post graduate work in Foreign Service

at Georgetown University. He chose as the subject for a term paper, the diplomatic history of the Panama Canal. This was expanded into a book published in 1940 by the Stanford University under the title, "Cadiz to Cathay." Eventually, it led to his detail, 1941–44, to duty in the Canal Zone, where he was in charge of marine operations in the Pacific sector of the Panama Canal during the most critical period of its history.

While on that assignment he wrote a second volume, And the Mountains Will Move, Stanford Press, 1947. He is now nearing completion of a third volume dealing with the Isthmian problems. He is accounted the outstanding historian on the subject.

Thus, in our next speaker, we have one whose experiences in the Canal Zone and intensive studies of Isthmian history combine to qualify him eminently to address us on this occasion. I am very glad to present Captain Miles P. DuVal, United States Navy, retired.

Capt. MILES P. DUVAL. Mr. Governor, members of the Society of Mayflower Descendants, ladies and gentlemen, it is an honor and a privilege to address this splendid sector of American life. Descended, as you are, from illustrious Pilgrim pioneers who came to America seeking freedom, yours is a heritage that appeals strongly to all sons and daughters of Virginia, of whom I am proud to be one. They, like you, are bred in the great tradition of constitutional liberty.

Your member to whom we do homage today, the Honorable Maurice H. Thatcher, of Kentucky, as a *Mayflower* descendant and also as a product of the great State that was once a county of Virginia, carries both of these magnificent streams of American culture and life.

My first introduction to this distinguished name was in 1936–38, while I was on duty in the Navy Department as Secretary of the Shore Station Development Board. The function of that body was to formulate programs for the evolution of our naval stations to meet future needs. When studying plans for stations in the Canal Zone, the board always had two important facilities to consider: the Thatcher Highway and the Thatcher Ferry. Thus, by that time the name of Thatcher had already become a fine tradition on the Isthmus and a symbol in the United States for matters related to the Canal Zone and the Republic of Panama. As a student of these subjects, I am particularly pleased to address you on the Isthmian aspects of Governor Thatcher's career.

What led this leader to become such a figure in Isthmian life and how did he attain such stature?

The explanation traces back to the start of his career in the earlier part of the century, when Governor Thatcher, like many other young Americans who must make their own way in the world, began his upward climb through the law and politics. That time was a significant period of United States history, ushered in by the war with Spain. In its course, young Thatcher lived through important phases in the evolution of the Isthmian Canal Policy of the United States, which, as a keen student of public affairs, he followed closely.

These momentous events included the negotiation of the Hay-Pauncefote Treaty of 1901 with Great Britain; the great Congressional debate of 1902 over the location of the Isthmian canal known as the "battle of the routes," ending in decision for Panama in preference to Nicaragua; the Panama Revolution of November 3, 1903, resulting in the creation of the Republic of Panama and acquisition by the United States in 1904 of the Canal Zone; and a notable legislative struggle in 1906 as to the type of canal, known as the "battle of the levels" producing the great decision of the Congress and the President for the high-level lake and lock plan for the Panama Canal.

During that period, as so well described by Congressman ROBSION, Mr. Thatcher had a most useful public experience that was to be of great value in the days to come. He never seriously thought of associating himself with the building of the Panama Canal. Following the resignation of former Senator J. C. S. Blackburn, of Kentucky, as a member of the Isthmian Canal Commission, President Taft began a search for a well-qualified man to fill the vacancy. On April 12, 1910, he appointed Mr. Thatcher as a member of the Commission, with assignment as head of the Department of Civil Administration of the Canal Zone. This action received general acclaim, particularly in Kentucky.

On May 6, Governor Thatcher sailed for the Isthmus with his bride of 2 days, the former Miss Anne Bell Chinn of Frankfort, Ky., who is with us today.

For more than 3 years, Governor Thatcher served as a member of the Commission and head of the Department of Civil Administration, and functioned as Governor of the Canal Zone. Thus, he had unique opportunities at an inspiring time to participate in the official and social life of the isthmus, and took full advantage of them.

Because of his function as Governor, his home, ably supervised by Mrs. Thatcher, who made it into a bower of tropical bloom and beauty, became an important social center in the Canal Zone. His office and that of Col. William Crawford Gorgas, a fellow commissioner and widely famed sanitarian of the Isthmus, were in the old Administration Building in Ancon, adjacent to the city of Panama. His duties included liaison work with the Republic of Panama and diplomatic representatives of other countries accredited to Panama. These factors together served to establish for him a closer relationship with Panama than that enjoyed by any other canal official.

One element that contributed much toward this result was that Mrs. Thatcher, upon her arrival on the Isthmus, undertook to master the Spanish language. In this endeavor, in which she was remarkably successful, she was assisted by everyone she met in Panama, from the President in the palace to the coach driver in the street. Her efforts are still recalled by Panamanians of that period with admiring approval.

With canal building then at its height, Governor Thatcher was on the scene during the great period of Isthmian history when the vast construction program was being rushed toward completion. Making frequent inspection trips along the line of the canal he saw the Atlantic and Pacific locks take shape; observed Gatun and Pacific dams slowly form; arranged for needed lands in the Republic of Panama for lake purposes; saw Gatun Lake start from a body of water no larger than a mill pond; and watched it gradually rise, transforming mountains into islands and becoming what was at that time the largest artificial lake in the world. All of this together served to give him a deep insight into the meaning of the canal as an avenue of marine transportation serving vessels of all nations on terms of equality as provided by treaty.

The work of civil administration was not spectacular. If operating properly, it was quiet and efficient. Nevertheless, it was an indispensable prerequisite for successful engineering and sanitation. It included such activities as police, fire and schools; posts, customs, immigration and revenue; municipal engineering and roads; in fact, most all the customary functions performed by State, municipal and county governments in the United States. In addition to its work in the Canal Zone, the Department of Civil Administration was then charged with the construction, maintenance, and operation of street, sewer, and water systems in the terminal cities of the Republic of Panama.

Governor Thatcher's isthmian achievements, which reflected his previous public experience, include a number of items of historical interest in the Canal Zone. Among these, he was the—

1. First to recognize the evils of flogging convicts and to abolish it.

2. First to institute a system of rewards and denials to prisoners as an instrument for enforcing discipline—a program that reduced infractions by 50 percent in 6 months.

3. First to use prison labor in the Canal Zone for the construction of highways, which became models for other countries of Latin America and some of which are still in use.

4. First to introduce the teaching of Spanish in Canal Zone high schools.

5. First to enforce the Mann Act in the Canal Zone and, by such enforcement, to send a number of notorious criminals to prison.

6. First to draft a comprehensive vehicular traffic code for the Canal Zone, which was enacted into law by the Isthmian Canal Commission.

7. First to supervise taking an adequate census of the Canal Zone, which showed a population of approximately 75,000, made up of many races and nationalities.

Of the many close relationships in his Isthmian career, one of the most gratifying was that with Colonel Gorgas in connection with health and sanitation in the terminal cities, Colon and Panama, which matters were the responsibilities of the Isthmian Canal Commission. Under the system then in effect all requests for health and sanitary cooperation on the part of the Panamanian Government were handled by the head of the Department of Civil Administration. In these and other relations, Governor Thatcher, as always recognized by the people and press of Panama, was among the first to exemplify, in adequate manner, the principles of the good-neighbor policy. This practice produced positive results, for no request of his to Panamanian authorities was ever refused.

Another significant event in Governor Thatcher's Canal Zone career was witnessing the first nonstop transcontinental airplane flight—a seaplane piloted by Robert G. Fowler from the Bay of Panama to the Atlantic entrance of the canal on April 27, 1913. His observation of this flight was to bear important fruit in the future.

Following a change in the national administration in Washington, Governor Thatcher, on August 18, 1913, resigned his position after more than 3 years' effective performance, for which he was warmly commended by Secretary of War Lindley M. Garrison, and resumed his life in Kentucky. At the time he did not realize what an impact his Isthmian experiences had made on him, or what would ultimately unfold from them.

Years later, in the Congress as a Representative from Kentucky and a member of the House Committee on Appropriations, 1923–33, new opportunities opened. Lessons learned at Panama qualified him to play important parts as a leading congressional authority in handling Isthmian and Latin American problems.

As a member of the Subcommittee on Appropriations for the Treasury and Post Office Departments, he was a principal leader in the fight for establishing the first air mail routes in Latin America. One line extended from the United States down the west coast to Chile, and thence to the Argentine; and another, from the United States along the eastern seaboard of South America to Buenos Aires. These developments trace back to his observation in 1913 of the first trans-Isthmian flight when he visualized the need for mail service by aircraft.

In 1928 he was the author of legislation providing for the establishment, and the

maintenance and operation with Federal appropriations, of the Gorgas Memorial Laboratory in Panama City, for which the Republic of Panama donated the necessary land and buildings.

During the years that have followed, the laboratory developed much basic knowledge of the transmission of yellow fever and other deadly tropical ailments, including those of veterinary character. The reports of its investigations, which are available in all centers of medical learning, contributed greatly toward the success of our Armed Forces operating from tropical islands of the Pacific in World War II.

In connection with the recrudescence of yellow fever in tropical America, evidence of which has been found as far north as southern Mexico, studies by the capable staff of the laboratory have shown that the monkey and certain other animals are the reservoirs of this disease; and newly discovered species of mosquitoes, the conveyors.

The work of the laboratory thus constitutes not only a potent defense against the ravages of yellow fever in the Canal Zone and the Isthmus but also a bulwark against its extension into the United States. The last is particularly pertinent since the indigenous opossum has been shown to be one of the animal reservoirs.

Another significant contribution by Governor Thatcher in the Congress concerned the operation of the Panama Canal. In this, because of his special knowledge of canal problems, he materially aided in securing legislation in 1929 for construction of a dam at Alhajuela. Named in honor of the able chairman of the House Committee on Appropriations who died in 1928, the Madden Dam and power project was the first major step toward increasing the capacity of the Panama Canal.

Completed in 1935 this project has supplied more water for lockages, generated additional power, controlled floods, and improved navigation. It still remains a monument to all who contributed to its success.

A fourth notable achievement in the Congress on the part of Governor Thatcher was securing legislation authorizing construction of a ferry, free in character, across the Panama Canal at its Pacific entrance and of a highway in the Canal Zone connecting the ferry with the road system of Panama. Opened to traffic in 1932 this ferry has transported tens of millions of passengers and hundreds of thousands of vehicles, thus rendering indispensable services in both peace and war. Both the highway and ferry, officially named in his honor, constitute links in the projected Inter-American Highway, which, with the exception of certain uncompleted sections in Central America, already extends southwardly beyond the Canal Zone.

Following as a consequence of his effective labors for pan-Americanism, President Hoover, in 1930, appointed him a member of a special mission to present, at Caracas, a statue of Henry Clay to the Republic of Venezuela. For this and his other services in fostering better relations between the United States and Latin American nations he has been decorated by the Governments of Ecuador, Panama, and Venezuela; and, most appropriately, awarded an honorary doctorate in law by the University of Alabama, an institution long associated with the Gorgas family.

After leaving the Congress in 1933, Governor Thatcher was chosen vice president and general counsel of the Gorgas Memorial Institute of Tropical and Preventive Medicine, which supervises the operations of the Gorgas Memorial Laboratory. These nonsalaried positions he yet holds. Aided by his wise and experienced counsel, and his activities, this research organization has continued to grow in fame, and is known throughout the world for its invaluable services to all mankind.

When the time approached for the name of General Gorgas to be proposed for the Hall of Fame, it was natural that Governor Thatcher should play an important part in the campaign to secure that signal honor for the celebrated sanitarian.

No one who attended the graveside of General Gorgas in Arlington Cemetery on the afternoon of July 4, 1950, can ever forget the simple, yet dramatic, commemorative exercises of that beautiful summer day. Arranged and eloquently presided over by Governor Thatcher, in his capacity as a vice chairman of the Gorgas Hall of Fame Committee, they portrayed the notable contributions of General Gorgas to worldwide health and sanitation, and his position in history. This and other related services of Governor Thatcher materially aided in winning for his former friend and collaborator this new and significant recognition in a field of eminent competitors.

Since the close of World War II, the problems of modernizing the Panama Canal and of interoceanic canals generally have been topics of extensive debate. Featured by sharp differences of opinion as to what should be done, the evolving situation has confronted the Congress and the President with difficult questions of policy determination. Understanding these matters in the broadest sense, through his many years of close association and study, Governor Thatcher recognized the pattern of events as repeating the canal struggles in the earlier part of the century, saw their implications for the welfare of the United States, and has urged an Isthmian Canal policy based on a reasoned line of thought. To this end he has been a long and continuing advocate for the creation of an independent and broadly based Interoceanic Canals Commission as the best means for the adequate resolution of these grave and intricate problems. Published to the world in considered statements, his views have gained wide acceptance.

Though the activities of Governor Thatcher have brought him in close touch with men of high position and great fame, he has never overlooked those of lesser stature. In and out of the Congress, he has been effective in securing beneficial legislation, decisions, and rulings for civilian builders and operators of the Panama Canal. This assistance he has always freely extended because of his sympathetic understanding of their contributions to the success of the canal enterprise and an earnest desire to see justice done for all.

On the occasion of the dedication, on March 31, 1954, of the Goethals Memorial in the Canal Zone, Governor Thatcher and Mrs. Thatcher attended as guests of the Canal Zone Government.

In stirring remarks, he expressed high praise for all builders of the interoceanic waterway. As the surviving member of the Isthmian Canal Commission, whose interest in Isthmian problems has never abated and whose views are well known, he symbolized the connecting link between the builders and the future.

Governor Thatcher's contributions, however, have not been limited to material achievements. He has served the canal enterprise and the Isthmian land with impressive writings in prose and verse, which will be read for generations to come.

The path of him whom we now honor has not been easy. It has been often beset with difficulties and trials. Yet under the influence of his Pilgrim-Virginia-Kentucky heritage and a wealth of useful experience, he has been always prepared for crucial tests and has built a record unique for its constructive achievements. It can well be stated that of all the eminent men who have contributed to the welfare of the Canal Zone and the Republic of Panama subsequent to leaving Canal service, Governor Thatcher ranks highest. He is now revered as an outstanding benefactor of the Isthmus.

INTRODUCTION OF MISS MATTIE RICHARDS TYLER

Governor MACDONALD. This program, without a lady, would be incomplete. Fortunately we have with us a lady of talent and distinction, a native of Louisville, Ky., who has lived for a number of years in the National Capital. She is a gifted poet, and now president of the District of Columbia branch of the National League of Pen Women. She is also the poet laureate of the Beta Sigma Omicron National Sorority; and the winner of many prizes and awards in poetry contests, including those of patriotic character. In addition, she is associate editor of the Blue Moon Poetry magazine, which, as you may know, is one of the outstanding poetry publications of the Nation.

With respect to another facet of the character and labors of the man whom we today honor, some of the many fine poems he has written, will be read by Miss Mattie Richards Tyler.

Miss TYLER. The poems I shall read—as well as many others written by Governor Thatcher—have been published in various magazines and newspapers in the United States and Panama, and the CONGRESSIONAL RECORD; as well as in certain anthologies of verse.

I shall first read excerpts from a poem of considerable length, which is descriptive of his beloved State—and my own—and which was originally published in the Kentucky Historical Register, and afterwards in the CONGRESSIONAL RECORD. It is entitled "What is Kentucky?"

"Beloved Kentucky! the Land of Yesterday
And tomorrow; erstwhile the enchanted realm
Of Foster and My Old Kentucky Home;
Demesne of sunshine and shadow; of joy
And sorrow; of song and revelry; of
Laughter and tears; of travail and sacrifice,
With Gethsemanes sprinkled here and there;
The haunt of pleasure and the thorobred;
The stage of eloquence, valor, and zeal;
The rare product of a freedom-loving folk;
A mother whose children, at home and abroad,
Love her in strength and manner unsurpassed!

"What is Kentucky? A bloom and fragrance;
A name, a song, an idea and symbol;
A prayer, a vision, and a revelation;
An appeal, a torch in time of darkness;
A lode-star, and a pillar and a cloud;
A fount of faith and hope, and a rainbow;
A prophecy and a benediction!

"What is Kentucky? Ah, let the answer be:
A strange and proud, intangible spirit,
Born of the soul and soil, and all that went
Before; a brave and hospitable people,
Tolerant in all things save politics,
Whose hot and gusty breath oft blows away
Discretion's light, and leaves the State awry;
A breed whose members find that their mutual
Regards, affections, and esteems increase
With the proportioned distance from their homes!

"Indeed, what is Kentucky, but a rich
Composite of all of these?
Her past is sure,
Her present all-worthy, and her future
As great as her own may will it to be!"

Next, I shall read two stanzas from Governor Thatcher's lovely poem entitled, "Builders of the Panama Canal." It is a tribute to all who were engaged in the construction of the great Isthmian link, and was written in commemoration of the 25th

anniversary of its formal opening, on August 15, 1914. The poem was published in the anniversary issue of the Star and Herald, of Panama. The lines I give you were recently carried in the Blue Moon.

"The mountains moved, and the waters rose;
And faith, at last, fulfilled her dream:
Lake, lock, and channel—the whole world knows—
Attest the worth of a hope supreme!
The ships now shuttle from shore to shore:
Up, up, and up—and thence straight on;
Then three times downward—and on, once more,—
Into the sunset or the dawn!

"All were as one; and they strove and wrought
To shape the passage to the Ind.
In terms of life it was dearly bought;
In money, cheap. The ranks are thinned
By time and death; but the deed they did
Excels all others of like and kind;
Its strength and virtue cannot be hid:
It lives—all tongues and lands to bind!"

In a gathering of this character it seems especially appropriate to include the sonnet tribute to the frail craft that brought the Pilgrims to the New World.

THE MAYFLOWER

"O little ship of troubled yestertime,
What precious burthens you were called to bear,
From Old World wrongs, unto a virgin clime
Within the West, ordained to be the heir
For all the ages, of the dream and hope
For freedom of man's conscience, thought and deed;
For all that widens spirit and its scope,
And yields largess for vital human need!
O sacred ark, you were divinely sent,
To bring across the stormy wastes of sea,
The humble group which was the instrument
To found a new concept of Liberty!
In voyage, Compact, Plymouth, there was wrought
The goal itself which man, through God, had sought!"

Now, some poems of general character, which further illustrate versatility and gifts of expression. First, some sonnets:

GOD'S MERCY

"Ere yet the sun shall pale today, and die;
Ere yet the dusk descends, and then the dark;
Ere yet the moon shall climb the eastern sky,
And ride in midnight beauty, lone and stark;
Ere yet the heralds of the dawn shall sound
Their shrilly trumps; ere yet the light shall break:
Ere yet all this be seen, or heard, or found—
The Lord of Grace a fresh resolve will make.
E'en as the old day fades into the past.
And man's account is debited anew
With countless sins; as angels stand aghast
At what man's done, or what he's failed to do,
The Lord of Grace wills that another day
Be lent to man, somewhat his debt to pay."

YOUTH AND AGE

"How may one keep his youth, despite the years?
Or face the East, although his sun be setting?
Or stay Time's pen, naught aiding or abetting
Its cruel graph which, in ripe age, appears?
How shall dear Hope supplant the doubts and fears,
The sense of loss, the racks of sighing, fretting,
Which aging breasts are constantly begetting?
And what shall stanch the flow of senile tears?
None may reply; but Faith and Hope suggest
That never does life end; it but begins
With each new hour, whate'er the past may be.
The spirit's ev'rything; by it we're blest,
Or cursed; its force, unquenched, true victr'y wins
O'er Time's advance and Death's dread regency."

MY FRIENDS

"I love my friends, whate'er their faults may be,
Because their faults of me, seem like a part—
Thought of my thought, and heart of mine own heart—
No less than those which all the world may see.
And know, as mine—in truth a part of me.
Likewise the sorrows of my friends besmart
And wound me, as if mine: I must needs chart
My course of joy with theirs, my own to free.
My friends, I'm sure, all due allowance make
For these, my faults, of which I have a-many;
Their sympathy and love I need, no less
Than mine they crave; thus, all for friendship's sake.
Except for friendship there could not be any
Of life's rich balms to comfort and to bless."

In conclusion, permit me to present the following quatrains:

BE NOT AFRAID

"Be not afraid that wisdom, friend, may die
When you shall quit this mortal round.
O try
To think the fount from which you drink so deep,
May have a little left for earth's supply."

FAULTS

I

"My fault, if yours, would surely seem to me
As large and sad as any fault could be:
But, being mine, strangely it doth appear
Almost too small for human eyes to see.

II

"Within myself what optic ills combine
To make my sight distraught: ah, I opine,
The telescope I use in strict reverse—
To swell my brother's fault, and shrivel mine."

THE GATE

I

"Swiftly our friends evanish through the gate
Which opens into dark; and, soon or late,
We who remain, shall follow, one by one,
And none may give an inkling of his fate.

II

"Someday shall Death appear, and tap his drum,
And say to you, 'I need you; quick, O come.'
And you must go, however ill-prepared;
But, of the end, Death always shall be dumb."

EFFORT

"Cease not to strive: It's better, far, to try,
Upward to rise, than fold our wings and sigh;
'Tis so ordained that distant Paradise
Takes off and flies to meet us—as we fly."

MEMORY

"Old friends, olden remembrances, and old dreams,
Make up the heart of life; all else but seems
A rack of moonbeams. Memory is life,
And through time's waste carves its eternal streams."

Then, in highly commendatory terms, Governor Macdonald presented Chairman Nettleton.

REMARKS OF LEIGH L. NETTLETON, CHAIRMAN, COMMITTEE ON ARRANGEMENTS

We descendants of those brave souls who comprised the passengers on the good *Mayflower* have a wonderful heritage of which we are justly proud, a pride manifested by our associating ourselves together in this society.

We are here today to honor one of our more distinguished members, the Honorable Maurice H. Thatcher; and in doing so it seems appropriate to mention that our numbers have included other famous and distinguished Americans. Among those of eminence who have served us as Governor, in addition to Governor Thatcher, are Henry Billings Brown, Associate Justice of the Supreme Court; Maj. Gen. Leonard Wood, Governor of Cuba and Governor General of the Philippine Islands; Maj. Gen. Adolphus W. Greely, Arctic explorer; and Senator Carroll S. Page, of Vermont.

Time forbids mention of the many distinguished persons who have been members, but mention should be made of President and Chief Justice William Howard Taft, the only person who ever occupied those two high offices.

No one, however, has been more assiduous than has Governor Thatcher, in his constant and vigorous effort to promote and advocate American principles and to hunt down and defeat movements inconsistent therewith.

It is appropriate, therefore, that the Honorable Maurice H. Thatcher be the first to receive recognition under our newly adopted bylaw, and I deem it an honor and privilege to move that the Mayflower Society in the District of Columbia award to him a certificate of merit for distinguished service.

I suggest a rising vote on the motion.

CITATION RE ISSUANCE OF CERTIFICATE OF MERIT TO MAURICE H. THATCHER BY THE SOCIETY OF MAYFLOWER DESCENDANTS IN THE DISTRICT OF COLUMBIA

This citation and the accompanying certificate of merit evidence the high esteem in which Hon. Maurice H. Thatcher is held by the Society of Mayflower Descendants in the District of Columbia and its membership. Reasons for the bestowal of these honors follow:

1. He has performed distinctive service in behalf of the Mayflower Society over many years, the doing of which has added vigor to our organization and credit and prestige to our good name.

2. For 7 years he served as our governor, being an unequalled record in the society's history. During his governorship the society continued and augmented its excellent record as a well-administered and patriotic organization.

3. He has served as chairman of our legislative committee and his been ever viligilant in his support of or opposition to proposed legislation of interest and concern to patriotic organizations generally.

4. For several years he served as assistant general of the General Society of Mayflower Descendants, relinquishing that office in 1951 when he was elected deputy governor general in which capacity he is now serving.

5. In 1954 the general society unanimously elected him counselor general for a 3-year term.

6. In 1951 he served as chairman of the committee on resolutions in the 19th congress of the general society, and he served in the same capacity during the succeeding congress in 1954. As chairman of a special committee, he drafted an amendment of the Mayflower constitution, which amendment was recently adopted, barring from eligibility for admission, and requiring the expulsion

from membership, any one "who is pledged to or advocates the overthrow, by force or violence, of the Government of the United States or that of any State or Territory, or who has been guilty of other treasonable practices."

7. Through his zeal and tireless efforts the organization of the Society of Mayflower Descendants in the Commonwealth of Virginia was effected, and he is now an honorary member of that society.

8. For many years he has participated in radio programs on Compact Day, which participation included his reading of the Mayflower Compact.

9. Due in large part to his efforts, the Mayflower Compact was included among the exhibits of historic documents carried on the Freedom Train which traveled back and forth across the country and was visited by untold thousands of our inhabitants.

10. In numerous other ways he has contributed to the name and fame of our Pilgrim Fathers and to the promotion and advancement of those laudable objects and high principles which all American patriotic organizations and loyal citizens sponsor and seek for the public good.

For his many and varied achievements he merits the highest honor which lies in our power to confer as evidence of our great appreciation.

Therefore, in token of the appreciation and gratitude of the Society of Mayflower Descendants in the District of Columbia, the citation and certificate of merit are now presented to him.

Done in the city of Washington, D. C., this the 11th day of June A. D., 1955.

CHAS. T. MACDONALD, *Governor.*
ZEPHEREINE TOWNE SHAFFER,
Secretary.

LEIGH L. NETTLETON,
Chairman, Committee on Arrangements, Testimonial Luncheon.

The citation and the certificate of merit, beautifully engrossed and framed, were then formally delivered to Governor Thatcher by Chairman Nettleton, followed by the response of the former:

RESPONSE OF MAURICE H. THATCHER

Unless one should be as unimpressionable as Mr. Peepers he could not fail, as the beneficiary of an occasion such as this, to experience the deepest emotions. For what this society has done to pay me the great honor involved; for the very generous words that have been spoken by our distinguished speakers—Congressman Robsion, Captain DuVal, Miss Tyler, and others—including Congressmen Cannon and Siler, and Senator Martin; and for what Governor Macdonald and the officers of the society, and the luncheon committee, headed by Brother Nettleton, have done to make this a successful event: for all of this I am deeply grateful; and to all these—and for the presence of so many friends and members of the society—I am also under never-ending obligation. And in this expression of appreciation and gratitude I include, of course, Mrs. Thatcher, both on my account and her own. We are, indeed, greatly touched and humbly grateful; and our heartfelt thanks go out to each and every one of you.

For the trust and confidence you have given me through the years, and for the many honors you have accorded me—crowned by this day's event—I can never make repayment, but must be, and forever remain, your debtor. Through all of life which may yet be ours all these things shall remain firmly enshrined in the inmost hearts of my wife and myself.

The overall honor accorded by the society, together with the citation and certificate of merit, and the attendance of so many friends in proof of their sympathetic interest, constitute a rounded event truly rich and precious.

I can only hope that in some measure I may be worthy of all this. You have taught me the value of adjectives, but I find it quite impossible to find and use those which are sufficiently apt and adequate.

When the proposal for all this was given by our fine new governor I was taken very much by surprise, and I felt embarrassed. First, I was not sure that I merited such consideration; and second, I recalled the famous legendary story of Croesus, the fabulously rich king of Lydia—whose name throughout the succeeding ages has been the synonym for great wealth—and his captor, Cyrus the Great, king of the Medes and Persians. During the period of his independence and glory Croesus was exceedingly proud of his great treasures and practiced, in marked degree, the exhibition of his splendor; and accounted himself the happiest of men. Sardis, his capital, became the brilliant center of the arts. Thus vain of his wealth and fame, it is said that he asked the philosopher, Solon, what the latter thought of the good fortune of himself, Croesus. The answer of the sage was: "I pronounce no man fortunate until his death." Later Croesus became the war prisoner of Cyrus, and was condemned to death. When seated on the funeral pyre and about to be burned alive, he called to mind the words of Solon and thrice repeated his name. Cyrus demanded an explanation. Croesus gave it, with the result that Cyrus not only spared his life, but also took him into royal favor and protection; and Cyrus, at his death, commended Croesus to the like consideration of Cambyses, the son and successor of Cyrus.

On or about the 19th of May 1925, shortly after my second term in Congress began, I became a member of this society; and in November 1939 I was elected as its governor, and was reelected 6 times, thus serving in that capacity 7 terms. Throughout the years of my membership—and especially ever since 1939 when it became necessary for me to become active in the affairs of the society, I have greatly enjoyed the resulting contacts and associations; and I believe that I am well qualified to bear witness with respect to the very high integrity and character of citizenship of these members. I have never been associated with a finer, saner, more congenial, and patriotic group of men and women than those making up this membership.

THE PILGRIMS

The Pilgrims—as I am able to gather from the facts of history—were, in their general makeup, high-class middle-class people, earnestly and in practice devout Christians, but independent in their outlook. In their labors, sacrifices, and achievements for the cause of civil and religious liberty and the establishment of the Christian home in the New World, and in their adoption of the Mayflower Compact, the first formal document of the Western Hemisphere that provided for free and independent government and which contained the seeds of the American Constitution—they performed a service for the human race that has never been excelled. They were, indeed, men and women of great courage and faith, but of modest mien and deportment.

It is unfortunate that in the Nation at large genealogical records could not have been kept as carefully as those of New England; but outside of that region the processes of pioneering in vast wildernesses and moving across the continent to establish new settlements, coupled with the devastations of war, have rendered the genealogical tasks greatly more difficult, and in all too many cases altogether impossible of execution. By those quite competent to judge, it is estimated that today—335 years after the establishment of the Plymouth Colony—there should be something like 1 million descendants of those who came to New England shores on the Mayflower. Scattered throughout the country these descendants—most of them—it would appear, are unaware of their Pilgrim ancestry. Yet, there are only about 8,500 members of the Societies of Mayflower Descendants.

COMMUNISM

And may I inject—for a moment—a more serious note. Communism, organized and enthroned and maintained by perfidy, infiltration, intrigue, tyranny, and methods utterly ruthless and sanguinary in vast regions, and over countless millions of our fellow men, throws across the world the greatest shadow it has ever known. To lift that shadow requires the united, realistic, and unabated will and effort of freedom-loving men and women everywhere. To this end, and in this urgent hour, let us hope that the spirit of liberty, as it motivated the Pilgrims and their fellow colonists, may inspire, direct, and preserve—not only our own people—but, as well those of every land and clime who prefer freedom to slavery.

IN CONCLUSION

Now for a few concluding thoughts.

Those who have spoken here have been—as I must believe—overgenerous in their appraisals and commendations. If I have been able to accomplish any things of worth, they have been of modest character; but, withal, needed, just, and useful—and achieved, I assure you, only through persistent aim and sustained effort. And, I must add, any measure of success which has been mine in these connections has largely resulted from the fine and efficient aid and assistance of others associated with me in my labors. Therefore whatever of honor or recognition which may come to me should be shared by them.

Also, it is my pleasing duty to acknowledge the fullest portion of credit and gratitude that is due my wife for her unfailingly faithful and effective service and labors through the years. In times of good fortune, and bad, she has been unchanged and steadfast in her helpfulness, courage, wise counsel, and good spirit: All of which has been inspirational in the highest degree.

Again, for both of us, I thank you, one and all, and trust that Heaven may vouchsafe unto each of you peace and good will, and that the lights divine may shine round about you.

United States Military Doctrine

EXTENSION OF REMARKS
OF

HON. CLIFTON (CLIFF) YOUNG

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1955

Mr. YOUNG. Mr. Speaker, the survival of our country, our way of life, and of western civilization may well depend upon the decisions made in this Chamber with regard to military policy.

There is no more important debate, no more important study, no more important soul searching than that accompanying the quest of free America for an effective means of perpetuating internal democracy and discouraging external aggression.

In connection with this great task, I wish to call the attention of my colleagues to an excellent signpost that has recently appeared along this difficult path. Brig. Gen. Dale O. Smith, USAF,

has recently written a book entitled "United States Military Doctrine." General Smith is one of the United States Air Force's outstanding educational leaders and strategists. Formerly Director of Education at the Air University, he is currently assigned to the staff of the Operations Coordinating Board in Washington. In the few weeks it has been in print critics have already acclaimed his work saying it may become the military classic of the atomic age.

It is not because General Smith is a fellow Nevadan, that I am so anxious to extend his sphere of influence. It is because his book is the first study published in many years which analyzes the development of military thought in the United States and presents a reasonable philosophy for the future in a manner anybody can understand.

His is a volume which should reside permanently on every congressional desk, and which should rapidly become dogeared from frequent and fruitful reference.

Let me quote from a recent review which appeared in the Washington Evening Star:

General Smith stresses that few Americans appreciate the tremendous influence military doctrine has on their lives and fortunes. He points out that the great debate in the United States today revolves around the tactics and strategy this Nation should employ to preserve its sovereignty and the American way of life. Fundamental to tactics and strategy are the deep beliefs held by military people with respect to the ways of conducting a successful war.

The book traces the evolution of these beliefs from the time of George Washington and analyzes the adaptability of various military philosophies to the times when they were in effect. General Smith, an Air Force officer with wide combat experience, pulls no punches in evaluating these beliefs. He expresses profound knowledge of his topic and it is quite possible his book not only will rank with the writings of Admiral Mahan, but it may well become the military classic of the atomic age. It is a book to be read by every person in uniform from the GI on upward, and by all civilian Government men who deal with national security matters.

A Food Stamp Plan for the Distribution of Surplus Commodities to All Americans in Need

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EXTENSION OF REMARKS
OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1955

Mrs. SULLIVAN. Mr. Speaker, earlier this month I was given an opportunity by the House Committee on Agriculture to appear before that committee and testify in behalf of my bill, H. R. 5105, to provide for the establishment of a food stamp plan for the distribution of $1 billion worth of surplus food commodities a year to needy persons and families in the United States. The bill which I have introduced this year is in many respects similar to my bill of the 83d Congress, H. R. 7870, which has been reintroduced this year by a number of other Members. However, as a result of my further studies into the problem. I made some changes in my original bill which I consider quite important, particularly in bringing into the program the Secretary of Health, Education, and Welfare and the Secretary of Labor. Under my new bill, these two cabinet officials are to join with the Secretary of Agriculture in the determination of all basic policy matters involving the distribution of the good to needy persons.

I was very pleased by the interest in this whole matter shown by Chairman COOLEY and other members of the Committee on Agriculture. They were most gracious to me and demonstrated sincere sympathy for the objectives of my bill. I am hopeful that we will see some action by the committee and by the Congress in the very near future to put a program of this kind into effect.

To me, and I think to all Members of Congress, it is a tragic thing that we have many citizens in the United States not receiving an adequate diet, and not able to buy butter and other dairy products, and in many cases not even getting enough to eat, when we have these simply huge stocks of food accumulating in Government warehouses. We do not have a practical and efficient system of nationwide distribution of surplus foods to needy people in this country. The present plan of distribution administered by the Department of Agriculture is a very cumbersome and ineffective one; large quantities of the food are going into just a few States, whereas elsewhere in the country needy families receive none of it.

Because of the widespread interest among the Members of Congress in this problem, as evidenced by the many Members who have discussed it with me and by those who have introduced my bill of last year, I am inserting in the CONGRESSIONAL RECORD under unanimous consent my testimony of June 17 before the House Committee on Agriculture on H. R. 5105, as follows:

A FOOD STAMP PLAN FOR THE DISTRIBUTION OF SURPLUS COMMODITIES TO ALL AMERICANS IN NEED

(Testimony by Congresswoman LEONOR K. SULLIVAN, Democrat, of Missouri, before the Committee on Agriculture of the House of Representatives on H. R. 5105, a bill by Mrs. SULLIVAN "to provide for the establishment of a food stamp plan for the distribution of $1 billion worth of surplus food commodities a year to needy persons and families in the United States," June 17, 1955)

Chairman COOLEY and members of the committee, I am so appreciative to the committee for finally scheduling hearings on my food stamp bill and on similar bills to get some of our surplus food distributed on a much more effective basis to Americans in need. I know the committee has been very busy, and I am very grateful that you are all putting your very considerable talents in the field of agricultural legislation to this problem of maintaining decent standards of nutrition for all of our people.

Let me say first that I am aware of the fact that there are now several programs for distribution of surplus food. The school-lunch program is and has been a very important means for using surplus food in a way to help the schoolchildren of the country. You have also provided for distribution of surplus food to many types of public institutions, including hospitals, prisons, and so on. Some of this food goes abroad through either donation or purchase at very reasonable rates. And then you have a very substantial program in operation in a few States like Pennsylvania, West Virginia, and others where you are now distributing butter, cheese, dried milk, oil, rice, and beans to a great number of people in what would be a modification of the kind of program suggested in my bill.

I don't think this program now in effect is a good enough program. Many States are not participating in it because of the cumbersome and expensive obligations placed upon them not only for certification of the eligibles but for collection and distribution of the food. The present program as I understand it has been of a hit-and-miss nature with no uniform national standards assuring equal treatment for all. The present program has been charged with slipshod operation at the State or local level permitting or encouraging chiseling and the gift of food to people who perhaps may not need it, while others might go hungry.

I cannot document all of these charges, but the members of this committee all know that these charges have been made by responsible observers of this present food distribution system. The fact that you know the present system is not adequate is clear from your actions over the past year in seeking to find ways and means of improving the present system of distribution of surplus food to needy persons. I would point out, however, that what you have been doing has been to patch up some of the deficiencies in the program when actually a new approach is needed.

This committee recently proposed expanded donations of food to needy persons in the group IV labor market areas, the so-called distressed areas of high unemployment. That is fine, but a person with insufficient income, or a family on relief, can be just as hungry here in Washington, D. C., or in Hartford, Conn., or Atlanta Ga., or Tulsa, Okla., or any other of the cities with a balanced labor supply where there is very little unemployment as they can be in the distress areas of West Virginia or Tennessee or Alabama or wherever you have lots of unemployment.

In other words, throughout the country today there are millions of Americans living on the edge of economic disaster. In periods of high unemployment the number increases. But even in good times there are a substantial number of very low income families. (The Joint Economic Committee of the Congress periodically has been making studies of this paradox in rich America.)

Many of these people do not get enough to eat—certainly not enough of the proper, nourishing foods. At the same time, here we are as a Nation building up these vast billions of dollars worth of agricultural surpluses. As of May 18 the approximate total cost of these commodities held in Government inventory was $4.7 billion. The approximate dollar cost of the 6 items being distributed to the needy at the present time—the cost of stock of these 6 items now on hand—is $382 million. We have more than a quarter billion pounds of butter, nearly a half billion pounds of cheese and dry milk, a hundred million pounds of beans, two hundred million pounds of rice, and so on.

What I am asking this committee to help me to do, what I am asking the Congress to do, is to provide a practical, effective means for getting some of this food—and other food items which we buy to help the farmers maintain fair prices—to get it into the

stomachs of hungry people everywhere in this country. My bill provides for a food-stamp plan. The stamps would be issued by the Department of Agriculture, based on the quantities and varieties of surplus food items available for distribution. The Secretary of Agriculture would decide how the food was to be distributed—whether through central depots or through normal food retailing channels. The Secretary of Agriculture would be in charge of the packaging of the food. In other words, when it comes to moving the food, handling it, packaging it, distributing it—the physical process of distribution, that is—these are all jobs of the Department of Agriculture under my bill. But he does not have to decide who is to get the food.

Now I stress that because I know that this committee and the Department of Agriculture itself are reluctant to have the functions of the Department dealing with price support mixed up in any way with welfare work. Throughout your hearings on the bill we recently passed on the processing of corn and wheat for distribution to those now receiving surplus food there was emphasis on this note that feeding the hungry is not the job of the Department of Agriculture.

The bill I introduced last year and which has been reintroduced by several Members this year would, therefore, under the reasoning you people expressed, be guilty of making something of a humanitarian or at least a social worker out of the Secretary of Agriculture. I am being facetious, of course, for I know he is a fine gentleman and in private life very much of a humanitarian if my information is correct. But my bill last year did give him almost sole responsibility in this food-distribution program.

I have modified the bill this year to take some of this responsibility off the shoulders of the Secretary of Agriculture and put it where it should probably more properly belong, and that is with the Department of Health, Education, and Welfare. In this respect my bill, H. R. 5105, introduced in March, appears to have anticipated the reasoning you people adopted in H. R. 2851, the Jennings bill, which was passed by the House on May 25. Whether the Department of Health, Education, and Welfare wants this responsibility or not is a question which apparently did not bother you at the time that matter was up before, and I trust it will not bother you now in connection with my bill. Of course, I think the Department should be consulted, but as this committee made clear earlier this year, the reluctance of a Government agency to take over a function the Congress thinks it should have is no reason not to go through with a worthwhile program.

Thus, I suggest, in H. R. 5105, that the Secretary shall consult the Secretary of Health, Education, and Welfare and the Secretary of Labor "in establishing standards for eligibility for surplus foods and in the conduct of the program generally to assure achievement of the goals outlined in the first section of this act."

Those goals are "to promote the general welfare, raise the levels of health and of nourishment for needy persons whose incomes prevent them from enjoying adequate diets, and to remove the specter of want, malnutrition, or hunger in the midst of mountains of surplus food now accumulating under Government ownership in warehouses and other storage facilities."

The bill authorizes the distribution of up to $1 billion worth of this food a year, based on the cost to the Federal Government of acquiring, storing, and handling the food.

The food stamps themselves—redeemable for surplus commodities at such places and in such quantity as the Secretary of Agriculture shall decide—are to be issued to the appropriate agencies of the States or their subdivisions for distribution by them to people on public assistance or in need of public assistance but ineligible for it because of technical provisions of law. This is the main group I am trying to help get some of this food—people on public assistance or old-age assistance, families receiving aid to dependent children, families which are destitute, families which we know, because of the pitifully small relief grants, are not getting proper diets.

This is the main point of departure between the kind of program envisioned under my bill and the kind of program now in effect. The Department of Agriculture now ships bulk quantities of these surplus-food items to distress areas in certain States participating in the program; it is then distributed through local authority or local surplus-food boards to people who register in advance and are provided with a card or other means of identification. The registration procedures are determined on the local or State level and so, I understand, are eligibility standards. Thus you have a situation where in some States people who virtually have to prove they are starving to death can eventually get a pound of butter and some cheese and rice; in another adjacent State families with incomes of as much as $5,000 could qualify—that is, of course, a family of 10. There are sliding scales in effect—it is only fair to point out.

I am not arguing that we take away surplus food from people now receiving it because I am sure not very many people would sign up for this kind of thing unless they are in need. Most Americans are not chiselers. Most Americans have no desire to receive charity. But may I emphasize this: Millions of Americans who need this food are not getting any of it. I want to see them get some of it on a planned, intelligent, practical, smooth-running, regularly operating program of government.

The Committee on Agriculture may feel, as the Department of Agriculture seems to feel, that the problem of feeding hungry people in the United States should not be mixed up with and cluttered up with the price-support program. The Department of Agriculture says in effect not to bother them with this problem of feeding the hungry—that they now have a system for getting some surplus food out to some people in need and that is as much as they think they should do. And I know that the members of this committee are concerned—and properly so—that relief operations of this kind not be charged dollarwise and appropriationwise against the price-support program. I can sympathize with you on that.

I don't care what amendment you adopt to make clear that any funds appropriated for the operation of a food-stamp program not be charged against the price-support program as such and not be counted in as part of the cost of "helping the farmer." Let us agree among ourselves that (1) since we have the food, and (2) since the price-support program and related activities of the Department of Agriculture intended to maintain fair prices for farm commodities do bring into storage additional quantities of surplus food, and (3) since we have people who are not getting enough to eat because of low income here in the United States, that we get the food to the hungry. If you want to charge it to welfare, that's all right with me. Let us not quibble over how the item is going to look in the budget, or under what heading.

I would like to call your attention to one additional provision in my bill which is different from the original food-stamp bill I introduced last year and which is now before you in the form of measures introduced by other Members. While my bill limits the food-stamp program to those on some form of assistance or in need of public assistance, it provides for a joint study and a report to Congress within 6 months—a joint study by the Secretaries of Health, Education, and Welfare, and Agriculture, and Labor on the feasibility of, the costs of, and the problems involved in extending the scope of this food-stamp plan to include additional groups.

Among those listed are persons receiving unemployment compensation, persons receiving social-security pensions (as differentiated from those receiving assistance payments under the Social Security Act and who would therefore be eligible for food stamps), and "other low-income groups not eligible to receive food stamps under this act by reason of" the limitation in section 7 restricting its immediate operation to those defined as needy.

I can see a program of this kind filling a very important role in this country—lifting up nutritional standards of those families who are, as I said earlier, right on the edge of hunger and certainly not getting proper nutrition. And I see it being done under a program of this kind in a way which would certainly appeal to this committee of the House, for it would be a strong supporting activity to the price-support program and would make the price-support program itself a little more understandable to city folks. There is nothing, I believe, which is more harmful to the programs for the farmer developed in this committee, than the spectacle of these vast surpluses building up while people in every part of this country—perhaps a few here or there, but some in every part of the country—go without sufficient food.

There is no reason for anyone in America to go hungry. I ask you in effect to outlaw hunger in the United States by approving my bill.

I again thank the committee for giving me this time to explain the purpose of my bill.

The Christening of the Capital Airlines' Viscount Heralds the Entry of Air Transportation Into a New Age of Flight

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EXTENSION OF REMARKS

OF

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1955

Mr. BROYHILL. Mr. Speaker, it is my privilege, under unanimous consent, to quote from the talks given during the impressive ceremonies at the christening of Capital Airlines' Viscount airplane on June 23.

More than 2,500 civic, business, and Government leaders attended the program and reception at the Washington National Airport. Mrs. Richard Nixon, wife of the Vice President of the United States, formally christened the beautiful aircraft, first of a fleet of 60 to be used over Capital's expanding system of important American cities.

Vice President NIXON extended greetings. The Alexandria Gazette, in reporting his comment, said:

> The plane, christened "Capital Viscount of Washington," is a symbol of a new age in aviation as far as the United States is concerned in that it brings the jet age to American airlines.

The Washington Post and Times Herald quoted the Vice President as saying that the Viscount, representing a $67.5 million plane order, "was symbolic also of the close and friendly relations between the United States and the British Commonwealth of Nations."

This memorable event opened with the playing of the British National Anthem and the Star-Spangled Banner.

Dr. Frederick Brown Harris, Chaplain of the United States Senate, in his invocation, prayed:

From the childhood of the race, as under all skies man has gazed with envy at the emancipated birds of the air winging their way through the ethereal blue, he has yearned to be able to rise up and greet the clouds, longing for wings. Yet ever has he kept his face to the sky, while always there was ringing in his soul the promise of that coming coronation: "Have domination." And so, as there has been granted in our day the great boon of wings, written in giant letters across this glittering century, and as among its wonders we see

"The heavens filled with commerce,
Argosies of magic sails,
Pilots of the purple twilight
Dropping down with costly bales,"

and transporting its human passengers above all barriers of earth and sea, may there be woven over all the earth a tapestry of brotherhood and fellowship.

President J. H. Carmichael, whose recognized leadership of this growing airline is an outstanding industry achievement, declared:

This is a great and historic moment and one in which we take a real, personal pride. It symbolizes the attainment of a goal toward which we of Capital have been long working and it marks the opening of a new era of flight in the history of air transportation in America.

Lt. Gen. Sir Ronald Weeks, chairman, Vickers Ltd., in his remarks, said:

The purchase of the Viscount by Capital Airlines is a true expression of international trade at its very finest. To break into the American airplane market required an advanced aircraft which could stand up to the outstanding products of the United States.

Sir Ronald praised the good relationship which exists between the two companies, Vickers Ltd., and Capital Airlines.

I also would be remiss were I to fail to mention the splendid cooperation we received from the Civil Aeronautics Administration in the certification of the airplane—

he continued.

Sir Roger Makins, British Ambassador to the United States, stated:

It is a matter of the greatest satisfaction to me, both officially and personally, to know that the negotiations for the purchase of these Viscounts have been carried to the successful outcome we can see in a spirit of the friendliest cooperation on all sides. Close and cordial relations have been established between makers and operator; and both they and Her Majesty's government owe a debt of gratitude to the Civil Aeronautics Administration for its help and cooperation over the introduction into service in the United States of a completely new type of aircraft. I congratulate Mr. Carmichael and Capital Airlines on their enterprise, their foresight, and their business sagacity. I can only conclude with the hope that so much virtue on so many sides will be doubly rewarded.

Members of the Congress, members of the Civil Aeronautics Board, the Administrator of the Civil Aeronautics Administration, Department of Commerce officials, representatives of the various armed services of the United States as well as other countries, joined with hundreds of the guests in personally inspecting the four-engine turbo-prop plane which will begin its regularly scheduled flights on July 26.

Lake Mead Revisited

EXTENSION OF REMARKS
OF
HON. CLIFTON (CLIFF) YOUNG
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1955

Mr. YOUNG. Mr. Speaker, the distinguished gentleman from Pennsylvania, the Honorable JOHN P. SAYLOR, recently addressed the House of Representatives in an eloquent speech, which, in its reprinted (not at Government expense) form, was entitled "Lake Mead."

When a copy of the gentleman's speech was placed before me, I swelled with justifiable pride as I caught a glimpse of this title—Lake Mead.

Lake Mead. I basked in the visions and memories conjured up by those two brief, but beautiful words—technicolor visions of the rugged beauty of lower Colorado River canyons—contented memories of this year-round rendezvous of boaters, fishermen, and vacationers.

The title to Mr. SAYLOR'S speech brought to mind strings of plump, succulent bass taken from this outstanding fishing center. I thought of the more than 2,300,000 people who came from near and far to enjoy Lake Mead's delightful and easy-to-reach recreational facilities last year.

Yes, Mr. Speaker, it was a proud moment for Nevada's lone Representative and I was pleased to think that the busy gentleman from Pennsylvania, himself a great lover of the outdoors, had thought so much of this area and had taken the time not only to mention it in his widely-distributed remarks, but to use its name in the title—and its name alone. I turned reluctantly from the happy visions of life on Lake Mead to pleasantly contemplate the spotlight of national and, yes, even international publicity turned briefly on this proud portion of my district. In all frankness, I must admit I then experienced waves of extremely warm and cordial and grateful feeling toward my good Cambria County friend. Mr. Speaker, it was a true highlight of this legislative year.

Then, Mr. Speaker, I began to read the happily titled speech and found a statement which brought me up with a start—a statement which must have stunned those listening on the floor almost as much as the unfortunate shooting episode which occurred here some 16 months ago.

Mr. Speaker, I am sure you remember those very words when the gentleman from Pennsylvania commenced his vigorous remarks by saying "whereas Lake Mead has nothing whatsoever to offer visitors."

It was some time before I could recover. It was some time before my constituents could recover. Those remarks have had a far more forceful social and economic impact upon southern Nevada than all of the nuclear devices which have exploded there thus far. I have heard it said the pen is mightier than the sword, and after assessing local reaction to the gentleman's remarks I am convinced that here are nine words mightier than the atom.

"Lake Mead has nothing whatsoever to offer." It is easier perhaps, Mr. Speaker, to understand the discomfiture, the consternation, the tragedy that attended the solemn pronouncement of the gentleman from Pennsylvania when you realize that for lo! these many years the residents of southern Nevada and most other places—I dare say even Cambria County, Pa.—have been operating under an almost diametrically opposed assumption.

For some time the residents of both Arizona and Nevada in the vicinity of Lake Mead have been smugly complacent in the thought that there was in this lake one of the finest recreation areas in the country. The long summer season attracted many visitors from all over the country for swimming, boating, surf boarding and fishing. The lake was well supplied with large-mouth bass, bluegill, black crappie, channel catfish and other pleasure-producing underwater species. There was no closed season and recent estimates of fishing showed an annual use in excess of 90,000 fisherman days, with a total catch of some 135,000 pounds of bass alone.

Until the gentleman from Cambria County, Pa., made his startling and earth-shaking disclosure that "Lake Mead has nothing whatsoever to offer visitors," there had been rather substantial investment in tourist industry facilities by those not so well informed, or at least not having access to the same sources of information as the distinguished Pennsylvania gentleman. Motels, hotels, restaurants, and cafes sprang up. Service stations, curio shops, and gift stores were erected. Trailer courts, boating facilities, and campgrounds were made available. An information bureau for tourists was put in readiness. Now those people are beginning to wonder what they can do. Will they have to tell the nearly 3 million visitors expected at Lake Mead this year, "We have nothing whatsoever to offer"?

Yes, Mr. Speaker, even the Federal Government itself has been thrown into more than customary confusion. The Bureau of Reclamation has a guide service at the dam above Lake Mead. The National Park Service has contracts with concessioneers to provide boating, camping, and dining facilities. It has been working diligently to meet the ever-increasing demands attendant upon the ever-increasing number of visitors to the area.

What happens now? Does the National Park Service tell the American public, "It's all a mistake, we've just had word from Pennsylvania that the Lake Mead recreational area is not really the third greatest attraction in the national park system; please go home, we have nothing whatsoever to offer"?

Mr. Speaker, as we know, it was the intent of the gentleman from Pennsylvania in his recent speech to make a sincere and impassioned plea to protect

the sanctity of Dinosaur National Monument from the alleged ravages of reclamation. I have no intention of injecting myself into the dispute that the gentleman has with those who are intent on building a reservoir at the Echo Park site in Dinosaur National Monument. I, too, have expressed my opposition to Echo Park Dam at this time, although in general I favor the bill now pending to commence development of the upper Colorado River.

I am, however, seriously concerned with the statement regarding Lake Mead. The remarks of the gentleman from Pennsylvania do this area a great injustice. We in Nevada feel that Lake Mead is a tremendous asset; that it has not impaired the scenic values of this part of the Colorado River, and, if anything, it has improved them—and has improved the opportunities of millions of Americans to enjoy more fully part of the outdoor storehouse of the resources of the West.

To contend seriously, Mr. Speaker, that "Lake Mead has nothing whatsoever to offer" is to ignore the millions of visitors who have flocked to its shores; it is to overlook the unsurpassed fishing that has attracted tens of thousands to participate; it is to blind oneself to the thriving campgrounds and the inability to keep pace with the ever-increasing demands; it is to be unable to see the hundreds of boats that sail on its waters and the myriad of persons who enjoy them.

To say that Lake Mead has nothing whatsoever to offer is like saying that Nevada has no sagebrush; that Las Vegas has no games of chance; that Mount Charleston has no breathtaking sunsets; that the West has no inspiring mountains or melancholy deserts; that Marilyn Monroe has no feminine charms; and Cambria County, Pa. has nothing to offer.

And, Mr. Speaker, you and I know that Cambria County has a great deal to offer.

It has just about everything to offer except good advice about Lake Mead.

Hon. Edith Nourse Rogers

EXTENSION OF REMARKS
OF
HON. RUTH THOMPSON
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1955

Miss THOMPSON of Michigan. Mr. Speaker, yesterday Mrs. EDITH NOURSE ROGERS observed her 30th anniversary as a Member of this great Congress. During those many years she has observed the coming and going of many Members, but the service she has rendered to her constituents, to the veterans of America, and to the country at large, has continued her in that great body. Thirty years is a long time and her many accomplishments will fill volumes.

I am personally deeply grateful to Mrs. ROGERS for the help and encouragement she has given to me during the time I have known her. She is a great lady.

Storage Basin Perils State, Hosmer Says

EXTENSION OF REMARKS
OF
HON. BOB WILSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1955

Mr. WILSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the San Diego Evening Tribune of June 21, 1955:

STORAGE BASIN PERILS STATE, HOSMER SAYS

(By Representative CRAIG HOSMER, 18th Congressional District)

A football field is slightly more than an acre of ground. Cover it a foot deep with water and you would have about an acre-foot of water.

Cover it with a tower of water 11,000 miles high, and you have an idea of the amount of water parched southern California will lose if the upper Colorado Basin storage project is built as now planned.

Imagine a canal wide enough and deep enough to float the world's biggest ship, the Navy's new aircraft carrier *Forrestal*. Imagine that canal stretching from New York City to Los Angeles. During just one year, enough of the Colorado River's water to fill it could be stopped from flowing downstream at the project's gigantic Glen Canyon Dam.

COULD BE WITHHELD

That is water that could not be used by southern California, Arizona, and Nevada because it would be withheld upstream and never reach them.

The multibillion dollar project would put approximately 48 million acre-feet of water in storage behind dams in Colorado, Utah, Wyoming, and New Mexico. Another 10 million acre-feet would be lost by evaporation during storage.

Yet so vital is this water in the lower basin that even today arid Arizona and California are before the United States Supreme Court litigating their rights to it.

California agrees that the upper basin is entitled to use some of the disputed water but contends that most of it must be left flowing down to the lower basin under provisions of a seven-State contract known as the Colorado River Compact, completed in 1929.

BASIC POSITION TOLD

California's basic position is that she conforms to the compact and must insist that the States of the upper basin and the Federal Government do likewise. California thus is fighting only to preserve rights to water she already has and not for any new and additional water rights.

Relying on these rights, California invested between $500 million and $750 million of local money, not Federal money, for water projects calculated to make maximum use of her share of the Colorado River. Thereby, southern California was transformed from a semidesert into an oasis constituting one of the Nation's key economic and agricultural regions, supporting millions who migrated to her borders from less hospitable climates.

As southern California continues to grow, her need for water becomes greater, not less. Should the bleak day ever come when her Colorado River water supply is cut off, on that day the jobs of the millions she supports will vanish and the value of everything they own that cannot be transported to another part of the country will be lost completely and forever.

Californians in Congress are fighting to prevent spending billions in a program which would impose financial ruin on almost 6 million constituents. The upper basin States can plan their projects without this disastrous result and California demands that they do so.

To understand the reason they have not done so requires some knowledge of the Colorado River Compact and the situation that produced it.

Early in this century southern California men of vision foresaw water needs beyond those satiable from the available resources and began plans which resulted in such great works as Hoover Dam, Davis and Parker Dams, the All-American Canal, and the metropolitan water district's vast Colorado River aqueduct with its extensions reaching even as far as San Diego.

RULE LAID DOWN

Meanwhile, the upper basin States were experiencing little growth or progress. A Supreme Court decision had laid down a rule of law respecting use of river waters which said that whoever first begins using them obtains a right to continued use that cannot be taken away by someone who later wants to use the same water. The upper States, foreseeing burgeoning southern California acquiring first rights to almost all the river's water before they were able to appropriate uses themselves, began stalling action.

The Boulder Canyon Project Act, authorizing Hoover Dam, was stalled in Congress for almost 10 years by the obstructive tactics of upper basin Senators and Congressmen. It was passed only after tribute had been extracted from California and the lower basin in the following manner:

First, imposing the Colorado River Compact which removed at least 7½ million acre-feet of water from appropriation by the lower basin.

Second, requiring the California Legislature to pass a law further limiting the amount of water to which the State could acquire first rights.

LIMITED CALIFORNIA

This limited California to slightly less than 5½ million acre-feet of water a year that she could use. California tailored her developments on the river strictly to the limitations and to the intent and meaning of the Colorado River Compact. Even with only a portion of her great dreamed-of projects built, no place in time or history has experienced developments of water resources comparable in scope and magnificence to those of southern California.

It is the water rights which underlie those developments that Californians seek to protect when they oppose the upper Colorado River storage project and charge that it tramples these rights.

Foreign Policy

EXTENSION OF REMARKS
OF
HON. B. CARROLL REECE
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1955

Mr. REECE of Tennessee. Mr. Speaker, the President of the United States and the foreign ministers of many other states, members of the United Nations, met in San Francisco to commemorate the 10th anniversary of the founding of the United Nations.

The United Nations Organization provides a forum for the discussion of basic economic philosophies. Our Government can suggest to other countries that

they follow the economic concepts which have contributed so greatly to our strength and the high standards of living which our people enjoy; or we can join the forces of socialism and repudiate those principles which will insure their rejection by the so-called underdeveloped countries.

Prior to the inauguration of President Eisenhower, I find that our State Department had done very little to sell American free-enterprise economic concepts to the rest of the world in the debates and discussions which took place in the Economic and Social Council. Mr. Speaker, it is a great satisfaction to me to be able to commend the State Department for the positions which it has taken during the last few years. It has repudiated alien concepts, some of which we ourselves proposed under earlier administrations, and we have taken an aggressive stand in advocating free-enterprise concepts.

Mr. Speaker, there has been a great deal of discussion over the years about the necessity of a bipartisan foreign policy. Such a policy imposes responsibilities on both the majority and minority parties to so conduct their debates and their discussion of domestic issues that neither party will jeopardize our national objectives through demagogic appeals, exaggerations, and misstatements in order to win votes at home.

Last year, many of our friends on the other side of the aisle took exception to investigations by certain congressional committees. They stated that the work of these committees was misunderstood abroad and placed our foreign-policy objectives in an unfavorable light.

Adlai Stevenson's remarks at Oberlin, Ohio, where he received an honorary degree, were reported by the Washington Post and Times Herald on Tuesday, June 14, as follows:

> Stevenson also attacked the use of "ugly labels" and the putting of "the Red brand on every unpopular idea."
>
> He said, "No one knows how seriously this has impaired the quality of Government service and the quality of public debate. Whatever the price, it is too high."

Mr. Speaker, if there is any validity to these statements supported by my friends on the other side of the aisle, it behooves us to be equally careful in our castigation of the administration and its supporters as agents of Wall Street, supporters of big business, opponents of little business, supporters of trickle-down tax theory, and advocates of giveaways. Mr. Speaker, the Democratic Digest is distributed all over the world. It has impugned the character of our great President. It has suggested that this administration gave away our natural resources as campaign payoffs and that the Dixon-Yates contract was made so that Bobby Jones, one of the President's golfing partners, could receive a payoff. Those who wish to destroy us and support communism take great satisfaction in such statements which all of us know are untrue. We are all politicians and understand what campaign oratory means. Those who read our remarks abroad do not.

On Friday, June 17, I exposed the philosophy of Mr. T. K. Quinn—CONGRESSIONAL RECORD, June 16, 1955, pages 8552–8559—who has frequently appeared before congressional committees, so that Members of the Congress would not be misled and endorse his views. They support attacks upon our business system which has contributed so much to our strength. It is this system which the State Department is now persuading other countries to adopt so that they too may enjoy the freedoms and prosperity which we have in this country.

Our Government, like all governments, members of the United Nations, was asked by the Secretariat to submit a report last winter on the current legal developments in the field of restrictive business practices. The State Department, last December, started its report to the United Nations with the following statements:

PRINCIPAL DEVELOPMENTS IN THE FIELD OF RESTRICTIVE BUSINESS PRACTICES IN THE UNITED STATES SINCE JANUARY 1, 1953

1. GENERAL POLICY

The antitrust policy of the administration was initially set forth by the Attorney General of the United States in a speech delivered on June 26, 1953.[1] After quoting the 1952 Platform Pledge of the Republican Party on the subject, he stated as follows:

"This plank emphasizes certain fundamental aspects of antitrust law enforcement policy in which this administration, from the President on down, thoroughly believes: the equality of its enforcement; the simplification of its administration, assistance to the businessman acting in good faith in his attempts to follow the law, but, withal, an uncompromising determination that there shall be no slackening of effort to protect free enterprise against monopoly and unfair competition; and most certainly, no winking at violations of the law and no wholesale dismissal of pending suits."

2. ATTORNEY GENERAL'S COMMITTEE TO STUDY THE ANTITRUST LAWS

The Attorney General further stated in the speech cited above: "It is essential * * * that there be established adequate enactments or interpretations to give clarity, to produce uniformity, and to ensure a commonsense approach to enforcement."

To this end, he announced the establishment of the Attorney General's National Committee To Study the Antitrust Laws. This Committee consists of some 60 members largely from private life including teachers of law and economics and practicing lawyers.

In the words of one of the two cochairmen, Professor Oppenheim, of the University of Michigan:

"The Committee's task is to analyze and evaluate the fundamentals of our national antitrust policy in its substantive and procedural aspects. From this it follows that our goal must be to arrive at conclusions and recommendations as guides to future antitrust policy * * *.

"The Committee adopts two major premises. One is that a fair and effective antitrust policy is an indispensable nonpartisan article of faith of our political and economic democracy. The other is that private competitive enterprise is that form of economic organization we choose as our own. We are not concerned with alternatives either to antitrust policy or the competitive process it is designed to maintain.

"No restriction upon the committee's freedom of thought is suggested in saying we are in harmony with the goal specified by the Attorney General, namely, an 'uncompromising determination that there shall be no slackening of effort to protect free enterprise against monopoly or unfair competition.'

"* * * We will seek to determine what is sound as well as what is unsound, and to resolve ambiguities and conflicts, not only in the statutes, but in administrative interpretations, court decisions, and enforcement policies."[2]

According to Professor Oppenheim, the Committee is directing its attention to six basic aspects of antitrust policy and administration. These are a study of the application of the antitrust laws to United States foreign commerce, the relations between legal and economic concepts of competition and monopoly, the application of antitrust laws to the field of distribution, the relationship between antitrust policy and the United States patent laws, exemptions of certain groups from the antitrust laws such as labor, agriculture, and regulated industries, and administration and enforcement of the antitrust laws including problems of Department of Justice-Federal Trade Commission jurisdiction.

The report is expected to be completed before the end of 1954. It will be submitted to the Attorney General upon completion.

The importance of the work of the Committee was emphasized by President Eisenhower, who said in part:

"I believe that the Attorney General's National Committee To Study the Antitrust Laws will provide an important instrument to prepare the way for modernizing and strengthening our laws to preserve American free enterprise against monopoly and unfair competition."

Mr. Speaker, what do our friends abroad think when they read the CONGRESSIONAL RECORD and hear the report of the Attorney General's Committee characterized as the work of a group of private individuals in no way responsible to any branch of the Government, "mostly big corporation lawyers who are four-time losers in antitrust prosecutions." The CONGRESSIONAL RECORD advises that some Members of Congress regarded the report of this group as recommendations which "would change the antitrust laws in such a way that the law firms, who represent the big corporations in antitrust matters, could never lose a suit brought by the Government, but they would be getting a perpetual fee for defending one of these suits. The suit would be never-ending." CONGRESSIONAL RECORD, March 31, 1955, page 4140.

Some of my colleagues may think that I exaggerate when I state that everything we say on the floor of this House and everything which is published downtown is carefully screened by our opponents in the psychological war which has been going on for many years.

I want to offer tangible proof to show how material thoroughly understood here is used to embarrass us by the Iron-Curtain countries in the debates within the United Nations.

At the 13th session of the Economic and Social Council held in Geneva, September 1951, the United States representative explained the philosophy behind our antitrust laws. He reviewed

[1] Before the Judicial Conference of the Court of Appeals, Fourth Circuit, White Sulphur Springs, W. Va.

[2] Speech delivered before the New York State Bar Association, January 28, 1954, copy enclosed.

the 60-year-old tradition which has been basically bipartisan and is dedicated toward the preservation of a competitive free-enterprise system. Mr. Speaker, let me read from the official record of the United Nations Economic and Social Council debates the reply to our representative by Mr. Birecki, the Polish delegate to the Economic and Social Council:

Mr. Birecki (Poland) recalled that the representative of the United States of America, a country whose Government had a 60-year-old tradition in combating monopolies, had referred at the 546th meeting to the 600 officials dealing with restrictive business practices in the United States and to the many cases dealt with by the United States courts. Poland's claim to fame in that direction was decidedly more modest. All that the Polish Government had done was to liquidate the prewar Polish monopolies and the Polish branches of a number of international monopolies. Mr. Harriman, as one of the biggest monopolists in prewar Poland, could give the United States representative information about the restrictive practices which had reduced Poland to poverty before the war.

In face of the positively farcical nature of the United States delegation's proposal, it might be well to recall the more cynical way in which young people in the United States universities were being trained to take over the leading positions from the older men. In an article in the periodical Economic Foreign Policy of the United States, Mr. Williams had stated that, in social and political matters, American businessmen had acquired an unprecedented influence, and that State Department officials were capable of so handling that situation as to forestall criticism by stressing, not the wishes of certain groups of citizens, but national defense, the will to peace, maintenance of public order, and the granting of economic assistance to the smaller States.

The United States draft resolution was another attempt by United States leaders to pose as apostles of the abolition of cartels. Actually, American big business was opposed to any cartels over which it had no control, but inspired and fostered the creation of groups which it knew it could dominate. Thus, in the Schuman plan, the principle of cartels was condemned, while at the same time the supreme authority was entitled to authorize such practices when it regarded them as timely and rational. That meant that the practices of cartels would be condoned, provided they corresponded to the interests of United States capital.

In view of the effrontery of the United States maneuver, there was no alternative but to point to the practices of United States monopolists, who let nothing stand in their way when there was a chance of increasing their profits. That was why they fought those European cartels which resisted infiltration by United States capital. But, having defeated them, the United States monopolies did not hesitate to conclude new agreements with the vanquished, dividing up markets and fixing prices, and thus impoverishing the working masses.

United States foreign trade was concentrated in the hands of a small number of monopolies; a few companies were powerful enough to earn immense profits from the underdeveloped countries, to defeat, or even to get a stranglehold on the European trusts, and to influence the political life of other countries through economic control.

According to the census of American-owned assets in foreign countries in 1943, 100 corporations and their branches had owned 70 percent of all the assets of foreign enterprises controlled by the United States, while, according to the United States National Resources Committee, by 1947, over 75 percent of the capital exported had been provided by 10 corporations alone. The interests of those corporations had formed the mainspring of the whole of United States foreign policy since the end of the Second World War.

The dividing up of the capitalist world among the big trusts was clearly manifest in the field of primary industrial commodities, such as petroleum and metals. Seven big oil trusts, 5 of them American, 1 British, and 1 Anglo-Dutch, had price agreements with one another. About one-fifth of all the oil produced in the capitalist world was handled by the Standard Oil Company of New Jersey, which in its annual report for 1949 had illustrated its domination with a map on which its empire was shown as extending over an area whose inhabitants represented 72 percent of the world's population.

The dividing up of the market and intertrust agreements were accompanied by a merciless struggle to obtain a larger share of the spoils. During the last decade, United States trusts had noticeably improved their position vis-a-vis their European rivals; they had invested millions of dollars abroad, doubled their oil production in Venezuela, and considerably increased their share of production in the Middle East. Far from being satisfied with those successes, they were seeking completely to subjugate the British trusts, as recent events had clearly shown, and were making every effort to extend their control over the sale and production of oil throughout the entire world.

Mr. Speaker, the next two paragraphs show how cleverly reports prepared by the Federal Trade Commission and other Government agencies are used to embarrass us in our international relations. It is another reason why we must be meticulous in our use of languge and avoid exaggeration and overstatement:

Turning to base metals, he pointed out that, in the capitalist world, copper production was shared amongst three American companies and several British or Belgian companies. The 1947 report of the Federal Trade Commission on the Copper Industry stated in so many words that, directly or indirectly, six men were in a position to fix production and price policy for copper throughout the world. He could supply the United States representative with the names of five of those gentlemen, who were United States citizens.

Five-sixths of the nickel produced in the capitalist world came under a single trust, the International Nickel Co.; on its executive board, Americans had in 1949 held the chairmanship and 7 of the 9 seats. Mr. Foster Dulles, who was cooperating in the State Department's antitrust crusade, had, since the end of the Second World War, been chairman of the executive board of the International Nickel Co., in which, to paraphrase the terms of the United States draft resolution, different groups combined to restrict competition.

The Aluminum Corporation of America, which had the lion's share of aluminum production in the capitalist world, was in the hands of the Mellon group.

Numerous other United States monopolies could be mentioned, such as, for example, the United Fruit Co. Their rapacity lowered the standard of living of the working masses in many countries of the capitalist world.

United States monopolies controlled not only the output of raw materials, but also the production of manufactured goods. The trusts belonging to the Morgan group were extending their domination over the world electrical industry in all its branches. The General Electric Corp., in particular, had a large interest in the various electrical equipment manufacturing cartels in the United Kingdom, Germany, Japan, France, Italy, and Morocco.

In speaking of his country's traditions, the United States representative had simply glossed over the fact that it was not the United States Government, but the American people who had a long record of antitrust activities. The public authorities in the United States of America were obliged from time to time to stage an antitrust farce, such as the promulgation of the Sherman and Clayton Acts, in order to allay public indignation.

One of the first international cartels had been organized in 1896 by the Aluminum Corporation of America and the German-Swiss Aluminum Trust. Between the two wars, the big United States trusts had played an important part in international cartels in the chemical, oil, iron and copper industries. The collaboration between the Standard Oil Co. and Hitler's mainstay, the IG-Farben, was a matter of common knowledge.

History showed that the United States Government had encouraged trusts. The United States representative had not referred to the Webb-Pomerone Act, which permitted joint action in the case of exports. By a decision of the Federal Trade Commission in 1927, associations of exporters were authorized to join international cartels. After the Second World War, the United States Government had never ceased to protect the interests of its monopolies. Shortly before the second session at Geneva in 1947 of the Preparatory Committee of the United Nations Conference on Trade and Employment, the International Chamber of Commerce had clearly stated that, despite strong resistance on the part of certain circles, the United States Government would not hesitate to provide immediate aid to Europe if the consent of the other powers could be counted upon; but that such consent would obviously require the abandonment of an over-narrow concept of national sovereignty.

It could be seen today that the Marshall plan, the European Payments Union and the Schuman plan were but stages in the execution of United States plans to open Europe to the expansion of their monopolies, regardless of national sovereignty.

Further, discrimination was being practiced by United States monopolies against the Soviet Union and the People's Democracies, out of hatred for countries which had thrown off their domination once and for all, and which were a living example of a world freed from the exploitation of man by man. Such discrimination also aimed at further weakening the European partners of the United States Government, by obstructing the normal flow of their international trade.

In the bilateral agreements concluded under the Marshall plan, the United States Government had constrained the beneficiary countries to cut off certain exports to Eastern Europe. Recently, too, it had obliged Chile to accept a discriminatory measure in a trade agreement.

Thus the United States monopolies had managed to create an unhealthy atmosphere in international trade, with the sole aim of suppressing any resistance by their partners to preparation for fresh acts of aggression.

After the farcical performance of the United States representative, the Iranian representative had brought the Council back to reality by his reference to the practices of foreign monopolies in his country.

As had already been demonstrated during the present session, international monopolies were steadily lowering the standard of living of millions of human beings in Asia, Africa, Europe and elsewhere. The working masses of the capitalist countries, who were living under the yoke of the monopolies, would not allow themselves to be duped by the demagogic schemes of the United States Government.

Mr. Speaker, my only reason for reading this diatribe is to bring to the attention of the House the way words such as monopoly, Wall Street, international bankers and similar terms, which have been used in the heat of debate by some of our own Members, can do damage to national programs in which, regardless of party, we are vitally concerned.

Mr. Birecki's attacks referred to both Mr. Harriman, a Democrat, and the present Governor of New York, and to Mr. John Foster Dulles, a Republican, the present Secretary of State. So this is not a question of partisan politics. It is a question of protecting the good name of this country. We must be as scrupulous in dealing with economic matters as Mr. Stevenson and our friends on the other side of the aisle advocate be our practice when investigations of subversion in Government are under discussion.

Mr. Speaker, at the recent meeting of the United Nations Economic and Social Council, which concluded in New York the latter part of May, our delegation was embarrassed by an impassioned speech by a very capable but misguided United States citizen, Miss Elinor Kahn, who represents the World Federation of Trade Unions. This organization has been repudiated by both the American Federation of Labor and the Congress of Industrial Organizations as a Communist-dominated group. I have secured her statement. Mr. Speaker, I ask unanimous consent that it be printed immediately after my remarks.

The similarity in Miss Kahn's statement with statements which some of us have made at times in the heat of debate should make us all doubly careful that no word or action we take can embarrass our representatives in the United Nations or in any other international forum in which we may participate.

Miss Kahn's statement follows:

STATEMENT OF THE WORLD FEDERATION OF TRADE UNIONS

The Council is this year embarking upon a review of the comments of governments, specialized agencies, and nongovernmental organizations on the report of the Ad Hoc Committee on Restrictive Business Practices. The item, which has now been before the Council for more than 4 years, should, in the opinion of the World Federation of Trade Unions, continue to figure as an important part of the Council's work and should be the subject of further study and recommendation by the Secretariat.

The Council has recently demonstrated, in one important field, its desire to examine the act upon problems of international trade. Its action in establishing the Commission on International Commodity Trade was a forward step which was officially welcomed by the WFTU. The effect of restrictive business practices on international trade is another facet of the same problem, as is the effect upon international trade of politically dictated restrictions impeding free expansion of trade itself. The question of trade is in turn of vital concern to both developed and lesser developed countries.

If the Council's work is to be of value it must encompass restrictive business practices in their broadest sense. It cannot be limited to the operations of formally established cartels which reflect only one aspect of restrictive practices. It must encompass monopolistic practices in general, which, in turn, requires examination of the role of the monopolies themselves as well as the broad range of their economic, financial, political, and social influence and domination.

The WFTU has previously set forth its position in communications to the Secretariat (May 3, 1952) and in its statement to the 16th session of the Economic and Social Council. It is based upon the daily experiences of workers in the capitalist and colonial countries who know that the activities of monopolies, trusts, and cartels, motivated only by the desire for maximum profits, have had disastrous consequences primarily upon the lives of the masses of workers, but also in a most serious manner on economic and social development in general.

The situation has not changed materially in the past 2 years. Thus, the final communique of the 29 Asian-African nations meeting at Bandung, Indonesia, in April 1955, took specific note, as part of a broad economic policy statement, of various aspects of monopoly. It recommended that "Asian-African countries should diversify their export trade by processing their raw materials whenever economically feasible before export." Yet, it is in this field, among others, that the monopolies—particularly in metals, oil, and fibers—have been most active, pursuing their pattern intended to keep newly independent lands in economic subjection. More specifically, the Bandung conference also took note of discriminatory freight rates which result from monopolistic practices and recommended a study of the problem and "collective action thereafter to put pressure on the shipping lines to adopt a more reasonable attitude."

In the financial field the Asian-African conference implicitly took note of monopolistic policies by agreeing that "encouragement should be given to the establishment of national and regional banks and insurance companies." This is not surprising in the light of ECAFE's 1951 study on "Mobilization of Domestic Capital in Certain Countries of Asia and the Far East," which said, in part:

"A few large banks which operate on a global basis and are mostly foreign owned and controlled operate in most countries of the region * * * they hold a virtual monopoly of foreign trade finance in the region."

The effect of monopoly practices in highly developed areas of the world has recently been the subject of much discussion, following publication by the Economic Commission for Europe of its study, the Price of Oil in Western Europe, which says, in part:

"Although the trade links between the two hemispheres are weak, and likely to become weaker, the corporate links are very strong. Specifically, the lion's share of crude oil production and refining throughout the world is in the hands of 8 major companies—5 American and 3 European—most of which have interests in each of the main producing and refining centers."

ECE pointed out that "the high degree of concentration of ownership has been an important determinant of the industry's economic behavior."

The recent period has been marked by two divergent trends—on the one hand a desperate struggle of the monopolies to strengthen their hold on the economy of the capitalist and colonial countries, and on the other a vigorous political campaign of the underdeveloped countries and colonial areas to realize economic as well as political independence. In this struggle the monopolies have, to date, managed to protect and fortify their position of strength. The degree to which this runs counter to the interests of the United Nations and of world peace and stability warrants the continued scrutiny and action of the Council.

Indications of the extent of these trends are easily found. The United States magazine, Business Week, published on April 23, 1955, a list of the 32 members of the 1954 Billion Dollar Club—the nonfinancial corporations with assets of more than $1 billion at the end of 1954. Among the top 16 corporations on the list are to be found 5 American oil corporations referred to in the ECE study. Their assets had increased since the end of 1946 by anywhere from 98.8 percent in the case of the company with the smallest increase to 172.7 percent in the case of the company with the highest increase. The unweighted average increase in assets of the 5 major oil companies over this 8-year period was 129.4 percent. Foreign operations were a decisive factor in this growth.

This trend is not limited to the United States. Between 1949 and 1953 gross trading profits of all British companies other than those in finance and agriculture increased by approximately 28 percent. During this same period the trading profits of Royal Dutch Shell increased 84 percent, of Unilevers increased 79 percent, and Imperial Chemical Industries increased by 104 percent. These three corporations, together with Anglo-Iranian Oil Co., as it was then known, earned in 1949 one-seventh of all British company trading profits; their share had increased to one-sixth by 1953. It is obvious that these gains were the result of the monopolistic role played by these companies in the world economy. A notable example is the role of Unilevers in West Africa.

A classic example of the effect of monopolies on international trade is seen in the experience of Latin American countries with the United Fruit Co. The annual report of that company for the year ending December 31, 1953, revealed that it had assets of $579.3 million. In the same year, as figures in the United Nation's Statistical Yearbook (1953) disclose, seven of the countries in which United Fruit operates—namely, Costa Rica, Dominican Republic, Guatemala, Honduras, Panama, Colombia, and Ecuador—had total government expenditures of only $523 million, or considerably less than the total assets of the United Fruit Co. Yet no formalistic study limited to the classical definition of "cartels" would disclose the restrictive effect upon international trade of the operations of this one monopoly.

The problem of restrictive business practices is not something that can be debated briefly and then ignored. The problems will not vanish unless the United Nations continues to maintain vigilance and initiate action. Yet such action is indispensable if the objectives of economic development, broader trade between all nations, and maintenance of peace are to be achieved. It is these objectives together with the objective of national independence and sovereignty which the unbridled rule of the monopolies continues to imperil.

The World Federation of Trade Unions therefore considers the role of the United Nations to be extremely important. Monopolies tend to keep their affairs secret. They do not, as the ad hoc committee pointed out, "voluntarily furnish data concerning their restrictive business practices."

While the documentation already available is impressive and provides conclusive evidence of the vast scale and dire effects of the activities of monopolies, it is certain that deeper and more thorough studies by the United Nations would show that so far only a corner of the veil of secrecy has been lifted. Preparation and publication of such studies would be a powerful aid in combating restrictive practices.

At the same time the approach to these studies must be based upon recognition that the power of the monopolies themselves and the whole complex of their activities has now swollen to formidable proportions. No limited approach is possible. The effect of the monopolies upon society and the economy as a whole must be examined in concrete terms, and not in the inadequate concepts of "re-

striction of competition" found in much existing antitrust legislation.

Workers are not the only group who suffer—as employees and as consumers—from the activities of the monopolies. The experience of all the lesser developed countries and colonial areas shows the effect of the domination of foreign monopolies. In the underdeveloped areas large- and small-business men are unable to develop national enterprises in the face of monopolistic practices; in the developed areas small-business men are forced out of operations by the monopolies or dominated by them. The recent trend of armaments production has led to intensification of monopoly control in a number of countries such as the United States. In the lesser developed countries small farmers and peasants suffer from the buying, selling, and operating practices of foreign monopolies.

It is thus impossible for the United Nations to consider problems of trade and economic development without continuing to give serious attention to the problem of restrictive business practices. The studies must have as their objective aiding all groups injured by monopolies to protect themselves; they cannot be designed to protect one group of monopolists or would-be monopolists against another.

This approach will inevitably pose problems. But these problems should not deter the Council and the Secretariat from pursuing their activities in this important field. The problem is of extreme gravity and must be faced seriously and constructively. The World Federation of Trade Unions will welcome intensification of the activities of the United Nations in this direction.

Reserve Officers Personnel Act

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednseday, June 29, 1955

Mr. BROOKS of Louisiana. Mr. Speaker, under leave to extend and revise my remarks, I include a sectional analysis of S. 1718, which passed the House of Representatives late yesterday afternoon. I think that this analysis, prepared by committee counsel, should be made available to our membership:

SECTIONAL ANALYSIS OF S. 1718

Section 1 (a) (p. 1, line 3): Increase from 2 to 3 years of constructive credit for promotion purposes of persons appointed as veterinarians.

Any person who is appointed for the purpose of, or with a view to assignment or designation as, a veterinary officer, shall be credited with a minimum of 2 years of constructive service. This section of the bill increases the 2-year minimum to 3 years, and conforms to present law with respect to regular veterinary officers.

Section 1 (b) (p. 1, line 7): Authority to retain on active duty Reserve officers who are within 2 years of qualifying for retirement.

This section provides that Reserve officers who are within 2 years of qualifying for retirement may be retained on active duty if they would otherwise be eliminated because of failure of promotion, or elimination for length of total service. In order to qualify under this subsection, the officer must not, within the 2-year period, attain the maximum age for transfer from an active status, or discharge, as required by this act. This subsection would then conform to present law for members of the Regular components, who, after completing 18 years of active duty, are entitled to remain an additional 2 years on active duty in order to qualify for retirement, if they would otherwise have been discharged after 18 years of active duty.

Section 1 (c) (p. 2, line 16): Deletion of unnecessary subsection.

The amendment contained in section 1 (b) just discussed, makes the inclusion of this section of the basic law no longer necessary.

Section 2 (p. 2, line 17): Retention of Army Reserve officers with period of obligated service.

Section 333 of the law has the effect of permitting an officer to elect to be released from active duty, even though he has a remaining obligated period of service from being recommended for promotion in certain instances. The purpose of this amendment to the law would be to prevent his release from active duty before completing his required service and it would also prevent him from serving in a higher permanent grade while on active duty under circumstances wherein any other Reserve officer on active duty could not so serve. However, the section expressly provides that, upon being temporarily promoted to the grade in which he was recommended for permanent promotion, or upon completing the period of required active duty, upon application, the officer must be promoted and restored to a position equal to that he would have attained had he been promoted but for the provisions of this section.

Section 3 (a) (p. 3, line 11): Authority to increase authorized numbers of Naval and Marine Reserve officers by 10 percent for a 5-year period.

This section provides that the Secretary of the Navy may increase by 10 percent the numbers authorized in terms of percentages of Naval or Marine Reserve officers in any grade during the period prior to July 1, 1960. Sections 402 (b) and (c) control the percentages of authorized grade distributions for the Navy and Marine Corps. These sections further provide that the percentages will be based on the number of reservists in an active status. The attrition of officers in an active status cannot be predicted due to the large number of voluntary separations and loss to an inactive status. This amendment will assist in providing a fair opportunity of promotion for officers who are eligible for promotion by relaxing the fixed number set forth in the law for authorized grade distributions.

Section 3 (b) (p. 3, line 18): Authority of Secretary of the Navy to specify numbers of officers of stated qualifications and experience.

This section amends section 403 of the act by adding language which would authorize the Secretary of the Navy to furnish selection boards considering Naval Reserve line officers the numbers of officers of stated qualifications and experience required to meet mobilization needs in the next higher grade, and is intended to permit promotional opportunities for line officers in special fields. This amendment also provides similar treatment for reservists as is now provided for regular officers who are defined as specialists by law.

Section 3 (c) (p. 4, line 4): Correction of typographical error.

Section 3 (d) (p. 4, line 4): Authority to consider for promotion of Naval and Marine Corps Reserve officers whose names were omitted by administrative error from consideration.

The basic act provides no means for correcting an administrative error, where an officer's name is omitted from a list furnished to selection boards who are considering officers for promotion. The subsection also provides that, if the officer whose name was omitted is selected by the next selection board for promotion, he will be entitled to the same privileges in terms of date of rank and pay as if he had been selected by the board from which his name was withheld by error.

Section 3 (e) (p. 4, line 18): Validation of promotion of naval and marine officers selected under regulations.

This amendment provides a transition means by which those officers who are selected prior to the effective date of the basic act can be promoted under the Reserve Officers Personnel Act, without the necessity of a re-selection process.

Section 4 (a) (p. 5, line 3): Definition of promotion service in the Air Force Reserve.

This subsection adds two categories of service to the definition of "promotion service." The period within which such service is recognized is the period prior to the effective date of this act, which is July 1, 1955, and subsequently to June 25, 1950. The first type of service would be that service during which an officer was eligible for permanent Reserve promotion on the basis of service in a higher temporary grade. The need for the recognition of such service arises primarily because of the fact that during the period in question a Reserve officer on active duty was technically no longer in the Reserve, but became a member of the active component, and no administrative machinery existed for promoting him in the Reserve while he was on active duty. This type of service is recognized as the effective date of Public Law 773 in section 514 (a), which provides that a Reserve officer who is promoted to a higher temporary grade than his permanent grade while serving on active duty, shall upon application be promoted to the next higher permanent grade upon completing the minimum number of years in grade as prescribed elsewhere in the statute.

This section further provides that, for promotion service purposes, there would be recognized that period where an Air Force Reserve officer served in an equivalent or higher permanent grade in the same, or another service, including duty in a federally recognized commissioned status in the Army and Air National Guard. Subparagraph 2 affects primarily those National Guard officers who, without this amendment, would receive no recognition during the period in question where they served in a service other than the Air Force, or where they served in a higher permanent grade in the Air Force Reserve. In addition, it would credit for promotion purposes the federally recognized commissioned time in the Army and Air National Guard. Such time is already creditable for pay purposes and, under section 501 (b) (5), for mandatory retirement purposes. This amendment provides also that no service authorized under this subparagraph shall be counted more than once for promotion purposes.

Section 4 (b) (p. 5, line 18): Effective date of promotion for Air Force Reserve officers.

The purpose of this amendment is to allow promotions to be made effective on, before, or after, the day they are announced. The amendment further provides that the officer shall be entitled to the pay and allowances authorized for the higher grade from the effective date of his promotion, unless otherwise provided in the Reserve Officers Personnel Act.

This amendment is necessary, since the Reserve Officer Personnel Act of 1954, as presently written, requires promotions to be made in order of seniority. Because of the tremendous administrative burdens imposed by the act, and because of the varying nature of the assignments and types of service of Reserve officers, it will be impossible, in many cases, to determine the correct order of seniority of all Reserves eligible for promotion at any given time. If the amendment is adopted, any Reserve officer who, because of the circumstances of his particular case, is not considered and recommended

for promotion at a time he should have been, can be promoted retroactively at a later date, and thereby be restored to his proper place in the promotion system.

Unless this amendment were adopted, an Air Force Reserve officer who was inadvertently omitted from promotion consideration could not be later considered without consideration being given to all officers senior to him for promotion purposes.

This amendment is similar to the provision already contained in the Army title of the Reserve Officers Personnel Act.

Section 4 (c) (p. 6, line 3): Recognition of constructive service and determination of seniority for promotion purposes.

This amendment deletes the language concerning service as a commissioned officer (which definition in other parts of the act does not include constructive service) and substitutes the term "total years of service," which in other sections of the act does not include constructive service.

Section 4 (d) (p. 6, line 9): Technical amendment.

Section 4 (e) (p. 6, line 12): Technical amendment to give effect to the provisions of the bill.

Section 4 (f) (p. 6, line 15): Promotion to first lieutenant in the Air Force Reserve.

This subsection provides that Air Force Reserve officers in the grade of second lieutenant may be promoted to the permanent grade of first lieutenant before the completion of 3 years of service, whenever the Secretary determines there are vacancies in the grade of first lieutenant and pursuant to regulations prescribed by the Secretary. This subsection is similar to that now in existing law with respect to the promotion of second lieutenants in the Regular Air Force.

Section 4 (g) (p. 6, line 25): Exclusion of Air National Guard officers from promotion based on vacancies in the entire Air Force.

The effect of this section is to exclude Reserve officers who are members of the Air National Guard from promotion consideration solely under section 510 (b) of the act which provides that the Secretary may direct the consideration of Reserve officers, based upon existing or anticipated vacancies in the Air Force Reserve. The proposed amendment would, however, permit Air National Guard officers who have or are about to complete the maximum permissible periods of service to be considered for those vacancies.

This amendment is deemed necessary on the basis that Air National Guard officers considered for promotion solely on the basis of Air Force Reserve vacancies would be promoted out of their units earlier than necessary and, consequently, be lost to the Air National Guard.

Section 4 (h) (p. 7, line 7): Air Force Reserve officers on active duty who are promoted to a higher permanent grade.

511 (b) in the basic act provides that a Reserve officer on active duty who is recommended for a permanent promotion to a grade higher than that in which he is serving, shall, before being promoted, elect either to serve on active duty in the grade in which he is serving before being promoted, or be released. The basic purpose of 511 as written was to authorize the continuance on active duty in the grade in which he was serving of the Reserve officer whose services could not be utilized in the active establishment in the grade to which he was recommended for promotion. This subsection does not revise 511 in its concept, but it does change the administration of the problem. It would make unnecessary the securing of a positive election from each of the Reserve officers on active duty who will be promoted under the act. The election required by the basic act would effectively prevent the promotion of all officers whose names are on a recommended list beneath that of any other officer who is missing, is physically incompetent, or for any other reason cannot make a timely election. This was not the intent of the basic law. The amendment provides that the Reserve officer on active duty who is promoted to the next higher permanent grade will continue to serve on active duty in the lower grade, and he may decline the temporary appointment within 6 months after the date of order, and be released from active duty. However, this subsection does not prevent the officers from receiving a temporary promotion under other provisions of law.

Section 4 (i) (p. 8, line 19): Postponement of effective date of maximum age provisions relating to nurses and women medical specialists; retirement as of the last day of the month.

This subsection amends the section of the basic law providing for elimination based on age by providing that, instead of the officer in question being discharged and retired on the date he reaches the stipulated age, he will be discharged on the last day of the month during which he reaches the maximum age for elimination. The Army title of the basic law already contains such stipulation.

Section 4 (j) (p. 9, line 1): five-year postponement of provisions providing for elimination based on length of service.

Section 524 of the basic act provides for the elimination of various officers based on total periods of active service. The amendment would postpone for five years from the effective date of the act the necessary implementation of this section of the law.

Section 4 (k) (p. 9, line 8): Civilian Employees of the Air National Guard.

Subsection (k) adds a new provision to the Reserve Officer Personnel Act of 1954. This provision relates only to Reserve officers who are civilian employees of the Air National Guard prior to the effective date of the act (July 1, 1955) and who would be removed from an active status by virtue of mandatory promotion provisions of the Reserve Act. This subsection provides that such employees may not, before attaining age 60, be removed from an active status because of the mandatory promotion provisions except for cause, physical disability, or by reason of being passed over twice for promotion to the grade of captain, major, or lieutenant colonel.

This is a savings provision similar to that already contained in section 212 of the Reserve Officer Act which, by providing that notwithstanding any other provisions, Reserve officers assigned to the Selective Service System may be retained in an active status in such assignment until they become 60 years of age. The purpose of section 212 was to permit the retention on active duty of this small experienced group who administer the selective-service legislation.

Section 5 (a) (p. 9, line 25): Running mates United States Coast Guard.

This subsection concerns only Reserve officers of the Coast Guard. It provides that if a Regular running mate is retarded in promotion or has attained the highest rank to which he may be promoted, the Reserve officer shall have a new running mate of the Regular Coast Guard who is next senior to the retarded running mate. The purpose of this amendment is to avoid penalizing Coast Guard Reserve officers in terms of promotional opportunities because of their assignment of a Regular running mate who is restricted in promotional opportunities. This situation arises because Regular Coast Guard officers are classified either as general or special-duty officers, depending upon their qualifications as determined by previous training or experience. Those Regular officers classified as special-duty officers are restricted in promotional opportunity as compared to the general-duty officers. Under present law special-duty officers must be assigned a Reserve running mate with the result that the Reserve officer would be retarded in the rate of promotion, thereby imposing an inequity on the Reserve officer through no fault of his own. This subsection corrects this condition.

Section 5 (b) (p. 10, line 16): No retroactive pay.

Section 5 (b) amends section 608 of the Reserve Officer Personnel Act in order to make certain that there will be no retroactive pay authorized Coast Guard Reserve officers prior to their appointment to a higher grade. This subsection therefore clarifies the existing provision which technically could have permitted the authorization of retroactive pay prior to the date of appointment.

Section 5 (c) (p. 10, line 23): Validation of selections prior to July 1, 1955.

This subsection provides that officers who were selected for promotion prior to July 1, 1955, may be promoted under the Reserve Officer Personnel Act of 1954. This provision, similar to the one contained in the bill with respect to Navy, Marine Corps, and Air Force officers, is a savings provision which avoids the necessity of reselecting for promotion those officers who had been selected but whose promotion had not been accomplished prior to July 1, 1955.

Nehru in the Russian Camp

EXTENSION OF REMARKS
OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1955

Mr. BURDICK. Mr. Speaker, Nehru has gone completely over to the Russian camp, as a great many Members of Congress thought he would. During the sessions of the United Nations he has never once voted with the United States. Yet, through our foreign-aid program, we have put $267,500,000 into coddling Nehru to get his goodwill; but, like Tito, once a Communist, always a Communist. The reason why Nehru is so determined to accept Red China in the United Nations is that Red China and India, under Nehru, are the same breed of cats. If a world government, which many of our own citizens advocate, is set up you can get a clearer idea of what the situation will be. Russia, with 200 million people, India with 450 million, Red China with 500 million make a total of over a billion people—and in the whole world there are only 2½ billion.

It will mean more Reds in the organization than that, for Yugoslavia and many other satellite countries will jump at the chance to get into this world government, and even before it is ready to function it will have a representation in numbers of people equal to two-thirds of the population of the entire world. Members of the World Congress will be elected on a population basis, hence it doesn't take a mathematician to realize that our power and influence will be close to the zero point if we enter this combination. Likewise, this majority will control the whole one-world government.

Do not Americans stop to think that a government such as this could not possibly give to the people of this country those spiritual things guaranteed by the Constitution, nor could it guarantee what we most cherish and believe in. Our

theory of government is that it exists for the people—the people are the government—while the Asiatic view is that the people exist for the government. What will become of our minority ideas and ideals? We believe in Jesus Christ as our Master, and while we have a great multiude of church denominations, they are all agreed on that one fundamental. Can we enter into a unified government with others whose concept of religion differs so violently from ours? We left Europe and came here and braved the wilderness for the one and only purpose of finding or establishing a place where it would be possible to worship God in our own way. Are we willing to give up that spirit of independence and the security which were denied us in Europe? Are we willing to give up our individual liberty and the right to govern ourselves?

While we know we are a minority as far as population goes, why should we be willing to hazard this minority against a great majority of the population of the world on the illogical theory that people must be united in one government before world peace can be established? Suppose we entered and accepted this plan of world government, would that be a guaranty against revolutions in that government? Not at all. Just as soon as one party openly advocated a principle of freedom in any of the institutions of society that differed with that of another powerful group there would be a conflict just as easily as there might be among independent nations.

We here in the United States want to live in peace and enjoy the blessings of liberty and freedom and the right to govern ourselves; and we hope that other nations can do likewise. But to run the risk of scuttling what we have for something which others tell us we should have is a dangerous risk which I do not believe the American people are ready to sanction. Russia, Red China, and India can well afford to further this one-world government for, first of all, it could not possibly be any worse than the governments they have, and secondly, they are in a position to control that supergovernment, which in turn will govern the United States.

We have not many friends among the nations of the earth. I know of none that could, or would want to if they could, come to our rescue if attacked; but we need have no fear of any nation or combination of nations provided our own people are not gullible enough to embrace this vitiating foreign doctrine. If the people of the United States stand firm for our Government, change it themselves when they think it necessary, and allow no outside force to alter it under any circumstances, freedom and liberty will remain on this Western Hemisphere. Private enterprise will continue as it has since we formed this Government. Capitalism, and not communism, will operate to the great advantage of the country, as it has operated since 1789. We gladly welcome people from other countries to these shores, just as we have for over 160 years, but we want them to leave behind them when they come here the century-old prejudices that have been fostered by the constant turmoil that has been generated by the policies and disagreements of foreign countries. This constant turmoil, born of conflicting ideologies, desire for power, and acquisition of territory, has produced some major armed conflict every 2 years in the recorded history of the human race. Is this Republic, as a minority, great as it is, able to line up the foreign countries and stop what centuries have built up? No one here pays any attention to crowded populations—that seems meaningless to us as we are not crowded yet. But should the population of Japan or any other country increase to the saturation point, there will be an explosion somewhere. Overpopulation inevitably flows out to find relief—it will not stay put and die; hence, wars must be continuous in the future as they have in the past.

Our job is to protect the United States and its institutions and aid as far as we can to bring freedom and liberty to people everywhere by our Christian example, our trade, and by our commerce and noninterference with the governments of other countries. All people born on the earth's surface are entitled to live, work, and have food. There is always enough food. There never has been too much food, and there isn't now. The reason people are hungry in some countries, including our own, is not that we do not have the food, but the difficulty lies in getting that food to the spots where it is needed. The objection that it will cost us too much to feed others cannot be raised, for we can give away food just as easily as we have given away money. If we did this we would have no unnecessary surplus in any food product. Of the $267,500,000 we have given India to obtain her friendship we will never collect anything, and now she has taken her stand with Russia. Could we not have given food instead of money, and thus served our own interests as well as hers?

But of all things, we should exercise our vigilance to zealously protect our national integrity and remain alert to make sure that here on these shores shall be maintained a citadel of freedom and liberty, where the distressed of the world can come and enjoy the protection of blessings guaranteed by the Constitution of the United States. The example of our own progress will do more to bring peace to the world than all the armies we can maintain throughout the world.

Captial Times Editor Lauds Robert M. La Follette, Sr.

EXTENSION OF REMARKS
OF
HON. LESTER JOHNSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1955

Mr. JOHNSON of Wisconsin. Mr. Speaker, under leave to revise and extend my remarks, I wish to insert in the RECORD a eulogy delivered by William Evjue, editor of the Capital Times of Madison, Wis., at the site of the birthplace of Robert M. La Follette, Sr., in the town of Primrose. I was not able to secure the text of Mr. Evjue's speech until today, and that explains its late insertion in the RECORD.

My colleagues will undoubtedly recall that on June 14 a number of Members of the House paid tribute to Wisconsin's most distinguished citizen, Robert M. La Follette, Sr., on the 100th anniversary of his birth. I commend Mr. Evjue's eulogy to Old Bob to my colleagues. The text of his address follows:

Pausing here today on the spot where once stood the humble birthplace of the man whose memory we honor, we are bound to reflect on the lasting heritage left to us by the frontier as it moved westward. Out of its spirit came the dreams of a La Follette as in our sister State to the south a young man by the name of Lincoln caught its spirit and moved the Nation to fit its ideals.

It was the restless urge of the pioneers for freedom and independence that gave Lincoln to Illinois and La Follette to Wisconsin. They had much in common in their backgrounds. Their families moved with the frontier. Belle Case La Follette and Fola, have told us in their comprehensive and finely written biography that for a while the paths of the La Follette and Lincoln families crossed. La Follette's father was born in a log cabin on a farm in Kentucky that adjoined the farm of Thomas Lincoln, the father of Abraham. There is a legend that when one of Thomas Lincoln's neighbors called upon President Lincoln in the White House, that he was asked about "Uncle Jesse La Follette" the grandfather of the man in whose memory we gather here today. It is recorded too that the La Follette family moved West from Kentucky to Indiana, because they wanted to raise their children in a free State.

BOYHOOD DAYS IN PRIMROSE

Josiah La Follette, the father of Robert M. La Follette, came to this spot with Bob's mother, Mary Ferguson La Follette, in 1850, accompanied by five of his brothers. He brought with him his household goods, two or three horses, a cow and $100 in cash. On this ground was built the log cabin in which LaFollette was born.

La Follette's boyhood days were probably spent in much the same way as Lincoln spent his, perhaps less rugged because of the difference in time. All of us have seen the picture of the young Lincoln lying before the fireplace reading the family Bible or a borrowed copy of Shakespeare. It is not hard to imagine that it was in this way that La Follette acquired his great gift for putting dreams and aspirations into words. One of his father's most proud possessions, as it was with so many of the pioneers, was the collection of books which he brought westward with the frontier. In the collection were Lives of the Presidents of the United States and A Practical System of Modern Geography; or A View of the Present State of the World Simplified and Adapted to the Capacity of Youth.

Through his early years here he had time to read and to think about what he read in his walks over these hills. On the way out here this morning I think we came by the spot where he attended school. Behind the school was a big stone boulder, which he used as a back-drop for his outdoor stage and where he showed the first signs of his great gifts in oratory. He read Henry George, he watched the gathering storm of the Granger movement which rose in rebellion against the encroachment of monopoly. In the spring of 1873 he went to Madison to make preparations for his entrance into the university the following fall.

SPIRIT OF THE FRONTIER

It was while in Madison that he underwent an experience that was to have a profound effect on his life. You will be interested to know Mr. Chief Justice, that it was a great chief justice of the Wisconsin Supreme Court, who uttered a warning that had a profound effect on a future career of the young man born here in the town of Primrose. In the speech delivered by Chief Justice Edward Ryan of the Wisconsin Supreme Court of 1873 he said:

"There is looming up a new and dark power. I cannot dwell upon the signs and shocking omens of its advent. The accumulation of individual wealth seems to be greater than it ever has been since the downfall of the Roman Empire * * * The question will arise and arise in your day, though perhaps not fully in mine, which shall rule—wealth or man; which shall lead—money or intellect; who shall fill public stations—educated and patriotic free men, or the feudal serfs of corporate capital?"

It was natural that this young man, imbued with the spirit of freedom and independence that brought his forebears westward with the frontier should be deeply moved by the words of the chief justice. He said many times in later life that he never forgot those words.

We who are here today to honor his memory know that he never forgot them, for his life's work was dedicated to preventing what Chief Justice Ryan warned about. Because he dared to live the dreams he dreamed here as a boy he made an immeasurable contribution to saving what was best in the spirit of the frontier. Our thought today in honoring him should be of those frontier values and whether today they are not slipping away into our past as the frontier itself has disappeared.

Rodino Scores Nonenforcement Policy of Federal Trade Commission

EXTENSION OF REMARKS

OF

HON. BYRON G. ROGERS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1955

Mr. ROGERS of Colorado. Mr Speaker, I herewith submit for insertion in the RECORD the cogent remarks of my colleague, Representative PETER W. RODINO, JR., concerning matters which have been brought to the attention of the Antitrust Subcommittee of the House Committee on the Judiciary.

STATEMENT BY HON. PETER W. RODINO, JR.

The Federal Trade Commission appears to be asleep at the switch in enforcing the Celler-Kefauver Antimerger Act of 1950.

Our Antitrust Subcommittee, which is headed by the distinguished gentleman from New York, Mr. EMANUEL CELLER, has held extensive hearings on present-day monopoly problems since May 10, 1955, and has probed deeply into the operation and enforcement of the antitrust laws at this time. These hearings have demonstrated that a wave of corporate mergers has occurred in recent years which is fraught with danger to our free-enterprise system. For example, during the 1950–54 period approximately 2,100 mergers have occurred, many involving instances where giant superconcentrated corporations have swallowed up their smaller competitors. In the face of this dangerous situation, the Federal Trade Commission has dragged its feet and done virtually nothing except study the problem. In the 2½ years that Edward F. Howrey has been Chairman, the Federal Trade Commission has filed a grand total of two merger complaints and completed action on none.

On July 1, 1954, Chairman Howrey with great fanfare announced a complete reorganization of the Commission in order to streamline and improve its operations. The fact is that not even one merger complaint has been filed by the Commission since this vaunted reorganization.

The Antitrust Subcommittee intends to pursue this matter further and determine why the Commission has been so chary of using the authority provided by the Celler-Kefauver Act of 1950 in order to stem this apparently unending series of corporate mergers.

Our subcommittee also heard extensive testimony on the subject of bank mergers. There again, there has occurred an unrelenting, unremitting wave of mergers which has increased concentration of control in the hands of the Nation's giant banking facilities and caused the demise of many strong, healthy, independent competing banks. It is strange, indeed, that Mr. Ray Gidney, the Comptroller of the Currency, who has plenary statutory authority over national bank mergers has not seen fit to disapprove even one bank merger on the basis that it might substantially lessen competition. In this regard it would seem that Mr. Gidney is merely emulating the example set by Mr. Howrey.

To correct this situation I will support vigorously a bill introduced by Chairman EMANUEL CELLER to tighten up existing laws on bank mergers. Hearings on this bill will be held by the Antitrust Subcommittee beginning Tuesday, July 5.

In the course of our hearings, the Antitrust Subcommittee considered extensively a purportedly objective and exhaustive study of the antitrust laws by a blue-ribbon 61-member committee appointed by Attorney General Brownell. The conclusion is inescapable that this Brownell committee was heavily weighted with attorneys for corporations that have been repeated offenders of the antitrust laws in the past. The subcommittee found that of the total membership of Attorney General Brownell's committee, 42 were practicing lawyers who had in the period 1946 through 1955 personally or through their law firms represented corporate defendants in a total of 132 antitrust cases brought by the Department of Justice, and a total of 132 antitrust proceedings instituted by the Federal Trade Commission.

Even more significant was the fact that of the 42 practicing attorneys who were members of the committee, 21 represented defendants in antitrust cases brought by the Department of Justice or by the Federal Trade Commission which were pending at the time the Brownell committee conducted its deliberations and issued its report. There were 32 such pending antitrust cases instituted by the Department of Justice and 22 such cases brought by the Federal Trade Commission.

Another fact brought out by the subcommittee in connection with the Attorney General's Committee's report was that no member of the Brownell Commitee disqualified himself from participating in the deliberations of the committee on any issue even though it was involved in a pending antitrust case which the member was handling for a corporate defendant.

Under these circumstances, it is not surprising that the Brownell Committee's recommendations and suggestions would weaken the antitrust fabric rather than strengthen it. The report of Mr. Brownell's Committee makes no effective proposals to prevent further expansion of large firms by merger. It disapproves breaking up monopolistic concentrations except as a last resort even when such concentrations have been convicted of abusing that power. It failed even to consider, much less to suggest remedies for, the dangers to American democracy and free competitive enterprise resulting from corporate giantism.

The recommendations of the Brownell Committee concerning patents likewise tend to erode away present judicial effectiveness. It approves industry-dominating patent pools if they exercise their control reasonably. It approves price fixing under patents and restrictive licensing without regard to whether the licensor is a dominant firm. It would exclude compulsory royalty-free licensing as an available form of relief in patent-abuse cases.

The recommendations of Attorney General Brownell's committee encourage exclusive dealing, by making it necessary to show "actual foreclosure" from the market—a rule which, if appropriate in Sherman Act cases, is certainly inconsistent with the Clayton Act purpose to forbid restrictive practices that are potentially rather than actually impairing competition. It undermines the Robinson-Patman Act's effort to prevent big sellers from discriminating unjustifiably among their customers, and to prevent big buyers from coercing price concessions not related to the lower cost of doing business with them. And it proposes to impair existing right of the antitrust victim to recover mandatory treble damages and to restrict the period for which damages may be recovered.

The current hearings before the Antitrust Subcommittee were of an exploratory nature to ascertain what the current antitrust and monopoly problems are. Particularly noteworthy was the judicial and able manner in which Mr. CELLER conducted the hearings.

Many thoughtful proposals were made. For example, the subcommittee was urged to look into the pro's and con's of legislation to prohibit companies of specified size from merging except upon advance approval based upon a showing of technological necessity; to conduct pilot studies of a few of the very largest industrial giants with a view to drawing up tentative reorganization plans that might limit such enterprises to activities geared in kind and volume to minimum technological requirements; to amend the Motor Carrier Act so as to eliminate control of entry and rates for trucks and buses; to prohibit restrictive licensing of patents by large patentees.

Finally, the hearings of our Antitrust Subcommittee reemphasized that vigorous enforcement of the antitrust laws is necessary not only for the preservation of small business and free enterprise, but for the preservation of democracy itself.

Should We Encourage Our Youth Not To Finish High School?

EXTENSION OF REMARKS

OF

HON. E. KEITH THOMSON

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1955

Mr. THOMSON of Wyoming. Mr. Speaker, very soon we will be called upon to resume consideration of a military Reserve training program for our Nation. We will consider a bill that is different in certain respects from the one

which this House debated more than a month ago, yet the present bill will be similar, in the overall picture, to its predecessor.

I know that the Armed Services Committee has devoted a lot of time, thought, and work to this very complex problem. Members of the committee and its staff have been cooperative and courteous whenever I have had occasion to confer with them upon any matter within their jurisdiction and I commend them most highly for the fine work they do. I emphasize, Mr. Speaker, that I am not opposing a Reserve program. To the contrary, it is my considered opinion that the establishment and maintenance of a strong, effective Reserve training program is one of our best means of assuring our Nation's defense.

Properly administered, a fair and just Reserve program can afford this country an adequate manpower pool of trained men, and at the same time cause a minimum of dislocation to our basic economic system and to the normal lives of the individuals affected. A voluntary program of Reserve training, such as is provided by the forthcoming legislation, is, it seems to me, a necessity if we are to remain strong and free as a nation.

Despite all the time and effort, the committee has put into this legislation, Mr. Speaker, there still may be room for improvement. I have not yet seen the committee report on H. R. 7000, but it is my understanding that it will not contain a remedial amendment which I offered when H. R. 5297 was under consideration and which was accepted in principle. If the amendment were acceptable in principle, it seems to follow that it should be acceptable legislatively as well. I cannot conceive of a situation in which we would deliberately legislate against something conceded to be acceptable in principle. I hope that my understanding is incorrect, and that my amending provision will be a part of the new bill.

My concern with one feature of any Reserve training program involves the possibility of indirectly encouraging young men to interrupt or abandon their formal academic training before completing high school. When H. R. 5297 was being considered by this body, I offered an amendment which would have provided that men were not eligible to participate in the volunteer 6-month training program unless they had reached the age of 19 years or had completed their high-school education. This amendment, as I have said, was accepted in principle by the chairman of the Armed Services Committee but without a formal vote of the membership of this body.

At that time, I wrote educators in my State advising them of my amendment. I have received responses from most of these people, 100 percent of these responses expressing approval of the amendment. In addition, there has been spontaneous interest shown in the matter by educators on the national level. Only this morning all of you, I am sure, found on your desks a letter from the National Association of Secondary School Principals which outlined in pretty concrete form the position of these people. The letter I received from this organization had an added note expressing the hope that I will introduce this amendment again.

My purpose today, Mr. Speaker, is to call attention to excerpts from letters I have received from these educators. Permit me to quote a few of them:

I have read your statement rather carefully. I feel the suggested changes that you have made in the bill are all important and definitely should be included if the bill is to become law.

Without doubt if your amendment is not adopted, we will see many high-school boys join the Armed Forces before they have graduated and, thereby, deplete our enrollment and halt the education progress of those boys.

The arguments presented by you in favoring the amendment cannot be improved upon as all school administrators will agree that it is imperative for a boy to first complete his high-school education as the first step toward a successful vocation.

Most educators have long opposed any program that would encourage young men to abandon high school in favor of early enlistment in the armed services. Recognizing that national defense is of primary concern, we, nonetheless, feel that they can be of greater service to their country after having received a basic high-school education. Therefore your amendment to H. R. 5297 seems to be very well considered.

It is an all-too-common occurrence to have one who has dropped out of school to enlist to start writing back to his school to find out how he can get his diploma.

It becomes increasingly important that our young people finish high school in order that they may be useful, constructive citizens in our society. It is hard enough to keep them in school without adding inducements for them to leave early. In fact, we can well use more inducements for them to remain until they have finished.

I feel that even now too many of our boys are leaving school to enter the armed services with the idea that they may complete their high-school education through the United States Armed Forces Institute or by other methods which have been recognized in the past. I feel that your amendment will eliminate some of these boys from wanting to drop out of high school, and will result in a better educated citizenry and a higher quality of men in our Armed Forces.

We believe that there is much to be gained by having students complete their high-school education before entering the armed services. I am very much in favor of your program concerning this bill.

I am sure that the bill without the amendment would cause a number of high-school students who are nearing the age of 19 to drop out of school and apply for the Reserve program. Certainly the amendment would eliminate the situation. I am very sure that you would rather have a boy in this type of program who had completed high school than one who had not.

There is always a tendency for some boys who are doing quite well in school to get over anxious to enter military service. Then when they come back 2 or 3 years later, they are out of harmony in swinging into the regular high-school routine.

I believe these few quotes illustrate very adequately the position taken by educators on this matter. I believe their position is a valid one in that encouragement for interruption or abandonment of high school is injurious to the individual and, in turn, to the Nation's future. I feel we should give very careful consideration to this feature of whatever reserve training program ultimately is approved by Congress. Again, I repeat, I do hope we pass a good reserve training bill.

Small Business Administration Loans Should Be Made Available to Local Industrial and Community Development Groups

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EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 29, 1955

Mr. VAN ZANDT. Mr. Speaker, on June 27 I appeared before the House Banking and Currency Committee and made the following statement regarding the perpetuation of the Small Business Administration and extending its authority to provide loans to industrial and community groups as an aid to their efforts to attract new industries to labor-surplus areas:

STATEMENT BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, BEFORE THE HOUSE COMMITTEE ON BANKING AND CURRENCY, JUNE 28, 1955, IN SUPPORT OF LEGISLATION TO EXTEND THE LIFE OF THE SMALL BUSINESS ADMINISTRATION AND MAKE IT A PERMANENT AGENCY OF GOVERNMENT

Mr. Chairman, it is a pleasure to have the opportunity of appearing before this committee in support of legislation to extend the life of the Small Business Administration and make it a permanent agency of Government.

My purpose of appearing before you is twofold. First, I should like to relate my experience in working with the Small Business Administration and, secondly, I wish to make several suggestions which will expand the activities of the Small Business Administration, thus enabling it to perform in a more effective manner.

Mr. Chairman, I represent the 20th District of Pennsylvania comprising Blair, Centre, and Clearfield Counties. Geographically my district is in the central part of the Keystone State.

Since 1949 my district has been classified by the United States Department of Labor as a critical area and at the present time it is listed in group F because of having a very substantial labor surplus.

This classification means that we have over 13 percent of our employables walking the streets looking for work.

The cause of unemployment in my congressional district is due basically to a sick bituminous coal industry which has had adverse effect on the railroads and related industries.

The net result is that thousands of my constituents having exhausted their rights to unemployment compensation are forced to exist on public assistance from the Commonwealth of Pennsylvania and on surplus commodities.

This unemployment situation in my congressional district is not of recent origin. It has been developing for the past several years primarily because substitute fuels have replaced the use of bituminous coal.

The day of reckoning which is now upon us was delayed because of World War II and the Korean conflict.

In the meantime, having seen the handwriting on the wall, practically every one of our local communities organized industrial committees, and thousands of dollars have been raised by public subscription in an all-out and long-range program of rehabilitating the industrial economy of the area by attracting new industries or expanding the existing facilities of those already located in the community.

To date I can report some progress, but as you know the nationwide competition for new industries is keen and requires time, effort, and money.

Over a period of years the Small Business Administration and its predecessor, the Small Defense Plants Administration, have been a tower of strength in our efforts to rehabilitate and keep in operation existing plants as well as assisting in securing new industries.

To be more specific, in my congressional district the Small Business Administration made an inventory of our productive capacity and then assisted our industries to become eligible for defense contracts.

After eligibility was established the Small Business Administration has continued to furnish the industries concerned with full information regarding bids asked for by the Department of Defense.

In addition, full information on Government-owned patents has been made available to all businesses for the purpose of giving them new products to manufacture.

In the field of small-business procedures the regional and district offices of Small Business Administration have been very helpful to businessmen in my congressional district in acquainting them with new and modern business methods.

Probably the most effective assistance rendered by the Small Business Administration has been through loans to industries that have moved into my Congressional District or to those firms already there who needed financial aid for the purpose of expansion.

Mr. Chairman, in my opinion the Small Business Administration is doing an effective job in aiding the small-business man of the Nation because without its assistance in congressional districts like my own where the economy is sagging our efforts to promote recovery would not be as far advanced.

As I said in the beginning I have several suggestions to offer. First, in extending the life of the Small Business Administration I hope that Congress will take prompt action in making it a permanent agency of Government so that the experience gained, together with long-range planning, will make it a more effective arm of the Federal Government in carrying out its mission in the field of small business.

Secondly, in drafting legislation to extend or perpetuate the Small Business Administration I believe that if it is within the jurisdiction of this committee it should be made mandatory that the Department of Defense set aside a reasonable percentage of defense orders so that industries in labor surplus areas may have an opportunity to obtain them as a means of providing employment.

At the present time the Department of Defense has discretionary authority with the result that the so-called "set aside" program has proved a farce.

My next suggestion concerns my bill H. R. 5729 which is designed to authorize loans by the Small Business Administration to development credit corporations or industrial foundations located in areas having a substantial labor surplus.

Under the present authority given in the Small Business Act of 1953 financial aid by the Small Business Administration, except for disaster loans, can be made only to businesses as such.

Since a development credit corporation as a nonprofit institution is not recognized as a business therefore granting the authority for such loans will be a new field of operation for the Small Business Administration.

In my study of the subject I find there are several questions that may arise.

1. Is there a demand for this type of lending?

2. Could such a program be administered under the Small Business Administration's present credit policy?

3. What would be the overall effect of such a program?

In seeking an answer to the first question I find there are several types of development credit corporations, namely, the statewide corporations and the local corporations sometimes known as industrial development corporations, etc.

As some of you know, statewide corporations exist in your own States and especially in the New England area.

It is my understanding that New York State recently enacted a law establishing a development credit corporation.

In the field of statewide corporations favorable results have been achieved from well-organized programs.

Mr. Chairman, my bill H. R. 5729 does not apply to Statewide corporations but is restricted to local development groups at the community level whose capitalization ranges from $50,000 to $500,000 with the majority having a capitalization of less than $100,000.

In practically every instance these local nonprofit industrial development groups incorporated under the laws of the State have obtained their funds through voluntary solicitation from residents of their communities.

These local development groups have as their objective the rehabilitation of the economy of their areas principally by attracting new industries and extending aid to existing business firms which may find themselves in difficulty.

These local development groups buy and sell real estate, offer good industrial sites at attractive sales prices to prospective manufacturers, buy or build plants to lease or sell to new industries, offer financial aid in the relocation of industrial plants, and in some instances, make funds available to industries through loans or through purchase of stock in them.

In a few words, these community groups represent a dynamic force in the ceaseless battle to solve the unemployment problem in labor surplus areas.

With this background information let me refer to my first question as to whether there is a demand for loans to local development corporations. I think I have answered the question in the affirmative but let me give you another reason.

Despite the fact that the economy of the Nation is on sound footing and recognized as being good in general let us not forget there are nearly 150 labor surplus areas certified by the U. S. Department of Labor as being in groups B to F which is the category for areas with a labor surplus.

The economy of most of these areas depends upon the coal, railroad, or textile industries; while some are affected because industries have moved elsewhere.

Mr. Chairman, I submit that these labor surplus areas that are trying to pull themselves up by their own boot straps are definitely entitled to Federal assistance in the form of loans in preference to outright subsidies. Therefore, it is my contention that there is demand for Small Business Administration loans to local development corporations.

In regard to my question as to whether such a loan policy could be administered under the Small Business Administration's present credit policy I have been advised by competent authority that such a loan policy can be administered without any difficulty. I feel that Small Business Administration officials will confirm my views.

Mr. Chairman, there may be some curiosity aroused as to whether these proposed loans will be repaid. In this connection, let me point out that the officers of these local industrial development groups are mostly businessmen and can be depended upon to the nth degree in meeting any obligation assumed by these community groups.

In addition, all applications would be subject to careful screening by the Small Business Administration and development groups would have to stand on their own feet.

Mr. Chairman, there is another point I should like to mention and that is the psychological effect such a lending program would have on the formation of new industrial development groups and encouraging the activities of existing groups.

Even if no money were expended by the Federal Government under this loan program the effect its existence would have on the morale of the community groups would be highly beneficial.

You will recall my third and final question is, What would be the overall effect of such a program?

My answer to that question is that it would have a favorable and far-reaching effect on the economy of our Nation especially in labor surplus areas by relieving the unemployment situation.

This would be accomplished by permitting the Small Business Administration to make loans where the need at the present time is greatest and in areas where today by reason of the present Small Business Administration credit policy the Small Business Administration is restricted from activity.

I wish to give you a concrete example after which I will conclude my statement.

Assuming that H. R. 5729 becomes a law or its provisions are incorporated in the committee's bill extending the life of the Small Business Administration, any local industrial development corporation may make application for a loan provided it can furnish reasonable assurance of repayment.

For example, a local industrial development group planning to build a plant in order to attract new industry must as a condition of the loan give a first mortgage on the plant to the Small Business Administration as well as an assignment of the lease by the business firm which occupies the building, thus furnishing the Small Business Administration with what is regarded in commercial circles as adequate security for the loan.

The local industrial development group by reason of securing the Small Business Administration loan is then in position to expand its activities by being permitted to use funds that possibly for months have been invested in the enterprise and now become available for the purchase of additional sites and the construction of additional buildings.

In other words, the funds of the local industrial development corporation become a revolving fund permitting further activities in rehabilitating the economy of the area.

Mr. Chairman, I hope that the committee will not only recommend perpetuation of the Small Business Administration but that it will also either favor my bill H. R. 5729 or incorporate its provisions in any legislation reported by this committee, thus enabling the Small Business Administration to be of even greater service in the overall effort to rehabilitate the critical areas of the Nation.

Gen. Matthew B. Ridgway Retires From Active Duty

EXTENSION OF REMARKS
OF

HON. OLIN E. TEAGUE
OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1955

Mr. TEAGUE of Texas. Mr. Speaker, I desire to take this occasion to pay tribute to a man who has selflessly devoted his entire life to the service of our country. He is a great soldier, a great American, a great human being. I refer to Gen. Matthew B. Ridgway.

On June 30 he is ending his tour as Chief of Staff of the United States Army and retiring from active duty. In so doing he is ending one of the most distinguished military careers in our history as a Nation. Throughout the existence of the United States, the United States Army has consistently rendered devoted and invaluable service to the American people. But few of the men who have even worn the Army uniform have matched the value of the services General Ridgway has rendered. None has rendered greater service.

Matthew Ridgway was born to be a soldier. As the son of an Army officer, he grew up to the sound of the bugle. From his infancy he absorbed the principles which have made our Army and our Nation great—the principles of duty, honor, country.

Almost as a matter of course, when he reached the proper age, he entered the United States Military Academy at West Point, graduating with the class of 1917. Out of that West Point class, 1 out of every 3 graduates became a general. It is proof of General Ridgway's distinction that, even compared with such an outstanding group, his reputation towers so high.

Early in his career as an officer he began to demonstrate unusual talents as a planner and an administrator. These alone could have provided the basis for an outstanding career, but he showed other great talents as well. He carried out a number of important and delicate tasks in the military aspects of our diplomatic relations with foreign nations.

By the time of the attack at Pearl Harbor, General Ridgway was well on the way to becoming one of our most outstanding younger military statesmen. It was then that he revealed still another side of his brilliant ability as a soldier. He took command of the 82d Infantry Division and under him it became one of our first airborne divisions. General Ridgway became a pioneer in the infant science of airborne warfare.

He led his division into Sicily in the first large-scale night airborne operation in history. When the record of the Sicilian campaign was written and evaluated, it was obvious that the paratroopers led by Ridgway had earned a large share of the credit for bringing about the rapid collapse of enemy resistance in that campaign. His own extraordinary heroism in Sicily earned General Ridgway the Distinguished Service Cross.

After the Sicilian campaign, Ridgway led his troops in the Battle of Salerno, in Italy. Then, because of the valor and skill which the 82d Division had displayed, it was included in the forces being gathered together in Britain to make one of the most significant efforts of the whole war in Europe—the invasion across the English Channel.

Matthew Ridgway is the kind of general who never tells his men, "Go on," but always says, "Come on, follow me." He jumped with his paratroopers into Normandy on the night before the landings on the Continent. Once the paratroopers were on the ground Ridgway directed the battle with such skill and with such vigorous and inspiring leadership that, although the division was heavily outnumbered, it successfully trapped an enemy force made up of no less than four divisions.

The ability and courage which General Ridgway again displayed so conspicuously in the Normandy campaign led to his being awarded a second Distinguished Service Cross and to his promotion to be commander of the first airborne corps ever to be formed in our Army. He led this command throughout the remainder of the war in Europe—the campaigns of northern France, the Rhineland, and the Bulge. He led it across the Rhine in a massive daylight airborne operation at Wesel. In this operation he was wounded in close combat with enemy infantry. When the war was drawing to a close, he daringly threw a bridgehead across the Elbe River and drove through to the Baltic Sea. By so doing he was able to reach the Baltic in time to keep the Russians from moving into Denmark. In this act alone he made a tremendous contribution. If the Russian troops had occupied Denmark, no one can guess what the whole postwar history of Western Europe might have been like.

With the end of World War II, General Ridgway had a solid reputation as one of our most distinguished combat generals. He was one of the world's greatest experts on airborne warfare. And over and over again, he had demonstrated the highest qualities of leadership. During World War II, they used to say, "If you're looking for Ridgway, look for the most advanced outfit in the corps. When you get to its forward point you'll find Ridgway and anybody else who has been able to keep up." He got down to the companies and the platoons. He carried a rifle with him whenever he left his command post, and plenty of times he used it.

After the war he performed with conspicuous success a number of valuable services which called for a high order of skill in planning and administration, for outstanding qualities of diplomacy and foresight. He worked on the United Nations Military Staff Committee, he commanded forces in the Caribbean, and then he became a Deputy Chief of Staff.

He was holding that post when he was suddenly called upon to take command of the Eighth Army in Korea.

We all remember that dark December of 1950. The U. N. forces were retreating through the bitter cold. They had suffered heavy casualties. They were suffering extreme hardship. They were short of supplies. They had had to abandon quantities of equipment and munitions.

When General Ridgway landed in Korea, we were hearing talk of a Korean Dunkirk, of pulling back to Japan whatever we could save.

But there was no such notion in Matthew Ridgway's mind. All he said was, "I aim to stay." And he stayed. He took over a demoralized, disspirited, beaten army. By the force of his remarkable personality, by the brilliance of his military skill, by the inspiration of his peerless leadership he infused it with a completely new spirit of confidence in itself and in its cause. No one could possibly fail to have confidence in such a commander. No one could possibly have any doubts of success under his leadership.

Within 3 days he had visited the command posts of all 7 of the American divisions, all 3 of the American corps, and 2 of the 3 South Korean corps. "I am not interested in your plans for retreat," he told the staffs. "Show me your plans to attack." And within 10 days he not only had brought a major Chinese offensive to a halt but had launched a full-scale counterattack of his own. He kept up his aggressive tactics, driving the enemy steadily back—an enemy that never thereafter regained the strategic initiative from the Eighth Army.

He did this with an Army made up of the same men, but men with a completely different spirit—a spirit derived directly from the strength and character of their great commander.

Mr. Speaker, the pages of the military history books, the accounts of all the world's greatest commanders record no more remarkable achievement than that of General Ridgway in the virtual miracle he wrought with the Eighth Army.

He went on to become the Commander in Chief of the United Nations Command and of United States forces in the Far East, and then was called to be the Supreme Allied Commander of the North Atlantic Treaty Organization. He thus is the only officer ever to have held the supreme command in both the Far East and in Europe.

A little less than 2 years ago he was assigned to the post of Chief of Staff of the United States Army, the highest position—and the greatest responsibility—which can be given within our Army.

I do not know if, outside the Army itself, there is adequate realization of the tremendous impact of his service as the Army's top officer. As Chief of Staff, he has unfailingly placed primary attention where it belongs—upon the skill, the stamina, and the courage of the individual combat soldier. He has spared no effort to see that that soldier is provided with the best attainable training, the best equipment, the best leadership, and the best conditions under which to work and fight. He has vigorously pursued the development of forces realistically prepared to take on and successfully carry out any task which they could reasonably be called upon to perform.

In seeking the development of such forces, General Ridgway fought what was perhaps one of the hardest battles of his career. Unlike his other battles, it did

not end in complete victory. And yet, it would be wrong to say it ended in complete defeat, for because of the unquestionable authority with which he presented his views, he focused the attention of the public upon matters of the most vital import which might otherwise have gone unquestioned. He spoke with an authority based not on theory, not on secondhand information, but based solidly on intimate, personal experience gained in the frontlines of some of the most hard-fought battlefields in history. It was experience gained in Sicily, in Italy, in France, in Germany, and in Korea.

But in serving as advocate for the cause in which he believed with all his mind and all his heart, he did so without once transgressing by a fraction of an inch the proper sphere of a soldier. He not only believes, but he exemplifies the principle that a soldier should give his conscientious advice on the choice of a course of action but that he should wholeheartedly execute his share of carrying out whatever course is adopted, and that he should never question or trespass against the authority of the elected officials of the people to make the decision as to what that course will be.

I think that the essential greatness of this great American is brought out clearly in the way that, without compromising the integrity of his convictions and without violating the soldier's code he lives by, he conducted himself throughout a difficult situation with dignity, with restraint, and with unfailing propriety.

Make no mistake about it. Matthew Ridgway is one of America's truly great men. I have spoken of his brilliant achievements in many fields. I have not mentioned his warm, human qualities as a man. Once in Korea he saw a soldier loaded down with a heavy pack and with bandoliers of ammunition, making his way up the line as best he could under the burden he was carrying. One of the soldier's combat boots was untied, but he was too heavily loaded to bend over and tie his bootlace. All of a sudden he heard a voice say, "Could I tie that lace for you, soldier?" And before he could say anything he saw General Ridgway, the Army commander, kneeling in the mud in front of him and tying the dangling laces of his boot. That story reveals volumes about Matthew Ridgway.

He has true dignity. He has a depth of intellect and a depth of feeling, and he has greatness of soul. He has ever been fearless in battle, fearless in upholding what he believed to be right, but he is humble before God.

He is leaving the Army after 42 years of active service as an officer and cadet, and after a lifetime of dedication to his country. Fittingly, he is leaving the Army after having held its highest position, in which, without any question, he proved himself in one of the most difficult periods of our military history to be one of the most outstanding Chiefs of Staff our Army has ever had. But his service to the American people is not ending. It is typical of the man that in the position he has accepted as chairman of the board of a great research foundation he will continue to contribute to the welfare of the people of this Nation.

Mr. Speaker, all of us in this great country may be grateful, all of us may humbly thank God, that for these past years we have had the benefit of the selfless and devoted service of this great man and that for the future we have the inspiration of the magnificent example he has given us.

SENATE

THURSDAY, JUNE 30, 1955

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, for the beauty which fills the earth, for the love which hallows our homes, for the joy which springs from work well done, we thank Thee, the source of all true gladness and the Master of all good workmen.

Thou hast ordained that in the leadership of the nations, the care of the many must ever rest upon the shoulders of the few. We beseech Thee, give understanding, humility, and charity to those who in Thy name and for our Nation's and the world's sake are entrusted here, in this forum of deliberation, with the power of choice and decision. In this troubled and uncertain day when the seamless robe of a common humanity is rent by inner strife and outward fear, teach us to be anxious for nothing but to do our best. And, when following the kindly light, day by day, we have done faithfully the tasks which Thou hast committed to us, in quietness and in confidence may we leave the final result to Thy unerring judgment; In the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 30, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALAN BIBLE, a Senator from the State of Nevada, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. BIBLE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 29, 1955, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 2266) to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 727) to adjust the salaries of the judges of the municipal court of appeals for the District of Columbia, the municipal court for the District of Columbia, the juvenile court of the District of Columbia, and the District of Columbia tax court.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 6 and 20 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 5 and 33 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6239) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part to the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 5891) to amend the act of July 31, 1947 (61 Stat. 681), and the mining laws to provide for multiple use of the surface of the same tracts of the public lands, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ROGERS of Texas, Mr. METCALF, Mr. SAYLOR, and Mr. DAWSON of Utah were appointed managers on the part of the House at the conference.

The message also announced that the House insisted on its amendment to the bill (S. 1464) to authorize the Secretary of the Interior to acquire certain rights-of-way and timber access roads; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ENGLE, Mr. ROGERS of Texas, Mr. METCALF, Mr. SAYLOR, and Mr. DAWSON of Utah were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4853) to authorize the sale of certain land in Alaska to the Pacific Northern Timber Co.

The message also announced that the House had passed the following joint

resolutions, in which it requested the concurrence of the Senate:

H. J. Res. 157. Joint resolution to establish a Commission on Government Security;

H. J. Res. 359. Joint resolution to authorize the designation of October 22, 1955, as National Olympic Day; and

H. J. Res. 365. Joint resolution making an additional appropriation for the fiscal year ending June 30, 1955.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Acting President pro tempore:

S. 391. An act to provide for the bonding of certain officers and employees of the government of the District of Columbia, for the payment of the premiums on such bonds by the District of Columbia, and for other purposes; and

S. J. Res. 85. Joint resolution to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Minerals of the Committee on Interior and Insular Affairs, the Subcommittee on Internal Security, the Banking and Currency Committee, and the Subcommittee on Investigations of the Committee on Government Operations were authorized to meet during the session of the Senate today.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, as the Senate meets today following an adjournment there is, of course, a morning hour. I ask unanimous consent that during the morning hour there be the usual 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS — CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the Defense Department conference report. The distinguished chairman of the committee [Mr. CHAVEZ] is on the floor. It is a bill which is extremely important, and I ask that the conference report may be proceeded with immediately.

Mr. CHAVEZ. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 30, 1955, pp. 9600–9601, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 6042, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
June 30, 1955.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 6 and 2 to the bill (H. R. 6042) entitled "An act making appropriations for the Department of Defense for the fiscal year endin June 30, 1956, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "and in addition not to exceed $50,000,000 to be used upon determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense and to be derived by transfer from such appropriations available to the Department of Defense for obligation during the current fiscal year as the Secretary of Defense may designate."

That the House recede from its disagreement to amendment numbered 33 to said bill, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 638. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 3 years or more performed by civilian personnel of the Department of Defense unless justified to the Appropriations Committees of the Senate and House of Representatives, at least 90 days in advance of such disposal or transfer, that its discontinuance is economically sound and the work is capable of performance by a contractor without danger to the national security: *Provided,* That no such disposal or transfer shall be made if disapproved by either committee within the 90-day period by written notice to the Secretary of Defense."

Mr. CHAVEZ. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate Nos. 5 and 33.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from New Mexico.

The motion was agreed to.

Mr. CHAVEZ. I wish to take this opportunity to thank the members of the Senate Appropriations Committee—both Democrats and Republicans—for the splendid assistance which I received during the consideration of the Defense bill. With their cooperation, we are passing today the largest peacetime appropriation bill in the history of the United States. I also wish to thank the members of the staff for the fine work which they have done on the bill. In addition, I wish to thank the General Accounting Office for lending to the committee the services of Messrs. Grandison G. Allen and Mr. Arthur W. Stewartson who were of so much assistance during the consideration of the bill.

Mr. President, I ask unanimous consent to have printed at this point in the proceedings a chart with reference to the bill.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Congressional action on H. R. 6042, the Department of Defense appropriation bill for fiscal year 1956

Department and appropriation title	Appropriations, 1955	Original 1956 budget estimate	President's amended 1956 request	House action	Senate action	Conference action
(1)	(2)	(3)	(4)	(5)	(6)	(7)
TITLE I. OFFICE OF THE SECRETARY OF DEFENSE						
Salaries and expenses, OSD	$12,250,000	$12,250,000	$12,250,000	$12,000,000	$12,250,000	$12,250,000
Salaries and expenses, OPI	500,000	500,000	500,000	400,000	420,000	420,000
Total, direct congressional appropriations and new obligational authority	12,750,000	12,750,000	12,750,000	12,400,000	12,670,000	12,670,000
TITLE II. INTERSERVICE ACTIVITIES						
Claims	7,680,000	11,930,000	11,930,000	11,930,000	11,930,000	11,930,000
Contingencies	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000	40,000,000

Congressional action on H. R. 6042, the Department of Defense appropriation bill for fiscal year 1956—Continued

Department and appropriation title	Appropriations, 1955	Original 1956 budget estimate	President's amended 1956 request	House action	Senate action	Conference action
(1)	(2)	(3)	(4)	(5)	(6)	(7)
TITLE II. INTERSERVICE ACTIVITIES—Continued						
Emergency fund	$25,000,000	$35,000,000	$35,000,000	$25,000,000	[1] $35,000,000	[2] $35,000,000
Reserve tools and facilities		100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
Retired pay	404,500,000	440,000,000	495,000,000	495,000,000	495,000,000	495,000,000
Salaries and expenses, Court of Military Appeals	320,000	320,000	320,000	320,000	320,000	320,000
Construction of ships, MATS	50,000,000					
Total, direct congressional appropriations and new obligational authority	527,500,000	627,250,000	682,250,000	672,250,000	682,250,000	682,250,000
TITLE III. DEPARTMENT OF THE ARMY						
Military personnel, Army	4,150,479,000	3,460,000,000	3,688,600,000	3,679,095,000	3,679,095,000	3,679,095,000
Maintenance and operations, Army	2,795,722,986	3,033,881,000	3,065,131,000	2,831,019,000	2,831,019,000	2,831,019,000
Procurement and production						
Military construction, Army Reserve Forces	15,000,000	31,611,000	31,611,000	31,611,000	31,611,000	31,611,000
Reserve personnel, Army	90,000,000	130,289,000	141,986,000	141,589,000	141,589,000	141,589,000
Army National Guard	218,530,000	294,800,000	308,239,000	308,239,000	308,239,000	308,239,000
Research and development, Army	345,000,000	333,000,000	333,000,000	333,000,000	333,000,000	333,000,000
National Board for Promotion of Rifle Practice, Army	100,000	150,000	150,000	265,000	500,000	400,000
Operation and maintenance, Alaska Communication System	4,235,000	5,269,000	5,269,000	5,000,000	5,000,000	5,000,000
Total, direct congressional appropriations and new obligational authority	7,619,066,986	7,289,000,000	7,573,980,000	7,329,818,000	7,330,053,000	7,329,953,000
TITLE IV. DEPARTMENT OF THE NAVY						
Military personnel, Navy	2,417,000,000	2,306,267,000	2,490,590,000	2,486,109,900	2,486,109,900	2,486,109,900
Reserve personnel, Navy	78,100,000	83,943,000	91,811,000	91,811,000	91,811,000	91,811,000
Navy personnel, general expenses	75,030,000	83,000,000	83,000,000	83,000,000	83,000,000	83,000,000
Military personnel, Marine Corps	612,180,600	578,000,000	618,391,000	616,438,000	650,244,000	650,244,000
Reserve personnel, Marine Corps	16,750,000	19,031,000	20,606,000	20,606,000	20,606,000	20,606,000
Marine Corps procurement	129,974,000	286,500,000	286,500,000	286,500,000	290,190,000	290,190,000
Marine Corps troops and facilities	167,994,500	176,000,000	176,000,000	172,750,000	181,605,000	181,605,000
Aircraft and related procurement	1,973,568,000	753,000,000	753,000,000	905,602,000	905,602,000	905,602,000
Aircraft and facilities	780,895,500	814,500,000	814,500,000	809,632,000	809,632,000	809,632,000
Shipbuilding and conversion	1,042,400,000	1,317,000,000	1,317,000,000	1,387,634,000	1,387,634,000	1,387,634,000
Ships and facilities	818,681,000	786,700,000	786,700,000	779,685,000	779,685,000	779,685,000
Construction of ships	57,600,000	[3]	[3]	[3]	[3]	[3]
Procurement of ordnance and ammunition				185,842,000	185,842,000	185,842,000
Ordnance and facilities	457,436,000	188,500,000	188,500,000	182,889,000	182,889,000	182,889,000
Ordnance for new construction	34,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Cash to liquidate prior contract authority	(34,000,000)	(28,000,000)	(28,000,000)	(28,000,000)	(28,000,000)	(28,000,000)
Medical care	63,600,000	63,400,000	63,400,000	62,500,000	62,494,556	62,494,556
Civil engineering	104,294,000	122,500,000	122,500,000	120,069,700	120,069,700	120,069,700
Military construction, Naval Reserve Forces	15,000,000	28,477,000	28,477,000	28,061,400	28,061,400	28,061,400
Research and development	419,874,900	431,933,000	431,933,000	431,933,000	431,933,000	431,933,000
Servicewide supply and finance	340,300,000	298,000,000	298,000,000	295,600,000	295,600,000	295,600,000
Servicewide operations	104,570,000	82,898,000	82,898,000	94,320,000	94,320,000	94,320,000
Naval petroleum reserve	3,575,000	2,851,000	2,851,000	2,851,000	2,851,000	2,851,000
Navy military procurement		495,500,000	495,500,000			
Total, direct congressional appropriations	9,712,823,500	8,946,000,000	9,180,157,000	9,071,834,000	9,118,179,556	9,118,179,556
Less cash to liquidate prior contract authority	34,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Total, new obligational authority	9,678,823,500	8,918,000,000	9,152,157,000	9,043,834,000	9,090,179,556	9,090,179,556
TITLE V. DEPARTMENT OF THE AIR FORCE						
Aircraft and related procurement	2,760,000,000	6,100,000,000	6,100,000,000	5,950,000,000	[4] 6,306,000,000	[4] 6,306,000,000
Major procurement other than aircraft	674,364,000	400,000,000	400,000,000	350,000,000	349,862,600	349,862,600
Research and development	418,070,000	570,000,000	570,000,000	570,000,000	570,000,000	570,000,000
Maintenance and operations	3,502,792,000	3,780,000,000	3,787,974,000	3,615,500,000	[5] 3,597,496,570	[5] 3,597,496,570
Military personnel	3,356,704,000	3,440,000,000	3,679,000,000	3,679,000,000	3,680,650,000	3,680,650,000
Reserve personnel	28,000,000	40,000,000	43,563,000	43,563,000	43,563,000	43,563,000
Air National Guard	160,000,000	200,000,000	203,141,000	202,841,000	192,191,000	192,191,000
Contingencies	28,000,000					
Total, direct congressional appropriations and new obligational authority	10,927,930,000	14,530,000,000	14,783,678,000	14,401,904,000	14,739,763,170	[6] 14,739,763,170
TOTAL TITLES I, II, III, IV, AND V						
Total, direct congressional appropriations	28,800,070,486	31,405,000,000	32,232,815,000	31,488,206,000	31,882,915,726	31,882,815,726
Less cash to liquidate prior contract authority	34,000,000	28,000,000	28,000,000	28,000,000	28,000,000	28,000,000
Total, new obligational authority	28,766,070,486	31,377,000,000	32,204,815,000	31,460,206,000	31,854,915,726	31,854,815,726

[1] In addition, not to exceed $200 million to be derived by transfer.
[2] In addition not to exceed $50 million to be derived by transfer.
[3] Rescission of $8,572,000 in unfinanced contract authority.
[4] Includes additional funds requested for Air Force buildings.
[5] Additional funds totaling $55 million to be derived by transfer.
[6] In addition rescissions are recommended as follows:

Appropriation title	*Amount*
Army stock fund	$700,000,000
Navy stock fund	429,000,000
Marine Corps stock fund	25,000,000
Navy industrial fund	40,000,000
Air Force stock fund	300,000,000
Air Force industrial fund	155,000,000
Total	1,649,000,000

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I now ask that the conference report on the District of Columbia appropriation bill be immediately considered.

Mr. STENNIS. Mr. President, I submit a report of the Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6239) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1955, and for other purposes. I ask unanimous consent for the present consideration of the report.

The ACTING PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 30, 1955, pp. 9606–9608, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

Mr. STENNIS. Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the amounts carried in the District of Columbia appropriation bill, under the various appropriation titles, and a comparison with the 1955 allowances.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

District of Columbia appropriation bill for the period ending June 30, 1956

Appropriation titles	Adjusted appropriations, 1955	Budget estimates, 1956	House allowance	Senate allowance	Conference allowance
OPERATING EXPENSES					
Executive Office	$307,565	$364,900	$300,000	$364,900	$308,000
Department of General Administration	2,945,522	3,135,800	3,021,850	3,135,560	3,081,850
Office of Corporation Counsel	428,585	433,000	427,000	442,900	442,900
Compensation and retirement fund expenses	10,207,000	10,086,000	9,936,000	10,036,000	10,036,000
Regulatory agencies	933,204	[2] 991,520	958,000	991,420	967,000
Department of Occupations and Professions	264,000	264,000	240,000	253,030	248,500
Public schools	27,626,570	28,191,000	27,986,810	28,285,968	28,130,000
Public Library	1,611,000	1,641,000	1,620,000	1,641,000	1,639,300
Recreation Department	1,641,000	1,694,000	1,678,000	1,694,000	1,688,500
Metropolitan Police	12,757,520	12,829,000	12,781,000	12,826,000	12,808,000
Metropolitan Police (maintaining public order, American Legion Convention)	80,000				
Fire Department	6,266,641	6,305,000	6,257,900	6,257,900	6,257,900
Veterans' Service Center	93,000	94,200	90,000	92,200	92,200
Office of Civil Defense	150,000	154,500	75,000	100,000	75,000
Department of Vocational Rehabilitation	120,000	140,000	140,000	140,000	140,000
Courts	3,163,410	3,374,000	3,300,000	3,374,000	3,369,674
Department of Public Health	23,286,300	23,718,000	23,492,000	23,687,564	23,592,000
Department of Corrections	4,374,674	4,589,000	4,520,000	4,533,640	4,526,820
Department of Public Welfare	8,917,961	10,032,000	9,600,000	9,600,000	9,600,000
Department of Buildings and Grounds	1,675,642	1,704,000	1,687,000	1,687,000	1,687,000
Office of the Surveyor	149,200	163,500	148,920	158,920	153,920
Department of Licenses and Inspections	1,378,000	1,616,000	1,482,000	1,589,276	1,546,276
Department of Highways	5,768,600	6,105,000	5,876,000	6,057,981	5,967,000
Department of Vehicles and Traffic	1,002,959	1,128,000	1,094,000	1,119,500	1,107,000
Motor-Vehicle Parking Agency	235,406	561,300	350,000	350,000	350,000
Department of Sanitary Engineering	9,732,740	10,339,000	10,255,000	10,291,890	10,285,000
Washington aqueduct	2,127,000	2,122,000	2,120,000	2,120,000	2,120,000
National Guard	114,800	122,300	114,800	122,300	119,800
National Capital Parks	2,344,000	2,415,000	2,389,000	2,389,000	2,389,000
National Zoological Park	645,000	669,300	645,000	669,300	669,300
Judgments and claims	82,693				
Total, operating expenses:					
General fund	117,537,886	120,865,670	118,716,730	120,143,168	119,521,390
Highway fund	6,635,471	7,096,500	7,071,700	7,107,181	7,089,700
Water fund	4,720,303	4,965,300	4,963,300	4,947,228	4,958,300
Sanitary sewage works fund	1,250,686	1,447,950	1,447,950	1,418,072	1,432,950
Motor-vehicle parking fund	285,646	606,900	395,600	395,600	395,600
Grand total, operating expenses, all funds	130,429,992	134,982,320	132,595,280	134,011,249	133,397,940
CAPITAL OUTLAY					
District debt service	250,000	443,800	443,800	443,800	443,800
Public building construction	15,712,000	8,081,900	3,235,400	7,544,400	7,544,400
Miscellaneous	992,500	4,162,000	3,760,300	1,260,300	1,260,300
Department of Highways	11,810,000	14,185,000	11,205,000	13,535,000	13,535,000
Department of Sanitary Engineering	7,491,000	10,397,000	9,662,000	9,662,000	9,662,000
(Liquidation of contract authorization)	270,000				
Washington aqueduct	3,900,000	3,210,000	3,000,000	3,000,000	3,000,000
Total, capital outlay:					
General fund	20,960,500	17,804,900	15,056,700	13,865,700	13,865,700
Highway fund	11,410,000	13,785,000	10,805,000	13,135,000	13,135,000
Water fund	5,265,000	5,767,800	5,444,800	5,444,800	5,444,800
Sanitary sewage works fund	2,790,000	3,122,000	3,000,000	3,000,000	3,000,000
Grand total, capital outlay	40,425,500	40,479,700	34,306,500	35,445,500	35,445,500
Recapitulation by funds:					
General fund	138,498,386	138,670,570	133,773,430	134,008,868	133,387,090
Highway fund	18,045,471	20,881,500	17,876,700	20,242,181	20,224,700
Water fund	9,985,303	10,733,100	10,408,100	10,392,028	10,403,100
Sanitary sewage works fund	4,040,686	4,569,950	4,447,950	4,418,072	4,432,950
Motor-vehicle parking fund	285,646	606,900	395,600	395,600	395,600
Total, all funds	170,855,492	[1] 175,462,020	166,901,780	169,456,749	168,843,440

[1] Includes $56,720 in S. Doc. 50.

CONTINGENT EXPENSES OF THE HOUSE OF REPRESENTATIVES

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate House Joint Resolution 365, making an additional appropriation for the fiscal year ending June 30, 1955, which was read twice by its title.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 365, which relates to the management of the House.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none.

There being no objection, the Senate proceeded to consider House Joint Resolution 365, making an additional appropriation for the fiscal year ending June 30, 1955.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. This is a measure which the Senator discussed with me. It deals with an appropriation for the House of Representatives, and the Senate ordinarily agrees to such measures as a matter of comity between the two Houses.

Mr. HAYDEN. The joint resolution provides for an additional amount of $12,000 for the House folding room.

The ACTING PRESIDENT pro tempore. The joint resolution is open to amendment.

If there be no amendment to be offered, the question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 365) was ordered to a third reading, read the third time, and passed.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS, DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS (S. DOC. NO. 59)

A communication from the President of the United States, transmitting proposed

supplemental appropriations for the Department of Defense in the amount of $12,300,000, fiscal year 1956 (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

REPORT ON PAPERWORK MANAGEMENT, PART II: THE NATION'S PAPERWORK FOR THE GOVERNMENT

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report on Paperwork Management, Part II: The Nation's Paperwork for the Government, dated June 1955 (with an accompanying report); to the Committee on Government Operations.

REPORTS ON WATER RESOURCES AND POWER

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission on water resources and power, dated June 1955 (with an accompanying report); to the Committee on Government Operations.

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, a report of that Commission's Task Force on Water Resources and Power dated June 1955 (with an accompanying report); to the Committee on Government Operations.

FINAL REPORT OF COMMISSION ON ORGANIZATION OF EXECUTIVE BRANCH OF GOVERNMENT

A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting, pursuant to law, the final report of that Commission, dated June 1955 (with an accompanying report); to the Committee on Government Operations.

VALIDATION OF PAYMENTS OF CERTAIN MILEAGE

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to validate payments of mileage made to United States Army and Air Force personnel pursuant to permanent change of station orders authorizing travel by commercial aircraft, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

Resolutions of the House of Representatives of the General Court of the Commonwealth of Massachusetts; to the Committee on Interstate and Foreign Commerce:

"Resolutions Memorializing Congress Relative to the Closing of the Gurnet Point Lifesaving Station

"Whereas the Coast Guard has for many years maintained a Coast Guard station at Gurnet Point in Plymouth; and

"Whereas many lives have been saved by the personnel stationed at this station; and

"Whereas the boating population is steadily increasing in this area; and

"Whereas this station was deactivated on May 29: Now, therefore, be it

"*Resolved*, That the House of Representatives of the General Court of Massachusetts urges the Members of Congress from this Commonwealth to take the necessary steps to cause the immediate reactivation of this important and necessary lifesaving medium; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States and all Members of Congress from this Commonwealth."

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. CURTIS. Mr. President, I have received a petition signed by a group of citizens living in Lincoln, Nebr., praying for the enactment of legislation to prohibit alcoholic beverage advertising in interstate commerce. I ask unanimous consent that the petition, together with the names and addresses of those who signed it, be printed in the RECORD.

There being no objection, the petition, together with the names and addresses, was ordered to be printed in the RECORD, as follows:

To our Senator, CARL CURTIS:

We, your constituents, earnestly beg you to help us bring up mentally and morally sound children, and to conquer the juvenile delinquency now in our midst, by exercising the powers of Congress to get alcoholic beverage advertising off the air and out of the channels of interstate commerce and thus protect the rights of States to prevent advertising within their borders, of commodities which have been declared unlawful either by their legislatures or by the people exercising the rights of local option granted them under State law.

Margaret A. Lindquist, 2903 North 43, Lincoln; Lillian A. Benton, 5110 Madison, Lincoln, Nebr.; Agnes C. Nelson, 5234 Adams, Lincoln, Nebr.; Bessie M. Gilmer, 2904 North 50, Lincoln, Nebr.; Deone W. Welch, 2313 North 67th Street, Lincoln, Nebr.; Edna E. Sautter, 5226 Walker, Lincoln, Nebr.; Kathryn Beevis, 2941 North 48, Lincoln, Nebr.; Elizabeth McElroy, 4814 Garland Street, Lincoln, Nebr.; Jessie B. McKenzie, 4426 Knox, Street; Ruth Burch Smith, 4342 St. Paul Avenue, Lincoln, Nebr.; Florence A. Earl, 2933 North 53, Lincoln, Nebr.; Edith F. Brown, 5113 Cleveland, Lincoln, Nebr.; Grace N. Spidel, 2840 North 56th, Lincoln, Nebr.; Nettie M. Short, 3346 O Street, Lincoln, Nebr.; Elsie F. Moore, 2936 North 54, Lincoln, Nebr.; Edith Lasure, 5029 Cleveland Avenue, Lincoln, Nebr.; Bertha G. Brokaw, 2914 North 53d Street, Lincoln, Nebr.; C. Marie McDonald, 4604 Madison Avenue, Lincoln, Nebr.; Dorothy D. Dappen, 5401 Leighton Avenue, Lincoln, Nebr.; Amy Kennedy, 5019 Huntington Avenue, Lincoln, Nebr.; Pearl Anderson, 4419 Madison, Lincoln, Nebr.; Lilly Hedges, 4828 Huntington, Nebr.; Blanche A. Bounds, 2301 North 50, Lincoln, Nebr.; Mrs. Linnie Deles Derirleux, 820 South 30th; Mrs. Ottalie Somers, 4943 Huntington, Lincoln; Miss Harriet H. Frohm, 2926 North 51st, Lincoln, Nebr.; Carl M. Davidson, 2702 North 49th, Lincoln, Nebr.; Mrs. Fasta Harrington, 5102 Madison Avenue, Lincoln, Nebr.; Mrs. Vira M. Davidson, 2702 North 49th, Lincoln, Nebr.; Mrs. Minnie Lehr, 2926 North 51, Lincoln, Nebr.; Mrs. Maude H. Williams, 5302 Greenwood, Lincoln, Nebr.; Mrs. Phoebe E. George, 5036 Walker, Lincoln, Nebr.; Edna P. Neeley, 1845 South 48, Lincoln, Nebr.; Laura I. Boner, 4918 Knox, Lincoln, Nebr.; Alice C. Moore, 2936 North 54th Street, Lincoln, Nebr.; Ella N. Pritchett, 5714 Huntington Avenue, Lincoln, Nebr.; Nan D. Grossoehme, 5702 Huntington Avenue, Lincoln, Nebr.; Wm. Grossoehme, 5702 Huntington Avenue, Lincoln, Nebr.

ONE HUNDRED PERCENT PARITY ON BASIC AGRICULTURAL COMMODITIES—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the Gowan Cooperative Association of Gowan, Minn., at their annual meeting on June 8, 1955, in support of 100 percent parity on basic agricultural commodities.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

JUNE 9, 1955.

Hon. Senator H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SIR: The membership of the Gowan Cooperative Association unanimously passed a resolution at their annual meeting June 8, 1955, as follows:

"The flexible price-support program of the present administration is unfair and is creating an undue hardship on the dairy farmer. It has cut his purchasing power to the extent that where a family-size farmer could make a fair living on 15 good cows now cannot make ends meet with 25. Practically everything we buy from groceries, clothes, insurance, gas, machinery, etc., has gone up in price, but what we sell is often below 75 percent parity.

We feel that if the Government continues to subsidize big business to the tune of over a billion dollars a year we are not asking for a handout when we ask for 100 percent equality (parity).

Let's give the small family farmer a fair chance, by so doing we also help the small-business man.

Yours truly,

JULIA A. RANDA,
Secretary.

RESOLUTIONS OF BOARD OF DIRECTORS OF WILD RICE ELECTRIC COOPERATIVE, INC., MAHNOMEN, MINN.

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, two resolutions adopted by the board of directors of Wild Rice Electric Cooperative, Inc., of Mahnomen, Minn., on May 31, 1955.

One of these resolutions supports the Southwestern Electric Cooperative in Oklahoma in their efforts to maintain and restore their old contract.

The second resolution is in support of the building of Hells Canyon Dam.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION 1—CONTRACT, SOUTHWESTERN COOPERATIVES

Whereas, the Southwestern Electric Cooperatives in Oklahoma and three adjoining States are in need of support in their fight to maintain and restore their old contract: Now, therefore, be it

Resolved, That the Wild Rice Electric Cooperative, Inc., support the restoration of this contract and notices be forwarded to the Senators and Representatives of Minnesota asking their support in this matter.

RESOLUTION 2—HELLS CANYON DAM

Whereas Wild Rice Electric Cooperative, Inc., feels that it is their duty to support

the Western States in their fight for the Hells Canyon Dam: Now, therefore, be it

Resolved, That the board of directors of Wild Rice Electric Cooperative, Inc., go on record as supporting the Hells Canyon Dam and a copy of this resolution be forwarded to all Senators and Representatives from the State of Minnesota for their guidance.

FEDERAL TAX ON GASOLINE—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted at the grand council session of the United Travelers of America, held in St. Cloud, Minn., from June 8 to 11, 1955, expressing their opposition to any further increases in the Federal gasoline tax.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

UNITED COMMERCIAL TRAVELERS,
GRAND COUNCIL, MINNESOTA-NORTH DAKOTA,
June 20, 1955.

Hon. HUBERT HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: At the grand council session of the United Commercial Travelers of America held in St. Cloud last week, the following resolution was unanimously adopted and we urge your support in defeating the proposed legislation.

Very truly yours,
WM. J. MCCALLUM, *Secretary.*

Whereas certain Members of Congress of the United States have proposed an increase in the present two cents per gallon gasoline tax for the purpose of financing an interstate highway system; and

Whereas the Federal gasoline tax is a temporary levy whose proceeds have never been connected with Federal aid to highways and should not now be so linked; and

Whereas the purpose for this expanded Federal highway system is related to national and civil defense and should be paid from the general revenues of the broadest applications; and

Whereas travel allowances granted to traveling men and other commercial representatives do not normally cover the direct costs of increase which would result from additional Federal gasoline taxes; and

Whereas gasoline is already taxed at a rate many times heavier than most luxuries despite regular recognition that gasoline is basic to our economy: Now, therefore, be it

Resolved, That the Minnesota-North Dakota Grand Council of United Commercial Travelers hereby go on record as being opposed to any further increases in the Federal gasoline tax; and be it further

Resolved, That copies of this resolution be forwarded to the Representatives and Senators in Congress from our States.

REGULATION OF COMPANIES DISTRIBUTING NATURAL GAS—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution from the Building Trades Council of the City of St. Paul, Minn., expressing their opposition to the bills before Congress which would eliminate regulation of companies carrying natural gas to Minnesota by the gas pipeline companies.

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There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the Building Trades Council of the City of St. Paul, Minn., a voluntary organization composed of representatives from all of the American Federation of Labor unions representing the building and construction trades in this city, has been advised that the Interstate and Foreign Commerce Committee of the House of Representatives of the United States, by a 16 to 15 vote, has recommended to pass the so-called Harris bill, a legislative proposal designed to amend the Natural Gas Act of 1938 in such a manner as to provide for the exemption from the jurisdiction of the Federal Power Commission, and from all Federal regulation and control, of the so-called independent producers in the natural-gas field in connection with the transmission of gas in interstate commerce by interstate pipeline carrier; and

Whereas said council is further advised that a companion bill to the Harris Act has been introduced in the Senate of the United States, and that hearings have been held before the Senate Interstate Commerce Committee thereon; and

Whereas in the State of Minnesota we have no native sources of fuel, and therefore must rely on the transportation of fuel from considerable distances; and

Whereas the citizens of St. Paul, Minn., are served in the supply of natural gas for home and industrial use by the Northern States Power Co., the local distributing company, which purchases this supply of gas from that certain interstate pipeline carrier, the Northern Natural Gas Co.; and

Whereas since the advent of natural gas into this community the use thereof for industrial and home consumption has grown to a point where, at the present, there is in excess of 24 million M c. f. of natural gas used per annum in this city; and

Whereas upon a study of the proposed legislation embodied in the Harris Act which is designed to remove the production segment of the gas industry from all control by regulation, the Building Trades Council of the City of St. Paul is sincerely of the mind that action by the Federal Congress to remove this part of the gas industry from all regulation can only lead to a higher cost of natural gas for industrial and home use to the local citizens and corporations resident in the City of St. Paul, and users of natural gas; and

Whereas it appears self-evident to this council that the retention of control by the Federal Power Commission over the producers of natural gas, insofar as that cost is reflected in a part of the ultimate cost to the users in the city of St. Paul, does not preclude the recognition by the Federal Power Commission of all factors involved in the process of production and the ascribing of proper weight to such factors to the end that such producers can receive a fair and reasonable price for said gas: Now, therefore, be it

Resolved, in meeting assembled, by the Building Trades Council of the City of St. Paul, speaking in behalf of its full membership, That it does hereby express opposition to any proposed legislation in Congress seeking to exempt the independent producers from regulation and control by the Federal Government, through the Federal Power Commission and the said Commission's regulation and control of interstate pipeline carriers carrying the said natural gas in interstate commerce; and be it further

Resolved, That the proper officers of the Building Trades Council of the City of St. Paul are hereby authorized and directed to dispatch copies of this resolution to the Executive Secretary of the Executive Committee of the American Federation of Labor, and to the Honorable Senators from the State of Minnesota, and to each of the Honorable Representatives from the State of Minnesota in the House of Representatives of the United States.

ROUTES OF CERTAIN HIGHWAYS IN MINNESOTA—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a joint resolution adopted by the Mabel Lions Club and the Mabel Business Association of Mabel, Minn., requesting the Federal Government to change the route of United States Highway No. 16 to follow the route of the present State Highway 44 from Hokah, Minn., to the junction with United States No. 52 north of Prosper, and thence along No. 52 to Preston, Minn.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Whereas it is our understanding that plans are being discussed for the rebuilding of present U. S. Highway No. 16 between La Crosse, Wis., and Preston, Minn., and possibly other points both east and west of those two cities, and

Whereas the present route 16 between Hokah, Minn., and the Junction with United States No. 52 east of Preston is not paved with concrete; would have to be rebuilt almost in its entirety to serve as a modern highway; winds through very hilly terrain not suitable for modern highway construction except at excessive cost; has many slopes and bluffs blocking the sun in the wintertime and tending to cause icy spots on the roadway, making it an extremely risky route especially for through travelers who are not familiar with it; would require extensive purchase of right-of-way at great cost in order to be straightened enough for modern highway use; in many places is on low ground subject to frequent flooding and requiring expensive bridges; and

Whereas Minnesota State Highway No. 44 is already an excellent modern concrete highway located on far more favorable terrain; is not subject to flooding; would require far less expense for straightening and purchase of right-of-way if expansion were desired; generally provides a much quicker and easier driving route because of the more level topography; not only better serves those users traveling east and west but also provides excellent facilities for those persons traveling between Iowa and Wisconsin and/or points in Minnesota; and

Whereas most drivers who are familiar with both routes consistently use No. 44 in preference to No. 16 whenever possible because of the easier terrain and conditions more suitable to distance driving; and

Whereas the funds available for highway construction are limited and should be applied where the taxpayers and the public in general will get the most for their money: Now, therefore, be it

Resolved, That the Mabel Lions Club and the Mabel Business Association request the appropriate officials in the Federal Government and the Minnesota highway department to change the route of United States Highway No. 16 to follow the route of the present State Highway 44 from Hokah, Minn., to the junction with United States No. 52 north of Prosper, Minn., and thence along No. 52 to Preston. The Mabel Lions Club and the Mabel Business Association feel that this change would eliminate a weak link in No. 16, putting in its place a stretch equal to or above the standard of the rest of the

route, without incurring any construction cost whatsoever. It further would contribute tremendously to the economy and practicality of any contemplated expansion of United States Highway 16 to superhighway status.

MABEL BUSINESS ASSOCIATION,
PAUL SOLTOW, *Secretary.*
MABEL LIONS CLUB,
CARL V. LIND, *Secretary.*

MAY 25, 1955.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GREEN, from the Committee on Rules and Administration:

H. Con. Res. 109. Concurrent resolution authorizing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference; without amendment (Rept. No. 693).

By Mr. STENNIS, from the Committee on Armed Services:

H. R. 6829. A bill to authorize certain construction at military, naval, and Air Force installations, and for other purposes; with an amendment (Rept. No. 694).

By Mr. MORSE, from the Committee on the District of Columbia:

H. R. 191. A bill to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes; with an amendment (Rept. No. 695).

DEFENSE PRODUCTION ACT AMENDMENTS OF 1955—REPORT OF A COMMITTEE

Mr. FREAR. Mr. President, from the Committee on Banking and Currency, I report favorably an original bill to amend the Defense Production Act of 1950, as amended, and I submit a report (No. 696) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar.

The bill (S. 2391) to amend the Defense Production Act of 1950, as amended, reported by Mr. FREAR, from the Committee on Banking and Currency, was read twice by its title and ordered to be placed on the calendar.

INCREASED LIMIT OF EXPENDITURES FOR HEARINGS BEFORE COMMITTEE ON ARMED SERVICES—REPORT OF A COMMITTEE

Mr. RUSSELL, from the Committee on Armed Services, reported an original resolution (S. Res. 119) increasing the limit of expenditures for hearings before the Committee on Armed Services, which was ordered to be placed on the calendar, as follows:

Resolved, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the 84th Congress, $10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

APPOINTMENT OF SELECT COMMITTEE ON SMALL BUSINESS—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report favorably, an original resolution providing for the manner of the appointment of the Select Committee on Small Business.

The ACTING PRESIDENT pro tempore. The resolution will be received and placed on the calendar.

The resolution (S. Res. 120) was placed on the calendar, as follows:

Resolved, That the chairman and members of the Select Committee on Small Business, created by Senate Resolution 58, 81st Congress, 2d session, shall be appointed in the same manner and at the same time as the chairmen and members of the standing committees of the Senate at the beginning of each Congress.

ADDITIONAL REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on Federal employment and pay for the month of May 1955. In accordance with the practice of several years' standing, I request unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MAY AND APRIL 1955, AND PAY, APRIL AND MARCH 1955

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for May 1955 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In May numbered—	In April numbered—	Increase (+) or decrease (−)	In April was—	In March was—	Increase (+) or decrease (−)
Total [1]	2,366,854	2,361,169	+5,685	$787,663	$832,665	−$45,002
Agencies exclusive of Department of Defense	1,181,897	1,178,779	+3,118	395,418	410,517	−15,099
Department of Defense	1,184,957	1,182,390	+2,567	392,245	422,148	−29,903
Inside continental United States	2,145,590	2,140,281	+5,309			
Outside continental United States	221,264	220,888	+376			
Industrial employment	717,685	717,651	+34			
Foreign nationals	329,380	338,302	−8,922	31,347	29,564	+1,783

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during May 1955, and comparison with April 1955, and pay for April 1955, and comparison with March 1955*

Department or agency	Personnel				Pay (in thousands)			
	May	April	Increase	Decrease	April	March	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	77,635	74,234	3,401		$22,626	$23,232		$606
Commerce [1]	45,219	44,840	379		17,108	18,248		1,140
Health, Education, and Welfare	39,655	39,537	118		14,013	15,088		1,075
Interior	52,374	51,215	1,159		18,307	20,123		1,816
Justice	30,396	30,278	118		12,352	13,307		955
Labor	5,048	4,989	59		2,029	2,239		210
Post Office	506,137	506,896		759	164,146	161,933	$2,213	
State	20,759	20,673	86		6,842	7,585		743
Treasury	81,692	82,946		1,254	32,526	33,309		783

[1] May figure includes 1,075 seamen on the rolls of the Maritime Administration and their pay.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during May 1955, and comparison with April 1955*

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during May 1955, and comparison with April 1955, and pay for April 1955, and comparison with March 1955*—Continued

Department or agency	Personnel				Pay (in thousands)			
	May	April	Increase	Decrease	April	March	Increase	Decrease
Executive Office of the President:								
White House Office	281	281			$147	$152		$5
Bureau of the Budget	430	431		1	253	273		20
Council of Economic Advisers	32	32			20	21		1
Executive Mansion and Grounds	70	70			23	25		2
National Security Council [2]	27	26	1		16	17		1
Office of Defense Mobilization	301	282	19		147	161		14
President's Advisory Committee on Government Organization	5	5			3	3		
President's Commission on Veterans' Pensions	12	3	9		1	1		
Independent agencies:								
Advisory Committee on Weather Control	14	11	3		5	6		1
Alexander Hamilton Bicentennial Commission	3	5		2	2	2		
American Battle Monuments Commission	809	808	1		101	103		2
Atomic Energy Commission	6,034	5,982	52		2,845	3,082		237
Board of Governors of the Federal Reserve System	590	589	1		250	273		23
Civil Aeronautics Board	524	532		8	270	295		25
Civil Service Commission	3,842	3,835	7		1,534	1,716		182
Commission of Fine Arts	10	10			1	1		
Commission on Intergovernmental Relations	56	59		3	23	25		2
Defense Transport Administration	17	17			9	9		
Export-Import Bank of Washington	145	144	1		78	82		4
Farm Credit Administration	1,085	1,089		4	486	536		50
Federal Civil Defense Administration	741	727	14		350	379		29
Federal Coal Mine Safety Board of Review	8	8			4	4		
Federal Communications Commission	1,071	1,068	3		509	560		51
Federal Deposit Insurance Corporation	1,110	1,105	5		472	512		40
Federal Mediation and Conciliation Service	355	354	1		220	240		20
Federal Power Commission	615	612	3		292	329		37
Federal Trade Commission	575	574	1		293	327		34
Foreign Claims Settlement Commission	159	163		4	67	83		16
Foreign Operations Administration	6,519	[3] 6,460	59		2,936	3,115		119
General Accounting Office	5,683	5,705		22	2,299	2,528		229
General Services Administration	25,778	25,690	88		8,030	8,692		662
Government Contract Committee	17	16	1		5	5		
Government Printing Office	6,780	6,814		34	2,680	2,966		286
Housing and Home Finance Agency	10,953	10,821	132		4,485	4,878		393
Indian Claims Commission	13	13			9	10		1
Interstate Commerce Commission	1,797	1,791	6		831	901		70
Jamestown-Williamsburg-Yorktown Celebration Commission	4	3	1		2	2		
John Marshall Bicentennial Celebration Commission [4]	2		2					
National Advisory Committee for Aeronautics	7,348	7,284	64		3,120	3,375		255
National Capital Housing Authority	277	276	1		89	98		9
National Capital Planning Commission	22	21	1		10	11		1
National Gallery of Art	316	315	1		90	99		9
National Labor Relations Board	1,139	1,141		2	567	626		59
National Mediation Board	107	113		6	68	80		12
National Science Foundation	218	167	51		83	103		20
National Security Training Commission	7	5	2		4	4		
Panama Canal	15,329	15,461		132	3,131	3,412		281
Railroad Retirement Board	2,274	2,364		90	808	889		81
Renegotiation Board	536	538		2	295	366		71
Rubber Producing Facilities Disposal Commission	19	19			11	14		3
St. Lawrence Seaway Development Corporation	26	24	2		15	16		1
Securities and Exchange Commission	671	677		6	354	385		33
Selective Service System	7,099	7,121		22	1,579	1,712		13
Small Business Administration	740	741		1	375	362	$13	
Smithsonian Institution	661	646	15		211	232		21
Soldiers' Home	1,003	1,010		7	189	204		15
Subversive Activities Control Board	32	32			19	22		3
Tariff Commission	198	199		1	102	104		2
Tax Court of the United States	140	141		1	83	86		3
Tennessee Valley Authority	20,208	20,576		368	8,684	9,604		920
United States Information Agency	10,093	9,909	184		2,437	2,472		35
Veterans' Administration	178,052	178,256		204	53,387	58,863		5,476
Total, excluding Department of Defense	1,181,897	1,178,779	6,051	2,933	395,418	410,517	2,226	17,325
Net change, excluding Department of Defense			3,118				15,099	
Department of Defense:								
Office of the Secretary of Defense	1,971	1,923	48		974	1,050		76
Department of the Army	466,252	465,077	1,175		144,555	155,529		10,974
Department of the Navy	408,667	409,053		386	146,463	156,708		10,245
Department of the Air Force	308,067	306,337	1,730		100,253	108,861		8,608
Total, Department of Defense	1,184,957	1,182,390	2,953	386	392,245	422,148		29,903
Net change, Department of Defense			2,567				29,903	
Grand total, including Department of Defense	2,366,854	2,361,169	9,004	3,319	787,663	832,665	2,226	47,228
Net change including Department of Defense			5,685				45,002	

[2] Exclusive of personnel and pay of the Central Intelligence Agency.
[3] Revised on basis of later information.
[4] New agency, created pursuant to Public Law 581, 83d Cong.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during May 1955, and comparison with April 1955*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	76,339	73,096	3,243	
Commerce [1]	42,169	41,816	353	
Health, Education, and Welfare	39,109	38,989	120	
Interior	46,163	45,244	919	
Justice	29,846	29,734	112	
Labor	4,908	4,874	34	
Post Office	503,793	504,552		759
State	5,840	5,804	36	
Treasury	80,707	81,959		1,252

[1] May figure includes 1,075 seamen on the rolls of the Maritime Administration.

Department or agency	May	April	Increase	Decrease
Executive Office of the President:				
White House Office	281	281		
Bureau of the Budget	430	431		1
Council of Economic Advisers	32	32		
Executive Mansion and Grounds	70	70		
National Security Council [2]	27	26	1	
Office of Defense Mobilization	301	282	19	
President's Advisory Committee on Government Organization	5	5		
President's Commission on Veterans' Pensions	12	3	9	

[2] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during May 1955, and comparison with April 1955*—Continued

Department or agency	May	April	Increase	Decrease
Independent agencies:				
Advisory Committee on Weather Control	14	11	3	
Alexander Hamilton Bicentennial Commission	3	5		2
American Battle Monuments Commission	16	17		1
Atomic Energy Commission	6,018	5,965	53	
Board of Governors of the Federal Reserve System	590	589	1	
Civil Aeronautics Board	521	528		7
Civil Service Commission	3,825	3,823	2	
Commission of Fine Arts	10	10		
Commission on Intergovernmental Relations	56	59		3
Defense Transport Administration	17	17		
Export-Import Bank of Washington	145	144	1	
Farm Credit Administration	1,074	1,078		4
Federal Civil Defense Administration	741	727	14	
Federal Coal Mine Safety Board of Review	8	8		
Federal Communications Commission	1,044	1,040	4	
Federal Deposit Insurance Corporation	1,109	1,104	5	
Federal Mediation and Conciliation Service	355	354	1	
Federal Power Commission	615	612	3	
Federal Trade Commission	575	574	1	
Foreign Claims Settlement Commission	159	163		4
Foreign Operations Administration	1,652	1,682		30
General Accounting Office	5,626	5,653		27
General Services Administration	25,673	25,584	89	
Government Contract Committee	17	16	1	
Government Printing Office	6,780	6,814		34
Housing and Home Finance Agency	10,809	10,687	122	
Indian Claims Commission	13	13		
Interstate Commerce Commission	1,797	1,791	6	
Jamestown-Williamsburg-Yorktown Celebration Commission	4	3	1	
John Marshal Bicentennial Celebration Commission [3]	2		2	
National Advisory Committee for Aeronautics	7,348	7,284	64	
National Capital Housing Authority	277	276	1	
National Capital Planning Commission	22	21	1	
Independent agencies—Continued				
National Gallery of Art	316	315	1	
National Labor Relations Board	1,117	1,119		2
National Mediation Board	107	113		6
National Science Foundation	218	167	51	
National Security Training Commission	7	5	2	
Panama Canal	541	557		16
Railroad Retirement Board	2,274	2,364		90
Renegotiation Board	536	538		2
Rubber Producing Facilities Disposal Commission	19	19		
St. Lawrence Seaway Development Corporation	26	24	2	
Securities and Exchange Commission	671	677		6
Selective Service System	6,901	6,923		22
Small Business Administration	740	741		1
Smithsonian Institution	659	644	15	
Soldiers' Home	1,003	1,010		7
Subversive Activities Control Board	32	32		
Tariff Commission	198	199		1
Tax Court of the United States	140	141		1
Tennessee Valley Authority	20,208	20,576		368
United States Information Agency	2,325	2,297	28	
Veterans' Administration	176,782	176,983		201
Total, excluding Department of Defense	1,121,767	1,119,294	5,320	2,847
Net increase, excluding Department of Defense			2,473	
Department of Defense:				
Office of the Secretary of Defense	1,916	1,867	49	
Department of the Army	378,089	376,604	1,475	
Department of the Navy	377,025	377,697		672
Department of the Air Force	266,803	264,819	1,984	
Total, Department of Defense	1,023,823	1,020,987	3,508	672
Net increase, Department of Defense			2,836	
Grand total, including Department of Defense	2,145,590	2,140,281	8,828	3,519
Net increase, including Department of Defense			5,309	

[3] New agency, created pursuant to Public Law 581, 83d Cong.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during May 1955, and comparison with April 1955*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,296	1,138	158	
Commerce	3,050	3,024	26	
Health, Education, and Welfare	546	548		2
Interior	6,211	5,971	240	
Justice	550	544	6	
Labor	140	115	25	
Post Office	2,344	2,344		
State	14,919	14,869	50	
Treasury	985	987		2
Independent agencies:				
American Battle Monuments Commission	793	791	2	
Atomic Energy Commission	16	17		1
Civil Aeronautics Board	3	4		1
Civil Service Commission	17	12	5	
Farm Credit Administration	11	11		
Federal Communications Commission	27	28		1
Federal Deposit Insurance Corporation	1	1		
Foreign Operations Administration	4,867	[1] 4,778	89	
General Accounting Office	57	52	5	
General Services Administration	105	106		1
Housing and Home Finance Agency	144	134	10	
National Labor Relations Board	22	22		
Independent agencies—Continued				
Panama Canal	14,788	14,904		116
Selective Service System	198	198		
Smithsonian Institution	2	2		
United States Information Agency	7,768	7,612	156	
Veterans' Administration	1,270	1,273		3
Total, excluding Department of Defense	60,130	59,485	772	127
Net increase, excluding Department of Defense			645	
Department of Defense:				
Office of the Secretary of Defense	55	56		1
Department of the Army	88,173	88,473		300
Department of the Navy	31,642	31,356	286	
Department of the Air Force	41,264	41,518		254
Total, Department of Defense	161,134	161,403	286	555
Net decrease, Department of Defense			269	
Grand total, including Department of Defense	221,264	220,888	1,058	682
Net increase, including Department of Defense			376	

[1] Revised on basis of later information.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during May 1955 and comparison with April 1955*

Department or agency	May	April	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	2,832	2,803	29	
Commerce	2,359	2,232	127	
Interior	8,079	8,232		153
Treasury	6,210	6,261		51
Independent agencies:				
Atomic Energy Commission	136	137		1
Federal Communications Commission	12	12		
General Services Administration	1,055	960	95	
Government Printing Office	6,780	6,814		34
National Advisory Committee for Aeronautics	7,348	7,284	64	
Panama Canal	7,340	7,502		162
Tennessee Valley Authority	17,068	17,413		345
Total, excluding Department of Defense	59,219	59,650	315	746
Net decrease, excluding Department of Defense			431	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 208,300	[2] 207,177	1,123	
Outside continental United States	[1] 43,400	[2] 44,393		993
Department of the Navy:				
Inside continental United States	236,530	237,299		769
Outside continental United States	6,876	6,880		4
Department of the Air Force:				
Inside continental United States	158,458	157,367	1,091	
Outside continental United States	4,902	4,885	17	
Total, Department of Defense	658,466	658,001	2,231	1,766
Net increase, Department of Defense			465	
Grand total, including Department of Defense	717,685	717,651	2,546	2,512
Net increase, including Department of Defense			34	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of May 1955 and comparison with April 1955*

Country	Total		Army		Navy		Air Force	
	May	April	May	April	May	April	May	April
Austria	170	171					170	171
England	7,623	7,536			33		7,590	7,536
France	23,684	23,416	16,514	16,216			7,170	7,200
French Morocco	5,619	5,586	210	203	870	858	4,539	4,525
Germany	125,799	127,601	102,023	103,879	1,965	1,957	21,811	21,765
Japan	154,264	154,473	92,693	[1] 92,693	18,546	18,527	43,025	43,253
Korea	10,191	17,187	10,191	17,187				
Libya	567	785					567	785
Ryukyus	247	246			247	246		
Saudi Arabia	475	556					475	556
Spain	91	121					91	121
Trinidad	650	624			650	624		
Total	329,380	338,302	221,631	230,178	22,311	22,212	85,438	85,912

[1] Revised on basis of later information.

NOTE.—The Germans are paid from funds provided by German governments. The French, English, and Austrians reported by the Army and Air Force are paid from funds appropriated for personal services. All others are paid from funds appropriated for other contractual services.

STATEMENT BY SENATOR BYRD

Executive agencies of the Federal Government reported regular civilian employment in the month of May totaling 2,366,854. This was a net increase of 5,685 as compared with employment reported in the preceding month of April.

This was the fourth increase in succession and the longest sustained monthly increase since July 1952. The other monthly increases during the current fiscal year were in October and November 1954, and February, March and April of 1955.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1955, which began July 1, 1954, follows:

Month	Employment	Increase	Decrease
1954			
July	2,387,833		5,187
August	2,375,988		11,845
September	2,355,170		20,818
October	2,359,325	4,155	
November	2,385,024	25,699	
December	2,368,072		16,952
1955			
January	2,353,588		14,484
February	2,353,908	320	
March	2,355,810	1,902	
April	2,361,169	5,359	
May	2,366,854	5,685	

Total civilian agency employment during the month of May was 1,181,897, an increase of 3,118 over the April total of 1,178,779. Total civilian employment in the military agencies in May was 1,184,957. This was a net increase of 2,567 as compared with 1,182,390 in April.

Civilian agencies reporting the larger increases were the Department of Agriculture with an increase of 3,401, the Department of the Interior with an increase of 1,159, and the Department of Commerce with an increase of 379. Decreases were reported by the Department of the Treasury with a decrease of 1,254, the Post Office Department with a decrease of 759, and the Tennessee Valley Authority with a decrease of 368.

In the Department of Defense increases were reported by the Department of the Air Force with an increase of 1,730, the Department of the Army with an increase of 1,175, and the Office of the Secretary of Defense with an increase of 48. The Department of the Navy reported a decrease of 386 in civilian employment.

Inside continental United States civilian employment increased 5,309, and outside continental United States civilian employment increased 376. Industrial employment by Federal agencies in May totaled 717,685, an increase of 34 over April.

These figures are from reports certified by the agencies, as compiled today by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,366,854 civilian employees certified to the committee by executive agencies in their regular monthly personnel reports include some foreign nationals employed in United States Government activities abroad, but in addition to these there were 329,380 foreign nationals working for United States military agencies overseas during May who were not counted in the usual personnel report. The number in April was 338,302. A breakdown of this employment for May follows:

Country	Total	Army	Navy	Air Force
Austria	170			170
England	7,623		33	7,590
France	23,684	16,514		7,170
French Morocco	5,619	210	870	4,539
Germany	125,799	102,023	1,965	21,811
Japan	154,264	92,693	18,546	43,025
Korea	10,191	10,191		
Libya	567			567
Ryukyus	247		247	
Saudi Arabia	475			475
Spain	91			91
Trinidad	650		650	
Total	329,380	221,631	22,311	85,438

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Lt. Gen. Alexander Russell Bolling, Army of the United States, to be major general, United States Army, on the retired list;

Lt. Gen. Claude Birkett Ferenbaugh, Army of the United States, to be major general, United States Army, on the retired list;

James Orrin Beckwith, and sundry other officers for promotion in the Regular Air Force; and

Lt. Gen. William O. Brice, Maj. Gen. Alfred H. Noble, and Maj. Gen. Christian F. Schilt, all of the United States Marine Corps, to be assigned duties of importance and responsibility designated by the President, with the rank of lieutenant general.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. POTTER:

S. 2377. A bill to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments; to the Committee on Government Operations.

(See the remarks of Mr. POTTER when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE:

S. 2378. A bill to provide for the designation of the naval shipyard, referred to as the Portsmouth Naval Ship Yard, as the Kittery-Portsmouth Naval Ship Yard at Kittery, Maine; to the Committee on Armed Services.

(See the remarks of Mr. Payne when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE (for himself, Mr. BEALL, Mr. BENDER, Mr. BRIDGES, Mr. BUTLER, Mr. COTTON, Mr. DANIEL, Mr. DUFF, Mr. EASTLAND, Mr. ERVIN, Mr. GREEN, Mr. IVES, Mr. KENNEDY, Mr. KUCHEL, Mr. LONG, Mr. MAGNUSON, Mr. NEUBERGER, Mr. PASTORE, Mr. POTTER, Mr. PURTELL, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. THYE, Mr. WILEY, Mr. MORSE, and Mr. SCOTT):

S. 2379. A bill to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. CURTIS (for himself and Mr. HRUSKA):

S. 2380. A bill authorizing the modification of the general comprehensive plan of improvement for the Missouri River Basin to include certain flood-control works in the Gering Valley, Nebr.; to the Committee on Public Works.

By Mr. KNOWLAND (for Mr. DIRKSEN):

S. 2381. A bill for the relief of Dr. Mahmood Sajjadi; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2382. A bill to amend title II of the Social Security Act to provide extra credit for postponed retirement;

S. 2383. A bill to amend the Social Security Act to increase the insurance benefit of a wife or husband of an individual entitled to an old-age insurance benefit from one-half to three-fourths of the old-age benefit of such individual, and to increase the insurance benefit of the widow or widower of

such individual from three-fourths to a whole old-age insurance benefit of such individual;

S. 2384. A bill to amend title I, IV, X, and XIV of the Social Security Act to increase Federal financial participation in the public assistance plans established pursuant to such titles in order that the States may make appropriate adjustments in their payments to beneficiaries under such plans to provide for the increased cost of living, and for other purposes;

S. 2385. A bill to amend title II of the Social Security Act to increase the minimum old-age insurance benefit from $30 to $35 per month;

S. 2386. A bill to amend the public assistance provisions of the Social Security Act by extending for 2 years the increased Federal financial participation for old-age assistance, and to the blind, aid to the permanently and totally disabled, and aid to dependent children;

S. 2387. A bill to amend the Social Security Act to provide disability insurance benefits for totally disabled individuals, and to provide benefits for the wives and minor children of such individuals;

S. 2388. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits to certain individuals who are over the age of 18 but who are unable to engage in any regular employment by reason of permanent physical or mental disability; and

S. 2389. A bill to amend title II of the Social Security Act to provide that a child shall be considered the adopted child of a deceased individual where such individual, before his death, had filed an appropriate petition for the adoption of such child; to the Committee on Finance.

(See the remarks of Mr. HUMPHREY when he introduced the above bills, which appear under a separate heading.)

By Mr. KNOWLAND:

S. 2390. A bill to consent to the taxation of certain Federal property by State and local tax authorities, to provide for the payment to such authorities of sums in lieu of taxes with respect to certain other Federal property, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. KNOWLAND when he introduced the above bill, which appear under a separate heading.)

By Mr. FREAR:

S. 2391. A bill to amend the Defense Production Act of 1950, as amended; placed on the calendar.

(See the remarks of Mr. FREAR when he reported the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 2392. A bill for the relief of Arthur Fu-ju Liu and his wife Pauline Yin Liu; to the Committee on the Judiciary.

S. 2393. A bill to provide for a comprehensive investigation and survey to determine what action should be taken to meet the flood and major drainage problems in the vicinity of Chicago, Ill.; to the Committee on Public Works.

By Mr. BEALL:

S. 2394. A bill to provide for the enlargement of the Antietam National Cemetery at Sharpsburg, Md.; to the Committee on Interior and Insular Affairs.

By Mr. CARLSON:

S. 2395. A bill to extend for 1 year the free mailing privileges provided by the act of July 12, 1950, as amended, for members of the Armed Forces in specified areas; to the Committee on Post Office and Civil Service.

By Mr. MORSE:

S. 2396. A bill for the relief of W. A. Rushlight; to the Committee on the Judiciary.

By Mr. MALONE:

S. 2397. A bill for the relief of Herculis Glikas; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. CHAVEZ, Mr. GREEN, Mr. PASTORE, Mr. HENNINGS, Mr. HUMPHREY, Mr. KENNEDY, Mr. KILGORE, Mr. NEELY, Mr. LANGER, Mr. LEHMAN, Mr. MAGNUSON, Mr. MCNAMARA, Mr. MORSE, Mr. NEUBERGER, Mr. MURRAY, Mr. SYMINGTON, and Mr. WILEY):

S. J. Res. 86. Joint resolution to subject the submerged lands under the marginal seas to the provisions of the Outer Continental Shelf Lands Act; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. DOUGLAS when he introduced the above joint resolution, which appear under a separate heading.)

AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT, RELATING TO PAYMENTS IN LIEU OF TAXES IN CERTAIN CASES

Mr. POTTER. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal Property and Administrative Services Act of 1949 making temporary provision for payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments.

According to a list furnished by the Bureau of the Budget, some 59 properties, largely industrial in nature, in 20 States would be affected by the bill. Such payments assured by my bill will provide badly-needed revenue for State and local governments and school districts in which those plants are located.

Michigan alone counts at least three such plants receiving services such as sewage disposal and water without reimbursing localities in like proportion to other similar plants. School districts throughout the Nation have been educating children of parents employed in many of those federally owned plants also without paying for those services in like proportion to other school taxpayers.

In the 83d Congress the House passed H. R. 5605 which had the same objective as the bill I have introduced. The Senate Government Operations Committee reported that measure, but in the waning days of the 83d it failed of passage because of objection when it was called on the consent calendar.

The administration has recognized the plight of local units of governments and their difficulty in obtaining adequate revenue to provide necessary local services, particularly in the light of heavy Federal taxation and extensive real property holdings by Federal agencies.

The Commission on Intergovernmental Relations, sometimes known as the Kestnbaum Commission, after 2 years of study, has recently filed its comprehensive report. On the subject of payment in lieu of taxes the Commission said:

> The Commission recommends that the National Government inaugurate a broad system of payments in lieu of property taxes to State and local governments. The most important class of properties on which such payments should be made is commercial or industrial properties. Special assessment payments and transitional payments in lieu of taxes should be made in certain cases.
>
> The Commission believes that these payments are necessary to help preserve financially healthy local governments. Present tax immunities of Federal property have weakened many local governments. The States and the National Government share in the responsibility for avoiding actions which impair the financial ability of local governments. Equity as between Federal and local taxpayers requires the National Government to make appropriate payments. These should be based largely on the property tax system, which is the main source of local revenue.
>
> The Commission does not believe that equity requires initiation of payments in lieu of taxes on properties held by the National Government where their noncontributory status has already become integrated into the economic and fiscal patterns of the community. Therefore, no in-lieu payments should be made on any properties acquired prior to a specified cutoff date. Perhaps September 8, 1939, would be the earliest date and July 1, 1950, the latest date. These dates marked the beginning of periods of large-scale acquisition of properties for defense purposes—the properties which have been largely responsible for this problem. The Commission, recognizing that any selection must be arbitrary, is not prepared to recommend a specific cutoff date. In addition to a cutoff date, some type of arbitrary limitation on Federal payments is necessary to prevent excessive payments or windfalls to some local governments.
>
> In the Commission's opinion, the exhaustive report of its Study Committee on Payments in Lieu of Taxes and Shared Revenues will provide the Congress with a solid foundation upon which to build a sound program of payments in lieu of taxes on Federal properties and make such adjustments in shared revenue arrangements as may be needed.
>
> The States sometimes contribute to the financial difficulties of their subdivisions by exempting their own properties from taxation. They may, therefore, want to consider the use of broad payment-in-lieu arrangements at the State level.

My bill, being of a temporary and interim nature, could well be a wise first step in this new field of intergovernmental relationships. Experience in this limited area would permit the avoidance of pitfalls and then point the way to sound permanent legislation, the objective of which has been endorsed both by the administration and the Intergovernmental Relations Commission.

This is a companion bill to H. R. 6182, introduced in the House of Representatives by Representative GEORGE MEADER, of the Second District of Michigan. A $25 million aluminum extrusion plant built during the war by Defense Plants Corporation was abruptly removed from local tax rolls when transferred to the Air Force. Taxes, amounting to 10 percent of local budgets were withheld without warning, disrupting local finances and functions.

It is to meet situations of that character that I have sponsored this proposed legislation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2377) to amend the Federal Property and Administrative Services Act of 1949 to make temporary provision for making payments in lieu of taxes with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments, introduced by Mr. POTTER, was received, read twice by its title, and referred to the Committee on Government Operations.

DESIGNATION OF PORTSMOUTH NAVAL SHIPYARD AS THE KITTERY-PORTSMOUTH NAVAL SHIPYARD

Mr. PAYNE. Mr. President, at the meeting of the Department of Maine, Veterans of Foreign Wars, council of administration, held in Auburn, Maine, on June 19, 1955, the following resolution was adopted:

Be it resolved, That whereas the naval shipyard known as the Portsmouth Naval Base is actually located within the boundaries of the State of Maine, and whereas Maine has not received proper recognition; be it therefore

Resolved, That the Maine congressional delegation and State government lend their efforts to have the navy yard renamed the Kittery-Portsmouth Naval Yard.

For years there has been confusion about the name and location of the so-called Portsmouth Naval Shipyard. Actually the yard is located on Dennet's Island on the Maine side of the Piscataqua River and is entirely within the town of Kittery, Maine.

I introduce, for appropriate reference, a bill to change the name of the Portsmouth Naval Shipyard to the Kittery-Portsmouth Naval Shipyard at Kittery, Maine. This bill will clarify both the name and location of the shipyard.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2378) to provide for the designation of the naval shipyard, referred to as the Portsmouth Naval Shipyard, as the Kittery-Portsmouth Naval Shipyard at Kittery, Maine, introduced by Mr. PAYNE, was received, read twice by its title, and referred to the Committee on Armed Services.

COMMERCIAL FISHERY EDUCATION PROGRAM

Mr. PAYNE. Mr. President, on behalf of myself, the junior Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BENDER], the senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Maryland [Mr. BUTLER], the junior Senator from New Hampshire [Mr. COTTON], the Senator from Texas [Mr. DANIEL], the Senator from Pennsylvania [Mr. DUFF], the Senator from Mississippi [Mr. EASTLAND], the Senators from North Carolina [Mr. ERVIN and Mr. SCOTT], the senior Senator from Rhode Island [Mr. GREEN], the Senator from New York [Mr. IVES], the junior Senator from Massachusetts [Mr. KENNEDY], the Senator from California [Mr. KUCHEL], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senators from Oregon [Mr. MORSE and Mr. NEUBERGER], the junior Senator from Rhode Island [Mr. PASTORE], the Senator from Michigan [Mr. POTTER], the Senator from Connecticut [Mr. PURTELL], the senior Senator from Massachusetts [Mr. SALTONSTALL], the senior Senator from Maine [Mrs. SMITH], the Senator from Alabama [Mr. SPARKMAN], the Senator from Minnesota [Mr. THYE], and the Senator from Wisconsin [Mr. WILEY], I introduce a bill to establish a commercial fishery education program in the United States and request that it be appropriately referred.

I ask unanimous consent that a statement I have prepared on this bill, together with a copy of the bill, may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2379) to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry, introduced by Mr. PAYNE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the Secretary of the Interior is authorized to make grants, out of funds appropriated for the purposes of this section, to public and nonprofit private universities and colleges in the several States and Territories of the United States for such purposes, including the establishment of scholarships, as may be necessary to promote the education and training of professionally trained personnel (including technicians and teachers) needed in the field of commercial fishing. Any amount appropriated for the purposes of this section shall be apportioned on an equitable basis, as determined by the Secretary of the Interior, among the several States and Territories for the purpose of making grants within each such State and Territory. In making such apportionment the Secretary of the Interior shall take into account the extent of the fishing industry within each State and Territory as compared with the total fishing industry of the United States (including Territories), and such other factors as may be relevant in view of the purposes of this section. The Secretary of the Interior may establish such guides and curricula for educational courses as may be necessary for the purposes of this section.

(b) There are authorized to be appropriated not in excess of $550,000 for the fiscal year beginning on July 1, 1955, and for each fiscal year thereafter for the purposes of this section.

(c) The Secretary of the Interior may establish such regulations as may be necessary to carry out the provisions of this section.

SEC. 2. (a) Section 3 (a) of the Vocational Education Act of 1946 is amended by inserting after paragraph (4) the following new paragraph:

"(5) Three hundred and seventy-five thousand dollars for vocational education in the fishery trades and industry and distributive occupations therein, to be apportioned for expenditure in the several States and Territories on an equitable basis, as determined by the United States Commissioner of Education after consultation with the Secretary of the Interior, taking into account the extent of the fishing industry of each State and Territory as compared with the total fishing industry of the United States (including Territories)."

(b) Section 3 (b) of such act is amended by striking out "paragraphs (1) to (4)" and inserting in lieu thereof "paragraphs (1) to (5)."

The statement presented by Mr. PAYNE is as follows:

STATEMENT BY SENATOR PAYNE

The United States commercial fishing industry is one of our oldest and proudest. Today some 160,000 Americans operate over 90,000 commercial fishing craft; another 103,000 people are employed as shore workers by the fishing industry itself; while an estimated 300,000 more are employed by allied industries. The 1954 fishing catch totaled 4,700,000,000 pounds, with an estimated value in excess of $1 billion.

Last year Congress recognized the seriousness of the problems facing the American commercial fishing industry by passing the Saltonstall-Kennedy bill (Public Law 447, 83d Cong.) to encourage fishery research and marketing. The Saltonstall-Kennedy bill will be of incalculable benefit to the fishing industry in the years ahead.

Today, I am introducing legislation, on behalf of myself and other Senators, to provide for the training of needed personnel for the fishing industry.

Probably no phase of our commercial fishery industries has received less attention than the development of progressive fishery educational facilities in this country. Whereas this field of vocational and academic training has received growing attention and action in other major fishery producing nations, the meager facilities in this country have remained almost unchanged during the past three decades.

This inadequacy has left a serious mark on the efficiency of the industry, but just as important has been its effect on the management and conservation of our fishery resources. At no time has this been better illustrated than by the current difficulties being experienced by Government in its management-staffing program.

As the world's fishery industries become more advanced technologically, this serious deficiency in educational facilities is becoming more pronounced and can exert an even more serious effect on this Nation's standing as a major fish-producing and processing factor. While this condition merits immediate consideration because of the importance of the fisheries contribution to the gross national product, it can be even more serious in that it can adversely affect our independence for protein food from foreign sources during periods of international emergencies.

The problem exists at each level of our educational processes—high school, university, vocational, and extension service. In the most nearly comparable industry, agriculture, the future farmers and farm-product processors of this country have these advantages. Largely as a result of this, our agricultural productivity and efficiency have increased sharply in the past two decades. This is also true, to a large extent, in our other resources, trades, and industries. Yet, for our fisheries there now exists only one major university, one known high school giving courses on the commercial phases of this resource, and no vocational or extension facilities.

Basically, three types of fisheries educational facilities are required to place them on an equitable basis with existing facilities available to our other resources, trades, and industries: (1) High school-college facilities; (2) vocational-training units; and (3) extension service.

EXISTING LEGISLATION

Existing legislation appears to be inadequate to provide the type of fishery educational facilities desired, except in the cases of vocational training where presumably fisheries training could be included.

Land-grant facilities: Morrill Act, 1862; second Morrill Act, 1890; Nelson amendment, 1907; Bankhead-Jones Act, 1935.

Vocational facilities: Smith-Hughes Act, 1917; George-Dean Act, 1936; George-Barden Act, 1946.

Agricultural extension facilities: Smith-Lever Act, 1914, as amended.

I know that existing funds under the legislation previously cited are being well spent, and it is not my purpose to divert any part

of them for the training of personnel for the fishing industry. My cosponsors and I are proposing that an authorization be obtained to establish or augment educational facilities and programs directly relating to fisheries. This proposal contemplates vocational training at several levels of our educational processes and expansion of graduate-school facilities to include training of technicians as well as teachers in the fisheries field.

Vocational training authorizations are included in the vocational acts (20 U. S. C. secs. 11–29). An estimate of $23,673,261 is included on page 673 of the budget with the following explanation:

"Grants are made to the States, Alaska, Hawaii, Puerto Rico, the Virgin Islands, and the District of Columbia for training in agriculture, home economics, trades and industry, and distributive occupations, and for training teachers of these subjects."

It should be noted that this appropriation, or at least certain specific amounts, are authorized for (1) vocational education in "trades and industry" and for vocational education in "distributive occupations" (20 U. S. C. 15j). The authorization for vocational education in trades and industry and in distributive occupations would appear to be broad enough to encompass whatever program might be needed with respect to the fishing industry. There also is an indefinite appropriation of $7,138,331 (Budget, p. 717) of grants "to the States on a dollar-for-dollar matching basis, for the payment of teachers of agriculture, trade, home economics, and industrial subjects, and for the training of teachers of these subjects." It is understood that the matching requirement is of little concern since State appropriations for similar purposes in almost every instance, if not every instance, far exceed the grants-in-aid by the Federal Government.

Except for the definite appropriation of $2,550,000 (Budget, p. 717), the college-aid funds are made available to the States on the basis of population and are available only to the 69 land-grant colleges. Funds available for vocational education are distributed on several bases and are available for high schools, trade schools, and similar facilities. For example, $8 million for vocational education in trades and industry (20 U. S. C. 15j (3)), is apportioned to the several States "in the proportion that their non-farm population bears to the total nonfarm population of the States and Territories; "whereas, an authorization for $2,500,000 for vocational education in the distributive occupations is apportioned in the proportion that the total population of the State bears to the total population of the States and Territories.

PROVISIONS OF THE BILL

In view of the above, the sponsors of this legislation, have taken a similar approach in the proposed bill. The Secretary of the Interior is given an annual sum of $550,000, and he is authorized to make grants to public and nonprofit private universities and colleges in the several States and Territories of the United States for educational courses of interest and benefit to the fishing industry. This includes the establishment of scholarships for the development of professionally trained personnel, including technicians and teachers in the field of commercial fishing. In apportioning these funds on an equitable basis, the Secretary of the Interior must take into account the extent of the fishing industry within each State and Territory as compared with the total fishing industry of the United States (including Territories), and other relevant factors.

Section 2 of the bill simply adds the same criteria to the Vocational Education Act of 1946 and makes $375,000 annually available for vocational education in the fishery trades and industry.

MODEST AUTHORIZATION

By comparison with the funds made available for training in agricultural studies, etc., this request for funds is quite modest. There is no provision in this bill for extension courses, which are very much needed, if this country is to make the strides in progressive commercial fisheries that other nations are making. The sponsors of this bill feel that textbooks, techniques and teachers must first be developed before extension courses can be profitably provided for.

Last year, when our committee proposed that 30 percent of our tariffs on imports of fishery products be earmarked for research for fisheries, we were told that these funds had been earmarked for agriculture, and that in the future our fisheries proposals should rest upon their own two feet. The sponsors of this legislation have adopted this suggestion in the proposed bill. We know that for every penny spent for research and training in agriculture, this Nation reaps many dollars in revenue. We simply wish to do the same for our fisheries industry. We know that if we can launch an educational program such as I have outlined, the commercial fisheries industry will find many dollars to add to our scholarship funds in order to secure needed personnel. The whole country will prosper as a result of increased revenues, and through the added protection our Nation will receive in the way of an added source of fine energy foods in time of war or emergency.

IMPROVEMENT OF SOCIAL SECURITY SYSTEM

Mr. HUMPHREY. Mr. President, I am about to introduce a series of bills, and I ask unanimous consent that I may speak on them in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a series of bills to improve our social security system. Members of this body know that ever since I began serving in the Senate in 1949 I have fought for adequate financial protection for America's aged, widowed, orphaned, and disabled. I am convinced that an important factor in America's greatness today is the willingness of the strong to share part of the burden of the weak. During the debate on social security bills in 1950 and 1953, I set forth the principles which have guided my activities in social security legislation. They are:

First. Universal coverage of all persons who work for a living.

Second. Protection under the insurance system of all aged persons, irrespective of the length of time that they have contributed to the insurance system or whether they have retired prior to contributing to the insurance system.

Third. Payment of insurance benefits to individuals during periods of disability so that individuals who are sick or disabled may also have security as well as some income. This will make it possible for them to avoid asking for charity and enable them to pay their doctors' and hospital bills from their insurance benefits.

Fourth. Federal grants to the States for public assistance to those for whom the insurance program cannot meet all needs.

Fifth. Raising benefit payments so as to sustain an adequate relationship between earned income and benefit, and so as to keep pace with rising wage and price levels. An increase is urgently needed if we are to permit our senior citizens to retire with security, dignity, and reasonable comfort.

Sixth. Increasing the level of permissible monthly earnings for the aged so as not to penalize those who wish to remain contributing members of our economy.

In accordance with these principles, I introduce eight bills to amend the social-security laws. These are in addition to the three bills which I have already introduced and cosponsored. I trust that the Congress will see fit to act on them during the current session.

First. A proposal to increase OASI benefits from 50 percent to 75 percent for wives and from 75 percent to 100 percent for widows. The adoption of this proposal would mean that about 1 million wives and 500,000 widows would receive increases. It is absurd to have written into the law of our land the concept that a widow can subsist on less food, clothing, and shelter than her deceased husband was able to; nor is it less silly to suggest that an aged couple can live on only half again as much as a single retired person. For most beneficiaries, benefit payments are the chief source of dependable income. If insurance benefit payments remain low in this period of high living costs, it means that old people, widows, and orphans will be thrown on the local public-assistance rolls.

Second. I am happy to join Senator NEUBERGER in urging that we reduce from 65 to 60 the age at which women may retire and/or become eligible for benefits. This measure is necessary to prevent a couple from having to live on the benefit income of the husband alone if the wife is less than 65 at the time of her husband's retirement. We also should make it possible for women to retire at age 60, if they wish, rather than wait until 65. This is in line with other protective social legislation for women. This bill was introduced on January 18, 1955, and is S. 521.

Third. Allow OASI benefits for the permanently and totally disabled. It is virtually impossible for most of these people to provide adequately for themselves. For many of them, charity is the only relief. I think that few of us would want to deny these unfortunate people the chance to retain the elemental dignity to which every American is entitled and to be secure in the knowledge of a guaranteed and steady minimum subsistence allowance.

Fourth. Allow children for whom a petition for adoption was submitted to receive dependency benefits even if the prospective parent died before the petition for adoption was formally granted. Not many individuals would be affected by this measure, yet in those cases where this situation does occur deprivation of dependency benefits cause real hardship which I feel we should act to prevent.

Fifth. Allow congenitally disabled children to be listed as dependents regardless of age. Permanent maintenance of an individual crippled from birth often creates a most severe drain on a family's resources. It seems more than reasonable that Congress should act to lighten at least partially this heavy burden. We should recognize that one of the great social and humanitarian objectives of the social-security program is to be of assistance to fellow citizens who suffer misfortune. Therefore, I urge that we permit the congenitally disabled to be permanently eligible for benefits.

Sixth. Continue the present $5 increase in public assistance for another 2 years. This would extend for 2 years the increase provided to the States in 1952 for payment to old-age assistance, and to the blind, and to the disabled, and aid to dependent children. The present extension is due to expire in September 1956 and I think that few of us would want to deny these people the few extra dollars on which they so greatly depend.

Seventh. Provide an additional $5 across the board for old-age assistance, and to the blind and disabled, and $3 for dependent children. I appeal to the Senate to do something for the senior citizens of this country. I assume that this amendment will cost about $200 million for all those receiving old-age assistance, the blind, the disabled, and the dependent children. But this will be the best $200 million that Congress could spend. This would be true Christian compassion—help to the helpless, help to the weary, and help to the heavily laden.

Eighth. Provide a $5 increase in the minimum OASI payments to $35. We all know that even $35 will not go very far toward maintaining a retired man, particularly with the disabilities which a man over the age of 65 is likely to have.

Ninth. Provide a 2-percent postponed retirement benefit so that each worker who continues to work past 65 receives an additional 2 percent for every year he works past that age when he does retire. Under the mortality table, a man who is 65 years of age has a life expectancy of 14 years as an average. This amendment would give those wishing to continue working for a portion of that period, every opportunity to do so. The large number of senior citizens who have had to retire constitutes a growing national problem. These people collectively have made an enormous contribution to the prosperity of America that we are now enjoying. With good conscience we cannot ignore their plight.

Tenth. To provide for the coverage of dentists under the Federal old-age and survivors' insurance system established by title II of the Social Security Act. A poll among the Minnesota dentists demonstrated the overwhelming support for that social security extension in my own State. Since that time, there has been added evidence to prove that members of the dental profession in other States, whenever given an opportunity to do so, voted to be covered by the Federal old-age and survivors' insurance system. For example, a recent poll taken in the State of Iowa showed that 81 percent of the voting dentists were in favor of social security coverage with only 12.5 percent opposed. A bill to accomplish this objective was introduced by me on April 28, 1955, and is S. 1840.

Eleventh. To provide for voluntary coverage of lawyers under the Federal old-age and survivors' insurance system established by title II of the Social Security Act. On the basis of information made available to me, it is clear that American attorneys share the same attitude in regard to social security as is prevalent in the dental profession. The American Bar Association has recommended coverage for lawyers on the basis of polls taken of attorneys in a great many States. It is my hope that Congress will act in favor of my proposal and thus allow lawyers and dentists to share in the benefits that other citizens enjoy. The bill to provide coverage for lawyers is S. 1841, and was introduced by me on April 28, 1955.

These 11 bills are by no means meant to be inclusive. It is my hope to introduce and cosponsor other legislative proposals to further meet the need for improving our social-security system.

We have made a good start in overhauling our social-security system. But we cannot be content with what we have done so far. Our economy is expanding. Wages have been increasing and, in my opinion, will continue to do so because of the increasing productivity of our American economic system. Under these circumstances, I believe that we can provide a more generous, a more adequate, a more comprehensive social-security system which will really bring security to the American people. There are some who are afraid of improving our social-security system because they say it will cost too much. In my opinion these people do not have faith in the future of America. I urge that we give each man the opportunity to earn his own security in the American way through our Federal insurance program.

The number of persons age 65 and over has increased between 1900 and 1950 and is still growing. The net increase is about 325,000 a year, a jump of about 1,000 almost every day.

Not only is the number of our aged increasing, but the proportion of old persons in our population is also on the rise. In 1900 the aged were only 4 percent of the total population. As of 1953 they were 8 percent. In about 20 years the proportion will have grown to about 10 percent and will still be climbing.

Moreover, relatively few aged persons are working. Around 1900, out of every 10 aged men, 6 were employed. Today, only 4 out of 10 have jobs. As for the rest, a fortunate minority have savings and dividend income; some, also fortunate, still have their own homes and can rent rooms; some are partially supported by their adult children and other relatives. Most older men and women, however, must look to social-security insurance or public old-age assistance as their chief source of dependable income. Therefore, social-security benefits are vitally important to an increasing number of Americans. Yet, in the face of the highest cost of living in our Nation's history, benefits under social-security insurance for wage earners over 65 average only about $59 per month. Old-age public assistance payments are about $8 less. Not counting luxuries, not counting doctor bills, not counting even shoes and clothing, can anyone say that $59 is enough to live on today?

The ACTING PRESIDENT pro tempore. The bills will be received and appropriately referred.

The bills introduced by Mr. HUMPHREY were received, read twice by their titles, and referred to the Committee on Finance, as follows:

S. 2382. A bill to amend title II of the Social Security Act to provide extra credit for postponed retirement;

S. 2383. A bill to amend the Social Security Act to increase the insurance benefit of a wife or husband of an individual entitled to an old-age insurance benefit from one-half to three-quarters of the old-age benefit of such individual, and to increase the insurance benefit of the widow or widower of such individual from three-fourths to a whole old-age insurance benefit of such individual;

S. 2384. A bill to amend titles I, IV, X, and XIV of the Social Security Act to increase Federal financial participation in the public assistance plans established pursuant to such titles in order that the States may make appropriate adjustments in their payments to beneficiaries under such plans to provide for the increased cost of living, and for other purposes;

S. 2385. A bill to amend title II of the Social Security Act to increase the minimum old-age insurance benefit from $30 to $35 per month;

S. 2386. A bill to amend the public assistance provisions of the Social Security Act by extending for 2 years the increased Federal financial participation for old-age assistance, and to the blind, aid to the permanently and totally disabled, and aid to dependent children;

S. 2387. A bill to amend the Social Security Act to provide disability insurance benefits for totally disabled individuals, and to provide benefits for the wives and minor children of such individuals;

S. 2388. A bill to amend title II of the Social Security Act to provide for the payment of child's insurance benefits to certin individuals who are over the age of 18 but who are unable to engage in any regular employment by reason of permanent physical or mental disability; and

S. 2389. A bill to amend title II of the Social Security Act to provide that a child shall be considered the adopted child of a deceased individual where such individual, before his death, had filed an appropriate petition for the adoption of such child.

FEDERAL PROPERTY TAX PAYMENTS ACT OF 1955

Mr. KNOWLAND. Mr. President, on Tuesday, June 28, the President submitted to the Congress the final report of the Commission on Intergovernmental Relations, which was established on July 10, 1953.

After a 2-year period of intensive study and investigation, the Commission's findings and recommendations on the problems inherent in the field of intergovernmental relations are available for consideration and action by the Congress.

From a small nation of Thirteen Colonies with 3 million people, there has evolved through tremendous stages of growth a vast governmental network of

activities that embraces 48 States, Territories, and other possessions with an excess of 165 million Americans. Since the turn of the century, social progress and international events have catapulted the scope of Federal activities and jurisdiction to the extent that scarcely any private activity of individual citizens is immune from the programs and policies of the Federal Government.

In calling for a congressional consideration of the Commission's recommendations, the President stated that due to the increasingly intricate interrelationship of National, State, and local governments it is important that we review the existing allocation of responsibilities with a view to making the most effective utilization of our total Government resources.

Mr. President, we have traveled a long distance since the time that Abraham Lincoln portrayed the function of government as one of doing for the people those things which they were incapable of doing for themselves. In my judgment the most serious consequence of the past era of gigantic governmental growth has been the transferring of responsibilities and obligations from State and local government units to the executive offices of the Federal Government in Washington.

Although men may differ as to the reasons for these developments, history records that the increase of financial instability in local government agencies with resultant increase of responsibility, power, and authority in centralized government has been destructive of representative forms of government wherever it has occurred.

As the Commission on Intergovernmental Relations has pointed out fiscal imbalances among levels of government must be reduced if our Federal form of government is to endure and if the Government as a whole is to be responsive to the will of the governed.

On July 24, 1953, along with Senators Taft, Ferguson, Bush, and Potter, I introduced S. 2473 in the Senate to authorize a program for in lieu tax payments for property and activities of the Federal Government acquired during and subsequent to the Korean war. Inasmuch as a serious financial situation faced many local communities at that time, the sponsors of S. 2473 intended a limited program of payments by the Federal Government to local government bodies and it was not our intention that such legislation should have to await a lengthy consideration of this problem by the Commission on Intergovernmental Relations. However, such a delay has occurred and it is at least encouraging that the Commission has lived up to its responsibilities in recognition of this financial dilemma which has since grown more acute.

In the words of the Commission, "the Commission recommends that the National Government inaugurate a system of payments in lieu of property taxes to State and local governments."

Mr. President, I am today introducing legislation to carry out the Commission's recommendations based on the exhaustive report of its study committee on payments in lieu of taxes and shared revenues. I am hopeful that the Members of the Congress will recognize their responsibilities in this field and restore an element of sensibility to our present fiscal policies. The longer I serve in the United States Senate, the more convinced I become of the soundness of a State's rights principle of government.

If we should continue to let go unchallenged the processes that are destroying the fiscal responsibility of our States and local government units, the time will not be long forthcoming when our 48 States will stand impotent to administer even the most local necessities of its citizens.

In some States, the Federal Government today owns more than 50 percent of the property included within their boundaries. In my own State of California, Federal land acquisitions include 46 percent of the total land acreage within the State.

I am convinced that national and local governmental programs and activities can be placed on a firm financial foundation if the will exists in the Federal Government and elsewhere to accomplish the task. I hope the Congress will produce the opportunity and means to realize this important objective.

Mr. President, in conclusion I request permission to have printed in the RECORD a memorandum in explanation of the provisions of the in-lieu-of-tax program measure I am now introducing.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred, and without objection the memorandum will be printed in the RECORD.

The bill (S. 2390) to consent to the taxation of certain Federal property by State and local tax authorities, to provide for the payment to such authorities of sums in lieu of taxes with respect to certain other Federal property, and for other purposes, introduced by Mr. KNOWLAND, was received, read twice by its title, and referred to the Committee on Government Operations.

The memorandum presented by Mr. KNOWLAND is as follows:

PAYMENTS IN LIEU OF TAXES LEGISLATION

1. Establishes Federal Tax Payments Board to administer act, promulgate uniform rules and regulations; to hear and determine questions of fact and law arising under the act which would not have been resolved by exhausting State remedies. The Board to be composed of 3 members appointed by the President with the advice and consent of the Senate.

2. Establishes a Federal tax payments advisory committee to advise the President and the Board of problems arising under the act and to recommend changes thereto. Committee composed of 12 members—6 Federal employees, 3 employees of State governments, and 3 members of other State tax authorities.

3. Provides Federal jurisdiction for hearing defaulted tax claims arising under act.

4. Grants consent to taxation of property which:

(1) Legal title is held by Federal agency to insure against loss in connection with loan, contract of insurance, or guaranty;

(2) Has been leased or sold by Federal agency under conditional sales contract. Authority to tax granted only to same extent as existing State tax authority on non-Federal property of same class. Payments under the consent provisions to be made by Federal agency having control over such property.

5. Payments in lieu of taxes:

(1) Federal property devoted to commercial or industrial uses.

(2) Federal property devoted to any other use except local governmental use.

(3) Payments under this provision will be equal to amount of State tax on like classes of property reduced by Federal credit for value of Government services performed within the jurisdiction during the fiscal year and increased by a credit to State authority for performing services to such Federal property not customarily furnished to other property of a like class.

(4) State tax authority required to file claim for payments, based on itemized statement of tax data, to each Federal agency in control of such property.

(5) In lieu payments to be made by agency in control of such property.

6. Property exempted from payments:

(1) Property acquired before September 8, 1939.

(2) Property already subject to local taxation or in lieu payments.

(3) Property subject to a revenue sharing program.

(4) Property which would be exempt due to its use if privately owned.

(5) Property devoted to local governmental use such as courthouse, post office or postal operations, weather stations, assay offices, local irrigation or sanitation projects, airports operated by the Civil Aeronautics Administration or experimental, testing or research projects devoted primarily to local public, Federal police and hospital services; military installations; agricultural or strategic commodities under Federal custody.

7. Procedure established for reduction of in lieu payments when such payments exceed State taxes on non-Federal property.

8. Transitional payments in lieu of taxes—certain classes of property although used for local purposes, are subject to graduated system of payments. Such property is limited to that acquired after enactment of the act or 10 years prior thereto. All such property completely exempt after 10 years of graduated payments.

9. All Federal property except classes especially exempt subject to local assessments where such assessments are made on non-Federal property.

10. All Federal agencies required to furnish adequate information to local tax authorities.

FEDERAL DEVELOPMENT OF ALL OFFSHORE SUBMERGED LANDS

Mr. DOUGLAS. Mr. President, on behalf of myself, the senior Senator from New Mexico [Mr. CHAVEZ], the junior and senior Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the junior Senator from Minnesota [Mr. HUMPHREY], the junior Senator from Massachusetts [Mr. KENNEDY], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the senior Senator from North Dakota [Mr. LANGER], the junior Senator from New York [Mr. LEHMAN], the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Michigan [Mr. MCNAMARA], the Senators from Oregon [Mr. MORSE and Mr. NEUBERGER], the senior Senator from Montana [Mr. MURRAY], the Senators from Missouri [Mr. HENNINGS and Mr. SYMINGTON], and the senior Senator from Wisconsin [Mr. WILEY], I introduce a joint resolution to repeal the provisions of the Submerged Lands Act of 1953, which purported to give away to coastal States vast offshore oil and mineral re-

sources belonging to the Federal Government.

This joint resolution, if enacted, will make all of the submerged lands outside of inland waters and seaward from the low-water mark subject to Federal development under the Outer Continental Shelf Lands Act. It is similar in form to Senate Joint Resolution 145, which I introduced with numerous cosponsors in the 83d Congress.

Its passage will mean that all the people of the United States may again be assured of enjoying the benefits from the development of these oil, gas, and mineral resources estimated at from $8 billion to $50 billion in value.

Since the Supreme Court last year refused to hear the case brought by the States of Rhode Island and Alabama to test the validity of the attempted giveaway, and since the Attorney General has revealed that the executive branch, under his administration at least, may not contest the attempted transfer to the coastal States of submerged lands out to the traditional 3-mile mark, the Congress, under the resolution I am introducing, is the last and best hope for protecting the interests of all the people.

Mr. President, I therefore introduce the joint resolution, and ask that it be appropriately referred.

I ask unanimous consent that the text of the resolution, together with an explanatory statement prepared by me, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and explanatory statement will be printed in the RECORD.

The joint resolution (S. J. Res. 86) to subject the submerged lands under the marginal seas to the provisions of the Outer Continental Shelf Lands Act, introduced by Mr. DOUGLAS (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas as a result of the per curiam opinion of the Supreme Court of the United States of March 15, 1954, it is clear that the United States acquired in a proprietary as well as sovereign capacity the submerged lands beyond the ordinary low-water mark extending seaward from the coasts of the United States and outside of the inland waters (hereinafter referred to as "the submerged lands under the marginal seas"); and

Whereas section 5 of the Submerged Lands Act provides that there is excepted from the operation of section 3 thereof "all lands acquired by the United States by eminent domain proceedings, purchase, cession, gift, or otherwise in a proprietary capacity," and in consequence of this exception, the provisions of section 3 of that act are inapplicable to the submerged lands under the marginal seas: Now, therefore, be it

Resolved, etc., That this joint resolution may be cited as the "Submerged Lands Under the Marginal Seas Act."

SEC. 2. The provisions of the Outer Continental Shelf Lands Act are hereby made applicable to the submerged lands under the marginal seas as if such lands were a part of the outer Continental Shelf, as defined in such act, any provision in the Submerged Lands Act to the contrary notwithstanding, and any provisions in the Submerged Lands Act to the contrary are hereby repealed.

The statement presented by Mr. DOUGLAS follows:

STATEMENT BY SENATOR DOUGLAS

This resolution simply subjects the submerged lands seaward from the low-water mark to the provisions of the Outer Continental Shelf Lands Act, which provides for Federal development. It further repeals any provisions to the contrary in the Submerged Lands Act, the so-called offshore oil bill.

The approach of this resolution, which is made clear in the two introductory "Whereas" clauses, is the same as in S. J. Res. 145 of the 83d Congress. It is that the Supreme Court's ruling on March 15, 1954, confirmed the fact that the Federal Government had property, or proprietary, rights in these submerged lands. And consequently, by reason of the express exception in section 5 of the Submerged Lands Act, these lands did not pass to the coastal States.

In brief, the theory of this resolution is that the attempted giveaway failed because of the exception in section 5. The resolution confirms this and provides for Federal development of that which belongs to the people of the United States.

FEDERAL GOVERNMENT'S "PROPRIETARY" RIGHTS EXEMPTED FROM GIVEAWAY BY SECTION 5

It will be recalled that one of the leading sponsors of the submerged lands bill gave assurances in the hearings that there would be no "gift" to the coastal States because, he argued, the Federal Government had never possessed or exercised any ownership of the property. The sponsors' theory was that the bill would only confirm existing States' rights, not transfer away Federal property.

To make this interpretation doubly clear—and possibly to encourage and protect those other Members of Congress who supported them from the criticism that they were voting to give away property of the United States—the sponsors amended the bill in committee by inserting in section 5, in the express exceptions from the transfer, "all lands acquired by the United States—in a proprietary capacity."

Now it may well be true that some supporters of the bill would have voted for it, even if it had expressly and clearly provided for the transfer of Federal property to the coastal States. But that is not the bill that was passed. What did pass was a bill which clearly excepted lands held by the United States in a "proprietary capacity."

Unfortunately for the legal theory of the bill's sponsors, on March 15, 1954, the Supreme Court—in a regrettably brief per curiam opinion—referred to these offshore lands as "property belonging to the United States." It also cited as ruling its decision cases in which the opinions used the words, "public domain," "proprietor," "property belonging to the United States," and "public land."

This clearly evidenced the Court's ruling that the Federal Government did have proprietary rights in the offshore lands.

This being true, the exception in section 5 of the Submerged Lands Act, by its precise terms, applies to this situation. The attempted gift fails. And if Congress will confirm this situation by the passage of this resolution, the oil, gas, and mineral wealth in these areas will once more be held and developed in the name and for the benefit of the people of the entire country—instead of for the coastal States alone, which are now busily engaged in selling leases to these areas.

RECENT OFFSHORE LEASES PROVE TREMENDOUS VALUE OF RESOURCES THERE

Recent events in three respects heighten the importance of this measure. First, it is evident from the initial reports of the sale by the Federal Government of oil leases in the marginal sea—the outer shelf area not given away—that the estimates of gigantic oil, gas, and mineral resources there are fully shared by the oil industry. Close to $139 million was realized by the Federal Government in bonuses on lease sales off Louisiana's and Texas' coasts, announced last October and November. The Secretary of the Interior further predicted that future rentals (at $3 per acre) and royalties (at one-sixth) from these leases off Louisiana's shores would yield another half billion dollars over a period of years.

When it is remembered that these leases are reported to be for less than 1½ percent of the areas in the outer Continental Shelf off these two States—though doubtless they are among the most valuable of such areas—the aggregate value of the resources in the outer shelf, and in the inner band now being claimed and leased by Louisiana and Texas, must be obvious.

In the meantime, the States of Louisiana and Texas have proceeded with lease sales of submerged lands between the low-water mark and the so-called outer shelf, with bonuses of over $27 million reported on their most recent offerings and rentals and royalties of increasing size looming ahead.

Clearly the stakes are enormous, and this resolution would retain resources of great value for all the people.

COASTAL STATES' BOUNDARY CLAIMS BEYOND 3-MILE LIMIT CREATE GRAVE INTERNATIONAL PROBLEMS

In the second place, evidence is accumulating that the exorbitant boundary claims of the coastal States may create serious international problems, as the sponsors of the giveaway bill predicted in the debate in 1953. A dispatch from Ecuador, in the Chicago Daily News of April 21, 1955, reports that Ecuador, Chile, and Peru are asserting ownership claims in the marginal sea out 200 miles in the Pacific from their coasts. The dispatch reported that two American fishing vessels were captured at a point 26 miles offshore, and that the Ecuadorans were asserting that "the 3-mile limit is a thing of the past."

The dispatch further points out that these claims, if followed by other nations in narrow seas, like the Mediterranean and Caribbean, and in the Formosa Straits, may create grave difficulties for a great naval power like the United States. This was dramatically illustrated in the reports 3 weeks later concerning the resistance by American Sabrejet planes to the attacks of Communist MIGs between North Korea and Red China in which 2 MIGs were shot down.

The report in the Washington Post and Times Herald for May 11, 1955, stated that:

"International law recognizes only a 3-mile limit off a nation's coast as territorial waters. The Communist nations habitually claim 12 miles or more.

"Under international law allied planes can fly 3 miles off the North Korean coast up to the northern limit of the Yellow Sea without any legal violation of Communist territory."

Obviously, the precedents that might be established by validating the claims of the coastal States of the United States far beyond the 3-mile limit may rise to plague us, unless such a resolution as I am introducing is passed, and the asserted ownership of the coastal States beyond these limits is clearly denied. It is clearly in the national interest that the Nation's power and authority to deal with these rights in the marginal sea should not be impaired.

The full text of the article in the Chicago Daily News of April 21, 1955, is as follows:

"SET 200-MILE LIMIT—LATINS PUSH CLAIM TO OFFSHORE WATERS

"(By George Weller)

"GUAYAQUIL, Ecuador.—Uncle Sam's dispute about coastal sovereignty has arrived

at a most awkward possible time for American strategic interests. The 200-mile limit set by 3 Latin-American powers is wide enough to change materially our Formosa status.

"At the navy docks of this steaming, sprawling port almost exactly on the Equator are two American fishing vessels, captured prizes of the Ecuadoran Navy. At a point 26 miles offshore—well beyond the usual 3-mile limit—the chief engineer of the larger vessel, the 960-ton mother ship *Arctic Maid*, was hit by a shot fired by an excitable Ecuadoran Navy man. The crew surrendered and await trial.

"The Ecuadorans mean to shut out the Americans—and any other fishermen not licensed by them—from the rich cold waters of the Humboldt Current. 'The 3-mile limit is a thing of the past,' they said.

"The Ecuadorans, Chileans, and Peruvians are flatly asserting that everything within 200 miles of their shores is forbidden territory for foreign fishermen.

"Warships, passenger ships, freighters and anything else floating may sail within the boundary, unlicensed. But if the cook starts trolling over the stern he becomes a common poacher, subject to arrest.

"The three Latins all have navies. Ecuador, the weakest, is lifting its fleet to 2 destroyers and 6 new German-made cutters. By capturing the ships of Onassis, the Greek, the Peruvians were able to wring some $3 million in prize money from him.

"American tuna craft have been able to slip inside these 200-mile boundaries and get away with it. They may have been encouraged to do so by a congressional stopgap law providing for them to be reimbursed by the United States Government for any fines extracted from them by the Latins.

"The Ecuadorans talk tough, but they have not actually screened every square mile of the ocean or arrested every offender.

"For grabbing this 200-mile piece of the richest, rawest fishing grounds left to man the three Latins have what they regard as an excellent excuse.

"They point to the American assertion that the subsoil rights—meaning oil—to the coasts of the Caribbean extend as far out as the Continental Shelf.

"The Latins feel they are on safe ground in asking for a 200-mile slice.

"The South Americans might have pointed to the disappearance of the sardines from the California coast as an example—however unproved—of what happens when the Americans turn loose their submarine radar and their radio telephone linked fleets on the hapless fish.

"But the Latins have spurned this factual approach. They simply set the 200-mile limit—about the effective patrolling range of Ecuador's two aged United States Navy patrol planes—and made it theirs.

"What the Americans unmistakably fear is not a blow to the tuna industry, but an international race by all powers to claim ever broader areas of offshore jurisdiction.

"To the world's greatest naval power, already deeply committed in narrow seas like the Mediterranean and Caribbean, the prospect of unlimited extension of sea frontiers is disquieting."

ATTORNEY GENERAL'S ACTION IN LOUISIANA CASE WILL SURRENDER OFFSHORE RESOURCES OUT TO 3-MILE LIMIT

The third event of importance in the consideration of these issues is the motion filed by the Attorney General several weeks ago for a modification of the decree in the offshore oil case involving the State of Louisiana. The effect of this motion, if it is successful, may be not only (1) to cut off the boundary claims of Louisiana at the 3-mile mark, but also (2) to validate the claims of Louisiana to the submerged lands seaward from the low-water mark and out to the 3-mile limit without directing the Court's attention specifically to the significance of the exceptions in section 5.

While we may speculate as to why a similar motion has not yet been made in the case of Texas, we should perhaps rejoice that the chief law officer of the Government is proceeding to try to establish the priority of the Federal Government's claims to the submerged lands beyond the 3-mile limit. I am glad that he is at least resisting that part of the attempted giveaway which seemed to permit coastal State claims in the Gulf of Mexico seaward to a distance of 3 leagues, or approximately 10½ miles. We can be sure this matter will be hotly contested by Louisiana, and finally determined by the Court only after a full hearing on both sides.

At the same time, it will be unfortunate indeed if this new litigation acts to confirm the Louisiana ownership of the submerged lands between the low-water mark and the 3-mile limit. On this issue I fear there may not be adequate adversary proceedings to test the legal question fully. The Attorney General is asking that this band of the submerged lands be confirmed to the State of Louisiana, and obviously the State of Louisiana will be a willing recipient. In the Attorney General's motion he does note that Louisiana's rights are subject to the exceptions written by Congress into section 5 of the Submerged Lands Act. But he does not specify what these are, or describe their significance. And while excerpts from that law are printed in the brief, these excerpts do not include section 5. Furthermore, in the conclusion of his brief he ignores the exceptions in section 5 completely.

I repeat that it would be most unfortunate if the basic rights of the Federal Government to the submerged lands seaward from the low-water mark to the 3-mile limit are thus determined in proceedings which on that issue will be uncontested and in which the Attorney General has not even brought explicity to the attention of the Court the significance of a fundamental exception in the statute which invalidates the attempted gift to the coastal States.

For all these reasons, the resolution which I am introducing has great importance for the people of the United States. At the present time, and under the present administration, I must concede that the prospects for its favorable consideration may not be promising. It is essential, however, that the interests that the Federal Government has in these valuable resources not be forgotten or ignored, and that those who claim under leases from the coastal States be put on notice that the Federal rights have not been wholly surrendered. Then in due time, and by appropriate legislative and administrative action, we can still hope that the rights of the people to the people's property will finally be vindicated.

MELANIE SCHAFFNER BAKER—RECOMMITTAL OF BILL

On motion of Mr. PURTELL, the bill (S. 235) for the relief of Melanie Schaffner Baker was taken from the calendar and recommitted to the Committee on the Judiciary.

INCREASED LIMIT OF EXPENDITURES BY COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. ANDERSON (for Mr. MURRAY) submitted the following resolution (S. Res. 117), which was referred to the Committee on Rules and Administration:

Resolved, That the limitation of expenditures under Senate Resolution 37, 84th Congress, agreed to February 4, 1955, is hereby increased by "$3,000.00".

SEC. 2. The limitation of expenditures under Senate Resolution 39, 84th Congress, agreed to February 4, 1955, is hereby increased by "$4,750."

PRINTING OF ADDITIONAL COPIES OF PART I AND APPENDIX OF HEARINGS ON OPERATIONS OF CIVIL DEFENSE PROGRAM

Mr. RUSSELL submitted the following resolution (S. Res. 118), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Armed Services 1,000 additional copies of part I and appendix of the hearings held by said committee during the current session on operations and policies of the civil-defense program.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. THYE:

Address delivered by Senator GOLDWATER before the Minnesota Retail Federation, Inc., at Minneapolis, Minn., on June 29, 1955.

By Mr. THURMOND:

Address delivered by Senator SMITH of Maine to the national convention banquet of the Reserve Officers' Association, Boston, Mass.

By Mr. DANIEL (for Mr. KILGORE):

Statement by Senator KILGORE and Associated Press article relating to the reversal by the Defense Department of its curb on news.

OIL IMPORTS

Mr. SCHOEPPEL. Mr. President, under date of June 23 there appeared in the Oil Daily an article entitled "Total Oil Imports Rise 11.5 Percent for Week; Well Above Year Ago."

Mr. President, the total imports of crude and petroleum products for the week ending June 17 were up 124,000 barrels from the average of the preceding week, and were up 227,500 barrels, or 23.4 percent, above the average in the comparable week of last year, 1954.

In the meantime, the domestic production of many of our oil-producing States has been cut back, particularly in some of the States, and especially in the State of Texas, where production is now being made on the basis of 15 allowable days for the months of June and July.

In view of the fact that not long ago the Senate considered an important bill in regard to reciprocal trade, I wish to point out what is happening to the domestic oil industry because of the importation of oil. I ask unanimous consent to have the article to which I have referred printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOTAL OIL IMPORTS RISE 11.5 PERCENT FOR WEEK; WELL ABOVE YEAR AGO

An increase in imports of crude oil accounted for the total increase of 11.5 percent in imports of crude and products in the week ended June 17.

Total imports of crude and products in the week averaged 1,201,500 barrels daily, up 124,000 barrels from the average of 1,077,500 in the preceding week, and were 227,500, or 23.4 percent, above the average of 974,000 in the like year-earlier week.

Imports in the 4-week period ended June 17 averaged 1,184,700 barrels daily, 163,400, or 16 percent, above the average of 1,021,300 in a like 4-week period a year ago.

Receipts of crude for the country as a whole were up 125,900 barrels daily in the week, averaging 844,500, compared with 718,600 in the preceding week, and were 189,900 higher than the average for the like year-earlier week.

Imports of crude east of California were 33.7 percent, or 205,400 barrels daily, higher in the latest week, averaging 814,200, compared with 608,800, but receipts in California declined 79,500, from 109,800 to 30,300 barrels daily.

Receipts of residual fuel showed little change, gaining 15,300 barrels daily in the week, from 316,700 to 332,000 barrels daily, but still held 78,800, or 31.1 percent, higher than the average of 253,200 in the like year-earlier week.

Imports of all other products declined in the latest week. No receipts of distillates were reported, compared with imports of 6,700 in the preceding week; asphalt declined from an average of 19,300 to 13,400 in the latest week, with receipts of other petroleum products off from 16,200 to 11,600 barrels daily.

OUTSTANDING ACCOMPLISHMENTS OF THE SENATE MAJORITY LEADER

Mr. SMATHERS. Mr. President, on the front page of this morning's issue of the Washington Post and Times Herald there appears an editorial suggesting that there has been some disagreement between the President and the majority leader of the Senate with regards to what has been accomplished by Congress during the present session. In fact, it has sometimes been suggested or implied that the President does not think that very much has been accomplished at the present session.

Mr. President, on the editorial page of the same issue of the Washington Post and Times Herald, which endorsed Mr. Eisenhower in his campaign in 1952, there appears an editorial which goes into detail in pointing out what a splendid and outstanding record the majority leader of the Senate has made and the Senate has made at this session in passing proposed legislation; and the editorial further points out that the accomplishments of our distinguished majority leader have probably been unexcelled in the United States Congress.

On behalf of the junior Senator from Missouri [Mr. SYMINGTON], I ask unanimous consent to have the editorial printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MAJORITY LEADER

It was a queer combination of shortsightedness and irritation that led President Eisenhower yesterday to make such an unwarranted slur on the cooperation of the Democratic majority leader, Senator LYNDON JOHNSON. Understandably the Chief Executive is impatient about some of the pending legislation he wants passed, particularly the military reserve bill. Understandably, too, he may have been nettled by Senator JOHNSON's reference to the Eisenhower prediction last fall of a political cold war if the country did not return a Republican Congress. All political leaders are guilty of such silly extravagances at one time or another, and the best thing to do is to swallow them gracefully.

In any event, there has been precious little evidence of a political cold war, and Mr. Eisenhower's annoyance ought not to blind him to the substantial record of Senate legislative accomplishment made possible with Mr. JOHNSON's help. Let no one forget the Formosa defense resolution on which the Democrats rushed in to support the President without reading the fine print; the full foreign-aid authorization; the various treaties; the housing bill; the reciprocal trade bill; the confirmation of John von Neumann as an Atomic Energy Commissioner; the squelching of Senator MCCARTHY in a demonstration of solidarity behind the President for the Big Four negotiations. If not all of these items have emerged in precisely the form the President wanted, and if much remains to be done, the record still reflects an unusual degree of cooperation by the opposition party on major legislation.

On several occasions in the past this newspaper has been critical of Senator JOHNSON's leadership. We are happy to say that in this session of Congress he has exhibited a remarkable amount of finesse, understanding, and restraint in getting through important legislation quietly and with a minimum of controversy. Despite Mr. Eisenhower's tart comment, it is only fair to acknowledge that on many occasions Mr. JOHNSON has served the national interest more effectively than the leadership of the President's own party.

Mr. SYMINGTON. Mr. President, I thank the junior Senator from Florida for his courtesy. I had planned to request the printing in the CONGRESSIONAL RECORD of the editorial the Senator from Florida has submitted, and also the article which, only a few minutes ago, the distinguished Senator from Kentucky [Mr. BARKLEY] obtained consent to have printed in the RECORD.

Mr. President, I am very green as a legislator, but I have had some experience in the executive side of the Government and in private business. I should like to take this opportunity to say that in my opinion the distinguished majority leader of the Senate, the senior Senator from Texas [Mr. JOHNSON], is establishing a record for legislative efficiency in handling the business of the Senate and the problems of the country with which the Senate has to deal which may be unequaled in the history of the Senate.

Mr. BYRD. Mr. President, the issue of Newsweek of June 27, 1955, contains an article entitled "Senator LYNDON JOHNSON," from which I quote 2 or 3 sentences:

Senator LYNDON B. JOHNSON is big these days even for a Texan.

In Washington they say he puts his imprint on every new law.

In Texas they predict that he will be President of the United States when Dwight D. Eisenhower (another Texan) gives up the job.

I ask unanimous consent that the article be printed in the RECORD, and I wish at the same time to express my appreciation of the splendid work which is being performed by our majority leader. As a Democrat, I am proud that we have him as the leader of our party in the Senate.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. HUMPHREY. I wish to have the privilege of joining with the senior Senator from Virginia in the comments he has made concerning the article relating to the majority leader, the distinguished senior Senator from Texas, LYNDON JOHNSON, which was published in Newsweek magazine.

The junior Senator from Minnesota finds those moments when he can join with his friend from Virginia very happy and pleasant ones. I welcome the opportunity to have this good association.

Mr. BYRD. I thank the Senator from Minnesota.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR LYNDON JOHNSON

Senator LYNDON B. JOHNSON is big these days, even for a Texan.

In Washington they say he puts his imprint on every new law.

In Texas they predict that he'll be President of the United States when Dwight D. Eisenhower (another Texan) gives up the job.

Samuel Shaffer, of Newsweek's Washington bureau, tells, in the following special report, why JOHNSON, as majority leader of the Senate, inspired such tall talk in Washington and in Texas.

"One day last week the United States Senate passed 90 bills, confirmed an Ambassador and a Federal Trade Commissioner, and then knocked off because it had temporarily run out of business. The elapsed time: 4 hours and 43 minutes. Washington was jolted to attention.

"For 'the greatest deliberative body in the world' this was probably some kind of record. Yet nobody in the Senate took any particular notice of it. For the Senators themselves had long since become accustomed to doing most of their deliberating quickly, quietly, and in private.

"Legislative prodigies of this kind had ceased to be a novelty to the legislators soon after January 1955, when LYNDON BAINES JOHNSON, senior Senator from Texas, became Senate majority leader.

"Some Senators had gone along with the election of JOHNSON against their better judgment. He was only 46—the youngest man ever to be entrusted with the leadership. Also, he had only 1 term behind him—and only 1 first-termer had ever held the job before.

"Even more important, liberal northern Democrats considered JOHNSON a conservative southerner, whereas conservative southern Democrats remembered that he first was elected to the House in 1937 as a Roosevelt man—a New Dealer who had served as Texas director of the National Youth Administration, and who, in that job, had been accused of doing too much for Negroes and Mexicans.

"But the Senators' doubts soon evaporated. Now JOHNSON has emerged not only as top man of the Senate, in fact, as well as title, but as the dominant force in Congress. Some of his colleagues think he has more influence over the legislative branch than anyone since Uncle Joe Cannon, once a czar of the House, and more power in contemporary Washington than anyone except the President.

"LET US REASON

"Yet nobody accuses him of trying to be a boss. He is a consummate politician who leads by persuasion. His favorite quotation

is from the Book of Isaiah: 'Come now, and let us reason together.'

"Eisenhower Republicans give JOHNSON the credit for alining this Congress solidly behind the administration's foreign policy and keeping it there. Most Democrats are grateful to him for unifying their party and holding it together through the season of Eisenhower ascendancy. The old southern Democratic-northern Republican coalition in Congress, which so often made life miserable for Presidents Roosevelt and Truman, is not a problem to President Eisenhower.

"JOHNSON has helped accomplish that—and doing so has not for a moment troubled his Democratic conscience. He has never forgotten what House Speaker SAM RAYBURN told him when he first came to Congress: 'The difference between Republicans and Democrats is that we don't hate their Presidents.' JOHNSON likes Ike—recently he joined with RAYBURN in presenting the President with a Texas steer in token of their esteem—and he will like doing all he can to defeat Mr. Eisenhower in 1956.

"THE PROS KNOW

"Paradoxical as this attitude may seem to outsiders, it is perfectly understandable to the pros who have remained in Congress long enough to be included in the senior echelon. They have accepted JOHNSON as one of their own. They like the way he does business. They have no patience with the double-domed political scientists who are beginning to wonder whether JOHNSON's facility as a Senate manager isn't compromising the Senate's function as a forum for the protracted debates which once were supposed to enlighten and guide the voting public. Under JOHNSON's leadership, the Senate sometimes disposes in a few minutes of issues that used to be debated for days and even weeks.

"Some Democratic politicians—most of them outside of Congress—question JOHNSON's strategy on more practical grounds. They think his compromising is overdone—that the party's long-range interests would be better served by fewer victories through compromise and more defeats on matters of principle. While conceding that JOHNSON's strategy may help reelect a Democratic Congress, they complain that it creates no issues on which a Democratic presidential nominee—Adlai Stevenson or any other candidate—can win votes.

"JOHNSON himself sees the Democratic problem and its solution in these terms:

" 'The Democratic majority in the Senate is hair thin. If one Democrat deserts to a united opposition, then Vice President RICHARD M. NIXON can cast the deciding vote in the Senate. If two desert, then the Republicans control the Senate. This is not easy to explain to the country. So far as the public is concerned, this is a Democratic Congress. The people want results and not oratory or excuses.'

"Opposition for the sake of opposition is useless. The country is in no mood for partisan politics. If the President sends up bills the Democrats like, JOHNSON will get them passed. If he sends up bills the Democrats don't like very much, JOHNSON will try to substitute Democratic versions.

"It is foolish and politically futile to attempt to tear down Mr. Eisenhower's popularity. The GOP tried that with F. D. R. and got nowhere. The electorate will vote for the party which proves it can handle the people's business responsibly and ably.

"JOHNSON was born to politics. His paternal grandfather and later his father represented the 87th District in the Texas Legislature. Of his father, Sam Ealy Johnson, it was said that "he talked less and passed more bills than anybody." The son seldom makes speeches today. In his Senate office hangs this framed motto: 'You ain't learnin' nothing when you are talkin'."

"PROTEGE

"Sam Ealy Johnson helped elect a young Texan named SAM RAYBURN, speaker of the Texas Legislature. So RAYBURN took LYNDON JOHNSON under his wing when the youngster quit his teaching job and turned up in Washington in 1931 as secretary to Texas Congressman Richard Kleberg of the famed King Ranch. RAYBURN later applauded his protege's work for the National Youth Administration and his election to Congress as a Rooseveltian at a time when F. D. R. was fighting Congress over his court-packing plan.

"Roosevelt was so delighted with JOHNSON's victory that he took the Congressman-elect to Washington aboard his yacht and himself wangled JOHNSON's assignment to the Naval Affairs Committee. JOHNSON never had any trouble winning reelection to the House even though he didn't occupy his seat for a time during the Second World War—serving as an officer in the Navy in the Pacific theater instead and winning a decoration for gallantry under fire.

"JOHNSON made his first try for the Senate in 1941, and thought he had won, but was counted out in favor of 'Pappy' Lee O'Daniel. In 1948, he tried again and beat former Gov. Coke Stevenson by 87 votes in the wildest, closest contest in Texas history. This time Stevenson thought he'd been counted out. JOHNSON beat his nearest opponent by a healthy half million votes in 1954.

"LONG HOURS

"These days JOHNSON throws everything he has into the leadership job—the stamina of the 200-pound, 6-foot 3-inch physique, his political experience and his persuasive gifts. He ordinarily works through the evening with a staff which keeps him well briefed on legislative issues as they arise and on the quirks of Senators immediately concerned with them. He accepts no social engagements and spends what little time off he has with his wife, Lady Bird, and their two young daughters, Lydia Bird and Lucy Baines.

"JOHNSON now watches over aging SAM RAYBURN, once his mentor, as RAYBURN used to watch over him. Several times during this session of Congress—on one occasion at great hazard to his own health—JOHNSON has rescued RAYBURN from serious parliamentary predicaments. Once, for example, RAYBURN came within one vote of losing the Reciprocal Trade Agreements Act. JOHNSON set things right in the Senate by putting the bill through in a form acceptable to the President by a vote of 75 to 13.

"The Johnson formula for legislative success is rigorous. Energy is never frittered away on side issues. On those which count, everything is committed. Sleep is forgotten, meals are ignored, old friendships are revived, forgotten favors are recalled. Even airplane schedules are revised and motorcycle escorts provided to make certain not a vote is lost.

"TRIUMPHS

"The system has paid off in the Senate with a long list of triumphs. JOHNSON has pushed through the Democratic highway construction bill, the $1-an-hour-minimum-wage bill, the upper Colorado River Basin project, a foreign-aid bill which for the first time added to rather than cut the administration's figure, and a big public-housing program. About the housing bill, Senator DOUGLAS exclaimed, 'I am frank to say I did not think it could be possible.'

"It is JOHNSON's ambition to be one of the best Senators Texas ever produced and the 'best damn majority leader' in history. His presidential hopes, if any, are well concealed. Yet his name crops up more and more frequently in cloakroom conversation. As one colleague put it last week, 'After all, he's the ablest man we've got.' But he's also the most practical and realistic man they have, so he won't be running against Mr. Eisenhower in 1956. Come 1960, who knows?"

SALARIES OF JUDGES OF COURTS OF THE DISTRICT OF COLUMBIA—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of the conference report on the bill dealing with the salaries of judges of courts of the District of Columbia. The distinguished Senator from Oregon will submit the report.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 727) to adjust the salaries of the judges of the Municipal Court of Appeals for the District of Columbia, the Municipal Court for the District of Columbia, the Juvenile Court of the District of Columbia, and the District of Columbia Tax Court.

The ACTING PRESIDENT pro tempore. The report will be read.

The legislative clerk read the report.

(For conference report, see House proceedings of June 29, 1955, p. 9510, CONGRESSIONAL RECORD.)

The ACTING PRESIDENT pro tempore. The question is on agreeing to the report.

The report was agreed to.

WAR RISK HAZARD AND DETENTION BENEFITS—REPORT OF A COMMITTEE

Mr. HILL. Mr. President, from the Committee on Labor and Public Welfare I report favorably, without amendment, House bill 6871, a bill to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956, and I submit a report (No. 692) thereon.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

Mr. HILL. Mr. President, I ask unanimous consent for the immediate consideration of the bill. I think it is imperative that the bill be passed today.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HILL. I yield to the distinguished Senator from California.

Mr. KNOWLAND. I understand this is the bill which the Senator discussed with me recently, a bill which is proposed by the administration. It does nothing but extend for 1 year the existing law. Is that correct?

Mr. HILL. The Senator is exactly correct. The bill would simply extend for 1 year the 2 acts I have mentioned. If the bill is not passed, these acts will expire at midnight tonight.

The bill proposes a 1-year extension of Public Law 784, 77th Congress, which provides for compensation benefits for certain employees of the United States or of contractors with the United States for injury or death proximately resulting from a war-risk hazard as defined therein, and section 5 (b) of Public Law 161, 79th Congress, which extends the Federal Employees Compensation Act, as amended, to provide workmen's compensation benefits to Federal civilian employees who suffer injury or death during a period of detention by an enemy force.

The Secretary of the Air Force, in a letter to the President of the Senate, dated June 8, 1955, requested this legislation. The Secretary stated:

> This proposal is a part of the Department of Defense legislative program for 1955, and further, that there is general agreement that a major factor in recruiting competent personnel for overseas duty * * * is the protection offered for unusual risk of life or limb.

The bill has passed the House of Representatives, and the Department of Defense desires to have it passed by the Senate and become law, because the two statutes heretofore cited will expire at midnight tonight, and they should be continued.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 6871) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956, was considered, ordered to a third reading, read the third time, and passed.

VISIT TO THE SENATE BY MEMBERS OF ROCKY MOUNTAIN COUNCIL, BOY SCOUTS OF AMERICA, LA JUNTA, COLO.

Mr. ALLOTT. Mr. President, there are present in the Senators' Family Gallery today a group of Boy Scouts from La Junta, Colo. They are all members of Rocky Mountain Council, and their project is the study of Indian dancing and customs of the Koshare Indians. I cannot allow their visit here to pass without mention, although it is rather unusual to introduce guests in the Senate.

These boys are all Boy Scouts. They must be high ranking Scouts. They must excel in their studies before they are permitted to be Koshare Indians. Then they engage in a long period of study and training under Mr. J. F. "Buck" Burshears, who is an authority on Indian dancing.

These boys are such good dancers that most Indians in the United States look up to them as authorities upon Indian dancing and folklore. They make their own costumes, and it is estimated that their costumes are of a value, roughly, of $100,000.

I am happy to introduce them at this time and to make these remarks, because I think that this type of activity is most admirable and is one of the best in which an American boy can engage. I wish we could have Koshare Indians all over the country.

Mr. President, would it be in order for me to ask them to rise?

The PRESIDING OFFICER. That is frequently done. Without objection, the guests in the gallery to whom reference has been made will rise.

(The group of Boy Scouts rose and were greeted with enthusiastic applause.)

The PRESIDING OFFICER. We are very glad to have these boys as guests of the Senate. They are fine looking boys. [Applause.]

NOTICE OF SUBCOMMITTEE MEETING TONIGHT

Mr. KEFAUVER. Mr. President, I wish to give notice that the Monopoly and Antitrust Legislation Subcommittee of the Committee on the Judiciary will hold a hearing this evening at 8 o'clock in room 420, Senate Office Building, for the purpose of hearing Mr. Rowland R. Hughes, Director of the Bureau of the Budget, and other witnesses in the committee's investigation of certain aspects of the Dixon-Yates contract.

THE CALENDAR

The PRESIDING OFFICER. If there be no further morning business, morning business is concluded, and the clerk will proceed with the call of the calendar, beginning, under the order entered yesterday, with Calendar No. 645, Senate bill 645.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The first measure in order on the calendar will be stated.

HEDI GERTRUDE SPIECKER

The bill (S. 717) for the relief of Hedi Gertrude Spiecker was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hedi Gertrude Spiecker shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SANTIAGO LANDA ARRIZABALAGA

The bill (S. 1084) for the relief of Santiago Landa Arrizabalaga was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Santiago Landa Arrizabalaga shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

LUCA SALTARELLI

The bill (S. 1112) for the relief of Luca Saltarelli was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Luca Saltarelli shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

DIMITRIOS ANTONIOU KOSTALAS

The bill (S. 1126) for the relief of Dimitrios Antoniou Kostalas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dimitrios Antoniou Kostalas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

EUGENIO MAIDA

The bill (H. R. 928) for the relief of Eugenio Maida was considered, ordered to a third reading, read the third time, and passed.

TAKAKO RIU REICH

The bill (H. R. 990) for the relief of Takako Riu Reich was considered, ordered to a third reading, read the third time, and passed.

PHILIP MACK

The bill (H. R. 1111) for the relief of Philip Mack was considered, ordered to a third reading, read the third time, and passed.

LEE HOUN AND LILY HO LEE HOUN

The bill (H. R. 1163) for the relief of Lee Houn and Lily Ho Lee Houn was considered, ordered to a third reading, read the third time, and passed.

CAROL BRANDON (VALTRUDE PROBST)

The bill (H. R. 1247) for the relief of Carol Brandon (Valtrude Probst) was considered, ordered to a third reading, read the third time, and passed.

FERENC BABOTHY

The bill (H. R. 1255) for the relief of Ferenc Babothy was considered, ordered to a third reading, read the third time, and passed.

CARLO NONVENUTO

The bill (H. R. 1281) for the relief of Carlo Nonvenuto was considered, ordered to a third reading, read the third time, and passed.

OLGA JOANNOU GEORGULEA

The bill (H. R. 1283) for the relief of Olga Joannou Georgulea was considered, ordered to a third reading, read the third time, and passed.

DAVID MORDKA BORENSTAJN AND OTHERS

The bill (H. R. 1287) for the relief of David Mordka Borenstajn, Itta Borenstajn nee Schipper, and Fella Borenstajn Reichlinger was considered, ordered to a third reading, read the third time, and passed.

CHIN YORK GAY

The bill (H. R. 1357) for the relief of Chin York Gay was considered, ordered to a third reading, read the third time, and passed.

CHARLES (CARLOS) GERLICZ

The bill (H. R. 1417) for the relief of Charles (Carlos) Gerlicz was considered, ordered to a third reading, read the third time, and passed.

STIJEPO BUICH

The bill (H. R. 1467) for the relief of Stijepo Buich was considered, ordered to a third reading, read the third time, and passed.

VICTOR MANUEL SOARES DE MENDONCA

The bill (H. R. 1472) for the relief of Victor Manuel Soares De Mendonca was considered, ordered to a third reading, read the third time, and passed.

ELEANORE HAUSER

The bill (H. R. 1473) for the relief of Eleanore Hauser was considered, ordered to a third reading, read the third time, and passed.

ROSS SHERMAN TRIGG

The bill (H. R. 1474) for the relief of Ross Sherman Trigg was considered, ordered to a third reading, read the third time, and passed.

WING CHONG CHAN

The bill (H. R. 1475) for the relief of Wing Chong Chan was considered, ordered to a third reading, read the third time, and passed.

ARDES ALBACETE YANEZ

The bill (H. R. 1525) for the relief of Ardes Albacete Yanez was considered, ordered to a third reading, read the third time, and passed.

MRS. BERTA MANSERGH

The bill (H. R. 2933) for the relief of Mrs. Berta Mansergh was considered, ordered to a third reading, read the third time, and passed.

EUFRONIO D. ESPINA

The bill (H. R. 3069) for the relief of Eufronio D. Espina was considered, ordered to a third reading, read the third time, and passed.

MRS. LEE TAI HUNG QUAN AND QUAN AH SANG

The bill (H. R. 3070) for the relief of Mrs. Lee Tai Hung Quan and Quan Ah Sang was considered, ordered to a third reading, read the third time, and passed.

VIRGIL WON (ALSO KNOWN AS VIRGILIO JACKSON)

The bill (H. R. 3075) for the relief of Virgil Won (also known as Virgilio Jackson) was considered, ordered to a third reading, read the third time, and passed.

JOHN AXEL ARVIDSON

The Senate proceeded to consider the bill (S. 550) for the relief of John Axel Arvidson, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of John Axel Arvidson. From and after the date of enactment of this act, the said John Axel Arvidson shall not again be subject to deportation by reason of the same facts upon which said deportation proceedings were commenced or any such warrants and order have issued.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEPH VYSKOCIL

The Senate proceeded to consider the bill (S. 1337) for the relief of Joseph Vyskocil, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Joseph Vyskocil shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TERESA ALICE TOWNSEND

The Senate proceeded to consider the bill (H. R. 1044) for the relief of Teresa Alice Townsend, which had been reported from the Committee on the Judiciary with an amendment, in line 6, after the word "of", where it appears the second time, to strike out "her admission" and insert "the enactment of this act."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

SOLOMON WIESEL

The Senate proceeded to consider the bill (H. R. 1155) for the relief of Solomon Wiesel, which had been reported from the Committee on the Judiciary, with an amendment in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

JEAN-MARIE NEWELL

The Senate proceeded to consider the bill (H. R. 3074) for the relief of Jean-Marie Newell, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

ASHER EZRACHI

The Senate proceeded to consider the bill (S. 315) for the relief of Asher Ezrachi, which had been reported from the Committee on the Judiciary with amendments in line 3, after the word "of", to insert "section 212 (a) (9) and"; in line 8, after the word "That", to strike

out "this exemption" and insert "these exemptions"; and at the beginning of line 9, to strike out "a ground" and insert "grounds"; so as to make the bill read:

Be it enacted etc., That, notwithstanding the provisions of section 212 (a) (9) and section 212 (a) (19) of the Immigration and Nationality Act, Asher Ezrachi may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 1835) to amend the District of Columbia Unemployment Compensation Act, as amended, was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

The bill (S. 59) to amend the Civil Service Retirement Act of May 29, 1930, as amended, was announced as next in order.

Mr. PURTELL. Over.

The PRESIDING OFFICER. The bill will be passed over.

HAL A. MARCHANT

The bill (S. 1154) for the relief of Hal A. Marchant was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 27 of the Merchant Marine Act, 1920, as amended, the Secretary of the Treasury is authorized and directed to cause the gas screw vessel *Jenny*, official number 256330, now owned by Hal A. Marchant of Coulee Dam, Wash., to be documented as a vessel of the United States with full coastwise privileges, upon compliance with the usual requirements for documentation, so long as the vessel is owned, and shall continue to be owned, by a citizen of the United States and the said vessel *Jenny* shall be deemed to be entitled to engage in such trade so long as it is so documented.

JOSEPHINE RAY

The bill (S. 1220) for the relief of Josephine Ray was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of any laws conferring rights, privileges, or benefits upon widows of veterans of World War I, Josephine Ray, of Long Beach, Calif., shall be held and considered to have been lawfully married to William Thomas Ray (deceased, XC-1932111), a veteran of World War I, during the period from December 16, 1925, to October 7, 1948, the latter date being the date upon which the marriage between the said Josephine and William Thomas Ray was legally consummated, after the said persons discovered that the original marriage contract between them on December 16, 1925, was invalid.

SEC. 2. The said Josephine Ray shall be entitled to any benefits she becomes entitled to by reason of the enactment of this act as of the date of the death of her husband, William Thomas Ray.

DR. LOUIS J. SEBILLE

The bill (H. R. 989) for the relief of Dr. Louis J. Sebille was considered, ordered to a third reading, read the third time, and passed.

T. C. ELLIOTT

The bill (H. R. 2470) for the relief of T. C. Elliott was considered, ordered to a third reading, read the third time, and passed.

E. S. BERNEY

The bill (H. R. 3194) for the relief of E. S. Berney was considered, ordered to a third reading, read the third time, and passed.

JOHN LLOYD SMELCER

The bill (H. R. 3271) for the relief of John Lloyd Smelcer was considered, ordered to a third reading, read the third time, and passed.

HAROLD SWARTHOUT AND L. R. SWARTHOUT

The Senate proceeded to consider the bill (S. 476) for the relief of Harold Swarthout and L. R. Swarthout, which had been reported from the Committee on the Judiciary with an amendment. On page 1, line 10, after the word "April", to strike out "2" and insert "3", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Harold Swarthout the sum of $10,000, in full satisfaction of the claim of the said Harold Swarthout against the United States for compensation for permanent injuries sustained as a result of the severe burns he received when an Army practice bomb that he was examining, while playing in the yard of a neighbor on April 3, 1943, exploded when accidentally dropped, and (2) to L. R. Swarthout, of Burns, Oreg., father of the said Harold Swarthout, the sum of $4,625.20, in full satisfaction of his claim against the United States for reimbursement of medical, nursing, hospital, and other expenses incurred by him on account of the injuries so sustained by the said Harold Swarthout: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAUL E. MILWARD

The Senate proceeded to consider the bill (H. R. 1745) for the relief of Paul E. Milward, which had been reported from the Committee on the Judiciary with an amendment on page 1, at the beginning of line 11, to strike out "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000," and in lieu thereof to insert "That Paul E. Milward executes a release of the judgment entered in the case of Paul Milward against Peter C. Penta, No. 175385, in the municipal court of the city of Boston, on or about January 6, 1953: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

TENNESSEE C. BATTS

The Senate proceeded to consider the bill (H. R. 2769) for the relief of Tennessee C. Batts, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 10, after the word "refund", to insert a colon and the following proviso:

Provided, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

RODOLFO C. DELGADO, JESUS M. LAGUA, AND VINCENT D. REYNANTE

The Senate proceeded to consider the bill (H. R. 3363) for the relief of Rodolfo C. Delgado, Jesus M. Lagua, and Vincent D. Reynante, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 7, after the word "Act", to strike out "in excess of 10 percent of any claim."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

ERNEST B. SANDERS

The Senate proceeded to consider the bill (S. 415) for the relief of Ernest B. Sanders, which had been reported from the Committee on the Judiciary with amendments on page 1, line 6, after the word "of", where it appears the second time, to strike out "$25,000" and insert "$15,000", and on page 2, line 2, after the word "Act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest B. Sanders, of Miami, Fla., the sum of $15,000, in full and final settlement of all claims against the United States for personal injuries, pain and suffering, permanent disability, and loss of earnings sustained by him and resulting from an accidental and improper division of or injury to an artery while he was a patient in the United States Marine Hospital at Savannah, Ga., during March of 1933: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF INCREASE IN PUBLIC DEBT LIMIT—BILL TEMPORARILY PASSED OVER

The bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public debt limit was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. JOHNSON of Texas. Mr. President, I shall shortly move that the Senate proceed to the consideration of the bill. I ask unanimous consent that it go over for the present.

The PRESIDING OFFICER. Without objection, the bill will be temporarily passed over.

HIGHWAY CONSTRUCTION CO. OF OHIO, INC.

The Senate proceeded to consider the bill (H. R. 4182) for the relief of the Highway Construction Co. of Ohio, Inc., which had been reported from the Committee on Finance with an amendment on page 1, line 10, after the word "amended", to strike out "*Provided*, That the suit authorized hereunder shall be instituted within 90 days after the date of enactment of this act: *Provided further*, That the passage of this act shall not be construed as an inference of liability on the part of the Government of the United States" and in lieu thereof, to insert "*Provided*, That in making such determination of the excessive profits of the Highway Construction Co., the Tax Court of the United States may take into consideration the affiliation of that company with any other company, but the findings of such court shall be limited to determining only the amount, if any, of the excessive profits of the Highway Construction Co. and such court shall have no authority under this act to determine the amount, if any, of the excessive profits of any company affiliated with such Highway Construction Co.: *Provided further*, That the Tax Court shall have jurisdiction to determine the excessive profits of the Highway Construction Co. under this act only if such company files a petition with such court for redetermination within 90 days (not counting Sunday or a legal holiday in the District of Columbia as the last day) after the date of enactment of this act."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

FREE IMPORTATION OF PERSONAL AND HOUSEHOLD EFFECTS UNDER GOVERNMENT ORDERS — BILL TEMPORARILY PASSED OVER

The bill (H. R. 5560) relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes, was announced as next in order.

Mr. JOHNSON of Texas. Mr. President, I shall shortly move that the Senate proceed to the consideration of this bill. I ask that it be temporarily passed over.

The PRESIDING OFFICER. Without objection, the bill will be passed over temporarily.

HIGHWAY MODERNIZATION IN CONNECTICUT

The Senate proceeded to consider the bill (S. 1577) to enable the State of Connecticut to proceed with its program of highway modernization, which had been reported from the Committee on Public Works with an amendment to strike out all after the enacting clause and insert:

That section 2 of the act approved August 7, 1939 (53 Stat. 1234), entitled "An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Conn.," and section 2 of the act approved April 24, 1946 (60 Stat. 122), entitled "An act granting the consent of Congress to the State of Connecticut, acting by and through any agency or commmission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Old Saybrook, Conn.," are each amended to read as follows:

"SEC. 2. The last sentence of section 4 of such act of March 23, 1906, shall not be applicable to the bridge constructed pursuant to the provisions of this act."

SEC. 2. Nothing in this act shall be construed as amending any provision of existing Federal law relating to the expenditure of Federal-aid highway funds.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the acts granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate toll bridges across the Connecticut River."

ESTABLISHEMENT OF COMMON BOUNDARY OF STATES OF MARYLAND AND DELAWARE

The bill (S. 987) to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to establish their common boundary was announced as next in order.

Mr. HRUSKA. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. In line 8, after the word "resurvey", it is proposed to strike out "the common boundary between the States of Maryland and Delaware" and insert "that part of the common boundary running generally north and south between the States of Maryland and Delaware which was originally surveyed and marked by Charles Mason and Jeremiah Dixon in the years 1763–1767."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. HRUSKA].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Commerce, acting through the Coast and Geodetic Survey, is authorized and directed, upon the joint request of (1) the Board of Natural Resources of the State of Maryland, and (2) the State Archivist and the Chief Engineers of the Highway Department of the State of Delaware, to resurvey that part of the common boundary running generally north and south between the States of Maryland and Delaware which was originally surveyed and marked by Charles Mason and Jeremiah Dixon in the years 1763–1767.

The PRESIDING OFFICER. That completes the call of the calendar.

FREE IMPORTATION OF PERSONAL AND HOUSEHOLD EFFECTS UNDER GOVERNMENT ORDERS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of order 695, H. R. 5560.

The PRESIDING OFFICER. The secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5560) relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment on page 2, after line 12, to strike out:

(b) The amendment made by subsection (a) shall be effective on and after July 1, 1955.

And in lieu thereof to insert:

(b) The amendment made by subsection (a) shall be effective with respect to articles entered for consumption or withdrawn from warehouse for consumption on or after July 1, 1955, and before July 1, 1958.

The amendment was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an explanation of the bill.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF H. R. 5560, TO PERMIT THE FREE ENTRY OF PERSONAL AND HOUSEHOLD EFFECTS OF CITIZENS RETURNING FROM EXTENDED FOREIGN ASSIGNMENTS

In 1942 the Congress recognized the hardship that might be imposed on military and civilian personnel by requiring that they pay duty on personnel and household goods which they had used while living abroad, and adopted a law permitting the free importation of those goods. That law expired upon the day following the proclamation of peace by the President. However, Congress then extended the law until April 1, 1953, and it was again extended until July 1, 1955.

The House felt that this privilege of free importation should be made permanent. However, the Finance Committee, aware that there will be large numbers of military and civilian personnel abroad for some time to come, nevertheless sees the possibility of abuse and felt that it should occasionally review this free-entry privilege. Congress has relinquished a great deal of its tariff-making reponsibility and in cases where abuses can arise it was felt advisable to take the little time necessary to see that the law is operating properly. The bill does prevent some abuses, by requiring that the person returning must have been on extended foreign assignment and it limits the amount of liquor and tobacco products that can be brought in.

I have been informed that the Ways and Means Committee concurs in the amendment made by the Finance Committee limiting the period of this free entry to 3 years.

The bill also gives American personnel located on Johnston Island in the Pacific the same privileges granted to personnel situated on Midway, Wake Island, and other locations in that area.

The Department of Defense has asked for this bill, and the committee has encountered no objection from any source.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 5560) was read the third time and passed.

EXTENSION OF INCREASE IN PUBLIC DEBT LIMIT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 693, H. R. 6992.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public debt limit.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, the distinguished Senator from Nevada [Mr. MALONE] desires to be on the floor before the bill is discussed. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum called be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNWILLINGNESS OF NATIONAL LABOR RELATIONS BOARD TO DEAL WITH CERTAIN LABOR-MANAGEMENT DISPUTES IN THE HOTEL INDUSTRY

Mr. DOUGLAS. Mr. President, I have recently been concerned over the apparent unwillingness of the National Labor Relations Board to deal with certain labor-mangement disputes in the hotel industry that have resulted in costly and long-continued strikes and have had a serious impact on interstate commerce.

The most recent example of this is in Miami and Miami Beach, Fla., where 3,000 persons are still reported to be out on strike following the refusal of the hotel mangements to deal with their organizational representatives.

The reported policy under which the NLRB refuses to act to resolve this kind of representation dispute seems to me contrary to the stated purposes of the Labor-Management Relations Act of 1947.

Accordingly, Mr. President, I addressed a letter to NLRB Chairman Guy Farmer on June 16, 1955, questioning the Board's policy in refusing jurisdiction in all hotel cases and indicating that I hoped that disputes of the magnitude of the current controversies in Florida would not be left to the "law of the jungle" for their solution and that the Board would reconsider its policy on the hotel industry.

I have received a reply from Chairman Farmer which relates the history and enclosed several copies of the Board's decisions, but still does not, in my opinion, justify them adequately. I note in passing—for such encouragement as it may give—that he says the Board will, as in all cases, carefully reexamine its policy in any specific case that may be filed.

I have also received a reply from Board Member Abe Murdock, to whom, with all other Board members, I had sent a copy of my letter to the chairman. Mr. Murdock's reply briefly outlines his previously stated grounds for dissenting from the Board's policy. In my opinion, he states the sound position on this issue. He also calls attention to the interesting fact that the Board's policy resulted in the most recent case in denying the Board's remedies to a hotel employer which had petitioned for relief—Caribe Hilton Hotel, May 6, 1955.

Because of the importance of this issue of the NLRB's jurisdiction over hotels and its bearing on future action in the Board, and possibly in Congress, I ask unanimous consent that my letter to Chairman Guy Farmer, and the replies of Chairman Farmer and Board member Abe Murdock, together with the NLRB opinions transmitted by Mr. Farmer, be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the letters and opinions were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
June 16, 1955.

Mr. GUY FARMER,
Chairman, National Labor Relations Board, Washington, D. C.

DEAR MR. FARMER: It has come to my attention that the National Labor Relations Board has adopted a policy of refusing to exercise jurisdiction in the hotel industry as such.

In the light of the obvious impact upon commerce which a labor dispute in the hotel industry would have, I am at loss to understand the determination which is presently the Board's policy. I have carefully examined the act and do not find in it any basis for the exclusion of an entire industry when such industry involves interstate commerce.

On the contrary, the findings and policies contained in section 1 of title I provide as follows:

"It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection."

In the light of these expressions of policy I am at complete loss to understand the limitation which the Board has adopted, excluding the hotel industry from the process of the National Labor Relations Board's jurisdiction and supervision.

The press has carried an account of the serious labor dispute in Miami and Miami Beach wherein more than 3,000 people are said to be on strike by virtue of the refusal of management to deal with the organization representing these people. The reports indicate that the tourist trade, which is the largest industry of the State of Florida, has suffered serious setbacks by reason of this labor dispute. The industry of Florida, dependent upon the flow of tourist traffic to Miami, is apparently also suffering

serious losses. Florida has no Labor Relations Act, and unless the Federal law applies to the situation, there seems to be no means of terminating this interruption to interstate commerce by an orderly process.

I am concerned that a dispute of this magnitude should be left to the "law of the jungle" for its solution.

Will you please advise me of the basis for the Board's present determination of policy, together with a case record, if there be such, which led to its adoption?

In the light of recent developments in Florida and possibly elsewhere, will you be good enough to advise me also what the chances are for a thorough review and reconsideration of this policy by the Board?

Faithfully yours,

PAUL H. DOUGLAS.

NATIONAL LABOR RELATIONS BOARD,
Washington, D. C., June 24, 1955.

Hon. PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

DEAR SENATOR DOUGLAS: In reply to your letter of June 16 I am sending you herewith a copy of the decision of the Board dated January 17, 1951, in a case involving the Hotel Association of St. Louis. This is the most detailed statement of the Board's position since the creation of the Board in 1935 on the questions which you have raised. You will note that the Board members were divided in their views, with Chairman Herzog, Member Houston, and Member Styles voting not to exercise jurisdiction in the hotel industry, consistent with Board policy evolved early in the Board's history under the Wagner Act. Members Reynolds and Murdock dissented. The reasons pro and con are set forth in such detail in that decision that there is little that I can add now. Subsequent Board rulings involving hotels have been less detailed and have cited the St. Louis case. The most recent occasion on which the Board did so was last October in our decision in the Virgin Isles Hotel, Inc., case, a copy of which is also enclosed.

You will note that the petitioner in the St. Louis case was the International Union of Operating Engineers, AFL, which was the only party urging that the Board exercise jurisdiction. The employers and all the intervening labor organizations urged the Board not to exercise jurisdiction. The intervenors included the labor organizations predominant in the hotel industry and active now in connection with the Miami Beach hotel problem. At the oral argument before the Board on November 9, 1950, in the St. Louis case the representative of the intervenors said:

"Now the Hotel and Restaurant Employees International Union is opposed to the Board's changing its position in regard to its jurisdiction in this industry. We have been, over a period of years, accustomed to dealing along the lines of those developed in the industry that do not require the assistance of the National Board.

"I say to you that if you have the industry representative and the major hotel representative or rather union representatives both say: We don't want you to take jurisdiction, why should you force upon such a large segment of the industry your services to the detriment of the industry, to the detriment of peaceful labor relations in the industry? You have much better need and greater demands upon the facilities of your Board than to force them upon an industry that doesn't require them.

"This seems to me to be a case on which you should apply your discretionary authority and limit your jurisdiction to where it will do the most good. You must of necessity. You have limitations upon your finances and staff. * * *" (Transcript of official report of proceedings before the National Labor Relations Board, Nov. 9, 1950, pp. 52 to 62.)

The employers filed an elaborate brief in support of their contention that the Board should not exercise jurisdiction in the hotel industry. The brief reviewed the history of the problem, together with the legal and policy questions involved. At page 23 it states:

"The employers in the hotel industry see no necessity for the Board to assert jurisdiction over hotels. While employers in other industries have exercised their rights under the Labor Management Relations Act to utilize the services of the Board, both in representation cases and in unfair labor practice cases, no employer in the hotel industry has found it necessary or desirable to bring any case of any kind to the Board. In each of the few hotel cases which have been brought to the Board by others, the employers, as in the instant case, have opposed the Board's assertion of jurisdiction. This is understandable in view of the fact that labor relations in the hotel industry are well stabilized, adequately and satisfactorily handled by other existing machinery."

Because you asked for the case record which led to adoption of the Board's policy with respect to jurisdiction over hotels, I am enclosing herewith the transcript of the hearing held in the field in the St. Louis case, the transcript of the oral argument before the Board in Washington, and the exhibits and formal file containing all the briefs. This material has been stored in the Federal Records Center at Alexandria. When you no longer need this material please return it to me so that I can arrange to have it put in storage again for future reference.

In your study of this problem you may also wish to examine the transcript of the hearing conducted by subcommittees of the Committee on Education and Labor and of the Committee on Expenditures in the Executive Departments, House of Representatives, 80th Congress, 2d session, May 7, 1948, in which various representatives of the hotel industry and unions in the hotel industry urged that the Labor Management Relations Act, 1947, not be applied in the hotel industry.

With respect to your inquiry about the chances for Board reconsideration of the hotel jurisdiction policy, I can only advise you that as cases arise from time to time in all industries the Board reexamines its policies. Regional offices normally dismiss hotel cases without formal hearing, but dismissals of petitions for elections are subject to review by Board members upon application of petitioners. As such cases come before the Board in the future, we shall, of course, give them our most careful consideration.

Sincerely yours,

GUY FARMER,
Chairman.

NATIONAL LABOR RELATIONS BOARD,
Washington, D. C., June 23, 1955.

The Honorable PAUL H. DOUGLAS,
United States Senate,
Washington, D. C.

DEAR SENATOR DOUGLAS: This will acknowledge receipt of the copy of your letter, dated June 16, addressed to Guy Farmer, Chairman of the National Labor Relations Board, with respect to the Board's policy of refusing to exercise jurisdiction in the hotel industry as such.

When I have seen whatever reply the Chairman or a majority of the Board decide to send you, I may wish to send you my views in greater detail. Meanwhile, I wish personally to advise you that I am in full agreement with your conclusion that there is no basis in the act for the exclusion by the Board of an entire industry, when such industry involves interstate commerce; and that I share your concern over a policy pursued by a majority of the Board which precludes it from using its facilities to deal with labor disputes in the hotel industry which may have a serious effect upon interstate commerce, such as you refer to in Miami and Miami Beach.

I might mention that the Board's policy not to assert jurisdiction over hotels in the 48 States dates back to an earlier period of limited budgets when the Board did not assert jurisdiction over local transit systems, the building and construction industry, and other enterprises deemed essentially local or not justifying the attention of the Board's limited personnel and funds. However, despite the more generous budgets under the Taft-Hartley Act and the Board's assumption of jurisdiction in building construction and other areas formerly neglected, the Board has continued its "hands-off" policy over the hotel industry in the 48 States. This issue first arose during my tenure as a Board member in *White Sulphur Springs Company* (85 NLRB 1487), in which former member Reynolds and I dissented from this policy and the refusal to take jurisdiction. Again, in *Hotel Association of St. Louis* (92 NLRB 1388), we likewise dissented from the majority policy, which the majority decision there indicates is based upon a tenuous fragment of post-legislative history to support a conclusion that Congress never intended that the Board take jurisdiction of the hotel industry.

The present Board has not only adhered to the no-jurisdiction policy over the hotel industry in the 48 States, but has extended it to the Territories, despite the fact that the Board has traditionally asserted jurisdiction over hotels in the Territories and the District of Columbia because of its plenary jurisdiction in those areas. I was the lone dissenter from the refusal to take jurisdiction in the case last mentioned, *The Virgin Isles Hotel, Inc.* (110 NLRB No. 65). I likewise was the lone dissenter from the Board's very recent refusal to assert jurisdiction over the Caribe Hilton Hotel in Puerto Rico, which has a gross business of $4 million per year. This was not a published decision, but a minute denying the employer's appeal from the Regional Director's dismissal of its RM position pursuant to the policy referred to. (Case 24–RM–34, Board action May 6, 1955.)

I share your concern that disputes of the magnitude of those involved in the Florida hotel situation be left to the "law of the jungle" for solution because of the failure of this Board to assert jurisdiction and the absence of any State labor relations law. I would comment that this situation is merely one example of scores which have been created by the action of a majority of the present Board in adopting a new restrictive jurisdictional policy a year ago which removed countless employers and employees from the coverage of the act without regard to the fact that similar "no man's lands" were being created. In my basic dissent from this slash in the Board's jurisdiction in *Breeding Transfer Co.* (110 NLRB No. 64), I pointed out that there was no budgetary or other administrative justification for this cutback and that it was an invasion of the authority of Congress to decide on the proper allocation of power between the Federal Government and the States.

Sincerely yours,

ABE MURDOCK,
Member of the Board.

UNITED STATES OF AMERICA—BEFORE THE NATIONAL LABOR RELATIONS BOARD—IN THE MATTER OF HOTEL ASSOCIATION OF ST. LOUIS, EMPLOYER, AND INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCALS 2, 2A, 2B, 2C, AFL, PETITIONER—CASE NO. 14–RC–899

DECISION AND ORDER

Upon a petition duly filed, a hearing was held before Harry G. Carlson, hearing officer. The hearing officer's rulings made at the

hearing are free from prejudicial error and are hereby affirmed. At the hearing, the employer moved to dismiss the petition on the ground, among others, that it is not engaged in commerce within the meaning of the act. For the reasons stated hereinafter, the motion is hereby granted.[1]

On November 9, 1950, at Washington, D. C., the Board heard oral argument, in which all parties participated.[2]

Upon the record in this case, the Board finds:

THE BUSINESS OF THE EMPLOYER

The Hotel Association of St. Louis is a voluntary association of 22 hotels located in St. Louis, Mo. Sixteen of the 22 hotels have designated the association as their agent for the purpose of collective bargaining.[3] During 1949, the employer's members [4] collectively did an aggregate business of over $15 million. Of $6,800,000 received from room rentals, over $2,400,000 was received from guests who came from outside the State of Missouri.

During 1948 supplies and equipment purchased by the employer cost $6,300,000. Of this amount, over $800,000 was paid for supplies and equipment shipped to the hotels directly from points outside the State of Missouri. The remainder was purchased within the State, of which an undetermined amount originated outside the State of Missouri. Among the purchases known to have originated outside the State of Missouri, although locally obtained, were meats and food from Armour & Co. exceeding $97,000, and coal in an amount exceeding $50,000. The employer stipulated that approximately 65 percent of the purchases of liquor and cigarettes, which totaled more than $500,000, originated outside the State of Missouri. All purchases of the employer, wherever obtained, are utilized locally in serving the hotels' guests.

Both the employer and the intervenors, the predominant labor organizations in the hotel industry, urge that the Board adhere to past precedent by declining to exercise jurisdiction here. We think that their joint contention is entitled to great weight.

For the purpose of clarifying and defining "where the difficult line can best be drawn," the Board recently announced that it would utilize certain standards—many of them arithmetic—as a guide in determining whether or not to exercise jurisdiction in cases where earlier precedent had sometimes appeared uncertain. We pointed out at the time that these standards reflected, "in large measure, the results reached in the Board's past decisions disposing of similar jurisdictional issues." [5] Were we to judge this case by those standards alone, jurisdiction should be exercised here. In our opinion, however, there are other and weightier considerations present in this case. Surely this Board did not intend by announcing these standards, and should not now, completely divest itself of power to decline to take jurisdiction upon the basis of other factors, in that rare situation where we are convinced that the Board would otherwise have to sacrifice the evident purposes of Congress in the interest of mere blueprint consistency.

As was said in the majority opinion in the Greenbrier Hotel case,[6] "nothing in the legislative history of the present act indicates dissatisfaction by the Congress with the Board's long-standing policy," [7] running back to 1935, not to assert jurisdiction over hotels. This interpretation of congressional intent is borne out by the opinion expressed on the floor of the Senate on August 30, 1949,[8] when, upon questioning by Senator Pepper, Senator Taft said, without opposition being voiced by any other Senator, that "* * * The Taft-Hartley law did not change in any way the language providing for the jurisdiction of the Board, or the general definition of interstate commerce. * * * It was not my intention in 1947, nor do I believe it was the intention of other members of the Committee on Labor and Public Welfare, to broaden or extend the jurisdiction of the Board in that respect. In fact, I feel very strongly that it should not be done. * * * A hotel performs its service within four walls. It ships nothing into commerce. It produces no goods for commerce. In my opinion the act was never intended to cover the hotel industry."

This expression of Senate views coincides exactly with the views set forth by those Members of the House of Representatives who recently had occasion to inquire into and to comment officially upon the same subject.[9]

We have carefully reexamined the Board's policy of not exercising jurisdiction over the hotel industry, in the light of the record and of the position of the parties as set forth in the briefs and oral argument in this case. We do not believe that a settled policy, endorsed by all those Members of Congress who have recorded an opinion on the subject, should be lightly overturned by the action of this administrative Board. And certainly no persuasive reasons have been presented to warrant overturning it in this case. Indeed, by doing so we would contribute to uncertainty, not to that certainty toward which the earlier decisions were directed and to which our colleagues allude.[10]

Pending a showing, therefore, of any new congressional desire that this Board reverse a long-established policy upon which State boards, the industry, and its predominant labor organizations have come to rely, we shall continue to adhere to that policy. Although we do not find, as originally urged by the employer, that it is not engaged in commerce within the meaning of the act, we shall, consistent with past precedent, decline to assert jurisdiction here.

ORDER

It is hereby ordered that the petition filed herein be and it hereby is dismissed.

Signed at Washington, D. C.

[SEAL] NATIONAL LABOR RELATIONS BOARD,
PAUL M. HERZOG, *Chairman.*
JOHN M. HOUSTON, *Member.*
PAUL L. STYLES, *Member.*

James J. Reynolds, Jr., and Abe Murdock, members, dissenting: We would assert jurisdiction in this case. The Board is confronted with a petition involving an employer association comprising substantially all the important hotels of a great industrial city. Its members did in excess of $15 million worth of business in a single year, of which $2,400,000 represented room rentals paid by out-of-State guests. Purchases of supplies and equipment exceeded $6,300,000 in 1948; of this more than $800,000 in amount was imported directly from outside Missouri while substantial additional amounts originated outside. Several of the member hotels are units of 3 large multistate hotel chains—the Albert Pick system which operates 26 hotels in 9 States, the Sheraton system which operates 22 hotels in 10 States, and the Statler system which operates 8 hotels in 7 States.

On this record it cannot be gainsaid that the employer's operations have a substantial and important effect on interstate commerce. Indeed, our majority colleagues specifically reject the employer's contention that it is not engaged in commerce within the meaning of the act. The only difference of opinion which exists between the majority and the dissenters, therefore, is with respect to the determination whether it would effectuate the policies of the act to assert jurisdiction which clearly exists.

As pointed out in the majority opinion, the Board has recently unanimously adopted a set of standards by which to determine the question whether as a matter of policy it should exercise its jurisdiction in specific cases. Applying these standards to the case before us it is clear that the employer meets three criteria contained therein, any one of which would require the assertion of jurisdiction. Thus the employer has out-of-State inflow exceeding the $500,000 minimum specified in the standards.[11] Also, as noted, several of the hotels are units of large multistate hotel chains. We should, therefore, take jurisdiction of them and the association [12] under the section of the policy covering establishments which, even though local

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[1] In view of our disposition of this matter, it is unnecessary to pass upon the validity of the other contentions of the employer as grounds for dismissal of the petition.

[2] As joint contractual representative, local joint executive board of the Hotel and Restaurant Employees International Alliance and Bartenders International League of America; Hotel and Restaurant Employees and Bartenders International Union; Waiters, Local No. 20; Waitresses, Local Union No. 249; Bartenders, Local Union No. 51; Cooks and Pastry Cooks, Local Union No. 26; Miscellaneous Hotel Employees, Local Union No. 430; Building Service Employees Union, Local 50 E; and International Brotherhood of Firemen and Oilers, Local No. 6, AFL, intervened and participated in the oral argument as well as the hearing. They are referred to below as the intervenors.

[3] Those 16 hotels are: Jefferson, Lennox, Mayfair, Sheraton, Statler, Fairmont, Majestic, Warwick, Claridge, De Soto, Fairgrounds, Gatesworth, Kings-Way, Mark Twain, Melbourne, and Roosevelt. Four are members of interstate chains.

[4] Consistent with well-established policy, we treat the association of 16 employers involved herein as a single enterprise and as the "employer" in passing upon this jurisdictional issue. See *Indianapolis Cleaners and Launderers Club* (87 NLRB No. 75) and cases cited therein.

[5] The cases which set forth these criteria were *WBSR, Inc.* (91 NLRB No. 110); *W. C. King d/b/a Local Transit Lines* (91 NLRB No. 96); *The Borden Company, Southern Division* (91 NLRB No. 109); *Stanislaus Implement and Hardware Company, Limited* (91 NLRB No. 116); *Hollow Tree Lumber Company* (91 NLRB No. 113); *Federal Dairy Co., Inc.* (91 NLRB No. 107); *Dorn's House of Miracles, Inc.* (91 NLRB No. 82); *The Rutledge Paper Products, Inc.* (91 NLRB No. 115); and *Westport Moving and Storage Company, Crate Making Division* (91 NLRB No. 149).

[6] *The White Sulphur Springs Company* (85 NLRB 1487 (1949)).

[7] See last two paragraphs of the opinion of the Supreme Court of the United States in *N. L. R. B.* v. *Gullett Gin Company, Inc.*, decided January 15, 1951.

[8] CONGRESSIONAL RECORD, volume 95, part 9, pages 12471 and 12472.

[9] Hearings and report of the Committee on Expenditures (1948); H. Rept 2050, 80th Cong., 2d sess.

[10] The references in the dissenting opinion to the *Westport Storage* case (91 NLRB 149), and to the hotel industry as an enterprise affecting national defense, would perhaps be more impressive if the Hotel Gazette—hardly an official document—upon which our colleagues rely were in the record, so that its significance in this context could have been explored by the parties.

[11] Federal Dairy Co., Inc. (NLRB No. 107).

[12] As the majority opinion notes, it is the Board's well-established policy to treat an association as a single enterprise in determining whether jurisdiction should be asserted; if the activities of some employer-members of an association are such that the Board would assert jurisdiction over them,

in character, are operated as parts of a multistate enterprise.[12]

The third criterion requiring the assertion of jurisdiction here in that part of the Board's new policy announced October 11 in *Westport Moving and Storage Company* (91 NLRB No. 149). There is a unanimous Board found that "it will effectuate the policies of the act to assert jurisdiction over enterprises which substantially affect the national defense." The Board took jurisdiction of an individual proprietorship in Kansas City, Mo., having 2 employees engaged in moving and storage operations and 10 employees engaged in making packing boxes for Fifth Army headquarters for use in shipping personal effects of military personnel. The Board found this latter work to be "a part of the national defense effort." Does the hotel industry of St. Louis substantially affect the national defense? The Hotel Gazette, for April 15, 1944, pages 10, 19, provides succinct and telling testimony as to the correct answer to such a question, based on the experience of the hotel industry and the War Production Board during World War II.

"Because of the seriousness of any delay in the accommodation of essential transient hotel guests, WPB's Office of Civilian Requirement Tuesday urged hotel operators to adopt every possible means of assuring hotel lodging accommodations for essential travelers. At the same time the Office of Defense Transportation urged hotels to restrict conventions as a move to conserve transportation, and to permit hotels to employ their facilities for the most essential uses.

"Hotels as well as factories producing war goods are an essential part of the war-production program since they provide lodging and food for persons traveling on essential business directly connected with the war program. * * *

"Of the 1,005,000 hotel rooms in the country, approximately 1,000,000 are used every day for transient guests. Of these, approximately 650,000 are occupied by military personnel traveling on Government business, for whom accommodations have not been made available elsewhere, or by civilians traveling in the public interest either directly in connection with war production or for essential civilian needs. Since the average stay of essential travelers is approximately 2 days, some 325,000 new transient essential guests must be placed in hotel rooms every day. If even 1 hour is lost by each of the 325,000 guests in locating and being assigned to a hotel room, some 325,000 manhours a day—enough to complete 13 flying fortresses—would be lost to the war effort. * * *

"Today the majority of hotels are indirectly aiding in the production of war goods. Sixty-five to eighty percent of their business in every large industrial city is a part of war production, the hotel section [of the WPB Office of Civilian Requirement] explained."

It is true that we are not in the middle of a wartime economy today although we may be on the verge of one. Nevertheless, the President has declared a national emergency and our industrial life and certainly our governmental policies are being geared to facilitating defense production and the national defense effort. Differences in the impact of hotels on the World War II war production program and on today's defense program are differences in degree only and the latter impact will unquestionably be an accelerating one. Particularly after this Board has found it necessary to the national defense to assert jurisdiction over an employer in Kansas City, Mo., who has 10 men making packing boxes for the Army, we are unable to comprehend how a majority of this Board can disregard not only the peacetime effect on interstate commerce, but also the substantial effect on the national defense of the $15 million hotel industry in the great rail, water, and industrial center of St. Louis, located at the opposite end of the State of Missouri.[14]

Although the Board's new policy requires the assertion of jurisdiction over this employer, our colleagues of the majority turn their back on these standards and refuse to assert jurisdiction because of an earlier self-imposed policy of abnegation with respect to the hotel industry. We regard their action in making the hotel industry an exception to the new jurisdiction policy as most unfortunate. One of the principal reasons for the adoption of the new policy was to remove the uncertainty which had existed concerning the cases over which the Board would assert jurisdiction. The standards contained in that policy have not only facilitated our own processing of cases but have made it possible for parties contemplating the use of Board processes and for our own regional offices readily to determine whether or not the Board would entertain a petition or complaint. Today's decision undermines the efficacy of that policy. Is it safe to assume that no other exceptions will be made to the new standards? [15]

Moreover, we can find no compelling considerations of law or policy to justify special treatment of the hotel industry. The majority continues to rely upon Board custom and precedent under the Wagner Act which we found "sterile" in relation to a specific case in our White Sulphur Springs dissent.[16] So far as we are aware the legislative history of the Wagner Act contained nothing to show that Congress intended to exempt the hotel industry as such from the operation of the act. We cannot see that the mere fact that the legislative history of the Taft-Hartley Act fails to show that any Member of Congress quarreled with the old Board's administrative policy not to assert jurisdiction over hotels, or the isolated instance of postlegislative history adverted to by the majority, should be given controlling weight to cause this Board to carve out a permanent exemption from the statute for that industry without regard to how serious the impact of its operations on commerce or on the national defense may be in particular cases. It is a well-established principle of statutory construction that exemptions from legislation such as ours must be strictly construed. At the least they should be expressed—and expressed in the statute by the Congress. We see no justification for this Board to write an exemption of the hotel industry into the act, particularly in a time of national emergency and national defense effort; that in effect is what the decision of the majority does.

Signed at Washington, D. C.

JAMES J. REYNOLDS, Jr.,
Member,

ABE MURDOCK,
Member,

National Labor Relations Board.

UNITED STATES OF AMERICA—BEFORE THE NATIONAL LABOR RELATIONS BOARD—THE VIRGIN ISLES HOTEL, INC., EMPLOYER, AND ST. THOMAS LABOR UNION, L. I. U. NO. 1812, CIO, CONGRESS OF INDUSTRIAL ORGANIZATIONS, PETITIONER—CASE NO. 24–RC–681

DECISION AND ORDER

Upon a petition duly filed under section 9 (c) of the National Labor Relations Act, a hearing was held before Arthur A. Greenstein, hearing officer. The hearing officer's rulings made at the hearing are free from prejudicial error and are hereby affirmed.

Upon the entire record in this case, the Board finds:

THE BUSINESS OF THE EMPLOYER

The employer operates a hotel on St. Thomas Island, Virgin Islands. Its direct inflow of goods from outside the Islands is in excess of $100,000 annually and its indirect inflow of such goods during the same period is in excess of $50,000. The employer neither admits nor denies that it is engaged in commerce.

It has been the Board's long standing policy not to exercise jurisdiction over the hotel industry. This policy was reasserted, after the enactment of the present act, in the White Sulphur Springs Co. case [1] and the Hotel Association of St. Louis case.[2] In the latter case, a majority of the Board,[3] in declining to assert jurisdiction, said:

"We do not believe that a settled policy, endorsed by all those Members of Congress who have recorded an opinion on the subject, should be lightly overturned by the action of this administrative Board." [4]

In deciding to adhere to that policy with respect to this hotel which is located in the Virgin Islands, we are aware that exceptions have heretofore been made with respect to hotels operating within the District of Columbia or any Territory, for the reason that the act gives the Board plenary jurisdiction

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it takes jurisdiction of the entire association even though it would not take jurisdiction over other members considered separately.

[12] *The Borden Company* (91 NLRB No. 109).

[14] We are unable to see how our majority colleagues can so lightly brush aside the factor of the impact of the hotel industry on the national defense as not sufficiently "impressive," simply because the historical material with reference to the hotel industry in World War II quoted above was not introduced in the record and "explored" by the parties. It has been a long-sanctioned practice for the Board both in its decisions and in its briefs in the courts to cite and rely upon economic data in recognized source materials which has not been introduced in evidence. (See *Inland Steel Company* (77 NLRB 1 (see footnote 4, p. 2), enfd. 170 F. 2d 247, cert. den. 336 U. S. 960).) Certainly no more appropriate area can exist for the use of this practice than where the Board does it in order to exercise an informed discretion. Nevertheless, if our colleagues feel that more record evidence or further opportunity for the parties to "explore" this point is desirable, the way to achieve this is to reopen the record, not dismiss the petition.

[15] We cannot agree with our colleagues that the new policy was not intended to accomplish and imply uniformity without exceptions in its application to enterprises which meet the standards for the assertion of jurisdiction. The policy was not limited, as the majority suggests, to "cases where earlier precedent had sometimes appeared uncertain." In certain areas the policy does use an industry approach, e. g., jurisdiction is taken over instrumentalities of commerce and public utilities as such. But the inflow and outflow tests, and the category of multistate enterprises, are written and intended to be applied without regard to the nature of the business involved in a case. Indeed, the use of these objective criteria in areas where an industry approach had previously been utilized was recognized as a virtue of the new policy. It was similarly recognized that the use of these objective criteria would result in the assertion of jurisdiction over some industries which the Board had not taken earlier when it used an industry approach and characterized them as essentially local in character. Two examples of this are retail stores and wholesale bakeries, over both of which the Board now asserts jurisdiction on the inflow and outflow tests.

[16] *The White Sulphur Springs Co.* (85 NLRB 1487).

[1] 85 NLRB 1487.

[2] 92 NLRB 1388.

[3] Members Reynolds and Murdock dissenting.

[4] Hotel Association of St. Louis, supra, at 1390.

over all business enterprises operating in such places.[5] However, we are convinced upon examination of this rule and the exception thereto, that the exception is unwarranted. While it is true that the operations of this employer are not wholly unrelated to commerce, the relationship to commerce is no greater here than in the case of a hotel operating in any of the 48 States, and we do not believe that the impact on commerce is sufficient in either instance to warrant the assertion of jurisdiction. Accordingly, we shall dismiss the instant petition.

ORDER

It is hereby ordered that the petition herein be, and it hereby is, dismissed.

Dated, Washington, D. C., October 26, 1954.

[SEAL] NATIONAL LABOR RELATIONS BOARD,
GUY FARMER,
Chairman.
PHILIP RAY RODGERS,
Member.
ALBERT C. BEESON,
Member.

Ivar H. Peterson, member, concurring: I concur in the majority's decision to dismiss the petition herein.

The employer operates a resort hotel on St. Thomas Island in the Virgin Islands. It caters almost exclusively to the vacationing public, accommodating at the height of its busy season a maximum of 240 guests. It furnishes its guests with the usual hotel services, including laundry services performed by employees whose representation the petitioner seeks.

I have serious doubts that Congress, in enacting the act, intended that the Board, in the exercise of its discretion, extend itself to the Virgin Islands to take jurisdiction over this local enterprise, if indeed Congress intended that the Board exercise any jurisdiction at all in this island possession. In any event, I am unable to conceive how a work stoppage at the resort hotel in question could have an impact on commerce as to warrant the Board's assertion of jurisdiction over that business. Whatever effect a cessation of the employer's business could possibly have on commerce appears to me to be at most remote and inconsequential. In these circumstances I find that it would not effectuate the policies of the act to assert jurisdiction in this proceeding.

Dated, Washington, D. C., October 26, 1954.

IVAR H. PETERSON,
Member, National Labor Relations Board.

Abe Murdock, member, dissenting: I would assert in this case.

I have consistently opposed the application of different jurisdictional standards to the hotel industry than are applied to other enterprises.[6] As indicated in my dissents in those cases, I can perceive no reasons why this Board should afford an exemption from the provisions of this act to the hotel industry, which exemption is not to be found in the express provisions of the act.

But assuming that the legislative statements relied on by the majority indicate congressional approval of the Board's practice of declining to assert jurisdiction over hotels in the United States, the same statements indicate congressional approval of the Board's practice of asserting jurisdiction over hotels in the Territories. The policy of asserting jurisdiction over hotels in the District of Columbia and the Territories on the basis of the Board's plenary powers,[7] has as long a history as has the policy of declining to assert jurisdiction over hotels operating in 1 of the 48 States. Thus, the same considerations which the majority find require a continuation of the latter policy likewise require a continuation of the former policy. The legislative statements disclose no dissatisfaction on the part of Congress with the Board's exercise of plenary jurisdiction over enterprises operating in the Territories.

Thus a proper application of the statement quoted by the majority from the Hotel Association of St. Louis case that "We do not believe that a settled policy, endorsed by all those members of Congress who have recorded an opinion on the subject, should be lightly overturned by the action of this administrative Board.", should require the Board to assert jurisdiction over the employer in this case.

Apart from its specific effect upon hotels in the Territories, and the District of Columbia, the instant decision indicates a marked recision of the Board's plenary jurisdiction in these areas. The Board has previously exercised such plenary jurisdiction, for well-founded reasons, without regard to the size, type, or volume of business of the enterprise involved. The majority opinion, in this case, accordingly, constitutes a major alteration in this agency's jurisdictional policy comparable to those affecting the continental United States (except for the District of Columbia) upon which I have commented generally in my dissenting opinion in *Breeding Transfer Company* (110 NLRB No. 64). As was true of the new standards of jurisdiction discussed in the Breeding case, this change is similarly inconsistent with the act and the responsibilities which it imposes on this agency, involving a determination to withhold protection of the act which properly should be made by Congress.

The broad exercise of jurisdiction over enterprises in the Territories and the District of Columbia is specifically directed in the statute which the Board administers. As the courts have previously pointed out,[8] "* * * Congress can constitutionally regulate purely intraterritorial commerce. And we think there can be no doubt that Congress must have intended to exercise this power when in section 10 (a) of the National Labor Relations Act it gave the Board authority to prevent any person from engaging in any unfair labor practice affecting commerce, and in section 2 (6) of the act defined commerce to include 'trade * * * within * * * any Territory.'"

The Board has previously observed that, by this statutory definition "all trade within any Territory is embraced by the term 'commerce,' whereas with respect to a State, only trade between such State and outside points is embraced by that term."[9] It is thus clear that the statement of the majority decision in this case that "the relationship to commerce is no greater here than in the case of a hotel operating in any of the 48 States" is contrary to the explicit terms of the act which define commerce differently with respect to Territories and the District of Columbia. The concurring opinion also fails to recognize the fact that "commerce" is differently defined with respect to Territories. The operations of this or any other employer in a Territory or the District of Columbia will obviously have a greater effect upon all trade within that area than the operations of a similar establishment in the States would have upon commerce between and among the States.

Indeed, it is readily apparent that the Federal Government is vitally interested in furthering the economic development of the Virgin Islands. To this end, Congress, in 1949 established the Virgin Islands Corporation,[10] in order, inter alia, "to encourage, promote, and develop, and to assist in the encouragement, promotion, and development of tourist trade in the Virgin Islands."[11]

Tourist expenditures in the Virgin Islands amounted to more than $3 million in 1951,[12] and to more than $6 million in 1952.[13] Total imports to the Virgin Islands amounted to $11,162,888 during 1952.[14] Of the more than $6 million of tourist expenditures for 1952, hotel receipts accounted for $2,269,481,[15] restaurant and shops receipts accounted for $3,548,515,[16] and taxi and sightseeing receipts accounted for $622,448.[17]

The foregoing figures show the obvious importance of tourist expenditures to the economic well-being of the Virgin Islands, and the necessary part adequate hotel accommodations play in encouraging and developing the tourist trade. I find it somewhat strange that in the face of the policy of the Federal Government to encourage, promote, and develop the tourist trade in the Virgin Islands, my colleagues feel no obligation on the part of this agency to provide the benefits of this act to insure against industrial disputes which might shut down the hotels which are essential to attract and house overseas tourists, and thereby interfere with the orderly implementation of a clearly expressed governmental policy.

The expressed doubt in the concurring opinion that the Board has any jurisdiction at all in this "island possession" should be quickly resolved by reference to available authorities which plainly demonstrate the authority of this Board over labor disputes in the Virgin Islands. In *People of Puerto Rico* v. *Shell Co.*[18] the Supreme Court, after referring to its language in an earlier case which held that Puerto Rico was an organized territory, although not incorporated into the United States, held that the Sherman Antitrust Act was applicable to Puerto Rico because as "Congress intended by the Sherman Act to exert all the power it possessed in respect to the subject matter—trade and commerce * * * Congress [also] intended to include all territories to which its power might extend * * * [T]he word 'territory' was used in its most comprehensive sense as embracing all organized territories whether incorporated into the United States or not, including Puerto Rico."

In the Gonzalez Padin Co. case, cited supra, the Court of Appeals for the First Circuit after its discussing of the language of section 2 (6) of the act, in holding a Puerto Rico employer within the plenary jurisdiction of the Board, said:

"That is to say we think Congress in the National Labor Relations Act intended to deal comprehensively with labor disputes affecting commerce * * * just as in the Sherman Antitrust Act * * * it intended to deal comprehensively with contracts, combinations, and restraints of trade (*Puerto Rico* v. *Shell Co.* (302 U. S. 253, 259 * * *)) and to that end exercised all the power it possessed in the premises." (*Atlantic Cleaners & Dyers* v. *United States* (286 U. S. 427, 435 * * *).)

"The Virgin Islands is an outlying possession of the United States, and as such had been governed as a territory of the United

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[5] *Roy C. Kelley* (95 NLRB 6).

[6] See my dissents in *Hotel Association of St. Lous, supra,* and *The White Sulphur Springs Company* (85 NLRB 1487).

[7] E. g., *Willard, Inc.* (2 NLRB 1094); *The Raleigh Hotel Company* (7 NLRB 353); *Westchester Apartments, Inc.* (17 NLRB 433); *Rutland Court Owners, Inc.* (44 NLRB 587).

[8] *N. L. R. B.* v. *Gonzalez Padin Co.* (161 F. 2d 353 (C. A. 1)).

[9] *Panaderia Sucesion Alonso* (87 NLRB 877 at 878).

[10] Title 48 U. S. C. S. 1407.

[11] Title 48 U. S. C. S. 14076 (b).

[12] 1952 annual report of the Governor of the Virgin Islands to the Secretary of Interior.

[13] Ibid.

[14] Ibid.

[15] Condensed Report on Tourist Activities in Virgin Islands, dated January 1, 1954, submitted by Virgin Islands Tourist Development Board.

[16] Ibid.

[17] Ibid.

[18] 302 U. S. 253.

States." [19] Its organization and powers are set forth in an organic law passed by the Congress of the United States in 1936,[20] which provided for a legislature, a territorial governor and other officers appointed by the President with the advice and consent of the Senate of the United States. As the Virgin Islands is a completely organized Territory, although not incorporated into the United States, it is clear that it occupies the identical position which Puerto Rico did prior to becoming a commonwealth, during which time both the Board and courts held that the act embraced Puerto Rico.[21] Accordingly, it seems plain that the Virgin Islands are a "Territory" within the meaning of section 2 (6) of the act.[22] No legislative or judicial authority to the contrary or providing a basis to doubt this fact is cited in the majority or concurring opinions.

There is an additional factor which requires consideration. The cutting of the Board's plenary jurisdiction will mean an absence of any regulation or control of industrial disputes in these areas. For even where local administrative agencies have been established in the territories to perform duties comparable to those of the Board, it has been held that section 10 (a) prohibits them from either accepting jurisdiction by cession from the National Labor Relations Board or exercising jurisdiction over matters which are within the scope of the act.[23] Unlike the situation in any of the States, the Congress is in a real sense the "local" legislature for these areas.

In summary, when the act, itself, directs this Board to exercise jurisdiction over all trade within the territories and the District of Columbia; when the Board has proceeded on that basis for a number of years without comment or alteration of the statute by the legislature; and when the exercise of such plenary jurisdiction has been continually supported by the courts, it is singularly inappropriate now to restrict our performance of that statutory duty. Particularly so, when by so restricting our plenary jurisdiction we leave commerce within those areas unprotected by any other agency of Government from the impact of labor disputes affecting it. For the foregoing reasons, therefore, I find that the employer is engaged in commerce as defined in the act and that it would effectuate the policies of the act to assert jurisdiction herein.

Dated, Washington, D. C., October 26, 1954.

ABE MURDOCK,
Member, National Labor Relations Board.

[19] *Harris* v. *Municipality of St. Thomas & St. John* (111 F. Supp. 63.) (D. C. Virgin Islands.)

[20] Organic Act of the Virgin Islands of the United States, June 22, 1936, ch. 699, sec. 41, 49 Stat. 1807.

[21] The Board continues to hold Puerto Rico embraced by the act since achieving commonwealth status.

[22] Cf. *Puerto Rico* v. *Shell Co., supra*, p. 258; *Kopel* v. *Bingham* (211 U. S. 468, 474, 476); *N. L. R. B.* v. *Gonzalez Padin Co., supra.*

[23] *Bayamon Transit Co., Sucesora* v. *Puerto Rico Labor Relations Board* (70 P. R. Sup. Ct. No. 3, p. 292). See also Panaderia *Sucesion Alonso, supra.*

MINIMUM PAY RISE IN PUERTO RICO

Mr. DOUGLAS. Mr. President, since the Senate passed the bill amending the Fair Labor Standards Act, S. 2168, there has been some publicity concerning the provisions relating to Puerto Rico which, in my opinion, does not accurately reflect what the Senate has done.

For the information of Members who may have seen one of these reports which was based upon information apparently supplied by the Puerto Rican sources, I ask unanimous consent to have printed at this point in the RECORD a news article from the New York Times for Monday, June 20, 1955, entitled "San Juan Fights Minimum Pay Rise," together with a copy of my letter of reply addressed to the editor of the Times and printed in their issue of today's paper.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

SAN JUAN FIGHTS MINIMUM PAY RISE—FEARS 45,000 WILL LOSE JOBS IF WASHINGTON LEGALIZES BILL TO INCREASE WAGES

SAN JUAN, P. R., June 19—Approximately 45,000 persons here will lose their jobs if the United States Senate bill 2168 becomes law, a government spokesman said today.

The bill, which proposes a sharp increase in minimum wages in Puerto Rico, may force about 70 factories to close in addition to throwing many thousands of home workers out of their jobs. This would add seriously to Puerto Rico's already alarming unemployment.

Government officials here are greatly disturbed by the apparent unawareness in Washington of the serious impact that this and similar legislative proposals would have on Puerto Rico's economic future.

Puerto Rico already has more than 100,000 unemployed, almost 20 percent of its entire labor force. In addition, 20,000 young people enter the labor force each year, putting heavy pressure on the island government to create new jobs through operation bootstrap, which has established more than 300 new industries in the last 5 years.

It was feared that the sharp rise in unemployment here would greatly accelerate the migration of unemployed Puerto Ricans to the United States, particularly New York, Philadelphia, Chicago, and Miami. Last year such migration dropped to 21,531 after reaching a high of 69,125 in 1953.

The workers hardest hit by the new Federal legislation would be those in home needlework, where an estimated 29,000 would lose their source of livelihood. Another 3,000 would be forced out of work in sugar mills as would the 4,000 in tobacco stemming plants and an estimated 7,000 in manufacturing plants.

EXPANSION TO BE HIT

Government officials predicted that in addition to causing immediate unemployment the proposed Federal legislation also would adversely affect future economic development in Puerto Rico by curtailing expansion.

The new legislation is a sharp departure from previous practice whereby wages were raised periodically in Puerto Rico on an industry by industry basis as the result of committee hearings. Government spokesmen here maintain that only the continuance of such a flexible system can fit Puerto Rico's needs.

Heriberto Alonso, a top official in the Economic Development Administration, which is responsible for creating new industries, said the fact that the present Senate bill would throw 45,000 people out of work is dramatic proof of the necessity for retaining the committee approach for raising wages in Puerto Rico.

Under the proposed Senate bill, now being considered by the House of Representatives, the minimum wage would become $1 an hour. The administration favors a rise from 75 to 90 cents.

The Senate bill would authorize the Secretary of Labor to extend the increase to Puerto Rican workers.

REPLY BY SENATOR DOUGLAS

JUNE 23, 1955.

THE NEW YORK TIMES,
New York, N. Y.

GENTLEMEN: On June 20 the New York Times published an article on Puerto Rico to the effect that the proposed minimum-wage regulation for the island, contained in S. 2168, may cause greatly increased unemployment and curtail expansion of the Puerto Rican economy.

S. 2168 was drafted by the Senate Subcommittee on Labor, of which I am the chairman, after full hearings with testimony submitted by all interested parties. The bill was passed unanimously by the full Labor Committee. It was carried by voice vote in the Senate.

I note that you credit a Puerto Rican government spokesman as the source of the opinions expressed in your article. But I should like to comment briefly on that report.

While your article starts off with a categorical statement that "approximately 45,000 persons (in Puerto Rico) will lose their jobs," you indicate in the next paragraph that "the bill * * * may force about 70 factories to close." Such estimates are quite worthless unless there is an explanation of the reasons on which they are based. According to your report 29,000 workers in the needle trades, 3,000 workers in the sugar mills, 4,000 workers in tobacco stemming, and 7,000 workers in manufacturing plants are estimated as sure to lose their jobs. Let us look at these figures somewhat more closely.

In the home needle trades, employment has declined from over 60,000 in 1950 to 29,000 in 1955. This is a decline of over 30,000 in 5 years. If present trends continue, homework will disappear in less than 5 years even if the industry should continue to operate at the 17½-cent-an-hour wage rate which prevailed during the period of the decline.

This decline in homework was partly compensated by an increase in factory employment. It is generally recognized that a growing and expanding economy is incompatible with the existence of sweatshop homework conditions. It is therefore false to blame minimum-wage legislation for the unavoidable decline of the home needle industry.

The next largest group mentioned in your article are an estimated 7,000 workers in manufacturing plants. This estimate seems to be based on the total employment of firms which had financial losses in 1954. Nobody has yet pretended that losses during that year were even influenced by prevailing wages, not to speak about their being caused by high wage rates. It is likely that some firms which were not able to operate at a profit under the extremely favorable conditions prevailing in Puerto Rico in 1954 will be forced to go out of business. But it is unrealistic to assume that all these firms will go out of business, and even if they all were to fail, there is no reason to assume that wage rates were responsible for their failure.

Your report also mentions the sugar industry with an estimated decline of 3,000 workers. The Subcommittee on Labor has carefully investigated the situation in Puerto Rican sugar mills. The industry is modern and highly efficient. In 1949, for example, one-half of the total investment in manufacturing in Puerto Rican industries went into new equipment and machinery in the sugar mills. There are some firms which have not kept up with this trend. They have been in difficulties for some time, and not even a lowering of the wages would be able to balance the advantages gained by the large majority of modernized plants.

The last industry mentioned is tobacco stemming, with an estimated decline of 4,000

workers. The Subcommittee on Labor has recognized that certain difficulties exist in this industry. Tobacco is grown in Puerto Rico on hilly territory, under difficult circumstances, and the whole manufacturing process is little mechanized. Puerto Rican tobacco has great difficulty in competing with Cuban tobacco. But the formula worked out by the Subcommittee on Labor allows this industry to postpone the full increase in the minimum by as much as 1 year after December 31, 1955, provided the industry-committee procedure is used to grant a small increase before January 1, 1956. The minimum wage in the tobacco stemming industry has been 31 cents since June 1952. There have been no increases since that time.

Your report states: "Government officials (in Puerto Rico) are greatly disturbed by the 'apparent unawareness in Washington of the serious impact that this and similar legislative proposals would have on Puerto Rico's economic future'."

I consider it unfortunate that such a statement has been made. The formula worked out to increase minimum wages in Puerto Rico has fully taken into consideration the complex and difficult situation of Puerto Rico. It provides for a special report by the Secretary of Labor to minimize unforeseeable hardships that may arise.

But the United States Senate does not only have a responsibility to facilitate industrialization in Puerto Rico. It also has a responsibility toward mainland industries. And some of these industries have had to compete with Puerto Rican firms under constantly increasing difficulties. In addition to the much-advertised tax exemptions there, the differential in average hourly earnings broadened from 98 cents in January 1950 to $1.31 in October 1954. The Senate proposal does not reduce this differential, it only tries to prevent an increase in this differential. It will, therefore, preserve the presently existing competitive advantage of Puerto Rico.

We have tried to understand and to adjust as fairly as we could these competing interests. We have good reason to believe that mainland and Puerto Rican industry can live with the Senate proposal.

Faithfully yours,

PAUL H. DOUGLAS.

SALUTE TO CZECHOSLOVAKIA PATRIOTS

Mr. DOUGLAS. Mr. President, I wish briefly to salute the memory of the brave men and women in the cities, the factories, and the mines of Czechoslovakia who, 2 years ago this month, arose in protest against new oppressive decrees of their Russian overlords and, against hopeless odds, showed with their lives their love of freedom and justice. The Czechs were the first, and the greater publicity which, of necessity, attended the Berlin riots that same month need not prevent us from remembering their bravery. Many of these Czech patriots are now beyond reach of our voices, whether dead or imprisoned or exiled to Siberia; but I hope that we here in the United States can suitably honor their memory.

Mr. President, I hope that in the coming conversations at the "summit" we do not forget them or the other captive peoples; and that we demonstrate anew our belief in liberty and equality, in free elections by free people, and in government by the people. For we of all nations know that that government is neither just nor endurable which does not foster the freedom and well-being of all its citizens among its highest aims.

Mr. President, the significance of the 1953 workers' revolt in Czechoslovakia is perhaps best characterized in an editorial in the New York Times of June 13, 1953, entitled "Freedom Speaks in Pilsen." I ask unanimous consent that this fine editorial be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[The New York Times of June 13, 1953]

FREEDOM SPEAKS IN PILSEN

The city of Pilsen in Bohemia used to be associated with an excellent beer. It also brought to mind a tuneful light opera. It has not been so cheerful in recent years. There may be, however, in some year to come, a new symbol in that city. There may be a memorial there to workers who died in June 1953, in protest against the Russian-dictated tyranny that calls itself by the foulest of lies a people's republic.

We need expect no successful uprising in Czechoslovakia this month or this year or at any predictable time. What has just happened at Pilsen and apparently in other cities of Czechoslovakia was a spontaneous and hopeless protest against the government's robbery of the people. It is now clear, on the admission of at least one Pilsen newspaper, supported by testimony from other sources, that some of the workers—the supposed heroes of the Marxian dream—have had quite enough of Marx and the late Mr. Stalin and whoever it is that now runs the Moscow government. As the Pilsen newspaper Pravda said on June 5, the rioters "disgraced the Soviet flag." For a few minutes, or an hour or so, or a few days, the Russian colors like the tattered Nazi war banners that were paraded in Moscow after the war, were dragged in the dust.

It is over now, as far as we know. To paraphrase the old Czarist saying, "Order reigns in Pilsen and in Prague." The "gang of rioters" has been liquidated. Liberty and justice have been liquidated, as in all Communist-dominated countries. Wisdom has been liquidated, so that a country which was prosperous and traded profitably in the world's markets before the Russians came in is now plundered and hungry. Communism has failed in Czechoslovakia in all its phases. It has broken all its promises. It has spoiled everything it has touched. It is not only tyrannical—it is stupid and inept.

No country given a free choice has ever adopted communism. It is impossible to believe that any country now under communism would vote to continue the system if its people had a choice and were duly informed as to alternatives. The desperation revealed in the futile outburst in Czechoslovakia must exist elsewhere. The doctrine and system that started as utopia have produced wherever they have been fully applied a planned and scientific hell on earth.

It is not this country's policy to encourage revolts which wipe out previous lives. Nor do we intend to go to war to abolish tyranny all over the world. Nevertheless, it warms the hearts of those who remember the age-long battles for liberty, the never-ending struggle to be free, to know that tyranny is recognized as such even where no hand can as yet be raised successfully against it.

EXPIRATION OF FREE MAILING PRIVILEGES FOR MEMBERS OF THE ARMED SERVICES IN KOREA

Mr. CARLSON. Mr. President, at midnight tonight Public Law No. 9, 83d Congress, the free mailing privileges for the members of the armed services in Korea and other specified areas expires. Unfortunately, no provision has been made to extend the act. Under these circumstances I sent a telegram to the Secretary of Defense urging that the Department continue to carry the mail as in the past.

I am informed that annually about 40 million pieces of mail, or about 4 million pieces a month are handled for those members of the Armed Forces. I am also informed that the Department of Defense has stocked the post offices in that area with stamps. But very little publicity has been given to the fact that the act providing for such free mailing privileges will expire at midnight tonight. Therefore it is only natural that large numbers of our Armed Forces will be mailing their letters as in the past. Their families will not receive them and great confusion will result.

It is for this reason that I have risen in the Senate today to ask the Department of Defense to continue to carry such mail free until Congress has had an opportunity to consider an extension of the legislation which is about to expire. I think it is most important that that be done. I am today introducing a bill providing for a 1-year extension.

I ask unanimous consent that a copy of my telegram to the Secretary of Defense be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *June 30, 1955.*

Hon. CHARLES WILSON,
Secretary of Defense,
Washington, D. C.:

Tonight at midnight Public Law 9 of the 83d Congress expires. This act provided for free postage to the Armed Forces personnel in specified areas, including Korea, and also for Korean veterans hospitalized outside of the continental limits of the United States when such hospitalization is the result of service in Korea. The Department I understand has stocked these military zones with stamps, but very little publicity has been given regarding the termination of this act and the privileges of free mailing. Under these circumstances, there is bound to be much confusion and I think a great inconvenience to a large number of the members of our Armed Forces. Therefore, I would urge that the Defense Department continue to carry this mail at least temporarily in the future as in the past. I am introducing legislation today.

FRANK CARLSON,
United States Senator.

PROPOSED COUGAR DAM ON THE McKENZIE RIVER, OREG.

Mr. NEUBERGER. At his press conference yesterday, the President listed Cougar Dam on the McKenzie River in Oregon as one of the projects on which Congress should act during the present session. Speaking of water resource development, Mr. Eisenhower said that Cougar Dam, and other projects, were "all trying to get started and all waiting because they are not done."

I am not sure whether the President realizes that Cougar Dam has been authorized by Congress as a Federal project for flood control since 1950, and for power since 1954. The budget which he sent to Congress this year asked for only $100,000 in planning funds for Cougar Dam, although the great need for this

project for flood control and power production for the Willamette Basin would call for the full $500,000 usable in fiscal 1956. Instead, Cougar Dam has been used as the chief testing ground in the administration's fight to force the Northwest to accept high-cost "partnership" power or no power at all.

The President expresses concern that Congress has done nothing toward advancing Cougar Dam. In the hearings of the Senate Appropriations Committee, the senior Senator from Oregon [Mr. MORSE] and I urgently requested inclusion of the full $500,000 usable to complete planning and begin construction of Cougar Dam next year. In the light of President Eisenhower's request to Congress yesterday to speed up this project, I call again upon the Appropriations Committee to include the full usable amount of $500,000 for Cougar Dam in the appropriations for fiscal 1956.

Mr. MORSE. Mr. President, will my colleague yield?

Mr. NEUBERGER. I yield.

Mr. MORSE. I congratulate my colleague for calling to the attention of the people of Oregon, through the statement he has just made, the fact that Cougar Dam has been authorized as a Federal project. I think it is important, also, that it be called to the attention of the President of the United States.

It is important, furthermore, to note that the President asked for only $100,000 this year for planning money, although the report of the Corps of Army Engineers shows that $500,000 is needed.

I think it should be emphasized that what the President really is trying to do is to force the people of Oregon to go along with his program to deauthorize Cougar Dam as a Federal project and to make it a partnership project, so that it can be used as bellwether for the giving away, in a partnership scheme, of the people's resources in the rivers of the Pacific Northwest. I stress that point.

Somebody ought to call the President's attention to the fact that it would not make one whit of difference how these dams are going to be administered, so far as their power resources are concerned. The same amount of money will have to be spent for the planning of the dams by the Army engineers, no matter whether they will be operated on a so-called partnership basis or as Federal power projects.

I think it is regrettable that the President of the United States—and he must take the responsibility—is a party to the slow-up program, so far as the planning of the dams is concerned. What the President ought to do is back up the Senators from Oregon in trying to get for the Army engineers the $500,000 which is needed to complete the planning of the dams. Then we can determine whether, over a longer period of time, we are to go along with President Eisenhower's giveaway program with regard to these dams, or have them operated as Federal power projects.

Mr. NEUBERGER. Is it not extremely significant that although at his press conference the President listed Cougar Dam as one of the projects he believed this Congress should provide for but has not done so, yet Cougar Dam has been listed as a Federal flood-control project for 5 years, and this Republican administration wants to deauthorize that program?

Mr. MORSE. It needs to be made clear that is the Republican program, and the Republican Members of Congress are seeking to accomplish that purpose, whereas the Democratic Members are seeking to proceed with the project, which has been authorized as a Federal project.

Mr. NEUBERGER. Authorized for 5 years.

Mr. MORSE. Yes.

CONTROVERSY BETWEEN THE PRESIDENT AND SENATOR JOHNSON, OF TEXAS

Mr. BYRD. Mr. President, in the New York Times of today appears an article by Arthur Krock entitled, "It Seems More Like the Good Old Days." The article refers to the interchange between the President and the majority leader of the Senate. I wish to read the last paragraph of the article:

> These partisan forays, and even the President's list of unfinished items, do not, however, add up to a cold war. Those, including the correspondent, to whom the prophecy seemed reasonable with reference to domestic programs failed to anticipate the leadership thesis JOHNSON developed or its general Senate Democratic acceptance. It is, that making campaign issues is the business of the titular party leaders and the national committees; the sole business of the party members in Congress is legislation, preferably on its merits.

Mr. President, I ask unanimous consent that the entire article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN THE NATION

(By Arthur Krock)

IT SEEMS MORE LIKE THE GOOD OLD DAYS

WASHINGTON, June 29.—Those Republicans and Democrats who have been criticizing the President and the Senate Democratic leader for being too nonpartisan felt better today after the smooth relations between General Eisenhower and Senator JOHNSON were ruffled by a small public spat. It didn't amount to much: a little needling of the President by the Senator, and the same right back. But it was a return, however temporary, to interparty normalcy.

The Senator scored first. After listing 275 bills which the Senate passed in 81 days, he commented, with his air of innocence, that this record was a refutation of the prediction by a "certain party leader" in the last campaign. The prediction was that the election of a Democratic Congress would mean "a cold war of partisan politics" in which programs urged by the President and desired by the people would be "bottled up." The forecaster was the President himself.

General Eisenhower got his chance to bat at his news conference today. Like the celebrated Willie Keeler, he "hit 'em where they ain't." In that vulnerable Democratic area was his campaign prophecy that, with the Executive and Congress under different party control, it would be impossible for the public to fix the responsibility for legislative failure or success. The Senate leader's claim of party credit for such accomplishments as there have been, accompanied by his failure to mention 13 major items of business still unfinished at the fag end of the session, demonstrated, the President said, how true that prediction turned out to be.

Battles but not war

Both the President's and JOHNSON's points were well taken. Certainly no "cold war of partisan politics" has been waged by the Democratic leaders in Congress or by the Democratic majorities. There have been sharp skirmishes, and an occasional battle with the administration. But the fraternizing between partisan engagements has been cordial and protracted, and in matters of foreign policy the opposition has been more "loyal" in percentage than the home guard. On the other hand, the Democrats have balked the President in large or small degree on most of the major items of his program that he listed today, sometimes by delaying actions.

Yet the cooperation, in the Senate, is so extensive and friendly that at times grumbling against JOHNSON's leadership has been audible among "liberal" Democrats and in the neighborhood of the Democratic National Committee. And, because of certain Presidential concessions to the majority, some Republicans have asked, though in discreet privacy, "who won the 1952 election, anyhow?"

The parting shot

But, for this day at least, the President and the Senate leader of the opposition acted and reacted as partisan competitors instead of as loving partners, and the party workers on both sides will appreciate it. JOHNSON, in getting the last word, even needled the President with an implication which is a favorite of the Democratic Digest (the National Committee publicity organ). This implication is that the President, being absent from Washington a great deal, is not well posted and depends on briefing by his aides. "After all," said JOHNSON, for once following this line today, "he (Eisenhower) spent last week in New England and may not fully understand all he is talking about."

Not until this session of Congress has ended will it be possible to calculate these factors in its record: The volume of solid and essential legislation it has approved as contrasted with the volume proposed by the President. The number of major administration positions that survived or were rejected in the legislation that was approved. The amount of unfinished business that by any normal test could be called essential.

Why no cold war

But the spat between the President and the Senate leader today would have to develop into a sustained legislative blockade by the Democrats before General Eisenhower's cold-war forecast could acquire any factual basis. The Democrats have sought desperately for a flaming public issue with the administration, examples being Speaker RAYBURN's "$20 bill for everybody" and the assault of some Senate Democrats on the Dixon-Yates contract for a private plant to feed power into the Tennessee Valley Authority system. But thus far the effort does not seem to have been rewarded in public interest or support.

These partisan forays, and even the President's list of unfinished items, do not, however, add up to a cold war. Those, including the correspondent, to whom the prophecy seemed reasonable with reference to domestic programs failed to anticipate the leadership thesis JOHNSON developed or its general Senate Democratic acceptance. It is, that making campaign issues is the business of the titular party leaders and the national committees; the sole business of the party members in Congress is legislation, preferably on its merits.

AUTHORIZATION FOR ARMED SERVICES COMMITTEE TO FILE REPORTS DURING RECESS OR ADJOURNMENT

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Armed Services Committee was authorized to file reports on the Public Works appropriation bill, during the recess or adjournment of the Senate.

EXTENSION OF PUBLIC DEBT LIMIT

The Senate resumed the consideration of the bill (H. R. 6992) to extend for 1 year the existing temporary increase in the public debt.

Mr. BYRD. Mr. President, the pending bill, H. R. 6992, would authorize the Secretary of the Treasury temporarily to borrow up to $6 billion in excess of the permanent statutory $275 billion debt limit. It merely extends the existing law.

It would not provide an increase in the permanent debt ceiling. This temporary authority would expire June 30, 1956.

The bill is recommended to the Senate by the Senate Finance Committee, which reported the bill by a 12 to 1 vote. There are no Senate committee amendments. As chairman of the Committee on Finance, I recognize with reluctance the necessity for its immediate enactment. I am sure the majority of the Finance Committee joins me in this recognition.

There are three hard, cold reasons why extension of this temporary increase is necessary:

First. Tax reductions which were enacted before the budget was balanced in a period of high income. Tax reductions when the Government is on a deficit financing basis represent a direct increase in the public debt.

Second. Failure to reduce expenditures to the level of revenue. This is due in large measure to the failure to bring unexpended balances in old appropriations into control by Congress.

Third. Peaks and valleys in revenue collections under the system providing for heaviest payments of corporation taxes in the second half of the fiscal year.

It will be recalled that 2 years ago the administration requested a permanent increase in the statutory debt limit of $15 billion, lifting the ceiling from $275 billion to $290 billion.

At that time Congress was told that the Government in fiscal year 1954 could not pay its bills and panic would result if that $15 billion increase was not granted. The permanent increase of $15 billion was approved by the House of Representatives, but the Senate Finance Committee, after careful study, rejected it completely. The administration reduced its expenditures, lived within the $275 billion debt ceiling, and no evil consequences occurred.

Last year the administration requested a permanent increase of $10 billion in the statutory debt limit, and the Senate Finance Committee again, after careful study, rejected the administration's request. Instead, on the basis of its study, the committee recommended a temporary increase of $6 billion for 1 year, which was enacted into law. That 1-year period will expire at midnight tonight, and the Government has managed to meet its obligations under a debt ceiling $4 billion less than it requested a year ago.

On the basis of continual study of the debt situation since early in 1953, the Finance Committee now recommends a temporary increase of $6 billion in the debt limit to expire June 30, 1956, when the ceiling will revert to the $275 billion permanent limit.

As chairman of the committee, I reluctantly joined in this recommendation, for the simple reason that I believe that it provides for a minimum necessary to maintain the integrity of the Federal Government of the United States. But I suggest that this additional temporary extension should be regarded by the administration as an indication of congressional notice that it should not be repeated again.

In this connection I wish to point out:

First. As in the past, any future tax reduction while the Government is on a deficit financing basis, and the national income is at or near its peak, is inexcusable fiscal irresponsibility.

Second. It is essential that the administration and the Congress bring annual expenditures out of the $82 billion of unexpended balances in old appropriations under control in such a manner that they can be reduced, to the end that the expenditures may be kept at a level with income.

Third. I am hopeful that the 1954 tax code revisions providing for gradual return to a more equal distribution of corporate tax collections will be administered in a manner to bring maximum results.

Actually, the condition of the Federal Treasury, in terms of cash balance and borrowing authority, will be $4.2 billion worse off in July 1955, than it was in July 1954. This is almost equal to the estimated deficit for fiscal year 1955.

To this extent, in terms of fiscal leeway, the $6 billion debt limit extension for the coming year will be tighter than it was in the past year. It is intended to be that way. Under usual appropriation procedure, it is difficult for Congress to exercise control over expenditures out of $82 billion in prior appropriation balances. In this situation and under other conditions the debt limit becomes the only effective congressional control over the rate of annual expenditure; and I trust the spending agencies of the Government will comply with the law by reducing their expenditures so that as a whole they will not exceed the limit.

As was the case last year, one of the principal problems involved in determining the debt ceiling figure is peaks and valleys. There are peaks and valleys in expenditures, and there are peaks and valleys in revenue. Obviously it is impracticable to assume that peak revenue months can be identical with peak expenditure months. But a more even distribution of both is both possible and urgent.

Tax reduction is desirable, but not if it is to be charged to our public debt. Expenditures could and should be reduced to bring about a budget surplus which could be converted into tax reduction.

The Treasury estimates of expenditures totaling $62.4 billion, receipts totaling $60 billion, and deficits totaling $2.4 billion in fiscal year 1956, beginning tomorrow, Friday, show monthly deficits in each month from July to January, inclusive, and still more deficits in April and May. They show big surpluses in March and June, and a lesser surplus in February.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a table prepared by the United States Treasury Department showing receipts, expenditures, and deficits or surpluses by months as estimated for fiscal year 1956.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Budget receipts and expenditures, fiscal year 1956

[In billions of dollars]

	Budget receipts, 1956	Budget expenditures, 1956	Budget deficit (−) or surplus (+), 1956
July	2.7	5.2	−2.5
August	4.3	5.9	−1.6
September	4.7	5.1	−.4
October	2.6	4.8	−2.2
November	4.5	5.0	−.5
December	3.8	5.3	−1.5
January	4.6	4.7	−.1
February	5.9	4.6	+1.3
March	8.9	5.3	+3.6
April	4.2	5.3	−1.1
May	4.1	4.9	−.8
June	9.7	6.3	+3.4
Total	60.0	62.4	−2.4

Source: Office of the Secretary of the Treasury, June 8, 1955.

Mr. BYRD. Mr. President, I ask unanimous consent that the remainder of my statement on the pending bill be printed at this point in the RECORD.

There being no objection, the remainder of Mr. BYRD's statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

Without the temporary extension proposed in the pending bill the committee estimates, on the basis of Treasury figures, the Treasury would be without both cash and borrowing authority during the months of October, November, December, January, and February. Under such conditions there is no alternative to increasing the borrow authority. And on the basis of its analysis the committee believes as much as $6 billion temporary increase in the debt limit is the requirement at the minimum to meet the situation at its worst.

It should be emphasized beyond any misinterpretation that this bill increases the debt limit $6 billion on a temporary basis expiring next June 30 when the $275 billion statutory limit again will prevail. Between now and that time the Senate Finance Committee will continue to watch the debt situation.

In fact, a direct Federal debt of $275 billion is more than we should owe. In consideration of the direct Federal debt ceiling it should not be overlooked that there are additional contingent liabilities on the Federal Government in the form of insured loans, guaranteed loans, etc., total another $250 billion.

This tremendous debt—direct and contingent—is of real significance to our national solvency.

Prior to World War I Federal debt was a minor problem. On July 1, 1914, the interest-bearing debt was less than $1 billion. At that time Federal debt could be created only by act of Congress which specified the purpose. I wish to emphasize that; on July 1, 1914, and before that date, during the entire history of this Government, there could be no debt authorized by the Government except by act of Congress which specified the purpose for which the debt was created.

This procedure was revised to meet the needs of World War I. It was in that period that the Secretary of the Treasury was given authority to borrow, subject to an overall limit fixed by Congress.

This statutory limit was first fixed at $11.5 billion, and then raised to $20 billion, to $28 billion, to $37 billion, and then to $37.5 billion in 1921.

The limit was kept at $37.5 billion for 10 years. In 1931 it was raised to $45.5 billion, and then to $48 billion in 1934. In 1935 it was reduced to $45 billion.

In 1940 it was raised again to $49 billion, then to $65 billion in 1941. With the beginning of World War II, it was raised to $125 billion in 1942, to $210 billion in 1943, to $260 billion in 1944, and it is now $275 billion.

The present Federal debt is equivalent to the assessed value of all the land, all the buildings, all the mines, all the machinery, all the livestock—everything of tangible value—in the United States. We are mortgaged to the hilt.

It should be the considered judgment of every one of us that the Federal debt should not be increased except for extreme national emergency, and the size of the Federal debt is the greatest national emergency confronting us at the moment.

We, of our generation, should pause to realize that we are the trustees of our freedom. It is our obligation to preserve sound government for future generations.

This Nation has been through many wars, and after each of them, except World War II, we have discharged at least part of the debt incurred for our defense. After World War II, we continued to add to our national debt, and 10 years after its conclusion we still are borrowing.

For all practical purposes, there has been no reduction in the Federal debt since the end of World War II. The only reduction was made with unused proceeds from a huge bond issue just before the end of the war. When the war contracts were canceled, the unused money was used to reduce the debt. Otherwise in the coming fiscal year the debt will have been increased steadily by deficits in 23 of the last 26 years.

Young men and women, born in 1930, have lived under a Government operating in the red virtually all of their lives. Today the interest on the Federal debt takes more than 10 percent of our total Federal revenue. Without the tremendous cost of this debt, our annual tax bill could be cut 10 percent, across the board.

As it is, we are borrowing money at this very time to pay interest on money we have borrowed before. That means the interest is compounded.

In a Government grown callous to deficit financing, to increase the permanent debt limit would be regarded by every bureaucrat as license to increase his demands for higher expenditures. The lid would be off.

It is my firm conviction that if we had increased the debt limit to $290 billion 2 years ago, we now would be approaching that limit and preparing ourselves for another request to raise it again to $300 billion.

Actually, we should be reducing the debt at this time, not increasing it. If we cannot balance the Federal budget and reduce the debt in peace and better-than-normal prosperity, when can it be done?

In addition to the huge direct debt and the $250 billion in contingent liabilities, we have on our hands a social-security system which is no longer actuarially sound. The ultimate cost to the Federal Treasury of this system is still unestimated. But the fact remains that when the premiums imposed upon those covered into the system are no longer sufficient to pay the benefits, regular tax revenue collected by the Treasury from those in and out of the system will be used to finance the deficiency.

In resisting raising the debt limit beyond the absolute necessity, it is not my purpose to embarrass the administration. To the contrary, the effort to hold the lid on the debt is to strengthen the administration's hand for economy leading to the balanced budget which the President of the United States sacredly pledged in his 1952 campaign.

We should never be misled by academic stargazers who contend that public debt is unimportant when we owe it to ourselves.

Public debt is not like private debt. If private debt is not paid off, it can be ended by liquidation. But if public debt is not paid off with taxes, liquidation takes the form of disastrous inflation or national repudiation. Either would destroy our form of government.

Few will deny that we have reached our solvent limit. As to inflation from deficit financing, I have two tables developed from official sources, and they have been checked and rechecked. One shows the deficit spending by years since 1940. The other shows the fall in the purchasing power of the dollar over the same period.

Beginning with 100-cent dollars in 1939, the purchasing power dropped 5 cents in 1940 and 1941 when the combined deficits were more than $8 billion. Despite wartime controls, it dropped 17 cents under the pressure of war deficits. And under postwar deficits it has dropped another 26 cents. As we all know, the purchasing power of the dollar is now estimated at 52 cents as compared with the purchasing power of the dollar at 100 cents in 1939.

I do not contend that deficit spending is the sole cause of inflation. Of course there are other causes of inflation. But I respectfully submit that deficit spending is perhaps the greatest single factor in the cheapening of the value of the money of any country.

We may regard these facts and figures lightly, if we choose, but the loss of half the purchasing power of its money in 13 years should be a serious warning to any nation. As I have said, other factors may be involved, but there is no doubt that deficit financing cheapens money. Cheapening money is inflation. Inflation is a dangerous game. It robs creditors. It steals from pensions, wages and fixed incomes. Once started, it is exceedingly difficult to control.

We still have practically the highest taxes we have ever known, yet a balanced budget is not in sight. Unless Federal spending is still further reduced, deficit spending and inflation will continue to the bitter end, which is insolvency. The only real answer is to reduce spending. Our currency would be worthless in insolvency.

Those who willfully or otherwise would destroy American solvency would destroy freedom for people everywhere.

Today we are at peace. That is to say, while we must maintain a massive military organization, we are not at war. This period of international crisis may continue for many years. We must live with it and adapt our financial affairs to it. Great perils are lurking in this troublesome world. To be prepared for eventualities, we should strengthen our domestic economy and not weaken it.

The temporary increase which is proposed to be granted under this bill should not be renewed. The administration should reduce its expenditures so that it will not be necessary to again renew the temporary increase.

The administration can prepare the next budget so that renewal of this provision will not be necessary. This is what should and must be done.

Let me say in conclusion, it is with great reluctance that I, as one who has fought to the utmost of my capacity against increasing the debt limit, must vote now to increase temporarily the debt limit, for the reasons which I have mentioned. I do so because I realize that for a period of months the Treasury of the United States would be in an embarrassing position if we do not do so.

I know we must pay our bills. I know that when we create a debt, when we buy implements of war, or whatever our obligations may be, we must meet our obligations and meet them on time. It has never been my desire or purpose, to create a situation which would be financially embarassing to those who must pay the bills based on appropriations which are made by Congress.

I submit that the time has come when we must cease increasing the debt. I further submit that the Congress has lost control over the budget because there are unexpended balances today aggregating $82 billion.

There is nothing more important today than balancing the Federal budget, avoiding additional debt and provision for ultimate reduction of the debt. This Nation grew great under fiscally sound policies, but we have now been exploiting our good credit for a quarter of a century.

Fiscal soundness today is more imperative than ever in view of the worldwide obligations which have been assumed by the Federal Government of the United States.

THE BULGING DEBT LIMIT: LIPSERVICE VERSUS SPENDING

Mr. MALONE. Mr. President, it is very seldom that I find it necessary to disagree with the senior Senator from Virginia [Mr. BYRD]. I am very fond of him, and I think he is very sound in his thinking. However, today I find it necessary to disagree with him in regard to the proposed increase in the debt limit.

The Senator from Virginia is entirely correct when he says the proposal to increase the debt limit was presented to the Senate Finance Committee as a temporary measure.

Last year a similar proposal was presented to the Finance Committee as a temporary measure.

DESTROYED BY TEMPORARY MEASURE

Mr. President, over the years we have been deluged with temporary measures. Beginning about 23 years ago, we began with a temporary, emergency measure, which in 1934 was called a Trade Agreements Emergency Act, and was said to be for the recovery of the United States of America.

However, that act was extended again and again in subsequent years. About the third or fourth time it was extended the emergency part was deleted. The act, to all intents and purposes, became permanent, with the emergency unemployment remaining until World War II started in 1941. This year it was extended for another 3 years, and the debate on the floor of the Senate indicated that it was expected to be permanent,

just as the world Federalists planned it from the beginning—that is the organization planning to modify the Constitution of the United States.

WORLD WPA

In 1947, Mr. President, there began a planned division of the wealth of the citizens of this Nation with the nations of the world; the matter had been handled in different ways until that time, beginning with a loan of $3,750,000,000 to Great Britain in 1945 or 1946; it was said that we were going to cure all the ills of the world with that loan, including the conversion of currencies, that there would be no fixed prices or manipulation of the price of currencies for trade advantage, and there would be no more phony moves after that loan was made.

THE KICKOFF

In 1947 a distinguished general made a speech at a college in New York State or in New England; and his speech contained a small, innocuous paragraph to the effect that we should appropriate taxpayers' money then for the recovery of Europe. So, in 1948, Congress appropriated $17 billion, to be expended in 5 years; and we were told that by that time the world would be cured of all of its evils and ills, and everything would be wonderful.

So the money was appropriated. A few of us fought it, but to no avail.

WORLD ILLS WORSE

When the end of that period approached another bill to cure all the ills of the world was introduced. For some reason or other, by that time the ills of the world had gotten worse instead of better.

That bill was called the ECA bill, and it was going to cure absolutely all the ills of the world. Afterward, when that program began to run down, or when people began to catch up with it, we had another one, called FOA. We still have it in our hair; and this year we appropriated $3,500,000,000 more for that monstrosity, in addition to the $9 billion already available. Mr. President, the Senate is punch drunk, as far as appropriation of taxpayers' money is concerned.

Congress gave the FOA more billions of dollars, to be spent all over the world. But that time the argument was made on the floor of the Senate, and it came very directly, that the program was to be a permanent one; and the distinguished head of the FOA, Mr. Harold Stassen, has let it be known in no uncertain terms that as long as the world continued to suffer the program will have to be a permanent one.

Mr. President, recorded history goes back for 2,000 years in the case of some countries, and for 5,000 years in the case of others. Many of the countries to which we are spending money have not changed their standard of living throughout that length of time.

Of course, Mr. President, anyone who studies the history of those countries knows that overpopulation is their great trouble. For instance, Europe has half the area of the United States, but has twice as many people. The difficulty is that when we get into trouble "Uncle" has no "uncle."

Now it is proposed that we increase the debt limit.

Mr. President, beginning in 1933, the United States had a very distinguished President, who broke the ice, as regards expenditures for recovery, by suggesting that Congress appropriate $3,300,000,000. That was supposed to do the job, but instead of curing it, it aggravated it. Because money seemed to be worth less each year, as more money was appropriated. That President had a vision of "one world," and it seemed as if he might be the president of that "one world." If United States money and his health had held out, he might have made it.

However, Mr. President, those expenditures seem infinitesimal now, as compared to the expenditures now being made by the present Republican administration, on the basis of the appropriations made by a Democratic Congress—or vise versa. At least, they agree. [Laughter.]

Mr. President, the point I am making is that that distinguished President finally lifted the lid, in regard to appropriations, and succeeded in having those great expenditures placed on the shoulders of future taxpayers, while the country proceeded to spend it.

Today that President probably would be turning over in his grave, because today we are spending several times as much annually as he did in his heyday.

So today we have the usual palaver to the effect that it is a temporary thing, but we are going to spend $6 billion more than we are able to obtain in revenue, through the sale of additional bonds.

Mr. President, I ask the Senate this question: If we cannot pay our bills in peacetime, when everyone is prosperous, what may happen to us if we get into another war or if our economic situation worsens—as many persons believe it might if we keep on robbing the taxpayers.

Mr. President, House bill 6992 is before us. The report on that bill (No. 688) contains the following statement:

> On the basis of continual study over a period of more than 2 years and testimony by the Secretary of the Treasury given June 29, 1955, the committee is convinced that for the protection of the Government's integrity during the coming fiscal year it is necessary to raise the statutory limit temporarily to allow additional borrowing of up to $6 billion.

Mr. President, there are two ways, of course, by which we can destroy the monetary system. One is to tax the people until they can no longer pay their taxes. The other is continually to sell bonds in a program of continuous inflation until the time comes when, by reason of continuous inflation, our money could easily resemble the German money subsequent to the World War. It finally reached where one could not pile enough of it on a wheelbarrow to buy an order of ham and eggs. Then the slate is wiped clean and we start all over.

I see a trend in this country. It is not among people who came of age during the wildest New Deal days. But there are young people coming up in this country between voting age and 35 years, many of whom are married and raising families, trying to work out a ranching business, a mining business, or a manufacturing business, obey the law, pay their taxes, and keep their children in school.

TIRED OF CONGRESS ACTIONS

They are very tired of this continued program of increased debt and taxes. They do not realize what can happen to a Senator or Member of the House who, perhaps, has theretofore operated a pretty good business in his home town and paid his bills according to law. But when he comes to Congress he loses his perspective—he simply cannot add. He does not know what it means for Congress to expend more money than it can collect and to tax the people more than they can pay. Many of my people must borrow money to pay their income taxes.

REPEAL THE 16TH AMENDMENT

If we could repeal the 16th amendment, I think Congress might get its feet on the ground, because it could not raise the money. I hope something may happen to bring Congress to its senses. In my present frame of mind I would vote for the repeal of the 16th amendment.

We have now reached the point, as a result of some of our vague reasoning over the past two decades, where we have finally convinced ourselves that the way to make this country prosperous is to spend every cent we can possibly squeeze out of the taxpayer, and when we can squeeze no more from him, sell bonds and pass the debt on to the next generation.

The people are tired of it. They are not going to take it much longer. Some day they will be justified in moving on the Capitol, without waiting for an election.

So here we go again. The language of this bill seems familiar to me. I have been a member of the Senate Finance Committee for about 3 years. It required 6 years for me to become a member. I read from the committee report:

> The committee reluctantly recommends this temporary increase in view of official Treasury estimates indicating deficits in 9 of the 12 months in fiscal year 1956, beginning July 1, 1955, and that the Treasury under the $275 billion limit would be without funds during the 5 months October to February, inclusive.
>
> There are three principal reasons for this situation:

They are very enlightening.

> 1. Failure to reduce expenditures to the level of revenue.

Is not that some revelation, after 22 years of it, when we are now in peacetime?

> 2. Tax reductions enacted before the budget was balanced; and
>
> 3. Peaks and valleys in revenue collections under the system providing for heaviest payment of corporation taxes in the second half of the fiscal year.

I listened carefully to the testimony of the Secretary of the Treasury. He gave no indication that he would not come before us next year with the same story he brought us this year. Of course

he will, if Congress continues its present course.

I asked particularly that my vote in the committee be recorded against this bill.

I ask the Secretary what would happen if this bill were not passed. He said he would be unable to pay certain bills. I asked him, "What are those bills?" He replied, "First, the salaries of Members of Congress."

I said, "Mr. Secretary, I hope you do not get the bill, and you can start with the salaries of Members of Congress, so far as I am concerned. You are welcome to do it. I think you ought to do it as long as they follow their present course."

When the proposal was before us to increase the salaries of Members of Congress, I was for it, because most of us made more money than that before we came to Congress. At least a Senator or a Member of the House should not be embarrassed at the end of the month.

We are making billions of dollars' worth of equipment to send overseas. We call it national-defense equipment. My personal belief is that 90 percent of it is obsolete when it is completed. It will never come out of the warehouses in Europe unless someone takes it out to pull a plow in a few years.

We think we must continue this program in order to keep the boys employed. I suppose that is very important. We are giving $3½ billion to foreign nations, and permitting some bureau official to determine where it shall go, to build our competition in foreign countries.

I was in Asia in 1948. At that time the people were cutting rice knee-deep in water with a little hook or curved knife about a foot long. The State Department wanted to give them tractors. I said, "Give them a scythe and teach them how to use it. Perhaps they will cut more that way. They can gradually work up to a tractor."

When we put them on a tractor, they run it as long as there is gasoline in it. Some of them have even learned to refuel it. But when anything breaks, they simply set it to one side and resume the hook.

If we would get our feet on the ground and stop trying to control all the world and support all the people in the world in the standard of living to which they would like to become accustomed, we could reduce taxes; we could lower the budget; we could have a better defense, with up to date material.

We could then build roads, irrigation projects, flood control projects, and river and harbor improvements in this country and still reduce taxes. We could help our own people by building things with which they could utilize to make a living instead of coming before Congress every year with the same old story, as we have done for the past 22 years.

It does not seem to make any difference whether the Republicans or the Democrats are in control. There are just different people saying the same things.

Mr. President, my people are tired of it, and I am tired of it.

Mr. President, I shall vote against any plan to raise the debt limit in peacetime.

The PRESIDING OFFICER. The bill is before the Senate, and is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 6992) was ordered to a third reading, read the third time, and passed.

STATEMENT BY THE MAJORITY LEADER

Mr. JOHNSON of Texas. Mr. President, I have a brief announcement to make. The Armed Services Committee this morning unanimously approved a military construction bill authorizing the expenditure of $2,357,000,000 for hundreds of items for defense construction around the world. I am informed that the report of the committee will be printed and filed today, and that the Senate will be prepared to take up the bill when it meets tomorrow.

I should like all Senators to be on notice that that effect.

So far as the leadership is aware, there are no seriously controversial matters in the bill. It is not expected that consideration of the bill will be prolonged.

Mr. President, the Senate today has agreed to the conference report on the District of Columbia judges bill, the conference report on the District of Columbia appropriation bill, the conference report on the Defense Department appropriation bill, and 47 or 48 bills on the calendar.

There are only 14 bills remaining on the calendar. Two of them are private bills, to which objection was made today. With respect to 4 or 5 of the other bills remaining on the calendar, the minority has asked the leadership to hold up their consideration until arrangements can be made for the presence on the floor of certain Senators, and the majority has made somewhat the same request.

Today the Senate has passed three House bills, which were reported by the distinguished Senator from Virginia [Mr. BYRD] yesterday, or were reported by me for him. From a personal check I made I find that there is probably only one House bill which is pending in the Committee on Finance. No bills are pending in the Committee on Foreign Relations. There are only three bills pending in the Committee on Agriculture and Forestry, three in the Committee on Armed Services, two in the Committee on Banking and Currency, two in the Committee on Interstate and Foreign Commerce, four in the Committee on Post Office and Civil Service, one in the Committee on Public Works, and two in the Committee on Rules and Administration.

There is no other business to come before the Senate. Because of the cooperation of every Member of the Senate, particularly the distinguished chairmen and the ranking minority members of the committees, the Senate has passed all proposed legislation with the exception of the 15 or 16 bills to which I have referred, and which have not yet been brought to the floor.

Probably at no time in the history of the Senate has the calendar of the Senate been in better shape. I appreciate the work done by our excellent staff and by all our employees, and I particularly appreciate the cooperation I have received from the minority in the scheduling of the program.

The PRESIDING OFFICER. What is the pleasure of the Senate.

CHANGES IN REGULATION OF PUBLIC UTILITIES IN THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of order 258, S. 184, the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 184) to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes.

RECESS TO 2:25 P. M.

Mr. JOHNSON of Texas. Mr. President, ordinarily at this time the Senate would adjourn until tomorrow, but I understand that the Vice President and the State Department have made arrangements for the distinguished Prime Minister of Burma to visit the Senate at approximately 2:30 p. m. today.

Therefore, in a desire to cooperate fully, I move that the Senate stand in recess until 2:25 this afternoon.

The motion was agreed to; and (at 1:35 o'clock p. m.) the Senate took a recess until 2:25 o'clock p. m. the same day.

On the expiration of the recess, the Senate reassembled, when called to order by the Presiding Officer (Mr. MCNAMARA in the chair).

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

VISIT TO THE SENATE BY HIS EXCELLENCY U NU, PRIME MINISTER OF BURMA

The VICE PRESIDENT. The Prime Minister of Burma is to be the guest of the Senate today.

The Chair appoints the majority leader, the Senator from Texas [Mr. JOHNSON], and the minority leader, the Senator from California [Mr. KNOWLAND], as a committee to escort the distinguished visitor to the Senate into the Chamber.

Without objection, the Senate will stand in recess, subject to the call of the Chair.

Thereupon, at 2 o'clock and 37 minutes p. m., the Senate took a recess subject to the call of the Chair.

The Senate being in recess, His Excellency, U Nu, Prime Minister of

Burma, escorted by the committee appointed by the Vice President, entered the Chamber, and took the seat assigned to him immediately in front of the Vice President.

The members of the party accompanying the Prime Minister of Burma, consisting of His Excellency James Barrington, Ambassador of Burma to the United States; the Honorable Thiri Pyanchi U Thant, Secretary, Prime Minister's Department; the Honorable Walter Spencer Robertson, Assistant Secretary of State; the Honorable John F. Simmons, Chief of Protocol, Department of State; and the Honorable William J. Sebald, Deputy Assistant Secretary of State and Former Ambassador to Burma, were escorted to the Chamber, and took the places assigned to them.

The VICE PRESIDENT. It is my great privilege and honor to present to the Members of the Senate and to our guests in the galleries one of the world's great political and spiritual leaders, the Prime Minister of the Union of Burma.

[Applause, Senators rising.]

ADDRESS BY PRIME MINISTER U NU

Mr. NU. Mr. President and members of the United States Senate, it gives me very real pleasure to visit this body, which for so long has stood as one of the great symbols of government of the people, by the people, and for the people.

As you know, I come to visit you from half way around the world.

We in Burma already feel very close to the United States, and I have long wanted to get to know you more intimately. This is the purpose of my visit. While I am here I expect to see your cities, your factories, and your farms, and to talk with as many Americans as I can.

One reason why we in Burma feel a deep friendship for America is that your experience in many respects has been a shining example to us during many years of our struggle for independence, as well as in our effort to apply the principles of democracy.

There are three aspects of your history that are particularly well known to us, perhaps the more so because they so strikingly parallel our own brief history as a free, independent, and democratic nation.

The first of these parallels is that we were both colonial possessions of the same empire, and both had to struggle to win our right to self-government. And I am happy to say that both of us now live in friendship with our former landlord, with whom I have just had a pleasant and constructive visit.

The second parallel is that both of our countries adopted constitutions designed to secure personal liberty to all of our peoples, to institute systems of government by law, to provide the institutions of democratic rule, and to insure political and economic and social justice.

I dare to suggest that the leaders of our independence movement were as familiar with the Constitution of the United States as you yourselves. I mention this not to boast, but to remind you that the great document that was framed in Philadelphia nearly 175 years ago has served through all the intervening time as a beacon to fighters for freedom everywhere. And it shines as brightly today as ever.

The third parallel I should like to mention is that both of our nations adopted in their early years an independent foreign policy, designed to maintain the friendship of all nations and to avoid big-power alliances. You are aware that this policy of ours is not without its critics. Nor, for that matter, was yours. Be that as it may, it does offer another parallel between our early histories as independent nations.

May I add, Mr. President, the fervent hope and confident expectation that two nations that started out in such similar fashion will continue along parallel paths in friendship and cooperation. Thank you.

[Applause, Senators rising.]

The VICE PRESIDENT. We have with us another distinguished guest, who is in the gallery. I know that all Members of the Senate and the visitors in the galleries would like to greet the wife of the Prime Minister, Mrs. Nu.

[Mrs. Nu rose, and was greeted with applause, Senators rising in their places.]

The VICE PRESIDENT. I know that the Members of the Senate would like an opportunity personally to greet and welcome the Prime Minister.

The Prime Minister of Burma was thereupon escorted to the well of the Senate, where he was greeted by the Members of the Senate, after which he and his party retired from the Chamber.

At 2 o'clock and 50 minutes p. m. the Senate reassembled when called to order by the Presiding Officer (Mr. SPARKMAN in the chair).

ORDER FOR ADJOURNMENT TO 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when it concludes its business today, the Senate adjourn until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. JOHNSON of Texas. Mr. President, it is the purpose of the leadership, following the morning hour tomorrow, to move to proceed to the consideration of the public works authorization bill, which has been reported today by the Committee on Armed Services. It is anticipated that the consideration of that bill will not take very long, perhaps an hour or 2 hours. So far as the leadership is aware, no other controversial legislation will be considered tomorrow.

At the conclusion of its business tomorrow, the Senate will go over until Tuesday next.

The early hour of convening tomorrow is for the purpose of accommodating as many Senators as plan to leave town, so that they can use most of the day in traveling to their States.

ATOMIC POWERED INSTALLATIONS FOR REA

Mr. HUMPHREY. Mr. President, within the past week the Rural Cooperative Power Association of Elk River, Minn., submitted an application to the Rural Electrification Administration for loan funds in order to provide certain facilities to be installed in a reactor powered unit at that particular REA installation. Of course, this is in cooperation with the Atomic Energy Commission.

I want the Senate to know about this, because I believe it is the first formal application of a rural electric cooperative for an energy reactor plant with which to generate electrical energy.

The Rural Cooperative Power Association, of Elk River, Minn., obtained the services of some outstanding engineers in the preparation of a design and a program. The application for loan funds included the engineering studies which were made in behalf of the REA at Elk River, Minn.

Therefore, I ask unanimous consent to have printed at this point in the body of the RECORD a letter dated June 23, 1955, addressed by me to Admiral Lewis L. Strauss, Chairman of the Atomic Energy Commission; a letter dated June 23, 1955, addressed by me to the Hon. Clinton Anderson, chairman of the Joint Committee on Atomic Energy; and a letter dated June 23, 1955, addressed by me to Mr. Ancher Nelsen, Administrator, Rural Electrification Administration.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 23, 1955.

LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission, Washington, D. C.

DEAR ADMIRAL: The Rural Cooperative Power Association of Elk River, Minn., has submitted to you a detailed proposal requesting your cooperation in a joint venture for the installation and operation of an atomic nuclear steam-electric powerplant under the provisions as established for such projects in section 31 of the Atomic Energy Act of 1946, as amended in 1954.

I want you to know that I am keenly interested in this project, and most strongly urge its early and favorable consideration by the Atomic Energy Commission.

Minnesota is eager to pioneer in effective utilization of nuclear energy for producing electrical power.

It is my understanding that all the projects of this nature now underway for industrial power production are units of 100,000 kilowatts and larger. Minnesota's Rural Cooperative Power Association has placed before you a carefully developed proposal based upon a type of reactor which is particularly designed to fit the requirements of companies and municipalities or cooperatives such as their own with 22,000 kilowatts. We believe this is the first design favoring smaller units, which we feel would have the broadest future application for producing electric energy or heat for industrial application.

Minnesota rates among the highest power-cost areas in the United States, and should be entitled to preference as a location for such developments as proposed. The reactor design submitted to you comes recommended by men of great experience and high qualifications.

Our Minnesota Rural Cooperative Power Association could probably wait another 5 or 10 years while others in the industrial East

developed atomic energy for them. However, they feel, quite rightly, that since a practical design and plan is now available which would bring economy to their REA members and which could bring many substantial economic improvements to industry in our State, they do not want to spare themselves by delay.

All Minnesota is keenly interested in this undertaking, and will support favorable action on the part of your Commission. Our farmers and our industries have a common interest in development of such new power sources.

We earnestly hope we can have the Commission's cooperation in bringing this proposal to actuality. I would appreciate being kept fully informed as to your reaction toward this undertaking.

Sincerely,

HUBERT H. HUMPHREY.

JUNE 23, 1955.

The Honorable CLINTON ANDERSON,
Chairman, Joint Committee on Atomic Energy, United States Senate, Washington, D. C.

DEAR SENATOR: Minnesota is eager to pioneer in development of nuclear energy for electrical power. As one of the highest cost power States in the Nation, we urgently need the potential benefits of this new power source, both for our farm people and our industries.

The Rural Cooperative Power Association of Elk River, Minn., has submitted to the Atomic Energy Commission a detailed proposal requesting its cooperation in a joint venture for the installation and operation of an atomic nuclear steam-electric powerplant, under the provisions as established for such projects in section 31 of the Atomic Energy Act of 1946, as amended in 1954.

Briefly, the proposal is as follows: The Atomic Energy Commission acting under section 31, with the association as its agents, would construct an AMF closed-cycle boiling water reactor, a type particularly designed to fit the requirements of companies and municipalities or cooperatives with 22,000 kilowatts. The cooperative would staff the plant and operate it, and would repay on the basis of steam output cost to the Government for fuel burn-up, interest on its investment, and money toward amortization of the Government's investment. Details are outlined in the complete presentation. The cooperative, with funds borrowed from the Rural Electrification Administration, would install a 22,000-kilowatt turboelectric generator, using building space and other facilities presently installed at the Elk River plant.

It is proposed that approximately 3½ years would be involved in the design, construction, and testing period for putting this plant into operation. The co-op's board of directors has been advised by many persons of responsibility and high integrity with up-to-date knowledge of atomic energy that its proposed design is practical and possible, and the figures in the proposal bear out that considerable economic improvement can be made with facts now available.

I am enclosing for your information a copy of the association's letter of transmission of its complete, documented proposal to the Atomic Energy Commission. I am also asking the association to send you a copy of the complete brochure of presentation, including details of the reactor design which they believe is the first design favoring smaller units which could well have the broadest application for producing electric energy for heat for industrial application.

I want to urge all possible encouragement and support for this great undertaking in Minnesota. I have voiced such an appeal to Chairman Strauss, of the Commission, and hope we can have the support and backing of the joint congressional committee.

I know that representatives of the association fully informed on technical details of the proposal would be pleased to discuss the project at more length with you personally, or with your committee, at your convenience.

Sincerely,

HUBERT H. HUMPHREY.

JUNE 23, 1955.

Mr. ANCHER NELSEN,
Administrator, Rural Electrification Administration, United States Department of Agriculture, Washington 25, D. C.

DEAR ANCHER: On June 13, the Rural Cooperative Power Association of Elk River submitted to you a request for loan funds for the cooperative's part in providing certain facilities to be installed in a reactor-powered unit in cooperation with the Atomic Energy Commission.

I want you to know how keenly interested I am in this undertaking, and urge your utmost cooperation into bringing to reality this great venture which offers such vast potentialities for our State.

Full details of the entire proposal are being made available to you by the cooperative. I certainly hope the REA can be counted on not only to provide part of the financing necessary, but also to support before the Atomic Energy Commission the request of this far-seeing Minnesota association.

I would appreciate being kept informed of your reaction to this undertaking, and your efforts in its behalf.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, in connection with the appropriation of funds for the Rural Electrification Administration for the fiscal year 1954, I brought out in the debate, while interrogating the junior Senator from North Dakota [Mr. YOUNG], the fact that under the REA law, money would be available for this kind of power unit, namely, an atomic energy reactor power unit for REA purposes.

I think the Senate will recall that as we debated amendments to the Atomic Energy Act last year, one of the amendments offered by the junior Senator from Minnesota, which was adopted provided for the use of atomic energy for REA power purposes. This provision, together with the so-called Johnson amendment, which was submitted by former Senator Edwin Johnson, of Colorado, makes available under public law as it relates to the Atomic Energy Act, the use of nuclear fissionable materials and reactors for REA electrification purposes.

I mention the legislative history because the REA now has before it a formal application for such funds to provide for a reactor in an established rural electrification generation facility.

Likewise, the Atomic Energy Commission has been alerted and has had an application presented to it for its consideration. Thus both the REA and the AEC can work out a proposal and give their assent to the request.

I feel this will be a milestone in the development of the peacetime use of atomic energy. It is my hope that, as an example of what atomic energy may mean to the people, not only of the United States, but of the whole world, this original application, this first application, for the use of nuclear materials in a reactor plant for REA purposes will be granted. It is for that reason that I have brought to the attention of the Senate the exchange of correspondence which has taken place and the nature of the application which has been made by the Elk River, Minn., Rural Cooperative Power Association.

Mr. President, I desire now to refer to another subject.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

ATTEMPTED DISTORTION OF HISTORICAL FACTS FOR POLITICAL GAIN

Mr. HUMPHREY. Mr. President, some time ago there was considerable discussion about some of the facts which related to our Far Eastern Policy, especially as it related to the use of the 7th Fleet. In recent years we have witnessed a growing trend toward the rewriting of history for political purposes. It is understandable that occasionally, in the heat of political battle something may be said which is not historically accurate. But I am speaking now of the calculated and documented attempt to distort the historical facts for political gain.

The most recent example of this which has come to my attention is contained in an article written by Nat S. Finney, and published in the Buffalo Evening News under the dateline, "Washington, April 21." I shall read a portion of the release, as follows:

Former President Harry S. Truman tried to make partisan political capital out of his most vulnerable official decision when he attacked President Eisenhower for changing the orders of the Seventh Fleet.

This is the opinion of Representative JUDD (Republican, Minnesota) Congress' leading expert on Asian affairs * * *.

Dr. JUDD today expressed himself as astonished that Mr. Truman referred to the decision in his speech at last Saturday's dinner for House Speaker RAYBURN.

"It seems to me it was a case of the man protests too much," said Dr. JUDD, who, during his early years, was a medical missionary to China.

Dr. JUDD says that the historic evidence is now complete that when Mr. Truman ordered the fleet to make Chinese Nationalist forces "prisoners on Formosa" he released the Red Chinese forces that intervened in Korea, and that when President Eisenhower reversed the order he took the crucial step that brought an end to the Korean war.

So that I may not be charged with quoting out of context, Mr. President, I ask that the article from which I have been quoting be printed in its entirety at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Buffalo Evening News]

SEVENTH FLEET ORDER CALLED TRUMAN'S WORST BLUNDER—JUDD AMAZED THAT EX-PRESIDENT NOW RAISES CANCELLATION BY IKE AS A POLITICAL ISSUE

(By Nat S. Finney)

WASHINGTON, April 21.—Former President Harry S. Truman tried to make partisan political capital out of his most vulnerable official decision when he attacked President Eisenhower for changing the orders of the Seventh Fleet.

This is the opinion of Representative JUDD (Republican, Minnesota), Congress' leading expert on Asian affairs. Dr. JUDD

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EISENHOWER CANCELED ORDER

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General Eisenhower, Dr. JUDD says, was so incensed at the military stupidity of the Truman order that he made its cancellation his first official act. He announced he had reversed the Truman order in his first state of the Union message in 1953.

The inexplicable thing about the Truman order, according to Dr. JUDD, is that Mr. Truman failed to change it after Red China intervened in the Korean war and Red Chinese troops were inflicting some of the heaviest casualties of the war on American forces.

DEFENDED AGGRESSORS

Dr. JUDD said he considers Mr. Truman's use of the word "unleashing" in connection with General Eisenhower's January 1953 statement a "sheer political canard."

"It was the men who relieved the Red Chinese of the necessity of manning a defense of their coast who invented the expression unleasing," Dr. JUDD says. "President Eisenhower used no such language. He simply said that American forces would no longer be used to defend the Red Chinese, who at that moment were killing American soldiers in Korea."

The specific order to which Mr. Truman referred was issued June 27, 1950, and the explanation given was that the United States wanted to prevent an outbreak of fighting in the Formosa area. The wording of the order caused violent protests at the time. The language that was questioned was:

OPENED KOREA TO REDS

"Accordingly, I have ordered the 7th Fleet to prevent any attack upon Formosa. As a corollary of this action, I am calling upon the Chinese Government on Formosa to cease all air and sea operations against the mainland. The 7th Fleet will see that this is done."

Mr. Truman, Dr. JUDD pointed out, permitted this order to stand after Red Chinese armies had swept across the Yalu River from Manchuria to rescue North Korean forces from the defeat inflicted after General of the Army Douglas MacArthur's landing at Inchon.

He let the order stand after intelligence reports from Korea showed that Red China was using military units that had been in Fugien Province on the Chinese mainland opposite Formosa until they were released by the 7th Fleet's defense of Red China from any possible attack by Marshal Chiang Kai-shek's army.

NO AGGRESSION IMPLIED

To a trained military leader like President Eisenhower, Mr. Truman's action in relieving the Red Chinese from military necessity of defending their coast was incomprehensible, Dr. JUDD says.

President Eisenhower made this clear in his state of the Union message when he said:

"Permit me to make crystal clear this order implies no aggressive intent on our part. But we certainly have no obligation to protect a nation fighting us in Korea."

Dr. JUDD points out that the Communist bloc in Asia, which had held armistice negotiations in deadlock on the prisoner-of-war issue for months at Panmunjom immediately reversed its position. With the deadlocked prisoner-of-war issue out of the way the negotiations succeeded in producing an end of the fighting.

TRUMAN POLICY EXTENDED WAR

"There was no political trickery involved in saving American lives and ending the fighting," Dr. JUDD says.

No satisfactory answer was ever offered by Mr. Truman or his administration for the fact that the June 27, 1950, order to the Seventh Fleet was kept in force for 18 months after Red China intervened in Korea.

"Whatever the Truman policy was designed to accomplish, the effect it actually had was to extend the war by assuring the Communists that they could intervene in Korea with impunity, which they promptly did," Dr. JUDD says.

"Without that intervention which his policy encouraged and made possible, North Korea would have been crushed by the end of 1950. By this policy the Korean War was extended 2 years at the cost of additional thousands of American lives."

Mr. HUMPHREY. Mr. President, this is not the first time we have heard this particular bit of history presented in a politically imaginative way, and I do not suppose it will be the last. But I think that each time we encounter this sort of manipulation of the historical facts, we must make an effort to set the record straight. That is what I intend to do here, this afternoon.

First, we must go back to the original order of President Truman at the time of the Korean aggression that sent the Seventh Fleet to patrol the waters of the Formosa Strait. Here is what President Truman said in his statement to the Congress on June 27, 1950, relative to that order:

The attack upon Korea makes it plain beyond all doubt that communism has passed beyond the use of subversion to conquer independent nations and will now use armed invasion and war. It has defied the orders of the Security Council of the United Nations issued to preserve international peace and security. In these circumstances the occupation of Formosa by Communist forces would be a direct threat to the security of the Pacific area and to United States forces performing their lawful and necessary functions in that area.

Accordingly I have ordered the Seventh Fleet to prevent any attack on Formosa. As a corollary of this action I am calling upon the Chinese Government on Formosa to cease all air and sea operations against the mainland. The Seventh Fleet will see that this is done. The determination of the future status of Formosa must await the restoration of security in the Pacific, a peace settlement with Japan, or consideration by the United Nations.

I have also directed that United States forces in the Philippines be strengthened and that military assistance to the Philippine Government be accelerated.

I have similarly directed acceleration in the furnishing of military assistance to the forces of France and the associated states in Indochina and the dispatch of a military mission to provide close working relations with those forces.

If we go back and consider this action in its historical context, we see that President Truman took a series of measures at that time to insure that communism would not "use armed invasion and war" against our allies in the Philippines, Indochina, or on Formosa.

President Truman clarified this action still further in his message sent to the Congress on July 19, 1950. At that time he said:

Our action in regard to Formosa was a matter of elementary security. The peace and stability of the Pacific area had been violently disturbed by the attack on Korea. Attacks elsewhere in the Pacific area would have enlarged the Korean crisis, thereby rendering much more difficult the carrying out of our obligations to the United Nations in Korea.

In order that there may be no doubt in any quarter about our intentions regarding Formosa, I wish to state that the United States has no territorial ambitions whatever concerning that island, nor do we seek for ourselves any special position or privilege on Formosa. The present military neutralization of Formosa is without prejudice to political questions affecting the island. Our desire is that Formosa not become embroiled in hostilities disturbing to the peace of the Pacific and that all questions affecting Formosa be settled by peaceful means as envisaged in the Charter of the United Nations. With peace reestablished, even the most complex political questions are susceptible of solution. In the presence of brutal and unprovoked aggression, however, some of these questions may have to be held in abeyance in the interest of the essential security of all.

Here again President Truman reiterated the intent of his order: That Formosa not become embroiled in hostilities. At no time during this 2½-year period did anyone suggest that his order of June 17, 1950, had a purpose other than this. I have been unable to find any objection to this order during the first 2½ years it was in effect. I shall be glad to stand corrected if anyone can point out to me where anything other than this was suggested during that period. My researches have not disclosed any such criticism.

Quite to the contrary, Mr. President. At that time President Truman also stated his intention of removing the Seventh Fleet from the Formosa Strait as soon as the Korean War was ended. He met with strong opposition to this suggestion. First, let me read from Mr. Truman's press conference. The question was asked of him:

Does that mean that when peace and security are restored in Korea by the United States forces the United States Seventh Fleet will be withdrawn from the Formosa Strait?

According to the Washington Post of September 1, 1950, President Truman replied, and I read from the Washington Post:

Mr. Truman, after referring the reporter to his several messages, said that the Formosa situation would have to be settled in the Japanese Peace Treaty—settled by the nations that fought Japan and the nations which have occupation forces in Japan now.

Of course, the President said, it would not be necessary to keep the Seventh Fleet in the Formosa Strait after the Korean conflict is over. That, he explained, was a flank protection on our part for the United Nations forces in Korea.

This statement met with immediate criticism. For example, a column by David Lawrence was placed in the RECORD by the Senator from California [Mr. KNOWLAND]. It appeared in the Washington Star of September 1, and was headlined:

Pacific Munich hinted in Truman's words on fleet at Formosa—Did MacArthur know of new appeasement move? writer asks.

And here is what Mr. Lawrence had to say:

Is the United States Government trying to wiggle out of its entanglement in defending Formosa and thus make diplomatic concessions to certain European governments and pave the way for appeasement of Communist China and its possible admission to the Security Council of the United Nations?

This question may well be asked now in view of the startling announcement by President Truman to his press conference that, as soon as the Korean episode is over, it would not be necessary to keep the United States Navy's 7th Fleet in the Straits of Formosa. Mr. Truman added that the presence of this fleet in that position was just a flank protection for our forces in Korea.

This is not only an amazing contradiction of the strategy which the United States Joint Chiefs of Staff cannot but have developed for the protection of the Japan-Okinawa-Philippines perimeter of our defense, but it is a complete disavowal recently given, as to the importance of defending Formosa.

So we see that at this time the criticism of President Truman was not that he had ordered the 7th Fleet to patrol the Formosa Strait. Rather, he was being criticized for saying it would not be necessary to keep the 7th Fleet in the Formosa Strait after the Korean conflict was over.

Again, there was no criticism of the order that sent the 7th Fleet into the Formosa Strait. Nor did anyone suggest that the 7th Fleet was there to defend the Chinese Communists from the Chinese Nationalists. This novel idea did not appear until two and a half years after the order was promulgated.

Here is how President Eisenhower put it when he appeared before Congress for the first time, on February 2, 1953:

In June 1950, following the aggressive attack on the Republic of Korea, the United States 7th Fleet was instructed both to prevent attack upon Formosa and also to insure that Formosa should not be used as a base of operations against the Chinese Communist mainland.

This has meant, in effect, that the United States Navy was required to serve as a defensive arm of Communist China. Regardless of the situation in 1950, since the date of that order the Chinese Communists have invaded Korea to attack the United Nations forces there. They have consistently rejected the proposals of the United Nations command for an armistice. They recently joined with Soviet Russia in rejecting the armistice proposal sponsored in the United Nations by the Government of India. This proposal had been accepted by the United States and 53 other nations.

Consequently there is no longer any logic or sense in a condition that required the United States Navy to assume defensive responsibilities on behalf of the Chinese Communists. This permitted those Communists, with greater impunity, to kill our soldiers and those of our United Nations allies, in Korea.

I am, therefore, issuing instructions that the Seventh Fleet no longer be employed to shield Communist China. Permit me to make crystal clear, this order implies no aggressive intent on our part. But we certainly have no obligation to protect a nation fighting us in Korea.

As I have said, Mr. President, this imaginative interpretation of the Seventh Fleet's mission in the Formosa Strait burst full blown upon the scene 2½ years after the President's order of June 17, 1950, already quoted. The idea that the United States Navy was there to protect the Chinese Communists from attack by the Chinese Nationalists was just too preposterous to occur to anyone during this entire period.

The Chinese Nationalist Government had retreated to Formosa only a short time before, on June 17, 1950, and was still trying to recover from the beating it had taken on the mainland. At that time, Chiang Kai-shek's forces were not threatening to attack the mainland, they had only just withdrawn from it in defeat. So the idea that the Seventh Fleet during that period was being employed to shield Communist China is so palpably absurd that it required considerable political ingenuity to conceive of it.

I am glad to see that President Eisenhower has not persisted in speaking of the mission of the Seventh Fleet in this way. In his message which he sent to Congress accompanying the Formosa Resolution, on January 24 of this year, he said:

The United States and the friendly Government of the Republic of China and indeed all the free nations, have a common interest that Formosa and the Pescadores should not fall into the control of aggressive Communist forces.

Influenced by such considerations, our Government was prompt, when the Communists committed armed aggression in Korea in June 1950, to direct our 7th Fleet to defend Formosa from possible invasion from the Communist mainland.

These considerations are still valid. The 7th Fleet continues under Presidential directive to carry out that defensive mission.

I think that this statement of the 7th Fleet's role in Formosa is much more in accord with the historical facts, and I am gratified that the President has so stated them.

Indeed, the Formosa resolution bears this out. We are still being asked in 1955 to defend the Chinese Nationalists on Formosa from attack by the Chinese Communists on the mainland. If we must defend the Chinese Nationalists now, it is a bit hard to believe that we were defending the Chinese Communists on the mainland from attack by the Chinese Nationalists between June 17, 1950, and February 2, 1953.

Are we to believe that the Nationalists on Formosa were a threat to the Communists on the mainland during that period? If they were not, then how are we to account for President Eisenhower's words, that the United States Navy was required "to assume defensive responsibilities on behalf of the Chinese Communists?" If the Nationalists were so strong then that our Navy was serving as a shield to Communist China, what has happened to them since? Why are they so weak now that we must defend Formosa against attack from the mainland?

I do not think I need spell this out further, Mr. President. I will let the record speak for itself. My intent has been to recount the facts and correct this distortion of history for political purposes.

Mr. President, I have taken the time to mention this particular subject because I determined a long time ago that when I felt that the facts of history were being outrageously distorted and objectivity was being sacrificed, for partisan purposes, I, as one who has a love of history and, I may say, a love for his country, should undertake to set the facts straight.

I realize that the timeliness of these remarks is not involved in the current political situation. However, the distortion of history relating to the Seventh Fleet in the Formosan Straits does not go unchallenged, nor should it go unchallenged.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I shall yield in a moment. I want the record to be clear, and I shall insist that it be clear. In the statement which I have prepared there is documentation from Executive orders, newspaper clippings, statements of speeches by former President Truman, and President Eisenhower, along with a series of editorials, which I have incorporated in my remarks, so that the pages of history, at least as they are written in the CONGRESSIONAL RECORD, will be honorable, effectual, and pertinent to the particular problems which affect us, and will not be distorted Russian style.

The facts speak for themselves, because the facts are written in the printed record, and the printed word can not be altered even by those who would like to doctor the record, unless the words are quoted out of context or misinterpreted, or the meaning of words is reinterpreted.

I now yield to the Senator from Louisiana.

Mr. LONG. Does the Senator think it might be appropriate if the administration submitted a list of the accomplishments during the 2 years in which Chiang Kai-shek was supposed to have been unleashed and turned loose against the Chinese mainland?

Mr. HUMPHREY. Such a list would be very welcome. I might say, as a layman, I do not think such a list would make a very large book.

Mr. LONG. Would it not perhaps be interesting to find out the extent to which Chiang Kai-shek might have created problems for the Chinese Communists during the time the administration regarded him as being on a leash?

Mr. HUMPHREY. I think that would make very interesting reading. I wish to say most respectfully I have no desire to engage in a long debate on the subject. I have had a statement on the matter prepared for some time. Frankly, the research was accomplished through cooperation of the Library of Congress. As one who spent only a few years in the classroom, but who had the privilege of teaching history, I should like to see history written honorably by honorable men. I should like to have the CONGRESSIONAL RECORD, when it refers to specific dates, events, and Government policy, be an accurate record rather than one which is twisted and turned like a political pretzel. There is a place for pretzels, and there is a place for history. Let us keep them separate. Pretzels belong in a barroom, and the writing of history belongs in honorable courts and honorable chambers.

THE IMPENDING CAPITAL TRANSIT CO. STRIKE

Mr. McNAMARA. Mr. President, I should like to call the attention of the Senate to a situation existing in Washington, the District of Columbia, which verges on a state of emergency because of a threatened transportation strike by the employees of the Capital Transit Co.

A couple of days ago the Senate Committee on the District of Columbia, realizing the inconvenience which would be forced not only on business places in the city, but on employees on the Hill, and on everybody else in the District of Columbia, saw fit to try to make a contribution toward keeping in operation the transportation system in Washington, District of Columbia. To that end, the Senate Committee on the District of Columbia appointed a subcommittee, which consisted of myself, the Senator from Oregon [Mr. MORSE], and the Senator from New Jersey [Mr. CASE]. The subcommittee was authorized to go into this matter with the persons concerned, in order to ascertain if we could accomplish the seemingly impossible task of keeping the transportation system in operation. The subcommittee had the authority of the full Committee on the District of Columbia to act for it during this emergency.

This morning hearings were held, after some correspondence with the interested parties. The subcommittee had meetings with the District Commissioners, the District of Columbia Public Utilities Commission, and the management and representatives of the Capital Transit Co., which operates the public transportation system in Washington. Our hope in going into the matter was that the committee might succeed in getting both sides to mediate the dispute. The members of the subcommittee thought we might be able to use the good offices of the Committee on the District of Columbia and the United States Senate to make a contribution toward getting the officials of the company voluntarily to agree to arbitration.

Upon early inquiry, we found that the union was ready for arbitration, but the management did not feel it was ready to arbitrate. It thought it would give away some of management's prerogatives if the company entered into arbitration at that time.

From all the information we have been able to gather, it appears that the employees involved are on the verge of a work stoppage, which will result in great inconvenience to the people of the District of Columbia. I am sure my colleagues of the subcommittee, the Senator from Oregon [Mr. MORSE] and the Senator from New Jersey [Mr. CASE], have something to add at this point. I should like to call on them to spell out some of the details involved. The Senator from Oregon has had many years of experience in dealing with such matters, because he has sat through long hearings involving the company, under its present and previous management. I am sure he would like to add something to the statement I have made.

Mr. MORSE. Mr. President, I rise this afternoon to discuss on the floor of the Senate, along with my distinguished colleague from Michigan [Mr. McNAMARA] and my distinguished colleague from New Jersey [Mr. CASE] in the capacity of alderman of the District of Columbia, a very tragic situation.

I wish to say it has been a great delight to me to serve with two such able men as the chairman of our subcommittee, the Senator from Michigan [Mr. McNAMARA], and the Senator from New Jersey [Mr. CASE]. It can be said beyond any question of doubt that we are of one mind insofar as our objectives are concerned, and we are of one mind about our conclusions concerning the importance, to the public as well as to the parties, that the dispute be settled short of a work stoppage at midnight tonight.

I see on the floor of the Senate at this time the Senator from Maine [Mr. PAYNE], who last year sat with me through many long hours on a subcommittee, of which he was the chairman, when we conducted hearings on the operations of the Capital Transit Co. in the District of Columbia. It is interesting to read the report made last year by our subcommittee, in the light of the present crisis which is developing in the transit system of the District of Columbia, because, as we sat through the hearings of last year, it was perfectly obvious that we had every right to expect the development of the kind of crisis which confronts us today.

Mr. President, at the outset let me say that I do not think it will be the last crisis which will occur in connection with this matter, unless some drastic changes occur in the policy of the management and also unless some changes occur in the legislation affecting the transportation system of the District of Columbia.

As is often true in the field of industrial relations, this is another case in which not everything is black, nor is everything white; it is not a case where all the wrong is on one side and all the right is on the other. Instead, this case involves mixed responsibility.

Nevertheless, there are certain features of the situation—and I point out that I am speaking now only for myself—which I believe should be made a matter of record today, because this is the hour when a record should be made in case a devastating loss to this community flows from strike action at midnight tonight.

At the beginning of these remarks, Mr. President, I wish to say that the work stoppage will not be a strike, alone. Instead, it will be as much a lockout as a strike. It should be pointed out that when the work stoppage commences, the total responsibility will not rest only on the shoulders of the workers, even though the management will no doubt say to them, "You have quit." As I shall disclose in the next few minutes, in this case we are dealing with a very adamant management, which in my judgment has taken the position that it has more to gain from a work stoppage than from continuity of work under employment by the transit company.

So long as the Congress of the United States has not given home rule to the people of the District of Columbia, so long as the Congress sets itself up as a city council for the District of Columbia, and retains unto itself jurisdiction over all municipal matters in the District of Columbia, the Congress must assume its fair share of responsibility for the developments which are occurring in connection with this transit situation. As I have been heard to say before, as a member of the Committee on the District of Columbia—and I repeat it today—I favor having the Congress get rid of its functions as alderman of the District of Columbia, and turn over those functions to the people of the District of Columbia, for them to exercise, under their rights as free citizens. However, we are confronted with the fact that that has not happened as of this hour.

So I wish to give a very brief review of the situation, because in my judgment—as of this moment, at least—the overwhelming odds are in favor of the occurrence of a strike tonight. What a silly, nonsensical thing it will be, Mr. President, because, just as surely as we sit on the floor of the Senate today, this labor dispute, like other transit disputes and labor controversies in the past, will run its course, and great damage will be done to private enterprise and also to the Government, because during the existence of a strike thousands of private employees and Government employees will arrive at work late, and there will be a general lowering of efficiency as a result of the transportation inconvenience which will be caused by the strike. Furthermore, Mr. President, when all is said and done, the economic loss which will accrue simply cannot be justified.

What is the explanation, Mr. President? It is that there are some muscle tensions and some stiff necks and some blockages of the cortex, in connection with the dispute. Let us be frank about it. As I said this morning in the Committee on the District of Columbia, we recognize that in this situation some rules of reason should be applied and we should take steps to prevent the economic loss and all the other resulting damage which will flow from the occurrence of a strike.

I understand that in the other branch of the Congress it has already been proposed, and may be proposed by other Members, that the Congress enact the so-called Virginia law by passing a bill which will make it illegal for the workers involved in this situation to strike. Mr. President, I cannot imagine a better way of playing directly into the hands of an adamant management of the transit system, than for the Congress to follow that course of action. Just as I am opposed to compulsory arbitration, Mr. President, so I am opposed to the principle of the so-called Virginia law. When, in the United States, we reach a point where the Federal Government says to a group of free workers, "You cannot strike," even though from the beginning those free workers have offered to arbitrate their differences, then in my judgment we shall have gone a long way toward denying freedom to labor in the United

States. I wish to say that we should make another legislative approach to this matter, if we have to, rather than pass a bill which would prevent the workers from exercising their economic rights, by way of the strike weapon.

I recognize that in this case we are dealing with an industry which is vested with a public interest, and with an industry which operates under a franchise. In other words, it operates under a grant of privilege from the Government. Under that grant of privilege, the industry has certain responsibilities and obligations. Mr. President, when industry is acting under a franchise, its management does not have the same status which is had by management in the steel industry, for instance. When management accepts a franchise and accepts the privilege given to it by a franchise, and when it has the advantage of being protected from competition—which is one of the advantages accruing under a franchise—then, in my judgment, it also accepts the responsibility of using every reasonable procedure to prevent what is likely to occur at midnight tonight, namely, a stoppage of work, which will result in great disadvantage to thousands upon thousands of persons in the Washington metropolitan area.

Mr. President, the Committee on the District of Columbia considered this matter. We did not think we should wait until a strike had occurred. We thought that, at least, we should offer our good offices to the parties to the dispute, in an attempt to see whether there was any possibility of reaching a settlement of the dispute, short of a work stoppage.

Therefore, on June 27, 1955, the chairman of the Committee on the District of Columbia, the very great Senator from West Virginia [Mr. NEELY], under instructions from the Committee on the District of Columbia, on which I have the honor to serve, addressed a letter to the Honorable Samuel Spencer, president of the Board of Commissioners of the District of Columbia, at the District Building, Washington, D. C.

Mr. President, it will take a little time to make this record, but the record must be made. Therefore, I wish to read into the RECORD at this point—and subsequently I desire to comment on the various letters—the letter the committee sent to the president of the Board of Commissioners. It reads as follows:

JUNE 27, 1955.

Hon. SAMUEL SPENCER,
President, Board of Commissioners,
District Building,
Washington, D. C.

DEAR COMMISSIONER SPENCER: The Senate Committee on the District of Columbia, in open session, today unanimously voted to address an inquiry to the Board of Commissioners requesting to be advised as to what steps have been or will be taken by the Board toward assisting in the settlement of the dispute which now exists between the Capital Transit Co. and the organization of its employees, with specific attention to the settlement of their differences short of a strike and a lockout, including a consideration of the desirability of arbitrating their differences.

The importance of the District of Columbia transportation system to the maintenance of the services of the District and Federal Governments is so great that this committee cannot sit by and watch a dispute grow which might result in closing down our transportation system. Because of the responsibility of this committee in the conduct of District of Columbia affairs, the committee stands ready to offer its help and services if it can contribute in any way to a settlement of the dispute without an interruption to the transportation system.

The committee further advises that in its opinion the Board of Commissioners should give immediate consideration to any proper proposal for making available to the Capital Transit Co. any financial aid that the company demonstrates it deserves.

The committee would appreciate hearing from you at your earliest convenience.

With the best of wishes and the kindest of regards, I am, always.

Faithfully yours.

This morning the Board of Commissioners met with the McNamara subcommittee of the Committee on the District of Columbia, and told us what the Board had done in response to our letter. Commissioner Spencer reported that yesterday afternoon the Board met with representatives of the company to discuss the problem of trying to find some ways and means of settling this dispute short of a strike.

Commissioner Spencer pointed out—and the record will bear me out in what I say, although I paraphrase it—that the Commissioners drew to the attention of the management the fact that there has been before the Congress a bill which seeks to change the present situation in regard to the fares which school children pay the Capital Transit Co. for tickets to get them to and from school.

At the present time the Capital Transit Co., as a matter of law, is obligated to carry school children at so-called half fare. The Senator from Maine will recall that last year this question was discussed at some length in our committee, and the bill pending before the Senate at the present time, Senate bill 184, to make certain changes in the regulations of the Public Utilities Commission of the District of Columbia, and for other purposes, contains, on page 7 thereof, a legislative provision modifying the school-ticket fare for the District of Columbia by doing away with the so-called half fare. It was the opinion of our committee last year that the residents of the District of Columbia had no right to call upon the Capital Transit Co., to really subsidize the transportation of children to schools in the District of Columbia. We took the position that there was great merit in the argument of the Capital Transit Co. last year, that when we impose that obligation upon the transportation system we really are asking the transportation system to subsidize a service which ought to be paid for either by the parents of the children or by the taxpayers as a whole.

The Senator from Maine will recall that I took the position last year that, a very strong case could be made for the burden being assumed by the taxpayers as a whole. It has become quite a common practice in many places in the United States for the taxpayers to supply free transportation service to school children. If one travels a stone's throw outside the District, into Maryland, he sees bus service being supplied to various school districts, to take the children to so-called consolidated schools. When we come within the city limits, we find that school children must go just as far, and sometimes much farther, than some of the rural children have to go to consolidated schools in the rural areas, where they receive free bus service at the expense of the taxpayers.

I am still of the opinion that the burden of transporting school children ought to be paid for by the taxpayers as a whole, if not by their parents. At least, I am certain that it is not a burden which ought to be imposed upon the Capital Transit Co. Although I am very critical of the Capital Transit Co. in regard to various phases of the question immediately before us, I believe, on the question of school fares, that the Capital Transit Co. has a sound case, and that the Congress ought to take the necessary steps to afford the company certain financial relief.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. MORSE. I am happy to yield to my distinguished colleague from Maine.

Mr. PAYNE. First, let me say that I believe the Senator from Oregon is entitled to the gratitude of the committee and of the Senate for the long hours of patient work he has devoted to the study of the operations of the Capital Transit Co., as well as of the utilities situation generally in the District of Columbia.

In connection with the discussion of school fares, I wonder if the Senator from Oregon remembers that the fare of 3 cents a pupil was put into effect in 1931. It was imposed by an act of Congress taking that particular subject completely out of the hands of the Public Utilities Commission of the District of Columbia, which, among other functions, has authority to establish and regulate the fares to be charged upon public transportation facilities within the District of Columbia.

Mr. MORSE. The Senator from Maine is entirely correct. I distinctly recall the discussion last year by the Senator from Maine during our transit hearings. The record will show that the Senator from Maine said he thought that was a very unfair position for the Congress to take. He took the position that the Public Utilities Commission ought to be given jurisdiction over this subject.

There is now before the Senate a bill, of which the Senator from Maine is the author, and with respect to which the distinguished Senator from Maryland [Mr. BEALL] is associated as a cosponsor, which seeks to correct the injustice which we concluded last year existed, following hearings on the school fare matter.

Mr. PAYNE. Mr. President, will the Senator further yield?

Mr. MORSE. I yield.

Mr. PAYNE. I think there is no question that in 1931 3 cents was probably a fair rate, based upon the other rate structures in effect in the District at that time. But certainly many changes have taken place between 1931 and 1954, when we submitted the report to which the Senator referred. That report was submitted in May of 1954.

If the Senator has no objection, I should like to ask unanimous consent to have printed in the RECORD at this point section D, on page 61 of the report relating to the public transportation serving the District of Columbia. This section is under the heading "Arbitration Dispute."

Mr. MORSE. I welcome it; and I thank the Senator for inserting it in the RECORD at this point.

Mr. PAYNE. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point an excerpt from Report No. 1274, 83d Congress, second session, on the subject of public transportation serving the District of Columbia, the excerpt being that portion beginning on page 61, under the heading "Arbitration Dispute," and continuing to page 63.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

D. ARBITRATION DISPUTE

At a hearing on January 5, 1954, Walter J. Bierwagen, 15th international vice president of the Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, A. F. of L., and president of division 689 (Capital Transit Co. employees' union), charged that the Capital Transit Co., following a pattern which has developed since the Wolfson group took over control of the company, refused to arbitrate a pension dispute contrary to the express provisions of section 2 of the agreement between the company and the union signed on September 11, 1952. Section 2 provides among other things that:

"It is hereby agreed that properly accredited officers of the company shall meet and treat with properly accredited committees or officers of the association, who may be employees of the company, or general officers of the Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, on all questions and grievances that may arise during the life of this agreement, and should there be any questions or grievances that cannot be amicably adjusted by said conferences, the same shall be submitted to a board of arbitration composed of 3 persons, 1 to be chosen by the company, 1 to be chosen by the association, and the 2 thus selected to select a third disinterested arbitrator who shall be representative of the public; the findings of a majority of said board of arbitration to be final and binding on the parties hereto."

Section 14 of the agreement provides that:

"The retirement and disability benefits for the employees covered by this agreement are set forth in Capital Transit Co. employees' retirement plan which is set forth in full as appendix A hereto and made a part hereof."

At subsequent hearings the subcommittee went into this matter in considerable detail. Both the company and the union presented the subcommittee with briefs and other information which have been carefully reviewed.

The subcommittee conclude that the language in section 2 of the agreement between Capital Transit and division 689 which states: "and should there be any questions or grievances that cannot be amicably adjusted by said conferences, the same shall be submitted to a board of arbitration." is explicitly clear. Within the transit industry pension plans have been as a matter of historic pattern, subject to arbitration in agreements containing similar or almost identical language to that contained in the agreement between Capital Transit and division 689.

The inconsistency between the company's refusal to discontinue its discriminatory hiring practices, because of the questionable threat of a wildcat strike on grounds that such a strike would be detrimental to the company and the public, and its refusal to submit a pension dispute to the required arbitration, in spite of the serious threat of full-scale strike, is obvious. The Capital Transit Co. follows that course of action which best suits the interests of its controlling group, irrespective of the public interest.

The subcommittee did not enter into any discussion of the merits of the pension dispute itself but limited its inquiries to the arbitration question. Since it is contrary to the policies of the Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, A. F. of L., to refer arbitration disputes to the courts, in the belief that only voluntary arbitration can be successful, the subcommittee believe that unless the company changes its present attitude, a strike well may be inevitable.

Mr. PAYNE. Mr. President, if the Senator from Oregon will further yield, I think he will recall very well indeed—because no member of the subcommittee was better qualified to consider matters of labor relations than was our distinguished colleague from Oregon, who had worked on many cases of a similar nature—that in the concluding statement of the section which is being placed in the RECORD, the committee found that unless voluntary arbitration were used, and the company changed its then attitude—back in May of 1954—a strike might well be inevitable.

Mr. MORSE. The Senator from Maine is quite correct. As I implied earlier in my remarks, as we sat in the Capital Transit Co. hearing last year, it was perfectly clear to us that we were headed into an industrial storm this year unless the parties started last year to devise effective procedures for avoiding the thing which is about to happen. That is why we stressed, as much as we did, the suggestion that they try to agree among themselves on a plan of voluntary arbitration and a new contract.

I note the presence in the Chamber at this moment of the distinguished Senator from Maryland [Mr. BEALL]. I wish to pay to the distinguished Senator from Maryland a tribute similar to that which I paid to the distinguished Senator from Maine [Mr. PAYNE]. The Senate is greatly indebted to the Senator from Maryland for the work he did last year on the District of Columbia Committee in connection with the transit hearings.

He is not charged in the slightest degree with responsibility for any of the points of view which I expressed then, or the points of view which I now express.

I think it is generally recognized that the hearing which we conducted last year was of a high caliber. The high caliber of the hearing was very largely due to the contributions and the great help we received from the Senator from Maryland, as well as the Senator from Maine.

I ask the very close attention of the Senator from Maryland as I discuss the matter, with the clear understanding that I do not impute to him any agreement with some of the observations I shall make before I finish my remarks. However, I wish the Senate to know that the State so ably represented by the Senator from Maryland will be greatly affected if the strike should take place, because the effect of such a strike would be felt throughout the whole metropolitan area, which reaches into the Silver Spring area and generally to the Northwest of the city.

Therefore I welcome his interest in the discussion and any comments he may care to make, or any modification he believes ought to be made.

Mr. BEALL. Mr. President, of course I am greatly indebted to the Senator from Oregon for his very kind and complimentary remarks. I wish the record to show that the Senator from Oregon worked tirelessly on this subject. All the members of the committee last year were unanimous in adopting the report which was submitted to the Senate. Although we may have disagreed on procedure, when we submitted our report to the Senate, we were unanimous.

As the Senator from Maine [Mr. PAYNE] has pointed out, we then brought to the attention of the public what it could expect in view of the relationships which existed at the time between management and labor. What is happening is of no particular surprise to the members of the committee, because we felt all along that the present situation would arise. We felt that management had been very negligent. We felt that management knew what was going to happen, and we felt also that management could have avoided the situation as long ago as 6 or 7 months, if it had desired to do so.

I feel there is something behind what is going on now. The Capital Transit Co. considers that it is in an entirely different position than any other transit company, because it gets its franchise directly from the United States Government, and therefore the owners seem to think that it is a different kind of private corporation.

It is very commendable indeed and very timely for the Senator from Oregon to bring to the attention of the Senate the facts which he is bringing out.

Mr. MORSE. I thank the Senator very much.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MARTIN of Pennsylvania. I should like to ask a question of the Senator from Oregon. I believe it would help us in this very able discussion and in considering this very matter if we knew on what date the present management took control of the company.

Mr. MORSE. The Senator is asking when the present management took control of the Capital Transit Co.?

Mr. MARTIN of Pennsylvania. That is correct.

Mr. MORSE. It was in 1953, I believe.

Mr. MARTIN of Pennsylvania. I understand the discussion concerns both bus and trolley lines.

Mr. MORSE. Oh, yes; we are discussing the whole Capital Transit system.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WILLIAMS. How many fare increases has the Capital Transit Co. been granted since the present management took control of the company?

Mr. MORSE. I wish to be absolutely accurate. The present management has had one fare increase granted to its recently, and I believe there was a previcus one, at about the time the present management took control of the company. However, I shall check into it and correct the RECORD within a few minutes if I am in error in my statement in that regard.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. WILLIAMS. Does the Senator from Oregon have a record which shows whether there have been any changes in the wage scale during the time that the present company has had control?

Mr. MORSE. Yes; there have been some changes in the wage scale, which are set forth in our committee report of last year. I will incorporate those figures in the RECORD. I shall take them from our report of last year. There have been a number of wage increases, a number of rate increases, and also a number of times when dividend payments have been made to stockholders by a variety of financial manipulations.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. WILLIAMS. Is it not a fact that after the company received permission from the Public Utilities Commission to raise its rates and make an extra dividend distribution, the Capital Transit Co. hired the former chairman of the Public Utilities Commission and put him on its payroll?

Mr. MORSE. That is correct.

Mr. WILLIAMS. Has the committee given some consideration to the thought that perhaps there might be some reason to question that procedure?

Mr. MORSE. The Senator from Delaware will recall that in our report of last year we had some comments to make on that practice. The Wolfson syndicate took control of the company in September 1949. The splitting of the reserve melon, so-called, caused the trouble in 1953, and we were in the midst of that problem in 1954, and that is what led to our hearings of last year.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. MORSE. I yield.

Mr. WILLIAMS. To keep the RECORD straight, it might be interesting to show that on February 28, 1953, Mr. James H. Flannagan resigned as chairman of the Public Utilities Commission, and later went on the payroll as vice president and comptroller of the Capital Transit Co. The record shows that throughout the period of the Wolfson ownership the attitude of the company has been one of complete disregard of the rights of the public and also complete disregard of all morals in business. He has no standards.

Mr. MORSE. I am glad to hear the Senator from Delaware say so, because that is what I think, too. I hope to prove it before I conclude my remarks this afternoon.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BEALL. I should like to answer a question raised by the Senator from Delaware with regard to employees of the Public Utilities Commission. Our committee has proposed legislation—and such proposed legislation is now on the calendar—to prohibit the employment of any Government employee by a private corporation with which he had any dealings as a public employee.

Mr. WILLIAMS. I am glad to hear the Senator say that. For a long time I have advocated the enactment of such a law. I hope Congress will enact it promptly. However, even without such a law on the statute books, I believe there is a moral responsibility on the part of business to conduct itself in such a manner that it will not subject itself to this kind of criticism. I have read the letter which Mr. Wolfson or his Capital Transit Co. forwarded to the chairman of the Committee on the District of Columbia yesterday, in which the company laid down certain demands which it said must be met by Congress before it would even consider sitting down and negotiating the present wage dispute. In this letter the company lists certain bills which it states Congress must pass, and likewise demands that the Public Utilities Commission shall pass favorably upon its application for rate increases before they will even begin negotiations. When any company feels it is big enough to make out a list of so-called must legislation which must be enacted before it will even arbitrate, the time may have come for us to find out just how big Mr. Wolfson is. As one Member of this Senate I refuse to act under any such ultimatum.

I voted in favor of a Taft-Hartley law provision which would give the Government the necessary authority, through injunction, if necessary, to control arrogant labor leaders when their actions threatened the public interest. That same provision was written with the necessary authority to control arrogant management also, and if this present transit strike develops, I hope the Department of Justice will move promptly to protect the public.

Mr. MORSE. I agree completely not only with everything the Senator from Delaware has stated but also with every implication the Senator has raised.

I should like to refer to the material we set forth in our committee report of last year, at page 39, when we dealt with the dividend policy of the Capital Transit Co. That dividend policy has more to do with the present crisis which confronts us than meets the eye of an unsuspecting public.

I call to the attention of the Senator from Maryland and my other colleagues in the Chamber what we said in our report of last year.

I read from page 39 of Report No. 1274, the report of the Committee on the District of Columbia, which the committee made last year:

For the 9 years from 1941 to 1949, Capital Transit paid $3,720,000 in cash dividends, out of $13,242,000 net earnings. For the 3 years from 1950 to 1952, cash dividends paid amounted to $5,424,000 while net earnings were only $3,546,000.

Let me repeat that statement, because it is pregnant with many implications to which the Senate should pay attention when it considers a suggestion I shall make in a few minutes with respect to what I believe ought to be done.

The statement reads as follows:

For the 3 years from 1950 to 1952, cash dividends paid amounted to $5,424,000 while net earnings were only $3,546,000. For the 9 months ended September 30, 1953, dividends paid amounted to $1,152,000, while net earnings were but $669,000.

A summary of earnings and dividends paid follows:

Mr. President, at this point in my remarks I ask unanimous consent that the summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

	Net earnings reported to PUC	Dividends paid	Dividends per share ($100 par basis)
1940	$872,082	$240,000	$1.00
1941	1,299,969	300,000	1.25
1942	1,717,188	420,000	1.75
1943	1,508,844	480,000	2.00
1944	1,534,920	480,000	2.00
1945	1,317,958	480,000	2.00
1946	965,854	480,000	2.00
1947	(93,416)	480,000	2.00
1948	396,315	120,000	.50
1949	325,816	480,000	2.00
1950	878,274	720,000	3.00
1951	1,413,250	960,000	4.00
1952	1,046,389	3,744,000	15.60
1953 (9 months)	668,555	1,152,000	4.80

Mr. MORSE. Mr. President, the report continues:

The present policy of paying dividends in excess of earnings could not be pursued unless the company had the cash with which to pay dividends. The source of this cash has been discussed in connection with the comments on rate base and working capital. It arises largely from liquidation of road and equipment, through depreciation recoveries in excess of amounts reinvested in property. There is a definite long-range relationship between dividend payments and amounts reinvested in property: when the former is high, the latter is low and vice versa. When earnings are being reinvested in property, they obviously are not available for payment of dividends. However, as the investment in property is liquidated, cash for dividends becomes available. This latter has been the situation with Capital Transit for the past several years. From 1950 to 1952, approximately $6.9 million of the property was converted into cash by way of depreciation charges recovered through revenues, while only $2.7 million was expended for new property. But the dividends that have been paid throughout the existence of Capital Transit Co. have all been paid from earnings of either current or prior years. There is no question of the company's paying dividends out of original paid-in capital.

The real question which arises out of the present dividend policy is whether management is depleting the resources of the company to the point where its ability to render service may be impaired either now or in the foreseeable future; whether at some time in the future the management will have stripped everything of value from the company and will then not be able to produce the necessary capital to provide adequate equipment to serve its patrons.

As I pointed out to the Senator from Maryland, that is the warning we gave last year.

This is just cause for future concern, although at the end of 1952, the company's financial structure was quite sound. It had $4.6 million working capital and a debt of only $5.7 million. Its equipment was in good condition. Although its depreciation reserve was inadequate according to PUC computations, and the cost to replace equipment at 1953 prices was more than would be recovered through depreciation of the existing equipment, the company, was, at the end of 1952, certainly not at a dangerous point financially. To a great extent, new equipment could be financed through borrowed capital, if necessary, without impairing the ability of the company to render service.

Mr. President, I ask unanimous consent to have the remainder of that section of the report incorporated at this point in my remarks.

There being no objection, the remainder of the section of the report was ordered to be printed in the RECORD, as follows:

Although there was no impairment of capital in this specific instance, all things considered, it would be prudent to give the Public Utilities Commission the authority to regulate the dividend policies of the utility companies. The power to prescribe accounting procedure and to require adequate depreciation reserves is not enough to protect the public interest against irresponsible management. The commission should be empowered to enforce its judgment with respect to dividend policies, taking into consideration long-range planning for extension and improvement of service and probable capital requirements in the light of increased costs, neither of which is a matter of historical accounting.

For the 4 full years of Wolfson control (1950 through 1953), cash dividends amounted to $29 per share on the 240,000 shares of stock outstanding before the 4-for-1 split. This is an average annual dividend rate of $7.25, or a return of 36¼ percent each year on the $20 per share cost to the Wolfson group. It is an average annual dividend rate of over 10 percent on the highest market value that the stock ever reached during those 4 years. It is an average annual dividend rate of over 9 percent on the present par value of the stock. The subcommittee notes that the dividend rate paid by the Wolfson group is in excess of the maximum rate of return sanctioned by the Public Utilities Commission to be earned on invested capital.

By this dividend action, the Wolfson management has effectively dissipated a substantial part of the surplus built up by the company during the years prior to Wolfson control, without regard for the fact that this surplus emanated from the pockets of the transit riders. Mr. Wolfson stated before this subcommittee that, that—"* * * we didn't go into this company to distribute this cash surplus * * *." (Transcript, p. 311.)

Mr. Wolfson himself asked at this same hearing, "What are you going to do with stockholders who paid $132 for the stock?" We think that this has little bearing on the problem. First, such stockholders constitute a small minority of the investors in Capital Transit, and, second, their loss was sustained many years ago. The subcommittee cannot advocate or even condone a procedure whereby the transit riders are forced to subsidize those individuals who make a poor investment.

This subcommittee can view the recent dividend policy of Capital Transit Co. under the Wolfson management only as a course of action wholly inconsiderate of the public interest, wholly inconsistent with the philosophy of fair and reasonable return to the owners of a regulated utility, and wholly inconsistent with the stated intentions of representatives of the Wolfson group before the ICC.

The subcommittee, therefore, deems imperative the early passage of S. 1403, to authorize the Public Utilities Commission of the District of Columbia to regulate and condition the declaration and payment of dividends by public utilities in the District of Columbia, which bill is patterned after similar provisions of the Illinois code.

Mr. MORSE. Mr. President, I point out that there is great danger of financial difficulty if we continue to allow this company to go ahead with the dividend policy it has followed from 1949 to 1952. I think the time has come for a little blunt talk. I think we may as well face the facts, Mr. President——

Mr. WILLIAMS. Mr. President, will the Senator yield at that point?

Mr. MORSE. I yield.

Mr. WILLIAMS. The Senator from Oregon and his subcommittee is to be commended for calling the matter to the attention of the Congress at the time it did, and I agree fully with the Senator's statement here today. From the very beginning it has been evident that the Wolfson management did not take over the company to make a reasonable profit or to render a public service, but with the sole thought of milking the company and then unloading it on the United States Government.

Mr. MORSE. The Senator from Delaware is just as blunt as I was about to be, and now I am going to reinforce his bluntness.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. MARTIN of Pennsylvania. Is there any provision in the law or the regulations governing this utility with reference to dividends?

Mr. MORSE. I would say to the Senator from Pennsylvania that there is no question about the fact that the company has acted within the technical provisions of the law. We found in our hearings last year that there were no violations of the law, but we certainly found plenty of deviations from what the Senator from Delaware has alluded to, namely, a very high conscientious appreciation of the responsibility of the company to provide adequate service. No company can follow the financial policies which the Capital Transit Co. has been following and give to the District the service to which the people are entitled, and no company can follow the financial policies followed by the Capital Transit Co. and not get into the kind of labor dispute in which the company is now involved. I do not think Congress should stand by and let this company get by with this course of action.

Mr. MARTIN of Pennsylvania. In many States, and particularly in my own State of Pennsylvania, when a utility has depleted its liquid assets to the point of not giving proper service, the public utility commission steps in and prevents the paying of dividends, because the first duty, of course, of a public utility is to its various customers. I wondered whether there was any provision in our law or regulations relative to the paying of dividends.

Mr. MORSE. We comprehended that situation last year and urged upon the Capital Transit Co. that it avoid the melon-splitting dividend-paying policy. The matter eventually got into the courts, and an order was finally handed down that the company would have to pay a reduced dividend, not the dividend it originally contemplated paying. But it still paid a dividend far above and beyond the dividend which was paid under the old management, prior to 1949.

Mr. President, let me point out to the Senate what we said in our report. My friend from Maryland [Mr. BEALL] has suggested that I read it into the RECORD, because it bears upon what the Senator from Pennsylvania and the Senator from Delaware have mentioned:

By this dividend action, the Wolfson management has effectively dissipated a substantial part of the surplus built up by the company during the years prior to Wolfson's control, without regard for the fact that this surplus emanated from the pockets of the transit riders. Mr. Wolfson stated before this subcommittee that "we didn't go into this company to distribute this cash surplus."

Where did the surplus come from? It came out of the fares of the mass transportation riders in the District of Columbia.

Mr. Wolfson stated before the subcommittee:

We didn't go into this company to distribute this cash surplus.

But the committee said in its report:

Mr. Wolfson himself asked at this same hearing, "What are you going to do with stockholders who paid $132 for the stock?" We think that this has little bearing on the problem. First, such stockholders constitute a small minority of the investors in Capital Transit; and, second, their loss was sustained many years ago. The subcommittee cannot advocate, or even condone, a procedure whereby the transit riders are forced to subsidize those individuals who make a poor investment.

This subcommittee can view the recent dividend policy of Capital Transit Co. under the Wolfson management only as a course of action wholly inconsiderate of the public interest, wholly inconsistent with the philosophy of fair and reasonable return to the owners of a regulated utility, and wholly inconsistent with the stated intentions of representatives of the Wolfson group before the ICC.

The subcommittee, therefore, deem imperative the early passage of S. 1403, to authorize the Public Utilities Commission of the District of Columbia to regulate and condition the declaration and payment of dividends by public utilities in the District of Columbia, which bill is patterned after similar provisions of the Illinois Code.

Mr. President, as the record shows, we succeeded in getting consideration of that kind of legislation.

I wish to say at this point, and it has been very effectively implied in the remarks of both the Senator from Pennsylvania and the Senator from Delaware,

that we might as well face what has happened.

Here is a group of investors and they are smart. They know how to carry on their manipulations within the technicalities of the law. They saw in the District of Columbia a transit company which was a nice, big, ripe financial melon on the vine, ready to be cut. They came to Washington. I say now what I said in the committee last year, that I think the Interstate Commerce Commission has much to answer for in this situation, because it did not give the transaction the once over it should have given it. It did not go into it with the thoroughness which we have a right to expect from the Interstate Commerce Commission.

The Interstate Commerce Commission very carelessly, I think, let this transaction slip by. They let the Wolfson group get into pick this melon. What the Wolfson group did was to gain control and then to declare increased cash dividends and also to issue stock dividends. They split the stock, and they cut up the melon to the tune of $6 million, as the committee report demonstrates. Under the law, nothing could be done about the situation at that point.

Hindsight now shows that Congress has been a little derelict in years gone by in letting the situation develop as it has. But I am convinced, after having listened to the witnesses for the management last year, and again this year, that the primary concern of the Wolfson group never has been to give the city of Washington efficient transportation service. Their main objective since coming here has been to milk out of the system every bit of financial cream they could get, and then to turn the skim milk over to the District.

Mr. President, when I get into a fight like this, I fight. When I am satisfied that the public interest is being economically raped—and that is what has happened in this case—I think Congress had better get into action and protect the people of the District.

I intended to make a suggestion later in my speech, but I think the remarks of the senior Senator from Pennsylvania [Mr. MARTIN] and the senior Senator from Delaware [Mr. WILLIAMS] make it very proper at this time. I believe the time has come for Congress to get busy on the matter and to protect the people of the District of Columbia—the taxpayers, the business men, the Government workers who are dependent upon the transportation system, and the Government of the United States itself.

I would have the management of the Capital Transit Co. recognize and remember that they function and operate under a privilege granted to them by Congress. I think the time has come when that privilege should be taken away from the Capital Transit Co. I mean it. I think the time has come to introduce proposed legislation to that effect and I intend to do so. I shall have prepared for introduction within the next few days a bill to lift the franchise of the Capital Transit Co.

I have no intention of sitting by and letting these so-called financial wizards, which is what they like to consider themselves, including Mr. Wolfson, go around the country trying to give the impression that they are great financiers, motivated by the most considerate interests of the private enterprise system. Wolfson got for himself a lot of publicity recently by his struggle to obtain control of Montgomery Ward.

I am satisfied that in the Capital Transit matter he seems to think he is bigger than Congress. I am for cutting Wolfson down to size. I am for making clear to Wolfson that he is not going to pull the wool over the eyes of Congress. I am for lifting the franchise of the Capital Transit Co.

I call the attention of Mr. Wolfson and of the management of Capital Transit Co. to the fact that they received their privilege to operate under a franchise granted by an act of Congress dated January 14, 1933, which involves the whole matter of authorizing the merger of street railway corporations operating in the District of Columbia, and for other purposes—Forty-seventh United States Statutes at Large, page 752, chapter 10.

I call Brother Wolfson's attention to section 13 of that law, which makes it possible for him to enjoy a franchise in the District of Columbia, and which reads as follows:

> That Congress reserves the right to alter, amend, or repeal this resolution, or any charter or certificate of incorporation made thereunder, and any and all rights of franchise created by this resolution shall terminate 1 year following its repeal.

Mr. President, do you know what I think Congress should do? I think it should enact legislation which will lift the franchise by giving a year's notice. Let me say that if any Senator has any doubt whether we shall be at the mercy of Mr. Wolfson for a year, we shall not be. There are numerous legal safeguards which will protect the public during that year, while the franchise is coming to an end.

What we shall be up against if we do not adopt this kind of action will be a management which will be moving from crisis to crisis, such as the present one, until finally everyone will have become exasperated and exhausted and will have lost his patience. Then, finally, some kind of legislation will be passed which will take over the system from the Wolfson syndicate, but by paying what? If that kind of situation develops, let me, as a lawyer, tell Senators that the stock will have to be paid for at its face value.

I do not intend to let a bunch of sharpsters follow a course of action which will get Congress into such a position that finally there will have to be public ownership of the transit system by taking it from the Wolfson syndicate.

I am for meeting the situation head on. I am for passing legislation which will say to Brother Wolfson, "We are going to lift your franchise, because we think your entire conduct has clearly demonstrated very bad faith on your part. You have come here as a sort of economic carpetbagger, wanting to milk the system. We do not intend to let you get by with it and then be called upon to pay 100 cents on the dollar for the value of your stock. Either you will give service, or else you will not function at all under a franchise in the District of Columbia."

That is tough, but I mean it to be tough, because when we are up against the kind of proposal which we face in this situation, I think we have a clear duty to proceed to do whatever is necessary to protect the public interest.

I am fed up with a group of slickers who take the position that they are acting within the law, and who say, "We do not have any money now; we must have a rate increase if we are going to pay any of the demands of the union."

I take the position, of course, that legislation can be passed which will provide certain financial exemptions. I want to be fair to this company or to any other company in regard to its financial structure. I am perfectly aware of the fact—and I wish to emphasize this to the Senate—that the mass transportation business in this country is a declining business. I would not buy a dollar's worth of stock in a transit company at present, as a general proposition, because the record before the committee shows quite clearly that, by and large, the mass-transportation business in the United States is not very much of a paying business at present. So my sympathies are with any management which is acting in good faith.

But we have a right to receive from the Capital Transit Co. good faith in response to the attempts by Congress to work out an equitable solution of their financial difficulties. If any committee ever sat down with management and tried to work in good faith with management, it was the Committee on the District of Columbia, under the able leadership of the junior Senator from Maine [Mr. PAYNE] and the junior Senator from Maryland [Mr. BEALL], last year, when we tried to find some solution for what we knew were forthcoming Capital Transit problems, such as the one now confronting us.

But I am fed up. A time comes when one is perfectly satisfied that the fellow seated across the table from him will pick his pockets if he does not keep his hands in his pockets. The time has come to provide protection against that kind of pickpocket. So I think the way to stop the Capital Transit Co. from picking the pockets of the riders of the mass-transportation system in Washington, D. C., is simply to lift the company's franchise.

Someone may ask if, indirectly, we are attempting to have Government ownership of the system; because when one is a liberal, there is always an attempt to smear him with the representation that he is for Government ownership. I am against Government ownership of anything in this country which can be operated by private enterprise. I am for working out a program under which the Government will assist private enterprise when assistance is needed.

Lifting the franchise does not mean Government ownership; lifting the franchise simply means that we deny to the Capital Transit Co. the right, after 1 year, to serve the people of the District of Columbia any longer. Then we will make a franchise available to some other company.

I will bet you, Mr. President—I am speaking colloquially now—that there are numerous companies which would be willing to come into the District of Columbia and negotiate a fair franchise arrangement with us, one which would have as its motivating design the serving of the people of the District with adequate transportation.

I have come to the conclusion, I regret to have to say—but the Capital Transit management has made the record; I have not—that the Wolfson syndicate never had as its primary purpose the supplying of efficient transportation service to the District of Columbia. Their primary objective was to come here and simply milk the system.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CASE of New Jersey. Mr. President, as a new member of the District of Columbia Committee, I do not have the experience which the Senator from Oregon has had on the committee and in other positions in this body, nor the experience which the Senator from Maine [Mr. PAYNE] or the Senator from Maryland [Mr. BEALL] have had. Yet in the brief time I have served on the committee, I have come to have an enormous respect for the fairness and objectivity which they have displayed. In my connection with the subject of this debate, I have come to feel that their judgments are right, and that we are not dealing with the kind of utility management which exists, for example, in my State.

Mr. MORSE. Or in my State.

Mr. CASE of New Jersey. I am satisfied that statement applies to any State or to any large city in this country. Instead I believe that the management has a cold, calculating view that here is something they can do, and that no one can stop them from doing it, that they have us by the throat, that they are going to operate the transit system as they wish to, until the time when the people no longer will tolerate the situation and will demand that Congress provide for public ownership of the company, and that then its present owners will be able to sell the company at a going rate value which will return to them many times the amount of profits which they have already received.

So I wish to associate myself completely with the sentiments expressed by the Senator from Oregon, making it very clear to the people of the District of Columbia, and to the management and the workers of this company that public ownership is not the only alternative, and that the suggestion which the Senator from Oregon has made is a reasonable one. It is not only one which I think the Congress should adopt, but is one which I am convinced Congress will adopt if the situation is not immediately changed.

Therefore, the announcement of the Senator of his own intentions is a most timely one, which I am confident that even the persons who are desirous of making the last nickel out of the situation will not fail to realize puts them in such a position that, as responsible and reasonable men, they should see the light and adopt a course which will be in their own interest.

Mr. MORSE. I appreciate very much the statement which the Senator from New Jersey has made. He has worked with us on the committee. He has asked some very, very penetrating questions at our hearings. The Senator from New Jersey has demonstrated that he wants first the facts, and that he is interested in getting the facts first. Then, when he got the facts, he reached the conclusion to which the facts inevitably led him.

Mr. President, I would we could work out an arrangement short of the drastic arrangement which I think is going to be necessary, but I certainly believe that it is our primary duty to protect the District and the people of the District of Columbia. That is why when we have a management which has made the record the present management of the Capital Transit Co. has made, and is taking the adamant position it has taken, the time has come to lift its franchise.

Mr. PAYNE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield to the Senator from Maine.

Mr. PAYNE. I should like to ask the Senator from Oregon if he remembers that during the time witnesses for the company were under oath, one of them—I cannot remember whether it was Mr. Wolfson or not, but I am pretty positive it was—when questioned about the reason why he stepped into an operation of this type, never having had experience with a utility before, stated emphatically—I am not quoting his testimony verbatim, but as accurately as I can remember—"Gentlemen, had I known I was going to be under regulation in the operation of this company, I never would have been interested in buying into it?" Does the Senator recall that?

Mr. MORSE. I remember that very well, and I also recall, as the record will show, that Mr. Wolfson made it very clear that he was aware of the fact that the company was a very rich financial opportunity, and he took adavntage of it.

Mr. PAYNE. It developed during the course of the testimony, did it not, that the new owners were very well aware of the fact that the company possessed a substantial free surplus, which apparently persons within the District of Columbia did not bother to notice, but which was lying there, ready to be cut up into a melon, if anyone wished to do that, instead of plowing the money back into the operation of the system, and building up a fund for a rainy day which might come?

Mr. MORSE. The Senator is right. The testimony of the management was that they recognized the company as a great investment opportunity, and they came in and took advantage of it.

Mr. PAYNE. The Senator from Oregon spoke of good faith and a demonstration of good faith. Would the Senator agree that this is the time, above all other times, to show their good faith, if they so desire, by accepting voluntary arbitration, and sitting around the conference table with the employees, in order to try to work out a sound and reasonable plan, which can be accepted, and which will provide the people of the District of Columbia with the service which they need?

Mr. MORSE. The Senator is absolutely right.

Mr. President, I think I have made the record I wanted to make. I wish to put some supporting evidence into the RECORD at this point, and then let other Senators comment.

First I wish to conclude what I was saying about the statement of Mr. Spencer this morning. The Commissioner said he met with representatives of management yesterday and pointed out that Congress had pending before it the school fare and gross receipts tax, and urged upon the company an offer to the union that if the strike was postponed, management would agree to take whatever income would accrue as a result of the passage of those two pieces of legislation and use that money as the economic coin, so to speak, for carrying on their negotiations with the union in connection with the union demand.

It developed immediately that Mr. Broadwater, president of the company, and Mr. Spencer had some difference of opinion as to what was said at the meeting and what understanding, if any, was reached. Mr. Broadwater read a statement to us in committee this morning to the effect that they would agree to take any income received as a result of the passage of the two pending pieces of legislation, if they should be passed, and make that money available to the union as the complete settlement of any economic demand by the union. He was very careful to make it clear that that should be limited to the application of the wage demands, and that other matters, such as health and welfare and pensions, were to go by the board.

I could not believe my ears. I had sat in too many labor disputes to believe that such an employer attitude existed. That attitude really passed out of existence in most American industries as early as 1910. To think that any union would be sucked into that kind of offer—that the employees would be limited to the income which resulted from the enactment of two pieces of legislation, and they would automatically be estopped from seeking to negotiate further with respect to the other issues in the contract—was unbelievable to me.

Mr. Spencer was careful to make it very clear that the proposal of the Commissioners was not based on any such stipulation as Mr. Broadwater sought to read into the recommendations of the Commissioners yesterday.

When I saw that performance before the committee this morning, I became confirmed in my judgment that the thing is hopeless so far as concerns the management's trying to act in good faith.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CASE of New Jersey. It seems to me that the statement of Mr. Broadwater was very significant. It was my impression, and I ask the Senator whether or not he confirms that impression, that the offer was not put forth as an element in a bargaining process, but the president of the company really

meant what he said, and that this was it, and that was all?

Mr. MORSE. There is no question about it; "this is it; take it or leave it; otherwise we will throw the whole community into economic prostration."

Mr. CASE of New Jersey. I do not blame someone for offering less than he would be willing to agree to, but there was no question in my mind that the offer was not of a negotiating kind.

Mr. MORSE. The Senator is absolutely correct.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter dated June 27, which the committee addressed to Mr. Broadwater, president of the Capital Transit Co., and a letter of the same date which the committee addressed to Mr. Bierwagen, president of the union.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 27, 1955.

Mr. J. A. B. BROADWATER,
President, Capital Transit Co.,
Washington, D. C.

DEAR MR. BROADWATER: The Senate Committee on the District of Columbia, meeting in open session, today unanimously voted to address a letter to the Capital Transit Co. in reference to the threat to transportation services growing out of the current labor dispute.

It is the feeling of the committee that the issues between the Capital Transit Co. and its employees should be settled short of a strike and a lockout, including a consideration of the desirability of arbitrating the differences, to avoid interruption of transportation services.

The committee has addressed a communication to the Board of Commissioners, a copy of which is enclosed, offering its services if they should be considered necessary. A letter similar to this communication is being sent to the union.

We should be glad to hear from you relative to this matter at your earliest conenience and receive any suggestion that you may care to make in behalf of a prompt and amicable adjustment of the pending dispute.

With the best of wishes and the kindest of regards, I am, always,

Faithfully yours,

JUNE 27, 1955.

Mr. WALTER J. BIERWAGEN,
President, Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, Washington, D. C.

DEAR MR. BIERWAGEN: The Senate Committee on the District of Columbia, meeting in open session, today unanimously voted to address a letter to Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, in reference to the threat to transportation services growing out of the current labor dispute.

It is the feeling of the Committee that the issues between the Capital Transit Co. and its employees should be settled short of a strike and a lockout, including a consideration of the desirability of arbitrating the differences, to avoid interruption of transportation services.

The Committee has addressed a communication to the Board of Commissioners, a copy of which is enclosed, offering its services if they should be considered necessary. A letter similar to this communication is being sent to the Capital Transit Co.

We should be glad to hear from you relative to this matter at your earliest convenience and receive any suggestion that you may care to make in behalf of a prompt and amicable adjustment of the pending dispute.

With the best of wishes and the kindest of regards, I am, always,

Faithfully yours,

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point the reply which the committee received from the President of the Capital Transit Co., dated June 29, 1955, and the reply received from Mr. Bierwagen, dated June 29.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CAPITAL TRANSIT CO.,
Washington, D. C., June 29, 1955.

The Honorable MATTHEW M. NEELY,
Chairman, Committee on the District of Columbia,
United States Senate,
Washington, D. C.

DEAR SENATOR NEELY: I am in receipt of your letter of June 28 regarding the present serious situation of Capital Transit's labor negotiations and the possibility of a strike of our union employees, disrupting streetcar and bus service.

The problem has been of interest and conscientious concern to us for some time. As a matter of fact, it has been a problem to which we have been trying to find the solution since early this year. We endeavored to exercise some foresight to avoid the very critical stage in which the negotiations now stand.

We do not want a strike. We see no need for a strike. There need be no strike. The charge that the company welcomes a strike is without foundation. A strike can only result in needless physical inconveniences and irrecoverable economic losses to the community, the employees and the company.

In the early part of last January, in anticipation of the present events and circumstances, officials of Capital Transit Co. went to the Public Utilities Commission and stated we were coming before the Public Utilities Commission for an adjustment in our rate structure. Corporate-wise, at that time, and prior to that time, we were not earning a fair return on the transit property inasmuch as in our previous rate case the Public Utilities Commission elected to place in effect a rate structure which produced only about half the revenue which the Commission stated it would produce. The chairman of the Public Utilities Commission stated publicly that the new rate had failed. We were in need of a raise for corporate purposes but we were realistic enough to appreciate the fact that our labor contract would run out at the end of June and that our employees, as they had always done in the past, would be insisting, among other things, upon an adjustment in their hourly rate. We could foresee nothing would be available and we pointed out as persuasively as possible that positive action should be taken. This was brought to the attention of the full Public Utilities Commission body. In short their reply was that the time was not propitious for an application and that they would not expedite it. They suggested the fall would be a more likely time.

The matter was then taken up at our next board of directors meeting and after a full discussion, a special committee of the board visited the Public Utilities Commission to discuss the matter. The special committee met with the Public Utilities Commission early in March. On this occasion, as on the previous occasion, the Public Utilities Commission stated they felt an elimination of the gross earnings taxes of Capital Transit Co. was possible and that the so-called school fare bill would be favorably received by Congress, and therefore it still was not a propitious time to apply for an increase.

The history of the Public Utilities Commission's recommendation as to the elimination of the gross earnings taxes is a matter of record.

As to the school-fare bill, you know what happened to it. On the Senate side the provision for Public Utilities Commission authority over school fares got complicated with other matters within an omnibus bill and only got as far as the Senate calendar when it was recalled for further study by a member of your committee. On the House side, the school fare bill was promptly passed but when it got over to the Senate side it was referred to your committee and then to a subcommittee. There the matter stands.

In the meantime, June was getting closer and closer and our concern became greater and greater. Our responsibilities to the community, the people who have invested in Capital Transit and our employees became more pressing and immediate. Still we did not want to leave any stone unturned in an effort to place ourselves in a position that would possibly prevent a shutdown of our facilities. Again, a special committee of the board of directors called upon the Public Utilities Commission in early May and together with officials of the company restated our fears that unless we obtained prompt financial relief there was grave danger of a strike. This meeting, too, led to the same answer, that the Public Utilities Commission could not provide any immediate financial relief. The time had then passed when any partial relief could alleviate our financial situation. We were face to face with a dire corporate need for action. We had to finally take the step that resulted in our present petition on June 6. There still was some hope of persuading the union that it should defer any strike action until after the Public Utilities Commission had acted on our petition.

We suggested to the Public Utilities Commission that the proposed rates be allowed to become effective immediately and hold public hearings at a later date. If an increase was not merited in subsequent experience the fare could be adjusted downward. Our counsel stated this was legal and possible. The management considered it logical and reasonable and a possible means of forestalling a strike. It is now a matter of record as to what occurred.

All of the above is water under the bridge. We do not intend to be critical and we appreciate hindsight is better than foresight. We merely cite the facts as a means of setting forth our concern over the matter and of our efforts to avoid the present situation.

However, we are now at where we are, and events and circumstances must be resolved under present conditions if the community, the company, and the employees are not to suffer. We do not quarrel with the desire of our employees for more wages, better pensions and more health and welfare benefits. It is only natural for them to want more money and other benefits for themselves and their families. Improvements would make them happier and management's job would be easier. We are not oversimplifying the matter, however, when we state we can give them nothing because we have nothing to give. We have to get the money from somewhere before we can give it to them. In the process, however, we cannot ignore our corporate needs or the return to which we are entitled under the law if the transit company is to remain under private ownership.

The problem as of today, as we see it, can be solved very simply by taking the following steps:

1. The union to agree to continue working with no change in the present contract for a period of 6 months. They can lose nothing by this. Certainly it would take weeks or

months to recover economically from a strike if only of a short duration.

2. The Senate immediately pass the House school fare bill, H. R. 3908.

3. Congress immediately pass enabling legislation to provide relief from the gross-earnings tax.

4. The Public Utilities Commission within the next month pass favorably on our present petition and on the passing of the school fare bill, additionally and immediately fix the school fare at half the cash fare. Inasmuch as school is now closed for the summer, the financial effect of this would not show itself until the fall.

5. Congress relieve the company of its financial responsibilities with respect to street paving, now generally worn out by traffic other than transit, and snow-removal costs.

6. Relieve the company of the costs of public hearings other than its own costs.

If these events occur quickly in sequence, we would then be able to experience the practical results of the additional revenues and be in a position to renegotiate with the union about December 1 on a basis that would be realistic. However, this should not be considered as a blank check for the union, but only as an opportunity that would provide them with some reasonable degree of obtaining betterments should the revenues warrant it.

May I repeat, Senator, that our only source of revenue is the fare box. There is insufficient now coming in from that source to consider an adjustment for our employees. Any adjustment that can be made in the future must come from the transit rider under present circumstances. It is as uncomplicated as that.

As to arbitration of the dispute, we have long and carefully considered the desirability of such a step. However, it is our considered judgment that management cannot wisely delegate to a third party the future contractual obligations which must be paid for by the transit rider, and which could prove financially disastrous to this company.

I trust that I have not been too lengthy in this letter, but I feel so concerned I had to recite the sequence of events in the hope that you would have a clearer picture of where we stand today.

A strike would be deplorable. I trust you will use your good offices and the prestige and influence of your committee to bring about a solution as suggested above.

Sincerely yours,

J. A. B. BROADWATER,
President.

NATIONAL CAPITAL LOCAL DIVISION 689,
June 29, 1955.

The Honorable MATTHEW M. NEELY,
United States Senate,
Washington, D. C.

DEAR SENATOR NEELY: This will acknowledge your letter of June 27, expressing the concern of the Senate committee over the deadlocked negotiations between the owners and the employees of Capital Transit Co.

We are entirely in accord with your suggestion concerning arbitration. We have repeatedly proposed peaceful arbitration to the company as required by our contract.

Since receiving your letter, we have even gone further. Our executive board has unanimously voted to postpone any action on the employees' proposals for 30 days if Capital Transit will agree now in writing that any issues not settled within the 30-day period shall be referred to peaceful arbitration under terms of our agreement and further that the eventual settlement or award shall be retroactive to July 1.

As you know, we have been dealing with absentee owners who live far from the District and whom I believe do not realize the full import of their adamant refusal to negotiate or to submit the issues to peaceful arbitration.

Members of your committee are fully acquainted with the obligations imposed on management and the employees under the terms of the arbitration clause in the Capital Transit contract.

The employees are ready, willing, and able to accept this obligation to arbitrate under the terms of the contract.

May I take this opportunity to state that the employees indignantly reject the company suggestion that school-bus fares must be raised in order that the men receive fair treatment.

We respectfully point out that the company's proposal to increase school bus fares will raise something less than $300,000—less than 60 percent of the amount the Wolfson interests will receive in dividends from Capital Transit this year. Capital Transit currently is paying the Wolfsons a 24 percent annual return on their original $2 million investment.

With all its alleged financial difficulties, Capital Transit Co. seems to have no trouble at all in paying such generous dividends.

Between 1949 and 1954 the Wolfsons have made 325 percent on their original investment. This year's dividend will bring their take to 349 percent—a total of $7 million.

You have asked for our suggestion as to how this dispute could be settled without interruption of bus and streetcar service. The only fair method we know is submitting the facts to a board of arbitration, as the agreement requires, and letting the board decide the issues on their merits. We believe arbitration is fair to the public, to the company, and to the men.

Respectfully yours,

WALTER J. BIERWAGEN,
President, Division 689, Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, A. F. L.

Mr. MORSE. Mr. President, I conclude by discussing one other phase of the case, to which the Senator from Maine, the Senator from Maryland, and other Members have already referred.

As the Senator from Maine has pointed out, last year we tried to get the parties to enter into an agreement for voluntary arbitration over and above the arbitration of grievances. In the present contract there is a section providing for voluntary arbitration of grievances, and machinery is set up for determining how the arbitrators shall be selected and how the so-called grievances shall be submitted to arbitration during the life of the contract.

The public has become confused over the arbitration matter, Mr. President. In some of its literature, the union has given the public the impression that the company has agreed to arbitration. But, Mr. President, the company has not agreed to arbitration of disputes over wages, hours, and the conditions of employment which are to govern under a new contract. The company has agreed only to the arbitration of grievances existing during the consideration of the proposed new contract—in short, to arbitration of disputes over the conditions existing at that time, which is very different from agreeing to voluntary arbitration of disputes over the conditions under the new contract.

As to arbitration, Mr. President, let me make clear that I have always opposed, and will continue to oppose, compulsory arbitration, because under compulsory arbitration, management, as well as labor, lose their economic freedom. There is no free collective bargaining around a collective bargaining table if both parties know that sooner or later one of them can force the other into compulsory arbitration, because then compulsory arbitration becomes a substitute for collective bargaining; and whichever side thinks it has the most to gain from collective bargaining will sit around the arbitration table with a stiff neck, and will say, "No, no, no, no," knowing that eventually it will be able to require the other party to submit to compulsory arbitration.

But, Mr. President, voluntary arbitration is a good test of the good faith of the parties to the dispute. I particularly recommend voluntary arbitration to the parties engaged in any so-called public-utility industry. I think the advantages to the public under such a situation are such that both management and labor have an obligation to enter into voluntary arbitration agreements of their own writing, not arbitration agreements imposed upon them by government.

In this case we are dealing with an adamant management—and I have seen many similar situations—which takes the position that arbitration will constitute an interference with the rights of management. Mr. President, as I pointed out to Mr. Broadwater, at the committee meeting this morning, I wish to say that the Railway Labor Act of 1926 really carries out the principle of voluntary arbitration, in that under that act the parties have a right to call for either the appointment of an arbitrator or the appointment of an emergency board. A Railway Emergency Board functions as sort of a quasi-arbitrary board. It makes only recommendations to the parties; it does not take from the labor group the right to strike, and it does not take from management the right to refuse to accept the decision of the Board. Under that act, we have not experienced from arbitration the disastrous results which management seemed to fear would come from it. We have not found such a situation to develop in the railway industry.

Furthermore, as I pointed out this morning to Mr. Broadwater, over the last 20 years in the United States, many streetcar strikes and disputes and many transportation disputes have been settled by arbitration.

Furthermore, the record will show that even after a strike occurred, a very, very large number of those disputes were settled by arbitration. So I would not be surprised—even though I recognize that prediction is a dangerous thing—to find that if a strike occurs tonight, even this strike may, in the last analysis, be settled by some form of arbitration.

So, Mr. President, it is perfectly silly and nonsensical for us to suffer the inconvenience and the loss which will result from a work stoppage tonight in the transportation industry in this area, if in the future we find that the dispute is settled by means of arbitration, although arbitration is not possible at this time merely because the management says, "We will not agree to arbitration; we

will not agree to have this dispute settled by a third party."

Mr. President, I am always amused by such statements, as I was this morning when I listened to Mr. Broadwater speak of his obligations to the stockholders and to protecting the financial interests of the company from a decision by a third party which does not have the responsibility of management. That is an attack upon the whole judicial process, Mr. President. When we think of the economic interests which go through the court system of our Nation and have their problems adjudged by judicial minds, for the protection of the public interest, then it is clear that Mr. Broadwater should recognize that even in private disputes, such as this one, which at this stage, at least, are not subject to being submitted to a court, the parties at least owe it to the public interest to submit the dispute to consideration by a judicial mind, for a determination of their relative interests in the dispute.

So, Mr. President, I am keenly disappointed that in this case the management simply says, "We are not going to accept arbitration." But let the record be perfectly clear that the union has accepted arbitration.

Mr. President, I hold no brief for the union which is involved in this case. I know nothing about the merits of the demands of the union in this case. I have not studied the union's economic demands, and I do not know whether the union is entitled to a wage increase in the amount of even 1 cent. But based upon experience with matters going on about us each day, I do know that at the present time in the United States there seems to be general recognition on the part of industry that in the year 1955 labor is entitled to some economic improvements. I am perfectly willing to let those who study the evidence, after its submission, judge whether the union has any merits to its claims. But I do not think we should say to a company which is carrying on its business under a privilege which we, the Congress, have granted to it, "We are going to let you resort to jungle law for settlement of the dispute, because we are going to allow you to act in a way which we believe is contrary to our conception of your duty to the public."

Mr. President, in essence, that is my position in connection with this matter. If a strike occurs at midnight, I wish to say that the major responsibility for it will rest upon an adamant management which has not fully appreciated its responsibility.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5560) relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes.

The message also announced that the House had passed a joint resolution (H. J. Res. 366) making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 1718. An act to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954;

S. 2266. An act to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956;

H. R. 619. An act to provide that all United States currency shall bear the inscription "In God We Trust";

H. R. 4853. An act to authorize the sale of certain land in Alaska to the Pacific Northern Timber Co.;

H. R. 5560. An act relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes;

H. R. 6239. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 6367. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 6795. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes;

H. R. 6992. An act to extend for 1 year the existing temporary increase in the public debt limit; and

H. J. Res. 365. Joint resolution making an additional appropriation for the fiscal year ending June 30, 1955.

HOUSE JOINT RESOLUTIONS REFERRED

The following joint resolutions were each read twice by their titles, and referred, as indicated:

H. J. Res. 359. Joint resolution to authorize the designation of October 22, 1955, as National Olympic Day; to the Committee on the Judiciary.

H. J. Res. 366. Joint resolution making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes; to the Committee on Appropriations.

STATUS OF APPROPRIATION BILLS

Mr. JOHNSON of Texas subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD immediately preceding action on the joint resolution, House Joint Resolution 366, presented by the Senator from Arizona [Mr. HAYDEN], a statement showing the status of appropriation bills for the first session of the 84th Congress.

Mr. KNOWLAND. Mr. President, reserving the right to object, and I shall not object, because I wish to commend the distinguished chairman of the Appropriations Committee [Mr. HAYDEN] for the very excellent job which has been done on the appropriation bills this year, and to commend the distinguished ranking minority member of that committee [Mr. BRIDGES], who was chairman of the committee last year. My recollection is that last year all appropriation bills, except final supplemental bills, were passed by the end of the fiscal year. I also wish to commend the other body for getting the appropriation bills to us, and the very efficient work which the Senate Committee on Appropriations has done under the chairmanships of both the Senator from Arizona and the Senator from New Hampshire.

There being no objection, the statement of the status of appropriation bills was ordered to be printed in the RECORD, as follows:

Status of appropriation bills, 1st sess., 84th Cong.

Number of bill	Short title	Passed House	Received and referred in Senate	Reported in Senate	Passed Senate	Sent to conference	Conference report agreed to in—		Date approved	Number of law
							Senate	House		
H. R. 2091	Urgent Deficiency, 1955	Jan. 13	Jan. 14	Jan. 17	Jan. 18	x x x	x x x	x x x	Jan. 25	3
H. J. Res. 252	Additional Justice, 1955	Mar. 14	Mar. 14	Mar. 15	Mar. 16	x x x	x x x	x x x	Mar. 21	13
H. R. 4876	Treasury, Post Office, 1956	Mar. 15	Mar. 16	Apr. 12	Apr. 13	Apr. 19	May 20	May 23	June 1	51
H. R. 5046	Labor, Health, Education and Welfare, 1956	Mar. 21	Mar. 22	June 2	June 6	June 22				
H. R. 4903	Second Supplemental, 1955	Mar. 18	Mar. 22	Apr. 13	Apr. 14	Apr. 18	Apr. 20	Apr. 20	Apr. 22	24
H. R. 5085	Interior, 1956	Mar. 24	Mar. 25	May 2	May 5	May 9	June 8	June 8	June 16	78
H. R. 5239	Agriculture, 1956	Mar. 28	Mar. 30	Apr. 21	Apr. 26	May 2	May 17	May 17	May 23	40
H. R. 5240	Independent Offices, 1956	Mar. 30	Apr. 1	June 2	June 6	June 16	June 23	June 22	June 30	112
H. R. 5502	State, Justice, Judiciary, 1956	Apr. 14	Apr. 18	May 26	May 31	June 23				
H. R. 6042	Department of Defense, 1956	May 12	May 13	June 14	June 20	June 21	June 30	June 30		
H. J. Res. 310	Second Deficiency, 1955	May 19	May 20	May 23	May 25	x x x	x x x	x x x	May 27	48
H. R. 6239	District of Columbia, 1956	May 19	May 20	June 22	June 23	June 27	June 30	June 30		
H. R. 6367	Commerce, 1956	May 24	May 25	June 10	June 16	June 27	June 29	June 29		
H. R. 6499	General Government Matters, 1956	June 1	June 2	June 17	June 21	June 22	June 23	June 23	June 29	110
H. R. 6766	Public Works, 1956	June 16	June 17							
H. J. Res. 366	Temporary, 1956	June 30	June 30	June 30	June 30	x x x	x x x	x x x		

TEMPORARY APPROPRIATIONS FOR THE FISCAL YEAR 1956

Mr. JOHNSON of Texas. Mr. President, I understand that the House of Representatives has passed a joint resolution (H. J. Res. 366) extending the appropriations for certain of the Government departments.

As the Presiding Officer (Mr. McNAMARA in the chair) is aware, the Senate has acted upon every appropriation bill which has been sent to it, with the exception of the public works appropriation bill. The Senate Appropriations Committee has never had a finer record. I am informed that tomorrow, the distinguished chairman of the Appropriations Committee plans to report the public works appropriations bill. It is our hope that the Senate may take it up on Tuesday next, discuss it, and pass it at an early date. Thereafter there will be before the Senate the legislative appropriation bill, the supplemental appropriation bill, and the foreign aid appropriation bill.

However, in view of the fact that the House has passed House Joint Resolution 366, making temporary appropriations for the fiscal year 1956, I desire to have that measure considered by the Senate at this time.

There is no controversy over the joint resolution. I have conferred with the minority leader about it. The distinguished chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], has discussed it with the ranking minority member of the committee [Mr. BRIDGES]; and the Senator from Arizona is prepared to ask for Senate action at this time on the joint resolution.

Mr. HAYDEN. Mr. President, from the Committee on Appropriations I report, without amendment, the joint resolution (H. J. Res. 366) making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes; and I request unanimous consent for the present consideration of the joint resolution.

Mr. President, let me say that when I received a copy of the joint resolution as reported, I referred it to the Director of the Bureau of the Budget. I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a letter I have received from the Director of the Bureau of the Budget, saying he has examined the joint resolution, and has no objection to it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET,
Washington, D. C., June 30, 1955.

Memorandum for: Hon. CARL HAYDEN, chairman, Senate Appropriations Committee.

Subject: Changes made by House Appropriations Committee in proposed method of providing for increased pay costs for fiscal year 1955.

The following is submitted in response to a telephone request from Mr. Everard Smith for a statement of the differences between title II of the joint resolution reported by the House Committee on Appropriations this morning and the submission of the President dated June 28, 1955 (H. Doc. No. 197):

1. The House committee amended the first paragraph by adding to the end thereof the following: "but no appropriation, fund, or authorization may be increased pursuant to the provisions of this title in an amount in excess of the cost to such appropriation, fund, or authorization of increased compensation pursuant to Public Laws 68 and 94, 84th Congress."

This amendment apparently is to make clearer that the indefinite appropriation is to be used for no purpose other than to meet 1955 pay increase costs. Since the proposal transmitted by the President contemplated use of the appropriation for no other purpose, this amendment will create no problems.

2. The House committee made no change in section 202.

3. The House committee amended the proviso in section 203 to require approval by the Director of the Bureau of the Budget of the transfers authorized by section 202, as well as the certifications required by section 203. In addition, the House committee changed the last part of the proviso to read "shall be valid only when approved by the Director of the Bureau of the Budget" instead of "shall be subject to the approval of the Director of the Bureau of the Budget." Neither of these amendments is objectionable.

4. Section 204 is included in the resolution exactly as proposed.

5. Section 205, which relates to the antideficiency law, is considerably briefer than the language proposed by the President. However, since the substance of the President's proposal is retained in the House committee version, the amendment is not objectionable.

6. The President proposed inclusion of a section which would have waived the requirement for reporting to the Congress those apportionments for the fiscal year 1956 which were approved on a deficiency basis solely on account of the pay increase costs for that year. This section was eliminated by the House committee. While it would have eliminated some paper work, its omission is acceptable.

7. The President also proposed inclusion of a section specifically waiving limitations on personal services to the extent necessary to permit payment in the fiscal year 1955 of the pay increases. This section was omitted from the joint resolution on the grounds that it is unnecessary. The House committee report states: "The language of the resolution is broad enough to permit payment of all amounts specifically due under these two laws for the fiscal year 1955"; and it is my understanding that the staff of the House committee intends to so advise the General Accounting Office. Under the circumstances, it is not believed that omission of the proposed section will create any problems.

8. In section 206 of the joint resolution the House committee made the following changes from the President's submission: In subsection (a) the words "made available" are substituted for the word "appropriated." In the proviso in subsection (b) the date August 31 was changed to August 15. In subsection (c) the dates September 30 and October 31 were changed to September 15 and October 15. None of the changes in this section are objectionable.

ROWLAND HUGHES,
Director.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 366) making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

CHANGES IN REGULATION OF PUBLIC UTILITIES IN THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 184) to make certain changes in the regulation of public utilities in the District of Columbia, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 5, line 15, after the word "transit", strike out "engineer" and insert "coordinator"; in line 19, after the word "transit", strike out "engineer" and insert "expert"; on page 6, line 3, after the word "authorizer", strike out "and commissioners' salary increased" and insert "and clarification of provisions relating to commissioners' salary"; and in line 7, after the word "such", strike out "section is amended by deleting "$7,500" in the second sentence and inserting in lieu thereof "$13,000", and by" and insert "section is amended by deleting "at the rate of $7,500 per annum" in the second sentence and inserting in lieu thereof "to be fixed in accordance with the Classification Act of 1949, as amended", and by."

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Public Utilities Regulation Act of 1955."

TITLE I—AMENDMENTS TO ACT CREATING PUBLIC UTILITIES COMMISSION

USE OF PUBLIC UTILITIES' DEPRECIATION FUNDS

SEC. 101. Paragraph 16 of section 8 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913, as amended, is amended to read as follows:

"PAR. 16. That every public utility shall make proper and adequate provision for depreciation. The Commission shall ascertain and determine what are the proper and adequate rates of depreciation for the various classes of property of each public utility. These rates shall be such as will provide the amounts required over and above the expense of maintenance to keep such property in a state of efficiency corresponding to the progress of the industry. Each public utility shall conform its depreciation accounts to such rates so ascertained and determined by the Commission. The Commission may make changes in such rates of depreciation from time to time as it may find to be necessary. The Commission shall also prescribe rules, regulations, and forms of accounts regarding such depreciation which the public utility is required to carry into effect. The Commission shall provide for such depreciation in fixing the rates, tolls, and charges to be paid by the public."

ELIMINATION OF FREE DISTRIBUTION OF COPIES OF HEARING TRANSCRIPTS

SEC. 102. Paragraph 53 of such section is amended by deleting the last sentence which reads as follows: "A copy of such transcript shall be furnished on demand, free of cost, to any party to such investigation."

ACQUISITION OF CONTROL OF PUBLIC UTILITIES

SEC. 103. Such section is amended by inserting after paragraph 54 the following new paragraph:

"PAR. 54A. (a) It shall be unlawful (1) unless approved by order of the Commission as provided in this paragraph for any person to acquire control in any manner whatsoever of any public utility subject to the provisions of this section, and (2) to maintain any such control established in violation of this paragraph. Any person seeking approval to acquire control of a public utility in accordance with this paragraph shall make application to the Commission, in such form as shall be required by the Commission. Upon receiving any such application the Commission shall determine, after public hearing with notice on such application, whether the acquisition of control by such person would be consistent with the public interest. If it finds that such acquisition is consistent with the public interest, the Commission shall by order approve such acquisition. In the administration of this paragraph the Commission shall give consideration to (1) the effect of such control on the management of the utility, its financial practices and policies, (2) the effect upon the public interest of a change in control of the utility, including the willingness of the management to recognize the paramount public interest in the exercise of a public franchise, (3) the experience of those seeking control in the particular type of utility operation, (4) the relationship of the person seeking control to associates in other businesses in the District of Columbia or elsewhere and his relationship to any other public utility operating in the metropolitan area, and (5) the effect upon the employees of the utility involved.

"(b) The Commission may establish such orders, rules, and regulations as may be necessary to provide for the enforcement of the provisions of this paragraph."

CHANGE OF COMMISSION'S ORDERS

SEC. 104. Paragraph 62 of such section is amended to read as follows:

"PAR. 62. The Commission may, at any time, upon notice to the public utility and after opportunity to be heard as provided in paragraph 40 of this section, rescind, alter, or amend any order fixing any rate or rates, tolls, charges, or schedules, or any other order made by the Commission, and fix the time or times thereafter when the newly prescribed rate or rates or any part of the newly prescribed rates shall be made effective, and certified copies of the same shall be served and take effect as herein provided for original orders."

REGULATION OF RATES

SEC. 105. Paragraph 94 of such section is amended to read as follows:

"PAR. 94. Any public utility desiring to advance or discontinue any established rate or rates may make application to the Commission in writing, stating the advance in or discontinuance of the rate or rates desired, giving the reasons for such advance or discontinuance. Upon receiving such application the Commission shall fix a time and place for hearing, and give such notice to the interested parties as shall be proper and reasonable. If after such hearing and investigation the Commission shall find that the change or discontinuance applied for is reasonable, fair, and just, it shall grant the application, either in whole or in part. Any public utility affected by any order of the Commission made under the provisions of this paragraph may commence a proceeding against it as provided in this section."

AUTHORIZATION OF TRANSIT COORDINATOR

SEC. 106. Such section is amended by inserting after paragraph 95 the following new paragraph:

"PAR. 95A. The Commission is authorized to employ a qualified transit expert for the purpose of making transit and traffic studies and surveys, advising and making recommendations to the Commission, and cooperating with other public officials, transit officials, and others, in matters dealing with transit and traffic problems, including use of streets and highways and highway and safety planning; cooperating with comparable groups in the metropolitan area of Washington, District of Columbia; and coordinating his studies and surveys with the activities of those groups."

SUBSTITUTE FOR ENGINEER COMMISSIONER AUTHORIZED AND CLARIFICATION OF PROVISIONS RELATING TO COMMISSIONERS' SALARY

SEC. 107. Subparagraph (a) of paragraph 97 of such section is amended by deleting "at the rate of $7,500 per annum" in the second sentence and inserting in lieu thereof "to be fixed in accordance with the Classification Act of 1949, as amended," and by inserting at the end of such subparagraph the following: "Wherever the term 'Engineer Commissioner of the District of Columbia' is used in this section, such term shall be deemed to mean either the Engineer Commissioner of the District of Columbia or such of the assistants to the Engineer Commissioner as the said Engineer Commissioner may designate, from time to time, to act in his place and stead in the consideration and disposition of any investigation, inquiry, hearing, or other matter within the powers of the Commission; and any of the assistants to the Engineer Commissioner so designated shall, with respect to the specific investigation, inquiry, hearing, or other matter he has been designated to consider and dispose of, be deemed to be a commissioner of the Public Utilities Commission."

TITLE II—TRANSPORTATION FARES FOR SCHOOLCHILDREN IN THE DISTRICT OF COLUMBIA

REGULATION PROVIDED FOR

SEC. 201. Notwithstanding the provisions of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933, and the provisions of the unification agreement incorporated therein, and notwithstanding the provisions of the act entitled "An act to provide for the transportation of schoolchildren in the District of Columbia at a reduced fare," approved February 25, 1931, the Public Utilities Commission of the District of Columbia shall fix the rate of fare for transportation by street railway and bus of schoolchildren going to and from public, parochial, or like schools in the District of Columbia at not more than one-half the cash fare established from time to time by the Public Utilities Commission for regular route transportation within the District of Columbia, and shall establish rules and regulations governing the use thereof. No fares for schoolchildren shall be available to persons over 18 years of age.

TITLE III—SEPARABILITY

SEC. 301. If any provision of this act, or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and the application of such provision to other persons and circumstances shall not be affected thereby.

THE DIXON-YATES CONTRACT

Mr. KNOWLAND. Mr. President, the Senator from Tennessee [Mr. KEFAUVER] stated that Mr. Adolphe H. Wenzell, a consultant to the Bureau of the Budget, may have violated section 434 of the Criminal Code.

Section 434 prohibits any person acting as an officer or an agent of the United States for the transaction of business with any business entity in which he is an officer or in which he is directly or indirectly interested in the profits.

I am advised that at no time did Mr. Wenzell act for the Bureau of the Budget or any other agency for the transaction of business with the First Boston Corp. or the Dixon-Yates interests. Mr. Wenzell's role at meetings which have been referred to was that of an observer. He was there in that capacity in order to familiarize himself with the details of the development of proposals which were then being considered for submission to the Government by outside interests, in order that he might later be able to advise as to whether any resulting proposals would be feasible and sound from a financial standpoint. Second, the First Boston Corp., of which Mr. Wenzell was an officer during the period when these meetings were held, did not profit directly or indirectly from any services it may have rendered in connection with the Dixon-Yates contract.

During the early period of the development of the idea for supplying the Government's power needs from private sources, many meetings were held with numerous persons both in and out of the Government. These meetings were attended by staffs of the Government agencies involved and the staffs of the private interests which were attempting to supply the Government's needs. At nearly all of these meetings there were persons present as observers who took no active part in the discussions. There is no significance whatever in the fact that Mr. Hughes was unable to recall that Mr. Paul Miller attended a meeting at the Bureau of the Budget on some particular date, or that he did not immediately recall having met Mr. Miller at all. It is not customary at larger meetings that all of the participants be directly introduced to all of the other participants, and frequently in these meetings they were identified merely as members of the staffs of either the Government or of the private interests concerned with the matters under consideration.

There appears to be a deliberate attempt to confuse the exact nature of the participation of Mr. Wenzell in this matter by giving the word "financing" a double meaning. The situation was simply this: Mr. Wenzell's advice was sought on the feasibility of financing a proposal along the lines of the one ultimately submitted by the Dixon-Yates group. Matters such as the proportion of equity to debt and the probable rate of interest on debt were clearly within his competence and it was on such matters that his advice was sought. It is important to note that the questions on these matters related to the feasibility of funding the project in the manner contemplated by Messrs. Dixon and Yates and of obtaining such funding at an interest rate sufficiently low to permit them to make a reasonable offer to the Government. The questions on these matters did not relate to the manner in which the funds would be obtained or who would arrange for them or who would supply them.

Further, as Mr. Hughes has testified, Mr. Wenzell did not take part in any determinations whatsoever with respect

to the policy underlying the Dixon-Yates contract nor did he have any part whatsoever in determining whether the Dixon-Yates proposal should be accepted.

There can be no doubt that all of the pertinent facts with respect to the Dixon-Yates contract have previously been made available to the Congress and to the public. This information covers all of the meetings of any significance and includes all of the documents of any importance.

It is entirely unreasonable to expect that every single meeting and every scrap of paper connected with this or any other contract should be made available either to the Congress or to the public for the simple reason that it would be impossible to do so. During the course of the negotiations preceding and following the submission of the Dixon-Yates proposals and the action leading up to the acceptance of their revised proposal of April 10, 1954, there were many, many meetings of which no records were kept. Similarly, there were prepared many drafts of letters and memoranda which were discarded or substantially revised. To demand preliminary drafts of documents prepared in a Government agency which differ from the documents finally decided upon and issued by the head of that agency is to dignify every original idea of every officer or employee as a product bearing the endorsement of the agency. Obviously, no agency could be expected to protect the interests of the Government if it were forced to operate under such conditions. Such a procedure would be like bringing into court, in a suit on a contract, all of the provisions which had been considered by the parties in their negotiations but excluded from the contract itself. It is the final contract which must be submitted to the scrutiny of the court and on which the case must be judged, just as in this matter the record must be made on the final issuances and not on the preliminary drafts of the Government agencies involved.

It is extremely doubtful whether there has ever been so much information made available with respect to the pertinent details of any other Government contract executed on behalf of the United States. The chronological listing of events and publication of documents involved in the negotiations preceding the execution of this contract, which were issued by the Bureau of the Budget and the Atomic Energy Commission last August, comprise a complete record of those negotiations and it is absurd to suggest that any pertinent information has been withheld. The fact that Mr. Wenzell's name was not mentioned in this chronology is of no more significance than the fact that the names of other employees of the Bureau of the Budget were not mentioned, nor the fact that the names of employees of the AEC were not mentioned, nor the fact that the names of various employees of the Dixon-Yates group were not mentioned. These names were omitted by agreement between Admiral Strauss and Mr. Hughes to identify only the principals in the proceeding and not their staff members. This agreement was reached to facilitate the preparation of a complete summary of all pertinent developments in the contract negotiations, free from unnecessary and unimportant detail.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 30, 1955, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 391. An act to provide for the bonding of certain officers and employees of the government of the District of Columbia, for the payment of the premiums on such bonds by the District of Columbia, and for other purposes;

S. 1718. An act to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954;

S. 2266. An act to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956; and

S. J. Res. 85. Joint resolution to extend for temporary periods certain housing programs, the Small Business Act of 1953, and the Defense Production Act of 1950.

ADDRESS BY AMERICAN FEDERATION OF LABOR PRESIDENT MEANY BEFORE NATIONAL PRESS CLUB

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD an address delivered by President George Meany, of the American Federation of Labor, before the National Press Club, in Washington, D. C., on June 29, 1955. In this very able address the head of one of the large labor organization of the United States discussed certain aspects of our foreign policy. I believe that every Member of the Senate will find the address of great significance and importance.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Warren and distinguished guests, members of the Press Club and their guests, I would like to talk to you a little bit this afternoon about the Vienna Conference of the International Confederation of Free Trade Unions, and also my reactions to that conference and the attitude of labor toward the very important question of world peace.

I think that at the outset I should say that the question of world peace is of tremendous importance to the trade unionists of this country and of every other country. Perhaps we take a keener interest in world peace because of the fact that we are the first ones affected by war and the results of war. In addition, the trade-union movement cannot operate and cannot do its job in any other type of society except a free society.

Irrespective of the outcome of a war, we know that freedom receives a setback, not only during the war but in the period that follows the war.

We are of the considered opinion that if a third world war comes, what with the weapons in the hands of various countries of the world, atomic, hydrogen in nature, there won't be any winner, that we will all lose, and that labor will lose more than anyone else. That, of course, is the reason that labor is interested and will continue to be vitally interested in the question of world peace.

Now, everyone is looking, of course, to this conference at the summit, which comes in Geneva in the middle of next month, and I would like to say a little bit about the Vienna Conference of the International Confederation of Free Trade Unions, which met on the 20th of May in Vienna, Austria.

The background of that conference, of course, was that the Austrian Peace Treaty had just been signed and of course we found the Austrian people and the Austrian trade unions in a very happy frame of mind—so happy to get the Soviet troops off their soil that they were ready to overlook some of the cruel injustices that were imposed upon them by the treaty. The British election campaign was on, and of course British labor is always interested in that. We didn't see much of the campaign from where we were, except that the politicians of both parties seemed to be vying with one another in delivering exaggerations to the voters as to the possibility of peace in our time.

And the Soviets had just turned another page in their book of propaganda tricks. They were presenting what you might call the "smiling face" technique to the entire world.

Now, the reaction of the labor people at Vienna was rather interesting, and I made it my business to talk to as many of them as I possibly could while I was there. I found that the "smiling-face" technique did not impress them very much. But there was certainly no objection to negotiation. They felt that negotiation could not possibly do any harm. However, there was not much optimism regarding the outcome of the negotiations.

Finally, even though some of the representatives there indicated that they felt further approaches should be made, even that certain concessions should be made, in the final analysis I could not find anyone in any of the labor groups anywhere, even those close to the Iron Curtain, who felt that there was any definite change in Soviet policy. While there might be a definite change in tactics, there was certainly no change in the overall objective of the Soviet Union to dominate the entire world in due time.

Now, of course, everybody wants peace. I don't know of anybody in his right mind who isn't interested in this question of peace. I am sure that European labor wants peace as much as we do. They have seen and been the victims of war and the aftereffects of war, but at the same time I do not think that they are fooling themselves regarding the Soviet problem. That was reflected, I might say, in the actions of the congress itself in the face of this new smiling-face technique of the Soviets. The congress took very definite action on this question of free labor and of the Soviet threat to the free world. In fact, the actions of this congress, the fourth congress of the ICFTU, were stronger on this particular point than any other previous congress.

The congress unanimously, for instance, condemned Soviet opposition to effective control of atomic and hydrogen weapons as a step in the direction of genuine disarmament. They unanimously called upon the free nations to strengthen their union and their position militarily, socially, and economically in order to meet aggression.

Of course, the Soviets see a contradiction in that attitude on the part of the International Confederation of Free Trade Unions, where we condemn the Soviet Union for their continued opposition to any effective measures for inspection and control in the manufacture of atomic and hydrogen weapons as a step to genuine disarmament, and when we say in another resolution that we want the democracies to strengthen themselves militarily in order to deter and defeat aggression.

Of course, there is no actual contradiction there, because if the Soviets would go along

with the rest of the free world on the question of atomic control as a step toward disarmament, there wouldn't be any need for the second resolution, which we desperately need in order to keep up our military strength and keep up the strength of our allies, and, in whatever negotiations which take place, deal with the Soviets from a position of strength.

It also asked for collaboration on the part of the democracies in the field of legislation, in the field of social and economic policies, that would strengthen the free world. Of course, this comes from the application of a very practical theory on the part of free labor, which we know from long experience, that the Soviets make hay when things are bad. Poverty and depression seem to be the type of water that they want to fish in and carry out their Communist philosophy of infiltration into the free governments of the world.

It was notable at this conference that German labor took a position in favor of the strengthening of the democracies, which was a reversal of the position that it took at its conference in Frankfurt, Germany, last September. I think this is important because the position of Germany in European affairs is going to be of tremendous importance, and that position to some extent at least is going to be influenced by the position of German labor. I am quite sure that German labor now sees the importance of not only an integrated Germany, but also a Germany that is part of the Western World and goes along with the Western World in its opposition to Soviet communism.

In addition, at this conference, which is important to the free trade movement all over the world, the executive board of the ICFTU set up a special department to be of assistance to free labor in countries where the Communists are still trying to infiltrate and also to help in the development of free trade unions in the underdeveloped and backward nations of the world. This, of course, is of tremendous importance because we feel that it is necessary to keep these nations in the Western World outside of the Iron Curtain.

While it might seem that I am trying to overemphasize the importance of the trade union movement in this field, we know from experience that the trade union movement is important on the question of whether a country remains free or whether it goes in behind the Iron Curtain. I can assure you that the Soviets recognize the importance of the trade union movement in their attempts to subvert and break down the free nations.

As an example of that, we only need to cite the situation in Czechoslovakia in February of 1948. That country at the time was under the administration of Benes and Masaryk. If you know anything about these two men, you would know that if ever there were men who were patriots, in the true sense of the word, it was these two.

If you know anything about Czechoslovakia history since 1920 when it was brought into being as a result of the peace treaty in World War I, you will know that there really was a people who loved liberty and who were ready to fight for liberty just as much as anyone in this room and anyone in our country. Still this country went down.

Now the Communists didn't have control of the great newspapers of Czechoslovakia, they didn't have control of the great manufacturing industry, and they didn't control the finances of that country. They didn't control the Parliament. They had 28 or 29 percent of the membership of the Parliament. But they controlled the trade union movement, and, within 7 days, they controlled that country.

They forced these men to capitulate. They used the one weapon that they know so well how to use, the weapon of the general strike, and they only used it for 24 hours. But in 24 hours not a quart of milk was delivered in Prague, not a newspaper was printed, no telephone, no radio, and not a wheel turned in the entire city, and in that 24 hours they brought Benes and Masaryk to capitulation. That bargain gave them control of the police department, which they wanted, and within 7 days they had control of that country and they have maintained control of it ever since.

That was done because they could control and did control the worker organizations.

That is one of the reasons why we feel that free trade unionism is important in these countries, and it is important for us to try to keep free trade unionism alive.

After all, the American unions are not going to collect any dues in Europe or any of these other countries. We are not going to get any new members. And while we have a sentimental interest in workers in all parts of the world, we have over and above all a selfish interest, an interest that dictates that we try to keep others free so that we, too, can remain free.

That is the reason so much attention was paid at the ICFTU Congress to the question of helping workers in the countries where the Soviets are still trying to infiltrate and to subvert and also helping workers in the underdeveloped, backward, and colonial areas to build up free trade unions so that they can help their own nation and their own particular part of the world stay out of the grip of the Soviet Union.

At the congress, also, there was some discussion of the question of Yugoslavia and the Tito regime. An action was taken in which the congress effectively closed the door to the entrance of the Tito unions into our organization. They couldn't get in through the front door, and they were trying to get in through the back door, through the medium of the International Trade Secretariat. They succeeded in one or two spots, but the congress put an end to that with a very, very strongly worded resolution, as to the way the secretariats should conduct their business in the future.

Now, this was prior to the Tito-Khrushchev conference. However, it was an indication of the attitude of the ICFTU on this question of free labor. Tito, too, was recognized as a dictator, as one who denies human rights in every sphere where it interferes with his dictatorial control. So we make no line of demarkation between Tito and the so-called Soviet Communists.

I feel it might be well for our people and our policymakers in this country to take a good look at the Tito-Khrushchev meeting and wait until the returns are all in before passing judgment as to whether or not Tito is still oriented toward the West, or if he is still neutral, because two significant things happened immediately following the Tito-Khrushchev conference while I was in Europe.

One was that the Tito unions sent fraternal delegates to the Czechoslovakian trade union congress. Now, keep in mind that a trade union in any of these countries is an agency of the government. It does not represent anyone but the government. In most cases, it is an agency, not for the benefit of the worker, to impose rigid restrictions on the workers insofar as norms of production are concerned and insofar as the conditions on the job are concerned.

So here we have Tito immediately following the Khrushchev-Tito conference sending representatives of the so-called Yugoslavian trade union movement to the Czechoslovakian trade-union movement convention. That was significant because it was a case of the Tito government sending representatives to another government behind the Iron Curtain. That is the first time that that has happened since the Tito-Moscow break.

In addition to that, another significant thing happened. The representative, or the correspondent of the Zurich Zeitung, one of the outstanding papers in Europe—you people in the newspaper business, I am quite sure, will bear me out that this is one of the outstanding papers in Europe—the correspondent of that paper in Belgrade, who wrote what I would think you would call a constructive criticism of the Tito-Khrushchev conference, was immediately expelled from Belgrade and sent back home. That might give us a clue as to just where Tito's future lies. I think we would be well advised to reach our conclusions on these things on the facts rather than by what someone wants us to conclude.

Now, the question of whether or not Russia has changed its policy is something that, of course, was discussed by a great many at the conference and, as I said to you before, there was no one that I could find that had reached any conclusion other than that they had not changed their policy, and that they had merely changed their tactics and that their objective of world domination was the same as it always had been.

Why do we take that position? Because we measure, as practical people try to measure, by deeds rather than words. We felt that if there was any change in the policy of the Soviets toward a peaceful world and in the direction of more democratic ways of doing things, it would be shown first behind the Iron Curtain; it would be shown in the satellite states, and it would also be shown in the countries where the Soviets are now trying to subvert through control of the labor movement.

We don't see any such evidence of that either behind the Iron Curtain or other places. We see in Italy and in France heavily financed Soviet trade union movements, Communist-controlled movements, desperately trying to take over the workers of those two countries as they have been trying ever since the end of World War II. They are trying to subvert and bring both of those countries, if possible, behind the Iron Curtain.

Now, this has been going on, as I say, for many, many years. The Soviets felt perhaps 6 or 7 years ago that they were well on their way to control of those countries. They tried the general strike technique and it didn't work, because we had enough friends there who believed in the free trade union movement that were able to see that the general strike could not be made effective. But they have never given up.

In Italy, the best financed union, I think, that I have ever seen is the Communist-controlled CGT of Italy. They have riot squads, they have buses, motorcycles, they have wonderful buildings, and systems of communications and transportation. I do not know of any American union that has anything like it. That union is trying to bring Italian workers in its ranks so that it can control the government of Italy.

The same thing is true in France. I am happy to say, however, in both of these countries, that despite this tremendous effort on the part of the Communists—and I say this is financed by a government and it is not financed by the workers of either of these two countries—despite these efforts, the free trade union movement is still holding on and still doing a good job, and I would say that they are making gains.

Now, on the question of the Soviet position as of now and this so-called summit conference that is coming up in a few weeks—I feel there is one basic thing in this whole situation. Some of the people may be fooled. They may be fooled by the propaganda, by the little things that are being done for the purpose of deluding the American people. I feel that if there is one thing we have to do, we have to base our actions and our attitudes toward the Soviets on their

actions both past and present, rather than any propaganda.

The Soviets accepted this invitation without any qualification but the very same day, TASS, the official news agency, laid down the qualifications. In terms of propaganda, and these people are certainly clever about it, let us realize that there is always some basis in reason for propaganda. They just don't pull it out of the thin air. They use it for their purposes, and sometimes they make use of people who have no connection at all with communism, and have no sympathy for communism. But they are pulled in, as it were, by this clever propaganda.

Witness 1946. In 1946 America started to disband its Army and when the pickets were in front of the White House—"Bring the boys home"—picketing up and down the sidewalk day in and day out. Pickets were over on Capitol Hill. There were mass demonstrations by Soviet-controlled labor unions in the various cities of the country, pressure was put upon Congressmen to bring the boys home. "Disband your Army, America." That is what they were saying. Every mother in America, whether her son was there or not, was sympathetic to that idea. After all, the war was over, and what did we have to fear? We had been on the winning side.

And what did the Soviets do? Did they disband? No, they built up. They grabbed the satellites, they grabbed the Baltic States, one after another. They moved in on Poland, and Latvia, and Lithuania, and Esthonia, and Rumania, and we were busy disarming and we woke up late in 1947 and found out we had no Army but that we had a new enemy that had formerly been an ally.

Every Congressman was subjected to the pressure. If you want to know what was done, consult George Marshall and those in the military structure of our country. Who was it that started this propaganda? The mothers of America? No, they went along; who wouldn't, to bring the boys home; the war was over. America disarmed, and who picketed the White House? Members of the Communist Party and dupes of the Communist Party, some of them from Communist-controlled unions. But still that propaganda had a plausible sound, and it didn't sound unreasonable. So keep that in mind, in analyzing what the Soviets might do or might not do.

Now we have coexistence, peaceful coexistence. Live and let live. That sounds good; is there anything wrong with that? Live and let live. Day after day you hear someone uttering the profound statement, the very profound intelligent statement that it is either coexistence or no existence.

Boy, it takes a lot of study to come up with that one. Coexistence or no existence. Did you ever read the Daily Worker? Well, I read it. It is the best way I know to get the Commie line, because everything that is in there follows the line day in and day out. It is not the product of any particular person's imagination on the staff of the paper. If the line changes between Friday night and Saturday morning, then the Daily Worker reflects the new line on Saturday afternoon. You will find if you read that paper that the enemies of labor are the labor leaders here. You will find from time to time, as I did, on Monday that some great statesman, some great American statesman, said it is either coexistence or no existence. Well, that is the Communist propaganda. Live and let live. It sounds good. It sounds like the old American tradition of fair play—live and let live.

Of course it is good, provided that the other fellow believes in letting you live. Sure, he has no objections to us pursuing our way of life. Our way of life doesn't include taking someone else's territory. It doesn't include imposing our philosophy or our democratic system on someone who doesn't like that system. And it includes definitely allowing the others to live.

But the way of life that you say they can pursue in exchange for our pursuing our way of life includes the definite conscious day in and day out determination to destroy your way of life. So if you accept the Soviet policy of peaceful coexistence, you are just accepting something that is going to bring you no existence for our side in the future.

For them, it means time, and they need plenty of time. They have no timetable. They can change direction, back up, come forward, go sideways, and it means nothing. Their timetable is infinity. It means time for their war machine, time for them to further defend their fifth column, time for them to manufacture some more propaganda. Their propaganda in Europe is a neutral Germany, let all of the foreign soldiers go home. That is fair enough. Who can be hurt by that?

It is reasonable. The American troops go home and the Russians go home. You create a vacuum. So what?

We go home 4,000 miles and the Russians go 40 miles away from Berlin. Then who fills the vacuum? Who fills the vacuum in these undefended, so-called neutral countries? It is not the people who had no aggression in their designs, but who fills it? It is the aggressor, and who is the aggressor?

Well, I am quite sure that if we take a good look at the record we will know who the aggressor is.

Then we have the propaganda that the labor leaders of America who refuse to accept the idea that the cold war is over and there is no Iron Curtain are doing injury to their workers. They are doing injury to the working forces of America because we are going to alienate the liberal vote in Congress; the liberal vote in Congress knows that the cold war is over and now is the time to let down your guard and go and embrace with the Soviets.

Well, for my part, if that is the only way we can get liberal legislators to vote for us, in the things we believe in, then I am afraid that we will do without them. Because we are not to that point of softheadedness yet where we are going to trade this way of life for the so-called Soviet paradise.

So if there is any message that I have, and I think I have one, it is that the way to deal with these people is on the basis of good, hard Yankee commonsense, and on the basis of logic. You can't buy peace by appeasement. We know that. Anyone who doesn't know it doesn't know anything about world history in the last 30 years. You can buy the peace that Poland has, the peace of the salt mines, the peace of Czechoslovakia, but you can't buy the kind of peace that we want by appeasement.

The Molotov speech the other day at the U. N. was a pretty good tipoff of what they have in mind. Here is a representative of a nation that has in operation for many years an active fifth column designed to subvert all democratic countries, and we know that and everyone in our Government knows, and everyone in this room must know that the fifth column is still in operation and still trying to subvert the democratic countries, and we hear this representative of that nation claim to be the champion of international collaboration and noninterference with the internal affairs of other States. This same representative of a nation that has suppressed every human right at home, that has enslaved the people of territory with a population of 600 million, in his speech now talks and gives lipservice to equality and the self-determination of nations.

Well, it is quite obvious that the Soviets saw a need for a change in tactics, if not a change in policy. It is quite obvious what they want. They want a little more time to apply the Marxist socialist philosophy which is supposed to free all mankind.

Did it ever occur to you that it is 38 years since they put this philosophy in action in Russia, this economic philosophy which was going to raise the worker? It was going to raise his standard of life.

Now, 38 years later and God knows how many 5-year plans later, the standard of life is about where it was in 1910. The only substitution that has taken place in Russia is instead of the grand dukes and the czars living in the palace in this most vicious society ever invented, we have the commissars, and the Politburo, and the Molotovs and the Bulganins living in the palaces. So they need some more time. They have a 5-year plan now for the satellites.

What do they want? They want to prevent the integration of Germany, the final integration of Germany with the West. They want to slight America and Britain if they possibly can on some policy. They want something new in addition in Germany. They are willing to give Pieck up for Adenauer, and they will get rid of the two of them, that is fair enough. Let us get rid of the leader of East Germany and the leaders of West Germany, and let us start new.

Pieck for Adenauer? Well, Pieck like all of the Commies is expendable at any time they want to expend him.

So my conclusions would be, yes, negotiate. Negotiate with the devil, if we can avoid the horror of war. Any man in his right mind, knowing the potential destruction in the weapon that man can make today, should pray for peace every night of his life. Negotiate with the devil, if necessary, at the summit or any other place.

Don't bind the negotiators in advance. That won't do any good. Don't bind them either way. Don't tell them that they can't talk about the satellites. And don't make any agreement that is going to justify and legalize the international thievery of these men over the past 10 years. To do that would be to abandon all of the moral values upon which our Nation has been made.

Keep America economically and militarily strong. Do what we can to help our allies remain strong. Let us not make an agreement of convenience if in making it we have to accept the Communist definition of moral values.

That definition has made a science of hypocrisy, and a virtue of dishonesty. No European pact would be worth the paper it is written on if we are going to justify the crimes against humanity committed by these people against the millions that they have enslaved.

Above all, let us not be fooled. Just because there may be a decline in Moscow's capacity to do evil does not indicate a readiness to do good. Just because they might be less brutal at the moment than they usually want to be, it should not be taken as a sign of peace. Let us not be fooled because of the Austrian Treaty.

The Austrian people, as I said before, were very happy to get it, despite the fact that it imposes a payment of 1 million tons of oil a year for the next 10 years, and other oppressive clauses.

Tired of the cold war? So am I. Weary of years of tension? So am I. I would like to get it over with. And if I believed that the Soviets had changed their policy, I would be tickled to death to see the end in sight. But weary as we may be of years of tension, we cannot afford the luxury of relaxation in accepting this so-called change in tactics, change in propaganda, as a change in purpose of these people.

Just because Molotov puts on a 10-gallon hat and visits some museum and has lunch with Barney Baruch does not mean that Russia is suddenly converted to the ways of

peace. In fact, it may mean, the way things change over there at times, that he would be brought on trial for displaying bourgeois tendencies. Just because Khrushchev gets tight and slaps somebody on the back does not mean that he has suddenly become a Democrat, with a small "d" or a large "D."

If we learned one lesson from this last 10 years, it is the lesson that we must be strong, that the only way you can prevent aggression is to be strong enough to deter and defeat aggression. That is the policy we should follow if we want to preserve this way of life to which we are all committed.

Thank you.

AUTHORIZATION FOR CONSTRUCTION AT CERTAIN MILITARY, NAVAL, AND AIR FORCE INSTALLATIONS

Mr. JOHNSON of Texas. Mr. President, I invite the attention of my distinguished friend, the minority leader, to the request which I am about to make, because I have not had an opportunity to discuss it with him.

I ask unanimous consent that House bill 6829, the Public Works bill unanimously reported today from the Committee on Armed Services, and which is scheduled for consideration beginning at 10 o'clock tomorrow morning, be made the unfinished business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6829) to authorize certain construction at military, naval, and Air Force installations, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment.

THE PRESIDENT AND CONGRESS

Mr. HENNINGS. Mr. President, in this morning's newspaper I read an extraordinary article written by the distinguished commentator and columnist, Walter Lippmann, and another article written by Mr. Arthur Krock, of the New York Times, in praise of the matchless leadership of our distinguished majority leader, the Senator from Texas [Mr. JOHNSON], and concerning President Eisenhower's experience with a Democratic Congress, as contrasted with his experience previously with a Republican Congress.

In effect, Mr. Lippmann stated that up until very recently Mr. Eisenhower has "acted like a man, who knowing his duty, is determined to grin and bear it but in the past week he has been talking and acting with a kind of ease and good humor which no one can put on if he does not feel them." Mr. Lippmann suggests that President Eisenhower has reached his decision about running in 1956 and the implication is that he will run. He further suggests that with so many people begging Mr. Eisenhower to become a candidate in 1956—I take it Mr. Lippmann is talking about Republicans, as I know no Democrat who is overly enthusiastic about his candidacy—Mr. Eisenhower has all but a fringe of the Republicans under his thumb and "the Democrats off-balance concerning the 1956 presidential campaign."

As one Democrat, I should like to make it clear that I do not think we are off-balance.

We do not have a predetermined candidate; our party has many men who are better qualified for this office—and I believe we are entitled to our opinion in that regard—than the present distinguished occupant of that office; and we have not even begun to get ready for the contest in 1956.

Those of us of the Democratic Party who serve in Congress are merely trying to get the legislative work done and to give a measure of responsibility and dignity to the Federal Government, which was so clearly lacking during the first 2 years of Mr. Eisenhower's term, when he had to deal with a Congress controlled by his own party.

Mr. Lippmann develops his theme further by stating that "with prosperity and peace, the winds and tides of politics are with him"—meaning Mr. Eisenhower—"and he is enormously popular as well as a successful President." While there is at the present time a semblance of both prosperity and peace, I wish to point out that at best the peace is uneasy and the prosperity very spotty. If one relies entirely upon the poll takers and other self-appointed political experts, you may easily conclude that Mr. Eisenhower is popular. But anyone who is in touch with grassroots sentiment will find that his popularity is becoming a worn and threadbare fabric.

As to success, I would like to quote from the column of Mr. Joseph Alsop, of June 19, 1955, in which he summed up Mr. Eisenhower's conduct of foreign affairs in the Far East as "the most incredible mismanagement in the entire history of American postwar diplomacy." This distressing debacle can only be matched in domestic affairs by the Eisenhower administration's shameful and scandalous bungling of the Salk polio vaccine program. I do not wish to take the time of the Senate to catalog the long list of failures in statecraft by the Eisenhower administration. Mr. Lippmann, himself, has outlined and analyzed them rather fully in the past in his many columns. Apparently what Mr. Lippmann means is that in his opinion Mr. Eisenhower is at present enjoying, with the indispensable aid of a Democratic Congress, a measure of success.

In fact, Mr. Lippmann stated in today's column, "I do not think it is any exaggeration to say that Mr. Eisenhower's success as President began when the Republicans lost control of Congress and the standing committees. In his first 2 years he had suffered an almost unbroken record of frustration and of domination by the senior Republicans, and particularly the Republican committee chairmen in the Senate." Out of a sense of delicacy for the sentiments of certain of my colleagues on the other side of the aisle, I shall refrain from mentioning any names but everyone, of course, knows to whom Mr. Lippmann referred.

Mr. Lippmann in his column went on to note that these senior Republicans invaded, knocked about, infiltrated, smeared, and terrorized the administration personnel to the verge of paralysis and demoralization. Lippmann charged that worse than that they terrorized some of the highest officials of the Eisenhower Cabinet into countenancing, and indeed in participating in acts of injustice—as in the Oppenheimer, Davies, Ladejinsky cases—which will not soon be forgotten. "Most dangerously of all," said Mr. Lippmann, "they held the President and Secretary Dulles captive and on so short a string that the effective control of foreign policy was in the hands of a few Senators." Mr. Lippmann concluded by saying that with the election of a Democratic Congress in 1954 Mr. Eisenhower was able to regain a semblance of control over the integrity and security of the executive department. Mr. Lippmann does not say so, but appears to imply that a kind of dignity has returned to the executive department. Mr. Lippmann, however, in the end, cautions that Mr. Eisenhower, as he terms it, can be successful only with a Congress safely in the hands of the Democratic Party. In my opinion, I think the record bears it out, Mr. Eisenhower has not been successful and cannot be successful under any circumstances. The only thing the Democrats can do is, by patience, forbearance, and high statesmanship of the kind exemplified particularly by the Senator from Texas, our majority leader, make the best of what is to us certainly, and I believe for the country, a very bad arrangement indeed.

I may say on behalf of my colleagues both in the Senate and in the House of Representatives that we shall support the President on those occasions when he is acting in the national interest, and we shall continue to oppose him with the utmost vigor when he follows the bad advice and counsel of some of his Republican partisans.

Mr. President, earlier today the distinguished junior Senator from Kentucky [Mr. BARKLEY] requested and received unanimous consent to insert in the CONGRESSIONAL RECORD Mr. Lippmann's article. I had intended making the same request, but shall not do so.

I do ask unanimous consent to have printed in the RECORD at this point in my remarks a copy of an article written by Mr. Arthur Krock, entitled "It Seems More Like the Good Old Days," which was published in today's New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT SEEMS MORE LIKE THE GOOD OLD DAYS

(By Arthur Krock)

WASHINGTON, June 29.—Those Republicans and Democrats who have been criticizing the President and the Senate Democratic leader for being "too nonpartisan" felt better today after the smooth relations between General Eisenhower and Senator JOHNSON were ruffled by a small public spat. It didn't amount to much; a little needling of the President by the Senator, and the same right back. But it was a return, however temporary, to interparty normalcy.

The Senator scored first. After listing 275 bills which the Senate passed in 81 days, he commented, with his air of innocence, that this record was a refutation of the prediction by a "certain party leader" in the last campaign. The prediction was that the election of a Democratic Congress would mean "a cold war of partisan politics" in which programs urged by the President, and desired by the people, would be "bottled up." The forecaster was the President himself.

General Eisenhower got his chance to bat at his news conference today. Like the celebrated Willie Keeler, he "hit 'em where they ain't." In that vulnerable Democratic area was his campaign prophecy that, with the Executive and Congress under different party control, it would be impossible for the public to fix the responsibility for legislative failure or success. The Senate leader's claim of party credit for such accomplishments as there have been, accompanied by his failure to mention 13 major items of business still unfinished at the fag end of the session, demonstrated, the President said, how true that prediction turned out to be.

BATTLES BUT NOT WAR

Both the President's and JOHNSON's points were well taken. Certainly no "cold war of partisan politics" has been waged by the Democratic leaders in Congress or by the Democratic majorities. There have been sharp skirmishes, and an occasional battle with the administration. But the fraternizing between partisan engagements has been cordial and protracted, and in matters of foreign policy the opposition has been more "loyal" in percentage than the home guard. On the other hand, the Democrats have balked the President in large or small degree on most of the major items of his program that he listed today, sometimes by delaying actions.

Yet the cooperation, in the Senate, is so extensive and friendly that at times grumbling against JOHNSON's leadership has been audible among liberal Democrats and in the neighborhood of the Democratic National Committee. And, because of certain Presidential concessions to the majority, some Republicans have asked, though in discreet privacy, "Who won the 1952 election anyhow?"

THE PARTING SHOT

But, for this day at least, the President and the Senate leader of the opposition acted and reacted as partisan competitors instead of as loving partners, and the party workers on both sides will appreciate it. JOHNSON, in getting the last word, even needled the President with an implication which is a favorite of the Democratic Digest (the national committee publicity organ). This implication is that the President, being absent from Washington a great deal, is not well posted and depends on briefing by his aides. "After all," said JOHNSON, for once following this line today, "he [Eisenhower] spent last week in New England and may not fully understand all he is talking about."

Not until this session of Congress has ended will it be possible to calculate these factors in its record: The volume of solid and essential legislation it has approved as contrasted with the volume proposed by the President. The number of major administration positions that survived or were rejected in the legislation that was approved. The amount of unfinished business that by any normal test could be called essential.

WHY NO COLD WAR

But the spat between the President and the Senate leader today would have to develop into a sustained legislative blockade by the Democrats before General Eisenhower's cold-war forecast could acquire any factual basis. The Democrats have sought desperately for a flaming public issue with the administration, examples being Speaker RAYBURN's $20 bill for everybody and the assault of some Senate Democrats on the Dixon-Yates contract for a private plant to feed power into the Tennessee Valley Authority system. But thus far the effort does not seem to have been rewarded in public interest or support.

These partisan forays, and even the President's list of unfinished items, do not, however, add up to a cold war. Those, including the correspondent, to whom the prophecy seemed reasonable with reference to domestic programs failed to anticipate the leadership thesis JOHNSON developed or its general Senate Democratic acceptance. It is, that making campaign issues is the business of the titular party leaders and the national committees; the sole business of the party members in Congress is legislation, preferably on its merits.

Mr. JOHNSON of Texas. Mr. President, I desire to express my deep appreciation to my friend the able senior Senator from Missouri for his generous expression of confidence in me.

AUTHORIZATION FOR VICE PRESIDENT OR PRESIDING OFFICER TO SIGN DULY ENROLLED BILLS OR JOINT RESOLUTIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that, during the adjournment following today's session, the Secretary be authorized to receive messages from the House, and that the Vice President or the present Presiding Officer [Mr. SPARKMAN], as Acting President pro tempore, be authorized to sign duly enrolled bills or joint resolutions passed by the two Houses.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXCESSIVE OIL IMPORTS

Mr. DANIEL. Mr. President, the President of the United States recently signed H. R. 1, to extend the Reciprocal Trade Agreements Act. In this law there is a provision which reads as follows:

In order to further the policy and purposes of this section whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President shall call an immediate investigation to be made to determine the facts. If on the basis of such investigation and the report to him of the findings and recommendations made to him therewith, the President finds the existence of such facts, he shall take what action he deems necessary to adjust the imports of such article to a level which will not threaten to impair the national security.

The leigslative history of H. R. 1 in the Senate Finance Committee and on the Senate floor establishes that this provision was placed in the bill as a compromise amendment to provide, among other things, a means for limiting excessive oil imports. In view of the Flemming report that imports of oil in excess of the 1954 ratio would impair this industry so vital to the national defense, we were led to believe that this amendment would be used to maintain the 1954 ratio.

The Flemming Report on behalf of the President's Advisory Committee on Energy Supplies and Resources Policy said:

The Committee believes that if the imports of crude and residual oils should exceed significantly the respective proportions that these imports of oils bore to the production of domestic crude oil in 1954, the domestic fuels situation could be so impaired as to endanger the orderly industrial growth which assures the military and civilian supplies and reserves that are necessary to the national defense. There would be an inadequate incentive for exploration and the discovery of new sources of supply.

The committee recommends, however, that if in the future the imports of crude oil and residual fuel oils exceed significantly the respective proportions that such imported oils bore to domestic production of crude oil in 1954, appropriate action should be taken.

A report in the Oil Daily of Thursday, June 23, 1955, indicates that the figures on imports today are far above the ratio for 1954. In this regard, I ask unanimous consent that this article be inserted in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TOTAL OIL IMPORTS RISE 11.5 PERCENT FOR WEEK; WELL ABOVE YEAR AGO

An increase in imports of crude oil accounted for the total increase of 11.5 percent in imports of crude and products in the week ended June 17.

Total imports of crude and products in the week averaged 1,201,500 barrels daily, up 124,000 barrels from the average of 1,077,500 in the preceding week, and were 227,500, or 23.4 percent above the average of 974,000 in the like year-earlier week.

Imports in the 4-week period ended June 17 averaged 1,184,700 barrels daily, 163,400, or 16 percent above the average of 1,021,300 in the like 4-week period a year ago.

Receipts of crude for the country as a whole were up 125,900 barrels daily in the week, averaging 844,500, compared with 718,600 in the preceding week, and were 189,900 higher than the average for the like year-earlier week.

Imports of crude east of California were 33.7 percent, or 205,400 barrels daily, higher in the latest week, averaging 814,200, compared with 608,800, but receipts in California declined 79,500, from 109,800 to 30,300 barrels daily.

Receipts of residual fuel showed little change, gaining 15,300 barrels daily in the week, from 316,700 to 332,000 barrels daily, but still held 78,800, or 31.1 percent, higher than the average of 253,200 in the like year-earlier week.

Imports of all other products declined in the latest week. No receipts of distillates were reported, compared with imports of 6,700 in the preceding week; asphalt declined from an average of 19,300 to 13,400 in the latest week, with receipts of other petroleum products off from 16,200 to 11,600 barrels daily.

Mr. DANIEL. Mr. President, other figures recently have been released which indicate that imports of oil for the first quarter of 1955 exceed the same period of 1954 by 22.55 percent or 248,000 barrels per day.

In view of the findings of the President's Advisory Committee on Energy Supplies and Resources Policy that a substantial increase in imports of crude oil over the amount imported in 1954 would result in an impairment of an industry vitally necessary to national defense, it would appear that now is the

time for the director of the Office of Defense Mobilization to take action.

The problem in Texas is acute. Our producers have been limited to 15 days per month, largely on account of excessive imports. Our State tax revenues are reduced accordingly.

Recently the president of the Texas Independent Producers and Royalty Owners Association, Mr. A. P. King, Jr., wrote to Dr. Arthur S. Flemming, Director of the Office of Defense Mobilization, pointing out the situation presently existing in Texas. I am sure these letters will be of interest to every Member of the Senate, in view of the effect upon an industry which supplies the lifeblood of our national defense effort. I commend these communications to the attention of my colleagues.

Mr. President, I ask unanimous consent that the two letters be inserted in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

TEXAS INDEPENDENT PRODUCERS AND ROYALTY OWNERS ASSOCIATION,

Austin, Tex., June 22, 1955.

Hon. ARTHUR S. FLEMMING, *Director, Office of Defense Mobilization, Washington, D. C.*

DEAR MR. FLEMMING: As you know, the Congress of the United States through an amendment to the Trade Agreements Act, has prescribed a procedure having the unmistakable intent of limiting oil imports to the ratio which such imports bore to domestic production in 1954. You are aware, I am sure, that the record clearly shows that Congress in adopting this amendment intended that oil imports not exceed levels recommended by the President's Advisory Committee on Energy Supplies and Resources Policy.

As evidence of this, we cite you the report of the Senate Finance Committee which specifically related the findings of this Cabinet fuels committee to the mandate limiting imports, which report was adopted by the Senate, concurred in by the House, and approved by the President both in his signing the bill and more specifically in a press conference statement describing the amendment as "very fine."

Further evidence appears in repeated assertions by individual Members of the Senate in debate on the bill extending the Trade Agreements Act. To illustrate, may I cite as one of numerous similar statements a remark on the Senate floor by Senator FRANK CARLSON: "I was assured by those in the administration responsible for the Trade Agreements program that if the amendment were adopted, action would immediately follow and that imports of petroleum and its products would be definitely restricted."

The specific amendment to which I refer reads as follows:

"(b) In order to further the policy and purposes of this section whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security, he shall so advise the President, and if the President agrees that there is reason for such belief, the President shall call an immediate investigation to be made to determine the facts. If on the basis of such investigation and the report to him of the findings and recommendations made to him therewith, the President finds the existence of such facts, he shall take what action he deems necessary to adjust the imports of such article to a level which will not threaten to impair the national security."

Inasmuch as the responsibility under the amendment for initiating restrictive action rests with you as Director of the Office of Defense Mobilization, we, therefore, respectfully petition you to advise the President as soon as practicable that the national security is being jeopardized by the current rate of petroleum imports.

It was the finding of the President's Advisory Committee on Energy Supplies and Resources Policy, on which you served as chairman and which included seven members of the President's Cabinet, that imports to excess of the 1954 ratio jeopardizes the national security. The latest figures, which are being compiled at this time and will be placed in your hands within the next few days, show unmistakably that petroleum imports so far this year have exceeded significantly the 1954 ratio and, according to estimates of the importing companies themselves, will continue to do so unless appropriate action is taken under the law.

In the meantime, allowable production for crude petroleum in the United States, particularly that in the State of Texas, continues to decline. Texas producers are allowed to produce their wells only 15 days per month; operation costs remain relatively stationary even though production is allowed only on a half-time basis. In the face of repeated reductions in allowables ordered by the conservation commission of the State of Texas, nominations by crude-oil purchasers, in the main constituting importing companies, show a continuing decline. The State conservation commission unfortunately finds itself in the position of having to force Texas production into the role of supplementing whatever level of foreign oil the few imposing companies desire to bring in. It must either curtail production here to keep a reasonable balance between supply and demand or allow to be produced oil at a rate which will cause waste and in some cases contribute to the permanent loss of this valuable resource.

To illustrate the point that the commission must choose between curtailment of domestic production or contributing to waste—in the absence, that is, of a curtailment of the current excessive level of oil imports—I cite the announced intention of some importing companies to practice selective buying with the result that some fields may be denied a market altogether. Unless the overall supply is reduced to a point that these companies can or will prorate unneeded production in some areas over all the areas in which they purchase, they may cease to buy equitably among all fields which their pipelines serve. Inasmuch as a large percentage of the production from some of these fields comes from what are known as stripper wells, even a temporary curtailment of purchases would result in the permanent loss of oil which otherwise could and would be produced. Once shut in, many of these wells can never be restored to economic production, at the present price level of crude oil. In order to avoid this condition and to fulfill its function of preventing waste, the commission is virtually forced into the position of reducing allowables for the entire State so as to create a need for production from stripper wells which will otherwise be shut in and abandoned with permanent loss of recoverable oil.

Many illustrations can be cited in the oil fields today, perhaps more than at any time in at least a decade, of the failure of crude oil purchasers—which is to say pipeline companies and refiners, a large percentage of whom are themselves importing companies—refusing to take oil which is readily available to them from independent producers. I myself in two areas am forced to truck my crude oil at considerable additional expense to a point at which it will be purchased. The purchaser whose pipelines services those areas declines to absorb more oil because of the general oversupply picture.

The effect of this condition on the health and vigor of the domestic oil industry is obvious to you, I am sure. Because of the long-range nature of drilling commitments and other contractural relationships, the full effect is not reflected completely at once.

As evidence that there is general accord within the oil industry itself, even on the part of most oil importing companies, that oil imports today are excessive to the point of damaging segments of the domestic oil industry, I cite you a report adopted by the National Petroleum Council May 5, including the following conclusions:

"(1) The continued increase in imports of crude oil coupled with a decline in exports of crude oil and its products has damaged in varying degrees segments of the domestic oil industry.

"(2) Further increases of imports without regard to the principle of only supplementing the domestic production of crude oil and its products will seriously damage the domestic oil industry and thus affect the domestic economy and the national security.

"(3) Fair and equitable relationships have not prevailed between total imports of crude oil and total demands for oil in the United States during periods of excess availability of domestic oil for United States consumption. Fair and equitable relationships should obtain at all times between total imports of crude oil and its products and total demand for oil in the United States."

We feel you will agree that it should not be necessary or desirable for you under this legislative mandate to attempt further determination of that point at which imports begin to injure or threaten to injure the national security. That determination has been made and the yardstick clearly established in the report of the President's Advisory Committee on Energy Supplies and Resources Policy. Accepting that yardstick, therefore, it seems to us mandatory upon you as Director of the Office of Defense Mobilization to ascertain simply whether or not imports today exceed the 1954 relationship. Upon finding imports in excess of that maximum deemed consistent with national security, we hold that your responsibility is to recommend to the President that appropriate action be taken not only to restore imports to the 1954 level, but to reduce them to that level which will assure that for the year as a whole they will not have exceeded the 1954 relationship. That is to say, not only must imports hereafter be held to the 1954 level, but they must be reduced to a level which will assure that for the year as a whole they do not exceed the level which has been determined officially to be the maximum in the interest of national security.

Under the procedure as set forth in the amendment adopted by the Congress, which amendment was intended to apply not alone to petroleum but to other commodities, the domestic production of which is vital to our security, the President is required to have conducted an investigation to determine the facts. We respectfully recommend that in your report to the President you include appropriate references to the findings of the Cabinet committee.

This, we believe, will obviate in the case of petroleum any further investigation at this time, inasmuch as the facts as to the relation of imports to security are set forth therein. We hold, in other words, that in the case of petroleum it was the assumption of Congress as amply demonstrated that the investigations on the part of the Director of Defense Mobilization and the President already have been made. Your responsibility under this law and that of the President, therefore, as we understand it, is simply to ascertain the current level of imports in relation to the report of the President's Advisory Committee on Energy Supplies and Resources Policy. Upon finding them to exceed the prescribed maximum, the President, in the

words set forth in the amendment, "shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security."

Such action, it seems clear, may take the form of increased tariffs, quotas, any variation of the quota-tariff combinations, import reductions by individual companies on a basis prescribed by Presidential directive, or the exercise of any other authority found necessary to effect the necessary reduction in total imports of crude oil and products. At your request, we should be pleased to recommend specific measures designed to have the effect of restricting oil imports to the 1954 level.

Under this law, in our judgment, there can be no question as to the right and duty of the Executive Department to require by whatever means necessary that imports be reduced to the point which will assure that they do not exceed the level determined to be maximum consistent with our national security. It is our conviction that importing companies cannot be depended upon to exercise necessary restraint even if it were the desire of each at all times to do so. We believe you are aware that forces exist, economic and otherwise, which preclude so-called voluntary action, even as encouraged by the threat of restrictive action under congressional edict. For that reason, some definite restrictive policy appears to us absolutely essential if the mandate of Congress and the findings of the President's Advisory Committee on Energy Supplies and Resources Policy are to be honored. The responsibility is a great one, we recognize, and is made extremely complex by a great many factors at work in this particular field of international trade. For that reason, the tendency will exist in some quarters, we fear, to interpret loosely this clear and emphatic expression from Congress that imports of petroleum in the national interest shall not exceed the ratio established in the year 1954.

In line with our discussion, we of this association stand ready to be of assistance in any way possible. If we can be helpful in any study you feel necessary at any time, our personnel and facilities are available to you upon request. Please do not hesitate to call on us at any time.

Respectfully yours,

A. P. KING, Jr.

TEXAS INDEPENDENT PRODUCERS AND ROYALTY OWNERS ASSOCIATION,
Austin, Tex., June 24, 1955.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Washington, D. C.

DEAR DR. FLEMMING: In filing with you on June 23 a request that you immediately advise the President, under a provision of the Trade Agreements Act, that imports are excessive to the point of jeopardizing the national security, I agreed to submit as soon as practicable a supplementary statement reflecting generally the statistical picture.

Because we of this association do not maintain a statistical section, we have relied upon wholly responsible organizations which do for our figures—including the Bureau of Mines, the Independent Petroleum Association of America, the American Petroleum Institute, and the Texas Railroad Commission.

We cite below only those figures which we believe are essential to reflect accurately the current petroleum import situation.

From the figures it will be obvious that:

1. Imports are increasing at a rate almost four times the rate at which demand is increasing;

2. Imports during the first quarter of 1955 exceeded the level for the same period of 1954 by 22.55 percent, or 248,000 barrels per day;

3. On the basis of known and reliably estimated imports for the first 6 months of this year, imports are averaging 1,250,000 barrels per day, which is 18.27 percent above the comparable period of 1954;

4. If imports are to increase at a rate consistent with the increase in demand, they should average 1,107,000 barrels per day for the year;

5. Imports for the second half of this year must average no more than 967,000 barrels daily if they are not to exceed in 1955 the average found by the President's Cabinet Committee on Energy Supplies and Resources Policy to be maximum consistent with our national security.

6. If imports are curtailed in accordance with the intent of the provision in the Trade Agreements Act, domestic producers will be accorded a market for approximately 700,000 barrels per day more than it is estimated they will be allowed to produce if the President does not act under the congressional mandate.

THE STATISTICAL PICTURE

To clarify this, we offer a few figures which are self-explanatory:

	Barrels per day
Total United States domestic petroleum demand, 1954	7,752,000
Total crude imports, 1954	656,000
Total products imports, 1954	396,000
Total crude and products imports, 1954	1,052,000

Crude imports equal 8.5 percent of 1954 domestic demand.

Products imports equal 5.1 percent of 1954 domestic demand.

Imports of crude and products equal 13.57 percent of 1954 domestic demand.

With this picture in mind, we can compare those figures with the Bureau of Mines reports for the first quarters of 1954 and 1955:

	Barrels per day
Crude imports, first quarter, 1955	744,000
Crude imports, first quarter, 1954	631,000
Increase, 1955 over 1954	113,000
Products imports, first quarter, 1955	604,000
Products imports, first quarter, 1954	469,000
Increase, 1955 over 1954	135,000

FIRST QUARTER, 1955, VERSUS FIRST QUARTER, 1954

	Percent
Percentage increase, crude imports	17.91
Percentage increase, products imports	28.78
Percentage increase, crude and products	22.55

Estimated domestic demand for all products for 1955 is 8,166,000 barrels per day, an increase of 5.3 percent over 1954. Our figures show that the importing companies have exceeded this by 22.55 percent during the first quarter of 1955.

We find, therefore, that the percent gain in the first quarter imports is so far out of line with the percent gain in domestic demand anticipated for the year that really drastic cuts are necessary to bring 1955 imports into line with 1954. Since complete figures are not available for the second quarter, we are using estimates showing imports for the first 6 months averaging 1,250,000 barrels per day. This would represent a gain over the first 6 months of 1954 of 18.27 percent. This, like the experience in the first quarter, is greater than the anticipated gain in domestic demand for the whole year.

On the basis of an estimated increase of 5.3 percent in demand for the year, imports during the first 6 months were running substantially above the point where the Flemming report says they endanger the security of the Nation. If imports are to show a gain for the year 1955 of only 5.3 percent (the same as the increase in domestic demand), they should average 1,107,000 barrels per day for the year.

Since the estimated imports in the first half of the year were 1,250,000 barrels per day, then imports in the second half will have to average only 967,000 barrels daily.

With this in mind, we can examine the effect on our production at home if imports are brought to their proper level. Total domestic demand for all products during the last half of 1955 is estimated at 8,166,000 barrels daily. With imports at 967,000 barrels we could expect to produce domestically some 7,200,000 barrels daily. This is 700,000 barrels per day more than it is estimated we will produce if the President does not act under the congressional mandate to curb imports.

ACTION REQUIRED

On the basis of irrefutable evidence that imports exceed significantly the level deemed to be maximum consistent with our national security, it seems to us under the law that your obligation is to apprise the President of the full facts. His responsibility, if this congressional mandate is to be honored, is first to satisfy himself as to the "existence of such facts." He then, under the law, "shall take what action he deems necessary to adjust imports of such articles to a level which will not threaten to impair the national security."

At your invitation, or that of the President, we should be pleased to recommend specific measures which we believe appropriate to accomplish the intended objective of restoring imports to the 1954 level.

Respectfully yours,

A. P. KING, Jr.

Mr. DANIEL. Mr. President, the junior Senator from Texas joins in urging action to prohibit foreign oil from supplanting rather than supplementing our domestic production. The time for action is now.

ADJOURNMENT TO 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, in accordance with the order previously entered, I move that the Senate adjourn until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 4 o'clock and 47 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Friday, July 1, 1955, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 30, 1955

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, whose divine spirit pervades and sustains the universe, may our life this day be hallowed and inspired with a sense of Thy presence and power.

Wilt Thou so expand and enlarge our minds and hearts that they may be big

enough to comprehend more fully Thy love, Thy greatness and goodness.

May we feel Thy nearness for Thou knowest how desolate and lonely we are without Thee and that we are too frail to achieve the goals we dream about unless we have the assurance of Thy grace and strength.

Grant that when we come upon days that are overcast with sorrows, and burdened with cares, and doubts assail us, may we conquer them upon our knees in prayer, for in Thee our visions of victory find reality and fulfillment.

Hear us in the name of the Captain of our Salvation. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 619. An act to provide that all United States currency shall bear the inscription "In God We Trust."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 464. An act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indiana River;

S. 667. An act to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended;

S. 669. An act to provide an elected mayor, city council, school board, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes;

S. 756. An act to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act and to authorize the expenditure of funds apportioned to a State under such act for the management of wildlife areas and resources;

S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes;

S. 1077. An act to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947;

S. 1292. An act to readjust postal classification on educational and cultural materials;

S. 1633. An act relating to a constitutional convention in Alaska;

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954; and

S. 1849. An act to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1718. An act to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954.

FIRST ANNIVERSARY OF NEW GOVERNMENT IN GUATEMALA

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, on June 29, 1 year ago, the new Government of Guatemala was first proclaimed. That historic and significant occasion marked a decisive turning point in the activities of communism in the Western Hemisphere. There the disciples of intimidation, subversion, and oppression were ousted from their foothold in the Americas. It was Guatemala that the Communists had hoped to use as a springboard from which to move into one after another of the American Republics.

The courage and daring of Col. Carlos Castillo Armas and his determined little band of liberty lovers must go down in the annals of history as an epic of modern times. No less heroic and courageous has been their classic effort to restore to Guatemala a sound and progressive government, a balanced budget, and a prosperous and contented citizenry. The tasks confronting them have been monumental because of the chaotic conditions and bankrupt treasury left by the fleeting Communists.

Between no nations should there be closer ties than between Guatemala and the United States. In the welfare of no nation should there be greater interest on our part than the interest we have in Guatemala, our hospitable and courageous little neighbor to the south. On this occasion 1 year after President Carlos Castillo Armas proclaimed the new government, we should affirm our determination to assist his government and the Guatemalan people to successfully meet and overcome the problems which still confront them as a part of our salute to their determined bid for freedom.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1956

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MAHON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 104]

Bolton, Oliver P.	Gray	Moulder
Boykin	Green, Pa.	Mumma
Buchanan	Gregory	Polk
Canfield	Gubser	Powell
Celler	Jackson	Ray
Chatham	James	Reece, Tenn.
Cooley	Kearney	Reed, N. Y.
Dingell	Kearns	Rivers
Doyle	McDowell	Scherer
Eberharter	McGregor	Shelley
Grant	Mack, Ill.	Wickersham
	Morrison	

The SPEAKER. On this rollcall 396 Members have answered to their names, a quorum.

Without objection, further proceedings under the call were dispensed with.

CONTINGENT EXPENSES OF THE HOUSE

Mr. NORRELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H. J. Res. 365) making an additional appropriation for the fiscal year ending June 30, 1955.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman please explain this resolution?

Mr. NORRELL. This item is necessary for folding documents, in the amount of $12,000.

Mr. TABER. That is for the folding room?

Mr. NORRELL. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, to supply an additional appropriation for the fiscal year ending June 30, 1955, as follows:

HOUSE OF REPRESENTATIVES

CONTINGENT EXPENSES OF THE HOUSE

For an additional amount for "Folding documents," $12,000.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1956

The SPEAKER. The Clerk will read the statement on the part of the managers of the House.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1030)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, having

met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 17, 21, 24, 25, 27, 34, and 35.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 22, 23, 28, 30, 31, and 32, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert $400,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$31,000,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the matter proposed by said amendment insert the following:

"Spun silk yarn for cartridge cloth (subject to the same conditions as apply to other commodities in this paragraph)."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 6, 20, and 33.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
W. F. NORRELL,
JAMIE L. WHITTEN,
GEORGE W. ANDREWS,
JOHN J. RILEY,
CHARLES B. DEANE,
DANIEL J. FLOOD,
CLARENCE CANNON,
R. B. WIGGLESWORTH,
ERRETT P. SCRIVNER,
GERALD R. FORD, JR.,
EDWARD T. MILLER,
HAROLD C. OSTERTAG,
GLENN R. DAVIS,
JOHN TABER (except as to amendments 10, 11, and 12),

Managers on the Part of the House.

DENNIS CHAVEZ,
RICHARD B. RUSSELL,
CARL HAYDEN,
LISTER HILL,
HARRY F. BYRD,
LEVERETT SALTONSTALL,
STYLES BRIDGES,
MILTON R. YOUNG,
RALPH E. FLANDERS,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF DEFENSE

Title I

Office of the Secretary of Defense

Amendment No. 1—Salaries and expenses: Appropriates $12,250,000 as proposed by the Senate instead of $12,000,000 as proposed by the House.

Amendments Nos. 2 and 3—Office of Public Affairs: Change heading and appropriate $420,000 as proposed by the Senate instead of $400,000 as proposed by the House.

Title II

Interservice Activities

Amendment No. 4—Emergency fund: Appropriates $35,000,000 as proposed by the Senate instead of $25,000,000 as proposed by the House.

Amendment No. 5—Emergency fund: Reported in disagreement.

Title III

Department of the Army

Amendment No. 6—Maintenance and operations: Reported in disagreement. This amendment, relating to continued operation of the Army-Navy Hospital at Hot Springs National Park, Ark., and the Murphy General Hospital in Boston, Mass., further emphasizes action taken by the House in providing funds and expressed sense in the committee report.

Amendments Nos. 7 and 8—National Board for the Promotion of Rifle Practice, Army: Appropriate $400,000 instead of $265,000 as proposed by the House and $500,000 as proposed by the Senate, and deletes provision of the Senate for transfer of ammunition without reimbursement. The managers are agreed that the increase provided is to be used for the purchase of ammunition.

Amendment No. 9: Deletes provision of the House relating to restrictions on funds for recruiting purposes. The managers suggest that a complete review be made of all recruiting activities with the view of eliminating all unnecessary expenses and improving efficiency of operations.

Title IV

Department of the Army

Amendment No. 10—Military personnel, Marine Corps: Appropriates $650,244,000 as proposed by the Senate instead of $616,438,000 as proposed by the House.

Amendment No. 11—Marine Corps procurement: Appropriates $290,190,000 as proposed by the Senate instead of $286,500,000 as proposed by the House.

Amendment No. 12—Marine Corps troops and facilities: Appropriates $181,605,000 as proposed by the Senate instead of $172,750,000 as proposed by the House.

Amendment No. 13—Shipbuilding and conversion: Inserts clarifying language as proposed by the Senate.

Amendment No. 14—Ships and facilities: Provides transfer authority in amount of $16,240,000 as proposed by the Senate instead of $15,700,000 as proposed by the House.

Amendment No. 15—Medical care: Appropriates $62,494,556 as proposed by the Senate instead of $62,500,000 as proposed by the House.

Title V

Department of the Air Force

Amendments Nos. 16 and 17—Aircraft and related procurement: Appropriate $6,306,000,000 as proposed by the Senate instead of $5,950,000,000 as proposed by the House and delete the language proposed by the Senate. The managers are completely agreed that the buildup of Air Force as provided by the increased amount for "Aircraft and related procurement" be accelerated to the extent possible consistent with proven technological developments and efficient application of appropriated funds.

Amendment No. 18—Major procurement other than aircraft: Appropriates $349,862,600 as proposed by the Senate instead of $350,000,000 as proposed by the House.

Amendment No. 19—Maintenance and operations: Appropriates $3,597,496,570 as proposed by the Senate instead of $3,615,500,000 as proposed by the House.

Amendment No. 20—Maintenance and operations: Reported in disagreement.

Amendment No. 21—Maintenance and operations: Deletes the language proposed by the Senate. The managers agree that the Veterans Administration shall keep the John Moses Veterans Hospital at Minot, N. Dak., open until a decision can be made by the Congress as to further use by the Veterans Administration or the Department of Defense.

Amendment No. 22—Military personnel: Appropriates $3,680,650,000 as proposed by the Senate instead of $3,670,000,000 as proposed by the House.

Amendment No. 23—Air National Guard: Appropriates $192,191,000 as proposed by the Senate instead of $202,841,000 as proposed by the House.

Amendments Nos. 24 and 25—Reductions in appropriations, "Air Force Stock Fund" and "Air Force Industrial Fund": Restores language and amounts as proposed by the House.

Title VI

General Provisions

Amendment No. 26: Limits fund availability for preparation for sale or salvage of military supplies to $31,000,000, instead of $40,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Amendment No. 27: Deletes provision of the Senate providing for legal tuition for three persons in each military department.

Amendment No. 28: Limits total fund availability for public information and public relations to $3,270,000 as proposed by the Senate instead of $3,250,000 as proposed by the House.

Amendment No. 29: Retains provision of the Senate for spun silk yarn for cartridge cloth and adds provision, as proposed by the House, making such purchase subject to conditions applicable to other commodities in paragraph.

Amendments Nos. 30, 31, and 32: Exempt from limitation on purchase of passenger automobiles 250 vehicles for the Navy and Marine Corps and 750 for the Air Force, as proposed by the Senate, instead of 221 for the Marine Corps and 503 for the Air Force, as proposed by the House.

Amendment No. 33: Reported in disagreement.

Amendment No. 34: Deletes provision of the Senate providing payment for meals of certain enlisted personnel when rations in kind are not available. The managers are agreed that this matter can be handled subsequently through the usual budgetary procedures.

Amendment No. 35: Restores original section number.

GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
W. F. NORRELL,
JAMIE L. WHITTEN,
GEORGE W. ANDREWS,
JOHN J. RILEY,
CHARLES B. DEANE,
DANIEL J. FLOOD,
CLARENCE CANNON,
R. B. WIGGLESWORTH,
ERRETT P. SCRIVNER,
GERALD R. FORD, JR.,
EDWARD T. MILLER,
HAROLD C. OSTERTAG,
GLENN R. DAVIS,
JOHN TABER (except as to amendments 10, 11, and 12),

Managers on the Part of the House.

Mr. MAHON. Mr. Speaker, this is the last day of the fiscal year and it is important that we pass and send to the President today the bill making appropriations for the Department of Defense for the new fiscal year which begins tomorrow.

There is general agreement with respect to the provisions of the conference

report—the final draft of the Defense bill—and I shall not take the time of the House to speak at great length.

It seems most appropriate, however, that there should be placed in the RECORD at this point considerable factual information as to what the bill in final form actually contains.

It will be recalled that after months of hearings before the Appropriations Committee, the printed hearings containing 5,000 pages, the House took up the Defense bill for debate on May 11 and passed it on May 12. The CONGRESSIONAL RECORD of those dates is referred to along with the committee report.

The Senate raised the overall amount of the House bill in the sum of $394 million. The bulk of this increase was to provide funds for an accelerated program of production of the B–52 heavy bombers. Of the additional funds, $46 million was for the maintenance of a larger Marine Corps than was requested by the President and provided in the House bill.

The House conferees agreed to the increases for the Air Force and the Marines and hence in dollars the conference report is substantially the same as the Senate bill. However, the conferees agreed to the House provisions with respect to the rescission or recapture of funds presently available to the Department of Defense. In other words, rescissions in the conference report are $380 million greater than in the Senate bill.

Department of Defense appropriation bill, 1956—Summary, House-Senate action

	Appropriations, 1955	Estimates, 1956	House bill	Senate bill	Conference	Increase (+) or decrease (−) conference action compared with—	
						House bill	Senate bill
Title I. Office of Secretary of Defense	$12,570,000	$12,750,000	$12,400,000	$12,670,000	$12,670,000	+$270,000	
Title II. Interservice activities	527,500,000	682,250,000	672,250,000	682,250,000	682,250,000	+10,000,000	
Title III. Army	7,619,066,986	7,573,980,000	7,329,818,000	7,330,053,000	7,329,953,000	+135,000	−$100,000
Title IV. Navy	9,712,823,500	9,180,157,000	9,071,834,000	9,118,179,556	9,118,179,556	+46,345,556	
Title V. Air	10,927,930,000	14,783,678,000	14,401,904,000	14,739,763,170	14,739,763,170	+337,859,170	
Total	28,800,070,486	32,232,815,000	31,488,206,000	31,882,915,726	31,882,815,726	+394,609,726	−100,000

TOTAL FUNDS AVAILABLE

In addition to the amount of $31,882,815,726 appropriated for fiscal year 1956 an estimated unobligated amount as of June 30, 1955, of $10,462,000,000 and reimbursements from other agencies, principally Foreign Operations Administration, of $1,160,000,000 will provide a total availability in 1956 of $43,500,000,000.

There will be available for expenditure purposes, as distinguished from funds available for obligation, a total of approximately $75 billion. This amount includes a carryover from 1955 of an estimated $43,162,000,000. The expenditures in 1956 are budgeted at $35,200,000,000.

BUDGET CATEGORIES

Of the total amount provided for 1956 for all services approximately $9,800,000,000 or 30 percent is for military personnel costs; $9,500,000,000 or 29 percent is for major procurement such as aircraft, ships, weapons, ammunition, guided missiles, electronics, and so forth; and $9 billion or 27 percent is for maintenance and operations.

The following is a summary of military personnel for all services for the fiscal years 1954, 1955, and 1956, as provided for in the bill as finally adopted:

Military personnel strengths

[In thousands]

	Actual end strength		Projected end strength			
			June 30, 1955			
	June 30, 1954	Dec. 31, 1954	Approved in fiscal year 1955 funding	Revised in fiscal year 1956 estimates	Current estimate Apr. 8, 1955	June 30, 1956
Type of personnel:						
Officers	353.8	350.8	360.7	354.3	355.9	347.9
Enlisted	2,931.2	2,813.7	2,671.5	2,580.3	2,590.9	2,518.6
Subtotal	3,285.0	3,164.5	3,032.2	2,934.6	2,946.8	2,866.5
Officer candidates	17.1	16.0	14.4	14.5	14.5	14.5
Total	3,302.1	3,180.5	3,046.6	2,949.1	2,961.3	2,881.0
Total personnel by service:						
Army, excluding cadets	1,403.0	1,323.8	1,170.7	1,100.0	1,112.2	1,025.0
Cadets	1.6	2.2	2.0	1.8	1.8	2.0
Total, Army	1,404.6	1,326.0	1,172.7	1,101.8	[1] 1,114.0	1,027.0
Navy, excluding midshipmen and naval aviation:						
Cadets	719.3	679.9	682.0	665.0	665.0	657.0
Midshipmen	3.5	3.6	3.6	3.6	3.6	3.8
NAVCADS	2.9	3.0	3.3	3.7	3.7	3.2
Total, Navy	725.7	686.5	688.9	672.3	672.3	664.0
Marine Corps	223.9	220.7	215.0	205.0	205.0	215.0
Air Force, excluding Aviation and Air Academy cadets	938.8	940.0	964.5	964.6	964.6	969.5
Aviation cadets	9.1	7.2	5.5	5.4	5.4	5.2
Air Academy cadets						.3
Total, Air Force	947.9	947.2	970.0	970.0	970.0	975.0

[1] Planned fiscal year 1955 end strength, but in any event not to exceed a maximum of 1,125,000.

The projected end strength as of June 30, 1956, represents an increase of 22,000 over the President's budget. This increase is attributed solely to the increase in Marine Corps strength voted by the Congress, the intent being to give the Marine Corps an end strength in 1956 no less than the strength approved for 1955.

The following tabulation details by service to number of Reserve personnel in drill-pay status and in total currently provided for and proposed for 1956.

Reserve components strength (personnel not on extended or continuous active duty)

	June 30, 1954		Jan. 31, 1955 (preliminary)		Service proposed program for fiscal year 1956			
					June 30, 1955		June 30, 1956	
	Total	Drill pay status	Total	Drill pay status	Total	Drill pay status	Total	Drill pay status
Total, Department of Defense	2,487,184	695,462	2,708,019	772,341	2,901,087	853,512	3,601,062	1,007,216
Army, total	1,447,460	455,518	1,747,293	496,102	1,895,483	553,700	2,262,590	644,000
National Guard	338,493	318,600	360,343	340,245	390,483	375,000	439,490	425,000
Army Reserve	1,108,967	136,918	1,386,950	155,857	1,505,000	178,700	1,824,100	219,000
Naval Reserve	595,359	139,190	480,959	143,636	482,864	149,374	638,537	169,820
Marine Corps Reserve	138,846	27,582	162,370	33,853	191,565	40,113	227,455	50,661
Air Force, total	305,519	73,163	317,397	98,750	331,175	110,325	471,480	142,735
Air National Guard	49,845	49,845	57,617	57,617	60,800	60,800	68,200	68,200
Air Force Reserve	255,674	23,318	259,780	41,133	270,375	49,525	403,280	74,535

CIVILIAN PERSONNEL

The budget and the bill provide for approximately 1,171,000 civilian personnel as of June 30, 1956. The estimated June 30, 1955, total is 1,181,000. Graded employees falling under the legislative ceiling limitation of 475,000 totaled 456,329 as of March 31, 1955.

It should be remembered that many of the civilian employees are so-called blue-collar workers who work in shops, shipyards, depots, gun factories, and so forth.

ARMY FUNDS PROVIDED IN BILL

The bill includes $7,329,953,000 for the Army, or about $289,114,000 less than in 1955. The House and Senate versions are substantially identical.

COMBAT STRENGTH

The program as budgeted will provide for a June 30, 1956, strength of 18 divisions, 11 regiments and regimental combat teams, 136 anti-aircraft battalions, and an active aircraft inventory of nearly 3,600.

DEPARTMENT OF THE NAVY

The principal difference between the House and the Senate as regards the Department of the Navy was in the size of the Marine Corps. The Senate added approximately $46 million to the bill to restore the Marine Corps military strength to 215,000 by June 30, 1956. The President's budget and the House bill had provided 193,000 for that date. The conference report embraces the Senate position on this matter.

The bill in final form provides for—

ACTIVE FLEET

Operation of an active fleet decreasing in number to 1,001 ships and vessels by the end of fiscal 1956 from an actual strength of 1,101 in December 1954 and 1,066 estimated at June 1955. Proposed personnel reductions cause the decrease of 100 between December 1954 and June 1956, most of which are transport and amphibious ships susceptible to rapid reactivation if necessary. Forces retained will be improved through receipt of new ships and newly converted ships from prior construction programs.

SHIPBUILDING

Continued construction is provided for to prevent mass obsolescence of the fleet some years hence. The 1956 program includes construction of 33 ships and vessels, including a fifth *Forrestal* carrier and 8 submarines of which 4 are to be nuclear-powered plus some 13,370 tons of landing craft. It also provides for conversion of 28 ships and vessels to help modernize the fleet.

Provision is also made for continued upkeep of the "mothball" fleet of approximately 1,700 ships and vessels.

NAVAL AVIATION

Operation of the recently authorized strength of 10,061 daily operating aircraft (out of the total of 13,027 active) as compared with 9,941 previously authorized operating planes. This allows for one additional carrier air group. Combat capabilities of the air arm will continue to improve during fiscal 1956 through delivery of more modern, higher performance aircraft previously funded.

The aircraft procurement program is designed to modernize and maintain the authorized forces. The amount provided, in combination with a large unobligated carryover available through extensive contract cancellations in the past year will finance procurement of about 1,600 new aircraft. Approximately $7 billion will be available for expenditure which is estimated sufficient to bring authorized forces tc about 85 percent modernization status by December 1957, the end of the period through which deliveries are funded.

MARINE CORPS

The bill provides for continuation of 3 combat divisions and 3 combat air wings, together with training and supporting forces. As noted above, the fiscal bill provides for 22,000 more active-duty Marines than had been recommended in the President's budget.

AIR FORCE FUNDS PROVIDED IN BILL

In final form the bill provides $14,739,763,170 for the Department of the Air Force. This is $43,914,930 less than the budget estimates but $337,859,170 greater than the amount which passed the House May 12, 1955. The increase over the amount approved by the House is the net result of an increase of $356 million for the purpose of stepping up procurement of the B–52 heavy bomber, offset in part by several minor reductions made by the Senate. It should be pointed out that none of the changes made by the House in Air Force estimates were restored by the Senate. The increase was entirely for newly programed aircraft not presented to the House Appropriations Committee.

AIR FORCE BUILDUP

The amounts approved for the Air Force will provide for continuing expansion toward the goal of 137 wings by June 30, 1957, but more immediately for 131 wings by June 30, 1956. In addition, there is a continuing expansion in both size and capability of the back-up forces in the Air Reserve and Air National Guard.

OPERATING AIRCRAFT

Funds for the Air Force will provide for attaining by June 30, 1956 an overall strength of 975,000 officers and men; for an active aircraft inventory of 20,952; for flying those aircraft about 11.5 million hours; and for the operation of approximately 300 major Air Force bases and installations here and overseas. The funds also provide for procuring about 2,400 new aircraft for continuing the modernization of the Air Force.

CONCLUSION

Congress, in approving this conference report, will provide the President, generally speaking, with all necessary funds requested by him for our defense program for the fiscal year which begins tomorrow. Congress has made some savings as will be shown by the table which I have inserted, but the Congress has not reduced the military program of the President. It has rather increased it. It is true that the President did not send to Congress a formal supplemental budget for the accelerated bomber program, but the accelerated program was supported by the Secretary of Defense and by the Secretary of the Air Force in testimony before House and Senate appropriations committees, the Secretary of Defense assuring the Congress of the support of the President and the Security Council for the accelerated aircraft program.

Mr. WIGGLESWORTH. Mr. Speaker, almost every conference report represents compromise and this report is no exception to the rule.

I have signed the report because it reflects the best results obtainable under all the circumstances and not because I agree with all the decisions reached in conference.

I agree with the increase of $356 million for aircraft and related procurement to permit acceleration of our construction program by approximately 1 year.

In the light of development and information obtained by the Department of Defense, since the initial hearings on this bill before the Subcommittee on Appropriations for the Armed Services, I think the Secretary of Defense had no recourse other than to request additional funds for the purpose, and I believe that the Congress had no recourse other than to grant them.

I do not agree with the decision of the conferees to add some $46 million for the purpose of increasing military personnel in the Marine Corps, to 215,000 as compared with the figure recommended by the President of 193,000, and the figure of about 205,000 given as the actual strength figure for June 30, 1955. I do not think the increase agreed upon has been justified. I think the action taken is a mistake.

I have supported the force goals recommended by the President. The detailed testimony from the highest civilian and military sources over several months of hearings convinced me that we could safely rely upon them in the absence of new developments.

The program recommended by the President made provision for Marine personnel 2½ times that in the entire Marine Corps just prior to Korea. It made provision also for a 20 percent increase in the active Marine Corps Reserve during the fiscal year 1956, which just about equals the reduction contemplated in the regular force.

It is clear from the record that the force goal for the Marine Corps recommended by the President involves no material reduction in the fighting effectiveness of the operating forces.

The Secretary of the Navy stated specifically, "We can absorb adjustments in the Navy and Marine Corps by more efficient use of personnel and by streamlining base and shore facilities without materially reducing the striking power of the Fleet or the fighting effectiveness of the Marine Corps."

The figure recommended by the President was approved by Admiral Radford, chairman of the United States Joint Chiefs of Staff, by the Secretary of the Navy, by the Secretary of Defense, by the National Security Council, and by other high civilian and military officials.

It was submitted by the President with other forces goal figures after what he referred to as careful and prayerful consideration.

If there is anyone in America who should know how large a Marine Corps we require at this time it is President Eisenhower with his wide and brilliant military career.

The House conferees, in yielding to the Senate conferees have made funds available for military personnel in number 22,000 above that requested by the President, and 10,000 above that understood to constitute the present actual force.

I have seen nothing to justify such an increase.

While the figures, Mr. Speaker, indicate that the total carried by the bill as agreed to by the conferees is only $100,000 less than the total carried in the Senate bill, it is perhaps fair to point out that House rescissions in the amount of $230 million deleted in the Senate were restored in conference, and that despite substantial increases in the Senate, the bill is still some $350 million below the budget estimates.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 4, line 1, insert "and in addition not to exceed $200 million to be used upon determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense and to be derived by transfer from such appropriations available to the Department of Defense for expenditure during the current fiscal year as the Secretary of Defense may designate."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate No. 5, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert "and in addition not to exceed $50 million to be used upon determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense and to be derived by transfer from such appropriations available to the Department of Defense for obligation during the current fiscal year as the Secretary of Defense may designate."

Mr. MAHON. Mr. Speaker, the House has already adopted the conference report, but I yield to the gentleman from Massachusetts [Mr. WIGGLESWORTH] who may wish to make some general statement in regard to this item or in regard to the general situation.

Mr. WIGGLESWORTH. Mr. Speaker, I should merely like to ask unanimous consent to extend my remarks immediately before the adoption of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks immediately prior to the adoption of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I propose to place in the RECORD at that point a general analysis of the entire bill, the action of the conferees, and what the bill as finally agreed upon does, and provide general factual information which will be of interest to all Members of the House.

I now ask for a vote on the motion.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 8, line 16, insert the following: *"Provided,* That during the fiscal year 1956 the maintenance, operation, and availability of the Army-Navy Hospital at Hot Springs National Park, Ark., and the Murphy General Hospital in Boston, Mass., to meet requirements of the military and naval forces shall be continued."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 28, line 4, insert the following: *"Provided,* That not to exceed $55 million of the appropriation 'Maintenance and operations, Air Force, 1953' shall remain available until expended solely for the liquidation of obligations heretofore incurred against such appropriation for assist takeoff units and armaments."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 33: Page 22, line 10, strike out section 638 and insert the following:

"SEC. 638. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 25 years or more performed by civilian personnel of the Department of Defense unless certified by the Secretary of Defense and reported by him to the Appropriations Committees of the Senate and House of Representatives at least 60 days in advance that the disposal is economically sound and that the related services can be performed by a contractor without danger to national security."

Mr. MAHON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 33, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 638. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 3 years or more performed by civilian personnel of the Department of Defense unless justified to the Appropriations Committees of the Senate and House of Representatives, at least 90 days in advance of such disposal or transfer, that its discontinuance is economically sound and the work is capable of performance by a contractor without danger to the national security: *Provided,* That no such disposal or transfer shall be made if disapproved by either committee within the 90-day period by written notice to the Secretary of Defense."

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this amendment ties up the Defense Department insofar as it relates to getting rid of any activity whatever until 90 days

after a report is presented to the appropriation committees of both the House and the Senate. I am not going to ask for a rollcall on this amendment but I think it is very undesirable and creates a great deal of embarrassment to the proper administration of the Defense Department. I hope that next year we can give it better consideration and, I hope, get rid of it entirely. I think it is a very bad situation.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. REES of Kansas. This keeps the Government in business rather than getting the Government out of business?

Mr. TABER. That is correct.

Mr. MAHON. Mr. Speaker, I personally feel and believe that the Members of the House feel that the Government wherever possible in the Defense Department should get out of business and turn over to free enterprise operations any facilities that safely and properly can be turned over to our domestic industries. I do not think this amendment should be interpreted as placing the Congress on record as in favor of the Government's getting deeper into business or staying in business unless it is urgently necessary. While this amendment is somewhat cumbersome, I think the Department of Defense can vile with it and under it continue to get the Defense Department out of business wherever such is desirable in the interest of national defense.

Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks at this point in the RECORD in regard to this measure.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SIKES. Mr. Speaker, first let me commend in highest terms the leadership of our distinguished Chairman, the gentleman from Texas [Mr. MAHON]. He has done an extraordinarily fine work in guiding this tremendous appropriations bill skillfully through the various phases of its passage. It is one of the few times in my service here that this big bill has been ready for final approval prior to the beginning of the new fiscal year. It is a good bill which will provide a high measure of defense through the coming year. In all its aspects, the good work of Congressman MAHON has stood out.

Reference has been made to the intent and effect of Section 638. There is no question of the wisdom of retaining this language. It is in no sense a hindrance to any proper attempt to get the Government out of business. It does provide safeguards in that the Congress must be informed of the details of such proposals. There is nothing new or startling in a suggestion that the Congress be advised of administrative procedures affecting the disposal of national assets or changing the perspective on national security. The taxpayers want this type of protection. I fear that those who oppose it are badly misinformed.

Mr. REES of Kansas. Mr. Speaker, I am concerned about the section of this bill that encourages agencies of the Government to continue to perform services that could just as well be performed by private industry. In many cases better performed by private industry.

The encouragement for the Government to perform such services when private industry could do it is not in my opinion for the best interest of our people. We have too much Government in business now, and not enough business in Government.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, the 83d Congress on July 24, 1954, daily CONGRESSIONAL RECORD, page 11382, under unanimous consent passed H. R. 9835, which was entitled "Termination of Federal Commercial Activities Act." The purpose as expressed in the declaration of policy carried in section 2 was as follows:

> The Congress hereby declares that the policy of the Federal Government should be at all times the encouragement of private enterprise. Certain activities of the Federal Government have developed which tend to discourage private enterprise, in that the Federal Government is engaging in commercial and industrial activities in direct competition with activities engaged in by private persons for profit. These commercial activities engaged in by the Federal Government deprive governments at all levels of tax revenues, and by competing with private enterprise, weaken the strength of our national economic system. It is therefore the purpose of this act to provide for the termination, to the maximum feasible extent, of all commercial activities engaged in by the Federal Government in the United States which compete with private enterprise.
>
> It is declared to be the policy of the Congress that the Federal Government shall not engage in business-type operations competitive with private enterprise except where it can be demonstrated that it is necessary for the Government itself to perform such operations in furtherance of national programs and objectives legally established.

So far as I have been able to learn the only objection raised to the purpose of the bill was that of a comparatively few Members who had in their districts a federally operated activity which admittedly was in competition with private enterprise but which because of local interests some Members desired be continued.

The bill itself was objectionable to many of us oecause section 6 carried a proviso "that nothing herein contained shall apply to any Government type operations being carried on on the effective date of this act."

Obviously that provision, which was a committee amendment to the bill, to a great extent nullified the purpose of the bill. However, those who supported it hoped and expected that the proviso would be stricken in the other body. The other body did not give consideration to the bill before adjournment.

The administration by Executive order is now attempting to carry out the policy enunciated in the bill.

More recently and on May 12, last, when H. R. 6042 making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes was before the House, it carried what might properly be known as the Sikes declaration of policy. That was found in section 639 and it reads as follows:

> No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work traditionally performed by civilian personnel of the Department of Defense unless it has been justified before the appropriate committees of Congress that the disposal is economically sound and that the related services can be performed by a contractor without danger to national security.

The apparent purpose was to effectively prevent the administration from carrying out its policy of relieving private business from competition by tax-supported activities.

When the Committee of the Whole House on the State of the Union had the bill under consideration the gentleman from Georgia [Mr. VINSON]—CONGRESSIONAL RECORD, page 6240—offered an amendment to strike from the bill on page 50 all of section 639 just read.

The Committee, after the adoption of a perfecting amendment, agreed to the Vinson amendment by a teller vote of 160 to 134.

Subsequently, when the House had the bill up for final passage a separate vote was demanded on the Vinson amendment and the yeas and nays being taken, the Vinson amendment was rejected by a record vote of 202 nays to 184 yeas, with 48 Members not voting—CONGRESSIONAL RECORD, page 6247.

By that vote the House declared itself in opposition to the administration's policy of getting the Government out of business insofar as that policy affected the making of appropriations for the Department of Defense for the fiscal year ending June 30, 1956.

On that occasion the issue was just as clear as a noonday sun in a cloudless sky, or a full moon on a clear night.

It is my desire to go along with the administration on every possible occasion, with every legislative proposal.

That I will do except as I find those policies in conflict with deep and sincere convictions which I have held and expressed many times, not only by what has been said, but by votes which have been cast in this House.

Party loyalty, like many other things, is comparative. A casual glance back over the record at action on administrative policy will show that, on occasion, legislative spokesmen for the administration have exercised the right as well as the privilege to disagree with the administration.

Any other course would destroy representative government, thwart the will of the people, insure a dictatorship. A "yessing" Congress neither the President nor the people desire. Nor will the people in the end accept that kind of a legislative body.

The refusal of the House as it now considers the conference report to go on record by a yea and nay vote on amendment 33 as proposed by the Senate is an evasion of the issue which is: Shall the Government continue to engage in business which can be carried on by private enterprise without injuriously affecting our national defense and which tends to dry up the flow of tax dollars into the Federal Treasury?

A subcommittee of the Committee on Government Operations recently had before it a bill H. R. 279 to provide for the termination of Government operations which are in competition with private enterprise.

Again the subcommittee agreed to an amendment of section 6 which added to the proviso the statement that "nothing herein contained shall apply to any Government business-type operations being carried on on the effective date of this act."

The subcommittee finally submitted to the full committee a clean bill, H. R. 7032, in which the Lantaff amendment just quoted in my judgment defeats the purpose of the bill. It is a gesture toward the adoption of a sound policy which falls completely short of reaching its destination.

When the bill, H. R. 7032, comes before the full Committee on Government Operations it is my hope that it will be replaced by H. R. 279, with the Lantaff amendment stricken, but with an amendment which will adequately protect these long-established activities of the Federal Government which are necessary to economically provide a national defense.

What we have been doing has been playing Finnegan's game of on again, off again, getting nowhere.

Those who oppose H. R. 279 admit that the Government has no business in business except as it is necessary for national defense. But they say that the bureaucrats and some in the Department of Defense are acting arbitrarily, unreasonably, and without reason preventing the best possible national defense at the lowest possible cost.

With that statement no fault is now found, no criticism is made. It will be conceded that the professional bureaucrats and included in that are some in the armed services, are just as ambitious to extend their fields of operations, just as greedy for power, as are some who are engaged in private enterprise.

Somewhere along the line this House, or more preferably and more properly the Government Operations Committee, should be able to find within its membership some of sufficient ability and courage to formulate an amendment which will protect our national defense and yet effectively get the Government out of competition with tax-producing enterprises.

Permit me to go on record as being willing not only to talk about the Government getting out but to vote to get it out, as I did the other day. The political angle is not difficult to understand. Everybody wants to go on record as being opposed to the Government getting into business which takes away its source of revenue—that is, the tax dollars. But at the same time, some desire to hold the favor and support of a group of Federal employees who are working on these Government projects which should be carried on by private business. Do you see what is being done—playing both ends against the middle. We never get around to a decisive vote. Is it not time that we do take a definite position. Then implement it by action. It is my hope that within the next week or two we can bring before this Congress a bill which will implement the administration's policies.

Mr. MAHON. Mr. Speaker, the Defense Department officials are liquidating some of their business operations within the Department, and I hope that they will continue to liquidate them. It can be done under the procedure outlined in section 638, but the Congress will be conferred with before the liquidation is done. I think that this will work out. I believe the committee will give a very friendly hearing and every encouragement to any effort to get the Government out of unnecessary business.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. ARENDS. The gentleman said he hopes the Government will proceed to try to get out of business expeditiously. I think the majority of the Members of Congress agree to that. Do you think there is anything in this particular amendment that will in any way hamstring officials from doing exactly what we want them to do?

Mr. MAHON. I think not. It might be in some cases there will be some delay, but I am convinced that the Committee on Appropriations and the Congress generally will go along in getting the Government out of business, as the committee in many instances has done in the past and will do in the future. Many of the Members, of course, want to do that. In view of the circumstances, I think we can live with the section. I am certain of that. I am making these remarks in part for the benefit of the Department of Defense, and I think officials should not be discouraged in doing everything which is appropriate and in the best interest of the taxpayers and in the cause of national defense.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FLOOD], who has aggressively opposed efforts of the executive branch to reduce the Army and Marine strength.

Mr. FLOOD. Mr. Speaker, I am glad to see the conference has restored the cut made in the Marine Corps. I think, Mr. Speaker, that the House in its heart is really glad to know that the cut in the Marine Corps has been restored and that this great band of fighting men will be kept at the strength which they are today. We are just leaving them alone for at least another year. I believe that under all the circumstances, with the President himself approaching this very difficult period that he faces in this conference at the summit, his right arm is strengthened, as it should be, as we approach these difficult days. I think this has been a commendable action to know that this has been done.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Florida.

Mr. SIKES. I feel that strengthening the Marines is a most significant and important step. This great branch of the service is our first line of defense. I want particularly to pay tribute to my friend from Pennsylvania [Mr. FLOOD] for the great fight he has made to have this very thing accomplished. I think that his efforts have been outstanding, and that he, as much as any other, deserves credit for this fine step that is being taken.

Mr. FLOOD. Of course, I will listen to that all day, but under the circumstances, Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The question is on the motion.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1956

Mr. RABAUT. Mr. Speaker, I call up the conference report on the bill (H. R. 6239) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes, and I ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1031)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6239) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 15, 21, 37, 38, 39, 40, 41, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 7, 14, 29, 30, 31, 32, 33, 34, 35, 36, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$18,000,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$6,250,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$308,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,081,850"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$967,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$248,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$28,130,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,639,300"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,688,500"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$12,808,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,369,674"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$23,592,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$4,526,820"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$153,920"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,546,276"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$5,967,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$3,855,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,107,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,285,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$2,715,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,430,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$119,800"; and the Senate agree to the same.

LOUIS C. RABAUT,
OTTO E. PASSMAN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
EARL WILSON,
JOHN TABER,
Managers on the Part of the House.

JOHN STENNIS,
JOHN L. MCCLELLAN,
SPESSARD L. HOLLAND,
ALAN BIBLE,
ALBERT GORE,
EVERETT M. DIRKSEN,
MILTON R. YOUNG,
J. GLENN BEALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6239) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

FEDERAL PAYMENT TO DISTRICT OF COLUMBIA

Amendments Nos. 1 and 2: Appropriate $18,000,000 instead of $16,000,000 as proposed by the House and $20,000,000 as proposed by the Senate; and earmark $6,250,000 of the Federal payment for capital outlay instead of $5,500,000 as proposed by the House and $7,000,000 as proposed by the Senate.

OPERATING EXPENSES

Executive Office

Amendments Nos. 3 and 4: Appropriate $308,000 instead of $300,000 as proposed by the House and $364,900 as proposed by the Senate; and strike out language earmarking $50,000 for regulating the election of District of Columbia delegates to national political conventions as proposed by the Senate.

Department of General Administration

Amendment No. 5: Appropriates $3,081,850 instead of $3,021,850 as proposed by the House and $3,135,560 as proposed by the Senate.

Office of Corporation Counsel

Amendment No. 6: Appropriates $442,900 as proposed by the Senate instead of $427,000 as proposed by the House.

Compensation and Retirement Fund expenses

Amendment No. 7: Appropriates $10,036,000 as proposed by the Senate instead of $9,936,000 as proposed by the House.

Regulatory agencies

Amendment No. 8: Appropriates $967,000 instead of $958,000 as proposed by the House and $991,420 as proposed by the Senate.

Department of Occupations and Professions

Amendment No. 9: Appropriates $248,500 instead of $240,000 as proposed by the House and $253,030 as proposed by the Senate.

Public schools

Amendment No. 10: Appropriates $28,130,000 instead of $27,996,810 as proposed by the House and $28,285,968 as proposed by the Senate.

Public Library

Amendment No. 11: Appropriates $1,639,300 instead of $1,620,000 as proposed by the House and $1,641,000 as proposed by the Senate.

Recreation Department

Amendment No. 12: Appropriates $1,688,500 instead of $1,678,000 as proposed by the House and $1,694,000 as proposed by the Senate.

Metropolitan Police

Amendment No. 13: Appropriates $12,808,000 instead of $12,781,000 as proposed by the House and $12,826,000 as proposed by the Senate.

Veterans Service Center

Amendment No. 14: Appropriates $92,200 as proposed by the Senate instead of $90,000 as proposed by the House.

Office of Civil Defense

Amendment No. 15: Appropriates $75,000 as proposed by the House instead of $100,000 as proposed by the Senate.

Courts

Amendment No. 16: Appropriates $3,369,674 instead of $3,300,000 as proposed by the House and $3,374,000 as proposed by the Senate.

Department of Public Health

Amendment No. 17: Appropriates $23,592,000 instead of $23,492,000 as proposed by the House and $23,687,564 as proposed by the Senate.

Department of Corrections

Amendment No. 18: Appropriates $4,526,820 instead of $4,520,000 as proposed by the House and $4,533,640 as proposed by the Senate.

Office of Surveyor

Amendment No. 19: Appropriates $153,920 instead of $148,920 as proposed by the House and $158,920 as proposed by the Senate.

Department of Licenses and Inspections

Amendment No. 20: Appropriates $1,546,276 instead of $1,482,000 as proposed by the House and $1,589,276 as proposed by the Senate. The conferees are in agreement that of the sum appropriated $21,276 is to be used for essential repairs and replacements for the Eastern and Western Markets, and that their action on this item is based on the testimony and statements presented to the Senate committee relative to the tenants' agreement to the increased rental schedule for these two markets.

Department of Highways

Amendments Nos. 21, 22, and 23: Restore language stricken by the Senate relative to charges for electric service; appropriate $5,967,000 instead of $5,876,000 as proposed by the House and $6,057,981 as proposed by the

Senate; and provide that of the sum appropriated $3,855,000 shall be derived from the highway fund instead of $3,850,000 as proposed by the House and $3,859,981 as proposed by the Senate.

Department of Vehicles and Traffic

Amendment No. 24: Appropriates $1,107,000 instead of $1,094,000 as proposed by the House and $1,119,500 as proposed by the Senate.

Department of Sanitary Engineering

Amendments Nos. 25, 26, and 27: Appropriate $10,285,000 instead of $10,255,000 as proposed by the House and $10,291,890 as proposed by the Senate; and provide that of the sum appropriated $2,715,000 shall be derived from the water fund instead of $2,720,000 as proposed by the House and $2,703,928 as proposed by the Senate; and provide that of the sum appropriated $1,430,000 shall be derived from the sanitary sewage works fund instead of $1,445,000 as proposed by the House and $1,415,122 as proposed by the Senate.

National Guard

Amendment No. 28: Appropriates $119,800 instead of $114,800 as proposed by the House and $122,300 as proposed by the Senate.

National Zoological Park

Amendment No. 29: Appropriates $669,300 as proposed by the Senate instead of $645,000 as proposed by the House.

CAPITAL OUTLAY

Public building construction

Amendments Nos. 30, 31, and 32: Appropriate $7,544,400 as proposed by the Senate instead of $6,235,400 as proposed by the House; and provide that of the sum appropriated $3,091,900 shall not become available for expenditure until July 1, 1956, as proposed by the Senate instead of $2,459,900 as proposed by the House; and provide that of the sum appropriated $439,050 shall be available for construction services as proposed by the Senate instead of $405,050 as proposed by the House.

Capital outlay, miscellaneous

Amendments Nos. 33 and 34: Appropriate $1,260,300 as proposed by the Senate instead of $3,760,300 as proposed by the House; and provide that of the sum appropriated $360,000 shall not become available for expenditure until July 1, 1956, as proposed by the Senate instead of $2,419,000 as proposed by the House. The managers on the part of the House have agreed to the Senate reduction of $2,600,000 in the House allowance for the construction of the Youth Correctional Center with the understanding that the appropriation provided for this purpose will not delay the construction of this building to any appreciable extent.

Department of Highways

Amendments Nos. 35, 36, and 37: Appropriate $13,535,000 as proposed by the Senate instead of $11,205,000 as proposed by the House; and provide that of the sum appropriated $13,135,000 shall be derived from the highway fund as proposed by the Senate instead of $10,805,000 as proposed by the House; and strike out language proposed by the Senate prohibiting the construction of a draw-type bridge over the Potomac River and authorizing a change in the site of the bridge if agreement to that effect can be reached prior to August 1, 1955.

GENERAL PROVISIONS

Amendment No. 38: Restores language proposed to be stricken by the Senate relating to charges for electric service furnished by the Potomac Electric Power Co. to the District Government.

Amendments Nos. 39, 40, 41, and 42: Restore section numbers.

LOUIS C. RABAUT,
OTTO E. PASSMAN,
WILLIAM H. NATCHER,
CLARENCE CANNON,
EARL WILSON,
JOHN TABER,
Managers on the Part of the House.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RABAUT. For the RECORD, Mr. Speaker, I would like to submit some financial information on the District of Columbia appropriation bill for 1956 which the House has just passed.

The House considered budget estimates in the amount of $175,405,300, $134,925,600 for operating expenses and $40,479,700 for capital outlay. As the bill passed the House it provided $132,595,280 for operating expenses and $34,306,500 for capital outlay.

The Senate increased these amounts to the following figures: $134,011,249 for operating expenses and $35,445,500 for capital outlay.

The conference committee resolved the differences between the two Houses and provided the following amounts: $133,397,940 for operating expenses and $35,445,500 for capital outlay.

A table depicting congressional action on the bill is as follows:

Item	Budget estimate 1956	House allowance	Senate allowance	Conference allowance
Operating expenses	$134,925,600	$132,595,280	$134,011,249	$133,397,940
Capital outlay	40,479,700	34,306,500	35,445,500	35,445,500
Total	175,405,300	166,901,780	[1] 169,456,749	168,843,440

[1] Includes $56,720 not considered by the House.

COMMITTEE ON APPROPRIATIONS MEETING

Mr. TABER. Mr. Speaker, the Committee on Appropriations was adjourned until 11:30, but I understand they are going to meet right away and finish up some things that have to be done.

The SPEAKER. That is perfectly satisfactory to the Chair.

MUTUAL SECURITY ACT OF 1954

Mr. HAYS of Arkansas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 2090, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read through section 5, ending on line 9, page 6, of the bill. Are there further amendments to this section?

Mr. FEIGHAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FEIGHAN: On page 5, line 21, strike out the comma and the word "or" where they appear after the phrase "give such assistance", and insert in lieu thereof "and."

Mr. FEIGHAN. Mr. Chairman, this amendment involves the change of one word only; it deletes the word "or" and substitutes the word "and" in paragraph 10 of section 142 of the Mutual Security Act which appears on page 52 of the majority report.

I believe all the Members of Congress are vitally interested in making certain that all the foreign aid and assistance we give is used in accordance with the provisions of the law governing them and in the interests of the security of the United States and the free world.

This amendment has to do with making certain that the United States maintains the right to inspect the use of all assistance given to a foreign country; and, in addition, the executive branch of the Government assumes full responsibility for seeing that the right of continuous observation and review by United States representatives of the program of assistance authorized under this title are carried out.

I hope there will be no objection to the fundamental right of the United States to full inspection of the foreign-aid programs which we finance. It is quite possible that the language as it now appears is inadvertent and that due to an oversight it has not been corrected up until now.

I hope the members of the committee will accept my amendment.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FEIGHAN. I am glad to yield to the very able gentleman from Minnesota.

Mr. JUDD. I find myself in agreement with the gentleman's amendment. I hope it will be accepted.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. FEIGHAN. I am happy to yield to the very distinguished, able chairman of the committee.

Mr. RICHARDS. I think the bill as written does what the gentleman wants to do. The effect of the gentleman's amendment, if anything, is to tighten up the requirements of examination to see what is being done with this mutual security aid.

I will not object to the gentleman's amendment.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. FEIGHAN. I yield to the distinguished gentleman from Connecticut.

Mr. MORANO. I agree with this amendment. We have had testimony before our committee which indicated that some countries do not permit adequate inspection, so we do not know what is being done with our mutual assistance aid to them. I think the amendment is a good one.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. FEIGHAN].

The amendment was agreed to.

Mr. BUDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUDGE: On page 5, line 21, before the word "insert", insert the following: "; strike out the semicolon at the end of paragraph 3 and insert the following: ', and only so long as it shall waive all criminal jurisdiction over personnel of the Armed Forces of the United States stationed in such nation as a result of such treaties or agreements.'."

Mr. BUDGE. Mr. Chairman, the Members will recognize this amendment which was adopted overwhelmingly by the House, that is in principle at least, when the gentleman from Ohio [Mr. Bow] offered his amendment to the military Reserve training bill. There was objection to the language offered by the gentleman from Ohio [Mr. Bow] in that it would require renegotiation of all these treaties which we have with nations all over the world.

In that I feel that objection to have been eliminated in the amendment now before you, I wish to call the attention of the Members particularly to the language which I propose here this morning and which I hope the committee will see fit to accept. The language simply says that in order to qualify for assistance under this program, the foreign nations shall receive the assistance only so long as they waive all criminal jurisdiction over the personnel of the Armed Forces of the United States stationed within the boundaries of the nation receiving the assistance. That has been in the main the policy which has been followed by most of the nations wherein American troops are stationed.

Mr. Chairman, may I say incidentally that we have troops at the present time stationed in approximately 40 nations all over the world, most of which nations have no concept of the American form of justice, most of whom have an entirely different criminal code for punishment for different offenses, and none of whom adhere to the constitutional guaranties of a fair trial which is one of the most valuable birthrights of every American citizen. Other nations try to preserve the customs of their nations with which our personnel in the Armed Forces cannot be familiar.

In the past few years there have been some 7,400 offenses committed against the laws of other nations by the armed personnel of the United States. In all but 178 cases there has been no sentence of confinement by a foreign nation. There are as of the 1st of February of this year 58 members of the Armed Forces of the United States incarcerated in the prisons of foreign nations. This amendment is directed at stopping the imprisonment of the 58 and the ones who may be sentenced in the future.

I can think of nothing more reasonable than to say to the troops of this Nation, most of whom are draftees sent abroad against their will, that as long as you are serving under the flag of the United States we will continue to provide you with your constitutional guarantees of trial in the American way and not in the foreign way of nations to which we may send you for the convenience and the protection of these United States. I think it is entirely reasonable to expect these nations and every one of them to waive criminal jurisdiction over our boys so long as they are receiving military and financial assistance from the Government of the United States. If our assistance is not that much appreciated it should not be voted in this bill.

Mr. Chairman, I point out again that the language which is here proposed will not require the renegotiation of any treaty; it will not require these nations to agree to anything by way of treaty or agreement. It simply requires them to continue the policy which most of them have adopted in the past that when an American boy stationed in that nation is charged with a criminal offense under the laws of that country, he will be turned over to the military forces of the United States of America to receive such punishment as under our American system he may be entitled to receive.

I sincerely hope that the members of this committee will see fit to adopt the language of my amendment. It is about all that we as Members of this Congress can give to the servicemen we are sending overseas and to the families of those servicemen who remain at home. Again, may I say that I hope the committee will adopt my amendment. To do otherwise would not be to keep faith with the millions of American boys now wearing and those who will wear the military uniforms of this great Nation.

Mr. DORN of New York. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from New York.

Mr. DORN of New York. I want to join in the gentleman's remarks and endorse them. The gentleman certainly has done, I think, a great service in bringing this out today.

Mr. BUDGE. I very much appreciate the gentleman's statement.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I find myself joining with practically every other Member of this House, I am sure, in agreement as to the desire to protect American boys from unjust foreign laws when they have to go abroad either in our own forces or as instructors in connection with the forces of other countries. If this amendment is adopted, it will fly right in the face of the status of forces treaty ratified by the Senate in 1953. It is just as simple as that. Now, if American boys are being unjustly treated in foreign courts, the matter should be looked into—there is no question about that—treaty or no treaty.

Now, I thought when the Bow amendment, which deals with the same subject, was being proposed to the Reserve Act, that it was out of place in that act. I promised our colleague, the gentleman from Ohio [Mr. Bow], and also assured the chairman of the Armed Services Committee that as soon as the mutual security legislation was out of the way, I would schedule a hearing on the Bow amendment to find out the truth about this situation. We want to get to the bottom of it; to see whether our boys were being discriminated against under this act. If you put it in this act, you are practically going to stop the foreign-aid program. You are not only going to do that, but you are going to stop some of our own defense operations in certain foreign countries where we have airfields for our own strategic air force. Nearly everyone agrees that these operations are essential to the defense of the United States.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. That amendment had no place in the Reserve bill which came up the other day. It is a matter that should be worked out at once by the gentleman's committee. Whatever discrimination there is ought to stop, because we are sending some of these men over there against their own will. We should take needed action at once. This had no place in the Reserve bill or the defense bill and would tie down the use of the military in any great emergency should we have occasion to send men to different parts of the world. The treaty approved by the Senate should never have contained this provision. We should work this out and protect our American boys.

Mr. RICHARDS. I am glad the gentleman agrees with me. If it has no place in our Reserve bill, it has no place in this bill. The issue should be raised on its own merits and with an eye toward protecting the boys serving overseas. I promise to hold a hearing on that, but I do not know what the committee will do beyond that. I assure you it will not be a whitewash hearing.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Idaho.

Mr. BUDGE. I am sure the distinguished chairman of the Committee on Foreign Affairs wants to present this thing in its true light. I call the attention of the distinguished chairman to the fact that this amendment does not have the same effect as the Bow amendment. It says only that they shall receive the aid only so long as they, in fact, waive jurisdiction over our boys. That does not require any amendment by any nation. It is an accomplished fact. If they continue to turn them over to the courts-martial, they continue to receive the aid. That is all it does.

Mr. RICHARDS. It calls for us taking a different position than we did under the treaty. The issue is the same. We do not want to tack a provision on any bill of this nature when we have not taken testimony on the issues involved. We have not heard testimony from our own people, including soldiers who might have been involved in some trouble overseas. We should meet the issue squarely. I hope the amendment will be voted down.

Mr. VORYS. Mr. Chairman, I rise in opposition to the amendment.

There is going to be a meeting at the summit on July 18. One of the things I hope our leaders will point out is the continued violation by the Soviets of the 52 solemn treaty agreements that they have made.

This amendment provides that unless the nations involved in our mutual-security arrangements agree to waive their solemn treaty rights, the program stops.

Molotov in his speech in San Francisco made it perfectly clear that one of the primary purposes of Soviet diplomacy is the withdrawal of American troops from foreign bases.

These countries that are involved by this amendment—there are 11 NATO countries that have treaties and there are 6 agreements other than treaties in other areas—they are not going to waive in toto their right to any criminal jurisdiction whatsoever over American forces, when they are on leave and when they are out among their civilians, and so forth. So that the result of this amendment would be to stop the aid, or at best a threat to stop the aid through a unilateral requirement of a change in a solemn treaty obligation. The result might be as Molotov desires, to require withdrawal of our troops from countries because they cannot have the consideration that this amendment would require them to have.

This is a difficult question. Of course we want our American boys to have a fair trial. The status-of-forces treaties were designed to require that. There are many cases which the status-of-forces treaties do not cover. The jurisdiction which foreign countries will have over Americans is limited to offenses committed off duty and not against other Americans in the Armed Forces or civilian components. American jurisdiction is retained for offenses against the property and security of the United States and against the person or property of another member or dependent of the United States Armed Forces or civilian components.

But under these treaties the American on trial in a foreign country will have all the rights to which a citizen of the country in question is entitled. Specifically, according to the treaties, he must be accorded such rights as a prompt and speedy trial; to be confronted with the charges and witnesses against him; to subpena witnesses in his own behalf; and to be represented by counsel, to have an interpreter, and to communicate with his Government.

The chairman of the Committee on Foreign Affairs has agreed that the Bow resolution which is directed to this matter shall have prompt study by our committee. Obviously there could not have been such a study in the past few weeks when we have been wrestling with this bill. I had understood that it was agreed by proponents of this amendment that that sort of study is the right way to approach this knotty matter, the proper way to consider whether Congress, by a law, abrogates a treaty; as to whether and how we should attempt to express our views as to what should be done by the House to provide security for the individual Americans in the Armed Forces, along with security for our country. I am perfectly confident that the wrong way to consider this knotty question is to put into effect at a time like this a requirement of a waiver of solemn rights when we are at the very summit going to have as one of our bases of criticism the refusal of the Soviets to recognize and honor their treaty rights.

I hope the amendment will be defeated.

Mr. DODD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when the Bow amendment to the Military Reserve bill, which is essentially the same as this amendment, was before this House, I spoke in favor of the Bow amendment. I have not changed my mind in any respect about the need for correction and change in these treaties. I have some grave doubt, however, that this is the place to do it. I do not believe we can best attain our objectives by writing this amendment to this bill at this time.

We were told when the matter was raised as we were considering the Military Reserve bill that it did not belong there. I do not know where else it would better belong than in a Military Reserve bill. I expect that if an effort is made to put it into other related legislation we will always be told it does not belong there. These are superficial objections. But it obviously belongs somewhere and to end such kind of objections, I think the chairman of our committee has adopted the right course of conduct. He has told the people who are interested in this corrective legislation that our Committee on Foreign Affairs will hear this matter and look carefully into it. I am satisfied that is the right way to proceed, and I hope the House will not approve this amendment today, but rather let the matter come before our committee in the form of the resolution offered by the gentleman from Ohio [Mr. Bow]. Then we can have hearings and we can get to the bottom of the matter. I assure the gentleman I shall do everything I can to see that we do get a thorough and complete hearing and that we get an opportunity to do something about this outrageous situation.

This started back in 1951 when we negotiated the first of these treaties, and it has grown apace ever since. There is no sense in it at all. There is no sense in a great Nation like ours acting in this fashion. Our people are entitled to the protections of the Constitution of the United States when they are abroad helping to defend us and our friends. When we ask them to go out of this country not of their own choice but at the command of the Government, I see no reason in the world for not making doubly sure that their constitutional rights are protected. That is essentially all this amendment does and all it wants to do. That is what the Bow resolution wants to do, and I think we can get somewhere with it in the Committee on Foreign Affairs at a later date.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. DODD. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. If this does come before the committee separately, just what kind of penalty would you hang on it to make foreign nations respect it? If we do not limit the foreign-aid bill by making them keep our boys out of the criminal courts, if we do not tack this provision onto the Military Reserve bill, what sort of penalty will there be? A law is not worth anything unles there is a penalty for its violation. What do we propose to do about it?

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. DODD. Let me answer the question of the gentleman from Missouri and then I will yield to the gentleman from Ohio.

Mr. CHRISTOPHER. I am asking for information, I am not heckling.

Mr. DODD. I understand that and I am glad to answer the question.

I do not consider this to be legislation that requires a penal provision. What we are trying to do here is bring to the attention of the executive department of the Government, and of the other body, the fact that there have been treaties negotiated and signed on the part of this Government with other governments which we feel should never have been negotiated and which never should have been signed and which the executive department should promptly take steps to correct. I think that is all we can hope to do, because constitutionally the responsibility for treaty making does not rest with us, it rests with the Executive, with the approval of the other body.

Now I yield to the gentleman from Ohio.

Mr. VORYS. While it is true that we have only the Bow resolution before our Committee on Foreign Affairs, if our committee sponsors the resolution and then determines after thorough examination that an amendment to the law is the way to reach this, a bill could be introduced. Is not that correct?

Mr. DODD. Yes.

Mr. VORYS. Our hands are not tied merely because we make a study of such a resolution.

Mr. DODD. I quite agree. That is why I think the better way to do it is for the Bow resolution to come before the committee.

Mr. VORYS. I thoroughly agree with the gentleman.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I think that probably the turn of events which we are witnessing here will result in a situation which will be on the plus side. Since these status-of-forces treaties have been negotiated and ratified by the other

body, there have been many things said and written in this country with respect to those treaties and the treatment accorded to American civilians and servicemen abroad by reason of the treaties. I recall very well the very eloquent speech by the gentleman from Connecticut in favor of the Bow amendment when we had the Reserve bill before us previously. As he has indicated, and I think it is entirely proper, the House Committee on Foreign Affairs should make a study of these treaties and find out just what substance and importance there may be to some of these charges that have been made. Here is the situation which immediately confronts us with respect to this amendment.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. BUDGE. Suppose that the House Committee on Foreign Affairs studies this, would the gentleman from Indiana take the position that the House can pass legislation which would change those treaties?

Mr. HALLECK. The gentleman has asked me the question and I shall undertake to answer it. I do not think, although I have not gone into it carefully, that legislation by the House of Representatives could change the situation. But this is what I would like to point out. I think every one of us ought to understand that, whether you like the status-of-forces treaties or not, and whether you think they are good or bad, they are solemn obligations negotiated by the executive branch of our Government and ratified by the other body by a vote of 72 to 15. These treaties run until 1958, if I remember correctly, when they will be subject to reconsideration. Certainly, if they are solemn obligations of the Government of the United States, then this is no way, as I see it, to undertake to nullify them. If I understood the gentleman from Idaho correctly, and he knows he has no better friend in the House of Representatives than he has in me, because I hold him in high esteem and respect, if I understood the gentleman correctly he contends that since this only requires a waiver of provisions of the treaty that it does not impose any new obligations. As I read this amendment, it would require not the individual waiver which he says has been accomplished in all but 178 cases out of 7,416, but it would require a blanket waiver of the treaty obligations. To my mind, that could only mean that if a nation where we have troops stationed, as has been pointed out, and where we may have Air Forces stationed in positions of extreme importance to the defense of our country, if such a nation refuses to grant that blanket waiver, then, as I see it, there will be no alternative for us but to pull our forces out of that area.

That could seriously, vitally, and adversely affect the defense of our country. Three-quarters of the money provided in this bill which we are presently considering is for direct military assistance, direct military operation, or defense support bearing on the security of this country. So, we approach the matter, as I see it, on the basis of the defense of our country.

If one is against the whole program, or if he is against the whole Reserve bill, then I suppose that on occasion he might be led to say: "Well, if the adoption of this amendment kills the program, as far as I am concerned it is all right." Perhaps that would be the legitimate way to do it. I would not quarrel with anyone who took that position; but, on the other hand, if you believe that this program is essential to the defense of our country, and I happen to believe that these off-shore operations in this day of airplanes flying 700 and 800 miles an hour, is vital to our defense—if you believe that, as I do, then I say that we ought not destroy the program. I yield to no one in my solicitude for the men in our Armed Forces or our civilians, wherever they may be.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent (at the request of Mr. RICHARDS) Mr. HALLECK was granted 1 additional minute.)

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. RICHARDS. Aside from the point that many of us consider this program to be essential to the security of the United States, is it not a fact that at the coming Big Four Conference there very probably will be discussed the repudiation of agreements and treaties that have been solemnly signed by certain groups of nations in the world? What kind of position would we be in if we said by legislation of this kind, in effect violate the spirit of the law of our land. The Supreme Court has held that treaties are the law of the land.

Mr. HALLECK. I think it would seriously jeopardize the strength of our position. I agree with the gentleman that through recent years one of our major complaints has been the people with whom we have made treaties have failed to keep those treaty obligations.

I wish to commend the chairman of the committee for saying that he will hold these hearings. I think it will be good for the country. It will develop a better understanding. Let us get some of these cases before us and find out whether our boys have been unjustly punished, whether their rights have been violated, and then we will have the true story.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK] has again expired.

Mr. BAILEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Idaho [Mr. BUDGE]. One of the 58 cases outlined by the gentleman, of where American troops are serving prison terms, is the case of Pvt. James S. Scarf, of Mount Clare, W. Va. In this instance he is serving 5 years at hard labor in Japan on a charge of unarmed robbery, a much more severe penalty than he could possibly receive if he were tried in the civil courts of his own State of West Virginia.

The distinguished gentleman from Connecticut [Mr. DODD], in discussing this matter, charges the State Department with responsibility for negotiating certain treaties that contain this provision, and suggests there is little the House can do about it.

The distinguished gentleman from Indiana, the minority whip, says the House is powerless to do anything about it in the way of legislation. That leaves us only one alternative, Mr. Chairman, and that is that we do something about it today.

They suggest that the authority of the executive department is supreme in the question of treaties and that authority rests with the United States Senate to approve those treaties—I speak of the Senate, I should refer to it as "the other body."

Let me remind you that the House of Representatives is a part of the Congress and controls the purse strings. If we desire to attach a proposal to this authorization for an appropriation I think it is perfectly within the right of the House to do so and I think they should do so. For that reason I propose to support the amendment.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. DIES. Does the gentleman believe that the donor has the right to attach any condition he sees fit to the donation?

Mr. BAILEY. That is right.

Mr. DIES. If the foreign countries do not want this money we are so anxious to let them have, they can reject it; there is no hardship, so there is no violation of treaty; is there?

Mr. BAILEY. The only thing they would have to do is to quit trying our boys in their civil courts.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I am just wondering if any of these gentlemen over in the other body who approved this agreement ever visited a Japanese jail or jails in Western Europe where the gentleman's constituent is serving, and inspected conditions there before they put their names to this kind of agreement.

Mr. BAILEY. I doubt very seriously that they did.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the author of the amendment.

Mr. BUDGE. There has been considerable comment here by the chairman of the committee and the gentleman from Indiana. I have the highest regard for both the gentlemen. They argue that the adoption of this amendment would in some way abrogate these treaties. It would do no such thing. The amendment provides simply that if in fact these countries live up to the proviso written here then they shall continue to receive the foreign aid; if they do not, then, of course, it would be cut off; but it does not require an agreement, does not require the abrogation of any agreement; it simply requires that

an additional condition be placed upon the country in order that it receive this aid, that they not try our boys in their courts.

Mr. BAILEY. And that condition is that they desist from their present practice of trying American military personnel in the civil courts of their country if they want to participate in this aid program.

Mr. BUDGE. That is exactly true; and most of the countries have not seen fit to try our boys in their courts; it is only a minority of the countries that have done so.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield.

Mr. HALEY. Inasmuch as this aid is going to India and other countries in that area of the world, what if one of our boys should kick one of the sacred cows of India; do you suppose the courts there would be as lenient, for instance, as the courts of our country?

Mr. BAILEY. They probably would shoot him at sunrise or burn him at the stake.

Mr. RICHARDS. Mr. Chairman, I want to see if we can reach an agreement as to time. A great number of Members will have to go to lunch around 1 o'clock or something like that. I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Chairman, I object and offer a preferential motion.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Chairman, I object and offer a preferential motion.

The CHAIRMAN. Objection is heard.

The Clerk will report the motion.

The Clerk read as follows:

Mr. GROSS moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. GROSS. Mr. Chairman, we are getting another treatment here today from people who say that in principle they are for something but want some committee to give it a little more study. Let us be in principle for something they say, but let us deal in words and not in deeds. The anticolonial amendment came up for consideration yesterday and everybody was for it in principle, including the members of the Committee on Foreign Affairs, but it was a different story when the vote was taken.

The gentleman from Indiana came down in the well of the House a few minutes ago and supported the committee in opposition to the amendment offered by the gentleman from Idaho. I well recall a day about a year ago when the same gentleman from Indiana came down to the same well of this House and supported a bill to provide, believe it or not, that American servicemen or civilians, once returned to this country after having perhaps committed a misdemeanor in some foreign country, could be returned to that country for trial and imprisonment. The House defeated that bill overwhelmingly.

Mr. Chairman, I want to compliment the distinguished gentleman from Idaho on the amendment which he has offered and which I wholeheartedly support.

It is unthinkable that the NATO Status of Forces Treaty, with its criminal jurisdiction provision, and similar agreements, were entered into in the first place, and as long as they remain in force the Constitution of this Republic has been rendered meaningless as far as many of our servicemen are concerned.

It is interesting to note the discussion in the other body 2 years ago—on July 14, 1953—when that body was in the process of ratifying the NATO Status of Forces Agreement. Assurances were given that this was not setting a precedent. We were to have such an agreement only with the other NATO countries, no one else.

On page 8730 of the CONGRESSIONAL RECORD for July 14, 1953, appears the following statement by the chairman of the Foreign Relations Committee of the other body:

As an additional step, the committee is recommending that the Senate attach to the resolution of ratification a statement that, first, the criminal jurisdiction provisions do not constitute a precedent for future agreements.

And on pages 8738 and 8739, the acting majority leader of the other body said:

The Committee on Foreign Relations made it very clear during the course of the hearings, it seems to me, that so far as we were concerned it is not to be considered as a precedent for future agreements.

Well, what are the facts? Did the NATO Status of Forces Treaty set a precedent? I am confident that many Senators voted for ratification of the treaty at that time only because of the assurances that it would not set a precedent. But, Mr. Chairman, the NATO Status of Forces Treaty did set a precedent.

Since that time, and through agreements which have not required ratification by the other body, we have entered into similar pacts with at least four other countries.

I say at least four other countries, because for reasons best known only to the State Department, information on what the diplomats in the Department call "arrangements" with several other countries is not available to Members of Congress or the American people.

Replying to my inquiry concerning agreements which allow American servicemen to be tried in foreign civil courts, a State Department official told me, among other things:

The United States has concluded a few other arrangements, but which, in the national interest, are classified.

In other words, we are told that it is not in the national interest for Members of this Congress or the American people to know the exact number of countries in which our servicemen can be hauled before a foreign judge and tossed in a foreign prison.

Getting back to the four other countries which I know of, besides the NATO countries, our servicemen are subject to trial in the civil courts of Japan, Saudi Arabia, Libya, and Iceland.

There is another interesting aspect to the debate in the other body on July 14, 1953. On page 8779 of the CONGRESSIONAL RECORD for that date there appears the text of a letter which the acting majority leader inserted. I quote the second paragraph of the letter:

I can certainly appreciate the concern of those who fear that these agreements might subject American soldiers overseas to systems of criminal justice foreign to our own traditions. I do not share such fears, however, because of the many years' experience I have had in command of American troops overseas. That experience convinces me that our friends abroad will continue to cooperate, as they have in the past, in turning over those charged with offenses against their laws to our own military courts for trial.

According to the CONGRESSIONAL RECORD, that letter was signed: "Sincerely, Dwight D. Eisenhower."

Have our so-called allies cooperated with us? Have they turned over all of our servicemen to our own military courts for trial?

The Department of Defense has reported that as of February 10, 1955, there were 58 American servicemen in the prisons of 5 foreign countries, serving sentences ranging up to 15 years.

Mr. Chairman, I am convinced that the sentiment of the American people is strongly opposed to these agreements, and rightly so.

The criminal jurisdiction provisions of the Status of Forces Treaty and similar agreements are unprecedented in the annals of international law; they are contrary to the doctrines of our constitutional law. All such agreements should be renounced, and jurisdiction returned to our own military authorities in cases where American servicemen commit offenses in foreign countries.

Certainly we owe at least this much to the young men of America who will be called upon, if necessary, to fight and die to defend the Constitution of this Republic.

Mr. Chairman, I urge all Members to support the amendment offered by the gentleman from Idaho.

Mr. LONG. Mr. Chairman, it's easy to become frightened here in the House listening to the buildup which is calculated to stampede one into accepting a proposal which otherwise would be out of the question. Every time a bill connected with the military comes up, we hear a lot of talk about the dire consequences to befall us if we do not go along with some idea to appease a foreign country, some idea to ingratiate ourselves. Well, I will tell you that I have never been afraid when it comes to a measure designed to protect and care for our boys here at home or abroad. I cannot help but wonder about this business of a fair trial. It seems to me that history is full of persecution which played a strong part in the establishment and growth of our own wonderful America. It played a strong part in establishing the freedoms which are so

cherished by all Americans. Our sons have been brought up to understand and respect the rights of man and to know their own personal rights and liberties are secure. I say it's a breach of faith to turn our sons loose upon the mercy of courts which have a history of intolerance and persecution; a history of precedents quite different from ours here in America—of concepts of jurisprudence far removed from what we know and understand here in America. After all, our soldiers are United States citizens and as such entitled to the rights and privileges of our citizens. I say we are violating their birthright to turn them over to the courts of foreign lands to mete out their brand of justice which, in many instances, is strange and harsh far beyond what we can understand. We talk about our soldiers having a fair trial for infractions of the law. Oh yes! In some of these countries they do not understand the meaning of the word fair. How many will be faced with their accusers? How many will have a jury trial of 12 of their peers? Will they be presumed to be innocent until found guilty, or the opposite? These nations have their hands out for our money and they do not hesitate to grab all they can get. As far as I am concerned, those countries will have to come to us insofar as the treatment of our soldiers is concerned and let them understand that our soldiers shall have their full rights as guaranteed to each of our citizens by the Constitution.

Any soldier would prefer to stay in America, to stay at home with his wife and loved ones, but they do answer their country's call and give so much to the protection of our liberties and freedoms. The very least we can do is to protect their rights as citizens of the United States.

It is not uncommon to infringe upon some law or regulation. Few of us are not guilty of some infraction, even though it may be of an innocent and inconsequential nature. We may fail to give a proper turn signal in traffic or exceed a legal speed limit by a few miles or any of a multitude of laws, but so often we are not deliberate and antagonistic toward society in so doing, rather we are careless. Our brand of justice considers these things as they actually are, but how about foreign countries? I certainly will not vote to hand our boys over to a type of justice that is more often than not strange and harsh and illogical. Our servicemen are precious to every father and mother in America. It can be understood to send them abroad to better build our defenses. God forbid that the time will ever come when we cannot get an Army of real Americans to defend our country any place on earth. I am willing to go and so are you. Our boys in the service are measured and not found wanting; let us not be found wanting in seeing that they are fully protected and not deprived of their birthright—the freedoms upon which the greatness of our Nation is founded.

Listen to this: You say wait until some other time; any law you pass here will have no effect on a treaty made by the Senate and the President of the United States. So, why wait? A place like this to me is about the only place on earth that you can put an amendment in, that you can pass a law that will be effective, and you will get the job done. I beg of you—my friends, I beg of you to look at this realistically. Do not stand here today and then go home and look our boys in the face and say that we in the Congress of the United States refused to give them a fair trial in foreign countries. We took them there to defend the country, but we will not stand behind them. You can say for one man, I will never vote to do anything else but stand behind them.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Iowa [Mr. GROSS].

The motion was rejected.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if I had not heard so much law quoted here, I do not think I would have attempted to say anything. But I have often said in this House that I am a lawyer, and a good one; and from what I have heard here, I think I am better than I thought I was.

A treaty takes the same position as a law; no higher position, no lower position. Any treaty made by this country, approved by the Senate, can be abrogated by an act of Congress. You do not need any Bricker amendment to do away with the charter of the United Nations, because if you had Members of both Houses, sufficient in number, to pass a law to get rid of it, you could do it. The Supreme Court has decided that time after time.

In this case, all I want to know—I do not want an investigation—all I want to know, is do we have soldiers in foreign countries, and how were they sent there? I think it is safe to say that in the 40 countries where we have soldiers today, not a single soldier was sent there with his consent. I very much doubt whether under the Constitution you can send a man to a foreign country unless there is a declaration of war against that country. But if these men are sent there against their will—certainly not with their consent—do you not suppose those countries wanted them there? Are we filling these countries with soldiers just because we want to do it? Is there a demand on the part of those countries to have us there for their own assistance?

Now, having these men there, do you want them tried by the courts of those countries? I think the gentleman from Louisiana [Mr. LONG] made a very fine statement on how they would be tried. They are not to be tried under our Constitution or any other constitution except the constitution, or the absence of one, in the country where they would be tried. And if one of our boys accidently killed a cow in India for something to eat, he would receive the death sentence.

It seems to me that Congress can say at least whether they approve that kind of program or not.

Mr. Chairman, you have the right to change that kind of a treaty right here today, if you want to.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. As I understand it, this amendment would not violate any treaty agreements in view of the fact that it would be merely a condition precedent to these countries receiving handouts from the United States, is that not right?

Mr. BURDICK. That is right. But my position is, if they want to change the treaty, I am willing to change it here this afternoon, because the Congress of the United States can change any treaty. People have asked me, "Why do they not get rid of the Charter of the United Nations?" I get several letters every week asking that question. I have said that there is only one reason and it is a simple one; because there are not enough Members in the House and the Senate who see it the way I see it.

I am in the minority. I appreciate that because I have been in the minority all my life. And I expect in the hereafter I may find the same situation. And there are a lot of people I see here now that I do not expect to see in the hereafter.

You are going to interfere with your top-level meeting in a few days with Russia and some other countries. Have you not played around long enough with Russia to know that their word is not as good as a page out of a Sears Roebuck catalog? I would not believe them if I had a six-shooter right on the pupil of their right eye. You are not going to get anywhere with that kind of people. Suppose they said, "Yes." Suppose they agreed. What good would that do? There is only one thing they understand, and some day they will understand it from us. We have tickled them under the chin and we have followed them home and we have bought them lunches until they think we are just the way we act, and we act just the way we are. But that sentiment is going to be changed some day. We are going to tell the Russians where we stand, and then we are going to stand there.

Why, Lenin, Trotsky, Stalin, they all said it is ridiculous to feel that communism can live alongside of capitalism. They say it will be all one thing or all the other. Now they are talking peaceful coexistence. It is another scheme like they had for peace, talking peace with a shillelagh in one pocket and a gun in the other. I do not believe in temporizing with that kind of people.

You might say, "Well, you might be fomenting war, because they would not take you, you could not fight." Well, I'm sure I could, but when I fight I am going to fight for this country and the Constitution.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I appreciate what the chairman of the Committee on Foreign Affairs has said in the promise that the Bow resolution, House Joint Resolution 309, will have hearings, and I believe when those hearings are had we will be able to submit testimony and facts that will astound this country. Nevertheless, I still feel that this amendment, offered by the gentleman from Idaho [Mr. BUDGE] which is somewhat similar to the

amendment offered to the Reserve bill, is a better amendment than the one that was in the Reserve bill, because what he does by his amendment does not call for a change in the status-of-forces treaty, he simply asks that these countries that receive this aid will waive the criminal jurisdiction over our armed forces abroad, something that has been going on for a long time and is going on today, but it will prevent those cases where constitutional rights will be taken from the American armed forces.

It has been suggested here that we have bases in the world to protect this Nation. That is true. But do you suppose any of those nations would set up those bases on their soil if they did not believe that the bases' being there is to protect them as well as the United States? None of them would let us have bases there solely for our own protection. They are there for the protection of those countries.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Indiana.

Mr. HALLECK. Will the gentleman agree with me that in recent years we have had extreme difficulty in convincing some of these countries that they ought to let us establish those bases?

Mr. BOW. There may be some such cases, but if there are, then when we have spent billions and billions of dollars under these programs we have poured down the drain, because if they are not willing after the billions we have spent to permit us to set up bases to defend them as well as ourselves, then we have made a mistake in the past. I see no reason why we should continue that mistake and permit our men to serve without the protection of the Constitution.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I just want to straighten this out with the distinguished gentleman so that the House will understand. Was I correct in saying that the gentleman agreed not to offer his amendment to the Reserve bill if I would assure him that hearings would be given on his resolution, and that the gentleman felt the matter should be considered on its merits and separate from these two bills?

Mr. BOW. I said to the gentleman I felt it would be proper for the Committee on Foreign Affairs to conduct the hearings and that that would take away and answer the argument against the amendment on the Reserve bill. That is correct.

Mr. Chairman, I would just like to cite one case, and I have many of them. This is the case of a man by the name of Jose Montijo, who is now in jail in France. The record shows that he was in a fight which came about, perhaps, as a matter of self-defense on his part. That man today is charged with murder in France. The Communist press throughout France is today demanding that that boy be guillotined. Imagine an American soldier wearing the uniform of this country under the pressure that he might be guillotined. If you will read the records of the courts and the trials in France, if you will read Time magazine, just a short time ago about French justice, then see whether you would want to send any of the men from your district or any district in this country to a court in France to be tried with a French Communist press demanding throughout that area that the man be guillotined. That is cruel and inhuman punishment. Our Constitution says that we shall not have it. Do you argue that that man is receiving the rights and privileges of our Constitution when throughout that country a certain segment of the press—the Communist press—is demanding that kind of punishment? I say to my colleagues, it is time we took a firm stand, a stand in which we defend the Constitution and defend those of our armed services who are assigned abroad against their wills.

Mr. RICHARDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since the gentleman used as an illustration the case of a crime which was committed in France, I just would like to call the attention of the House to a few figures. Of course, this does not deal with the immediate question at issue confronting us. The real question is whether or not an amendment of this kind should go onto this particular bill, not the merits of the Status of Forces Treaty. Still I want to pass on this information to the House. The record from the executive department shows that in such capital offenses as murder, manslaughter, and rape there have been 90 American soldiers involved, and there were no verdicts of capital punishment or any cutting off of hands. There has been no sentence of death or no sentence of life imprisonment. In 46 of the 90 cases, sentence was suspended and the maximum sentence imposed in the other 44 was 3 years and 1 month. That is the history of that situation. The average sentence was approximately 3 months.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I cannot yield just now.

Mr. GROSS. Mr. Chairman, I make a point of order. Is the gentleman from South Carolina speaking twice on this? The gentleman has offered an amendment to the amendment.

Mr. RICHARDS. I will yield to the gentleman in just a moment. I have a few more minutes of time, and I would like to get an agreement on time.

Mr. Chairman, I ask unanimous consent that all debate on this amendment, and all amendments thereto, close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Chairman, reserving the right to object, do I understand that the gentleman from South Carolina has offered an amendment to this amendment; and, if so, has it been read?

The CHAIRMAN. The gentleman from South Carolina offered an amendment to the amendment by moving to strike out the last word, which is a very common practice in the House.

Mr. GROSS. I thought the gentleman had moved to strike out the last word on a previous occasion.

The CHAIRMAN. No, the gentleman from South Carolina rose in opposition to the pending amendment and now has the floor on a pro forma amendment, which is entirely in order.

Mr. GROSS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. GROSS. The gentleman does not deny that these extreme penalties could occur; does he?

Mr. RICHARDS. Yes, technically they could occur.

Mr. GROSS. In other words, the gentleman is saying that they could occur.

Mr. RICHARDS. But in the light of what has happened, I believe they will not occur. If they did, I am sure we would do something about it.

Mr. GROSS. Of course, that is again an assumption on the part of the gentleman.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Idaho.

Mr. BUDGE. Of course I do not know where the gentleman obtained his figures, but the Department of Defense information which I have is to the effect that as of February 1955, there were 58 American servicemen in prison in foreign countries, as a result of sentences, and that those sentences went up as high as 15 years. I think that is the record of the Department of Defense.

Mr. RICHARDS. There is one statement I made that I would like to correct. The figures I had were up to December 1, 1954. There may have been some since then, but I still stand by my statement, and this information comes from the State Department, that the average sentence imposed for capital offenses was 3 years.

The CHAIRMAN. The Chair recognizes the gentleman from Wyoming [Mr. THOMSON].

Mr. THOMSON of Wyoming. Mr. Chairman, I do not expect to take the full 5 minutes. I know we are anxious to vote on this. But a remark was made that I cannot leave unattended. That remark was that we had better think of us. I feel an obligation to call this to the attention of this House, that it is about time we think of them a little bit, too.

The division of which I was a member on V–E Day in 1945 moved from the Alps down into Trieste. We were sent down there so that if anybody got killed it would be an American. We were sent in there and we did not get the proper protection of this Congress or any part of the Government. We were told that we could not carry a gun, while they were shooting at us every day after V–E Day.

After that I went to Verona. You were not safe on the streets at night for fear of getting mugged or shot at. I

know it, because I was there. From correspondence that I have had since and from other parts of the world that situation has been mitigated, but it still exists.

I am not going to vote to send any American boy over there against his will to be tried by anybody except an American court. Furthermore, I think he is entitled to some of the rights that he fought to preserve for America.

I hope we will think of them instead of thinking of us.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from California.

Mr. McDONOUGH. Will the gentleman not agree that Armed Forces sent to foreign countries would have greater inspiration and better morale if this were the law of this country than without this kind of law?

Mr. THOMSON of Wyoming. Do you mean if this amendment is agreed to?

Mr. McDONOUGH. Yes.

Mr. THOMSON of Wyoming. I certainly do. I think a man would be justified in refusing to go unless he has the protection of what he has fought for.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. DORN of South Carolina. Does not the gentleman agree with me that this ought to be in the Reserve bill, the foreign-aid bill, in every other bill that we pass, so that the world will know how America stands?

Mr. THOMSON of Wyoming. I certainly am sympathetic to the idea, and I voted for this on the Reserve bill. I think the Reserve bill is necessary to the defense of our country. I do not think we can get at it as a practical matter, however, in that way. But here is the way we can do it. We are not abrogating any treaty. We simply say: "If you want to participate in this money that is being handed out, recognize the constitutional rights of an American citizen."

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Iowa.

Mr. GROSS. I have obtained some information on trials in Japan. I cannot divulge the source of the information for obvious reasons. Here are a few brief points:

First. Prolonged trials.

Second. Presentation of indictment to accused on the first day of trial in some cases, and not before.

Third. Court-appointed lawyer unable to speak English and converse with the accused, and additionally, the seating of the accused's counsel unduly far away from the accused in the courtroom.

Fourth. Japanese judge asleep in court—during trial.

Fifth. Accused was, before trial began, not confronted by witnesses against him.

These things and more are sworn to in the reports by the American representative at all of these trials, who, in stating these things, admits that he did nothing to correct these wrongs he saw happening.

Mr. THOMSON of Wyoming. I thank the gentleman. May I say in answer that we considered ourselves to be lucky to be serving in Europe rather than in the Asiatic theater.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield.

Mr. BUDGE. I simply want to reiterate to the membership that this amendment does not abrogate any treaty of the United States, nor does it require these nations to enter into any new agreement with the United States; it simply means that so long as they do not put our boys on trial in their courts for criminal offenses under their law that they will continue to receive foreign aid, and that at such time as they do start the practice of putting our boys on trial in their courts and putting them in their jails which, incidentally, are nothing like the prisons in the United States, then they shall receive no further aid. That certainly is not an abrogation of any agreement with the United States, and it calls for no affirmative action on the part of the signatory powers except that they not initiate the trial of our servicemen in their courts and their confinement in their prisons.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Indiana.

Mr. HALLECK. I dislike very much to continue my discussion of the interpretation of the language of the amendment. However, if the treaty is deemed desirable by any nation where our troops are stationed, then under this amendment they would have to forego the end result of the treaty so far as they are concerned, in order that the cooperation or mutual assistance involved in this bill could be carried out. Therefore, it would seem to me that it might work for the destruction of the program.

Mr. THOMSON of Wyoming. It seems to me that would not be entirely undesirable.

The CHAIRMAN. The gentleman from Arkansas [Mr. HAYS] is recognized for 5 minutes to close the debate on the pending amendment.

Mr. HAYS of Arkansas. Mr. Chairman, I voted for the Bow amendment when it was presented in debate on the military reserves bill. I refer to that only to indicate that I am not indifferent to the arguments that have been advanced regarding the protection of our fighting men abroad.

It is to the glory of America that we are determined to protect the rights of our men wherever they go. If we ever should allow ourselves to become insensitive to these interests something very precious would go out of American life.

But I think, studying the situation from a technical standpoint, having listened to the gentleman from Ohio [Mr. BOW] and to the gentleman from Connecticut [Mr. DODD] in their comments on the amendment, that I speak for the overwhelming majority of the Foreign Affairs in contending that the amendment would jeopardize our defense program.

The gentleman from Idaho [Mr. BUDGE] is not for the foreign-aid bill. The gentleman from Iowa [Mr. GROSS] is not for the foreign-aid bill. I am. I am for it because I believe that the defense of our country requires it, so it is quite immaterial from their point of view to describe the serious effect on the foreign-aid program that may follow the adoption of the amendment.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I will yield to the gentleman if he wants to correct my statement.

Mr. BUDGE. I would simply like to call the gentleman's attention that the basic act here——

Mr. HAYS of Arkansas. Have I misquoted the gentleman? Does the gentleman favor the foreign-aid bill? Does he propose to vote for it even if his amendment is adopted? If I have misquoted the gentleman I yield for a correction.

Mr. BUDGE. I do not know that I am called upon to reveal how I shall vote, but I am happy to inform the gentleman that I shall vote against the bill. I believe, however, that more Members would be for the bill if this amendment were included.

Mr. HAYS of Arkansas. I was glad to yield for the gentleman's statement.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I may say to the distinguished gentleman who offered the amendment and also to the gentleman from Iowa who quoted certain facts in regard to cases in Japan, that that is the very information we want. I do not know where his information came from; he said he could not divulge its source. Be that as it may, that is one of the very things this committee is interested in; but it is a matter that should be fully reported to the Congress and acted on independently of this bill.

Mr. HAYS of Arkansas. Mr. Chairman, I thank the gentleman. I want to embrace the argument on the legal question that was advanced by the gentleman from North Dakota [Mr. BURDICK]. While we do not agree on the amendment we do agree about the law. Of course, treaty law is the law of the land until changed by the Congress. Whether it should be changed or not is for the Congress to decide and various factors are to be considered. But there can be no question as to the propriety of the Foreign Affairs Committee following out the promise that our chairman made to the gentleman from Ohio [Mr. BOW] that these questions ought to be considered. And relief, if needed, conceivably would call for enforcement rather than changes in the treaty.

When the Senate approved the status of forces treaty, it wrote language in paragraph 9, article 7, which gave assurance by other nations, as well as assurances given by us, regarding the conduct of trials and the guaranty of due process of law so far as servicemen are concerned. Not only that but the Senate required the President to report to the Congress any irregularities. Under this Senate action we have had one report by the President indicating a fine of $50

was wrongly assessed. The fine was returned to the man and an error conceded by the host country. We want to know more about it. I think the House has had all the assurances it can expect from our distinguished chairman when he stated that this matter will be considered.

The gentleman from Indiana [Mr. HALLECK] offered the compelling argument when he said that troops conceivably would have to be withdrawn that are important for our defense. I do not know how Denmark, for example, feels about our troops in Greenland, but I know that under the proposed amendment if they refused a waiver we would have to withdraw the troops. These troops would have to be withdrawn from one of the most strategic points in all the world.

For the reasons stated, in view of the grave implications and the serious results, I hope the committee will not approve the amendment offered by the gentleman from Idaho.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. BUDGE].

The question was taken, and the Chair being in doubt, the Committee divided and there were—ayes 83, noes 103.

Mr. BUDGE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. BUDGE and Mr. RICHARDS.

The committee again divided; and the tellers reported that there were—ayes 111, noes 129.

So the amendment was rejected.

The Clerk read as follows:

SEC. 6. Title II of the Mutual Security Act of 1954, which relates to development assistance, is amended as follows:

(a) (1) In section 201 (a), which relates to authorization, strike out "South Asia" in paragraph 2 and insert "Asia"; before the period in paragraph 3 insert "and to assist in maintaining economic and political stability in the area"; and in the last sentence change the comma after the word "specify" to a period and strike out the balance of the sentence.

(2) Add to section 201 the following new subsection:

"(c) There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed $73 million, $71 million, and $38 million to furnish assistance under paragraphs (1), (2), and (3), respectively of subsection (a) of this section."

(b) In section 202 which relates to administration, add at the end thereof the following new sentence: "The authority provided in section 307 may be exercised for purposes of furnishing assistance under section 201."

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 6, in line 17, strike the word "and" and all that follows down to and including the period in line 19, and insert the following: "and in lieu of the last sentence insert the following: 'Such assistance may be furnished on such terms and conditions as the President may specify and shall emphasize loans rather than grants wherever possible.' "

Mr. VORYS. Mr. Chairman, this amendment requires the Administrators of this program to emphasize loans rather than grants wherever possible in the furnishing of development assistance. I intend to offer a similarly worded amendment to the Asian development fund provision and to the general loan provision of this bill. I have taken these words "emphasizes loans rather than grants wherever possible" from the President's message of April 20, 1955, on the mutual security program.

For 7 years I have been trying to get more of this aid program into loans. I started in 1948 in the Marshall plan. I have tried every year for 7 years. Day before yesterday in general debate I gave a list of these efforts and their results. You will find them in the RECORD on page 9392. You will find that the Congress has required loans in these programs of $1,788,047,000. You will also find that on these loans, which they call fuzzy loans, there has been repayment of over $115 million.

You may often hear people say, "If you provide government-to-government loans, it is the same as giving away the money because they will not pay it back." The record which you will find on page 9392 is otherwise. We have since the end of World War II made loans to foreign countries of about $14 billion and we have received back in principal and interest $4.5 billion.

In previous years I have tried by minimum percentages and by minimum amounts to require loans. This time I am going to try another way, for two reasons:

The President has said in his message that this program will emphasize loans rather than grants wherever possible. The Secretary of State has given me his assurance on this within the past 2 days. Harold Stassen, the Director who goes out today, has given me assurance that he will urge that sort of administration upon Johnny Hollister, the new Director, who comes from Cincinnati, Bob Taft's former law partner. I think that in his administration they will emphasize loans rather than grants. They say they can get more loans without a limitation because if you put in a minimum each foreign country will claim that it is a maximum for that country.

I tried 2 or 3 ways to devise an amendment so that we would say it should not be interpreted as a maximum, but they tell me that when they start to negotiate, the other country says, "You ought not to make us take more than our percentage of the limitation."

These officials, the President, the Secretary of State, and the Director of this program, have said they are going to emphasize loans rather than grants wherever possible. I am going to take them at their word and see what happens, see whether this way of doing it will achieve better results.

There is a second reason why I make my proposal in this way, after deep thought. Any minimum percentage or amount that can get through this House and through conference is smaller than the amount I think they ought to be lending. It will be smaller in total and it will be used not only by foreign countries but I fear that, as in the past, our own Administrators may be tempted to use the minimum as a maximum.

On this loan proposition I am urging the recommendations of the Randall Commission. I was a member. The Randall Commission was to deal with the question of trade, not aid. They made recommendations on both. Congress has accepted their recommendations on trade but not their recommendations on aid. You will find their recommendations set out on page 9392 of the RECORD and page 82 of the report. And referring to military-aid exceptions, this is what the Randall Commission said:

Where substantial economic aid is necessary in the interest of the United States but cannot be obtained from private or international sources, loans should be made, not grants.

This is what the Farm Bureau says, and you will find their excellent statement at page 638 of the hearings:

We earnestly urge that a provision be inserted in this bill which will assure that whenever possible this economic aid should be in the form of loans rather than grants.

I think this amendment carries out the recommendations of the Randall Commission and of the Farm Bureau. It puts in here what the President has said he is going to do and what the Secretary of State says he is going to do, and I think it will result next year in putting more of this aid into loans and less into grants.

Mr. SELDEN. Mr. Chairman, I offer a substitute amendment to the amendment offered by the gentleman from Ohio [Mr. VORYS].

The Clerk read as follows:

Amendment offered by Mr. SELDEN as a substitute to the amendment offered by Mr. VORYS: On page 6, lines 17 to 19, after "area" strike out through the end of sentence and insert a period and the following: "Such assistance shall be furnished, to the maximum extent appropriate, in the form of loans, and at least 50 percent of the funds appropriated pursuant to subsection (c) of this section shall be available only on terms of repayment in accordance with the terms of section 505, but this requirement shall not be interpreted as a maximum loan figure for any country or area."

Mr. SELDEN. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Chairman, I do not believe the substitute amendment that I have offered will damage our foreign-aid program, but I do believe it will strengthen this legislation.

The view that our economic aid program should emphasize loans instead of grants whenever possible has, I believe, much merit. This view has been expressed both by the Randall Commission and by the President. The Congress last year also expressed agreement with that view when it placed minimum loan requirements in the 1954 Mutual Security Act and, in the same bill, provided that development assistance should be terminated by June 30, 1955.

Yet, in the bill now before us, we find an item of $182 million listed as development assistance. This assistance consists primarily of economic aid in

the form of grants that will be made to nations, most of whom have no mutual-defense agreements with us.

The substitute amendment I have offered provides that 50 percent of this $182 million item of development assistance be made available in loans rather than in grants. Now, I am quite certain the gentleman from Ohio is attempting to accomplish by this amendment the result that I feel sure can be accomplished by my substitute. While the amendment of the gentleman from Ohio is both permissive and general, the substitute is specific and mandatory.

Our Government has loaned considerable sums to foreign countries since World War II, and it is my understanding that none of these loans are in default. As a matter of fact, of the $14,147,769,000 made in loans, the sum of $3,176,216,000 has already been repaid. In addition, interest on the loans in the amount of $1,331,284,000 has been collected. Consequently, the taxpayers of this Nation are more than $4.5 billion better off today than they would have been had this aid been in the form of grants rather than loans.

As I understand it, the development assistance program is designed essentially to help undeveloped free countries raise their standards of living and develop their resources. Some of these nations to whom this assistance may go possess large quantities of critical and strategic materials which cannot be found in sufficient amounts in our own country. For example, the United States today must rely on foreign countries for all of our natural rubber, 99 percent of our chromite, all of our tin, 95 percent of our manganese, and 72 percent of our tungsten. From other countries we must also obtain a large proportion of many additional commodities essential to our military strength and economic welfare. If we furnish development assistance to foreign countries in loans that are repayable, then it may be possible in years to come for those same countries to repay us in the raw materials that were developed with our own loans.

I am willing to admit there is always the possibility that some of the loans we make may never be repaid. But if this development assistance is extended as a gift instead of as a loan, we can be certain that these funds will be gone forever.

I might point out that Congress has in the past required a series of loans in aid bills. All of these were opposed by the executive branch. None, however, were refused by the executive branch. All of the loans were accepted in other countries. None of the loans have been defaulted by any government. None of them, to my knowledge, have caused hard feeling.

Last year the Executive took the position that only $100 million of the program should be in loans, but Congress required $255,350,000. The required minimums have all been loaned, and I have heard no claim from anyone that this has crippled the program.

Mr. Chairman, the substitute amendment does not affect the funds provided in the bill for military assistance. It does not affect the funds provided for direct forces support, for defense support, or for technical assistance. It deals with only 50 percent of an item of $182 million out of a total authorization of $3,285 million. Nor does the substitute amendment eliminate the $182 million item of development assistance. It merely makes 50 percent of these development assistance funds available on a loan rather than a grant basis.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I wish to ask the gentleman whether his amendment is identical to the one introduced by the gentleman from Ohio in committee.

Mr. SELDEN. I think it is.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Ohio.

Mr. VORYS. I believe the gentleman has done me the honor of taking verbatim an amendment that I drafted about 3 or 4 days ago when I was wobbling back and forth on the way to do this. I want to say that I agree with everything the gentleman said, but when we took the 50-percent amendment to conference last year we wound up with 30 percent, but they loaned more than 40 percent on these loans. In other words, the minimum still tends to be close to the maximum. That is why I am in opposition to the gentleman's proposal.

Mr. SELDEN. The gentleman did offer this amendment and I supported it in the committee.

Mr. VORYS. Since we are talking about what happened in committee, I offered it for 100 percent, and then for 75 percent, and then for 50 percent.

Mr. SELDEN. That is correct.

Mr. VORYS. And I got licked every time. I wanted to do something that would get through the floor of the House and stand up in conference. That is why I have brought this version here.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Minnesota.

Mr. JUDD. What the gentleman from Ohio [Mr. VORYS] has said would seem to refute his own contention that a floor becomes a ceiling. For he says it came out of conference last year with a floor of 30 percent but that they made 40 percent in loans. So how can he predict that if we adopt this amendment requiring that at least 50 percent of this aid be in the form of loans, that will become the maximum? Maybe they will make 60 percent in loans. I am still inclined to go along with the gentleman's original amendment, as I did in committee.

Mr. SELDEN. I think possibly the best argument that has been made in favor of the substitute amendment was made by the gentleman from Ohio [Mr. VORYS] on page 82 of the committee report. Here the distinguished gentleman from Ohio [Mr. VORYS] submitted a statement entitled "Additional views on loans." In it he says:

> There is general theoretical agreement with the proposal that our economic aid program should emphasize loans rather than grants, wherever possible. There is disagreement as to the best way to carry this out in practice.
>
> I believe that the best way is to have Congress provide minimum loan requirements in authorizing foreign aid.
>
> Experience shows that otherwise the tendency will be to make grants, not loans, in administration. It is argued that a percentage limitation militates against the placement of a greater percentage of loans. The record does not sustain this argument, for wherever loans have been permitted but not required, few or none have been made.

I find this argument most convincing and I urge the adoption of the substitute amendment.

Mr. HAYS of Ohio. Mr. Chairman, I rise in support of the substitute amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. HAYS of Ohio. Mr. Chairman, I hope I will not take 5 minutes on the amendment offered by the gentleman from Ohio [Mr. VORYS]. I think he made a very fine argument for it, and in view of the fact that he did make such a good argument I am wondering if he will not just accept the substitute.

Mr. VORYS. No; because it proposes only 50 percent. As I said previously, I wanted 100 percent, then I tried to get 75 percent, and finally I backed down to 50 percent and got licked on that.

Mr. HAYS of Ohio. Now the gentleman is backing down on the whole thing. I think he ought to take half a loaf rather than none.

Mr. VORYS. No; I still think that a congressional minimum ought to be provided; but I think that rather than have a percentage that gets too small, the requirement "shall emphasize loans rather than grants wherever possible" is stronger, and I think we have a better chance of getting loans in a whole lot of places with that than we have with this fixed mathematical formula.

Mr. HAYS of Ohio. I certainly respect the gentleman's views but I must disagree with his statement that this language is stronger, because it does not pin them down to anything. All the Administrator would have to say is that it was not possible to make it on a loan basis and we will give them a grant.

If you defeat the substitute offered by the gentleman from Alabama my suggestion is that you make it 50 percent. This language does not set a maximum at all and it may well turn out as it did in another instance when we said 30 they came up to 40 or 45. If we adopt the minimum of 50 percent they may well make it 60.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this is all very interesting. We are now being asked to gild the lilly by accepting some kind of a loan proposition. And I would like to ask the gentleman from Ohio [Mr. VORYS]—I have asked him few if any questions so far in this debate; I have addressed most of my questions to the

gentleman from South Carolina—I would like to ask the gentleman from Ohio just how this loan proposition proposed by the gentleman from Alabama and himself is going to affect the talks at the summit.

Mr. VORYS. I think it would be a good thing.

Mr. GROSS. The gentleman thinks it will be a good thing. He thinks it will be a good thing to send the President over to Geneva or wherever the conference is going to be held, where he will have to say that from here on out several hundred millions of dollars will be put upon a loan basis; that the President cannot tell the foreign Governments they can back the wagon up to the door and take the cash off the counter; that they will have to take it on a loan basis or not at all. What do you think the President is going to think of that? I am surprised the gentleman from Ohio, after his remarks of yesterday, would do anything to displease anyone going to the summit.

Mr. VORYS. Do you know what the President is going to say? He is going to say: "Boys, as I told Congress on April 20, from now on we are going to emphasize loans rather than grants wherever possible."

Mr. GROSS. It seems to me the gentleman must remember lease-lend. How much have we recaptured from the billions that went into lease-lend?

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I take it the gentleman is agreeably surprised because he has been against these foreign-aid plans, giveaway plans, or whatever he calls them. I take it he is agreeably surprised that anything favorable came out of them.

Mr. GROSS. I am just saying to you that you will not collect this money even if it is loaned any more than you collected under lease-lend.

Mr. HAYS of Ohio. I think the gentleman is taking a good deal for granted. Ordinarily when you make a loan you do not write a letter or say to the recipient that you do not expect him to pay it back. That is what the gentleman is doing.

Mr. GROSS. How much of the $160 billion we handed out on lend-lease during the war and in the giveaway program since have we gotten back? Does the gentleman from Ohio have an answer?

Mr. SELDEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Alabama.

Mr. SELDEN. I would like to say to the gentleman the record indicates that some of the loans have been repaid. Of the more than $14 billion loaned since World War II we have already been repaid more than $3 billion.

Mr. GROSS. Out of how much?

Mr. SELDEN. Also, more than a billion in interest has been collected.

Mr. GROSS. How much have we handed out?

Mr. SELDEN. Approximately $14 billion has been loaned since the end of World War II.

Mr. GROSS. The gentleman is a member of the Committee on Foreign Affairs. How much did we pay out under lend lease, how much have we paid out under the various give-away programs since the end of the war? Can the gentleman give us the total?

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. VORYS. I find somewhat to my amazement that reverse grants, that is, returns on lend lease, have amounted to about a billion four hundred million dollars. I was surprised that we got anything back but I find we did get something back.

Mr. GROSS. Yes; out of more than $100 billion, and you want to hand out more money on a virtually noncollectible basis. I am opposed to both of your amendments because I repeat you are just gilding the lily.

Mr. MATTHEWS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the substitute amendment offered by the distinguished gentleman from Alabama [Mr. SELDEN] His amendment makes a little more palatable the mutual security program that we are discussing here today.

I want to take occasion, since this is the first time I have imposed myself upon the Committee to talk about this matter, to say that I intend to vote for this mutual security bill. However, the powerful arguments of the opponents have sometimes almost persuaded me to vote differently. Some of us have been a little bit amused at certain remarks that have been made by our colleagues. If they could make those same remarks, these gentlemen who are in opposition to this bill, back in the Eighth District of Florida my people would say "Amen." What I am saying is that to vote for this whole bill is for me to accept a political liability. There is no doubt about that. It is a political liability in the Eighth District of Florida. I appreciate, therefore, the efforts of the members of the committee to make this program just as palatable as possible.

Mr. Chairman, forgive my modesty, but I do not believe I am without some political resources. If someone were to say to me: You are voting for a giveaway program to foreign nations, I would say, and I believe this sincerely: It is a gamble with money rather than with the precious lives of our boys. That is all you can say, as I see it, and all that you need to say. But I do want to plead with the members of the Committee to continue making this legislation just as acceptable as we can. I think the amendment offered by the gentleman from Alabama is a wonderful step in that direction.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I just want to compliment the gentleman on the very statesmanlike approach to this matter he has taken and to congratulate him; also to say that the Members of the House realize he has a wide knowledge of foreign affairs and a wide acquaintance and that his words carry a great deal of weight.

Mr. MATTHEWS. I want to say to the gentleman how much I appreciate those remarks.

One of the objections to this program that has been mentioned in the House and that I want to reiterate again is the worry about when it will end. I am worried about that. Another objection is the generosity with which we deal with foreign nations in the regulations governing these programs and the lack of generosity in dealing with our own people. The gentleman from West Virginia [Mr. BAILEY], and the gentleman from Virginia [Mr. JENNINGS], appeared before the Committee on Agriculture, as well as other distinguished Members of this House—I see many of them here—pleading for some measure to help people in distress in this Nation, and to give them flour and meal. And how difficult it was for us to obtain the legislation because of regulations.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I am sorry. I have but a few minutes.

Mr. GROSS. How much sugar does the gentleman think ought to be put in this bill?

Mr. MATTHEWS. I will tell you, sir. I have heard so much about sugar the last few days that I am almost persuaded to start using saccharin in my coffee from now on.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to inform the distinguished gentleman from Florida that we do not as yet have the meal and the flour for the miners. That is tied up over in the Agricultural Committee of the other body.

Mr. MATTHEWS. I want to thank the gentleman.

And that pinpoints something that our people cannot understand and I cannot understand. Now, here is a part of this program we call development assistance, a broad general term, a new title. How far does it go? When does it end? What will it be? I praise again the gentleman from Alabama and the gentleman from Ohio for saying to us "Well, at least let us try to get some of this back in the form of repayment of loans." We are going to need these strategic materials that those nations have. They are proud nations; they are independent. I do not see how anyone could object to receiving some of this assistance back in terms of these strategic materials. Mr. Chairman, as we logically try to answer some of these burning questions when can we see the possible end of this program? I find it increasingly more difficult to explain to my people why we have to continue this program indefinitely, and I know by the talks I have had with my colleagues that you have that same problem. Let us do something about this trade not aid. What about trade not aid?

Mr. GROSS. They have conveniently forgotten it.

Mr. MATTHEWS. What about some of these other parts of the program that we look forward to starting and thus save our taxpayers money? So, I say again I am going to vote for this amendment. It will save our taxpayers money. I hope it passes. If this amendment does not prevail, I will be delighted to vote for the amendment offered by the gentleman from Ohio.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. HAYS of Ohio. Mr. Chairman, I ask unanimous consent that the gentleman from Florida [Mr. MATTHEWS] may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MATTHEWS. I thank my distinguished friend for granting me that extra time.

I want to say in closing, Mr. Chairman, that I am going to vote for the mutual security program, and I want to tell the members of the House Committee on Foreign Affairs how much I appreciate the work they have done. I want the chairman of this committee to know that I realize the problems he has had, as well as every single member. It is a job that I would not relish, and I want to say to the chairman of the Committee on Foreign Affairs that I know you are doing your duty as you see it as an American citizen. You are fighting for the one thing that we are all dedicated to, and that is the safety and the best interests and the preservation of the United States of America. I plead with all of you as we think about this amendment again to make it just as palatable as we can and to keep in mind the burning problems that face us as we take these issues back to our people and try to explain to them the need for this program.

Finally. I want to emphasize again the reason I am going to vote for mutual security is that it is the only possible alternative that I see. It is either gambling with American money or gambling with American lives, and if I am offered that choice, I will gamble with money every time.

Mr. RICHARDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to congratulate the gentleman from Florida [Mr. MATTHEWS] for his splendid and patriotic address, and I want to thank him in the name of all of the members of the Committee on Foreign Affairs for the kind words that he has expressed about us. To say the least, this kind of bill is difficult for any committee of the House, and I want to join with him in saying that even if some of this money is wasted, we are gambling with dollars and not with American lives.

As to the substitute amendment offered to the amendment of the gentleman from Ohio, I find myself for one time in agreement with the gentleman from Iowa [Mr. GROSS]. He stated awhile ago that he was against the amendment and against the foreign-aid bill, but he was right when he said that both of these amendments just gild the lily.

As a matter of fact, I have been fighting a long time along with my friend from Ohio [Mr. VORYS] and other members of the committee to build up the loan part of this program. We have met some success. Already in this bill there is $100 million reserved for loans. There are some things to be done in this part of the world which should not be done on a loan basis. Some of the projects involve health and education and should not be financed with loans.

There are other loan provisions in other sections of this bill where substantial loans can be made.

If the Committee is going to adopt any amendment on this subject, I would suggest that they adopt the amendment offered by the gentleman from Ohio [Mr. VORYS] and vote down the substitute amendment.

I am not opposed to either one of them in principle. That is what we have been trying to do all along. But let us not defeat the very purpose we seek to accomplish. They can say all they want about the record on this, but when you put a minimum in a bill it sometimes turns out to be the maximum above which loans will not be made. That is the way I see it. If the Committee adopts the language of the gentleman from Ohio they will be saying to the executive department, "Make the loans whenever you can." In the final analysis, the administrators of the program are going to have the decision anyway as to whether to make a loan. They are the ones to take the responsibility.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. The gentleman is familiar with the fact that after considerable soul-searching and negotiation the language I have proposed is acceptable to those who agree that they will carry out the mandate that they make loans wherever possible but do not want a minimum. So that the language I have proposed in my amendment is acceptable to the administration in charge of this program.

Mr. RICHARDS. It is acceptable. I do not think either proposal adds much to the bill. But I cannot see any good reason why I should oppose the amendment of the gentleman from Ohio.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Alabama [Mr. SELDEN] to the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. SELDEN) there were—ayes 19, noes 52.

So the substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 54, noes 23.

So the amendment was agreed to.

Mr. ADAIR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADAIR: On page 6, line 23, strike out "$71,000,000" and insert in lieu thereof "$1,000,000."

Mr. ADAIR. Mr. Chairman, this amendment, as you have just heard, would take from the bill $70 million. The total item is $71 million, which is listed as Development Assistance for Asia; that is, $70 million for India and $1 million for Nepal. I do not propose to remove the latter $1 million. The amendment would be, therefore, one which would remove $70 million worth of economic aid for India.

In this connection, I think the House would want to know what that money would go for according to the program presented. Generally speaking, it would be for these items: $10 million for agricultural and natural resources, including $4 million for the purchase of fertilizer for use there; $4 million for the development of deep wells; $2 million for river valley development; $5 million for construction of electric power facilities; $15 million for steel, some of which I think might go into some small rural industries in that country; $6 million for the development of the Indian railways; $4 million for malaria control.

Those are among the items for which this $70 million is programed.

It ought to be said to the House that in this $70 million there is also proposed the use of $30 million of surplus agricultural commodities. Those commodities would presumably be sold in India and the local currency proceeds from those sales would then go for agreed economic development purposes.

In the past and presumably again this year there will be a substantial amount of this Indian program placed on a loan basis. In view of what we have just been discussing with respect to the last amendment, we ought to keep in mind, in fairness, that a considerable portion of this money for India has heretofore been in the form of loans.

I want to emphasize that this proposal does not touch $15 million which is programed for technical cooperation, a continuation of the point 4 program. That is left by this amendment intact in the bill.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from West Virginia.

Mr. BAILEY. As to the item of $5 million the gentleman mentions for the development of electric power, is that going to be public power controlled by the Indian Government or is it going to be a private-power development?

Mr. ADAIR. It could very well be the former—that is, Government-controlled power. I am not certain, however, so I cannot answer the gentleman with complete definiteness upon that point.

It has previously been said here that this bill does have a bearing upon our foreign policy. Therefore, I think it is important in enacting this legislation for us to try to keep in mind those nations which are our friends and those which cannot make up their minds whether they are our friends or whether

they pursue a policy which is called neutralism but which seems frequently to follow the line usually advocated by Russia in matters of world affairs.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield.

Mr. HAYS of Ohio. If the gentlemen's amendment should prevail, does the gentleman then intend to support the bill?

Mr. ADAIR. I would say to the gentleman from Ohio that if enough good amendments to this bill would prevail I would support it. Based upon the previous record in the House in the matter of supporting these good amendments, I would say to him that it is quite doubtful that enough such will prevail. I said earlier in the debate that I was not opposed to all parts of this program. I think there are some very good parts.

At the same time there are in this program some very bad parts. This, I believe, is one which we ought to examine most carefully.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield.

Mr. HAYS of Ohio. I just want to state that the gentleman's idea of good amendments and mine might be different.

Mr. ADAIR. I am quite sure that is true. That would be true, probably, with all Members of the House.

There is no question about that, but in voting either for or against this amendment, we are having the opportunity to register our opinion of what we think of the attitude of the leaders of the great Indian people. Certainly, at the same time we have the greatest respect for the Indian people, and wish them every success in the solution of their governmental problems.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. ADAIR] has expired.

Mr. JUDD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, of course, to oppose this amendment is not an easy position to take for reasons I am sure everybody understands. It would be easier to support the amendment because I get just as provoked by some statements made by some leaders of India, and of some of the other countries we are helping, as anyone can. But the more difficult the situation is, the more we need to stop and take a good look at just what this whole bill is about, what we are trying to accomplish by this program. It was never intended to be a means of getting people to like us. Surely we are not so immature people as to crave somebody's affection to the point that we are willing to ignore our own intelligent long-term self-interests.

The idea is not that we can bribe people to join our side. If we could, they would not be worth having on our side.

It has been said again and again in this debate, "We cannot buy friends by giving them money." Why, of course, we cannot. Whoever suggested that the primary purpose of this program is to buy friends? Friendship is not for sale either in private or in public life.

This program is not to make ourselves feel good because of the help we are giving to needy peoples.

It is not an attempt to make India or any other country a satellite of the United States. That is the Kremlin's method, not ours. It is one of the things we are fighting. We do not want the peoples of the world to be subservient to us any more than we want them to be subservient to the Kremlin or Peking. We do not want Mr. Nehru or anyone else to bow before us as a cringing suppliant, saying, "Oh, thank you so much for all the help you have given me.." I would have no more respect for us if we sought that than I would have for him if he did it. Furthermore, he would be repudiated in his own country if he took such an attitude, the same as you and I would be in our country if we were to bow and scrape before some foreign nation.

The people of India have pride, too. They have dignity. People who have won their independence only in the last 7 or 8 years are especially conscious of it. Some would say they are unduly sensitive. Perhaps so, but it is a natural and inevitable reaction to be touchy and concerned about the newly won position of equality and prestige which they have struggled so long and hard for 200 years or more to win.

Now, let us keep our eye on the ball. What we are trying to do in this program is to safeguard the security of the United States—period. That means we are striving to build a world of peace and freedom, otherwise we will not long be secure. That means we have to stand with all others who are striving for the same kind of a world.

In this program we are trying to help free peoples stand on their own feet so that they can maintain their independence and keep their land and resources out of the hands of our enemies.

There are two main ways to safeguard our security. One is by every legitimate means to try to prevent expansion of the power of any hostile nation or nations; the other is to keep ourselves strong and by every legitimate means try to keep strong other free peoples who are endeavoring to preserve their independence, and to keep them on good terms with ourselves, if possible.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. GROSS. How do you propose to do that without friends?

Mr. JUDD. Without friends?

Mr. GROSS. Yes.

Mr. JUDD. It all depends on what you mean by friends. I think any government in the world today that is fighting for its own independence and striving to stand on its own feet is friendly to the United States in the sense that what it is trying to do serves also our own primary concern, namely, our national security.

It is not a matter of speeches or sentimental declarations of friendship. It is whether what they do helps preserve their independence. If they are independent, that serves our interests as well as theirs.

Mr. Nehru is obviously not devoted to us; but his loyalty is not to the Soviet Union either. Mr. Nehru is for an independent India. I want to help him keep India independent.

Equally obviously, he is also scared of the Soviet Union and Communist China. Why should he not be? A good many other leaders in Europe, as well as Asia, are scared of them, too. I am sorry to admit that not a few in our own country seem so scared that they are saying we should give up our honor and our pledged word—just a little, of course—if thereby we can perhaps buy a little peace for ourselves for a few years.

Why does he make some of these statements against us? In the first place, it is safe to say them about us—he knows we will not do anything to him. He knows the Soviets might. Perhaps the Commies will be nice to him, if he will denounce us. They will not, if they get him under their control; but he does not know that yet.

Another reason is that he does know first hand the old imperialism of the West. The British had him in jail for 12 years. If I had been held in jail 12 years because of fighting for freedom, I suspect I would have a permanent scar in my soul against the people and all connected with them who were responsible for it. We, too, speak English and have Anglo-Saxon traditions. There is a subconscious transference of his resentment against the British to all people associated with them, and that includes us.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Indiana.

Mr. ADAIR. Is it not true, however, that the statements he makes are more harsh against us than the British?

Mr. JUDD. Yes, he has already achieved his independence of them. He has to demonstrate now his independence of us. The fact that we are giving him more aid than the British makes it more necessary to speak out against us, to show that he is not subservient to us.

Governments in Asia's history have seldom been benevolent to their own people, much less to other countries. For centuries, Asia's entire experience with European governments was one of colonialism, imperialism, and exploitation. When America now gives them millions of dollars worth of aid asking nothing except that they build up their own people and strengthen their independence, it is too good to be true. There must be a catch somewhere. And Communists are always whispering that it is not generosity, it is evil capitalism which has to export to prevent collapsing and is seeking to get its hooks into the recipient country in order to seize control of its economy.

So, inevitably, they fear there must be an ulterior motive, a sinister purpose behind our aid, even though they want it so badly. They cannot see the catch but they assume there must be something under the woodpile or we would not be giving it.

A third reason is that the head of any newly independent government which receives aid from a foreign government is

under suspicion immediately in his own country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent, Mr. JUDD was granted 3 additional minutes.)

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Iowa.

Mr. GROSS. What kind of scars will the American servicemen have after serving in a foreign prison?

Mr. JUDD. What has that got to do with it?

Mr. GROSS. The gentleman is talking about scars which Nehru has because of imprisonment by the British.

Mr. JUDD. Yes, because they are important to understanding former colonial peoples. I am not justifying or condemning them. I am simply analyzing the situation. If a patient comes in with tuberculosis or cancer, I do not take responsibility for it. I did not create it. I wish it were not there. But if I am an intelligent physician, I try to diagnose the condition correctly and try to correct it. That includes scars.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Mississippi.

Mr. WINSTEAD. Are the funds involved in this bill loans or grants or what? The point I am trying to make is this, if they came on bended knee, begging for all this money, we would have no respect for them. I think those nations would have more self-respect if they took this as a loan. I am wondering if this bill carries loan or grants to India.

Mr. JUDD. The 50-percent provisions on loans that we were discussing a few minutes ago apply to this development assistance the same as to other parts of the bill. We considered in committee an amendment that at least 50 percent of the aid should be in loans and the other 50 percent in surplus agricultural commodities. But that simply would not be feasible in many situations.

Mr. WINSTEAD. It is more or less left up to the administration whether it is loans or grants?

Mr. JUDD. That is right, within the limitations established.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Louisiana.

Mr. PASSMAN. In the instance of India, most of it is under the technical cooperation, $70 million?

Mr. JUDD. No, this item is for development assistance.

Mr. PASSMAN. But how can you make it on a loan basis under the provisions of this bill?

Mr. JUDD. This amendment does not deal with technical assistance. That comes later.

Mr. PASSMAN. The $70 million comes under technical cooperation.

Mr. JUDD. No. It is under title II, "Development assistance." This does not touch $15 million for technical cooperation which is dealt with in the next section, amending title III.

Mr. Chairman, may I finish the point I was trying to make.

A leader in such a country as India or Burma or Indonesia who receives substantial aid from abroad is immediately charged by his political opposition as being a puppet, as having sold out to the giver in his order to get the aid. So he has to get up occasionally and make a harsh statement to show that he really is independent and not a puppet. Furthermore it is always popular with much of the public to denounce some foreign country. Big Bill Thompson was elected mayor of Chicago twice on a platform of punching King George III in the snoot, although the king had been dead some 150 years.

This is a part of the political process in other countries too. It may work more to our advantage hereafter. Mr. Nehru has just been in Russia and had a love feast. If he gets any aid from Russia—and I doubt it will be much—he may be accused of having sold out to the Kremlin and be forced by his opposition at home to get up and sound off occasionally against the Soviet Union in order to show he has not become a puppet of the Communists abroad while fighting them at home. We wish he were openly on our side. But since that is clearly not possible at present, is it not better to have him somewhere in the middle than wholly on the Kremlin's side? Our legitimate and primary interests are adequately served if India is free. If its manpower, its resources, its great strategic bases are not in the hands of the Kremlin, that greatly increases our security.

Whether Nehru likes us or not is secondary. These 70 millions for aid to India—40 percent of it American surplus agricultural commodities—are not given in an attempt to buy friendship or gratitude. The key thing is to give India the capacity to build up its own strength and to keep out of the control of the Kremlin's world conspiracy. That is enough to justify the whole authorization. I hope the amendment will be defeated.

Mr. CARNAHAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I think we should consider rather carefully what it is we are trying to do with this item of developmental assistance for India. Developmental assistance to this area is $71 million, $70 million of it going to India.

We should bear in mind that India, a democratic country, has 400 million people. What India does during the next quarter of a century may well determine the conflict between the free world and the Communist world. Some of the House membership seem to think that this aid is going to Nehru. That certainly is not the purpose of it. This aid is going to the 400 million people of India who are striving courageously to improve their standard of living. Any of you who have been in India within the last few years must be conscious of the fact that in this great democratic country there is bubbling enthusiasm on the part of the masses of the people to attain a better life for themselves. That is what we are attempting through the aid to help them do. We are no more helping Nehru in this aid than we could be said to be aiding our own leaders in this country by anything we do for our people.

Ten million dollars of this $70 million aid is going to aid the Indian people in the field of agriculture where they can learn to get more from their soil, where they can learn to produce more food so that they may not be quite so hungry during all the year as they have been in past.

Thirty million dollars of this aid is going to them in the form of surplus agricultural commodities. This type of aid is intended for a people whom we believe need this help to improve a low standard of living.

Before the committee reached the decision of further assistance to India it carefully considered the effects of such assistance not alone on India but also in the larger contacts of our Asian policy. Here we are dealing with Indian-Asian people where we know there has been developed over the years a gulf between the people of Asia and our own people. If we deny this sincere friendly help they will say: "Yes, that is the usual pattern; you give aid to other but us Asians, you have nothing for us."

It is clear that India's foreign policy is often divergent from that which the United States would have it be, but we hold to the idea that people determine their own policies; and surely it is not our intention to say to a free democratic country that unless they do exactly as we feel that they should then we will have nothing to do with them.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Minnesota.

Mr. JUDD. What would be the situation if we were to adopt this amendment and cut out this aid to India as the suggestion of those who are angry with India because some of her leaders have seemed to be leaning toward the Soviets rather than doing what we believe it would be better for them to do? Would we not thereby be forcing them to do exactly what we do not want them to do?

Mr. CARNAHAN. That is true.

Mr. JUDD. They would have no alternative except to line up openly and perhaps completely with the other side.

Mr. CARNAHAN. We would perhaps be giving them the final push.

Mr. JUDD. That is right. The committee believes that any hostile expression by Indian Government leaders must not obscure the fact that our Nation is interested in the preservation of the Indian Government as an independent, free, democratic state.

Mr. BENTLEY. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I support the Adair amendment to strike out the $70 million for development assistance to India. We have had a great deal of fear expressed over the fact that if India is so-called cut loose from our foreign aid it would apparently fall into the Soviet orbit.

In the first place, Mr. Chairman, the amendment does not touch the technical-cooperation funds for India. It continues such funds which both the gentleman from Indiana and I believe should be continued.

In the second place, to name two Far Eastern countries, Ceylon and Burma, whose Prime Minister is a guest in this country at the present time, neither country, so far as I know, is taking a penny in economic assistance from this country. Yet, I do not see where they have gone into the Soviet orbit to any extent.

Mr. Nehru has been quoted as saying that he is an independent and is neutral, he is not on either side. I wonder if the members of the committee have read the statement that was issued following his visit to Moscow very recently, a statement he issued in conjunction with Marshal Bulganin? If there was ever any statement that was more subservient to the Communist propaganda on foreign policy, particularly in the Far East, more so than from the head of any satellite state, which I have ever heard, I do not know what it is. That statement of Mr. Nehru and Marshal Bulganin is the Communist line on foreign policy all the way down the line. I fail to see how Nehru can claim to be independent of the Soviet Union after making such a statement.

The claim of India's neutrality has been advanced by Mr. Nehru and by many other people very recently. I would like those individuals to tell me on their own time when in the past few years Prime Minister Nehru has criticized the Soviet Union or any of the Soviet leaders in the terms and in the words with which he has criticized and attacked this country continuously, beginning, as I recall it definitely, only a short 2 years ago when he, in effect, accused President Eisenhower of being a warmonger and claimed that his election was a threat to the peace of the world. That was in February 1953.

Mr. Chairman, I am not opposed to India. If she wants to go her own way, that is fine. What I am opposed to, though, both in respect to India and in respect to Yugoslavia, is the following: We have certain allies in the Far East and in other parts of the world, including Pakistan, Thailand, and the Philippines, all-out friends in the Far East. Let us keep those friends and let us confine our aid to them. Those countries that want to be neutral, really neutral, such as Sweden or Switzerland in Europe, or Burma in the Far East, let us respect that neutrality. Let us not keep on trying to bribe them to change their course. But those countries that have one foot on one side of the Iron Curtain and the other foot on the other side of the Iron Curtain and their hands out both in Washington and in Moscow, I think we ought to tell them to make up their minds which way they are going before we start pouring money into those countries.

Why is it necessary, in the case of India of all countries, to give this type of assistance to her, $70 million to India for this development assistance, when she is the only country in the Far East getting that kind of money, except a million dollars for Nepal? In India you have a Socialist type of government, you have a government which has deliberately discouraged private investment, foreign private capital, from coming into the country and doing a job that could be done much more efficiently and much more economically than most of these programs here provide. If you vote the $70 million to India—the committee must work its will on that issue—I would like to point out to the Members then you should be prepared to pay subsidies to any other Socialist government who cannot do the job, who bars foreign private capital investment, and therefore we have to come in and we have to fill up the vacuum.

In conclusion, I would like to say to the committee that I do not have any illusions that the amount or pretty much the amount of this foreign aid bill, $3.2 billion, is not going to be approved. But I would like to remind the members of the committee, particularly my good friends on the right, of one thing. It was not too many months ago that there was talk and discussion of a $20 tax cut. If you take one hundred and sixty or one hundred and sixty-five million people in the United States and you divide that number of people into $3.2 billion, which is what you are voting in new money for foreign aid, you come out to about $20 for every man, woman, and child. That is approximately the amount of new money contained in this bill.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman from Michigan [Mr. BENTLEY] properly said that there was no development assistance for Asia in this bill for any other country than India except $1 million for Nepal. But that is not quite the full story—in this sense. Last year when Pakistan entered into a mutual defense agreement with us, we moved over into the category of defense support, what otherwise would be called development assistance, and in this bill Pakistan, with one-fourth of the population of India, is getting $63 million for the same sort of program as India's development assistance.

Mr. HAYS of Ohio. I thank the gentleman.

I would like to point out in opposition to this amendment some of the graphs and bars on this chart. I think that was one of the most effective things presented to the committee. You will find it on page 63 of the hearings. The chart is reproduced, and it shows the more developed the country, the better customer it is, and that is exactly what this money proposes to do for India, which is certainly one of the underdeveloped countries of the world. You will notice that Canada, which more nearly parallels our development, is our best customer, and it goes right on down the line. At the bottom of the list is Pakistan, and next to Pakistan is India.

What do we propose to do with this money? The gentleman from Michigan made a point. He said that we must frankly admit that we are subsidizing a Socialist government. I do not think that is true at all. As a matter of fact, if we can go in and get at the source of some of the things that make India a country of low income per capita, we can encourage those people in capitalism. Certainly they had a Socialist government for a while in Great Britain, but we did not break off relations because of it, and I am happy to say that it was partly due to our influence and partly due to the fact that we made such a remarkable recovery in this capitalist country after the war that the British threw out the Socialist government and put in a government which is certainly in favor of the capitalistic system. I would like to believe that was part of it, and I believe it was. I do not say that I or any other Member of this Congress influenced the British elections, but the British people saw for themselves what you can accomplish under one form of government and what you can accomplish under another, and they chose the one that they thought they could get the most from in the way of a standard of living.

Mr. JUDD. Mr. Chairman, if the gentleman will yield further, is it not absolutely necessary for a poor country to get capital from somewhere, and if it cannot get it from abroad in the form of development assistance, loans, and grants, it has to use socialism and do it in a way that amounts to government ownership and operation?

Mr. HAYS of Ohio. It has to get it someplace. One of the programs I approve of that has been put into effect by this mutual-security program was the program teaching the people how to grow more wheat per acre. In one area in India we sent people in there and had them raise the production from 4 bushels to the acre, which is mighty low, to 12 bushels to the acre, which is not very high by our standards. But, it was a threefold increase. If you want to really strike at the roots of communism, if you want to strike at the base of communism, the thing that makes communism thrive and take root, you have got to strike at situations in countries like India where the people's standard of living is almost so low as to be nonexistent, and I think we can get a little more for our dollars comparatively by spending $10 million, yes, to do away with malaria, and another $10 million to develop wells in India and to just raise that minimum a little bit, perhaps, than we can by spending billions of dollars for atom guns and bombs and tanks. If you do not have communism in the first place you will not have to fight it in the second place.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Indiana.

Mr. ADAIR. The gentleman was talking about increasing the production of wheat in certain areas, something we are all in favor of, of course. But I ask the gentleman if it is not true that that is very largely a program of technical cooperation and that is not touched by my amendment.

Mr. HAYS of Ohio. That is true, it is not touched by the gentleman's amendment. I thought that is what the gentleman was going to say. But you can call this whatever you wish. You can call

it a development fund, you can call it a technical assistance fund, you can call one of them a development fund and the other a technical assistance fund. But when you get to sorting out technical assistance from development, I defy any Member to tell which is which or how to label one or the other, because they both fit into the same classification. They both have the same ultimate objective and ultimately they both do the same thing. So you are really crippling technical development when you cripple this fund.

Mr. CHRISTOPHER. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Indiana [Mr. ADAIR].

Mr. Chairman, as I stay on the floor of this House, I watch the amendments come to the Clerk's desk, offered by men who will refuse to vote for a piece of legislation even if their amendments are accepted. Mr. Chairman, that is the acid test. If I offer an amendment to a bill on the floor of the House and the amendment is accepted, I shall vote for that bill on final passage. As I say, that is the acid test. I am tired of seeing men just trying to cut the corner off a measure here, cut the corner off a measure there, hamstring it down next to the floor, draw it and quarter it little by little in order to destroy it; not because they want to make it a better piece of legislation, but because they are in opposition to it and were when it came to the floor, and would still be in opposition to it if there were not a scrap of it left any bigger than my fingernail.

So far as this money for India is concerned, I am inclined to look back down the path the human race has followed, look away down that path, until it is lost in the fog and dust of antiquity; and all along that line that we have gone all through the years and the ages, by the side of that road that humanity has followed up to the place it occupies today, you can find the whitened skeletons of nations and empires that have been destroyed by cupidity and greed and avarice and tyranny. But I defy the gentleman from Indiana [Mr. ADAIR] or any of the gentlemen on the floor of this House to point to one nation that has been destroyed by brotherly love and charity and the spirit of helpfulness, throughout all the ages.

A great statesman was born over here in Virginia and one of the greatest things he ever said was: "I have but one lamp by which my feet are guided and that is the lamp of experience. I have no way of judging the future except by the past."

And looking back into the past I think this Nation is charting a course that was laid down by the great Nazarene 2,000 years ago when He said: "Do unto others as you would have them do unto you."

The best prayer I ever read in my life was this—and it was short. A man got down on his knees and he said: "God, do to me today as I did to my fellow man yesterday."

Improve on it if you can.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word.

Mr. MARTIN. Mr. Chairman and Members of the Committee, I share with you some of the prejudice, which is natural, from past statements of Indian leaders. But I am not one who would let my prejudices stand in the way of realism.

We are embarked upon a program and have been embarked upon it for a good many years. We have spent billions of dollars. We are making great progress. We find Europe in fairly good shape today, and we see the light dawning once more in Asia. We may be able to keep back communism in that vastly populated continent.

Having embarked upon these great programs involving billions of dollars, I ask you if it is wise to deny $70 million or to deny money to any of the countries that are in this program.

As I stated before, I share your resentment against some of the things that have been done by leaders of countries to whom we have given a great deal of money, but let us not forget we are in a war, a cold war, and it is approaching the time when the decision may be right ahead.

President Eisenhower is going to a meeting at the summit. There he hopes he can pave the way for peace and understanding in this world. I do not believe in Russia's word any more than you do. I realize they are almost impossible to live with. I also know that conditions in Russia today are such that they cannot be as bold and as defiant as in past years. The Russian people are showing the strain of trying to build up war machines in Russia and Red China. In their efforts to construct those machines, the people of Russia have been obliged to be denied many of the bare necessities of life. This they very naturally resent and question why the necessity.

As President Eisenhower goes to this meeting at the summit let us send him there without any handicap. He can be depended upon to use his power for the best interests of the United States. He will try to make the kind of understanding that will enable him to reach a condition where he can win this cold war for the free world.

There is a great danger involved in this amendment, and one which is to follow, relative to Yugoslavia in Europe. Naturally, I would like to spend all the money we send abroad to Spain, Greece, Turkey, Pakistan, South Korea, Formosa, and other stout allies and supporters. These are people whose loyalty cannot be questioned. But I realize there are many millions of people in India. All is not lost yet in that great country. They may yet see the real light America holds aloft. Then there is Yugoslavia, a country tied up as it is with Turkey and Greece. These are a bloc of countries which have been effective in the past. They are a powerful bloc in the days directly ahead. Let us not foolishly cast aside the second largest standing army in Europe.

It might bring remorse later. It is good judgment to continue the gamble. There is still a chance it may pay off. So I am opposed to this amendment. I believe it would not serve the purpose for which it was intended. The gentleman from Indiana is fighting communism and he is to be commended for his gallant fight. But he is not contributing to that cause when he denies a chance to win these millions of people to our side. These people are essential, they will be helpful if we are forced to fight a final battle for a free world. It is not over yet. It will not be over even after the meeting at the summit. We must continue to be watchful and continue to be strong. Having spent billions already, let us not hesitate when there is such a splendid chance of victory at an early date. Someday the light will come to the people of India and Yugoslavia. They will learn they will find much more freedom from their Western World associates. Nehru will not always be the head of that great Indian State, and if he does continue to be the head of that state, he will eventually be forced by the mighty voice of public sentiment in that great nation to change his tactics because the people of the world are going to know eventually that America has no ulterior purposes or motives. America wants neither land nor power. America simply wants to make this world safe for freedom and to make it safe for the common people everywhere. This mighty truth will eventually percolate to the great masses of these wavering countries.

Mr. JUDD. Mr. Chairman, will the gentleman yield for a question?

Mr. MARTIN. I yield.

Mr. JUDD. Is it not true that whatever Mr. Nehru may say publicly regarding international matters, including international communism, he is bitterly and strictly anti-Communist at home and that communism is losing ground within India itself?

Mr. MARTIN. I am not acquainted with Mr. Nehru and I do not particularly care to be. I do not care too much what he says. I am not thinking of Nehru—I am thinking of the people of America and the people of the free world everywhere. What is best for the free world is what guides me in opposing this amendment. I think to adopt this amendment would be unfortunate. As President Eisenhower goes to the summit, it would be unfortunate to have his hands tied. Coming at this time, the amendment is particularly unfortunate. It would erase all the goodwill and understanding developed in the past. We are not giving India arms. We are giving only point 4 aid to lift their standards of living and make the country less fertile soil for communism.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. DIES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I appreciate the high and noble sentiments expressed by the minority leader. I realize that the administration believes this program is helpful in the struggle of the free world against communism. I also realize that the President of the United States can be mistaken. He was mistaken in 1944 and in 1945. I have some excerpts from statements that he made and letters that he wrote and speeches he made in which he disclosed his misunderstanding of the true purposes of Communist Russia. He was not the only one mistaken. But he

said that we could coexist with Russia; that Russia had peaceful intentions and ideas; that there was no reason we could not do business with Russia. Of course, I am not condemning him because of his errors in judgment, but the fact that he was mistaken tragically at that time, certainly does not cause me to believe he is infallible at the present time. I am thinking of my children, of my grandchildren, and of future generations. I have been in this Congress since 1931 and I remember when the first bill came before us to appropriate public moneys to relieve distress in this country. I remember the misgivings among the Members of the Congress because we proposed to appropriate $300 million. I remember during that period how careful we were with the people's money.

Members would stand on the floor and say: "Where are we going to get this money? Can we justify this expenditure? Is it right to spend the taxpayers' money for this project?"

Then I have seen this idea of spending money grow by leaps and bounds, until our Government seems to lack any comprehension of the consequence of our commitments. In the imortal words of Alexander Pope:

Vice is a monster of so frightful mein,
As to be hated needs but to be seen;
Yet soon too oft, familiar with her face.
We first endure, then pity, then embrace.

We have contracted the habit of spending vast sums of money until we are now at a state where we spend it in a country that is not friendly to us, a nation whose official hates us, and collaborates with a potential enemy, and issues a joint statement that we ought to surrender Formosa.

How far can we go, a Nation that owes $280 billion, a Nation whose citizens are now staggering under the greatest tax burden that any people ever endured? Just what concern do we have for the Nation's posterity, and what will they say of us when we continue to insist that the whole world ought to be the recipients of their bounty, and we lack the honesty to vote taxes to pay for it? I would not object as much to this program and many other projects if we would have the honesty and the decency to come in and say: "We are going to spend this money because we think it is necessary, but we are going to tax this generation in order to pay for it."

I realize that in times of war and great emergency you have to borrow money, but we have been passing through the most prosperous period in the history of America, and we continue to pile up a deficit. Though the President was elected on a program of sound fiscal policy, though that was the basic platform that attracted to the Republican banners in Texas and all over the country literally thousands of former Democrats, it is discouraging to me that the Republican Party now finds itself failing to stop inflationary policies which they denounced and against which they campaigned 2 or 3 years ago.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DIES] has expired.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, generally speaking, the distinguished gentleman from Texas [Mr. DIES], who has just addressed us on the question of deficits, taxes, and economy, is right. There is no question about that. There is a payday down the road ahead for this country. The same thing applied to the defense bill that came up this morning. I did not hear him say anything about that. I did not hear him say anything about all these appropriations of $340 billion for defense. I imagine the reason he did not say anything was because he felt it was necessary for the security of the United States, and that we had to pay the price.

If this bill can stand at all it must stand on this basis, that it is for the best interests of the United States, and it is part and parcel of our defense program. I stand on that ground. If that position is sound, if the majority of the Members believe that position is sound, this bill will be passed by this House. If they do not think down in their hearts that it is sound, I believe they will vote it down, and they should vote it down.

Somewhere along the line somebody has got to pay the piper. We have got to pay these debts, we have got to provide these appropriations, or we may be faced with a war that will take away everything we have and we will have to start all over again if there is anything left to start with.

Those are the issues.

Those who are opposed to this bill are using the vehicle of this amendment applying to India. They say some personalities in India are not friendly, that Nehru has not done this or that. Personally, I do not like Mr. Nehru; and Mr. Menon, his representative who is going around the world, I think down in his heart is a devoted Communist leader. I like him still less. Someday the folks who are wining and dining him will find Menon out. He is not true to India or to the United States, and I do not believe our people or his people know it.

Now, I served in the United Nations with this gentleman; I heard him express his opinion day after day, and I talked with him. My opinion is that Mr. Menon does not speak the spirit of India. I never met an Indian in official position, there might be one or two exceptions, except for Menon and Nehru, for whom I did not have the highest respect, even affection. The Indians are a fine and a great people, and the problems of those 400 million people on the borders of the Iron Curtain, if you please, astonish you the more opportunity you have to observe them.

The heart of India is on the side of democracy, no matter what her leaders say and how forcefully Mr. Menon may try to betray them.

Mr. Chairman, the basic purpose of this bill is to increase the security of the United States and at the same time show to the world that the milk of human kindness mentioned a while ago by our friend from Missouri still flows. This is casting bread upon the waters. Some day the bread will return to us and we will be repaid manyfold; but do not let personalities determine your opinion on this issue.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. BURLESON. We all realize, of course, that this is not a bill to support the domestic economy of the United States, but is it not true that in the printed hearings the testimony shows definitely that $3 out of $4 expended in foreign aid has gone into the economy of the United States? And then, in response to my good friend and colleague from Texas, much as this program has contributed to all segments of the economy of this country it helps enable the people of the United States to pay the taxes which have been imposed upon them.

Mr. RICHARDS. There is no doubt about it, much of the expenditure for foreign aid under this bill returns to the rank and file of the people in the United States eventually. I did not want to argue for this bill on that basis, but that is true, and you can add that to the fact that it is in the interest of the welfare and the best interests of this country.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

(On request of Mr. DONOVAN, and by unanimous consent, Mr. RICHARDS was allowed to proceed for 3 additional minutes.)

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. DONOVAN. I do not think it has been brought out in the debate so far on this amendment, but I ask the gentleman if the records before the committee do not show that last year India alone supplied to the United States, in quantitative terms, 41 percent of all our manganese imports; 68 percent of our kyanite imports; 67 percent of our mica imports; over 95 percent of our jute-manufactures imports?

Mr. RICHARDS. I remember hearing those figures; I think they are correct; I know they are substantially correct.

Mr. DONOVAN. As long as the gentleman has yielded, I suggest that the Committee bear those facts in mind as it votes on this amendment.

Mr. RICHARDS. And I hope everyone will bear in mind these strategic materials which we need so much for our economy and which come from India.

To adopt this amendment would be to help push India behind the Iron Curtain.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Mississippi.

Mr. WINSTEAD. Did we pay additional sums for that or did we get credit on the aid fund to pay for those supplies?

Mr. RICHARDS. There is some barter, I believe, but most of it is paid for.

Mr. WINSTEAD. Most of it is paid for?

Mr. RICHARDS. The fact is they sold most of it to us and not to the area behind the Iron Curtain.

Mr. WINSTEAD. I have a lot of respect for our chairman, but it seems to me we should work out some exchange proposition so that we get credit for some

of this money in these trades that the gentleman speaks of.

Mr. RICHARDS. I think so, too, but I might mention that there are $30 million of surplus farm commodities in this program for India.

Mr. WINSTEAD. Well, let me reply to that.

Mr. RICHARDS. I have to yield to the gentleman from Texas now.

Mr. DIES. The gentleman knows that I have a very high respect for him and a very deep affection for him. I think he is utterly honest. But the truth is if what the gentleman says is true that we need this program today, we are going to have to have it as long as the cold war exists; is that not true?

Mr. RICHARDS. We are going to have to have it as long as this House and the other body consider it necessary for the security of the United States. The same thing applies to the defense program.

Mr. DIES. The gentleman does not quite answer the question forthrightly. What I want is this: If there is sound reason for the program today, those reasons will exist until the Communist menace is disposed of?

Mr. RICHARDS. In a degree, yes. Next year it may not take but a billion dollars; some years it might not take anything, but until international communism is licked a program like this is necessary.

Mr. DIES. Why not be honest with our people? We told them in 1945 it was a temporary program. Let us tell them the truth now, that we are embarking upon a permanent program.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. CHELF. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. NICHOLSON. Mr. Chairman, I object.

Mr. GAVIN. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I have listened very intently to the debate today and some very sound reasons have been developed here in the last few minutes in this discussion about our national debt of $280 billion. All of us can see great merit in most of these foreign aid programs; however, no one seems to be concerned about the national debt, how it is going to be paid, the tremendous responsibility that we are passing on to generations that follow, the legacy of debt taxation and frustration we are leaving to them, the back-breaking burden of debt they will be compelled to carry for many years to come. I wonder how many in this House would vote for these foreign aid programs if there was an accompanying tax bill with the program to put it in the annual budget set up and paid for each year?

Recently I was in one of the countries in Europe and discussed some of these programs with their representatives and they said: We do not have any difficulties with various suggested programs or projects because when anybody introduces a legislation for a program or project the costs and amount of money are determined and it is then required that they introduce an accompanying tax bill to raise the money to take care of the program or project when it is being developed. He said, therefore, we do not have any legislation introduced for projects because they are fearful of introducing legislation to increase taxes to take care of it.

Now, nobody wants to vote for legislation for increased taxes. Everybody introduces legislation to spend money. They shy away from tax legislation, as it would be politically unwise. During the war I got into a discussion on subsidies. I said, "Yes, I voted against agricultural subsidies because we did not pay for the subsidies as we went along." This occasion was right after the war. I said, "It was all right to spend the money for subsidies, but we put the payment off until a later date, adding it to our national debt." I said, "You folks have been home here, you have had good wages, the highest wages you have ever had, but you did not pay your bills as you went along the way. Now you are going to ask the boys who did the fighting to come back, take off their coats, go out and find a job, earn the money to pay the taxes to pay for that which you have spent while you had security at home."

I said, "You were not going in at the Anzio beachhead or Normandy to get your insides punched out. You were not getting blasted out of the sky from a plane. You were not chancing suffocation in a submarine at the bottom of the sea. You were home. You had security. But you did not pay your bills." And that is exactly what we are doing here today.

Now, if the Congress passed favorably on accompanying tax legislation to pay for these programs as they are presented to you here, and you took it out of your budget each year, or you brought an accompanying tax bill in for each program or project to pay for it, I wonder how many of you would vote for the tax bill to pay for it. Why, you would not have any legislation before you such as you have today. So, what are you doing? You are adding onto an overburdened debt that the generations that are to come after us will have to pay. I just wonder, if there was a tax program accompanying this $3.5 billion security measure, how many would vote for it here today. But, you are putting it off for another day; you are adding it onto a burden that is going to break the backs of the youth of America for the next 50 to 75 years. Now, it is all right if you want to do it that way, but there are some of us who cannot quite agree with that procedure.

Now, about our President. He is a great leader. He is turning in an outstanding and a magnificent performance. We should be thankful to Almighty God that we have him at this time to direct the affairs of our Nation in a chaotic world. His vast experience in world affairs, his knowledge, and his leadership eminently qualify him to lead the Nation at this time. The people of our country have every faith and confidence in him. He has earned, and he deserves, the great respect, thanks, and hearty commendations of the people of our Nation. His great objective is to do all things for the good and welfare of all of our people, and to lead a war-torn world to stability and peace.

But occasionally we differ on our thinking on some of these matters, and therefore we, too, have our opinions to express about this $3,500,000,000 program. You have $8,715,000,000 authorized, but unexpended, and this will bring it up to $12,200,000,000, and it is my thought for the time being $8,715,000,000 should suffice. Even at $8,715,000,000 it would take you 2 years to spend it. Why not reconsider it? Review it in another. Take the opportunity to think the matter over more carefully. But, no; you have got the pipelines to fill up; you are going to keep 3 or 4 years of spending ahead; you are going to see that this is an annual program, as it has been for the past 10 years; you are going to see that this program is going to be carried on indefinitely. And I honestly think this is the thought in the minds of many, that it is going to be part of your annual budget setup. Foreign aid is going to be just the same in our annual budget as the judiciary and the Department of Agriculture, the Department of Defense, or any other branch of the Government. So, think it over. You are going to be the one that is recorded, and your vote will be so recognized as to how you stand and what position you take on this matter.

Mr. RICHARDS. Mr. Chairman, I would like to see if I cannot propound a unanimous-consent request limiting debate.

Mr. DAVIS of Georgia. Mr. Chairman, if the gentleman will yield, I have been waiting here until the members of the committee finished their debate on this bill. Some of them have had 5 minutes, some 10, and they have had all they want and are now apparently finished and want to cut some of us off who are opposed to this heavy spending program. I would like to have 5 minutes myself.

Mr. RICHARDS. Mr. Chairman, I certainly have no intention of trying to cut the gentleman off. I just want to find out how many wish to speak so that the other Members can tell where they are.

Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes, 5 minutes of which is to be allotted to the gentleman from Georgia.

The CHAIRMAN. That cannot be done on a motion. Does the gentleman withdraw his motion?

Mr. RICHARDS. Yes, Mr. Chairman.

Mr. JARMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my contribution at this point will be very brief and I shall not consume 5 minutes of time.

I have listened with interest to the gentleman from Pennsylvania [Mr. GAVIN] who spoke just a moment ago. He has spoken several times on the bill. I have been impressed with the eloquence of his remarks in opposition to the bill that is before us, as I have also

been impressed with the very strong and eloquent opposition of several other Members of our body.

The thought that has struck me forcefully, Mr. Chairman, is that we all recognize that the best, the most efficacious, the most practical time in which to work out all parts of a piece of legislation is when a committee sits day after day and sometimes nights hearing witnesses and carefully working out each part of a bill to be brought to the floor of the House.

Mr. Chairman, I am surprised that some of the gentlemen who have spoken in such strong opposition to this bill have not taken the time to make an appearance before the Committee on Foreign Affairs during the 10 days in which we conducted night and day hearings. I would point out to the membership of the House that the committee heard 48 witnesses during that 10-day period and every witness who appeared before the committee testified in favor of the legislation. Not a witness appeared in opposition to the proposed legislation.

I should think that if some Members of the House felt as strongly in opposition to this proposed legislation, the mutual security program, as to foreign aid in its entirety as has been expressed, that at least one of those Members would have appeared before our committee and aided us in our deliberations by presenting the views they have so eloquently presented here on the floor of the House.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, there have been no new arguments developed on the floor today. I say this for the benefit of new Members of the House. We have heard the same arguments here today that we have heard every year when various items of authorization or appropriation have come up on this program.

All this talk about what we are doing to succeeding generations can be answered by one simple illustration. Let us assume you had charge of a brand new baby just born into this world. You can make him a citizen of any country in the world. You select the country. Is there anybody in this room today who would select some country other than the country that lives under the glorious Stars and Stripes of America? That is your answer.

It is all very well to talk. My good friend from Pennsylvania [Mr. GAVIN]—and he is a good friend of mine—went on to say further that we have a great man leading us. I wonder when he is going to start going along with him. Here he makes a speech on the floor of this House in opposition to a bill the very idea of which comes from the President of the United States.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from California.

Mr. JOHNSON of California. I think what we are doing in this bill is safeguarding the right of that baby to live.

Mr. RABAUT. Well the gentleman has his opinion, but that baby will live in security as long as we have a Congress here that will look out for this Nation and plan to preserve its Government in harmony with the liberty-loving countries of the world.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In connection with the pending amendment I respectfully call to my colleague's attention the important fact that the one overshadowing question we should have in our minds is what is in the national interest of the United States. I have that emotional reaction to utterances made by leaders of other countries the same as my friend, the gentleman from Texas [Mr. DIES], but I have to try to lift myself above that. I have to try to look a little bit into the future and see history in the making, to see what is for the national interest of my country. Sometimes we can follow that national interest through principle, sometimes we have to follow it through policy. Other times we have to follow it through expediency. But whatever it is, we should always act for the national interest of our country. I hope this amendment shall not be adopted.

Mr. RABAUT. I thank the gentleman for his contribution.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. DAVIS of Georgia moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. DAVIS of Georgia. Mr. Chairman, the charge has been made against a number of the supporters of this amendment that if the amendment should be adopted they would still vote against the bill. I do not support this amendment in that spirit. I have voted for these various mutual-aid bills since 1947. It is true that I have in all instances tried to hold them within what I considered to be reasonable amounts, and that is my position on this. I do hope we can reduce these figures at several places in this bill and particularly this place.

This point 4 program or so-called technical assistance program started out in 1950 to be an inexpensive program as a good-neighbor policy to help some of the undeveloped, underprivileged countries of the world, to raise their living standards.

The first amount which was suggested in 1950 for 1951 was $16,359,000, and that is found in the hearings in 1950 for 1951. By the time it got around to the appropriations stage it had increased to $26 million. Since that time it has been expanding year after year just like a mushroom growing on a foggy night.

In the first year the amount which was set aside for India was $634,000. The second year it was raised to $5 million, the third year to $54 million, and the fourth year it was proposed to raise it to $77 million. We cut it that year. I offered the amendment myself to cut the $50 million from the Asia and Pacific appropriation, and it passed by a vote of 171 to 121.

One of the committee members who is speaking against this amendment made the statement a few minutes ago that whether you call this program that is now under consideration development assistance, technical assistance, economic aid, or what not, they are all intertwined and you cannot tell one from the other. Well, that is the trouble about this kind of thing. It starts off in 1950 with a foot in the door of $16 million and it winds up here with goodness knows what. Nobody knows at this moment just what the figures are in this bill that will go to these various programs which are really a Joseph's coat with a color for everything and a new name for a new experiment every year.

Here is one instance and one indication of the growth and expansion of this program. On pages 434 and 435 of the hearings this year, we find a list of the countries who are getting technical aid and technical assistance under two programs—the United States program and the United Nations program. There is still another program which is called the Organization of American States, and some of these nations are getting this aid under three programs. Some of it is overlapping and the United States is contributing the taxpayers' money to every one of the programs. In these 2 pages, there are listed, as I have mentioned, 62 of the countries which are drawing technical assistance from the 2 programs of the United States and the United Nations. There are 44 other countries listed on these 2 pages which are drawing aid from 1 or the other of the programs or a total of 106 countries which are drawing this so-called technical assistance all over the face of the earth, and a majority of them drawing from at least 2 programs of technical assistance.

We have heard it said here today that this program should be continued for a variety of reasons. One proponent says that we do it because it helps us in trading with these programs, and they show us a chart to show us how it helps in our trade. Maybe there is something to that chart and maybe there is not—I do not take much stock in it. Another Member says we do not do it to gain friends at all—why, that is out of the question, they say—we do not expect to gain friends. Well, then, what are we doing it for? This is costing us money and we certainly ought to hold this thing within reason. On page 13 of the bill, there is a $200 million fund called the President's Fund for Asian Economic Development, and if we cut this $70 million out and it

turns out that there is any real need for it, the President can take some of the money from this fund for Asian economic development which amounts to $200 million, and use it there. I say that this amendment should be adopted, and I am in favor of it.

Mr. ZABLOCKI. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, as many of the other Members of the House, so too have I been deeply disturbed by some of the statements made by Nehru and by Krishna Menon. I am certain you will agree with me, however, that we are not concerned at this point with the question of providing semething for Government officials of that, of any other nation. The program before us is intended to help the entire Indian nation—the people of that country.

Now some government officials may say some things which do not please us. Public officials may change, they may come and go. We must remember, however, that the nation always remains. In this program we are dealing with a nation—not with a couple of individualistic individuals.

Our point 4 program was instituted with the expressed purpose of enabling underdeveloped areas of the world to help themselves—to improve the well-being of their peoples with least amount of outside assistance. This program has proved sound and successful. In the case of India, that country has financed 85 percent of all the development expenditures expended within its borders. This is an impressive record.

Now one of the questions which has been asked of me is whether any part of the $70 million which the motion under consideration wants to delete from this program, is for military assistance to India.

The answer to that question is "No." I can assure you that the funds are provided for development assistance. They are intended to aid the economy of India.

It is proposed to devote a total of $10 million to the field of agriculture and natural resources, including $4 million for fertilizer to meet the rising demand before the completion of additional manufacturing facilities; $4 million for additional deep irrigation wells in the areas shown by the exploratory program to justify the drilling of production wells; and $2 million for river valley development to assist in further expansion of irrigation.

To meet the expanding demand for power as industrial development progresses, $5 million assistance in the construction of electric power facilities is proposed. Further support for industrial development is expected to take the form of steel in the amount of $15 million, to help meet the shortage in India. Some part of this may be used, however, for aid to small rural industries by supplying equipment and making possible increased employment in rural areas.

Assistance in the field of transportation is proposed in the amount of $6 million; this will support agriculture, mineral, and industrial development as well as foreign trade. This would represent a continuation of the program to rehabilitate the Indian railways. It is planned that steel for fabrication of railway rolling stock in India and equipment to expand freight-car fabrication in India will be supplied.

Four million dollars is to be used to further extend the area of malaria control during fiscal year 1953.

Let us remember that there are some 375 million people living in India. Many of the basic needs and wants of those people are not satisfied because the economy of that country is not fully developed. Unless outside assistance is secured to aid in the development of the economic potential of India, the present unsatisfactory conditions may be perpetuated and lead to some very disturbing and unwelcome events.

I am certain that many of us will recall the charges made during the past two campaigns—charges which were unfounded—to the effect that the former administrations have allowed many once-free peoples to be drawn behind the Iron Curtain and behind the Bamboo Curtain. When we vote on this amendment, we ought to remember that we may be placing upon our shoulders the responsibility of someday answering the question whether our votes helped to drive 375 million peoples into the Communist fold. I earnestly hope that the opportunity of asking that question will never arise. I am certain that no one would like to see India, a large and important nation which has a tremendous potential, fall under Communist influence.

The fact remains, however, that India does need outside assistance to develop her potential. This is a fact which we must face squarely and honestly.

Now a word more about Mr. Nehru.

On two occasions during the last Congress, I participated in special study missions to the Far East, and our subcommittee had an opportunity to confer with Nehru. Although Mr. Nehru at times leaves people with the impression that he does not fully appreciate all the ramifications of the international Communist movement, I am certain that we will all agree that he has a pretty definite and thorough understanding of the threat of domestic communism. His actions in this regard frequently speak louder than his words. His words at times appear to be intended strictly for domestic consumption. Maybe that is why they sound a bit strange to many of us.

There is a final point that I would like to make. India, as we all know, is located near the borders of Communist China. The Chinese Reds, with the help of the Soviet Union, have been trying to make an Asiatic showcase out of the mainland of China. They are reportedly undertaking many projects to develop the economy of that nation. They want to show the rest of Asia that communism brings ample material rewards to its followers.

Before voting on the amendment before us, let us pause for a moment and consider this situation. The $70 million of development assistance which is at stake can help India to improve its economy and to remain a democratic country—even though she may choose to remain a neutral democratic country. Without the assistance, the Indian nation may face a much rougher going in the days that lie ahead.

Needless to say, many eyes in Asia are focussed on India and on Red China. If the Indian economy should falter badly, while Red China is making some material progress, what conclusions will the onlookers reach? It seems to me that many of them may be tempted to believe that Communist China may be following the right kind of a philosophy because its philosophy—at least on the surface—appears to pay off in material betterment. Let me assure you, there are very few things which appeal more to the needy, the underprivileged, than a promise of attainable material progress.

In voting on this amendment, we could very well decide whether India or Communist China will become the symbol of a successful nation to the other peoples of Asia. For that reason, and even though many of us may be displeased with some of the remarks of India's leaders, I think that it behooves us not to discontinue a program that has proven successful thus far.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. ZABLOCKI] has expired.

The question is on the preferential motion offered by the gentleman from Georgia [Mr. DAVIS].

The motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, I wish many of the Members could have been with me last Sunday. A committee from the Committee on Agriculture was down in the small farm area of the great State of Texas, and we visited with many farmers there who were having a most difficult time getting by, due to the acreage reductions, and the fact that they were faced by this same administration setting a policy of cutting down the income of the American farmer, the small farmer, at the same time they were advocating the spending of money to improve conditions in foreign countries to put in irrigation, to buy fertilizer, to provide technical assistance to produce more crops of the same kind of which we now have a surplus. That does not make sense to me.

Like the gentleman from Georgia [Mr. DAVIS], I have gone along and voted for mutual aid and the foreign aid program. I believe in brotherly love. I believe in charity. I believe in helping people who need help. I believe in trying to strengthen the people who will be our allies. But in this particular instance, and the reason I am supporting this amendment, I have no assurance that the people we are endeavoring to support and whose economy we are trying to increase at this time are going to be on our side. The chairman of the Committee on Foreign Affairs has admitted that the people who speak for India at this time at least are not speaking in very complimentary terms of the United States, but on the other hand have shown an inclination to go with our potential enemy.

We have this situation facing us: Do we want to go ahead and increase the

surpluses we are now trying to get rid of? We know the economy of those farmers I met last Sunday with other members of our committee, we know that until we get rid of these surpluses through export we are not going to solve their problem. We know this production we are striving to bring about through this $70 million we propose to cut out by this amendment, will be in direct competition with the products of our farmers and make it more difficult for our farmers to come back.

I went along with this program on the theory that it was going to be reduced. I voted for it and I expect to continue to vote for foreign aid. I do not admit to the charge that I am here trying to wreck this bill. I say I am trying to improve this bill, trying to be realistic, trying to do something that will help the economy not only of the whole world but also of this country and particularly the economy of the small farmers here in America.

The CHAIRMAN. The gentleman from Mississippi [Mr. WINSTEAD] is recognized.

Mr. WINSTEAD. Mr. Chairman, reference has been made a number of times to the expenditure of the Military Establishment of this country. I happen to be a member of the Armed Services Committee. I can assure this House that it is so involved and so expensive and spread out so far that I doubt if there is any member of our committee or anybody in this country who is familiar with all the projects we have under the defense program.

We have not discussed all of it. Following this bill we will have the Reserve bill calling for 2,900,000 reservists for our Military Establishment.

I say that if we did not have more than $8 billion of unexpended appropriations money for this program I would feel differently about the bill before us today. I supported the original Marshall plan. When it was originally presented to us we were told it would taper off after a few years. Secretary Wilson and Admiral Radford appeared before the Armed Services Committee and testified that they assumed we were now trying to have a leveling-off period in our military expenditures based on what they call the new look and the long haul; and they testified that as far as they could see in the foreseeable future for 10 to 50 years this is as near normal as we could expect expenditures of the Military Establishment to be. I think the President of the United States also had something to say to that effect.

The point I make here is that if we expect to remain strong and stay out of war, or win a war in case a war is thrust upon us, we must spend enormous sums on our own military program.

I would not attempt to take in some of these countries in working out a loan program. It is my opinion that any country that would receive these grants-in-aid over a period of years will lose self-respect. That is one of the reasons we have lost friends throughout the world. I admit I do not know much about them, but I know the story they put before my committee and your Committee on Foreign Affairs; they tell us they must have all this money, that you cannot reduce it. I have heard that argument these several years. There have been many times when they said that if you cut this a million dollars it would wreck the program; yet, as a matter of fact, they have not even spent the money that was allotted to them, but have carried over unobligated appropriations every year.

I say we could send this bill back to committee and still have ample time to bring out a better one. I think it will strengthen the hands of the President of the United States and our leaders in the State Department if they can tell these countries that Congress is about to rebel because of the size of our national debt and the heavy burden of taxation laid on our people.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, we must remember that on this amendment we would be voting a strong stand against the people of India if the amendment is adopted. If we single out any one free country in this legislation because of its leader's statements that we do not agree with on policy, and vote against assisting the friendly people of that nation, we have a good chance of turning the weight of a strategic free people against us. Therefore, we in the United States in our efforts for freedom and security in this world, and among the free countries of the world, want to sustain the free people of India as those people are our friends. We must remember that the Indian Government under Prime Minister Nehru is a democratic government, although not of our type. We should also remember that the Government of India is making great progress in the Far East, and is maintaining peace, order, and stability within India. The Indian people are solidly behind their government, so that India today is a stable democratic country, and has withstood internal discord and civil disruption through a system of free elections and popular government.

The other point I want to mention is this: The former Speaker of the House on this floor has said that the passage of this bill is a measure of support of the President of the United States as he goes to the meeting at the coming power conference at the summit in July. Of course, it is a measure of support of the President because it means if we do not back the President on his military policy abroad under this legislation we will be saying to the President and to every country in the world: The United States is withdrawing into the fortress of America, giving up its foreign bases and withdrawing from world participation in the defense of the free world. This would be a great encouragement to further aggression in many parts of the world where free peoples are threatened.

I shall vote for this bill because it is for the security of the United States of America and because it is backing President Eisenhower, and the security policy of this administration. Likewise it is backing the same security policy recommended by former President Truman and his administration, and also backing the Republican and the Democratic platforms, each of which have solidly endorsed this defense legislation.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I just want to point out that the amendment if passed will not help the small farmers; $30 million of this money is for the purchase of surplus agricultural commodities; therefore, if we pass this amendment and strike it out, it will do away with the $30 million we are going to spend for surplus agricultural commodities.

Mr. FULTON. If this Congress does not follow Eisenhower and the Republican and Democratic Parties on United States world strategy in defending this country, who are we going to follow? Who do these people in opposition want us to follow so far as strategy is concerned? The United States Congress has authorized this type of defense program since 1947, has developed it through the years. Some people say the program has gone far enough, and no further military commitments should be made to our allies and friendly countries in the free world. I do not believe we have a safe world yet, but when we are at the peak of United States and free world strength, this is not the time to quit the program entirely and stop the President in his strategic planning for United States defense. We in Congress should not say to the President that when you go abroad in the next several weeks there is going to be a lot of opposition to you and your position that you will take to the Four Power Conference. We should uphold President Eisenhower's hand with strength.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Chairman, I yield to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I appreciate very much the consideration of the gentleman from South Carolina, and will use the time for this purpose: It has been said here, as I recall, by one of the proponents of this $70 million figure: What does it matter what Nehru says about India's position. The people of India are the ones that we are looking to.

Well, now, the truth of the business is that the people in India do not know what this is all about, they do not know what is going on. I want to read from the hearings, pages 517 and 518.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I would like for the chairman of the Committee on Foreign Affairs to tell us, if Mr. Nehru and Mr. Mennon do not have a right to speak for the people of India, who does have the right to speak with authority for those people?

Mr. DAVIS of Georgia. They are speaking for the people of India.

Ambassador Bowles had this to say. He was before the committee and was

being questioned about the Indian people and what they know about this, and he said in answer to a question:

I do not think down in the villages they are aware of the stand that Nehru is taking with Red China.

That is on page 518. Then the question was asked:

They do not even know that he is endeavoring to admit Red China into the United Nations or anything like that?

He said:

I do not think the average villager in the back country has ever heard of the United Nations. Once I went into an area on the west coast of India with my wife in a small boat—just the two of us. My wife could speak the language, and thus we could get along. They had never heard of an American Ambassador.

Now, with all the millions of dollars that we have been sending over there, in the back country they do not know what Nehru is doing about the admission of Red China. They do not know even, as Mr. Bowles said, that there is an American Ambassador over there.

Now, on page 126 of the hearings I will read you some more that was said about the impression that we made on India with these millions of dollars that we have given them. The gentleman from Minnesota [Mr. JUDD], was doing the talking. He said:

Last year I asked about Mr. Deshmukh's comment to us. The only thing in our technical assistance for which he had a favorable word was that he thought the student exchange program might have some benefit. He didn't have another single word in favor of our technical assistance.

Now, that is what the gentleman from Minnesota said on page 126 of these hearings. So, the truth of the business is we are not getting credit from the people of India for what we have been doing for them. We will not get it for the money carried in this bill, and Nehru and the other leaders are speaking for India.

Now, I called the Treasury Department yesterday and found that we have given away since 1945 $50,026,000,000. There ought to be a halt to it somewhere, and here is the place where I think we can safely reduce this bill by $70 million.

The CHAIRMAN. All time has expired.

Mr. LECOMPTE. Mr. Chairman, I ask unanimous consent that the amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk again reported the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. ADAIR].

The question was taken; and the Chair being in doubt, the committee divided and there were—ayes 59, noes 104.

So the amendment was rejected.

Mr. WILLIAMS of Mississippi. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sorry I did not have an opportunity during the debate on the preceding amendment to read what I am going to read to the House now. But, for the benefit of Members of the House, particularly those from the cotton-producing States where acreage is being controlled, where the production of cotton in the United States is being limited, I want to read some excerpts from a report of the Committee on Agriculture and Forestry of the other body under the chairmanship of the senior Senator from my State. This report is dated April 25 of this year and was written following rather extensive subcommittee hearings on the subject of cotton surpluses in the United States, and on ways and means of getting rid of our cotton surpluses.

This report attributes our buildup of cotton surpluses to several things, not the least of which they state to be increased foreign production of cotton. I read from this report:

Foreign countries, with suitable climatic and soils conditions for the production of cotton, and in need of an exportable commodity to provide them with needed exchange or barter in world markets, turned to cotton as a safe commodity to produce, because our fixed cotton-producing policy guaranteed them a market for their full production at profitable prices.

The committee goes further and says:

In several instances part of the expansion has been carried out with private American capital and with United States Government-financed technical assistance. In addition to the technical assistance the United States Government, through gifts, grants, and loans for economic developments, including irrigation facilities, equipment, etc., has actively and materially assisted the expansion of existing cotton-growing areas and the creation of new such areas in foreign lands.

Now listen to this. This is an official report of a committee of the other body and I quote further:

In fact, our Government is largely responsible for the increased foreign production.

Let us take the country of India. The figures show that the 5-year average plantings for the United States from 1945 to 1949, in cotton, was 21,258,000 acres. Our 5-year average from 1950 through 1954 was 22,848,000 acres. Now what about India? India planted, during the 5-year period from 1945 to 1949, 11,306,000 acres, but they went up to 16,526,000 acres during the last 5-year period.

Who financed the planting of those new 5 million acres of cotton in India? We did, of course, with our tax money, we even taxed the Amercian cotton farmers to help do it. Sometimes I just wonder if members of our Committee on Foreign Affairs give any thought to the welfare of the American farmer when they think about subsidizing the production of cotton in other countries, and as a result glut the world market and make it necessary for us to curtail the production of our farm commodities at home.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Texas.

Mr. BURLESON. In the first place, I might remind the gentleman I do not entirely disagree with him and I do not take issue with the gentleman from Missouri [Mr. JONES] in what he said, because I have said before the committee for 5 years that we should be, over the long range, developing industrial products in many of these countries and trading our agricultural products to them for those products. It is that simple. So I agree with a great deal of what the gentleman has said and what the gentleman from Missouri has said.

However, let me remind the gentleman that when he talks about those cotton-producing areas, the cotton he is talking about in India and a great many other places is competing with Egyptian cotton; it is competing with cotton in Ethiopia and a great many other places—and some, I will admit, in the State of California and some in Texas, but not a great deal. The cotton from the gentleman's part of the country is the short-staple cotton. This is long-staple cotton, and it is used for an entirely different purpose. Therefore it is not in direct competition. If the gentleman would make that distinction in the thesis he assumes I would agree with him.

Mr. WILLIAMS of Mississippi. I was quoting as my authority a report of a Senate subcommittee, and that subcommittee did not take the same slant that the gentleman has just mentioned. Perhaps he would like to take issue with the Senate subcommittee report. I cannot agree with my friend from Texas.

Mr. RICHARDS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes, had come to no resolution thereon.

COMMITTEE OF ESCORT

The SPEAKER. The Chair appoints as the committee to escort our distinguished guest into the Chamber the gentleman from Massachusetts [Mr. MCCORMACK], the gentleman from Massachusetts [Mr. MARTIN], the gentleman from South Carolina [Mr. RICHARDS], and the gentleman from Illinois [Mr. CHIPERFIELD].

RECESS

The SPEAKER. The Chair declares a recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 48 minutes p. m.) the House stood in recess subject to the call of the Chair.

VISIT TO THE HOUSE OF REPRESENTATIVES OF HON. U NU, PRIME MINISTER OF BURMA

During the recess the following occurred:

The Doorkeeper announced the Honorable U Nu, Prime Minister of Burma.

The Prime Minister of Burma, escorted by the Committee of Representatives, entered the hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the House of Representatives, it is my great pleasure, and I deem it a high privilege, to present our guest today, the head of a Government composed of proud people, a parliamentary Government, a friend of the United States of America, the Prime Minister of Burma. [Applause, the Members rising.]

The PRIME MINISTER. Mr. Speaker and Members of the House of Representatives, I have just had the pleasure of talking briefly with your colleagues in the Senate. As you know, we also have a bicameral legislature in Burma; but we adopted the parliamentary system of government, so that one of my duties as Prime Minister is to serve as leader of the majority party in our Chamber of Deputies. So it is a special pleasure to stand here before the sister branch of the United States Government.

I can tell your renowned Speaker that his reputation as a parliamentarian has been known to me for many years, and I must confess that I am pleased that our majority in the Chamber of Deputies is somewhat more substantial than his.

I promise you that my remarks will be far more brief than they normally are before the Chamber in Rangoon, but there is one thing that I should like to mention because it makes me feel very close to the United States. It is this: In the very early days of our respective histories as independent nations, even under the greatest stress, we both maintained our faith in the democratic system and in democratic institutions.

Like most fighters for independence, I studied the history of the American Revolution and draw sustenance from it. Therefore I am aware that in the darkest days of your revolution there were voices raised to advise you to forsake, for the time being at least, the methods of democracy in favor of some strong authority. But the founders of your country did not yield their faith. They dealt with the fearful, the apathetic, and even with the traitors, according to democratic principles.

As you know, our new democracy in Burma was seriously threatened by subversive revolt almost as soon as it was born. Communists and anti-Communists, both inspired from abroad, took up arms against our Government. For a while it looked as though all was lost. Like your revolutionary leaders, we were advised to abandon the principles of democracy in favor of strong-arm methods. But I am proud to say that we kept faith and stuck to the methods of democracy. We also treated the fearful, the apathetic, and even the traitors, according to democratic principles.

The history and experience of the founders of your country, Mr. Speaker, helped us to keep the faith during the darkest hours. For this, we shall always be grateful to the United States of America.

[Applause, the Members rising.]

The SPEAKER. Those who so desire may come up and greet the Prime Minister.

The Prime Minister of Burma stood in the well of the House and received Members of the House of Representatives.

AFTER RECESS

The recess having expired at 3 o'clock and 12 minutes p. m., the House was called to order by the Speaker.

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

TEMPORARY APPROPRIATIONS, 1956

Mr. CANNON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 366) making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, this is the usual resolution that comes in every year when we have bills that have not been passed by both Houses or where conference reports have not been adopted. It also has a provision in it providing for pay increases that this Congress has passed. I will ask the gentleman from Missouri if there is anything else in the resolution.

Mr. CANNON. The gentleman from New York has very accurately outlined the situation.

This is the usual stereotyped resolution resorted to when supply bills have not been enacted by the end of the fiscal year and departments are without funds pending action by the Congress.

In all instances we provide for the lesser rate in House and Senate bills. No provision is made for new activities. The money is to be taken out of the eventual appropriation when it becomes available. Items not yet in any bill are provided for at the rate of the budget estimate or the current rate, whichever is lower. And the resolution expires on July 31 or on enactment of the annual bill.

Title II provides for retroactive increased pay for 1955 for the period extending from March 1 to June 30, inclusive. Provision is indefinite for additional needs but cannot exceed the cost of additional pay. Of course, provision is made for reports to Congress.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, for the several departments, agencies, corporations, and other organizational units in each branch of the Government, namely:

TITLE I—TEMPORARY APPROPRIATIONS

(a) (1) Such amounts as may be necessary (plus increased pay costs pursuant to law) for continuing projects or activities which were conducted in the fiscal year 1955, and for which appropriations, funds, or other authority would be made available in the following appropriation acts for the fiscal year 1956:

Departments of Labor, and Health, Education, and Welfare, and related agencies Appropriation Act;

Departments of State and Justice, the Judiciary, and related agencies Appropriation Act;

Department of Defense Appropriation Act;

District of Columbia Appropriation Act;

Public Works Appropriation Act;

(2) Appropriations made by this subsection shall be available to the extent and in the manner which would be provided for by the pertinent appropriation act.

(3) Whenever the amount which would be made available or the authority which would be granted under an act listed in this subsection as passed by the House is different from that which would be made available or granted under such act as passed by the Senate, the pertinent project or activity shall be continued under the lesser amount or the the more restrictive authority.

(4) Whenever an act listed in this subsection has been passed by only one House or where an item is included in only one version of an Act as passed by both Houses, the pertinent project or activity shall be continued under the appropriation, funds, or authority granted by the one House, but at a rate for operations not exceeding the current rate or the rate permitted by the action of the one House, whichever is lower.

(b) Such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1955 and listed in this subsection (1) at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, plus increased pay costs pursuant to law, or (2) in the amount or at the rate specified herein:

Legislative branch;

Funds appropriated to the President, Emergency fund for international affairs;

President's Commission on Veterans Pensions;

Export-Import Bank of Washington;

Small Business Administration;

Federal Civil Defense Administration, Civil defense functions of Federal agencies (Department of Health, Education, and Welfare functions only);

Department of Agriculture, Agricultural conservation program service (wind-erosion control);

Department of Defense, Government and relief in occupied areas;

Department of the Interior, Bureau of Mines, Conservation and development of mineral resources (Rifle, Colorado); Fish and Wildlife Service, Investigation of resources (International Convention for High Seas Fisheries);

Mutual Security programs, $200,000,000, to be expended in accord with provisions of law applicable to such programs during the fiscal year 1955 and at a rate for any individual program not in excess of the current rate therefor: *Provided*, That administrative expenses for such programs shall not exceed the current rate.

SEC. 102. Appropriations and funds made available and authority granted pursuant to this title shall remain available until (a) enactment into law of an appropriation for any project or activity provided for in this title, or (b) enactment of the applicable appropriation act by both Houses without any provisions for such project or activity, or (c) July 31, 1955, whichever first occurs.

SEC. 103. Appropriations and funds made available and authority granted pursuant to this title may be used without regard to the time limitations set forth in subsection (d) (2) of section 3679, Revised Statutes, and expenditures, therefrom shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

SEC. 104. No appropriation or fund made available or authority granted pursuant to this title shall be used to initiate or resume any project or activity which was not being conducted during the fiscal year 1955. Appropriations made and authority granted pursuant to this title shall cover all obligations or expenditures incurred for any project or activity during the period for which funds or authority for such project or activity are available under this title.

TITLE II—INCREASED PAY COSTS

For costs in the fiscal year 1955 of pay increases granted by or pursuant to Public Laws 68 and 94, Eighty-fourth Congress, for any branch of the Federal Government or the municipal government of the District of Columbia, such amounts as may be necessary, to be determined and made available as hereinafter provided in this title, but no appropriation, fund, or authorization may be increased pursuant to the provisions of this title in an amount in excess of the cost to such appropriation, fund, or authorization of increased compensation pursuant to Public Laws 68 and 94, Eighty-fourth Congress.

SEC. 202. Any officer having administrative control of an appropriation, fund, or authorization properly chargeable with the costs in the fiscal year 1955 of pay increases granted by or pursuant to Public Laws 68 and 94, Eighty-fourth Congress, is authorized to transfer thereto, from the unobligated balance of any other appropriation, fund, or authorization under his administrative control and expiring for obligation on June 30, 1955, such amounts as may be necessary for meeting such costs.

SEC. 203. Whenever any officer referred to in section 202 of this title shall determine that he has exhausted the possibilities of meeting the cost of pay increases through the use of transfers as authorized by said section, he shall certify the additional amount required to meet such costs for each appropriation, fund, or authorization under his administrative control, and the amounts so certified shall be added to the pertinent appropriation, fund, or authorization for the fiscal year 1955: *Provided*, That any transfer under the authority of section 202 or any certification made under the authority of this section by an officer in or under the executive branch of the Federal Government shall be valid only when approved by the Director of the Bureau of the Budget.

SEC. 204. For the purposes of the transfers and certifications authorized by sections 202 and 203 of this title, the following officers shall be deemed to have administrative control of appropriations, funds, or authorizations available within their respective organizational units—

(a) For the legislative branch:

The Clerk of the House;

The Secretary of the Senate;

The Librarian of Congress;

The Architect of the Capitol;

The Public Printer;

The Comptroller General of the United States;

The Chairman of any commission in or under the legislative branch.

(b) For the judiciary:

The Administrative Officer of the United States Courts.

(c) For the executive branch:

The head of each department, agency, or corporation in or under the executive branch.

(d) For the municipal government of the District of Columbia:

The Board of Commissioners of the District of Columbia.

SEC. 205. Obligations or expenditures incurred for costs in the fiscal year 1955 of pay increases granted by or pursuant to Public Laws 68 and 94, 84th Congress, shall not be regarded or reported as violations of section 3679 of the Revised Statutes, as amended (31 U. S. C. 665).

SEC. 206. (a) Amounts made available by this title shall be derived from the same source as the appropriation, fund, or authorization to which such amounts are added.

(b) Appropriations made by, and transfers made pursuant to, this title shall be recorded on the books of the Government as of June 30, 1955: *Provided*, That no appropriation made by this title shall be warranted, and no transfer authorized by this title shall be made, after August 15, 1955.

(c) A complete report of the appropriations and transfers made by or pursuant to this title shall be made, not later than September 15, 1955, by the officers described in section 204, to the Director of the Bureau of the Budget, who shall compile and transmit to the Congress a consolidated report not later than October 15, 1955.

Mr. CANNON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON as a committee amendment: On page 2, strike out lines 13 and 14.

Mr. CANNON. Mr. Speaker, this amendment is made necessary by agreement today in both the House and the Senate on the conference reports on the Department of Defense Appropriation Act and the District of Columbia Appropriation Act. The resolution is no longer applicable to these bills and reference to them should be eliminated. I ask for a vote on the amendment.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1956

Mr. NORRELL, from the Committee on Appropriations, reported the bill (H. R. 7117), making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 1036), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. HORAN reserved all points of order on the bill.

DIVERSION OF WATER FROM LAKE MICHIGAN

Mr. MADDEN, from the Committee on Rules, reported the following privileged resolution (H. Res. 293, Rept. No. 1037), which was referred to the House Calendar and ordered to be printed.

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3210) to authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto for final passage without intervening motion except one motion to recommit.

PRINTING OF PROCEEDINGS DURING RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the proceedings that took place during the recess may be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FREE IMPORTATION OF PERSONAL AND HOUSEHOLD EFFECTS BROUGHT IN UNDER GOVERNMENT ORDERS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5560) relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 13 and 14 and insert:

"(b) The amendment made by subsection (a) shall be effective with respect to articles entered for consumption or withdrawn from warehouse for consumption on or after July 1, 1955, and before July 1, 1958."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, when H. R. 5560 passed the House it provided permanent authority for the duty-free importation of personal and household effects brought into the United States under Government orders. I explained the provisions of this bill in my remarks on June 23, 1955, when it was considered by the House.

Briefly, this legislation has been in effect on a temporary basis since 1942, and

under present law it is scheduled to expire today. The Department of Defense requested that the legislation be made permanent.

In making this authority permanent, our committee adopted an amendment which limited the duty-free privilege, under regulations to be prescribed by the Treasury Department, to persons in the service of the United States who return to this country upon the termination of an assignment of extended duty outside the country. The committee also was advised by the Treasury Department that in the administration of this law, the Department would ordinarily limit importations of liquor and tobacco products to the amount which may now be imported duty-free by returning United States residents who have made a trip abroad.

The only amendment adopted by the Senate is to make the House bill effective for a period of 3 years, instead of its becoming permanent legislation as passed by the House.

(Mr. JENKINS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. JENKINS. Mr. Speaker, I wish to state that the matter to which the gentleman from Tennessee [Mr. COOPER] has referred has met the unanimous approval of the members of the Ways and Means Committee. It is a matter of some urgency and should be approved by the House today.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

MUTUAL SECURITY ACT OF 1955

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committtee of the Whole House on the State of the Union for the further consideration of the bill, S. 2090, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. BYRNES of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman.

Mr. RICHARDS. I ask unanimous consent that debate on this section close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mrs. CHURCH. Mr. Chairman, reserving the right to object, may I ask the chairman whether he is referring to section 6 or section 7.

Mr. RICHARDS. Section 6.

Mrs. CHURCH. Mr. Chairman, I withdraw my reservation of objection. I wish to speak on section 7.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Chairman, it is not my intention to take all of 5 minutes. I rise, however, to seek certain information that I was not able to find either in the majority or the minority report on this bill. It relates to the matter of unexpended balances.

I wonder if the chairman could advise me, or some other member of the committee could advise me, whether there is any breakdown of the unobligated balances.

I think the chairman of the committee will recall that last year when we considered the mutual security appropriation bill a considerable point was made by the Committee on Appropriations as to the bookkeeping of this agency and the inability to determine what funds were obligated and what were not. At that time we were advised that the Comptroller was going to go into a thorough study of the bookkeeping and general operation of these funds. I am wondering now if the chairman as the result of the work of the past year is able to tell us what the status is of this $8 billion that is listed as unexpended. What part of that is unobligated?

Mr. RICHARDS. I would say to the gentleman that I agree with his dissatisfaction with regard to the bookkeeping. I think there has been some improvement. The latest overall unexpended balance we have is $8,717,000,000, that is the latest and best figure we can get. In the report on page 11 is a breakdown of the unexpended balance of military funds as near as we could get this information when the report was written.

Mr. BYRNES of Wisconsin. Do I correctly understand from the chairman that this unexpended balance is also unobligated?

Mr. RICHARDS. No.

Mr. BYRNES of Wisconsin. That is the point I am trying to make. I was wondering what part of that is obligated and what part of it is unobligated.

Mr. RICHARDS. It has been variously estimated. The best figure we could get at first was that it was $200 million. The best figure we can get now is that it is $670 million.

Mr. BYRNES of Wisconsin. It is all obligated except $600 million?

Mr. RICHARDS. That is right. That is the difference between the two.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not true that at the beginning of our hearing those in charge of this program said they thought they were going to be able to get all but $100 million obligated before June 30. But later they said that in order to meet the requirements of certain amendments in the appropriation bill they could not make the target without being reckless in their making of obligations. They said the unobligated amount might be $600 million. They told us this frankly. We asked them not to go ahead and obligate funds for programs they were not absolutely sure of. They had general plans for those programs but they were not sufficiently firm so they could nail them down in a contract.

Mr. BYRNES of Wisconsin. I do not think it is to their credit that they necessarily have it all obligated. I believe last year one of the criticisms that was made was that in the last month of the fiscal year they tried to get everything obligated they possibly could in order to make it look as though there was not any carryover this Congress could work its will on.

Mr. RICHARDS. That is right.

Mr. JUDD. I agree. The gentleman will recall that in order to avoid improper last-minute obligations, we put an amendment in the bill last year that not more than 25 percent could be obligated in the last 2 months of the fiscal year. They played it straight with us this year, I think.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Ohio.

Mr. VORYS. I have been informed in the last few minutes that the amount of unobligated funds is not $600-some-odd millions but has been reduced to about $200 million, because the Bureau of the Budget has within the last day or so apportioned to defense the $420 million which they had been holding, and that will be reserved for defense.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Chairman, for the third day I have listened with great interest to the debate on this foreign-aid bill now before the House.

I have read the bill and the report which accompanies the bill and which explains the committee's action.

While I favor the expenditure of funds for some of the items for this bill which totals $3,285,800,000, I must express my opposition to the giving of our taxpayers dollars to such countries as India and Yugoslavia, because certainly the rulers of those countries have shown very little if any signs for many, many years, that they believe in us, or in our American way of doing things. Truth is they have shown too often by their words and deeds that they believe in the exact opposite. While the amounts requested in this bill for these countries are small comparatively speaking, still I have strong misgivings in further attempts to buy their friendship with American dollars.

Also, Mr. Chairman, there remains in the FOA coffers unexpended, approximately $8 billion from previously appropriated funds, of course they claim that all but $600 million plus is unobligated. Before I vote for this additional amount for FOA, I want to know a lot more about this huge unexpended balance which Congress has previously appropriated. Being a member of the Appropriations Committee, I feel it my special and plain duty to look carefully into this huge unexpended balance and some other items in the bill which I believe should be drastically reduced. Hence, I cannot conscientiously vote for

this bill in its present form. If, however, the Appropriations Committee reduces the request for a number of items in this authorization bill now being considered, to what I believe is a reasonable and justified amount, I may then support the expenditure of such funds. We shall see in about 10 days exactly what the Appropriations Committee recommends.

Now Mr. Chairman, I yield to no man in my heartfelt desire to help suffering humanity across the seas to the degree of our United States taxpayers can afford. The American people are big hearted but there is a limit to what they can afford. If we spend ourselves broke then we can help none of our friends across the seas, let alone our own needy, numbering millions.

With my own eyes I have seen during my travels around the world, how very grateful the people were of many nations to whom we have furnished food, clothing, medicine, doctors, and nurses; I favor such contributions to sick, hungry, destitute people, it is by such gift we make real friends across the seas, and in the same category I would include our aid to the refugees who escaped from under the Iron Curtain, and to those thousands of poor souls who were driven from their homelands during and since World War II. I favor the full amounts requested in this bill for such aid to suffering humanity across the seas, but I must reserve on many other items in this bill.

The Clerk read as follows:

SEC. 7. Title III of the Mutual Security Act of 1954, which relates to technical cooperation, is amended as follows:

(a) In section 304, which relates to authorization, insert "(a)" before the first sentence and add the following new subsection:

"(b) Duties of Commission: In conformity propriated to the President for the fiscal year 1956 not to exceed $146,500,000 for technical cooperation programs in the Near East and Africa, Asia and Latin America."

(b) In section 306, which relates to multilateral technical cooperation:

(1) Insert the following before the semicolon at the end of paragraph (a): "; in addition, $24,000,000 for the fiscal year 1956 for contributions to the United Nations Expanded Program of Technical Assistance."

(2) Insert the following before the period at the end of paragraph (b): "; in addition, $1,500,000 for the fiscal year 1956 for contributions to the technical cooperation programs of the Organization of American States."

(c) In section 308, which relates to the International Development Advisory Board, insert ", or at the applicable rate prescribed in the Standardized Government Travel Regulations, as amended from time to time, whichever is higher," after "not to exceed $10 per diem."

Mrs. CHURCH. Mr. Chairman, I move to strike out the last word.

Mr. RICHARDS. Mr. Chairman, will the gentlewoman yield for a unanimous-consent request?

Mrs. CHURCH. I yield.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this section, and all amendments thereto, close in not to exceed 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. MEADER. Reserving the right to object, how many amendments to this section are there at the Clerk's desk?

The CHAIRMAN. The Chair is advised that there are two amendments to this section now on the Clerk's desk.

Mr. MEADER. I should like to have at least 5 minutes to discuss my amendment. Would the gentleman make that 20 minutes?

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this section, and all amendments thereto, close in not to exceed 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The gentlewoman from Illinois [Mr. CHURCH] is recognized for 5 minutes.

Mrs. CHURCH. Mr. Chairman, I have taken this time to clarify the situation regarding the appropriations for the United Nations expanded program of technical assistance in order that this year the situation might be crystal clear. I want therefore to read into the permanent RECORD the provisions that have been made in this bill for the United Nations expanded program of technical assistance, amounting to $24 million for the fiscal year 1956 as reported on page 7, lines 17, 18, and 19 of the bill.

I call attention to this matter, Mr. Chairman, because there is a time element involved in this appropriation which I think the committee should recognize. I would particularly call attention to page 27 of the committee report which points out that this specific amount authorized in this bill will cover not just the 12-month period of the fiscal year 1956, but an 18-month period, the 6 months of the calendar year 1955 and all of calendar year 1956. The amount authorized would provide $8.5 million for the last half of this calendar year of 1955, and $15.5 million for the full calendar year of 1956, making a total of $24 million. I would point out, Mr. Chairman, what the Members of the House are certainly aware of, that we in the Congress operate and appropriate on a fiscal-year basis. The United Nations with all its agencies operate on a calendar-year basis. This creates a difficulty which this Congress must recognize and meet. When, as happened last year, the Appropriations Committee confines the amount granted the agency to the level of what should and can be spent on the basis of only half of the United Nations year, with the remainder hanging fire and dependent on a supplementary appropriation bill, there must inevitably be delay and difficulty in planning a satisfactory budget. An actual loss in economy, as well as efficiency, is most likely to occur.

We should make an honest attempt to get on a parallel system of appropriations, insofar as we can.

I would, therefore, personally urge the Committee on Appropriations this year, in its wisdom, to make not a restricted 6 months' appropriation for the technical-assistance program; but to put the appropriation on a 12-month basis. I point out, again, that the Committee on Foreign Affairs has authorized a grant for a program for 18 months, which would put us more nearly in step.

The CHAIRMAN. The time of the gentlewoman from Illinois [Mrs. CHURCH] has expired.

Mr. MEADER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADER: On page 8, after line 3, insert:

"SEC. 309. Commission on Overseas Investment and Trade.

"FINDINGS AND DECLARATION OF PURPOSE

"The Congress finds that the dynamic competitive free-enterprise system which has flourished in the United States can raise standards of living and promote internal strength and stability in other free countries, thereby increasing their capacity to resist aggression, stimulating international trade, and contributing to the growth of free economic and political institutions. These goals can be achieved in large measure through encouraging and facilitating the investment of private capital in other free countries to develop their resources and improve their productivity. Numerous impediments now exist, however, which inhibit the investment of private capital and the conduct of trade and commerce throughout the free world. It is the purpose of sections 309 through 319 to discover ways to overcome these obstacles and make the fullest use of free private enterprise, subject to proper restraints to prevent overreaching and unfair exploitation, in promoting mutual security, economic vigor, and individual liberty in the free world.

"ESTABLISHMENT OF COMMISSION; DUTIES

"SEC. 310. (a) Commission established: There is hereby established a bipartisan commission to be known as the Commission on Overseas Investment and Trade (in this act referred to as the "Commission").

(b) Duties of Commission: In conformity with the findings and in furtherance of the purpose declared in section 309, the Commission, after a complete study and investigation, shall formulate and recommend to the President and the Congress specific programs and policies calculated to encourage and facilitate the investment of private capital in free countries outside the United States, and the conduct of trade and commerce in such countries, and between such countries and other free countries, including the United States. The Commission shall give particular attention to developing programs and policies calculated to eliminate or minimize the restrictions, hazards, and other impediments, foreign and domestic (including monopolistic and restrictive trade practices) which inhibit such investment, trade, and commerce, and to provide incentives for such investment, trade, and commerce.

"MEMBERSHIP OF THE COMMISSION

"SEC. 311. (a) Number and appointment: The Commission shall be composed of 14 members as follows:

"(1) Ten appointed by the President of the United States, four from the executive branch of the Government and six from private life;

"(2) Two Members of the Senate appointed by the Vice President; and

"(3) Two Member of the House of Representatives appointed by the Speaker.

"(b) Political affiliation: Of each class of members, not more than one-half shall be from each of the two major political parties.

"(c) Vacancies: Any vacancy in the Commission shall not affect its power, but shall be filled in the same manner in which the origial appointment was made.

"ORGANIZATION OF THE COMMISSION

"SEC. 312. The Commission shall elect a Chairman and a Vice Chairman from among its members.

"QUORUM

"SEC. 313. Eight members of the Commission shall constitute a quorum.

"COMPENSATION OF MEMBERS OF THE COMMISSION

"SEC. 314. (a) Member of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any, as is necessary to make his aggregate salary $12,500; and they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

"(c) Members from private life: The members from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

"STAFF OF THE COMMISSION

"SEC. 315. The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

"CERTAIN LAWS INAPPLICABLE TO COMMISSION AND ITS STAFF

"SEC. 316. The service of any person as a member of the Commission, the service of any other person with the Commission, and the employment of any person by the Commission, shall not be considered as service or employment bringing such person within the provisions of sections 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

"EXPENSES OF THE COMMISSION

"SEC. 317. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of sections through 319.

"POWERS OF THE COMMISSION

"SEC. 318. (a) Committees: the Commission may create such committees of its members with such powers and duties as may be delegated thereto.

"(b) Hearings and sessions: The Commission, or any committee thereof, may, for the purpose of carrying out the provisions of sections 309 through 319, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such committee may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before any committee thereof.

"(c) Obtaining official data: The Commission, or any committee thereof, is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of sections 309 through 319, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, or any committee thereof, upon request made by the Chairman or Vice Chairman of the Commission or of the committee concerned.

"(d) Subpena power: The Commission, or any committee thereof, shall have power to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths; to take testimony; to have printing and binding done; and to make such expenditures as it deems advisable within the amount appropriated therefor. Subpenas shall be issued under the signature of the chairman or vice chairman of the Commission or committee and shall be served by any person designated by them. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

"EXPIRATION OF COMMISSION

"SEC. 319. The Commission shall cease to exist on June 30, 1957."

Mr. MEADER (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection?

Mr. VORYS. Reserving the right to object, how many pages are there in the amendment?

Mr. MEADER. There are 7 pages in the printed bill which is the amendment. I have furnished the gentleman from Ohio with a copy of it, and also the gentleman from South Carolina.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman is recognized in support of his amendment.

Mr. SMITH of Wisconsin. Mr. Chairman, I ask unanimous consent that the time allotted me be granted to the gentleman from Michigan [Mr. MEADER] and that I may revise and extend my remarks immediately following the remarks of the gentleman from Michigan.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the same request, that my time be granted to the gentleman from Michigan and that I may extend my remarks following the gentleman from Wisconsin [Mr. SMITH].

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MEADER. Mr. Chairman, like others who have spoken this afternoon, and I refer particularly to the gentleman from Georgia [Mr. DAVIS], I have supported the foreign-aid program since I entered Congress in 1951.

The program was already under way, but like many others I thought of it as a temporary program. I thought this job of developing the economies of friendly free countries was some time going to be finished. It was not until this year that I recall hearing any official, in a position to state Government policy, announcing that this program would become a permanent program.

The amendment which I have offered would provide a solution that many of us have been seeking; namely, a way to accomplish the job of strengthening our friendly allies in the free world without always having them on the back of the American taxpayer.

The Commission which I would create by this amendment would have the task of identifying and removing the hazards, obstacles, and impediments which are now restraining the natural forces which will more effectively build the economies of undeveloped areas than can ever be done by any amount of Government grants. That building would be done by private capital, the way our continent was developed. The investment money would flow into underdeveloped areas of the artificial barriers and unnatural hazards could be removed or minimized.

Yesterday I was interested in hearing the gentleman from Oklahoma [Mr. JARMAN] in his recital of what had been done to encourage the investment of private capital in economic activities abroad. He mentioned that the guaranty program had not resulted in attracting a great deal of American capital to foreign countries.

These problems are difficult and complex; they need the study of the best minds in the United States. I know it will be said we had the Randall Commission which was supposed to do exactly that job. As I recall, the Randall Commission was in existence only 5 months and they made but one recommendation which was practical, specific, and that was against double taxation; that was a good recommendation. But other than that, you can read the Randall Commission report and you will find that it is a change in wording, but otherwise not much more penetrating than other previous reports such as the Bell report, the Rockefeller report, the Gray report, and other studies that have been made. The problem is still with us.

In our effort to fight effectively in this cold war against the totalitarian regimes, let us not be ashamed of our own system of free private enterprise. Let us permit private capital to develop the economies of the underdeveloped countries. Let us make a start to bring an end to the Government grant program. Let us not make it a permanent program.

Even though perfecting amendments are not adopted in the Committee of the Whole this afternoon I probably will go along and vote for this bill again, but I wish they would make it more attractive to me, because I think that a program which depends upon our supporting weaker countries from our tax moneys is not a sound way to build a defense against Communist aggression.

Mr. BROWNSON. Mr. Chairman, will the gentleman yield?

Mr. MEADER. In just a minute.

We need friends in our contest with imperialist Communist Russia, but we need strong friends. We need friends who can stand on their own feet and not have to be carried on our backs.

A program which leads us to dissipate our substance and our strength in carrying someone who cannot support himself is not a sound program to defend this country or to defend any other country. A country which will not fight to defend itself is not going to fight to

defend the United States. We cannot win against Russia with mercenaries.

If foreign countries believe in the system we believe in and if we help them develop their economies on a sound basis such as my amendment would lead to, then we will have friends who can stand up against Russia. That is the kind of program I would like to see and this is the only way we are ever going to bring an end to the Government grants program which instead of strengthening these people perpetuates their mistakes, their deficiencies and their weaknesses, because they can rely upon Uncle Sam for financial help.

I now yield to the gentleman from Indiana [Mr. BROWNSON].

Mr. BROWNSON. I desire to compliment the gentleman on his amendment and also call the attention of the membership to the detailed study the gentleman has made of this subject in many countries of the world when it has been my pleasure to travel with the commitee.

I share the gentleman's misgivings about continuing this as a permanent program, and it certainly would be more palatable to me were some amendment of this kind included—and I have always supported this program in the past.

Mr. MEADER. I thank the gentleman, and I might say that in the last Congress the gentleman was chairman of the International Operations Subcommittee of the Committee on Government Operations and explored some of these foreign aid programs. I wish we had time to discuss the mistakes that have been made in point 4 technical cooperation programs and in aid programs, but we do not.

How much better it is to have technical assistance follow the capital of private people investing abroad rather than to draft people and put them on a governmental assistance basis in these technical cooperation programs. Private business can furnish technical know-how in industrial and commercial undertakings far better than the Government can. The aid so furnished helps to build a sound economy on a natural basis and doesn't cost the taxpayers 1 cent.

Mr. DODD. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Connecticut.

Mr. DODD. I want to commend the gentleman from Michigan for his work in this field. I have been aware of it at least for a year or two, having also served on the same subcommittee of the Committee on Government Operations. I know what a great amount of work he has done. I think it would be helpful to the Members of the House if he could explain briefly—his amendment is lengthy—just what it is he wants to do.

Mr. MEADER. My amendment would create a bipartisan commission composed of 14 members, 4 from the executive branch of the Government, 4 from the legislative branch of the Government and 6 from private life. I would hope that the 6 men from private life would be selected with great care because if they have had experience with problems encountered in doing business abroad, they can make a greater contribution toward eliminating the obstacles and impediments which are now restraining the flow of capital into these underdeveloped areas.

That commission would have the specific purpose of trying to create a climate which would be attractive to American private capital or to the private capital of any other country. It would put emphasis on the free enterprise system and reverse the trend we have been following, namely, grants from government to government. That system tends to encourage socialism, because the government then engages in economic activities.

Mr. DODD. The gentleman might be interested in this comment. In February I went down to New Orleans to attend a private business conference concerned with developing trade with our South American neighbors. It was a good conference. There were four hundred-odd people from South and Central America and more than 400 from the United States and Canada. I say that great good was done there, but may I observe that nothing really definite was accomplished because the men and women down there did not have the means and the methods to put in operation what was in their minds. It would seem to me that the gentleman's amendment would help to develop this private business trade.

Mr. MEADER. I thank the gentleman.

Mr. SMITH of Wisconsin. Mr. Chairman, the technical-assistance program as originally conceived was to be a people-to-people program of sharing know-how and technical skill.

We have pointed out in our minority views that helping people to help themselves brings lasting benefits, not only to the recipients but to the donors as well. It builds self-respect for peoples everywhere and independence for nations.

This technical-assistance program was originally and in some quarters still is known as the point 4 program. Former Secretary of State Dean Acheson said that the program "is not and never will be a big money enterprise. It is cooperative, which means that a considerable part of the expense should be borne by the countries in which we work. It involves salaries and expenses of many, not vast purchases of machinery and raw materials. Its objective is to show other people how to meet their own needs, not to attempt to meet these needs ourselves. For this reason, the cost of technical cooperation will always be modest compared with the cost of other types of foreign-aid programs."

When Dr. Henry G. Bennett, the first director of technical cooperation, appeared before our committee, he said that he understood that the plan was a simple, down-to-earth, self-help program designed primarily to assist other peoples in increasing their food production, bettering their health conditions, and improving their educational systems. With these statements I am in accord. However, the program as it is now working goes far beyond these basic fundamentals stated by the former Secretary of State and Dr. Bennett.

Mr. Chairman, in view of this vast expansion, I cannot agree to the proposals for technical assistance as provided in this bill. There is little, if any, difference in the actual operation of technical assistance or of technical cooperation. Technical assistance is usually used to refer to such operations involving the more advanced countries or to military matters. So conceived, technical assistance especially in the fields of productivity has been a feature of our aid to Europe from the inception of the program. In recent years, we have been spending considerably more for supplies and equipment than for technicians, and there has been the feeling that it would be unwise to emphasize commodity and end-item assistance rather than technical assistance. In fact, our own committee has spoken out and advised the administrators of the technical-assistance programs to reduce the ratio of supplies and equipment to services and training even though used to support technical-assistance programs. The Hoover Commission report has stated that President Eisenhower, in his message to Congress on the Mutual Security Act for 1954, asserted that technical-cooperation programs should provide experts and know-how, rather than large amounts of funds or goods. Yet the bill before us ignores his advice.

Mr. Chairman, a witness who appeared before our committee a year ago along with several other witnesses, pointed out one of the weaknesses of the whole technical assistance operation: It is that the administrators of the program have failed to find out just how we could be most helpful in rendering assistance, along the lines of self-help and know-how. It was pointed out that the administrators apparently have labored under the concept that to insure success of the program, it was necessary to make a mass impact on the country concerned. To succeed in this mass impact, it obviously seemed desirable to put in as many people and as much money as Congress would provide.

It has always been, Mr. Chairman, the popular understanding that our technical assistance would be closely related to the needs of the masses of underprivileged people. These so-called masses are largely village people. The only country in Asia where this is not true is Japan where we have a relatively small program. On the Asian Continent, our contribution to village development is quite limited. In some countries we have barely scratched the surface of the program of getting help to the villages. In some countries like India, we have, to our detriment, claimed much more credit than we deserve. On the other hand, in Formosa the Joint Commission on Rural Rehabilitation has done an excellent job in getting help to the village people. It has been stated that in one country in Asia, according to a high Government official, conditions in the villages were so bad that an American could not be expected to live there and so, nothing has been done under the program. This country is one in which there is considerable Communist strength. The point I make is that our technical assistance

has not, in any large way, been reaching the people who need it most.

Mr. Chairman, the Hoover Commission report on the United States technical assistance program points out that technical assistance has grown like Topsy from a limited, simple, self-help, down-to-earth program offering skills and knowledge in the fields of agriculture, education, and health to the underdeveloped countries of the world. Technical assistance is now being given or has been given by our Government in a wide variety of fields encompassing a bewildering array of projects to 63 countries and dependent overseas territories. There is obviously no attempt to gear the program to this limited concept of down-to-earth programs but rather a super-duper program to provide highways, to organize industrial concern, power dams, and a whole range of activities far removed from a program offering skills and knowledge in the fields of health, agriculture, and education.

Mr. Chairman, again I refer to the so-called Hoover Commission report which clearly sets forth the only justification for foreign aid. This report states:

> There is one and only one justification for foreign aid; the economic and political security of the United States. This standard includes anything that is deemed by high policies to further such security. But the overruling motive in United States security. If this results in social and humanitarian benefits, we should be both satisfied and grateful. The important thing to remember is that foreign aid was never intended to be and should never be permitted to become an instrument for reforming the world and uplifting the living standards of more than 1 billion human beings.
>
> United States resources are limited. It is impossible for us in the field of technical assistance just as in the field of military operations to cover every base and be strong at every point. Our resources of available skilled personnel are restricted even if our financial resources seem easily equal to any prudent technical-assistance demands on them.

Mr. Chairman, again referring to this same report, it is pointed out that despite the facts that we have spent close to a half billion dollars on technical assistance, that we have operated in most countries of the world and that we have sent large numbers of skilled and respected specialists abroad in its interests, there is nothing which has emerged from our efforts which typifies and dramatizes the whole program. No single disease has been eliminated as typhoid or smallpox has been eliminated from the United States. No Jenner or Goethals stands as symbols for our work. It is difficult for anyone to point to a single technical program which has had a profound and lasting effect of real significance upon the general population of the country.

It would seem, Mr. Chairman, that instead of nibbling at a host of problems in the countries where we work, we should pick 1 or 2 of the most vital needs, the solution of which not only is in the interest both of the recipient country and of the United States but will also have the largest impact upon the greatest number of people. It has been well said that we must concentrate our forces and resources upon this type of project.

Mr. Chairman, I find no testimony in the record which indicates that such foresight now actuates the administrators of the technical-assistance program. We have gone far beyond the original concepts as I have stated above and there appears to be no release from the bungling that has occurred at the expense of the American taxpayer.

In effect, Mr. Chairman, we are embarked upon an international WPA program, without rhyme or reason and with no fixed termination date. For some people engaged in this program, it will go on and on and on—ad infinitum.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I take this time to try and clear up a misunderstanding with respect to the unobligated funds of the Foreign Operations Administration. I do not believe all members of the Appropriations Committee and the Foreign Affairs Committee working together could tell within $100 million of the amount they have on hand unobligated. Their figures and reports change faster than the New York Stock Exchange.

We were told a few days ago that on June 30 there would be $100 million unobligated. Two days later they said $620 million. They called yesterday and said it had gone up to $932 million.

We found a little while ago that the Administrator of FOA, Mr. Stassen, and Mr. Hensel, Assistant Secretary of Defense, had about succeeded in getting the budget to let them hold in reserve all of these unobligated funds.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I just want to compliment the gentleman on his finding out exactly what we have not been able to find out. I am sure that the chairman of the subcommittee on the Committee on Appropriations handling this matter will find out all about it.

Mr. PASSMAN. We will have additional hearings and get the information from the new crew. We have not been able to get it from the present officials of FOA.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I join in what the chairman of our committee has just said with respect to these unobligated balances. Tomorrow, July 1, it ought to be possible to know just how much has been obligated, because heretofore we have had only predictions as to what could or would or might be done by the night of June 30.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Ohio.

Mr. VORYS. On the Meader amendment, I commend the gentleman for his interest and thorough study, but I want to point out that last year we had a 17-member Randall Commission, with a staff, to make a similar study. In this act, right ahead of where the amendment is proposed to be placed, is provided an international development advisory board consisting of 13 members who get not to exceed $10 a day for expenses and a per diem allowance of $50 for each day spent on work. This Meader amendment proposes a 14-member commission with an appropriate staff and unlimited authorizations for expenditures. It seems to me that we do not need more machinery or more commissions for this purpose, but we need some actual work done along that line, and the gentleman from Minnesota, I am sure, has a very practical suggestion that is coming up later.

Mr. JUDD. When we come to the proper place, I shall offer an amendment to increase the authorization for issuing guaranties from the present $200 million to $300 million. Now, this guaranty program at last has begun to roll, and the applications now exceed the existing $200 million authorization, authorizations to issue guaranties for private investors or corporations or other Americans who have funds to invest in approved foreign countries—in industry, in agriculture, in buying stock of foreign corporations, and so on. The investments must be cleared by our own Securities and Exchange Commission and approved so that they are sound and not filled with misrepresentations or blue-sky promises. I think, Mr. Chairman, this guaranty program is the better way to accomplish exactly what the gentleman from Michigan [Mr. MEADER] properly is seeking to do. Many of us have been disappointed at the apparent lack of enthusiasm on the part of some who administer this program, to stimulate the development around the world of the very system we believe in and which is responsible for our own remarkable economic development at home. The investment guaranty program is beginning to move, and I think it would be better if the gentleman's amendment were defeated and then my amendment to increase the authorization for guaranties be adopted, when we get to that part of the bill.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Chairman, I agree with the objective sought to be accomplished by the gentleman from Michigan. I have noted his hard work very closely for several years and his comprehensive understanding of the business needs and United States relations abroad, but I think it would be bad to put this many-paged amendment in the bill at this time. It will call for additional administrative expense and I believe it is bad to place it in this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MEADER].

The question was taken; and on a division (demanded by Mr. MEADER), there were—ayes 23, noes 74.

So the amendment was rejected.

The Clerk read as follows:

SEC. 8. Title IV of the Mutual Security Act of 1954, which relates to other programs, is amended as follows:

(a) In section 401, which relates to special fund, insert "(a)" before the first sentence; strike out "$150,000,000" in the first sentence

and insert "$50,000,000, in addition to the funds authorized to be appropriated under subsection (b) hereof,"; in the next to last sentence strike out "section" and insert "act"; and add the following new subsection at the end thereof:

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1956 $100,000,000 for use in accordance with subsection (a) of this section."

(b) In section 402, after the word "used" in the first sentence, insert "during the fiscal year 1955, and not less than $300,000,000 shall be used during the fiscal year 1956,".

(c) In section 403, which relates to special assistance in joint control areas, insert "(a)" before the first sentence; insert "at the time of the enactment of this act" in the first sentence after "responsibility"; and add the following new subsection:

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed $21,000,000 to carry out this section."

(d) Amend section 405, which relates to movement of migrants and refugees, as follows:

(1) Change the heading to "migrants, refugees, and escapees."

(2) In the second sentence of subsection (a), which relates to contributions to the Intergovernmental Committee for European Migration, insert "and for the fiscal year 1956 not to exceed $12,500,000 for contributions to the committee," after "migration,".

(3) Amend subsection (c) to read as follows:

"(c) There is hereby authorized to be appropriated for the fiscal year 1956 not to exceed $1,400,000 for contributions to the United Nations Refugee fund."

(4) Add the following new subsection:

"(d) There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed $6,000,000 for continuation of activities, including care, training, and resettlement, which have been undertaken for selected escapees under section 401 of this act."

(e) In section 406, which relates to children's welfare, insert "(a)" before the first sentence and add the following new subsection:

"(b) There is hereby authorized to be appropriated for the fiscal year 1956 not to exceed $14,500,000 for contributions to the United Nations Children's Fund."

(f) In section 407, which relates to Palestine refugees in the Near East, insert "(a)" before the first sentence and add the following new subsection:

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed $65,000,000 to be used to make contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East."

(g) In section 408 (a), which relates to United States participation in the North Atlantic Treaty Organization, insert ", and for the fiscal year 1956 not to exceed $3,700,000," before "for payment."

(h) Amend section 409, which relates to ocean freight charges, as follows:

(1) Insert the following new sentence at the end of subsection (c), which relates to ocean freight charges on shipments by United States voluntary nonprofit relief agencies: "There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed $2,000,000 to carry out the purposes of this section."

(2) Amend subsection (d) to read as follows:

"(d) There is hereby authorized to be appropriated to the President for the fiscal year 1956 not to exceed $13,000,000 to pay ocean freight charges on shipments of surplus agricultural commodities, including commodities made available pursuant to any act for the disposal abroad of United States agricultural surpluses. In addition, any funds made available under this act may be used, in amounts determined by the President, for the purposes of this subsection."

(i) In section 410, which relates to Control Act expenses, insert ", and for the fiscal year 1956 not to exceed $1,175,000," after "1,300,000."

(j) (1) Change the title of section 411, which relates to administrative expenses to read "ADMINISTRATIVE AND OTHER EXPENSES".

(2) Amend section 411 (b) to read as follows:

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed $34,700,000, and for the fiscal year 1956 not to exceed $35,225,000, for all necessary administrative expenses incident to carrying out the provisions of this act other than chapter 1 of title 1 and section 124."

(3) Add to section 411 the following new subsection:

"(c) Funds made available for the purposes of this act may be used for compensation, allowances, and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purposes of this act, and without regard to the provisions of any other law, for printing and binding, and for expenditures outside the continental limits of the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of Government funds as may be necessary to accomplish the purposes of this act."

(k) Add the following new section:

"SEC. 418. President's Fund for Asian Economic Development: (a) The Congress of the United States reaffirms the policy of the United States to contribute to international peace and security through assisting the peoples of free Asia in their efforts to attain economic and social well-being, to safeguard basic rights and liberties, and to protect their security and independence. The Congress hereby recognizes that fundamental to these goals is an expanding economic growth of the free Asia area based upon self-help and mutual cooperation and full utilization of already existing resources and knowledge. The Congress expresses the willingness of the people of the United States to support the foregoing objectives to the extent to which the countries in the area continue to make effective use of their own resources and external resources otherwise available to them.

"(b) In order to carry out the purposes of this section, there is hereby authorized to be established a fund, to be known as the 'President's Fund for Asian Economic Development' (hereinafter referred to as 'the fund'), and there is hereby authorized to be appropriated to the President for the fund an amount of $200 million, such amount to remain available until June 30, 1958.

"(c) The President is authorized to utilize the appropriations made available for the fund to accomplish in the free Asian area the policies and purposes declared in this act and to disburse them on such terms and conditions, including transfer of funds, as he may specify to any person, corporation, or other body of persons however designated, or to any foreign government, agency, or organization or group of governments or agencies as may be appropriate: *Provided, however,* That not less than 50 percent of the funds appropriated pursuant to this section shall be available only for furnishing assistance on terms of repayment in accordance with the provisions of section 505, and not more than 25 percent of said funds may be allocated for assistance to any one nation.

"(d) In utilizing the fund the President shall give preference to projects or programs that will clearly contribute to promoting greater economic strength in the area as a whole or among a group or groups of countries of the area."

The CHAIRMAN. The Clerk will report the committee amendment:

The Clerk read as follows:

Committee amendment: Page 8, line 16, strike out all of section (b) and insert:

"(b) In section 402, which relates to the sale of surplus agricultural commodities, strike out '$350,000,000' and insert in lieu thereof '$600,000,000'."

The CHAIRMAN. The question is on the committee amendment.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the colloquy a few minutes ago, between the gentleman from Louisiana [Mr. PASSMAN], and the chairman of the committee [Mr. RICHARDS], as to unobligated balances, serves to point up very clearly that those who vote for this bill, as the gentleman from Minnesota [Mr. JUDD] said during the hearings, will be voting a blank check.

On yesterday I asked the chairman of the committee where the appropriation would be found for domestic expenses, and he replied that it would be found under title IV.

I call the attention of the Members of the House to the subject of domestic expenses to be found on page 545 of the hearings.

If I read the hearings correctly, there is some $9 million in this bill for what are known as domestic expenses. If I am wrong about that, I wish some member of the committee would correct me.

Reading the hearings with respect to domestic expenses, I find that the American Language Center of the American University, through contractual arrangements, is to provide intensive English language refresher instructions to FOA participants requiring it. Since this center serves both the Department of State and FOA, according to the hearings, the Department of State negotiates the contract with American University; and so forth, and so on.

On page 549 of the hearings, I read, under the label of Domestic Expenses, "Description of projects."

Then in the hearings appears meager descriptions of the projects under this domestic program expenses section, and here are 2 or 3 of them:

Contracts with Vanderbilt and Stanford Universities to provide predeparture orientation in economic development to participants.

On page 549:

To provide for salaries for team leaders or technical consultants with teams, and for travel and per diem for team leaders and interpreters.

I do not know what this is all about, but apparently this is where $9 million is going to go in part.

Contract with the University of Pennsylvania to provide for training of foreign architects and planners in the field of housing.

Contract to facilitate the establishment of trade associations in participating countries.

Another thing that this money is going to be spent for is this:

Contract to develop a plan for providing management training for foreign officials in substantive fields.

Whatever that is. I wonder whether any member of the Foreign Affairs Committee can tell me what these projects mean and why it should be necessary to spend $9 million on them.

I repeat, American University is going to be paid for language refresher courses.

Now I call your attention to the hearings, which uses the word "infrastructure," but you can go over to the dictionary in the House chamber and you cannot find the word there. Is the committee putting up the money to send FOA personnel to American University to develop words which neither ordinary Members of Congress nor the American people understand?

I find another word in the hearings, "fungible." I went over to the dictionary to find out what "fungible" means. Let me read you the definition of "fungible";

A thing of a class or kind such that one individual or part may be used in place of any other individual or equal part in satisfaction of an obligation. The classification is important with reference to the rights of the borrower in the contract of mutuum—

Whatever that means.

the usufructuary—

Whatever that means.

of mutuum, the usufructuary of goods that perish or are alienated in the using, etc.

That is the definition to be found in Webster's unabridged dictionary here in the House chamber. But "infrastructure" will not be found there, yet it is commonly used in the hearings.

Mr. JUDD. Does the gentleman want to know what "infrastructure" means?

Mr. GROSS. I am certain the gentleman from Minnesota can tell me about that, especially if it is a foreign import.

Mr. JUDD. "Infrastructure" is a word they coined over in Europe. It may be a translation of a French word; I do not know. But it covers the projects we have there to build and support, for example, our American air bases. We have been building—I will not say how many, but several tens of American air bases in France. It covers the improvement of ports and the building of pipelines from the ports to carry fuel to the air bases. That is what is called "infrastructure"—the foundation which supports our American Air Force in Western Europe.

Mr. GROSS. I think I have the idea. I wish the gentleman would tell that to Mr. Webster.

Mr. JUDD. Mr. Webster wrote a considerable time before the cold war came along. He had not heard of Bulganin when he wrote it.

Mr. GROSS. You have everything in this bill for the foreigners except the kitchen sink, and I guess a few of Europe's coined words will not make it much worse. You certainly have tossed in the pocketbooks of American taxpayers.

Mr. RICHARDS. Mr. Chairman, we have been on this bill 6 or 7 hours. We have gone through 3 of the amendments to 3 of the titles in the mutual security bill, involving most of the money. I ask unanimous consent that all debate on section 8 and all amendments thereto close in not later than 20 minutes.

Mr. SMITH of Wisconsin. I object, Mr. Chairman.

Mr. JUDD. How many amendments are there to section 8?

The CHAIRMAN. There are several committee amendments in the bill that have not yet been considered. The Chair is advised there are four amendments on the Clerk's desk to section 8.

Mr. FULTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FULTON. How many amendments are there to the bill on the desk at the present time?

The CHAIRMAN. The Chair is advised there are 12 amendments on the Clerk's desk.

Mr. RICHARDS. I had better modify my request, because it will take a little longer to consider this section.

Mr. Chairman, I ask unanimous consent that all debate on section 8, and all amendments thereto, close in not to exceed 35 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. JUDD. Mr. Chairman, reserving the right to object, I have two amendments to offer to this section. Do I get the opportunity to be recognized twice to present the two amendments under this arrangement?

Mr. RICHARDS. I would think so.

Mr. JUDD. Ordinarily, a Member is recognized only once with these arrangements.

Mr. RICHARDS. I do not know how much time the gentleman will get after he is recognized, but he will certainly be recognized twice.

Mr. SMITH of Wisconsin. Mr. Chairman, will the Chair count to see how many Members are seeking recognition?

Mr. GROSS. Mr. Chairman, reserving the right to object.

The CHAIRMAN. It is very difficult for the Chair to ascertain who is seeking recognition.

Mr. RICHARDS. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order has been demanded.

Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Chairman, further reserving the right to object.

The CHAIRMAN. The gentleman cannot make a reservation of objection after the regular order is demanded.

Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Mr. Chairman, I object.

Mr. RICHARDS. Mr. Chairman, I move that all debate on section 8, and all amendments thereto, close in not to exceed 35 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from South Carolina?

The motion was agreed to.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 9, line 10, strike out lines 10 to 14 inclusive.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 9, line 15, strike out "(3)" and insert "(2)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 9, line 19, strike out "(4)" and insert "(3)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 10, line 15, strike out lines 15 to 18 inclusive.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 10, line 19, strike out "(h)" and insert "(g)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 11, line 14, strike out "(i)" and insert "(h)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 11, line 16, strike out "1,300,000" and insert "$1,300,000."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 11, line 17, strike out "(j)" and insert "(i)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 12, line 3, strike out "1" and insert "I."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 12, line 17, strike out "(k)" and insert "(j)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 12, line 17, strike out "section" and insert "sections."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 13, line 22, after "any" insert "friendly."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 13, line 23, after "of" insert "friendly."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 14, line 9, strike out the period and insert "area."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 14, line 10, insert:

"SEC. 419. World Health Organization: Section 3 (a) of Public Law 643, 80th Con-

gress, approved June 14, 1948, as amended, is hereby amended to read as follows:

"'(a) such sums as may be necessary for the payment by the United States of its share of the expenses of the Organization as apportioned by the Health Assembly in accordance with article 56 of the constitution of the Organization, except that payments by the United States for any fiscal year of the Organization after 1958 shall not exceed 33⅓ percent of the total assessments of active members of the Organization for such fiscal year; and'.

"SEC. 420. Joint Commission on Rural Development: (a) The Secretary of State, after consultation with the Director, is hereby authorized to conclude an agreement with the Republic of the Philippines establishing a Joint Commission on Rural Development in the Philippines, to be composed of two citizens of the United States appointed by the President of the United States and three citizens of the Philippines appointed by the President of the Republic of the Philippines. Such Commission shall formulate and carry out a program for development of the rural areas of the Philippines, which shall include such research and training activities as may be necessary or appropriate for such development: *Provided*, That assistance furnished under this section shall not be construed as an express or implied assumption by the United States of any responsibility for making any further contributions to carry out the purposes of this section.

"(b) Insofar as practicable, an amount equal to not more than 10 percent of the funds programed in any fiscal year for the Republic of the Philippines under title I, chapter 3, and title III of this act shall be used to carry out the purposes of subsection (a) of this section."

Mr. JUDD. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD to the committee amendment: On page 15, line 7, after the word "shall" insert "subject to the general direction and control of the Director."

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. RICHARDS. I see no objection to the gentleman's amendment.

Mr. JUDD. I thank the gentleman.

The CHAIRMAN. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 13, line 24, insert after the word "That" the following: "such assistance shall emphasize loans rather than grants wherever possible, and."

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. RICHARDS. This amendment just follows up the amendment that was adopted a short time ago?

Mr. VORYS. That is correct.

Mr. RICHARDS. In view of the fact that the first amendment was agreed to, I see no objection to this one.

Mr. VORYS. This provides for the same thing in the Asian economic development fund. In addition to that, they shall emphasize loans rather than grants wherever possible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment was agreed to.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 13, line 14, strike out "$200,000,000" and insert "$100,000,000."

Mr. SMITH of Wisconsin. Mr. Chairman, I am sure we are all conscious of the fact that we have very little knowledge as to how much money is in this bill, how much is in the so-called pipeline and how much there is unexpended. It will take a Houdini I think to find the answer. I am suggesting in my amendment that we cut $100 million off what is termed, I think quite cleverly, "President's fund for Asian economic development."

The pipeline is so plugged with American dollars that they do not know what to do with it. I have before me figures secured today from the FOA indicating the amount of money we have been able to spend. But first as of June 30, today, there will be $8,717,000,000, as a carryover.

There are counterpart funds abroad of almost one billion which is available. This bill would authorize $3,285,000,000, and if you approve this legislation as of today there will be available for spending in the next fiscal year starting tomorrow, $12,975,900,000. It cannot be spent and it should not be authorized.

I ask you if you will sit here today and authorize another $3.5 billion on top of an already overloaded pipeline.

You are going to get a chance by my amendment to cut nearly $100 million out of a program that has not even been organized. They do not know what it is going to be used for and they cannot tell us. I say it will take them 6 or 8 months before they can come back here and tell us how they will use half of that $200 million. I think my amendment is a reasonable one.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Louisiana.

Mr. PASSMAN. If you reduce this particular item by $100 million, in another section of the bill you have $100 million for the President; he would still have $200 million with no strings tied to it if the gentleman's amendment is adopted.

Mr. SMITH of Wisconsin. There is no doubt about it. I thank the gentleman for his contribution.

The President cannot possibly spend what we would authorize, which is $2 billion.

Let me call your attention to these figures:

There is unexpended as of June 30, 1955 $8,717,100,000. Counterpart funds abroad amount to $973,000,000. There is requested in this bill $3,285,800,000, as I have said before. This makes a total of $12,975,900,000.

Let me call your attention also to the expenditures during the last 3 fiscal years and the first 6 months of this fiscal year:

Fiscal year 1952, total expended	$4,500,000,000
Military	2,400,000,000
Nonmilitary	2,100,000,000
Fiscal year 1953, total expended	5,700,000,000
Military	3,800,000,000
Nonmilitary	1,900,000,000
Fiscal year 1954, total expended	4,800,000,000
Military	3,300,000,000
Nonmilitary	1,500,000,000
Fiscal year 1955, total expended	3,800,000,000
Military	1,700,000,000
Nonmilitary	2,100,000,000

I ask: Is it reasonable to tell the American people today that notwithstanding all this money that we are going to pile another burden of $3 billion or more on them?

That is the situation. It does not take much by way of mathematical computation to figure it out. Here it is, a common-sense proposition, and all I ask you to do is to take $100 million off of this request.

On Tuesday, I pointed out that as of June 30, the Foreign Operations Administration estimates an unexpended balance of $8,717,100,000. There are in counterpart funds in other countries $973 million, and this bill would authorize $3,285,800,000 or a total of $12,975,900,000 for fiscal 1956, almost $13 billion. I repeat what I said on Tuesday that this fund could not be expended in the next 2 years, if we are to judge by our spending ability in the past.

My amendment to strike $100 million from the so-called President's Fund for Asian Economic Development is based on the request for a gigantic blank-check operation. The hearings failed to disclose just how the money will fit into the new program. It is my opinion that there should be no authorization for a new mutual security program until the Department of Defense has reached the point where it can come back to the Congress and submit its detailed findings. Secretary Hensel stated before the committee and I quote him:

While we still believe in the need for a complete analysis and review of our programs in the light of changed current conditions, we would like to make that analysis and review on a careful and independent basis and not come to any conclusion or to take any action with respect to the soundness of previously approved programs until the result of that study and review is known.

As I see it, the clear implication of the Secretary's statement is: Slow down, give us a chance to study it.

Here again Secretary Hensel was absolutely honest with the committee. Why then should we, at this time, appropriate

$200 million when there has been no showing that it is justified?

To insist upon such a request is further abrogation of congressional control over the expenditure of funds by the executive branch. It makes no difference to me whether the Executive is a Republican or a Democrat. This is a matter of principle and not politics.

In all fairness, I ask, and I trust I may have an answer as to what countries in Asia will be receiving this assistance? How much will they receive? Do we know what projects will be developed and the purposes therefor? As we have pointed out in our minority views, do we have any idea of what contributions the recipient countries themselves will be making? Do we know how much the executive branch expects to spend in fiscal 1956 out of this fund? I have searched the hearings and do not find the answers to these questions. But we know what will happen. Our representatives will be out looking for projects upon which to spend the $200 million.

At this moment, I am sure, the administrators of the fund have no idea as to how this $200 million will be used. The bill provides, on page 13, line 16:

> The President is authorized to utilize the appropriations made available for the fund to accomplish in the free Asian area the policies and purposes declared in this act and to disburse them on such terms and conditions including transfer of funds as he may specify to any person, corporation, or other body of persons however designated, or to any friendly foreign government, agency or organization or group of friendly governments or agencies as may be appropriate.

Members of the committee, I believe that it is fair to say that this is the most sweeping blank check request that I have ever seen. It could be the beginning of an international WPA without end, or until the people of this country rebel, or the economic structure tumbles down on our heads.

My amendment is a reasonable one. It proposes a cut of only $50 million from a $200 million request that has not been justified in committee or on the floor of this House.

Mr. ZABLOCKI. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is true that of the funds in this bill, this particular $200 million is not fully programed. It is also correct that we do not know the specific purposes for which this money is going to be spent. We do know, however, the overall purpose of this fund. This money is to be used, at the discretion of the President, to stimulate the development of economic strength and cooperation in this vital area.

Now we all know that nations which are economically weak find it difficult to become politically strong and secure. An increase in free Asia's economic strength can prove to be an effective barrier to Communist expansion.

We were told at length by Mr. Stassen when he appeared before the committee—and you will find this part of his statement on page 55 of the committee report—that—

> The most pressing threats to world security and stability are now centered in Asia, and the preponderance of funds requested for fiscal year 1956 are to be directed toward meeting the threats to this area.
>
> Asia is the focal point of present Communist pressure and the area whose future direction, either toward domination by communism, or freedom and independence, will be crucial in the long-range struggle of freedom against oppression.

No truer statement could have been made on this subject.

Mr. Chairman, it was pointed out that if this amendment carried, there could still be a transfer of $100 million for this purpose under the transferability clause. In the past, we had authorized a transfer of $150 million from other appropriated funds. It was indicated to us, however, that this procedure was not only costly but, on many occasions, very impractical. We were told of the many contingencies which arise during a 12-month period, and which are not expected. When such contingencies arise, the diversion of funds from planned programs to meet them causes wasteful disruption of such planned programs. It is because we want to avoid this waste, these difficulties and complications, that we have felt that the President's request was justified and we recommended that it be approved.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I am glad to yield to the gentleman from Ohio.

Mr. VORYS. While a similar amount might be had by transfer, would not the gentleman agree with me that psychologically in the field of warfare for men's minds and hearts in Asia this cut would be about the worst cut we could make in this bill? It is true it is not programed fully. It is true, I regret to say, that we have a secret classified program. But to cut this amount would certainly be psychologically about as bad a thing as we could do. Does the gentleman not agree with that?

Mr. ZABLOCKI. Yes; the gentleman is correct. If we must cut, this is the poorest place to cut any amount of money from the bill. We know, for instance, that our Nation depends on Asia for the purchase of the following strategic materials: 95 percent of our natural rubber, 76 percent of abaca, 71 percent of mica, 69 percent of tin, 65 percent of copper, 37 percent of manganese, 35 percent of chromite, 22 percent of tungsten, and so on.

The $200 million authorized in this section will help to guarantee that the free countries of Asia will be able to supply us with these strategic materials.

Mr. VORYS. And if we count in the Chinese, more than half of the people of the world live in the area for which this fund is programed. Seven hundred million live on the edge of communism.

Mr. ZABLOCKI. That is true. We would be making a terrible mistake if we were to cut this program.

I hope that the Members on the other side have sufficient confidence in their President and will give him the entire amount.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it may seem rather strange that two Democratic members of the Committee on Foreign Affairs rise, one after the other, to plead for discretionary power of this kind over funds which are to be placed in the hands of a Republican President. But I think it is the best thing to do. We believe he will use them wisely.

As the gentleman from Ohio has just said, in that section of the world there are so many unpredictables and imponderables where, on account of the political conditions, the political landscape is changing from week to week and hour to hour, it would be demanding too much to ask anybody to get up a rigid schedule of projects there.

We wanted to circumscribe these funds in every way we safely could. To start with, this Congress amended the President's request, which would have permitted assistance to countries that violated the Battle Act. The Battle Act must now be complied with. We provided that 50 percent must be in loans. There was another restriction. The executive branch asked for unlimited time for the expenditure of these funds. We limited the time to 3 years. I believe it would be a great mistake on the part of the Congress to adopt this amendment.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not true that last year we authorized $800 million in a similarly indefinite form for the whole southeast Asian area because of the crucial situation which existed there? This fund is for the same general area. It is a place where conditions are so fluid that none of it might be used or all of it might be used, depending on the emergencies or the contingencies that may develop. If we gave the President $800 million last year, and it was not misused, is it not sensible to give him at least $200 million this year?

Mr. RICHARDS. The gentleman is quite correct.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Was there any testimony before the committee which would show, as is written in the law, that these funds would be given to any person, corporation, or other body of persons designated? Was there any testimony as to what categories that applied to?

Mr. RICHARDS. I am frank to say I do not remember.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Ohio.

Mr. VORYS. There was information in our classified book precisely on that question.

Mr. RICHARDS. I may say that the classified book is not our classified book. We have not classified a single thing. Those responsible for our security have classified it in the interest of the Nation. As far as I am concerned, if I could do it alone and the security of the United States was not involved, I would bring everything down here to the floor of the House.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I am opposed to this amendment, for I think it is proper, in view of the great uncertainties in this area of the world, that there be very broad discretion in the President's use of assets hereunder. My understanding of this bill is that there is something in it other than merely the payment of dollars here or there to solve local problems. I want to ask the chairman if I am correct in this understanding. For example, I have prepared a question for you, Mr. Chairman, hoping to clarify this matter. My question is: I refer to sections 418 and 505 in this bill we are now considering. Will the distinguished chairman inform the committee if it is the intention of Congress in this bill to authorize the President, in order to carry out the purposes of the act, if he sees fit, to transfer any metal he is not specifically prohibited from so doing by other law, for coinage purposes or any other purpose consistent with the aims of this legislation?

Mr. RICHARDS. Mr. Chairman, if the gentleman will yield, I would say to the gentleman that the President has such wide discretion in this bill and in the sections mentioned that he unquestionably, if he thinks it is to the best interests of the United States, has the authority to transfer metal for coinage purposes to nations in this program, provided it is not contrary to some other law.

Mr. SIMPSON of Pennsylvania. I thank the gentleman. He answered the question as I thought it should be answered. It is my understanding that there are countries in the world where it is not necessarily food or clothing that is needed to bolster its economy. Rather help by way of developing the industry of the country and maintaining the stability of their currency is indicated. I would like to know whether in this bill we are doing something which could provide a stabilizing influence within their own economy, permitting them to build up and become more nearly self-supporting than they are today. I am happy to understand that it is the gentleman's belief that the President would have such authority, if he saw fit, assuming, of course, that the other law does not deny him the right, by this bill to transfer metals for the purpose of providing a basis for coinage of the nation's money.

Mr. RICHARDS. I do not think there is any doubt about that.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I rise in support of the amendment. Did the gentleman from Wisconsin [Mr. SMITH] say that there was $12 billion available still unexpended?

Mr. SMITH of Wisconsin. Mr. Chairman, if the gentleman will yield, as of the 30th day of June, there will be almost $13 billion. I have not the exact figure, but I think it is twelve-billion-nine-hundred-and-some-odd million dollars, which includes, of course, the new authorization in this bill.

Mr. HOFFMAN of Michigan. Then there would seem to be no reason for the three-billion-plus carried in this bill. It is, indeed, touching to hear the Members on the majority side today call attention to their support of the President. I wonder how many of them voted for him at the last election or will at the next. It is all right to allege support or to pledge support or give support to some individual when he adopts a policy which they originated and follow. But when did they, as a party, ever support a Republican program which they did not think was a detriment to the attainment of their political objectives?

This $2 billion goes to assist the people of Asia—I leave out the word "free" because we do not have very much more freedom here than they have there because sometimes I wonder if in some respects we have any more freedom than do they. For example tomorrow will we be able to ride the street cars or the buses or will we be walking because a local union refuses to operate the transportation system until its demands are granted? The bill is for the support of the people of Asia in their efforts to obtain economic and social well-being. If I read my history correctly, the trouble over in India is that they have too many children, too many people, that starvation has been the only thing that has kept the country in such condition that a few might live. Expressed in a different way, that means that the people of Asia breed too fast. They just have more people than the land will support. And the laws of nature being what they are, they starve to death and have over the centuries.

As I get it, our kind-hearted, sympathetic Christian people like my good friend from Minnesota, Dr. JUDD, want to fix and change conditions in Asia so that the people will have enough to eat, plenty of clothing and culture, shelter, all the good things man desires at the expense of our people so that they will have, I assume——

Mr. SHORT. More babies.

Mr. HOFFMAN of Michigan. Not more babies, as suggested by the gentleman from Missouri [Mr. SHORT], no. I do not know what he thinks on that subject. I have not asked him and I do not intend to, and I do not intend to yield so he can tell me. But that will be the result unless they are taught a different way of life. Now with that objective I am in accord, but it cannot be attained until they quit multiplying as they are now doing. One hundred and sixty or 200 million Americans cannot—they just cannot support some 800 million who continue to produce babies as they do rice. The production of humans is all out of proportion to the production of food and other necessities.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I am sorry, I cannot. The gentleman has now obtained for his foreign proteges about everything the taxpayers in this country can earn. I would like to hear him some time talk in behalf of the people of Minnesota and the district he represents, and in what I and many others believe is in the interest of the people of the United States. I know that is his purpose and that is his idea. But again I suggest he is on the wrong road. His destination is all right but he is going by ship and he will sink it with the cargo he wants to carry long before he is half way there. The doctor's idea is—and it is a wonderfully fine and Christian idea—that we should take from our people because they have something and give to those people over there because they need it. I am in favor of that as long as our giving does not lower the standards of our folks here to a point where they will be suffering privation and be unable to aid the people in India, and China, too—that seems to be the doctor's country—or more properly the country where its peoples' needs are so great the doctor's vision is obscured and he cannot see the end of the road he is following.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman is recognized on his motion.

Mr. HOFFMAN of Michigan. Mr. Chairman, it would be helpful if some Member of this House—there are 435—if just one could get into one statement the number of dollars that we have actually appropriated and how much has been used and how much more our taxpayers can pay to meet appropriations like those carried in this bill.

Some folks want to fix it so that the people of Asia, and those of other parts of the world, will adopt our way of living and conduct. That is all right with us if they are willing to pay the cost themselves. But why should I pay to force their way of thinking and acting upon people who have no desire to accept the thinking of the advocates of this bill? Boiled down, what this bill means is that they want to put us here in the United States of America in competition with an economy over there in Asia that created and maintained by the dollars extracted from our citizens can produce as much and as efficiently as we can here. Yet the same group will talk about a foreign market which will cease to exist if the millions in Asia are given by us the means, the know-how, to equal our production in quantity and quality. If the people of Asia and of India are to support themselves—have all that we have—and I am in favor of that; of course we cannot sell to them the merchandise or food which they will need because they will be producing an ample supply for themselves. That is obvious; is it not? Please do not misunderstand me. I try to be just as charitable and just as kindly and just as much of a Christian as other folks. I do not succeed quite as well as some, but I cannot get away from the ideas that I learned by experience. I cannot get away from the ideas

that the people of my district convey to me. I favor the people of the rest of the world enjoying all of the good things we have but I want them to earn what they want. I do not intend and I will not pauperize my home folks—force them through taxation to care for, feed, shelter, and educate any group or segment of the world's population. That burden cannot be successfully carried by 160 million Americans.

For example, last night a gentleman called me along about 12 o'clock from Fennville, Mich. You do not know where it is; you probably cannot find it on the map. But it is there all right and the people are charitable, industrious, and thrifty. He said, "Now, listen, Congressman. I have 30 acres of blueberries and the State Department is fixing it so that now the price has gone down some 3 or 4 cents a quart. Do you know what that means to me? That means I not only cannot pay any more taxes, I cannot even keep the acres under cultivation and get the crop harvested."

I said, "What do you expect me to do about it?"

"Well," he says, "what did I send you down to Washington for, except to fix things like that."

And that loss of several cents is a problem which if he cannot solve will put him out of business.

"Well," I said, "how come? What is that due to, supply and demand?"

"Oh, no," he says, "the State Department have some sort of an agreement with Canada, and they have cut the restrictions so that the native Canadian blueberries are coming in here frozen and are being made into pies in competition with our blueberries and they do not even wash the Canadian blueberries; they are picked in the woods by the Indians, brought down frozen, then shipped here under some new regulations demanded by the State Department to make the Canadians feel good but which puts my berries off the market."

I said, "That is all up to the State Department. I cannot do anything with the State Department." The State Department runs the Army the Navy the Air Force the other executive departments including the President's advisers—it tells when to go to war—while the fighting is on how far the planes can fly to bomb the enemy—just when the GI's must quit chasing the enemy—stand and be shot at. Again he said, "Well, then we will get somebody that can." Of course, he is going to hunt a long time before he finds anybody that will be heard by the State Department when a plea is made in behalf of Americans, especially one who just grows blueberries or some other food. "You must, of course, not offend our friends," says the State Department.

And do not forget Harold Stassen. Not so long ago he advised us that we were to keep our Armed Forces—some 250,000 of them and I say this to my good friend on the Committee on Armed Services, the gentleman from Missouri [Mr. SHORT]—he is going to keep those boys you fellows have been sending over to Germany, not the same ones but a succession of them, provided their mothers have time to raise successive generations of soldiers from time to time, on and on—they are going to keep them over there for 50 years.

Now, is not that a fine prospect to hold out to the younger generation and those who will come on later? Are the mothers of America—of the United States of America to continue to bear the burden of furnishing cannon—no it is now bomb fodder, for every war the United Nations can get us into? We give away billions of dollars which do not bring peace—which arm those who in the past have become our enemies, and then we turn around and draft or force the enlistment of the crop of young manhood that comes along to serve over in those countries in wars in which we have no real interest.

Frankly, whom do we represent? Do we represent our people? Do the gentleman from Minnesota [Dr. JUDD] and my good friend from Ohio [Mr. VORYS] and the others who support this program, this bill have in their minds first what is good for our people? Yes, the lady from Ohio [Mrs. BOLTON] nods her head, and I am sure she does, she evidently believes that by taxing the home folks to send billions abroad—sometime in some way world peace will come and remain. But she is following the wrong road to a bitter end. Arming potential enemies will never bring a lasting world peace. The kind of a policy—and that is their business—which we have been following—that kind of a policy has had us in one war after another, and it has piled up an obligation to take care of veterans for generations to come, in ever-increasing numbers. Before we get through with it we will find that we have destroyed the opportunities of our people to earn a decent livelihood for themselves, to live in the way which our ancestors were accustomed to follow and enjoy. That we have destroyed the security of this Nation.

Continue to follow the policy we are following today and we will destroy ourselves, our Nation, just as surely and completely as would an enemy by a successful war.

Mr. Chairman, I ask unanimous consent to withdraw my motion.

Mr. JUDD. Mr. Chairman, I object, and rise in opposition to the preferential motion.

Mr. Chairman, I cannot hope to cover all the ground and all the points made by our distinguished friend from Michigan, but I would like to mention 2 or 3.

In the first place, with regard to his contention that because of India's birthrate, her people are doomed to have a steadily increasing food shortage, which we in America will be called upon to take care of with even greater contributions, the facts are the reverse. India historically has generally had to import 2 to 4 million tons of grain a year. But under the technical-assistance program of helping her people understand and carry out better seed selection and fertilization of the soil and better irrigation, her food production has increased dramatically until she is now practically self-sufficient in food. I do not know any money we have spent that has produced greater results in improving the agricultural production of a nation. India is now able to feed itself, despite its too rapidly growing population. So that was a broadside that I do not think quite landed, because its target of worsening hunger in India has been reduced in size, in fact almost removed, in part by the very program the gentlemen has always opposed.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Is it not a fact that Communist China, where starvation is still rampant, has that difficulty itself, and we can point to India, which is a democratic country, and show the success it has had?

Mr. JUDD. That is exactly correct. The people of Asia look around and see India with its own efforts under a democratic form of government, assisted by our programs, raising its standards of living, however slightly, and for the first time becoming able to feed its people, whereas the greatest famines in all its history are occurring in Communist China, under totalitarian control. That is a tremendous victory for the free world.

The next point I want to mention is this: The gentleman suggested I am for sentimentally giving away billions of dollars to foreign countries in disregard of the well-being of my own people in Minnesota, and so forth. I insist this mutual-security program has saved the American taxpayer money-net, because if we had not had this program it would have cost us a great deal more than $3 billion a year, probably ten or twenty billion dollars more a year, for the expanded Armed Forces we would otherwise have had to build up in the kind of world in which we live.

Does the gentleman know some way to get off this planet and live somewhere all by ourselves? Until he does, I am convinced that the most useful thing I can do for the people of my district, the Fifth District of Minnesota, is to try to work for a world where their children can live in freedom and their economy can be basically sound. Our economy is under a heavy strain; but it is not cracking up. It can stand its present load. I doubt that it could stand the load that would surely be upon it if we stood alone in the world. I believe that this program, net, has not cost us a single dollar, when compared with what we would have had to spend in greatly expanded appropriations for our own Armed Forces, were we to face this great Communist juggernaut alone.

If the advice and votes of some had prevailed, we would be facing not just the enemy that we confront today with one-third of the people of the world under its control; we would be facing an enemy with two-thirds of the people of the world behind the Iron Curtain and under its control, because those now on our side would already have been forced to succumb to Communist pressures without this program of aid.

What does the gentleman from Missouri [Mr. SHORT] of the Committee on Military Affairs estimate it would cost us per year for our military budget if

the rest of the world, at least Europe and Asia, were behind the Iron Curtain?

I will not accept the insinuation that we are being careless and spendthrift with America's money, and are not looking out properly for the interests and well-being of our own districts. We are the ones who are saving dollars net for the American taxpayers.

Furthermore, while we have been carrying this program, we have had the greatest prosperity in our history.

Sure, I have criticism at home from some, like that heard here today. But I do not hesitate to face it. I lay the facts before my people, and the facts will demonstrate that I have not been neglectful of their interests in supporting wholeheartedly this program, while trying constantly to improve it.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

Mr. FULTON. I want 1 minute of my time to speak on this amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FULTON] is recognized for 1 minute.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment because this is the amendment which would cut the President's fund; which he can use for unprogramed and undisclosed purposes in Asia.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. WINSTEAD. I would like to make one point. If I understand the gentleman from Minnesota and other members of this committee, and I would like to have the attention of the gentleman from Minnesota, if I understood correctly, a number of you have pointed out India here today as a democratic government, as an example for other people to look to. I just do not believe that we want that kind of record to stand. I happened to be in India in 1953 myself. I will admit I do not know anything about it, but I did ask a man who had spent 2 years in India, "What is the answer for India?" and he said, "I think you will have to ask someone who has never been in India." I do not believe you would want the debate here to show that we are setting India up as a democratic government as an example for other people to look to.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FULTON. Mr. Chairman, may I have 1 more minute of my time?

The CHAIRMAN. The gentleman is recognized.

Mr. FULTON. Mr. Chairman, I do not mean to say that this is a fund for secret purposes for Asia, but it is an unprogramed fund which the President can spend. So that if we delete this fund or cut it down, it cuts the President's discretion. Under this bill, we are giving him wide discretion and I believe we should defeat the amendment in order to support the President's program of development in Asia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The amendment was rejected.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 12, line 16, insert the following new subsection.

"(j) Amend section 413 (b) (4) (f) which relates to the authority to issue investment guaranties as follows: Strike out "$200,000,000" and insert in lieu thereof "$300,000,000."

And renumber subsequent subsections.

Mr. JUDD. Mr. Chairman, this amendment does not increase the amount of money to be spent under this bill. It merely increases by $100 million the authority for the issue of guaranties for private investments. This program of guaranties for private investment was initiated in the House of Representatives 6 years ago. The purpose of it, of course, was to encourage private enterprise to invest abroad and thereby reduce the drain upon public funds and upon our own taxpayers. The program did not get started very well, and we constantly urged them to get going. In the last year it has made real progress. In the last 6 months of 1953 applications were filed totalling $26,400,000. From January 1 to June 30, 1954 the amount was $13,700,000. From July 1 to December 31, 1954, $60 million; and in the first 6 months of this year applications have been filed for $131 million. Thus, there are applications for almost 3 times the amount in quaranties that there is authority available. As a result, FOA is now forced to inform applicants for guaranties that it can give no assurance that authority to issue guaranties will be available when the investor's application is perfected. This has discouraged many investors.

The original authorization that we provided several years ago was $200 million. Now guaranties have been issued covering investments amounting to about $104 million. That leaves approximately $96 million available. There are pending applications totaling $189 million. I recognize that not all of those will be granted. Some of them will prove an examination to be impracticable or fuzzy, but we do need to increase the authorization so that the administrators of the program can provide these investment guaranties when enough sound ones come along.

I repeat, the amendment does not increase the money to be spent under the bill. On the contrary, it increases the amount of private capital that may be invested, with the Government having to spent that much less of its own funds.

I think everybody understands the guaranty program. The Government issues no guaranties against ordinary business hazards. It does not guarantee that an investor will make a profit, but if he does make a profit on any money covered by the guaranty, it is guaranteed that the profit can be converted into dollars and taken back home. It also guarantees that if a foreign government should confiscate or expropriate the property of a United States investor, the United States will reimburse him. Guaranties have been issued for $104 million, and we have not had to pay out one cent. Investors pay a fee of one-half of one percent per year for each type of risk covered, just as banks that want their deposits to be covered by the Federal Deposit Insurance Corporation have to pay, I think it is one-quarter of 1 percent premium. $1,300,000 has come in to the United States Government in fees it has collected from United States investors.

This is a sound way to reduce our appropriations for foreign aid; to encourage the making of larger investments of private capital in these programs abroad.

I hope that this amendment will be adopted. It does not take any more money. It allows our own economic system to expand and to work better abroad.

Mr. Chairman, without regard to my amendment today, I wish to make the following points, which we must consider in evaluating the guaranty program and any probable ultimate cost to the United States:

First. Experience and logic indicate that the United States will never have to pay off on all or anywhere near all of the face amounts of the total guaranties issued. It is even possible that the Government might come out ahead. For example, in the 6 years in which the program has been in operation, no money has been paid out, and a total of $1,300,000 has been collected in fees, as I have already pointed out.

Second. The proposed amendment would make the guaranty program run on the same business principles as those employed by private casualty-insurance companies. Nobody expects, and no State law requires, a casualty company to maintain a 100-percent reserve against all casualty insurance policies written. The investment guaranty program should be run in the same manner.

Third. In the event that the United States must pay a claim made pursuant to a guaranty, it obtains all local currencies or claims which were previously held by the investor. This subrogation is recognized by the country in which the investment is located, because FOA issues no guaranties until an international agreement is concluded providing for this recognition. Thus, the United States expects to realize on any foreign currencies obtained and on any claims against foreign governments to which it is subrogated. Actually, the investment guaranty program really provides a means by which investors can obtain immediate compensation for their losses arising from inconvertibility of currency and from expropriation. In the long run, the United States expects to obtain compensation for the losses incurred.

Fourth. Due to the geographic dispersal of the projects for which guaranties have been written, it is extremely unlikely that all guaranties would be called into play.

Fifth. In many cases investors wish to have both convertibility and expropriation guaranties covering the same investment. Where this is done, both guaranties are marked off against FOA's authority to issue guaranties. However, it is almost impossible that the United States would have to pay off on both expropriation and convertibility guaranties covering the same investment.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman has consumed the time allotted to him.

Mr. JARMAN. Mr. Chairman, I am happy to yield to the chairman of my committee at this time.

Mr. RICHARDS. Mr. Chairman, I am opposed to this amendment. I was one of the original supporters of the guaranties. There were $200 million in funds for guaranties in the Mutual Security program. So far we have not been able to commit more than $106 million of it. Therefore, you have $94 million left; and the amendment offered by the gentleman from Minnesota will not do any good. If you wanted to extend the field of the guaranties it would be a different thing, but the program does not need any more money. I thank the gentleman.

Mr. JARMAN. Mr. Chairman——

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. JARMAN. I'm sorry but I do not have time; I cannot yield. Mr. Chairman, at an appropriate time when we go back into the House I will ask consent that a recent letter and material from Charles E. Houston, Chief of this Investment Guaranty Program, be inserted at this point in my remarks.

The matter referred to follows:

FOREIGN OPERATIONS ADMINISTRATION,
Washington, D. C., June 27, 1955.

Hon. JOHN JARMAN,
House of Representatives,
Washington, D. C.

DEAR MR. JARMAN: I am pleased to furnish the information about the investment guaranty program which you requested in our telephone conversation last Friday.

1. Guaranty contracts issued:

At June 30, 1954	$47,700,000
At Dec. 31, 1954	48,700,000
As of June 30, 1955	91,400,000

The June 30, 1955 figure represents 91 contracts. Of these 76, totaling $75,800,000, are guaranties of currency convertibility and 15, totaling $15,600,000, are guaranties against loss from expropriation.

2. Applications pending: at June 24, 1955, $189 million.

In our records, applications pending means applications which can reasonably be regarded as active, i. e., the inevstors are moving ahead with their investment plans and keeping active their applications for guaranty. In short, it is not a "watered" figure. Even so, experience shows that some of the investments will not be made and some of the applications will be dropped.

On the other hand, the flow of applications received is increasing. Also, we are carrying some $87 million of applications in a "deferred" category because the applicants are not actively pursuing their applications. None of the "deferred" figure is included in the figure of $189 million for pending applications. From time to time, however, applicants revive their plans and it may be expected that some part of the "deferred" category will again become active.

Of the current total of $189 million of applications pending, the very great majority are applications which were received after July 1, 1954.

3. Applications in process: At June 24, 1955, $43 million.

In our records, applications in process means applications which appear to be nearing completion, i. e., the investors are completing their investment plans, have obtained or requested the necessary foreign government approvals and are working with us to perfect the final details of their applications.

4. Fees received: At June 24, 1955, $1,280,000.

5. Payments under guaranty contracts: No payment has been made under a guaranty contract.

6. Funds available for guaranties: As of July 1, 1956, $95,680,000.

This figure is derived as follows:

Statutory authority	$200,000,000
Liability under investment guaranty contracts	74,100,000
Balance	125,900,000
Informational media guaranty program:	
Disbursements	16,900,000
Contracts outstanding	5,000,000
Allocation for fiscal year 1956	10,000,000
	31,900,000
Balance	94,000,000
Add fees collected:	
Investment guaranties	1,280,000
Informational media (estimate)	400,000
	1,680,000
Balance available for investment guaranties	95,680,000

As the tabulation indicates, both the investment guaranty program and the informational media guaranty program operate under the $200 million provided in section 413 (b) (4) (F) of the Mutual Security Act of 1954.

7. Country agreements: As you know, the program is put into operation in a particular country on the basis of an agreement between the United States Government and the government of the foreign country. These agreements establish the willingness of the foreign government to participate in the program and the rights which the United States Government will have with respect to currency, property, or claims which it may acquire through the operation of the program.

Twenty-six countries have signed the necessary agreements. A list of these countries is attached. Of the 26, 6 have joined the program since the beginning of 1955. Five of the six—Costa Rica, Ecuador, Guatemala, Honduras, and Peru are in the Latin American area. The other recent addition is Pakistan. Negotiations are well advanced with other Latin American countries and with countries in the Middle East and Asian areas. Although expansion of the program has been slowed by the requirements that formal intergovernmental agreements must be obtained, the increasing number of participating countries has lessened somewhat the problem of geographic availability of the program's protection.

Over the past year, the efforts of the Guaranties Division have been largely directed to four points:

1. Developing procedures which will make getting a guaranty an easy, simple process, free of burdensome red tape and free of the appearance of intervention in private investment arrangements.

Such procedures were developed and were published last October. Many businessmen have stated that they find present paperwork reasonable and in no way burdensome or difficult.

2. Revising the nature of the protection provided by the convertibility contract and the fees charged for both kinds of contracts.

The principal charges in the convertibility contract were: (a) To eliminate the provision by which all receipts from the insured investment reduced the amount of coverage; (b) to eliminate the requirement that the investor schedule his protection, by years over the life of the contract; and (c) to eliminate the complex fee computation previously used.

At present, convertibility contracts provide a single flat amount of protection which is not reduced by transfer of earnings through regular financial channels and for which a simple percentage annual fee is charged.

The new convertibility contract was announced in October 1954; it has been well received.

3. Bringing the program and the changes mentioned above to the attention of the business community.

The program cannot, of course, fulfill its intended purpose unless businessmen are aware of its existence and have some understanding of the protection it affords. Through direct mailing of descriptive material, through visits of staff members to principal cities to discuss the program with groups and individuals in business and financial circles, through publicity related to specific contracts issued, and by various other means, we have tried to make the program and its present form widely known.

The ultimate objective in this direction is to bring about an understanding in the business world that certain non-business risks attending foreign investments are routinely insurable and can be discounted in investment plans in the same way that other insurable risks can be discounted.

4. Extending the program geographically.

The usefulness of the program depends in large part on it being widely operative. In recent months, negotiations have been undertaken with a long list of countries. Since the fall of 1954, 7 countries have joined the program. As mentioned earlier, 6 of these have joined since the beginning of 1955.

Negotiations are continuing with a number of countries, chiefly in Latin America and the Middle East, and it is expected that the list of participating countries will continue to grow.

The investment-guaranty program is unique. Those who undertook its administration at the beginning had to develop policies and procedures to guide its operation and contract forms to express the protection offered. They had to devise country agreement forms and negotiate agreements with foreign governments and they had to bring the existence of the program to the attention of business. I think that helps to explain why the program did not move forward as rapidly as hoped.

We believe that the program has recently gained new impetus, and that it is reasonable to expect that it will play an increasing role in encouraging more private American investors to invest their capital abroad.

Sincerely yours,

CHARLES E. HOUSTON,
Chief, Investment Guaranties Division

(Enclosure: List of countries participating in investment guaranty program.)

Convertibility and expropriation insurance are available in the following countries: Austria, Belgium, China (Formosa), Costa Rica, Denmark, Ecuador, France, Germany, Greece, Guatemala, Haiti, Israel, Italy, Japan, the Netherlands, Norway, Pakistan, Peru,[1] Philippines, Portugal, Spain, Thailand, Turkey,[1] United Kingdom,[1] Yugoslavia.

Additions: Honduras.

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[1] Convertibility insurance only.

OVERSEAS DEPENDENCIES OF COUNTRIES PARTICIPATING IN THE INVESTMENT INSURANCE PROGRAM

Belgium: Belgian Congo, Ruanda-Urundi.
Denmark: Greenland.
France: Tunisia, Algeria, Morocco, Somaliland, French West Africa, Togoland, French Equatorial Africa, the Cameroons, Madagascar and Comoro, Saint Pierre and Miquelon, New Caledonia and dependencies, French Oceania, French East Indian possessions, Reunion Island, Guadeloupe, Martinique, French Guiana.
Italy: Somaliland.
Netherlands: Surinam, Curacao, Aruba.
Portugal: Angola (Portuguese West Africa), Mozambique (Portuguese East Africa), Cape Verde Island and Portuguese Guinea, Sao Tome and Principe, Timor, Macao, Portuguese East India.
United Kingdom: Channel Islands, Isle of Man, Gibraltar, Malta, Cyprus, British West Africa (Nigeria, Gold Coast and Territories, Gambia, Togoland, British Cameroons, Sierra Leone), British East Africa (Kenya, Uganda, Federation of Rhodesia and Nyasaland, Tanganyika, Zanzibar and Pemba, Somaliland), St. Helena, Mauritius and dependencies, Seychelles, Aden (Colony and Protectorate), Malaya, Singapore, Hong Kong, North Borneo, Sarawak, Brunei, Fiji Islands, other British islands of Pacific, Bahamas, Barbados, Jamaica, Leeward Islands, Windward Islands (including Dominica), Trinidad, Falkland Island and dependencies, British Guiana, British Honduras.

Policies and regulations in overseas dependencies often vary greatly from those of the mother country. If insurance is desired for an investment in an overseas dependency of a participating country, we will be glad to explore the matter with the appropriate colonial or territorial offices.

Investment guaranties—Pending applications as of June 24, 1955

Country and product	Convertibility	Expropriation
Austria:		
Ski lift	$9,230	$4,615
Electric heaters	17,000	
Total	26,230	4,615
Belgium:		
Typewriters	105,000	130,000
Steel buildings	320,000	320,000
Total	425,000	450,000
China:		
Rayon plant	1,424,000	1,200,000
Oil refinery	2,200,000	2,000,000
Ammonium sulfate	5,000,000	5,000,000
Total	8,624,000	8,200,000
France:		
Paint spraying equipment	45,000	
Dredges	635,500	100,000
Automobiles	3,800,000	
Do	6,714,000	3,327,000
Automotive equipment	9,000	25,000
Proprietary drugs	669,824	
Gasoline storage facilities	125,000	
Welding materials	1,110,000	
Carbon black	3,000,000	
Styrene monomer	225,000	
Industrial engineering	150,000	
Total	16,483,324	3,452,000
Germany:		
Electronic products	250,000	250,000
Industrial engineering	151,675	189,175
Water treatment compounds	1,493,150	50,000
Dairy products	3,500,000	3,500,000
Powder actuated tools	340,000	265,000
Elevators and elevator equipment	450,000	
High-precision instruments	612,500	612,500
Deoxidizing process		17,500
Optical instruments	550,000	550,000
Automobiles and trucks		3,600,000
Do		4,725,000
Surgical instruments	10,000	10,000
Foods	250,000	250,000
Phonograph records	250,000	220,000
Total	7,857,325	13,989,175

Investment guaranties—Pending applications as of June 24, 1955—Continued

Country and product	Convertibility	Expropriation
Guatemala:		
Lumber	177,000	177,000
Do	70,000	70,000
Total	247,000	247,000
Israel:		
Textile plastics	175,000	100,000
Machinery and equipment	70,000	70,000
Total	245,000	170,000
Haiti: Airport construction		6,000,000
Italy:		
Television sets	150,000	150,000
Intravenous solutions	27,550	27,550
Statuary	60,000	30,000
Refrigerators	932,800	
Hotel management	1,750,000	875,000
Military aircraft	12,224,250	
Brake bonding materials and equipment	100,000	
Pharmaceuticals	175,000	175,000
Do	475,000	300,000
Paint spraying equipment	30,000	
Plastics	70,000	
Electronics	$125,000	
Total	16,119,600	$1,557,550
Japan:		
Utility shares		1,000
Industrial chemicals	3,060,000	1,530,000
Scientific equipment	125,000	50,000
Total	3,185,000	1,581,000
Netherlands:		
Fountain pens	50,000	50,000
Industrial chemicals	2,600,000	1,300,000
Precision instruments	500,000	500,000
Oil burners	61,250	
Chemical finishes	43,750	43,750
Machine tools	100,000	100,000
Total	3,355,000	1,993,750
Philippines:		
Rubber manufacture, tires and tubes	3,564,000	3,600,000
Intravenous solutions	29,190	29,190
Total	3,593,190	3,629,190
Peru: Food products	50,000	
Spain:		
Pharmaceuticals	1,125,000	562,500
Water treatment compounds	532,500	300,000
Industrial chemicals	122,400	
Corn starch	200,000	
Construction	70,000	
Vitreous china plumbing	100,000	42,500
Plastics	62,500	31,250
Total	2,212,400	936,250
Thailand:		
Construction	1,800,000	1,800,000
Tapioca flour plant	100,000	100,000
Total	1,900,000	1,900,000
Turkey:		
Textile manufacturing	1,750,000	
Cement blocks	40,000	
Oil refinery	14,000,000	
Rubber products	150,000	
Hotel operating	632,000	
Waste oils	84,000	
Cotton mill	3,768,784	
Truck manufacture	2,850,146	
Pharmaceuticals	1,000,000	
Total	24,274,930	
United Kingdom:		
Machine tools	400,000	
Automatic screw machine	980,000	
Rubber products	1,350,000	
Oil burners	45,000	
Dairy products	1,685,000	
Machine tools	55,000	
Do	200,000	
Hotel operation	1,421,520	
Total	6,136,520	
Various countries: Investment trust	25,000,000	25,000,000
Grand total	119,734,519	69,110,530

Mr. JARMAN. Mr. Chairman, let me say this: At the present time $91 million in guaranties have been issued, and $189 million in applications are pending, with about $95 million outstanding in authorization. An additional $100 million is needed to cover the program.

The $100 million authorization that is set out in this amendment will mean no additional cost to the taxpayers of the country. As the gentleman from Minnesota [Mr. JUDD] pointed out, we have actually made money under this program from fees paid in on guarantee contracts—$1,280,000.

I think it should also be borne in mind that at the present time this entire program is being administered by 4 executives and 2 secretaries. The administrative expense is small.

It is the congressional intent that this program get into indirect as well as direct investments abroad. If we get into the field properly, it has great possibilities in terms of private investments going abroad. It may make unnecessary a certain percentage of the money we have been sending abroad as foreign aid. This is a great opportunity, it seems to me, for expanding the field in a program that offers great hope for the future, at no cost to the taxpayer.

I would add that I think in fairness to the consideration of this amendment, it should be said that when it was taken up in the committee, the gentleman from Minnesota [Mr. JUDD] who introduced the amendment, was not able to be present and the matter was not affirmatively presented to the committee. Had it been, I honestly believe it would have been accepted by our committee.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Ohio.

Mr. VORYS. Is it not a fact that the amendment is now in different form, in a different amount? I have been a fan for this guarantee business and loan business for 7 years, and finally we have gotten an illustration of where it is really starting to be used. It is obvious that there is more guarantee available than we have authorization for, and, therefore, we could expand it by $100 million. We have made money on the deal so far.

Mr. JARMAN. I thank the gentleman.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FULTON] is recognized.

Mr. FULTON. Mr. Chairman, I favor this amendment to expand the authorization for the increase of the guaranty program to enable United States businessmen to invest with security abroad. This program permits businessmen to get guaranties abroad for their investments by paying a fee to obtain a guaranty contract. This is a help to increased private investment abroad, and will permit reduction in the foreign aid program as private business increases. We must look ahead to cutting down the foreign-aid program and eliminating it entirely, so private business should be encouraged to handle more of investment programs abroad.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The question was taken; and on a division (demanded by Mr. JUDD) there were—ayes 46, noes 91.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 14, line 19, strike out the figure "1958" and insert "1955."

Mr. GROSS. Mr. Chairman, under the title "World Health Organization and Contributions Made Thereto," it is provided that we appropriate more than 33⅓ percent to this organization. My amendment would simply say that we contribute 33⅓ percent beginning as of now instead of the 37 percent contribution we are making. I think that 33⅓ percent is enough and far more than enough for the United States to appropriate for the support of any of these international organizations.

Mr. Chairman, I have a letter from Thruston B. Morton, of the Department of State, which states:

Since 1952 the United States has been assessed 33⅓ percent of the total assessments of all members of the World Health Organization. Nine of these members are Soviet and satellite countries which for several years have not participated in the activities of the WHO but continue to be assessed because in the WHO there is no automatic procedure for withdrawal from membership, and the necessary majority has been lacking in the Health Assembly to take action officially recognizing the withdrawal of these countries.

What the Assistant Secretary of State is saying is that representatives of the United States and other countries have not the courage to throw the commies out of this World Health Organization unless they pay up their share of the costs.

He goes on to say:

At the eighth session of the World Health Assembly in Mexico City May 10 to 27, 1955, the United States proposed that the assessment scale should be revised so as to reduce the maximum contribution to a level not exceeding 33⅓ percent of total assessments of active members alone.

The action revising the scale was approved in plenary session by a vote of 43 in favor, 2 against.

That is, the vote was 43 to 2 against us. The United States voted against the action taken on the grounds that we should go back to 33⅓ percent immediately and not over a 3-year period.

What I am trying to say is that there is a principle involved here. These foreigners in this world health organization have voted a tax increase upon the people of the United States. No matter if the amount is small, that is what they can do, and that is what they have done. I am opposed to any international organization levying taxes upon Americans because the commies will not pay up or for any other reason.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. HAND. I think the gentleman is entirely correct. I ask him now whether this House has not passed legislation requiring that our contribution be not to exceed 33⅓ percent? I have some recollection of something of that sort.

Mr. GROSS. I think we did with respect to 1 or 2 international agencies, but I doubt that the legislation was all-embracing.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. SHORT. I take it, the gentleman from Iowa [Mr. GROSS] like the gentleman from Michigan [Mr. HOFFMAN], does not want to sharpen the razor to hand to an enemy to cut our throat.

Mr. GROSS. Exactly so. There is a principle involved here, whether you are in favor of a bunch of foreigners increasing the taxes of the people of the United States. If they can do it in this case, they can do it in any case.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Minnesota.

Mr. JUDD. Mr. Chairman, this amendment actually reduces the percentage that America will hereafter contribute to the World Health Organization. As the gentleman from Iowa has said, it has had two budgets. One is a legal but fictitious budget based on assessments to all the member countries, including Communist countries, which never pay anything. The other budget is the actual operating budget. Our share of the former has been 33⅓ percent. Our share of the latter has been 36.76 percent.

In the recent annual meeting of the Assembly of the WHO at Mexico City, to which two of our delegates were Members of this House, the gentleman from Pennsylvania [Dr. MORGAN], and the gentleman from Kansas [Mr. AVERY], the World Health Assembly voted that it would reduce America's contribution to the actual operating budget of this organization in four equal stages, so that by 1959 we will not be constributing more than 33⅓ percent of the total assessment to the active members—the actual budget.

This committee amendment increases the percentage that other nations will contribute to the budget of the World Health Organization. It reduces the percentage that the United States will contribute to the World Health Organization. The whole story is told in detail on page 36 of the committee report.

I am sure the gentleman from Iowa is interested in reducing America's share of the budget of this and every other international organization. So he should support this amendment for it will do exactly that.

The CHAIRMAN. Does the gentleman from Iowa desire to withdraw his amendment?

Mr. GROSS. No, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

The Clerk read as follows:

SEC. 9. Title V, chapter 1, of the Mutual Security Act of 1954, which relates to general provisions, is amended as follows:

(a) In section 501, which relates to transferability of funds, insert, in the first sentence, the words "in any fiscal year" after "transferred" and after "increased"; and delete the last two sentences of said section.

(b) In section 502, which relates to use of foreign currency, in subsection (b) after the word "amended," insert the words "and to the Joint Committee on Atomic Energy and the Joint Committee on the Economic Report,"; and in the proviso after the word "Senate" the second time such word occurs insert the words "or a joint committee of the Congress".

(c) In section 503, subsection (b) is hereby repealed and subsection (c) is redesignated as "(b)".

(d) (1) Change the heading of section 505 to "Loan Assistance and Sales".

(2) Add the following sentence at the end of subsection (a) of section 505: "Whenever commodities or services are sold for foreign currencies the President, notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, may use or enter into arrangements with friendly nations or organizations of nations to use such currencies for the purposes for which the funds providing the commodities or services which generated the currencies were appropriated."

(e) Add the following sentence at the end of section 509, which relates to shipping on United States vessels: "The ocean transportation between foreign countries of commodities, materials, and equipment procured out of local currency funds made available under this act shall not be governed by the provisions of section 901 (b) of the Merchant Marine Act of 1936, or any other law relating to the ocean transportation of commodities, materials, and equipment on United States-flag vessels."

The CHAIRMAN. The Clerk will report the first committee amendment printed in the bill.

Mrs. KELLY of New York. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. KELLY of New York. If these committee amendments are voted upon, will that preclude my amendment on page 16, line 23?

The CHAIRMAN. Is the gentlewoman's amendment an amendment to the committee amendment?

Mrs. KELLY of New York. It is not, Mr. Chairman.

The CHAIRMAN. Unless it is an amendment to the committee amendment, disposition of the committee amendment would not affect the amendment of the gentlewoman from New York.

Mrs. KELLY of New York. I thank the Chairman.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. SHORT. I object, Mr. Chairman.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 15, line 24, strike out all of line 24 down to and including line 3 on page 16.

Mr. BONNER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BONNER. Mr. Chairman, I should like to know where the Clerk is reading.

The CHAIRMAN. The Clerk is reporting the committee amendments printed in the bill in the order in which they appear there.

Mr. BONNER. I want to know where he is reading at this time; that is all I ask. I know the Clerk is reading them in order, but I should like to know just where in the bill he is reading.

The CHAIRMAN. The gentleman may ask unanimous consent for the amendment to be reported again.

Mr. BONNER. I do that, Mr. Chairman.

The CHAIRMAN. Without objection, the Clerk will report the committee amendment.

There was no objection.

The Clerk read as follows:

Committee amendment: Page 15, line 24, strike out all of line 24 down to and including line 3 on page 16.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 16, line 4, strike out "(b)" and insert "(a)."

Page 16, line 11, strike out "(c)" and insert "(b)."

Page 16, line 13, strike out "(d)" and insert "(c)."

The amendments were agreed to.

The Clerk read as follows:

Committee amendment: Page 16, line 24, strike out all of line 24 down through and including the word "vessels" in line 24 and insert:

"(d) In section 509, which relates to shipping on United States vessels, insert '(except surplus agricultural commodities)' after 'commodities', and add the following sentence at the end thereof."

The CHAIRMAN. The question is on the committee amendment.

Mr. BONNER. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER to the committee amendment: On page 17, lines 2 and 3, strike out the words "insert '(except surplus agricultural commodities)' after 'commodities', and."

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Mr. Chairman, everybody knows the issue involved here, I think. There is no use taking up time in making hour-long speeches as I heard one of the gentlemen say they would do.

Mr. Chairman, I move that debate on this section and all amendments thereto close in 20 minutes, the last 5 minutes to be reserved to the committee.

Mr. BONNER. Mr. Chairman, I do not yield for any such request.

The CHAIRMAN. The gentleman from North Carolina [Mr. BONNER] declines to yield for that purpose.

Mr. BONNER. Mr. Chairman, I ask unanimous consent that I may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Chairman, it was not my purpose to speak in opposition to this foreign-relief bill. I was around here during the WPA days and the PWA days. I remember when it got to going so strong it became professional, and Congress had a tremendously difficult time in ever stopping WPA and PWA. I am beginning to believe, Mr. Chairman, that this foreign aid of the State Department is beginning to be professional.

I have been around the world, I have been to all the countries in which this aid is being given. The only thing you hear in these countries is fussing and scrapping as to why some other country was given more than B country is receiving. It is a deplorable situation.

I have the highest regard and respect for all the Members in this House. My dear friend from South Carolina at times surprises me.

That is all I have to say about the bill.

It is my responsibility and the responsibility of the other 29 or 30 members of the Committee on Merchant Marine of the House of Representatives under the 1936 act passed by this Congress to perpetuate and keep strong the American merchant marine, recognized as the third arm of our national defense.

The great chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. VINSON], and the distinguished gentleman from Missouri [Mr. SHORT] come before this House from time to time with authorization for the armed services. Everybody is interested. No one asks a question, hardly, because we all know we must have a strong national defense. The gentleman from Missouri is an able gentleman. He knows that the armed services cannot get along, cannot be sustained in the foreign nations in which we have bases today, unless we have the Military Sea Transportation Service and a strong American merchant marine. You just simply cannot perpetuate the armed services in foreign bases unless this condition is aided by the American merchant marine so as to have sufficient cargo ships, dependable service, and a nucleus of trained men, sailors, if you please, from which to expand in case of emergency.

This is the ninth occasion the members of the Committee on Foreign Affairs have come into this House to beat down the American merchant marine. You ask why I say that? This cargo is the largest cargo that moves on the sea today. You say, "Well, why don't you just subsidize the American merchant marine?" What do you want to do? Do you want to subsidize it? Do you want to subsidize the officers and sailors in the American merchant marine, and further tie up these ships down here in the James River or the Hudson River and give them nothing to do? That is just what you do if you take this cargo away from them.

Only this week we had the vice president of one of the great American lines before the committee and he said, "If this amendment carries it means immediately we will retire from 10 to 15 of the ships of our fleet of 30 vessels."

The Foreign Affairs Committee by this bill seems to forget American commerce. Apparently, their only interest seems to be in foreign merchant marines.

In connection with that, I will say to my fine friend the gentleman from Mississippi, and I really have the highest respect and regard for him and sincerely like him, I do not want to mention the name of any nation, but there is one great nation that wants America to withdraw its flagships from the high seas, and that nation requires practically all importers to direct that all merchandise coming into their industry be shipped under the British flag. Now, Mr. Chairman, I did not intend to say that, but that is the situation. As for cotton, I will tell you what the British did. You know there is one commodity that is a monopoly in Great Britain. They were negotiating a lump order down here at the Department of Agriculture for 3 or 4 commodities. All the commodities but 1 were shipped 50–50, but as to the 1 commodity—they said it had to go entirely under the British flag. Two gentlemen came to see me and said, "Won't you offer a resolution or something to change this 50–50 law?" I said, "No, the people would not want me to do that." So, Mr. Chairman, I do have a responsibility. I think the American merchant marine, by facts that can be shown in some of the records I have here, have subsidized the Commodity Credit to the extent of 444 vessels which are being used now by the Commodity Credit Corporation as storage for grain.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. BOGGS. The gentleman, as chairman of a very distinguished committee of this body, knows that last year your committee reported out legislation on this very point; is that not correct?

Mr. BONNER. It was considered in the House on the merits and the legislation was adopted.

Mr. BOGGS. And adopted by both bodies and signed by the President.

Mr. BONNER. That is right.

Mr. BOGGS. And now the Committee on Foreign Affairs attempts to change that basic law, which we passed last year?

Mr. BONNER. That is correct.

Mr. BOGGS. Does the gentleman know whether or not any hearings were held before either his committee or the Committee on Foreign Affairs on this issue?

Mr. BONNER. I do not think there were any hearings held before the Committee on Foreign Affairs, and I know there were not any hearings held before our committee.

Mr. BOGGS. There were no hearings held before your committee?

Mr. BURLESON. Mr. Chairman, if the gentleman will yield to me in order

to answer that, we held hearings on that for about 7 years.

Mr. BONNER. Yes; and I will tell you what you did—it is in your report. You held a hearing, and the gentleman from Ohio [Mr. VORYS] made inquiry of a Mr. Paul on $13 million, which is in the bill to pay freight, and he asked Mr. Paul what the 50–50 act would cost in respect to that $13 million. Mr. Paul could not answer the question then, so later he sent down a memorandum showing it would cost $55,000 to ship 50–50.

Mr. BOGGS. Since 1948, which I believe is the year of the first Marshall Act, we have had this fight, it seems to me, every year on the floor of the House of Representatives; is that correct?

Mr. BONNER. That is correct. That is the very reason the Committee on Merchant Marine and Fisheries reported out the bill making the 50–50 law apply to all American-generated cargoes.

Mr. BOGGS. And each time the fight has been won on the floor?

Mr. BONNER. Each time it has been won on the floor.

Mr. BOGGS. So this time the committee decided it will amend the basic law which we passed last year.

Mr. BONNER. Some people just like punishment. That is all.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. MILLER of California. Will the gentleman call the attention of the House to the fact that he has been instructed by the Committee on Merchant Marine and Fisheries, after due deliberation, to oppose this legislation, which has been defeated nine times in this House.

Mr. BONNER. The resolution of the committee was inserted in the RECORD 2 days ago.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. BONNER] has expired.

(By unanimous consent (at the request of Mr. MILLER of California), Mr. BONNER was granted 5 additional minutes.)

Mr. BONNER. Mr. Chairman, there are 29 or 30 members of the committee, and there are many, many Members of the House who are deeply interested in this amendment.

Mr. MILLER of California. Will the gentleman yield again?

Mr. BONNER. I yield.

Mr. MILLER of California. Will the gentleman also tell the House that the Committee on Merchant Marine and Fisheries held extensive hearings under his direction last February to consider this thing thoroughly?

Mr. BONNER. That is correct.

Mr. MILLER of California. And we could not find any evidence that there was excessive cost brought about by the 50–50 law?

Mr. BONNER. But there was lack of interest by the responsible agencies in seeing that the 50–50 law worked as it should work, and we directed the agencies to hold meetings and get together so that this law could function.

Now, the act further states that if ships are not available at a fair and reasonable rate, then foreign vessels shall be used.

I yield now to the gentleman from Missouri, the ranking member of the great Committee on Armed Services [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I do not want to trespass upon the patience of the Committee. I do want to say that it is refreshing and encouraging to find that the Committee on Foreign Affairs is paying a little attention to Asia.

I want to congratulate the gentleman from South Carolina [Mr. RICHARDS] and all members of his committee for the shift in emphasis that they have made. He is a very able and fine gentleman. But, Mr. Chairman, I am a little shocked that this Committee on Foreign Affairs would try to circumvent or come in the side door or the back door to force upon this House something we have spoken upon very definitely, especially since the legislation was considered by the Committee on Merchant Marine and Fisheries.

We all love HERB BONNER. I think he is talking good hard common sense. If you want to keep this country safe, let us keep a healthy, sound, going merchant marine. I am for the amendment offered by the gentleman from North Carolina [Mr. BONNER]. I think it is absolutely the best investment we could make, and I hope we all vote for it.

Mr. BONNER. I thank the gentleman.

Mr. Chairman, in granting a rule, the Committee on Rules made provision and left open in the rule provision so that points of order could be made against amendments affecting the 50–50 provision of shipping American.

Mr. BURLESON. Mr. Chairman, I rise in opposition to the amendment.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. RICHARDS. First, Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RICHARDS. Will the gentleman yield for an observation?

Mr. BURLESON. I yield.

Mr. RICHARDS. I just want to say for the information of the House, whatever the merits of the amendment may be, this great expert on navigation and shipping, is incorrect when he makes the statement that the Foreign Affairs Committee asked for a closed rule. He is also incorrect when he says that this House has ever taken a vote on the question of shipping in American bottoms related exclusively to surplus farm commodities. These surpluses have been growing every year. This is a new question.

The gentleman from Texas is a great student of this question. He is the man who offered the amendment in the Foreign Affairs Committee on this point which was adopted, and I want to commend him for the study he has made of the subject. The gentleman from North Carolina should sit down a little bit and listen to the facts about the agricultural problem that confronts his district as well as those catfish boats that sail up the Pamlico River.

Mr. BURLESON. I thank the gentleman and appreciate his compliments.

Mr. Chairman, I have no illusions about the immediate situation. I am facing a hostile audience, but that does not give me a great deal of concern. I do want you to hear a few facts from the record. If the gentleman from North Carolina had yielded to me I would have asked him four simple questions which he could have answered "Yes" or "No." He might have converted me to his point of view if he had answered them consistently.

We have received many letters and telegrams saying it will wreck the merchant marine of the United States if we do not adopt this amendment. We have all received telegrams saying that it will be the death of the maritime industry and all that sort of thing unless we adopt this amendment. I assume my good friend from North Carolina subscribes to that language.

Now, if he had yielded to me I would have asked him a question but instead I am going to have to answer it myself. I would have asked him if he did not vote against the bill last year. This same amendment was adopted last year. The gentleman did not by his vote help keep 15 or 18 ships in operation as he says this provision does. He did not help keep all these people employed as he says this will do. The next question would have been, How is the gentleman going to vote on this bill today?

Mr. BONNER. If the gentleman will yield.

Mr. BURLESON. I am not yielding. The gentleman would not yield to me. I shall assume he is against the bill now and will not finally vote to carry out the provision he so ardently espouses in his amendment.

Mr. BONNER. The gentleman asked me a direction. I voted against the bill.

Mr. BURLESON. How is the gentleman going to vote on the bill today?

Mr. BONNER. I am going to vote against the bill. Do you want to know why?

Mr. BURLESON. That is just what I thought. I do not yield further.

So the gentleman will vote against the bill today even though his amendment is adopted, yet it becomes the life and death of the merchant marine according to his view and contention.

Now, Mr. Chairman, there is seemingly a disposition on the part of those who favor the cargo prefential clause to assume that those who oppose are unfavorable toward the maintenance of a strong merchant fleet.

Nothing could be further from the truth. Those of us who feel that this provision is unnecessary and unwarranted have no different view than that expressed by the President of the United States in his message to the Congress when he approved Public Law 664, August 26, 1954.

In that message the President said:

It appears that the major purpose of S. 3233—

Which later became Public Law 664—

is to confirm on a permanent basis policies we have been following for a number of years. United States vessels are already carrying better than 50 percent of aid cargoes and cargoes resulting from the Government's stockpiling program. However, certain provisions of this legislation cause me concern and I hope the next Congress will reconsider them. I refer particularly to the provision with regard to currency convertibility which, as it applies to title I of Public Law 480, 83d Congress, would handicap the disposal of United States agricultural products abroad, and to the provision with regard to offshore procurement which, by forcing United States vessels into trades in which they normally do not operate, could increase the cost of the aid program.

The President goes on to say in his message:

I am hopeful that the Department of Commerce study will result in some sound suggestions for the maintenance by direct means of a merchant marine adequate to the requirements of the United States. When this study is completed, I may wish to recommend additional changes in this legislation.

So the President of the United States, while recognizing the necessity of a strong and adequate merchant marine, expresses his deep concern that this provision is forced into the mutual security legislation.

The Randall Commission, on page 69 of its report, expressed its opposition to the preferential cargo provision and recommended its elimination. It also recognized the necessity for a strong merchant marine and referred to it, as has the Defense Department, as the "fourth arm of our defense."

The Acting Secretary of the Treasury, Mr. M. B. Folsom, expressed the official view of the Treasury Department toward the forced requirement which Congress in the past has imposed upon this legislation.

So, Mr. Chairman, there is no inclination on my part, and I am sure there is none on the part of any other Member of this body, to contend in the slightest degree that anything should be done which would injure or impair in any respect the health of the maritime industry. Contrarily, it has been the judgment of the Congress for many years to grant direct subsidies to the industry for not only construction of merchant vessels, but a direct subsidy to the operating companies.

Before someone should make the challenge that agriculture receives its share of subsidies, allow me to point out that regardless of guaranteed loan provisions and the price-support system for agriculture, there is no guaranty against the hazards of the elements which the farmer must constantly face. There are myriads of subsidies of various types and kinds, but I know of no subsidy which guarantees a percentage of return on investment other than the merchant marine. I know of no other industry which receives a fairer treatment.

The supporters of the 50–50 preference cargo amendment use such terms as "death knell" and "severe body blow" and other severe references to the welfare of our maritime industry should this provision not be sustained. But the President has said that regardless of this provision, "United States vessels are already carrying more than 50 percent of aid cargoes and cargoes resulting from the Government's aid program."

I again refer to his words of concern that the requirement contained in the preferential cargo provision will increase the cost of aid programs.

Now, Mr. Chairman, what has been the increased cost? In fiscal year 1953–54 under section 402 of the Mutual Security Act, the Foreign Operations Administration reports that the added cost was $1,450,000. For the fiscal year 1954–55, the price differential between American ships and those of foreign tramp vessels was $1,100,000.

Under the Agricultural Development Act, Public Law 480, the additional cost is more impressive. The cost in this instance is approximately $13 million for transportation which could have been furnished by the recipient countries. Incidentally, $13 million could have purchased an additional 80,000 bales of cotton or 8 million bushels of wheat.

There are impressive figures dealing with specific countries which illustrate the aid cost under present law. If any Member desires to see some comparisons on specific countries, I shall be glad to furnish it to them, but will not weight down the record unnecessarily .

Mr. Chairman, the added cost is not, in my opinion, the strongest argument involved in this issue. The strongest evidence against this amendment is to be found in the fact that there are about 13 nations who are capable and insistent on coming after their own cargoes purchased under the law. Under Public Law 480, we have been able to sell $217 million worth of farm products to 13 countries, all of whom could have furnished their own transportation. The Commodity Credit Corporation was required to spend $13 million for transportation which could have been furnished by these recipient countries.

Even a country unable to furnish its own transportation in many instances is able to employ the services of other maritime countries to transport their purchases to them, by reason of their peculiar monetary relationship. But under this provision, we insist on paying for this same transportation in American dollars.

May I cite you a direct example from an Associated Press news article in Copenhagen on April 5, 1955:

Denmark has refused to buy $7 million worth of United States surplus foodstuffs because half of it must be shipped in American ships.

Turning down the latest American offer, the Danish Government said yesterday it felt that trade in the free world should flow freely and that shipping should not be subjected to clauses reserving special rights for any nation.

Mr. Chairman, the most highly reliable information is to the effect that Denmark was forced by this situation to purchase food grains from the Soviet Union. This situation has been repeated in a number of instances. To insist that American ships deliver purchased cargoes to countries like Denmark, the other Scandinavian countries, the British, and a number of others whose chief industry is shipping, is like insisting that a diesel engine purchased by the Pennsylvania Railroad be delivered by truck.

Mr. Chairman, this is not all of the ill effects surrounding the Cargo Preference Act. It has had the effect of constricting competition. The American tramp steamer rates have risen from an average of $13 a ton to near $17 a ton, or just about on par with the American flag vessels. This is the result of their knowing that the business is there for them. Likewise, the foreign tramp vessel can and have jacked his price up, although remain approximately $3 below that of American vessels, and reap a tremendous margin of profit. These added costs are not used in the figures I have previously quoted, because they can only be estimated on conditions which would prevail if this provision was not in force.

Mr. Chairman, the amendment under discussion jeopardizes the movement of agricultural surplus commodities which are a capital asset of the American Government. It restricts our market outlets and seriously impedes and contradicts the sense of the Congress expressed in Public Law 480. It is losing markets for American products and restricts competition in the shipping industry.

It is perfectly true that on the surface it is not possible for the United States Maritime Service to compete with foreign shipping. It is equally true with many other industries, and therefore, we have a system of tariffs and quotas. But mainly American industry competes with foreign industry, whether it be agriculture or any other business, on the basis of quality, dependability, and integrity. In this instance the philosophy of reciprocal trade is involved, and so is the proposition of "trade, not aid," to which I think a large majority of this Congress subscribes.

If we permit free competition; if we follow the provisions of Public Law 480 to extend and expand world markets for agricultural products; if we recognize the necessity of maritime nations to transport their own cargoes, trade will increase. The American merchant marine will share in that increase and regardless of world competition in shipping, our own maritime industry, in my opinion, will receive its share and more under these circumstances. Again I remind you that the President of the United States has stated that it has been receiving more than 50 percent, and no doubt it will continue to do so.

Mr. Chairman, I trust the amendment will be defeated.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Minnesota.

Mr. JUDD. Did we not get testimony from General Gruenther that when criticism came to him because one of the countries we are helping in Europe was buying many thousands of tons of wheat from a Communist country, he approached the country to ask why it was buying wheat from this Communist country instead of from the United States? The country replied that if it

bought the wheat from the United States it would have to spend precious dollars not for grain but for shipping in American bottoms, although it itself has a large merchant marine. It would prefer to buy wheat from us if it could ship it in its own vessels. But if not, then it had no choice but to buy from Russia or the satellites. This provision definitely cuts down our shipments of grain.

Mr. BURLESON. That was the fourth point. There is no question about that. On April 5 of this year Denmark canceled an order for 7 million bushels of wheat. And, where did she go to satisfy her needs? She could not go any place except possibly to Canada, but she did not. The Soviet Union was her unwilling choice. The British canceled an order amounting to $31 million in value for agricultural commodities because she could not send her own ships for it.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Connecticut.

Mr. MORANO. Is it not true that the American merchant marine companies are reluctant to carry this surplus commodity cargo and thereby have delayed the disposal of surplus commodities?

Mr. BURLESON. I do not know that they were reluctant to carry it, but it was delayed. There was a bottleneck. You deny that there was a bottleneck, but there is testimony supported by the gentleman. He says in effect there was a bottleneck because some of this stuff came into the ports which they could not move. They knew that they could get their own price for moving it, and it is costing money every day.

Mr. MORANO. They call this a 50–50 law. Is it not a fact that the law says at least 50 percent, so that sometimes it goes up to 90 percent?

Mr. BURLESON. Of course, that is correct and the President confirmed that fact by his statement in signing Public Law 664.

Mr. DODD. Mr. Chairman, I move to strike out the last word.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. DODD. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. BONNER. I object, Mr. Chairman.

Mr. RICHARDS. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut [Mr. DODD].

Mr. DODD. Mr. Chairman, I listened carefully to the remarks of the gentleman from North Carolina [Mr. BONNER] when he was addressing the House, at which time he talked about the whole Committee on Foreign Affairs. I would remind the gentleman, whether he knows it or not, that there was a rather close division in the committee on this question. But I would also suggest that these intemperate words about brainwashing our chairman and about this committee lacking concern for the welfare of this country are not likely even to hold the votes on his side that were in the committee.

We had quite a considerable discussion on this question, and my recollection is that there was a 1-vote margin, perhaps 2. I am not sure, but it was very close.

I can assure the gentleman that our chairman has not been brainwashed nor have any of the members of the committee and that no members of this committee have lost interest in the United States.

The CHAIRMAN. According to the list of Members who have indicated a desire to speak and the time fixed, Members will be recognized for one-half minute each.

The Chair recognizes the gentleman from California [Mr. MAILLIARD].

Mr. MAILLIARD. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from Washington [Mr. TOLLEFSON].

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. MASON. Mr. Chairman, I object. I shall object to any proposed transfer of time.

Mr. MAILLIARD. Mr. Chairman, I yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, this happens every time this matter comes up. Time is limited so that we do not have an opportunity to explain our position. The House has spoken on this matter nine times overwhelmingly, and there is no reason on record now why the House should not do the same thing again. I wish I had time to answer the statements made by the gentleman from Texas [Mr. BURLESON] with respect to the effect of the 50–50 program upon this situation.

The CHAIRMAN. The time of the gentleman from California [Mr. MAILLIARD] has expired.

The Chair recognizes the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I am glad to yield to the senior member of our committee, the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, the facts are that our hearings, which were held just a couple of months ago, indicated the effect of the 50–50 program upon the disposal of surplus agricultural products and showed that that effect was nil. Spokesmen from the Department of Agriculture who were in favor of our program had to admit that the total difference in cost, if all our products were shipped in American tramp ships, would only be $14 million, and that it would drop below that figure depending on the extent to which cargoes were carried on liner vessels. The rates on American and foreign liner vessels are exactly the same.

The CHAIRMAN. The time of the gentleman from California [Mr. YOUNGER] has expired.

The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. I am for the Bonner proposal, and I yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, the facts are that the program does not cost any more if the cargoes are shipped on liner services. The liner service rates on foreign-flag ships are exactly the same as the liner rates on American-flag ships. The only difference in cost occurs when tramp ships are used. It is estimated that only 20 percent of these cargoes will be carried on tramp ships, and if only one-half of that would be carried on American tramp ships it can readily be seen that only 10 percent of the total cargoes would be shipped on American tramp vessels. Based on present tramp rates it would cost under $2 million more to use American ships 50 percent of the time. That figure was arrived at by a research group which looked into this matter.

The CHAIRMAN. The time of the gentleman from California [Mr. SHELLEY] has expired.

The Chair recognizes the gentleman from California [Mr. ALLEN.]

Mr. ALLEN of California. Mr. Chairman, I, also, favor the position taken by the gentleman from North Carolina, [Mr. BONNER] and I yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Additional facts are that the disposal program has not been delayed by the 50–50 law. The committee's own record with respect to the disposal of the products would indicate that more than 50 percent of the $700 million involved in the surplus agricultural products disposal program of last year has already been committed in the first year, and it is a 3-year program.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York [Mrs. KELLY].

Mrs. KELLY of New York. Mr. Chairman, I am for the Bonner amendment. I yield my time to the gentleman from Washington [Mr. TOLLEFSON].

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. That is against the rules, unless the gentlewoman comes to the well.

The CHAIRMAN. The gentlewoman from New York may yield to the gentleman from Washington.

Mr. HOFFMAN of Michigan. The point of order is that she can address the Chair and ask to be recognized and get recognition, and then yield to the gentleman from Washington.

The CHAIRMAN. The gentlewoman addressed the Chair. She now yields to the gentleman from Washington.

Mrs. KELLY of New York. I yield to the gentleman from Washington.

Mr. TOLLEFSON. The gentleman from Texas made reference to the President's message. The administration bill did not contain this provision this year or last year. The administration is not asking for the provision in the bill that the Foreign Affairs Committee seeks to put into it. The administration is supporting the 50–50 legislation. The President signed it last year, and we

have it on authority this year that the administration is still supporting it.

The CHAIRMAN. The time of the gentlewoman from New York has expired.

The Chair recognizes the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, propaganda against the 50–50 legislation which has been spread around this country has emanated from foreign nations, the maritime nations, and I so stated in my speech on the floor yesterday. I tried to point out the activities of the foreign nations who have tried to upset our 50–50 program. It may be that some of them have said, "We won't buy," but the facts are that they have bought.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Texas.

Mr. BURLESON. I would like to be straightened out if I am incorrect about what the President said. He was talking about the permanent law, Public Law 664, when he signed it into law.

Mr. TOLLEFSON. The fact is that the administration bill did not carry the provision against the 50–50 legislation to which the gentleman referred.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. BYRNE].

Mr. BYRNE of Pennsylvania. Mr. Chairman, I am for the Bonner amendment. I yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. I thank the gentleman. I do not think I have ever had an experience such as this.

I do want to impress on the House that there have been those individuals who have succumbed to the foreign propaganda. As I stated a moment ago, there has been committed under the surplus agricultural products disposal program some $400 million or $450 million worth of commodities in the first year, and it is a 3-year program. According to the estimate we had made, the cost would not in the final analysis exceed $2 million for the whole $700 million disposal program. I trust that the House Members will support the Bonner amendment.

Mr. RAY. Mr. Chairman, it has long been the national policy to have and maintain an adequate and strong merchant marine, privately owned and operated and modern and efficient. Such a merchant marine must be large enough to carry a substantial part of foreign commerce to and from this country in times of peace and to meet the national-defense requirements in case of emergency.

Except for the years of World War II, we have subsidized construction and operation of merchant ships, both cargo and passenger and the appropriation this year will carry approximately $100 million for that purpose. Subsidy payments have been increasing rapidly since World War II but a part of the recent increase is due to the fact that for several years, we did not make any payments to meet our subsidy contract obligations which had matured. Even allowing for that fact, the increase has been large and will be larger as time goes on, unless we change our policy or find better ways of carrying out that policy than we have so far discovered.

The Merchant Marine and Fisheries Committee has been holding hearings to get at the causes and canvass all possible remedies for this worsening situation of the merchant marine. Those hearings will continue for some time, but it seems clear already that if we are to maintain our national policy, we will either have an increasingly heavy load of subsidies or we must find cargo business for our merchant fleet.

One of our resources as a nation is control over the shipping of large quantities of cargo coming to or going from this country. That resource has not been effectively used. We must mobilize to make sure that enough of that cargo uses American-flag ships to reduce instead of increasing the amount of our subsidy bills.

It is merely silly for us to pay increased subsidies which could be avoided by shipping Government cargoes in American vessels. The bill before us seeks to do just that. The amendment proposed by the gentleman from North Carolina [Mr. BONNER] should be passed and I hope it will be adopted by an overwhelming vote.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RADWAN].

Mr. RADWAN. Mr. Chairman, I rise in support of the Bonner amendment.

On nine occasions since 1948, legislation covering Government-generated cargoes has provided that at least 50 percent thereof move on United States flag vessels. Last year, in Public Law 664, Congress applied this historical principle to all Government cargoes including agricultural surpluses which are financed directly or indirectly by United States public funds.

The Mutual Security Act of 1955, S. 2090, as reported by the House Foreign Affairs Committee, eliminates the 50–50 shipping clause from the shipment of agricultural commodities not only under that act but also under Public Law 480, the Surplus Agricultural Disposal Act.

I believe that if we permit the elimination of the 50–50 provision it will have a disastrous effect upon American shipping. I believe in a fair participation for Government generated cargoes as the most practical support for American ships. Both American agriculture and the American merchant marine are essential to a healthy American economy. They have a mutual interest in foreign trade-foreign aid-surplus disposal. I am satisfied that the 50–50 formula has worked out fairly to both sides of those interested in the present controversy. I find it very difficult to understand how the 50–50 formula has impeded the surplus agricultural program. About 70 percent of the 3-year authorization was committed in the first year, 14 nations having purchased $425 million worth of agricultural surplus.

Nor can I subscribe to the rumor that foreign nations will not purchase our agricultural surplus if 50–50 is applied, because this program is evidently well ahead of schedule. As a matter of fact, there are claims that the unavailability of American ships would slow down the program.

Cargo preference—50–50—does not increase the cost to the purchasing country. All transportation is paid for by the purchasing nation at not more than world market rates regardless of the flag of the carrier. Eighty percent of these cargoes will move on liners and can be transported on American ships at the same cost as on foreign flag vessels.

I strongly urge the adoption of this amendment not only in the national interest but also in the best interest of this mutual security program.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. RADWAN. I yield to the gentleman from New York.

Mr. BECKER. Mr. Chairman, I support the Bonner amendment. The American merchant marine is vital to both the economic and national defense of the United States. For many years, I have fought for a merchant marine that would be second to none in the world. During our past wars, without it, we would have been lost completely. At a time such as this when we are giving billions of taxpayers money away to foreign countries I can see no reason why at least 50 percent of the goods we are giving away should not be shipped in American ships. This not only keeps our ships active, but also keeps our merchant seamen busy and working and able to support themselves and their families. Ships that are used to store wheat and lying in the rivers in our country do little for our merchant seamen and do the ships little good.

This is one time where the Members of the House have an opportunity to express ourselves on behalf of the shipping industry and members of the merchant marine. Our American shipping industry has come to the fore in every war and done a magnificent job; this is the least we can do to help keep it going. I sincerely hope the Bonner amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I realize that the merchant marine subsidy will roll over the House in a few minutes, but I hope that you merchant marine people next year will look back and consider something that can be done to dispose of these agricultural surpluses we have. You are helped by it. We want to use your seaports, we want to ship, but what you are doing here, and the evidence shows it, is helping us to pile up these surpluses at a cost of billions of dollars.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I have studied this thing, and I think I can present it to you in the time allotted to me. Our ship subsidy amounts to about $100 million a year. Every time we send American-flag goods in American bottoms it just cuts down the subsidy that amount. This program actually is going to save the American taxpayers money.

I am not going to take any more of your time. I am sure that the Committee here will sustain the point of sending American cargoes in American-flag bottoms.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I urge the adoption of the amendment offered by the gentleman from North Carolina [Mr. BONNER], the chairman of the Committee on Merchant Marine and Fisheries. He would strike from the bill under consideration, S. 2090, which amends and extends the Mutual Security Act, those two sections of it which, in effect, would repeal the Cargo Preference Act—the so-called 50–50 law. The Cargo Preference Act requires that American-flag vessels carry at least 50 percent of the cargoes generated under the Mutual Security Act.

Why are we considering the Mutual Security Act which authorizes the expenditure of hundreds of millions of dollars on behalf of our allies? It is to strengthen them morally, economically, and militarily. They are indispensable to us in the fight against the tenets of godless communism. We justify this vast expenditure on the grounds of national defense. Our own self-interest is the prime motive for our action.

Let me point out to you—and I know you will agree—that an adequate, modern merchant marine is an integral and indispensable element in the defense effort. It has been rightly called the fourth arm of our defense.

You and I know that the lack of shipping in two world wars delayed our maximum participation in them until it could be supplied. The lack of shipping prolonged both World Wars I and II with the attendant sacrifice of life and at great suffering not to say anything about the additional cost in dollars.

A great many statements have been made in support of the offensive provisions in the mutual security bill that cannot be supported in fact.

Someone has said that the Cargo Preference Act retards the shipment of American surplus farm products to our friends and allies.

This is a fiction.

If the cargo moves in the regular steamship trade, that is on the scheduled liners on established trade routes, it moves at a tariff fixed by an international conference. All lines make the same charges under like conditions.

If it moves in "tramp ships" it moves at the market rate at the time of charter. Severe competition determines this rate.

Someone has said that the Mutual Security Act is not to be construed as a subsidy for the American merchant marine. I agree but the maintenance of the American merchant marine as a fourth arm of our defense is as important as any other facet of it. Its maintenance bears a strong relation to defense just as does the Mutual Security Act.

What would happen if our friends across the seas were attacked and we did not have the ships and the facilities to support shipping to come to their aid? The Mutual Security Act should not be used to indirectly subsidize any section of our economy be it shipping or agriculture. If it can incidentally help either of them, I see no harm in it.

The Committee on Foreign Affairs wrote the two offensive sections into this bill without thoroughly examining the facts. No hearings were held on which to base judgment.

Now let us see what the Committee on Merchant Marine and Fisheries did.

The chairman, alert to the situation and in anticipation of the attempt that would be made to repeal the 50–50 law, caused hearings to be held early this year.

The committee explored the whole question. It had representatives of Foreign Operations Administration, Agriculture, and other agencies involved, including the Maritime Administration before it. It questioned them closely. It had representatives of the shipping lines both the regular and tramp.

Its hearings were comprehensive. It filed a report (No. 80, February 28, 1955) with the House.

It found that there was lack of cooperation and coordination among the agencies of the Government having to do with the shipping of mutual aid cargo.

It found that in some instances Government agencies were allowing representatives of foreign governments to arrange for the shipment of relief cargo.

It recommended that the executive agencies administering export and import programs should exchange information and plan their activities in the transportation field so as to effect a more economical operation and a more effective administration.

It urged the Maritime administrator to undertake to publish rates for the guidance of agencies arranging cargo shipments and in determining from time to time whether the United States flagships were available at fair and reasonable rates.

It made other important recommendations too lengthy to detail here but contained in the report.

In support of the Merchant Marine and Fisheries Committee findings, may I direct your attention to page 778 of the hearings on the present bill.

Here it is brought out that there is only $55,000 additional cost in shipping American in items involving an expenditure of $13 million.

Again, let me state that we have no positive information that there has been undue delay or excessive cost as a result of the Cargo Preference Act.

The Cargo Preference policy has been on the statute books for some time. It is not a new thing. This Congress has expressed its will on this subject on nine occasions.

You know the value of a merchant marine to our Nation.

You know that the Cargo Preference Act—the 50–50 law, has stimulated it.

You are all too cognizant of the fact that we cannot afford to lose the "know how" of the sea or to allow our shipbuilding and repair facilities to fall into decay. There is evidence before the Merchant Marine and Fisheries Committee that the 50–50 law stimulates it.

American shipping is in competition with foreign shipping at a disadvantage.

We must compete with cheaper labor and primitive living conditions at sea.

In order to keep the American Flag in a favorable position on the oceans of the world, and in our own self interest I urge the adoption of the amendment that will preserve the Cargo Preference Act.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. DEVEREUX].

Mr. DEVEREUX. Mr. Chairman, there is no question about the fact that this would be a serious blow to our merchant marine. There is no question in my humble judgment that if we stand up for some of our own enterprises and our own merchant marine, we will gain the respect of the countries throughout the world. Every time we give way to pressure from foreign interests, we lose their respect.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS. This matter, as the chairman of the Committee on Merchant Marine and Fisheries pointed out, has been debated in this body time and time again. I believe we have established a policy that our own fleet, the American merchant marine, should carry 50 percent of our own Government cargoes. That is all that is really involved here—50 percent of the products that the Government is making available to other nations throughout the world. I do not believe that we could have any more generous proposition. Mr. Chairman, I support the Bonner amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, I would also like to point out it is my understanding from testimony before the Committee on Merchant Marine and Fisheries that in any major military movement of cargo overseas, it requires a minimum of 1,700 vessels to do the job. The testimony further shows that there are only about 1,400 such vessels available at this time in the American merchant marine. That, in itself, I think, justifies continuing the full implementation of the Cargo Preference Act.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I hesitate to oppose the committee. I have supported them for the last 3 days, but I think on this particular occasion, I find it necessary to oppose them because, although I come from an agricultural district where surpluses are important, certainly it is important that we maintain our American merchant marine and keep the Amercan flag on the high seas throughout the world.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. To those who think this program may be leveling off, I want to call attention to the hearings on page 136 which show that the Committee on Foreign Affairs is organizing a group of

Members now to go to Ceylon to find out how much money that country wants.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. HARDY].

Mr. HARDY. Mr. Chairman, my support for foreign aid authorization has been strictly in the interest of the defense of our Nation. I consider that the American merchant marine is just as important to the defense of the Nation as foreign aid, and therefore I think the Bonner amendment should be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. DORN].

Mr. DORN of New York. Mr. Chairman, I am not only supporting the bill before the House at the present time, but I am also supporting the Bonner amendment. There is no question in my mind that if we are going to have an American merchant marine, it is essential that this amendment be adopted. Those of you who feel that this amendment should not be adopted, certainly are turning your backs on the American merchant marine and building up the foreign merchant marines in favor of our fourth arm of defense.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. PHILBIN].

MUTUAL AID BILL AT LEAST 50–50 FOR AMERICAN MERCHANT MARINE

Mr. PHILBIN. Mr. Chairman, failure of this mutual-aid legislation to provide that at least 50 percent of Government-generated foreign cargoes shall be carried in American vessels would sharply and unwisely reverse the policy this Congress has followed in this matter since 1948.

Only last year Congress directed that the 50–50 principle be applied to all agricultural surpluses financed directly or indirectly by United States public funds when moving in foreign maritime commerce. I cannot conceive of the reasons which prompted the committee to eliminate this clause in favor of American shipping.

There are some groups, I know, who follow and accept the extreme free-trade view that all American commerce should move in ships holding out the most favorable rates. In my opinion, such a policy is, not only unsound, but, if carried out, would be extremely harmful to the American merchant marine. Moreover, shipping rates are now largely uniform under international agreements.

On numerous occasions, I have made clear my unalterable view that American goods should move in world commerce, whenever possible, in American bottoms. There are many reasons for such a policy:

First, the national security dictates that we have a strong, prosperous, versatile, and convertible merchant marine.

Secondly, our merchant marine is an integral part of the American economy and, like every other part, it must be given encouragement and, when necessary, assistance.

Because of the peculiar urgency of shipping in wartime or emergency, subsidization of the merchant marine becomes necessary in such periods and, of course, there is also, in my opinion, complete justification for substantially subsidizing the merchant marine if this is necessary to make it what most Americans want it to be—a strong, vigorous, functional representative of our American business system.

It is well known that wages and operating costs of foreign vessels are much lower than our own since no foreign vessels maintain the high standards of pay, labor conditions, and operating efficiency as our own American ships. The elimination of the 50–50 provision means in effect that this Congress is disapproving these high standards and favoring the lower standards of foreign ships. I cannot subscribe to such a result. It would not have been unfair indeed, if we had provided that all United States Government shipping be carried in American ships. In enacting the 50–50 clause, I think that we were leaning over backwards to evidence our intention to assist foreign shipping. There can be no doubt that in doing so we are withdrawing substantial patronage from American shipping and this is indeed a curious result for an American Congress to reach.

Some claim has been made that the 50–50 policy has injured and obstructed our agricultural surplus disposal program, but careful study does not bear out this assertion since 70 percent of the 3-year authorization was committed in the first year and $425 million worth of our agricultural surplus was sold to 14 foreign nations in that period.

Neither do I believe that there is substance to the claim that foreign nations will not purchase the agriculture surplus if the 50–50 formula is applied. As pointed out above, that program is already well ahead of schedule and it is in essence so attractive to buyers throughout the world in that it affords such unprecedented bargains. Everything considered it will continue to bring reasonable foreign markets for these agricultural products.

All the evidence presented before the House Merchant Marine and Fisheries Committee appears to indicate that American shipping can adequately meet all the requirements of the program without undue delay. World market rates prevail regarding this transportation and, therefore, the 50–50 formula would not substantially increase the cost of the products to the purchasing countries. It is also true that 80 percent of these cargoes can move on liners and at the same cost on American ships as on foreign ships.

Moreover, there are some countries purchasing our surplus commodities that do not have sea transportation to carry their own purchases and neither do they have the exchange dollars to pay for ocean transportation. As to such cargoes, the transportation costs will have to be borne by our own government and that part is but 2.9 percent of the whole program to date.

Since about two-thirds of all foreign exchange currencies received by us to date, under the Agricultural Disposal Act, have been returned overseas for the account of foreign nations, these transactions stand on their own feet as partial grants-in-aid and cannot be regarded as regular commercial transactions.

I believe firmly that this great Nation should have a merchant marine commensurate with the importance of our economy in world trade and adequate for our security needs. In a real sense, the merchant marine is, not only a vital part of our economy, but virtually an indispensable arm of the national defense. We cannot afford to permit it to languish and wither. Congress must preserve and expand its strength, its vigor and its scope to meet all our needs—economic and military. In fact, we should proceed to implement a merchant marine policy and program designed for these purposes.

I will, therefore, support the 50–50 clause and all other measures looking toward the development and strengthening of our American merchant marine.

The CHAIRMAN. The Chair recognizes the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I yield back my time. Let anybody get it who can get it.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I want to ask the gentleman from Texas [Mr. BURLESON] a question. The gentleman referred to the cancellation of a $31 million wheat order by Great Britain. I want to know, for my own information, whether that was a purchase or was it a grant?

Mr. BURLESON. It was under section 480 of the Agricultural Disposal Act. If I said "wheat," I meant to say "surplus farm commodities." It was not all wheat, because they buy some wheat from Canada.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. MILLER].

Mr. MILLER of Maryland. Mr. Chairman, it is not a good time to change something that has become an accepted national policy by this indirect approach in a bill on another subject. You have heard the leaders of the Committee on Merchant Marine and Fisheries, which has given this matter careful study, explain how serious it might be to take this action.

I therefore urge that the Bonner amendment be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON of Texas. Mr. Chairman, just in case somebody is worried about our steamship lines being subsidized, I invite attention to the fact that all of the major merchant marines of the world are subsidized. This is a question whether you want us to spend part of our money on our own people or spend it all on some other subsidized merchant marine.

I support the Bonner amendment.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, we have a very fine inland port in Stockton, Calif., which was built by the Army engineers and completed in 1933. We developed considerable traffic before the beginning of the Second

World War, at which time the port was taken over by the Army. Millions of tons of military cargo were shipped out of the port of Stockton.

When the port was turned back to the Stockton Port District it again began to develop cargo business. Provision was made for enlargement of the turning basin.

But soon it became apparent that the shipping going through the Golden Gate was declining in volume. Consequently we are doing our best to develop commercial trade, but are having great difficulty in doing so. It is for this reason that I am in favor of the Bonner amendment which would require that half of the shipments provided for in the Mutual Assistance Act to foreign countries should be carried in American vessels. This principle has been approved nine times by the Congress and we think it should again receive our complete support.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, it has been less than 15 years since our Nation learned a painful and costly lesson regarding the vital importance of a strong American merchant marine to the defense of our country.

We were almost brought to our knees in the early years of World War II by the Nazi submarine attacks on an inadequate merchant marine force. We learned the lesson then: that merchant vessels are an integral part of any effective defense effort that involves overseas action. As we spend billions for other phases of our defense effort, let us not forget this life-and-death lesson from World War II.

Let us support the Bonner amendment and keep our merchant marine strong, for the strength of the Nation.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, I yield to the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Chairman, the mutual-security bill which has been reported out by the House Foreign Affairs Committee includes along with its many provisions for aiding friendly nations a drastic and unwarranted requirement which would seriously harm the American merchant marine and cause further joblessness among American seamen.

As a ranking member of the House Committee on Merchant Marine and Fisheries, I am unalterably opposed to this provision and I call upon the House to delete it from the bill. It carries to a ridiculous extreme an overly solicitous consideration for foreign shipping interests at the expense of our own merchant marine, which, as everyone here knows, has been having a very rugged time in keeping afloat at all.

We have expressed the will of Congress not once or a few times, but many, many times that we want to see our own American-flag ships receive at least 50 percent of the cargoes which represent American gifts, American aid, American help for other nations. Is that asking too much for our own hard-pressed merchant marine? Of course not.

We wrote that provision into all of the postwar-aid bills—the Economic Cooperation Act of 1948, and the subsequent Marshall plan bills, the Korean Aid Act, the Yugoslavia Emergency Relief Assistance Act of 1950, the India Emergency Food Aid Act of 1951, the Mutual Defense Assistance Act, the Mutual Security Act of 1951, the Pakistan wheat bill. We then wrote it into permanent law last year.

And we made it crystal clear, Mr. Chairman, that we meant it to apply not only to direct relief shipments, not only to direct military or defense-related or other types of shipments from the United States to these other countries we wanted to help, but that we meant it to apply, too, where we purchase or aid in the purchase of offshore supplies for friendly countries which are the beneficiaries of our military and economic assistance.

The provision to cover such transactions involving American aid shipments between foreign countries, even when there is payment in the currency of the beneficiary country, was expressly written into permanent law after a loophole had been found by some Government agencies not in sympathy with the needs of the American merchant marine. So we closed that loophole. The Attorney General has so advised the President, the loophole is closed.

Now the administration is in here in the name of mutual defense and with vigorous assistance from the Department of Agriculture to knock this whole provision out of the permanent law and thus allow these same agencies to go back to their old policies of favoring foreign shipping over American shipping in these offshore cargoes and in the shipment of surplus agricultural commodities.

The strategy of bringing in the Agriculture Department is most interesting. The idea is presented that unless this change is made, shipments of surplus agricultural commodities from the United States will be hampered. In other words, the implication is made that these foreign countries would not accept surplus foods on tremendously attractive if not entirely free terms, unless we pay these countries to haul the food in their own ships, and rule out the use of American ships for any portion of the shipments.

MARITIME ADMINISTRATION HAS TO READ ABOUT IT IN NEWSPAPERS

As a matter of fact, Mr. Chairman, a news story inspired by the administration was put out earlier this year to the effect that the administration's plan for selling farm surpluses abroad—at, remember, very, very attractive discount prices—was running into a bottleneck because of this ship-American provision of the law, "informed sources said."

The reporter who wrote the story was undoubtedly doing a good job of getting out an exclusive inside story. Every reporter likes to come across these hot inside pieces. My complaint is not with the reporter of the story, but rather with its inspired origin.

The charge was made in this leaked news tip, Mr. Chairman, that there were not enough American ships available to assure that 50 percent of the surplus food cargoes could go in American bottoms, but that in trying to get enough American shipping to comply with the law the Department of Agriculture ran the risk of having foreign ships then available get tied up in other contracts.

The interesting thing about this planted scare story, Mr. Chairman, intended to discredit the ship-American law, was that the Maritime Administrator had never even been approached by the Department of Agriculture to find out whether ships were in fact available or on what terms. The Maritime Administrator read about this supposed crisis in the newspapers.

Here is what the then Maritime Administrator, Mr. Louis S. Rothschild, testified to before our committee in relation to this matter:

> We were not advised by the Department of Agriculture of its problem respecting the prospective unavailability of United States flag vessels at fair and reasonable rates. However, we did read in the newspapers that there was such concern, and together with your chief counsel of this committee, Mr. Casey, and at his request, we met with him and representatives of the Department of Agriculture and had a rather lengthy discussion on the matter.

Subsequently, Mr. Chairman, Mr. Charles H. McGuire, Director of the National Shipping Authority, told our committee in reply to a direct question that:

> Addressing myself, Mr. Chairman and gentlemen of the committee, to the basic question of unavailability of American-flag tonnage, I personally know of no instance as yet where American-flag vessels have not been available.
>
> There have been instances cited to me where American-flag vessels have been offered at rates which the shipping agencies of Government believed to be too high for the purpose and were rejected for that reason. There may be some isolated instances of which I have no knowledge wherein American-flag vessels have not actually been available in respect to offers put out by Government agencies, but I do not know of any such instance. It is quite possible, dependent almost wholly upon the volume of economic and military aid, perhaps coupled with defense requirements in the immediate future, that there may be such a lack of availability of American-flag ships. It has not, within my knowledge, occurred to date.

That, Mr. Chairman, was earlier this year.

LAW ALLOWS FLEXIBILITY TO MEET EMERGENCIES

The whole uproar, Mr. Chairman, is based on a misconception of what the permanent 50–50 law actually requires. It does not require that 50 percent of all shipments, regardless of any and all factors or circumstances, must go in American bottoms. It requires only that the 50 percent preference must be observed "to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels, in such manner as will insure a fair and reasonable participation of United States-flag commercial vessels in such cargoes by geographic areas."

It further states that the provision may be waived by Congress by concurrent resolution or otherwise, or by the President or the Secretary of Defense

declaring that an emergency exists justifying a temporary waiver, and so on.

This would certainly prove that the existence of the 50–50 cargo preference requirement is no hardship to any agency of the American Government, or to the distribution of surplus foods abroad, unless there was a deliberate desire to sabotage this law.

Certainly we could give those surplus foods away at less cost if we were to send them all in foreign bottoms with starvation-wage seamen manning the ships, starvation wages compared to American-flag pay scales. And, I might add, we could give the same food away much more cheaply if we didn't support the prices of agricultural commodities. But no one suggests we punish the American farmer in order to give away American surplus food to foreign governments at lower cost to our Government; why punish the American seamen, then, in the same objective?

In the course of our hearings, Mr. Chairman, when it was pointed out that the British shipowners were complaining about this provision of American law intended to help American shipping. The gentleman from Washington [Mr. TOLLEFSON], ranking minority member of our committee, had an interesting comment. It was this:

> The statements appearing in the British publications make me think of an old saying we have had in this country for a long time, "Don't look a gift horse in the mouth," which apparently they have not heard of over there. Since 1945, we have given Great Britain some $7 billion worth of relief. Now they are objecting to the way they are getting it.

LET'S NOT ABANDON AMERICAN SEAMEN

My own feeling, Mr. Chairman, is that the mutual security program is a very valuable activity of our Government and has, as the Foreign Affairs Committee points out in its report on this bill:

> On every continent * * * begun to give us important foreign policy advantages. The reaction of the free peoples of the Far East to the blandishments of communism at Bandung; the final joining together of the United Kingdom, France, Germany, Italy, Belgium, Luxembourg, and the Netherlands for defense in the Western European Union; the determined elimination of communism by Guatemala with the united support of the other American Republics as well as the apparent reorientation of Soviet diplomacy, can all be cited as indications that the course on which the United States has embarked should not be abandoned.

I submit, Mr. Chairman, that the course which the committee says has been such a good one has included the 50–50 provision on mutual security cargoes. It also should not be abandoned. Let us not abandon the American merchant marine of the American seaman.

I am reminded in this instance of the bootblack who received a very fine tip for shining a gentleman's shoes, for which he was most grateful. The boy then asked to brush the customer's suit, and, of course, the patron stood still for that little extra service. But as the man turned to leave, the boy yelled for the police. He pointed to his posted list of separate charges and said the customer had failed to pay for the brushoff. The fact that he received $1 for the shoeshine did not count with him. He had not been paid for the brushing.

Mr. Chairman, in this matter, we have handed our allies and friendly nations many, many great favors in the form of economic assistance, and they have not had to "shine our shoes" in any way.

Now, apparently, some of them grumbled about this 50–50 cargo provision, because it also helps the American merchant shipping as well as their own ships.

They want us, in other words, to pay extra for brushoff, the brushoff of the American merchant marine, for its elimination from the seas.

Let us not fall for that kind of foolishness.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut [Mr. SEELY-BROWN].

Mr. SEELY-BROWN. Mr. Chairman, I rise in support of the Bonner amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. WILLIAMS].

Mr. WILLIAMS of New Jersey. Mr. Chairman, I am a member of the Committee on Foreign Affairs. I attended the hearings, but I heard no testimony that cargo was delayed because of the 50–50 provision. I do know that in the committee report of the Committee on Merchant Marine and Fisheries a finding was made that there was no delay because of the 50–50 provision.

Therefore I support the Bonner amendment. I regret that I depart from my committee, but it is a broadminded committee, and I know that my departure will not rock the boat.

The CHAIRMAN. The gentleman from New York [Mr. ZELENKO], is recognized.

Mr. ZELENKO. Mr. Chairman, I rise in support of the Bonner amendment. This amendment recognizes the necessity of preserving and encouraging the strength and rebuilding of the American merchant marine. It is in the interest of the American seaman and the American ship operator. It represents American security first and mutual security second.

The CHAIRMAN. The gentleman from New York [Mr. ANFUSO] is recognized.

Mr. ANFUSO. Mr. Chairman, I intend to vote for this bill. I am, however, disturbed about the committee amendment, because I think it will tend to put American people out of work. While I favor foreign relief, I do not favor it at the expense of the American people. I will therefore support the Bonner amendment.

The CHAIRMAN. The gentleman from Ohio [Mr. VORYS] is recognized.

Mr. VORYS. Mr. Chairman, the Foreign Affairs Committee wants to subsidize the merchant marine directly instead of indirectly through foreign aid funds.

We want surplus agricultural products to move all over the world if nations can come and get them. Our agricultural surplus is worse than our merchant marine surplus. It is just that simple.

This amendment should be defeated.

The CHAIRMAN. The gentleman from South Carolina is recognized to close the debate.

Mr. RICHARDS. Mr. Chairman, I yield my time to the distinguished gentleman from Texas, [Mr. BURLESON].

Mr. BURLESON. Mr. Chairman, as I said earlier, I fully realize the formidable opposition in this House from those under pressure from the shipbuilding industry; from the Maritime Service; and from the labor interests. At the same time this House should be reminded that we have in our possession capital goods which are just as much an asset to these United States as its dollars, and that is its surplus agricultural commodities. Why impair in any manner, the great possibilities in using these goods as a great part of our defense. Further answering the argument so forcefully advanced by the proponents of this amendment, let me say that from this day on it will seemingly be necessary to have a foreign aid program forever or we will have no United States merchant marine.

The CHAIRMAN. The time of the gentleman from Texas has expired; all time has expired.

The question is on the amendment offered by the gentleman from North Carolina [Mr. BONNER] to the committee amendment.

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 181, noes 51.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

Mrs. KELLY of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mrs. KELLY of New York: On page 16, after line 23, insert the following:
>
> "(d) After section 508 insert the following and renumber subsequent sections accordingly:
>
> "'SEC. 509. Limitation on assistance to Yugoslavia: No assistance shall be provided to Yugoslavia under this Act.'"

Mrs. KELLY of New York. Mr. Chairman, the amendment I am asking you to consider and to decide is crystal clear. The objective is to cut off all assistance to Yugoslavia by denying the authorization in this bill, and also to cut off further deliveries of past programs, including large military end items.

I could argue that I am not in accord, with the ideology of the Yugoslav regime who is denying to the Yugoslav peoples their natural rights as freemen. I am not arguing that point.

I could argue that I never believed Marshal Tito's break with the Cominform—Comintern was not irrevocable. Fundamentally I could continue arguing that he is with the East. His tolerance of the West is based upon opportunities and the exigencies of the moment. I am not arguing that point.

I will not discuss assisting the Yugoslav peoples. My record is positive and clear on that. I voted for aid to Yugoslavia when that country was faced with a famine as a result of a severe drought.

I base my argument on several facts. Marshal Tito has failed to live up to the agreements signed by him and the United States Government. Read the report of the committee, page 12; testimony before the committee disclosed that the Yugoslav Government has not been cooperative in carrying out the requirements of the Mutual Security Act. Inspection of the use of equipment has been denied.

The sections of the MSA act on conditions applicable to assistance are clear in sections 105, 141 and 142.

My second point for withdrawing aid is as follows: In the past the main reason for giving assistance to Yugoslavia was to guarantee that Yugoslavia remained independent and to build up a military defense against aggression by the U. S. S. R. One of the conditions for that, appearing on page 45, is as follows:

Equipment and materiels furnished under this chapter shall be made available solely to maintain internal security and legitimate self-defense of recipient nation, or to permit it to participate in the defense of its area or in collective security arrangements and measures consistent with the Charter of the United Nations.

These reasons do not apply at the moment. Marshal Tito has friends to the East, he has friends to the North, he has friends to the South and he has friends to the West.

At this point I wish to read from the text of the joint Soviet-Yugoslav declaration on future relations signed by Marshal Tito with the U. S. S. R. at Belgrade:

Compliance with the principle of mutual respect for, and noninterference in, internal affairs for whatever reason whether of an economic, political or ideological nature, because questions of internal organization, or difference in social systems and of different forms of socialist development, are solely the concern of the individual countries.

The accord was for the establishment of mutual confidence. Both sides agreed on a policy of noninterference in each other's affairs, for whatever reasons, whether of an economic, political or ideological nature, because questions of internal organization, or difference in social systems and of different forms of socialist development, are solely the concern of the individual countries.

Marshal Tito and the Soviet, in the same report, went on to agree that they have a mutual accord, not only on noninterference with each other's affairs, but they are firm in agreement on nonrecognition of military blocs, and I want to read that particular statement:

Condemnation of all aggression and of all attempts to subject other countries to political and economical domination.

The recognition that the policy of military blocs increases international tension, undermines confidence among nations and augments the danger of war. Both governments based their policy on the principles set forth in the charter of the United Nations and are in agreement that further efforts should be made to strengthen the role and the authority of the United Nations. This would, in particular, be confirmed by giving the People's Republic of China the representation to which it is entitled in the United Nations.

At this point I want to say that the basis of our military pact is unity among the western world. Since he has agreed that he is against this, I do not believe we should give him further aid. Therefore, many might consider my amendment drastic, but there is enough transferability in this bill to permit the President to give assistance to any nation when he believes it is in the interest of national defense.

The CHAIRMAN. The time of the gentlewoman from New York has expired.

Mr. DORN of New York. Mr. Chairman, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mrs. KELLY of New York. No longer is it necessary for self defense. He has friendly nations around him, and I do not believe that we should give aid in order to perpetuate a person whose principles are in opposition to ours when there is no longer fear of aggression on either side. Third, it is not necessary because of the mutual or collective efforts. Tito's independence prevents his joining a regional alliance, and I believe that my amendment should prevail.

Mr. DORN of New York. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY of New York. I yield to the gentleman from New York.

Mr. DORN of New York. I wish to congratulate the gentlewoman on her remarks and join with her in them.

Mrs. KELLY or New York. I thank the gentleman.

Mr. RICHARDS. Mr. Chairman, I dislike to disagree with the gentlewoman from New York, who is a very able and conscientious member of our committee, but I think it would be a mistake to cut out aid to Yugoslavia.

Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. FEIGHAN. I object, Mr. Chairman.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. FEIGHAN. Mr. Chairman, reserving the right to object, I have an amendment, and I would like to be advised if I might have at least 5 minutes. I will try not to use it all.

Mr. RICHARDS. I do not want to make a motion. We have got to move along here, but I hate to make a motion. I do not want to preclude anybody offering amendments.

May I ask the Chairman how many amendments are there to this section?

The CHAIRMAN. Two after this one.

Mr. RICHARDS. I will withdraw my request, Mr. Chairman.

I will say this, Mr. Chairman. Yugoslavia is at the crossroads. We do not like Tito; we do not like his Government particularly, and we do not like some other governments, but, so far as ground forces are concerned, they have the strongest army on the Continent of Europe.

I do not want to do anything that would drive him back into the arms of Soviet Russia. So far as Yugoslav communism is concerned, that is something else. I do not think he will ever dare to go back to Russia, but I do not want to do anything to force him in that direction.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, I want to take this opportunity to express the hope that this amendment is defeated. I think we all recognize that in any cooperative endeavor in which we may be engaged, we frequently find ourselves with people who are wholeheartedly with us and ready to do a great deal many more things than some others. However, wherever there is help to be had, we frequently avail ourselves of it even though we would wish at times that that help might go a little farther and be a little stronger.

Certainly, as far as Yugoslavia is concerned, there were demonstrated there at a recent occurrence of a certain visit certain manifestations that there have been good results in Yugoslavia. What occurred on that occasion was encouraging to many other nations who at the moment might not be regarded as friendly to us but who might find in what happened there something of a pattern which, if followed, would be helpful to us.

I think this is no time to terminate whatever operations we have in Yugoslavia.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I should like to ask the chairman of the committee, What have we ever exacted from Tito? Have we ever exacted anything on earth from him?

Mr. RICHARDS. We have not exacted anything from anybody.

Mr. COOLEY. What have we ever even been promised by Tito?

Mr. RICHARDS. I am not talking about any promises. I do not know that he would ever keep them. But we know that they have certain potentialities there that we want on our side.

Mr. COOLEY. The gentleman knows that he has not exacted anything from Tito, that he has not even been asked to promise us anything in exchange for what we have given him.

Mr. RICHARDS. I do not agree with the gentleman.

Mr. COOLEY. Mr. Chairman, I asked a fair question, and I should like to ask that question of any Member of this House who cares to answer; to tell me what we have ever exacted from Tito, to

tell me of any one promise that he has given us, of any one base or one right, even to fly a plane over his territory.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield to me?

Mr. RICHARDS. I yield to the gentleman from Minnesota.

Mr. BLATNIK. I do hope that this amendment, which I believe was offered in all honesty and sincerity but which I think is not based on sound fact, is defeated. The question was asked by the gentleman from North Carolina [Mr. COOLEY], What have we ever exacted from Tito? I think that is rather self-evident. Militarily speaking, this is one of the most strategic areas where we have great stability. Here is an area where we spend relatively little in terms of economic and military aid, where we have almost no American military personnel, but where the posture of defense is in the best interests of the United States, where there is an element of stability which is in the best interests of the United States.

Mr. COOLEY. Stability of what?

Mr. BLATNIK. Stability in terms of the situation.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. RICHARDS] has expired.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely want to say, in answer to the gentleman from North Carolina [Mr. COOLEY] that we have a Mutual Security Agreement, under section 142 of this law, with Yugoslavia.

Mr. COOLEY. Has he committed a single soldier or a single plane or a single airport?

Mr. VORYS. Does the gentleman want me to answer his question or is he trying to answer me? I am just saying to the gentleman that we have a mutual security agreement with Yugoslavia. We do not have, as to any NATO country, or otherwise, actual advance commitments of forces. We have plans for commitments under certain circumstances. We heard in closed session from Ambassador Riddelberger and General Hains with reference to the compliance of Tito with our agreement. We have the same type of commitments that we have with other NATO countries.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. HAYS of Ohio. I am a little bit perplexed at what the gentleman has said about our having a Mutual Security Agreement with Tito. I did not realize that.

Mr. VORYS. We have a section 142 agreement under the Mutual Security Act with Tito. Under this law he would have to make such an agreement before he could get any military supplies.

Mr. HAYS of Ohio. If the gentleman would tell the House just what that involves, I think it might clarify it.

Mr. VORYS. I cannot take the time now, but it is in our committee report, section 142.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Indiana.

Mr. HALLECK. There is one case that might be slightly parallel to this, I think. When we had the first one of these bills before us, I believe it was during the 80th Congress, there was a move here to include Spain, and it carried in the House. There was a great hullabaloo raised about that. They said, "You cannot do that, that is the wrong place." So it was taken out, if my memory serves me correctly. But today we have bases in Spain, and I think it is generally agreed that probably we have there in this overall program support and assistance that could be very valuable to us.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Minnesota.

Mr. JUDD. With respect to the question of the gentleman from Ohio [Mr. HAYS], we have a mutual-defense agreement with every country which gets military aid from us. But we do not have a mutual-defense treaty with Yugoslavia as we have with NATO countries, with Korea, with Japan, with the Philippines, with Formosa, those are treaties that come into operation automatically if either party is attacked.

What we have with Yugoslavia is the same agreement that it will fulfill certain conditions in the use of military hardware which we furnish it under this program, as we have with every other country getting military aid.

Mr. VORYS. As to a treaty, Yugoslavia is party to a three-power treaty with Greece, Turkey, and Yugoslavia, which is an area treaty and is an actual mutual-security treaty.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from North Carolina.

Mr. COOLEY. Does not the gentleman know that a mutual-security treaty such as the gentleman is talking about is entirely incompatible with the neutrality that Tito talks about? You cannot tell this House one thing he has agreed to do.

Mr. VORYS. I am not saying that everything that Tito does is very compatible with anything except his own interest.

Mr. COOLEY. We have an agreement. He is on the receiving end.

Mr. VORYS. I concur in many of the criticisms made of Tito, but I do not think we help ourselves when we cut Yugoslavia clear out of this bill.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I find myself in somewhat of an anomalous situation as far as Tito is concerned. I have no desire to add to the debate except to try to clear up some points. As far as having an agreement with Tito is concerned, we have a nebulous sort of an agreement. I do not want to violate any secrecy. I am not exactly sure what the report says, but I think I can say without any fear of contradiction it was brought out in the hearings that Tito had not exactly lived up to the agreement. It was further brought out in the hearings that we had some difficulty even finding out what was done with the aid that we sent to Tito. I therefore think it is not quite analogous to make the comparison with Spain because, as I think I pointed out before on this floor, it is possible in Spain not only to know what is going on with the money we are sending over there; it is possible to inspect the bases we are building. I visited them in April. Nobody put any obstacles in my way whatever. We flew over them, photographed them from the air, looked at them from the ground, and drove over them, did anything we wanted to do. If Tito is willing to let us do that with the aid we are sending to Yugoslavia, I might look upon this with a less jaundiced eye.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from North Carolina.

Mr. COOLEY. Will the gentleman agree that one of the conditions of eligibility under section 142 is that our military representatives in the recipient governments have the right of inspection of these military items?

Mr. HAYS of Ohio. That is true.

Mr. COOLEY. Is it not true that the military representatives of the Yugoslav Government have not been cooperative in this respect?

Mr. HAYS of Ohio. That is also true.

Mr. COOLEY. Does the gentleman from Ohio therefore regard that as a violation of section 142 on the part of the Yugoslav Government?

Mr. HAYS of Ohio. I certainly do.

Mr. DONOVAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from New York.

Mr. DONOVAN. I will say to the other gentleman from Ohio that what he said is not only true but every single military man that appeared before our committee, and there were not many, agreed that there were outstanding instances where the Yugoslav Government did not cooperate but that there were many places where we could not go. What the gentleman from Ohio [Mr. VORYS] said about a Balkan collateral treaty has nothing whatsoever to do with this situation with reference to Yugoslavia.

Mr. HAYS of Ohio. I want to address myself to that point. There was a great deal made of that in committee. I asked this question and I received an affrmative answer. I said, "Is it not true that the treaty between Yugoslavia, Greece, and Turkey simply says this: 'That in case one of the three is attacked, the other two will consult with them about it?'" That is what it says and nothing more than that. It does not obligate anybody to come to anybody's defense. It does not tie anybody down or anything, it just says that in case of aggression, there will be consultation.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. JUDD. On this point about Yugoslavia not cooperating fully, there was some testimony to that effect. But were not two other points made? Was it not testimony given that in the last year the cooperation had greatly improved; is that not true?

Mr. HAYS of Ohio. I believe that is true. That the testimony was that it had improved, but I do not know whether

they said greatly or not, but they did say it was better.

Mr. JUDD. Secondly, was it not the impression of the committee that our own representatives from the beginning of this program have not been as firm and diligent as they ought to have been in insisting on the provisions of the agreement? Personally, I think we have been as much at fault as Tito. Some seem to have been so afraid that he would walk away from us that they did not make him cooperate in order to get our military aid. But where else could he have gone? To have gone back to Stalin at that time would have been to lose his head. We should have insisted, and some of us have urged it each year, that he keep in good faith the agreements that he had voluntarily entered into, just like every other country.

Mr. HAYS of Ohio. I do not have much time left, but I would just like to answer that question and say that I am in general agreement with that, and the gentleman will recall that I said that if the Subcommittee on Europe of the Committee on Foreign Affairs goes over there this year, I intend to find out whether we can make those inspections personally. I am not going to take the word of any military man. I do believe they have not been as tough with them as they could have been, and I do not know whether they will be tough enough if we give them aid this time or not. That is what worries me.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. COOLEY. Is the gentleman talking about visiting Yugoslavia?

Mr. HAYS of Ohio. I have been there once before, and I might risk it again.

Mr. COOLEY. I do not think you will have any trouble perhaps in visiting Yugoslavia, but I would like to ask the gentleman or ask anyone else here who thinks he can answer the question, Has Tito agreed to the terms and conditions stipulated in section 142?

Mr. HAYS of Ohio. He has agreed to them, but he has not lived up to them.

Mr. COOLEY. All right, then here is what this says—"And defense strength of the free world." He is not contributing to the strength of the free world. He is a neutral.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BENTLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going to take the full 5 minutes, but I want, first of all, to commend my distinguished colleague, the gentlewoman from New York, the author of the amendment, for having offered this amendment and to say I heartily support her and hope the amendment is passed. I would like to ask the gentlewoman this question. In the past day or two we have heard a lot of talk about the necessity for passing this mutual security legislation for the purpose of keeping the free countries free. I would like to ask the gentlewoman from New York if she thinks by passing this legislation, and by giving Tito the amount of money provided in this legislation, if she thinks that action will help to make the people of Yugoslavia free. I think the people of Yugoslavia in this debate over Tito represent an element that has been completely forgotten. I would like to have the gentlewoman's answer to that inquiry?

Mrs. KELLY of New York. I would like to be able to answer it. I hope that we will find out after a very short time on which side he is alined as a result of the action we are taking now. I do not think it will be long before he soon lets us know. I would like to know at that time and I believe that in any action that Tito takes, the people of Yugoslavia will not be with him.

Mr. BENTLEY. Do you think the people of Yugoslavia are free under Tito at this moment?

Mrs. KELLY of New York. The people of Yugoslavia are not free under Tito at this time.

Mr. BENTLEY. Do you think sending Tito the money contemplated in this bill will help free them or make them more free?

Mrs. KELLY of New York. No; I think it will perpetuate Tito's regime to the point where it strengthens communism in that country. But I do not want to argue that point. I want to argue the point that he is not living up to the agreement.

Mr. BENTLEY. That point has already been brought out.

Mrs. KELLY of New York. That is the point I think we ought to discuss today.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I will be glad to yield to the gentleman from North Carolina.

Mr. COOLEY. I just want to observe one thing and that is whether or not Tito is neutral in this controversy, or whether he is allied with the free world; and if he has allied himself with the free world can any member of the committee present documentary evidence or reference to documentary evidence to show that he has agreed to anything on earth except to take this money, strengthen his own armed forces and continue his might and power over the people of his country? That is the question.

Mr. BENTLEY. I would like to tell my friend from North Carolina this: Tito has agreed with Greece and Turkey that in case of an attack on any 1 of the 3 they would consult. Tito himself says he is not neutral; he says he is independent. To my way of thinking he had a hand out in both places, both Washington and Moscow.

Mr. COOLEY. That is right.

Mr. BENTLEY. We now see him after this incident at Belgrade accepting an invitation to Moscow. He will go and have his hand out there. I do not regard Tito as anything other than an opportunist trying to get as much of the can from both sides.

Mr. COOLEY. And is not this visit to Moscow timed just right so that about the time he reaches there he will receive this money as a gift from the American people?

Mr. BENTLEY. I would say that the timing would be exact.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from California.

Mr. McDONOUGH. Is there any other country in this bill that has received aid from the United States that is as completely identified with communism as Yugoslavia?

Mr. BENTLEY. None whatsoever.

Mr. McDONOUGH. And is not Yugoslavia by its own admission a Communist nation?

Mr. BENTLEY. Completely. As a matter of fact, Tito says he is a better Communist than the men in the Kremlin.

Mr. McDONOUGH. And in this bill we defeated the amendment that would have prevented colonialism yet we recognize this Communist nation.

Mr. BENTLEY. Quite.

Mr. McDONOUGH. We are supporting Moscow by supporting this man.

Mr. BENTLEY. Right.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Minnesota.

Mr. JUDD. As the gentleman has said, Tito claims he is independent. If we cut off this aid today, where does the gentleman think he would go?

Mr. BENTLEY. I think the answer to that was given a short time ago, I believe, by the chairman of the committee who said Tito would not dare to go over to Moscow.

Mr. JUDD. But does the gentleman think he could maintain his independence without assistance from us?

Mr. BENTLEY. I think he could maintain his independence. I would like to remind my friend from Minnesota of one thing I think he said during a discussion of this matter in the committee. I think he said it is a genius for self-deception on our part to build up people who do not believe in our system but the very opposite.

Mr. JUDD. The gentleman is correct in that quotation. I do not deny the great risk involved. But at this stage of affairs, to cut off all aid would, I fear, have even greater risk. We should have no illusions regarding the dangers either way.

I would not put the chances of success as much more than about 51 percent. But that is better than 49 percent.

Mr. DODD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to make my own position clear with respect to the amendment which has been offered by my colleague the gentlewoman from New York. I have great respect and admiration for her. She is very able. I want to be frank with her. I think that Yugoslavia is probably the weakest link in this whole mutual-assistance program. I think it is particularly difficult to do business with Tito. I am going to vote against the gentlewoman's amendment, but on the basis of a calculated risk in the interest of the United States. I do not think there is any other basis upon which this thing can be predicated. It is as the distinguished gentleman from Indiana [Mr. HALLECK] suggested with reference to the policy about Spain, it looked like a good gamble and it worked out all right; so in this instance I am willing to take a chance in the interest of the United States, at least for another

year. I think that is the only thing we can do under the circumstances.

There is only one basis for doing anything for Yugoslavia and that is our own self-interest. This is the basis for the calculated risk which our military men say we should take.

There is no principle in this, do not fool yourselves about that. We are strictly expedient, strictly selfish. It is a most regretable thing, but nevertheless in this world in which we are living today there is nothing else we can do.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. DODD. I yield to the gentleman our distinguished chairman from South Carolina.

Mr. RICHARDS. Is it not a fact that every military man who came before the committee said this is the thing that we should do?

Mr. DODD. Yes, that is correct.

Mr. RICHARDS. Is it not a fact, further, that of all the satellite nations that have been held under Russian domination, Yugoslavia is the only one that has withdrawn?

Mr. DODD. That is true.

Mr. RICHARDS. That is important.

Mr. DODD. That is right, but I want to make clear that I am not completely sold on that withdrawal business and I do not think the chairman is, either. It would not surprise me tomorrow if Franco turned away from us, or Tito or any of the others. We have had one example of this in Peron. These dictators are all alike. It makes little difference where they stand, on the right or on the left. They can be dealt with only at arms' length and the only excuse for dealing with them at all is our own safety and security. Essentially if it is to their interest to turn on us they will do so. We will have to deal with them the same way and be practical and cynical about it. I ask that this amendment be voted down.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close now.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. RICHARDS. Mr. Chairman, I move that all debate on the pending amendment close now.

Mr. O'KONSKI. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. O'KONSKI moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. O'KONSKI. Mr. Chairman, it is a tragedy that one has to take a page from the book of Tito and steal what we cannot get otherwise. There can be not enough said against giving aid to Marshal Tito. More can be said against the extent to which it has gone.

Now, with reference to this poppycock that we must be secret; or we cannot give out any security secrets about Tito, or that aid to Tito is classified. This trying to keep from the people of America the extent of aid to Marshal Tito to me is laughable and nauseating because certainly the Kremlin knows every detail of our aid to Tito. If one were to call Tass today, you would find out how much money there is in this bill for Tito to the last penny. But to the American people who pay the bill—aid to Tito is secret.

Mr. Chairman, if the Members of the House knew the exact number of dollars in this bill for Tito and what it will do for him, in what category it will put him as far as airpower is concerned among the nations of the world, you would support this amendment. Do not get the idea that there are only $42 million for Tito in here, because that is just pure subterfuge.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. O'KONSKI. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I have opposed strongly the giving of these jet planes of most recent model to Tito.

Mr. O'KONSKI. I know the gentleman has.

Mr. Chairman, did you know that there is close to $300 million worth of aid to Marshal Tito in this bill? Nobody, yes, nobody—the military, President, Secretary of State, or anyone else—can guarantee that he will be on our side or that we have any advantage in this so-called calculated risk. But get this—when the pipeline is finished this big question mark Tito will be the No. 5 air power in the world, next only to the United States of America, Great Britain, Russia, and Canada.

You talk about a calculated risk? That is the only leg upon which the proponents of Tito have to stand. This is the calculated risk they are asking you to take. Tito will be the fifth largest air power in the world when we get through with this program and this bill. If Tito should go the other way and join the Communists—Russia—our air power is licked because the balance of power will be with the Russians and the Kremlin. We are building up here a calculated risk which if it goes against us, and there is no guarantee that it will not, we are outnumbered. The people who are guiding the policy of this Nation know it because they are already practicing running to their hideouts because they do not know what Tito will do. But they have no hideouts for Members of Congress when the bombs start dropping. And when they come, remember, you asked for it.

Let me tell you something. I never thought I would see the day when the Congress of the United States of America would appropriate a billion dollars to a murderer, a gangster and a thief. That is what we have given Tito. That is more than it has cost us to support the farm program in the United States of America for the past 2 years. One billion dollars we have given him, this murderer, gangster and thief. And, I never thought I would see the day when the Congress of the United States of America would give a billion dollars to an international gangster, a murderer and a thief.

Let me tell you something, my friends. We think Hitler was bad. He murdered 250,000 Serbian people. You think that is bad. To get into power where Tito is today, he murdered in cold blood more than 500,000 of his own people. He killed twice as many Yugoslav people as Hitler killed with his hordes, and that is the kind of man we are putting our faith and trust in. In 1946 he shot down 5 American fliers. They were shot down at his orders, and buried them in a mass grave like dogs, without a coffin or even without a rag over their faces, as was evidenced when their bodies were dug up. Sure he paid damages, but we gave him the money with which to pay. This is the same murderer we gave a billion dollars to.

Now I will ask you this, my friends: Are you willing that this big question mark shall be the fifth largest air power in the world 2 years from now or 1 year from now? Are you willing to take that risk? Are you willing to take that calculated risk? As for me, I am not. Let me tell you, I would rather appropriate a billion dollars to the devil and try to keep him on our side than murderer Joseph Bros Tito. We took a calculated risk on Stalin to the tune of $13 billion. We lost. We took a calculated risk on Mao to the tune of $2 billion. We lost. We took a calculated risk on Ho Chi Min to the tune of a billion dollars. We lost. When will our leaders learn? To make Tito the power in Europe is the dumbest of all calculated risks. We shall pay heavily in lives for this stupidity on the part of our leadership.

Mr. MARTIN. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, I am sorry that we are going to vote on this very important measure in passion. Up in New England, where I come from, they used to tell us those whom the gods wished to destroy they first make mad. I am not mad today. I am trying to be realistic. I have no defense for Tito. I hate him and I hate his ideology with all my heart. But, I am rising in defense of the U. S. A. That is for whom I am speaking for tonight, the people of America. Are we going to win this fight for freedom, or are we going to play into the hands of those who would destroy America? It may be true—and I hope it is not—that we are giving the latest instruments of war to Yugoslavia. To make the record clear, let us not forget the fact that when we first started to give these weapons of war to Yugoslavia we were mighty glad to have Yugoslavia's armies standing over there in Europe. They gave us time in which we might muster other allies and become strong ourselves. We took advantage of his being lined up on our side so that we are now able to defend this precious freedom of ours. While I have no defense for Tito, he did help us in those early days. Now we have reached the point where we can win a victory in this cold war. Russia is full of discontent. The Soviet is unable to stand the test of feverish building of armaments. I ask you Members of the Committee, do we want by our vote to throw Tito into the hands of Russia and thus for certainty lose the second largest army in all Europe? I am not going to take that responsibility. There are those who may, but I will not.

Now I remind you we do not have to give Tito this money if the President of

the United States and those in charge of our defense decide that it is not the right thing to do. They can, and I believe they will, turn him down, if they reach the conclusion that he is no longer an asset on the side of the free world.

My plea here is let us not legislate in passion. Let us not do in a hysterical moment something we may live to regret.

I ask for the defeat of the amendment offered by my good friend the gentlewoman from New York [Mrs. KELLY].

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I should like to say, with the consent of the distinguished minority leader, that the gentleman from Wisconsin [Mr. O'KONSKI] suggested that there was $300 million in this bill for Tito. In addition to the military authorization, which is classified information, there is only $41 million earmarked in this bill for Tito.

Mr. MARTIN. And there is no necessity for spending a dollar of it if the President of the United States, in whom we have confidence and trust, decides we should not do so.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to our distinguished Speaker.

Mr. RAYBURN. I just want to say that I endorse every word that has been said by my distinguished colleague, the gentleman from Massachusetts [Mr. MARTIN]. I think this would be a dangerous thing to do, and I do not believe this committee will do it.

Mr. SIEMINSKI. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from New Jersey.

Mr. SIEMINSKI. I congratulate the gentleman from Massachusetts [Mr. MARTIN] and the gentleman from Texas [Mr. RAYBURN] on and endorse their statements. I shall oppose the motion and ask the House to consider, if it will, two factors. First, I sincerely put before the House the fact that it is quite possible that the people of Yugoslavia have not forgotten the axis spoilage of World War II and that tonight they are more afraid of a renaissance of axis arrogance than they are of Russia. Let this House not think that if Germany or Russia moves without law or morality on their side, that the people of Yugoslavia, of Poland, and of Central Europe, from the Baltic to the Adriatic, as Christian as they are—will not fight with the wounds of the past opened up to spur them to independence, be it from an aggressive Germany, of a cruel Russia or both.

So today, I say, vote this aid, put faith in the broad base of freedom and the fighting heart of the people of Yugoslavia. If the people of Yugoslavia seem not firmly committed to the East or to the West, perhaps they wait to see how Germany will behave as a new member of the West, and how Russia will behave since the liquidation of Stalin and Beria and how it will followup at Geneva the overtures it recently made at San Francisco on the 10th anniversary of the founding of the United Nations.

Talk is made of loose committments; that Yugoslavia, Greece, and Turkey agree to talk it over before acting if either of the three is attacked. This point has been raised as an example of Yugoslavia's foxiness. This in spite of it being a spearhead pointed at the soft underbelly of Europe able to blunt a drang nach oesten or a thrust at the Atlantic.

Are we so sure that the Atlantic powers, the NATO members, would not first consult before coming to our direct defense should the United States be attacked? Does this not safeguard all from being triggered into war by provocative acts like Sarajevo?

The second point I should like to raise in support of the stand taken by the gentleman from Massachusetts [Mr. MARTIN] and the gentleman from Texas [Mr. RAYBURN] in defeat of the amendment but in support of the bill is that the cost of this bill must be measured, it seems to me, against our mission: To keep those who have hurt us in the past from doing so again, to keep them from each other's throat and ours as well; to keep Japan and China in peace; to keep Japan and Russia in peace; to keep Germany and Russia in peace; to keep Germany and France in peace; to keep Germany and England in peace; to keep Italy and France in peace; to keep each in peace with us, and in so doing, withdraw cruelty and torture from the world.

To do it, with new techniques and new irons in the fire, this bill should be given the test of time, at least until 1966 when, according to history, the next war might start.

By then, from today, we will have spent $38.5 billion on this program.

Should we, by this help, prevent the outbreak of war in 1966, would we regret the $38.5 billion as against the $440 billion spent in World War II?

I think not. The amendment should be defeated and the bill passed.

Mr. MARTIN. Mr. Chairman, I ask you to vote for the United States of America; and do not throw for a certainty the second largest army in Europe into the lap of Russia.

The CHAIRMAN. The question is on the preferential motion.

The preferential motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New York [Mrs. KELLY].

The question was taken; and on a division (demanded by Mrs. KELLY of New York), there were—ayes 52, noes 162.

So the amendment was rejected.

Mr. FEIGHAN. Mr. Chairman, I offer an amendment.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield for a unanimous consent request?

Mr. FEIGHAN. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on section 9 and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FEIGHAN: On page 17, after line 11, insert the following paragraph:

"(d) At the end of such Chapter I, insert a new section as follows:

" 'SEC. 515. No loan or assistance shall be made or given to Yugoslavia under this act, until the Committee on Foreign Affairs of the House of Representatives completes an on-the-spot investigation of all the military installations, depots, roads, and railroads in Yugoslavia, and certifies to the Clerk of the House that continued assistance to Yugoslavio is in the security interest of the United States.' "

Mr. FEIGHAN. Mr. Chairman, the very able and distinguished member of the Committee on Foreign Affairs of the House, the gentleman from Connecticut [Mr. MORANO] had prepared an amendment which would stop any further aid to Yugoslavia until a further finding and determination was made by the President that such aid is in the national interest and reported to the Congress. The distinguished gentleman has seen my amendment and is going to support it, and therefore is not introducing his amendment.

Mr. Chairman, in the first instance, I agree completely with the distinguished minority leader that we should not legislate in any degree of passion. However, we do not want to face the issue of aid to Tito wearing rose-colored glasses or with our heads comfortably tucked in the sand. Of course, we must look at the situation and face the facts of reality. One may say that Tito has the legal right to accept our assistance and to do as he pleases to enhance his own position—as some do say. Of course, I disagree. I will not even take up the question of Tito's moral right to do with our assistance as he pleases, because any Communist anywhere, at any time, never recognizes morality in either personal, national, or international affairs. However, we as Members of the Congress should view our responsibility in the light of both legality and morality.

In the first instance, under the Mutual Security Act, nations and dictators who are the beneficiaries of our grants, should be legally obligated to permit complete and thorough investigation, by the United States representatives, of the uses to which our assistance has been put.

It is uncontroverted, as set forth in the report by the Committee on Foreign Affairs on page 12, that Tito has forbidden representatives of the United States to thoroughly inspect the utilization of the assistance already given under the terms of this act. The terms of the act should require that the American representatives shall have the unqualified right to make complete inspection. My amendment merely provides that the Committee on Foreign Affairs of the House make a complete inspection in accordance with the terms of the agreement by which Tito has accepted our assistance.

If Tito is an ally of the United States in any sense of the word, he would welcome such complete and continuous inspection by United States representatives.

One way to put him to the test would be to require his adherence to the pro-

visions of the Mutual Security Act, absolutely requiring complete and continuous inspection over the use of all economic and military assistance programs made possible, in any part, by United States assistance.

In my considered judgment, Tito has never broken with his Russian-Communist friends. We now have no assurance against the possibility of our aid going behind the Iron Curtain to Albania, Rumania, Hungary, Bulgaria, or to Moscow itself, or even to any of the non-Russian nations within the U. S. S. R.

In my opinion, the Yugoslavs will not fight on the side of the West, the free world. They will do one of two things in the event of conflict between Communist Russia and the free world of the West. First, they will revolt against the tyranny of Tito, or they will fight against the free world—with Russian machine guns stuck in their backs.

My amendment simply requires that the House Committee on Foreign Affairs, either in whole or by a subcommittee, together with an adequate staff of competent investigators, make an on-the-spot inspection of how Tito has used all forms of assistance which we have given to him.

Such an inspection would cover all military bases, installations, roads, and railroads in Yugoslavia. It further provides that if the Committee on Foreign Affairs makes a favorable report to the Clerk of the House, assistance may be continued to Tito.

It also provides that after the inspection by the Committee on Foreign Affairs, if their report is not favorable, assistance to Tito shall be cut off.

I ask you—what in the interests of the taxpayers of this country and in the successful advancement of the aims of the Mutual Security Act, could be fairer?

I should like to emphasize that it is my desire to do everything possible to make easy the way of our Secretary of State in his difficult task of building a free world alliance of the type which can bring about the ultimate defeat of the international Communist conspiracy.

Therefore, rather than offering an amendment barring any aid to Tito as I did in 1954, I have proposed this amendment which will permit Yugoslavia to receive assistance from us if the on-the-spot inspection carried out by the House Committee on Foreign Affairs reveals that the giving of such assistance supports the national security, welfare and well-being of the American people.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is practically the same as one we defeated a little bit ago. The gentleman wants the Foreign Affairs Committee to take a trip over there. I imagine it would be very interesting and I am sure we could develop some significant information.

The Foreign Affairs Committee has recommended through this bill that we think it would be in the interest of the security of the United States to provide this limited aid to Yugoslavia. It is only officially and publicly a $41 million program. There will be more for the military. I am opposed to the amendment.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. FEIGHAN. I want to make this very important distinction, that the amendment introduced by the gentlewoman from New York read out entirely any aid; my amendment provides that the Committee on Foreign Affairs go to Yugoslavia and make an on-the-spot investigation. Then we would have a proper and valid investigation of the utilization of our assistance. If the report is favorable aid will be given to Tito. I have utmost confidence in the chairman of the Foreign Affairs Committee and in the members of his committee, and I would be satisfied with their report.

Mr. RICHARDS. I appreciate the gentleman's position and the confidence he has in us. I have the utmost confidence in his good intentions, but I just want to say to you that while the military people said we were not getting 100-percent cooperation from Yugoslavia, yet they said that the cooperation was getting better every day, and that by insistence they believed we would get 100-percent cooperation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. FEIGHAN].

The question was taken, and on a division (demanded by Mr. FEIGHAN) there were—ayes 7, noes 92.

So the amendment was rejected.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 16, after line 14, insert the following:

"(2) Amend section 505 (a) by inserting before the period at the end thereof the following: 'And shall emphasize loans rather than grants wherever possible'."

And on page 16, line 15, change "(2)" to "(3)."

Mr. VORYS. Mr. Chairman, the committee has accepted similar amendments covering $382 million in this bill. This would reach the rest of the bill in defense support which is $1,022,000,000.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. RICHARDS. This amendment is in line with an amendment that was offered to another section, as I understand. It is permissive in terms, the decision to rest with the President with regard to loans. The discretion being given, and it being in line with other amendments, I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment was agreed to.

The Clerk read as follows:

SEC. 10. Title V, chapter 2, of the Mutual Security Act of 1954, which relates to organization and administration, is amended as follows:

(a) In section 524 (a), amend subparagraph (3) to read as follows:

"(3) the supervision of end-item use by the recipient countries;".

(b) in the second sentence of section 525, which relates to the Foreign Operations Administration, after "Foreign Operations Administration" insert "(including any function, office or entity thereof transferred to any other agency)"; and insert, before the period at the end of said second sentence, the following: ": *Provided*, That such authority conferred by this sentence shall be exercised in accordance with applicable laws and regulations relating to the Civil Service and Veterans' Preference."

(c) Add at the end of section 526, which relates to missions and staffs abroad, the following new sentence: "If a Foreign Service Officer shall be appointed by the President to a position under this section, the period of his service in such capacity shall be considered as constituting an assignment for duty within the meaning of section 571 of the Foreign Service Act of 1946, as amended, and such person shall not, by virtue of his acceptance of such an assignment, lose his status as a Foreign Service officer."

(d) In section 530 (a), which relates to experts and consultants or organizations thereof, insert "or at the applicable rate prescribed in the Standardized Government Travel Regulations, as amended from time to time, whichever is higher," after "at a rate not to exceed $10."

(e) In section 534, which relates to reports, strike out "sections 504 and 413 (b)" in the last sentence and insert "sections 504, 413 (b), and 418."

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS of Ohio. On page 17, line 24, strike out beginning with word *"Provided"* through the word "Preference" and insert in lieu thereof *"Provided, however*, That until January 1, 1956, notwithstanding the provisions of any other law, the employment of not to exceed 200 persons at rates of basic compensation in excess of the maximum scheduled rate of GS–9 of the Classification Act of 1949, as amended, transferred from the Foreign Operations Administration to any other agency pursuant to Executive order may be terminated, but this authority shall not be applicable to any person entitled to veterans' preference for Federal Government employment, nor shall this authority be exercised to discriminate against any such person on account of political affiliation."

Mr. VORYS. Mr. Chairman, this is the so-called Capehart amendment on personnel, a compromise amendment on personnel, which was offered in the Senate and defeated by a vote of 40 to 40, a straight party vote, while the Vice President was out making a speech.

We have gone along with a very bipartisan approach on this bill, but when it comes to the matter of personnel then the thing gets a new look. In the previous bills on mutual security, the Marshall plan, European recovery plan, we always gave an administrator of the plan some latitude to pick his help and to choose people without regard to all of the technicalities of the civil service. A lot of people who have gotten in that way are now under the civil service.

Something new has been added to this program today. It moves into the State Department and it will be under the Honorable John B. Hollister, of Cincinnati, who will be director.

May I say that the administration request was far broader than this amendment, but this restricts the director to merely 200 in those above GS–9 whose employment can be terminated without regard to all of the bumping rights and the rest of it under the civil service, although the amendment I have

proposed provides veterans' preference for all employees. And I inserted the following words at the end which were not in the Capehart amendment, in order to make it clear that FOA under the State Department, or any other Department, is not to be a political haven for either Democrats or Republicans. The last phrase which I have added to the Capehart amendment, which lost on a 40 to 40 vote in the other body, is as follows: "nor shall this authority be exercised to discriminate against any such person on account of political affiliation."

It seems to me when we put a new man in charge of this organization under the State Department, we ought to give him a little elbow room to choose his own help.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Missouri.

Mr. SHORT. In 1952 we voted for a change. I would like the gentleman to tell me how we can change a postmaster or a rural carrier?

Mr. VORYS. As a matter of fact, I am in the process of making a change in the case of a postmaster at home right now.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. The gentleman does not think that our fellow citizen, geographically that is, Mr. Hollister, will fire the Republicans, does he?

Mr. VORYS. I do not know. I understand that he plans to demand competence from all employees and not play politics.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Your amendment provides for a reduction in force of 200 to be replaced by 200 other people; is that not right?

Mr. VORYS. No; it does not provide for a reduction in force. Remember for Korea, Formosa, and Indochina there is about a billion dollars involved, and the matter was presented to us that due to the growth of the Asian program probably more personnel will be needed in the coming year than in the past year. There is $2 million more for personnel in this bill we are considering than there was in a similar bill last year.

Mr. ZABLOCKI. May I restate my question? Your amendment proposes to permit the removal of 200 and then to have the 200 replaced by other personnel?

Mr. VORYS. We cannot guarantee that a reduction of 200 can be made by January 1.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. CELLER. In essence and in all truth, does not your argument boil down to the fact that you want 200 deserving Republicans to get jobs?

Mr. VORYS. No, it does not. And, as I say, the first steps taken would make it quite clear, I think, that this is not being done at the present time. This is an administration request that involves personnel. Protection against discrimination on account of political affiliation is written in, and we are going to see how much administration support we can get for this new director and for this Department from both sides of the aisle.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we had better leave the opportunity for playing even a little politics out of this bill. I am not sure that there will be politics in it, because I know that Mr. Hollister is a pretty good man. What he knows about the administration of a large agency like this remains to be seen. But, I think that anybody he fires under this program should be fired under existing law and the regular civil-service regulations. I believe we can agree which way the amendment would have gone had the Vice President been on hand in the Senate to break that tie. I think we have enough Democrats here today so that there will be no question and therefore I am constrained to disagree with my friend.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Missouri.

Mr. SHORT. I understand a good Republican from my district is scheduled to be fired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. VORYS), there were—ayes 108, noes 136.

So the amendment was rejected.

The Clerk read as follows:

SEC. 11. Title V, chapter 3, of the Mutual Security Act of 1954, which relates to repeal and miscellaneous provisions, is amended by adding after section 547, the following new sections:

"SEC. 548. Unexpended balances: Unexpended balances of funds heretofore made available under authority of this act are hereby authorized to be continued available for the general purposes for which appropriated, and may be consolidated with appropriations made available beginning in fiscal year 1956 for the same general purposes under the authority of this act: *Provided, however,* That unexpended balances in excess of $200,000,000 not obligated by June 30, 1955, in accordance with the provisions of section 1311 of the Supplemental Appropriation Act, 1955 (Public Law 663, 83d Cong.), or reserved in accordance with the provisions of section 110 of the Mutual Security Appropriation Act, 1955 (Public Law 778, 83d Cong.), are not authorized to be continued available after such date.

"SEC. 549. Statement of congressional policy: It is the sense of the Congress that inasmuch as—

"(1) the United States, through mutual-security programs, has made substantial contributions to the economic recovery and rehabilitation of the nations of Western Europe;

"(2) due in part to those programs, it has been possible for such nations to achieve complete economic recovery and to regain their military strength; and

"(3) certain other friendly nations of the world remain in need of assistance in order that they may defend themselves against aggression and contribute to the security of the free world,

those nations that have been assisted in their recovery should, in the future, share with the United States the financial burden of providing aid to those countries which are still in need of assistance of the type provided under this act."

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 18, line 22, after "amended", strike out the balance of the line and the word "sections" on line 23, and insert: "as follows:

"(a) At the end of section 544, which relates to amendments to other laws, add the following new subsections:

"'(c) The first sentence of section 2 of the act of June 27, 1942, entitled "An act to exempt from duty personal and household effects brought into the United States under Government orders", as amended (U. S. C., title 50 App., sec. 802), is hereby further amended by striking out "1955" and inserting in lieu thereof "1956".'

"'(d) Public Law 480, 83d Congress (68 Stat. 454), is hereby amended by adding after section 305 the following new section:

"'"SEC. 306. In order to carry out more effectively the policies and purposes of this act, the President may exercise the authority provided herein without regard to the provisions of section 901 (b) of the Merchant Marine Act of 1936, as amended, or any other law relating to the ocean transportation of commodities, materials, and equipment on United States-flag vessels."'"

"(b) After section 547 add the following new sections."

Mr. MILLS. Mr. Chairman, I make the point of order against the amendment, of course, that it is not germane to the bill.

The CHAIRMAN. Does the gentleman from South Carolina desire to be heard?

Mr. RICHARDS. Mr. Chairman, may I ask if the gentleman raises the point of order in both instances?

Mr. MILLS. I base the point of order on the language of the amendment on page 19, lines 1 through 6. I am not advised as to the remainder of the amendment, but I do know that the language referred to is not germane to this bill. That language extends a provision of law relating to duties, which passed through the Congress initially coming from the Committee on Ways and Means. Incidentally, the House has already passed a bill extending this provision reported from the Committee on Ways and Means.

Mr. RICHARDS. I concede the point of order, Mr. Chairman.

The CHAIRMAN. The point of order is conceded and the point of order is sustained. A point of order to a part of an amendment makes the whole amendment subject to a point of order, so the whole amendment goes out on the point of order.

Mr. BAILEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BAILEY. I have an amendment to offer that would apply at the bottom of page 20 following line 25. May I inquire of the Chair, if the committee amendment at the top of page 21 under subsection (b) is approved, will that pre-

clude me from offering an amendment to the bottom of page 20?

The CHAIRMAN. The gentleman would have to offer his amendment before the committee amendment to which he refers is considered.

Mr. BAILEY. May I inquire of the Chair how I might get recognition ahead of a member of the committee?

The CHAIRMAN. As soon as we dispose of the committee amendment preceding the place where the gentleman wants to offer his amendment, the gentleman may seek recognition.

The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 20, line 8, after "549." insert "(a)."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: On page 20, line 22, after "States" insert "to a greater extent."

The committee amendment was agreed to.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: On page 20, after line 25, insert a new subsection as follows:

"(b) It is the sense of the Congress that where there are areas within the continental United States in which unemployment statistics as certified by the Secretary of Labor exceed 15 percent of the labor force in such area or areas, the areas in question are hereby declared to be eligible for assistance under the provisions of this act."

Mr. RICHARDS. Mr. Chairman, I make the point of order against the amendment that it is not germane, obviously.

Mr. BAILEY. Mr. Chairman, the gentleman from West Virginia reserves the right to argue the point of germaneness.

The CHAIRMAN. The Chair will be pleased to hear the gentleman from West Virginia.

Mr. RICHARDS. While the gentleman is speaking, I will reserve my point of order.

Mr. BAILEY. Mr. Chairman, it is evident that the amendment even if it were germane, assuming the attitude of the House at this stage of the proceedings, would not stand much chance of approval. However, Mr. Chairman, I think that I should argue the point of germaneness at least by calling attention to the fact that the title to the act itself invites just such an amendment as mine: "To amend the Mutual Security Act of 1954, and for other purposes."

Let me ask, Mr. Chairman, if this amendment is not germane and it is ruled out of order, where, then, may I inquire, is the mutuality? Is not the United States a part of this pact that we are setting up here? What may I ask is the object of this? It is for the betterment and the welding together of the free nations of the world. Mr. Chairman, may I inquire: Is not the United States one of those free nations or is not any part of the United States? May I call the attention of the Chair to the second page of the bill, lines 17, 18, 19 and 20. There it speaks of setting up a security pact for the North Atlantic—NATO. May I inquire: Is not the United States a part of that organization. Then let us go to page 7, lines 20 to 23 inclusive, which reads:

(2) Insert the following before the period at the end of paragraph (b): "; in addition, $1,500,000 for the fiscal year 1956 for contributions to the technical cooperation programs of the Organization of American States".

May I inquire, Mr. Chairman, is not the United States one of the American states? I think there is plenty of germaneness here, which is evident from the contents of the bill itself.

Mr. Chairman, I want to call the attention of the Congress to the fact that we are getting a long, long way from the interests of America. The purpose of offering this amendment is to call the attention of the Congress to the fact that we have within the continental United States sections of our economy which are in much worse condition than the economy of some of the nations it is proposed by this bill to give assistance to, both technical and economic. I just want to put this Congress on record to say whether they want to dish out $3½ billion for the use of some foreign countries when it could very well be used here at home. Another thing I have in mind is that before this session of the Congress closes, I would lke this Congress to make available some $300 million or $400 million to start a program to take care of our school classrooms. I want to call the attention of the Congress to the situation here in America.

The CHAIRMAN (Mr. COOPER). The Chair is prepared to rule.

The gentleman from West Virginia has offered an amendment which has been reported. Against that amendment, the gentleman from South Carolina has made a point of order on the ground that it is not germane to the pending bill. The Chair invites attention to the fact that the pending bill is to amend the Mutual Security Act of 1954. The bill relates entirely to aid to foreign countries. The amendment offered by the gentleman from West Virginia relates entirely to assistance to areas in this country. Certainly, there can be no connection between the two. The bill under consideration is a bill for foreign aid. The amendment offered by the gentleman from West Virginia is an amendment for local aid confined to areas in this country, and certainly is not germane to the pending bill. Therefore, the Chair sustains the point of order.

The Clerk read as follows:

Committee amendment: On page 20, line 25, strike out "act.' " and insert "act."

Page 21, add the following:

"'(b) It is the sense of the Congress that assistance under this act shall be administered so as to assist other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.'

"SEC. 12. It is hereby declared to be the continuing sense of the Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations."

Mr. WILLIAMS of New Jersey. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of New Jersey to the committee amendment: On page 21, line 5, strike the period and quotation mark and add a semicolon and the following: "to encourage indigenous planning for the use of the full resources of the recipient countries, equitable distribution of the product that develops, a favorable land system, and the other attributes of a democratic society; and to encourage regional cooperation in maximizing the development and utilization of economic resources in order to assure maximum self-help in advancing toward better standards of life for all."

Mr. WILLIAMS of New Jersey. Mr. Chairman, I will be very brief.

It was said by one of the witnesses before our committee that next to colonialism feudalism is Moscow's most dependable ally. In the first part of the committee amendment we recognize this and we take a stand against colonialism and I think that is fine to demonstrate our support of people who are trying to throw off the yoke of colonialism.

But it seems to me it could go further and encourage those who are trying to get out from under archaic and restrictive economies and fight their way into a free and democratic economy. For that reason I have offered the first part of my amendment.

We heard yesterday that in some of the countries we assist, some of the wealthiest people are taxed at low, low rates. We heard also that in some of these countries people are driving Cadillacs, wearing mink coats, and that there is a lot of expensive perfume. I think if we state a policy that we are against those systems that do not help themselves, but are willing to help people who help themselves through solid, sound, free, and democratic economies we will achieve the security we want much sooner.

The final part of my amendment would encourage regional planning. We find in Europe where nations get together and evaluate their own needs and exchange efforts and then come for assistance, the assistance is directed at better, more productive, and sounder goals.

I therefore urge this as an addition to the colonialism part of the committee amendment.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the gentleman's amendment. I do not know that it does much good; I doubt that it does any harm. I am sure the gentleman remembers that in section 11 of the bill, subsection (b), we say already:

It is the sense of the Congress that assistance under this act shall be administered so as to assist other peoples in their efforts to achieve self-government or independence under circumstances which will enable them to assume an equal station among the free nations of the world.

I think that is about as far as we can go. No one has more admiration for the

gentleman from New Jersey for the able and hard work he does in our committee, but I just do not want to clutter up this bill with sentiments, even though they may be beautiful; after a while they get rather wearing.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. GROSS. Would the gentleman think that if we invite them to get together in regional plans that they could dig some more money out of us?

Mr. RICHARDS. I do not think so. If we get them together by regions they will need less assistance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. WILLIAMS].

The amendment was rejected.

The CHAIRMAN. The question recurs on the committee amendment.

Mr. JUDD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JUDD. The Clerk read section 12. Should not the amendment that we are voting on now include only the first 5 lines at the top of page 21 and finish section 11 before we move to section 12?

The CHAIRMAN. It appears to the Chair it is all one amendment.

Mr. JUDD. No. Section 12 is a separate amendment to the bill.

The CHAIRMAN. It was so indicated in the report on the bill.

Mr. JUDD. It seems to me, looking at the bill, that section 12 is a separate section of the original bill, S. 2090.

The CHAIRMAN. The Chair invites the gentleman's attention to page 3 of the committee report which appears to embrace it all as one amendment.

Mr. RICHARDS. Mr. Chairman, I do not know whether the chair has ruled, but I think the gentleman from Minnesota is in error in his position. This is all one amendment.

Mr. JUDD. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JUDD. Mr. Chairman, will it be possible to ask for a separate vote on section 12, just a standing vote? A member of another body, the judicial branch, is in Asia making remarks that America's foreign policy should be favorable to admission of Communist China in opposition to the repeated and unanimous expressions of this Congress. I should like to have a separate vote on section 12, a standing vote, to show that we are unanimous, as I think we will be, on that point. We may not be unanimous on the final passage of the whole bill.

The CHAIRMAN. Does the gentleman desire to ask unanimous consent that the amendment be divided?

Mr. JUDD. I do, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The question is on the first part of the committee amendment.

The first part of the committee amendment was agreed to.

The CHAIRMAN. The question is on the second part of the committee amendment.

Mr. JUDD. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. JUDD. If a standing vote is taken now and is unanimous, will the record show it was unanimous? If I withdraw that request, may I ask for a separate vote on it after we are back in the House?

The CHAIRMAN. No; the gentleman cannot do that. The gentleman, the Chair may say, imposes a considerable burden on the Chair to state how the vote of the committee is going to be.

The question is on the second part of the committee amendment.

The question was taken; and on a division (demanded by Mr. JUDD) there were—ayes 221, noes 0.

So the second part of the committee amendment was agreed to.

Mr. TUMULTY. Mr. Chairman, I regret the House failed to amend the mutual-security bill in many instances, but most particularly in overriding the amendment of the Member from New York [Mrs. KELLY]. We should have cut off all aid to Tito who has the blood of innocent people on his hands. Although I supported Mrs. KELLY'S amendment and I am working for the bill on final passage, I do so relying on the promise that the President will act after the summit. These aid programs to countries like atheistic Yugoslavia must end soon.

Mr. CURTIS of Missouri. Mr. Chairman, it is a difficult thing to take a position on basic and important legislation knowing full well ahead of time that what you say will have little or no effect upon the votes of your colleagues and will be misunderstood by your constituency. And yet there are times when such a position must be taken in the hopes that in time, and with the small assist from the protest registered, the significance of the position will be understood.

I am opposing and voting against the present bill to authorize the expenditure of $3.5 billion additional Federal funds for the mutual-security program. I am strongly in favor of the professed objectives of the mutual-security program and to this extent I differ from probably the bulk of those speaking against and voting against this legislation today. In the past in order to try to express my views I have voted for the authorization bills to show my approval of the objectives of the program, and against the appropriation bills carrying out the authorization program to show my disapproval of what seemed to me to be lack of budgetary justifications for the sums of money requested to carry out these programs.

I have read the report of the Foreign Affairs Committee on this $3.5 billion authorization bill. I have gone further. I have read most of the 778 pages of recorded hearings conducted by this committee in its 10 days of hearings. I have listened to the remarks of the members of the committee made on the floor of the House during this debate. I have personally talked to individual members of the committee on the floor to check my judgment of what seemed to me to be the situation confronting the House on this legislation.

Regretfully, I state that in my judgment we have before us an almost complete collapse of responsibility of the House committee to the members of the House and a collapse of responsibility of the executive department agencies in giving to that committee the necessary information to pass intelligent judgment upon the program requested by the executive department.

No one can tell beyond a series of generalities what the program has been, is, and is proposed to be. Members of the committee have been rather frank in admitting that the proposal in effect is a blank check to the executive department. Perhaps a blank check of a few dollars might have some justification, but gentlemen a blank check of $3.5 billion is a rather complete capitulation of the responsibilities the Congress owes to the people who have elected them to serve as their representatives to study and consider the proposals advanced by the executive department.

The committee has said that they will follow carefully the expenditure of the funds, but these are hollow words and idle promises in light of the complete failure as revealed in the hearings to follow and understand what the expenditures in the past have been for.

Eight billion, seven hundred million dollars of unexpended, but allegedly obligated, funds remain as a carryover from the previous years. I say "allegedly" obligated funds because I have found as has any committee of the Congress or any individual Congressman who has looked into some of the contracts under which funds have been alleged to be obligated, that in actuality many of these obligations are completely phony, many are under completely unrealistic contracts, many are under unauthorized contracts, many are on their face wasteful contracts and so forth.

The persons in the executive department appearing before the committee in justification of the authorizations first stated that the unexpended and unobligated balances were $100 million. A few days later the amount was amended to be $200 million and just a few days before the bill came to the floor the amount had risen to almost $700 million. Now what does this spell out? It spells out two things: First, those in charge of the program do not know very much about the details of their fiscal affairs; second, somebody, or somebodies, in the executive department had been guilty of concealing the exact fiscal picture.

Now my friends on the Foreign Affairs Committee, a legislative committee, may say that these fiscal matters are not their affair but the proper affair of the Appropriations Committee. Basically these matters are matters for the Appropriations Committee, but I might remind my friends on the legislative committee that the best and, indeed, the only real way to find out what has truly been going on in a program is to look into some of the expenditures of funds to see. Look into the contracts under which

funds have been spent and are obligated. In this way, and in this way alone, you will get a true picture of what the real objectives of the program have amounted to in reality in relation to what we had planned them to be.

Yet the executive department officials in their testimony before the committee rather frankly—and this is refreshing—admit they do not themselves know what all the obligation of funds are about, but that they hope to get on top of them soon. How, indeed, can they come before the Congress under these circumstances and ask for any additional funds? And the committee instead of sending the executive officials back to their offices downtown to get their shop in order, lets them get away with the most inadequate case of justification for funds I have seen since I have been in the Congress.

Now we do not get friends abroad or allies by pretty speeches, pious hopes, and fancy plans. I can make pretty speeches, too. I can have hopes and I can make plans and as I have said I agree with the general objectives set forth by the advocates of the mutual security program, but they mean not a thing if they do not relate to reality. It is through intelligent expenditure of funds that plans become realities.

The relationship of Congressman JUDD's fine oratory about the objectives of this proposed mutual security program and the bill now before us is so distant that when he talks about objectives he in truth is not speaking to the bill.

Fiscal irresponsibility, and the case before us is a gross one, hurts the objectives of a program. The waste, the stupidity, the unreality of many of the programs actually put into effect by the expenditure of funds under the mutual security program are known to any Congressman or American who has traveled abroad. These programs have hurt the United States and its cause, not helped the United States. The expenditure of funds unrealistically has undermined the very objectives so eloquently presented by the proponents of this measure in debate.

These are strong words I am uttering, but I would not make them if the situation I am describing were not so patently true.

As a Republican, I am ashamed of my administration which campaigned basically on a platform of fiscal responsibility for presenting a program in such a shoddy fashion. It hurts badly the cause of fiscal responsibility for which I hope we are still working; it hurts the cause of a balanced budget; it hurts the possibilities of a tax reduction; and to reiterate it badly hurts the very program it seeks to advance.

Eight billion seven hundred million dollars of obligated funds unchecked by the Congress, under the various procedures developed by the executive agencies in deobligating and reobligating funds, is a blank check. The new $3.5 billion is by admission to be a blank check. Twelve billion two hundred million dollars is a serious sum of money to grant even under rigid checks and controls, let alone under a blank-check formula.

The expenditure of $12.3 billion constitutes vast powers for good or ill, so vast that no bad man should be entrusted with such powers and no good man should ask for them.

The damage has been done. No plea of mine will change the course of action upon which we have embarked. The best I could offer in the way of a suggestion to correct the errors is for the House to recommit this bill back to the committee with instructions to forthwith conduct complete and adequate hearings to find out from the executive department how the money in the past has been spent, what the money is presently obligated to be spent for, and what the money requested for in the future is to be spent for. This would require a month of steady work by many men judging from the inadequacies of the executive department's books revealed in the hearings. The Congress would have to stay in session on into the fall. Yet this should be done, though I know it will not.

The next best step, of course, is for the Appropriation Committee to go into both the past, the present, and future of the expenditure of these funds and put reality into the picture. This means rescinding contracts that have no sense or justification and are outside the intent of the program. It means writing legislation in an appropriations bill to the extent that has never been done before to protect against future injudicious spending.

If the mutual security program is to attain its objectives this must be done. If the Congress is to live up to its responsibilities to the people it represents it must be done. If the executive department is truly going to recognize the importance of the constitutional division of powers and the necessity of an independent legislature in a free society it must be done.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2090) to amend the Mutual Security Act of 1954, and for other purposes, pursuant to House Resolution 288, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

Mr. SMITH of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SMITH of Wisconsin. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SMITH of Wisconsin moves to recommit the bill S. 2090 to the Committee on Foreign Affairs with instructions to report the same to the House forthwith with the following amendment: On page 5, line 21, strike out the semicolon at the end of paragraph 3 and insert the following: "and only so long as it shall waive all criminal jurisdiction over personnel of the Armed Forces of the United States stationed in such nation as a result of such treaties or agreements."

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. SMITH of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on passage of the Senate bill.

Mr. RICHARDS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 273, nays 128, not voting 33, as follows:

[Roll No. 105]

YEAS—273

Addonizio	Devereux	Jarman
Albert	Dixon	Jenkins
Allen, Calif.	Dodd	Johnson, Calif.
Allen, Ill.	Dollinger	Johnson, Wis.
Anfuso	Dolliver	Jones, Ala.
Arends	Donohue	Jones, Mo.
Ashley	Donovan	Judd
Aspinall	Dorn, N. Y.	Karsten
Auchincloss	Edmondson	Kean
Avery	Elliott	Keating
Ayres	Ellsworth	Kee
Baker	Engle	Kelley, Pa.
Baldwin	Evins	Kelly, N. Y.
Barrett	Fallon	Keogh
Bass, N. H.	Fascell	Kilburn
Bates	Feighan	Kilday
Baumhart	Fenton	King, Calif.
Becker	Fernandez	Kirwan
Bennett, Fla.	Fine	Klein
Blatnik	Fino	Kluczynski
Boggs	Flood	Knutson
Boland	Fogarty	Lane
Bolling	Forand	Lanham
Bolton, Frances P.	Ford	Lankford
	Forrester	Latham
Bowler	Frazier	LeCompte
Boyle	Frelinghuysen	Lesinski
Brooks, Tex.	Friedel	Lipscomb
Brown, Ga.	Fulton	McCarthy
Broyhill	Gamble	McConnell
Buckley	Garmatz	McCormack
Burleson	Gary	McDonough
Burnside	Gathings	McDowell
Bush	Gordon	McMillan
Byrd	Granahan	Macdonald
Byrne, Pa.	Green, Oreg.	Machrowicz
Byrnes, Wis.	Gregory	Madden
Cannon	Griffiths	Magnuson
Carnahan	Hagen	Mahon
Carrigg	Hale	Mailliard
Celler	Halleck	Marshall
Chelf	Harden	Martin
Chenoweth	Hardy	Matthews
Chiperfield	Hays, Ark.	Meader
Christopher	Hays, Ohio	Merrow
Clark	Hayworth	Metcalf
Cole	Hébert	Miller, Calif.
Cooper	Heselton	Miller, Md.
Corbett	Hess	Miller, N. Y.
Coudert	Hill	Minshall
Cramer	Hillings	Mollohan
Cretella	Hinshaw	Morano
Cunningham	Holifield	Morgan
Curtis, Mass.	Holmes	Moss
Dague	Holt	Multer
Davis, Ga.	Holtzman	Murray, Ill.
Davis, Tenn.	Hope	Murray, Tenn.
Dawson, Utah	Horan	Natcher
Deane	Hosmer	Norblad
Delaney	Huddleston	O'Brien, Ill.
Denton	Hyde	O'Brien, N. Y.
Derounian	Ikard	O'Hara, Ill.

O'Neill	Rodino	Thomson, Wyo.
Osmers	Rogers, Colo.	Thornberry
Ostertag	Rogers, Mass.	Tollefson
Patman	Rooney	Trimble
Patterson	Roosevelt	Tumulty
Pelly	Sadlak	Udall
Pfost	St. George	Vanik
Philbin	Schenck	Vinson
Pilcher	Schwengel	Vorys
Pillion	Scott	Vursell
Poage	Scudder	Wainwright
Poff	Seely-Brown	Walter
Powell	Selden	Watts
Preston	Shelley	Westland
Price	Sheppard	Wickersham
Priest	Sieminski	Widnall
Prouty	Simpson, Pa.	Wigglesworth
Quigley	Sisk	Williams, N. J.
Rabaut	Smith, Miss.	Wilson, Calif.
Radwan	Spence	Wilson, Ind.
Rains	Springer	Wolcott
Ray	Staggers	Wolverton
Reuss	Steed	Wright
Rhodes, Ariz.	Sullivan	Yates
Rhodes, Pa.	Taber	Young
Richards	Taylor	Younger
Riehlman	Teague, Calif.	Zablocki
Riley	Teague, Tex.	Zelenko
Roberts	Thompson, N. J.	
Robsion, Ky.	Thompson, Tex.	

NAYS—128

Abbitt	Dowdy	Nelson
Abernethy	Durham	Nicholson
Adair	Fisher	Norrell
Alexander	Fjare	O'Hara, Minn.
Alger	Flynt	O'Konski
Andersen, H. Carl	Fountain	Passman
	Gavin	Phillips
Andresen, August H.	Gentry	Reed, Ill.
	Gray	Rees, Kans.
Andrews	Gross	Robeson, Va.
Ashmore	Gwinn	Rogers, Fla.
Bailey	Haley	Rogers, Tex.
Bass, Tenn.	Hand	Rutherford
Beamer	Harris	Saylor
Belcher	Harrison, Nebr.	Scrivner
Bell	Harrison, Va.	Sheehan
Bennett, Mich.	Harvey	Short
Bentley	Henderson	Shuford
Berry	Herlong	Sikes
Betts	Hiestand	Siler
Blitch	Hoeven	Simpson, Ill.
Bonner	Hoffman, Ill.	Smith, Kans.
Bosch	Hoffman, Mich.	Smith, Va.
Bow	Hull	Smith, Wis.
Bray	Jennings	Talle
Brooks, La.	Jensen	Thomas
Brown, Ohio	Johansen	Thompson, La.
Brownson	Jonas	Thompson, Mich.
Budge	Jones, N. C.	
Burdick	Kilgore	Tuck
Carlyle	King, Pa.	Utt
Cederberg	Knox	Van Pelt
Chase	Krueger	Van Zandt
Church	Laird	Velde
Clevenger	Landrum	Weaver
Colmer	Long	Wharton
Cooley	Lovre	Whitten
Coon	McCulloch	Wier
Crumpacker	McIntire	Williams, Miss.
Curtis, Mo.	McVey	Williams, N. Y.
Davis, Wis.	Mack, Wash.	Willis
Dies	Mason	Winstead
Dondero	Miller, Nebr.	Withrow
Dorn, S. C.	Mills	

NOT VOTING—33

Barden	Dingell	Mack, Ill.
Bolton, Oliver P.	Doyle	Morrison
	Eberharter	Moulder
Boykin	George	Mumma
Buchanan	Grant	Perkins
Canfield	Green, Pa.	Polk
Chatham	Gubser	Reece, Tenn.
Chudoff	Jackson	Reed, N. Y.
Davidson	James	Rivers
Dawson, Ill.	Kearney	Scherer
Dempsey	Kearns	
Diggs	McGregor	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Polk for, with Mr. Dempsey against.

Mr. Boykin for, with Mr. Moulder against.

Mr. George for, with Mr. Reece of Tennessee against.

Mr. Eberharter for, with Mr. Barden against.

Mr. Davidson for, with Mr. McGregor against.

Mr. Doyle for, with Mr. Scherer against.

General pairs:

Mr. Morrison with Mr. Gubser.

Mr. Dingell with Mr. James.

Mrs. Buchanan with Mr. Jackson.

Mr. Dawson of Illinois with Mr. Kearney.

Mr. Chatham with Mr. Kearns.

Mr. Chudoff with Mr. Reed of New York.

Mr. Green of Pennsylvania with Mr. Mumma.

Mr. Diggs with Mr. Canfield.

Mr. Rivers with Mr. Oliver P. Bolton.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the bill S. 2090, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. RICHARDS, MORGAN, ZABLOCKI, VORYS, and JUDD.

GENERAL LEAVE TO EXTEND REMARKS

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 928. An act for the relief of Eugenio Maida;

H. R. 989. An act for the relief of Dr. Louis J. Sebille;

H. R. 990. An act for the relief of Takako Riu Reich;

H. R. 1111. An act for the relief of Philip Mack;

H. R. 1163. An act for the relief of Lee Houn and Lily Ho Lee Houn;

H. R. 1247. An act for the relief of Carol Brandon (Valtrude Probst);

H. R. 1255. An act for the relief of Ferenc Babothy;

H. R. 1281. An act for the relief of Carlo Nonvenuto;

H. R. 1283. An act for the relief of Olga Joannou Georgulea;

H. R. 1287. An act for the relief of David Mordka Borenstajn, Itta Borenstajn nee Schipper, and Fella Borenstajn Reichlinger;

H. R. 1357. An act for the relief of Chin York Gay;

H. R. 1417. An act for the relief of Charles (Carlos) Gerlicz;

H. R. 1467. An act for the relief of Stijepo Buich;

H. R. 1472. An act for the relief of Victor Manuel Soares De Mendonca;

H. R. 1473. An act for the relief of Eleanore Hauser;

H. R. 1474. An act for the relief of Ross Sherman Trigg;

H. R. 1475. An act for the relief of Wing Chong Chan;

H. R. 1525. An act for the relief of Ardes Albacete Yanez;

H. R. 2470. An act for the relief of T. C. Elliott;

H. R. 2933. An act for the relief of Mrs. Berta Mansergh;

H. R. 3069. An act for the relief of Eufronio D. Espina;

H. R. 3070. An act for the relief of Mrs. Lee Tai Hung Quan and Quan Ah Sang;

H. R. 3075. An act for the relief of Virgil Won (also known as Virgilio Jackson);

H. R. 3194. An act for the relief of E. S. Berney;

H. R. 3271. An act for the relief of John Lloyd Smelcer;

H. R. 6871. An act to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956;

H. R. 6992. An act to extend for 1 year the existing temporary increase in the public debt limit;

H. J. Res. 365. Joint resolution making an additional appropriation for the fiscal year ending June 30, 1955; and

H. J. Res. 366. Joint resolution making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5560. An act relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to a bill of the House of the following title:

H. R. 6239. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes.

H. R. 6042. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate agrees to the House amendments to the Senate amendments Nos. 5 and 33 to the bill H. R. 6042.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 727) entitled "An act to adjust the salaries of the judges of the Municipal Court of Appeals for the District of Columbia, the Municipal Court for the District of Columbia, the Juvenile Court of the District of Columbia, and the District of Columbia Tax Court."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Gov-

ernment," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 55–20.

STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL, 1956

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill H. R. 5502, the State, Justice, and judiciary appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEGISLATIVE APPROPRIATION BILL, 1956

Mr. O'NEILL, from the Committee on Rules, reported the following privileged resolution (H. Res. 294, Rept. No. 1042), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 7117) making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes, all points of order against the bill are hereby waived.

MICHAEL J. BUNKE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, although the event is of particular significance to the Members on my side of the aisle, I would like to call the attention of the House to the retirement today of Michael J. Bunke, manager of telephones in the Republican cloakroom.

For the record, let it be said that according to his own accounting, "Mike" Bunke served as an employee of the Congress for 42 years, 4 months, and 27 days.

This is a career which stretches back to 1913 and includes assignments in both the House and Senate. At one time Mr. Bunke served as clerk of the old Naval Affairs Committee, back in the days when a favorite sport was teasing members of the committee about the "Swiss Navy" under their jurisdiction. I must say times have certainly changed since then.

Mike's service as telephone manager in the Republican cloakroom began 23 years ago.

I think I speak for all of us who have known him when I say that we have found Mike always faithful, dependable, and thoroughly cooperative.

Under his managership we have enjoyed a well-ordered cloakroom that has helped immeasurably to make our own work easier.

I think it is safe to say that there are probably few jobs up here that require more patience, and I think we can all agree that in administering to the varied personalities and temperaments that make up this great body, Mike proved equal to the task.

We have known Mike, too, as a devoted family man, a proud grandfather and a Christian gentleman dedicated to the work of his church.

I do not know what his future plans may be—I understand he hopes to travel around a bit and see some of the country—but whatever they may be, I want to wish "Mike" Bunke well in his retirement.

We will remember him with all kindness, and we hope he comes back here to see us from time to time.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Speaking from the Democratic side, I join with the gentleman from Indiana in paying a proper and a fitting tribute to Mike. He has been a very faithful employee. I met him the other day and he told me of his pending retirement. He is a remarkable gentleman, fine personality, devoted to every Member of the House. We value the organization of the House and those who serve us. He has been one of the most important employees for a long period of time. In his retirement there goes with him not only the expression of respect and appreciation and good wishes from the Republican side but also from the Democratic side.

Mr. HALLECK. I thank the gentleman.

Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. REED of Illinois. Mr. Speaker, I, too, wish to say a word of commendation of the services rendered for so many years to Members of Congress, past and present by Mr. Michael J. Bunke. As the gentleman from Indiana [Mr. HALLECK] has said he served as an accommodating and faithful employee in various positions of trust in the legislative branch of our Government for 42 years—from the 63d Congress until the 84th Congress. Mr. Bunke's legal residence is within the district I represent. I have known him intimately for 21 years. I met him for the first time on the day I appeared on this floor to take my oath as a Member of the 74th Congress. He had then been here as long as my present service. He immediately "took me under his wing" so to speak, and advised and counseled with me concerning the many intricacies that bewilder a freshman Congressman. He spared neither time nor energy in so doing, and I shall forever be grateful to him. During my years as a Member, I could not refrain from noticing that in the performance of his duties as manager of the telephones in the Republican cloakroom, the genuine courtesies and pleasant manner which he accorded the Members, the officers, and employees of the House, and the boys who worked under him and whom he directed. He was always loyal to the officers under whose direction he worked. Perhaps he exercised untold wisdom in retiring at the present time while his health is good and he can look forward to many years of enjoyment with his wife and with his son and two daughters and their families. He told me he and Mrs. Bunke expect to do some traveling in the immediate future, just where, I am but partially informed, but wherever they go, they will take with them the best wishes of their many congressional friends, who know that he has performed a difficult task well, has earned his retirement and who trust that he will enjoy it for many years to come.

A TRIBUTE TO HERBERT HOOVER

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Speaker, today the Commission on Organization of the Executive Branch of the Government expires. The Honorable Herbert Hoover, the remarkable Chairman of the Commission, has indicated that the conclusion of this work will also mark his retirement from public life. Mr. Hoover has completed over 41 years of dedicated public service, and he is most assuredly one of the greatest men this country has ever produced. The nature and magnitude of his work over his lifetime clearly warrants that today we pause from our work and devote a few moments to reflect on his devoted life and many accomplishments.

No one here can organize words into any statement which would do justice to the great Herbert Hoover. His true character can only be appreciated and felt—it cannot be expressed in words. His background is remarkable. It is unnecessary and would take far too long today to enumerate his interests and accomplishments, but it is only proper to call attention to some of the milestones in the development of this great patriot and humanitarian.

Born into the Quaker faith in a 1-story, 3-room cottage in West Branch, Iowa, on August 10, 1874, Herbert Hoover was raised with a strong feeling of integrity, education, thrift, and individual enterprise. His father died when Herbert was 6, and his mother died when he was 8, after taking in sewing to save the $1,000 insurance upon his father's life to help in the children's education. Thereafter, Herbert lived with relatives, first on a farm and then in a small town. The farm was not only a farm but all kinds of factories, and the social security was in the form of a celler filled every fall with bins and jars and barrels.

The farm economic system absolutely denied collective bargaining to small boys—

Mr. Hoover remarks in his wonderful memoirs.

The prevailing rate for picking potato bugs was 1 cent a hundred and if you wanted firecrackers on the Fourth of July you took it or left it.

Later Mr. Hoover moved to Oregon, where he lived until entering Stanford

University with the first class. He took various jobs and established various enterprises which enabled him to graduate with an engineering degree, and $40 in his pocket.

About this time a poem was written by Rudyard Kipling, entitled "If," which provides an excellent measure of what makes a man of good character.

These lines help us to gain an insight into the great character of Herbert Hoover:

If you can keep your head when all about you
Are losing theirs and blaming it on you;
If you can trust yourself when all men doubt you,
But make allowance for their doubting too;
If you can wait and not be tired by waiting,
Or being lied about, don't deal in lies,
Or being hated don't give way to hating,
And yet don't look too good, nor talk too wise:
If you can dream—and not make dreams your master;
If you can think—and not make thoughts your aim,
If you can meet with triumph and disaster
And treat those two imposters just the same;
If you can bear to hear the truth you've spoken
Twisted by knaves to make a trap for fools,
Or watch the things you gave your life to, broken,
And stoop and build 'em up with worn-out tools:
If you can make one heap of all your winnings
And risk it on one turn of pitch-and-toss,
And lose, and start again at your beginnings
And never breathe a word about your loss;
If you can force your heart and nerve and sinew
To serve your turn long after they are gone,
And so hold on when there is nothing in you
Except the will which says to them: "Hold on!"
If you can talk with crowds and keep your virtue,
Or walk with kings—nor lose the common touch,
If neither foes nor loving friends can hurt you,
If all men count with you, but none too much;
If you can fill the unforgiving minute
With sixty seconds' worth of distance run,
Yours is the Earth and everything that's in it,
And—which is more—you'll be a man, my son.

Herbert Hoover has lived up to this measure of a man, and more, and while under the worst of circumstances.

His accomplishments in private life were great. By 1914 he had traveled many times all over the world, was probably the most respected mining engineer in the world, and had earned a personal fortune. World War I intervened at this point. The Belgians were starving under enemy occupation, and an appeal was made for Herbert Hoover to organize from nowhere a Belgian Relief Organization which feed the Belgian people in the midst of war and against terrible conditions. Nothing like it had ever been undertaken before. It is with a great deal of emotion that one reads his remarks on page 148 of his memoirs, where he says, "I did not realize it at the moment, but on Monday, August 3d, my engineering career was over forever. I was on the slippery road of public life."

Since that day Herbert Hoover has given unsparingly of his time, his energy, his wisdom, and his personal fortune. His only desire has been to be of service—to help make the world a better place in which to live. His contributions are so many and varied that their extent and importance can only be realized by study.

Herbert Hoover is a living example to every human being of what is good in the nature of men.

The citizens of this country and the Congress cannot begin to repay Herbert Hoover for his long years of service without reward. But the least the Congress can do on this day of his retirement is to give some recognition to Herbert Hoover for his long years of selfless service by passing the following resolution:

Whereas the Honorable Herbert Hoover is concluding over 4 decades of dedicated public service without accepting any salary for personal use at any time, and

Whereas he has raised a new high standard of tolerance and high moral character, and

Whereas he has given unsparingly of his wisdom and energy to make the world a better place in which to live, and

Whereas his inspiring and effective leadership in the reorganization of the Executive Branch of the Government has been particularly unusual and invaluable to the Congress and to the American people, and

Whereas the nature and magnitude of his work have been so great as to merit extremely rare attention: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress hereby extends its wholehearted feeling of gratitude and expresses the appreciation of the citizens of this country to the Honorable Herbert Hoover for his invaluable and selfless service toward the betterment of mankind.

Mr. Speaker, I ask unanimous consent that all Members who so desire may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

VETERANS' ADMINISTRATION HOSPITAL SITE, TOLEDO, OHIO

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the bill H. R. 7007 be re-referred from the Committee on Interstate and Foreign Commerce to the Committee on Government Operations.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SPECIAL ORDER GRANTED

Mr. WILLIAMS of New Jersey. Mr. Speaker, I ask unanimous consent that the special order granted me for today be vacated, and that I may address the House for 30 minutes on Wednesday next following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

RESOLUTIONS ADOPTED BY WESTERN ASSOCIATION OF STATE GAME AND FISH COMMISSIONERS

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, under leave to revise and extend my remarks, I wish to insert in the RECORD the resolutions adopted by the Western Association of State Game and Fish Commissioners at their 35th annual conference at Moran, Wyo., on June 18, 1955. I want to call special attention to the Members to Resolution No. 8. The resolutions follow:

Resolution 1

(Unappropriated balance of Pittman-Robertson fund)

Whereas there is an unappropriated balance in the United States Treasury of $13,467,468.71 in the special fund known as the Federal Aid in Wildlife Restoration Fund under the provisions of the Pittman-Robertson Act of 1937; and

Whereas there is an urgent need for utilization of these funds in development of wildlife projects within the States; and

Whereas there is now a bill pending in the lower House of Congress, namely the Boykin bill, H. R. 6502, which provides for allocation of this unappropriated balance to the States under a formula similar to that in the Pittman-Robertson Act; and

Whereas this proposed measure also makes provision for management of wildlife resources; and

Whereas there is widespread support and need for this legislation: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commisioners does hereby urge the House Merchant Marine and Fisheries Committee to give favorable consideration to passage of H. R. 6502. However, this association wishes to go on record as preferring the deletion of the 30-percent limitation on management funds that is proposed in this measure.

Resolution 2

(Funds for browse research)

Whereas there is continuing and urgent need to conduct research on methods and means of revegetating browse on ranges in the Western States; and

Whereas the Congress has appropriated funds for forestry research in general, but has failed to budget funds specifically for browse research: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners commends the action of the Congress in appropriating such forest research funds; and be it further

Resolved, That this association does hereby request that the Congress appropriate research funds for a study of methods and means of revegetating the western ranges with browse species; and be it further

Resolved, That the United States Forest Service be commended on research already conducted along these lines in cooperation with the several States.

Resolution 3

(Browse revegetation committee)

Whereas in accordance with Resolution No. 8 of the 33d annual conference and Resolution No. 9 of the 34th annual conference of the Western Association of State Game and Fish Commissioners, which established a browse revegetation committee with instructions to make a report governing information and facts at hand, and the desirability of further exchange of methods and information regarding browse rehabilitation; and

Whereas after detailed study by the committee, it is the unanimous opinion of the committee that a coordinated program for furthering browse revegetation be formulated and adopted: Now, therefore, be it

Resolved, by the Western Association of State Game and Fish Commissioners, That the Browse Revegetation Committee continue as an active committee; and be it further

Resolved, That the committee continue to act as a clearing house for information on browse research and to coordinate the efforts of the several States with similar efforts of the United States Forest Service and any other public agencies conducting similar studies.

Resolution 4

(Funds for recreational use of national forests)

Whereas the recreational use of National forests of the west continues to grow in keeping with increased population of the Nation and increased leisure; and

Whereas many national forests are presently in urgent need of recreational facilities including but not limited to camp ground and sanitation facilities, and wildlife habitat development; and

Whereas funds for the development of the aforesaid recreational facilities are almost entirely lacking: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners does hereby petition Congress to hasten action on some type of legislation which would make available to the Forest Service funds for recreational improvement and upkeep and wildlife habitat development.

Resolution 5

(Mining laws)

Whereas during the past few years there has developed a tremendously increased activity in the filing of mining claims for legitimate mining purposes and for the private acquisition of public lands under the guise of legitimate mining; and

Whereas such activity has proceeded in a fashion which ignores the recreational interests of the general public on public lands; and

Whereas such exploitation if allowed to continue in its present haphazard fashion can virtually eliminate the public from hunting and fishing on said public lands and destroy important surface values which are essential to watersheds and fish and wildlife: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners does hereby urge Congress to give favorable consideration to immediate passage of the Anderson bill, S. 1713, and the Rogers bill, H. R. 5891, which would correct many of the present evils of existing laws dealing with the filing of mining claims.

Resolution 6

(Management of game on Federal lands)

Whereas there is a distinct need for Congress to define the authority to manage game and fish on all federally owned or controlled lands; and

Whereas the Department of Defense has in many instances failed to cooperate with the States in the management of game and fish on military reservations: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners strongly urges Congress to enact legislation as follows:

That State game and fish laws, rules, and regulations on resident game and fish apply to all federally owned or controlled lands;

That State game and fish laws, rules, and regulations apply to all military reservations consistent with necessary security measures established for such areas; and be it further

Resolved, That the western association is strongly opposed to H. R. 5442 introduced by Congressman SIKES, of Florida, vesting State game and fish management authority in the Secretary of Defense for the administration of wildlife resources on military reservations.

Resolution 7

(Protesting the disposal of Bankhead-Jones lands)

Whereas the Federal Government has indicated an intention to dispose of all lands acquired under the Bankhead-Jones Title III Act; and

Whereas these lands are principally submarginal suitable for grazing and wildlife only: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners goes on record as strongly recommending that these lands be retained in Federal ownership or leased to the appropriate game and fish agencies for wildlife purposes.

Resolution 8

(Acquisition of Federal waterfowl lands)

Whereas the waterfowl refuge program as recommended by the President's committee of 1934 is less than half completed; and

Whereas the duck stamp funds, although originally intended in large measure for the acquisition of lands for waterfowl management purposes, have not been adequately expended in this direction; and

Whereas the increasing demand for such lands coupled with their decreasing availability makes their immediate acquisition of utmost urgency: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners does hereby urge the Congress to give favorable consideration to passage of a measure designed to require that 40 percent of duck-stamp receipts be expended for waterfowl land acquisition. Such provisions are contained in H. R. 37 (ENGLE); H. R. 597 (YOUNG); H. R. 2142 (JOHNSON); H. R. 4448 (MOSS); and H. R. 5140 (REUSS).

Resolution 9

(Harvest of game on Federal refuges)

Whereas harvestable surpluses of waterfowl, big game, and upland game continue to exist on federally owned and operated game refuges; and

Whereas the need to manage properly these resources includes a program for orderly harvest; and

Whereas the United States Fish and Wildlife Service has given recognition to this problem in recent years: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners does hereby commend the United States Fish and Wildlife Service on its attitude regarding the regulated harvest of such game species in a manner compatible with the long-range needs of the species involved; and be it further

Resolved, That the association does hereby urge the United States Fish and Wildlife Service to give continued study and action leading to public hunting in cooperation with the States on all areas where a regulated harvest would be in the long-range interest of conservation.

Resolution 10

(Amendments to Coordination Act)

Whereas the need exists to integrate more closely wildlife conservation programs of State and Federal jurisdictions with water resource developments in order to prevent loss of or damage to wildlife resources: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners does hereby urge Congress to give favorable consideration to a proposed measure to amend the Coordination Act of 1946 (Public Law 732, 79th Cong.) which embodies substantially the following provisions:

(1) The integration of wildlife conservation programs with water resource development, and

(2) To prevent loss to wildlife resources, the integration of these programs should consider the enhancement of wildlife, and

(3) That the reports of the Fish and Wildlife Service on these programs be made an integral part of the report that goes to the Congress from the Corps of Engineers, and

(4) That the provisions of this act as it is prepared to be amended shall apply to all projects heretofore authorized for which no appropriations have been made, or actual construction thereon started.

Resolution 11

(Public ownership of forest lands in Arizona)

Whereas 98,000 acres of land in the Coconino and Sitgreaves National Forests of Arizona have been granted to the Azetec Land & Cattle Co. by the Supreme Court of the United States; and

Whereas this land has in the past been considered public land administered by the United States Forest Service; and

Whereas this land is choice timber land included in the sustained yield program of timber harvest of the Forest Service; and

Whereas this land is also some of the best deer, turkey, and elk range in Arizona; and

Whereas Congress has indicated an intention to purchase this land to restore to public ownership: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners goes on record as favoring the immediate enactment of S. 55 which would restore these valuable lands to public ownership.

Resolution 12

(Amendments to the Withdrawal Act and the Federal Power Act)

Whereas the Federal Power Act and the Withdrawal Act cited as Power Site Reserve No. 66 created December 30, 1909, by Executive order of the Secretary of the Interior dated July 2, 1910, under the act of Congress June 25, 1910 (36 Stat. 847), authorizes the Federal Power Commission to issue licenses for the construction of hydropower facilities in important river systems of the Western States without authorization from the States; and

Whereas a recent Supreme Court decision sustains the right of the Federal Power Commission to issue permits for the construction of facilities upon streams wholly within one State and with disregard to State authorization; and

Whereas the rivers of the Western States produce many values all of which must be protected and developed in a balanced and integrated pattern for maximum value; and

Whereas disregard for sovereign State rights with respect to development of resources wholly within their boundaries places

both established developments related to stream utilization as well as all future resource protection and development in jeopardy, and is in conflict with all traditional procedures and safeguards relating to instate waters: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners does hereby urge the United States Congress to give immediate attention to amending the Federal Power Act and the Withdrawal Act in a manner that will require the Federal Power Commission to first secure the approval, authorization, and permit of the State through appropriate license before a Federal license and permit may be issued for the construction of facilities in streams falling wholly within the boundaries of one State.

Resolution 13

(Commending Wyoming hospitality)

Whereas the 35th annual conference of the Western Association of State Game and Fish Commissioners has been outstanding in furthering the goals of the association; and

Whereas the setting of this conference in the scenic beauty of the Grand Teton Range of Wyoming has inspired those in attendance to greater efforts in conservation; and

Whereas President Lester Bagley, members of the Wyoming Game and Fish Commission, and the personnel of the Wyoming Game and Fish department have labored long and hard to assure the success of the conference; and

Whereas the sportsmen and businessmen of Wyoming, and the personnel of the Jackson Lake Lodge have proven themselves most gracious hosts: Now, therefore, be it

Resolved, That the Western Association of State Game and Fish Commissioners does hereby go on record as thanking their Wyoming hosts for an outstanding meeting, and for their fine efforts to furnish hospitality to one and all in attendance.

SCHOOL CONSTRUCTION

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that the Subcommittee on School Construction may sit tomorrow during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HOUSE JOINT RESOLUTION 330

Mr. MOSS. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. HOFFMAN] be permitted to file additional views as part 2, Report No. 998, on House Joint Resolution 330.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

OUR ESTEEMED COLLEAGUE—CONGRESSWOMAN ROGERS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am greatly honored to join my colleagues of the House in extending heartiest congratulations to our esteemed and beloved colleague and friend, the gracious gentlewoman from Massachusetts [Mrs. ROGERS], upon the 30th anniversary of her membership in this distinguished body.

Mrs. ROGERS has been an outstanding representative of her people. More than that, she is an outstanding American. Her faithful, able service throughout many long years is indeed an enduring monument. Her painstaking work, unflinching devotion to humane causes, particularly her profound interest and unselfish labors for our veterans have made a deep impression upon everyone familiar with her career and have been greatly appreciated by her constituents, the veterans and their dependents, and the people.

Congresswoman ROGERS represents one of the neighboring districts to mine in our great Bay State. I admire her as a public servant and cherish her as a friend. She may well be proud of her sterling work in the Congress and I wholeheartedly share the sentiments expressed universally in this body that she may have many more years of effective, patriotic service and many more years of satisfaction and happiness in the knowledge of tasks sincerely approached and conscientiously and ably achieved. To my friend Mrs. ROGERS, many happy returns of the day.

KOSHARE INDIAN DANCERS

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, it is with great pleasure that I announce to the House that we have as our guests in the gallery today the nationally famous Koshare Indian Dancers of La Junta, Colo. These boys are members of Explorer Post, 2230, Boy Scouts of America.

These boys are making a 3-week trip across the country and gave a thrilling performance last night at the George Washington High School Stadium in Alexandria, Va., under the sponsorship of the Kena Shrine Temple. The boys will dance again tonight and tomorrow night. I can assure my colleagues that they put on a show that is well worth seeing, and I hope that many of you may enjoy that pleasure.

Twenty years ago this Boy Scout troop in La Junta, Colo., took up the study of Indian lore under the direction of their scoutmaster, J. F. (Buck) Burshears. No other group in America has become so proficient in the re-creation of Indian dances. These boys have Indian costumes worth thousands of dollars. They have erected a kiva in La Junta, which contains Indian relics and pictures of great value.

I am indeed happy that these boys can visit Washington and see our historic shrines. There are 39 boys in the party. I want to welcome them and Mr. Burshears and his assistant advisers. I wish the Koshare Indian Dancers continued success and a most pleasant trip.

RETIREMENT OF MIKE BUNKE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I should merely like to add my tribute to those already paid Mike Bunke, who was in charge of the telephones in the cloakroom. To my mind, his service was perfect. He never failed to be great in everything he undertook. All of us know that sometimes prompt telephone service is a matter of life and frequently means hundreds of dollars in contracts for people here and all over the country.

He was a man of great character, a great Christian. He shared our joys and our sorrows.

SPECIAL ORDERS GRANTED

Mr. PATMAN asked and was given permission to address the House for 30 minutes today following the legislative program and any special orders heretofore agreed to; and to address the House for 15 minutes tomorrow following the legislative program and any other special orders heretofore entered, and to revise and extend his remarks and include extraneous matter.

PERMISSION TO RECEIVE MESSAGES AND SIGN ENROLLED BILLS, ETC.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until tomorrow, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and found to be truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to ask the gentleman from Massachusetts if it is proposed to hold a Saturday session? Our whip notice this morning indicated a Saturday session.

Mr. McCORMACK. If we dispose of the business on the program for tomorrow, there will be no necessity for a Saturday session.

Mr. GROSS. May I ask what is the business tomorrow—the Reserve training bill?

Mr. McCORMACK. The business tomorrow will be the conference report on the appropriation bill for the State and Justice Departments, and the Judi-

ciary; then the Military Manpower Reserve Act, and the legislative appropriation bill.

Mr. GROSS. The only point I am making is that if we cannot complete the business tomorrow, there is not much point in coming in at 11 o'clock in the morning. But if there is that possibility, that is different.

Mr. McCORMACK. I can assure the gentleman that my asking that the House come in tomorrow at 11 o'clock is with the expectation that we will complete the business tomorrow.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HARRY AGGANIS, STAR FIRST BASEMAN OF THE BOSTON RED SOX, HAS MOVED UP TO THE ELYSIAN FIELDS

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, a fine, young American baseball player and a star, both on and off the diamond, has been called to the highest league of all, where human beings who played the game of life with honor find immortality in the paradise that was called the Elysian fields by his Greek ancestors.

Harry Agganis became a national football hero while playing for Boston University.

He served his country as a member of the United States Marine Corps.

After only 1 year in the minor league he won the position of first baseman on the hustling major league team that is known as the Boston Red Sox.

And then, so suddenly that the shock of which will always be remembered, this promising young athlete in the prime of life was taken from us.

The doctors in attendance tell us that he was the victim of a massive embolism.

That was the physical explanation, official, like the hits, and runs, and errors that tell us the final score of a game, but failed to reveal the courage and competitive spirit that make a man give more than his best.

From sandlot baseball, through high school and college, and into the professional ranks, Harry Agganis played hard and clean, determined to be a credit to himself and to the sport in which he excelled.

He was always in there trying, in victory or defeat.

Harry Agganis left a sick bed too soon, in order to rejoin the team that needed him.

It was characteristic that he would never admit this to others, or to himself, for when the umpire called, "play ball" Harry knew that his duty was out on the field helping his teammates with all of his skill, and effort, and enthusiasm.

Such was his courage, that was stronger than life itself.

Devoted to his mother, his church, his country, and to our national sport, he was in every way an "all American" young man.

The family home is in Lynn, Mass., which is part of the district which I represent.

Thousands of friends in his city and in his State mourn for him.

So will millions of others throughout the Nation who saw this exemplary young man play in St. Louis, Chicago, New York, and Washington or who became his fans through the medium of radio, television, and the sports columns of our newspapers.

Harry Agganis is dead, but the great heart that was his lives on in the memory of grownups who admire good sportsmanship and in the plays of his teammates.

Above all it will inspire every "little leaguer" in the country to become the good citizen and the model ballplayer that he was.

To his mother and to his brothers and sisters we offer this consolation: Harry Agganis in his few years on earth lived a life to be proud of.

TRIBUTE TO SILLIMAN EVANS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, It is hard to believe that Silliman Evans is dead. Almost more than anyone I ever knew, he has seemed to me the very embodiment of life. He was a man of the fullest vigor and joviality and warmth—a most pleasant companion, a stanch friend, a formidable enemy. Whatever he undertook to do, you could count upon his sticking to it until he succeeded, whether in the newspaper business, which was his real life's work, or in the fields of politics, aviation, and insurance, in which he made highly successful ventures at certain periods of his career.

Silliman Evans was a newspaperman from the beginning—printer's apprentice at 12, and then, for various papers, reporter, editor, political writer, and finally publisher of the Nashville Tennessean, from 1937 until his death last Saturday night. Through his life, Silliman Evans was the devoted friend of Amon G. Carter, publisher of the Fort Worth Star-Telegram, a friendship memorialized by the name of one of his two sons, Amon Carter Evans. It is sad, though fitting, that Evans should have died only a few hours after returning from the funeral of his friend Amon Carter. They were twin giants of the newspaper field in the South, and it seems more than coincidental that two such peaks should disappear from the horizon simultaneously. It will be long before the place of either can be adequately filled.

For me, as for many, the death of Silliman Evans is a deep personal loss. His wife, his two sons, his brother and sister, his granddaughter, are the central group of an enormous throng who sincerely mourn the passing of this great man.

RECENT DEVELOPMENTS IN THE JUGGLING ACT OF THE CREDIT CONTROLLERS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I predicted on the defeat of House Resolution 210, a proposal to study the Federal Open Market Committee's role in windfall securities profits, that the stage was being set for another round of windfall profits for the big banks. I am inserting in the RECORD an article from the Wall Street Journal, Thursday, June 30, 1955, entitled "Juggling Act—Credit Controllers Gird for What May Be Their Most Complex Performance in Years."

This article seeks to explain the alleged difficulties that the Federal Reserve faces in the coming 6 months in meeting the credit requirements of an expanding economy and the needs of the United States Treasury. The reason why the task is made to seem so complex is because a rationale must be provided for the further enrichment of the bankers, monopolists, and speculators, while the farmer, the small-business man, and the laborer are put through the wringer again.

The prospective shortage of bank reserves and the scarcity of short-term securities for purchases by the Federal Reserve and others who require them, which is mentioned in the article, is a contrived shortage. It reflects the careful planning of the Federal Reserve and the Treasury. The blueprint for these shortages have been spelled out time and time again in speeches by the top Treasury and Federal Reserve officials. Both Secretary Humphrey and Under Secretary Burgess have said repeatedly since they assumed control at the Treasury that the Federal debt was overloaded with too many short-dated issues. The overriding objective has been to lengthen the maturity of the Federal debt—despite the clear-cut evidence that more liquidity was demanded by holders of these securities—not less. This policy was not a reflection of the inability of these two astute and capable officials to assess what type of issues investors wanted, rather it was necessary in order to carry out the hard money policy. The situation at present is that the Federal Open Market Committee is unable to purchase Treasury bills in the open market and thereby provide the banking system with needed reserves. As a consequence, the Treasury is more firmly in the saddle today than it was in the balmiest day before the accord bestowed independence upon the Federal Reserve. In order for the Federal Reserve to carry out its so-called bills only policy it must rely upon the Treasury to increase the supply of bills. This the Treasury is doing grudgingly and sparingly.

At this point in the RECORD I am inserting Treasury Release H–838 dated Monday, June 27, 1955:

[H–838]

TREASURY DEPARTMENT,
Washington, D. C.

The Treasury announced that as part of its current plans for raising new cash for its seasonal needs in the fiscal year beginning July 1 it will increase the weekly issue of Treasury bills to be dated July 7 by $100 million to $1,600,000,000. Tenders for these bills will be opened on Friday, July 1, because of the Monday, July 4, holiday. There are $1,501,000,000 of Treasury bills which mature on July 7.

It is expected that details of further financing will be announced during the week beginning July 4.

I wish to call attention to the fact that the Treasury is doing the reverse of what Secretary Humphrey and Under Secretary Burgess said should be done with respect to the composition of the Federal debt. The Treasury is, however, niggardly increasing the amount of the shortest term Treasury issues, 90-day bills.

Mr. Speaker, why are the banks short of reserves? The banks are short of reserves not because of any unusual increase in the demand for credit but rather because of the planned policy of the Federal Reserve to keep the banking system short of reserves, and make them come to the Federal Reserve banks to borrow when they need to meet increased demands for credit. Let me quote from the Annual Report of Board of Governors Federal Reserve System for the year 1954:

Bank reserve positions became somewhat less easy in late November and December. Reserve funds from system purchases of Treasury bills in the market and under repurchase agreements with dealers and from the year-end expansion of float, fell somewhat short of the amounts needed for a larger than usual growth in required reserves and currency in circulation. Banks found it necessary to reduce excess reserves somewhat and to increase their borrowings from reserve banks (p. 30).

This policy of keeping member banks short of reserves and in debt to the Reserve banks has not been varied in the first half of this year. The Federal Open Market Account has reduced its holdings of United States Government securities by about $1.5 billion since the end of 1954. These securities form the basis of member bank reserves. Mainly as a result of a reduction of money in circulation and a drawing down of Treasury balances at Federal Reserve banks member bank reserves were reduced only slightly. However with a prospective seasonal increase in the demand for credit and currency the banking system faces a tightening up on available reserves.

How will the money managers go about meeting this situation? There are a number of ways to do it. First, the Treasury could sell securities directly to the Federal Reserve banks. In this way member banks would be supplied with necessary reserves and the Treasury would be able to do its borrowing at a minimum interest cost and without competing with private borrowers in the market. About 90 percent of the interest which the Treasury pays to the Federal Reserve banks will be returnable.

Another way is for the Federal Open Market Committee to buy bonds or other available Treasury securities in the open market. This will supply needed reserves and will also help keep interest rates stable.

INFLATION BUGABOO

Mr. Speaker, I doubt whether either of these alternative ways of meeting the credit situation will be used. They will be rejected on the alleged grounds that they will cause inflation. The inflation bugaboo has been peddled for 3 years. Every time the bankers wanted to get another boost in interest rates they drag out the inflation sign and start waving it.

Ask the farmer whether we have inflation. The farm parity ratio is at 87 at the lowest point in the postwar. Ask the 2.5 million unemployed whether we have inflation. Ask the textile worker, the coal miner, the railroad worker, the auto worker at American Motors, at Studebaker, whether we have inflation. Ask the workers in the communications and electrical industries who are being displaced by the thousands through automation whether we have inflation. Ask the thousands of small independent businesses throughout the country whether there is too much purchasing power that is threatening to bring on inflation?

The answer you will get is that inflationary scares have been convenient excuses thought up by the credit controllers to justify policies that benefit monopolists and bankers.

Mr. Speaker, I now call attention to this third possibility of meeting the banks reserve requirements. It is included in the article from the Wall Street Journal that I have inserted in the RECORD.

Lowering reserve requirements, on the other hand, could provide ample credit; bankers figure a reduction of just 1 percentage point would free about $1 billion of bank reserves. The question here is whether it might release too much credit too generally. Says one financial man: "By lowering reserve requirements, officials would be using a blunderbuss, scattering reserves to all banks regardless of needs." (NOTE. Banks can employ excess reserves by investing in Government securities, thereby making the Treasury's borrowing task easier and cheaper.)

In view of the advantages and disadvantages of the individual methods, some bankers think a combined operation might be more suitable to the months ahead. For example, the authorities might lower reserve requirements, and at the same time raise—not lower—the 1¾-percent rediscount rate to 2 percent in order to make member bank borrowing more costly, and sell—not buy—securities in the market to mop up any excess funds.

I could not describe this more succinctly than the way in which the article describes this prospective operation:

Such is the complexity of the Reserve authorities' juggling and balancing act.

[From the Wall Street Journal of June 30, 1955]

JUGGLING ACT—CREDIT CONTROLLERS GIRD FOR WHAT MAY BE THEIR MOST COMPLEX PERFORMANCE IN YEARS

(By George E. Cruikshank)

Federal credit controllers are about to begin a gigantic juggling and balancing act which may well be their toughest in years.

In the half year starting tomorrow the policymakers in the gleaming Federal Reserve Board building on Washington's Constitution Avenue will be trying to see to it that the Nation's banks have enough funds to meet all legitimate demands for credit in a fast-expanding economy. At the same time they will be trying not to pump so much credit that inflationary pressures will get out of hand.

The Reserve authorities are not, of course, the sole determiners of the state of business and the stability of prices. The Government's budget and tax policies, the current round of wage increases and the attitudes of businessmen and consumers about economic prospects will play a big role, not to mention the possible effect of any change in the temperature of the cold war. All the same, Federal Reserve money and credit policies will influence the business pace, employment and the cost of a wide variety of consumer items from food to home furnishings.

The Federal Reserve usually has to increase credit at this time of year to supply the funds necessary to meet the seasonal upsurge in demand for loans by business, consumers and Uncle Sam. What makes the officials' task this time unusually tricky is that credit demand will be at—or near—record levels at a time when the economy is bouncing along at new highs. By way of contrast, when the Federal Reserve pumped up the money supply about this time in 1953 the business pace was beginning to turn down; by this time last year it had already slowed considerably.

UPSURGE IN LOANS

Farmers and processors normally boost their borrowings in the second half of the calendar year as they finance crop movements—everything from canning tomatoes to grinding wheat. Businessmen start borrowing to build up inventories for the fall and Christmas trade. But in the final 6 months of this year, bankers expect commercial, industrial, and agricultural loans to rise 10 percent above year-ago levels. Spending for new plants and equipment is due to go up between July and December. Consumers presumably will continue trotting to lenders' windows for the wherewithal to finance durable goods purchases such as autos, TV sets, and appliances.

And on top of all this must be piled the needs of the United States Treasury. Secretary Humphrey must borrow somewhere between $8 billion and $10 billion in cash between now and the end of the calendar year. He must also peddle new securities to replace some $20 billion of issues maturing in August and December.

The huge financing chores of the Treasury, added to the impending bulge in private demand for credit, would place a severe strain on the Nation's supply of loanable funds if the Federal Reserve did not inject new funds into the market. Money-market experts estimate the Federal Reserve must build up private commercial bank reserves by some $2 billion in the second half of this year. Such an increase in bank reserves would provide the basis for a potential increase in the money supply of $10 billion to $12 billion.

The authorities can pump out this credit in any of three ways, singly or in combination. They can buy Government securities in the open market; they can encourage

banks to increase their borrowings from the central bank; they can lower the amount of funds banks must keep in reserve to back up their deposits.

By law, member banks of the Federal Reserve System are required to keep in a Reserve bank funds equal in amount to a fixed percentage of the deposits they owe their customers. The higher the level of the reserves required the lower—in effect—the amount of loans a bank can make. By lowering the reserve requirements, therefore, the Federal Reserve Board could supply the banking system with additional reserves against which to make loans.

Federal Reserve purchases of Government securities in the open market would also boost bank reserves. The system buys the securities from a dealer, paying for them with a check. The dealer deposits the check in his bank, which sends it to a Reserve bank, which in turn credits the account of the dealer's bank with the amount of the check, thus increasing that bank's reserves and enabling it to make more loans.

The third method of supplying funds to the banks—encouraging loans to member banks—could be accomplished by lowering the charge on such loans, the so-called rediscount rate, now at 1¾ percent.

WHERE EXPERTS DIFFER

Which of these methods fits the Federal Reserve's problem of maintaining a delicate balance between adequate credit and an inflationary excess of credit in the next 6 months? It is impossible, of course, to predict what the Reserve officials actually will do; even bankers and other financial experts differ over the likely moves. But it is possible to consider some of the factors that must enter into decisions for or against the use of these tools in this kind of situation.

Cutting the rediscount rate, for example, is a tool of limited impact, because of the banks' apathy toward incurring large amounts of debt for any extended period of time. By itself it could not supply the volume of credit it is thought the Federal Reserve will want to pump out between now and the end of the year.

Some money market men see in recent Treasury announcements a suggestion that the Federal Reserve will use open market operations. On Monday night, the Treasury said it will increase its sale of 90-day bills—the securities the Federal Reserve concentrates on in its purchases—by $100 million over the regular $1.5 billion weekly "rollover" sale. This would make it easier for the Reserve officials to buy a sufficient quantity of bills to build up bank reserves substantially.

Even so, it is a question whether there would be enough short-term bills available for the Reserve authorities to buy, in view of the expectation that something like $2 billion of additional credit may be furnished. Before the Treasury announcement, banks in New York and Chicago, the big money centers, held only about $1 billion of Treasury bills out of the $19.5 billion outstanding.

FINANCIAL BLUNDERBUSS

Lowering reserve requirements, on the other hand, could provide ample credit; bankers figure a reduction of just 1 percentage point would free about $1 billion of bank reserves. The question here is whether it might release too much credit too generally. Says one financial man: "By lowering reserve requirements, officials would be using blunderbuss, scattering reserves to all banks regardless of need."

In view of the advantages and disadvantages of the individual methods, some bankers think a combined operation might be more suitable to the months ahead. For example, the authorities might lower reserve requirements, and at the same time raise—not lower—the 1¾ percent rediscount rate to 2 percent in order to make member bank borrowing more costly, and sell—not buy—securities in the market to mop up any excess funds.

Such is the complexity of the Reserve authorities' juggling and balancing act. If it is not to prove a painful flop, it will require not only skill in the weeks and months ahead, but also a certain amount of luck.

Mr. Speaker such an operation would be the greatest bonanza for the bankers and speculators in Government securities we have ever witnessed. The rediscount rate is the keystone to the whole structure of interest rates in the money market. Increase the rediscount rate and all other rates move up. Combine an increase in the rediscount rate with a policy of dumping Government's on the market and you put further pressure on the interest rate structure by depressing securities prices, thereby increasing their yields. Such a policy cannot help but also affect stock prices, mortgages, and the value of all other capital assets. This policy, if adopted, will surely set off an interest rate spiral. It will bring on a recession. It will insure that round of windfall profits predicted was being planned by stimulating wild gyrations in the prices of Treasury securities.

Mr. Speaker, the groundwork for this all-out campaign to give the lenders a second round is being carefully laid out. I call attention to the following article in the Christian Science Monitor Wednesday, June 29, 1955, entitled "Will Big Credit Demand Push Up Money Rates?" I ask that I be given permission to insert this article in the RECORD. I call attention to the statement at the end of the article:

And there are those who think the business boom needs to meet some restraint, such as higher reserve requirements or a rediscount rate rise.

Meanwhile the banks have not been idle. I ask permission to insert the following article, Banks Raise Rate on Brokers Loans, from the New York Times of June 30, 1955. Mr. Speaker, I call attention to the significance of this increase in the rate charged to brokers and dealers on loans to carry securities. The article says:

The action will not affect the rate on loans to brokers to finance margin buying by their customers.

Only the rate to brokers and dealers borrowing to buy on their own account is being increased. So it will not affect margin trading by individuals. However, it is of interest to note that this increase was seized upon by some bankers to again send up a trial balloon for increasing the so-called "prime" interest rate from its present level of 3 percent to the 3½ percent rate which kicked off the 1953 interest rate spiral.

In this connection it is well known that the New York banks have in fact been unofficially increasing their interest rate to borrowers with the highest credit ratings since early this spring. I call attention to the following article from the New York Journal of Commerce for Monday, June 27, 1955, titled: "Profits of Big Banks Head for All Time High." The author of this article, Mr. Ed Tyng, banking editor of the Journal of Commerce, points out:

Profits of the Nation's larger banks are likely to reach an all-time high for the quarter- and half-year ended June 30. An unusual combination of circumstances, mostly favorable, explains the prospectively good outlook. Here in New York half-year profits after taxes of major banks not only will set records but may exceed by as much as 10 percent corresponding 1954 figures. (Note bank profits rose 27 percent in 1954.)

The principal favorable circumstance is a sharp rise in total volume—not business loans, which have turned up only recently after a protracted slump—combined with an unusually stable lending rate which has officially not varied over the past year but which unofficially has been averaging slightly higher as banks have hiked rates on loans that could not qualify for strictly prime rating.

[From the Christian Science Monitor of June 29, 1955]

WILL BIG CREDIT DEMAND PUSH UP MONEY RATES?

(By George Ericson)

The increasing demand for credit arising from various sectors of the economy has aroused an unusual amount of guesswork as to the course of money rates. The rise in business loans, a new peak in installment financing, the increase in mortgage debt, and the amount of borrowed money going into the stock market all combine to create concern as to whether boom psychology may not be too exuberant. There are plenty of people, nevertheless, who say the economy is operating on a solid base and that the optimism of the people is justified, particularly as the free world believes war tensions to be lessening and a tentative peace possible.

That the state of business as a whole is almost too good to be true could be gathered from favorable official pronouncements out of Washington. Economists from several agencies and the executive department opined that, on the basis of figures to date, 1955 will be a record year in total national output and personal income, while living costs will be practically stable. The Federal Reserve Board stated that business borrowing—an index of economic activity—rose $1 billion in the first half of the year, a period when loans usually fall off. It said, too, that checking accounts were larger throughout the country. Why, then, are warning voices heard about the danger of the prosperity train going off the track?

OVERALL DEMAND FOR CREDIT ENORMOUS

It is perhaps trite to say the American temperament is of an ebullient order, tending to be adventurous, susceptible to optimism and prone to believe in bigger bull markets. This time the businessman, the investor, the worker, the housewife have been seeing the flowering of the world's richest economy at a time when the Communist tiger has been almost purring instead of snarling. The prospect of an end to the cold war, the belief that factories will continue humming, that wages will tend to be higher, that built-in stabilizers will prevent any serious recession, contribute to a loosening of consumer purse strings.

However, the foregoing situation makes for a huge demand for credit. And credit must at some point be restricted, otherwise inflation makes its appearance. The second half of the year is the time when the Treasury needs more billions to keep the Government functioning properly. This need is superimposed upon industrial and commercial credit requirements, which also expand in preparation for fall and winter

operations. With, say, $4 billion to be siphoned from the banking system by the Treasury Department soon, and $6 billion more later in the year, the question arises whether this can be done without making it difficult for business to get adequate credit. One way would be for the Reserve to cut reserve requirements, thereby permitting member banks to increase their lending power. Such an easing in credit, however, might be looked at as a signal for the greater use of speculative credit. Another way would be for the Treasury to increase its sale of bills. The announcement on June 27 that it was boosting its 91-day issue by $100 million may be an indication of its intention to relieve the Reserve of the necessity of reducing Reserve requirements.

STOCK CREDIT NOT INORDINATELY LARGE

Various Members of Congress have voiced apprehension as to the amount of borrowing done to purchase securities, pointing to the large increase in brokers' loans over those of a year or more ago. This total was $1,894,000,000 in the week ended June 15, 1955, against $1,073,000,000 the year before. However, the Federal Reserve Chairman, William McC. Martin, Jr., said in March that a comparison of stock-market credit with credit in other fields put the former in proper perspective. He pointed out that of the total of $200 billion increase in credit since the end of 1946 about $80 billion was in business credit, $60 billion was in urban mortgage credit, $20 billion in consumer credit, $20 billion in State and local government credit, and the balance distributed among other sectors, of which $2 billion represented the rise in loans on securities.

Despite this favorable analysis, the Federal Reserve, egged on by certain Senators and Representatives and noting an inflationary psychology, may again boost margin requirements, which at present stand at 70 percent, bringing them up to 100 percent or on a total cash basis. Such a move might dampen enthusiasm for stocks, particularly as the average yield today is just a bit over 4 percent. Further advances in the price of the higher grade issues are regarded in a number of quarters as discounting the future too far ahead. And there are those who think the business boom needs to meet some restraint, such as higher reserve requirements or a rediscount rate rise. This would be unpopular, but, considering the momentum of the uptrend, might not be too sharp a brake.

[From the New York Times of June 30, 1955]

BANKS RAISE RATE ON BROKER LOANS—COST FOR BUYING SECURITIES ON OWN ACCOUNT TO GO FROM 2¾ TO 3 PERCENT STARTING TODAY

Several leading New York banks announced yesterday that they were increasing the rate on loans to brokers and dealers to finance buying of non-Government securities for their own accounts. The present rate of 2¾ percent will be raised to 3 percent.

The action will not affect the rate on loans to brokers to finance margin buying by their customers. This rate remains at 3 percent.

Effective today the Bankers Trust Co. will raise its rate on loans to brokers and dealers on non-Government securities and effective tomorrow, Chase Manhattan, Guaranty Trust, and Irving Trust will increase their rates. Chemical Corn Exchange announced its rate would move up effective at the close of business today. Other banks, both in city and elsewhere, are expected to follow.

"The higher rate is a result of generally tighter money conditions and rising demand for loans," one banker said.

Another commented that the conditions that led to the increase could set the stage for an increase in the prime rate from its present 3-percent level. (The prime rate is charged to businesses with the best credit status. All other rates are scaled upward from the prime level.)

"If demand for loans goes up in the next couple of months as expected and the money supply tightens, the prime rate is bound to go up," one bank lending officer declared.

There is no connection between the rate on loans to brokers and dealers and the prime rate. However, when banks increase any rate, it leads to talk of an increase in the prime rate.

The prime rate was reduced from 3¼ percent in March 1954. Bankers for several weeks have been frankly discussing the possibility of an increase some time this summer.

A spokesman for the First National City Bank said yesterday there had been no change in the rate on loans to brokers and dealers as yet. J. P. Morgan announced it planned to raise the rate to 3 percent, but had not yet decided on the effective date.

[From the New York Journal of Commerce of June 27, 1955]

PROFITS OF BIG BANKS HEAD FOR ALLTIME HIGH

(By Ed Tyng)

Profits of the Nation's larger banks are likely to reach an alltime high for the quarter and half-year ended June 30. An unusual combination of circumstances, mostly favorable, explains the prospectively good outlook. Here in New York half-year profits after taxes of major banks not only will set records but may exceed by as much as 10 percent corresponding 1954 figures.

The principal favorable circumstance is a sharp rise in total loan volume—not business loans, which have turned upward only recently after a protracted slump—combined with an unusually stable lending rate which has officially not varied over the past year but which, unofficially, has been averaging slightly higher as banks have hiked rates on loans that could not qualify for strictly prime rating.

FOREIGN INCOME UP

Another key factor has been a slightly higher rate obtainable by most banks, on an average, on securities. This, however, has not made any material net contribution to earnings because volume of securities owned by banks has shrunk as demand for loans has increased.

Still another favorable influence on bank profits has been the fact that income from certain departments which normally subsist on commissions and fees, notably the foreign and the trust departments, also has been rising at a most satisfactory rate. Several banks report to this newspaper that their foreign departments have been going great guns because of expanding foreign trade financing and higher letter of credit volume.

And the corporate trust divisions of the trust departments have had a sharply increased volume of business created by increased stock market activity and new financing. Active stock markets add to the volume of shares transferred and registered and a multiplicity of new issues create expansion in trustee activities.

Virtually the only fly in the bank ointment is the still rising costs of operation, but even this has its brighter side because there has been a distinct slowdown in the rate of expense rise.

MERGERS DOING WELL

Of particular interest to bank stockholders in the semiannual bank condition reports which will begin to appear shortly will be the figures of the large New York institutions which have recently merged. Good reports are expected from the Chase Manhattan, First National City, Chemical Corn Exchange and Bankers Trust. The First National City figures will, of course, include earnings of the First National Bank assets only since the merger date at the end of the first quarter and the comparison will be with earnings of the National City organization alone for last year.

The banks which have engaged in mergers have had sufficient earnings to be able to absorb in stride the usual temporary or nonrecurrent expenses that such mergers usually involve.

LOAN VOLUME UP

As to what banks of this city will show in balance sheet items on June 30 as compared with a year ago, it will be reasonable to expect a rise of over $1.5 billion in all loans (only a small portion of the gain commercial), offset by about half by a decline in investments in securities. Loans on securities, which reflect both underwriting operations and purchases of securities on margin, may be higher by almost $1 billion. Real estate loans are up another $250 million.

On the liability side of bank statements deposits will probably be reported at levels not materially changed from a year ago.

Capital funds will show a substantial rise because of increased earnings retained in the business, plus increments of new capital obtained through sale of additional shares to stockholders. If the experience of recent weeks continues and money market conditions remain tight, it will not be improbable for some banks to end the half-year in debt to the Federal Reserve Bank.

SALES TO ESTABLISH LOSSES

Mr. Speaker, I also want to call attention to the following statement by Mr. Tyng:

Another key factor has been a slightly higher rate obtainable * * * on securities. This however, has not made any material net contribution to earnings because volume of securities owned by banks has shrunk as demand for loans increased.

Mr. Speaker, it is clear that the New York banks have been unloading their portfolios of Government securities in anticipation of the decline in Government securities prices which has become accelerated in the past few weeks. Many of them are selling to establish losses for tax purposes. The proceeds are being reinvested in higher yielding earning assets. Later when Government securities prices reach bottom and the word gets out that the Federal Open Market Committee is about to make a shift in policy the New York banks will, of course, reenter the market and buy up those securities, hold them until they recover their previous peaks and then take their capital gains. The procedure is familiar. We went through it in 1953 and 1954.

Mr. Speaker, it is a shame and a disgrace that we have to sit by and watch the manipulators turn the Government securities market into a financial roller coaster. Mr. Speaker, there is no sound reason why the Federal Open Market Committee should be permitted to use its enormous powers to benefit bankers and to allow the securities of the United States Government to be driven down far below their par price.

In the debate on House Resolution 210 on Wednesday, June 15, the esteemed Member from Virginia, my good friend Hon. HOWARD SMITH, took the floor and urged Members to oppose a study of the Federal Open Market Committee because of its probable adverse effect on the Government bond market and the value of

securities held in the portfolios of commercial banks.

Mr. Speaker, I know my good friend Judge SMITH did not mean to mislead the Members, and I know that he wants to protect his fellow bankers from any loss in the book value of their Government securities holdings, since as he pointed out, this could seriously impair their limited capitals. I am sure that Judge SMITH must have reconsidered a good deal his earlier judgment concerning the possible effect on the Government bond market of a study such as House resolution 210 proposed. At least I know I would have reconsidered if I had been in Judge SMITH's position and saw what happened to Government bond prices after the resolution was defeated.

The prices of Government bonds have declined virtually without any respite since Tuesday, June 14, the day before House resolution 210 was voted on. There have been a number of days when the markdowns have been drastic.

A comparison of the closing bid prices as quoted in the New York Times for June 14 and June 29 for fully taxable intermediate and long-term United States Treasury bonds outstanding shows the following price declines:

Price changes in U. S. Treasury intermediate and long-term bonds outstanding—June 14 and 29, 1955

[New York Times closing bid price quotations]

Bond issue	June 14	June 29	Change in bid
3's 1995	101.9	100.7	−1.2
3¼'s 1978–83	107.4	105.30	−1.6
2½'s 1967–72 (Dec.)	96.20	95.24	−.28
2½'s 1966–71	96.20	95.24	−.28
2½'s 1965–70	96.24	95.24	−1
2½'s 1964–69	96.28	95.28	−1
2½'s 1963–68	97.10	96.6	−1.4
2½'s 1962–67	98.10	97.6	−1.4
2½'s 1961	99.8	98.17	−.23
2¼'s 1960 (Nov.)	98.10	97.23	−.19
2¼'s 1959–62	98.1	97.6	−.27

Source: New York Times closing bid quotations.

Considering that Treasury bonds never used to fluctuate outside a range of two thirty-seconds the markdowns which exceed one full point for 6 out of the 9 bond issues in just 2 weeks are quite substantial. Trading in these bonds runs into millions. Among large investors trading in blocks of a half a million dollars is considered small. So it is evident that huge profits or losses are involved in changes of as little as one thirty-second in the price of Treasury securities.

Mr. Speaker, the price declines of certain days in the past 2 weeks have been unusually sharp. This was true particularly of the price declines of Thursday, June 16, and Tuesday, June 28. Government bond prices were marked down fourteen thirty-seconds and ten thirty-seconds on those days. Why should there be such large changes in Government bond prices—without any apparent reason for the changes?

As of the close of trading on Tuesday, June 28, only 2 out of 11 of the intermediate and long-term Government bonds were quoted at or above their par price. The Victory Loan 2½'s were selling at 95¾, more than four full points below their par price.

Not only were these bonds below par but as of the same day only 3 out of the 16 issues of Treasury marketable notes were at or above their par price. The $5.1 billion of recently issued Treasury 1⅞ percent notes maturing in February 1959 were selling at 97 31/32 to yield 2.44 percent.

[From the New York Times of June 30, 1955]

U. S. Government and agency bonds

BONDS

Treasury	3:30 p. m. Bid	3:30 p. m. Asked	Change in bid
*2½s '58–56 Mar	100.7	100.9	+.1
*2¼s '59–56 Sept	99.1	99.3	−.3
2¾s '59–56 Sept	101.18	101.22	−.2
*2½s '59–57 Mar	99.16	99.20	−.3
*2½s '58 June	99.24	99.26	−.1
2¾s '63–58 June	103.0	103.8	−.8
*2½s '58 Dec	100.1	100.3	
*2¼s '62–59 June	97.7	97.10	−.3
*2¼s '62–59 Dec	97.6	97.9	−.3
*2½s '60 Nov	97.23	97.26	−.2
2¾s '65–60 Dec	104.28	105.4	
*2½s 61 Sept	100.1	100.4	
*2½s '61 Nov	97.17	97.20	−.2
*2½s '67–62 June	97.6	97.10	−.4
*2½s '63 Aug	97.29	98.0	−.3
*2½s '68–63 Dec	96.6	96.10	−.6
*2½s '69–64 June	96.28	96.0	−.4
*2½s '69–64 Dec	95.28	96.0	−.4
*2½s '70–65 Mar	95.24	95.28	−.4
*2½s '71–66 Mar	95.24	95.28	−.4
*2½s '72–67 June	95.24	95.28	−.2
*2½s '72–67 Sept	95.24	95.28	−.2
*2½s '72–67 Dec	95.24	95.28	−.2
*3¼s '83–78 June	105.30	106.4	−.2
*3s '95 Feb	100.7	100.11	−.1

*Subject to Federal taxes. Figures after a period represent 32ds of a point.

TREASURY NOTES

Outstanding millions	Rate	Bid	Ask	Yield
6,853 Dec	'55. 1¾	100.1	100.3	1.54
8,471 Mar	'56. 1⅝	99.30	100.0	1.62
1,007 Apr	'56. 1½	99.24	100.0	1.50
5,709 Aug	'56. 2	100.2	100.4	1.88
550 Oct	'56. 1½	99.12	99.20	1.80
2,996 Mar	'57. 2⅜	100.31	101.1	2.25
531 Apr	'57. 1½	98.24	99.0	2.08
4,155 May	'57. 1⅝	98.31	99.1	2.15
3,792 Aug	'57. 2	99.16	99.18	2.21
824 Oct	'57. 1½	98.12	98.20	2.12
382 Apr	'58. 1½	97.28	98.4	2.20
121 Oct	'58. 1½	97.8	97.16	2.30
5,101 Feb	'59. 1⅞	97.31	98.1	2.44
118 Apr	'59. 1½	96.20	96.28	2.38
99 Oct	'59. 1½	95.28	96.4	2.46
6 Apr	'60. 1½	95.16	95.24	2.45

Mr. Speaker, the Secretary of Treasury appeared before the House Ways and Means Committee on Friday, June 24 to ask approval for a year's extension of the $6 billion increase in the public debt limit. In his statement Secretary Humphrey said:

It is also important in a situation like the present that the Federal Government itself set an example of economy and prudence.

In this regard I call attention to the fact that since last August, when the Congress first authorized a temporary increase in the Federal debt limit, interest rates on the debt have been rising. As a result the computed annual interest charge on the direct debt is now at an all-time high. Since August the increase in interest rates paid on Federal securities has raised the computed annual interest charge on the debt by more than $150 million. Unless the Federal Reserve and the Treasury halt the interest spiral that is now getting underway the interest charge on the debt will increase even more in the next 6 months. Here is an excellent opportunity for Secretary Humphrey to demonstrate that he means it when he says that "the Federal Government itself set an example of economy and prudence." He will save the taxpayers an unnecessary increase in the interest burden of the public debt. He will also save taxpayers as consumers, as businessmen, as farmers, as homebuyers from paying unnecessary increases in interest in financing their borrowing for legitimate business or consumption requirements.

STATEMENT OF SECRETARY OF THE TREASURY HUMPHREY BEFORE THE HOUSE COMMITTEE ON WAYS AND MEANS, JUNE 24, 1955

I am here today to ask your approval for a year's extension of the $6 billion temporary increase in the public debt limit. Last August the Congress authorized a temporary increase in the limit from $275 billion to $281 billion in order to give the Treasury needed elasticity in handling its seasonal borrowing problems during the year. It provided, however, that the limit would go back to $275 billion on June 30, 1955.

We have lived within those limits. The $281 billion temporary limit permitted us to do the necessary borrowing to meet the Government's bills during seasonally low tax-collection periods. Moreover, we expect to end up on June 30 with the debt around $273½ billion.

We have lived within the limits, but the basic problems are still with us. They are, in fact, even more acute this year than last. The debt stood at $270.8 billion on June 30, 1954. On June 30 this year, it is expected to be almost $3 billion higher. Thus, the Treasury will have even less elbow room to handle its seasonal borrowing needs in the months ahead under a $281 billion temporary limit than it did last year. Even more crucial will be the problem of getting the debt back to $275 billion by the close of the 1956 fiscal year.

This goal can be accomplished only with the full cooperation of the Congress in giving the most careful consideration to all budget expenditures and rejecting all requests for appropriations that are not absolutely necessary for fully adequate security for the Nation and proper services required for the people. Added expenditures or reductions in income will require further lifting of this proposed debt limit.

Nevertheless, we are currently asking for no more of an increase in the debt limit—either temporary or permanent—than the Congress authorized last year. It will be a tight squeeze but we will try to live within it.

We are setting ourselves this very difficult task for very important reasons.

In the first place, having to keep the debt within the $275 billion limit by the end of the year on June 30, 1956, may be helpful to all of us in redoubling our efforts for even greater economy in Government.

It is also important in a situation like the present that the Federal Government itself set an example of economy and prudence. We believe at this time of great prosperity that all of us—Government, business, and individuals alike—should exercise self-restraint in the use of public or private credit and the accumulation of debt.

Today, Americans are enjoying new peaks of prosperity—of employment, production, and income—setting new records all along the line. Only a year ago there was reduced activity, and false prophets were predicting that we were heading into a depression. These swings in economic activity should remind us of the need for wisdom and restraint as well as courage in both private and public affairs.

High productivity, more and better jobs, and increasingly higher standards of living for the great mass of all our people can continue if we face the future with confidence tempered with prudence.

These, then, are our goals. It is our firm intention to attempt to live under the present debt limit with this temporary extension. It is also our firm intention to have any temporary increase in debt back to the present limit of $275 billion by the end of the year on June 30, 1956. We want to do next year just what we have successfully done this year, even though it will be harder. If conditions change so that this becomes impossible, we will promptly advise the Congress. But with our present promising business and international outlook, we hope and believe we will succeed.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE and to include extraneous matter.

Mr. DONOHUE and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. JARMAN to revise and extend his remarks made in Committee and to include extraneous matter.

Mr. KELLEY of Pennsylvania and to include extraneous matter.

Mr. ROOSEVELT and to include letters and the text of a proposed bill.

Mr. MACK of Washington (at the request of Mr. TOLLEFSON) and to include extraneous matter.

Mr. HOSMER in six instances and to include extraneous matter.

Mr. CURTIS of Missouri, his remarks during debate on S. 2090; also in the CONGRESSIONAL RECORD and to include extraneous matter, notwithstanding that a newspaper item might have been printed in the RECORD heretofore.

Mr. HOPE.

Mr. DIXON in four instances, and to include extraneous matter.

Mr. JUDD and to include certain correspondence and an editorial.

Mr. ANFUSO (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. ASHLEY (at the request of Mr. MCCORMACK and to include extraneous matter.

Mr. THOMPSON of New Jersey (at the request of Mr. MCCORMACK) and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. BUCHANAN (at the request of Mr. WALTER) on account of illness.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 464. An act to authorize the Secretary of the Interior to issue patents for certain lands in Florida bordering upon Indian River; to the Committee on Interior and Insular Affairs.

S. 667. An act to exempt meetings of associations of professional hairdressers or cosmetologists from certain provisions of the acts of June 7, 1938 (52 Stat. 611), and July 1, 1902 (32 Stat. 622), as amended; to the Committee on the District of Columbia.

S. 669. An act to provide an elected mayor, city council, school board, and nonvoting Delegate to the House of Representatives for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 756. An act to authorize the appropriation of accumulated receipts in the Federal aid to wildlife-restoration fund established by the Pittman-Robertson Act, and to authorize the expenditure of funds apportioned to a State under such act for management of wildlife areas and resources; to the Committee on Merchant Marine and Fisheries.

S. 1041. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States, and for other purposes; to the Committee on Post Office and Civil Service.

S. 1077. An act to provide for settlement of claims for damages resulting from the disaster which occurred at Texas City, Tex., on April 16 and 17, 1947; to the Committee on the Judiciary.

S. 1292. An act to readjust postal classification on educational and cultural materials; to the Committee on Post Office and Civil Service.

S. 1792. An act to amend the Federal Employees' Group Life Insurance Act of 1954; to the Committee on Post Office and Civil Service.

S. 1849. An act to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment; to the Committee on Post Office and Civil Service.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 619. An act to provide that all United States currency shall bear the inscription "In God We Trust;"

H. R. 4853. An act to authorize the sale of certain land in Alaska to the Pacific Northern Timber Co.;

H. R. 5560. An act relating to the free importation of personal and household effects brought into the United States under Government orders, and for other purposes;

H. R. 6239. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 6367. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1956, and for other purposes;

H. R. 6795. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes;

H. R. 6871. An act to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1956;

H. R. 6992. An act to extend for 1 year the existing temporary increase in the public debt limit;

H. J. Res. 365. Joint resolution making an additional appropriation for the fiscal year ending June 30, 1955; and

H. J. Res. 366. Joint resolution making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1718. An act to provide certain clarifying and technical amendments to the Reserve Officer Personnel Act of 1954; and

S. 2266. An act to continue the effectiveness of the Missing Persons Act, as extended, until July 1, 1956.

ADJOURNMENT

Mr. MURRAY of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 18 minutes p. m.) the House adjourned until tomorrow, Friday, July 1, 1955, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

949. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting its Report on Water Resources and Power, pursuant to Public Law 108, 83d Congress (H. Doc. No. 208); to the Committee on Government Operations and ordered to be printed.

950. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting a task force report on water resources and power, as prepared for the Commission's consideration, pursuant to Public Law 108, 83d Congress; to the Committee on Government Operations.

951. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting its Report on Paperwork Management, Part II; the Nation's Paperwork for the Government, pursuant to Public Law 108, 83d Congress (H. Doc. No. 207); to the Committee on Government Operations and ordered to be printed.

952. A letter from the Chairman, Commission on Organization of the Executive Branch of the Government, transmitting its final report to the Congress, pursuant to Public Law 108, 83d Congress (H. Doc. No. 209); to the Committee on Government Operations and ordered to be printed.

953. A letter from the Director, United States Information Agency, transmitting a draft of proposed legislation entitled "A bill to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.); to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOFFMAN of Michigan: Committee on Government Operations. Part 2, Minority Views on House Joint Resolution 330. Joint resolution to provide for the acceptance and maintenance of Presidential libraries, and for other purposes; without amendment (Rept. No. 998). Referred to the Committee of the Whole House on the State of the Union.

Mr. NORRELL: Committee on Appropriations. House Joint Resolution 365. Joint resolution making an additional appropriation for the fiscal year ending June 30, 1955; without amendment (Rept. No. 1032). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 366. Joint resolution making temporary appropriations for the fiscal year 1956, providing for increased pay costs for the fiscal year 1955, and for other purposes; without amendment (Rept. No. 1033). Referred to the Committee of the Whole House on the State of the Union.

Mr. NORRELL: Committee on Appropriations. H. R. 7117. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 1036). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 293. Resolution for consideration of H. R. 3210, a bill to authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; without amendment (Rept. No. 1037). Referred to the House Calendar.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 482. A bill to provide for the conveyance of a portion of the former O'Reilly General Hospital, Springfield, Mo., to the State of Missouri, and for other purposes; with amendment (Rept. No. 1038). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 2889. A bill to provide for the conveyance of certain land in Necedah, Wis., to the village of Necedah; with amendment (Rept. No. 1039). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 3757. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to donate certain property to the American National Red Cross; with amendments (Rept. No. 1040). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. House Joint Resolution 276. Joint resolution to authorize the Texas Hill Country Development Foundation to convey certain land to Kerr County, Tex., and such county to convey a portion thereof to the State of Texas; with amendment (Rept. No. 1041). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL: Committee on Rules. House Resolution 294. Resolution waiving points of order against the bill H. R. 7117, a bill making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; without amendment (Rept. No. 1042). Referred to the House Calendar.

Mr. ROONEY: Committee of conference. H. R. 5502. A bill making appropriations for the Departments of State and Justice and the Judiciary and related agencies for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 1043). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 3073. A bill for the relief of Sigfried Olsen Shipping Co.; with amendment (Rept. No. 1034). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 3373. A bill for the relief of Mrs. Zella K. Thissell; with amendment (Rept. No. 1035). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. NORRELL:

H. R. 7117. A bill making appropriations for the legislative branch for the fiscal year ending June 30, 1956, and for other purposes; to the Committee on Appropriations.

By Mr. HOPE:

H. R. 7118. A bill to enable the Secretary of Agriculture to facilitate the orderly development, improvement, conservation, and utilization of forests and other resources, and the products thereof, on the national forests and other lands which he administers, and for other purposes; to the Committee on Agriculture.

By Mr. BASS of Tennessee:

H. R. 7119. A bill to provide for the erection of a statue of David Crockett in the National Statuary Hall of the Capitol; to the Committee on House Administration.

By Mr. BROYHILL:

H. R. 7120. A bill to provide that the Commissioners of the District of Columbia shall take possession of and operate the Capital Transit Co. within the District of Columbia in the event of an interruption of service due to a strike or lockout; to the Committee on the District of Columbia.

By Mr. CELLER:

H. R. 7121. A bill to validate payments of mileage made to United States Army and Air Force personnel pursuant to permanent change of station orders authorizing travel by commercial aircraft, and for other purposes; to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 7122. A bill to amend the Federal Airport Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. EBERHARTER:

H. R. 7123. A bill to amend Public Law 587 by permitting the withholding by the Federal Government from wages of employees of certain taxes imposed by municipalities; to the Committee on Ways and Means.

By Mr. FERNANDEZ:

H. R. 7124. A bill to amend the act approved October 24, 1951 (65 Stat. 610); to the Committee on Post Office and Civil Service.

By Mr. MURRAY of Tennessee:

H. R. 7125. A bill to extend to June 30, 1956, the free mailing privileges granted by the act of July 12, 1950, to members of the Armed Forces of the United States; to the Committee on Post Office and Civil Service.

By Mr. PRIEST:

H. R. 7126. A bill to provide grants to assist States to meet the cost of poliomyelitis vaccination programs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Mississippi:

H. R. 7127. A bill to amend the Agricultural Act of 1954; to the Committee on Agriculture.

By Mr. THOMPSON of New Jersey:

H. R. 7128. A bill to incorporate the National Music Council; to the Committee on the Judiciary.

By Mr. VANIK:

H. R. 7129. A bill to amend the Fair Labor Standards Act of 1938 so as to increase the minimum hourly wage from 75 cents to $1.25; to the Committee on Education and Labor.

By Mr. ELLIOTT:

H. R. 7130. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. ANDREWS:

H. R. 7131. A bill to provide that lock and dam No. 17 on the black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. BOYKIN:

H. R. 7132. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. HUDDLESTON:

H. R. 7133. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. JONES of Alabama:

H. R. 7134. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. RAINS:

H. R. 7135. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. ROBERTS:

H. R. 7136. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. SELDEN:

H. R. 7137. A bill to provide that lock and dam No. 17 on the Black Warrior River, Ala., shall hereafter be known and designated as the John Hollis Bankhead lock and dam; to the Committee on Public Works.

By Mr. GAVIN:

H. R. 7138. A bill authorizing the improvement of North Fork Creek, Red Bank Creek, and Sandy Lick Creek at and in the vicinity of Brookville, Jefferson County, Pa.; to the Committee on Public Works.

By Mr. NORRELL:

H. J. Res. 365. Joint resolution making an additional appropriation for the fiscal year ending June 30, 1955; to the Committee on Appropriations.

By Mr. CANNON:

H. J. Res. 366. Joint resolution making temporary appropriations for the fiscal year

1956, providing for increased pay costs for the fiscal year 1955, and for other purposes; to the Committee on Appropriations.

By Mr. ANFUSO:

H. J. Res. 367. Joint resolution to establish December 15 of every year as Bill of Rights Day; to the Committee on the Judiciary.

By Mr. HERLONG:

H. Con. Res. 182. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. HEISTAND:

H. Con. Res. 183. Concurrent resolution extending the gratitude of the Congress to the Honorable Herbert Hoover; to the Committee on Government Operations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the House of Representatives, Commonwealth of Massachusetts, memorializing Congress relative to the closing of the Gurnet Point Life Saving Station; to the Committee on Merchant Marine and Fisheries.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States relative to the closing of the Gurnet Point Life Saving Station; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to authorize the issuance of public improvement bonds of the Territory of Hawaii without respect to the limitations imposed by the Hawaiian Organic Act or other acts of Congress, etc.; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOSCH:

H. R. 7139. A bill for the relief of Americo Isolino do Carmo Pinto; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 7140. A bill for the relief of John J. McAndrews; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 7141. A bill for the relief of Alexander and Victoria Lashkareff; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H. R. 7142. A bill for the relief of Mieko Kii; to the Committee on the Judiciary.

By Mr. OSTERTAG:

H. R. 7143. A bill for the relief of Antonio Ranalletta; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desks and referred as follows:

342. By Mr. CANFIELD: Resolution of the Veterans of Foreign Wars of the United States, State of New Jersey urging that Congress immediately take steps to appropriate enough money to place into operation 150 beds in order to transfer into the Veterans' Administration hospital at East Orange, N. J. at least 100 of the veterans suffering from TB who have already made application or desire to do so; to the Committee on Appropriations.

343. By Mr. HORAN: Petition of 171 residents of the State of Washington that Congress exercise its powers to get alcoholic beverage advertising off the air and out of the channels of interstate commerce, and thus protect the rights of States to prevent advertising within their borders; to the Committee on Interstate and Foreign Commerce.

344. By the SPEAKER: Petition of David W. Burns and others, Springdale, W. Va., relative to requesting passage of legislation in the form of an amendment to the Federal Constitution which would leave the question of race segregation or nonsegregation in the public schools up to the States; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address by Hon. Margaret Chase Smith, of Maine, to the National Convention Banquet of the Reserve Officers' Association, Boston, Mass.

EXTENSION OF REMARKS

OF

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, June 30, 1955

Mr. THURMOND. Mr. President, on June 24, 1955, our esteemed colleague, the senior Senator from Maine [Mrs. SMITH], delivered a fine address to the national convention banquet of the Reserve Officers' Association at Boston, Mass. I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. President, officers and members of Reserve Officers' Association, and guests, I am not one gifted with ability for phrasemaking or overpowering oratory. I wish I were—because there are times when the manner in which you say something can convince your group when your mere words won't. Yes; there are times when form prevails over substance.

As the convention of your great organization closes tonight with this banquet, I wish that I could give you a stirring speech to climax the series of great addresses that have been made to you in the past few days. I am sorry to be an anticlimax.

In a way I guess I'm somewhat like Dragnet's Joe Friday, since the only way I know to speak is frankly about the facts. I hesitate to speak Reserve facts to you sophisticates on Reserve matters. In doing so, I feel like Gravel Gertie telling Marilyn Monroe how to be glamorous—or like Republicans telling Dwight Eisenhower how to win an election.

But I do want to speak to you about Reserve facts tonight. I do because I have lived daily with those facts during the past decade—ever since the end of World War II when most of you started coming back home.

For a decade now I have been fighting for Reserve measures—for realistic Reserve measures—for Reserve parity with the Regulars.

Frankly, I have enjoyed that fight not because it was pleasant—for it has been very unpleasant at times—but rather because I believed in what I was doing and I knew that I had a good cause for which to fight.

Now what I am about to say, some of you may not like. I am sure that the Pentagon will not like it. And I do not want the Pentagon to hold ROA responsible for what I say. Nor is there anything personal in what I say for I have many friends in the Pentagon and have great admiration for the job that many Pentagon leaders are doing.

Back in 1946 and 1947 I started chanting a theme that had no originality outside of Congress. But in Congress I was certainly doing a solo on that theme. And I think that it was a solo rendition, as far as the executive branch of the Federal Government was concerned.

The theme of my solo was that the only way that this country could achieve military security and economic security at the same time—the only way we could maintain the military defense made necessary by the threat of communism without spending our country into bankruptcy on defense appropriations—was through the system of the smallest possible standing Regular Force backed up by the largest and best trained Reserve we could create and keep.

I argued that in past wars it has been the Reservists—the civilian soldiers—who did more than 90 percent of the actual fighting and defense of our country. I pointed out that training a Reservist costs only a fraction of what it costs to maintain a Regular. I said that the cost mathematics were simple enough for anyone to figure it out—that a Reservist taking training only once a week obviously costs only a fraction of a Regular on duty 7 days a week.

But my theme failed to strike a responsive chord. For several years I felt like a voice crying in the Washington wilderness.

Back in 1946 and 1947 I set out to implement my words with action, and during the years I introduced and pushed for legislation to create a Reserve system that would attract and retain top caliber personnel to the Reserve. I pushed for measures to give Reserve service better pay, retirement benefits, security, death and disability coverage, promotion, training equipment, and recognition.

My legislative proposals really got kicked around and pigeonholed for a long time. Finally the light began to break through into the Pentagon, and the Reserve facts of life began to sink in those cloistered and hallowed walls so immune to Reserve thinking.

Now, most of my legislative proposals have been adopted either by action by Congress or by Executive order. I want to review with you just a few of my experiences with the Pentagon in this 10-year fight that I have been making for the Reserve and the Reservists—and, most important of all, the fight for the security of our Nation because

the Reserve has been the very backbone of our national security.

I introduced a bill to provide for inactive training pay. The Pentagon opposed it for a long time but ultimately saw the light and drafted its own bill along the same lines, got it introduced as a departmental measure, and passed. Perhaps the explanation of the Pentagon behavior pattern on this was inordinate pride of authorship. Whatever it is, it wasn't very important. What was important was that we got the inactive training pay on the statute books.

I introduced a bill to provide for Reserve retirement. Again it ran into Pentagon opposition. But then the Pentagon ultimately got up a departmental bill of its own and it was passed. Whose bill passed was not important. What was important was that a Reserve retirement system was established.

I introduced a bill to provide death and disability coverage for Reservists in that hiatus period when the shooting war had stopped but the war status had not been declared at an end—and when Reservists on training duty were not adequately covered.

What did the Pentagon do? For several weeks it failed to make a report on my bill and finally it came up with its own departmental bill which, with the exception of two minor, meaningless technical words, was verbatim with my bill the Pentagon had failed to make a report on and had thus effected a kind of pocket veto. This obviously was a case of inordinate pride of authorship.

After introducing several times a bill to give Reservists the same death and disability coverage while on training duty less than 30 days as the Regulars, I finally got one of my Reserve bills passed. It is known as the Smith Act and gives reservists parity with Regulars on death and disability incurred while on active duty training—except for disease. And I hope that a bill that Senator JOHN SPARKMAN has introduced will pass because it will cover the gap in the law on disease.

I proposed that there be created by Executive order an Army Reserve Medal just like the Naval Reserve Medal and an Army Reserve Special Commendation Ribbon just like the Naval Reserve Commendation Ribbon. But the then War Department rejected the proposal.

The reason for the rejection would be amusing if it did not so tragically reveal the then shortsightedness of the War Department. The Secretary of War vetoed the proposed Army Reserve Medal and the Army Reserve Commendation Ribbon because he said that they would foster a feeling of separation between the Reserves and the Regulars. In his rejection he said that the Navy looked upon its Reserves differently from the way the Army looked upon its Reserves. How right he was.

Having been rebuffed on proposed executive action, I tried legislative action and introduced bills to create by law Reserve Medals and Ribbons for the Army and the Air Force along the same lines as the Naval Reserve Medal and Ribbon. Again the Pentagon blocked action.

But they say that if you keep plugging long and hard enough, your patience and determination will be rewarded. And so it was with mixed satisfaction and amusement that a few years ago I read the announcement that the Pentagon had decided to establish by Executive order an Armed Forces Reserve Medal. The long fight had been won—and the weak excuse of the feeling of separation between the reservists and Regulars by such a Reserve Medal was rescinded and laid to rest as quietly as possible.

Last year, it was ROPA. You know the story on that. You know how together we got that bill passed over the opposition of the Pentagon.

This year again it has been the amendments to ROPA—a bill written by ROA and the honor given me by ROA to be the congressional sponsor of it and the opportunity to have another Smith Reserve Act in the laws. You know the disdain with which the Pentagon treated this bill.

You know the Pentagon attitude of "we didn't want this bill and so we aren't going to have anything to do with amending it." Yes, the Pentagon preferred to let ROPA operate for a year and then to be able on the basis of that year's operation come to Congress and say, "ROPA is wrong. We have proof of the inequities it works."

Reservists can thank the ROA for a different attitude—for the attitude that it did not want reservists to be made guinea pigs and convenient whipping boys for the Pentagon to be able to prove inequities. The ROA attitude was the simple, well-tested attitude of "an ounce of prevention is worth a pound of cure."

There are many other experiences I could tell you that ROA and I have worked together on—have experienced puzzling and disappointing attitudes from the Pentagon on. I have related these not to indicate what I have done—but rather to indicate a traditional attitude on the part of the Pentagon that reservists and their advocates face.

It is enough to discourage the stouthearted and stop the fainthearted. The point that I want to make is this. Reservists will always need someone to stand up for them—to stand up to this negative attitude of the Pentagon. That is why reservists need ROA so much. I hate to think of what would be the lot of reservists today were it not for ROA.

I have seen firsthand what has happened to individual reservists who stood up to the brass and fought for the Reserve. I have seen in contrast the preferential treatment given some reservists who have adopted for their own personal advancement the expediency of being Regular-minded reservists.

I do not mean to say that there hasn't been some improvement in the attitude of the Pentagon for their evidently has. But it has come slowly and begrudgingly. Perhaps it is because of the realization of the great reliance on the Reserves for our national security. Perhaps it is because I am no longer singing a solo in Congress and in Washington on my Reserve song. Perhaps it is because several in Congress and the White House have now joined the chorus with ROA and myself.

Now that the President has made the Reserve bill so much of a legislative must that he has gone over the head of Congress with an appeal to the American people, let us hope that the Pentagon will see fit to give reservists the decent treatment they deserve and that the national security demands.

In closing let me say this to you. The Reserve program will be only as good as you want to be—only as good as you make it by alert vigilance directed toward the Pentagon. You can't as individual reservists get that action.

Instead, your most effective action is group action. And to be specific, I mean your activity in the ROA. Go back home and tell your fellow reservists this. Tell them of the experiences of an individual Senator if they have any illusions about how much an individual reservist can get done by himself.

I can accomplish very little of what you ask of me. But this much I do pledge to you. I shall continue my fight for the Reserve and the reservists. I shall resist that occupational disease that so often bests one after a little service on the Armed Services Committee—the occupational disease of becoming mesmerized by the Regular brass on attitudes regarding the reservists.

I thank you for the honor you have done me tonight in choosing me as your banquet speaker. I hope I have given you something to think about. I hope that I have given you, from one Senator's view, a new and deeper realization of the importance of your organization, the ROA to you, the Reserves generally and to the national security of our country.

Defense Backs Down on News Blackout

EXTENSION OF REMARKS

OF

HON. PRICE DANIEL

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Thursday, June 30, 1955

Mr. DANIEL. Mr. President, on behalf of the senior Senator from West Virginia [Mr. KILGORE], I ask unanimous consent that a statement he has prepared regarding the reversal by the Defense Department of its position on the news blackout be printed in the CONGRESSIONAL RECORD, along with an Associated Press article relating to that subject.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KILGORE

I am interested to see that a reversal has been issued by the Defense Department as a result of the deluge of criticism in the Nation's press concerning the news blackout that the Department proposed to clamp down on newsmen.

I called attention to this development in a speech I delivered on April 30 in Huntington, W. Va. The Department had said that the new order on military information issued March 29 set up a new concept of news holding that information "must constitute a constructive contribution" to the Department's mission. In my April 30 speech, I questioned the propriety of the Department deciding what does or does not constitute "a constructive contribution" and I warned that news to which the public was entitled might be hidden merely by being labeled "not constructive."

In yesterday's Washington Evening Star I read a news article by the Associated Press noting that the Defense Department has been forced to reverse this drastic order. Robert T. Ross, Assistant Secretary for Public Affairs, is quoted as saying, "In providing information in answer to questions by the press or the public, it would be my view that we would not pass on whether or not it was 'constructive' to the primary mission of the Department of Defense." The article also said Mr. Ross has announced that statements about requiring information to be constructive applied only to the Department's own public-relations personnel.

I note with satisfaction that the Defense Department has thus been forced to back down, at least orally, in its efforts to withhold legitimate news from the public. I commend the Nation's press for being so vigilant in defending the freedom of the press.

I hope the Department will, in fact, carry out its intentions, as expressed by Mr. Ross, both in letter and in spirit. However, I also hope that the Nation's newspapers will continue to be vigilant and keep a sharp eye on

Government departments which try to institute any form of censorship under any guise whatsoever.

[From the Washington Evening Star of June 29, 1955]

PENTAGON NEWS CURB EXPLAINED

A Defense Department spokesman says statements about information having to be useful, interesting, or constructive applied only to that originated by its own public relations men.

It did not mean to imply that those criteria would have to be met before the Department would answer questions from the press or the public, Robert T. Ross, Assistant Secretary for Public Affairs, said yesterday.

Protests arose when Defense Secretary Wilson issued a directive March 29 saying that information must be constructive to the mission of the Defense Department.

J. R. Wiggins, executive editor of the Washington Post and Times Herald, and chairman of the freedom of information committee of the American Society of Newspaper Editors, and others charged that the Pentagon's information policies would enable officials to cover up their own errors.

When reporters asked Mr. Ross yesterday about the intent of Mr. Wilson's directive, Mr. Ross replied:

"In providing information in answer to questions by the press or the public, it would be my view that we would not pass on whether or not it was constructive to the primary mission of the Department of Defense."

Mr. Ross also wrote Senator CURTIS, Republican, of Nebraska, yesterday that when R. Karl Honaman, the Department's security expert, said he thought the requirements of being useful and interesting should be used as a yardstick in releasing information he meant only information originated by the Department's public relations offices.

Senator CURTIS had written Mr. Ross the day before inquiring about the remarks which Mr. Honaman had made in a letter to Mr. Wiggins.

Bananas on Pikes Peak or Good Land in Alabama?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. HOSMER. Mr. Speaker, the Department of Agriculture reports there are more than 20 million acres of undeveloped fertile land in the humid areas of the United States which can be developed by low-cost drainage.

Of this total, Alabama has more than 683,000 acres waiting to be brought into agricultural production—when and if needed.

The cost would be from $60 to $100 an acre.

But, it would cost the taxpayers of the Nation at least 50 times as much for each acre developed in the proposed multibillion dollar upper Colorado River project.

The Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the upper Colorado River project.

Lake Mead and Conservationists

EXTENSION OF REMARKS

OF

HON. HENRY ALDOUS DIXON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. DIXON. Mr. Speaker, recently the gentleman from Pennsylvania [Mr. SAYLOR] mailed to all congressional offices a statement he made on Lake Mead. When I read the statement that Lake Mead has nothing whatsoever to offer visitors, I could hardly believe my eyes. To me and to hundreds of my friends, Lake Mead is one of the most fascinating spots in the entire West.

If Lake Mead has "nothing whatsoever to offer visitors," then if one judges by the number of visitors who spend their time at Lake Mead, Yellowstone Park would rank very low on our points of national interest. Lake Mead in 1954 had 2,112,724 visitors; that same year Yellowstone Park had 1,328,858 visitors, or about half the attraction that Lake Mead held for visitors, according to the Statistics Division of the National Park Service.

Mr. SAYLOR then took one example of reclamation, as he has done on numerous occasions, and proceeded to inflate it into a condemnation of all reclamation projects. I am well aware of Mr. SAYLOR'S attitude and opinions on reclamation as they apply to the upper Colorado, but I was surprised to find that he is apparently opposed to all "reclamation enthusiasts" who are "determined to improve upon nature." He noted that this "determination" in some places has resulted in a "desolate, swampy scene punctuated by scattered stumps of once-proud trees."

Mr. SAYLOR might also be interested in the "desolate swampy scenes" and the "mud flats" left in the basin of the uncontrolled Colorado when this untamed river fluctuates from year to year in its annual flow. He might also be interested in the thousands of tons of soil that is annually cut from beneath the "verdant growth" of the trees and foliage in the upper basin and carried by the uncontrolled Colorado River to silt up the Lake Mead area, and thus shorten the life of this lower basin control of the Colorado.

Mr. SAYLOR in his enthusiasm to attack reclamation, at least as it applies to the arid regions of the upper Colorado, has overlooked the basic purpose of the program. The term itself stems from "reclaim"—to make usable again. There are undoubtedly small areas of land covered by the impounding of waters for reclamation use, but for every acre of land so covered there are hundreds of acres made usable by the process of removing the water from the stream bed and placing it on the land where "the fragrance of blossoming foliage and verdant growth," as Mr. SAYLOR phrased it, is made possible on the arid soil. The fragrance of the orange groves, the verdant growth in the fields and the thousands of acres of cotton in southern California are a tribute to what can be done by the "reclamation enthusiasts determined to improve on nature."

The region of the West that I come from is beautiful. It was beautiful when the first Mormon pioneers entered it, but I suppose we would come under Mr. SAYLOR'S definition of "reclamation enthusiasts determined to improve on nature," because we tried to do just that, we tried to improve on nature. We took nature's arid deserts and added life-giving water, and we produced fertile fields and life-sustaining crops and cities and towns in which people may live and prosper. This is also true of California, and especially the region of California that is in such solid agreement with Mr. SAYLOR and his views of the upper Colorado project. The phenomenal growth of this region has been a direct result of their ability to "improve upon nature," to utilize the waters of the streams and the rivers—part of which flow from the upper basin of the Colorado—to place the good, but dry soil into use.

Undoubtedly there are some small acreages behind the dams that impound the water that are taken out of production. But even this area is not taken out of circulation for public use, because these dams and reservoirs offer to us, and to all of the visitors who tour our country, excellent recreational opportunities and in many cases the finest fishing possible. This, I might point out, is true of Lake Mead, although Mr. SAYLOR makes reference to Lake Mead as a spot that "has nothing whatsoever to offer visitors."

Lake Mead has become a mecca for sportsmen from all parts of the West. It is a recreation area in which millions of Americans annually can, and do, enjoy the use of an area which, unless we had "tried to improve upon nature," would still be inhabited by cactus, mesquite, and lizards.

Mr. SAYLOR might be interested in the number of visitors who last year visited Dinosaur National Monument, whose beauties he so frequently and so lyrically extolls, as compared to what he calls the "mud flats of Lake Mead." Dinosaur in 1954 had 70,652; Lake Mead has, as I have previously noted, 2,112,724.

We of the West would like to have more people visit Dinosaur and all of our beautiful national parks and monuments, but we feel we could make them much more attractive if we can utilize our rivers and our water, as some of our water has been so well utilized in the lower basin. Our great neighbor States of Nevada and Arizona have created a wonderful recreation area in Lake Mead with over 2 million visitors in 1 year, and this figure seems to indicate that they "have some-

thing to offer." The waters impounded to create this vast recreation area are fully utilized to bring into production fields and trees and areas of beauty in Southern California. Mr. Speaker, we only ask that we too be allowed to do the same thing with our share of the waters of the Colorado.

Defense of Free Enterprise

EXTENSION OF REMARKS
OF
HON. EDWARD J. THYE
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Thursday, June 30, 1955

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an excellent address made by the Senator from Arizona [Mr. GOLDWATER] in Minneapolis last evening.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

DEFENSE OF FREE ENTERPRISE

(Address of Senator BARRY GOLDWATER, of Arizona, before the Minnesota Retail Federation, Inc., Minneapolis, Minn., June 29, 1955)

I have not been long in political life, but the short time I have spent in Washington representing the great State of Arizona has been a liberal education for me. It has given me a much better insight into national affairs, both political and businesswise. One cannot help having a deep sense of pride in playing even a small part in a system that has done so much for mankind. The courage of our forefathers in launching a new and untried system is beyond the power of mere words to express. Our difficulties in deciding what is best for the Nation, after our system has been in operation almost 200 years, must seem insignificant when considering what our forefathers went through in establishing the system. We owe these great men a debt of gratitude that can be repaid only by diligently preserving the system against all of the "isms" and radical changes that would slowly but surely destroy it.

My service in the Senate has given me a deeper appreciation of our American system, but has also created a little sense of fear at times when I hear people advocate things that I believe will ultimately destroy our free-enterprise system and, yes, our present political system, too. The approach they use is the thing that frightens me. Their very methods would tend to destroy confidence in our system. Business, and in particular big business, becomes their whipping boy. Wall Street, used to symbolize big business, is set up as the bogey to be destroyed. All of this is done under the guise of championing the little fellow. Much has been said that would accuse this administration of being a businessman's administration, in that way hoping to further some political careers by convincing the voters that everything the administration does is designed to favor some big special group of individuals far removed from the common man.

Now, I am accused of being reactionary because I defend our American business system from their political onslaughts, and I would like to make my position crystal clear. I do not defend business simply because it is business—I will fight for the rights of the so-called common man just as quickly as for those of the business executive. I am not for the American free enterprise system simply because it is American; I am for it because it provides the greatest freedom and opportunity for all people, both rich and poor, both worker and executive, regardless of race, color or creed, of any system yet devised by man.

No, I am not the reactionary. I realize that times change and that ways and means of doing things change with the times. We must always continue to progress forward—not backward. As much as one may revere our Constitution, one must realize that our forefathers, as remarkable as they were, were not infallible. They could not look into the future and design a document that would meet all of the necessities of future generations. But their accomplishment has been proven over the years to be so remarkably correct that it would not be changed without deep thought and due deliberation on the part of all of the people. It should not be flouted by executive fiat or circumscribed by congressional acts. When it proves inadequate or needs amending in the common interest, it should be amended as prescribed by the Constitution.

I am one who does not want to go back to the ways of the 19th century or even to the 1920's or 1930's. I do not want to go back to the 16th or 17th century either, or to the backward ways of so many countries both inside and outside of the Iron Curtain today. I am a true progressive—I want to go forward—and I want to go forward with a proven system, our free enterprise system, the only progressive system in the world today.

The reactionaries are those who either naively or otherwise want big central government run by bureaus and bureaucrats to determine what is best for us. The reactionaries want the Government to do for its citizens what those citizens are well able to do for themselves. They want the Government to enter the proprietary business field to furnish fictitious yardsticks as a measure against our American business methods. They want the Federal Government to hold onto its monopoly in atomic energy for peaceful purposes simply because tax dollars went into the development of it for national defense purposes—something for which we have been well repaid. They would have us reduce all business to small one-horse establishments. They want the Government to grant such power to labor leaders as will enable them not only to maintain an iron grip on their members but force millions of other free Americans under their jurisdiction. They are the ones who would again yoke us with big central government, a yoke that our forefathers threw off almost 200 years ago. They are the ones who through more and more central government, through more dependence upon government, would drag us down to the level of so many other countries in the world today whose people have to depend on a planned economy through big central government.

I do not fear business, we can regulate that—I fear big central Government which we cannot regulate.

Since being in Washington I have become alerted to a lot of things that never entered my mind before. Before going there I felt that all was not quite well, but I did not know that we had gone as far as we have down the road of big government. When anyone dares raise his voice against the bureaus or big government in defense of business, he is charged with being against the masses. Well, who are the masses, anyhow, but free-born American people who love their freedom and their rights and opportunities to get ahead? Are you against the American people when you defend business? What is business, anyhow, but the American people? It is a way American people have of getting things done.

From some of the attacks made on business one would think it was some foreign enemy—a vampire—extracting its pound of flesh and sucking the lifeblood of the little man. Do we, the American people, not realize that business is comprised of four equally important elements: the financiers, stockholders and bondowners who risk capital on the venture; the management team who are employees, more often than not owning little or no stock, selected for their ability to operate successfully; the general run of employees, workmen and foremen, who through their skills operate the machines and produce the products; and the consumers who, through purchase of products or services, support the operation. These four elements are the American people—the rich and the poor, the young and the old of all races, creed, and color.

Let's have a little closer look at these four elements of business.

Are the financiers a few rich people, drones who produce nothing and live off the sweat of others? Well, maybe some of them are, but the majority are people like you and me who have worked hard, saved a little money for a rainy day, and have it invested, working for us in a business we have confidence in. We may be an employee of the business or we may have saved our money from some other endeavor. Or we may not own any stocks or bonds as such but our insurance money, which protects ourselves or our family against misfortune or the pension fund we hope to enjoy when a rest from toil has been earned, is invested in those stocks and bonds.

Now who are these aristocrats called management? Are they a few people raised with silver spoons in their mouths who fell into some soft job which provides them with an unlimited amount of the peoples' money to throw away on luxurious living? Most of them started at the bottom, worked hard, studied their work, loved their job, had confidence in their ability, and worked up into the management circle. Their function is to plan and supervise the production of the product, merchandise it at a profit and see that the stockholders, the employees, and the consumers participate in their fair share of those profits.

Who are these general run of employees? Are they the masses of downtrodden people so many crocodile tears are shed over? Certainly not. They are free-born American people who apply their skills to the operation of the machines the money of others has provided to produce the products management believes will be acceptable to the consumer and profitable to the business. They are the people who can rise to the top and help manage the business if they are willing to apply themselves and work hard enough toward that end. They are the ones who can save their money, buy some of the stock and enter that large circle of owners of American industries. They are the ones who earn a wage that enables them to maintain the highest standard of living of any craftsmen in the world and enjoy a retirement pension for a job well done when they have raised their family and reached that age in life when their labor is no longer required to maintain our production schedules.

Who are the consumers? Are they people upon whom these American businesses thrive by exacting an exorbitant toll? No, they are just you and I who spend our dollars where we please and demand value received. We are the ones who can select the particular business firm we wish to patronize or the one in which we wish to become a part

owner by purchase of its stocks. We are the ones to whom business must answer if it expects to remain in operation through our dollars.

When these reactionaries who want to take us back into the 19th century by breaking up our industries, or who advocate our adoption of some of the foreign 'isms" that are now retarding progress in so many nations of the world, open their big guns on the progressive policies of this Administration, they accuse it of favoring "big business" or lending support to Wall Street. Here we have again the un-American act of creating class hatred. An attempt to pit the little fellow against the big. The words "trust" and "monopoly" are bandied about without any attempt at application of their true definition. These words are used because you and I hate trusts and monopolies. This approach is an insult to the intelligence of the American people. Their hope is that there will be enough of us who let others do our thinking for us to accept such prejudiced propaganda, come into the camp of these disciples of doom and gloom and support them with the power of our votes.

When we refer to big business what are we thinking of? To some, whose votes are just as big and as important as yours and mine, the large local department store or the local factory employing a few people is big business. When these reactionaries talk against big business at least to some people they are talking against the very type of businesses these crusaders against big business contend to champion. In fact, their actions tend to undermine all business.

Most of us think of big business in terms of the General Motors, the General Electric, the United States Steel Corp., Westinghouse, etc. Do we ever stop to think that in 99 cases out of 100 the bigger the business the wider the ownership—the greater the number of American people dependent upon it for income, for future security from insurance or pension funds? Do we ever stop to think that practically every convenience and necessity we have today or will have in the future—the automobile, refrigerator, television, radio, cheap electric service, and thousands of other things we now accept as a matter of fact—result from years of experimental work requiring millions of dollars to develop? Do we stop to think of the millions of dollars required for plant investment to bring us these things at today's prices? We know that individuals or small companies under 2- or 3-man ownership would not or could not spend the millions of dollars required to develop or manufacture these things at present-day prices. If it had not been for large corporations with technical staffs and financing capable of developing and producing these things, many things now considered common necessities around the home would never have been produced, and those that were would still be luxuries far beyond the reach of the ordinary home.

Suppose instead of a few large automobile manufacturers we had a thousand or two small ones making cars by hand or by limited methods. What kind of cars do you think we would have today and how many of us do you think could afford one? Do these dispensers of hatred against big business who claim to champion the little fellow want to break up the large operators and go back to the type of business operations that would deprive the little fellow of his automobile and hundreds of other things he can afford under our present system? Or do they want the Government to get into the business of producing these things as they do in Russia so that only the politically favored could have them?

When the disciples of big central government and the welfare state really want to attack something they tie it in with Wall Street. We saw that in the Mississippi Valley Generating Co. negotiations. The opponents called it the Dixon-Yates contract right off the bat and identified these two gentlemen as a couple of Wall Street sharpies trying to get their hands in the Federal till.

If we follow these people we would believe that Wall Street is comprised of a few wealthy individuals looking down on the rest of us through glass eyes never missing an opportunity of grabbing our loose dollars or waiting to lend us a few dollars provided they get our eyeteeth as security.

Just what is Wall Street anyhow? Is it something to be despised? Is it some evil that has been injected into this country's economic system? Let's, without emotion, analyze the situation. Our competitive system, a system that has certainly been successful, is dependent upon investments and borrowing—dealing in large sums of money. It is nothing uncommon for our businesses, in order to maintain high productive ability, to borrow large sums of money—millions, yes, even hundreds of millions of dollars. Now where are they going to get that kind of money except from large money centers? What position would business be in when it needed several millions of dollars, if it had to peddle its borrowings to numerous banks, maybe located in several different States? How long do you think it would take to negotiate such loans if they had to be personally justified before and investigated by numerous different banking institutions? On the other hand we have large businesses handling our money in the form of insurance, pension funds, etc. Suppose those companies had to peddle all of that money out in small and scattered loans, what would the cost of servicing such loans be, assuming they were properly investigated?

Then getting down to the personal angle, once in a while some of us have a few dollars to put away for a rainy day or to take care of us in our old age and we want those dollars to work for us—not just lie idle. If we had to lend the money out ourselves, how would we go about it, remembering that most of us have our time fully occupied in running our own business? Would we sit down and write to various companies over the country asking them all about the company and if they had a few shares of stock to sell? No; most of us would be restricted to local loans.

As it is we can pick up the telephone and call a stock broker or a bond dealer and have them buy for us 1 or 1,000 shares in the company of our choosing. This service is performed at a very nominal fee. It permits millions of Americans to participate in the ownership of America's business and at the same time provides a way for business to expand, developing new and better products within the financial reach of most of our American citizens.

Wall Street happens to symbolize one of these money centers—still the principal one but yearly losing ground to others—that provides our businesses both lending and borrowing and us as individuals with this service which has made it possible for this Nation to become by far the largest producer in the world and at the same time to distribute ownership in this production to millions of individuals. What do these reactionaries, who let no opportunity go by to use Wall Street as a whipping boy, want us to do anyway? If their words do not belie their desires they want to destroy Wall Street and I assume our other large financial centers as well and go back to the horse and buggy days of yesteryear with all of our businesses small and under individual or closely held ownership.

To be sure, any institution that is lending other people's money and any business that is going to the general public through sale of stocks and bonds for financing should have to live up to a certain standard of ethics. Human nature being what it is, the only way to insure that all businesses meet the desired standard is by some public regulations. But there is a lot of difference between adequate and proper regulation and the iron hand of central government.

It is distressing to hear, when additional revenues are needed, advocation of pouring it on business. Business is now paying 52 cents out of every profit dollar in Federal income tax. Just how big a percentage of the profits can be taken in Federal income tax and still leave enough to permit expansion of business and attraction of investment capital? Those who pour it on business call themselves the "percolate-uppers" and we, who recognize the fact that business can be destroyed by taxation—are called the "trickle-downers."

Where do these "percolate-uppers" think the workingman gets his income from except from his participation in our American business system? If you stymie it by overtaxation, where is it going to get the money for expansion and development of new products? Only through continued business expansion and prosperity can we support our existing working force and provide work for new additions to that working force each year. What have the "percolate-uppers" done for the little fellow if they raise his exemptions to one or two thousand dollars or cut out his income tax altogether, if his earnings are so reduced by this action that he no longer has a job or a living wage, or if the action turns out to be inflationary and wipes out his tax savings? Just break the back of business and there will be no "percolate-up" or "trickle-down."

I do not like calling names or trying to play on the emotions of people with words that are misapplied or meaningless, but since it seems that we do have some words to contend with I would like to give my definition of two that are used most frequently politically.

The progressive stands to preserve our American free enterprise system and go forward to bigger and better things—a more abundant living—with each segment of that system, labor, management, the investor and consumer making his proper contribution and reaping his fair share of the rewards.

The reactionary wants either to break up this business system—and our American system is big—and go back to the days of individual or closely held ownership, or to big central government which has proven the downfall of nations of old and is slowly but surely deteriorating the nations under that type of government today. Whether that is what the "New Dealers" and Fair Dealers, the Do-Gooders and those seeking personal political power and special privileges say they want or not that is what their ideology and actions would lead us into—down a road from which no nation has yet returned.

My faith and trust in the good judgment of the American people assures me that we can safely leave to them the decision of which road to follow.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. HOSMER. Mr. Speaker, according to the Bureau of Reclamation, the

proposed Woody Creek irrigation project in Colorado would grow more supported crops to be added to the enormous agricultural surpluses now bulging the Nation's warehouses.

The Woody Creek project is a part of the multibillion dollar upper Colorado River project.

The Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the upper Colorado River project.

Results of the 1955 Questionnaire

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. THOMPSON of New Jersey. Mr. Speaker, one of the most important and most difficult jobs facing anyone elected to sit in this great House is how best to represent the views of those who have elected him. Many of us have found that one of the most useful tools in solving this problem is the public-opinion questionnaire mailed to our constituents. I have just completed tabulating the results of a poll I made earlier this year. The response was most gratifying and is a clear indication of the very real interest citizens of this Nation take in the affairs of government. The results were also gratifying to me as they show a clear belief in a liberal political philosophy and this liberalism is the back bone of the democratic tradition. The questions and the answers in tabulated form follow:

1. Do you favor the deepening of the Delaware River Channel to Trenton? Yes, 680; no, 69.

2. Do you favor the administration's policy of requiring local contributions toward the cost of the channel, or do you believe the national economy and defense make the deepening project the sole responsibility of the Federal Government? Local contributions, 188; Federal responsibility, 484.

3. Do you agree with Attorney General Brownell who proposes the legalization of tapping private telephone wires? Yes, 221; no, 501.

4. Do you favor the President's proposed $101 billion program for the construction and improvement of the Nation's highways to be paid by such means as toll roads? Yes, 490; no, 215.

5. Do you believe the present 75 cents per hour minimum wage should be increased to 90 cents per hour, 150; $1.15, 136; $1.25, 268; $1.35, 107; not at all, 69.

6. In view of the present world crisis, as well as budgetary considerations, do you believe that the proposed cut in the size of the Army is proper? Yes, 198; no, 502.

Present immigration law operates against immigrants from southern Europe and other parts of the world. Do you believe this law should be changed to allow entry on a more equal basis? Yes, 501; no, 259.

8. Do you favor continued United States support of the various health, educational, and technical assistance programs of the United Nations? Yes, 590; no, 125.

9. Do you believe that Congress should increase the pay of postal and other Government employees? Yes, 480; no, 110.

10. Do you favor granting statehood now to—

Alaska: Yes, 630; no, 64.

Hawaii: Yes, 604; no, 69.

11. Do you favor the Federal Government's providing direct assistance to the States for school construction? Yes, 590; no, 116.

12. Do you believe that the United States should undertake to defend Quemoy and Matsu Islands even at the risk of war? Yes, 249; no, 439.

Do you consider yourself: Republican, 165; Democratic, 376; independent, 166.

Bill of Rights Day

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. ANFUSO. Mr. Speaker, I am introducing a joint resolution to designate December 15 of each year as Bill of Rights Day. Ratification of the Bill of Rights originally took place on December 15, 1791. This year we shall celebrate the 164th anniversary of this historic event.

The Bill of Rights, which encompasses the first 10 amendments to the United States Constitution, guarantees to the American people our fundamental freedoms: Freedom of religion, freedom of speech and press, freedom of peaceful assembly, and the freedom to petition for redress of grievances. The preservation of these constitutional guaranties and privileges from which all American citizens benefit can best be achieved through eternal vigilance and a fuller appreciation of the true meaning of these American rights and principles.

Only through a fuller knowledge and understanding of these rights by the American people throughout the length and breadth of our country can they act with courage and determination, in unity and in strength, to uphold these rights and safeguard them from being distorted and destroyed.

Mr. Speaker, my resolution authorizes the President of the United States to issue annually a proclamation setting aside December 15th as an occasion for public celebration, calling upon officials of the Government to display the flag of our country on all public buildings, and inviting the people of the United States to observe the day with appropriate ceremonies.

I suggest that the first of these annual proclamations be issued beginning with 1955 and that the event be celebrated on a nationwide scale. In order to have sufficient time to make the neecssary preparations, I urge the Congress to give my resolution early consideration and prompt approval.

National Forest Timber Management Bill

EXTENSION OF REMARKS

OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. HOPE. Mr. Speaker, during the 83d Congress when I served as chairman of the House Committee on Agriculture, my attention was called to problems in connection with the management of national forest timber by the Comptroller General's Report of Investigation of Sale of Government-Owned Timber and by comments of the House Appropriations Committee in its report on the Department of Agriculture appropriation bill for fiscal year 1954.

The management and sale of timber on the national forests is one of the principal activities of the Forest Service. In recent years the volume cut has greatly increased as have receipts from this timber. The Treasury now receives more than $70 million in revenue annually from national forest timber sales. This important and sizable activity is carried on under the general authority of the act of June 4, 1897, as amended.

After further study and consultation with experts in this field, it is my opinion that legislation is advisable to modernize and improve the laws governing these activities in order more adequately to protect the interest of both the United States and national forest timber purchasers. The bill (H. R. 7118) which I am introducing today has been prepared for this purpose. This bill would revise, modernize, and consolidate authority for timber management on all national forest lands, including both those proclaimed from the public domain, and those acquired by purchase, exchange, or donation. Existing authority for national forest timber management is contained primarily in the act of June 4, 1897—16 U. S. C. 476—which has been amended to only a minor degree in the intervening years. My bill would repeal part of this statute and replace it with a systematic statute fitted to present-day conditions. Included also in the statutes which would be repealed is the portion of the act of August 10, 1912, as set forth in section 489 of the United States Code which provides for sale of timber at cost to homestead settlers and farmers for their domestic use.

This bill is the first comprehensive revision of laws for conduct of timber management activities on the national forests. It is significant that the need for such revision has not heretofore developed. Seldom has so much activity been conducted under a general statute for over half a century without need for substantial revision of its provisions. The act of June 4, 1897, is still basically sound. My bill is not for the purpose of upsetting the wise provisions of that act which have formed the basis for 50 years

of successful administration of the national forests by the Forest Service. Many of the provisions of portions of the act of June 4, 1897—16 U. S. Code 476—are restated in my bill.

The act of June 4, 1897, was drafted before the Federal Government had experience in the conduct of sale of timber from the forest reserves, as the national forests were then termed. Today 6 billion board feet annually are being harvested. In my opinion the work of the forest service will be facilitated now by reenactment of these well-established principles in language suited to present conditions and with modification and adjustment of operating provisions and needed new authorities in the light of 50 years of experience.

This national forest timber management bill is applicable not only to the national forests, but also to other land administered by the Forest Service. Lands acquired under title III of the Bankhead-Jones Act have now been placed by the Secretary of Agriculture under administration of the Forest Service. In the interest of simplicity and avoidance of confusion, the timber resources of such lands should be subject to the same basic laws. Also, some forest experimental areas and minor miscellaneous tracts are under the administration of the Forest Service and should be subject to the same laws in respect to their timber management.

My bill provides a statement of policy by the Congress for the timber management of these properties. No comparable statement has heretofore been considered by the Congress. The statement provides for the application of coordinated use and conservation of all resources of these lands. For timber management the objectives are: First, to grow maximum crops of the best suited timber on such areas; second, to get full timber utilization consistent with stabilization of communities and with consideration of size of timber offerings to suit purchasers of different financial and operating capacities; third, to obtain at least fair market value for all timber sold from these lands; fourth, to grow and harvest timber in accordance with sustained yield management principles.

The policy statement also recognizes that in order to accomplish these objectives it is necessary to have (a) an adequate system of timber-access roads; (b) adequate measures against loss from fire, insects, disease, and windthrow; and (c) suitably located and efficient timber processing facilities.

My bill authorizes the sale of timber under terms and conditions appropriate to further these policies and objectives. Provision for advertisements and bidding are prescribed. These requirements substantially restate existing law with minor modifications designed to facilitate the work of the Forest Service and service to timber purchasers in the light of administrative experience in recent years. Provisions are also prescribed for the cutting of timber to meet special purposes; cutting to remove deteriorating or other undesirable timber growth; cutting without charge such as for improvements of value in the administration of these lands and for relief work conducted by public agencies; and cutting necessary in connection with authorized use of the lands, such as clearing for a road or dam site. All of these special-purpose cuttings are now authorized by regulations of the Secretary of Agriculture.

All sales of timber under this bill would be at not less than fair market value as determined by the Secretary of Agriculture after giving consideration to specific factors affecting such value. The Secretary would be authorized as a condition of sale first, to adjust rates of value for timber at specified times in conformity with his determination of fair-market value at such times; second, to adjust rates of timber value to obtain salvage action in emergencies through his determination of fair-market value under the changed conditions arising out of the emergencies; third, to make cutting and removal optional for specified areas or specified timber; fourth, to require purchasers to perform such road maintenance as is made necessary by their use, and to repair damages to land, vegetation, and improvements and to abate insect and disease hazards resulting from their activities; or to make deposits in lieu of such work of the estimated costs to the United States of performing such work.

Timber access roads are now of great importance in orderly harvesting of timber under sustained yield management principles. There is no specific legislation governing construction and maintenance of such roads by timber purchasers. A section in this bill makes several new provisions to improve administration of this important activity. The bill authorizes construction of timber access roads which will permit maximum economy in harvesting timber from all lands to which the bill is applicable tributary to such roads either with appropriated funds, by requirements of purchasers in timber sale contracts, or by cooperation with public or private agencies. Provisions are made for payment of fees for hauling nonfederally owned timber over such roads and for deposits to cover the costs of maintenance occasioned by such hauling. To facilitate access to and across private land, the bill authorizes granting of right-of-way easements to owners of private property in the vicinity across the lands covered by this bill. Provision is also made for a system of selling timber under which stumpage rates are adjusted to give equitable recognition of the value of the timber access roads constructed by the purchaser as determined by the Government and the volume of timber which is finally cut by the purchaser.

Deposits from timber purchasers or users of timber access roads as provided in the bill would be covered into the Treasury as special funds and made available until expended to cover the costs of performing the work specified. Deposits which are found to be in excess of needs would be transferred to miscellaneous receipts. Certain provisions for consolidation of deposits in the same work unit and for determining of costs by estimate on the basis of costs analyses would be authorized in the interest of practical and efficient work performance. These arrangements are comparable to those authorized for other work of the Forest Service by the terms of the Granger-Thye Act of April 24, 1950—64 Statutes 82.

Transfer and assignments of timber-sale contracts would be authorized notwithstanding the provisions of section 3477 or 3737 of the Revised Statutes.

Modification of timber contracts entered into prior to enactment of this bill to provide for exercising the authority granted by the bill are not to be deemed contrary to the interest of the United States. The Secretary of Agriculture is authorized to issue such rules and regulations as may be necessary for the administration of the provisions in the bill.

An activity of the Government which brings in better than $70 million to the Treasury and on the sound conduct of which the future strength and welfare of the Nation is so strongly dependent should be governed by comprehensive legislation. The subject of my bill merits the most careful consideration of the Congress. Existing statutes which have served remarkably well for more than 50 years should not be replaced without thorough study. It is in this spirit that I am introducing this bill. I hope it will be thoroughly scrutinized by Members of the Congress. This bill directly affects the welfare of a large segment of the forest products industries; it affects the welfare of thousands of timber dependent communities; it is of great interest to the many organizations concerned with sound use and conservation of our national resources. I hope these industries, communities, and organizations will also study this bill and communicate their views to me, the Committee on Agriculture, and their Representatives in Congress.

Grove Patterson, of Toledo Blade, Honored for Work for World Peace

EXTENSION OF REMARKS
OF
HON. THOMAS L. ASHLEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. ASHLEY. Mr. Speaker, I should like to call attention to the recent award given to Mr. Grove Patterson, editor in chief of the Toledo Blade, by the midlakes region of the United World Federalists.

Mr. Patterson has been named "the outstanding worker for peace in Ohio, Indiana, and Michigan." In making the award, Mr. Harry H. Hollingsworth, a regional vice president, said:

After years and years of working for peace, Mr. Patterson has continued during the last

year to write, speak, and work in the cause of world peace.

Even those of us who do not necessarily agree completely with the United World Federalists will admit that they are sincerely doing their best for the cause of peace that all of us try to serve. Mr. Patterson certainly deserved his award. For many years he has run one of the best newspapers in the Nation, one that is not afraid to criticize where criticism is due in the effort to keep our citizenry well informed.

Massachusetts and the Nation Salute the Patriotic, Devoted Service of Representative Edith Nourse Rogers

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. DONOHUE. Mr. Speaker, last Tuesday, during the time that most deserving tributes were being paid to our revered colleague and my dear friend, Mrs. EDITH NOURSE ROGERS, I was attending an important conference at the General Services Administration and therefore unable to be present here.

Upon the beginning of my service in this House in 1947, it was my good fortune to be assigned to the Committee on Veterans' Affairs, then presided over, as chairman, by this great lady. It was an inspiring experience for me through the next 5 years to be guided, directed, and befriended by this wonderful woman whose devotion to and vigorous legislative leadership for the veterans' cause has made her a legend, not only in this country, but throughout the civilized world.

Gracefully kind and courteous in her social life, valiant and courageous as a conscientious legislator, inspiring in her energy and industry, richly endowed with the deepest wisdom and most sympathetic understanding, the name of EDITH NOURSE ROGERS is a shining symbol of the highest character, ability and sincerity that can be associated with the political life of America. I am certain that the people throughout the United States join with us of Massachusetts in saluting the 30 years of hard work, personal sacrifice, and intense patriotism expended so enthusiastically by Mrs. ROGERS in devoted legislative service to this Nation.

In my judgment, the highest testimony of the loving esteem in which this gracious lady is held is revealed by the admiration she is accorded from all racial, religious, and political groups of the country. The legislative history of this era will record the personality and achievements of Mrs. ROGERS as unique in our political annals and provide an everlasting example to the women of America, as indeed to the men, of true and faithful service to the country.

It is my earnest prayer that the good Lord will bless us all with the continuing presence of Mrs. ROGERS in our midst for many, many more long and fruitful years.

Security Risks

EXTENSION OF REMARKS

OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. KELLEY of Pennsylvania. Mr. Speaker, suppose your mother-in-law, 20 years before you ever knew her, had gone to some meetings of the American League Against War and Fascism and contributed to what she thought was a legitimate antiwar movement.

Suppose your wife's uncle, Dave, a wounded veteran of World War I, had been a leader in the bonus march back in the Herbert Hoover administration, and had helped to plan some of the "direct action" strategy for that unhappy army of unemployed and undernourished veterans.

Suppose your sister's brother-in-law had once gone to some leftwing meetings while in college.

Could you, under those circumstances, prove you were not a security risk to the United States?

Note, now, that in none of these cases were you personally involved—no question of your own participation in Communist activities of any sort, no accusation that you had subscribed to any of the wrong magazines or had ever read the Daily Worker, or had otherwise done anything the least bit out of line. In fact, you might be a decorated and wounded war veteran.

The point is that we are having case after case of this sort—not of "guilt by association" but of "guilt by marriage or inheritance"—coming to light most every month. Many never do come to light. But those which do frequently give those of us in Congress who learn about them a nauseated feeling, as if we were seeing a running sore in the body politic of free America.

No one argues that Americans must not take every step to protect our country against subversion and infiltration by communism. We have devoted billions of dollars to that for these past many years. The FBI and the Central Intelligence Agency have money for every possible need they tell Congress they want it for. We do not ever stint on appropriations for such work.

But we find innocent people being kicked out of career Government jobs because they have relatives who were suspected of having leftwing sympathies, or who once attended leftwing affairs. The most frightful type of security trouble I have come across is that which hits a career soldier or airman who is suddenly handed a discharge from the service because of a mother-in-law's activities 20 years ago or a far-removed cousin's mixup with a leftwing union or other outfit.

I have personally intervened in such a case and have found that the military services suddenly get a little more careful and much more reasonable about these matters when Members of Congress show an interest in a particular case. Otherwise, the poor fellow would be out on his ear—and identified for the rest of his life as an unworthy officer or noncom who had to be kicked out of the service because he was a security risk.

No American should sit by and let any public official push him around in violation of law and decency. If it involves a Federal official, I would want people from my district to call it to my attention. Of course, any citizen automatically feels persecuted when he runs into trouble with a public official, but it is not too hard to tell a legitimate complaint from one of the crybaby kind.

On this coming Fourth of July weekend, besides taking our lives in our hands on the highways, I would suggest we also take into our hands the text of the Declaration of Independence and read it again; and see how the Founding Fathers reacted to denial of their rights as human beings and to attacks upon their dignity as men.

Thanks to the courts, to Congress, and to a lot of individuals who have insisted on standing up for their rights, the Eisenhower administration's security hysteria is now beginning to simmer down. The suppression of news which it has invoked against our newspapers on security grounds is now under such fire from the press it may soon be replaced with a much more intelligent approach to the security information problem.

Let us hope so. For we can make our Government so secure, you know, that it does not dare do anything for fear of breaching security. We can deny security clearance to the Oppenheimers and Einsteins and other scientists who were not always too careful with whom they associated, and the first thing we know America may have lost the race for scientific leadership behind an Iron Curtain of our own.

Death to the Communist atomic espionage agents. But let us use some commonsense about calling a career soldier a security risk and dismissing him from the service just because his wife had parents or in-laws who associated with some peculiar crackpots 25 years ago.

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. HOSMER. Mr. Speaker, according to the Bureau of Reclamation, the

proposed Eagle Divide Irrigation project in Colorado would grow more supported crops to be added to the enormous agricultural surpluses now bulging the Nation's warehouses.

The Eagle Divide project is a part of the multi-billion-dollar upper Colorado River project.

The Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the upper Colorado River project.

The Upper Colorado River Project

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. DIXON. Mr. Speaker, in the discussions of the Colorado River storage project a great many loose charges have been made concerning the cost estimates prepared by the Bureau of Reclamation. Opponents of the project have tried to create the impression that reclamation projects always cost substantially more than the original Bureau estimates.

This simply is not true.

In many cases, of course, cost estimates, prepared in accordance with prices which were current at the time the estimates were made, have gone up when basic construction costs rose sharply between the time the estimates were made and the time construction got under way. This was particularly true of projects planned before the war and constructed after the war, under entirely different economic conditions.

Projects planned by the Bureau of Reclamation since the end of World War II have been and are being constructed at costs very close to, and in many cases substantially below, original cost estimates.

Let me give you an example from my own State of Utah. The Weber Basin project was authorized in 1949, at which time the Bureau's cost estimate was $69,534,000. When construction began in 1952, construction costs had risen to the extent that the same cost estimate, adjusted to the current price index in accordance with a study made by the Engineering News-Record—a nongovernment professional publication—was $88,968,000.

At the present time the Weber Basin project is 22 percent complete and the current cost estimate—based very largely on actual contracts—is $65,362,000. This is 27 percent below the original estimate when adjusted to reflect the current cost index. More impressive still, it is 7.3 percent below the original 1949 estimate, in spite of the rise in construction costs in the interim.

For one major phase of the project—construction of Wanship Dam, Davis Aqueduct, Gateway Tunnel, and Weber Aqueduct—the original 1949 cost estimate was $12,700,000. Actual contracts have been let for this work at a total cost of $9,094,000, or $3,606,000 less than the estimate. This is a saving of 28.4 percent of the original estimate, again in spite of a sharply rising cost index.

This is but one example of many that could be presented. The Glendo unit in Wyoming is being constructed at a cost 13 percent below the original estimate made in 1953. The Middle Rio Grande project in New Mexico is running 2 percent under the 1947 estimate—and a fabulous 48 percent below the original estimate when adjusted in accordance with the Engineering News Report index.

In the case of the Colorado River storage project itself, you should know that the construction price index, as of October 1954, was down approximately 1 percent since the Bureau's estimates were prepared on a basis of January 1953 prices. That means the actual cost of the project will probably be substantially below the estimate, if the downward trend continues.

Critics of the project have also attacked the ability of the reclamation projects to pay themselves out. Once again I should like to cite an example with which I am familiar. It is the Strawberry project in Utah—one which I know not only from studying it as a reclamation project, but also from frequent contact with it as a very fine fishing ground.

Repayment on the Strawberry project was begun in 1916, on a basis of individual water users' contracts with the Government. In 1926 the repayment setup was changed. The individual water users made contracts with the Strawberry Valley Water Users' Association, which, in turn, handled the repayment contract with the Government. Commissioner Dexheimer informs me that as of December 31, 1954, all repayment installments that had accrued had been paid and there were no delinquencies. Total repayment is a little more than three-fourths completed.

I think this distinguished body should consider these facts in looking at the Colorado River storage project and other major reclamation proposals.

Bananas on Pikes Peak or Good Land in Arkansas?

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. HOSMER. Mr. Speaker, the Department of Agriculture reports there are more than 20 million acres of undeveloped fertile land in the humid areas of the United States which can be developed by low-cost drainage.

Of this total, Arkansas has more than 1,865,000 acres waiting to be brought into agricultural production, when and if needed.

The cost would be from $60 to $100 an acre.

But it would cost the taxpayers of the Nation at least 50 times as much for each acre developed in the proposed multi-billion-dollar upper Colorado River project.

The Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the upper Colorado River project.

America's Book Program Abroad Is Making Good Headway

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. JUDD. Mr. Speaker, it will be remembered that during the first few years of our United States information program, established by the 80th Congress in 1948, there was considerable criticism of the book program in our libraries abroad. Many of the books were badly chosen. The Communist books and and pamphlets were more numerous, more simply written, better illustrated, more persuasive, cheaper.

Recently I asked Dr. Franklin Burdette, who has been Chief of the Library Division for 2 years, for an up-to-date report. His reply is informative and encouraging. Under leave to extend my remarks, I include my correspondence with Dr. Burdette:

JUNE 1, 1955.

DR. FRANKLIN L. BURDETTE,
Chief, Information Center Service,
United States Information Agency,
Washington, D. C.

DEAR DR. BURDETTE: I note that the book program of the United States Information Agency recently brought out its 500th edition in a foreign language.

In view of the importance of meeting the flood of Communist books, I should like to know more about your foreign-language-book program.

In conducting the program, to what extent does the Agency enlist the cooperation of American publishers and foreign publishers? How are books selected for this program?

Sincerely yours,

WALTER H. JUDD.

UNITED STATES INFORMATION AGENCY,
Washington, June 3, 1955.

The Honorable WALTER H. JUDD,
House of Representatives.

DEAR DR. JUDD: I am happy to answer your inquiry of June 1 about the book-translation program of the United States Information Agency.

Cooperation with publishers here and abroad is the principle guiding the conduct of the book-translation program of the United States Information Agency. The Agency itself does not publish books. It strives rather to create the conditions which will enable authors, book publishers, and booksellers to make the strongest case for the cause of freedom in the current contest of ideas.

A book is selected for translation because the Agency is convinced that it can make a vital contribution to the understanding, somewhere in the world, of the aims and objectives, the fabric and pattern of life and thought, in the United States. Such a book may appear in many languages, in French or German, Japanese, or Korean—perhaps even in Urdu or Tagalog. American books have appeared in more than 44 languages through Agency encouragement. They are issued by foreign publishers and sold in commercial channels of the world. Demand for American books is rapidly growing abroad. As they become known for their truth and integrity, publication in foreign languages in native commercial channels, without financial or other assistance, is becoming more and more frequent. Agency assistance is given only when native-language editions would otherwise not be possible. This worldwide program of encouraging translation is the responsibility of the Translations Branch of the Agency's Information Center Service, located in Washington, and also of field officers in 205 posts in 76 countries.

The Agency creates favorable conditions in many ways for foreign-language editions. In some cases no more is required to stimulate a foreign edition than a call from our overseas post bringing an American book to the attention of a foreign publisher. The Agency staffs abroad, including Americans and nationals of countries where we work, also introduce American books to foreign readers and publishers through the overseas libraries, through book reviews in the press and on the radio, and through traveling book exhibits.

In other cases the overseas posts take a more active part in the production or the distribution of a foreign-language edition. Such activity may involve promotion of the foreign edition through a program of bringing the book to the attention of the widest circle of potential readers. In some cases our staffs cooperate in the actual distribution of foreign editions, with presentation of copies to key readers, libraries, or schools, assistance to book clubs and wholesalers, or assistance to the publishers to assure a modest local price necessary to encourage purchaser interest.

Assistance in the production of a foreign-language edition—when necessary because of obstacles in the path of free international commerce or because of the limited operating capital in the hands of the overseas publisher—requires even more extensive cooperation between the United States Information Agency and publishers here and abroad. The Agency may assist in the negotiation of foreign-language rights with the American publisher; it may help in the translation of the book; it may assure purchase of a part of the foreign edition. American publishers have cooperated unselfishly in making available translation rights for a larger world audience. They receive no payment except a small sum for assignment of rights, usually a nominal fee of $50 for each language.

The book translation program is an active means of fulfilling the mission given to the Agency by the Congress and the President, to "submit evidence to peoples of other nations by means of communication techniques that the objectives and policies of the United States are in harmony with and will advance their legitimate aspirations for freedom, progress, and peace." Its scope does not necessarily extend to every book published in the United States. In advancing freedom's cause in the present ideological struggle, the Agency supports those books which will do the cause of America and the free world the most good in terms of intrinsic content and foreign reader interest. Judgment of a book's value in terms of the Agency's mission results from the combined thinking of readers here and abroad, including Agency personnel in Washington and in the country of the proposed foreign-language edition.

The United States is now more than ever meeting the competition of Moscow and Peiping in the international book market, both in numbers and in quality. Over the past 30 years Moscow alone has published for use outside the U. S. S. R. a yearly average of 5 million copies of foreign-language books. Since July 1950 the United States Information Agency has assisted in the publication of an average of 4 million copies of foreign-language book translations a year. During the past 2 years the Agency has been responsible for more than 1,100 foreign-language editions of American books. Their impact, we know from sources of information all over the free world, is a permanent sharing of American culture and achievement.

Sincerely yours,

FRANKLIN L. BURDETTE,
Chief, Information Center Service.

A Bill for Freedom of Choice in Trade

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. ROOSEVELT. Mr. Speaker, as a member of the Select Committee on Small Business, House of Representatives, and as chairman of its Subcommittee No. 5, dealing with distribution problems, of which the gentleman from Oklahoma [Mr. STEED] and the gentleman from Illinois [Mr. SHEEHAN] are members, we were authorized by the full committee to investigate and study distribution problems affecting small business.

Immediately following the assignment of that task, representatives of gasoline station operators comprising one of the large segments of small business in our country complained to our committee that coercive, discriminatory and related practices on the part of major oil companies were destroying their independence as small-business men and their ability to survive unless they followed the demands and dictates of the major oil companies. Subcommittee No. 5 was specifically concerned with the problems which arise in the trade relations between numerous small and highly competitive independent businesses on the one hand and a few large monopolistic or quasi-monopolistic suppliers on the other hand.

Consequently, a determination was made to investigate the charges in an effort to ascertain whether they were well founded and if so, whether these small-business men have a remedy under our present laws and whether it is being enforced properly by Government agencies. We commenced taking evidence concerning these matters in the course of public hearings on March 28, 1955. Those hearings continued until last month, during the course of which we received sworn testimony from 62 witnesses who came from all parts of the United States. Upon the basis of the record of that testimony it was concluded that a great many of the so-called independent businessmen, who are retail gasoline operators, do not fully possess the rights that are inherent and basic to a small-business man in a free and competitive economy. A fair reading of the record shows that through the use of short-term leases, often cancelable upon short notice, major oil company suppliers have enforced exclusive dealing practices and price discrimination which resulted in the substantial lessening of competition in the retail distribution of tires, batteries, accessories, and petroleum products.

Specifically the record supports the following findings:

First. A substantial proportion of all sales of refined gasoline of major oil companies is made through retail outlets where the dealer has a short-term lease from the oil company supplier, usually for 1 year. The importance and the proportion of the total retail market serviced by such short-term lessee dealers have been increasing.

Second. The dealer operating his station under a short-term lease with the oil company supplier frequently is not in fact independent and is subject to control by the oil company supplier. The freedom of choice of the dealer with respect to the manner in which he operates his station is circumscribed by the economic power of his oil company supplier, whether or not such power is specifically exercised against him. Representatives of some of the oil companies testified that such control is necessary in order that the oil companies may protect their substantial investments. Other witnesses testified that many retail stations have been maintained at locations long after economic reasons for their operation had disappeared.

Third. The short-term leases and sales practices of major oil companies in relation to their sponsored products have had the effect of operating against a dealer's freedom of choice in using or dealing in competitive products, and operate to substantially lessen competition and tend to eliminate price competition.

Fourth. Price discrimination: Oil company suppliers, for the avowed purpose of having their dealers reduce their retail prices at a particular location to meet the competition of a dealer selling at a lower but nondiscriminatory price, including off-brand gasoline, have discriminated in price through the device of holding the level of their prices generally while, at the same time, cutting their prices to one or more dealers at a particular location. In such situations discriminations have been practiced by oil company suppliers until the low-price dealer saw fit to increase his price. This device of price discrimination has had the immediate effect of fomenting price wars among the retail dealers, but the ultimate result of eliminating a substantial amount of price competition between and among dealers handling the products of the oil

company suppliers and those dealers handling off-brand gasoline. Short-term lessee dealers in many instances have been coerced or induced by their oil company suppliers into so-called price wars in furtherance of the price discrimination practices of the oil company suppliers designed to eliminate competition as hereinbefore described. It was also established that on occasion price wars have been started when some dealers engaged in price cutting activities on their own initiative.

Fifth. The record indicates the probability that the short-term leases and practices toward lessee dealers are the product of control by the major oil companies in the production, transportation, and refining of crude oil and the retail distribution of gasoline.

Sixth. The present laws, procedures, and enforcement policies are inadequate to achieve effective and permanent relief.

If it is truly believed that the small-business man plays an irreplaceable role in our society and economy, it follows that such evidence as has been received by the subcommittee calls for immediate and effective action. I have, therefore, introduced a bill, H. R. 7096, amending sections 3 and 4 of the Clayton Act for the purpose of protecting and preserving small and independent business enterprises, such as the retail gasoline dealer. The bill is designed to assure small-business enterprises freedom of choice in trade and in the commodities they handle. It is hoped that my bill will accomplish this purpose by, first, making it unlawful in any course of action or any act which, in connection with any sale or contract to sell, lease, franchise, or license, operates to interfere in any manner with the freedom of choice of any lessee or purchaser to deal in or use any product which is competitive with a product sponsored by his supplier. Such unlawful course of conduct or act includes, of course, the taking or threatening of any action against a person in retaliation for exercising his freedom of choice in respect to the commodities that he might desire to use and sell; second, a prima facie violation of the law may be established by showing a refusal or the threat of a refusal to deal, lease, license, or the threat to refuse to renew or the refusal to renew any lease, license, or contract. The burden of rebutting such a prima facie case then is upon the supplier; and, third, the plaintiff in any action under the Clayton Act may move the court at any time to certify that his cause of action is based upon probable cause and if the court grants such a certification then, even though the plaintiff should not prevail in the final judgment of the cause, the plaintiff shall nevertheless recover from the United States a reasonable attorney's fee and the cost of the suit shall be borne by the United States.

It is felt that while this proposed legislation is modest, it can go a long way toward accomplishing the purpose of protecting freedom of choice and free competition, and there is no good reason for any objection to it by the oil company suppliers or by suppliers in other industries. In their sworn testimony the oil company executives uniformly testified that their companies' policy was against, and that they would not countenance, any coercion by their salesmen against dealers. I was impressed with the sincerity of this testimony and trust that the oil companies will be included among the supporters of this amendment, which would implement and strengthen the policies they state they follow.

Attached is the text of the bill.

FOR FREEDOM OF CHOICE IN TRADE

A bill to amend sections 3 and 4 of the Clayton Act to free those in commerce from restraints of trade and to allow small-business men freedom of choice in the conduct of their respective businesses as independent enterprises

Be it enacted, etc., That sections 3 and 4 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (33 Stat. 731; 15 U. S. C. secs. 14 and 15), are amended as follows:

"SECTION 1. Section 3 of the Clayton Act is amended to read as follows:

"'It shall be unlawful for any person engaged in commerce, in the course of such commerce, to lease or make a sale or contract for sale of goods, wares, merchandise, machinery, supplies, or services or facilities, whether patented or unpatented, for use, consumption, or resale within the United States or any territory thereof, or the District of Columbia, or any insular possessions, or any place under the jurisdiction of the United States, or fix a price charged therefor, or discount from, or rebate upon such price, on the condition, agreement, or upon the basis of any arrangement, or course of action, which prevents the lessee or purchaser thereof from using or dealing, or which operates against such person's freedom of choice in using or dealing, in the goods, wares, merchandise, machinery, supplies, or services or facilities of a competitor or competitors of the lessor or seller, or where the effect of such lease, sale, or contract for sale, or such condition, agreement, understanding, arrangement, or course of action may be to prevent or eliminate a substantial amount of competition, or to substantially lessen competition or tend to create a monopoly in any line of commerce in any section, community, or trading area.

"'It shall be unlawful for any person engaged in commerce in the course of such commerce to be a party to or assist in the commission of any act in connection with any sale, or contract to sell, or lease, license, or franchise, which

"'(a) Operates to hinder, restrict, prevent, or otherwise interfere with the freedom of choice of any lessee or purchaser to deal in or use any goods, wares, merchandise, machinery, supplies, or services, or facilities available from any other person that a purchaser, lessee, licensee, or grantee may wish to acquire, advertise, display, use, or resell; providing that this provision shall not be construed to prevent a lessor from entering into an agreement with his lessee that the leased premises shall be used to conduct a certain type of business or that equipment owned by the lessor shall not be utilized to display or vend commodities different from those advertised as offered for sale in or through such equipment.

"'(b) Includes the taking or threatening any action or course of action against any person in retaliation as a result of such person's dealing in or using goods, wares, merchandise, machinery, supplies, or services or facilities of his choice.

"'Proof of violation of this section may be established prima facie by showing a refusal or the threat of a refusal to deal, lease, license, or the threat to refuse to renew or the refusal of renewal of any lease, license, or contract, where the seller, lessor, or licensor, is engaged in or solicits business generally from a class of trade in the section, community, or trading area and where such seller does or has control over a substantial amount of the trade in the goods, wares, merchandise, machinery, supplies, or services or facilities in the section, community, or trading area to which the refusal or threat of refusal applies.

"'Upon proof being made in any proceeding under this section that there has been a violation of this section, the burden of rebutting the prime facie case thus made by showing justification shall be upon the person charged with the violation of this section and unless justification shall be shown affirmatively the tribunal before which the proceeding is brought is authorized to issue an order terminating the violation: *Provided, however*, That nothing contained in the section shall prevent a seller, lessor, licensor, or other person charged with such violation from rebutting the prima facie case made, as provided, by showing that the alleged violation was based upon an act or course of action expressly provided for and specified in a contract, lease, or license, consistent with the provisions of this section and not otherwise unlawful.'

"SEC. 2. Section 4 of the Clayton Act is amended by adding at the end of the section the following language:

"'The district court in such action is vested with jurisdiction to make and enter such rulings on motions and temporary restraining orders, including orders of prohibition, at any time during such proceedings, as it may deem just in the premises.

"'Whenever the plaintiff moves the court to do so, it shall determine and certify whether the plaintiff's suit is founded upon a showing of probable cause, and in those cases where it is certified that a showing of probable cause has been established, then, even though the plaintiff should not prevail in the final judgment of the cause, the plaintiff shall nevertheless recover from the United States a reasonable attorney's fee and the cost of the suit shall be borne by the United States.'"

Bananas on Pikes Peak?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. HOSMER. Mr. Speaker, according to the Bureau of Reclamation, the proposed Parshall irrigation project in Colorado would grow more supported crops to be added to the enormous agricultural surpluses now bulging the Nation's warehouses.

The Parshall project is a part of the multi-billion-dollar upper Colorado River project.

The Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the upper Colorado River project.

It's No Longer Book Burning

EXTENSION OF REMARKS

OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. CURTIS of Missouri. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I am setting out a letter I recently wrote a constituent on the subject of It's No Longer Book Burning:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

DR. JOHN JOHNSTONE, Jr.,
Beaumont Medical Building,
St. Louis, Mo.

DEAR DR. JOHNSTONE: Thank you very much for your letter of June 21, 1955, and the enclosed article from the St. Louis Post-Dispatch entitled "Losing the Battle of Books." I deeply appreciate your calling this matter to my attention. I thoroughly agree with your statement that the problem involved here is of the greatest importance.

I have directed a great deal of thought and study to this problem. Incidentally, I am preparing right now two treatises on collateral subjects which I intend to insert into the CONGRESSIONAL RECORD in the very near future. I will send you copies when this is done.

I do have a couple of additional thoughts I would like to add at this time: 1. It was not so long ago the Chicago Daily News (whether Mr. Bradley, the literary editor, was among the group I don't know), other newspapers and publications of similar approach and other scholars were shouting to high heavens about book burners, referring to the efforts of one Senator MCCARTHY, of Wisconsin, to "clean out" (JOE'S words) the shelves of the USIA libraries abroad and have in their place books that gave a better and more representative picture of America and American life. The intelligentsia (self-styled) of this country had a great day being righteously indignant against book burners, brute anti-intellectualism, etc. MCCARTHY having already been sufficiently smeared, they had a field day even to the extent that President Eisenhower himself joined the antibook burners in his commencement address at Dartmouth College. Everything was so liberal and everyone was so enjoying the emotion of fighting the devil and being righteously indignant, that it was pretty hard for anyone to step up and try to talk sense on the subject.

Now, in order to be able to discuss the subject, or at least have people whom I want to do some thinking on the subject not turn away in prejudice and not listen to what I want to say, I hasten to state there is no one I can think of who would be less able to select the proper balance of books to be on our USIA shelves than the aforesaid Senator from Wisconsin. Furthermore, the manner in which he sought to call the public's attention to the fact that the bookshelves of the USIA did not have a good balance, in my opinion, was not a manner conducive to attaining good results.

But to call the process of selection of a limited library book burning was equally as anti-intellectual. It was a pure smear and unreasoned attack. As I said to a friend of mine, if selectivity is to be book burning, I in truth am both figuratively and literally a book burner because I have on many occasions in balancing off my own private library burned what I didn't want and concluded no one else wanted that particular trash I had accumulated.

So now the intellectuals come back through Mr. Van Allen Bradley and recognize that it is a scholarly and professional task to get a proper balance in a limited library and that you can have trash, and that you can have imbalance, and that the overall effect can be one inconducive to the purposes in mind. The only difference seems to be they didn't want MCCARTHY pointing this out, and they didn't want to believe it possible that books which actually misrepresented the true America were in the libraries abroad and that possibly some of these books had been put there deliberately.

Now I don't say that the libraries did contain books misrepresenting America or if they did that these books were put there deliberately. I do say, knowing the Comintern (Cominform) and not underestimating either its abilities or intelligence, that such things were not beyond the realm of possibility and certainly deserved serious looking into. I didn't want the Senator from Wisconsin doing it; I wanted an objective scholarly group to do it. But it needed doing. So now that the intellectuals are ready to do the selection (not book burning anymore) maybe we can really get the show on the road.

The second point I want to make and it will not take so long to make, because it follows essentially the same pattern of thinking as my previous point, is this. The book publishers of this country and their allies, the book reviewers, indeed seem to have a tight control over what books Americans will buy and read and, of course, dependent upon what books are bought and read depends upon what books are published and disseminated. Perhaps we do have topnotch authors who do know and have been writing about the American scene, but their fine works never really see the light of day. I do not know that this is so, but I have read enough books published by small and unknown publishing houses that never do come to the attention of the American public and, in effect, never do see the light of day, all because the magic of the favorable book review is lacking. Also, I have read the most amazing sort of tripe that has received great book reviewing praise for no apparent reason.

Again, let me say I am happy you brought this matter to my attention. I intend to insert the article in the CONGRESSIONAL RECORD along with the remarks contained in this letter.

Sincerely,

THOMAS B. CURTIS.

P. S.—As far as the USIA being "rather disappointed recently when Congress turned down an appropriation to create a Government publishing house to produce cheap books to be distributed throughout the world," I would suggest that these USIA people do a little understanding of the books "representative of the basic philosophy on which the American concept of freedom was built" they are translating for foreigners. Perhaps putting this philosophy together with a look around the American publishing industry, they would be glad Congress did reject their plea. If they believe in the private enterprise system, they will utilize it, not subvert it even in small things.

[From the St. Louis (Mo.) Post-Dispatch of June 20, 1955]

LOSING THE BATTLE OF BOOKS

(By Van Allen Bradley)

If it is true that the pen is mightier than the sword, then the United States is in danger of losing the battle of the books to Soviet Russia.

While the Kremlin is engaged in a giant international program of subsidized book distribution, the United States Information Agency is carrying on an appallingly weak and inadequate counteroffensive.

Russia is making sure that in every country where communism seeks a foothold the classic books and pamphlets of Communist political theory are abundantly and easily available in cheap native-language editions.

The United States, on the other hand, is virtually ignoring the classic statements of democratic thought while it translates and distributes such secondary items as John Steinbeck's the Red Pony, Arthur E. Hertzler's Horse and Buggy Doctor, and Eleanor Roosevelt's the U. N. and How It Works.

Russia is turning out in many languages millions of volumes of inexpensive editions of the classic Communist statements of Marx, Lenin, Stalin, and other writers.

The USIA book translation program includes only a little of Thomas Jefferson and selections from the Federalist as representative of the basic philosophy on which the American concept of freedom was built.

The books on its lists for translation are, at least to date, overwhelmingly in the category of devotional works and repentances of sinners. The gospels of democracy go virtually unknown in favor of books like former Russian Gen. Alexander Barmine's One Who Survived and Arthur Koestler's Darkness at Noon.

Nowhere in the USIA lists are there such basic works of democratic thought as Locke's Letters on Toleration, John Stuart Mill's On Liberty, De Tocqueville's Democracy in America, Bryce's the American Commonwealth, the works of Lincoln, and Emerson's Moral and Political Essays.

These are the conclusions made by a group of Chicagoans interested in how the United States is faring in spreading the gospel of democracy abroad. It was this group that was responsible for focusing national attention on the problem when Representative BARRATT O'HARA of Chicago, a Democrat, brought it up before the House in debate on the State Department appropriations.

Their reason for stressing basic documents is based on an observation in history: Wherever there has been a movement for constitutional democracy, it has been accompanied by a recourse to the original and fundamental statements of the democratic theory.

The Federalist, for instance, appeared in Paris in 1792 and was one of the textbooks for the statesmen of the French Revolution. De Tocqueville and Mill were used by the Russian liberal leaders of the 19th century.

The men who have joined in trying to persuade Congress and the USIA of the need for such books are Dr. Harold Fey, executive editor of the Christian Century; Jerome G. Kerwin, chairman of the Charles R. Walgreen Foundation at the University of Chicago; Richard P. McKeon, professor of philosophy at the university and a State Department visitor to universities in India; Emery T. Filbey, vice president emeritus at the university; Thomas B. Stauffer, humanities instructor at Wilson Junior College; and Leland G. Stauber, an undergraduate student at the university.

Their spadework recently brought them a letter of approval in principle from the Advisory Committee on Books Abroad for the United States Advisory Commission on Information.

Mark A. Day, chairman of the committee and director of the Institute of Human Relations at Yale, in reporting his committee's approval to seek an expanded translation program, called upon the Chicagoans to supply a list of books to be considered. Such a proposed list was submitted by Stauffer,

serving as secretary of the Chicago group. It included the following titles:

Madison, Hamilton, and Jay's The Federalist; Thoreau's Walden and Civil Disobedience; Locke's Letters on Toleration and Of Civil Government; Mill's On Liberty and Representative Government; Jefferson's selected writings; De Tocqueville; Bryce; Emerson's selected essays; John Dewey's The Public and Its Problems; Woodrow Wilson's The New Freedom; Mazzini's The Duties of Man; Abraham Lincoln's Selected Papers; and Learned Hand's The Spirit of Liberty.

Representative O'HARA in an unsuccessful attempt to amend the State Department appropriations bill said: "Briefly stated, this is our program: Select 20 or 30 classics of American democracy, such as The Federalist and the writings of Thomas Jefferson, translate them into all the languages of the world, issue them in paper editions and make them available at trifling cost to the little people everywhere.

"This was the literature that inspired and guided our forefathers in the task of building this democracy. It will inspire and guide those who now, in foreign lands, are looking for the light."

The Chicago Daily News in February called upon its correspondents to investigate the extent of the Communist book campaign and what the United States is doing to meet it. Following are some of their reports:

Paris (William H. Stoneman reporting): "There are at least six bookshops in France that are devoted exclusively to the sale of Communist literature in either Russian or French. Generally attractive in appearance and sold at low prices. Works of the basic American philosophers are difficult to buy in France because of the high cost of American books."

Rome (Charlotte Ebener reporting): "There are many Communist bookshops in Rome. All the Communist classics as well as later writings are available in Italian, at approximately half the price of the paperbacks on Italian or American political and economic thought. There is no American bookstore."

London (Ernie Hill reporting): "There are numerous bookstores that sell Marx & Co. at a low cost. The Communist Party itself operates 36 regional bookstores and sells at below cost. Nowhere can you buy Jefferson, Lincoln, etc., at anything like these prices.

"The USIA people were rather disappointed recently when Congress turned down an appropriation to create a Government publishing house to produce cheap books to be distributed throughout the world to compete with the U. S. S. R. The fact remains that we have nothing to compare with the Communists' cheap books distribution plan."

Bananas on Pikes Peak or Good Land in Florida?

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. HOSMER. Mr. Speaker, the Department of Agriculture reports there are more than 20 million acres of undeveloped fertile land in the humid areas of the United States which can be developed by low-cost drainage.

Of this total, Florida has more than 1,970,000 acres waiting to be brought into agricultural production—when and if needed.

The cost would be from $60 to $100 an acre.

But it would cost the taxpayers of the Nation at least 50 times as much for each acre developed in the proposed multi-billion-dollar upper Colorado River project.

The Congress might as well appropriate money to grow bananas on Pikes Peak as to approve the upper Colorado River project.

Democrat Bill Proposes To Saddle $850 Million New and Additional Taxes on American People

EXTENSION OF REMARKS

OF

HON. RUSSELL V. MACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. MACK of Washington. Mr. Speaker, I rise today to discuss some unusual aspects of the new highway bill which was introduced this week in behalf of a majority of the Democratic members of the House Public Works Committee.

This Democratic highway bill, H. R. 7072, proposed to levy $850 million in new and additional taxes on American automobile and truck users.

The new taxes which the Democrats would levy by the terms of the bill they introduced last Tuesday are: First. An increase of the present 2 cents a gallon Federal gasoline tax to 3 cents a gallon which it is estimated will yield an additional $500 million annually; second, an increase of the present 2 cents a gallon diesel fuel tax to 6 cents a gallon which it is estimated will yield an additional $50 million a year; and third, an increase in the present tax of 5 cents a pound on large-sized truck tires to 50 cents a pound, and a new 20 cents a pound tax on retread material, all of which is expected to raise an additional $300 million a year.

TIRE TAX CALLED UNFAIR

Until the time that the Democrats introduced their highway bill this week, no one knew the Democrats were considering imposing a tax on tires and retread material or of additional taxes on gasoline and diesel fuel. In fact, when witnesses during the hearings on bills that would authorize an expanded highway program tried to testify against the imposition of new taxes they were shut off from so testifying by statements of committee members that no new taxes were proposed in the highway legislation then under consideration. The bill, H. R. 7072, just introduced in behalf of the Democratic majority of the Public Works Committee, carries $850 million in proposed new and additional taxes on automobile and truck owners. No public hearings have been held on the tax aspects of this bill although these tax increases will total almost a billion dollars a year.

The proposed tax on truck tires is 10 times the tax now paid on tires. It increases the present 5-cents-a-pound truck tire tax to a tax of 50 cents a pound.

Not one of those upon whom this 1,000-percent, tenfold increase in the Federal taxes on tires will be imposed, if the Democratic bill is enacted, have been provided an opportunity to give their views on this proposed exorbitant tax increase. Certainly, before $850 million in new and additional taxes are imposed upon the truck and automobile owners of America, public hearings ought to be held for at least a few days to provide those who must pay this $850 million in new and additional taxes a right to be heard as to how these new taxes will affect them.

I have received telegrams from some truckers who seldom if ever use interstate-highway systems that the proposed 1,000-percent, tenfold increase in the tax on tires, will put them out of business. I do not know whether these people will be ruined financially by the new proposed taxes but most certainly these people, on whom almost a billion dollars in new taxes would be imposed by this Democratic bill, ought to be heard, in public hearings. No provision, as yet, has been made for any hearings on the imposition of these proposed new taxes.

Most of the money in the Democratic highway bill is to be spent on the interstate highway system. I will agree that perhaps the big trucking companies which operate great freight and passenger trucks over the interstate system of highways, which roads will get most of the highway money in the Democratic bill, should pay extra taxes. They will get the benefits of the interstate highway improvements.

There are, however, tens of thousands of trucks that are operated only on city streets or only on secondary and rural roads, and which never or seldom get onto any interstate highway. The off-interstate highway truckers will be taxed just as much under the Democratic bill as the truckers using the interstate system of highways. The imposition of a tax amounting to as much as a 1,000-percent, tenfold, increases over present taxes on truckers who never or seldom use the interstate highway system to provide a better interstate highway system for other truck lines obviously is unfair and unjustifiable.

LOG TRUCKER TAX EXORBITANT

Take the case of the logging industry. Nearly all timber today is hauled to tidewater or to the mills on trucks.

The average logging truck in the Pacific coast States is equipped with 16 to 22 tires. These tires sell at about $100 each, plus a $5 tax.

The Democratic bill introduced this week proposed to increase this $5 a tire tax to a tax of 50 cents-a-pound, which means a tax of $50 a tire in place of the

present about $5-a-tire tax. In short, the logging truck owner who now pays a tax of $80 to $110—this is $5 a tire—will be required under the proposal in the Democratic highway bill to pay a total tire tax of $800 to $1,100 a truck. This is $50 a tire for 16 to 22 tires.

This is a 1,000-percent increase in the logger's tire tax.

These logging truckers who are to have their tire taxes increased 100 percent, or by about $800 to $1,100 a truck every time they get a tire change, seldom, if ever, use the interstate highway system.

If there is any doubt in your mind that most of the new money in the Democratic bill will go onto the interstate system of highways and very little of it on other roads, consider these facts:

Under the present law the Federal Government provides $175 million a year for the interstate highway system, but under the new Democratic bill will provide $1,200,000,000 a year, or more than a billion dollars a year above what is provided under the present law.

On the other hand, under the present law, the Federal Government provides $700 million a year in matching funds for primary, secondary, and urban State roads, whereas under the new Democratic bill—H. R. 7072—the Federal Government will provide $725 million the first year, or only $25 million a year more than is provided by the present law.

In other words, the new Democratic bill increases Federal allowances for the interstate system of highways by more than a billion dollars a year and allows an increase in Federal funds of only $25 million for all other types of roads.

I am not objecting to this. I am objecting, however, to making users who confine their operations almost entirely to primary, secondary, and urban State roads, on which very little additional money will be spent under the Democratic bill, pay an enormously increased tax to finance an interstate system of highways for those truckers who do use the interstate system.

A DEMOCRATIC BILL

In this speech I repeatedly have referred to H. R. 7072, the bill to impose $850 million in new and additional taxes on automobile and truck owners as "the Democratic bill."

I call it "the Democratic bill" because it was prepared and drafted in a series of conferences of the Democratic members of the Public Works Committee to which no Republican members of the committee were invited.

These secret meetings of the Democrats to draft their bill to increase taxes by $850 million extended from June 1 to June 28 when, on the last date their bill, H. R. 7072, was introduced. No Republicans were invited to any of these meetings. The bill, H. R. 7072, and its proposal to boost taxes by $850 million therefore is a 100-percent Democratic proposal.

It often is said that the users of the highways should pay for them. Of course highway users should. As a matter of fact the highway users for years in the past and even now, already, are paying enough in special taxes to finance the entire proposed expanded highway program.

The trouble is and has been that the money motorists have paid in special Federal taxes has not gone into building highways. It has gone for all other kinds of purposes, including foreign aid and the construction of highways, power dams, and buildings in foreign lands.

For years now the automobile and truck owners of our Nation have been paying special excise taxes on new cars, on new trucks, on tires, on automobile accessories, on gasoline and on diesel fuel. These special automotive taxes, paid almost exclusively by automobile and truck owners have brought into the Federal Treasury more than $2 billion annually. Yet, throughout the past 10 years the Federal Government never has provided more than $575 million in any year for highway construction despite the fact that it was collecting four times that amount in special taxes from automobile and truck owners.

The Federal Government never has put back into Federal highway construction at any time in the past even as much as it collected from the 2-cent gasoline tax alone. The collections from the gasoline tax in recent years has exceeded $800 million annually of which never more than $575 million and often less than that, has been spent on highways.

Not until the Republican Congress last year at President Eisenhower's urging enacted legislation increasing appropriations for highway spending to $850 million a year has our Government approached spending as much on highways as it collected from the gas tax. None of the money collected in excise taxes on new cars and trucks, on tires, on tubes and on accessories has gone to highway building. These taxes were and are being paid exclusively by highway users. None of these revenues, however, has been or is being spent for highway building or betterment—except that some of it is being spent to build highways abroad for foreign countries.

MANY INJUSTICES IN BILL

There are a number of injustices in the democratic highway bill that ought to be corrected. Among these are:

First. The increasing of the tax on truck tires from 5 cents a pound to 50 cents a pound is a tenfold, 1,000 percent, increase in tire taxes. Such an increase is exorbitant. Under the tire tax proposal of the Democrats a tire that sells for $100 will be taxed approximately $50 or 50 percent of its retail price. No other commodity, even whisky or cigarettes, is based so excessively.

Second. The tax on tubes, now 9 cents a pound, under the Democratic bill will be increased to 50 cents a pound. I make the same complaint against the proposed tube tax as I do to the tire tax. Both are excessive.

Third. Practically all of the increased highway money to be raised by the tax increases proposed in the Democratic highway bill will be spent on the interstate highway system and little of it on the other roads. Yet, automobile and truck owners whose equipment is seldom or never on the interstate highway system will be taxed just as heavily under the Democratic bill (H. R. 7072) as those truck owners who operate almost exclusively over interstate roads. The taxes on school busses and city bus lines, for example, which operate exclusively over city streets and rural roads will be taxed, comparatively, just as much as the heavy truckers who use interstate highways almost exclusively.

Fourth. The gasoline that goes into on-the-farm tractors and other farm equipment used entirely on farms and never on any highway, gasoline that is used in motor boats or in the operation of aircraft will be taxed at the same rates as gasoline used in trucks that travel the interstate and other roads of the Nation.

Fifth. The Democratic bill will be unfair to independent tire dealers unless one important change is made. Under the Democratic bill, the independent tire dealer will be required to pay the proposed 50-cents-a-pound tire tax the instant he buys tires from the factory. On the other hand the factory-owned retail outlet will not pay the 50-cents-a-pound tire tax until the factory's tire station actually sells the tire to a consumer. This will give the factory-owned retail tire stores a substantial advantage over independent tire dealers.

Sixth. The diesel fuel tax is to be raised by the Democratic highway bill from 2 cents a gallon to 6 cents a gallon. The retail outlet that sells diesel fuel must collect the 6-cents-a-gallon diesel fuel tax and forward the tax money to the Federal Government with suitable reports. Every little service station handling diesel fuel, therefore, will be a tax-collection agency entailing great extra work on the service-station operators for which they will receive no compensation. In the case of gasoline the tax is collected at the wholesale level thus simplifying collection by the Government and relieving the service-station operators of the onerous work of collecting and reporting tax collections. Something like this ought to be worked out for handling diesel fuel tax collections.

Seventh. The Democratic highway bill proposes that the collection of the new and additional taxes on gasoline, diesel fuel and tires which it is anticipated will yield about $70 million a month shall start within about 30 days after the Democratic bill becomes law, if it does become law. Actual construction work on the proposed expanded highway program, however, will not start until about a year after the collection of taxes is begun. Automobile and trucker owners, therefore, will not be paying for the improved roads as they use them. They will be paying in advance for them.

Eighth. While the imposing of the $850 million in new and additional taxes in the Democratic highway bill creates

and leaves the impression that this additional tax money is to be spent on bettering highways there is nothing in the bill that says that this $850 million is to be used for highway work. The $850 million like most other taxes will go into the general Treasury. If for any reason some future administration decides not to go ahead with highway construction, as outlined in the bill H. R. 7072, and stops or curtails highway building, the increased taxes will continue in effect anyway, even if the highway program proposed is curtailed, lags, or is stopped.

Considering that in the past only about 25 cents out of each dollar collected from automobile and truck owners in taxes has gone into highway building the proposed $850 million tax increase proposed by the Democrats, should it be adopted, should be tied down and earmarked for exclusive use on the highways.

There never have been any hearings on the tax proposals in the Democratic bill. Certainly those upon whom $850 million in new taxes are to be imposed, if the Democratic majority of the committee has its way, should be given an opportunity to be heard.

What Is Agricultural Land Worth Today?—Fifty Years From Now

EXTENSION OF REMARKS

OF

HON. HENRY ALDOUS DIXON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. DIXON. Mr. Speaker, near 100 years ago Horace Greeley said: "Go West, young man, go West." Land was free almost for the asking: That day has passed. There is no longer a western frontier. Good land can no longer be had for the asking. It has to be reclaimed. This means clearing, draining, leveling and/or applying water under irrigation in order to make it productive.

It is estimated that 20 to 25 million acres in the United States might be reclaimed by clearing and draining. Another 6 million acres of available land is subject to irrigation. When these acres are reclaimed land expansion will cease but the demand for land will go on and the price will go up.

Land without water in the arid West is worth only what it will produce as dry range land. With water it becomes highly productive and its value greatly increases. The history of 50 years of reclamation indicates that the value of land and water when first joined is only from one-half to one-fourth the value 40 years later. On the Strawberry project in Utah in 1915 water costing $120 per ace was put on land, that at that time was selling—land and water—for $50 per acre. The $120, however, was not a cash payment. It was paid over a period of 40 years. Today that same land is selling for $500 to $600 per acre.

The cost of supplying irrigation water for lands in the Colorado River storage project and participating projects is higher when considered in terms of the present but when considered in terms of the value of the land 50 years from now it is very reasonable.

For example, for the participating projects included in S. 500 the average cost per acre saved is $545. The maximum is $715 and the minimum $190. When it is recognized that these costs will be paid over a 50-year period the market value at any year in the payout period will be greater than the cost of land and water up to that year. If history repeats itself the market value of the land at the end of the payout period will be nearer four times the cost of putting water on the land.

Based on past experience an average farm is bought and paid for once every generation. This means a given farm may be bought and paid for twice during the payout period.

Wherever good land and good water are joined under good management so that the annual net return is sufficient to pay the annual operation, maintenance and replacement costs plus an increment sufficient to return the capital investment in 50 years, it is a good investment for the Government because the value of the indirect benefits will always exceed the interest cost on the investment.

The per acre irrigation costs on the Colorado River storage project are high but not excessive or unreasonable. The first cost will be fully repaid and the indirect benefits will more than offset the theoretical cost of the interest-free money.

Kremlin Agents at Fort Monmouth

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am including an article by myself which appeared in the National Republic for July. I believe this article will be of interest to all Members of the House and it indicates the method used by Russia to keep informed on United States military matters.

The article follows:

KREMLIN AGENTS AT FORT MONMOUTH

(By Hon. LAWRENCE H. SMITH, United States Representative from Wisconsin)

The American people do not understand how Russia manages to keep abreast of the United States in modern airpower. The answer is suggested in a recent Senate report on subversion and espionage in the Army Signal Corps. As in the days of the atom bomb development, 1941–45, the Kremlin has managed to steal every military secret in aviation radar and electronics, principally through a carefully planned espionage ring centered upon the top secret research and development work carried on at the Army Signal Corps' Fort Monmouth, N. J., radar laboratories. During the years 1942–45, the Kremlin got every new electronic device and invention, almost as fast as it was perfected.

Senate report No. 230, published April 25, 1955, by the Permanent Subcommittee on Investigations (Committee on Government Operations), delineates the whole picture of Communist infiltration at Fort Monmouth.

"The responsible officials in charge of security matters were grossly negligent and incompetent in failing to take proper action in the cases of individuals where there was information that they were loyalty or security risks," the committee report concludes. "The subcommittee was unable to ascertain from the Army at which echelon the removal of security risks was disapproved."

Espionage reports from the FBI were ignored by the Army Signal Corps.

"The FBI and Army Intelligence repeatedly furnished information to the Army Signal Corps concerning individuals considered to be very dangerous to the security of this country. These loyalty and security risks were retained by the Army Signal Corps after complete facts had been furnished about them. * * * The Rosenberg spy ring successfully penetrated the Army Signal Corps and related private commercial establishments. This espionage ring took and obtained secrets from the Army Signal Corps and transmitted them to the Soviet Union. The operation of the Rosenberg ring, which had as one of its purposes the obtaining of radar secrets for the Soviet Union, may, on the basis of available evidence, still be operating."

The Senate inquiry into Communist espionage in the Army Signal Corps began early in 1953, when Senator JOSEPH R. MCCARTHY was Chairman of the Committee on Government Operations. With organization of the new Senate in 1955 the Democrats took over control of all committees. Senator JOHN L. MCCLELLAN of Arkansas then replaced MCCARTHY as Chairman of Government Operations. The report on subversion and espionage in the Signal Corps covers only the period of the MCCARTHY inquiry. The Democrat members of the Permanent Subcommittee on Investigations specifically disassociated themselves from Senate Report 230 with the statement "we cannot accept either the credit or responsibility for this report." This statement was signed by Senators MCCLELLAN, JACKSON of Washington, and SYMINGTON of Missouri.

In January 1953, Senator MCCARTHY received a confidential report naming 34 individuals, principally at the Signal Corps Radar Laboratories at Fort Monmouth. These reports were based chiefly on FBI investigations begun in 1947.

The Senate hearings began in August 1953, and continued until March 1954, with 126 witnesses examined in executive session, plus some 200 staff interviews with officials and Army officers. Of the first 126 witnesses examined, 41 invoked the fifth amendment when interrogated on subversive activities and Communist affiliations.

"It was established during the investigations that the Rosenberg spy ring obtained secrets from the Army Signal Corps and transmitted them to Russia. Julius Rosenberg and his wife, Ethel Greenglass Rosenberg, were convicted and executed for conspiracy to commit espionage. Rosenberg successfully used Signal Corps contacts in attempts to obtain contracts for two companies with which he was associated. He made frequent trips to Signal Corps officials in Philadelphia for the dual purpose of ob-

taining these contracts and seeing his espionage contacts. While Rosenberg was employed at the Army Signal Corps installation at the Emerson Radio Co., he stole the proximity fuse and handed it over to a Russian agent."

The committee named Joel Barr as one member of the Rosenberg spy ring. He had been employed in the radar laboratories at Fort Monmouth and later at the Sperry Gyroscope Co., which was engaged in secret military production. Barr since has fled the United States and "is reported to be living behind the Iron Curtain."

Another member of the Rosenberg spy ring and a close Barr associate was Vivian Glassman, wife of Ernest Pataki, a former employee of the Federal Telecommunications Laboratory, at Nutley, N. J. Pataki was identified as "a member of the secret Communist Party cell, which operated at the laboratories." A third civil employee identified as a member of the Rosenberg spy ring at Fort Monmouth was Alfred Sarant. He too since has fled the country and is now reported to be living behind the Iron Curtain.

Morton Sobell, a fourth member of the Rosenberg apparatus is now serving a 30-year prison sentence for conspiracy to commit espionage. He had been employed by the Reeves Instrument Corp. which was engaged in classified work for the Army Signal Corps. "It was determined that the operation of the Rosenberg spy ring, which had as its purpose the obtaining of radar secrets for Russia, never stopped and could possibly be continuing to this very day," the committee report continues (p. 3).

David Greenglass, brother of Rosenberg's wife, was interviewed by members of the McCarthy subcommittee in the penitentiary at Lewisburg, Pa., where he is now serving a 15-year term for his connection with the Rosenberg conspiracy. This interview was held on November 24, 1953. It inquired into the Kremlin conspiracy to steal the atomic-bomb secrets. At one point the committee asked Greenglass. "Did you give atomic secrets to Rosenberg and to Henry Gold for transmission to Russia?"

"Yes, when I was stationed at Los Alamos at the atomic-bomb project, I passed sketches and other information on the bomb to Rosenberg and to Gold at their request."

At another point Greenglass related that Rosenberg had admitted to him in conversation that while he was employed by the Signal Corps at Emerson Radio Co. "he stole the proximity fuse and gave it to the Russians (p. 4).

This espionage ring later transmitted to Russia the basic secrets of the United States guided missile program.

The committee report reveals that some of these basic defense secrets were stolen as long ago as 1937-39.

The report names 18 employees of the Federal Telecommunications Laboratories at Nutley, N. J., as members of the Communist Party cell in that operation.

The report also reveals that a special unit of the Communist Party, called the Shore club, was organized in Monmouth County, N. J., "for the specific purpose of infiltrating the secret Army Signal Corps Laboratories at Fort Monmouth."

Andrew J. Reid, who had been attached to the security office at Fort Monmouth for 13 years, told the committee he had repeatedly furnished his superiors the names of many employees he considered very dangerous. But nothing happened. The suspected employees were kept on year after year.

One member of the Rosenberg group had been employed at Fort Monmouth for 15 years. His wife, when finally obtained by the Senate committee, showed that as early as 1946 he had been charged with having 43 classified documents belonging to the Army Signal Corps in his private apartment. For this gross violation of security he had been suspended for 10 days. Later he was promoted to be chief of one of the most important radar sections at Fort Monmouth.

After examining this personnel file at Fort Monmouth the Senate committee asked the Army for a complete photostatic copy of the record. Some days later when the photostats were delivered "it was discovered that the Army had removed certain documents," before transmitting the personnel file to the committee.

Aaron Coleman, the principal covered in this personnel file, was identified in the report as having attended a meeting of the Young Communist League with Julius Rosenberg in 1937.

"Who took you to the meeting of the Young Communist League?" Coleman was asked.

"Rosenberg," he responded.

Coleman and Rosenberg had been students together at the College of the City of New York, where both had been active in the Young Communist League, along with Morton Sobell, Joel Barr, Henry Nathan Shoiket and Morris Savitsky.

Three employees of the Federal Telecommunications Laboratories at Nutley, N. J., testified it was common knowledge around that plant that Harry Hyman, another employee, "was connected with the Communist Party." During his examination by the committee, Hyman invoked the fifth amendment more than 50 times.

Another witness disclosed that Hyman had made "several hundred telephone calls" from his New Jersey base to Army Signal Corps employees in such widely scattered installations as the Aberdeen Proving Ground, Aberdeen, Md., Fairchild Airplane Corporation, Farmingdale, N. Y., Navy Air Rocket Testing Station, Dover, N. J., Air Force Transportation Depot, Newark, N. J., and the Electronics Research Associates, North Caldwell, N. J. In response to questions about these calls, Hyman in each case invoked the fifth amendment.

The Senate committee staff document 76 phone calls from Hyman to the Federal Telecommunications Laboratories, alone, during 1952-53.

Questioned about these numerous calls, Hyman repeatedly invoked the fifth amendment.

Ruth Weiner Levine, who had been employed by the Federal Telecommunications Laboratories more than ten years, appeared before the committee on December 11, 1953. She had been granted a top-secret clearance by the United States Air Force on March 29, 1950. This clearance gave her access to drawings and diagrams of all the secret projects under way at Nutley. Three witnesses identified Miss Levine as an active member of the Communist Party cell which operated in the FTL at Nutley. She invoked the fifth amendment on all questions relating to Communist activities and affiliations.

Albert Shadowitz, a former employee at Aberdeen Proving Grounds, Md., and the Federal Telecommunication Laboratories at Nutley, had been exempted from military service in World War II because of the importance of his classified work in radar. In invoking the fifth amendment, Shadowitz told the Senate committee he did so on the personal advice of the late Dr. Albert Einstein, who had advised him "not to cooperate with this or any other committee of a similar nature." Under Federal indictment for his refusal to answer committee questions, Shadowitz's trial now is pending.

To date 35 employees of the Army Signal Corps at Fort Monmouth have been suspended on security grounds. Eleven other workers in private-enterprise establishments engaged in top-secret military production, including General Electric, Zenith Engineering, Kay Electric, Arma Corp., and others, have been suspended, discharged, or have resigned, following publication of the subcommittee hearings. The security system at the Federal Telecommunications Laboratories has been reorganized from top to bottom.

Within 2 weeks of the beginning of the Senate committee's inquiry into Communist espionage at Fort Monmouth, a long overdue cleanup began.

While this effort apparently has not been pushed with enthusiastic vigor by the Signal Corps, the Senate report serves at least to apprise the Nation on one vital point in current history—how the Russian Air Force gained all our most prized military secrets in radar and aviation electronics.

Future historians one day will trace out precisely who was responsible for this egregious act of treason and betrayal within the Army Signal Corps.

The Immigration Picture Today

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1955

Mr. LANE. Mr. Speaker, under leave granted I wish to include the following address I delivered over station WORL, Boston, Mass., on Saturday, July 9, 1955:

Just a few hundred years ago, the country now known as the United States had the same rivers and mountains and plains and geographical outlines that it has today. Plus a few scattered Indian tribes.

No one else.

Now it has 166 million people. Where did they come from? Over 99 percent of them are immigrants or the descendants of immigrants.

They came in great waves, between the Civil War and World War I—hopeful and hard-working—spreading the energy of freedom across the land—developing the farms and building the cities.

What has happened to this liberating process; to the immigration that has made America?

The stream has been reduced to a trickle of 200,000 a year.

Of course we cannot throw away the gates and permit everyone to enter the United States, because we would be suffocated by the rush of those who know our country to be a paradise on earth. We could not provide accommodations and employment fast enough for them.

Everyone is agreed that immigration must be regulated in fairness to ourselves and the newcomers.

The method of regulation, however, is the subject of serious criticism.

Back in 1924 Congress established the quota system. Under this formula, each country was assigned a certain percentage of the total number of immigrants coming to the United States each year, based on that nationality's percentage of the United States population in 1920.

These ratios, while mathematically fair, indirectly favored the racial groups that first came to this country. That quota system is still the basic immigration law. Under it more than two-thirds preference is given

to the nationals of northern and western Europe. Great Britain and Ireland are assigned 55 percent of the whole. Countries like China, India, and Japan, whose people were once excluded from entry, now have quotas permitting 100 to 185 of their nationals to emigrate to our country each year.

There are some exceptions.

People from Canada, and the Republics of Latin-America, can come in any number. Wives, husbands, and children of American citizens are also free to enter.

The quota system is riddled by contradictions. Great Britain and Ireland use only one-third of their quota, while other countries have long waiting lists.

The latest figures show that 65,000 can come from Great Britain and Northern Ireland each year, but only 21,000 avail themselves of the privilege. The Irish Republic has a quota of 17,000, but only 5,000 are admitted. The Scandinavian quota is 6,000. That of France is 3,000, Poland 6,000, and Italy 5,000. Great Britain, Ireland, and Germany are permitted to send over 108,000—out of a world quota of 154,000.

Canada and South America, unlimited, send 80,000.

Families of United States citizens account for 30,000.

Total admissions, under these categories, total 208,000 each year.

The system of quotas by national origin is weighted heavily in favor of Anglo-Saxons and northern Europeans. Other Europeans, as well as the Asian races, have a very slim chance of coming to the United States as permanent residents.

Between 1945 and 1948 several laws were passed that allowed 500,000 refugees, war brides of American military personnel, and others to enter the United States outside of the quota system.

Two additional laws have led to considerable controversy.

The first, known as the McCarran-Walter Act, passed in 1952, reaffirmed the quota system, setting a limit of 154,657 on the number of immigrants who may come from Europe, Africa, and Asia each year.

The second piece of legislation was the Refugee Relief Act of 1953.

It permits 209,000 refugees to enter the United States over and above regular quotas, and before December 31, 1956. In addition, it provides visas for 5,000 refugees who are presently in the country.

The law allows 102,000 refugees from communism who are temporarily living in Western Europe, the NATO nations, and Iran to find sanctuary here. Provision is made for 2,000 refugees from Palestine, 7,000 from the Far East, and 94,000 Italians, Greeks, and Dutch, as well as 4,000 orphans. Of this total of 209,000, only 16,000 had been admitted up to April 8 of this year.

The delay in carrying out this program has caused considerable dissatisfaction, especially among the refugees themselves, who are discouraged by some of the unreasonable requirements.

To get a visa he must give satisfactory personal history for 2 years preceding his application. In our strict efforts to screen these people in order to prevent subversive elements from being smuggled into the United States under the refugee law, we are penalizing good and innocent people. In many cases, due to the fact that they have fled from Soviet-occupied countries, it is impossible for them to prove their personal history for the 2 years preceding their application.

Oftentimes because they have no relatives or friends in the United States, they cannot obtain guaranties of jobs and homes from United States citizens.

Religious and charitable organizations are doing their best to assist these people, but Government redtape continues to "foul up" the implementation of the Refugee Relief Act.

The McCarran-Walter Immigration Act was passed over President Truman's opposition and his veto.

The Refugee Relief Act was later passed to ease its severity, which was causing us to lose goodwill among our friends and allies abroad. Relief was turning out to be repressive.

In January 1955, Edward Corsi, of New York, prominent Republican, was hired to get the Refugee Relief Act going. After 3 months he was fired by Secretary of State John Foster Dulles. This touched off a storm of charges and countercharges.

Senator HERBERT LEHMAN, Democrat, of New York, introduced a bill to correct deficiencies in the act.

President Eisenhower recommended a similar bill.

The Democratic and Republican bills agree that religious and welfare organizations in the United States should be given more opportunity to sponsor immigrants, and that the requirement of a detailed 2-year personal history prior to application should be repealed.

Summing up this new approach to the problem, the President observed on May 27, and I quote: "This 2-year history in the case of recent escapees is often impossible to obtain. Yet these are the very people who have been actively stimulated to risk the perils of escape by our own information program broadcast throughout the Iron Curtain. I have faith in the competence of our security personnel, and I recommend that this inflexible requirement be eliminated from the law, leaving it to the sound discretion of the security officer to make his recommendations on the basis of all the facts available."

Previously, on January 2, 1953, President Truman's Commission on Immigration and Naturalization advised that the McCarran-Walter Act should be completely revised because it was "an arrogant, brazen instrument of discrimination based on race, creed, color, and national origin."

To me, as a Congressman, it seems a cruel breach of faith that we should urge people to escape from Communist-controlled countries, and then permit them no opportunity to come to a free country.

Or to turn our backs upon such good friends as the Italian and Greek peoples, who have sacrificed so much for freedom's cause, only to find that they are less welcome as immigrants than others who have less desire to come to the United States.

The McCarran-Walter Act increased the 1924 quotas by only 657, even though immigration has been scanty since 1924, and even though our country is much stronger economically and in a position to accommodate more refugees from tyranny, poverty, and despair.

We could at least double the quotas to 300,000 and easily assimilate the newcomers.

Commonsense would declare that we should pool unused quotas, and assign them, at least temporarily, to those people who must presently wait for years before they can ever hope to be admitted to the United States.

Leading clergymen of all faiths and officials of our labor unions strongly support a more liberal immigration policy in keeping with our traditions and our growth.

No wonder that other nations find it difficult to understand us when we preach freedom on one hand and become unduly suspicious of others by some of our actions.

People rightfully resent the lopsided quota system which, in effect, grades the nationals of the various nations, tabbing some as preferred candidates and others as unwanted.

They are inclined to believe that we talk a great game of freedom, but fail to play it on the level.

Evidence of this is found in the law which treats naturalized citizens as inferior to those who were born in this country. You and I believe that all citizens are equal, but the law makes unfair distinctions. Under it naturalized immigrants can be deprived of their citizenship and evicted from the country, whereas native-born citizens are not subject to these fears and anxieties.

We must be guided, of course, by certain measures necessary to our security, but that is no justification for a narrow and rigid immigration policy which betrays the fact that we are not sure of ourselves.

Nor is it any excuse for a Refugee Relief Act whose clear intent is being sabotaged by the State Department.

Snobbishness is alien to the true American spirit.

Up to this strange cold war era, the assumption has been that a person wanting to come to the United States, being of good health and good character, would respond to the opportunity and become an asset to himself and to the country of his adoption.

That faith has been vindicated in so many tens of millions of individual cases, making our great Nation what it is today, that it is difficult to understand how any American can distrust it now.

The present immigration curtain bears an odious resemblance to the Iron and Bamboo Curtains.

It is a betrayal of fundamental American principles, and is an insult to our friends abroad.

The sooner we unbend and take the wraps off the Statue of Liberty the better will be our leadership of the free world.

The United States can never afford to become isolationist or sufficient unto itself.

Let us welcome more of the oppressed and hopeful to our land.

Proving our faith in freedom and humanity.

Facts Versus Fiction on Surplus Crops From the Colorado River Storage Project

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 30, 1955

Mr. DIXON. Mr. Speaker, on May 19, 1955, the gentleman from southern California [Mr. HOLIFIELD] spoke in opposition to the upper Colorado River storage project. Because his talk conveyed many misimpressions, I requested the opportunity to reply so that the facts can be brought to light.

He began his attack upon the Colorado River storage project with this statement:

Here we are confronted with two conflicting policies both endorsed by the President. One policy calls for sharp reductions in farm price supports and a decrease in agricultural acreage. The other calls for spending enormous sums of public money to build two extremely costly desert reclamation projects which would produce more farm products to be supported by the Nation's taxpayers.

I feel sure that the administration leaders realize they have created a dilemma that

can lead to serious difficulties for them. I also feel that the Nation is entitled to an explanation as to how this conflict is to be resolved. (RECORD, May 19, p. 6681.)

In essence, Mr. Speaker, the gentleman from southern California says: Why build the upper Colorado River storage project, which will bring more land into production when we already have staggering surpluses?

These two major policies on the surface do appear perhaps to be in conflict; however, when certain specific factors are considered in detail they make it abundantly clear that there exists no conflict between our agricultural and reclamation programs, at least insofar as the upper Colorado River storage project is concerned. Such factors include:

First. The nature of agriculture and the type of crops grown in the upper basin States of Utah, Colorado, Wyoming, and New Mexico, and their relationship to the current problem of agricultural surpluses.

Second. The anticipated elimination of the present surpluses by the Department of Agriculture by 1962.

Third. Anticipated population changes and projected food and fiber requirements by 1975.

Fourth. Our ability to meet the projected food and fiber requirements in light of the anticipated increase in population growth by 1975.

Detailed consideration of and elaboration with respect to the facts concerning these four items and their inter-relationships will provide the explanation to which the gentleman from southern California rightly says the Nation is entitled. However, such detailed consideration must necessarily be lengthy. So, Mr. Speaker, rather than replying in the manner in which the gentleman from southern California made his attack upon the Colorado River project, I shall present only part of the true facts today with the other parts to follow on consecutive legislative days.

Now, Mr. Speaker, first let us examine the present status of the price support program and Mr. HOLIFIELD'S remarks thereto. As he put it:

> The flood from the farms continues to pour in on the Commodity Credit Corporation. (RECORD, May 19, p. 6681.)

As of April 30, 1955, according to a news release dated June 7, 1955, from the Department of Agriculture, the investment of the Commodity Credit Corporation in price-support commodities amounted to $7,261,338,000. This was made up of loans outstanding in the amount of $2,692,553,000 and the net value of inventories in the amount of $4,568,785,000.

The interesting thing which this press release reports though, Mr. Speaker, is the fact that four basic commodities—cotton, corn, tobacco, and wheat—accounted for all but a small portion of the nonrecourse commodity loans made by the Commodity Credit Corporation. Of the loans outstanding, these four commodities, supported under the rigid 90-percent price support program, amount to $2,295,127,235 in the following amounts:

Cotton, upland, 6,639,106 bales	$1,134,908,935
Corn, 273,276,386 bushels	427,157,476
Tobacco, 804,857,653 pounds	404,968,344
Wheat, 145,269,213 bushels	328,092,477
Total CCC loans	2,295,127,235

With respect to the cost of these price-support programs on the basic commodities—wheat, corn, cotton, tobacco, peanuts, and rice, Secretary Benson told the House Agriculture Committee, of which I am a member, during the hearings on H. R. 12 that—

> The total realized cost directly chargeable to the basic commodities during the period 1932–54 is $5,077,100,000 for all programs primarily for the stabilization of farm prices and income attributable to the basic commodities as follows:

	Millions
Corn	$1,228.2
Cotton	1,581.4
Peanuts	163.0
Rice	35.3
Tobacco	97.0
Wheat	1,972.2
Total	5,077.1

> These realized costs for basic commodities are attributable to the following programs:

	Millions
CCC nonrecourse loan purchase and payment programs	$198.1
CCC supply, commodity export, and other activities	59.6
International Wheat Agreement	602.4
Emergency assistance to Pakistan and other friendly peoples	73.1
Removal of surplus agricultural commodities	556.3
Federal Crop Insurance	71.6
Acreage allotment payments under the Agricultural Conservation program	1,666.3
Agricultural Adjustment programs (principally acreage allotments and marketing quotas)	76.7
Parity payments	967.1
Retirement of cotton pool participation trust certificates	1.3
Agricultural Adjustment Act of 1933 and related acts	505.6
Agricultural Marketing Act revolving fund and payments stabilization corporations for loans incurred	286.4
Distribution costs on CCC stocks for emergency feed program	12.6
Total	5,077.1

(Hearings on H. R. 12, pp. 47 and 50.)

Now let us next examine the relationship between the surpluses of basic commodities and the type of agriculture pursued in the four upper basin States of Colorado, Utah, Wyoming and New Mexico. The outstanding fact, Mr. Speaker, is that there is very little connection between these present surpluses on basic commodities, which I described in detail a moment ago, and the type of agricultural products which primarily are now produced in these four States and which will continue, by and large, to be produced on the lands irrigated by Colorado River water when the participating projects are built. Why? Simply because the primary crops grown in the four upper basin States in question are not in surplus and are not likely to be in surplus. Also I might add that the primary commodities produced are not now enjoying the benefits of the Department of Agriculture's price support program.

In Utah, only 7 percent of the cash receipts of farmers in 1953 came from the sale of basic commodities—notably wheat. But 99 percent of this wheat not only is nonirrigated, but also is grown in those parts of the State which will not benefit from Colorado River water brought into the States through any of the proposed participating projects.

In Colorado, farmers received about 18 percent of their income in 1953 from the sale of basic commodities, of which 17.6 percent is derived from wheat. But, and this is important to remember, this Colorado wheat is grown mostly in eastern Colorado on "dry-farmed" land. This area also will not receive or be the beneficiary of Colorado River water. Wyoming farmers received 8 percent of their 1953 income from the sale of basic commodities. Now New Mexico farmers received 38 percent of their income in 1953 from basic commodities. It is true that 37 percent of this was derived from the sale of cotton produced in southern New Mexico. But this cotton will be grown whether the Colorado River project becomes law or not. Only one proposed participating project is located in New Mexico—the San Juan Chama—but even if it were constructed, none of its waters would find its way to this area.

It is evident, Mr. Speaker, that the type of crops grown in these four upper basin States on land which will receive water diverted from the Colorado River are not in surplus. But then the logical question arises: What is the nature of agricultural production in these upper basin States? The answer is that cattle and sheep and dairy products comprise the main commodities produced in these four States. For example, in 1952, according to the United States Bureau of the Census, 70 percent of the income which Utah farmers received was derived from the sale of livestock. Nor has the situation altered very much since that time. The publication, Statistical Summary, published in May 1955, by the Agricultural Marketing Service of the Department of Agriculture, indicates that Utah farmers for the month of March 1955 derived 84 percent of their income from livestock and its products, and 82 percent in April 1955 according to the Statistical Summary just released. Thus it is evident that agriculture in the upper basin States is fairly well limited to the type of commodities that can be grown and raised on mountain and desert ranges and in our high altitude valley. For diversification it does not compare with California, which is perhaps the greatest diversified agricultural area in the world.

The nature of agricultural production and its dependence upon water development such as the Colorado River storage project in the Colorado Basin has been very ably described by the President's

Water Resources Policy Commission in 1950 as follows:

Range use and irrigation developments are somewhat complementary in the Colorado Basin. Although the range is used by a large proportion of the livestock year-long, the production of hay for feed and the use of irrigated lands for pasture contribute an important farm use. In the upper basin, livestock farms predominate, averaging nearly 40 percent of all farms, and ranging from 78 percent in Wyoming to 28 percent in New Mexico. In the lower basin almost 37 percent of the farms are livestock and dairy farms. • • •

Cropland is a necessary adjunct to the range because of the need for providing supplemental feed to carry stock through severe winters and dry summers. Effective use of the range is not possible without forage from croplands, and many croplands would have little value except in connection with the use of rangeland.

Unquestionably as additional water is made available for irrigation, there will be an expansion in pasture feeding, permitting greater integration of range and pasture use. As population in nearby States increases, the percentage of finished stock is almost certain to increase. (Ten Rivers in America's Future: No. 5 Colorado River, vol. 2, pp. 80–81.)

This conclusion, Mr. Speaker, is also borne out by the 1954 Agricultural Census of Emery County, Utah, which was just released by the United States Census Bureau. Now, I should like to call to your attention the fact that the participating project known as the Emery County project will provide water for 3,630 acres of new land and supplemental water for 20,080 acres of land which now has only a partial supply in Emery County, Utah.

The 1954 census figures for Emery County indicate that there are in Emery County, Utah: 725 farms or ranches, of which 403 produce only cattle; only 20 produce grains—wheat, barley and oats; only 51 are dairy farms; only 36 are poultry farms; only 5 are fruit farms; only 30 are diversified or general farms; and 180 are classified as miscellaneous, most of which are not producing crops for sale.

It is evident, therefore, that the lands which will receive project water will not be used in the production of the crops, vast amounts of which the Commodity Credit Corporation has acquired.

This concludes my remarks today, Mr. Speaker, in reply to Mr. HOLIFIELD's May 19, 1955, attack upon the upper Colorado River storage project. Tomorrow, I shall continue my reply by discussing another aspect of his unwarranted attack relating to the type and quantities of agricultural commodities to be grown on Colorado River project lands.